

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: October 17, 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 Transmittal to Host Municipalities of Proposed Plan Amendment #12 Permitting Alternative Development Scenario in Tinton Falls.
- b. Consideration of Approval of a Purchase and Sale & Redevelopment Agreement and Pre-Acquisition Lease Agreement with Tetherview Property Management for the Allison Hall Complex in Oceanport.
- c. Consideration of Approval of a Second Amendment to the Purchase & Sale Agreement for the Main Post Chapel.

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Adjournment**

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: October 17, 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. Independent Auditing Services Request for Proposals (RFP)

The RFP for Independent Auditing Services was issued on September 28, 2018. Responses are due October 29, 2018. Compliant proposals will be reviewed by the members of the Auditor Evaluation Committee who will then meet to discuss their findings and prepare their report for submittal to the Audit Committee. We anticipate that the Audit Committee, based on their review of the Auditor Evaluation Committee's report, will make their recommendation for appointment as the Authority's Independent Auditor to the Board at the Authority's December meeting.

2. 2019 Budget Overview

The budget process for 2019 continues. In the next couple of weeks the 2019 FMERA Budget will be drafted. The draft budget will then be presented to the Audit Committee for their review. The budget will be brought to the Board for its consideration and approval at the Authority's December meeting.

Executive Director's Report

1. Update on Utilities, RFPs and Contracts

- The design of the next two water main projects (Phases II and III) is 90% complete and with New Jersey American Water (NJAW) for review. Phases II and III will serve the County Homeless Shelter, the Oceanport Municipal Complex, County Motor Pool, Eatontown DPW and bowling center parcel.
- The Army Corp. of Engineers will place a 2-foot vegetative soil cap across 9 closed landfills, totaling approximately 50 acres, starting in December. The Army has awarded the contract; the work will be complete by year-end 2021.
- At the site of the former Recruitment Command building (Building 700), the Army Corp has completed the first round of chemical injections to remediate impacted ground water from a former dry-cleaning facility. The Army will begin collecting water samples to determine the effectiveness of the remedial action.

- Verizon has completed the install of over 11,000 L.F. of conduit on the Eastern main post. This conduit will hold fiber lines to serve the North and South housing areas, the Lodging parcel, the Allison Hall parcel and Barker Circle, with telecommunication services, internet, and FIOS cable. Verizon has plans to expand their network to serve the rest of FMERA development on the Main Post. FMERA is awaiting Comcast's overall Fort plan.
- The Facilities Team and Chenega On-Site Maintenance have begun preparing to winterize buildings planned for sale or reuse. These properties are regularly inspected and maintained ensure optimal market value.

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 116 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. Residents are beginning to occupy the rental units and the for-sale units will see their first occupants this fall. 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 or approved contracts on the following three parcels:

- 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.
- Lodging Area, a 15-acre site located on Parkers Creek, where the Board approved a PSARA with Somerset Development, LLC at the May 16th Board meeting calling for up to 185 new and renovated housing units.
- Marina, currently operating as a marina/public boat ramp and restaurant. At FMERA's July Board meeting, the Board approved a PSARA with AP Development Partners, LLC.

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

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.
- 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. FMERA received Board approval for a PSARA with the prospective purchaser at the September 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. FMERA anticipates presenting a recommendation to the Board to approve a PSARA with the prospective purchaser at tonight's meeting.

- 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. Proposals for all properties were due on July 16th.

FMERA's evaluation committee has reviewed and scored proposals for all four parcels and has begun negotiations with the highest-ranked bidders for each of the properties.

In **Eatontown**, FMERA is in 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 two parcels:

- 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 Avenue of Memories and Wilson Avenue, by the Borough's Department of Public Works. Staff expects to present a recommendation to the Board at an upcoming meeting.

FMERA issued the following RFOTPs on June 22, 2018:

- 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.
- 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.

Proposals were due August 20, 2018. FMERA's evaluation committee is in the process of reviewing and scoring proposals for all both parcels and anticipates beginning negotiations with the highest-ranked bidder for each of the properties this fall.

In **Tinton Falls**, FMERA closed on Parcel F-3 on February 23, 2017. 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 23, 2018, which had previously been leased by Monmouth County. FMERA closed on the Charles Wood Fire Station on May 22, 2018, transferring the property to Commvault Systems, Inc. for use as corporate office and training space and closed on Parcel C1 on October 1, 2018 with Lennar Corporation, planned as a part of Tinton Falls mixed-use town center.

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

- Parcels C, with Lennar Corporation, approved for 288 residential units over parcels C and C1, and up to 58,000 square feet of retail development, was recently approved by the Borough's Planning Board. A closing on Parcel C is expected in the coming weeks.
- 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.

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 (EDA) 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. EDA 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 EDA 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.

On June 12, 2018, the EDA Board authorized the execution of an Agreement to Assign of the Purchase and Sale Agreement among EDA, FMERA and RWJ Barnabas Health (RWJBH) for the sale of the approximately 36-acre Parcel F-1 in Tinton Falls. RWJBH has indicated that it plans to create a health campus on the property. At the Authority's June meeting, the Board approved the execution of an Agreement to Assign among FMERA, EDA and RWJBH providing for the assignment of a Purchase and Sale Agreement (PSA) between FMERA and EDA for Parcel F-1. At the Authority's September meeting, the Board approved the First Amendment to the PSA and an Agreement and Assumption Agreement. FMERA will be asking for the approval of Plan Amendment#12 for the Myer Center Parcel in Tinton Falls at tonight's meeting.

