

**Fort Monmouth Economic Revitalization Authority
Board Meeting
May 20, 2020
Via Teleconference**

MINUTES OF THE MEETING

Members of the Authority present via teleconference via a roll call vote:

- Robert W. Lucky – Vice-Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Jay Coffey – Mayor of Oceanport – V
- 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
- Sean Thompson, Director, Division of Local Planning Services, NJ Department of Community Affairs
- William Riviere, Principal Planner, NJ Department of Transportation
- Baden Almonor, Central Regional Chief, NJ Department of Labor & Workforce Development

V – Denotes Voting Member

Also present:

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

The meeting was called to order by Vice-Chairman Robert Lucky at 7:00p.m. who asked for a moment of silence for unity and safety in lieu of the Pledge of Allegiance to the Flag of the United States of America.

Bruce Steadman explained the teleconference meeting protocol with regards to the Board and public's participation. He stated that due to the current worldwide health situation, and the need to curtail or eliminate in-person meetings, the FMERA Board meeting for May was being held remotely, with Board, staff, and the public participating via telephone. He stated that all Board votes would be roll-call votes, for the purpose of verifying the Board members' votes, including acceptance of the Minutes from the previous meeting. He noted that at the beginning of the Public Comment periods, he would ask members of the public who wished to make a comment or ask a question to state their name, and that he would call on each of them to make their comment or ask their question.

Mr. Steadman thanked the staff, Board members, and the public for their cooperation in accepting and following these modifications to the normal public meeting routine and noted that otherwise it was FMERA's intention to adhere to a normal meeting agenda.

Bruce Steadman announced that in accordance with the Open Public Meetings Act, notice of the meeting and notice of the change in the meeting to a teleconference 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 April 15th regular meeting minutes. A motion as made to approve the minutes by Lillian Burry and seconded by Tracy Buckley.

Bruce Steadman conducted a roll call vote.

NAME	YES	NO	ABSTAIN
Robert Lucky	X		
Lillian Burry	X		
Anthony Talerico	X		
Jay Coffey	X		
Tracy Buckley	X		
Stephanie Brown	X		
Dave Nuse	X		

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

WELCOME

Vice-Chairman Robert Lucky welcomed attendees to the Authority's teleconference meeting. Dr. Lucky stated that a copy of the Board package was posted to the FMERA website to give the public the opportunity to review the information in advance of the meeting. Dr. Lucky stated that the Board would consider four 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 this would be a remote teleconference meeting, similar to April's board meeting, due to the response to the pandemic. He thanked all the participants and noted that it was likely that the June board meeting would also be a remote teleconference meeting.

TREASURER'S REPORT

Jennifer Lepore, Accounting Manager stated that on a quarterly basis, staff compares actual expenditures to the approved budget, as well as projecting out to year-end to monitor spending and ensure the Authority stays on or under budget. FMERA controls spending to the extent possible, until land sales occur, and proceeds are received, at which point, we determine which projects in our budget can be completed. As of the end of the 1st quarter, FMERA is, and is targeted to remain on or under budget through year-end.

FMERA's independent accounting firm, CliftonLarsonAllen, LLP completed the 2019 audit and reported their findings to the Audit Committee at their May 4th meeting. The auditors issued an unmodified opinion, with regard to FMERA's financial statements, which is their highest opinion. The Annual Report and the audited financial statements serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 and the June 2012 and October 2016 Economic Development Conveyance agreements with the Army. Based on the Audit Committee's review, the Committee recommended the presentation of the 2019 Comprehensive Annual Report for Board approval at tonight's meeting.

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

There was no public comment.

EXECUTIVE DIRECTOR'S REPORT

1. Kristy Dantes, Director of Facilities & Infrastructure gave the following update:

The facilities, environmental, and maintenance teams continue to maintain the Fort through the Covid-19 situation. Within the last month there have been a few minor infrastructure issues that were managed by the Facilities staff. The maintenance team is transitioning to summer mode and the public roads have been cleared of fallen trees and debris and the summer mowing schedule has begun.

