



FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

ADDENDUM #2

March 30, 2015

TO

REQUEST FOR OFFERS TO PURCHASE

FOR

THE SALE OF REAL PROPERTY

Parcel B – Mixed Use Retail/Residential Site

Eatontown, New Jersey

Issued by the

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY

Date Issued: February 20, 2015

Responses due by 12:00 P.M. EDT on May 21, 2015

This Addendum is being issued to provide materials presented, and the questions and answers discussed at the March 24, 2015 Pre-proposal meeting.

Parcel B Pre-proposal Meeting

March 24, 2015

Questions & Answers

1. Q: Is there a timeframe when the ½ acre carve out will be released and brought back in?
A: **FMERA expects to have an estimate of this time frame in about 2 months. The Army is preparing the Finding of Suitability to Transfer (FOST), which will provide updated information on its status..**

2. Q: How far has FMERA gotten with discussions and work with the NJ Department of Transportation and Monmouth County regarding a concept plan?
A: **The NJDOT Commissioner is an Ex-Officio Member the FMERA Board so they are actively involved in the process. While FMERA has not made any formal requests, there have been discussions with both NJDOT and Monmouth County. A traffic and transit study was completed by FMERPA associated with the planning process that developed the Fort Monmouth Reuse and Redevelopment Plan.**

3. Q: Is the 250K square feet of retail a minimum amount allowed or can it be exceeded to include additional retail?
A: **Prospective purchasers are encouraged to be creative and the 250,000 sf of retail contained in the RFOTP is neither a minimum or a maximum. Additional retail would be allowed as long as it is in compliance with the FMERA Land Use Rules/requirements such as coverage and parking.**

4. Q: The maps provided indicate how far off of Route 35 retail development can be done. How far back can retail be developed and have access off of Avenue of Memories?
A: **This is at the discretion of the proposer.**

5. Q: If a developer purchases the additional 12 acres, what can they build if they are limited to the 250K of retail and 302 of residential?
A: **250K of retail is a target number and a developer does have the option to go beyond the 250K as stated in the answer to the question above. Residential is limited to a maximum of 302 units. FMERA will also consider other commercial uses such as office/research.**

6. Q: Can a developer supplement the Expo Theater with other types of retail (i.e., restaurants, professional office space).
A: **Yes**

7. Q: Is the \$3.5MM for demolition a cap? If so, is FMERA responsible for any additional cost for demolition beyond the \$3.5MM?
A: **We are not aware of any mention of a \$3.5MM figure for demolition. FMERA will not contribute to any demolition expense and there is no allowance or cap on demolition costs. We do ask for an estimate of what demolition costs are anticipated. Should any significant environmental issues be uncovered that were**

caused by the Army (other than asbestos, mold, commercially applied pesticides, and lead based paint), the Army would be responsible for the remediation under CERCLA.

8. Q: Do the demolition costs take into account any sub-surface infrastructure cost? Are they included in the estimate?

A: the demolition costs requested would be for building demolition only.

9. Q: Does FMERA have any infrastructure plans for what is currently located on the Parcel?

A: FMERA has plans that were produced and provided by the Army. We cannot guarantee the accuracy of these drawing. All drawings can be found at: <https://njfmera.sharefile.com/d/s8b52b68182d49048>

10. Q: What is the due diligence period for the developer?

A: Typically 90 days but can be negotiated.

11. Q: Is there any restriction on behalf of FMERA or Eatontown for reuse materials on the parcel?

A: No, we anticipate that best practices and existing environmental regulations will be followed and we are not aware of any such restriction.

12. Q: If a developer finds an adaptive reuse for any of the buildings, is it possible to include that in their proposal?

A: Based on FMERA's knowledge and the age of the buildings, we do not foresee any reuse of the buildings other than the potential reuse of the optional property, Mallette Hall.

13. Q: Can you put today's presentation on the FMERA website.

A: Yes, the presentation and ECP Parcel map are attached as Exhibit A

EXHIBIT A
PRE-PROPOSAL MEETING PRESENTATION AND ECP PARCEL MAP



Fort Monmouth Economic Revitalization Authority

***Fort Monmouth:
Parcel B Briefing
and
Redevelopment Overview***

March 24, 2015



newjersey
Highly educated, perfectly located.



Agenda

- **Overview of Fort's Redevelopment Process and Status**
- **The Development Opportunity: Context and Market Conditions**
- **Parcel B and the Optional Property**
- **Design Factors and Market Mix**
- **Eatontown's Perspective**
- **Q & A**
- **Site Tour**