3. Marketing Update

FMERA's Marketing & Development Team is focused on promoting the redevelopment of the McAfee Complex and is in the process of fleshing out the details of a project-specific marketing plan. Initiatives include: the refinement of a highly-targeted prospect list; participation in real estate & tech-focused events and scheduling tours with interested prospects. Two tours are currently scheduled in October. Please visit our website for more information and to sign-up for a tour.

Over the next few weeks, the team will finalize the Requests for Offers to Purchase for the McAfee Complex and intends to issue an RFOTP later this fall.

FMERA recently attended the International Economic Development Council's annual conference in Atlanta and was honored with the Gold Excellence in Economic Development Award. The Award recognizes FMERA's multi-year effort to redevelop Fort Monmouth and the diversity and level of economic investment achieved to date, as well as investment that is planned and in the pipeline. This achievement has been recognized in numerous

local and national publications and raises the profile of the Fort, as well as its remaining development opportunities.

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

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: Regina McGrade

**Resolution Regarding
Transmittal to Host Municipalities of Proposed Twelfth Plan Amendment Permitting Alternative
Development Scenario in Tinton Falls**

WHEREAS, the FMERA Act, P.L. 2010, c.51, in N.J.S.A. 52:27I-26(c), and the Land Use Rules, in 19:31C-3.27(c), authorize FMERA to amend the 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 Tinton Falls Reuse Area for approximately one million square feet of non-residential space and 288 residential units. The Reuse Plan includes a high-tech business campus with a multi-use town center containing ground floor retail space with mixed-income housing or professional offices above. The Tinton Falls Reuse Area also envisioned standalone residential, institutional and civic uses; and

WHEREAS, the Reuse Plan envisioned that the Myer Center Parcel would be the center of a mixed-use business campus centered around the reuse of the Myer Center. The district was intended to accommodate office/research and institutional uses, taking advantage of its access to the Garden State Parkway. The Myer Center would be the central feature of the Office/High Tech Industry node, transformed into a modern multi-tenant corporate facility to accommodate a variety of tech uses that would be complemented by a central green within an open courtyard. The reuse node was expected to serve as one of the primary economic engines for the Reuse area, generating tax revenue and employment opportunities; and

WHEREAS, this Amendment maintains the land use concepts and plans articulated in the Reuse Plan, but also permits alternative development scenarios. The Amendment, prepared by FMERA's Senior Planning and Development Officer, would permit the demolition of the Myer Center and Building 2705 for the development of a new state-of-the-art medical campus. The medical campus would include the creation of innovative and efficient health care facilities, as detailed in the attached memorandum, and would support the needs of the community and facilitate new economic growth for the Borough of Tinton Falls and surrounding communities; and

WHEREAS, staff has reviewed the proposed Amendment with regard to the criteria in reviewing a proposed amendment and reached the following conclusions: 1) this amendment does not impact the 288 permitted residential dwelling units in the Tinton Falls Reuse Plan as the development of the medical campus and the creation of innovative and efficient health-care facilities would not require additional residential units be permitted on the Myer Center Parcel and this Amendment potentially increases the total number of non-residential uses from 753,000 sq. ft. to approximately 2,500,000 sq. ft. of non-residential uses on the Myer Center parcel but at no time can the overall sq. ft. exceed the proposed FAR of 1.46 for the site; 2) this Amendment affects only the Tinton Falls Reuse Area and the portions of the Tinton Falls Reuse Area modified or impacted by the Amendment, 3) this Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan; 4) this Amendment is consistent with the Authority's BRAC obligations and the existing Phase 1 Economic Development Conveyance agreement with the Army; and 5) this Amendment provides flexibility to more effectively attract potential non-residential users to the Tinton Falls area of the Fort; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #12 and recommends approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #12 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Oceanport Reuse Area.

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: October 17, 2018

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #12 Permitting an Alternative Development Scenario with respect to Parcel F-1 in Tinton Falls

DATE: October 17, 2018

Request

I am requesting that the Board approve the transmittal to the three host municipalities of the proposed Plan Amendment #12 to the Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) that would permit an alternative development scenario regarding Parcel F-1 in Tinton Falls.

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 envisions the redevelopment of the Tinton Falls Reuse Area for approximately one million square feet of non-residential space and 288 residential units. The Reuse Plan includes a high-tech business campus with a multi-use town center containing ground floor retail space with mixed-income housing or professional offices above. The Tinton Falls Reuse Area also envisioned standalone residential, institutional and civic uses.

With respect to the Myer Center Parcel, the Reuse Plan envisioned that the Myer Center would be the center of a mixed-use business campus centered around the reuse of the Myer Center. The district was intended to accommodate office/research and institutional uses, taking advantage of its access to the Garden State Parkway. The Myer Center would be the central feature of the Office/High Tech Industry node, transformed into a modern multi-tenant corporate facility to accommodate a variety of tech uses that would be complemented by a central green within an open courtyard. The reuse node was expected to serve as one of the primary economic engines for the Reuse area, generating tax revenue and employment opportunities.