Projects Facilities is currently working on include:

- An investigation locating the underground course of storm water across the fort from Main street to Oceanport Creek at the warehouse parcel
- The planning of the New Jersey American Water main extension along Avenue of Memories
- The Phase 2 water main extension on Wilson Avenue
- A Two Rivers Water Reclamation Authority force main extension in the 400 area
- A sanitary main extension on North Drive

Buildings slated for sale or reuse are regularly checked. The heating systems in inactive buildings have been shut down. Sanitary lift stations and generators are inspected weekly, and the fort's electrical power system is monitored. Facilities continues to assist developers, and supports the real estate development team with RFOTP's, MCR's, and development plans.

2. 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 16 parcels are under contract or have Board-approved contracts.

FMERA received two proposals for the recently closed RFOTP for the Tinton Falls Commercial Parcel. An evaluation committee has been selected and proposals are presently under review.

Due to the unanticipated COVID-19 pandemic, FMERA has worked with its partners and developers to approve necessary extensions and contract amendments to support the completion of vital redevelopment projects across the three boroughs. As a result of these efforts, FMERA is pleased to report that all projects continue to move forward in good faith.

Sarah Giberson stated FMERA continues to engage with leads and prospective purchasers via teleconference as the team navigates the challenges of COVID-19. FMERA remains focused on its mission and will continue to market its two largest remaining parcels, the 400 Area and the McAfee Center; however, the release of the associated Requests For Offers to Purchase may be delayed. FMERA is closely monitoring on-going projects and providing additional support to its developers to ensure the successful redevelopment of properties currently under contract.

This evening, FMERA is presenting its 2019 Annual Report for approval and looks forward to sharing its year in review in June.

Our team continues to work remotely and is available during normal business hours via email and cell phone. Please sign-up for our email list and visit our website, www.fortmonmouthnj.com, for the latest updates regarding our operations.

Bruce Steadman thanked all of the designees and their respective organizations for all of their work and cooperation over the past few weeks during the COVID-19 pandemic.

Bruce Steadman stated that the FMERA staff continues to hold developer meetings via conference call and has begun making changes to the FMERA offices to prepare for the post COVID realities. These changes include increasing the

ability for videoconferencing with developers, the installation of touchless doors and entry ways, and heightened cleaning and sanitation measures based on the State and Center of Disease Control (CDC) guidelines.

Bruce Steadman thanked FMERA staff, specifically Sarah Giberson as the lead, as well as Regina McGrade and Jennifer Lepore in putting together the annual report. Mr. Steadman stated that the Annual Report would be available to the public following the Governor's 10-day veto period.

Lillian Burry complimented the FMERA staff for the Annual Report stating that it was exceptionally well done.

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

Mr. Steadman thanked the Boroughs of Eatontown, Tinton Falls, and Oceanport, and the County for their continued support and help on various day-to-day operating issues; and noted the outstanding support and help received from our key state stakeholders: the BDA, the GAU, the Office of Attorney General, the DEP, the DOT, the DOL, the DCA, and many others.

COMMITTEE REPORTS

1. AUDIT COMMITTEE (ROBERT LUCKY, CHAIRMAN)

Robert Lucky stated that the Committee met on May 4th and discussed the following:

- Discussion regarding the Authority's 2019 Comprehensive Annual Report. The Annual Report is combined with the audited financial statements and serves as FMERA's comprehensive annual report for 2019. The independent accounting firm of CliftonLarsonAllen LLP has issued an unmodified opinion with regard to the 2019 financial statements which is their highest opinion. The Committee reached a consensus and agreed to recommend to the Board for approval.
- Other Issues
 - MCIA
 - Delayed Closings due to COVID 19
 - FMERA Cashflow

Dr. Lucky stated the Annual Report was very well done and is proud to be a part of it.