Fort Monmouth's Redevelopment Process and Status

Overview

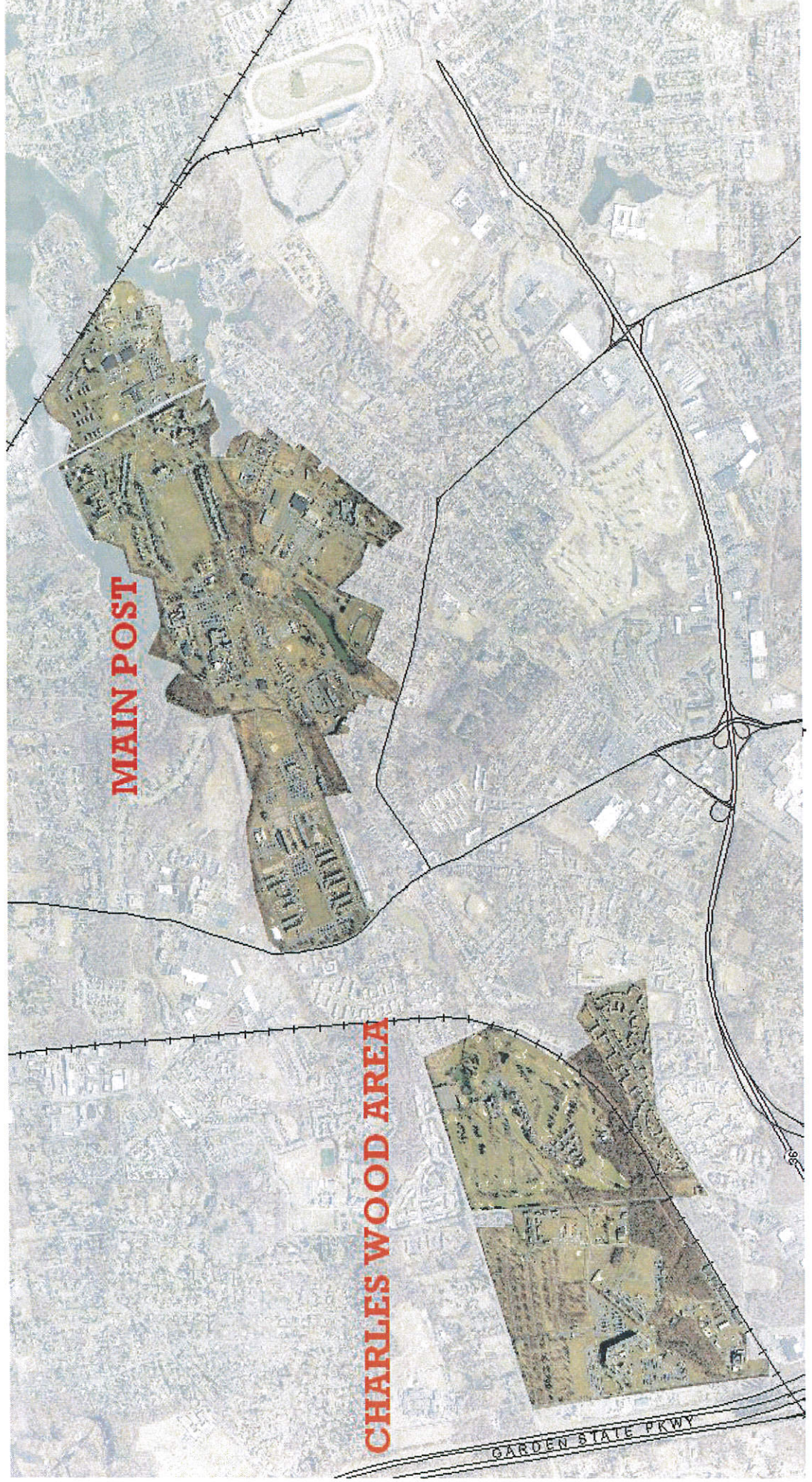
Redevelopment Process

Project Status

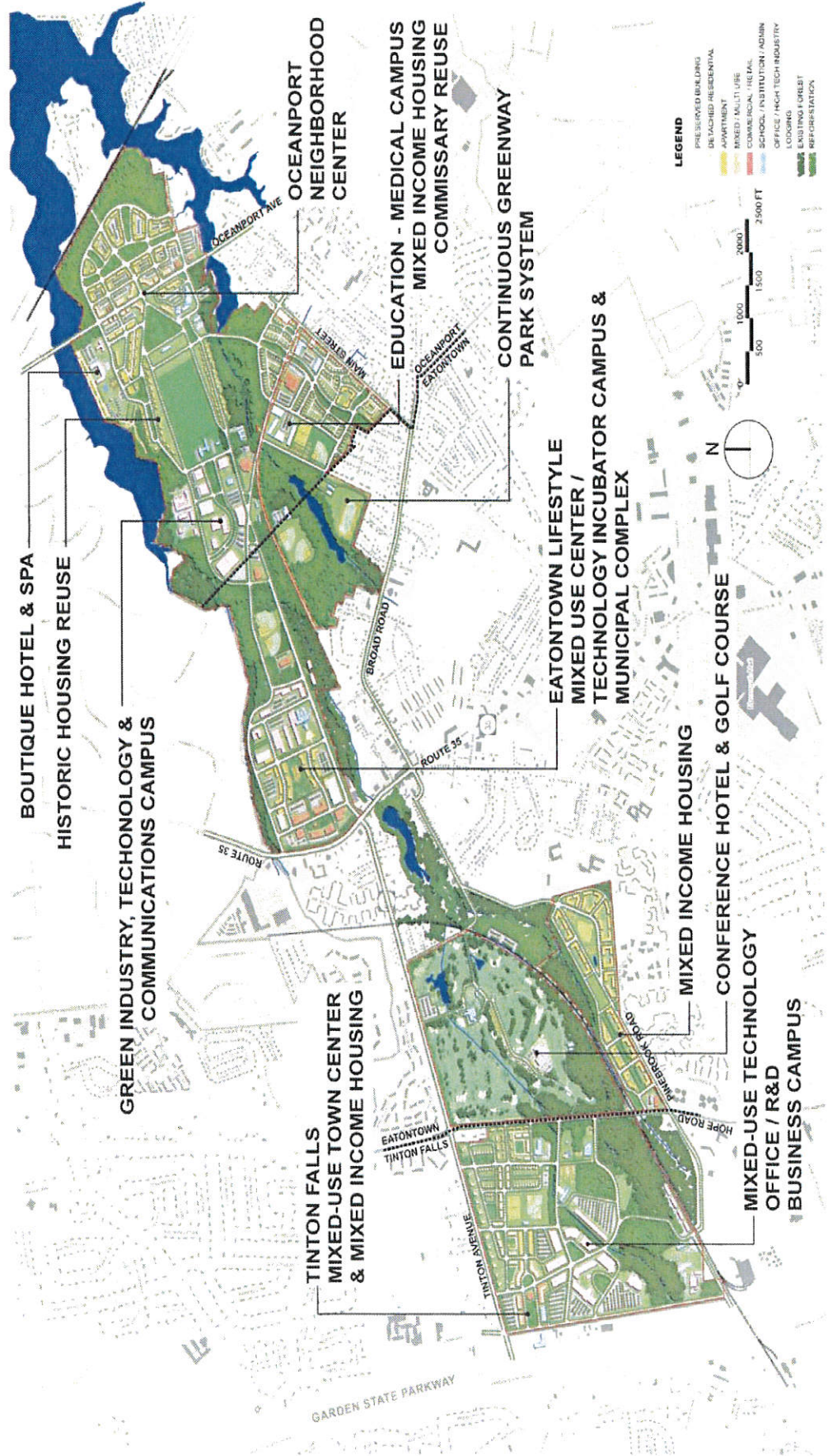


Fort Monmouth Economic Revitalization Authority

Welcome to Fort Monmouth



20-Year Development Plan





Fort Monmouth Reuse & Redevelopment Plan

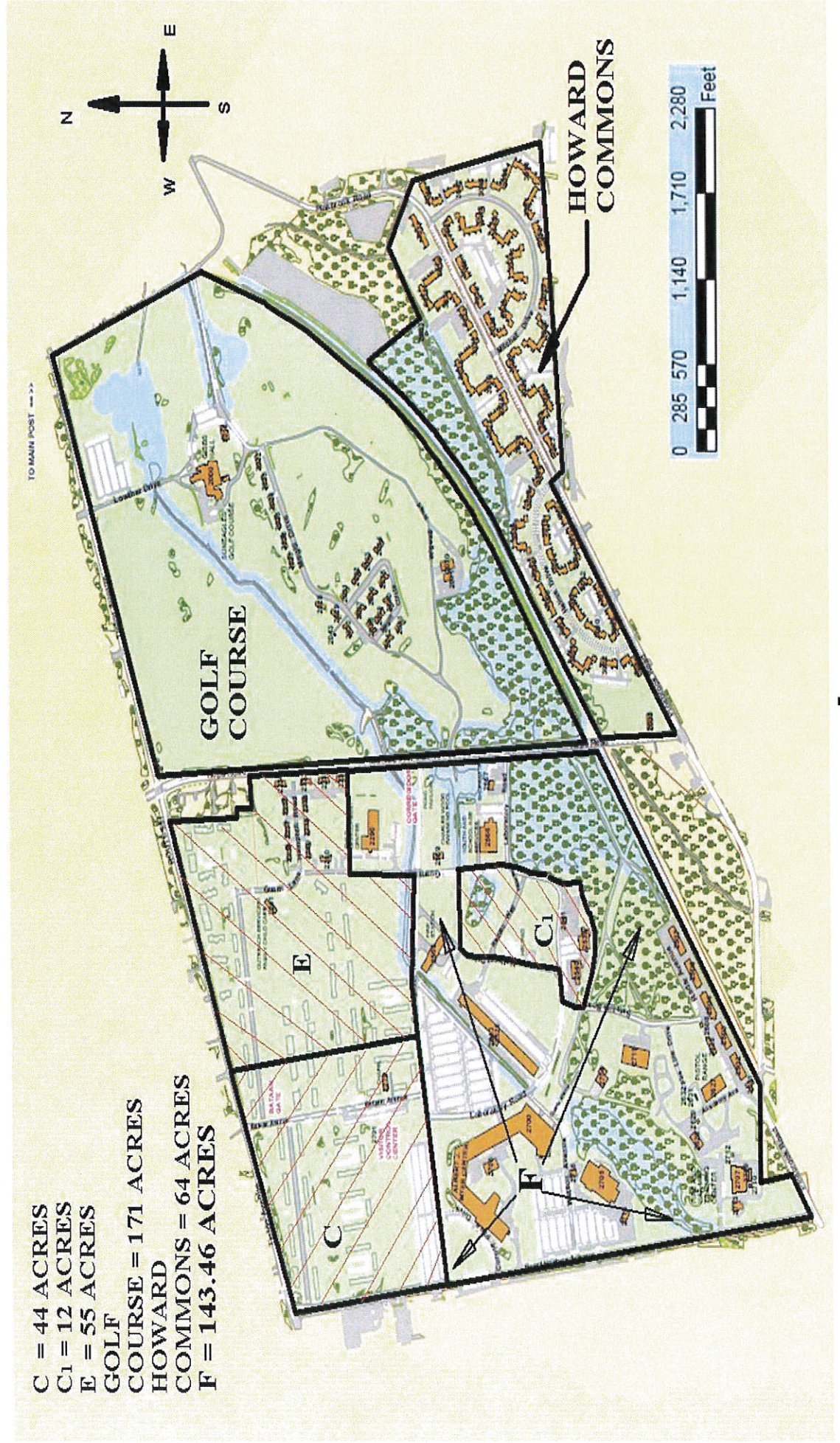
- **20 year plan**
- **Buildout by Use:**
 - 1,585 housing units (over 4,000 new residents)
 - 300,000 sf non-profit, civic, government & educational uses
 - 500,000 sf retail
 - 2,000,000 sf office, research, other commercial
- **Demolition:** 3,500,000 sf (70% of existing building area)
- **Infrastructure Cost:** \$50,000,000
- **Employment Generated:** 10,000 permanent jobs
- **Total Development Cost: \$1.5 Billion**



