



TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: February 19, 2014

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – James V. Gorman, Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Welcome – James V. Gorman, Chairman**
6. **Secretary’s Report**
 - Board Meeting Protocol
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **Executive Director’s Report:**
 - Update on Meetings with Army Representatives
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
10. **Committee Reports**
 - Audit Committee – Robert Ades, Chairman
 - Real Estate Committee – James V. Gorman, Chairman
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman
 - Historical Preservation Staff Advisory Committee – Robert Ades, Chairman
 - Housing Staff Advisory Committee – Charles Richman, Chairman
 - Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Board Actions**

- Consideration of approval to terminate the Offer to Purchase process with regard to Parcel B on Fort Monmouth's Main Post without awarding a purchase contract and approval to issue a new Request for Offers to Purchase (RFOTP) for Parcel B
- Consideration of approval of a Redevelopment Agreement between AcuteCare Management Services, LLC (AcuteCare) and FMERA with respect to AcuteCare's purchase and redevelopment of the former Patterson Army Health Clinic
- Consideration of selection of Professional Management and Maintenance Service Provider for Suneagles Golf Course and Associated Banquet/Restaurant Facilities

12. **Other Items**

13. **Public Comment Regarding Any FMERA Business**

14. **Executive Session – OPMA EXEMPTION N.J.S.A. 10:4-12b(5) and (7):** Pending Real Estate and Contract Negotiations with the Army

15. **Adjournment**

MINUTES OF THE MEETING

I. **Members of the Authority present:**

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) - V
- Robert Ades, Vice Chairman, Public Member – V
- Dr. Robert Lucky, Public Member – V
- Peter Simon, Assistant Counsel, Authorities Unit, Office of the Governor – V
- John Tobia, Monmouth County Director of Public Works and Engineering – V (designee for Lillian Burry)
- Gerald Tarantolo, Mayor of Eatontown – V
- Gerald Turning, Mayor of Tinton Falls – V
- Michael Mahon, Mayor of Oceanport – V
- Tim Lizura, President and Chief Operating Officer, New Jersey Economic Development Authority (NJEDA) - V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)
- Mary Ellen Clark, Assistant Commissioner, NJ Department of Labor & Workforce Development
- Jonathan Lowy, Regional Manager, Government and Community Relations, NJTransit (NJT)

V - Denotes Voting Member

Members Not Present

- Charles Richman, Deputy Commissioner, NJ Department of Community Affairs (DCA)

Also present:

- Bruce Steadman, Executive Director and Secretary, FMERA
- Gabriel Chacon, Deputy Attorney General (DAG)
- FMERA staff

II.

The meeting was called to order by Chairman James V. Gorman at 7:00p.m., who led the meeting in the Pledge of Allegiance.

In accordance with the Open Public Meetings Act, FMERA Executive Director and Secretary, Bruce Steadman, announced that notice of the meeting was sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and the NJEDA websites.

The first item of business was the approval of the December 18th meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Mayor Mahon.

Motion to Approve: TIM LIZURA Second: MAYOR MAHON
AYes: 8

Mayor Turning abstained from voting stating he was not at the December meeting.

III. WELCOME

Chairman James V. Gorman welcomed attendees to the meeting. Mr. Gorman stated that copies of the Board package were available at the door, and in response to public comment the Board package was posted to the FMERA website in the afternoon to give the public the opportunity to review the information in advance of the meeting. Mr. Gorman stated that the Board will continue to evaluate this effort in the future.

Mr. Gorman welcomed Mayor Turning of Tinton Falls on his new membership to the Board as Mayor.

Mr. Gorman stated that the Board would receive updates from the Committees and the Staff Advisory Committees. Mr. Gorman stated that there will be two Board Actions, Consideration of Approval of a Purchase & Sale Agreement and Redevelopment Agreement with HovWest for Howard Commons, and Consideration of Approval for FMERA staff to enter into Exclusive Negotiations for a Purchase Agreement pursuant to the Request for Offers to Purchase (RFOTP) for Russel Hall.

The Chairman went on to state that there will be two comment periods at the meeting. The first comment period is for agenda items only and the Chairman asked for the public's cooperation in keeping their comments as brief as possible. The Chairman explained that the second public comment period is towards the end of the meeting agenda and is open to the full range of FMERA business. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible due to the full agenda. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

IV. SECRETARY'S REPORT

Bruce Steadman stated that there were no Secretarial items to report.

V. TREASURER'S REPORT

Beverlee Akerblom, Director of Finance and Administration, stated that the Authority has submitted its appropriation request to the New Jersey Office of Management and Budget for their review and inclusion in the state's fiscal year 2015 budget. The State appropriation is required to satisfy the local match requirement of the federal grant received through the Office of Economic Adjustment. The Authority's 2015 funding request of \$245,135 is less than its 2014 state appropriation, and reflects our continuing dedication to controlling costs, and eliminating unnecessary spending. As FMERA advances its land transfer and redevelopment strategy, and opportunities for revenue through sales and leasing develop, future state appropriation requirements will be reduced.

The Authority's Independent Auditors, Clifton Larsen Allen, have begun work on their initial audit of the Authority's operations. The Auditors will report on the Authority's 2013 financial statements and accompanying notes. Additionally, the auditors will report on the Authority's internal controls and compliance in accordance with Government Auditing Standards and OMB Circular A-133. The Auditors will begin their field work the week of February 3rd.

Ms. Akerblom concluded her report by stating that spending continues to be strictly monitored.

VI. PUBLIC COMMENT REGARDING AGENDA ITEMS

Bob English of Eatontown asked what the estimated close date would be for Howard Commons. Mr. Steadman stated that it was too early to make a determination as there were several factors that need to be completed on the site plan before an official submission can be made. Mr. Steadman stated that FMERA will be conducting informed meetings with the members of the Eatontown Planning Board and Engineering department to discuss any issues on the property.

Mr. English asked if HovWest will need site plan approval and NJ Department of Environmental Protection (NJDEP) permits before closing on the property and was answered yes.

Tom Mahedy of Wall Township asked who the three evaluators were for the RFOTP for Russel Hall. Mr. Steadman stated that the evaluation teams are made up of a round-robin group of 8-9 people who review the RFOTPs. Mr. Steadman stated that the names are inconsequential and that all proposals are independently scored according to the Authority's Rules for the Sale of Real and Personal Property. The staff then makes a recommendation to the Real Estate Committee and upon the Committee's review a recommendation is made to the Board.

Mr. Mahedy asserted that the Kiely Group was the only proposer for Russel Hall and the company does a lot of public work and makes political contributions on every level. Mr. Mahedy stated that any Board member who has received a political contribution from Kiely or HovWest should recuse themselves from approving the Board Actions. Mr. Steadman stated that there have been 25-30 RFOTPs issued and the responses vary due to the proposer's ability to improve the property (i.e., renovations and utilities of the property). The number of proposers for any parcel is based on supply and demand. Based on these issues, the proposals tend to narrow the potential bidders. FMERA is also bound by the Economic Development Conveyance Agreement (EDC) which requires FMERA to sell the property at the average price of the appraisals completed by FMERA and the Army. Mr. Steadman stated that there are no secret deals that occur due to the specific process that must be followed.

DAG Gabriel Chacon explained that by law all submitted proposals must include form Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions and there are no exceptions. Mr. Chacon stated that these forms are submitted to Treasury for approval.

Dr. Lucky stated that the Board members are required to take Ethics training and are responsible to recuse themselves on any Board Actions as per the Ethics training.

Sara Breslow stated that it is up to the public to do oversight and not up to the public to trust Board members to recuse themselves. Ms. Breslow asked if the Environmental Staff Advisory Committee (ESAC) had the opportunity to review any information regarding Howard Commons before it goes to the Board for approval. Mr. Steadman stated that the Advisory Committees are briefed and asked to address issues and offer input. Mr. Steadman stated that the makeup of the Committees is a cross-section of professionals with multiple experience bases so FMERA staff benefits from a balanced perspective.

VII. EXECUTIVE DIRECTOR'S REPORT

Rick Harrison, Director of Facilities Planning stated that FMERA continues to advance the Phase 2/Main Post EDC discussions with the Army. FMERA has exchanged a number of proposals, or deal points, addressing various issues and concerns. The Army's priorities and objectives have been a moving target but we are keeping pace with that. Discussions have been both frank and productive and they are continuing, however, there are some hurdles to get over or around. FMERA believes that we will come to terms and are on track to have an executed Phase 2 EDC Agreement with the Army before the end of the second quarter 2014.

Mr. Harrison stated that as of the proposal due date for Suneagles Golf Course operator of January 3rd, one responsive proposal was received. FMERA staff is currently reviewing the only compliant proposal, submitted by our current operator, Atlantic Golf Management, and hopes to bring a recommendation to the Board at the February meeting of the Authority.

Mr. Harrison stated that FMERA has also re-advertised the RFP for Auctioneering Services. One prospective bidder attended the mandatory pre-proposal conference on December 17th. Given the weather and holiday season it was decided to re-advertise after the first of the year and to issue an addendum to the RFP scheduling a second pre-proposal conference on January 28th in hopes of getting a larger response. The Proposals are due on February 21st.