This amendment, referred to as "Amendment #12", maintains the land use concepts and plans articulated in the Reuse Plan, but also permits alternative development scenarios for the parcels listed above. This is the fourth amendment to the Reuse Plan for the Tinton Falls Reuse Area. The previous amendments, Amendment #1, permitted the construction of professional office/R&D space on Parcel E for Commvault. Parcel E was originally planned for 126 residential units in the Reuse Plan. Since Amendment #1 changed Parcel E's use, the residential units were then redistributed to Parcels C, C1 and potentially F. Amendment #3, permitted a variety of uses on the following parcels: C, C1, Pinebrook Road Commerce Center, F-3, the Charles Wood Firehouse, and the Pistol Range. Amendment #3 also allocated all 288 permitted residential units in the Tinton Falls Reuse Area to parcels C and C1, therefore removing the residential unit obligation from all other parcels within the Tinton Falls Reuse Area. Amendment #5 superseded Amendment #3 in providing additional planning clarification for the Pistol Range parcel. Amendment #5 did not address or modify the F-1 parcel.

The Proposed Reuse Plan Amendment

The attached proposed Amendment #12 prepared by FMERA's Senior Planning and Development Officer would permit the demolition of Building 2700, (the "Myer Center") and Building 2705, on the 36.97-acre Myer Center parcel located on Corregidor Road and Pearl Harbor Avenue in the Tinton Falls Reuse Area, for the development of a new state-of-the-art medical campus. The medical campus would include the creation of innovative and efficient health care facilities to support the needs of the community and facilitate new economic growth for the Borough of Tinton Falls and surrounding communities. Specifically, the Plan Amendment would permit the following:

- a four story, 90,000 – 225,000 sq. ft. ambulatory care center
- a six story*, 60,000 – 154,000 sq. ft. Cancer Institute of New Jersey Cancer Center
- a four story, 50,000 – 250,000 sq. ft. support services / medical office building
- a two story*, 50,000 – 326,000 sq. ft. site support building / miscellaneous structure (which may include renewable energy sources and/or cogeneration facility)
- a seven story*, 250,000-605,000 sq. ft. campus for future medical and health facilities, including an acute care hospital
- Structured Parking Garage not to exceed 940,000 sq. ft. designed to meet applicable criteria set forth in this amendment, including the height limitations* set forth on Figure 5 and in the notation set forth below.
- Notwithstanding the description of the principal structures above, the developer shall be permitted to co-locate certain other uses within such structures, including, but not limited to, research, educational, laboratory and other facilities typically associated with an academic healthcare campus
- a landscaped courtyard
- surface parking lots
- A maximum floor area ratio ("FAR") on the Myer Center Parcel of 1.46
- A maximum impervious coverage on the Myer Center Parcel of 75%
- The following setbacks:
 - Main Street: 20 – 30 feet
 - Minor Collector: 20 - 30 feet
 - Side Lot Line: 15 feet
 - Rear Lot Line: 25 feet
- Generally applicable Height Limitations as set forth in the attached figure to allow for an increase of building height by one-story in identified areas of the site set back at least 180 feet from Corregidor Road in the event below grade development is not feasible, as determined in the reasonable discretion of the developer of the site. The building frontage on Corregidor Road shall always be limited to 4 stories.
- Interior streets to provide access to development on the Myer Center Parcel

The amendment would also permit the follow design guidelines:

* With respect to the portions of the medical campus notated with an asterisk above, in the event below grade development is not feasible, as determined in the reasonable discretion of the developer of the site, the maximum number of stories for each such building shall be increased one story; provided, that no additional story shall be so permitted in Zone 1 as shown on Figure 5 attached hereto. By way of example, and not of limitation, in the event a building straddles Zone 1 and Zone 2, as shown on Figure 5, the portion of the building located in Zone 1 may not exceed four stories or 60 feet, but the portion of the building located in Zone 2 is eligible for a height increase as described herein.

Parking and Loading

- The proposed hospital use shall provide 3.5 parking spaces per bed
- The proposed hospital use shall provide one loading space per 100,000 square feet of building area with the first space required at 10,000 square feet of building area.
- The proposed outpatient and medical office building uses shall provide four parking spaces per 1,000 square feet of building area.
- The proposed support uses (such as data centers, central utility plant, etc.) shall require one parking space per 1,000 square feet of building area.