2. REAL ESTATE COMMITTEE (ROBERT LUCKY)

Robert Lucky stated that the Committee met on May 12th and discussed the following:

- Discussion regarding a Rule Modification under Executive Order 103 for the PSARA's. The Rule Modification will allow FMERA to release the RFOTP deposit funds submitted by a developer for any development project with a purchase price of \$2 million or more. FMERA wishes to do so to provide assistance to developers facing economic hardship during COVID. The Committee reached a consensus and agreed to recommend it to the Board for approval.
- Discussion regarding the First Amendment to the Lodging Parcel PSARA. The developer has asked for modifications to the terms of the PSARA. The Committee reached a consensus and agreed to recommend it to the Board for approval.
- On May 19th, the Committee received, via email, an additional Board action regarding Consent to Designation of Oceanport Area within Fort Monmouth within the Borough of Oceanport's Municipal Boundaries as Area in Need

of Redevelopment; Conditioned Consent to Designation of Oceanport Area within Fort Monmouth outside of the Borough of Oceanport's Municipal Boundaries. The Committee, via email response, reached a consensus and agreed to recommend it to the Board for approval.

- Other Issues
 - Howard Commons
 - Parcel B
 - Expo Theater
 - Eatontown Liquor Licenses
 - Tinton Falls Commercial Parcel RFOTP
 - Water Projects
 - Approvals Meetings

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

Kenneth J. Kloo stated that the Committee met on May 4th and discussed the following:

Per FMERA's statute, the Authority's Environmental Staff Advisory Committee shall be the exclusive environmental commission for all land use matters and approvals within the Fort Monmouth Project Area, therefore, a public meeting is required for all Mandatory Conceptual Reviews, or MCRs.

The Public portion of the meeting was called to order at 4:30p.m.

The following environmental requirements were identified in the MCR for the Bowling Center Parcel project:

- A Soil Erosion and Sediment Control Plan will need to be submitted due to the disturbance of more than 5,000 square feet of soil.
- The developer should evaluate the need to perform a Flood Hazard Assessment.

The following environmental requirements were identified in the MCR for the Charles Wood Fire Station Parcel.

- A Soil Erosion and Sediment Control Plan will need to be submitted due to the disturbance of more than 5,000 square feet of soil. If the Freehold Soil Conservation District determines that the project will likely disturb one acre or more of soil, the developer should secure an Authorization to Discharge 5G3 Construction Activity Stormwater General Permit from the NJDEP.
- If the Freehold Soil Conservation District makes a determination that the proposed project is likely to disturb one acre or more of soil, said project would be considered a "major development" as defined by N.J.A.C. 7:8 and would be subject to the NJDEP's stormwater management requirements.
- A small area of disturbance is shown within the wetlands buffer zone; therefore, the developer shall secure all necessary permits from the NJDEP for the proposed disturbance.
- The developer should evaluate the need to perform a Flood Hazard Assessment.
- A small area of disturbance is shown within the Riparian zone; therefore, the developer shall secure all necessary permits from the NJDEP for the proposed disturbance.

The public portion of the meeting was closed at 4:55p.m.

FMERA staff provided an update on the Group 2 Deed and Group 3 Findings of Suitability to Transfer (FOSTs):

- The Group 2 deed is expected to be executed by the Army and FMERA and will be recorded in the next few weeks.
- The Group 3 FOST was posted for the 45-day public comment period and received no comments. The Army Corps of Engineers will now begin work on the Group 3 Deed.

Discussion regarding the 400 Area Environments Carve-Out Parcels 83, 90, 103 & 104

- Parcel 83, 103 & 104 – The parcels were used for coal storage. PAH's were detected above their respective soil remediation standards. The Army is considering the placement of a soil cap ovetop over the contaminants of concern and establishing deed restrictions on the four parcels. By proposing restrictions on the parcels, it will likely result in a devaluation in marketing the parcels. FMERA and the NJDEP are working with the Army to fully remediate the property so there are no environmental restrictions.

- Parcel 90 – Former UST farm. UST's were removed by the Army in the 1990s and a discharge was reported.
- The Army will submit Remedial Investigation/Feasibility Study reports, to include a risk analysis, to the NJDEP for the four Parcels.

FMERA staff provided an update on the Carve-out Parcels:

- Former Dry-Cleaning Facility – The Army has completed two rounds of chemical injections and will submit a Remedial Investigation/Feasibility Study report to the NJDEP after final review by the Army.
- Neutralization Pit at Myer Center – The Army completed a second round of chemical injections in January and has also completed post injection ground water sampling.
- Former Auto craft Shop – The Army submitted a Remedial Investigation/Remedial Action report to the NJDEP for review.