FMERA also anticipates issuing a Request for Proposals (RFP) for Property Maintenance Services in the near future.

Dave Nuse, Director of Real Estate Development, gave the following summary of the status of the RFOTPs that FMERA has issued:

Howard Commons

- FMERA will be presenting a Purchase & Sale Agreement and Redevelopment Agreement for the Howard Commons site for the Board's approval at tonight's meeting.
- This 64-acre parcel on Pinebrook Road in Eatontown is intended to be developed into 275 units of housing and 15,000 sf of retail space.

Officer Housing

- FMERA staff issued an RFOTP for the Officer Housing parcel in Oceanport on January 16, 2013.
- These 117 historic housing units are planned for renovation consistent with the Fort's Reuse Plan.
- Proposals were due on April 1, 2013 and two proposals were received.
- FMERA staff and an Army representative have evaluated and ranked the proposals in accordance with our Sales Rules, and we are currently in negotiations with the higher ranked proposer.

Parcels B, C and C1

- On March 26, 2013 FMERA publicly issued separate RFOTPs for Parcels B, C and C1. Proposals for all three parcels were due on June 10, 2013. Four developers submitted proposals on Parcel B, three submitted proposals for Parcel C, and three submitted proposals for Parcel C1, with some firms submitting multiple scenarios for redevelopment.
- Parcel B is a 55-acre mixed-use tract located along the Fort's Route 35 frontage in Eatontown.
- Parcel C is a 39-acre tract in Tinton Falls that's planned as a mixed-use town center.
- And Parcel C1 is a 12-acre housing tract also located in Tinton Falls.
 - FMERA staff and an Army representative have evaluated and ranked the proposals in accordance with the Authority's sales rules. We initiated meetings with the highest ranked firms in October and discussions are on-going. We anticipate bringing recommendations to the Board in the 1st Quarter of 2014.

Russel Hall

- An RFOTP was issued for Russel Hall on September 6, 2013.
- Russel Hall is a 42,000 SF, 4-story office building located within the Fort's historic district in Oceanport.
- One proposal was received on November 7, 2013.
- Staff has reviewed the proposal and met with the bidder.
- FMERA will be asking the Board for permission to enter into exclusive negotiations with the Kiely Group at tonight's meeting.

Parcel V-1

- FMERA issued an RFOTP on September 6, 2013 for Parcel V-1, and 2 proposals were received on December 6, 2013.
- Parcel V-1 is a 10-acre tract in Eatontown, which is proposed as the site of a Veterans Community.
- Staff is in the process of evaluating and scoring the proposals.

The Fabrication Shops (a/k/a Pinebrook Road Commerce Center).

- FMERA issued an RFOTP for the Fabrication Shops on September 6, 2013.
- The Fabrication Shops consist of 5 flex/industrial buildings and 1 small administration building on 6.5 acres in Tinton Falls.
- The buildings are well-suited for small business use.
- 3 proposals were received on November 20, 2013. Staff has begun evaluating the proposals in accordance with our Sales Rules.

Marina

- FMERA issued an RFOTP for the Marina property in Oceanport on October 25, 2013.
- The property consists of a 71-slip marina, boathouse and launch ramp on 3.9 acres.
- Proposals are due by January 27th.

Pistol Range

- FMERA posted an RFOTP for the indoor Pistol Range in Tinton Falls on November 22, 2013.
- The Range is an 11,000 sf building completed in 2006 that's equipped with 10 indoor firing stations.
- The Range will be open for a walk-thru on February 4th between 10 am and 4 pm.
- Proposals are due by February 24th.

Charles Wood Fire House

- FMERA posted an RFOTP for the Charles Wood Fire House in Tinton Falls on December 20th.
- The Fire House is a 12,000 sf structure on Corregidor Road built in 2001.
- Proposals are due by March 20th.

FMERA anticipates issuing several additional RFOTPs over the next few months which include:

- Fitness Center in Oceanport, which includes a pool, basketball and racquetball courts, and a health club, targeted for release in January;
- Fort Chapel in Oceanport, also planned to be issued in January; and
- Suneagles Golf Course in Eatontown, which is slated to be issued in March.

Our RFOTPs and our marketing flyers are posted on FMERA's website:

www.fortmonmouthredevelopment.com.

Marketing Update

Katie Hodes, Marketing and Development Officer stated that FMERA continues to work with Cushman & Wakefield (Cushman), the Authority's Master Broker, to market the Fort property. FMERA and Cushman conduct, on average, a half a dozen tours per week of the Property. In addition, FMERA, Cushman and the Partnership for Action have been meeting monthly to expand our efforts and utilize additional resources that will enhance the marketing of the Fort.

Ms. Hodes stated that FMERA anticipates issuing an RFP in the upcoming months for services to upgrade the FMERA website. The website is intended to create a more accessible and user-friendly site for the public and our stakeholders.

Bruce Steadman concluded the report with a list of the following action items:

- Continued work with the N.J. Department of Environmental Protection and Langan-Matrix to identify and resolve environmental issues of concern

- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities

Mayor Tarantolo asked if there is an available list of the environmental issues of concern. Mr. Steadman stated that there is an active list of areas of concerns (AOCs) which is published by the Army via the Restoration Advisory Board (RAB). Mr. Steadman stated that Langan-Matrix will be at the February meeting of the Authority and will address the AOCs.

Mayor Tarantolo asked what happens if the leasing agreement with Suneagles conflicts with the issuance of the RFOTP. Rick Harrison stated that there is no lease but there is an operating agreement and the term of the new agreement will be from April 2014-March 2015. Mr. Harrison stated that there are clauses in the short-form contract stating that the operating agreement can be terminated subject to the sale of the golf course.

Mayor Tarantolo asked if no demolition is permitted at Howard Commons until the site plan is approved. Mr. Steadman stated that HovWest cannot close on the property until the Borough of Eatontown approves the site plan, and demolition would begin two months after closing.

VII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee did not meet this month.

b) REAL ESTATE COMMITTEE (JAMES V. GORMAN, CHAIRMAN):

Chairman Gorman, stated that the Committee met on January 7th and discussed the following:

- Overview of the Purchase and Sale Agreement and Redevelopment Agreement with HovWest for Howard Commons. The Committee reviewed the fines that would be imposed to the extent that HovWest fails to achieve certain new jobs at the property, it will pay the Authority a penalty for each job not created. The Committee agreed to recommend the approval of the PSA to the full Board at tonight's meeting.
- Overview of the RFOTP for Russel Hall stating that FMERA has met with the Kiely Group regarding the purchase of Russel Hall and would like to ask the Board for staff to enter into Exclusive Negotiations for a Purchase and Sale Agreement. The Committee agreed to recommend the approval for FMERA to enter into Exclusive Negotiations to the full Board at tonight's meeting. Mayor Mahon abstained from voting.
- Overview of the status of the Parcel B RFOTP. Due to the ineligibility of the top scoring proposer, resulting from a pay-to-play issue, staff met with the second-scored proposer and discussed in detail their proposal relating to for-rent/for-sale housing and the retail/commercial component. After the meeting and a subsequent discussion with the proposer, staff believes the second-scored proposal falls short of the overall quality standard set forth in the Reuse Plan. A review of the other proposals submitted for Parcel B met with a similar staff opinion. Although these proposals comply with the technical requirements of the Reuse Plan, staff believes they fall short of the spirit and intent of the Reuse Plan for this extremely important parcel's redevelopment for a high quality Lifestyle Center and Eatontown Gateway, referring to wording in the Reuse Plan such as, "vibrant pedestrian environment" and "exciting gateway". The Committee hopes to fulfill these qualitative objects, because the spirit and intent of the Reuse Plan sets the bar very high for this very important Eatontown project.
- Update on AcuteCare/Clinic Parcel status. AcuteCare plans to close on the parcel on or about March 1, in advance of the termination of the current 6-month due diligence extension under the PSA.
- Update on the Homeless Obligation Fund and the HUD-approved Legally Binding Agreements (LBAs) with four homeless providers. The Committee was updated that the distributions to the LBAs will be

impacted by future sales of the property. 180 Turning Lives Around is expected to be the first LBA to receive payments.

- Update on the status of the Phase 2 MOA/EDC discussions with Army. The Committee is please with the progress made by the staff based on progress made this week with the Army. FMERA expects to be able to deliver to the Board an outline of key deal points to be discussed during executive session at the February board meeting.
- Update on the Auctioneer Services RFP. The Committee asked the staff to extend the RFP response period to attract additional bidders.
- Update on Officer Housing
- Update on Parcels C & C1
- Update on Marina
- Update on Pinebrook Road Commerce Center
- Update on Parcel V-1
- Update on CWA Fire Station
- Update on Pistol Range
- Update on Fitness Center
- Update on Main Post Chapel
- Update on Golf Course Operator

Mayor Tarantolo asked that due to the statement regarding the need for an amendment to the Reuse Plan, would it require a super majority vote. Mr. Steadman stated that the Kiely proposal was for commercial office use instead of an institutional office use as stated in the Reuse Plan and therefore it would require a Plan Change Amendment. The super majority vote would be necessary for the change in plan, but not for the exclusive negotiations.