Surface Parking Areas

- Surface parking areas should be set back from lot lines at least five feet if one double-loaded bay of parking is provided, or at least 10 feet if a deeper parking area is provided. Setbacks to parking areas and driveways should be landscaped with shrubs and/or low groundcover, including ever-green materials.
- Any surface parking area located between a building and a street should be delineated and separated from adjacent street/sidewalk frontages by means of a low screening hedge and/or low wall or fence of stone or metal. The hedge/wall/fence may be located at the front or back of the landscaped setback area.
- Where more than 25 parking spaces are provided in any surface parking area, at least 3 percent of the interior area of the lot should be landscaped with trees and low plantings.
- Where surface parking is provided, at least one sidewalk should be provided running alongside the primary entry drive, connecting the sidewalk at the street to the primary building entrance(s). Such connecting sidewalks should have a minimum clear walking area of five feet wide.
- Walkways between parking bays: Where more than 50 spaces are provided in any surface parking area, or where any parking spaces are located more than 125 feet from the primary building entrance, pedestrian walkway(s) should be provided through the parking lot, running parallel to bays of parking. The walkways should have a minimum clear walking area of five feet wide and should be sited to provide convenient, direct, and safe pedestrian access to the primary building entrance(s).

Structured Parking

- Structured parking should be kept away from view of streets or should employ architectural detailing at all levels to screen and soften the appearance of the structure and to minimize views of parked vehicles from the street. Such architectural detailing should include one or more of the following:
 - Buildings greater than 500 feet in length should be designed to aesthetically present as two or more structures, it being understood two or more structures will not be required.
 - Structured parking should be architecturally compatible with the principal buildings in the medical campus.
 - The garage façade shall be articulated like a non-curtain wall office building, with regularly-spaced openings covered with grilles and/or translucent glazing, mechanically ventilated as necessary. The articulation should disguise the low ceilings and sloping ramps of the garage.
 - The garage façade should be hidden behind a separate screen, mounted at a distance from the façade (so as to allow natural ventilation) that mimics a curtain wall building or a more traditional building with separate windows. The screen should extend above the roof level of the garage, so as to disguise any roof parking and mechanical equipment.

- The garage façade should be covered with metal architectural mesh or other creative covering that disguises the levels of parking and ramps, preferably creatively lit at night.
- Parking facades should be broken into bays. A bay is defined primarily by a substantial break in plane having a projection or recession proportionate to the height and mass of the building/structure.
- The lower level(s) of parking should be designed to "read" as a base to the building, using, for example, a belt course or horizontal masonry banding to create a more detailed pedestrian-scale base.
- Parking garages should conceal views of automobiles from streets, adjacent buildings, and open spaces. Facades should be designed to shield vehicle headlamp glare to the outside of the structure.
- Landscaping, such as hedges and flowering plants, around the base of the structure should be considered to further conceal and soften views of parking level facades in these locations. Landscaping should include evergreen and deciduous materials so as to provide an effective screen year-round.

Principal Structure Design and Massing

- All buildings in the medical campus facades should be designed to be sensitive to the human scale and the features of the site and the surrounding community.
- The facades of all buildings should be a palette of complementary materials. Vertical elements should divide each floor's windows visually into a series of vertically-proportioned elements.
- The base of buildings should be highlighted architecturally and differentiated from upper floors to visually ground the building. The base should be differentiated from the upper portion of the façade by a change in materials, thicker cladding, or a horizontal element such as a canopy, cornice or belt trim.

Staff recommends these changes as the highest and best use of the site based on FMERA's Purchase and Sale Agreement with the New Jersey Economic Development Authority ("NJEDA") to manage the demolition and redevelopment of the Myer Center Parcel and the Agreement to Assign among FMERA, the NJEDA, and RWJ Barnabas Health, Inc. ("RWJBH"), pursuant to which RWJBH will purchase the property for the development of a new state of the art medical campus.

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 does not impact the 288 permitted residential dwelling units in the Tinton Falls Reuse Plan as the development of the medical campus and the creation of innovative and efficient health-care facilities would not require additional residential units be permitted on the Myer Center Parcel. However, this Amendment potentially increases the total number of non-residential uses from 753,000 sq. ft. to approximately 2,500,000 sq. ft. of non-residential uses on the Myer Center parcel but at no time can the overall sq. ft. exceed the proposed FAR of 1.46 for the site.
2. This Amendment affects only the Tinton Falls Reuse Area. As to the portions of the Tinton Falls Reuse Area modified or impacted by the Amendment, the creation of a medical campus will serve as an economic engine for the Reuse Area, generating job replacement and business attraction opportunities. It will also preserve the intended central green courtyard as part of a connective space for the medical campus.

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 commercial and office development and open space uses envisioned in the Reuse Plan approved as part of the BRAC process.
5. The proposed Amendment provides flexibility to more effectively attract potential non-residential users to the Tinton Falls 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 order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment #12 to the governing body of each of the three host municipalities.

The Real Estate Committee has reviewed the proposed plan change Amendment #12 and recommends approval of the transmittal of the proposed amendment to the governing body of each host municipality.

Recommendation

In summary, I am requesting that the Board approve the transmittal to the three host municipalities of the proposed Amendment #12 to the Reuse Plan that would permit alternative development scenarios in Tinton Falls.

