

**Fort Monmouth Economic Revitalization Authority
Board Meeting
July 17, 2019
Russel Hall, 1000 Sanger Avenue, Oceanport, NJ**

Note: FMERA staff was available at both entrances at Russel Hall and at the entrance of the FMERA building to direct the Public to the Russel Hall location.

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
- Jay Coffey – Mayor of Oceanport – V (via phone)
- Gary Baldwin – Tinton Falls Borough Council President – V
- Patty May Kelly – Eatontown Councilwoman – V
- Brian Wilton – Deputy Chief Counsel, Authorities Unit, Office of the Governor – V
- Donna Sullivan – Vice President of Real Estate, NJ Economic Development Authority – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- Sean Thompson, Director, Division of Local Planning Services, NJ Department of Community Affairs
- Baden Almonor, Central Regional Chief, NJ Department of Labor & Workforce Development
- William Riviere, Principal Planner, NJ Department of Transportation

V – Denotes Voting Member

Members of the Authority not present:

Also present:

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

The meeting was called to order by Vice-Chairman Robert Lucky at 7:00p.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, 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 19th regular meeting minutes. A motion as made to approve the minutes by Jay Coffey and seconded by Lillian Burry.

Motion to Approve: JAY COFFEY Second: LILLIAN BURRY
AYes: 7

WELCOME

Vice-Chairman Robert Lucky welcomed attendees to the Authority's 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.

Dr. Lucky noted the protocol regarding the two opportunities for the public to address the Board, with the 3-minute limit for agenda items, and the 5-minute limit for all other FMERA business.

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 continued by stating that FMERA continues to welcome the public's constructive comments and ideas.

SECRETARY'S REPORT

Bruce Steadman stated that the Board Action regarding the Nurses Quarters Purchase and Sale and Redevelopment has been removed from the agenda.

TREASURER'S REPORT

Dave Nuse, on behalf of Jennifer Lepore, stated that the FMERA staff presented the second quarter Financial and Operational Summary to the members of the Audit Committee at their July 9th meeting. Staff compared actual expenditures to the approved budget, as well as projected out to year-end to monitor spending and ensure we stay on or under budget. FMERA controls spending to the extent possible, until land sales occur, and proceeds are received, at which point, we determine which projects in our budget can be completed. As of the end of the second quarter, FMERA is, and is targeted to remain, on or under budget in all categories through year-end.

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

There was no public comment regarding agenda items.

EXECUTIVE DIRECTOR'S REPORT

Kristy Dantes, Director of Facilities and Infrastructure gave the following update:

- Phase 3B water main extension is complete. This phase originates on Main Street at Anson Avenue, and serves the County Homeless Shelter, the Oceanport Municipal Complex, and future development along Murphy Drive. The next phase is Phase 2A, which originates in College Avenue, off Broad Street and will serve development along Wilson Avenue, including the bowling center. As with Phase 3A, when complete, this main will be owned and operated by New Jersey American Water. Five additional phases are either planned, or in design. In the end the Main Post will be served by a New Jersey American Water owned and operated system that is fed from four directions; Oceanport Avenue and Main Street in the Borough of Oceanport, and Broad Street and Route 35 in the Borough of Eatontown.
- FMERA continues to coordinate with Two Rivers Water Reclamation Authority (TRWRA) and Maser Consulting to progress the work outlined in the TRWRA MOU approved by this Board in April. The work involves finalizing the design of sanitary lines which serve Horseneck Point, the Allison Hall Parcel, and the Lodging Parcel through the 400 area toward the proposed TRWRA lift-station along Riverside Drive. This design will eliminate a force-main currently traversing the Addison Hall and Lodging Parcels, allowing the developers of those parcels to proceed with design plans.
- The Army received a No Further Action ("NFA") determination letter, dated June 18, 2019, from the NJDEP for soils found at environmental carve-out parcel 16, the former lime pit located in the courtyard of the Myer Center building.
- The facilities team, along with the on-site maintenance contractor, Chenega, has 30+ ongoing projects and operations. Facilities also continues to support the development team, monitor any environmental concerns, and maintain properties slated for sale or reuse.
- Thank you to the Monmouth County District 6 Team, the Monmouth County Shade Tree Commission and the Oceanport Police Department for their response and services during the July 8th storm.

