

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: May 16, 2018

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – Dr. Robert Lucky, Vice-Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Welcome – Dr. Robert Lucky, Vice-Chairman**
6. **Secretary’s Report**
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **Executive Director’s Report:**
 - Update on Requests for Proposals (RFPs) and Contracts
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
10. **Committee Reports**
 - Audit Committee – Robert Lucky, Chairman
 - Real Estate Committee – Robert Lucky
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman
 - Historical Preservation Staff Advisory Committee – Jay Coffey, Chairman
 - Housing Staff Advisory Committee – Sean Thompson, Chairman
 - Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Board Actions**

- a. Consideration of Approval of Proposed Plan Amendment #10 Permitting Additional Development Scenarios in Eatontown
- b. Consideration of Approval of a Purchase and Sale Agreement & Redevelopment Agreement for the Lodging Area in Oceanport.

12. **Other Items**

13. **Public Comment Regarding any FMERA Business**

- Responses to questions submitted online or in writing
-

14. **Adjournment**

**Fort Monmouth Economic Revitalization Authority
Board Meeting
April 18, 2018
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

MINUTES OF THE MEETING

Members of the Authority present:

- Robert W. Lucky – Vice-Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Lillian Burry – Monmouth County Freeholder Deputy Director – V
- Vito Perillo – Mayor of Tinton Falls – V
- Joseph Irace – Oceanport Borough Council President – V
- Dennis Connelly – Mayor of Eatontown – V
- Adam Sternbach – Associate Counsel, Authorities Unit, Office of the Governor – V
- Donna Sullivan – Real Estate Vice President, NJ Economic Development Authority – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- Sean Gleason, Special Assistant to the Commissioner, NJ Department of Labor & Workforce Development
- William Riviere, Principal Planner, NJ Department of Transportation

V – Denotes Voting Member

Members of the Authority not present:

- Sean Thompson, Division of Local Planning Services, NJ Department of Community Affairs

Also present:

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

The meeting was called to order by Vice-Chairman Robert Lucky 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 March 21, 2018 regular meeting minutes. A motion as made to approve the minutes by Dennis Connelly and seconded by Donna Sullivan.

Motion to Approve: DENNIS CONNELLY Second: DONNA SULLIVAN
AYes: 5

Joe Irace abstained from voting stating he was not at the March meeting.

Freeholder Burry arrived at 7:07p.m.

WELCOME

Vice-Chairman Robert Lucky welcomed attendees to the meeting. Dr. Lucky 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.

Dr. Lucky stated that the Board would consider one board action: 1) Consideration of Approval of the Authority's Comprehensive Annual Report for 2017, as required by Executive Order No. 37.

The Vice-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 Vice-Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Vice-Chairman continued by stating that in his role he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Vice-Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

SECRETARY'S REPORT

Bruce Steadman stated that there will be no Board action regarding a Purchase and Sale Agreement & Redevelopment for the Lodging Area in Oceanport.

Mr. Steadman stated that Jennifer Lepore has been promoted to Accounting Manager. She has done an outstanding job of managing FMERA's finances for 5 years, including 4 successful external audits to satisfy State requirement, and 4 Army audits. Formerly Senior Finance Officer, Ms. Lepore will assume her new duties immediately. Further, she recently closed out the last of the federal OEA grants with full endorsement by OEA officials as having satisfied all of their requirements. Members of the Board congratulated Ms. Lepore.

Mr. Steadman reminded the Board that Dave Nuse is the organization's Treasurer, but that Ms. Lepore would be giving the Treasurer's Report.

TREASURER'S REPORT

Jennifer Lepore stated that FMERA staff is preparing the first quarter financial and operational summary for 2018. Staff will be meeting to review the quarter and assess the quarter's performance against the 2018 organization goals and budget. FMERA's independent accounting firm, CliftonLarsonAllen, LLP completed the 2017 audit and reported their findings to the Audit Committee on April 12th. The auditors issued an unmodified opinion with regard to FMERA's financial statements, which is their highest opinion. The Annual Report and the audited financial statements serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 and the June 2012 and October 2016 Economic Development Conveyance agreements with the Army. Based on the Audit Committee's review, the Committee recommended the presentation of the 2017 Comprehensive Annual Report for Board approval at tonight's meeting.

Bruce Steadman stated that this was the last contracted year with CliftonLarsonAllen and FMERA will be issuing a new Request for Proposals (RFP) for Independent Auditor Services in the coming months.

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

There was no public comment.

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:

- The first phase of a new water supply system on the Main Post is complete. The new water main encompasses the Historic District and serves the North and South Main Post historic housing, Triumphant Life, Family Promise, Barker Circle, the Physical Fitness Center, the FMERA office, and future development on Sherrill and Saltzman Avenues. Laterals to connect existing buildings to the new water line are being designed now. Phases

two and three of the new water system, which will expand the first phase to the South and to the West, are in the design stage.

- A new sanitary backbone project along Sherrill Avenue is in the final permitting process and should commence soon. This main will serve the North historic housing and buildings along the North side of the Main Post. The next segments of the new sanitary system are in the concept phases, and will serve the southern Main Post, as well as several Oceanport Avenue and Wilson Avenue parcels.
- In Charles Wood, FMERA is working toward setting a closing date with JCP&L on the transfer of the Charles Wood power grid and substation.
- In accordance with a Board approved agreement, RPM Development has taken down a portion of the chain link perimeter fence along the Western bounds of Oceanport Avenue and North of the Main Post entrance, to enhance the view and marketability of the former Officer Housing. Most of the fence will be relocated along the Southern bounds of the Allison Hall and Lodging parcels. RPM has also pointed and refurbished the brick monuments on either side of the Oceanport Avenue East gate entrance. The sliding security gate at the entrance will be removed and given to the County of Monmouth.
- FMERA issued two RFPs on February 2nd; for Environmental Consulting Services and Surveying Services. Responses were due on March 2nd. FMERA received 11 compliant proposals for Environmental Consulting Services. At the March meeting, the Board approved awarding a contract to Langan Engineering & Environmental Services, Inc. to serve as the Authority's environmental consultant. FMERA received 15 compliant proposals for Surveying Services. The evaluation committee is reviewing the proposals and will bring a recommendation to the May Board meeting.

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

Currently, about 69% of the Fort's 1,126 acres is sold, under contract, in negotiations, or entering the request for proposals process.

In Oceanport, FMERA has sold 8 properties:

- Patterson Army Hospital on Main Street, owned by AcuteCare Health System;
- Officer Housing units, sold to RPM Development last January. RPM is in the process of renovating the 117 historic housing units. The first 48 units, including veteran's preference affordable housing, will be ready for occupancy this spring;
- Main Post Chapel, sold to Triumphant Life Church;
- Russel Hall, the former Garrison Headquarters building, sold to TetherView, a private cloud computing services company from New York;
- Oceanport Municipal Complex, a 13-acre property on Murphy Drive sold to the Borough of Oceanport last August;
- Fitness Center, sold to Fort Partners last fall, and currently undergoing renovations;
- Monmouth County emergency homeless shelter; a 3-acre property on Murphy Drive;
- Dance Hall, a 16,000 square-foot building on Brewer Avenue, sold earlier this month for commercial and retail uses.

Also in Oceanport, FMERA is under contract to convey Building 501, located next to the Main Post Chapel, to Family Promise of Monmouth County.

FMERA is in negotiations for the sale of the following 6 Oceanport properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- Marina, on Oceanport Creek, approved for exclusive negotiations with AP Development Partners, and currently operating as a marina/public boat ramp and restaurant;
- Squier Hall Complex, a 27-acre site containing historic Squier Hall, currently under negotiations with the sole bidder, zoned for office/research, educational and open space uses;
- Allison Hall, a 12-acre parcel on Oceanport Avenue, planned for retail, office and hotel uses;

- Barker Circle, located in the historic district in Oceanport, which is zoned for housing, office and retail uses;
- Lodging Area, a 15-acre site on Parkers Creek planned for new residential construction, along with the renovation of 2 historic buildings. The PSARA for the Lodging Area is in final review and will be presented at the next Board meeting.

In Eatontown, FMERA has sold the former Army Motor Pool to Monmouth County, and has executed agreements for the sale of the following properties:

- Howard Commons site on Pinebrook Road, where American Properties proposed to construct approximately 200 single family detached homes and 51 affordable housing units;
- Eatontown Barracks, 6 buildings across from the Bowling Center on the Main Post, that Kenneth Schwartz will acquire this spring to redevelop into an arts and cultural center use;
- Suneagles Golf Course, where Martelli Development proposes to renovate Gibbs Hall and construct 75 residential units. The golf course would be protected by a 40-year deed restriction.

Staff is in discussions regarding the following Eatontown properties:

- Parcel B, the planned site of a mixed-use town center, where FMERA has initiated negotiations with the second-ranked bidder;
- Building 1123 and adjacent land at the corner of Avenue of Memories and Wilson Avenue, which will provide facilities for the Borough of Eatontown's Department of Public Works.

In Tinton Falls, FMERA has sold 5 properties:

- Parcel E, to Commvault;
- Building 2525, to RADAR Properties, the affiliate of Aaski Technology;
- Child Development Center to Trinity Hall High School, which has begun work to expand the facility by 22,000 sf;
- Recreation Center and Swimming Pool, transferred to the Monmouth County Park System;
- Shopette and Gas Station on Hope Road, sold to the Monmouth County Park System in February, for use in conjunction with the County's Recreation Center.

FMERA has signed contracts on another 4 projects in Tinton Falls:

- Fabrications Shops, 45,000 square feet of flex space on Pinebrook Road, anticipated to close this spring;
- Pistol Range, under contract to Kiley Realty;
- Myer Center, where the NJEDA's has commenced demolition to prepare the 36-acre site for redevelopment;
- Parcels C and C1, with Lennar Corporation, which is approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development. The 2 parcels recently received Planning Board approval. Closings are planned for this spring.

Additionally, FMERA is about to sign a contract to sell the Charles Wood Fire Station on Corregidor Road to Commvault for commercial use.

FMERA plans to issue 5 Requests for Offers to Purchase this month, covering property in Eatontown and Oceanport. Please visit FMERA's website, www.fortmonmouthnj.com, for more information on our projects and our upcoming Requests for Offers to Purchase.

Sarah Giberson, Senior Marketing & Development Officer, stated that this spring, FMERA will be focused on increasing press coverage and media placement to promote the redevelopment of the Fort, in particular focusing on the McAfee Complex and the 400 Area. The McAfee Complex is envisioned as a future tech campus and innovation center, and the 400 Area as a mixed-use development that will become a new Oceanport neighborhood.