DAG Chacon stated that the Board Action at tonight's meeting does not require a super majority vote, however, if a Plan Change Amendment is needed, it would require a super majority vote.

c) ENVIRONMENTAL STAFF ADVISORY COMMITTEE (KENNETH J. KLOO, CHAIRMAN):

Kenneth J. Kloo, stated that the Committee did not meet this month.

d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee did not meet this month.

e) HOUSING STAFF ADVISORY COMMITTEE (CHARLES RICHMAN, CHAIRMAN):

Bruce Steadman, on behalf of Charles Richman, stated that the next Committee meeting is scheduled to meet on January 29th.

f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER LILLIAN BURRY, CHAIRWOMAN):

John Tobia, on behalf of Lillian Burry, stated that the Committee did not meet this month. Mr. Tobia, on behalf of Ms. Burry, stated that the Committee is awaiting a Veterans Community which is long overdue.

VIII. Board Actions

A) The next item before the Board was the consideration of approval of a Purchase & Sale Agreement and Redevelopment Agreement with HovWest for Howard Commons.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 1.

Bruce Steadman stated that the board memo mirrored the resolution and provided additional backup information.

A motion was made to approve by Mayor Tarantolo and was seconded by Tim Lizura.

Mayor Tarantolo stated that he was pleased that the Howard Commons project was beginning and was a long time coming.

Tim Lizura stated that the EDA Board looks forward to concurring on the Purchase and Sale Agreement.

Mr. Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Robert Ades			X
Dr. Robert Lucky	X		
Peter Simon	X		
John Tobia	X		
Gerald Tarantolo	X		
Gerald Turning	X		
Michael Mahon	X		
Tim Lizura	X		

Robert Ades abstained from voting stating that he objects to the prevailing wage provision in the RFOTP and FMERA should not be allowed to impose prevailing wage on a private company as it impacts the financial objective of FMERA and the taxpayers of each of the host municipalities.

Motion to Approve: MAYOR TARANTOLO Second: TIM LIZURA
AYes 8

B) The next item before the Board was the consideration of approval for FMERA to enter into Exclusive Negotiations for a Purchase and Sale Agreement pursuant to the Request for Offers to Purchase for Russel Hall.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 2.

Bruce Steadman stated that the board memo mirrored the resolution and provided additional backup information.

A motion was made to approve by Tim Lizura and was seconded by John Tobia.

Motion to Approve: TIM LIZURA Second: JOHN TOBIA
AYes 8

Mayor Mahon abstained from voting stating that a college age family member was previously employed as a temporary seasonal employee for Kiely in the summers of 2008 and 2009.

Mr. Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Robert Ades	X		
Dr. Robert Lucky	X		
Peter Simon	X		
John Tobia	X		
Gerald Tarantolo	X		
Gerald Turning	X		
Michael Mahon			X
Tim Lizura	X		

IX. Other Items

There were no other items for discussion.

Public Comment

Sara Breslow of Eatontown asked if the minutes from the ESAC meeting regarding Howard Commons would be made available to the public now that the Board approved. Mr. Steadman stated that the PSA will not take effect until after the 10-day veto period and the PSA is executed. Mr. Steadman stated that the Staff Advisory Committees (SACs) meetings are summarized by each Chair at the Board meeting, and these summaries are contained on-line. Because the SACs are non-voting, there is no requirement for public presentation or public minutes.

Mr. Kloo stated that at each Board meeting, he reports on the ESAC meeting and the report is published. Mr. Kloo stated that any reports that are published and presented to the DEP case manager are available through the Open Public Records Act from the DEP.

Mark Reagan of Eatontown asked if the dwelling descriptions for Parcels B, C, & C1 can be consistent for each parcel. Mr. Steadman stated that the dwelling descriptions are in the Reuse Plan and not language that was developed by FMERA in the RFOTP process.

Tom Mahedy of Wall Township asked again for the names of the evaluators of Russel Hall and was answered no, but the score sheets and results are available once the transaction is closed. Mr. Steadman stated that the evaluation process is consistent with the Sales Rules and the process is very effective and transparent. The results of the Real Estate Committee votes are available for review.

Mr. Gorman stated that the evaluators are required to take Ethics training and must recuse themselves if they have a conflict of interest.

Mr. Mahedy asserted that the Pistol Range was built in 2006 when the Fort was closing and the law states that no construction was to occur after the 2005 BRAC closing. Mr. Mahedy questioned if the range was built for a private entity in order that it is sold to a private entity in the future. He was answered no.

Mr. Mahedy asserted that Kiely is very involved with South Jersey Gas and that there is collusion occurring. Mr. Mahedy stated that there is a sweet heart deal with the liquor license at Suneagles. Mr. Steadman stated that the liquor license has been brought up on at least ten occasions and has been clarified to Mr. Mahedy that the license is issued by the Alcohol and Beverage Commission (ABC). Mr. Steadman also stated the Kiely Company has a 60-year reputation for integrity and business success.

Mr. Mahedy demanded that the public be allowed to attend all of the Committee meetings. Mr. Mahedy stated that the public is entitled to have information on the campaign contributions made on a municipal, county and state level and the Board is responsible in providing to the public. Mr. Mahedy was told all information provided by proposers is ultimately available through OPRA for successful bidders.

There being no further business, on a motion by Mayor Tarantolo seconded by John Tobia and unanimously approved by all voting members present, the meeting was adjourned at 8:30p.m.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board Meeting.

A handwritten signature in black ink, appearing to read 'B. Steadman', written over a horizontal line.

Bruce Steadman – Secretary

ADOPTED
January 15, 2014

Resolution Regarding the
Authorization for
the Fort Monmouth Economic Revitalization Authority (FMERA)
to Enter into a Purchase and Sale Agreement and Redevelopment Agreement
(“PSA&RA”)
with HovWest Land Acquisition, LLC (“HovWest”) for Howard Commons

WHEREAS, the Legislature enacted the Fort Monmouth Economic Revitalization Authority Act (“Act”), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Authority”); and

WHEREAS, on December 14, 2012 FMERA issued and publically advertised a Request for Offers to Purchase (“RFOTP”) for Howard Commons with a response date of January 28, 2013; and

WHEREAS, Howard Commons is a 63.67 acre tract on Pinebrook Road in the Fort’s Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with a 3,853 sf general purpose building; and

WHEREAS, FMERA received proposals from six development entities: American Properties at Monmouth, LLC, BNE Real Estate Group/Sterling Properties Joint Venture; Fieldstone Associates, LP, HovWest, Somerset Development, LLC and US Home Corporations, a wholly owned subsidiary of Lennar Corporation. Five of the six respondents provided compliant proposals, and American Properties was deemed non-responsive; and

WHEREAS, all proposals were scored independently by an evaluation committee, and HovWest received the highest score; and

WHEREAS, HovWest also submitted the highest price proposal; and

WHEREAS, as provided in the Authority’s Rules for the Sale of Real and Personal Property, the FMERA Staff determined during the evaluation process of the proposals received that there was a high likelihood that negotiating with HovWest will lead to an acceptable sales contract between FMERA and HovWest; and

WHEREAS, at the Authority’s July 17, 2013 Meeting, the Board authorized FMERA to enter in to exclusive negotiations with HovWest, in accordance with the Authority’s Sales Rules; and

WHEREAS, on August 28, 2013 HovWest executed the Exclusive Negotiations Agreement and provided an additional 10% deposit in accordance with the Authority’s Sales Rules; and

and **WHEREAS**, the exclusive negotiations have resulted in the attached PSA&RA;

WHEREAS, the Real Estate Committee has reviewed the attached PSA&RA and recommends it to the full Board of Directors for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of HovWest as the purchaser of the Howard Commons parcel in the Eatontown Section of the former Fort Monmouth property pursuant to the December 14, 2012 Request for Offers to Purchase, on terms substantially consistent to those set forth in the attached memorandum and the attached PSA&RA and with final terms acceptable to the Executive Director and the Attorney General’s Office, and authorizes the Executive Director to execute the PSA&RA and take any necessary actions to effectuate the selection of HovWest as the purchaser of the Howard Commons parcel.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: January 15, 2014
ATTACHMENT

EXHIBIT 1

ADOPTED
January 15, 2014

**Resolution Regarding the
Consideration of Authorization for FMERA Staff to Enter into Exclusive Negotiations for
a Purchase Agreement Pursuant to the Request for Offers to Purchase (RFOTP) for
Building 286 (Russel Hall)**

WHEREAS, the Legislature enacted the Fort Monmouth Economic Revitalization Authority Act (“Act”), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Authority”); and

WHEREAS, on September 6, 2013, FMERA issued and publically advertised a Request for Offers to Purchase (RFOTP) for Building 286 (Russel Hall) with a response date of November 7, 2013, 62 days after the issuance of the RFOTP, in connection with the planned redevelopment of Russel Hall in Oceanport; and

