

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: August 15, 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 the First Amendment to the Purchase and Sale Agreement for the Chapel Parcel 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
July 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
- Gary Baldwin – Tinton Falls 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 Thompson, Division of Local Planning Services, NJ Department of Community Affairs
- 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:

- Jay Coffey – Mayor of Oceanport – V

Also present:

- Bruce Steadman, FMERA Executive Director and Secretary
- Nicholas DePaolo, Deputy Attorney General (DAG)
- Brian Wells, Associate Counsel, Authorities Unit, Office of the Governor
- FMERA staff

The meeting was called to order by Vice-Chairman Robert Lucky at 7:00p.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 June 20th regular meeting minutes. A motion as made to approve the minutes by Dennis Connelly and seconded by Gary Baldwin.

Motion to Approve: Dennis Connelly Second: Gary Baldwin
AYes: 6

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 two board actions: 1) Consideration of Approval of On-Site Property Maintenance Contract Award; 2) Consideration of Approval of a Purchase & Sale and Redevelopment Agreement for the Marina in Oceanport.

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.

TREASURER'S REPORT

Jennifer Lepore stated that FMERA staff presented the second quarter Financial and Operational Summary to the members of the Audit Committee at the July 12th meeting. Staff compared actual expenditures to the approved budget, as well as project out to year-end to monitor spending and ensure that FMERA stays on or under budget. FMERA controls spending to the extent possible, until land sales occur and proceeds are received, at which point it is determined which projects in the budget can be completed. As of the end of the second quarter, FMERA is, and is targeted to remain, on or under budget in all categories through year-end.

The contract with FMERA's current auditors, CliftonLarsonAllen, expired with the completion of the 2017 audit and the issuance of the 2017 financial statements. According to the FMERA By-Laws, the Board shall establish an audit evaluation committee in order to procure a new auditor. According to Executive Order 122 and the FMERA By-Laws, the committee is to be composed of no less than three members of the Board and shall be responsible for drafting the Request for Proposals (RFP), soliciting responses to such request, accepting and evaluating the proposals and providing a final written report of the responses to the Audit Committee. The Audit Committee will then review the report, conduct interviews, if necessary, and make a recommendation to the Board for award of an audit contract.

SECRETARY'S REPORT

Bruce Steadman stated that Audit Committee Chairman Dr. Lucky nominated Donna Sullivan to act as Chairwoman of the Evaluation Committee, and Mayor Jay Coffey and Sean Gleason as Committee members.

Vice-Chairman Lucky asked for a motion to nominate the three Committee members.

A motion was made to nominate the three Committee members by Lillian Burry and seconded by Dennis Connelly.

Motion to Approve: LILLIAN BURRY Second: DENNIS CONNELLY
AYes: 6

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 Utilities and Infrastructure, RFPs and Contracts:

Utilities and Infrastructure:

- The sanitary line installation along Sherrill Avenue, which will serve the former family housing and development along the North side of the Main Post, is substantially complete.
- The design of the next two water main projects is conceptualized, but now needs to be put to paper. At the June meeting, an MOU was approved between FMERA and the Borough of Eatontown to retain T&M Associates for the design of water main extension Phases II & III, which will expand the completed first phase to the South and to the West. As part of the MOU, T&M will also study the feasibility of eliminating Building 1221, a sanitary

lift station along Avenue of Memories at Dean Field. It is FMERA's intention to bypass and abandon the lift station and redirect the sanitary line, by gravity feed or syphon, to an Eatontown Sewerage Authority trunk line.

- Building 700, the former Recruitment Command building on Saltzman Avenue, is slated to be razed by Army contractors commencing this week. A former Army dry cleaning operation was identified at the site and the Army has deemed it necessary to demolish the building to perform the environmental clean-up action.
- The Army Corp. of Engineers is in the process of awarding a contract to place 2-foot vegetative soil cap across 9 closed landfills, totaling approximately 50 acres. The Army Corp. anticipates awarding a contract in August with field work commencing in late September or early October.

Request for Proposals

- At the July Board meeting, the Board approved the selection of T&M Associates to provide surveying services for the Authority for a term of twelve months, with the right to extend the term of the engagement for an additional four (4) twelve (12) month periods.
- At the July Board meeting, the Board approved the selection of Blue Streak Security to provide security guard services to the Authority.
- FMERA issued an RFP on May 18th for On-Site Property Management Services. Responses were due on June 18th and one compliant proposal was received. At the meeting, FMERA staff made a recommendation to the Board to approve Chenega Healthcare Services, LLC in accordance with the RFP for a term of twenty-four (24) months, with the right to extend the term of the engagement for an additional twenty-four (24) months.