Fort Monmouth Economic Revitalization Authority

Charles Wood Parcels

- C = 44 ACRES
- C₁ = 12 ACRES
- E = 55 ACRES
- GOLF COURSE = 171 ACRES
- HOWARD COMMONS = 64 ACRES
- F = 143.46 ACRES





Fort Monmouth Economic Revitalization Authority

Main Post Parcels

LEGEND

B = 53 ACRES

MEDICAL CENTER = 16 ACRES

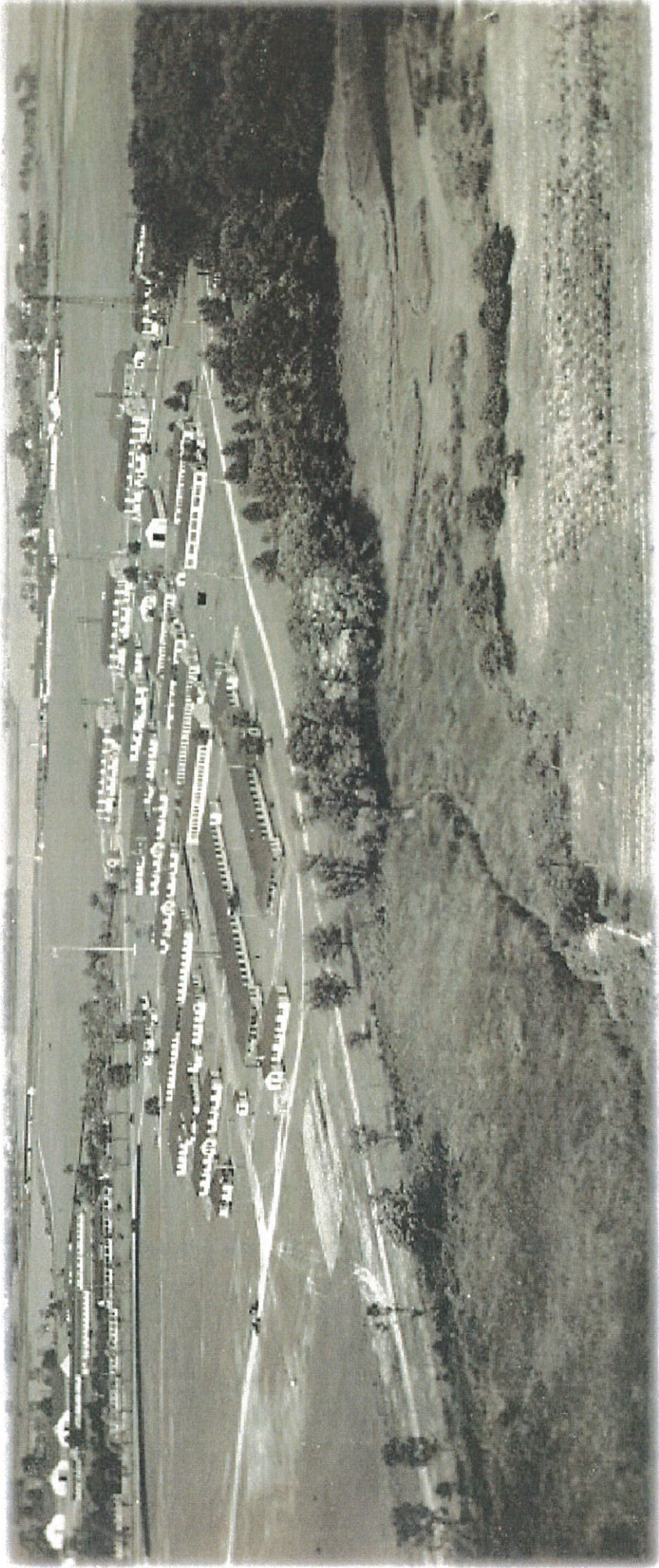
MARINA = 4.3 ACRES





Fort Monmouth Economic Revitalization Authority

Camp Vail (1924)





