

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: March 18, 2020

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 Utilities and Infrastructure
 - Update on Fort Monmouth Redevelopment & Marketing
 - 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**

1. Consideration of Approval of the Second Amendment to the Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse District and Post Office Area Parcels in Oceanport.
2. Consideration of Approval of Special Liquor License Letter of Consent for Suneagles Golf Course and the Bowling Center.
3. Consideration of Approval of an Amendment to the Extension Deposit Agreement with New Jersey American Water (NJAW) to install new water mains on the Main Post.
4. Consideration of Approval of the Third Amendment to the Agreement to Assign with FMERA and RWJ Barnabas Health, Inc. for Parcel F-1 (Myer Center).

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
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 Drahushak, 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 22nd regular meeting minutes. A motion as made to approve the minutes by Lillian Burry and seconded by David Nuse.

Motion to Approve: LILLIAN BURRY Second: DAVID NUSE
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 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 24th.

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, 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 11th 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 2nd.

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

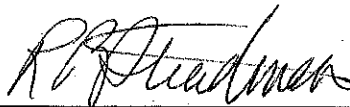
PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (5 minutes re: any FMERA business)

Roseann Letson of Tinton Falls thanked Bruce Steadman and Dave Nuse for their Fort redevelopment presentation at the February 6th 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.



Bruce Steadman – Secretary

ADOPTED
February 19, 2020

**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

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: March 18, 2020

SUBJECT: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include Treasurer's Report, Update on Utilities and Infrastructure; Update on the Fort Monmouth Redevelopment; Update on Marketing; and Action Items for Next Month.

Treasurer's Report

The Authority's independent auditors, CliftonLarsonAllen, LLP, completed their fieldwork the week of February 24 and continue 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. The auditors will report their findings to the Audit Committee at the Committee's next meeting in April. Subject to the Audit Committee's recommendation, the 2019 Comprehensive Annual Report including the audited financial statements will be forwarded to the Board for their review and approval at the April meeting.

Executive Director's Report**1. Update on Utilities and Infrastructure**

The facilities, environmental, and maintenance teams continue to maintain the fort through the winter months. Major facilities team projects currently include:

- Working with New Jersey American Water on the planning and design of a water main extension along Route 537 and the installation of a new water main extension on Wilson Avenue.
- Coordination with the Two Rivers Water Reclamation Authority on confirming a clean sanitary corridor through the 400 and Barker Circle areas, which will allow the elimination of a force main running through two parcels scheduled for development.
- The relocation of over-head electric lines on the Allison Hall parcel
- Sanitary force-main extension on North Drive
- Jersey Central Power and Light and the future build-out of the electrical power grid.

Facilities continues to work with the Army Corp on the cleanup of carve-outs, and the landfill capping project. Buildings slated for sale or reuse are regularly checked, sanitary lift stations are inspected weekly, and we closely monitor the electrical power to provide our developers and customers the best possible service. Facilities continues to assist our developers with utility and environmental issues, and support the real estate development team with RFOTP's, MCR's, tours, and development plans.

2. Update on the Fort's Redevelopment

The following is a town-by-town summary of the status of our redevelopment projects.

In **Oceanport**, FMERA has closed on the following nine properties:

- Officer Housing Parcels on January 13, 2017 with RPM Development, LLC. The company renovated the 116 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty (20%) percent of the total units are available to low- and moderate-income households.
- Main Post Chapel on February 27, 2017 with Triumphant Life Assembly of God Church who purchased the approximately 16,372 sq. ft. building for use as a house of worship.
- Russel Hall on June 23, 2017 with TetherView Property Management, LLC, a private cloud computing services company who occupies the 40,000 sq. ft. building. Russel Hall currently houses a variety of businesses including tech companies, medical offices, and an architecture firm.
- 13-acre parcel on Murphy Drive on August 16, 2017, where the Borough of Oceanport purchased the property for their new municipal complex.
- Fitness Center on September 26, 2017 enabling Fort Partners Group, LLC, to renovate and expand the facility to emphasize basketball and medically based fitness and wellness programs, and individualized group training and classes.
- Dance Hall parcel on April 4, 2018 to The Loft Partnership, LLC. The developer plans to renovate the Dance Hall as a microbrewery, coffee house, and banquet facility.
- Building 501, on April 24, 2019 with Family Promise of Monmouth County, an approximately 1.7-acre site, via a Legally Binding Agreement (LBA).
- Telecommunications Tower and Land on October 25, 2019 with Global Signal Acquisitions, LLC for an approximately 0.58 parcel of land containing the Telecommunications Tower and adjacent land.
- Squier Hall Complex, on December 18, 2019 with KKF University Enterprises, LLC, an approximately 31-acre site. The developer has secured a commitment from New Jersey City University for use of the site as a satellite campus and anticipates opening in Fall 2020.

Also in **Oceanport**, FMERA has executed or approved contracts on the following ten properties:

- Barker Circle, with Regional Development Group, LLC, 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.
- Allison Hall, with Fort Monmouth Business Center, LLC, a 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.
- Lodging Area, with Somerset Development, LLC, a 15-acre site located on Parkers Creek, to be developed with up to 185 new and renovated housing units.
- Marina, with AP Development Partners, LLC, currently operating as a marina/public boat ramp and restaurant.
- Warehouse District, with OPort Partners, LLC, consisting of five general purpose administrative buildings and two warehouse buildings.
- Post Office Area, including the former Post Office; Tickets & Tours building; Building 800, and Building 801.
- Commissary, with OPort Partners, LLC, which includes the former Army supermarket, the Post Exchange (PX) complex, a series of four wood-frame buildings along with Building 812, and a 1000 Area Parking parcel, a 5± acre lot that will provide off-street parking for the buildings that adjoin it.
- Nurses Quarters, with RPM Development, LLC for the 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.

FMERA intends to issue RFOTPs for the following Oceanport properties in the coming months:

- 400 Area, an 80± acre site east of Oceanport Avenue, zoned for housing and commercial uses.
- McAfee Center, a 90,000± sf R&D building with several related support buildings on a 47-acre site

In **Eatontown**, FMERA has executed or approved contracts on the following five 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 continues to operate the course in the interim so it remains open to the public as the redevelopment progresses.
- Building 1123, a former general office building at Avenue of Memories and Wilson Avenue with an executed PSARA with the Borough of Eatontown for the reuse by the Borough's Department of Public Works.
- Bowling Center, an approximately 2.8-acre parcel including Building 689, a 20-lane bowling alley and Building 682, a wood frame building to be demolished, where FMERA executed a PSARA with Parker Creek Partners, LLC.
- Parcel B, for the development of a mixed-use town center along Route 35 totaling approximately 250,000 sq. ft. of retail and 302 housing units where FMERA executed a PSARA U.S. Home Corporation d/b/a Lennar Monmouth Developers.

