

**Fort Monmouth Economic Revitalization Authority  
Board Meeting  
October 4, 2019  
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
- Jay Coffey – Mayor of Oceanport – V
- Anthony Talerico – Mayor of Eatontown – V (via phone)
- Gary Baldwin – Tinton Falls Borough Council President – V
- Stephanie Brown – Associate Counsel, Authorities Unit, Office of the Governor – V
- Donna Sullivan – Vice President of Real Estate, NJ Economic Development Authority – V (via phone)
- Baden Almonor, Central Regional Chief, NJ Department of Labor & Workforce Development
- Sean Thompson, Director, Division of Local Planning Services, NJ Department of Community Affairs (via phone)
- William Riviere, Principal Planner, NJ Department of Transportation

V – Denotes Voting Member

**Members of the Authority not present:**

- Lillian Burry – Monmouth County Freeholder – V (Recused)
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection

**Also present:**

- Bruce Steadman, FMERA Executive Director and Secretary
- Gabriel Chacon – Assistant Attorney General (AAG)
- Laura Draushak, Deputy Attorney General (DAG)
- FMERA staff

The meeting was called to order by Vice-Chairman Robert Lucky at 10:30a.m. who led the meeting in the Pledge of Allegiance to the Flag of the United States of America.

Assistant Secretary Kara Kopach announced that 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.

**WELCOME**

Vice-Chairman Robert Lucky welcomed attendees to the Authority's Special Board meeting and called the meeting to order. Dr. Lucky stated that the Board would consider one board action in this the Special Board meeting of the FMERA Board.

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

There was no public comment.

The Vice-Chairman announced that the Board was to adjourn the Public Session of the meeting and enter into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7).

The Vice-Chairman asked for a motion to go into executive session to discuss contract negotiations.

A motion was made by Jay Coffey and was seconded by Gary Baldwin.

The Board adjourned the Public Session of the meeting at 10:35a.m. and entered into Executive Session – OPMA Exemption N.J.S.A. 10:4-12b(5) and (7).: Discussion regarding Contract Negotiations.

On a motion by Jay Coffey, seconded by Gary Baldwin and unanimously approved by all voting members present, the Board adjourned the Executive Session at 10:55a.m. and opened the Public Session.

### **BOARD ACTIONS**

1. The only item before the Board was Consideration of Approval of the Rollover Notes with the Monmouth County Improvement Authority.

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 Jay Coffey.

Motion to Approve: GARY BALDWIN Second: JAY COFFEY  
AYes: 6

### **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 Jay Coffey and seconded by Gary Baldwin and unanimously approved by all voting members present, the meeting was adjourned at 11:05a.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.



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Bruce Steadman – Secretary

**ADOPTED**  
**October 4, 2019**

**Resolution Regarding  
Entering into Executive Session  
To Discuss Contract Negotiations**

**WHEREAS**, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(5), a public body may enter into executive session to discuss “[a]ny matter involving the purchase, lease or acquisition of real property with public funds, where it could adversely affect the public interest if discussion of such matters were disclosed”; and

**WHEREAS**, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(7), a public body may enter into executive session to discuss “[a]ny pending or anticipated, contract negotiation other than [a collective bargaining agreement] in which the public body is, or may become a party”; and

**WHEREAS**, the Authority desires to enter into executive session to discuss contract negotiations.

**THEREFORE, BE IT RESOLVED THAT:**

1. In accordance with the Open Public Meetings Act, the Authority shall go into executive session for the purpose of discussing contract negotiations.
2. The Authority anticipates that the minutes of the executive session will not become available to the public until after such time as the subject contract is concluded and the Authority determines that the need for confidentiality no longer exists and the matters discussed can be disclosed.