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

FMERA continues to make good progress on the fort's redevelopment, with about three-quarters of the Fort's 1,126 acres sold, under contract, in negotiations, or entering the request for proposals process. FMERA has sold 18 properties to date, and another 11 parcels are under contract or have Board-approved contracts.

To date, FMERA has sold a major development site, Parcel C in Tinton Falls, to Lennar Corporation. Lennar began site work this spring for 243 homes and about 58,000 sf of commercial space on the 40-acre site. Lennar is also currently constructing 45 single family homes on the 15-acre Parcel C-1 site in Tinton Falls that they purchased from FMERA last year.

This spring FMERA deeded Building 501 on Malterer Avenue in Oceanport to Family Promise. The non-profit is operating a daytime counseling and assistance center for families in need at that location.

Staff expects to sell the Fabrication Shops in Tinton Falls, the Artist Live/Work Barracks and the Golf Course in Eatontown, and the Marina, Squier Hall and the Cell Tower in Oceanport to our contract purchasers this year.

FMERA staff is currently in negotiations over the sale of seven additional parcels, including Parcel B and Howard Commons in Eatontown, and Barker Circle, the Nurses Quarters, the Commissary, the Warehouse District and the Post Office Area in Oceanport.

The Warehouse District and Post Office Area are scheduled for Board consideration this evening, and staff hopes to bring Parcel B, the Commissary, the Nurses Quarters and Barker Circle to the Board later this summer.

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, FMERA is in the process of rewriting the Requests for Offers to Purchase for the Pulse Power Building, Building 2719, and the Pistol Range. Based on the surrounding redevelopment and staff's evaluation of the current highest and best use of the properties, staff will make a recommendation to its Real Estate Committee to reissue these three parcels under the same RFOTP, creating potential for a larger scale project that is complementary to the surrounding uses. Each of these sites are envisioned for commercial reuse and the issuance of this RFOTP is expected late summer or early fall, subject to Board approval. On June 10th, FMERA issued a Request for Sealed Bids for the Fort's Cell Tower and issued an RFOTP for the Expo Theater and Adjacent Open Space on June 17th. The Expo Theater is envisioned for commercial redevelopment as an arts, entertainment or recreation facility. FMERA has received extensive interest in the cell tower property and has facilitated numerous tours for the Expo Theater. All open RFOTPS and RFBs can be found on our website, www.fortmonmouthnj.com.

Additionally, staff continues to facilitate meetings and tours related to two of the Fort's largest remaining parcels, The McAfee Center and the 400 Area. The properties are planned as the Fort's tech hub and Oceanport's neighborhood town center, respectively. FMERA is exploring several potential partnerships with other state agencies and universities that would both foster tech development and support the Reuse Plan's vision for a dynamic, pedestrian-friendly community.

FMERA continues to increase its visibility to the public and potential purchasers, rolling out its new Instagram account the week of July 8th. Please follow us at [@fortmonmouthnj](https://www.instagram.com/fortmonmouthnj) for historical tidbits, development updates, and other exciting announcements. We look forward to connecting with our stakeholders online.

Bruce Steadman gave an update on FMERA action items:

Mr. Steadman thanked Mr. Kloo and the NJDEP for their ongoing support of the redevelopment of the Fort, through their work with the Army on various environmental projects that the Army has underway, and on several other projects including water, sewer, and others.

Mr. Steadman thanked William Riviere as the NJDOT designee and stating that FMERA staff had a good meeting with NJ Transit on July 10th.

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

Mr. Steadman thanked Donna Sullivan on behalf of the EDA for the demolition on the Myer Center and other FMERA-related projects.

Mr. Steadman thanked Monmouth County District #6 and the Monmouth County Shade Tree Commission for their continued support with the maintenance and upkeep of the Fort property.

Action Items for Next Month.

- a) Continued work with the N.J. Department of Environmental Protection and U.S. Army to identify and resolve environmental issues of concern
- b) Continued meetings and tours with interested prospective employers and investors
- c) Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- d) Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities
- e) Continued work on the water, sewer, and electric system improvements.
- f) Continued drafting and revisions of documents for the 30+ projects underway

COMMITTEE REPORTS

1. AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Robert Lucky stated that the Committee met on July 9th and discussed the following.