With support from the Riddle team, FMERA has secured placement in several relevant industry publications, including NJ Business Magazine, Northeast Real Estate Business Magazine, Real Estate New Jersey, and Association

of Defense Communities. Additionally, FMERA will be filming a segment with NJTV highlighting the growth of its tech community and other successful Fort Monmouth projects.

FMERA has also been invited by Kislak Real Estate Institute at Monmouth University to host a panel discussion on Fort Monmouth for the NJ Chapter of the Appraisal Institute's Annual Conference. Speakers include FMERA Executive Director Bruce Steadman, FMERA Director of Real Estate Development Dave Nuse, Lennar Regional Director of Land Bob Calabro, and Phillips Preiss Grygiel Leheny Hughes LLC Principal and City Planner Liz Leheny.

Mr. Steadman thanked Kenneth J. Kloo and the NJDEP for their help on the number of environmental projects that NJDEP is working on with the Army.

Mr. Steadman thanked the Boroughs of Oceanport, Eatontown, and Tinton Falls and the County of Monmouth for their continued support and excellent working relationships on various operational issues.

~~Mr. Steadman thanked Donna Sullivan and the NJEDA for their help with the Myer Center demolition project.~~

Mr. Steadman congratulated Freeholder Burry regarding the ribbon-cutting ceremony for the new Veterans Services Office which opened on April 5th at Russel Hall. He noted that Freeholder Burry has been working for several years to develop a veterans-focused service bureau here at the Fort, and congratulated her on the successful opening of this new County office.

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)

Robert Lucky, stated that the Committee met on April 12th and discussed the following:

- Review and discussion of the Authority's 2017 Comprehensive Annual Report and the Audited Financial Statements. The Committee agreed that the report was both detailed and informative regarding the Fort redevelopment. The Committee discussed the Authority's net position and total and capital assets and liabilities. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Presentation by the Authority's auditor's CliftonLarsonAllen detailing the Authority's 2017 auditor's findings with the following results:
 - Report includes an unmodified opinion for the Authority which is the highest opinion.
 - Financial Statements are presented fairly in all material respects.
 - No material weaknesses were noted on the Internal Controls over Financial Reporting, Compliance, and Other Matters.

b) REAL ESTATE COMMITTEE (ROBERT LUCKY)

Robert Lucky stated that the Committee met on April 10th and discussed the following:

- Discussion regarding the Lodging Area in Oceanport
- Other items of discussion:
 - Allison Hall
 - Barker Circle
 - Parcel B
 - Howard Commons

- Suneagles Golf Course
- Upcoming closings
 - Charles Wood Fire Station
 - Parcels C & C1
 - Eatontown Barracks
- Update on RFOTPs

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

Kenneth J. Kloo stated that the Committee did not meet this month, but will be meeting on May 7th.

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

Joe Irace, on behalf of Jay Coffey, stated that the Committee did not meet this month.

e) HOUSING STAFF ADVISORY COMMITTEE (SEAN THOMPSON, CHAIRPERSON)

Bruce Steadman, on behalf of Sean Thompson, stated that the Committee did not meet this month.

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 on April 5th there was a ribbon cutting ceremony for the new Veterans Resource Center at Russel Hall. Ms. Burry stated that the ceremony was very well received. Ms. Burry thanked the attendees, participants and Tetherview for their hospitality.

BOARD ACTIONS

A) The next item before the Board was Consideration of Approval of the Authority’s Comprehensive Annual Report for 2017, as required by Executive Order No. 37.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Donna Sullivan and was seconded by Dennis Connelly.

Mayor Perillo asked for clarification on the concurrent and the nonconcurrent liabilities from Authority’s Financial Statements report.

Ms. Lepore stated that in 2016, the Loan Payable under current liabilities in the amount of \$33,525,000 represented the loan from Monmouth County for the purchase of the Phase 2 property from the Army. The notes were issued as 1-year obligations and because there was no guarantee that MCIA would issue subsequent notes, it was considered a current liability. When the notes matured in 2017, approximately \$10,000,000 was paid down and the balance of the principal was rolled over as 2-year obligations, which then made it a long-term liability in 2017 versus a current liability in 2016.

Motion to Approve: DONNA SULLIVAN Second: DENNIS CONNELLY
 AYes: 7

OTHER ITEMS

Mayor Perillo asked why greens fees and membership fees at Suneagles were going to be increased.

Bruce Steadman stated that the golf course business today is essentially a break-even business. He stated that he believed Martelli Signature Homes would have to invest as much as approximately \$3MM on irrigation and on-course upgrades to tee boxes, sand traps, green complexes, vegetation, and possibly \$3-\$4MM on upgrades at Gibbs Hall. Mr. Steadman stated that for Martelli to recoup their investment at Suneagles, they would need to receive income from such items as membership fees, bookings for parties and weddings at Gibbs Hall, and selling the planned 75 new golf course homes as described in their proposal.

Freeholder Burry asked if there will be a Veterans discount at Suneagles as in previous years. Kara Kopach stated that she would contact Martelli and follow up with Freeholder Burry regarding this question

Mayor Perillo stated that recently he visited the Pro Shop at Suneagles to inquire about a personal membership and was told a normal membership fee would be \$5,000 per year. Mayor Perillo stated that he asked the person at the Pro Shop what kind of discount was available for the Mayor of Tinton Falls. The Mayor stated that he was told that he would receive a 50% discount and that the membership fee would be \$2,500. Mayor Perillo stated that he paid a \$200.00 deposit towards the \$2,500 membership.

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

There was no public comment.

There being no further business, on a motion by Lillian Burry seconded by Joe Irace and unanimously approved by all voting members present, the meeting was adjourned at 7:45p.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
April 18, 2018

Resolution Regarding
**Approval of Fort Monmouth Economic Revitalization Authority 2017 Comprehensive
Annual Report**

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 Authority selected its independent auditors, CliftonLarsonAllen LLP, pursuant to Executive Order No. 122 (McGreevey); and

WHEREAS, the Authority's independent auditors audited and accepted the Authority's financial statements for January 1, 2017 to December 31, 2017, and issued an unmodified opinion regarding the financial statements; and

WHEREAS, pursuant to Executive Order No. 122 (McGreevey), the Audit Committee reviewed the draft Comprehensive Annual Report for January 1, 2017 to December 31, 2017 and recommends presenting the Members with the Annual Report; and

WHEREAS, pursuant to Executive Order No. 37 (Corzine) the Authority is required to submit its Comprehensive Annual Report for review from its Members.

THEREFORE, BE IT RESOLVED THAT:

1. The Members of the Authority approve the Authority's 2017 Comprehensive Annual Report and approve submitting the Report to the Governor's Authorities Unit, the State Treasurer, the United States Department of the Army and posting it on the Authority's website.

2. The Executive Director and/or any individual authorized to execute documents pursuant to the Operating Authority is authorized to do and perform all acts necessary to effectuate the above.

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.

Dated: April 18, 2018

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: May 16, 2018

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include an Update on Requests for Proposals (RFPs) and Other Contracts; Update on Requests for Offers to Purchase (RFOTPs); Update on Marketing Effort; and Action Items for Next Month.

Treasurer's Report

1. 2017 Comprehensive Annual Report

The 2017 Comprehensive Annual Report of the Authority, approved by the Board at the April meeting, has been issued, distributed and posted to the Authority's website in accordance with Executive Order No. 37. This was the final audit under the contract with our Auditors, CliftonLarsonAllen, LLP. FMERA will be issuing an RFP for Independent Auditing Services within the next thirty days.

2. 1st Quarter Budget Summary

On a quarterly basis, staff compares actual expenditures to the approved budget, as well as projecting out to year-end to monitor our spending and ensure we stay on or under budget. FMERA controls spending to the extent possible, until land sales occur and proceeds are received, at which point, we determine which projects in our budget can be completed. As of the end of the 1st quarter, FMERA is, and is targeted to remain, on or under, budget in all categories through year-end.

Executive Director's Report

1. Update on RFPs and Contracts

• Utilities:

- The first phase of a new water supply system on the Main Post is complete. This water main encompasses the Historic District, and serves the North and South Main Post historic housing, Triumphant Life, Family Promise, Barker Circle, the Physical Fitness Center, the FMERA office, and future development on Sherrill and Saltzman Avenues. Laterals to connect existing

buildings to the new water line are being designed now. Phases two and three of the new water system, which will expand the first phase to the South and to the West, are in the design stage.

- A new sanitary backbone project along Sherrill Avenue is in the final permitting process. This main will serve the North historic housing and buildings along the North side of the Main Post. The next segments of the new sanitary system are in the concept phases, and will serve the southern Main Post, as well as several Oceanport Avenue and Wilson Avenue parcels.
- In Charles Wood, FMERA is working toward setting a closing date with JCP&L on the transfer of the Charles Wood power grid and substation.
- Requests for Proposals: FMERA issued an RFP on February 2, 2018 for Surveying Services. Responses were due by 12:00p.m. on March 2, 2018. FMERA received 15 compliant Surveying Services proposals. An evaluation committee has evaluated the Surveying Services proposals and FMERA is in the process of conducting interviews with the highest-ranked bidders. FMERA issued an RFP on May 8, 2018 for Security Guard Services. Responses are due on June 8, 2018.

2. Update on RFOTPs

The following is a town-by-town summary of the status of our redevelopment projects.

In **Oceanport**, FMERA closed on the Fitness Center on September 26, 2017 enabling Fort Partners, LLC, to renovate and expand the facility to emphasize basketball, fitness, and swimming programs, medically based fitness and wellness programs, and individualized and group training and classes, along with related and ancillary uses including a pro shop and health café. On August 16, 2017 FMERA closed on a 13-acre parcel on Murphy Drive in Oceanport, where the Borough purchased the property for their new municipal complex. FMERA closed on the Russel Hall building and associated property on June 23, 2017. TetherView Property Management, LLC, a private cloud computing services company relocated from New York to the 40,000 square-foot former Garrison Headquarters building. The company had been occupying the building under a lease prior to the closing and has already completed extensive renovations for new and current tenants. Russel Hall currently houses a variety of businesses including tech companies, medical offices, and an architecture firm, among others. FMERA closed on the Main Post Chapel on February 27, 2017 when Triumphant Life Assembly of God Church purchased the approximately 16,372 square foot building for use as a house of worship. FMERA also closed on the Officer Housing parcels on January 13, 2017 with RPM Development. The company is renovating the 117 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty (20%) percent of the total units will be available to low- and moderate-income households. Rental units are expected to go on the market in early 2018. FMERA sold the Dance Hall parcel to AP Development Partners/Regional Development Group on April 4th. The developer plans to renovate the Dance Hall as a microbrewery, coffee house, and banquet facility.