Also in **Eatontown**, FMERA is in negotiations for the sale and redevelopment of the following property:

- Expo Theater, an entertainment facility, 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.

FMERA intends to issue the following RFOTPs in Eatontown:

- Vail Hall, a 36,000± sf building on Avenue of Memories planned for office and/or commercial use
- Mallette Hall, a 57,000± sf office building across from Vail Hall slated for reuse or replacement

In **Tinton Falls**, FMERA has closed on the following five properties:

- Fort Monmouth Recreation Center and Swimming Pool, with the Monmouth County Park System and being used for programs which include arts & crafts, sports, exercise classes and a variety of amenities including classrooms, gymnasium and a game room.
- Parcel F-3 with the Monmouth County Park System in conjunction with the adjacent Recreation Center and Swimming Pool. Located along Hope Road, the County has expanded its services and public open space amenities currently offered at the Recreation Center.
- Charles Wood Fire Station, transferring the property to Commvault Systems, Inc. for use as corporate office and training space.
- Parcel C1 with Lennar Corporation, planned for 45 new single-family homes.
- Parcel C with Lennar Corporation, approved for 243 residential units and up to 58,000 sq. ft. of retail development.

FMERA has approved or executed a contract on two properties in Tinton Falls:

- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 sq. ft. of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is slated to close imminently.
- Parcel F-1 – Myer Center and Building 2705, an approximately 36-acre parcel in Tinton Falls where RWJ Barnabas Health (RWJBH) plans to create a health campus. On September 20, 2017, the Board approved a Purchase and Sale Agreement (PSA) with EDA for the parcel. On June 12, 2018, the EDA Board authorized the execution of an Agreement to Assign of the PSA among EDA, FMERA and RWJBH. At the Authority's June 2018 meeting, the Board approved the execution of an Agreement to Assign among FMERA, EDA and RWJBH providing for the assignment of a PSA between FMERA and EDA for the property. At the Authority's September 2018 meeting, the Board approved the First Amendment to the PSA and an Agreement and Assumption Agreement. At the March 2019 meeting, the Board approved the First Amendment to the Agreement to Assign for Parcel F-1. At the November 2019 meeting, the Board approved the Second Amendment to the Agreement to Assign for Parcel F-1. At tonight's meeting, the Board will be asked to approve the Third Amendment to the Agreement to Assign.

On September 27th, FMERA issued an RFOTP for the Tinton Falls Commercial Parcel, which includes the following.

- 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.
- Pistol Range, consisting of Building 2627, situated on approximately 1 acre; the Fire and Police Training Area, including Building 2628, situated on approximately 2.3 acres; and the Satellite Road Parcel, an approximately 1.5-acre tract of land.

At the January 22nd Board meeting, the Board approved the closing out of the Offer to Purchase Process for the Tinton Falls Commercial Parcel and the Issuance of a New Request for Offers to Purchase. In order to achieve FMERA's goal of developing a well-defined, commercial project that is complementary to the surrounding uses and furthers the economic growth of Fort Monmouth, FMERA issued the new RFOTP on February 28th with proposals due to April 27th. The new RFOTP will place greater emphasis on those qualities necessary to achieve the type of redevelopment that was envisioned in the Reuse Plan and as a result of existing and on-going redevelopment.

3. Marketing Update

FMERA is currently focused on advertising its two largest remaining parcels, the 400 Area, planned as Oceanport's town center project, and the McAfee Center, the centerpiece of a future tech and innovation campus. The team continues to host tours and meetings with prospective purchasers on a regular basis. FMERA hopes to release the 400 Area RFOTP in the coming weeks, subject to additional feedback from the Army. For more information on the 400 Area, please visit our website and review our redevelopment showcase presentation or reach out to our office.

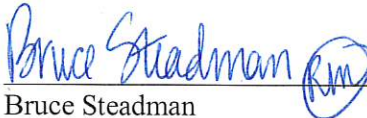
The Tinton Falls Commercial Parcel RFOTP is currently open for proposals and available for review on our website. The parcel is approximately 31 acres and is targeted for commercial development. Proposals are due by April 27th.

FMERA is also in the process of drafting its 2019 Annual Report and looks forward to sharing its year in review later this spring.

Please visit our website, www.fortmonmouthnj.com, or follow us on Instagram at @fortmonmouthnj for our latest updates and latest development opportunities.

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
- Continued drafting and revisions of documents for the 30+ projects underway


Bruce Steadman

ADOPTED
March 18, 2020

**Resolution Regarding
Second Amendment to the Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for
the Warehouse District and Post Office Area Parcels**

WHEREAS, on July 17, 2019, the Board authorized the execution of the PSARA between FMERA and OPort for the Property, an approximately fourteen-acre parcel consisting of two areas that are located along Rasor, Murphy, Alexander and Todd Avenues: the Warehouse District consists of approximately eight acres and includes seven buildings and the Post Office Area consists of approximately six acres and includes four buildings. The PSARA was executed on September 26, 2019; 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 within three Class A office buildings totaling approximately 86,250 sf.; 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 within 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, pursuant to the terms of the PSARA, OPort was provided a sixty-day Due Diligence Period commencing on the effective date of the PSARA, and OPort has 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

WHEREAS, the Approval Period shall run for fourteen months and Purchaser has the option of extending its fourteen-month Approval Period by an additional six-month extension period so long as it is proceeding in good faith; and

WHEREAS, closing(s) on the Warehouse District and the Post Office Area may occur in phases within thirty days upon satisfaction or waiver of all conditions precedent and closing on the environmental carveout known as Parcel 57 shall occur no later than Purchaser's receipt of all final and non-governmental approvals or ten days after all title and environmental obligations are satisfied, whichever is later; and

WHEREAS, Purchaser has retained EcolSciences for the purposes of conducting environmental site investigations along with Kennedy Consulting Engineering for engineering site investigations; and

WHEREAS, due to existing constraints of the site, OPort has requested a Due Diligence extension of ninety days to complete its investigation of the suitability of the Property for redevelopment and therefore, the First Amendment to the PSARA, approved by the FMERA Board on October 29, 2019, provided this extension, ending on February 23, 2020; and

WHEREAS, on February 21, 2020, OPort submitted a second request for an additional sixty day due diligence extension, citing both existing site conditions and a Phase 1 environmental investigation's findings in its request; EcolSciences has recommended a Phase 2 environmental investigation to address areas of concern and requires additional time to complete these investigations; and

WHEREAS, in accordance with Section 12 of the PSARA, OPort's Due Diligence Period expired on February 24, 2020, and pending formal Board approval of the requested extension, the PSARA remains in full force and effect and the Approval Period will commence upon the expiration of the Due Diligence Period; and

WHEREAS, OPort is proceeding in good faith and therefore, FMERA staff requests a Due Diligence extension until April 24, 2020; and

WHEREAS, all other terms of the PSARA will remain unchanged and the attached Second 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 Second Amendment with the Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse District and Post Office Area parcels 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: March 18, 2020

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Second Amendment to the Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse District and Post Office Area parcels.