**Dated: October 4, 2019**

**EXHIBIT 1**

**Resolution Regarding**  
**Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with**  
**FMERA's Purchase of Phase 2 Properties**

**WHEREAS**, at the October 2016 meeting, the Board authorized financing for the purchase of the Phase 2 properties through the Monmouth County Improvement Authority ("MCIA"); the financing structure entailed MCIA's issuance of short-term, fixed-rate, taxable notes to provide the consideration to be paid to the Army, along with the cost of issuance; and

**WHEREAS**, the original principal amount of the notes was \$33,525,000, divided between two series, 2016A in the amount of \$10,155,000 which was callable in whole or in part, after six months, and 2016B, in the amount of \$23,370,000; and

**WHEREAS**, at the November 15, 2017 initial note maturity date, FMERA paid down approximately \$9,800,000 in principal of the 2016A Notes as a result of the sale of three parcels: Officer Housing, Russel Hall and the Fitness Center, and so the amount of the subsequent notes issued in November 2017 was \$23,735,000, divided between two series, 2017A in the amount of \$16,735,000 and 2017B in the amount of \$7,000,000 which was callable in whole or in part, after eighteen months with interest on the notes and expenses payable by FMERA on a current basis, with the notes expected to be rolled over annually as one-year or multiple-year obligations; and

**WHEREAS**, as of the November 14, 2019 subsequent note maturity date, FMERA is estimating that it will pay down approximately \$300,000 in principal of the 2017A Notes, and the remaining principal balance on the notes is expected to be repaid by FMERA from a portion of the sale proceeds of Phase 2 parcels over the next two years; FMERA staff anticipates that 2020 and 2021 Phase 2 land sales will total approximately \$29,000,000 and \$35,000,000, respectively; and

**WHEREAS**, the County of Monmouth's Board of Chosen Freeholders has authorized a payment guaranty for the notes for five (5) years, i.e. through November 2021., and the County holds a mortgage against the Phase 2 parcels which is released on a parcel by parcel basis as and when FMERA is ready to convey individual parcels to third party purchasers; and

**WHEREAS**, during the five-year term of the County's guaranty, the Notes are expected to be rolled over so that principal payments are made by FMERA from and only to the extent that sale proceeds are available, and if any principal balance remains at the end of the five-year loan term, the balance will become a general obligation of the Authority and FMERA's options will be to either: (i) renegotiate and extend the guarantee; (ii) refinance the balance through a third-party lender; or (iii) pay off the balance from cash on hand; and

**WHEREAS**, upon expiration of the notes, MCIA has to take action to issue subsequent notes to refund the notes that mature and cover issuance costs, and based on FMERA's anticipated redemption of \$300,000 in notes by November, the amount of the subsequent notes to be issued in November 2019 is anticipated to total approximately \$23,400,000 million plus the cost of issuance, but not to exceed \$24,500,000; and

**WHEREAS**, staff is recommending that one series of notes be issued on a taxable basis for a one-year term; the documents are essentially the same as those approved by the Board in 2016 except for three changes in the Loan Agreement, which is attached in substantially final form: first, MCIA reserves the right to consent to FMERA's second draw down of EDA's second loan, which consent must be considered at the next MCIA meeting after FMERA gives notice to MCIA seven days prior to its meeting, second, FMERA shall not incur any additional debt obligations, other than obligations incurred in the ordinary course of business without the consent of the MCIA, which consent must be considered at the next MCIA meeting after FMERA give notice to MCIA twenty-one days prior to its meeting, and third, FMERA cannot voluntarily prepay any other loan without MCIA consent; and

**WHEREAS**, although FMERA will not be a signatory to the official statement and contract of purchase, it is obligated to review those documents and confirm the accuracy of any statements pertaining to the Authority. The official statement and contract of purchase will be finalized closer to the date of issuance; and

**WHEREAS**, FMERA staff is requesting that the Board approve the Loan Agreement and Note with the Monmouth County Improvement Authority ("MCIA") for financing through the issuance of up to \$24,500,000 in subsequent notes through the MCIA related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army, and delegate to the Executive Director authority to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover. Final versions of the documents will be subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

**WHEREAS**, the Audit Committee has reviewed the request and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the Loan Agreement and Note with the Monmouth County Improvement Authority for financing through the issuance of notes in an amount not to exceed \$24,500,000 through the Monmouth County Improvement Authority related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army and delegation to the Executive Director authority to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover. Final versions of the documents will be subject to the approval of FMERA's Executive Director and the Attorney General's Office.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

**Dated: October 4, 2019**

**EXHIBIT 2**