FMERA staff concluded the meeting with an update on the Water and Sewer projects and an update on the RFOTPs:

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. Ms. Burry stated that while the Memorial Day weekend is looked upon as the unofficial start of the summer, it has a far more deeper meaning and we should pay tribute to those who pay the ultimate price for our freedom. Ms. Burry stated that the County maintains a Veterans Resource office at Russel Hall at Fort Monmouth.

BOARD ACTIONS

1. The first item before the Board was Consideration of Approval of the Authority's 2019 Comprehensive Annual Report.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

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

Bruce Steadman conducted a roll call vote.

NAME	Yes	No	Abstain
Robert Lucky	X		
Lillian Burry	X		
Anthony Talerico	X		
Jay Coffey	X		
Tracy Buckley	X		
Stephanie Brown	X		
Dave Nuse	X		

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

2. The second item before the Board was Consideration of Approval of a Purchase and Sale & Redevelopment Agreement Rule Modification under Executive Order 103.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 2.

A motion was made by Lillian Burry and was seconded by Dave Nuse

Bruce Steadman conducted a roll call vote.

NAME	Yes	No	Abstain
Robert Lucky	X		
Lillian Burry	X		
Anthony Talerico	X		
Jay Coffey	X		
Tracy Buckley	X		
Stephanie Brown	X		
Dave Nuse	X		

Motion to Approve: LILLIAN BURRY Second: DAVE NUSE
AYes: 7

3. The third item before the Board was Consideration of Approval of the First Amendment to the Purchase and Sale & Redevelopment Agreement with Somerset Development, LLC for the Lodging Area in Oceanport.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 3.

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

Bruce Steadman conducted a roll call vote.

NAME	Yes	No	Abstain
Robert Lucky	X		
Lillian Burry	X		
Anthony Talerico	X		
Jay Coffey	X		
Tracy Buckley	X		
Stephanie Brown	X		
Dave Nuse	X		

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

4. The fourth item before the Board was Consideration of Approval Consent to Designation of Oceanport Area within Fort Monmouth within the Borough of Oceanport's Municipal Boundaries as Area in Need of Redevelopment; Conditioned Consent to Designation of Oceanport Area within Fort Monmouth outside of the Borough of Oceanport's Municipal Boundaries.

Kara Kopach read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 4.

A motion was made by Jay Coffey and was seconded by Dave Nuse. Bruce Steadman conducted a roll call vote.

NAME	Yes	No	Abstain
Robert Lucky	X		
Lillian Burry	X		
Anthony Talerico	X		
Jay Coffey	X		
Tracy Buckley	X		
Stephanie Brown	X		
Dave Nuse	X		

Motion to Approve: JAY COFFEY Second: DAVE NUSE
AYes: 7

OTHER ITEMS

Bruce Steadman stated that based on a request made by Lillian Burry at the May 12th Real Estate Committee meeting, the Annual report includes the names and titles of the FMERA staff, and a list of all Board members and the committees they are on and chair. Mr. Steadman listed the FMERA staff for the benefit of the listeners:

- Regina McGrade, Officer Manager and Manager of Administrative Affairs
- Joe Fallon, Sr Environmental Officer
- Upendra Sapkota, Sr Planning Officer
- Sarah Giberson, Manager of Marketing and Development
- Jennifer Lepore, Manager of Accounting
- Kristy Dantes, Director of Facilities and Infrastructure
- Kara Kopach, Director of Real Estate Development, and Deputy Executive Director
- Bruce Steadman, Executive Director

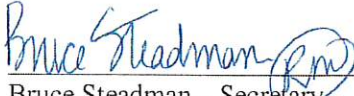
Mr. Steadman again thanked the staff for their outstanding work during the difficult conditions brought about by the pandemic, and noted that due to their excellent efforts FMERA continues to do business daily in support of the FMERA mission, including telephone and video meetings with clients, stakeholders, consultant professionals, prospective investors/developers/entrepreneurs, and others, and development of reports, correspondences, draft agreements, and all manner of other maps and documents.

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

There was no public comment.

