

**Fort Monmouth Economic Revitalization Authority
Board Meeting
December 6, 2017
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

MINUTES OF THE MEETING

Members of the Authority present:

- James V. Gorman – Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Lillian Burry – Monmouth County Freeholder Director – V
- Gary Baldwin – Tinton Falls Council President – V
- Jay Coffey – Mayor of Oceanport – V
- Dennis Connelly – Mayor of Eatontown – V (via phone)
- Tom Huth – Assistant Counsel, Authorities Unit, Office of the Governor – V
- Donna Sullivan – Director of Real Estate, NJ Economic Development Authority – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (via phone)

V – Denotes Voting Member

Members not present:

- Dr. Robert Lucky – Public Member – V
- William Riviere, Principal Planner, NJ Department of Transportation

Also present:

- Bruce Steadman, FMERA Executive Director
- Ryan Brown, Deputy Attorney General (DAG)
- FMERA staff

The meeting was called to order by Chairman James V. Gorman at 7:02p.m., who led the meeting in the Pledge of Allegiance to the Flag of the United States of America.

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

The first item of business was the approval of the October 18th regular meeting minutes. A motion as made to approve the minutes by Donna Sullivan and seconded by Tom Huth.

Jay Coffey abstained from voting stating he was not at the October meeting.

Motion to Approve: DONNA SULLIVAN Second: TOM HUTH
AYes: 5

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 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 would consider five board actions: 1) Consideration of Approval of Plan Amendment #9 permitting additional development scenario in Eatontown; 2) Consideration of Approval of FMERA's 2018 Budget; 3) Consideration of Approval of a Loan from NJEDA for general working capital purposes; 4) Consideration of Approval to make the Commissary Parcel available through the Offer to Purchase Process; 5) Consideration of Approval to make the Expo Theater available through the Offer to Purchase Process; and 6) Consideration of Approval of Seventh Amendment to Purchase and Sale Agreement & Redevelopment Agreement for Parcels C & C1 in Tinton Falls.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meeting protocol, 3 minutes per speaker for the first for agenda items only, and 5 minutes per speaker for the second for any FMERA business. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. 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.

Mr. Gorman then read the following statement:

Before we proceed with tonight's meeting agenda, I wish to attend to a personal matter. Tonight, I am announcing my resignation from the position of Chairman and as a Public Member of the Board of Directors of this Authority. My resignation shall become effective at the earlier of my relief by the Governor of the State of New Jersey, or by a Successor or by December 31, 2017. This will be my last Board Meeting.

In looking back, it has been more than seven years since I was appointed to this Authority and during these years we have achieved some significant accomplishments. However, I believe that with the election of a new Governor and two new State Senators representing our local communities, that the time has come to clear the decks for the new administration so that the important work of this Authority may continue unabated nor delayed.

Personally, FMERA has presented me with many of the most challenging business issues of my career. During my 7-year tenure, there has never been a time when significant regulatory hurdles to successful redevelopment have not been present and which required too much precious time and effort to resolve in order to advance redevelopment results. Further, significant future challenges to finishing the job remain and will need to be overcome in the next phases of the Fort's redevelopment to positively benefit all our local communities.

It has been my privilege to work with some of the best people in this State in helping to repair the terrible economic damage done to this community and to our state from the closing of Ft. Monmouth. As an outsider to state government, being from the private sector my expectations have had some pleasant surprises. I cite the strong cooperation and commitment of each of the three municipalities, their mayors and County Freeholder Burry, our strongest supporter. I found it remarkable that all of elected officials were focused upon our common goal of economic revitalization and made in an environment where partisan politics took a back seat. Period.

I have also had the great pleasure of working with some of the most talented and professional state government managers, most notably the dedicated FMERA staff led by Bruce Steadman, who to a person never raced out of the FMERA office when the clock struck 5 pm, but rather were routinely diligent in getting the job done no matter what the time of day. Moreover, and of special note, I wish to commend the NJEDA which has been a consistently strong supporter and creative advocate for this Authority. I say now that without the NJEDA, led by Tim Lizura and his predecessor Caren Franzini, FMERA would not be nearly as far along in the Fort's redevelopment as we now are. NJEDA is one of the jewels of the State of New Jersey and hopefully will be recognized as such by the incoming administration.

Looking forward, I wish Governor-elect Murphy and Senators-elect O'Scanlon and Gopal much future success as they will face serious economic challenges which will impact this Authority directly and its ability to successfully complete the FMERA mission.

Lastly, and as FMERA Chairman, I now would like to address the vacancy on this Board of the Vice Chair. I believe that this vacancy must now be filled to permit FMERA's current pace of action to continue uninterrupted.

The Chairman made a motion to nominate Dr. Robert Lucky of Monmouth County to fill the vacant Vice Chairman position as described in the Authority's By-laws and to serve as Vice Chairman until the Authority's next Annual Meeting.

A motion was made by Chairman James V. Gorman and was seconded by Lillian Burry.

Motion to Approve: CHAIRMAN JAMES V. GORMAN Second: LILLIAN BURRY
AYes: 6

Chairman Gorman stated that Dr. Lucky was not present at the meeting due to a business commitment, but has indicated his interest to serve in this capacity in an email, a copy of which has been provided to Secretary Bruce Steadman for his recording.

Lastly, the Chairman wished everyone a very happy Holiday Season and our best wishes for a great 2018.

