

Fort Monmouth Economic Revitalization Authority
Board Meeting
June 15, 2011
Eatontown Municipal Building, Eatontown, New Jersey

MINUTES OF THE MEETING

I.

Members of the Authority present:

- James Gorman, Chairman of the Fort Monmouth Economic Revitalization Authority (FMERA) - V
- Michael Pane, Jr. Esq., Vice Chairman – V
- Alfred Koepp, Chairman of the New Jersey Economic Development Authority (NJEDA) - V
- Brandon Minde, Assistant Counsel, Office of the Governor, Authorities Unit - V
- Dr. Robert Lucky, Public Member –V
- Lillian Burry, Monmouth County Freeholder - V
- Gerald Tarantolo, Mayor of Eatontown -V
- Michael Mahon, Mayor of Oceanport -V
- Brian Nelson, Borough Attorney, Borough of Tinton Falls -V
- Colleen Kokas, Manger of Redevelopment and Business Assistance, NJ Department of Environmental Protection (NJDEP)
- Charles Richman, Assistant Commissioner, NJ Department of Community Affairs (DCA)
- Mary Ellen Clark, Assistant Commissioner, NJ Department of Labor and Workforce Development (LWD)

Members of the Authority not present:

- Robert DeSando, Assistant Commissioner, New Jersey Department of Transportation (DOT)

V- Denotes Voting Member

Also present:

- Bruce Steadman, Executive Director, FMERA
- NJ Economic Development Authority Staff: Eatontown & Trenton Offices
- Gabriel Chacon, Deputy Attorney General

II.

The meeting was called to order by Chairman Gorman at 7:01 pm 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 this meeting has been 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 May 18, 2011 meeting minutes. A motion was made to approve the minutes by Gerald Tarantolo and seconded by Michael Mahon and unanimously approved by all voting members.

III.

WELCOME

Chairman Gorman thanked everyone for attending the Board Meeting. The Chairman acknowledged and thanked Laura Jones, NJEDA Communications Director, for her assistance this week in rapidly responding to the misleading Asbury Park Press coverage on the Fort's scheduled closing in September. Chairman Gorman then introduced Richard Raczynski, Chief Engineer for the New Jersey Turnpike Authority (NJTA). Mr. Gorman noted that Mr. Raczynski will be giving a presentation later in the meeting on the NJTA's improvements to Garden State Parkway Interchange 105. The presentation was scheduled in response to the requests for more information from the public at the May Board Meeting.

Chairman Gorman stated that the Authority's focus is on jobs and the economic revitalization of Fort Monmouth. He further noted that the Authority is charged with the meaningful economic revitalization of the three host municipalities and the County. Mr. Gorman noted that the Authority has begun thinking about how to implement the well conceived plan produced by FMERA's predecessor authority the Fort Monmouth Economic Revitalization and Planning Authority (FMERPA).

The Chairman went on to state that there will be two public comment periods.

IV.

PRESENTATION ON THE NEW JERSEY TURNPIKE AUTHORITY'S (NJTA) IMPROVEMENTS TO GARDEN STATE PARKWAY INTERCHANGE 105

Richard Raczynski, Chief Engineer of NJTA provided an overview of the NJTA's improvements to Garden State Parkway Interchange 105. Mr. Raczynski also detailed the proposed change to the Route 36-Hope Road intersection.

Dr. Lucky asked when the project would be started. Mr. Raczynski explained that the NJTA is currently looking for a final design for the project and that he expects to go to the NJTA July Board Meeting with a recommendation for the design contract award.

Mayor Tarantolo asked if there will be any difference in accessing the Parkway at Route 36 and Mr. Raczynski stated that it will remain the same.

Bruce Steadman thanked Mr. Raczynski for being receptive to FMERA's ideas and comments and for the opportunity to work with him.

V.

PUBLIC COMMENT REGARDING AGENDA ITEMS

Ken Brody of Wayne asked whether the traffic flow was the only issue being addressed on the NJTA's Garden State Parkway Interchange 105 Project. Mr. Brody went on to ask if there would be additional access to the area. Bruce Steadman stated that access to the full acreage of the Fort is being reviewed as part of FMERA's policing plan.