History of Fort Monmouth

- **Site of Monmouth Park Racetrack & Hotel – 1891 to 1915**
- **Camp Little Silver; Camp Vail – 1917**
- **43 semi-permanent labs and Army Air Corps hangers - 1918**
- **Pigeon Breeding & Training; Signal Corps School - 1919**
- **Land purchased by War Department in 1920**
- **Permanent post; renamed Fort Monmouth – 1925**
- **First permanent structures – 1928**
- **Signal Corps consolidated R&D facility, Squier Hall – 1935**
- **Evans, Coles & Charles Wood Areas – 1941**
- **Signal Corps School (800,000 square feet) - 1953**
- **Myer Center (700,000 sf “Hex Building”) – 1954**
- **Pigeon Service discontinued - 1957**
- **CECOM Building leased (1,000,000 sf) – 1974**
- **McAfee Center – 1997**
- **BRAC 2005 Round**
- **Fort closed - 2011**

R&D Highlights

- **1926: First extended range voice radios**
- **1936: Walkie-talkies developed for front-line troops**
- **1937: “Mystery Ray” (RADAR) prototype developed**
- **1941: Static-free back-pack radio**
- **1946: Diana Project launches space-age communications**
- **1948: First weather radar**
- **1948: Synthetic quartz**
- **1949: Technique for mass production of integrated circuits**
- **1958: Solar cells developed for space satellites**
- **1959: 1st weather satellite carries FM electronics package**
- **1960: World-wide synchronization of atomic clocks**
- **1960: 1st van-mounted mobile computer**
- **1965-1972: Night vision, helmet radios deployed to Vietnam**
- **1981: Tactical fire direction system**
- **1994: Fort takes lead on battlefield digitization**



Fort Assets

- **Located within an ICT cluster**
- **Local workforce**
- **On-site corporate tech anchor -- CommVault**
- **Master-planned community (live-work-play)**
- **Developable land**
- **High-value existing facilities**
 - McAfee Center/anechoic chamber
 - Specialized research facilities (“Star Wars building”)
- **Passenger rail to NYC ¼ mile away (Little Silver Station)**
- **“Quality of life” – proximity to beaches, racetrack, AC, NYC, hipster destinations (Red Bank & Asbury Park)**



Fort's Targeted Industries

- **Information & Communications Technology**
- **Health care**
- **Educational institutions**
- **Small businesses & professional offices**
- **Retail**
- **Housing**

Development Strategy

- **Residential and retail development as drivers of early phases of Fort's redevelopment**
- **Support growth of a tech cluster**
 - Develop tech park with incubation and commercialization components
- **Attract corporate and institutional anchors**



Redevelopment Process

- **Sales Rules**
- **Requests for Offers to Purchase**
- **Evaluation Criteria**
- **Exclusive Negotiations**
- **Purchase and Sale & Redevelopment Agreement**
- **Due Diligence, Demolition & Environmental**
- **Approvals**
- **Prevailing Wage Obligations**
- **Affordable Housing Requirements**