- Discussion regarding the Six month Financial and Operational summary for the FMERA Budget which included:
 - Projected Operating Revenue
 - Operating Revenue
 - Non-Operating Revenue
 - FMERA's General & Administrative Expenses & Program Costs
 - Capital Budget

2. REAL ESTATE COMMITTEE (ROBERT LUCKY)

Robert Lucky stated that the Committee met on July 9th and discussed the following:

- Discussion regarding First Amendment to the PSARA with the Borough of Eatontown for 1123 Parcel. The Borough has begun their Due Diligence on the property and the First Amendment will allow an extension of the Due Diligence period until November 29th, 2019 and then there would be an approval period not to exceed six (6) months. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Discussion regarding a PSARA with RPM Development for the purchase of the Nurses Quarters Parcel in Oceanport. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Discussion regarding a PSARA with OPort Partners, LLC for the purchase of the Warehouse District and Post Office Area Parcels in Oceanport. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Other Issues
 - a. Fitness Center
 - b. NJEDA Loan
 - c. Squier Hall
 - d. Myer Center
 - e. Parcel B
 - f. Howard Commons
 - g. Commissary & PX
 - h. Update on RFOTPs

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

Kenneth J. Kloo stated that the Committee did not meet this month but will be meeting on August 5th.

4. HISTORICAL PRESERVATION STAFF ADVISORY COMMITTEE (JAY COFFEY, CHAIRMAN)

Bruce Steadman, on behalf of Jay Coffey stated that the Committee met on July 10th and discussed the following:

- Discussion regarding the Historic Application for Exterior Permit Approval Process. A permit application must be completed by residents of the East Gate residents who wish to make improvements to the exterior or their property. Pursuant to the Historic Guidelines, and FMERA's Land Use Regulations and Development and Design Guidelines, the Historical Committee's review is required to review the homeowner's application for an external permit application. This Permit Application will serve to provide a baseline of standards for review by the Historical Committee.

5. HOUSING STAFF ADVISORY COMMITTEE (SEAN THOMPSON, CHAIRPERSON)

Sean Thompson stated that the Committee met on June 25th and discussed the following:

- Discussion regarding FMERA's Affordable Housing obligations.
- Discussion regarding Parcels C & C1. FMERA has closed on both Parcels.
- Parcel C1 – The parcel will be developed with up to 45 residential units.
- Parcel C will be developed to accommodate up to 243 residential units and up to 58,000 sq. ft. of retail development. 20% affordable housing results in 57 units on Parcel C which includes the affordable units for Parcel C1 as well.
- Discussion regarding Howard Commons status.
- Discussion regarding Suneagles Golf Course. Martelli Signature Homes' proposed redevelopment includes the reuse of the Golf Course; construction of up to 60 residential units within the 10-acre former Megill Housing, and 15 units affordable immediately adjacent.
- Discussion regarding Parcel B. Parcel B will include retail and/or commercial development on the parcel with the number of housing units at 302, with 20% affordable (60 units).
- Discussion regarding the Nurses Quarters in Oceanport. The buildings will be developed as 24 one and two-bedroom apartments and 10 three to four-bedroom townhouses with 20% of the site being affordable housing.
- Discussion regarding the Lodging Area in Oceanport, The Lodging Area will be redeveloped with 180 residential units with 20% affordable, and the reuse of the two historical buildings.
- Discussion regarding Barker Circle. Barker Circle includes the development of 75 housing units with 20% affordable units.

6. VETERANS STAFF ADVISORY COMMITTEE (FREEHOLDER DIRECTOR LILLIAN BURRY, CHAIRPERSON)

Lillian Burry stated that the Committee did not meet this month.

BOARD ACTIONS

1. The first item before the Board was Consideration of Approval of the First Amendment to the Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for 1123 Parcel in Eatontown

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

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

Motion to Approve: JAY COFFEY Second: LILLIAN BURRY
AYes: 7

2. The second item before the Board was Consideration of Approval of a Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse District and Post Office Area Parcels 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 Jay Coffey and was seconded by Lillian Burry.

Motion to Approve: JAY COFFEY Second: LILLIAN BURRY
AYes: 7

OTHER ITEMS

There were no other items before the Board.

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

Sandy Craig of East Gate, Oceanport asked for a status of the completion of the Fitness Center. Mr. Steadman stated that due to many unforeseen issues during the redevelopment of the property, the developer anticipates full completion of the project by March 2020.

Ms. Craig asked if the Monmouth County Parks Department would be willing to take over the Parade Grounds in order that it would remain as green space and not be used for sporting events.