DATE: March 18, 2020

Request

I am requesting that the Board approve the execution of the Second Amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with OPort Partners, LLC (“OPort” or “Purchaser”) providing for an extension of the Due Diligence Period as defined in the PSARA.

Background

On July 17, 2019, the Board authorized the execution of the PSARA between FMERA and OPort for the Property, an approximately fourteen-acre parcel consisting of two portions that are located along Rasor, Murphy, Alexander and Todd Avenues. The Warehouse District consists of approximately eight (8) acres and includes Buildings 975, 976, 909, 910, 911, 912, and 913; the Post Office Area totals approximately six (6) acres and includes Buildings 800, 801, 1005, and 1010. The PSARA was executed on September 26, 2019.

OPort’s proposal for the Warehouse District calls for the demolition of the existing buildings (Buildings 975, 976, 909, 910, 911, 912 & 913) 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. Community businesses and services may comprise a portion of the development. The Warehouse District is planned for three (3) Class A office buildings totaling approximately 86,250 sf.

OPort’s proposal for the Post Office Area calls for the demolition of the existing buildings (Buildings 1005, 1010, 800, and 801) 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. The Post Office Area is planned for three (3) new Class A office buildings totaling approximately 60,000 sf.

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.

Pursuant to the terms of the PSARA, OPort was provided a sixty (60) day Due Diligence Period commencing on the Effective Date of the PSARA. OPort has thirty (30) 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. The Approval Period shall run for fourteen (14) months. Purchaser has the option of extending its fourteen (14)

month Approval Period by an additional six (6) month extension period so long as it is proceeding in good faith. Closing(s) on the Warehouse District and the Post Office Area may occur in phases within thirty (30) days upon satisfaction or waiver of all conditions precedent. Closing on the environmental carveout known as Parcel 57 shall occur no later than Purchaser's receipt of all final and non-governmental approvals or ten (10) days after all title and environmental obligations are satisfied, whichever is later.

Purchaser retained EcolSciences for the purposes of conducting environmental site investigations along with Kennedy Consulting Engineering for engineering site investigations.

Due to existing constraints of the site, OPort requested a Due Diligence extension of ninety (90) days to complete its investigation of the suitability of the Property for redevelopment. The First Amendment to the PSARA, approved by the FMERA Board on October 29, 2019, provided this extension, ending on February 23, 2020.

Due Diligence & Amendment

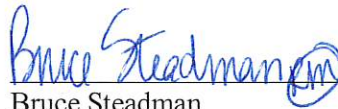
On February 21, 2020, OPort submitted a second request for an additional sixty (60) day due diligence extension, citing both existing site conditions and a Phase 1 environmental investigation's findings in its request. EcolSciences has recommended a Phase 2 environmental investigation to address areas of concern and requires additional time to complete these investigations. OPort is proceeding in good faith and therefore, FMERA staff requests a Due Diligence extension until April 24, 2020.

In accordance with Section 12 of the PSARA, OPort's Due Diligence Period expired on February 24, 2020. Pending formal Board approval of the requested extension, the PSARA remains in full force and effect and the Approval Period will commence upon the expiration of the Due Diligence Period. OPort will continue to have access to the site and may continue to perform testing. The approval of the extension by the FMERA Board, at its sole discretion, will result in OPort having the right to conduct its Due Diligence through April 24th and having all rights to terminate through such date as set forth in Section 12 of the PSARA.

All other terms of the PSARA will remain unchanged. The attached Second 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. The Real Estate Committee has reviewed and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the proposed Second Amendment to the PSARA with OPort Partners, LLC for an extension of the Due Diligence Period.


Bruce Steadman

Attachment: Second Amendment to the Purchase and Sale & Redevelopment Agreement
Prepared by: Sarah Giberson

ATTACHMENT

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



ADOPTED
March 18, 2020

**Resolution Regarding
Issuance of Fort Monmouth Special Liquor License Letters of Consent for the
Bowling Center and Suneagles Golf Course**

WHEREAS, on August 17, 2018, Governor Murphy signed an amendment to New Jersey's Alcoholic Beverage Law that expanded the number of on-site retail consumption licenses available in Eatontown, Tinton Falls, and Oceanport, restricted for use within the boundaries of formally owned or operated military installations. The legislation called for twelve special liquor licenses ("licenses") to be distributed among Fort Monmouth's three host municipalities as follows: two licenses for Tinton Falls, six licenses for Eatontown; and four licenses for Oceanport; and

WHEREAS, the issuance of licenses will be a cooperative effort by both the FMERA Board and the Boroughs; but, each Borough will be responsible for establishing its own award criteria and sale prices in accordance with the terms set forth by N.J.S.A. 33:1-12.52 and FMERA will be responsible for identifying Fort Monmouth projects that qualify for the license and recommending them to the Boroughs for award of a license; and

WHEREAS, using Board-approved objective criteria, the FMERA staff will recommend to the Board qualified projects and request the Board pass a resolution supporting the issuance of a letter of consent; the Borough(s) must receive FMERA's letter of consent prior to issuing a liquor license for any Fort Monmouth project; and

WHEREAS, developers seeking special liquor licenses for the Project area must submit an application to FMERA requesting a Liquor License Letter of Consent and each request for special license must identify the specific use for the request ("Proposed Special License Use"); and

WHEREAS, at the December 2019 FMERA Board meeting, the Board approved the objective criteria to evaluate projects' suitability for a special license; and

WHEREAS, the decision by the FMERA Board to provide a letter of consent shall be based upon consideration of whether the proposed special license will advance the conversion, redevelopment, or revitalization of the project area in accordance with FMERA's plan for the project area and based upon objective criteria established by the FMERA Board. FMERA may request any additional information for the applicant that it deems necessary to evaluate above criteria; and