Tom Mahedy of Wall Township asked if the Army's Restoration Advisory Board (RAB) Meeting would be occurring in July. He also noted that he requested at the last Environmental Staff Advisory Committee Meeting that the RAB meeting be placed on the FMERA website as it has been under FMERPA. Mr. Mahedy went on to note that he has strong reservations regarding the FMERA Board Committees and FMERA Staff Advisory Committees. He noted his concern that the meetings are not open to the Public. Chairman Gorman explained that all Committee Chairs provide an update on his/her Committee's activities at the monthly meetings of the Authority.

VI.

TREASURER'S REPORT

Beverlee Akerblom, Senior Finance Officer for FMERA, noted that preliminary unaudited results for the 1st quarter of fiscal year reflect the strict monitoring of expenses. The FMERA management team is reviewing first quarter results, after which their financial and operational reports will be distributed to the Chairman and to the members of the Audit Committee.

Grant Amendment requests for additional funds, consistent with the Authority's approved budget for 2011 are being prepared for submission to the Office of Economic Adjustment. The Authority is preparing several requests for proposals (RFP) at this time, and securing the federal funding prior to award of the contracts is required.

VII.

SECRETARY'S REPORT

Bruce Steadman stated that there are no issues to report.

VIII.

EXECUTIVE DIRECTOR'S REPORT

FMERA Executive Director Bruce Steadman began by addressing the comments that were made by Mr. Mahedy of Wall Township. Mr. Steadman stated the need to address Mr. Mahedy's comments as they effect decisions and actions that he has been a part of. To correct the record with respect to the Army's RAB meeting and the Army's environmental reports, Mr. Steadman stated that they are not FMERA's products and therefore FMERA is not responsible for posting them on their website. Further, Mr. Steadman noted that he has personally conveyed this to Mr. Mahedy on a couple of occasions.

Bruce Steadman then addressed Mr. Mahedy's comment regarding FMERA's Staff Advisory Committees and Board Committees. Mr. Steadman stated that the purpose of the Staff Advisory Committees is to receive input from selected individuals who have an expertise, or are knowledgeable, in each committee's subject matter. Mr. Steadman went on to note that the members of the Staff Advisory Committees have an important role in advising FMERA Staff on matters that deal with the redevelopment of the Fort. He further stated that he invited Mr. Mahedy to be a part of the Environmental Staff Advisory Committee because of his interest in environmental issues.

Following Mr. Steadman's comments, Frank Cosentino, Director of Plans and Programs, gave an update regarding the FMERA Staff's continued weekly conference calls with the Matrix Design Group and meetings with Army Representatives.

Odis Jones, Director of Real Estate, reported on the status of the Fort security after the Army departs on September 15, 2011. Mr. Jones noted that staff is working with the New Jersey State Police and representatives from the New Jersey Department of Homeland Security and Preparedness on a policing plan that will ensure that a high level of professional security is provided after the Army leaves on September 15, 2011.

Mr. Jones also provided an update on the status of FMERA's United States Department of Housing and Urban Development (HUD) Application. Mr. Jones noted that FMERA staff continues to await HUD approval of the Reuse and Redevelopment Plan that was submitted in September of 2008.

In response to Mr. Jones' report, Gerald Tarantolo expressed his concerns as to whether the State Police will provide the same level of security that is now at Fort Monmouth. Gerald Tarantolo went on to ask about the State Police's response time to incidents. Mr. Steadman stated that FMERA discussed response time and maintaining a high level of security with the State Police and it will be included in the draft policing plan that FMERA expects to receive the first week in July. Mr. Steadman further noted that it should satisfy the municipalities. Michael Mahon stated two initial concerns he had: the treatment of the 2% cap on local budgets and the revenue source to take care of the caretaker burden. Mr. Mahon noted that these concerns are being addressed; however, he would be for revisiting the discussion on the retrocession agreements. Michael Mahon also asked for site visits for the local fire and local law enforcement officials. Bruce Steadman noted that FMERA will be addressing emergency service needs.

Bruce Steadman provided an update on the Commissary, saying it is the ultimate decision of the U.S. Department of Defense whether the Commissary remains open. Mr. Steadman went on to state that the Army and several other parties have recommended to the Under Secretary of Defense for Personnel and Readiness that the Commissary remain open for a transitional 2-year period. FMERA continues to await a response from the U.S. Department of Defense on whether the Commissary will remain open after the Post closes on September 15, 2011.

Mr. Steadman provided an update on FMERA's communications effort. Executive Director Steadman stated that FMERA issued its second news release on June 3, 2011 in an effort to keep the public informed and engaged on the redevelopment and revitalization of Fort Monmouth.