SECRETARY'S REPORT

Bruce Steadman stated that he had received the email from Dr. Robert Lucky, noting that he would accept the nomination as Vice-Chairman.

Mr. Steadman stated that, on behalf of the FMERA staff, it has been an honor and privilege to serve FMERA under Mr. Gorman's chairmanship; that Mr. Gorman's leadership and direction were responsible for much of the success that FMERA has achieved to date; that we truly appreciated his counsel and support over the 7 years; and that we wish him the very best going forward.

Mr. Steadman stated that the December meeting was a combination of the November and December meetings and the next Board meeting is scheduled for January 17th per the approved and published Board Meeting calendar for 2018. As we have done in previous years, we combined the November and December meetings to accommodate the November and December Holidays and other scheduling encumbrances.

Mr. Steadman noted that Mayor Connelly would be calling in to voice his votes on the Action Items, as the FMERA meeting was conflicting with the Eatontown Council meeting.

TREASURER'S REPORT

Jennifer Lepore stated that FMERA staff presented the 2018 Budget to the Audit Committee at their November 29th meeting. Based on their review, the Audit Committee recommended that the 2018 Budget be submitted to the Board at its December 6th meeting.

The Monmouth County Improvement Authority issued \$23,735,000 in subsequent taxable notes related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army. The Notes were issued in two series: Series 2017A in the amount of \$16,735,000 with a term of two years and bearing interest at the rate of 2.50% per annum; and Series 2017B in the amount of \$7,000,000 with a two-year term but subject to an eighteen-month call with interest at 3.00% per annum. The notes are backed by a Monmouth County guaranty which resulted in the notes receiving the highest credit rating from the three rating agencies.

At tonight's meeting, FMERA is requesting that the Board authorize a credit facility with the EDA for up to \$5 million. The requested loan will be utilized to fund general working capital needs only. FMERA's long-term financial outlook is strong. As of 2019 and through the balance of FMERA's mission, the pro-forma shows that the Authority will remain cash flow positive, and will have adequate resources available to complete the Fort's

redevelopment, including repayment of this EDA loan within two years, and satisfaction of our obligations with the MCIA.

Bruce Steadman thanked Jennifer Lepore for her work with the Office of Economic Adjustment (OEA) regarding the grants provided to FMERA by OEA. The last OEA grant was completed in June 2017, and we have received notification from OEA that all reports associated with closing out the grant have been received, reviewed, and approved by OEA. This brings to an end a very successful set of grant periods, beginning prior to FMERA's inception in 2010. Mr. Steadman stated that Ms. Lepore has done an outstanding job in satisfying the myriad OEA grant filing and administration requirements, and has solidified FMERA's reputation with OEA with respect to our financial operation.

PUBLIC COMMENT REGARDING BOARD AGENDA ITEMS (3 minutes re: Agenda Items)

There was no public comment.

Mayor Coffey asked if there was an update on the status of the Squier Hall parcel and project. Mr. Steadman responded, not as yet.

EXECUTIVE DIRECTOR'S REPORT

Kristy Dantes, Director of Facilities and Infrastructure gave the following update on RFPs and Contracts that FMERA is currently working on:

Utilities:

- Utility work began last Monday on the Main Post water line extension project, and will continue for the next six to eight weeks. The eleven thousand linear foot water main extension will encompass a significant portion of the Main Post Historic District. Sanitary system work continues in its pre-construction phase, as RPM Development, in conjunction with Two Rivers Water Reclamation Authority, moves toward installing a sanitary main from the Officer Housing area to the Two Rivers meter. In Charles Wood, we hope that we will close with JCP&L very soon on the transfer of the substation.

Suneagles Golf Course:

- An executed agreement with Martelli Development, LLC for the sale of the golf course is expected before year-end. This agreement also will turn over operation of the golf course to Martelli after a 30-day notice to Linx Golf Management. Our sincere thanks to Linx for 6+ years of successful golf course operations.

Dave Nuse, Director of Real Estate Development and Deputy Executive Director, gave an overview on property sales and RFOTPs:

To date, FMERA has completed a total of 11 closings on the Fort.

- Since our 2013 initial Phase 1 closing with the Army, FMERA has had five closings in the Charles Wood Area and on the Main Post
- FMERA has had six additional closings on the Main Post since our 2016 Phase 2 closing with the Army
- The pace of closings is quickening, as five of the eleven closings have occurred in 2017

Thru mid-2018, FMERA anticipates nine additional closings:

- Four in Tinton Falls – the Fabrication Shops, Parcels C&C1 and the Monmouth County Recreation Center (former Teen Center)
- Three in Eatontown – the Bowling Center, the Eatontown Barracks (Artist Live/Work Space) and the Eatontown Public Works Complex (Building 1123)
- Two in Oceanport – the Dance Hall (Building 552) and Family Promise (Building 501)

FMERA is targeting nine upcoming Requests for Offers to Purchase (RFOTPs) through mid-2018:

- In Tinton Falls – the Pulse Power building & Building 2719
- In Eatontown – the Expo Theater, Lane Hall and Vail Hall
- In Oceanport – the Commissary Area/Warehouse District/Post Office Area, the McAfee Center and Building 555.

At tonight’s meeting, staff will be asking the Board to authorize Requests for Offers to Purchase for the Expo Theater site in Eatontown and for 3 contiguous parcels in Oceanport – the Commissary & PX, the Warehouse District and the Post Office Area.