Also in Oceanport, FMERA has executed a contract on the following parcel:

- Building 501, an approximately 1.7-acre site identified for conveyance to Family Promise of Monmouth County via a Legally Binding Agreement (LBA). The finalized LBA, a supporting Administrative Letter and a Purchase and Sale Agreement with the company were approved by the Board at the September 2017 meeting.

FMERA is in negotiations for the sale and redevelopment of the following six properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.
- Marina, approved for exclusive negotiations with AP Development Partners, LLC, and currently operating as a marina/public boat ramp and restaurant.

- Squier Hall Complex, an approximately 31-acre site currently under negotiations with the sole bidder, where the RFOTP called for office/research, institutional/civic (including educational) and/or open space/recreation uses. The future developer has secured a commitment from a state university for use of the site, contingent upon an executed PSARA with FMERA. Squier Hall is eligible for the National Register of Historic Places and will be retained.
- Lodging Area, a 15-acre site located on Parkers Creek, where the RFOTP called for medium density residential, institutional/civic and/or office/research & development uses. FMERA will recommend Board approval of a PSARA with Somerset Development, LLC at tonight's Board meeting.
- Allison Hall, the 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.
- Barker Circle, an approximately 19.5-acre parcel in the historic district which includes the repurposing of buildings 205, 206, 207, 208, and 287, as well as the Main Post Firehouse and Kaplan Hall, for residential, office and other commercial uses.

FMERA issued the following RFOTPs on May 8, 2018:

- The Commissary, the 53,700± sf former Army supermarket; and the Post Exchange (PX) complex, a series of four circa 1970 wood-frame buildings totaling 45,626± sf, along with Building 812, a 5,563± sf building constructed in 1941 for use by the Army Service Corps;
- The Warehouse District, consisting of five general purpose administrative buildings (Buildings 909 through 913) constructed in 1943 and two circa 1954 warehouse buildings (975 and 976) totaling 77,589± sf; and
- The Post Office Area, including the 7,641± sf former Post Office (Building 1005), constructed in 1971; Tickets & Tours (Building 1010), a 2,600± sf building constructed in 1970; Building 800, a 14,964± sf administration and classroom building dating to 1942; and Building 801, the 9,267± sf recreation equipment checkout facility built in 1941.
- Parties bidding on the Commissary and PX and/or the Warehouse District will have the option of also bidding on the 1000 Area Parking parcel, a 5± acre lot that will provide off-street parking for the buildings that adjoin it.

In **Eatontown**, FMERA has initiated negotiations with the second-ranked bidder on Parcel B. The Authority's RFOTP called for the development of a mixed-use town center along Route 35 totaling approximately 250,000 square feet of retail and 302 housing units.

Also in Eatontown, FMERA has approved or executed contracts on three parcels:

- Howard Commons, where American Properties at Monmouth, LLC, plans to build up to 251 residential units on approximately 64 acres on Pinebrook Road. American Properties will first be responsible for demolishing the existing housing units on the property.
- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA entered into a PSARA with Kenneth Schwartz for the development of a commercial arts-related project, including studio, performance and gallery space, as well as short-term residential units for artists.
- Suneagles Golf Course, where FMERA has executed a PSARA with Martelli Development, LLC, to maintain and upgrade the existing Golf Course, renovate historic Gibbs Hall, and construct 75 new housing units. Martelli will continue to operate the course in the interim so it can remain open to the public as the redevelopment progresses.

Staff is in discussions with the Borough of Eatontown for potential reuse of Building 1123, a former general office building at Saltzman and Wilson Avenues, by the Borough's Department of Public Works. Staff expects to present a recommendation to the Board at an upcoming meeting.

FMERA intends to issue the following RFOTPs:

- Expo Theater, an 18,883sf entertainment facility built in 1968, previously used as a live theater and cinema; and adjacent properties, including Dean Field and portions of the M3, M5, and M4 landfills, as optional sub-parcels. At the December 2017 meeting, the Board authorized FMERA staff to make Expo Theater and adjacent properties available through the offer to purchase process.
- The Bowling Center, an approximately 2.8-acre parcel including Building 689, is an approximately 17,599 sf, 20-lane bowling alley and Building 682, a 4,720-sf wood frame building to be demolished by the selected bidder.

In **Tinton Falls**, FMERA closed on Parcel F-3 on February 23rd. The Monmouth County Park System purchased the property to develop in conjunction with the adjacent Fort Monmouth Recreation Center and Swimming Pool. The former gas station and convenience store site, located along Hope Road, will allow the County to expand services and public open space amenities currently offered at the Recreation Center. FMERA closed on the Fort Monmouth Recreation Center on February 23rd, which had previously been leased by Monmouth County.

FMERA has approved or executed contracts on another four projects in Tinton Falls:

- Parcels C and C1, with Lennar Corporation, approved for 288 residential units over the two parcels, and up to 58,000 square feet of retail development, was recently approved by the Borough's Planning Board. Closings are expected in the first half of 2018.
- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 square feet of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is slated to close imminently.
- Pistol Range and Satellite Road Parcel, with Kiely Realty Group for the reuse and upgrading of the former Pistol Range, and additional office and commercial uses on the combined approximately 5-acre parcel.
- Charles Wood Fire Station, with Commvault Systems, Inc. for the adaptive reuse of the Fire Station as corporate office space and swing space for Commvault's existing corporate campus and recreation uses on the open space on the property. FMERA anticipates closing on the Charles Wood Fire Station later this month.

FMERA intends to issue the following RFOTPs:

- Pulse Power, a special purpose facility consisting of 15,690 sf of administrative offices and 10,786 sf of dry lab and testing space.
- Building 2719, consisting of 6,574 sf of administrative space and a 2,448 high-bay garage constructed in 2006.

On June 26, 2017, the New Jersey Economic Development Authority (NJEDA) issued an invitation to bid on the abatement, demolition and site improvements for the former Myer Center and the adjacent building 2705. Bids were due on July 28th and 9 bids were received. NJEDA reviewed the submitted bids and has selected Tricon to provide remediation and demolition services. On September 20th, 2017, the Board approved a Purchase and Sale Agreement with NJEDA for the approximately 36-acre parcel. Work began in January 2018 and is anticipated to be completed in early 2019. Information regarding the abatement and demolition of the former Myer Center and Building 2705 is available on our website, www.fortmonmouthnj.com.

3. Marketing Update

FMERA is currently focused on marketing the McAfee Complex and the 400 Area to qualified leads including developers, site selectors and other organizational decision-makers.

The McAfee Complex is envisioned as a future tech campus and innovation center, and the 400 Area as a mixed-use development that will become a new Oceanport neighborhood. With its proximity to the train station, FMERA envisions the 400 Area as a pedestrian-friendly, walkable community with easy access to public transportation, as well as to the rest of the Main Post's growing list of amenities.

FMERA's marketing consultant, the Riddle Team, has identified several prospects and will be working to organize information sessions and site tours in the upcoming months.

Please visit our website, www.fortmonmouthnj.com, for more information and to sign up for our monthly digital newsletters. Additionally, copies of our 2017 Annual Report are now available for download.

4. Action Items for Next Month.

- 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
- Continued work on the water, sewer, and electric system improvements



Approved By: Bruce Steadman

Prepared by: Sarah Giberson

**ADOPTED
May 16, 2018**

Resolution Regarding
**Approval of Plan Amendment #10 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 Reuse Plan envisions the redevelopment of the Eatontown Reuse Area for approximately 1.96 million square feet of non-residential uses and 577 residential units; and

WHEREAS, the redevelopment of the Eatontown Reuse Area included development of a conference hotel and golf course, a lifestyle mixed-use center/technology incubator campus and municipal complex, and expansive green space including the Suneagles golf course; and

WHEREAS, the proposed Amendment #10, prepared by the Authority's contracted professional planner Phillips Preiss Grygiel, encompasses approximately 171 acres in the Eatontown Reuse Area, that comprises Suneagles Golf Course; and

WHEREAS, the Reuse Plan envisioned the retention of the 140+ acres, 18-hole golf course, the renovation of historic Gibbs Hall as a banquet and conference facility, the preservation of the historic hall and the development of a 150-room hotel that would replace 24 of the existing 42-unit Megill Housing complex, with the remaining 18 Megill units being retained for longer stay clientele of the conference center; and

WHEREAS, the land uses proposed in Amendment #10 maintains the Plan's land use concepts and plans while permitting development scenarios for the parcel that would result in the development of up to 75 new housing units on the property, with approximately 60 units constructed on the 10-acre Megill Housing area, and with approximately 15 units located on the property's Maxwell Avenue frontage and twenty percent of the 75 total units would be affordable to low- and moderate-income households; and

WHEREAS, the proposed amendment contemplates that the golf course would be maintained and improved, that Gibbs Hall would be renovated as a banquet hall and conference center, with an added porch, and that the existing pool would be removed; and

WHEREAS, the 45-day comment period commenced on March 13, 2018; and

WHEREAS, the comment period expired on April 26, 2018 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 #10 and the responses to the comments from the three host municipalities, and recommends adoption of Amendment #10.

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 #10 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: May 16, 2018

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to Approve Proposed Plan Amendment #10 Permitting an Additional Development Scenario with respect to Suneagles Golf Course in Eatontown

DATE: May 16, 2018

Request

I am requesting that the Board approve the proposed Amendment #10 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit an alternative development scenario in regard to Suneagles Golf Course in Eatontown.

Background

In 2008, the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) was completed and accepted by the U.S. Department of Housing and Urban Development and the U.S. Department of Defense, and serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA's enabling legislation, P.L. 2010 c. 51 (the Act), the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (Land Use Rules), and the Reuse Plan contemplate that amendments to the Reuse Plan would be required from time to time. Specifically, the Act authorizes FMERA "to adopt, revise, adjust, and implement ... any aspect of the plan."

Reuse Plan amendments allow FMERA to respond to opportunities that arise through the Request for Offers to Purchase (RFOTP) process. The amendment is required to be a report or statement with proposals that include the following:

1. Objectives, assumptions, and standards on which the plan is based;
2. The relationship to Statewide, county and municipal planning objectives;
3. Proposed land uses; and
4. Any significant relationship to municipal and county plans as well as the State Development and Redevelopment Plan.