WHEREAS, the Russel Hall parcel is approximately 6.5 acres in size, and includes the former Army office building #286 consisting of 42,300 square feet, with the accompanying paved and parking areas, and greenspace; and

WHEREAS, FMERA received one proposal from Kiely Realty Group, LLC (Kiely). Kiely’s proposal was compliant with the RFOTP and proposes a commercial office use instead of an institutional office use; so, an amendment to the Reuse Plan will be needed to complete the sale; and

WHEREAS, the proposal was scored independently by an evaluation committee; and

WHEREAS, as provided in the Rules for the Sale of Real and Personal Property, FMERA staff has determined during the evaluation process that there is a high likelihood that negotiating with Kiely will lead to an acceptable sales contract between the parties, and, if exclusive negotiations are approved, Kiely will make an additional deposit of 10% of the proposed purchase price that will be credited to Kiely at closing; and

WHEREAS, the FMERA Real Estate Committee recommends that the Board of Directors authorize the FMERA Staff to enter into exclusive negotiations with Kiely for a purchase agreement pursuant to the RFOTP for Russel Hall.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority authorizes the FMERA Staff to enter into exclusive negotiations with Kiely for a purchase agreement pursuant to the RFOTP for Russel Hall.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: January 15, 2104
ATTACHMENT

EXHIBIT 2



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: February 19, 2014

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include an Update on the Status of the Federal Grant and FMERA Financials; Update on Meetings with Army Representatives; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort and Action Items for Next Month.

Treasurer's Report.

1. Federal Grant Status: New Grant Application

A new grant application is being prepared to support the Authority's operations for the period July 1, 2014 through June 30, 2015. The funds being requested from the Office of Economic Adjustment are consistent with the budget approved by the Authority's Board for fiscal year 2014 and presented to the State's Office of Management and Budget (OMB) in support of the Authority's appropriation request.

2. 2013 Comprehensive Annual Report of the Authority

Staff is preparing the Authority's 2013 Annual Report for presentation to the Audit Committee with the audited financial statements for the year ended December 31, 2013. The Annual Report and the audited financial statements serve as FMERA's comprehensive annual report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in early March, and finals presented to the Board in April.

The Authority's independent accounting firm is nearing completion of the field work on the 2013 audit of the Authority. The 2013 fiscal year represents the Authority's first full year of operation under the Phase 1 EDC Agreement. The auditors will report on the Authority's financial statements and accompanying notes, as well as the Phase 1 EDC agreement. Additionally, the auditors will report on the Authority's internal controls and compliance in accordance with Government Auditing Standards and OMB Circular A-133. The auditors will report their findings to the Audit Committee at the Committee's next meeting. Subject to the Audit Committee's recommendation, the 2013

Comprehensive Annual Report including the audited financial statements will be forwarded to the Authority's Board for their review.

3. Budget

Spending continues to be strictly monitored.

Executive Director's Report.

1. Update on Meetings with Army Representatives

FMERA and the Army continue to have regular discussions on the future transfer of the balance of the Main Post, to be accomplished under a Phase 2 Memorandum of Agreement (MOA). The meetings and conference calls are productive and are helping to further a positive working relationship that will result in a revitalized former Fort Monmouth, and job creation. FMERA hopes to have an executed Phase 2 MOA with the Army by the third quarter of 2014.

2. Update on RFOTPs

The following is a summary of the status of the RFOTPs that FMERA has issued:

Officer Housing

FMERA staff issued an RFOTP for the Officer Housing in the Historic District of the former Fort on January 16, 2013. The Officer Housing is intended for residential reuse consistent with the Fort Monmouth Reuse and Redevelopment Plan. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase 2 EDC Agreement with the Army. Proposals for the Officer Housing were due on April 1, 2013 and two proposals were received. FMERA staff evaluated the proposals in accordance with the Authority's sales rules, and staff has begun negotiations with the higher ranked proposer.

Howard Commons

At the January 15, 2014 meeting of the Authority the Board approved a Purchase & Sale Agreement and Redevelopment Agreement (PSA&RA) for Howard Commons with HovWest Land Acquisition, LLC (HovWest). FMERA's recommendation for approval of the PSA&RA with HovWest was approved by the EDA Board on February 11.

Howard Commons is a 63.67-acre tract on Pinebrook Road in the Fort's Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with a 3,853 sf general purpose building. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the demolition of the existing improvements due to their age, condition, density and design, and their replacement with 275 dwelling units and approximately 15,000 sf of ancillary retail/commercial space. In accordance with the Reuse Plan, 20% of the new units will be affordable housing qualified.

Parcels B, C and C1

On March 26, 2013 FMERA publically issued RFOTPs for Parcels B, C and C1. Proposals for each of the three parcels were due on June 10, 2013. Four proposals were received for Parcel B, three proposals were received for Parcel C, and three proposals were received for Parcel C1, with some firms submitting multiple scenarios for redevelopment. FMERA staff evaluated the proposals in accordance with the Authority's Sales Rules, and has begun discussions with the highest ranked proposers.

Parcel B is a 55-acre tract located along the Fort's Route 35 frontage in the Main Post's Eatontown Reuse Area. The Reuse and Redevelopment Plan calls for Parcel B to be developed as a high quality lifestyle center, with approximately 150,000 square feet of retail, restaurant, entertainment and other uses in a Main Street format, along with 302 mixed-income apartments. FMERA will present a recommendation for approval to terminate the Offer to Purchase process without awarding a purchase contract, and issue a new RFOTP.

Parcel C is in the Tinton Falls Reuse Area and is planned as a mixed-use town center. The 39-acre lot can accommodate up to 239 newly constructed residential units, along with up to 107,000 square feet of retail and other commercial development.

Parcel C1 is a 12-acre tract also located in the Tinton Falls Reuse Area. In accordance with the Reuse Plan amendment #1, the property can accommodate up to 49 newly constructed residential units.

Parcel V-1

At the May meeting of the Authority, the Board approved making Parcel V-1 available through the offer to purchase process. Parcel V-1 is a 10-acre tract in the Eatontown section of the former Fort Monmouth which is being put out for bid for the purpose of establishing a Veterans Community. An RFOTP was publically issued for the parcel on September 6, 2013. Proposals were due on December 6, 2013 and two were received. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase 2 EDC Agreement with the Army. We look forward to a great project that will acknowledge the outstanding service to our country by military veterans. The two proposals received are currently being evaluated and scored in accordance with the Authority's Sales Rules.

Russel Hall

FMERA staff issued an RFOTP for Russel Hall on September 6, 2013. Russel Hall is a 42,300 sf, four-story administration building located on Sanger Avenue in the Oceanport Reuse Area of the Fort. FMERA staff has determined that Russel Hall will require a parcel measuring approximately 6.5 acres. The property is located outside of the Fort's Phase One project area, so FMERA's ability to sell the property will be contingent on execution of a Phase 2 EDC Agreement with the Army. Proposals were due on November 7, 2013 and one proposal was received. At the January 15, 2014, meeting of the Authority, the Board approved the recommendation to enter into exclusive negotiations with Kiely Realty Group, LLC, in accordance with the Authority's Sales Rules.

Fabrication Shops (Pinebrook Road Commerce Center at Fort Monmouth)

At the June meeting of the Authority, the Board approved making the Fabrication Shops (buildings 2501 – 2504, 2506 and 2507) available through the offer to purchase process. The five fabrications shops (buildings 2502-2504, 2506 and 2507) consist of flex (industrial/office) space in varying configurations. There is also a building (building 2501) on site that is well-suited for use as office space. The buildings together total approximately 44,000 sf. The Parcel is located off of Pinebrook Road in the Tinton Falls Reuse Area of Fort Monmouth. An RFOTP for the parcel was issued on September 20, 2013, proposals were due on November 20, 2013 and three were received. Staff has begun evaluating the proposals in accordance with the Authority's Sales Rules.

Marina

On October 25, 2013 an RFOTP was issued for the Marina Parcel in Oceanport. The Marina Parcel is 3.9 acres and is located on Oceanport and Riverside Avenues in the 400 area of the former Fort property. The Property consists of a 71-slip marina and boat launch ramp on Oceanport Creek; a 2,600 sf boat house (Building 450) constructed in 1986 and associated off-street parking. The Reuse Plan contemplates a marina/public boat ramp/restaurant on the property with the reuse of the existing marina building (Building 450). Proposals were due on January 27, 2014 and two were received. Staff has begun evaluating the proposals in accordance with the Authority's Sales Rules.

Pistol Range

On November 22, 2013 an RFOTP was issued for the Pistol Range. The Pistol Range (Building 2627) is a one story 11,110 sf building, equipped with 10 indoor firing lanes. The range was constructed in 2006. The facility sits on a 1-acre parcel in the Tinton Falls Reuse Area of the former Fort Monmouth. The pistol range's planned 1-acre parcel represents the minimum lot size needed to accommodate required parking and building set-backs. The Request for Offers to Purchase (RFOTP) allows respondents the option to provide alternate proposals that include the purchase of additional adjacent land and/or buildings. Proposals are due by noon on February 24, 2014.