WHEREAS, if it is determined by FMERA staff that a project and the proposed special license use meets the above-mentioned criteria, FMERA staff shall make a recommendation to the FMERA Board to pass a resolution expressing its support of award; and

WHEREAS, the letter of consent does not constitute an approval for a special license as the applicant remains subject to all qualifying criteria of the statute which shall be reviewed by the host borough and the Division of Alcoholic Beverage Control, including but not limited to, completion of the Mandatory Conceptual Review process, property transfers and qualification as a plenary retail consumption licensee pursuant to Title 33; and

WHEREAS, should any material change regarding the applicant or project or the proposed special license use occur after the letter of consent has been submitted, the applicant must inform FMERA and must resubmit for consideration; and

WHEREAS, these criteria resulted in the creation of an application and a scoring rubric that will be utilized to qualify or disqualify projects requesting a recommendation from the FMERA Board. A scoring rubric and application are included as an attachment; and

WHEREAS, FMERA received applications for Letters of Consent from Parker Creek Partners, LLC, the contract purchaser for the Bowling Center, and Martelli Development Group, LLC, the contract purchaser for Suneagles Golf Course, in the month of March 2020; and

WHEREAS, a panel of three (3) FMERA staff were selected and independently reviewed and scored applications for Liquor License Letters of Consent for the Bowling Center, planned for redevelopment as a renovated bowling and entertainment destination, inclusive of a restaurant, bar, indoor/outdoor games, and entertainment; and Suneagles Golf Course, planned for continued use as a golf course and a new residential community, inclusive of 75 townhomes, a 600-person banquet facility, tavern, pro-shop, and expansive golf course; and

WHEREAS, using the approved evaluation criteria, the three (3) evaluators unanimously agreed that both projects significantly impact the conversion, redevelopment, and revitalization of Fort Monmouth and have the potential to further their economic impact in conjunction with the use of a special license. The Bowling Center received an average score of 189. Suneagles Golf Course received an average score of 184; 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 approve the issuance of Liquor License Letters of Consent for two (2) qualified Fort Monmouth projects seeking special liquor licenses from the Borough of Eatontown.
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: March 18, 2020

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Issuance of Fort Monmouth Special Liquor License Letters of Consent for the Bowling Center and Suneagles Golf Course

DATE: March 18, 2020

Request

I am requesting that the Board approve the issuance of Liquor License Letters of Consent for two (2) qualified Fort Monmouth projects seeking special liquor licenses from the Borough of Eatontown.

Background

On August 17, 2018, Governor Murphy signed an amendment to New Jersey's Alcoholic Beverage Control Act that expanded the number of on-site retail consumption licenses available in Eatontown, Tinton Falls, and Oceanport within the boundaries of formally owned or operated military installations. The legislation called for twelve (12) special liquor licenses ("licenses") to be distributed among Fort Monmouth's three host municipalities as follows: two (2) licenses for Tinton Falls, six (6) licenses for Eatontown; and four (4) licenses for Oceanport. The additional liquor licenses are intended to attract new businesses, generate jobs, and support the overall economic revitalization of the region.

The issuance of licenses is to be a cooperative effort by both the FMERA Board and the Boroughs, however, each Borough will be responsible for establishing its own award criteria and sale prices in accordance with the terms set forth by N.J.S.A. 33:1-12.52. FMERA is responsible for identifying Fort Monmouth projects that qualify for the license and recommending them to the Boroughs for award of a license.

Using Board-approved objective criteria, the FMERA staff is to recommend to the Board qualified projects and request the Board pass a resolution supporting the issuance of a letter of consent. The Borough(s) must receive FMERA's letter of consent prior to issuing a liquor license for any Fort Monmouth project.

Application and Fort Monmouth Liquor License Recommendation Criteria

Developers seeking special liquor licenses for the Project area must submit an application to FMERA requesting a Liquor License Letter of Consent. Each request for special license must identify the specific use for the request ("Proposed Special License Use"). A redeveloper may request multiple licenses for different proposed special license uses, but each use will be scored separately and a letter of consent must be issued for each license.

The FMERA Board approved the following objective criteria to evaluate projects' suitability for a special license:



General requirements:

- Requests for letter of consent are exclusively reserved for first generation Fort Monmouth redevelopers and/or their assignee(s), until such time as all licenses are awarded.
- After April 1, 2023, or the statutory timeframe set forth in N.J.S.A. 33:1-12.52 for transfer of licenses among the municipalities, FMERA may consider second generation developers.
- A Purchase and Sale Agreement and Redevelopment Agreement (“PSARA”) with a defined Project must be approved by FMERA and the New Jersey Economic Development Authority;
- Project must be contained within the Project area as defined by N.J.S.A. 33:1-12.52(a); and
- Use of the license must be consistent with Reuse Plan (as amended), RFOTP, and approved and executed PSARA;

Evaluation Criteria:

- The proposed special license will advance the conversion, redevelopment, or revitalization of Fort Monmouth for the benefit of the host municipalities;
- The grant of a special license is linked to Project’s intended use and financial feasibility;
- The grant of the special license will facilitate the highest and best use of the property.
- Project does not include a 110-room hotel;
- RFOTP and/or PSARA does not provide option to obtain a state concessionaire permit;
- Project includes 150,000 square-feet of retail space;
- Primary use of Project involves the production and/or consumption of alcohol.

The decision by the FMERA Board to provide a letter of consent shall be based upon consideration of whether the proposed special license will advance the conversion, redevelopment, or revitalization of the project area in accordance with FMERA’s plan for the project area and based upon objective criteria established by the FMERA Board. FMERA may request any additional information for the applicant that it deems necessary to evaluate above criteria.

If it is determined by FMERA staff that a project and the proposed special license use meets the above-mentioned criteria, FMERA staff shall make a recommendation to the FMERA Board to pass a resolution expressing its support of award.

The letter of consent does not constitute an approval for a special license. The applicant remains subject to all qualifying criteria of the statute which shall be reviewed by the host Borough and the Division of Alcoholic Beverage Control, including but not limited to, completion of the Mandatory Conceptual Review process, property transfers and qualification as a plenary retail consumption licensee pursuant to Title 33. License shall not be transferrable to other sites outside the Fort boundary until the dissolution of FMERA.

Should any material change regarding the applicant or project or the proposed special license use occur after the letter of consent has been submitted, the applicant must inform FMERA and must resubmit for consideration.