According to the Land Use Rules, the FMERA Board shall consider the following as guidance when reviewing a proposed amendment:

1. Whether the proposed amendment would result in a material change in the overall development yield or affordable housing obligations of the host municipality, or would result in any negative impact to the Authority's obligations pursuant to the Fair Housing Act of 1985;
2. Whether the proposed amendment would result in any significant adverse impact on other areas of Fort Monmouth;
3. Whether the proposed amendment would substantially impair the intent and purposes of the Reuse Plan;
4. Whether the proposed amendment would have any negative impact to the Authority's obligations pursuant to the Base Realignment and Closure Act (BRAC) and any agreement with the U.S. Army conveying Fort Monmouth property to the Authority; and
5. Whether the proposed amendment would have significant adverse infrastructure ramifications different from those envisioned in the Reuse Plan.

In accordance with the Act and the Land Use Rules, prior to approving an amendment to the Plan, the amendment must be transmitted to the governing body of each host municipality for a 45-day comment period, at the end of which each municipality may provide FMERA with a written report containing the municipality's recommendations. Staff will review the report from each host municipality and prepare a preliminary analysis with reasons for accepting or not accepting the recommendations. This report shall be presented to the Board for its consideration and approval.

Development Contemplated under the Reuse Plan

The Reuse Plan currently envisions the redevelopment of the Eatontown Reuse Area for approximately 1.96 million square feet of non-residential uses and 577 residential units. The Reuse Plan includes development of a conference hotel and golf course, a lifestyle mixed-use center/technology incubator campus and municipal complex, and expansive green space including the Suneagles Golf Course.

With respect to the Suneagles Golf Course, the Reuse Plan contemplates the retention of the 140± acre, 18-hole golf course, the renovation of historic Gibbs Hall as a banquet and conference facility, the preservation of the existing swimming pool and historic hall, and the development of a 150-room hotel that would replace 24 of the existing 42-unit Megill Housing complex located in the center of the golf course. The 18 remaining Megill units would be retained for longer stay clientele of the conference center, but would not constitute permanent housing.

The Proposed Reuse Plan Amendment

The attached proposed Amendment #10 prepared by the Authority's planning consultant, Phillips Preiss Grygiel, LLC (PPG) encompasses the approximately 171 acres of Fort Monmouth property in the Eatontown Reuse Area that comprise Suneagles Golf Course. The proposed Amendment maintains the Plan's land use concepts and plans while permitting development scenarios for the parcel that, if pursued, would result in the development of up to 75 new housing units on the property. Approximately 60 units would be constructed on the 10-acre Megill Housing area, with approximately 15 units located on the property's Maxwell Road frontage. Twenty percent of the 75 total housing units would be affordable to low- and moderate-income households as required by the FMERA Act.

The amendment contemplates that the golf course would be maintained and improved; that Gibbs Hall would be renovated as a banquet hall and conference center, with an added porch; and that the existing swimming pool would be removed. The pool is in disrepair and has not been used in many years.

Staff recommends these changes as the highest and best use for the site based on the results of the two Requests for Offers to Purchase (RFOTP) the Authority issued for the Suneagles parcel and the needs of the Borough. FMERA's initial RFOTP, issued in October 2015, sought development proposals for reuse of the Suneagles Golf Course property consistent with the Reuse Plan, but generated no compliant proposals. After consulting with the Borough of Eatontown, and with the Army's concurrence, FMERA issued a second RFOTP in October 2016 that allowed bidders to proposal alternate uses for the Megill Housing area, including up to 75 units of housing. The 2016 RFOTP generated multiple responses.

Staff has reviewed the Amendment with regard to the criteria in the Land Use Rules, in N.J.A.C. 19:31C-3.27(c)5, for reviewing a proposed amendment and proposes the following conclusions:

1. This Amendment potentially changes the total number of residential units planned in Eatontown. Currently, 302 units are planned at the Parcel B site on the Main Post, and approximately 258 units at the Howard Commons site in the Charles Wood Area, for a total of 560 housing units. Development of 75 units at Suneagles Golf Course would require an increase of the total number of residential units planned for Eatontown to 635. This amounts to a 10% increase in Eatontown's planned units, or a 3.7% increase over the 1,585 units planned fort-wide. The increase in housing units would yield an estimated 179 new Eatontown residents and 24 school-age children. Staff believes that the benefits resulting from this minimal increase in housing numbers – preservation and upgrades to Gibbs Hall and the golf course, and associated job creation – justify this change to the Fort's overall development yield.
2. This Amendment affects only the Eatontown Reuse Area. As to those portions of the Eatontown Reuse Area not modified by this Amendment, preserving and upgrading historic Gibbs Hall and the 18-hole golf course will contribute to the creation of a vibrant, mixed-use community envisioned for the Eatontown Reuse Area, and the development of new dwelling units will provide tax rateables for the Borough of Eatontown and housing opportunities to families and individuals across the income spectrum.
3. This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan and addresses the relationship of the new uses at the subject parcel with the surrounding uses. Thus, the Reuse Plan would remain a rational coordinated land use plan.
4. This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 1 Economic Development Conveyance (EDC) agreement with the Army by incorporating mixed-use development, recreational and open space uses envisioned in the Reuse Plan approved as part of the BRAC process.
5. The proposed Amendment does not impact the infrastructure or circulation plans envisioned in the Reuse Plan for the Eatontown area of the Fort. As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities are to be evaluated at site plan review for a specific project.

In accordance with the Act and the Land Use Rules, on February 21, 2018, the FMERA Board approved the transmittal of proposed Amendment #10 to the governing body of each municipality for a 45-day comment period. The municipalities received Amendment #10 on March 13, 2018, upon expiration of the Governor's 10-day veto period; the comment period ended on April 26, 2018. The correspondence received from Eatontown and Tinton Falls is attached.

The letter from the Tinton Falls Council President states that the Borough Council reviewed the amendment and has no comment.

Oceanport stated that the Borough will not be sending a resolution for this amendment but supports the host municipality's position.

Eatontown's correspondence states that Amendment #10 was reviewed by the Mayor, Council, and Planning Board, with comments also provided by the Borough Engineer and Borough Planner. The Eatontown Borough Council passed a resolution on April 25, 2018, recommending FMERA's Board approval of Amendment #10 subject to the comments of the Borough Engineer and Borough Planner, as set forth via letter by the Borough Administrator. The Planning Board reviewed the proposed amendment at its March 19, 2018, meeting and had no additional comments. The Planning Board members "were in concert appreciating the efforts of FMERA associated with the redevelopment of the Sun Eagles Golf Course project and are very supportive of this project proceeding forward." The Borough Planner raised concerns about the placement of the affordable units on the northwest portion of the site which is not contiguous to the identified location of the market rate units and the potential loss of ratables by changing the use from a hotel/conference center to residential units. The Borough Engineer identified Site Plan topics which would be reviewed during Site Plan Review which include traffic, stormwater management and roadway upgrades.

Per FMERA's Land Use Rules, Authority staff must review reports from each municipality and provide a preliminary analysis of reasons for accepting or not accepting recommendations received from host municipalities. Staff has considered the concerns and recommendations made.

Staff proposed the following responses to the concerns raised: With respect to concerns raised by the Eatontown's Borough Planner regarding the placement of the affordable housing units on the site, the Purchaser's proposal to construct 15 affordable units on a separate location on the golf course meets the Reuse Plan's 20% on-site affordable housing requirement. The proposed location of the 60 market rate units (i.e. within the 10-acre former Megill Housing area) is restricted on all sides by fairways, making the development of all 75 housing units in one location impossible. Development of the market-rate units within the former Megill Area and the affordable units across from an established residential neighborhood and playground on Maxwell Place maximizes the value of the property while meeting the requirements of the Reuse Plan. The Borough's Planner also raised concerns regarding the potential reduction in ratables if the property's use is changed from hotel/conference to residential units, while noting that this change in use would create development flexibility that may be necessary to ensure the golf course's

financial viability. Staff concurs, and observes that FMERA did not receive any compliant proposals to develop a hotel and conference center in response to its October 2015 Request for Offers to Purchase (“RFOTP”). Consequently, in October 2016, FMERA issued an RFOTP allowing for residential development that generated multiple responses. The Borough’s Engineer indicated that further engineering would be reviewed under Site Plan Review, the Amendment does not contemplate any significant changes to the existing roadway network, the suitability of the existing infrastructure would be evaluated as part of the Site Plan Review and the Borough would evaluate traffic impact, stormwater management, roadway upgrades, etc. as part of the Site Plan Review. The proposed Amendment #10 does not eliminate the site plan and Mandatory Conceptual Review processes required for the site, at which time both the Authority and the local planning board will have the opportunity to confirm the proposed use is compliant with the Reuse Plan, as amended.

After reviewing the comments of the host municipalities, FMERA staff recommends final Board approval of Amendment #10. The Real Estate Committee has reviewed the request and recommends Board approval.

Recommendation

In summary, I am requesting that the Board adopt the proposed Amendment #10 to the Reuse Plan that would permit alternative development scenarios in Eatontown.



Bruce Steadman

Attachment: Proposed Reuse Plan Amendment #10
Reports from Host Municipalities
Prepared by: David E. Nuse and Kara A. Kopach

**Amendment #10 to the
*Fort Monmouth Reuse and Redevelopment Plan***

Prepared for:
The Fort Monmouth Economic Revitalization Authority

By:
Phillips Preiss Grygiel LLC
Planning and Real Estate Consultants
33-41 Newark Street
Hoboken, NJ 07030

February 2018

Table of Contents

I.	Introduction and Planning Rationale	1
II.	Scope of <i>Reuse Plan</i> Amendment	3
	Suneagles Golf Course and Associated Facilities	3
III.	Relationship to Elements, Objectives and Principles of the <i>Reuse Plan</i> and FMERA Directive	7
	Relationship to Reuse and Redevelopment Plan Elements	7
	Relationship to Objectives and Principles of the Reuse Plan	9
	Relationship to FMERA Directive	11
IV.	Relationship to State, County and Municipal Planning Objectives	12
	State Development and Redevelopment Plan (SDRP)	12
	Eatontown Master Plan.....	12
	Eatontown Zoning.....	13
V.	Conclusion	14

List of Figures

Figure 1: Location of Amendment #10 in the Eatontown Reuse Area	5
Figure 2: Detailed View of Amendment #10 in the Eatontown Reuse Area.....	6

I. Introduction and Planning Rationale

Pursuant to P.L.2010, c. 10 (N.J.S.A. 52:271-18 et. seq.), the Fort Monmouth Economic Revitalization Authority (“FMERA” or “the Authority”) is considering amending the *Fort Monmouth Reuse and Redevelopment Plan* (the “Reuse Plan” and “Plan”) to provide the option for an alternative development scenario on one parcel known as “The Suneagles Golf Course and Associated Facilities” on the former Fort Monmouth property in the Borough of Eatontown, New Jersey (“Eatontown Reuse Area”). This amendment contemplates that the Suneagles Golf Course parcel would be reused as follows:

- The golf course would remain a golf course and be upgraded as would its associated facilities;
- The 42 existing Megill Housing units would be demolished;
- Gibbs Hall would be renovated as a banquet and conference facility including the addition of a new porch;
- 60 townhouse units would be constructed on a ±10.2 acre portion of the property where the Megill Housing is currently located;
- 15 affordable housing units on ±1.85 acres located in the northeast corner of the property adjacent to Tinton Avenue; and
- Removal of the Gibbs Hall swimming pool.