Please see the Executive Director’s report as well as FMERA’s website, www.fortmonmouthnj.com, for more information about our current and future projects.

Sarah Giberson, Senior Marketing & Development Officer, stated that FMERA continues to work with the Riddle Team on lead generation and prospect sourcing, while increasing its online presence and outreach initiatives. Further refinement of the FMERA brand has allowed the team to implement several key changes to the FMERA website including: the addition of a comprehensive, online Business Directory, downloadable, up-to-date informational sheets highlighting Fort Monmouth’s available properties; and an online sign-up tool for our monthly newsletters and RFOTP mailing list. These online assets enhance our communication and interactions with interested parties, as well as with our stakeholders.

FMERA is also working to increase the visibility of its redevelopment efforts by participating in relevant industry events. Staff will be attending the International Council of Shopping Centers’ second-largest, annual conference on December 7th to share ideas and connect with retail, real estate professionals. Additionally, staff has submitted panel discussion proposals for both the International Economic Development Council’s (IEDC) 2018 Annual Meeting in Atlanta, Georgia, as well as for the 2018 NJ Future Redevelopment Forum. Both IEDC and NJ Future Redevelopment Forum are well-attended by successful economic development practitioners and related industry professionals.

Please refer to our website, www.fortmonmouthnj.com, for more information and to sign up for our monthly digital newsletters.

Bruce Steadman stated that the Auctioneers held a total of seven auctions in 2017, four in the 400 area, one in the Lodging Area, one at Vail Hall, and a small lot memorabilia auction held this fall. Total sales for these auctions was approximately \$900,000. FMERA is anticipating 4-6 auctions in 2018.

Mr. Steadman thanked Bill Colvin, the Army Base Environmental Coordinator for his help on a number of environmental issues and providing information to developers. Mr. Steadman also thanked John Occhipinti, the Army Site Manager for his continued support.

Mr. Steadman thanked the Boroughs of Oceanport, Eatontown, and Tinton Falls for their continued support and working relationships, particularly now that the winter weather is settling in

Mr. Steadman thanked Mr. Kloo and his associates at the NJDEP for their continued help and support, and counsel on various important environmental-related issues that FMERA must manage and resolve.

Bruce Steadman gave an update on FMERA action items:

- Continued work with the N.J. Department of Environmental Protection and U.S. Army 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

a) AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Bruce Steadman, on behalf of Robert Lucky, stated that the Committee met on November 8th and November 28th and discussed the following:

November 8th meeting:

- Discussion regarding the loan from the NJEDA for general working capital purposes
- Discussion regarding upcoming and forecasted closings for 2017 and 2018.
- Discussion regarding the Monmouth County Improvement Authority (MCIA) loan terms.

November 28th meeting:

Discussion regarding the Authority's 2018 Budget including the following:

- 2018 Budget illustrates the Phase 1 & 2 Economic Development Conveyance (EDC) Agreements.
- 13 parcels are projected to be sold in 2018 for \$30,289,000 with projected net earnings of \$10,021,613.

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

Chairman Gorman stated that the Committee met on November 28th and discussed the following:

- Discussion regarding the RFOTP for the Commissary and PX, Warehouse District, Post Office Area and 100 Area Parking Area. Staff proposes to issue three separate RFOPTs and the scoring will offer additional consideration to parties to purchase multiple parcels. The Committee reached a consensus and agreed to recommend making the Commissary Parcels available through the offer to purchase process.
- Discussion regarding the proposed Plan Amendment #9 which encompasses approximately 12 acres of property in the Eatontown Reuse Area. The Amendment maintains the Plan's land use concepts and plans while permitting development scenarios for the parcel which includes the reuse of six WWII era barracks as well as 12 short-term residential units for artists. The Committee reached a consensus and agreed to recommend approval of Plan Amendment #9.
- Discussion regarding the RFOTP for the Expo Theater and adjacent land. FMERA staff has received interest in the Expo Theater for both adaptive reuse as well as alternate uses consistent with or complementing the planned uses in the area. Potential purchasers will have the option to include additional land including Dean Field and portions of the M3, M5, and M8 landfills. The Committee reached a consensus and agreed to recommend making the Expo Theater and adjacent land available through the offer to purchase process.
- **Other issues of discussion:**
 - NJEDA Loan Agreement
 - Parcel B
 - Howard Commons
 - Oceanport Complex
 - Barker Circle
 - Myers Center
 - Bowling Center
 - Suneagles Golf Course
 - Open Space/Walking Trails

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

Kenneth J. Kloo stated that the Committee met on November 6th and discussed the following:

- Discussion regarding a summary of the Parcel C project located in Tinton Falls. The developer, U.S. Homes, d/b/a Lennar, submitted a Mandatory Conceptual Review (MCR) application for the project. The applicant submitted an Environmental Impact Report, completed by Maser Consulting dated October 4, 2017, which provides detail on the environmental impacts of the development. The applicant has identified three potential isolated wetland areas along Tinton Avenue and has submitted a Letter of Interpretation - Line Verification to the DEP to verify the location and anticipated minimal resource value of the wetland areas. The applicant is

proposing to fill these small wetland areas for improvements to Tinton Avenue as recommended by the County of Monmouth. The applicant has applied for a Freshwater Wetlands General Permit 6 to authorize these fill activities. Committee members discussed other aspects of the project, including surface runoff collection, an open space park area of approximately 1.5 acres to be preserved, and sediment controls. The Committee had no additional comments on the proposed development.