Evaluation and Scoring

FMERA received applications from Parker Creek Partners, LLC, the contract purchaser for the Bowling Center, and Martelli Development Group, LLC, the contract purchaser for Suneagles Golf Course, in the month of March 2020.


A panel of three (3) FMERA staff were selected and independently reviewed and scored applications for Liquor License Letters of Consent for the Bowling Center, planned for redevelopment as a renovated bowling and entertainment destination, inclusive of a restaurant, bar, indoor/outdoor games, and entertainment; and Suneagles Golf Course, planned for continued use as a golf course and a new residential community, inclusive of 75 townhomes, a 600-person banquet facility, tavern, pro-shop, and expansive golf course.

Using the approved evaluation criteria, the three (3) evaluators unanimously agreed that both projects significantly impact the conversion, redevelopment, and revitalization of Fort Monmouth and have the potential to further their economic impact in conjunction with the use of a special license. The Bowling Center received an average score of 189. Suneagles Golf Course received an average score of 184.

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

Recommendation

In summary, I am requesting that the Board approve Liquor License Letters of Consent for the Bowling Center and Suneagles Golf Course.


Bruce Steadman

Prepared by: Sarah Giberson
Attachments: Application for Liquor License Letter of Consent

APPLICATION INFORMATION FORM

Fort Monmouth Liquor License Letter of Consent

The selected developer of a Fort Monmouth redevelopment project must complete and return this Application Information Form in order eligible to be considered for a Liquor License Letter of Consent, N.J.S.A. 33:1-12.53, as required for the issuance of a special liquor license in the Project Area as defined by N.J.S.A. 33:1-12.52.

Please note that each request for a special liquor license must be accompanied by an application identifying that liquor licenses use in detail.

SECTION I: GENERAL INFORMATION

APPLICANT NAME (CONTRACT PURCHASER UNDER APPROVED PURCHASE & SALE AND REDEVELOPMENT AGREEMENT "PSARA" or if an assignment has been granted under the terms of the PSARA, the Assignee's name along with FMERA's written consent to the assignment):

APPLICANT ADDRESS:

APPLICANT CONTACT:

APPLICANT E-MAIL ADDRESS:

APPLICANT CONTACT PHONE NUMBER:

SECTION II: PROJECT DETAILS

1. **Project Title** (ex. "Trinity Hall")

2. **Use of Property** (select all that apply):

_____ *Retail* _____ *Mixed-Use* _____ *Hospitality* _____ *Food Services**

_____ *Office* _____ *Entertainment and/or Recreation*

**Food services may include but are not limited to: restaurants, bars, brew pubs, catering halls*

3. Project Description

Please provide a brief narrative that describes development of the project:

4. Specific use and Building # (if applicable) for the requested special license.

5. Is this a first-generation Fort Monmouth redevelopment project?

Yes No

6. Does the applicant or its assignee have an executed, valid, Board approved PSARA with FMERA?

Yes No

7. Is the Project described in the PSARA contained within the Project area as defined by N.J.S.A. 33:1-12.52?

Yes No

If yes, identify the Borough: Oceanport Eatontown Tinton Falls

8. Is the proposed special license use consistent with the Reuse Plan (as amended), RFOTP, and the approved and executed PSARA?

Yes No

SECTION III: EVALUATION CRITERIA

1. Describe how the special license will advance the conversion, redevelopment, or revitalization of Fort Monmouth, as it relates to the Project, for the benefit of the host municipality.

2. **Is the grant of a special license linked to the Project's intended use and financial feasibility? How does the possible award of a liquor license impact the success or financial feasibility of this project?** *Please note that FMERA does not accept proposals that are contingent on the award of a liquor license, therefore, all selected redevelopers are expected to complete the Projects and meet all associated deliverables as defined under the terms of the Purchase & Sale and Redevelopment Agreement (PSARA), if a Liquor License Letter of Consent is not awarded.*

3. **Does the Project include a hotel of 100 rooms or more?**
 Yes No

4. **Does the Project include approximately 150,000 or more square feet of retail space?**
 Yes No

5. **Does the primary use of Project/Proposed special license use involve the production and/or consumption of alcohol?**
 Yes No Please explain:

SECTION IV: SCORING

To be considered eligible for a Liquor License Letter of Consent, Projects must score a minimum of 165 points on the attached scoring rubric, ATTACHMENT A. Qualified Projects meeting the minimum threshold will be presented to the FMERA Board for review and approval, at its sole discretion.

The decision by the FMERA Board to provide a letter of consent shall be based upon consideration of whether the proposed special license will advance the conversion, redevelopment, or revitalization of the project area in accordance with FMERA's plan for the project area and based upon objective criteria established by the FMERA Board. FMERA may request any additional information for the applicant that it deems necessary to evaluate the above criteria.

SECTION V: AWARD OF LIQUOR LICENSE LETTER OF CONSENT

Subject to the Governor's ten (10) day veto period, Board-approved applicants shall receive a Liquor License Letter of Consent from FMERA. **Receipt of a letter of consent does not constitute an approval for a special liquor license.**

The issuance of licenses will be a cooperative effort by both the FMERA Board and the Boroughs of Oceanport, Eatontown, and Tinton Falls; however, each Borough will be responsible for establishing its own award criteria and sale prices in accordance with the terms set forth by N.J.S.A. 33:1-12.52.

Liquor License Letters of Consent must be presented to the respective host municipality in accordance with the process set-forth by each Borough.

SECTION VI: MISCELLANEOUS

Applications for Liquor License Letters of Consent must be received for review and consideration by the 1st of the month and if qualified, shall be presented to the FMERA Board at the next scheduled monthly Board meeting. Applications received after the 1st will be held until the following monthly Board meeting. FMERA reserves the right to expedite or delay the review process, at its sole discretion, for any reason.