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

Currently, about 70% 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 to date:

- 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 veterans 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 FM Partners last fall, and currently undergoing renovations;
- Monmouth County emergency homeless shelter; a 3-acre property on Murphy Drive that will serve as the;
- 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 signed a contract to sell the Lodging Area, a 15-acre site on Parkers Creek planned for 185 residential units, to Somerset Development.

FMERA is in negotiations for the sale of the following 5 Oceanport properties:

- Nurses Quarters, a 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital;
- 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;
- 12-acre Allison Hall 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;

- Marina, on Oceanport Creek, approved for exclusive negotiations with AP Development Partners, and currently operating as a marina/public boat ramp and restaurant. The PSARA for the Marina will be presented to the Board for approval at this evening's meeting.

FMERA received proposals on the Commissary & PX, the Warehouse District and the Post Office Area on July 16th, covering 25 acres. Staff will be reviewing those proposals over the coming weeks.

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

- 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. An amendment to the Reuse Plan allowing the purchaser to develop housing on the property will be presented to the Board this evening.

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;
- Howard Commons site on Pinebrook Road, approved for up to 275 new homes. Site conditions at Howard Commons continue to be challenging, and we hope to have additional information to share at next month's meeting.

FMERA currently has two Eatontown properties out for RFOTP, the Expo Theater and the Bowling Center. Proposals are due on August 10th.

In Tinton Falls, FMERA has sold 6 properties:

- Parcel E, to Commvault;
- Building 2525, to RADAR Properties, the affiliate of Aaski Technology;
- The Child Development Center to Trinity Hall High School, which has begun work to expand the facility by 22,000 sf;
- the Recreation Center and Swimming Pool, transferred to the Monmouth County Park System;
- the former 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;
- and the Charles Wood Fire Station on Corregidor Road, purchased by Commvault for commercial use.

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

- The Fabrications Shops, 45,000 square feet of flex space on Pinebrook Road;
- The Pistol Range, under contract to Kiley Realty;
- the Myer Center, where the Board has approved the assignment of NJEDA's PSA to RWJ Barnabas Health for a new health care campus;
- and 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 summer.

FMERA plans to issue RFOTPs for the 2 remaining Tinton Falls properties, the Pulse Power Building and Building 2719, after Labor Day.

Please visit FMERA's website, www.fortmonmouthnj.com, for more information on our projects and our Requests for Offers to Purchase.

Sarah Giberson, Senior Marketing & Development Officer, stated that FMERA is currently focused on marketing the McAfee Complex and conducting outreach to prospective developers and partners in the technology space.

The Authority is hosting a half-day information session & discussion at the McAfee Center on July 25th with interested site-selectors, developers, and industry professionals. The agenda includes a Fort Monmouth redevelopment overview, our project goals & vision, feedback from attendees, and a site tour of the McAfee Center.

The growing number of tech companies on Fort Monmouth, as well as interest from higher education institutions, has influenced FMERA's redevelopment approach for the McAfee Complex and indicates a strong appetite for the development of a technology and innovation cluster in Central NJ. Additional conversations with potential incubator or accelerator operators with a university relationship also indicate a high level of potential for the successful development of a dynamic and thriving tech community. The team is in the process of finalizing the core components of the Requests for Offers to Purchase and intends to issue an RFOTP this fall, subject to Board approval.

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

Bruce Steadman stated that FMERA gave a Fort Monmouth Redevelopment update presentation at the Eatontown Council meeting and Executive Session on June 28th and thanked Mayor Connelly for the opportunity to do so.

Mr. Steadman stated that FMERA will be presenting at the July 19th Oceanport Council meeting. Mr. Steadman offered to present at the Tinton Falls Council meeting and the Monmouth County Freeholder meetings.