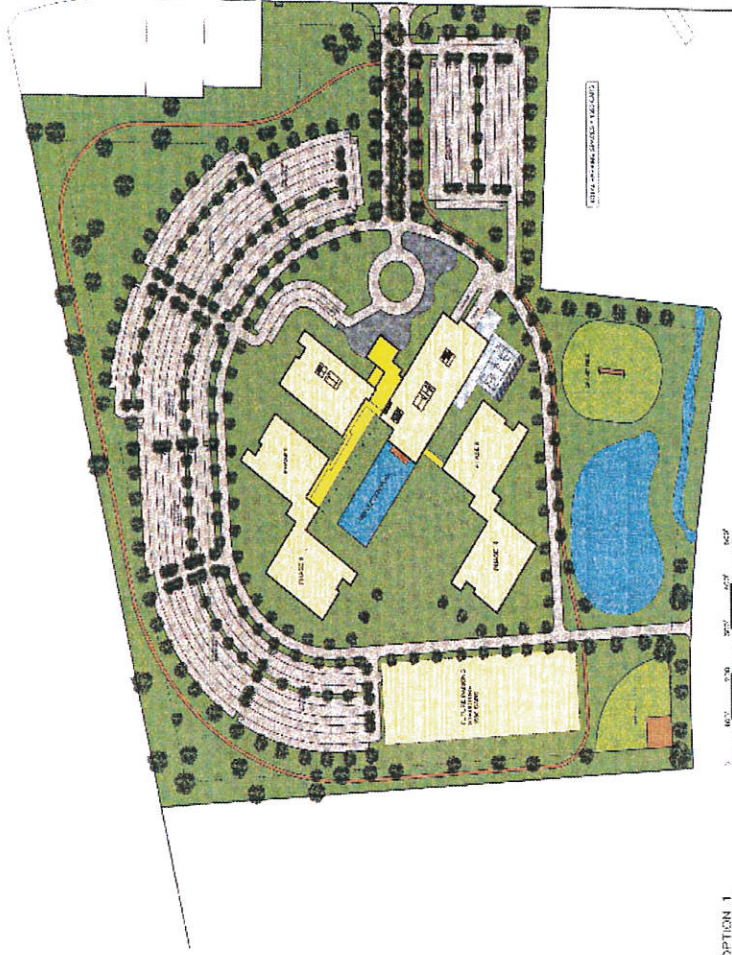


Redevelopment Highlights

- **FEMERA acquired title to Phase 1 properties from Army (500 acres)**
- **FEMERA executed term sheet with Army to purchase balance of Fort**
- **\$40MM in improvements underway at GSP Exit 105 & new 105A**
- **CommVault completes \$100 MM 1st phase World Headquarters**
- **AcuteCare renovating former Patterson Army Hospital**
- **Six parcels in negotiation**
- **Nine RFOTPs currently out for proposals**



CommVault Site Plan



PROPOSED SITE PLAN - OPTION 1





Fort Monmouth Economic Revitalization Authority

CommVault Headquarters Tinton Falls



commvault
*solving forward**





Fort Monmouth Economic Revitalization Authority

Patterson Army Hospital





Fort Monmouth Economic Revitalization Authority

Former Patterson Army Hospital AcuteCare Health





Parcel B: The Development Opportunity

Context

Market Conditions



Monmouth County

- **Sixth largest county in the state by size**
- **Fifth most populous county**
- **Good highway access – Garden State Parkway, I-195, and Routes 18, 35 and 36**
- **Rated AAA by Moody's, S&P and Fitch**
- **50 miles south of NYC**
- **Over 50 miles of beaches and bay coastline**



Monmouth County Demographics: Highly Educated and Affluent

- Significant population growth, particularly Tinton Falls (over 43% increase over the past 22 years)
- Wealthy communities such as Little Silver (median income of \$120,943), Lincroft (\$112,047), Oceanport (\$90,547) and Rumson (\$146,064)
- Majority of the population (69%) are white collar professionals
- 46% of the population has a college degree (Associates or higher); approximately one-third of this group has an advanced degree. 91% percent of County residents aged 25 and over have graduated from high school.
- Median house value of \$388,000; over 43% of homes are valued @ \$500,000 and higher
- Per capita income (2010 dollars) was \$40,976 and ranked 56th in the United States.
- Median household income was \$82,265.
- Ranked among the top 2% of counties in U.S. by wealth (42nd overall).



Local & Regional Economy

- **Professional, Scientific & Technical Services industry among 5 industries with highest employment in Edison Labor Area**
- **Industries with 30% or more of the total state employment in the Labor Area:**
 - Life Sciences
 - Physical Sciences
 - Communications
 - Advanced Manufacturing
- **Retail and wholesale sales dominated the Monmouth economy, a mix of retail (\$11,225 million), wholesale (\$11,058 million), manufacturing (\$3,468 million) and accommodation and food service sales (\$1,153 million).**
- **Other leading industries:**
 - Health services
 - Tourism

Market Overview:

- **Monmouth County OFFICE Market**

- 10.7 million SF County office market comprised of 201 properties
- 4Q 2014 Vacancy Rate: 13.3%
- The Monmouth County inventory underwent a huge shift in 2013 when the 1.9-msf former Bell Labs facility was sold. The removal of the property from the County's inventory while it undergoes redevelopment for mixed use pushed the vacancy rate down considerably last year. The rate has held steady throughout 2014 after this drop, falling to 13.3%.
- Sublease space represents 2.0% of total available space.
- Monmouth County saw its second-strongest year of leasing activity since 2006, aside from only last year, with over 290,000 sf of new demand.
- The largest transactions for the year were executed by FEMA, Regus, and Roof Diagnostics Solar.

Market Overview:

- **Monmouth County RETAIL Market**

- 42.2 million SF retail market comprised of 3,304 properties
- The majority of properties are smaller strip centers, community centers and stand-alone retail facilities
- Larger centers (malls and power centers) total 7.1 million SF in 11 properties
- Overall retail vacancy rate is 5.3% for all product types
- The County is further subdivided into Monmouth East and Monmouth West
- The Property is located in Monmouth East, which has an overall vacancy rate of 5.2%



Market Overview:

- **Monmouth County RESIDENTIAL SINGLE FAMILY FOR SALE Market**

| | <u>2014</u> | <u>2015</u> |
|---------------------------------------|-------------|-------------|
| • Average Days on Market | 64 | 67 |
| • Average List Price | \$447,602 | \$455,604 |
| • Average Sold Price | \$323,798 | \$319,674 |
| • Number of Homes Sold YTD | 1,717 | 1,773 |
| • Number of Homes currently on Market | 13,087 | 13,505 |