- Discussion regarding a summary of the second phase of development proposed by Trinity Hall Corporation at the former Child Development Center, also in Tinton Falls. Trinity Hall submitted a MCR application for the project. The applicant has proposed a subsurface detention basin to comply with applicable stormwater management regulations. The stormwater management design includes two outfalls into the Wampum Brook tributary located on site, which is concrete lined, replacing the existing stormwater outfalls into the tributary that will be removed. The applicant is seeking a Flood Hazard Area Individual Permit for the construction of the two outfalls, as well as grading activities, which encroach upon the Flood Hazard Area and riparian zone. The Committee recommended the applicant provide details on the stormwater management plan as it pertains to available capacity. The Committee discussed roof stormwater runoff versus parking lot runoff and the use of pervious surfaces where practicable and feasible. Finally, the Committee recommends the applicant consider the installation of solar panels on the building's roof. The Committee's comments and recommendations will be incorporated in to the Authority's MCR letter.
- Discussion regarding a summary of the potential Sherrill Avenue sewer main extension project, currently under discussion with Two Rivers Water Reclamation Authority (TRWRA). A portion of the sewer main extension may potentially lie within the boundaries of M8 landfill. It was noted that the DEP recently completed its review and signed the Record of Decision on the M2 and M8 landfills. The Committee discussed the existing sanitary sewer infrastructure and the permitting process for this new main extension.
- Discussion regarding the DEP Case Manager description of the proposed work to remove the slab and excavate soils as proposed in the Remedial Investigation/Feasibility Study prepared by the Army for the former neutralization pit located at Building 2700, known as the Myer Center in Tinton Falls. The DEP has recommended the Army pursue in-situ remediation as well.
- Discussion regarding the hydraulic lifts present at Building 699 in Oceanport. The Army is scheduled to submit a report on this building to the DEP by the end of the year.
- Discussion regarding Carve-out Parcel 102, a former skeet range and the safety zone as estimated by the Army. The Army has submitted a No Further Action determination request to the DEP for Carve-out Parcel 102.
- Update on the water main installation work and the timing of construction. FMERA continues to sample the water in the existing system on a monthly basis and also continues to be compliant with the DEP drinking water regulations.
- Discussion regarding the Army's putting together a work plan to conduct sampling related to Environmental Carve-out Parcel 105, located in the Squier Hall parcel. This work plan will be submitted to the DEP for their review and approval.
- Discussion regarding a summary of eight upcoming Requests for Offers to Purchase planned in 2018.

d) HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (JAY COFFEY, CHAIRMAN)

Jay Coffey stated that the Committee did not meet this month.

e) HOUSING STAFF ADVISORY COMMITTEE (GINA FISCHETTI, CHAIRPERSON)

Bruce Steadman, on behalf of Gina Fischetti, stated that the Committee met on October 24th and discussed the following:

- Discussion regarding the Nurses Quarters. The buildings will be developed as 24 to 34 one and two-bedroom apartments with 20% affordable.
- Discussion regarding the Lodging Area in Oceanport, currently under negotiations with the lead bidder, for 185 townhomes with 20% affordable, and the reuse of the two historical buildings.
- Discussion regarding Allison Hall, a 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.
- Discussion regarding Barker Circle. The RFOTP sought proposals for the repurposing of all of the Barker Circle buildings.

- Discussion regarding Parcels C & C1. FMERA has executed a PSARA with Lennar Corporation.
 - Lennar is finalizing the site plan for Parcel C which will be developed to accommodate up to 239 residential units. 20% affordable housing results in 57 units on Parcel C which includes the affordable units for Parcel C1 as well.
 - Parcel C1 will be developed with up to 49 residential units and up to 58,000 sq. ft. of retail development.
 - Discussion regarding Suneagles Golf Course. Martelli Signature Homes proposed redevelopment includes the reuse of the Golf Course; construction of up to 75 residential units within the 10-acre former Megill Housing, of which 15 units will be affordable.
 - Discussion regarding Howard Commons.
 - Discussion regarding Parcel B. Parcel B will include retail and/or commercial development on the parcel with the number of housing units at 302, with 20% affordable (60 units).
- f) VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER DIRECTOR LILLIAN BURRY, CHAIRPERSON)

Lillian Burry stated that the Committee did not meet this month. Ms. Burry stated that the County is in the process of signing a lease with Tetherview for a Veterans Resource Center at Russel Hall.

Mayor Connelly reported in via telephone at 7:43 pm so that he could voice his votes on the Board Actions.

BOARD ACTIONS

A) The next item before the Board was Consideration of Approval of Plan Amendment #9 Permitting Additional Development Scenario in Eatontown

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Lillian Burry and was seconded by Tom Huth.

Bruce Steadman conducted a roll call vote

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Lillian Burry	X		
Gary Baldwin	X		
Jay Coffey	X		
Dennis Connelly (via phone)	X		
Tom Huth	X		
Donna Sullivan	X		

Motion to Approve: LILLIAN BURRY Second: TOM HUTH
AYes: 7

B) The next item before the Board was Consideration of Approval of FMERA’s 2018 Budget.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 2.

A motion was made by Lillian Burry and was seconded by Donna Sullivan.