There being no further business, on a motion by Lillian Burry and seconded by Jay Coffey and unanimously approved by all voting members present, the meeting was adjourned at 7:42p.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
May 20, 2020**

**Resolution Regarding
Approval of Fort Monmouth Economic Revitalization Authority 2019 Comprehensive Annual Report**

WHEREAS, the Legislature enacted the Fort Monmouth Economic Revitalization Authority Act (Act), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (FMERA or Authority); and

WHEREAS, the Authority selected its independent auditors, CliftonLarsonAllen LLP, pursuant to Executive Order No. 122 (McGreevey); and

WHEREAS, the Authority's independent auditors audited and accepted the Authority's financial statements for January 1, 2019 to December 31, 2019, and issued an unmodified opinion regarding the financial statements; and

WHEREAS, the certification and accompanying financial statements have been executed by the Executive Director and the Accounting Manager confirming that FMERA has followed its standards, procedures and internal controls; and

WHEREAS, on May 4, 2020 and pursuant to Executive Order No. 122 (McGreevey), the Audit Committee reviewed the draft comprehensive annual report, including the 2019 audited financial statements prior to release and considered the relevancy, accuracy and completeness of the information presented. Also, pursuant to Executive Order 122 (2004), the independent auditor met with the Audit Committee, where it was reported that the financial audit resulted in no negative findings or internal control deficiencies; and

WHEREAS, pursuant to Executive Order No. 37 (Corzine) the Authority is required to submit its Comprehensive Annual Report for review from its Members; and

WHEREAS, the Audit Committee has reviewed the 2019 Comprehensive Annual Report and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Members of the Authority approve the Authority's 2019 Comprehensive Annual Report and approve submitting the Report to the Governor's Authorities Unit, the United States Department of the Army and posting it on the Authority's website.
2. The Executive Director and/or any individual authorized to execute documents pursuant to the Operating Authority is authorized to do and perform all acts necessary to effectuate the above.
3. 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: May 20, 2020

EXHIBIT 1

ADOPTED
May 20, 2020

**Resolution Regarding
Purchase and Sale & Redevelopment Agreement Rule Modification under Executive Order 103**

WHEREAS, FMERA's Sales Regulation, N.J.A.C. 19:31C-2.7(b) sets forth the requirement that bidders must include a 5% deposit with their proposed offer price. This requirement has been incorporated into FMERA's Requests for Offers to Purchase ("RFOTPs") as a material term in the selection of the potential contract purchaser. N.J.A.C. 19:31C-2.7(b) further requires that upon either entering into an exclusive negotiation period or execution of the Purchase and Sale and Redevelopment Agreement ("PSARA") the prospective developer must submit an additional deposit of 10% of the purchase price; and

WHEREAS, depending on the size of the contract, the 5% plus 10% can be a substantial sum of money, which is held in escrow until closing when the deposit is applied to the outstanding amount of the purchase price. The length of time between submission of the 10% deposit to closing can range in duration from 6 months to 24 months, or longer given the particulars of the project and the length of time for individual approvals (e.g., Borough, County, DEP, sanitary sewer, other); and

WHEREAS in consideration of the current irregularities and vagaries of the real estate marketplace caused by the global, country-wide, and state-wide fall-out from COVID-19 and in response to EO 103, FMERA wishes to provide assistance to developers who have significant amounts of money held in escrow as a result of N.J.A.C. 19:31C-2.7(b) deposit requirement; and

WHEREAS, this relief would equate to FMERA's release of some or all of the 10% deposit submitted upon entrance into exclusive negotiations or execution of the PSARA. In order to qualify for this release, the Developer would A) have to demonstrate financial hardship and B) have to demonstrate that the released deposit money will be used: 1) to finance additional due diligence activities (e.g., legal, engineering, other consulting) for the project in question, 2) for such other business operations at the developer's main business(es) such as payroll, utilities, rental or mortgage payments, and similar other operating expenses, or 3) to replace income from leases or mortgages that have been deferred or vacated by the developer's tenants. In other words, it must be shown that the released deposit money will be used to offset the Developer's economic hardship (as a result of COVID-19) and therefore, fuel the continued operation of the developer's business; and

