

MONTHLY UPDATE

ACUTECARE CLOSES ON FORMER PATTERSON ARMY HEALTH CLINIC PARCEL



Rendering of AcuteCare Plans for Former Paterson Army Health Clinic

The former Patterson Army Health Clinic will be renovated by AcuteCare Management Services, LLC (AcuteCare), who will make a substantial capital investment with plans to create up to 200 new jobs on the 16-acre parcel. This significant milestone in the redevelopment of the former military installation is a result of FMERA's work to facilitate a deal that incorporates concepts from the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) to provide an excellent healthcare clinic for the Monmouth community.

"We are excited to announce that AcuteCare has closed on the Clinic parcel," FMERA Executive Director Bruce Steadman said. "Rather than demolish the existing structure, AcuteCare will undertake substantial renovations to reuse the building as a state-of-the-art healthcare facility to improve access to health and wellness services for the region."

AcuteCare will complete the reuse project in two phases, essentially splitting the former Clinic into two stand-alone condominium units. The first unit will in-

clude space for an outpatient medical facility with a Program of All-Inclusive Care for the Elderly (PACE) operation. PACE is a Medicare and Medicaid program that provides elderly citizens the option to meet their health care needs in their community instead of going to a nursing home or other care facility. Plans for the second phase include another condominium unit, which is planned to house additional health care-related services. AcuteCare is expected to create 50 new jobs on the property within three years of receiving the certificate of occupancy for the project's first phase.

The former Clinic, also known as Building 1075, is a 118,000-square-foot medical facility located on a 16-acre parcel on Main Street in the Oceanport Reuse Area of the Main Post. Constructed in 1961 and expanded several times in the following decades, the facility served as an outpatient hospital and dental clinic at the time of the Fort's closure. The facility was named in honor of Major General Robert Urie Patterson, United States Medical Corps (1877-1950), who served the Army with distinction from 1899-1935.

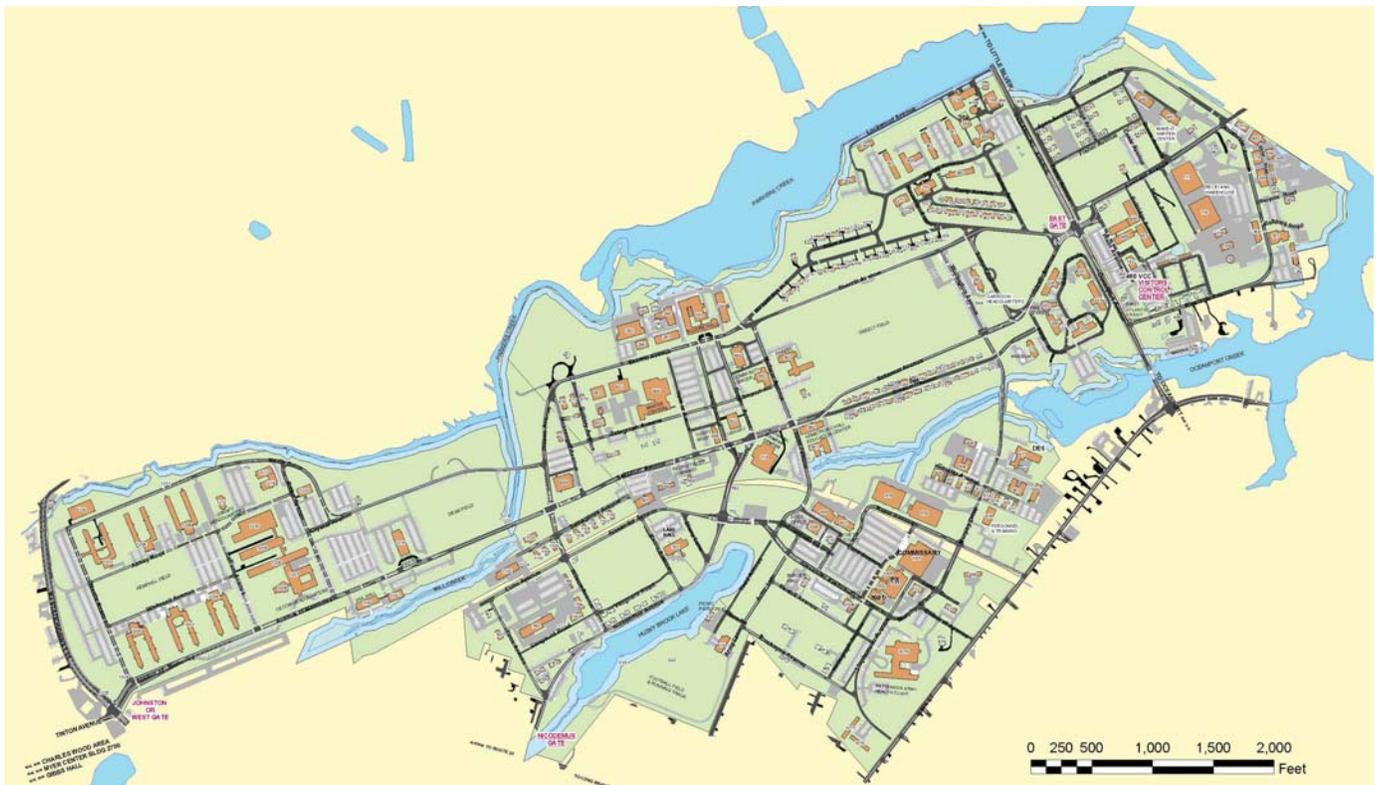
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“We are excited to close on the property and reuse it as a premier health clinic,” said AcuteCare President Dan Czermak. “The former Patterson Army Health Clinic played an important role in the former Fort Monmouth’s success over the years, and we are eager to restore and revitalize the historic building.”

