

**Fort Monmouth Economic Revitalization Authority  
Board Meeting  
February 19, 2020  
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 (via phone)
- Anthony Talerico – Mayor of Eatontown – V
- Tracy Buckley – Tinton Falls Borough Council President – V
- Lillian Burry – Monmouth County Freeholder – V
- Stephanie Brown – Associate Counsel, Authorities Unit, Office of the Governor – V
- Dave Nuse – Executive VP, Real Estate & Community Development, NJ Economic Development Authority – V
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection
- Baden Almonor, Central Regional Chief, NJ Department of Labor & Workforce Development
- Sean Thompson, Director, Division of Local Planning Services, NJ Department of Community Affairs
- William Riviere, Principal Planner, NJ Department of Transportation

V – Denotes Voting Member

**Also present:**

- Bruce Steadman, FMERA Executive Director and Secretary
- Laura Draushak, 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.

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.

The first item of business was the approval of the January 22<sup>nd</sup> regular meeting minutes. A motion as made to approve the minutes by Lillian Burry and seconded by David Nuse.

Motion to Approve: LILLIAN BURRY  
AYes: 7

Second: DAVID NUSE

**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 there was no Secretary's report.

## **TREASURER'S REPORT**

Jennifer Lepore, Manager of Accounting, stated that staff is preparing the Authority's 2019 Annual Report for presentation to the Audit Committee with the audited financial statements, which serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006). It is expected that a draft report and statements will be available for review in mid-March, and finals presented to the Board in April.

The Authority's independent auditors, CliftonLarsonAllen, LLP, have begun their audit of the Authority's 2019 operations. The auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance with Government Auditing Standards. Field work is scheduled to begin the week of February 24<sup>th</sup>.

## **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:

The facilities, environmental, and maintenance teams continue to maintain the Fort through the winter months. Buildings slated for sale or reuse are regularly checked, sanitary lift stations are inspected weekly, and the electrical power is monitored to provide developers and customers the best possible service. FMERA is working with New Jersey American Water on the planning and design of two water main extensions along Route 537. We are also coordinating with the Two Rivers Water Reclamation Authority on sanitary corridors through the 400 area, and Jersey Central Power and Light regarding the future build-out of the electrical power grid. These infrastructure projects are critical to future sales and development. FMERA continues to work with the Army Corp. of Engineers on environmental concerns, the cleanup of carve-outs, and the landfill capping project. Facilities continues to assist developers with utility and environmental issues, and supports the real estate development team with RFOTP's, MCR's, tours, and development plans.

Sarah Giberson, Manager of Marketing & Development 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. To date, FMERA has sold 20 properties, and another 15 parcels are under contract or have Board-approved contracts.

Within the last year, FMERA has sold 4 properties:

- Squier Hall, slated for reuse as a satellite college campus for New Jersey City University, planning to open late 2020;
- A major redevelopment 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. The company is also currently constructing 45 single family homes on the 15-acre Parcel C-1 site in Tinton Falls that it purchased from FMERA last year;
- Building 501 in Oceanport, which we conveyed to a non-profit, Family Promise, which is now operating a daytime counselling and assistance center for families in need at that location;
- Telecommunications Tower and Land in Oceanport sold in October to Global Signal Acquisitions, LLC.

Staff hopes to sell the Marina and the Fabrication Shops to our contract purchasers by the first quarter of 2020.

FMERA staff is currently in contract negotiations over the sale of 2 additional parcels and plans to bring a contract to the Board this evening for Parcel B, located in Eatontown.

Contracts for 2 Oceanport properties, the Commissary & PX Complex and the Nurses Quarters, were approved by the Board at the November meeting and are currently in their due diligence phase.

Sarah Giberson stated that in late January, FMERA hosted a redevelopment showcase to discuss its vision for the 400 Area with prospective purchasers and related professionals. Planned as Oceanport's town center, this future, transit-oriented development is envisioned as a pedestrian-friendly neighborhood with water views, a dynamic mix of amenities, and attractive residential living. Approximately 80 real estate and associated professionals attended. FMERA posted a copy of the presentation on our website. We are now in the process of finalizing the details of the Requests for Offers to Purchase, to be released in the coming weeks.

At FMERA's January meeting, the Board approved the termination and reissuance of a revised RFOTP for the Tinton Falls Commercial Parcel. FMERA intends to reissue this RFOTP by the end of the month.

Please visit our website, [www.fortmonmouthnj.com](http://www.fortmonmouthnj.com), or follow us on Instagram at @fortmonmouthnj for our latest updates and latest development opportunities.