Ms. Craig asked about the extension of Route 537 as a one-way from Russel Avenue to Sherril Avenue to Wilson Avenue. Mr. Steadman stated that FMERA has negotiated with the County for the County to take over Avenue of Memories from Route 35 to Oceanport Avenue. Due to the inability to widen Russel and Sherril Avenues through the Historic District, Russel and Sherril Avenues would become a one-way going west from Oceanport Avenue (via Russel and Sherril Avenues) to Wilson Avenue where it would then connect back onto Avenue of Memories.

Erin Feeley of East Gate, Oceanport asked why the Sherril Avenue plan is not on the County Master road plan or on any County proposed road plans. Mr. Steadman stated that Ms. Feeley should contact the Monmouth County Administrator.

Joyce Murphy of East Gate, Oceanport asked for clarification of the new Route 537 route. Ms. Murphy stated that it was indicated to her that Russel Avenue would be turned over to the Borough of Oceanport. Mr. Steadman stated that the road was deeded over to Monmouth County in 2016.

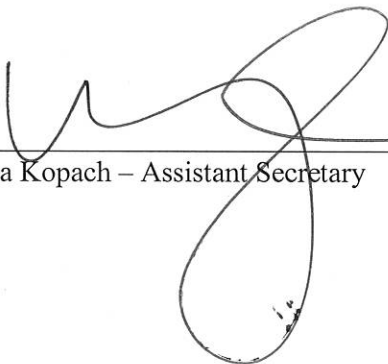
John Ward of East Gate, Oceanport asked if there is a target date for the transfer of the substation to JCP&L. Mr. Steadman stated that the transfer should occur within the next 3-5 years and due to the costs associated with the transfer, FMERA will need to have closings completed to purchase the new substation.

A resident of East Gate, Oceanport asked what the plans are for the former track and field located in Eatontown and the field at the former Army Prep School. Mr. Steadman stated that the fields at the Army Prep School will be transferred to the developer of Parcel B and that Parcel B will be redeveloped as the Eatontown Town Center as stated in the Reuse Plan. Mr. Steadman stated that the plans for the former track and field have yet to be determined. Mr. Steadman stated that per the Reuse Plan, each town is required to have a certain number of residential units and in Eatontown the number of units is 577. Mr. Steadman stated that due to the Army's former treatment of the Howard Commons property with pesticides, the number of houses to be built on the property may be reduced. If the Howard Commons developer determines that fewer housing units will need be built on the property, then the next best site that the housing units would be moved to would be the former track and field property.

Gary Merzer of East Gate, Oceanport asked if the Parade Grounds are deemed historic. Mr. Steadman stated that the Parade Grounds are historic and are included in the Programmatic Agreement. Mr. Steadman stated that the disposition of the Parade Grounds has yet to be determined.

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

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board meeting.



Kara Kopach – Assistant Secretary

**Resolution Regarding
First Amendment to the Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown
(the "Borough") for a Department of Public Works Complex on the 1123 Parcel**

WHEREAS, on May 18, 2016, the Board approved Evaluation Scoring for Local Beneficial Use Requests for the Borough's request to purchase a 7.2-acre tract known as the 1123 Parcel ("the Property") including Buildings 1123, 1124, 1108, 1109 and 1110 located on Echo Avenue, in Eatontown, New Jersey for municipal uses including the relocation of Eatontown's Department of Public Works; and accordingly, the Borough's proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria, resulting in a 40% price reduction and sale price of \$886,461.00; and

WHEREAS, on January 16, 2019, the Board authorized the execution of the PSARA between FMERA and the Borough for the Property, and the PSARA was executed on May 8, 2019; and

WHEREAS, pursuant to the terms of the PSARA, the Borough was provided a ninety-day Due Diligence Period commencing on the Effective Date of the PSARA; an Initial Approval Period of twelve months commencing at the end of the Due Diligence period; and a six-month Approval Extension Period, subject to FMERA approval, with Closing to occur within thirty days of satisfaction or waiver of the Conditions Precedent to Closing; and

WHEREAS, the Borough has retained T&M Associates for the purposes of conducting an environmental site investigation and is proceeding in good faith; and