Applicant Signature

Date

ADOPTED
March 18, 2020

**Resolution Regarding
Approval of an Agreement with New Jersey American Water Company to install new water mains on the
Main Post**

WHEREAS, the water mains which service the Main Post of Fort Monmouth are outdated and not suitable for future water usage requirements, and, therefore, new mains must be installed to provide potable water service for current and future property owners. Further, the Purchase and Sale & Redevelopment Agreements (“PSARAs”) for the Eatontown DPW Complex, the Monmouth County DPW complex, the Artist Barracks and the Bowling Alley and future development require that FMERA provide water service at or near the property borders; and

WHEREAS, in June 2018, the Board approved an interagency agreement between FMERA and the Borough of Eatontown to contract for the Borough’s Engineer to design the water mains for Phases II and III (A & B), which will serve both sold properties and prospective purchasers on the Main Post. Phase 2A specifically serves the Eatontown DPW Complex, the Monmouth County’s DPW complex, the Artist Barracks and the Bowling Alley and future development; and

WHEREAS, the Borough’s Engineer prepared plans and a scope of work (the “Plans”) for the Project, and these Plans included surveying services, field reconnaissance, test pits, certification applications for Soil and Erosion Control, typical NJDOT Lane Closure Plans, and NJDOT Permit Application for Utility Opening (MT17A); and

WHEREAS, upon receipt of the plans for Phase 2A, FMERA prepared the application for the proposed new water main construction, but, in order to submit the plan to NJAW along with an Extension Deposit Agreement (“EDA”) and an Amendment to the EDA, FMERA must receive Board approval to also transmit the required \$10,000 deposit and ultimately make an estimated payment of Four Hundred and Twenty-Five Thousand Eight Hundred and Thirty-Nine Dollars and Forty Eight Cents (\$425,839.48) (“Initial Estimate”) for the full balance of the estimate cost for the project; and

WHEREAS, upon Board approval and after the ten-day Governor’s veto period, FMERA will provide the \$10,000 deposit, EDA and EDA Amendment to NJAW and NJAW will put the proposed new water main construction out to bid in order to facilitate the construction and installation of the water main to serve the above properties and future developments; and

WHEREAS, once bids are received, NJAW will amend its Initial Estimate to a Revised Estimated, reflecting price of the winning submission; and

WHEREAS, the timing of this payment is particularly critical as FMERA expects several of these projects to close this year and it will also allow some existing end users to transfer to the new system; and

WHEREAS, staff requests that the Board authorize the payment of the \$10,000 deposit and the anticipated full balance of the Initial Estimate for the project, and staff further recommends that the Board approve the use of delegated authority to make additional payments up to 20% of the total Initial Estimate should the Revised Estimate or later cost over-runs exceed the Initial estimate; and

WHEREAS, FMERA anticipates a later contribution for a portion of the costs of the water main under an existing Purchase and Sale and Redevelopment Agreement (“PSARA”) with Parker Creek Partners, LLC (“PCP”); under Section 47(c) of the Bowling Alley’s PSARA, PCP shall be responsible for contributing the cost of five hundred (500) linear feet of new water main for the Bowling Alley’s property. The amount of PCP’s contribution is estimated to be \$104,480.00; and

WHEREAS, NJAW's standard form of agreement is attached. The agreement will be amended by the attached amendment to clarify the following terms: (1) The only physical work required as a condition of the agreement is the markout locations and cut and cap existing pipes. All other physical work will be done at a later time at FMERA's discretion; (2) Any additional over-run costs beyond the 20% approved by the Board will require FMERA Board approval; and

WHEREAS, the attached NJAW EDA for Phase 2A and the Amendment to the EDA are 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 of the terms outlined above.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached agreement, an agreement with New Jersey American Water Company to install new water service on the Main Post to service the Eatontown DPW Complex and Monmouth County's DPW complex, the Artist Barracks and the Bowling Alley and future development at a total cost estimated to be \$425,839.48.

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: March 18, 2020

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Agreement with New Jersey American Water Company to install new water mains on the Main Post

DATE: March 18, 2020

Request

I am requesting that the Board approve an agreement with New Jersey American Water Company (“NJAW”) to install new water service on the Main Post to service the Eatontown DPW Complex and Monmouth County’s DPW complex, the Artist Barracks and the Bowling Alley and future development at a total cost estimated to be \$425,839.48.

Background

The water mains which service the Main Post of Fort Monmouth are outdated and not suitable for future water usage requirements. Therefore, new mains must be installed to provide potable water service for current and future property owners. Further, the Purchase and Sale & Redevelopment Agreements (“PSARA”) for the above properties require that FMERA provide water service at or near the property borders.

In June 2018, the Board approved an interagency agreement between FMERA and the Borough of Eatontown to contract for the Borough’s Engineer to design the water mains for Phases II and III (A & B), which will serve both sold properties and prospective purchasers on the Main Post. Phase 2A specifically serves the Eatontown DPW Complex and Monmouth County’s DPW complex, the Artist Barracks and the Bowling Alley and future development. The Borough’s Engineer prepared plans and a scope of work (the “Plans”) for the Phase 2A. These Plans included surveying services, field reconnaissance, test pits, certification applications for Soil and Erosion Control, typical NJDOT Lane Closure Plans, and NJDOT Permit Application for Utility Opening (MT17A). Upon receipt of the plans for Phase 2A, FMERA prepared the application for the proposed new water main construction. However, in order to submit the plan to NJAW along with an Extension Deposit Agreement (“EDA”) and an Amendment to the EDA, FMERA must receive Board approval to also transmit the required \$10,000 deposit and ultimately make an estimated payment of Four Hundred and Twenty-Five Thousand Eight Hundred and Thirty-Nine Dollars and Forty Eight Cents (\$425,839.48) (“Initial Estimate”) for the full balance of the estimate cost for the project.

Upon Board approval and after the ten-day Governor’s veto period, FMERA will provide the \$10,000 deposit, EDA and EDA Amendment to NJAW and NJAW will put the proposed new water main construction out to bid in order to facilitate the construction and installation of the water main to serve the Eatontown DPW Complex, Monmouth County’s DPW complex, the Artist Barracks and the Bowling Alley and future developments. Once bids are received, NJAW will amend its Initial Estimate to a Revised Estimated, reflecting the price of the winning submission. The timing of this payment is particularly critical as FMERA expects several of these projects to close this year and it will also allow some existing end users to transfer to the new system. Therefore, staff requests that



the Board authorize the payment of the \$10,000 deposit and the anticipated full balance of the Initial Estimate for the project.

Staff further recommends that the Board approve the use of delegated authority to make additional payments up to 20% of the total Initial Estimate should the Revised Estimate or later cost over-runs exceed the Initial estimate.

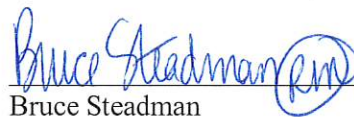
Additionally, FMERA anticipates a later contribution for a portion of the costs of the water main under an existing Purchase and Sale and Redevelopment Agreement ("PSARA"). Under Section 47 of the Bowling Alley's PSARA, the Bowling Alley Purchaser shall be responsible for contributing the cost of five hundred (500) linear feet of new water main to the Bowling Alley's property. The amount of the Bowling Alley Purchaser's contribution is estimated to be \$104,480.00. The Bowling Alley Purchaser is currently in its Approval Period until May 1, 2020.