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 Fort Monmouth operational issues.

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.

Mr. Steadman thanked Dave Nuse representing the EDA for their help with the FMERA-related projects.

Bruce Steadman gave an update on FMERA action items:

#### 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 did not meet this month but will be meeting after the Authority's audit is complete.

#### 2. REAL ESTATE COMMITTEE (ROBERT LUCKY)

Robert Lucky stated that the Committee met on February 11<sup>th</sup> and discussed the following:

- Discussion regarding a PSARA with U.S. Home Corporation d/b/a Lennar Monmouth Developers for Parcel B in Eatontown. The Committee reached a consensus and agreed to recommend it to the Board for approval.
- The Committee was notified via email on February 18, 2020 to review the recommendation for the First Amendment to the PSARA with RPM Development Group, LLC to extend the Due Diligence for an additional 60 days. The Committee reviewed the request and staff received approval to recommend it to the Board for approval.

- Other Issues
  - Avenue of Memories/Sherril Avenue
  - MCIA Update
  - Howard Commons
  - Expo Theater
  - Lodging Area
  - Eatontown/Oceanport Municipal Boundary
  - Tinton Falls Commercial Parcel RFOTP
  - 400 Area RFOTP
  - Eatontown Park Parcel

Lillian Burry stated the change to the Sherril Avenue traffic pattern (making it two-way, as opposed to it being one-way in the Reuse Plan) came about from a meeting with the Monmouth County Freeholders, FMERA and the residents at East Gate, and was pleased that there was an agreeable and amicable resolution. Freeholder Burry noted that County Engineer, Joe Ettore, would be taking the lead in developing the engineering plans that are needed for submission to FMERA to begin the process for a plan amendment to the Reuse Plan (for making Sherril Avenue 2-way instead of 1-way).

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 March 2<sup>nd</sup>.

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

Jay Coffey stated that the Committee did not meet this month.

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

Sean Thompson stated that the Committee did not meet this month.

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 RPM Development, LLC for the Nurses Quarters in Oceanport

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Lillian Burry and was seconded by Tracy Buckley.

Motion to Approve: LILLIAN BURRY      Second:      TRACY BUCKLEY  
 AYes: 7

2. The second item before the Board was Consideration of Approval of a Purchase and Sale & Redevelopment Agreement with U.S. Home Corporation d/b/a Lennar Monmouth Developers for Parcel B in Eatontown.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 2.

A motion was made by Anthony Talerico and was seconded by Lillian Burry.

Anthony Talerico thanked the FMERA staff, the DAG's and all those who have worked over the last two years to bring the PSARA to the Board. Mr. Talerico stated that he is cognizant of all the work, time and reiterations involved, is appreciative of everyone's efforts, and is looking forward to the next steps in the development of Parcel B.

Motion to Approve: ANTHONY TALERICO 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)**

Roseann Letson of Tinton Falls thanked Bruce Steadman and Dave Nuse for their Fort redevelopment presentation at the February 6<sup>th</sup> Oceanport Council meeting. Ms. Letson stated that in Oceanport there has unfortunately been misinformation and exaggeration of truths and the spread of inaccurate information amongst some residents and former Council members. Ms. Letson stated that the best way to dispel the misinformation is to have FMERA continue to make presentations to the residents. Ms. Letson stated that these presentations are of utmost importance, especially after FMERA issues the RFOTP for the 400 Area. Ms. Letson stated that the residents that attend the Council meetings and the bus tours understand the truth and can explain the truth based on the information that is presented by FMERA.

Sandra Craig of Oceanport thanked FMERA, Freeholder Burry and Monmouth County for their help in coming up with a viable solution for the Sherril Avenue/Avenue of Memories traffic pattern.

There being no further business, on a motion by Lillian Burry and seconded by Anthony Talerico and unanimously approved by all voting members present, the meeting was adjourned at 7:27p.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

**Resolution Regarding**  
**First Amendment to the Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for**  
**the Nurses Quarters in Oceanport**

**WHEREAS**, on November 13, 2019, the Board authorized the execution of the PSARA between FMERA and RPM Development Group for the Nurses Quarters Property, an approximately 3.75± acre parcel of land containing two buildings (Buildings 1077 and 1078) totaling approximately 18,655 gsf located on Main Street and Stephenson Avenue in the Main Post Area of Fort Monmouth; the PSARA was executed on January 14, 2020; and

**WHEREAS**, RPM's proposal for the Nurses Quarters calls for residential uses consisting of 34 residential units broken down into a mix of ten three to four-bedroom owner-occupied townhomes and the reuse of twenty-four (24) one- and two-bedroom apartments as rentals, and seven of the apartments will be designated affordable housing flats; and