Bruce Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
James V. Gorman	X		
Lillian Burry	X		
Gary Baldwin	X		
Jay Coffey	X		
Dennis Connelly (via phone)	X		
Tom Huth	X		
Donna Sullivan	X		

Motion to Approve: LILLIAN BURRY Second: DONNA SULLIVAN
AYes: 7

C) The next item before the Board was Consideration of Approval of a Loan from New Jersey Economic Development Authority for general working capital purposes.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 3.

A motion was made by Tom Huth and was seconded by Donna Sullivan.

Motion to Approve: TOM HUTH Second: DONNA SULLIVAN
AYes: 6

D) The next item before the Board was Consideration of Approval to Make the Commissary and PX, Warehouse District, Post Office Area and 1000 Area Parking Available Through the Offer to Purchase Process.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 4.

A motion was made by Lillian Burry and was seconded by Jay Coffey.

Motion to Approve: LILLIAN BURRY Second: JAY COFFEY
AYes: 6

E) The next item before the Board was Consideration of Approval to Make the Expo Theater Available Through the Offer to Purchase Process

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 5.

A motion was made by Donna Sullivan and was seconded by Tom Huth.

Motion to Approve: DONNA SULLIVAN Second: TOM HUTH
AYes: 6

F) The next item before the Board was Consideration of Approval of Seventh Amendment to Purchase and Sale and Agreement & Redevelopment Agreement for Parcels C & C1 in Tinton Falls.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 6.

A motion was made by Jay Coffey and was seconded by Lillian Burry.

Motion to Approve: JAY COFFEY Second: LILLIAN BURRY
AYes: 6

OTHER ITEMS

Bruce Steadman addressed a question made by Mayor Turning at the October meeting, specifically whether a property ceases to be part of Fort Monmouth and is no longer subject to FMERA after it is sold and the purchaser has finished an initial redevelopment project. FMERA received a response from the Attorney General's office, which is summarized below

This is addressed by the FMERA Act's definitions at N.J.S.A. 52:27I-20, which state FMERA's duties and powers extend to the "project area," defined as the "area encompassed by the metes and bounds of Fort Monmouth." "Redevelopment" is also defined broadly, as it includes not only "replanning" and "redevelopment" but also "development" and "construction." The definition of "redevelopment" requires that all the activities in that definition must be done in accordance with the Reuse Plan without any indication of the timing of such redevelopment. The MCR requirement springs from applications for site plan approval and redevelopment within the project area, in line with FMERA's oversight responsibilities. So, the FMERA Act stipulates that the Reuse Plan must be followed for all subsequent development and redevelopment, post the original closing; and that FMERA must continue to receive and review MCRs for all such post original closing development and redevelopment.

Mayor Coffey asked if there is a break-down of the \$1.5 million-line item in the budget for short-term capital projects. Mr. Steadman reported, yes and that it would be provided to the Mayor.

Ms. Burry asked for clarification regarding the EDA loan to FMERA, specifically about the need for County approval of the future \$3.2 million draw-down that would require a second mortgage on Phase 2 EDC property on which the County has a first mortgage; and that the initial \$1.8 million draw-down would not require County approval due to its being based on the Phase 1 EDC property. Mr. Nuse so clarified and confirmed.

PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (5 minutes re: any FMERA business)

Roseanne Letson of Oceanport asked for a status of the Barker Circle proposals that were received, and when will a decision be made on the proposals. Ms. Letson asked if there will be a plan change for the Commissary and PX parcel or will the buildings be demolished, and if there is a plan change, how does this effect the housing numbers for Oceanport as described in the Reuse Plan. Ms. Letson asked when there is a plan change in Oceanport, do the residential units stay the same, increase or decrease or are they moved to another location in Oceanport.

Steve Briskey of Oceanport stated that he is a member of the FMERA Housing Committee and at the October 24th meeting, the Committee discussed the possibility of a transit hub or a rail station in the 400 Area on the east side of Oceanport Avenue, in the Oceanport section of the Fort property. Mr. Briskey referenced an article regarding Wesmont, a regional rail station on the NJ Transit Line in Wood-Ridge, NJ, which was a \$400 million development project. Mr. Briskey referenced an article from the Asbury Park Press regarding the growing anticipation for new apartments along the Aberdeen-Matawan, NJ transit line. Mr. Briskey stated that with the residential development at the Fort, a new rail station would be beneficial, and that through his research of other projects that it could be done for as little as \$15 million.

Bruce Steadman responded to Roseanne Letson by stating that there are currently 16 ongoing projects that FMERA is working on and these projects have been prioritized, per his decision, and that the Barker Circle project necessarily

had to be pushed back accordingly. Mr. Steadman added that he hoped that the Barker Circle project evaluation would be completed by early in 2018.

Bruce Steadman stated that the Commissary building is a 53,700-sf building which is small in comparison to a grocery store in today's standards. Mr. Steadman stated that there has been interest to repurpose the building as an office/technical building. The buildings that surround the Commissary are old buildings of little or no value and FMERA has received no interest in the buildings. It is expected that those buildings will be demolished. Mr. Steadman stated FMERA is committed to the 720 residential units that are called out in the Reuse Plan and the number will not increase. Mr. Steadman stated that we are restricted in the density of where the homes will be located, and as additional parcels are sold, and site plans are evaluated, the housing may need to be rearranged, but that the total number would stay the same in order to be consistent with the Reuse Plan. Also, it was noted that the 20% affordable requirement would still be observed.