3. Marketing Update

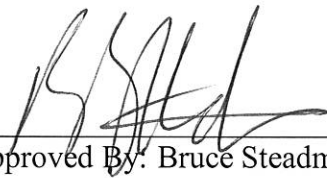
FMERA continues to work with Cushman & Wakefield (Cushman), the Authority's Master Broker, to market the Fort property. FMERA and Cushman conduct, on average, a half a dozen tours per week of the Property. In addition, FMERA, Cushman and the Partnership for Action continue to meet monthly to expand our efforts and utilize additional resources that will enhance the marketing of the Fort. We anticipate issuing a Request for Proposals for website design services in the coming weeks.

Please refer to our website, www.fortmonmouthredevelopment.com, for more information.

4. Action Items for Next Month.

- Continued work with the N.J. Department of Environmental Protection and Langan-Matrix to identify and resolve environmental issues of concern

- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities



Approved By: Bruce Steadman

Prepared by: Katie Hodes and Candice Valente

ADOPTED
February 19, 2014

Resolution Regarding
**Approval to terminate the Offer to Purchase process
with regard to Parcel B on Fort Monmouth's Main Post without
awarding a purchase contract and return the deposits
with accrued interest to the bidders;
and issue a new Request for Offers to Purchase (RFOTP)
Parcel B, in accordance with FMERA's approved sales rules**

WHEREAS, Parcel B is a 55.327 acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post; and

WHEREAS, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the 480,000± sf of existing buildings to be demolished and replaced with up to 150,000 sf of retail and commercial uses and 302 housing units, 20% of which must be affordable to low- and moderate-income households; and

WHEREAS, based on staff's recommendation, and with the Real Estate Committee's concurrence, the Board authorized proceeding with the offer to purchase process for Parcel B at the January 2013 meeting of the Authority; and

WHEREAS, on March 26, 2013, FMERA publically issued an RFOTP for Parcel B, with proposals due on June 10, 2013; and

WHEREAS, proposals were received from four entities, with one of the proposers offering multiple scenarios for development, as permitted by the RFOTP; and

WHEREAS, an Evaluation Committee consisting of three FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules; and

WHEREAS, the proposer that was ranked highest by the Evaluation Committee was disqualified for non-compliance with New Jersey's political contributions law, P.L. 2005, c. 51; and

WHEREAS, following the disqualification of the top scoring proposer, staff met with the second-ranked party to discuss its proposal, including how it addressed the Borough's preference for owner-occupied housing and the project's proposed retail/commercial component. After the meeting and a subsequent discussion with the proposer, staff believes the second-ranked proposal falls short of the high standards the Reuse Plan allows; and

WHEREAS, a review of the other proposals submitted for Parcel B met with a similar staff opinion, as none of the responses received proposed a lifestyle town center format

that blends residential use with retail use in a pedestrian friendly manner; and

WHEREAS, staff is requesting authority to issue a new RFOTP for Parcel B in order to meet the Reuse Plan's goal of creating a lifestyle town center that blends residential use with retail use in a pedestrian friendly manner, resulting in an exciting and attractive gateway to the Fort; and

WHEREAS, the new RFOTP should provide greater emphasis and weighting of proposals that reflect the preference of FMERA and the Borough of Eatontown for owner-occupied housing; and

WHEREAS, the Real Estate Committee has discussed terminating the Parcel B Request for Offer to Purchase process and issuing a new RFOTP for Parcel B and recommends approval of the matter to the full Board.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves terminating the Parcel B Request for Offers to Purchase process without awarding a purchase contract and issuing a new RFOTP for Parcel B, as set forth in the attached memorandum.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the termination of the Parcel B Request for Offers to Purchase process, including returning the deposit with any accrued interest to the bidder.

3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: February 19, 2014

EXHIBIT 1



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Closing out the Offer to Purchase Process for Parcel B
and Issuance of a New Request for Offers to Purchase the Property

DATE: February 19, 2014

Request

I am requesting that the Board authorize the Fort Monmouth Economic Revitalization Authority (FMERA) staff to: (i) terminate the Offer to Purchase process with regard to Parcel B on Fort Monmouth's Main Post without awarding a purchase contract and return the deposits with accrued interest to the bidders; and (ii) issue a new Request for Offers to Purchase (RFOTP) Parcel B, in accordance with FMERA's approved sales rules.

Background

Parcel B is a 55.327 acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for the 480,000± sf of existing buildings to be demolished and replaced with up to 150,000 sf of retail and commercial uses and 302 housing units, 20% of which must be affordable to low- and moderate-income households. Parcel B is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement (EDC Agreement) with the Army.

Based on staff's recommendation, and with the Real Estate Committee's concurrence, the Board authorized proceeding with the offer to purchase process for Parcel B at the January 2013 meeting of the Authority. The Board's decision took into account that the Authority's broker and FMERA staff had shown the property to several interested parties, and that staff believed that the issuance of an RFOTP rather than sealed bids would facilitate the selection of a developer committed to developing the site consistent with the high standards specified for this prominent parcel in the Reuse Plan. The January 2013 Board memorandum noted that, pursuant to the Reuse Plan, Parcel B is planned as a mixed-use area, incorporating retail and residential development. This will require staff to evaluate proposals with an emphasis on planning and design considerations, because the location, types and mix of uses developed on Parcel B will affect the property's value and its economic impact on adjacent areas of the Fort and the Borough of Eatontown. Given its prominent location and the importance ascribed to this property in the Reuse Plan, staff believed that negotiation with respondents would be necessary

to ensure that the objectives of the Reuse Plan are properly met, and that the value of the property, and adjacent tracts, is maximized.

Accordingly, on March 26, 2013, FMERA publically issued an RFOTP for Parcel B, with proposals due on June 10, 2013. Proposals were received from four entities, with one of the proposers offering multiple scenarios for development, as permitted by the RFOTP. An Evaluation Committee consisting of three FMERA staff members and one Army representative independently scored the proposals, and then met as a team to rank the responses in accordance with the Authority's Sales Rules. Subsequently, the proposer that was ranked highest by the Evaluation Committee was disqualified for non-compliance with New Jersey's political contributions law, P.L. 2005, c. 51.

Following the disqualification of the top scoring proposer, staff met with the second-ranked party to discuss its proposal, including how it addressed the Borough's preference for owner-occupied housing and the project's proposed retail/commercial component. After the meeting and a subsequent discussion with the proposer, staff believes the second-ranked proposal falls short of the high standards the Reuse Plan allows. A review of the other proposals submitted for Parcel B met with a similar staff opinion, as none of the responses received proposed a lifestyle town center format that blends residential use with retail use in a pedestrian friendly manner. Although these proposals generally comply with the technical requirements of the Reuse Plan, staff believes they fall short of FMERA's high expectations for this property. The Reuse Plan allows this extremely important parcel to be developed as a high quality Lifestyle Center and Eatontown Gateway. The Reuse Plan describes a "vibrant pedestrian environment" and "exciting gateway," with connectivity and interaction between the parcel's retail and residential components. At its January 2014 meeting, the Committee concurred with this assessment and with staff's commitment to fulfilling these qualitative objectives, because the spirit and intent of the Reuse Plan sets the bar very high for this important Eatontown project.

Staff is requesting authority to issue a new RFOTP for Parcel B in order to meet the Reuse Plan's goal of creating a lifestyle town center that blends residential use with retail use in a pedestrian friendly manner, resulting in an exciting and attractive gateway to the Fort. The new RFOTP will place greater emphasis on those qualities we think necessary to achieve the type of "vibrant pedestrian environment" and "exciting gateway" into the Fort that was envisioned in the Reuse Plan. For example, we recommend that proposals which provide the following be given a greater weight than those that do not:

- A pedestrian-oriented, "Main Street" retail spine that services in-line retail frontage, and is visually defined through a combination of architecture, paving materials, plazas, open space, fountains, public art, landscaping, creative use of water retention/detention basins, and other design features. Large-format retail should be reserved for a few key "anchor" locations.
- A pedestrian network which connects all of the retail uses to one another and to the nearby municipal and residential uses. Such pathways should include pedestrian amenities such as benches and picnic tables.
- Retail development characterized by a uniform architecture and design theme which incorporates complementary landscaping and streetscape improvements.

- Screening of parking from Route 35 by placing the retail buildings between Route 35 and the parking areas and/or a generous landscaped buffer through lawn areas, street trees, berms or other methods along the Route 35 frontage.
- Buildings oriented toward the Avenue of Memories in order to enhance the gateway into the Fort.
- Retail buildings which include residential dwelling units above.
- Other creative amenities or layout concepts that would make this a destination that will attract visitors to Eatontown, and make Eatontown residents proud of their community.