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 July 12th and discussed the following:

- Review and discussion of the Authority's six month financial & operational summary:
 - 2018 represents the first year that FMERA budget is solely funded by EDC Revenue
 - Projected operating revenue of \$3.3MM
 - Operating revenue projected to be 67% under budget
 - Non-operating revenue is currently projected to be approximately 98% under budget
- Discussion regarding the Independent Auditing Services RFP & selection of the Evaluation Committee. FMERA's current auditors contract expired with the completion of the 2017 audit. FMERA will be issuing an RFP for Independent Auditing Services.

b) REAL ESTATE COMMITTEE (ROBERT LUCKY)

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

- Discussion regarding the On-Site Property Maintenance Contract Award. FMERA staff reviewed and scored the 1 compliant proposal from Chenega Healthcare Services, LLC. Chenega is currently the Property Maintenance contractor for FMERA. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Discussion regarding the Purchase & Sale and Redevelopment Agreement for the Marina in Oceanport. The Committee discussed the terms of the PSARA. The Committee reached a consensus and agree to recommend to the Board for approval.
- Other items of discussion:
 - Squier Hall

- Parcel B
- Howard Commons
- Myer Center
- Allison Hall
- Barker Circle
- Proposed Park land for Eatontown
- Upcoming closings
 - 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 and will be meeting on August 6th.

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

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

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

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 eleven Veterans have been processed for various services at the new Veterans Center at Russel Hall. Ms. Burry stated that the Veterans Center is working out well for the Veterans due to the accessibility and accommodations.

BOARD ACTIONS

A) The first item before the Board was Consideration of Approval of On-Site Property Maintenance Services Contract Award.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Dennis Connelly and was seconded by Lillian Burry.

Motion to Approve: DENNIS CONNELLY Second: LILLIAN BURRY

AYes: 6

B) The next item before the Board was Consideration of Approval of a Purchase & Sale and Redevelopment Agreement for the Marina in Oceanport.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 2.

A motion was made by Gary Baldwin and was seconded by Lillian Burry.

Motion to Approve: GARY BALDWIN Second: LILLIAN BURRY
AYes: 6

OTHER ITEMS

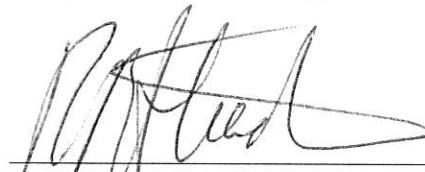
There were no other items before the Board.

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 Dennis Connelly and unanimously approved by all voting members present, the meeting was adjourned at 7:40p.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

**Resolution Regarding the
Approval of Award of On-Call Property Maintenance Services Contract**

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, FMERA issued a Request for Proposals (the “RFP”) for On-Call Property Maintenance Services on May 18, 2018 to solicit Technical Proposals and Fee Proposals from qualified firms interested in performing On-Call Property Maintenance Services to procure and manage subcontractors or utilize in-house staff to perform routine tasks to facilitate the conveyance of Fort Monmouth property to interested purchasers; and

WHEREAS, proposals were due on June 18, 2018 and one compliant proposal was received; from Chenega Healthcare Services, LLC; and

WHEREAS, the one technical proposals were distributed to the Evaluation Committee; and

WHEREAS, cost proposals were analyzed by FMERA’s Accounting Manager; and

WHEREAS, the Evaluation Committee met to review the scoring of the technical proposals. The technical evaluation scoring is based upon a comparative ranking with an emphasis on relevant experience and management approach; and

WHEREAS, FMERA staff opened and evaluated the fee proposal, and entered into negotiations with Chenega in order to secure fair and reasonable pricing and fees in accordance with the RFP, and staff was able to negotiate the rates to a reasonable range which is in line with the industry norm; and

WHEREAS, FMERA staff determined Chenega’s proposal to be favorable to the Authority, price and other factors considered; and

THEREFORE, BE IT RESOLVED THAT:

1. The Board approves the selection of Chenega Healthcare Services, LLC as FMERA’s On-Call Property Maintenance Services for a term of for a term of twenty-four (24) months commencing on the date of appointment. The Authority reserves the right to extend the terms of the engagement for an additional twenty-four (24) month period.

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.

ADOPTED
July 18, 2018

Resolution Regarding
Approval of a Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with Asbury Park Development Partners, LLC for the Marina Parcel in Oceanport

WHEREAS, on October 25, 2013, FMERA issued and publicly advertised a Request for Offers to Purchase (RFOTP) with a response date of January 27, 2014, in connection with the planned redevelopment of the Marina Parcel in Oceanport; and

WHEREAS, the Marina Parcel is an approximately 3,988-acre parcel that contains a 71-slip marina and board launch ramp at Oceanport Creek, a riparian license from the State of New Jersey, with Buildings 450, 498, 499, and 202, (the pump house aka building 494) and associated off-street parking. The Parcel is located at Oceanport and Riverside Avenues in the 400 Area in Oceanport; and

WHEREAS, FMERA received two responses, one from Asbury Park Development Partners, LLC (“APDP”), and another proposer, who was deemed non-compliant and the proposal was scored independently by an evaluation committee, and APDP was the selected proposal, therefore the evaluation committee recommended proceeding with negotiations for a PSARA; and