Bruce Steadman answered Mr. Briskey by stating that there have been meetings in the past seven years with NJ Transit and private developers who have done similar projects at other locations and these developers have estimated that a transit project at the Fort could cost as much as \$50 to \$150 million to accommodate a train station and parking. To date, no private developers have indicated a willingness, nor the resources necessary, to undertake such a project.

Dave Nuse stated that the two County highway bridges that are located north and south of the 400 Area, respectively, would need to be upgraded or replaced to handle additional traffic brought about by a 400-Area train station. Mr. Nuse stated that FMERA is working on the concept to bring a shuttle bus service to the Fort, either with NJ Transit or a private operator that could link the residents and workers at the Fort to the Little Silver train station.

There being no further business, on a motion by Lillian Burry seconded by Tom Huth and unanimously approved by all voting members present, the meeting was adjourned at 8:20p.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.



Bruce Steadman – Secretary

ADOPTED
December 6, 2017

Resolution Regarding
**Approval of Plan Amendment #9 Permitting Alternative Development Scenario in
Eatontown**

WHEREAS, the FMERA Act, P.L. 2010, c.51, in N.J.S.A. 52:27I-26(c), and the Land Use Rules, in N.J.A.C. 19:31C-3.27, authorize FMERA to amend the Reuse Plan from time to time as development progresses; and

WHEREAS, pursuant to the Land Use Rules, FMERA must transmit any proposed Reuse Plan amendment to the governing body of the three municipalities for a 45-day comment period and then consider any comments prior to the Board approving or disapproving the amendment; and

WHEREAS, the proposed Amendment #9, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses approximately 12 acres in the Eatontown Reuse Area, permitting a development scenario for the parcel that would result in the development of approximately 30,000 square feet of additional non-residential development, and as described in the attached memorandum; and

WHEREAS, in accordance with the FMERA Act and the Land Use Rules, the Board approved transmitting the proposed Reuse Plan Amendment #9 to the host municipalities at its September 20, 2017 meeting; and

WHEREAS, the 45-day comment period commenced on October 12, 2017; and

WHEREAS, the comment period expired on November 27, 2017 and correspondence was received from Eatontown, Oceanport and Tinton Falls; and

WHEREAS, FMERA staff reviewed the correspondence and provided responses to all comments to the Real Estate Committee; and

WHEREAS, the Real Estate Committee reviewed the Reuse Plan Amendment #9 and the responses to the comments from the three host municipalities, and recommends adoption of Amendment #9.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority adopts the responses contained in the attached memorandum, to the comments from the Boroughs of Eatontown and Oceanport.
2. As expressed in the attached memorandum, the Authority approves Amendment #9 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Eatontown Reuse Area.

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: December 6, 2017

EXHIBIT 1

ADOPTED
December 6, 2017

Resolution Regarding
2018 Budget

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, the 2018 Budget includes an Economic Development Conveyance (EDC) Budget, representing the projected 2018 sales and financial activity under the approved Phase 1 and Phase 2 EDC Agreements; and

WHEREAS, the 2018 Budget summary illustrates the Budget based on the 2018 projected parcel sales with thirteen parcels projected to be sold with net earnings from the parcel sales. The Land Costs for the parcel sales include payments on Notes to Monmouth County, the Working Capital Loan to the New Jersey Economic Development Authority, the US Army, the Homeless Accommodation under the terms of the EDC Agreement, and Sales Commissions as described in the attached memorandum; and

WHEREAS, the Audit Committee reviewed the 2018 Budget and recommends it to the Authority for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the 2018 Budget, as described in the attached memorandum.
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.

ATTACHMENT

Dated: December 6, 2017

EXHIBIT 2

ADOPTED
December 6, 2017

Resolution Regarding
Loan from New Jersey Economic Development Authority

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, the New Jersey Economic Development Authority (NJEDA) is an independent State authority that serves as the State's bank for business by financing small and mid-sized businesses and under the FMERA Act, the EDA may assist the Authority by providing loans to fund approved budgets, and

WHEREAS, the Authority has requested a loan for up to \$5 million from the NJEDA which will have an interest rate of the greater of five-year US Treasury or 2% fixed at closing with a 60-month term and a 12 month draw period as described in the attached memorandum; and

WHEREAS, the requested loan will be utilized to fund general working capital needs which will be comprised primarily of salaries, general and administrative expenses, and program costs (which consist of professional services, property maintenance, and utilities); and

WHEREAS, FMERA has been selling properties over the past four years, however, the timing and closing of these sales has taken longer than anticipated and created the demand for the loan and additionally, as of July 1, 2017 the Office of Economic Adjustment (OEA) grant is no longer available, and the NJEDA loan will become available at closing with the anticipated first draw in December 2017 and FMERA estimates a total draw of \$1.8 million on the loan with the remainder available for emergency purposes; and

WHEREAS, FMERA requested the flexibility to borrow up to \$1.8 million secured only by Phase 1 properties as this does not require consent from the Monmouth County Improvement Authority (MCIA) and after deducting amounts due to the Army, commissions and Homeless Trust, including \$2 million annual set aside in 2018 and 2019 for permanent supportive housing requirements from Phase 1 parcel sales proceeds, FMERA proposes to pay EDA as described in the attached memorandum; and

WHEREAS, FMERA requested the flexibility to draw the remaining \$3.2 million on the loan for emergency purposes in exchange for a second mortgage on Phase 2 properties, and such a second mortgage on Phase 2 properties would require consent from the MCIA; and

WHEREAS, FMERA's long-term financial outlook is strong and as of 2019 and through the balance of FMERA's mission, the pro-forma shows that the Authority will remain cash flow positive, and have adequate resources available to complete the Fort's redevelopment, including repayment of this EDA loan and satisfaction of its obligations to the MCIA; and

WHEREAS, the Audit Committee reviewed the terms of the credit facility for up to \$5 million and recommends it to the Authority for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the terms of the credit facility for up to \$5 million, as described in the attached memorandum.