This amendment does not purport to delete any provisions of the Reuse Plan but rather would supplement the Plan by proposing alternative development scenarios for the Subject Parcels. Under N.J.A.C. 19:31C-3.19(a)1, principal land uses permitted in the Reuse Plan are specifically permitted under the Land Use Rules, and under N.J.A.C. 19:31C-3.27(c)9, any departure from the Land Use Rules contained in a Plan amendment shall control. This amendment is incorporated into the Land Use Rules for the Reuse Area in a manner similar to an “overlay zone,” whereby an alternative set of requirements are superimposed on the area allowing for alternative land use scenarios to be realized. With regard to the alternative land use scenarios, the overlay zoning provides alternative opportunities for development which do not apply unless the land is developed in accordance with the purposes for which the overlay zoning is adopted.

This amendment is consistent with the planning objectives and principles articulated in the Reuse Plan and will help to facilitate the fulfillment of one of the Authority’s main objectives—specifically promoting, developing, encouraging, and maintaining economic development, housing and the public welfare.

The Fort Monmouth Reuse Plan involved years of careful consideration and study as well as an extensive effort to draw input from local residents, the three host municipalities and the County, State and Federal government. As such, this amendment does not change the underlying Plan vision for the Eatontown Reuse Area. Instead, it provides land use options that affords FMERA with the necessary flexibility to respond to changed circumstances in a manner that does not compromise the overall Reuse Plan goals and objectives.

The following chapter describes the nature and scope of the amendment, while succeeding chapters discuss its relationship to the elements, objectives and planning principles of the Reuse Plan, as well as to FMERA's own directive, and to relevant State, County and municipal planning objectives.

II. Scope of *Reuse Plan* Amendment

The Fort Monmouth properties in Eatontown total approximately 454 acres and are divided into two development areas: the western section composed of approximately 235 acres in the existing Charles Wood Area, and the eastern section composed of 219 acres in the Main Post Area. The *Reuse Plan* envisions redevelopment of the Eatontown Reuse Area for approximately 1.96 million square feet of non-residential space and 577 residential units. Such development would include a conference hotel and golf course, a mixed-income housing neighborhood, a lifestyle mixed-use center/technology incubator campus and municipal complex, and expansive green space.

Suneagles Golf Course and Associated Facilities

The Suneagles Golf Course and associated facilities (the "Subject Parcel") is a 171 acre parcel of land which is bordered by Hope Road to the west, Tinton Avenue to the north, Maxwell Road to the east, and the NJ Transit/Conrail Southern Secondary railroad right-of-way to the south. The golf course was designed by A. W. Tillinghast. The parcel includes Building 2000 (i.e., Gibbs Hall), Building 2018 (i.e., Joe's Sports Bar/19th Hole); and Buildings 2070/2071 (i.e., maintenance facilities). Gibbs Hall is a ±37,125 square foot clubhouse/catering facility that can accommodate over 650 people. The parcel also contains an in-ground swimming pool, historic wall, tennis courts, maintenance facility, and a pro-shop. There are historic preservation covenants for the Gibbs Hall building, the stone wall and swimming pool, as well as a designated no-disturb area due to an archaeological area of interest. The redevelopment of the historic properties is also subject to the Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources. Within the 171 acres, there are currently 42 residential units consisting of 21 buildings (i.e., the Megill Housing, also known as Buildings 2022-2042) on approximately 10 acres.

The Reuse Plan contemplates continued use of the parcel as a golf course with a hotel/conference center to be developed in the location of the ±10 acre Megill Housing. The Megill Housing was not deemed eligible for listing in the National Register of Historic Places.

This amendment would permit the reuse and upgrading of the golf course and its associated facilities except the swimming pool which would be removed; the 42 existing Megill Housing units would be demolished; Gibbs Hall would be renovated as a banquet and conference facility including the addition of a new porch; 60 townhouse units would be constructed on a ±10.2 acre portion of the property where the Megill Housing is currently located; and 15 affordable housing units would be developed on ±1.85 acres located in the northeast corner of the property adjacent to Tinton Avenue.

In the Land Use Rules (the “Rules”), the Subject Parcel lies within the Golf/Conference Campus Development District. Permitted uses include hospitality and open space/recreation facilities. Per the Rules, “the Suneagles Golf Course provides the central organizing element for the Golf/Conference Campus District. The historic Gibbs Hall, along with ancillary related features (a stone wall and outdoor swimming pool) is required to be reused as a public clubhouse, pro shop, and conference/banquet facility. A hotel and conference center is anticipated along Megill Drive, either through the reuse of existing buildings, or new construction. The vast bulk of the Campus’ land area is to remain as open space.”

Please see *Figure 1: Location of Amendment #10 in the Eatontown Reuse Area* which shows the location of this amendment in the context of the larger Eatontown Reuse Area. Please also see *Figure 2: Detailed View of Amendment #10 in the Eatontown Reuse Area* which focuses on the Subject Parcel.



* SEE FIGURE 2 FOR ENLARGEMENT OF SUBJECT PARCEL

FIGURE 1 | Location of AMENDMENT #10 in the Eatontown Reuse Area



FIGURE 2 | Detail view of AMENDMENT #10 in the Eatontown Reuse Area

PHILLIPS PREISS GRYGIEL LLC 2018

III. Relationship to Elements, Objectives and Principles of the *Reuse Plan* and FMERA Directive

Relationship to Reuse and Redevelopment Plan Elements

In considering the impacts of the *Reuse Plan* amendment, the following *Reuse Plan* elements were considered: land use and circulation, infrastructure, environmental issues, historic preservation and community impacts. The relationship between the amendment and these Plan elements are described below.

Land Use and Circulation

Total Non-Residential Square Footage Yield

Consistent with the Reuse Plan, this amendment contemplates the reuse of the ±37,125 square foot Gibbs Hall and its associated facilities. However, the Reuse Plan contemplated that a 150 room, 225,000 square foot hotel and 20,000 square foot conference center would be developed where the Megill Housing is currently located. This amendment contemplates 60 units of house in that location. Therefore, there would be ±245,000 non-residential square footage under this development scenario than in the Reuse Plan.

Total Residential Development Yield

This amendment permits up to 75 residential units on the golf course, consisting of 60 unit townhouses and 15 affordable units. This housing was not contemplated in the Reuse Plan and will add to the total number of residential units in the Reuse Plan for the Eatontown Reuse Area.

Compatibility with Surrounding Land Uses

The uses contemplated in this amendment are compatible with the surrounding land uses. The golf course and related facilities have been located on this site for many years. The 60 proposed townhouse units would be located in the same location as the Megill Houses. The affordable housing units in the northeast corner of the golf course are compatible with the mostly residential uses along this stretch of Tinton Avenue.

Circulation

This amendment does not contemplate any changes to roadways. As such, the roadway configurations contemplated in this amendment are consistent with and would not otherwise compromise any of the “Transportation Circulation Improvement Goals” established in the Reuse Plan.

Open Space

The Reuse Plan envisioned that the golf course would remain a golf course contributing to the overall open space/recreation spaces in the Eatontown Reuse Area. This amendment also envisions the golf course remaining a golf course and thus is consistent with the amount of open space/recreation uses contemplated for this portion of the Fort in the Reuse Plan.

Sustainability

This amendment would not preclude incorporation of any of the sustainability measures outlined in the Reuse Plan. Specifically, the amendment includes the reuse of extant buildings on the site and the preservation of open space and historic resources.

Infrastructure

As indicated in the Reuse Plan, impacts on the existing gas, electric, water, wastewater and telephone utilities servicing Fort Monmouth will have to be evaluated at site plan review for a specific project. This assessment is unaffected by the amendment.

Traffic

This amendment contemplates approximately ±245,000 less square feet of non-residential uses, and 75 more housing units than was envisioned in the Reuse Plan. A detailed traffic analysis would be prepared as part of any site plan review related to the reuse and/or development of these parcels. Any necessary traffic mitigation would be addressed at that time.

Environmental Issues

The amendment contemplates the preservation and protection of the Suneagles Golf Course and open space areas. It also involves the reuse of existing buildings including historic buildings.

Historic Preservation

There are historic preservation covenants for the Gibbs Hall building, the stone wall and swimming pool, as well as a designated no-disturb area due to an archaeological area of interest. The redevelopment of the historic properties is also subject to the Historic Preservation Design Guidelines for the Fort Monmouth Historic Resources. As such, this amendment is anticipated to have a positive impact on the preservation of the Fort's historic resources. The swimming pool is in poor condition and is proposed to be removed. It has little, if any, of its original historic integrity. The

proposed removal of the pool would not negatively impact any of the other historic resources on the parcel.

Community Impacts and Affordable Housing

This amendment contemplates adding 75 units of housing including 60 market rate townhouses and 15 affordable housing units. Fifty (50) percent of the affordable units shall be “low-income” and fifty (50) percent of the affordable units shall be “moderate.” Thus, the amendment will have a positive impact on the provision of affordable housing in the redeveloped Fort. The New Jersey Demographic Multipliers prepared by the Center for Urban Policy Research at Rutgers University (November 2006), indicates that the proposed 60 townhouse units would generate approximately ±133 residents and ±12 public school children. The multipliers indicate that the 15 affordable housing units would generate approximately ±46 residents and approximately ±12 public school children.