WHEREAS, the Fort Monmouth Reuse Plan envisioned the Property would be used as a marina, restaurant, a public boat ramp, and to provide public access to the water. APDP proposes infrastructure upgrades, repairs, and expansion of the existing boat house and Building 498, repairs to the marina, and landscaping and development of a new or expanded restaurant facility; and

WHEREAS, the Parcel is a Phase 1 property under the June 25, 2012 Economic Development Conveyance Agreement (EDC) between the Army and FMERA and the entire parcel constitutes an environmental carve-out and title is still held by the Army. The Army has received No Further Action (NFA) letters from the NJDEP and is currently preparing a Finding of Suitability to Transfer (“FOST”). The Army anticipates posting the FOST for public comment this summer and transferring the Property to FMERA by year-end 2018; and

WHEREAS, the terms of the proposed PSARA include APDP’s payment of \$900,000 for the property, and closing will occur within thirty days with conditions precedent to closing which include, 1) APDP obtaining all approvals, 2) receipt of a final remediation document that demonstrates that any area of concern or Hazardous Substance at the Property has been remediated in accordance with all applicable Environmental Laws which document includes a covenant not to sue; 3) approval of APDP as redeveloper by the NJEDA, and 4) FMERA acquiring title to the Property from the Army via quitclaim deed, APDP will endeavor to obtain all approvals within six months of expiration of the due diligence period; and

WHEREAS, APDP will have the option of extending its six-month period for obtaining project approvals for one additional six month period with a written notice to FMERA provided FMERA has determined that APDP is diligently and in good faith pursuing approvals. FMERA will convey the property to APDP in as-is condition, but with clear title and subject to the Army’s on-going obligations under CERCLA to address certain pre-existing contamination that may exist on the property; and

WHEREAS, the Project will consist of infrastructure upgrades as defined in the attached memorandum and APDP will complete the Project no later than sixty months from closing, as evidence by a temporary or permanent certificate of occupancy. FMERA will have the right to repurchase the property if the Project is not timely commenced or completed. APDP will incur a minimum capital investment of approximately \$1,150,000 to complete the Project. APDP will also be obligated to create 100 new jobs, consisting of full-time, part-time, and temporary/ seasonal positions at the property related to the Project within three years of receiving a certificate of occupancy or pay a penalty of \$750 for each job not created, not to exceed \$75,000; and

WHEREAS, FMERA currently leases the Property from the Army, and APDP's affiliate, Marina at Oceanport Partners, LLC (MAOP), currently operates the Property under an operator's agreement with FMERA. The PSARA provides for FMERA's execution of its standard form of sublease with APDP or MAOP that will terminate upon FMERA's sale of the Property to APDP; and

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

WHEREAS, the attached PSARA is not in substantially final form as the final form of the PSARA approved by FMERA staff is still subject to APDP's review, 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 Asbury Park Development Partners, LLC in response to the October 23, 2013 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: July 18, 2018

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: August 15, 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) 2019 Budget Overview

- The budget process for 2019 is about to get underway. In the coming weeks, FMERA staff will hold budget sessions and begin drafting the 2019 FMERA Budget. The draft budget will then be presented to the Audit Committee for their review. The 2019 FMERA budget is scheduled to be brought to the Board for its consideration and approval at the December meeting.

Executive Director's Report

1. Update on Utilities, RFPs and Contracts

- Utilities:
 - The sanitary line installation along Sherrill Avenue is complete.
 - The design of the next two water main projects is underway.

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. 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 anticipates presenting a recommendation to the Board to approve a PSARA with the prospective purchaser this fall.
- 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 this fall.
- 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 is in the process of reviewing and scoring proposals for all four parcels and anticipates beginning negotiations with the highest-ranked bidder for each of the properties in early fall.

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 are due August 20, 2018 at 12:00pm.

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.

FMERA has approved or executed contracts on another three 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 summer 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.

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 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 June's 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 between FMERA and EDA for Parcel F-1.

3. Marketing Update

FMERA continues to focus on marketing the McAfee Complex and conducting outreach to prospective developers and partners in the technology space.

The Authority hosted a half-day information session & discussion at the McAfee Center on July 25th with interested site-selectors, developers, and industry professionals. More than two dozen people attended and toured the facility.