Additionally, the new RFOTP should provide greater emphasis and weighting of proposals that reflect the preference of FMERA and the Borough of Eatontown for owner-occupied housing. Proposals received from both RFOTPs for Parcel B will be treated as confidential until FMERA has completed negotiations for the sale and redevelopment of Parcel B.

The Real Estate Committee has discussed terminating the Parcel B Request for Offer to Purchase process and issuing a new RFOTP for Parcel B and recommends approval of the matter to the full Board.

Recommendation

In summary, I am requesting that the Board: (i) authorize FMERA staff to terminate the Offer to Purchase process with respect to Parcel B in Fort Monmouth's Eatontown Reuse Area without awarding a purchase contract and return the deposits with accrued interest to the bidders; and (ii) authorize the issuance of the new Request for Offers to Purchase Parcel B consistent with the objectives outlined above.



Bruce Steadman

Attachments: Phase One Map
Parcel B conceptual streetscape from Reuse Plan

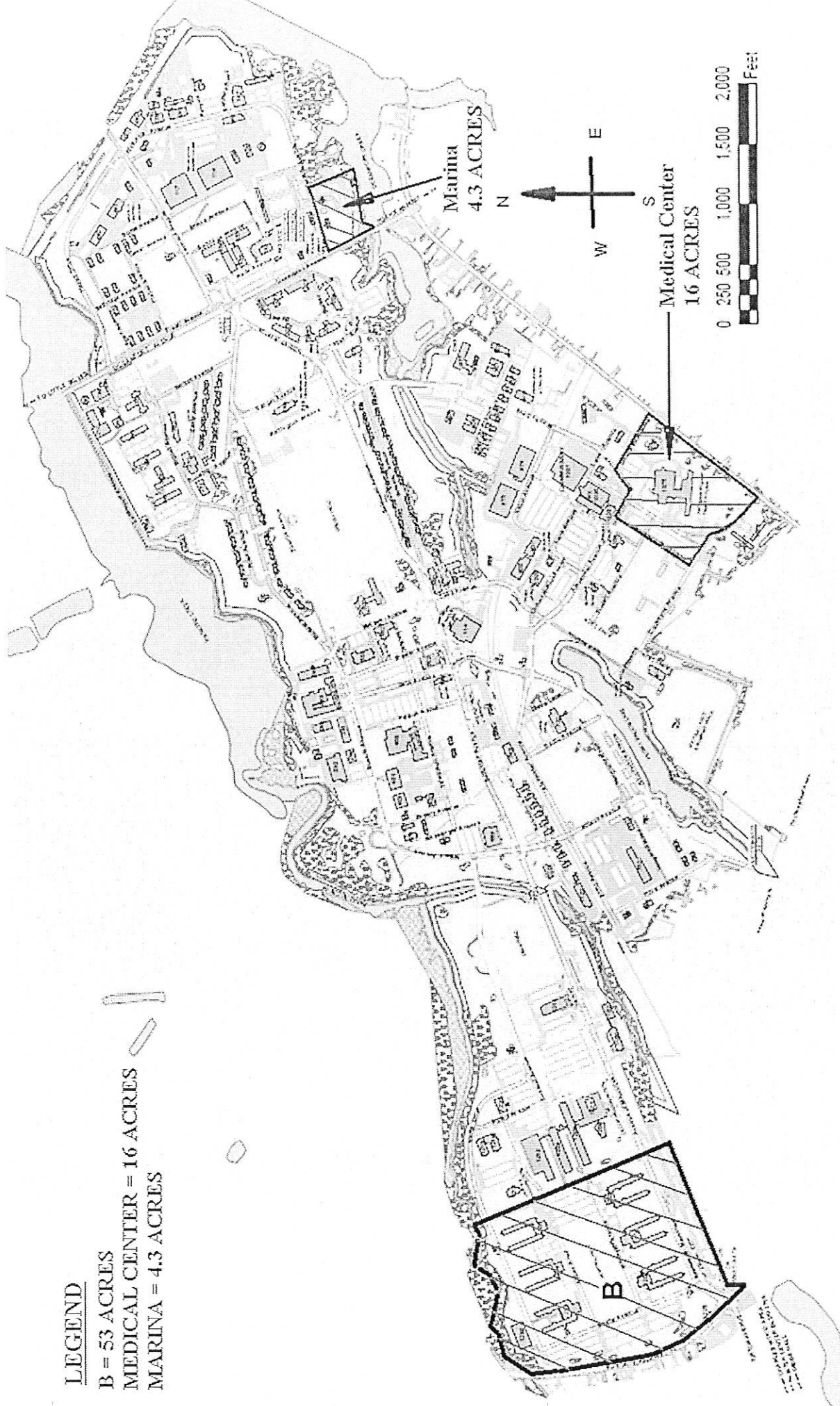
Prepared by: David E. Nuse

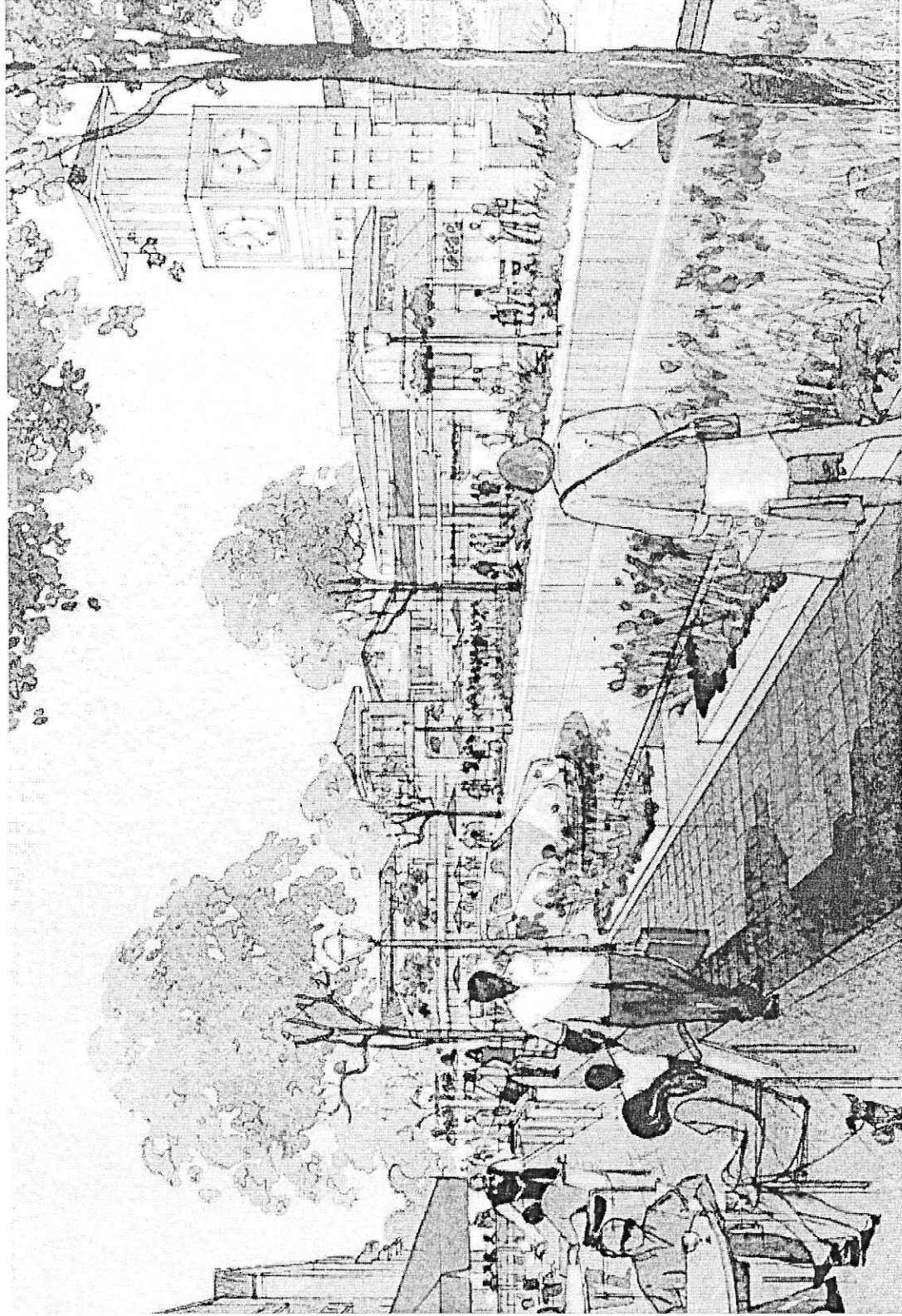
LEGEND

B = 53 ACRES

MEDICAL CENTER = 16 ACRES

MARINA = 4.3 ACRES





Artistic Rendering of Eatonville Lifestyle Center

Artist: Thomas W. Schaller

ADOPTED
February 19, 2014

Resolution Regarding
Approval of Redevelopment Agreement
between AcuteCare and FMERA

WHEREAS, the Clinic, also known as Building 1075, is a 98,000± sf medical facility situated on a 16± acre parcel on Main Street in the Oceanport Reuse Area of the Main Post. The Clinic was constructed in 1961 and was expanded several times in the following decades; and