Relationship to Objectives and Principles of the Reuse Plan

The amendment would fulfill the objectives and planning principles outlined in the Reuse Plan. Those planning objectives articulated in the Reuse Plan include the following:

- *Be consistent with State, County, and Municipal planning policies.* The amendment is consistent with State, County, and Municipal planning policies, as set forth in the ensuing chapter.
- *Focus on business retention and attraction, job replacement, and employee training.* This amendment does not preclude business retention and attraction, job replacement, and employee training. It will create construction jobs and the reuse of Gibbs Hall and other related facilities will also involve job creation/retention.
- *Be founded on market and economic analysis.* This amendment responds to the marketplace by permitting an alternative development scenario designed to attract development in the Eatontown Reuse Area where the extant buildings are largely vacant.
- *Leverage Fort assets (people, infrastructure, location).* The amendment affords FMERA with an opportunity to leverage existing assets within the Eatontown Reuse Area, specifically the adaptive reuse of existing buildings. It will also provide 15 units of affordable housing. The existing roadway system will also be maintained.
- *Be a green community model.* The amendment involves the protection of environmentally sensitive areas, including open space and historic buildings.

The amendment further advances a number of key planning principles from which the overall concepts in the *Reuse Plan* were devised:

- Principle #1: Decreasing Density West to East & Creating Mixed-Use Live/Work/Leisure Centers.* The amendment contemplates the reuse of existing resources such as the golf course and Gibbs Hall, as well as the development of housing which is located in close proximity other housing located along Tinton Avenue in Eatontown.
- Principle #2: Link centers & increase mobility with connected transit infrastructure serving the region and the Fort.* This amendment is not incompatible with this principle to link centers and increase mobility with connected transit infrastructure.
- Principle #3: Enhance auto mobility and redevelopment capacity with targeted roadway infrastructure improvements.* This amendment does not contemplate any changes to roadway infrastructure.
- Principle #4: Combine open space, habitat, and water resources to establish a continuous Blue – Green belt.* The amendment involves the protection of open space areas, i.e., the golf course, as well as open space areas surrounding the golf course itself.
- Principle #5: Utilize the Blue – Green belt as an armature for enhanced bicycle and pedestrian mobility throughout the Fort.* With regard to this principle, the *Reuse Plan* notes that redevelopment of the Fort should provide trails and open areas for use by the public as both a commuting option and an everyday amenity. The amendment conserves open space at the golf course which could be used as an everyday amenity by Fort residents and visitors.
- Principle #6: Remove Fort boundaries & extend existing land uses to reconnect the Fort to the communities.* This principal states that creating a seamless land use integration between the community and the Fort is of primary importance, specifically to provide public access to the Fort’s amenities. With regard to this principle, this amendment would create housing within one of the Fort’s greatest open space resources, i.e., Suneagles Golf Course. The new tenants of this housing would be members of the Eatontown community further integrating the Fort into the municipality.
- Principle #7: Leverage existing Fort Monmouth assets (People, Buildings, Technology, and Infrastructure).* The amendment affords FMERA with an opportunity to leverage existing assets within the Eatontown Reuse Area, specifically

the adaptive reuse of existing buildings and preservation of open space/recreation areas.

In summary, the amendment is consistent with the Reuse Plan elements, objectives and planning principles.

Relationship to FMERA Directive

To implement the *Fort Monmouth Reuse and Redevelopment Plan*, the New Jersey State legislature empowered the Fort Monmouth Economic Revitalization Authority (FMERA) to adopt any modifications or amendments to the *Reuse Plan* and adopt development and design guidelines and land use regulations to implement the plan.

Pursuant to P.L.2010, c. 10 (N.J.S.A. 52:271-18 et. seq.), FMERA's purpose is the following:

to oversee, administer, and implement the [Reuse Plan] as provided in this act, in a manner that will promote, develop, encourage, and maintain employment, commerce, economic development, and the public welfare; to conserve the natural resources of the State; to provide housing, including housing to address identified needs related to homelessness; and to advance the general prosperity and economic welfare of the people in the host municipalities, the county, and the entire State by cooperating and acting in conjunction with other organizations, public and private, to promote and advance the economic use of the facilities located at Fort Monmouth.

This Reuse Plan amendment would advance both FMERA's stated purpose and the public welfare, by promoting economic development, conserving natural resources, and providing housing including affordable housing..

IV. Relationship to State, County and Municipal Planning Objectives

State Development and Redevelopment Plan (SDRP)

On March 1, 2001, the State Planning Commission readopted the State Development and Redevelopment Plan (SDRP). In the SDRP, the Eatontown Reuse Area is classified as Planning Area 1, Metropolitan Planning Area (PA-1). The SDRP defines Metropolitan Planning Areas as areas which “provide for much of the state’s future redevelopment; revitalize cities and towns; promote growth in compact forms; stabilize older suburbs; redesign areas of sprawl; and protect the character of existing stable communities.” The amendment is well-reconciled with the guiding policies and policy objectives of the adopted SDRP for the Planning Area 1, Metropolitan Planning Area.

Consistent with the goals for the PA-1, the amendment promotes the type of redevelopment needed to transform the Eatontown Reuse Area, currently largely unused and unproductive, into a vibrant, golf course community with compact development that will ensure efficient utilization of scarce land resources while also carefully protecting the character of surrounding communities and providing affordable housing.

Eatontown Master Plan

Although the Reuse Plan and FMERA’s land use rules supersede the municipal master plan, a review of the Eatontown Master Plan is included here for informational purposes. The Borough of Eatontown adopted its most recent Master Plan on July 23, 2007. The Master Plan incorporated the results and recommendations of planning studies that the Borough completed on the reuse of Fort Monmouth. Specifically, the Master Plan recommended the following for the Eatontown Reuse Area:

- The relocation of the Borough municipal complex from Broad Street into the Fort Monmouth Life Cycle Management Building (i.e., Building 1207- Mallette Hall).
- The reuse of land within the Fort as park and recreation land as recommended by the February 14, 2007 notice of public interest by Monmouth County for the conveyance of surplus property for park and recreation use. Three recreation parcels are located in Eatontown. These are the Husky Brook Lake and the football complex; Lefetra Creek, Parkers Creek and Mill Creek and the base-ball/softball fields and bowling center; and the base golf course.
- The reuse and redevelopment of the Howard Commons Area of Fort Monmouth in accordance with the recommendations of the Howard Commons Reuse Study prepared February 2003 by Kise, Kolodner, and Straw. The recommended development scenario in the study would involve two phases. The first phase would include demolition; construction of 57 age-restricted units, construction of 100,000 square feet of non-residential space, and 73 existing units retained as

condominiums with reduced density and reduced number of bedrooms. The second phase would include 144 existing units retained as condominiums with reduced density and reduced number of bedrooms.

- The extension of Tinton Avenue (CR 537) as a through street across the Fort from Route 35 eastward to Oceanport.

In addition to the above recommendations, the Master Plan noted that the Borough and FMERPA (now FMERA) would need to coordinate its infrastructure plans for streets, sewerage, drainage, and utilities with the adjoining Borough systems to achieve a compatible plan and provide appropriate transition to the developed areas of the Borough and its infrastructure. The Land Use Plan designates all of the former Fort properties as the "Fort Monmouth Reuse Planning Area." The portions of the Eatontown Reuse Area which were part of the notice of public interest by Monmouth County for the conveyance of surplus property for park and recreation use were labeled with an overlay entitled "Proposed Fort Monmouth Park and Recreation Land." Finally, the Master Plan also noted that the impending closure of Fort Monmouth represented a great economic loss to Eatontown both in terms of jobs lost on the Fort, as well as within the Borough. The Plan estimates that 40 percent, or 1,861 of the 4,652 civilian jobs on the Fort were residents of Eatontown.

This amendment is not inconsistent with the proposed plans for this area of the Fort.

Eatontown Zoning

Although the development of the former Fort properties in Eatontown are governed by the Land Use Rules and design guidelines adopted by FMERA, as a point of information, the study area lies within the P-1 Public Land Zone under the Borough's current zone plan. Permitted uses in the P-1 zone "shall be those deemed appropriate by the Borough Council to include but not be limited to parks, playfields, playgrounds, recreation, administrative or utility buildings and installations, libraries, historical buildings, or other cultural or community centers, or other similar public uses, or deemed appropriate by the local or regional school district board to include public school or private school educational and administrative buildings and related uses and buildings."

This amendment is not inconsistent with the underlying permitted uses in the P-1 zone.

V. Conclusion

The subject amendment, referred to as Amendment #10 to the *Fort Monmouth Reuse and Redevelopment Plan*, maintains the land use concepts and plans articulated in the Reuse Plan. However, the amendment permits alternative development scenarios for the Eatontown Reuse Area.

This amendment is consistent with the objectives and principles in the Reuse Plan, as well as State, County and Municipal planning objectives. Furthermore, the amendment advances the public welfare, particularly with regard to preserving open space and providing affordable housing. Lastly, the amendment provides flexibility for FMERA to more effectively attract redevelopment in the Eatontown Reuse Area, thereby enabling it to fulfill its statutory mandate to advance the general prosperity and welfare of the people most impacted by the Fort's closure.

RESOLUTION 98 -2018

**BOROUGH OF EATONTOWN
COUNTY OF MONMOUTH, STATE OF NEW JERSEY**

**RESOLUTION OF THE BOROUGH OF EATONTOWN APPROVING OF AMENDMENT NO. 10 TO THE FORT MONMOUTH
REUSE AND REDEVELOPMENT PLAN**

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) is considering amending the Fort Monmouth Reuse and Redevelopment Plan; and

WHEREAS, the Fort Monmouth Economic Revitalization Authority (FMERA) is considering amending the Fort Monmouth Reuse and Redevelopment a tenth time in order to provide a new use for the present Suneagles Golf Course parcel; and

WHEREAS, the proposed Amendment does not purport to delete the provisions of the Reuse Plan concerning the existence of the golf course, but rather would upgrade the golf course and provide a proposal for additional facilities and 60 townhouse units on a 10.2 acre portion of the subject property, and 15 Affordable Housing Units on 1.85 acres of the subject property; and

WHEREAS, the Reuse Plan under Amendment No. 10 envisions the golf course remaining a golf course, but being upgraded, as would its associated facilities; 42 existing Megill Housing Units would be demolished; Gibbs Hall would be renovated as a banquet and conference facility, including the addition of a new porch; 60 townhouse units would be constructed on a 10.2 acre portion of the property where the Megill Housing Units are currently located; 15 Affordable Housing Units on 1.85 acres located on the northeast corner of the property adjacent to Tinton Avenue would be constructed and the Gibbs Hall swimming pool would be removed; and

WHEREAS, the 10th Amendment to the Fort Monmouth Reuse and Redevelopment Plan does not purport to delete any provisions of the Reuse Plan, but rather would supplement the Plan by proposing alternative development scenarios for the subject parcels; and

