

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
- Amy Herbold, Assistant Counsel, Authorities Unit, Office of the Governor – V (via telephone)
- Lillian Burry, Monmouth County Freeholder – V
- Gerald Tarantolo, Mayor of Eatontown – V
- Michael Mahon, Mayor of Oceanport – V
- Tim Lizura, President and Chief Operating Officer, NJ Economic Development Authority (NJEDA) – V
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (DCA)
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)
- Jeffrey Stoller, Assistant Commissioner, Office of Research and Information, NJ Department of Labor & Workforce Development (DOL)
- Jonathan Lowy, Regional Manager, Government and Community Relations, NJTransit (NJT)

V - Denotes Voting Member

Members Not Present

- Gerald Turning, Mayor of Tinton Falls – V

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 7:03p.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 February 19th meeting minutes. A motion was made to approve the minutes by Tim Lizura and seconded by Lillian Burry.

AYes: 8

The second item of business was the approval of the February 19th Executive Session meeting minutes. A motion was made to approve the minutes by Gerald Tarantolo and seconded by Michael Mahon.

Motion to Approve: MAYOR TARANTOLO Second: MAYOR MAHON
AYes: 8

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 protocol established at the February Board meeting will continue to be followed. Mr. Gorman stated that there are no Board Actions; therefore there will be one comment period in accordance with that protocol.

Mr. Gorman stated that the Board would receive updates from the Committees and the Staff Advisory Committees. Mr. Gorman thanked Bruce Steadman and the FMERA staff for their meeting with the Army and the successful efforts to approve and expedite the Phase 2 Economic Development Conveyance (EDC) negotiations with the Army for the current and future redevelopment efforts. Mr. Gorman stated that time is of the essence to the local communities to restore the economic stimulus due to the Fort closure. Mr. Gorman stated that the Board would enter into Executive Session to discuss highly confidential information related to the Phase 2 EDC.

The Chairman went on to state that there will be one comment period at the meeting based on the new meeting protocol. 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 the sound system in the Board meeting room has been retested and the volume has been increased. Mr. Steadman stated that the public is welcome to send comments to fmerein@njeda.com regarding the new board comment period protocol. Mr. Steadman stated that he had a conversation with Bob English from Eatontown regarding the new public comment protocol. Mr. Steadman stated that he received an email from Tom Mahedy of Wall Township regarding how FMERA operates and conducts business. Mr. Steadman asked Mr. Mahedy to be more specific regarding his request, and an answer would be provided.

V. TREASURER'S REPORT

Beverlee Akerblom, Director of Finance and Administration, stated that work continues on the federal grant application 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 (OEA) 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.

Ms. Akerblom stated that 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). The 2013 audit continues. 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. Ms. Akerblom concluded her report by stating that spending continues to be strictly monitored.

VI. EXECUTIVE DIRECTOR'S REPORT

Mr. Steadman stated that FMERA and AcuteCare closed on the Patterson Army Clinic today. Mr. Steadman thanked the FMERA staff, Dan Czermak of AcuteCare, Mayor Mahon and the Oceanport Planning Board for their assistance in bringing the Clinic to a close.

Dave Nuse, Director of Real Estate Development, gave the following summary of the meetings with Army Representatives:

- FMERA and Army staff have been holding discussions over the past year and a half regarding the terms of a Phase 2 EDC agreement.
- The EDC Agreement is the mechanism through which FMERA takes ownership of property from the Army and makes it available for private redevelopment. Staff met with Army representatives on March 6th in Washington and made significant progress toward an agreement covering the Main Post.
- FMERA's goal is to have an executed Phase 2 EDC Agreement with the Army by the end of the 3rd Quarter.
- FMERA staff will be briefing the Board on the status of the confidential Army negotiations in Executive Session.
- FMERA anticipates receiving a deed from the Army for the remaining Phase 1 properties on or about March 31. The Phase 1 EDC Agreement covers the Charles Wood Area in Tinton Falls and Eatontown, and three parcels on the Main Post. To date, FMERA has taken title to 2 Phase 1 parcels, Parcel E (Tinton Falls) and the Clinic Parcel (Oceanport), which were sold to CommVault and AcuteCare, respectively.