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.

ATTACHMENT

Dated: December 6, 2017

EXHIBIT 3

ADOPTED
December 6, 2017

Resolution Regarding
**Approval to Make the Commissary and PX, Warehouse District, Post Office Area and 1000 Area
Parking Available through the Offer to Purchase Process**

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA's Rules for the Sale of Real and Personal Property, "the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process"; and

WHEREAS, the Commissary, also known as Building 1007 in Oceanport, totaling 53,700sf is one of the newer buildings on the Fort, having been completed in 1998; and

WHEREAS, the Fort Monmouth Reuse & Redevelopment Plan (Reuse Plan) contemplates the building be reused as a future retail building that could serve the residential and commercial occupants of the Oceanport Education/Mixed Use neighborhood, however due to the location and the frontage of the building it is unlikely to attract a significant retail user; and

WHEREAS, the Post Exchange (PX) is a series of four circa 1970 wood-frame buildings totaling 45,626sf, along with Building 812 totaling 5,563sf and located in Oceanport; and

WHEREAS, FMERA staff has received renewed interest in the Commissary and the PX for reuse as office/R&D space, active recreation or other commercial uses; and

WHEREAS, while Reuse Plan Amendment #2 envisions the demolition of both the PX and Building 812 for future low-and medium-density housing, along with ancillary open space, staff notes that several factors that were not anticipated at the time of the adoption of Amendment #2 have combined to re-shape the configuration of the Oceanport Education/Mixed-Use Neighborhood development district, such that office/R&D space, active recreation or other commercial uses now constitute the property's highest and best use, which alternative uses would require a further Reuse Plan amendment or variance; and

WHEREAS, the Warehouse District, consisting of three general purpose administrative buildings, Buildings 909, 910, and 911 and two warehouse buildings, Buildings 975 and 976 totaling 77,589sf, is located in Oceanport and all five buildings are contemplated for demolition in the Reuse Plan and Plan Amendment #2, to be replaced by new housing; and

WHEREAS, staff recommends that the Warehouse District property should be offered for commercial, active recreation or office/R&D use rather than residential use, and the existing improvements should be demolished, and any commercial, active recreation or office/R&D reuse would require a Reuse Plan amendment or variance; and

WHEREAS, the Post Office Area, consisting of four buildings including the Post Office totaling 7,641sf, Tickets & Tours building, totaling 2,600sf, Building 800, totaling 14,964sf and Building 801, totaling 9,267sf are located in Oceanport where the Reuse Plan envisions the demolition of all four buildings and the reuse of the property as a new school location, however the Post Office Area is no longer being considered by the host municipality for that use, and staff accordingly seeks to offer the property for an alternate use consistent with its anticipated surrounding uses, namely commercial, active

recreation or office/R&D use, which would require a Reuse Plan amendment or variance; and

WHEREAS, the 1000 Area Parking located between the Post Office Area and the Commissary and PX is a 6± acre lot located in Oceanport that provided off-street parking and due to anticipated environmental restrictions that the Army will likely place on the property, staff believes the 1000 Area Parking's highest and best use is for continued use as surface parking and therefore recommends that this parcel be offered for off-street parking as an optional sub-parcel; and

WHEREAS, staff recommends proceeding with the offer to purchase process for the Commissary and PX, the Warehouse District, the Post Office Area and the 1000 Area Parking rather than sealed bids which is based on several factors as described in the attached memorandum; and

WHEREAS, staff proposes to issue three separate RFOTPs and scoring will provide additional consideration to parties who propose to purchase multiple parcels, additionally, parties bidding on the Commissary and PX and/or the Warehouse District will have the option of also bidding on the 1000 Area parking; and

WHEREAS, staff recommends that the RFOTPs give bidders the option of proposing to purchase the improvements and ground lease the land, rather than purchasing both the land and the improvements, as ground leasing the land from FMERA would make the lessee potentially eligible to obtain a special concessionaire permit from the State of New Jersey, Division of Alcoholic Beverage Control to serve alcohol on the premises; and

WHEREAS, the Real Estate Committee has reviewed and discussed making the Commissary and PX, the Warehouse District, the Post Office Area and the 1000 Area Parking available through the offer to purchase process and recommends it to the full Board of the Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Commissary and PX, the Warehouse District, the Post Office Area and the 1000 Area Parking in Oceanport available through the offer to purchase process, as set forth in the attached memorandum.
2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Requests for Offer to Purchase and the notice of availability for sale through the offer to purchase process.
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: December 6, 2017

EXHIBIT 4

with anticipated surrounding uses, namely to

with B.