WHEREAS, the Fort Monmouth Reuse and Redevelopment Plan (the “Reuse Plan”) envisioned that the Clinic would be demolished and the property redeveloped for a mix of residential uses totaling 85 units. The Reuse Plan, however, also acknowledged that additional analysis of the Clinic’s reuse potential should be explored; and

WHEREAS, in August 2011, FMERA issued a Request for Proposals for the early lease of the Clinic, with an obligation to purchase, and received one qualified proposal from AcuteCare; and

WHEREAS, in its proposal, AcuteCare proposed to reuse the property as a medical facility, serving the elderly, veterans and other patients, along with other related uses. Renovation of the facility by AcuteCare would also avoid the need to demolish this building at an approximate cost savings to FMERA of \$1 million; and

WHEREAS, at the February 2012 meeting, the Members authorized staff to pursue negotiations for the lease and ultimate sale of the Clinic to AcuteCare, subject to adoption of a Reuse Plan amendment; and

WHEREAS, at the August 2012 meeting, the Members approved the transmittal of proposed Reuse Plan Amendment #2 to the three Host Municipalities. Amendment #2 would permit an alternative development scenario in the Oceanport Reuse Area that, if pursued, would result in the reuse of the Clinic as a medical facility; and

WHEREAS, after considering the comments from the Host Municipalities, the statements and opinions of its professional consultants, and the advice of the Real Estate and Housing Committees, the Board approved Amendment #2 at the December 2012 meeting; and

WHEREAS, at its September 2012 meeting, the Board authorized the execution of a Purchase and Sale Agreement (“PSA”) for AcuteCare’s purchase of the property for \$2,733,300; and

WHEREAS, under the PSA, a condition precedent to FMERA’s sale of the Clinic to AcuteCare is the execution of a redevelopment agreement (“Redevelopment

Agreement”), as required by the FMERA Act; and

WHEREAS, the purpose of the Redevelopment Agreement is to set out the terms and conditions under which FMERA and AcuteCare will carry out their respective obligations with regard to the construction of the project, and the parties’ rights and remedies for non-compliance; and

WHEREAS, the Redevelopment Agreement confirms AcuteCare’s covenants contained in the PSA to start and complete the project consistent with the timeframes stated above, and bars AcuteCare from re-selling the property until receiving a certificate of completion from the Authority; and

WHEREAS, the Real Estate Committee has discussed the Redevelopment Agreement between AcuteCare and FMERA and recommends approval of the Agreement to the full Board.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Redevelopment Agreement between AcuteCare and FMERA as set forth in the attached memorandum and Redevelopment Agreement.
2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the Redevelopment Agreement with AcuteCare.
3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: February 19, 2014

EXHIBIT 2



MEMORANDUM

TO: Members of the Board of Directors

FROM: Bruce Steadman
Executive Director

RE: Redevelopment Agreement between AcuteCare and FMERA

DATE: February 19, 2014

Request

I am requesting the Members approve a Redevelopment Agreement between AcuteCare Management Services, LLC (“AcuteCare”) and FMERA with respect to AcuteCare’s purchase and redevelopment of the former Patterson Army Health Clinic (“Clinic”).

Background

The Clinic, also known as Building 1075, is a 98,000± sf medical facility situated on a 16± acre parcel on Main Street in the Oceanport Reuse Area of the Main Post. The Clinic was constructed in 1961 and was expanded several times in the following decades. At the time of the Fort’s closure, the Clinic served as an outpatient hospital and dental clinic. The Fort Monmouth Reuse and Redevelopment Plan (the “Reuse Plan”) envisioned that the Clinic would be demolished and the property redeveloped for a mix of residential uses totaling 85 units. The Reuse Plan, however, also acknowledged that additional analysis of the Clinic’s reuse potential should be explored.

Accordingly, in August 2011, FMERA issued a Request for Proposals for the early lease of the Clinic, with an obligation to purchase, and received one qualified proposal from AcuteCare. Its affiliate, AcuteCare Health System, LLC, operates long term acute care facilities that provide diagnostic, medical treatment, and rehabilitation services to patients in New Jersey. The company also provides various programs and services, such as pulmonary/ventilator, complex wound care, and low tolerance rehabilitation programs. AcuteCare Health System, LLC was founded in 2002 and is based in Lakewood, with a location in Long Branch.

In its proposal, AcuteCare proposed to reuse the property as a medical facility, serving the elderly, veterans and other patients, along with other related uses. Renovation of the facility by AcuteCare would also avoid the need to demolish this building at an approximate cost savings to FMERA of \$1 million.

At the February 2012 meeting, the Members authorized staff to pursue negotiations for the lease and ultimate sale of the Clinic to AcuteCare, subject to adoption of a Reuse Plan amendment.

In June 2012, the Authority entered into an Economic Development Conveyance (“EDC”) Agreement with the Army for redevelopment of Phase 1 of the Fort. The EDC Agreement designated the Clinic a Phase 1 property. Pursuant to the EDC Agreement, FMERA acquired title to the Clinic from the Army in September 2013.

At the August 2012 meeting, the Members approved the transmittal of proposed Reuse Plan Amendment #2 to the three Host Municipalities. Amendment #2 would permit an alternative development scenario in the Oceanport Reuse Area that, if pursued, would result in the reuse of the Clinic as a medical facility. This would be accomplished by incorporating the 80,000 sf wellness campus envisioned in the Reuse Plan into the reused Clinic, and relocating the 85 residential units that the Reuse Plan targeted for the 16-acre Clinic parcel to adjacent parcels in the Oceanport Reuse Area, with the types and densities of the redistributed units remaining the same as indicated in the Reuse Plan.

After considering the comments from the Host Municipalities, the statements and opinions of its professional consultants, and the advice of the Real Estate and Housing Committees, the Board approved Amendment #2 at the December 2012 meeting.

At its September 2012 meeting, the Board authorized the execution of a Purchase and Sale Agreement (“PSA”) for AcuteCare’s purchase of the property for \$2,733,300. AcuteCare will renovate the building for use as a health care facility and to make or cause to be made a capital investment of at least \$5 million, \$3 million in equipment and \$2 million in renovation and reconstruction (the Project”), with the company commencing work within 9 months of closing and completing the work within 36 months. The purchaser will also be obligated to create 50 new jobs on the property within 3 years of receiving a certificate of occupancy. To the extent that AcuteCare fails to achieve 50 new jobs at the property, it will pay FMERA a penalty of \$1,500 for each job not created, not to exceed \$75,000, which the purchaser shall secure with a bond or letter of credit acceptable to FMERA.

The PSA approved at the September 2012 meeting called for the purchaser to secure its obligation to complete the renovations by posting a \$2 million completion bond acceptable to FMERA. Based on subsequent discussions with its lenders, AcuteCare proposed removing FMERA’s repurchase option from the proposed PSA. FMERA staff agreed, but mandated that to further assure that AcuteCare completes the Project, the Redevelopment Agreement will include a covenant restricting the further transfer of the property by AcuteCare until the Project is completed to FMERA’s satisfaction. FMERA would still have a level of assurance that the Project will be completed on account of the bond that AcuteCare will post. AcuteCare also agreed to increase the amount of the bond from \$2 million to \$2.5 million. The Real Estate Committee considered these modifications and recommended them to the full Board, which approved the revised business terms at the January 2013 meeting of the Authority. The parties signed a PSA incorporating these business terms on March 14, 2013.

The Redevelopment Agreement between AcuteCare and FMERA

Under the PSA, a condition precedent to FMERA's sale of the Clinic to AcuteCare is the execution of a redevelopment agreement ("Redevelopment Agreement"), as required by the FMERA Act. The purpose of the Redevelopment Agreement is to set out the terms and conditions under which FMERA and AcuteCare will carry out their respective obligations with regard to the construction of the Project, and the parties' rights and remedies for non-compliance. Specifically, the Redevelopment Agreement confirms AcuteCare's covenants contained in the PSA to start and complete the Project consistent with the timeframes stated above, and the Redevelopment Agreement bars AcuteCare from re-selling the property until receiving a certificate of completion from the Authority. Note that the Redevelopment Agreement allows AcuteCare to substitute one or two letters of credit totaling \$2.5 million for the \$2.5 million completion bond required by the PSA. The amount of the bond or letter(s) of credit will be reduced to \$1.25 million upon AcuteCare's proof of investment of \$2.5 million in equipment, renovation or reconstruction (i.e. 50% of the minimum investment required in the PSA). The parties will also cooperate in the granting of easements and/or reservations of rights required to develop the Project and maintain utility services to the Clinic parcel and surrounding properties. These include off-site sight triangle easements that FMERA will obtain from the Army and transfer to AcuteCare, along with easements or reservations of rights for sewer lines and other utility infrastructure that FMERA will reserve in its deed to AcuteCare.