Rick Harrison, Director of Facilities Planning gave the following summary of the status of the Phase 1 Transition and the RFOTPs that FMERA has issued:

FMERA has a Phase One Transition Plan in place and discussions and agreements are underway to ensure the safety, security and upkeep of the Charles Wood Area, Parcel B, and Marina buildings and grounds, and roadways which will become the property of FMERA. FMERA is very pleased with the cooperation from the municipalities (including Fire Depts., Police Depts., Borough engineers and Public Works), the County, JCP&L, NJ American Water, TRWRA, NJ Natural Gas, the State Police and the local Army Caretaker workforce.

The following RFOTPs are open:

- Fitness Center issued on March 14th – Proposals are due May 9th.
- MP Chapel issued on March 14th – Proposals are due May 9th, and
- CWA Fire Station – Proposals are due March 20th.

The following proposals have been received in response to RFOTPs and are under evaluation:

- Pistol Range – 5 compliant proposals were received and are currently being evaluated.
- Parcels C & C1 – 3 proposals were received. FMERA hopes to have a recommendation to the Board at the April meeting.
- Parcel V-1 – 2 proposals were received.
- Pinebrook Commerce Center – 3 proposals were received. FMERA hopes to have a recommendation to the Board at the April meeting.
- Officers Housing – FMERA is negotiating with the highest scoring proposer.
- Howard Commons – FMERA anticipates an executed and signed Purchase Sale Agreement (PSA) with HovWest Land Acquisition by the end of the month.

- Marina Parcel – 1 compliant proposal was received. FMERA would like to have the marina open this season; however, FMERA may not be able to reach an agreement on a purchase and sale of the property in time to open this season. As such, pending arrangements with the Army, FMERA would be issuing an RFP to hire an operator, in order to get the facility into active reuse this season.
- Russel Hall – FMERA is in exclusive negotiations with Kiely Realty Group.
- Auctioneering Services – No proposals were received. FMERA will proceed to negotiate directly with interested auctioneers.

FMERA will be issuing RFOTPs in the near future for:

- Sale of Parcel B
- Sale of Suneagles Golf Course

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 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 a professional marketing consultant/creative agency services in the coming weeks.

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

Bruce Steadman introduced and thanked RichTanga from the Office of Economic Adjustment (OEA).

Mr. Steadman stated that FMERA will be distributing funds to the Army and the Homeless Providers from the proceeds of the closing of AcuteCare. Mr. Steadman stated that when the Auctioneer is in place, the auctions will be open to the public.

Mr. Steadman stated that FMERA has been conducting monthly meetings with the three host boroughs and the County and the meeting atmosphere has been great.

Mr. 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

Mr. Steadman noted that the Army has requested that when individuals depart the Board meetings that they leave the Fort without loitering and without delay, as it is still a closed Army facility.

VII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee will be meeting on March 31st.

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

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

- Update on the AcuteCare closing.
- Update on the Phase 2 EDC negotiations with the Army. Staff will present an update during Executive Session at tonight's meeting.

- Howard Commons: FMERA expects the Purchase Sale Agreement/Redevelopment Agreement to be executed by the end of the month.
- Officer Housing: FMERA met with the highest-scored proposer and representatives from the Borough of Oceanport.
- Parcels C&C1: FMERA met with the highest ranked proposer and the proposer will be meeting with representatives from the Borough of Tinton Falls at the end of the month.
- Parcel V-1: The evaluation committee is currently reviewing the proposals.
- Pinebrook Road Commerce Center: Three proposals were received and the evaluation committee met to review the proposals.
- Marina: Two proposals were received, but in comparison to the appraisal value the proposals were low and below the Army's required threshold.
- Current & Upcoming RFOTPs: Proposals for the Pistol Range have been received and are being evaluated. FMERA issued RFOTPs for the Chapel and the Fitness Center on March 14th.
- Broker Marketing Update: The Committee reviewed Cushman & Wakefield's monthly update. Staff informed the Committee that FMERA anticipates issuing an RFP for website design.

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 Committee met on March 13th and discussed the following:

- Discussion on FMERA obtaining approval from the Army to allow HovWest to begin environmental due diligence.
- Discussion on the Officer Housing parcel and the meetings between the lead developer and Oceanport representatives.
- Discussion regarding Parcels C, C1 and the meeting between the lead developer and Tinton Falls representatives.
- Discussion regarding Parcel V-1 and the evaluation process of the proposals received.
- Discussion regarding the termination of the Parcel B RFOTP and the new RFOTP adhering to the Reuse Plan's goal of creating a lifestyle town center.
- Discussion regarding Permanent Supportive Housing.