Bruce Steadman

Prepared by: Christine Bell

**Resolution Regarding
Approval of a Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) and Pre-Acquisition
Lease with TetherView Property Management, LLC for the Allison Hall Complex.**

WHEREAS, Allison Hall, is a 36,665-sf administration building located on Signal Avenue on the Main Post and was constructed in 1928, where the building is listed on the National Register of Historic Places. Allison Hall is part of a complex of five buildings totaling approximately 88,129 gsf and covering approximately 12.134 acres (the Property). The Reuse Plan calls for Allison Hall to be preserved and renovated as office space, the remaining buildings to be demolished, and the balance of the 12-acre site to be developed for mixed-uses; and

WHEREAS, at the June 2015 meeting the Board authorized staff to offer the Allison Hall Complex for sale through the Offer to Purchase process. FMERA received one proposal in response to its December 29, 2016 Request for Offers to Purchase (RFOTP), from TetherView. An evaluation committee reviewed the proposal and found it to be compliant with the RFOTP, and recommended proceeding with negotiations for a PSARA; and

WHEREAS, TetherView’s proposal calls for the renovation of Allison Hall and Building 210 for office, retail and/or commercial uses and the reuse of buildings ground floor as a restaurant and the second floor as office or retail use; the demolition of Buildings 196, 359 and 210’s annex; the development of either 100,000± sf of office space in one building to accommodate one user, or up to 60,000± sf of business lofts and up to 30,000± sf of retail space along Oceanport Avenue; and the reuse of Building 199 for office, retail and/or commercial uses; and

WHEREAS, TetherView will also construct a 12-foot wide promenade along Parkers Creek linking the development to the west with Oceanport Avenue and the total capital investment in the Project is estimated at \$14 million. TetherView has expressed interest in demolishing Building 199 and replacing it with a 55,000± sf hotel of up to 3 stories and 110 rooms, for which a later Redevelopment Agreement would be required; and

WHEREAS, because Buildings 199 and 210 are now projected for retention rather than demolition, and because FMERA’s RFOTP removed housing from the mix of potential uses on this site, redevelopment of the Property will require a Reuse Plan amendment. The Members authorized the transmittal of proposed Reuse Plan Amendment #11 to the Host Municipalities at the September 2018 meeting; and

WHEREAS, negotiations with TetherView have resulted in following terms; TetherView will pay \$2,313,000 for the entirety of the Property and will also pay an additional \$250,000 if it identifies an office user that commits to occupy at least 80,000 sf of space. Should TetherView enter into a later Redevelopment Agreement with FMERA to build the hotel component, it has agreed to pay an additional \$250,000; and

WHEREAS, closing will occur within sixty days of satisfaction of the conditions precedent to closing, which include: TetherView completing due diligence and obtaining all approvals necessary to develop the Project; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board; and

WHEREAS, the parties will endeavor to satisfy these contingencies within twelve months of the expiration of the due diligence period and TetherView will have the option of extending its twelve-month approval period by two additional six-month extension periods if it has not obtained them within the initial timeframe so long as TetherView is proceeding in good faith. FMERA will convey the property to TetherView 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; and

WHEREAS, TetherView will commence construction of the Phase 1 portion of the Project no later than forty-five days following the closing. Phase 1 will consist of all demolition associated with the Project, along with renovation of Buildings 199, 209 and 210. The demolition work along with exterior renovations to Building 199 will

be completed within six months of commencement; renovations to Buildings 209 and 210 and construction of the waterfront promenade will be completed within eighteen months of commencement; and

WHEREAS, Phase 2 will consist of the business lofts and retail space and construction will commence no later than eighteen months from the later of commencement of Phase 1 construction or Closing. Phase 2 construction will be completed within twenty-four months of Phase 2 commencement or within 30 months of Phase 2 Commencement in the event that building is phased. Development of a future hotel on the site of Building 199 is optional and would require the execution of a separate redevelopment agreement. TetherView shall make a minimum capital investment in the Project of \$14 million, and it estimates that it will create approximately one-hundred temporary construction related jobs in connection with the Project, and that the Project will create a minimum of one-hundred and fifty permanent full- or part-time jobs within eighteen months of the completion of Phase 2 or pay a penalty of \$1,500 for each permanent job not created; and

WHEREAS, TetherView will also be responsible funding a 500' section of a new sewer main running east from the Property along Oceanport Avenue and connecting to the Fort's new sewer system; and

WHEREAS, TetherView has requested that FMERA lease it Allison Hall in advance of closing to allow TetherView to commence redevelopment of subleasing. The Pre-Acquisition Lease Agreement will commence upon the effective date of the PSARA and end upon the earliest of the following: a) closing of title on the Property; b) termination of the PSARA; c) the mutual decision of the Parties not to consummate the PSARA, or d) termination of the Lease in accordance with the terms of the Lease. The rent under the Lease will be \$1/NNN including any and all costs to maintain and repair the building, and all associated operating expenses; and

WHEREAS, based on the redevelopment provisions of the PSARA between FMERA and TetherView, staff concludes that the essential elements of a redevelopment agreement between FMERA and TetherView are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with TetherView for its redevelopment of the Allison Hall Complex; and

WHEREAS, attached in substantially final form is the PSARA and Lease between FMERA and TetherView. The final terms of the PSARA are subject to the approval of Purchaser, FMERA's Executive Director and the Attorney General's Office; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of Tetherview Property Management, LLC in response 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 Pre-Acquisition Lease Agreement and with final terms in substantially final 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: October 17, 2018

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale & Redevelopment Agreement and Pre-Acquisition Lease Agreement with TetherView Property Management, LLC for the Allison Hall Complex

DATE: October 17, 2018

Request

I am requesting that the Board approve a Purchase and Sale & Redevelopment Agreement (PSARA) and Pre-Acquisition Lease Agreement (Lease) with TetherView Property Management, LLC (TetherView) for the sale and redevelopment of the Allison Hall Complex (the Project) in the Oceanport Reuse Area.