Per the Reuse Plan, the Clinic was slated to be demolished and replaced by an 80,000-square-foot wellness campus. After reviewing response to the Request For Offers To Purchase (RFOTP) for the Clinic parcel, FMERA was impressed by AcuteCare’s proposal to renovate the existing building for reuse as an outpatient medical facility. In accordance with the FMERA Act, the Authority brought plan Amendment #2 before Eatontown, Oceanport and Tinton Falls in August 2012 to allow a revision that maintains the same number of housing units and types within Oceanport. The FMERA Board adopted Amendment #2 after the 45-day review period ended.

At its September 2012 meeting, the FMERA Board authorized the execution of a Purchase and Sale Agreement for AcuteCare’s acquisition of the former Patterson Army Health Clinic parcel for over \$2.73 million and its subsequent renovation of the building for use as a health care clinic. Under the Agreement, AcuteCare will make an initial capital investment of at least \$5 million and commence work within 9 months of closing.

UPDATE ON REQUESTS FOR OFFERS TO PURCHASE



A Map of the Fort's Main Post

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 Reuse 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 evaluated the proposals and will present a recommendation to enter into exclusive negotiations with the higher ranked proposer, in accordance with the Authority’s Sales Rules, for the Board of Directors’ consideration at an upcoming meeting of the Authority.

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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), which was subsequently approved by the New Jersey Economic Development Authority (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 includes 486 townhouse units constructed by the Army in 1953, along with a 3,853-square-foot general purpose building. The Reuse Plan calls for the demolition of the existing structures due to their age, condition, density and design, and their replacement with 275 housing units and approximately 15,000 square feet of ancillary retail/commercial space. In accordance with the Reuse Plan, 20 percent of the new units will be affordable housing qualified.

Parcels C and CI

On March 26, 2013 FMERA publically issued RFOTPs for Parcels C and CI. Proposals for each of the parcels were due on June 10, 2013. Three proposals were received for Parcel C, and three proposals were received for Parcel CI, with some firms submitting multiple scenarios for redevelopment. FMERA evaluated the proposals in accordance with its Sales Rules, and has engaged in discussions with the highest ranked proposers.

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 CI is a 12-acre tract also located in the Tinton Falls Reuse Area. In accordance with Reuse Plan Amendment #1, the property can accommodate up to 49 newly constructed residential units. FMERA intends to present its recommendations to the Board with respect to Parcels C and CI at an upcoming meeting of the Authority.

Parcel B

On March 26, 2013 FMERA publically issued an RFOTP for Parcel B. Proposals were due on June 10, 2013 and four proposals were received.

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 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. At the February meeting of the Authority, the Board authorized FMERA to terminate the RFOTP process without awarding a contract and issue a new RFOTP for Parcel B, in accordance with the Authority's Sales Rules.

In order to better meet the Reuse Plan's goal of creating a lifestyle town center that accommodates residential and retail use in a pedestrian-friendly manner, the new RFOTP for Parcel B will encourage respondents to submit designs that include a pedestrian-oriented "Main Street," a pedestrian network that connects all of the retail uses to one another and to the nearby municipal and residential uses, retail development characterized by a uniform architecture and design theme, buildings oriented toward the Avenue of Memories to enhance the 'Gateway' into the former Fort, retail buildings that include residential dwelling units above, and other creative amenities or layout concepts that would make Parcel B a destination that will attract visitors to Eatontown and make residents proud of their community.

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. The two proposals received are currently being evaluated and scored in accordance with the Authority's Sales Rules.

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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 square feet. 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-square-foot 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 RFOTP allows respondents the option to provide alternate proposals that include the purchase of additional adjacent land and/or buildings. Proposals were due on February 24, 2014 and five were received. Staff has begun evaluating the proposals in accordance with the Authority's Sales Rules.

Charles Wood Firehouse

On December 20th, 2013 an RFOTP was issued for the Charles Wood Firehouse in the Tinton Falls Reuse Area of the Fort. The Firehouse (Building 2560) is a 12,000-square-foot structure on Corregidor Road, built in 2001. The permitted principal land uses for the 2.3-acre parcel of land and building are office/research, institutional/civic, and open space/recreation. Proposals are due by noon on March 20, 2014.

FMERA's Monthly Newsletter is available online at www.fortmonmouthredevelopment.com following each Board meeting. To be added to the email distribution list, please send a request, with contact information, to Scott Oliva at soliva@njeda.com

FMERA's Mission:

To create an atmosphere in which employers will employ and investors will invest, to maximize the jobs created and the value of the property.

Note: FMERA Board action is subject to a ten (10) day veto period by the Governor.