NJAW's standard form of agreement is attached. The agreement will be amended by the attached amendment to clarify the following terms: (1) The only physical work required as a condition of the agreement is the markout locations and cut and cap existing pipes. All other physical work will be done at a later time at FMERA's discretion; (2) Any additional over-run costs beyond the 20% approved by the Board will require FMERA Board approval. The final terms of the agreement are subject to the approval of FMERA's Executive Director and the Attorney General's Office.

The attached NJAW EDA for Phase 2A and the Amendment to the EDA are in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and the Attorney General's Office. The Real Estate Committee reviewed the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board authorize the execution of an agreement with New Jersey American Water Company to install new water service on the Main Post to service the Eatontown DPW Complex and Monmouth County's DPW complex, the Artist Barracks and the Bowling Alley and future development at an estimated total upfront cost to FMERA of \$425,839.48.


Bruce Steadman

Attachments: NJAW Executed Deposit Agreement and Amendment
NJAW Cost Estimate
Prepared by: Kara Kopach

ATTACHMENT

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



AOPOTED
March 18, 2020

**Resolution Regarding
Third Amendment to the Agreement to Assign**

THIS THIRD AMENDMENT TO AGREEMENT TO ASSIGN (hereinafter the “Third Amendment”) is made and entered into the ____ day of March 2020 (the “Effective Date”), by and among:

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 1974, C.80, N.J.S.A. 34:1 B-1 et seq., with an address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625 (hereinafter referred to as the “Assignor”); and

RWJ BARBABAS HEALTH, INC., a New Jersey non-profit corporation with an address at 95 Old Short Hills Road, West Orange, New Jersey 07052 (hereinafter referred to as the “Assignee”); and

FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY, a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c.51, N.J.S.A. 52:27I-18 et seq., whose address is 502 Brewer Avenue, P.O. Box 267, Oceanport, New Jersey 07757 (hereinafter referred to as the “Seller” or “FMERA, and together with Assignor and Assignee, the “Parties”).

WITNESSETH:

WHEREAS, Assignor and FMERA previously entered into that certain Purchase and Sale Agreement, dated as of October 30, 2017, as amended (the “Purchase Agreement”), a copy of which is attached hereto as **Exhibit A**, pursuant to which Assignor has agreed to acquire certain real property identified in Paragraph 3 and Exhibit B of the Purchase Agreement (the “Property”); and

WHEREAS, the Parties previously entered into that certain Agreement to Assign, dated as of August 10, 2018, a copy of which is attached hereto as **Exhibit B**, pursuant to which Assignor agreed to assign to Assignee all of Assignor’s rights, title and interest in the Purchase Agreement by way of separate document; and

WHEREAS, the Parties previously entered into that certain First Amendment to Agreement to Assign dated June 5, 2019 a copy of which is attached hereto as **Exhibit C**, and that certain Second Amendment to Agreement to Assign dated December 3, 2019 a copy of which is attached hereto as **Exhibit D** (the Agreement to Assign, the First Amendment and the Second Amendment are collectively referred to as the “Assignment Agreement”); and

WHEREAS, Assignee has demonstrated to the satisfaction of Assignor and FMERA that Assignee has been diligently pursuing the approvals and permits necessary for construction and operation of the Property; and

WHEREAS, the Parties have determined that (i) Assignee will be unable to obtain all necessary permits and approvals for the construction and operation of the Property within the Approval Period (as defined in the Assignment Agreement) as extended, and (ii) the Approval Period should be subject to two (2) additional extension periods in order to prevent delays or interruption while Assignee seeks such permits and approvals; and

WHEREAS, the Parties have agreed to further modify and amend the Assignment Agreement as hereinafter set forth.

NOW THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration, the parties hereto mutually covenant and agree as follows:

1. Recitals. The recitals set forth above are true and correct and by this reference are incorporated herein in their entirety.
2. Definitions. All terms not defined herein shall have the meaning given to them in the Agreement to Assign.
3. Amendment of Agreement to Assign. Section 8.ii. of the Agreement to Assign is hereby amended and restated in its entirety as follows:

Approval Period. The Approval Period in the original Agreement expired on February 10, 2020. Assignee has exercised its first six (6) month extension through August 10, 2020 and has paid the required \$50,000 non-refundable deposit. Assignee may exercise up to three (3) additional six (6) month extension periods upon payment by Assignee to Assignor of (i) with respect to the second extension, a \$50,000 non-refundable deposit, and (ii) with respect to the last two extensions, a \$100,000 non-refundable deposit per extension; provided, that all extension payments shall be fully refundable in the event of a default hereunder by FMERA or Assignor. Such deposits shall be credited against the Assignment Price at Closing. If, after expiration of the such extension periods, Assignee has not obtained all permits and approvals necessary pursuant to this Section, any Party shall have the right to terminate this Agreement, and in the event of such a termination this Agreement shall be deemed null and void, the deposit monies (with the exception of any deposit monies paid in exchange for an extension of the Approval Period) shall be refunded to Assignee, and no Party shall have any other liability to the other pursuant to such agreements.
4. Counterpart Copies. This Third Amendment may be executed in any number of counterpart copies, all of which shall have the same force and effect as if all parties hereto had executed a single copy hereof. Facsimile or PDF signatures to this First Amendment shall have the same force and effect as "ink" signatures and no "ink" copy of any facsimile or PDF signature is required to bind the party signing by facsimile or PDF to this Third Amendment.
5. Entire Agreement, Ratifications and Reconciliation. The Assignment Agreement and this Third Amendment contain the final and entire Agreement between the Parties with respect to the sale and purchase of the Property, and are intended to be an integration of all prior negotiations and understandings. Except as modified in this Third Amendment, the Assignment Agreement is hereby ratified and remains in full force and effect. The terms and provisions of this Third Amendment shall be reconciled with the terms and provisions of the Assignment Agreement to the fullest extent reasonably possible; provided, however, in the event of any irreconcilable conflict between any term or provision of this Third Amendment and any terms or provisions of the Assignment Agreement, such term or provision of this Third Amendment shall control.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Third Amendment to the Agreement to Assign for additional extension periods for RWJBH to obtain all necessary permits and approvals for the construction and operation of RWJBH's planned project at Parcel F-1 on terms substantially consistent to those set forth herein and 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 Second Amendment.