Background

Allison Hall, also known as Building 209, is a 36,665 sf administration building located on Signal Avenue on the Main Post. Constructed in 1928 to serve as the Fort's hospital, the building is listed on the National Register of Historic Places. Allison Hall is part of a complex of five buildings (196, 199, 209, 210 and 359) totaling approximately 88,129gsf and covering approximately 12.134 acres (the Property). FMERA acquired the Property from the Army as part of the Phase 2 closing in November 2016. The Fort Monmouth Reuse and Redevelopment Plan (Reuse Plan) calls for Allison Hall to be preserved and renovated as office space, the remaining buildings to be demolished, and the balance of the 12-acre site to be developed for mixed-use (retail, office and residential uses).

At the June 2015 meeting the Board authorized staff to offer the Allison Hall Complex for sale through the Offer to Purchase process. FMERA received one proposal in response to its December 29, 2016 Request for Offers to Purchase (RFOTP), from TetherView. An evaluation committee reviewed the proposal and found it to be compliant with the RFOTP, and recommended proceeding with negotiations for a PSARA.

TetherView's proposal calls for the renovation of Allison Hall and Building 210 for office, retail and/or commercial uses and the reuse of Building 210's ground floor as a restaurant and the second floor as office or retail use; the demolition of Building 196, Building 359 and Building 210's annex; the development of either 100,000± sf of office space in one building to accommodate one user, or up to 60,000± sf of business lofts and up to 30,000± sf of retail space along Oceanport Avenue; and the reuse of Building 199 for office, retail and/or commercial uses. TetherView will also construct a 12-foot wide promenade along Parkers Creek linking the development to the west with Oceanport Avenue.

TetherView's total capital investment in the Project is estimated at \$14 million. Additionally, TetherView has expressed interest in demolishing Building 199 and replacing it with a 55,000± sf hotel of up to 3 stories and 110 rooms, for which a later Redevelopment Agreement would be required.

Because Buildings 199 and 210 are now projected for retention rather than demolition, and because FMERA's RFOTP removed housing from the mix of potential uses on this site, redevelopment of the Property will require a Reuse Plan amendment. Accordingly, the Members authorized the transmittal of proposed Reuse Plan Amendment #11 to the Host Municipalities at the September 2018 meeting.

TetherView Property Management, LLC is a privately-held property development and management company wholly owned by Michael Abboud. TetherView acquired historic Russel Hall from FMERA last year and successfully renovated the 43,000gsf building as headquarters space for TetherView, a private cloud services provider, along with office space for smaller tenants. TetherView will purchase the Property in a cash transaction.

Purchase and Sale & Redevelopment Agreement and Pre-Acquisition Lease

FMERA staff is pleased to report that negotiations with TetherView have resulted in terms that it wishes to present for the Board's consideration. Pursuant to the terms of the PSARA, TetherView will pay \$2,313,000 for the entirety of the Property. TetherView will also pay an additional \$250,000 if it identifies an office user that commits to occupy at least 80,000 sf of space. Should TetherView enter into a later Redevelopment Agreement with FMERA to build the hotel component, it has agreed to pay an additional \$250,000.

Closing will occur within sixty (60) days of satisfaction of the conditions precedent to closing, which include: TetherView completing due diligence and obtaining all approvals necessary to develop the Project; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board. The parties will endeavor to satisfy these contingencies within twelve (12) months of the expiration of the due diligence period. TetherView will have the option of extending its twelve (12) month approval period by two additional six (6) month extension periods if it has not obtained them within the initial timeframe so long as TetherView is proceeding in good faith. FMERA will convey the property to TetherView 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.

TetherView will commence construction of the Phase 1 portion of the Project not later than forty-five (45) days following the closing. Phase 1 will consist of all demolition associated with the Project, along with renovation of Buildings 199, 209 and 210. The demolition work along with exterior renovations to Building 199 will be completed within six (6) months of commencement; renovations to Buildings 209 and 210 and construction of the waterfront promenade will be completed within eighteen (18) months of commencement. Phase 2 will consist of the business lofts and retail space and construction will commence no later than eighteen (18) months either from commencement of Phase 1 construction or closing. Phase 2 construction will be completed within twenty-four (24) months of Phase 2 commencement or thirty (30) months if building is phased. Development of a future hotel on the site of Building 199 is optional and would require the execution of a separate redevelopment agreement. TetherView shall make a minimum capital investment in the Project of \$14 million, and it estimates that it will create approximately one-hundred (100) temporary construction related jobs in connection with the Project, and that the Project will create a minimum of one-hundred and fifty (150) permanent full- or part-time jobs within eighteen (18) months of the completion of Phase 2 or pay a penalty of \$1,500 for each permanent job not created.