WHEREAS, FMERA believes that this assistance will increase the likelihood that developers will be able to complete their projects on the Fort in furtherance of FMERA's goal of economic revitalization of the surrounding area. As one example, a developer with a \$15,000,000 proposed purchase price would receive back \$1.5 million of its deposit should N.J.A.C. 19:31C-2.7(b) be modified to release the 10% deposit. The release of this \$1.5 million would immediately inject necessary cash flow to the developer and therefore provide much needed equity while navigating development obstacles in the marketplace. Under current PSARAs, developers are entitled to receive all or 10% of their deposit and all accrue interest upon termination. Therefore, the 10% deposits currently being held in escrow are unlikely to be of assistance to FMERA should the projects never get to closing; and

WHEREAS, FMERA would look to make this deposit release available to any development project with a Purchase Price of \$2,000,000 or more to ensure that the developers facing economic hardship (within their company) would have the ability to receive this cash injection to continue to support their business while remaining committed to their development of Fort Monmouth and for developers that have more than one Project on Fort Monmouth, they can meet the \$2,000,000 Purchase Price requirement by aggregating the purchase cost of their Projects.; and

WHEREAS, based on this threshold Purchase Price, developers could receive 10% of their purchase price (a minimum of \$200,000) to be immediately utilized for their business needs. The terms of the 10% deposit return shall be recorded in an Amendment to the applicable PSARA(s) and will include an obligation, upon FMERA's request, to provide further documentation on the use of the funds as well as a claw back provision should the developer fail to provide adequate documentation regarding the permitted use of the funds; and

WHEREAS, deposit releases would be available from June 4, 2020 or based on early approval by the Governor and until the later of July 5, 2020, or 30 days after the end of the Public Health Emergency initially declared in Executive Order No. 103.

WHEREAS, please note this return of deposit would not release the developer of its entire Purchase Price obligation as 5% of the purchase price would remain in escrow. It would merely provide the developer upfront liquidity during this pandemic. Developers would still be expected to pay the full Purchase Price at closing; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves a Rule Modification under the authority of Executive Order 103 for the Purchase and Sale & Redevelopment Agreements.

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: May 20, 2020

EXHIBIT 2

ADOPTED
May 20, 2020

**Resolution Regarding
First Amendment to the Purchase and Sale & Redevelopment Agreement with Somerset Development, LLC
for the Lodging Area in Oceanport**

WHEREAS, on April 18, 2018, the Board authorized the execution of the PSARA between FMERA and Somerset for the Property, an approximately 15± acre parcel of land containing eight buildings (Buildings 270, 271, 360, 361, 362, 363, 364, and 365) totaling approximately 184,207 gsf located on Signal Avenue in the Main Post Area of Fort Monmouth. A portion of the Property is located within the Fort Monmouth National Register Historic District and Buildings 270 and 271 are considered contributing resources to the Historic District and are subject to historic preservation covenants. The PSARA was executed on June 8, 2018; and

WHEREAS, Somerset's proposal for the Lodging Parcel calls for the developer to demolish Buildings 360, 361, 362, 363, 364, and 365 to construct up to 148 market rate/owner occupied townhouses while adaptively reusing Buildings 270 & 271 to satisfy the 20% affordable housing requirement on the property; and

WHEREAS, Somerset's capital investment in the Project shall be between twenty-five million (\$25,000,000) to thirty million (\$30,000,000) dollars. Somerset estimates that it will create approximately two hundred and thirty-one (231) temporary construction related jobs in connection with the Project. Purchaser represents that it will create or cause to be created a minimum of one permanent full- or part-time jobs by Project completion or pay a penalty of \$1,500 for each permanent job not created; and

WHEREAS, on April 3, 2020, FMERA received a termination letter from Somerset's Counsel indicating that Somerset could not continue the transaction under the current PSARA terms; on April 6, 2020, by way of verbal agreement among FMERA's and Purchaser's counsels, Purchaser agreed to rescind the termination if an agreement could be reached regarding outstanding issues caused by the COVID-19 pandemic.

WHEREAS FMERA agreed, subject to the Board's approval, to amend the PSARA based on the terms as described in the attached memorandum; and

WHEREAS, all other material terms of the PSARA as presented to the Board 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 to the Purchase and Sale & Redevelopment Agreement with Somerset Development, LLC for the Lodging Area in Oceanport on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office and authorizes the Executive Director to execute the Agreement.