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: March 18, 2020

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Parcel F-1, Tinton Falls
Third Amendment to the Agreement to Assign with RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority

DATE: March 18, 2020

Request

I am requesting that the Board approve the execution of the Third Amendment to the Agreement to Assign (“Assignment”) among the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Seller”), the New Jersey Economic Development Authority (“NJEDA” or “Assignor”), and RWJ Barnabas Health, Inc. (“RWJBH” or “Assignee”). The Third Amendment provides for additional extension periods for RWJBH to obtain all necessary permits and approvals for the construction and operation of RWJBH’s planned project at Parcel F-1 in the Tinton Falls Reuse Area (the “Property”).

Background

1. Approval of the Purchase and Sale and Agreement and Mortgage

In September 2017, the Members authorized the execution of a Purchase and Sale Agreement (“PSA”) between FMERA and NJEDA for the Property, an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab. The September 2017 resolution also authorized FMERA’s execution of a mortgage on the Property in the amount of NJEDA’s estimated investment (\$7,328,771) to reposition the Property for sale and redevelopment.

2. Agreement to Assign

In February 2018, RWJBH submitted an unsolicited offer to NJEDA to purchase the Property for an amount not to exceed \$8 million. RWJBH intends to develop a health campus on the Property, which currently includes:

- An ambulatory care center
- A medical office building
- A Cancer Institute of New Jersey cancer center
- A system business office
- Campus space for future medical and health facilities

After negotiations among RWJBH, NJEDA and FMERA (jointly the “Parties”) and the approval of the NJEDA and FMERA Boards, the Parties executed an Agreement to Assign on August 10, 2018, that included the following terms:



- At closing, NJEDA will assign to RWJBH the PSA between FMERA and NJEDA for (a) all of NJEDA's actual and documented costs to reposition the Property for sale, including, but not limited to, cost of professional services, the demolition, site improvements, and other environmental investigation and remediation activities occurring at the Property plus (b) five percent (5%) of these costs, however, in no event shall the Assignment Price and Homeless Trust Fund Contribution exceed \$8 million.
- The Homeless Trust Fund Contribution, \$727,996.50, will be paid directly to FMERA by RWJBH at closing; this amount is included in the \$8 million maximum.
- At execution of the Agreement, RWJBH will post a deposit with its title company equal to 15% of NJEDA's estimated cost to reposition the Property for sale.
- As preconditions to the assignment and closing, RWJBH may perform its own title and survey investigation and due diligence and obtain necessary project approvals. The Approval Period duration is 18 months from the effective date of the Agreement with two 6-month extensions (subject to a \$50,000 non-refundable deposit per extension).
- Conditions precedent to the assignment and closing include an Amendment to the PSA, a Redevelopment Agreement between FMERA and RWJBH, and an amendment to the Fort Monmouth Reuse and Redevelopment Plan.

3. First Amendment to the Agreement to Assign

Under the executed Agreement to Assign, RWJBH's due diligence period commenced on the Assignment's Effective Date and concluded one hundred twenty (120) days thereafter on December 10, 2018. Because of NJEDA's ongoing demolition efforts on the Myer Center parcel, RWJBH was not able to conduct subsurface environmental due diligence in the footprints of Buildings 2700 and 2705 or the Lime Pit Area. In March 2019, the Members approved the First Amendment to the Agreement to Assign, dated June 5, 2019 (the "First Amendment"), which the Parties executed to permit RWJBH to conduct additional testing to assess subsurface environmental conditions at the Property beneath (i) Buildings 2700 and 2705 and (ii) the Lime Pit Area after the completion of the demolition efforts. While RWJBH was able to complete the additional testing beneath former Buildings 2700 and 2705 within the additional time allotted, the Army did not grant access for testing of the Lime Pit Area, and the Additional Testing Period set forth in the First Amendment expired.

4. Second Amendment to the Agreement to Assign

On November 14, 2019 the Board approved a further modification and amendment to the Agreement to Assign (the "Second Amendment") to reflect the following:

- The provisions of Paragraph 10(a) of the Agreement to Assign notwithstanding, RWJBH was provided until sixty (60) days after the Effective Date of the Second Amendment or February 28, 2020, whichever was later, to conduct additional inspection, sampling and testing to assess subsurface environmental conditions at the Property beneath the Lime Pit Area (the "Second Additional Environmental Testing Period").
- RWJBH had the right to terminate the Agreement to Assign on written notice to NJEDA and FMERA due to any unsatisfactory surface or subsurface environmental conditions at the Property beneath the Lime Pit Area within the Second Additional Environmental Testing Period.
- Upon such termination, the Deposit would be returned to RWJBH and, except as expressly provided by in the Agreement to Assign, all rights and obligations of the Parties would be null and void. If RWJBH does not elect to terminate the Agreement to Assign within the Second Additional Environmental Testing Period for the foregoing reason, RWJBH would conclusively be deemed to have waived its right of termination.

The Parties executed the Second Amendment to the Agreement to Assign on December 3, 2019. RWJBH has now satisfactorily completed environmental testing beneath the Lime Pit Area and is now proceeding to the project's approvals phase.

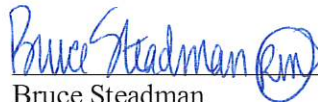
5. Proposed Third Amendment to the Agreement to Assign

Because of the scope and complexity of its project, RWJBH has determined that it will be unable to obtain all necessary permits and approvals for the construction and operation of the Property within the 18-month Approval Period and the two optional six-month extension periods specified in the Assignment Agreement. The expiration date of the Approval Period including options is currently February 10, 2021. Accordingly, in the event it is unable to obtain all approvals within the Approval Period under the Assignment Agreement as extended, RWJBH has requested two additional six-month extension options that would extend the Approval Period through February 10, 2022. In consideration for the two additional extension periods, RWJBH will pay a \$100,000 deposit per extension. The deposits will be credited against the Assignment Price at Closing and will only be refundable in the event of a default by FMERA or EDA.

The attached Third Amendment to the Agreement to Assign is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, NJEDA's Chief Executive Officer, and the Attorney General's Office. On March 10th, the EDA Board approved the Second Amendment to the Agreement to Assign and the FMERA Real Estate Committee approved the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board authorize the execution of the Third Amendment to the Agreement to Assign among the New Jersey Economic Development Authority, the Fort Monmouth Economic Revitalization Authority and RWJ Barnabas Health, Inc. providing RWJBH up to two additional extension options to obtain all necessary approvals to develop a health care campus at Parcel F-1 in the Tinton Falls Reuse Area.


Bruce Steadman

Attachment: Third Amendment to Agreement to Assign
Prepared by: Kara A. Kopach

ATTACHMENT

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