TetherView will also be responsible funding a 500' section of a new sewer main running east from the Property along Oceanport Avenue and connecting to the Fort's new sewer system.

TetherView has also requested that FMERA lease it Allison Hall in advance of closing to allow TetherView to commence redevelopment and subleasing of Building 209. Attached is a Pre-Acquisition Lease Agreement that will commence upon the effective date of the PSARA and end upon the earliest of the following: a) Closing of title on the Property under the PSARA; (b) termination of the PSARA in accordance with the terms of the PSARA; (c) the mutual decision of the Parties not to consummate the PSARA, or (d) termination of this Lease in accordance with the terms of the Lease. The rent under the Lease will be \$1/NNN including any and all costs to maintain and repair the building, and all associated operating expenses. TetherView will be obligated to meter utilities serving Building 209 within three (3) months of the Lease date.

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

Attached in substantially final form are the PSARA and Lease between FMERA and TetherView. The final terms of the PSARA and Lease 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 Purchase and Sale & Redevelopment Agreement and Pre-Acquisition Lease with TetherView Property Management, LLC for the Allison Hall Complex.

Recommendation

In summary, I am requesting that the Board authorize the execution of a Purchase and Sale & Redevelopment Agreement and a Pre-Acquisition Lease with TetherView Property Management, LLC for the Allison Hall Complex in Oceanport.

Bruce Steadman

Prepared by: Kara A. Kopach & David E. Nuse

**Resolution Regarding
Second Amendment to Purchase and Sale Agreement with Triumphant Life Church Assembly of God for
the Chapel Parcel in Oceanport**

WHEREAS, in September 2016, FMERA issued a Request for Sealed Bids to Purchase ("RFB") for the Chapel Parcel in Oceanport, an approximately 5.0-acre parcel that contains Building 500 and is located on the Main Post Area of Fort Monmouth ("Property") in the Oceanport Horseneck Center land use district and the Fort's Historic District although the structure itself is non-contributing and not considered historic; and

WHEREAS, responses to the RFB were due on October 7, 2016 and one compliant response was received from Triumphant Life Church Assembly of God ("Triumphant Life"), a registered 501(c)(3) non-profit corporation; and

WHEREAS, FMERA and Triumphant Life entered into a Purchase and Sale Agreement dated as of January 6, 2017 ("PSA") whereby FMERA agreed to sell and Purchaser agreed to purchase the Property; and

WHEREAS, the PSA approved by the Board included the following terms which will remain unchanged: Triumphant Life paid \$1,000,000 for the Property; closing occurred within thirty days of satisfaction of the conditions precedent to closing, which included Triumphant Life completing due diligence and receipt of a final remediation document; and FMERA conveyed the property to Triumphant Life in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property; and

WHEREAS, FMERA and Triumphant Life closed on the sale of the Property on February 27, 2017; and under the Executive Director's discretion to administer the Board-approved PSA and under section 6 of the PSA which provides for an additional six months to complete the Project, the time period for construction of the parking lot was extended until August 27, 2018; and

WHEREAS, Purchaser engaged in the design process for the parking lot and indicated to FMERA that it would require an additional seventy-five days to complete construction of the parking lot and Purchaser also provided a promissory note to FMERA guaranteeing the completion of the parking lot within that time frame; and

WHEREAS, FMERA staff believed that this time period was reasonable and recommended extending the construction time for approximately seventy-five days to allow for Triumphant Life to complete the construction of their parking lot and additionally, Purchaser indicated to FMERA that they would be unable to create ten part-time jobs within eighteen months of completing the initial renovation and receipt of certificate of occupancy and therefore FMERA staff recommended extending the job creation timeline by twelve months; and

WHEREAS, on August 15, 2018, the Board approved the first amendment to the PSA to allow for Triumphant Life to have 1) a seventy-five day extension of the construction timeline to complete a 115-space paved parking lot on the property, and whereby Triumphant Life provided a promissory note to guarantee completion of the parking lot within that timeline and FMERA will provide a short-term license to park 115 vehicles off-site during that timeline; and 2) a twelve month extension of the job creation timeline; and

WHEREAS, FMERA and Triumphant Life have continued negotiations and Mandatory Conceptual Review (MCR) of the parking lot design in order to ensure the parking lot design and construction is compliant with FMERA's Land Use Rules and these negotiations have led to a second amendment to the PSA with the following revisions to material terms: An extension of the construction timeline until May 15, 2019 to complete a 115-space paved parking lot on the property, as referenced in Section 54c of the PSA.

WHEREAS, all other material terms of the PSA as presented to the Committee and the Board will remain unchanged. The attached Second Amendment to PSA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

WHEREAS, the Real Estate Committee has reviewed the request and recommends Board approval of the Second Amendment to the Purchase and Sale Agreement with Triumphant Life Church Assembly of God for the Chapel Parcel.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Second Amendment with Triumphant Life Church Assembly of God for the Chapel Parcel in Oceanport, on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office and authorizes the Executive Director to execute the Agreement.