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

Attachment

Dated: May 20, 2020

EXHIBIT 3

ADOPTED
May 20, 2020

**Resolution Regarding
Consent to Designation of Oceanport Area within Fort Monmouth within the Borough of Oceanport's
Municipal Boundaries as Area in Need of Redevelopment; Conditioned Consent to Designation of Oceanport
Area within Fort Monmouth outside of the Borough of Oceanport's Municipal Boundaries**

WHEREAS, the N.J. Local Redevelopment and Housing Law (LRHL) offers municipalities tools to encourage redevelopment in areas that meet the statutory criteria of an *area in need of redevelopment*. On February 6, 2020, the Borough of Oceanport authorized the Borough Planning Board to conduct a study of an Oceanport area of Fort Monmouth to investigate whether all or a portion of certain properties located in the Borough within the former Fort Monmouth, and identified as the "Squier Hall" parcel, the "McAfee Center" parcel and the "Tech Campus South" parcel (collectively the "Study Area") meets the statutory criteria for such designation. (Per the LRHL, the designation may be made if, following the investigation by the planning board and a public hearing for which notice has been given, the area is determined to meet one or more of the statutory criteria; and

WHEREAS, on April 28, 2020, the Oceanport Planning Board held a public hearing, with notice of the hearing completed pursuant to the LRHL. The Planning Board determined that the properties located within the study area meet the criteria set forth in the LRHL, as described below. On May 7, 2020, the Borough approved the designation as a non-condemnation area in need of redevelopment per the Planning Board's findings, via resolution and subject to the consent of the FMERA Board/ and

WHEREAS, as part of the investigation, the Planning Board reviewed the recommendations set forth in the *Area in Need of Redevelopment Study for the Former Fort Monmouth Properties in the Borough of Eatontown, New Jersey*, prepared by Phillips Preiss and dated May 2019 (the "Study"); and

WHEREAS, the Planning Board unanimously passed a resolution dated April 28, 2020 recommending that the Borough Council designate the Property as a non-condemnation area in need of redevelopment; and

WHEREAS, the Borough Council, subject to the consent of FMERA, designated the Property as a non-condemnation area in need of redevelopment by Resolution #2020-125, a copy of which is annexed hereto as an exhibit, and which includes, among other things, copies of the Study and of the Planning Board Resolution; and

WHEREAS, pursuant to FMERA's Land Use Rules, the Borough Council notified FMERA of the Borough's action and requested FMERA's consent to the designation by way of a seven-vote majority of the Board; and

WHEREAS, FMERA acknowledges that portions of the subject areas are physically located within the municipal boundaries of both the Borough of Oceanport and the Borough of Eatontown; and

WHEREAS, FMERA staff has reviewed the investigation study, as well as the Resolution of Findings from the Oceanport Planning Board and subsequent resolution from the Borough Council and requests the Board's approval to consent to the Borough of Oceanport's request to designate the subject properties as constituting an Area In Need of Redevelopment subject to the following condition: Such consent shall be effective only to the extent that the subject properties are physically located within the current municipal boundaries of the Borough of Oceanport; and

WHEREAS, in the event that the municipal boundary between the Borough of Oceanport and the Borough of Eatontown is modified within 180 days hereof such that any portion of the subject properties previously located within the Borough of Eatontown are located in the Borough of Oceanport, FMERA's consent to the designation shall be applicable to such properties.

WHEREAS, on May 19, 2020, the Real Estate Committee reviewed the request and recommends Board approval of consent to the designation.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the consent to the designation by the Borough of Oceanport of an area in the Oceanport Area within Fort Monmouth as an *area in need of redevelopment* in accordance with the N.J. Local Redevelopment and Housing Law (LRHL) and Fort Monmouth Land Use Rules for the area within the Borough of Oceanport's boundaries and conditionally consents to the *area in need of redevelopment* for the property currently outside of Oceanport's municipal boundaries so long as the boundary is modified within 180 days hereof.

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: May 20, 2020

EXHIBIT 4