WHEREAS, the proposed 10th Amendment is incorporated into the Land Use Rules for the Reuse Area in a manner similar to an "Overlay Zone" whereby an alternative set of requirements are superimposed on the area allowing for alternative land use scenarios to be realized; and

WHEREAS, with regard to the alternative land use scenarios, the Overlay Zoning provides alternative opportunities for development, which do not apply unless the land is developed in accordance with the purposes for which the Overlay Zoning is adopted;

WHEREAS, the proposed Amendment is consistent with the planning objectives and principles articulated in the Reuse Plan, and will help to facilitate the fulfillment of one of the authority's main objectives – specifically promoting, developing, encouraging and maintaining economic development, housing and public welfare; and

WHEREAS, FMERA does not believe that the proposed Amendment is inconsistent with Eatontown's Master Plan, as adopted on July 3, 2007 for this area of Fort Monmouth, and although the development of the former Fort Monmouth properties in Eatontown are governed by the Land Use Rules and design guidelines adopted by FMERA, the subject area lies within the P-1 Public Lands Zone under the Borough's current Zone Plan, and therefore, the proposed Amendment is not inconsistent with the underlying permitted use of the P-1 Zone; and

WHEREAS, the Planning Board of the Borough of Eatontown had an opportunity to review the proposed Amendment on March 19, 2018, and the governing body was advised that the Eatontown Planning Board has no comment to Amendment No. 10, but that all board members were in concert appreciating the efforts of FMERA associated with the redevelopment of the Suneagles Golf Course Project, and are very supportive of this project in proceeding forward; and

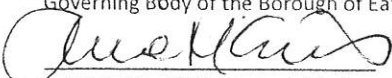
WHEREAS, the Mayor and Council of the Borough of Eatontown have also had an opportunity to review the proposed Amendment No. 10, and have not offered any comments or concerns, but concerns have been raised by the Borough Planner, and comments have been made by the Borough Engineer, per a letter of April 26, 2018; a true copy of which is attached hereto and incorporated herein as Exhibit A.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Borough of Eatontown that the Borough Council does hereby recommend and approve of the proposed Amendment No. 10 to the Fort Monmouth Monmouth Reuse and Redevelopment Plan as proposed by FMERA, and hereby approves of the aforesaid Amendment, subject to the terms and comments set forth by letter of April 26, 2018 to FMERA and attached hereto and incorporated herein as Exhibit A.

	Offered	Second	Ayes	Nays	Abstain	Absent
Council President May			X			
Councilman Talerico			X			
Councilwoman East	X		X			
Councilman Baginsky		X	X			
Councilwoman Harris						X
Councilwoman Sherrod			X			
Mayor Connelly						

CERTIFICATION

I, Julie Martin, Borough Clerk of the Borough of Eatontown do hereby certify this to be a true and exact copy of a resolution adopted by the Governing Body of the Borough of Eatontown, County of Monmouth, State of New Jersey at the reorganization meeting held on April 25, 2018.



Julie Martin, RMC, Borough Clerk

Mayor
DENNIS J. CONNELLY
Council President
PATRICIA MAY
Council
ANTHONY TALERICO, JR.
VIRGINIA EAST
ALBERT BAGINSKY
BRIDGET HARRIS
JENNIFER SHERROD



Borough Administrator
47 Broad Street
Eatontown, NJ 07724
Phone: (732) 389-7621
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GEORGE S. JACKSON
Borough Administrator

JULIE MARTIN
Borough Clerk

GENE J. ANTHONY
Borough Attorney

EDWARD HERRMAN
Borough Engineer

April 26, 2018

Bruce Steadman, Executive Director
Fort Monmouth Economic Revitalization Authority
PO Box 267
Oceanport, NJ 07757

RE: **PROPOSED AMENDMENT #10 TO FORT MONMOUTH
REUSE AND REDEVELOPMENT PLAN**

Dear Mr. Steadman:

The Mayor and Council of the Borough of Eatontown have had the opportunity to review the Draft Copy of the above-entitled document which was provided to them by FMERA. Also, a copy of the amendment plan was forwarded to the Eatontown Planning Board for review and comment. At their Regular Meeting of April 25, 2018, the Eatontown Borough Council adopted a Resolution recommending the approval of Proposed Amendment #10 to Fort Monmouth Reuse and Redevelopment Plan. I have enclosed a copy of that Resolution for your review. Additionally, concerns and comments were expressed by Borough Engineer Edward Herrman and Borough Planner John Maczuga. I am including those comments/concerns in this letter for FMERA's consideration.

CONCERNS OF BOROUGH PLANNER:

Per your request I have reviewed *Amendment #10 to the Fort Monmouth Reuse and Redevelopment Plan*, dated February 2018 and offer the following comments:

1. The proposed amendment involves the Suneagles Golf Course portion of the Fort Monmouth property. The adopted reuse plan contemplated the continuation of the Suneagles Golf Course and the upgrading of related facilities (Gibbs Hall) and the development of a 150 room (225,000 square feet) hotel and 20,000 square feet conference center on the current McGill Housing site within the overall Suneagles site.
2. Proposed Amendment #10, while not removing the hotel and conference center as potential redevelopment uses on the 10.2 acre McGill Housing site, would allow, in the alternative (a zoning overlay), the development of 60 market rate townhouses. If the townhouse overlay alternative was selected the proposed amendment would require the construction of a 20 % affordable housing set aside (15 units) on a non-contiguous (to the

McGill site) 1.85 acre portion of the Sunegles Golf Course, located at the southwest corner of Tinton Avenue and Maxwell Place.

3. The net result of the proposed amendment is the potential loss of the 150 room hotel and conference center in favor of 75 housing units, including 15 new affordable housing units. From a ratable perspective the benefit of redevelopment of the McGill site as a hotel/conference center is substantially greater, however, the development flexibility may be necessary to insure that the golf course continues as a viable use of the bulk of the property. The restriction of the use of the McGill site as a hotel and conference center maybe a negative to attracting a redeveloper interested in continuing the golf course.
4. From the Borough's perspective the integration of the affordable units into the overall residential development or an internal location (versus concentration of the affordable units in one location along the exterior of the site) would be preferable, however, that may also factor into attracting interested redevelopers. I would recommend the Borough seek to have the affordable units integrated with the market units or placed in a more internal location.
5. In sum, while the proposed amendment is not directly beneficial to the Borough it may provide some development flexibility so as to attract potential redevelopers so as to preserve the golf course over the long run. Failing that FMERA may be forced to consider reducing the golf course facilities in favor uses more financially attractive to redevelopers.

COMMENTS OF BOROUGH ENGINEER:

Per your request, I have also reviewed Amendment #10 to the Fort Monmouth Reuse and Redevelopment Plan, dated February 2018, in terms of engineering impacts, and offer the following:

1. Any development proposals would be subject to Site Plan review, whereby detailed engineering elements would have to be reviewed.
2. The Amendment does not contemplate any significant changes to the existing roadway network at the property.
3. The suitability of the existing utility infrastructure would have to be evaluated as part of any Site Plan review.
4. Typical engineering items such as traffic impacts, stormwater management, roadway upgrades, etc. would have to be evaluated as part of any Site Plan review.

The Borough of Eatontown Planning Board had an opportunity to review the proposed amendment. The board discussed this matter at their meeting on March 19, 2018. Zoning Officer/Board Secretary Erik Brachman advised, "Eatontown Planning Board has no comment to Amendment #10. All Board members were in concert appreciating the efforts of FMERA associated with the redevelopment of the Sun Eagles Golf Course project and are very supportive of this project proceeding forward."

The Borough of Eatontown Mayor and Council have also had an opportunity to review the proposed amendment and have not offered any comments or concerns.

If you have any questions on this matter please feel free to contact me at (732) 389-7621 or by email at admin@eatontownnj.com.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. S. Jackson", written in a cursive style.

George S. Jackson
Borough Administrator

cc: Mayor & Council
Julie Martin, Borough Clerk
Gene J. Anthony, Borough Attorney



**Borough of
Tinton Falls
New Jersey**

MELISSA A. HESLER, RMC
BOROUGH CLERK

MUNICIPAL CENTER
556 TINTON AVENUE
TINTON FALLS, NJ 07724-3298
PHONE #: 732-542-3400 EXT. 260
FAX #: 732-460-9115
mhesler@tintonfalls.com

March 26, 2018

Mr. Bruce Steadman
Executive Director
Fort Monmouth Economic Revitalization Authority
P.O. Box 267
Oceanport, NJ 07757

RE: Plan Amendment #10 Permitting Alternative Development Scenario in Eatontown

Dear Mr. Steadman:

The Borough Council of the Borough of Tinton Falls has received the draft proposed amendment #10. The governing body has reviewed this amendment and has no comments. The governing body concurs with the proposed "*Plan Amendment #10 Permitting Alternative Development Scenario in Eatontown.*"

Please do not hesitate to contact me if I can be of any further assistance.

Sincerely,

Gary A. Baldwin
Council President

Resolution Regarding
**Approval of a Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with Somerset
Development, LLC for the Lodging Area Parcel in Oceanport**

WHEREAS, on December 29, 2016, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) with a response date of April 21, 2017, in connection with the planned redevelopment of the Lodging Area in Oceanport; and

WHEREAS, the Lodging Area in Oceanport consists of an approximately 15± acre parcel of land containing eight buildings (Buildings 270, 271, and Buildings 360-365) totaling approximately 184,207 gsf in the Main Post Area of Fort Monmouth with a portion of the property located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are considered contributing resources to the Historic District and are subject to historic preservation covenants; and

WHEREAS, FMERA received four compliant proposals for the Lodging Area parcel; the proposals were scored independently by an evaluation committee, and Somerset Development, LLC (“Somerset”) received the highest score and submitted the highest price proposal; and

WHEREAS, while the Fort Monmouth Reuse Plan envisioned the Property be redeveloped for lodging and/or conference use with a boutique hotel and spa, FMERA determined that the redevelopment of the Fort and its historic assets would be better served by locating a boutique hotel at the adjacent Allison Hall rather than the Lodging Area; and

WHEREAS, the Reuse Plan includes the conversion of Building 360 into residential use in the form of mixed-income apartments and Building 270 into permanent supportive units to satisfy FMERA’s obligations to provide homeless accommodations under BRAC law and FMERA has tentatively identified an alternate location for Building 270’s permanent supportive housing units enabling Building 270 to be included within the Lodging Area property; and

WHEREAS, the Reuse Plan envisions the creation of a scenic waterfront promenade from the eastern boundary of the Property to the adjacent Officer Housing development to the west of the Property where the Purchaser will be responsible for designing and constructing the portion of the waterfront promenade to be located on the property; and