The Authority anticipates issuing news releases on a regular basis in furtherance of that effort. FMERA also plans to routinely put together public service announcements for the web and television. The Authority is working on a new web design to increase public access to information regarding the redevelopment effort.

The Executive Director's Report concluded with Mr. Steadman providing an overview of FMERA action items for the next month.

IX.

COMMITTEE REPORTS

- a) AUDIT COMMITTEE (CHAIR – JAMES GORMAN): Beverlee Akerblom stated that there was no meeting this month of the Audit Committee. The Audit Committee will meet upon the completion of the audit, scheduled for late July.
- b) REAL ESTATE COMMITTEE (CHAIR – MICHAEL PANE): Mr. Pane noted that the Real Estate Committee is a sub-committee of the Board. The Real Estate Committee met on June 10, 2011 at the FMERA Office and due to increased activities, the Committee may begin to have meetings more than once a month. Mr. Pane stated that the Committee reviews negotiations and agreements with the Army, such as the Memorandum of Agreement (MOA). Mr. Pane noted that the Committee will also be reviewing the agreements with the NJEDA, the master redeveloper of the Fort, and future transactions. In closing, Mr. Pane noted that the next meeting of the Real Estate Committee will be on July 11, 2011.
- c) ENVIRONMENTAL STAFF ADVISORY COMMITTEE (COLLEEN KOKAS - NJDEP): Colleen Kokas noted that the Environmental Staff Advisory Committee met on May 31, 2011 at the FMERA Office. She went on to note that the Matrix Design Group provided an environmental overview of the Golf Course, Marina and Howard Commons at the meeting. In addition, the NJDEP provided an update on its activities related to Fort Monmouth for the month of May. Ms. Kokas then addressed the subject of NJDEP's Licensed Site Remediation Professional (LSRP) program, reiterating a point made by Board Member and NJDEP Assistant Commissioner Michele Siekerka, that NJDEP does not relinquish oversight when a LSRP is used.

Gerald Tarantolo then asked if clean-up and capping are synonymous terms. Colleen Kokas stated that they were.

Bruce Steadman then noted that there has been a transparent transition from Larry Quinn to Matt Turner and thanked Assistant Commissioner Siekerka for overseeing.

- d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (BRUCE STEADMAN, FMERA) Chairman Gorman advised that Bob DeSando, Chairman of the Historical Preservation Staff Advisory Committee is not present and Bruce Steadman will provide a report on the Committee's activities. Bruce noted that the Historical

Preservation Staff Advisory Committee had its first meeting on May 26, 2011. The mission and role of the Committee was discussed as well as the 3 Ms (monuments, memorials and markers). An overview and a virtual tour of the historic district on Fort Monmouth were provided to the Committee. There was also discussion regarding a number of the assets being submitted to the national historic registry and discussion about how a historical structure can be used in the future both inside and out.

The Committee took a tour of the Fort on June 14, 2011.

- e) HOUSING STAFF ADVISORY COMMITTEE (CHAIR- CHARLES RICHMAN): Mr. Richman noted that the Committee met on June 15, 2011 with the Matrix Design Group and Matrix' sub-consultant HR&A to discuss their preliminary study on the housing demands and expectations on what will occur on the Fort property. The full housing report will be complete and given to FMERA Staff sometime in July. The Committee asked Matrix and HR&A to do an analysis on the neighboring communities for foreclosures and vacancies and what impact they might have. HR&A's preliminary results indicate that there will be a robust demand for housing on the Fort property with an absorption rate of about 250 units/year. Mr. Richman noted that the market today leans heavily towards rental vs. for sale.

On another note, Mr. Richman stated that the New Jersey Department of Community Affairs is home to the Division of Fire Safety and that if an emergency services group is convened, members of the Division of Fire Safety should participate.

- f) VETERANS STAFF ADVISORY COMMITTEE (CHAIR-LILLIAN BURRY): Lillian Burry stated that the Committee met on Monday, June 13, 2011 and that there was discussion around providing a central location on the Fort to service veterans. Mrs. Burry spoke of the possible creation of a transition center for veterans. Mrs. Burry also stated that a member of the Veterans Staff Advisory Committee noted that the Commissary looked like it would stay open past the Post's closure on September 15, 2011. Freeholder Burry discussed the existing clinic on the Fort and noted that it will not be the future home for veterans, but that work will be done to pursue private providers to put together a clinic for veterans.