According to the minutes of its May 2, 2013 meeting, Oceanport's Borough Council adopted a resolution designating the Clinic property an Area in Need of Rehabilitation. We have not yet received an application from Oceanport requesting FMERA's consent to the designation. Under the Land Use Rules, any resolution designation an area in need of redevelopment or rehabilitation shall be expressly conditioned upon, and is not effective until, FMERA's consent to the designation. We anticipate that the Borough will provide an application for FMERA's consent to the designation and that the Council will consider an ordinance adopting a redevelopment plan for the area in the 2nd Quarter of 2014. That ordinance and redevelopment plan, along with a redevelopment agreement between the Borough and AcuteCare, will also be presented to the FMERA Board for its consent. While not a condition of closing, AcuteCare is pursuing a short-term property tax abatement on the property. The tax abatement agreement cannot occur before the Borough designates the Clinic as an Area in Need of Rehabilitation, adopts a redevelopment plan, and executes a redevelopment agreement with AcuteCare.

In the event Oceanport approves a tax abatement, Oceanport may designate a wholly-owned and controlled subsidiary of AcuteCare as redeveloper of the Clinic as part of the redevelopment process. AcuteCare will assign its redevelopment agreements with FMERA and Oceanport and its interest in the Project to that redeveloper, who will implement the Project in accordance with the provisions of the PSA and the redevelopment agreements.

The attached draft of the Redevelopment Agreement is in substantially final form. The final form of the document may be subject to revision, although the basic terms and conditions will remain consistent with its current form. The final terms of the Redevelopment Agreement will be subject to the approval of the Executive Director and the Attorney General's Office.

Recommendation

I am requesting the Members approve a Redevelopment Agreement between AcuteCare and FMERA with respect to AcuteCare's development of the Patterson Army Clinic, and any related documents necessary to implement the above, on final terms acceptable to the Executive Director and the Attorney General's Office.



Bruce Steadman
Executive Director

Attachment: Redevelopment Agreement
Prepared by: David E. Nuse and Candice A. Valente



ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]

ADOPTED
February 19, 2014

Resolution Regarding the
**Selection of the Professional Manager
for the Professional Management and Maintenance for
Fort Monmouth Sun eagles Golf Course and
Associated Banquet/Restaurant Facilities
Request for Proposals**

WHEREAS, Governor Christie signed the Fort Monmouth Economic Revitalization Authority Act (“Act”), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Authority”); and

WHEREAS, section 9(j) of the Act authorizes the Authority to issue Requests for Proposals; section 9(cc) to “administer, operate, . . . and maintain, renovate, repair, modernize, lease or otherwise deal with any property”; and section 9(gg) “[t]o make and enter into all contracts and agreements necessary or incidental to the performance of the duties authorized”; and

WHEREAS, on January 11, 2013, the Authority issued a Request for Proposals for Professional Management and Maintenance for Fort Monmouth Sun eagles Golf Course and Associated Banquet/Restaurant Facilities (“the RFP”) with a mandatory pre-proposal conference held on January 18, 2013 and bid submissions due by February 11, 2013; and

WHEREAS, an award was made and the Board approved FMERA to enter into a new contract with Atlantic Golf Management; and

WHEREAS, this award was challenged by Meticulous Golf Management and the challenge was upheld; and

WHEREAS, a re-bid RFP was issued on November 22, 2013 with proposals due on January 3, 2014. As of the proposal due date, January 3, 2014, one proposal was received; and

WHEREAS, the Atlantic Golf Management Proposal was reviewed for compliance with the RFP and scored and evaluated by an evaluation team; and

WHEREAS, the Technical Proposal was scored at 185, out of a maximum score of 200 and the Fee Proposal was then evaluated; and

WHEREAS, the fee proposal for Atlantic Golf Management totaled \$62,500 for the initial 12-month period. Should the Authority choose to exercise its right to extend the term of the contract on a month by month basis, the individual monthly fees in the Fee Proposal will remain unchanged; and

WHEREAS, the contract also allows the Authority to terminate it without penalty if the Authority no longer leases or owns the golf course; and

WHEREAS, the Real Estate Committee has discussed the selection of Atlantic Golf Management and recommends approval to the full Board.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves entering into a contract with Atlantic Golf Management for the services sought in the RFP as set forth in the attached memorandum subject to the terms and conditions set forth in this Resolution, the RFP and addendum, and Atlantic Golf Management's proposal.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the selection of Atlantic Golf Management as the Professional Manager.

3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: February 19, 2014

EXHIBIT 3



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Selection of Professional Management Services for Suneagles Golf Course

DATE: February 19, 2014

Summary

I am requesting the Members to consider approving the selection of Atlantic Golf Management for Professional Management and Maintenance Services at the Fort Monmouth Suneagles Golf Course and Associated Banquet/Restaurant Facilities.

Background

Governor Christie signed P.L. 2010 c. 51 on August 17, 2010 to create the Fort Monmouth Economic Revitalization Authority (FMERA or the Authority). The economies, environment, and quality of life of the host municipalities, Monmouth County, and the State will benefit from the efficient, coordinated, and comprehensive redevelopment and revitalization of Fort Monmouth.

In accordance with the federal Base Realignment and Closure law, Fort Monmouth was closed September 15, 2011. The Army continues to own the Fort property until such time as it can be conveyed to the Authority. In October 2011 the Army leased the golf course to the Authority for a 12 month term with an extension of up to six months and in April 2013 the Army renewed the golf course lease for a 12 month term with a six month extension.

Managing and maintaining the Suneagles Golf Course on Fort Monmouth and its associated banquet/restaurant facilities is key to preserving the property's value. The current contract with Atlantic Golf Management expired in October 2012 was extended on a month by month basis. An RFP was issued in January 2013 to request proposals to enter into a new contract for the operation of Suneagles Golf Course. Subsequently, an award was made and the Board approved FMERA to enter into a new contract with Atlantic Golf Management. This award was challenged by Meticulous Golf Management and the challenge was upheld. A re-bid RFP was issued on November 22, 2013 with proposals due on January 3, 2014. As of the proposal due date, January 3, 2014, one proposal was received. (Meticulous Golf Management did not submit a proposal.) Staff was advised via email that a second proposer was notified by FedEx that their proposal would arrive late due to the State of Emergency that existed on January 3, 2014. The staff considered accepting the late proposal due to a State imposed State of Emergency, however, the second proposer did not attend the mandatory pre-proposal conference held on December 3, 2013, which they acknowledged in the email. Therefore they were not eligible to submit a

proposal. Their late proposal was returned to them unopened. The Atlantic Golf Management Proposal was reviewed for compliance with the RFP and scored and evaluated by an evaluation team. The Technical Proposal was scored at 185 out of a maximum score of 200. The Fee Proposal was then evaluated. The total Fee proposed for the initial 12-month period is \$62,500. While this is lower than previous annual fees, the new contract requires the operator to lease new golf carts at an anticipated cost of \$50,00 and complete an estimated \$35,000 of course improvements. Therefore, as the Atlantic Golf Management was the only compliant proposal and it met all criteria called for in the RFP, the Evaluation Committee recommends that the Board approve the selection of Atlantic Golf Management as manager of the Fort Monmouth Suneagles Golf Course and Associated Banquet/Restaurant Facilities. Should the Authority choose to exercise its right to extend the term of the contract on a month by month basis, the individual monthly fees in the Fee Proposal will remain unchanged. The contract also allows the Authority to terminate it without penalty if the Authority no longer leases or owns the golf course.

The Real Estate Committee has discussed the selection of Atlantic Golf Management and recommends approval to the full Board

Recommendation

In summary, I am requesting the Members' approval to enter into a contract with Atlantic Golf Management for services sought in the Request for Proposals for Professional Management and Maintenance for Fort Monmouth Suneagles Golf Course and Associated Banquet/Restaurant Facilities.



Bruce Steadman

Prepared by: Rick Harrison

ADOPTED
February 19, 2014

Resolution Regarding
Entering into Executive Session
To Discuss Pending Real Estate and Contract Negotiations with the Army

WHEREAS, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(5), a public body may enter into executive session to discuss “[a]ny matter involving the purchase, lease or acquisition of real property with public funds . . . where it could adversely affect the public interest if discussion of such matters were disclosed”; and

WHEREAS, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(7), a public body may enter into executive session to discuss “[a]ny pending or anticipated . . . contract negotiation other than [a collective bargaining agreement] in which the public body is, or may become a party”; and

WHEREAS, the Authority desires to enter into executive session to discuss pending negotiations concerning contracts to purchase, lease or acquire real property from the U.S. Army with the use of public funds and the Authority is a party to such contracts.

THEREFORE, BE IT RESOLVED THAT:

1. In accordance with the Open Public Meetings Act, the Authority shall go into executive session for the purpose of discussing real estate purchase, lease or acquisition from and pending contract negotiations with the U.S. Army.

2. The Authority anticipates that the minutes of the executive session will not become available to the public until after such time as the subject purchase, lease or acquisition negotiations are concluded and the Authority determines that the need for confidentiality no longer exists and the matters discussed can be disclosed.

ATTACHMENT

Dated: February 19, 2014

EXHIBIT 4