WHEREAS, the terms of the proposed PSARA include Somerset’s payment of \$17,500,000 for the property, which is based upon Somerset having the necessary approvals which would permit the construction of a minimum of 140 three-story traditional, market-rate townhomes, provided, however, that the total number of housing units cannot exceed 185, of which twenty percent of the total housing units must be Affordable Housing; and

WHEREAS, if Somerset makes diligent efforts to acquire such approvals and the site constrains their ability to construct one hundred and eighty-five units, the Purchase Price will be adjusted by \$125,000 per market rate townhome that cannot be constructed, provided, however, that: (1) any such Purchase Price reduction shall not exceed fifteen percent of the Purchase Price; and (2) Purchaser shall remain obligated to set aside twenty percent of the total housing units constructed as Affordable Housing; and

WHEREAS, closing will occur within the later of: 1) thirty days of satisfaction of the conditions precedent to closing to be satisfied by FMERA; which includes; resolving the Tideland’s claim that currently encumbers the Property, providing an easement agreement to allow Purchaser to complete Purchaser’s Utility Obligation; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board with the terms described in the attached memorandum, or 2) ninety days from Purchaser’s receipt of all approvals; and

WHEREAS, the parties will endeavor to satisfy these contingencies within twelve months of expiration of the due diligence period and Somerset will have the option of extending its twelve-month period for obtaining project approval for two additional six-month periods with a written notice to FMERA in the event that FMERA has determined that Somerset is diligently and in good faith pursuing approvals; and

WHEREAS, Somerset will apply for required building permits within five business days following closing and will commence construction of the Project 60 days after Closing (provided that Somerset shall be entitled to an additional 60 days if Somerset has timely applied for required building permits, the permits have not been issued by the municipality within the 60 day period and Somerset is diligently and in good faith pursuing the issuance of such permits), or 180 days after closing if Somerset waives all approvals, and will complete construction within five (5) years; and

WHEREAS, Somerset's capital investment in the Project shall be between twenty-five to thirty million dollars. Somerset estimates that it will create approximately two hundred and thirty-one temporary construction related jobs and will create or cause to be created a minimum of one permanent full or part-time job by project completion or pay a penalty of \$1,500 for each permanent job not created; and

WHEREAS, Somerset shall be responsible for constructing and/or funding six hundred linear feet of a new sewer main running east from the Property over the adjacent Allison Hall parcel and connecting to a new trunk main in Oceanport Avenue and within three months of PSARA execution, Somerset will be responsible for any/all utility costs and property maintenance expenses associated with Building 270 & 271 and for any/all utility costs and property maintenance for the balance of the Property within 12 months; and

WHEREAS, Somerset shall take all necessary measures to ensure the National Register historic preservation covenants on the Property for Buildings 270 & 271 are observed. Somerset shall design, fund and construct the portion of the waterfront walkway that is planned for the Property's northern boundary along Oceanport Creek; and

WHEREAS, the attached PSARA is in substantially final form, with the final terms of the PSARA subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the proposed PSARA and recommends Board approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Somerset Development, LLC as the purchaser of the Lodging Area in Oceanport pursuant to the December 29, 2016 RFOTP, on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement and Redevelopment Agreement (PSARA) and with final terms in substantially the same form acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSARA and take any necessary actions to effectuate the selection of Somerset Development as the purchaser.

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: May 16, 2018

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale Agreement & Redevelopment Agreement with Somerset Development, LLC for the Lodging Area in Oceanport

DATE: May 16, 2018

Request

I am requesting that the Members of the Board approve the Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with Somerset Development, LLC. (“Somerset” or “Purchaser”) for the sale and redevelopment of the Lodging Area Parcel (the “Property”) in the Oceanport Reuse Area.

Background

FMERA issued a Request for Offers to Purchase (“RFOTP”) in connection with the planned redevelopment of the Lodging Area in Oceanport on December 29, 2016. The Lodging Area consists of an approximately 15± acre parcel of land containing eight buildings (Buildings 270, 271, 360, 361, 362, 363, 364, and 365) totaling approximately 184,207 gsf located on Signal Avenue in the Main Post Area of Fort Monmouth. A portion of the Property is located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are considered contributing resources to the Historic District and are subject to historic preservation covenants.

Responses to the RFOTP were due on April 21, 2017 and four responses were received from Highview Homes, LLC, Somerset Development, LLC, TetherView Property Management, LLC, and Toll Brothers, Inc./RPM Development, LLC. An evaluation committee scored the proposals and Somerset was the highest ranked proposal. Subsequently, one of the four bidders submitted a formal withdrawal of its proposal. As Somerset’s proposal was also compliant with the RFOTP, the evaluation committee recommended proceeding with negotiations for a PSARA.

While the Reuse Plan contemplates the Property be redeveloped for lodging and/or conference use with a boutique hotel and spa (or other hospitality/lodging use), FMERA determined that the redevelopment



of the Fort and its historic assets would be better served by locating a boutique hotel at the adjacent Allison Hall rather than on the Lodging Area. Additionally, the Reuse Plan includes the conversion of Building 360 into a residential use in the form of mixed-income apartments and Building 270 into permanent supportive units, to satisfy FMERA's obligations to provide homeless accommodations under BRAC law. FMERA has tentatively identified an alternate location for Building 270's permanent supportive housing units. Therefore, Building 270 was included within the property and it is available for market rate or other affordable residential development. Buildings 270 and 271, known as Scriven Hall and Gardner Hall, respectively, and Building 360 are intended for reuse in the Reuse Plan. Buildings 361, 362, 363, 364, and 365 are all slated for demolition in the Reuse Plan.

The Reuse Plan envisions the creation of a scenic waterfront promenade from the eastern boundary of the Property to the adjacent Officer Housing development to the west of the Property. The Purchaser will be responsible for designing and constructing the portion of the waterfront promenade to be located on the Property. FMERA shall require the adoption of either a Reuse Plan amendment or, if applicable, a "use-type" variance prior to approval of the application for development.

Purchase and Sale Agreement & Redevelopment Agreement

FMERA staff is pleased to report that negotiations with Somerset have resulted in terms that it wishes to present for the Board's consideration. Pursuant to the terms of the PSARA, Somerset will pay \$17,500,000 for the property. The Purchase Price is based upon Purchaser having the necessary approvals which would permit the construction of a minimum of 140 three-story traditional, market-rate townhomes, provided, however, that the total number of housing units cannot exceed 185, of which twenty (20%) percent of the total housing units must be Affordable Housing (the "Project"). If Somerset makes diligent efforts to acquire such approvals and the site constrains their ability to construct one hundred and eighty-five (185) units, the Purchase Price will be adjusted by \$125,000 per market rate townhome that cannot be constructed, provided, however, that: (1) any such Purchase Price reduction shall not exceed fifteen (15%) percent of the Purchase Price; and (2) Purchaser shall remain obligated to set aside twenty (20%) percent of the total housing units constructed as Affordable Housing. Somerset proposes to demolish Buildings 360, 361, 362, 363, 364, and 365 to construct up to 148 market rate/owner occupied townhouses while adaptively reusing Buildings 270 & 271 to satisfy the 20% affordable housing requirement on the property.

Closing will occur within the later of: (1) thirty days of satisfaction of the conditions precedent to closing to be satisfied by FMERA, which includes: (a) resolving the Tidelands claim that currently encumbers the Property; (b) providing an easement agreement to allow Purchaser to complete Purchaser's Utility Obligation; (c) obtaining an amendment to the Reuse Plan to accommodate the Project; and (d) obtaining the consent of the NJEDA Board with the terms described in the attached memorandum, or 2) ninety days from Purchaser's receipt of all approvals. The parties will endeavor to satisfy these contingencies within twelve (12) months of expiration of the due diligence period. Somerset will have the option of extending its twelve (12) month period for obtaining Project approvals for two additional six (6) month periods with a written notice to FMERA in the event that FMERA has determined that Somerset is diligently and in good faith pursuing approvals. FMERA will convey the property to Somerset in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address pre-existing contamination that may exist on the property.

Somerset will apply for required building permits within five (5) business days following Closing and will commence construction of the Project (a) within 60 days after Closing (provided that Somerset shall be entitled to an additional 60 days if Somerset has timely applied for required building permits, the permits have not been issued by the municipality within the 60 day period and Somerset is diligently and in good faith pursuing the issuance of such permits), or 180 days after closing if Somerset waives all approvals, and will complete construction within five (5) years. FMERA will have a right to repurchase the Property if construction is not timely commenced or completed. Somerset's capital investment in the Project shall be between twenty-five million (\$25,000,000) to thirty million (\$30,000,000) dollars. Somerset estimates that it will create approximately two hundred and thirty-one (231) temporary construction related jobs in connection with the Project. Purchaser represents that it will create or cause to be created a minimum of one (1) permanent full or part-time job by Project completion or pay a penalty of \$1,500 for each permanent job not created.

~~Somerset shall be responsible for constructing and/or funding a new sewer main running east from the Property over the adjacent Allison Hall parcel and connecting to a new trunk main in Oceanport Avenue, a distance of approximately six hundred (600) feet. Within three (3) months of PSARA execution, Somerset will be responsible for any/all utility costs and property maintenance expenses associated with Building 270 & 271 and for any/all utility costs and property maintenance for the balance of the Property within 12 months.~~

Somerset shall take all necessary measures to ensure the National Register historic preservation covenants on the Property for Buildings 270 & 271 are observed. Somerset shall design, fund and construct the portion of the waterfront walkway that is planned for the Property's northern boundary along Oceanport Creek.

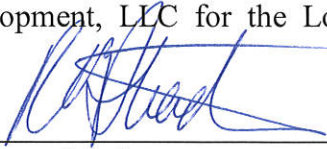
Based on the redevelopment provisions of the PSARA between FMERA and Somerset, staff concludes that the essential elements of a redevelopment agreement between FMERA and Somerset are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with Somerset for its redevelopment of the Lodging Area Parcel.

Attached is the PSARA between FMERA and Somerset which is in substantially final form. The final terms of the PSARA are subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The Real Estate Committee has reviewed the request and recommends Board approval of the PSARA.

Recommendation

In summary, I am requesting that the Board authorize the execution of a Purchase and Sale Agreement & Redevelopment Agreement with Somerset Development, LLC for the Lodging Area Parcel in Oceanport.



Bruce Steadman

Attachment: Purchase and Sale Agreement & Redevelopment Agreement
Prepared by: Kara A. Kopach

ATTACHMENT

[The attachment that the preceding memo refers to has been removed from this full agenda.]