**WHEREAS**, RPM will pay Two Million One Hundred and Fifty Thousand Dollars (\$2,150,000) for the property and shall have a total Capital Investment, net of the Purchase price, of Six Million Six Hundred Thousand Dollars (\$6,690,000); and

**WHEREAS**, pursuant to the terms of the PSARA, RPM was provided a sixty-day Due Diligence Period commencing on the Effective Date of the PSARA; and

**WHEREAS**, under the terms of the PSARA, Seller was to delivery to Purchaser a survey to be used during Due Diligence for Title review, but due to a delay in the delivery of the survey for the site, RPM has requested a Due Diligence extension of sixty days to complete its investigation of the suitability of the Property for redevelopment; and

**WHEREAS**, RPM is proceeding in good faith and therefore, FMERA staff requests a Due Diligence extension until May 14, 2020; and

**WHEREAS**, all other terms of the PSARA will remain unchanged. 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 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 First Amendment with the Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Nurses Quarters 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: February 19, 2020**

**EXHIBIT 1**

**Resolution Regarding  
Purchaser and Sale & Redevelopment Agreement with U.S. Home Corporation d/b/a Lennar Monmouth  
Developers for Parcel B in Eatontown**

**WHEREAS**, FMERA issued a Request for Offers to Purchase (“RFOTP”) in connection with the planned redevelopment of Parcel B in Eatontown on March 26, 2013. At the time, Parcel B was a 55.327-acre tract fronting on Route 35 in the Eatontown Reuse Area of the Main Post; and

**WHEREAS**, the Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”) calls for the 480,000± sf of existing buildings to be demolished and replaced with up to 150,000 sf of retail and commercial uses and 302 housing units, 20% of which must be affordable to low- and moderate-income households, and this portion of Parcel B is a Phase One property and title to the 55.327-acre tract was transferred to FMERA in June 2014; and

**WHEREAS**, in February 2014, the Board authorized staff to issue a new RFOTP for Parcel B in order to meet the Reuse Plan’s goal of creating a lifestyle town center that blends residential use with retail use in a pedestrian friendly manner, resulting in an exciting and attractive gateway to the Fort, and the new RFOTP placed greater emphasis on qualities necessary to achieve the type of “vibrant pedestrian environment” and “exciting gateway” into the Fort that was envisioned in the Reuse Plan, and for owner-occupied housing; and

**WHEREAS** in January 2015, the Board authorized staff to add 22 acres to Parcel B, which increased the potential buildout of retail and/or commercial development on the parcel, while keeping the number of housing units at 302, and the new RFOTP added another 12 acres including Mallette Hall as an optional component, for a total expansion of up to ±34 acres. On February 10, 2015, FMERA issued the RFOTP for the expanded Parcel B; and

**WHEREAS**, the Promenade at Fort Monmouth, a proposal submitted by Paramount Realty Services, Inc., received the highest score on the newly issued RFOTP, and following the Board’s authorization at the February 2016 meeting, FMERA and Paramount entered into an Exclusive Negotiations Agreement on October 3, 2016; and

**WHEREAS**, at the February 2017 meeting, the Members authorized the execution of a PSARA with Paramount for Parcel B; however, on February 15, 2018, Paramount withdrew its proposal and FMERA began negotiations with the second highest bidder, Lennar; and

**WHEREAS**, Lennar’s proposal calls for a total of 302 residential units broken down as 241 market rate units and 61 affordable housing units, and approximately 243,800 sf (but no less than 150,000 sf) of commercial space comprised of a mix of medium and small boxes and pad sites, along with a multi-purpose trail; and

**WHEREAS**, Lennar will have the flexibility to increase the amount of the retail space in the Retail Phase so long as adequate parking can be provided; and the retail development on the Property will be high quality, convenient, and pedestrian-friendly to create an inviting destination which will feature national, regional, and local specialty stores and restaurants in a town center format with ample and accessible parking; and

**WHEREAS**, the Property will be transformed into an exciting and attractive gateway into the Fort Monmouth redevelopment area by developing a live-work-play community and feature open space for seasonal community events and gatherings, landscaping and improved streetscapes, and provide connectivity between the Retail Phase and Residential Phase components and will be visually defined through a combination of architectural features, paving materials, creative use of water retention/detention basins, and other design features commonly found in upscale, town center retail developments; and