Parcel B and the Optional Property

Zoning: Reuse Plan & Land Use Rules

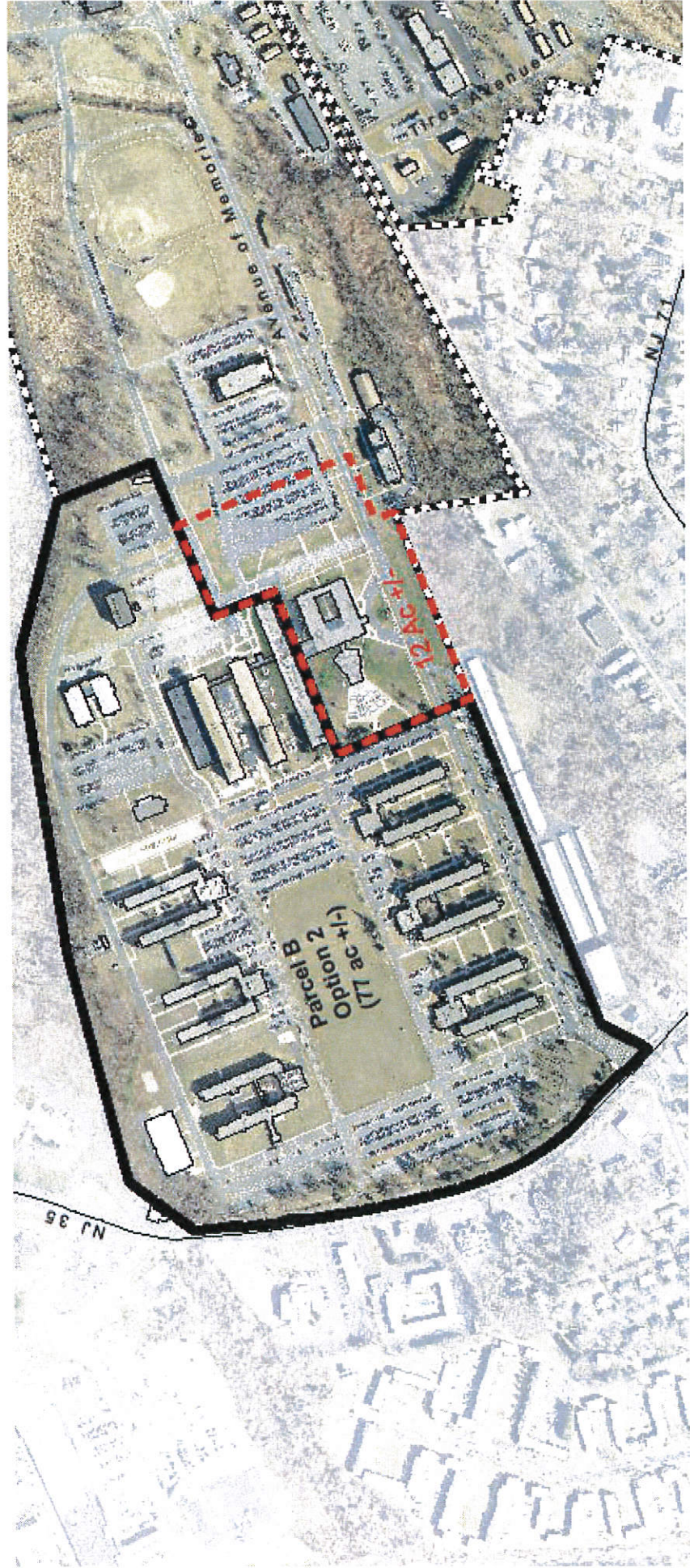
Existing Improvements

Infrastructure

Circulation

Environmental

Site Map





Optional Property

- **Mallette Hall: 57,000 gsf office**
- **Pruden Hall:300 seat theater**
- **Outdoor Amphitheater**
- **Parking Area**
- **Options:**
 - Renovation or Demolition



Fort Monmouth Economic Revitalization Authority

Mallette Hall





Design Factors & Market Mix

Town Center

Walkability/Connectivity

High-End Retail & Anchors

Optional Professional Offices

Residential Mix



Fort Monmouth Economic Revitalization Authority

Reuse Plan Rendering

4.9 / KEY AREA AND SUSTAINABILITY



Artist: Rendering of Easttown Lifestyle Center

Artist: Thomas W. Schaller



Borough of Eatontown's Perspective

Preference for Owner-Occupied Units

Interaction with Route 35 Businesses

Civic Elements (Amphitheater)

Municipal Support



Thank you!

• Questions? Comments?