WHEREAS, there are two Army-owned environmental carve-out parcels located within the Property that are not currently accessible for due diligence: ECP Parcel 41 (former Building 1122, approximately 0.492 acres in size), which includes two former USTs (i.e. heating oil & waste oil) and ECP Parcel 43 (former Building 1122, approximately 0.537 acres in size) which includes former hydraulic lifts; FMERA anticipates it will receive a No Further Action letter ("NFA") from the New Jersey Department of Environmental Protection ("NJDEP") for these parcels by the last quarter of 2019; and

WHEREAS, T&M has made a recommendation to the Borough to request an extension of the Due Diligence Period, which expires on August 8, 2019 per the terms of the PSARA, and the Borough subsequently submitted to FMERA a request to extend the Due Diligence Period to November 29, 2019; and

WHEREAS, due to the existing constraints of the site, FMERA staff requests an extension of the Due Diligence Period until November 29, 2019 subject to the following terms; the Borough shall agree to: i) amend the Approval Period to run for a total period not to exceed six months, beginning at the expiration of the Due Diligence Period; and ii) close within thirty days of the expiration of the amended six month Approval Period, subject to receipt of an NFA from the NJDEP for the two environmental carve-out parcels located within the Property and regardless of whether other Conditions Precedent to Closing have been waived or satisfied; and

WHEREAS, FMERA will convey the Property to the Borough 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 the environmental carve-out parcels will be conveyed to the Borough for \$1.00 after the Army completes its remedial actions, issues a Finding of Suitability to Transfer (FOST) and transfers the property via quitclaim deed to FMERA; and

WHEREAS, as a result, there will be an Initial Closing of the Property excluding the Carve-out Parcels and up to two Subsequent Closings for Carve-out Parcels 41 and 43 within 90 days of Army completing environmental investigations and remedial actions and conveying title of Environmental Carve-out Parcels 41 and 43 to FMERA; and

WHEREAS, all other terms of the PSARA will remain unchanged and the attached First Amendment to the PSARA is in substantially final form. The final terms of the Amendment will be subject to the approval of FMERA's Executive Director, the Borough of Eatontown, and the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the request and recommends approval of the First Amendment to Purchase and Sale Agreement with the Borough of Eatontown.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the First Amendment with the Borough of Eatontown for a Department of Public Works Complex 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: July 17, 2019

EXHIBIT 1

ADOPTED
July 17, 2019

**Resolution Regarding
Approval of a Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with
OPort Partners, LLC for the Warehouse District and Post Office Area Parcels.**

WHEREAS, at the December 2017 meeting, staff recommended, and the Board approved the issuance of three separate RFOTPs -- for the Commissary and PX, the Warehouse District, and the Post Office Area with the option to propose individual or interrelated projects on one or more parcels; and

WHEREAS, the 7.7± acre Warehouse District, bounded by Razor Avenue, Murphy Drive and the Monmouth County Emergency Homeless Shelter, consists of five general purpose administrative buildings constructed in 1943 and two circa 1954 warehouse buildings totaling 77,589± sf, and all seven buildings are contemplated for demolition in the Reuse Plan and Plan Amendment #2, to be replaced by new housing; and

WHEREAS, given the institutional uses that will now lie to the east and south of this parcel, staff recommended that the Warehouse District property should be offered through the Requests for Offers to Purchase (RFOTP) process for commercial, active recreation or office/R&D use rather than residential use, and the existing improvements should be demolished, which would require a Reuse Plan Amendment; and

WHEREAS, the Post Office Area contains four buildings on 6± acres located south of the Fitness Center, bounded by Alexander, Todd and Razor Avenues., and the property is zoned for institutional use in the Reuse Plan, as the anticipated site for a new Oceanport elementary school and the parcel includes the 7,641± sf former Post Office; Tickets & Tours, a 2,600± sf building; Building 800, a 14,964± sf administration and classroom building; and Building 801, the 9,267± sf recreation equipment checkout facility built in 1941; and

WHEREAS, the Reuse Plan envisions the demolition of all four buildings on the Post Office Area site and reuse of the property as a new school location; however, Oceanport School District is no longer considering this location for a school use, and so staff recommended that the property be offered for an alternate use consistent with its anticipated surrounding uses, namely commercial, active recreation or office/R&D use, which would require a Reuse Plan Amendment; and

WHEREAS, following the evaluation and scoring process, OPort was selected as the highest-scoring potential Purchaser for the Warehouse District and the Post Office Area; and