On another note, Mrs. Burry mentioned the resolution that the Monmouth County Freeholder Board passed at their June 9, 2011 meeting reaffirming an April 23, 2007 Memorandum of Agreement among Monmouth County, Eatontown, Oceanport and Tinton Falls for the acquisition of surplus federal property at the U.S. Army installation at Fort Monmouth.

At the conclusion of the Committee reports, Bruce Steadman introduced Dan Schnepf, principal of the Matrix Design Group. Mr. Schnepf presented to the Board the FOST (Finding of Suitability of Transfer) process. FMERA cannot take title to any property without the issuance of a FOST by the Army.

Bruce Steadman asked Mr. Schnepf if there would be a recommendation for a FOST if there were any environmental issues. Mr. Schnepf stated that the law would not allow for this.

Bruce Steadman concluded by noting that FMERA has a very good working relationship with the Matrix Design Group and thanked Mr. Schnepf.

X.

Public Comment

Oceanport Councilman Joseph Irace asked FMERA Staff if they are confident that the Reuse and Redevelopment Plan (the Plan) is still viable. Bruce Steadman stated that he believes the Plan to be viable and that FMERA has a high degree of confidence that most of the Plan will be executed and implemented. Frank Cosentino added that the Plan was intended as a guideline and was created working with the planners of each host municipality.

Mr. Irace also stated that apartments vs. single family homes are a major change from the Plan.

Mr. Irace went on to ask how much money FMERA has spent since its inception. Beverlee Akerblom noted that FMERA expenses were approximately \$1M last year and as of March 31, 2011 FMERA expenses were approximately \$1M which included expenditures for the engineering and business and operation contracts. Chairman Gorman stated that the budget was passed at the September 2010 Board Meeting.

Oceanport Councilwoman Ellyn Kahle asked who would be monitoring the ground water at the Fort and will it be posted on the website or available to the public. Colleen Kokas, of NJDEP stated that the Army is responsible for monitoring ground water, but if the Army contractually conveys that to another party, then the new party is responsible and there are requirements and certifications. She further stated that the NJDEP is moving towards getting more data online.

Ms. Kahle then asked FMERA Board Member Lillian Burry if the veteran transitional center will be available to the families left behind. Freeholder Burry responded by saying yes.

Ms. Kahle asked Board Member and DCA Assistant Commissioner Chuck Richman if the plan regarding apartment buildings is changing. He explained that the analysis shows that there is more of a demand for rentals as opposed to single family homes. There was further discussion from Gerald Tarantolo regarding rental units and the excessive amount of rental units in Eatontown that currently exist.

Harry Haarup of Fair Haven stated that he submitted a plan regarding incorporating the golf course and some of the lodging on the Little Silver side of the Fort to act as a destination for Department of Defense tourism. Mr. Haarup went on to state that at the last Veterans Staff Advisory Committee meeting that Ms. Burry stated they intended to sell the golf course. Mr. Haarup asked if the Board could put the decision out about what will be done with the golf course. Bruce Steadman stated that as discussed at the meeting there is a plan to sell the golf course and once the FOST is complete a Request for Bids (RFB) will be issued. The timeframe for the RFB is November.

Linda Zucaro from Tinton Falls stated that she lives in an apartment and lives in a condo. She stated that the Plan calls for Howard Commons to have apartments and that she did not think it meant rentals.

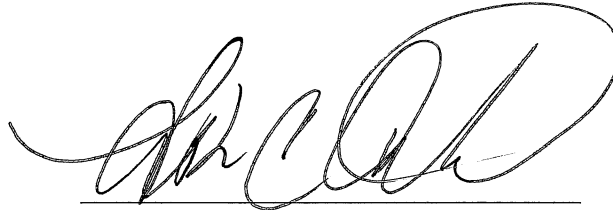
Ken Brody from Wayne stated that he could offer the Board the right resources to help them put a hotel and conference center on the Fort property. He also asked about the NJDEP rules regarding the liability of ownership and flood plains.

Tom Mahedy of Wall Township asked if there was any member of the Army at the meeting and would there be a RAB meeting in July. Bruce Steadman noted again that the RAB meetings are not FMERA meetings and that he could not confirm when the RAB meeting will be held.

Mr. Mahedy commented on the Historical Preservation Staff Advisory Committee tour and asked why there was no Environmental Staff Advisory Committee tour.

There being no further business on a motion by Dr. Robert Lucky and seconded by Michael Pane and unanimously approved by all voting members, the meeting was adjourned at 9:10 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.

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

Frank Cosentino, Assistant Secretary