Bruce Steadman, Executive Director

bsteadman@njeda.com

Dave Nuse, Real Estate Director

dnuse@njeda.com

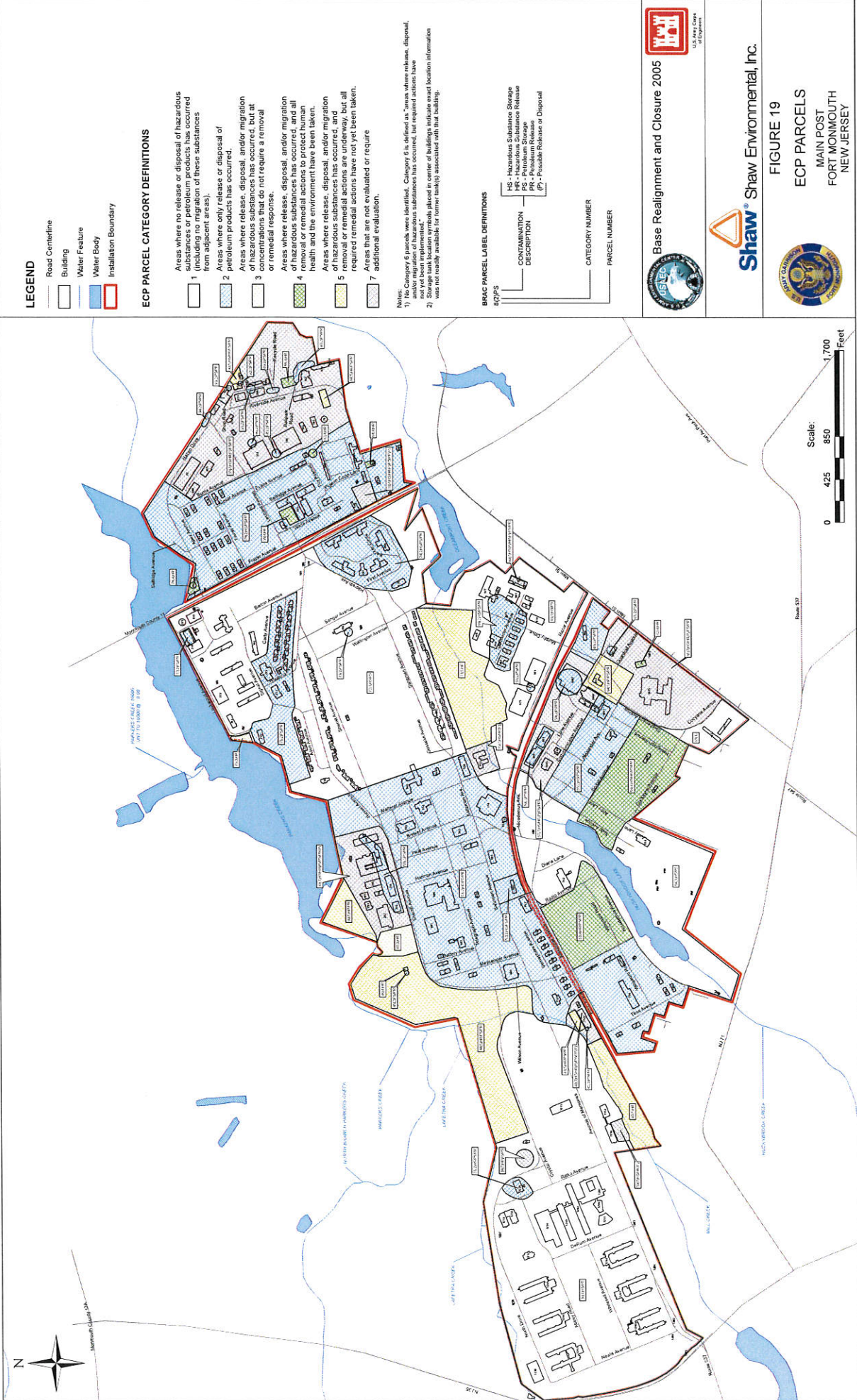
Rick Harrison, Director of Facilities Planning

rharrison@njeda.com

Les Smith, Broker, Cushman & Wakefield

Les.Smith@cushwake.com





LEGEND

- Road Centerline
- Building
- Water Feature
- Water Body
- Installation Boundary

ECP PARCEL CATEGORY DEFINITIONS

- 1 Areas where no release or disposal of hazardous substances or petroleum products has occurred (including no migration of these substances from adjacent areas).
- 2 Areas where only release or disposal of petroleum products has occurred.
- 3 Areas where release, disposal, and/or migration of hazardous substances has occurred, but the concentrations do not require a removal or remedial response.
- 4 Areas where release, disposal, and/or migration of hazardous substances has occurred, and all removal or remedial actions to protect human health and the environment have been taken.
- 5 Areas where release, disposal, and/or migration of hazardous substances has occurred, and removal or remedial actions are underway, but all required remedial actions have not yet been taken.
- 7 Areas that are not evaluated or require additional evaluation.

Notes:
 1) No Category 6 parcels were identified. Category 6 is defined as "areas where release, disposal, and/or migration of hazardous substances has occurred, but required actions have not been taken."
 2) Storage tank location symbols placed in center of buildings indicate exact location information was not readily available for former tank(s) associated with that building.

BRAC PARCEL LABEL DEFINITIONS

- HS - Hazardous Substance Storage
- HR - Hazardous Substance Release
- PR - Petroleum Release
- P - Possible Release or Disposal

CATEGORY NUMBER
 PARCEL NUMBER

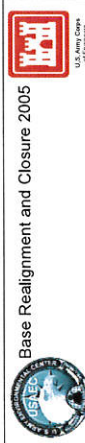


FIGURE 19
ECP PARCELS
 MAIN POST
 FORT MONMOUTH
 NEW JERSEY