WHEREAS, OPort’s proposal for the Warehouse District calls for the demolition of the existing buildings and proposes to develop the Warehouse District for office, research, and related product storage and distribution, with a focus on medical, biotechnology, and software development with community businesses and services may comprising a portion of the development and three Class A office buildings totaling approximately 86,250 sf planned; and

WHEREAS, OPort’s proposal for the Post Office Area calls for the demolition of the existing buildings and proposes to develop the Post Office Area with uses complementary to the Warehouse District, including office space, research uses, and related product storage and distribution and three new Class A office buildings totaling approximately 60,000 sf.; and

WHEREAS, purchaser’s total Capital Investment, net of the Purchase Price, is estimated to be a total of \$31,443,750: \$12,900,000.00 as to the Post Office Area and \$18,543,750.00 as to the Warehouse District; and

WHEREAS, OPort Partners, LLC is a development entity operating under the leadership of Denholtz Management Corp. Denholtz Management Corp.’s portfolio includes over 30 properties on the East Coast and the Midwest and includes office, flex, retail, industrial, warehouse, and residential development; and

WHEREAS, negotiations with OPort have resulted in the attached PSARA where OPort will pay \$1,950,000 for the entirety of the Property, \$950,000 for the Warehouse District and \$1,000,000 for the Post Office Area, and Purchaser is responsible for all building demolition and associated costs; and

WHEREAS, closing(s) on the Warehouse District and the Post Office Area may occur in phases within thirty days after Purchaser's receipt of all final and non-governmental approvals or ten days after all title and environmental obligations are satisfied, whichever is later, with respect to each sub-parcel and Purchaser shall have a period of sixty days commencing upon execution of the PSARA to investigate the suitability of the Property for redevelopment at its sole cost and expense; and

WHEREAS, conditions precedent to closing include OPort obtaining all approvals necessary to develop the Project; an amendment to the Reuse Plan to accommodate the Project; FMERA obtaining title and a FOST to Parcel 57; and the consent of the NJEDA Board; and

WHEREAS, in the event that FMERA has not obtained title from the Army to the 0.5± acre portion of Parcel 57 extending into the Post Office Area by the Post Office Area closing date, FMERA will convey that environmental carve-out to the Purchaser at a subsequent closing; and

WHEREAS, the parties will endeavor to satisfy these contingencies within six months of the delivery of the final concept plan. Purchaser will have thirty days to apply and diligently pursue approvals following the later to occur of the final and non-appealable amendment to the Reuse Plan or completion of Due Diligence and an Approval Period of fourteen months, and OPort will have the option of extending its fourteen-month approval period by an additional six-month extension period so long as OPort is proceeding in good faith; and

WHEREAS, OPort will commence demolition of all buildings and other improvements on the Property upon receipt of all applicable permits and complete demolition and site work within four months of closing, and Purchaser may undertake and complete construction of the Project in phases, as evidenced by receipt of certificates of occupancy; and

WHEREAS, Purchaser will complete all phases within eighteen months after completion of demolition and site work not to exceed twenty-two months after closing, and OPort estimates that it will create approximately two hundred sixty-four construction related, temporary part-time and/or full-time jobs and a minimum of four hundred thirty-nine part-time and/or full-time permanent jobs within twelve months of project completion or pay a penalty of \$1,500 per permanent job not created; and

WHEREAS, OPort will also be responsible for funding a total of one thousand linear feet of new water main and one thousand linear feet of new sewer main along Razor and Anson Avenues, or in such other off-site location as directed by FMERA, and abutting developers will be obligated to install or fund additional water and sewer infrastructure to complete the connection of the Property to off-site public utilities; and

WHEREAS, Purchaser will also be responsible for running new electrical distribution lines from the Property to an upgraded JCP&L substation following FMERA's conveyance of the abutting electric substation to JCP&L at future date; and

WHEREAS; based on the redevelopment provisions of the PSARA between FMERA and OPort, staff concludes that the essential elements of a redevelopment agreement between FMERA and OPort are sufficiently addressed and that it is not necessary for FMERA to enter into a separate redevelopment agreement with OPort for its redevelopment of the Warehouse District and Post Office Area; and

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

WHEREAS, the Real Estate Committee has reviewed the request and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the selection of OPort Partners, LLC on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement & Redevelopment Agreement 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 OPort Partners, LLC 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 17, 2019

EXHIBIT 3