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

Lillian Burry stated that the Committee did not meet this month.

VIII. BOARD ACTIONS

There were no Board Actions.

IX. OTHER ITEMS

There were no other items.

PUBLIC COMMENT

Sara Breslow of Eatontown stated that there are many ways to encourage public participation, but limiting all the components of the interactive public comment is not one of them. Ms. Breslow asked how the new comment period protocol accomplishes public participation and which Board members support the new protocol.

Walter Cuje of Little Silver asked what is the timeline for Avenue of Memories to be open to the public.

Patrick Daugherty of Neptune stated that he is investigating and discussing bringing solar energy to Fort Monmouth.

Bob English of Eatontown stated that the new comment period protocol is discouraging public participation due to limiting follow up questions. Mr. English stated that Soldier On gave a presentation several years ago and asked if the organization is still active in wanting to develop Veteran housing at the Fort. Mr. English asked if the Board has contacted anyone at the Federal, State or County level to make up any shortfall in tax revenue for the subsidized units.

Tom Mahedy of Wall Township read a letter that he asserted he had sent to FMERA regarding the new comment period protocol and it being imposed due to his uncovering of wrong doing, his uncovering of fraud with regards to Parcel B, the improper awarding of contracts, the liquor license at Gibbs Hall, and the public not able to attend the Staff Advisory Committees. Mr. Mahedy stated that he informed the NJSP regarding contamination on the Fort property.

The Chairman asked Mr. Steadman to respond to the questions.

Bruce Steadman answered Ms. Breslow by stating that the new comment period protocol was established in order to allow all the public members at the meeting to participate. Mr. Steadman stated that in the past one or two individuals have commandeered the public comment period and have influenced members of the public to leave the meeting or intimidated them into not making comments. By limiting everyone's comments to allocated time periods, it makes the podium available to all attendees equally and fairly. And, this is more consistent with other State and local agencies. Mr. Steadman stated that the public is welcome to visit the FMERA offices at any time during the business day, and staff will be happy to meet with them.

Mr. Gorman stated that no Board members have voiced reservations regarding the protocol, therefore it will continue.

Mr. Steadman answered Mr. Cuje's question stating that the Avenue of Memories is included in the Phase 2 EDC and negotiations are being finalized. Until that time, Avenue of Memories will remain closed to the public until it is owned by FMERA, the County or Eatontown and Oceanport, due to the Army's inability to open it to the public.

Mr. Steadman answered Mr. English's questions by stating that Soldier On and another firm did submit proposals for the Parcel V-1 RFOTP, and it is FMERA's hope and desire to have a Veterans project at the Fort. Mr. Steadman stated that the project would require a change in the Reuse Plan which Eatontown would review. Mr. Steadman stated that any shortfall in tax revenue may be negotiated with the highest proposer as part of the redevelopment agreement and Purchase and Sale Agreement.

Mr. Steadman stated that Mr. Mahedy did not ask any questions to respond to and that FMERA had not received a letter from Mr. Mahedy. Mr. Steadman stated that he did receive an email from Mr. Mahedy regarding how FMERA conducts business, and has asked Mr. Mahedy to be more specific regarding his question. Mr. Steadman stated Mr. Mahedy's comments have been addressed several times at past Board meetings.

The next item before the Board was to adjourn the Public Session of the meeting and enter into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7): Pending Real Estate and Contract Negotiations with the Army.

A motion was made to enter into Executive Session by Mayor Tarantolo, seconded by Lillian Burry and unanimously approved by all voting members present.

There being no further business in Executive Session, a motion was made to go back into public session by Lillian Burry seconded by Robert Ades and unanimously approved by all voting members present.

The Board returned to public session.

There being no further business, on a motion by Dr. Lucky seconded by Robert Ades and unanimously approved by all voting members present, the meeting was adjourned at 8:49 pm.

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.



Bruce Steadman – Secretary

ADOPTED
March 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.

Dated: March 19, 2014

EXHIBIT 1