Attendees expressed a high-level of interest in the development of the McAfee Complex as a technology park or innovation center. Both professionals in the real estate industry and technology sector pointed to information technology and cyber security as opportunities, citing the expanding tech workforce and

need to address challenges in a rapidly changing technology landscape. The recent announcement of RWJBH's plans to develop a health campus at the former Myer Center site also sparked conversation surrounding the potential for uses that would support RWJBH's initiatives.


The team is in the process of finalizing the core components of the Requests for Offers to Purchase and intends to issue an RFOTP in early fall, subject to Board approval.

FMERA also plans to host a similar event for the 400 Area, planned as a mixed-use transit-oriented development, later this year.

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: Sarah Giberson

ADOPTED
August 15, 2018

**Resolution Regarding
First 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.

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

WHEREAS, FMERA and Triumphant Life closed on the sale of the Property on February 27, 2017

WHEREAS, Triumphant Life utilizes the Property as a house of worship and community outreach center; and the project will result in the creation of an additional ten part-time jobs at Fort Monmouth within eighteen months of completion of initial renovation and receipt of a certificate of occupancy; 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, Section 54(c) of the PSA provided Purchaser with the option to construct a 115-space parking lot on the Property within twelve months of closing. The parking lot shall be subject to review by the State Historic Preservation Officer (“SHPO”) and the Purchaser agrees any exterior renovation on the Property shall complement the architecture and design styles of the adjacent National Register Historic District and FMERA will have the right to repurchase the property if construction is not timely commenced and completed; and

WHEREAS, Triumphant Life will incur a minimum investment of approximately \$500,000 to complete the Project and will also be obligated to create 10 permanent, part-time jobs at the property within eighteen months of completing the initial renovation and receipt of certificate of occupancy; and

WHEREAS, the PSA was executed on January 6, 2017 and 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(c) 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 has indicated to FMERA that it will require an additional seventy-five days to complete construction of the parking lot by November 10, 2018. Purchaser has also agreed to provide a promissory note in the amount of \$115,000 to FMERA guaranteeing the completion of the parking lot within that time frame. FMERA staff believes that this time period is reasonable and recommends extending the construction time for approximately seventy-five days to allow for Triumphant Life to complete the construction of its parking lot; and

WHEREAS, the Purchaser has indicated to FMERA that they will be unable to create ten (10) part-time jobs within eighteen (18) months of completing the initial renovation and receipt of certificate of occupancy, therefore FMERA staff recommends extending the job creation timeline by twelve (12) months; and

WHEREAS, FMERA and Triumphant Life have continued negotiations in order to work through the parking lot design and construction, and meeting the job creation requirements of Section 6(c) of the PSA where negotiations have led to an amendment to the PSA as described in the attached memorandum; and

WHEREAS, all other material terms of the PSA as presented to the Board will remain unchanged. The First Amendment to the 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 this request and recommends that it be forwarded to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the First 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: August 15, 2018

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

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

DATE: August 15, 2018

Request

I am requesting that the Board approve the first 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 RFB 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. FMERA and Triumphant Life entered into the Board-approved PSA on January 6, 2017.

Triumphant Life is a registered 501(c)(3) 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. Section 54(c) of the PSA provided Purchaser with 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(c) 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 has indicated to FMERA that it will require an additional seventy-five (75) days to complete construction of the parking lot by November 10, 2018. Purchaser has also agreed to provide a promissory note to FMERA guaranteeing the completion of the parking lot within that time frame. FMERA staff believes that this time period is reasonable and recommends extending the construction time for approximately seventy-five (75) days to allow for Triumphant Life to complete the construction of its parking lot. Additionally, Purchaser has indicated to FMERA that they will 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 recommends extending the job creation timeline by twelve (12) months.

FMERA and Triumphant Life have continued negotiations in order to work through the parking lot design and construction, and meeting the job creation requirements of Section 6(c) of the PSA. These negotiations have led to the attached amendment to the PSA with the following revisions to material terms: 1) A seventy-five (75) day extension of the construction timeline to complete a 115-space paved parking lot on the property by November 10, 2018, as referenced in Section 54(c) of the PSA, whereby Triumphant Life will provide a promissory note in the amount of \$115,000 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 (12) month extension of the job creation timeline, as referenced in Section 6(c) of the PSA.

All other material terms of the PSA as presented to the Committee and the Board will remain unchanged. The attached First 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.

Recommendation

In summary, I am requesting that the Board approve the proposed first amendment to the PSA with Triumphant Life for the Chapel Parcel in the Oceanport section of Fort Monmouth.



Bruce Steadman

Attachment: Amendment #1 to Purchase and Sale Agreement
Prepared by: Christine Bell

ATTACHMENT

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