ADOPTED
December 6, 2017

**Resolution Regarding
Approval to Make the Expo Theater and Adjacent Properties Available through the Offer
to Purchase Process**

WHEREAS, in accordance with Section 19:31C-2.5(a) of FMERA's Rules for the Sale of Real and Personal Property, "the Board shall review and approve a recommendation of the Director and FMERA [staff] to offer the property for sale through the offer to purchase process"; and

WHEREAS, the Expo Theater, also known as Building 1215, is an entertainment facility consisting of 18,883 sf, with a 995-seat auditorium previously used as a live theater and cinema located on the Fort's main thoroughfare in Eatontown; and

WHEREAS, the Fort Monmouth Reuse & Redevelopment Plan (Reuse Plan) contemplates the building be reused as a commercial or community theater, and FMERA staff has received interest in the Expo Theater for both adaptive reuse as well as alternate uses consistent with or complementing the planned uses in the area; and

WHEREAS, staff believes the Expo Theater should be offered for either reuse of the building or demolition and redevelopment of the parcel where potential purchasers will have the option to include additional land in their proposals to include Dean Field and portions of M3, M5, and M8 landfills and adjacent green space area consisting of approximately 24± acres with the use of these areas being limited to uses such as recreation, outdoor seating, passive open space or parking; and

WHEREAS, Dean Field is currently zoned for open-space recreational use and alternative uses and the landfill areas and Dean Field would therefore be subject to a Reuse Plan amendment; and

WHEREAS, staff recommends proceeding with the offer to purchase process for the Expo Theater rather than sealed bids as the Authority has received specific interest from prospective purchasers in acquiring and renovating the property for arts, entertainment and related uses, and the building's current configuration may no longer represent the property's highest and best use, and staff believes the RFOTP process may allow greater flexibility for selecting the scenarios that would maximize the development potential and economic value of the Expo Theater parcel; and

WHEREAS, staff recommends that the RFOTP give bidders the option of proposing to purchase the improvements and ground lease the land, rather than purchasing both the land and the improvements. Ground leasing the land from FMERA would make the lessee potentially eligible to obtain a special concessionaire permit from the State of New Jersey, Division of Alcoholic Beverage Control to serve alcohol on the premises; and

WHEREAS, the Real Estate Committee has reviewed and discussed making the Expo

Theater and adjacent properties available through the offer to purchase process and recommends it to the full Board of the Members for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves making the Expo Theater and Adjacent Properties in Eatontown available through the offer to purchase process, as set forth in the attached memorandum.

2. The Authority authorizes the Executive Director to take all necessary actions to effectuate the issuance of the Requests for Offer to Purchase and the notice of availability for sale through the offer to purchase process.

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: December 6, 2017

EXHIBIT 5

ADOPTED
December 6, 2017

**Resolution Regarding
Authorization for FMERA to Amend the Purchase and Sale Agreement and
Redevelopment Agreement with Lennar for Parcels C and C1**

WHEREAS, on March 26, 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) for Parcel C, an approximately 39-acre lot, and a RFOTP for Parcel C1, a 12-acre lot, in connection with the planned redevelopment of Parcels C and C1 in Tinton Falls; and

WHEREAS, Lennar Corporation (Lennar) received the highest score for their proposal for Parcel C and the highest score for their proposal for Parcel C1, and Lennar also submitted the highest price proposals for both Parcel C and C1; and

WHEREAS, at the Authority's April 23, 2014 meeting, the Board authorized FMERA staff to enter into a Purchase and Sale Agreement and Redevelopment Agreement (PSARA) with Lennar; and

WHEREAS, the terms of the PSARA included Lennar's payment of \$12 million for Parcel C and \$3.2 million for Parcel C1; closing will occur within 30 days of satisfaction of the conditions precedent, which include Lennar completing due diligence and obtaining all approvals necessary to develop the project, receipt of a final remediation document from either the New Jersey Department of Environmental Protection or the purchaser's Licensed Site Remediation Professional, and an amendment to the Reuse Plan to accommodate the project; and

WHEREAS, the PSARA was executed on December 1, 2015 and Lennar subsequently began their due diligence activities, which required an expanded timeline extended through June 1, 2016 by the Executive Director and additional environmental testing for Parcel C1 required the extension of the due diligence period until September 15, 2016; and

WHEREAS, in November 2016 a fifth amendment to the PSARA was approved by the Board in order to provide for a proportional allocation of the deposit funds for each of the Parcels and to confirm Lennar's corporate approval for the Parcel C-1 transaction as of September 15, 2016, thereby ending the due diligence period and beginning the approvals period for Parcel C-1; and

WHEREAS, in September 2017 the Board authorized a sixth amendment to the PSARA reconfiguring Parcel C-1 and increasing its area to 15.737 acres to address a proposed 50' wide electrical transmission easement in favor of Jersey Central Power & Light (JCP&L) that runs along the southern boundary of the Parcel C-1 parcel; and

WHEREAS, Lennar and the Authority have agreed on the terms of a seventh amendment to the PSARA to provide for an extension of the Parcel C Approval Period to March 15, 2018 so that it is co-terminus with the Parcel C-1 Approval Period; and

WHEREAS, the Real Estate Committee has reviewed staff's request to execute the Seventh Amendment to Purchase and Sale & Redevelopment Agreement and recommends that the request be presented to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the amendment to the Purchase and Sale Agreement and Redevelopment Agreement with Lennar Corporation for Parcel C and Parcel C1 in Tinton Falls, on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the amendment and take any necessary actions to effectuate the selection of Lennar Corporation as the purchaser of Parcel C and Parcel C1.

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: December 6, 2017
ATTACHMENT

EXHIBIT 6