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: October 17, 2018

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Second Amendment to Purchase and Sale Agreement with Triumphant Life Church Assembly of God for the Chapel Parcel in Oceanport

DATE: October 17, 2018

Request

I am requesting that the members of the Board approve the Second Amendment to the Purchase and Sale Agreement ("PSA") with Triumphant Life Church Assembly of God ("Triumphant Life") for the sale of the Chapel Parcel (the "Project") in the Oceanport Reuse Area.

Background

FMERA issued a Request for Sealed Bids to Purchase ("RFB") in connection with the Chapel Parcel in Oceanport on September 2, 2016. The Chapel Parcel is an approximately 5.0-acre parcel that contains Building 500 (approximately 16,372 sf) and is located on Malterer Avenue in the Main Post Area of Fort Monmouth ("Property"). The building was used as a general house of worship for the Fort. The Property is in the Oceanport Horseneck Center land use district and the Fort's Historic District although the structure itself is non-contributing and not considered historic.

Responses to the RFOTF were due on October 7, 2016 and one response was received from Triumphant Life. An evaluation committee scored the proposal and deemed it compliant. As the winning proposal, the evaluation committee recommended finalizing the PSA.

Triumphant Life is a registered 501c3 non-profit corporation that has acquired the Property and utilizes this location for their house of worship and community outreach center. Triumphant Life was previously located in Asbury Park, NJ. The Project enabled Triumphant Life to relocate staff to this location upon completion of renovations in 2017. The Project will result in the creation of an additional ten (10) part-time jobs at Fort Monmouth within eighteen (18) months of completion of initial renovation and receipt of a certificate of occupancy.

Purchase and Sale & Redevelopment Agreement

The PSA approved by the Board included the following terms, which remain unchanged:

Pursuant to the terms of the PSA, Triumphant Life paid \$1,000,000 for the Property, reflecting its proposal. Closing occurred within thirty (30) days of satisfaction of the conditions precedent to closing, which included Triumphant Life completing due diligence and receipt of a final remediation document. FMERA conveyed the property to Triumphant Life in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The Project consisted of the renovation of the existing structure as a house of worship and community outreach center. Triumphant Life obtained its Certificate of Occupancy within the required twelve (12) months of closing and has used and occupied the existing structure as a Chapel since receipt of that certificate. Under the terms of the Project, the Purchaser had the option to construct a 115-space parking lot on the Property within twelve (12) months of closing. This parking lot shall be subject to review by the State Historic Preservation Officer ("SHPO") and Purchaser agrees any exterior renovation on the Property shall complement the architecture and design styles of the adjacent National Register Historic District. FMERA will have the right to repurchase the property if construction is not timely commenced or completed. Triumphant Life will incur a minimum investment of approximately \$500,000 to complete the Project. The Purchaser will also be obligated to create 10 permanent, part-time jobs at the property within eighteen (18) months of completing the initial renovation and receipt of certificate of occupancy.

Amendment

The PSA was executed on January 6, 2017. Triumphant Life closed on the Chapel property on February 27, 2017. Under the Executive Director's discretion to administer the Board-approved PSA and under section 6 of the PSA which provides for an additional six (6) months to complete the Project, the time period for construction of the parking lot was extended until August 27, 2018. Purchaser engaged in the design process for the parking lot and indicated to FMERA that it would require an additional seventy-five (75) days to complete construction of the parking lot. Purchaser also agreed to provide a promissory note to FMERA guaranteeing the completion of the parking lot within that time frame. FMERA staff believed that this time period was reasonable and recommended extending the construction time for approximately seventy-five (75) days to allow for Triumphant Life to complete the construction of their parking lot. Additionally, Purchaser indicated to FMERA that they would be unable to create ten (10) part-time jobs within eighteen (18) months of completing the initial renovation and receipt of certificate of occupancy. FMERA staff recommended extending the job creation timeline by twelve (12) months.

On August 15, 2018, the FMERA Board approved the first amendment to the PSA to allow for Triumphant Life to have 1) a seventy-five (75) day extension of the construction timeline to complete a 115-space paved parking lot on the property, as referenced in Section 54c of the PSA, whereby Triumphant Life would provide a promissory note to guarantee completion of the parking lot within that timeline and FMERA would provide a short-term license to park 115 vehicles off-site during that timeline; and 2) a twelve (12) month extension of the job creation timeline, as referenced in Section 6c of the PSA.

FMERA and Triumphant Life have continued negotiations and Mandatory Conceptual Review (MCR) of the parking lot design to ensure the parking lot design and construction is compliant with FMERA's Land Use Rules. These negotiations have led to the attached second amendment to the PSA with the following revisions to material terms: An extension of the construction timeline until May 15, 2019 to complete a 115-space paved parking lot on the property, as referenced in Section 54c of the PSA.

All other material terms of the PSA as presented to the Committee and the Board will remain unchanged. The attached Second Amendment to PSA is in substantially final form. The final terms of the amendment will be 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 Second Amendment to the Purchase and Sale Agreement with Triumphant Life Church Assembly of God for the Chapel Parcel.

Recommendation

In summary, I am requesting that the Board approve the proposed Second Amendment to the Purchase and Sale Agreement ("PSA") with Triumphant Life Church Assembly of God, for the Chapel Parcel in the Oceanport section of Fort Monmouth.

Bruce Steadman

Prepared by: Christine Bell