**WHEREAS**, that while the RFOTP specified a parcel size of up to 89 acres, FMERA has since deeded land to the County of Monmouth for the dedication of Avenue of Memories/Route 537 Extension as a public right of way; with the subtraction of the land associated with the Mallette Hall optional parcel, Parcel B's net land area now totals approximately 73 acres; and

**WHEREAS**, negotiations with Lennar have resulted in the following terms: Lennar will pay \$18.5 million for the property; pursuant to FMERA's June 25, 2012 EDC Agreement with the Army, FMERA will receive 40% of the net sale proceeds from the Phase 1 portion of the property, with the Army receiving the remainder, and FMERA will receive all net proceeds from the Phase 2 portion of the property; and

**WHEREAS**, closing will occur within 45 days after satisfaction of the conditions precedent to closing as described in the attached memorandum; and

**WHEREAS**, Parcel B contains environmental carve-out areas that are still Army-owned. The Army is in the process of pursuing a No Further Action ("NFA") determination from the NJDEP for one carve-out, Parcel 44, which Lennar may opt to not to take title to all or a portion of Parcel 44 at a subsequent closing, but shall notify FMERA of its decision whether to acquire Parcel 44 within sixty days of the Army's receipt of an NFA; and

**WHEREAS**, FMERA will be obligated to contribute up to \$250,000 in remediation costs if additional environmental issues that were not caused by Purchaser or covered under the Army's obligations under CERCLA are discovered after due diligence but prior to the end of demolition; and

**WHEREAS**, should FMERA be unable to convey the Property in accordance with the terms of the Agreement, Purchaser shall be entitled to liquidated damages in the amount of Five Hundred Thousand Dollars (\$500,000.00).

**WHEREAS**, Lennar will commence demolition of the ±1 million sf of existing buildings no later than thirty days after closing and complete demolition phase within 12 months; and construction of the residential phase of the Project will commence within three months after completion of demolition and will complete construction of all Affordable homes and fifty percent of other homes within thirty-six months after completion of demolition; and Purchaser will Complete the balance of the Homes within sixty months after Completion of Demolition; and

**WHEREAS**, Lennar will commence construction of the Retail Phase of the Project no later than three months after completion of demolition and will complete fifty percent of core and shell and site improvements within eighteen months of completion of demolition; and Purchaser shall complete the balance of the Retail Phase within thirty months of the completion of demolition, and the Seller may grant a twelve-month extension of the thirty-month period to complete the balance of the Retail Phase so long as Purchaser is actively developing the Retail Phase and marketing the Project; and

**WHEREAS**, Lennar will be responsible for extending (or reimbursing FMERA for extending) a water main from the Avenue of Memories and Wilson Avenue to the Property's southeastern corner boundary to NJAW's existing main in Route 35 either by installing a new main along the Avenue of Memories in coordination with NJAW or looping a sufficiently sized main through the Property to the existing water main in Route 35 in coordination with NJAW. Purchaser will also be responsible, at Purchaser's cost and expense, for connecting the Property to the Eatontown Sewerage Authority's sanitary sewer interceptor in the vicinity of Mill Creek and Avenue of Memories by either repairing and reusing the existing Army sewer main or installing a new main, subject to the consent and approval of the Eatontown Sewerage Authority; and

**WHEREAS**, Lennar shall also be responsible for the cost of bringing electric service into the Property from Route 35 in coordination with JCP&L, and will convey at no cost to JCP&L either: (i) a site for an electric substation in the general vicinity of the former substation and an easement from the new substation to the eastern boundary of the property for the purpose of continuing the electrical supply to the east; or (ii) should JCP&L determine that a new substation is not necessary, a distribution line and easement over the Property from Route 35 to its southeastern boundary to all the abutting developments to access the distribution line; and



**WHEREAS**, FMERA and Lennar will jointly pursue NJDOT Highway Access Permits for the proposed development and FMERA will contribute up to \$200,000 toward the costs of roadway improvement (that do not abut the Property but are required) in connection with an anticipated NJDOT developer's agreement; and

**WHEREAS**, based on the redevelopment provisions of the PSARA between FMERA and Lennar, FMERA staff concludes that the essential elements of a redevelopment agreement between FMERA and Lennar are sufficiently addressed. The attached PSARA is in substantially final form. The final terms of the PSARA will be subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

**WHEREAS**, the Real Estate Committee has reviewed the Purchase and Sale & Redevelopment Agreement for Parcel B and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the selection of U.S. Home Corporation, d/b/a Lennar Monmouth Developers for Parcel B in Eatontown on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale & 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 Lennar Monmouth Developers 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: February 19, 2020**

**EXHIBIT 2**