

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director and Secretary

**DATE:** October 21, 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, Interim Chairman
  - 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 Third Amendment to and the Reinstatement of the Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for a Department of Public Works Complex on the 1123 Parcel.

12. **Other Items**

13. **Public Comment Regarding any FMERA Business**

- Responses to questions submitted online or in writing

14. **Adjournment**

**MEMORANDUM**

TO: Members of the Board

FROM: Bruce Steadman  
Executive Director

DATE: October 21, 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**

FMERA staff is currently drafting the 2021 budget. Once complete, the draft budget will be presented to the Audit Committee for their review. The 2021 FMERA Budget is scheduled to be brought to the Board for its consideration and approval at the December meeting.

The Monmouth County Improvement Authority and FMERA's Board have approved the issuance of approximately \$23.3 million in subsequent taxable notes related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army. The Notes will be issued in one series, with a one-year term. The Notes will be backed by a Monmouth County guaranty and will be rolled over the second week of November.

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

The facilities, environmental, and site-maintenance teams continue to maintain the Fort through the Covid-19 pandemic utilizing safe practices and health guidelines. Increased security, police patrols and building inspections continue.

FMERA is currently working on completing the following FOSTs and deeds with the Army:

- The Group 2 Deed has been conveyed to FMERA for recording.
- The Group 3 Deed has also been conveyed to FMERA for recording.
- The Group 4 Deed is expected to be completed by December.
- The Group 4 FOST is in draft form and is with FMERA for internal review.

Other projects in process include:

- The Expo Theatre survey is complete.
- The Eatontown Parks parcel survey is being completed.
- A survey of Sanger Avenue, ahead of the road dedication to Monmouth County, is complete and with the County for review.

- A 2100-foot 8” water main extension from College Avenue in Eatontown, to Wilson Avenue, to Avenue of Memories, is underway with an expected completion by mid-October. This New Jersey American Water project, funded by FMERA, will supply water to the Artists Barracks parcel, Eatontown DPW Parcel, the County Motor Pool, and the Bowling Center.
- FMERA is moving forward with plans to install a 2000-foot 8” water main from Anson Avenue at Murphy Drive westward to Todd Avenue, then north to Avenue of Memories. This main will serve the Denholtz parcels and tie the NJAW system in Main street to the Phase 1 water main in Avenue of Memories, which was completed in 2018.
- The installation of a 5600-foot 24” water main extension along Avenue of Memories by New Jersey American Water is still scheduled to begin in the spring of 2021.
- A sanitary main extension tying to an Eatontown Sewerage Authority main along Mill creek at North Drive at Wilson Avenue, to serve the Bowling Center and development between Wilson Avenue and Rt. 35, is scheduled following the closing for the Bowling Center.

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 thirteen 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.
- Commissary, Post Exchange (PX) complex, Warehouse District and a 1000 Area Parking parcel, on October 16, 2020 with OPort Partners, LLC. The Commissary/PX parcel shall permit, Food Service, Flex space, Office, R&D and Instructional Schools and Studios. The Warehouse District will permit Flex Space, Medical Office, Office, and Research & Development.

Also in **Oceanport**, FMERA has executed or approved contracts on the following five 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.
- 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:

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

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.
- Eatontown Parks Parcel, a 3.82-acre tract known as the Nicodemus Avenue Park Parcel located on Nicodemus Avenue with the Borough of Eatontown for active recreation uses.

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

FMERA hopes to come to the November Board meeting for approval to issue a new RFOTP for Parcel B after discussions with the Real Estate Committee and the Eatontown Ad Hoc Committee.

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.

Also in **Tinton Falls**, FMERA is in negotiations for the sale and redevelopment of 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.

### 3. Marketing Update

FMERA continues to engage with leads and prospective purchasers via teleconference while operating remotely. Our team is closely monitoring on-going projects and providing additional support to its developers to ensure the successful redevelopment of properties currently under contract.

FMERA is reviewing its first draft of the Parcel B RFOTP and expects to transmit it to our Counsel for additional review. After several virtual meetings with developers and industry professionals regarding the Parcel B property, slated as a mixed-use development in Eatontown, FMERA has re-envisioned the project in way that leverages new and unique approaches to mixed-use development and maximizes the economic impact to the surrounding communities. By targeting a broader mix of commercial uses and small-scale, complementary retail amenities, the project is poised for success as a hub for business and community engagement. FMERA anticipates releasing a new RFOTP in the final quarter of 2020.

FMERA is excited to announce a new partnership with NJ Transit and Rutgers University Center for Advanced Infrastructure and Transportation for an autonomous vehicle pilot program. NJ Transit will be exploring options for its customers, particularly those with fewer mobility options, and will be studying the benefits and challenges of rapidly advancing transportation technology in real-world scenarios, while utilizing a confined testing area on Fort Monmouth. The program will take place in phases and we look forward to sharing more information in the coming weeks.

### 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

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Bruce Steadman

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

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

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

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

**WHEREAS**, under the terms of the First Amendment, executed September 2, 2019, Purchaser agreed to: i) amend the Approval Period to run for a total period not to exceed six months, beginning at the expiration of the Due Diligence Period; and ii) Close within thirty (30) days of the expiration of the amended six month Approval Period, subject to receipt of an NFA from the NJDEP for the two environmental carve-out parcels located within the Property and regardless of whether other Conditions Precedent to Closing have been waived or satisfied; and

**WHEREAS**, following the expiration of the Due Diligence Period, the Borough entered the Approval Period which was set to expire on May 30, 2020; on May 15, 2020, via email correspondence, the Borough requested an extension to the Approval Period due to challenges navigating COVID-19 and also turnover in Borough staff; and

**WHEREAS**, the FMERA staff reviewed the Borough's request and the Executive Director agreed to retroactively extend the Approval Period under his Delegated Authority for five months or until October 30, 2020; the Second Amendment was executed on July 30, 2020; and

**WHEREAS**, on October 2, 2020, via letter correspondence, the Borough requested an additional extension to the Approval Period, set to expire on October 30, 2020, citing delays in the Borough budget approval process for 2020; the budget approval was required in order for the Borough to authorize funds for the remaining environmental work to be completed by T&M Associates; and

**WHEREAS**, the Borough is requesting an additional five (5) month extension to the Approval Period, set to expire on April 1, 2021; since the Approval Period is set to expire before the Third Amendment can be adopted the Borough has conditionally terminate its agreement with FMERA until such time as the Third Amendment is approved and the 10-day Governor's veto period expires; and

**WHEREAS**, all other terms of the PSARA will remain unchanged. The attached Third Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, the Borough of Eatontown, and the Attorney General's Office. 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 Third Amendment to and the Reinstatement of the PSARA with the Borough of Eatontown for the 1123 Parcel for an extension of the Approval Period 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: October 21, 2020**

**EXHIBIT 1**



**MEMORANDUM**

**TO:** Members of the Real Estate Committee

**FROM:** Bruce Steadman  
Executive Director

**RE:** Third Amendment to and the Reinstatement of the Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for a Department of Public Works Complex on the 1123 Parcel

**DATE:** October 21, 2020

**Request**

I am requesting that the Board approve the execution of the Third Amendment to and the Reinstatement of the Purchase and Sale & Redevelopment Agreement (“PSARA”) with the Borough of Eatontown (“Borough”) providing for an extension of the Approval Period as defined in the PSARA.

**Background**

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

On January 16, 2019, the Members of the Board authorized the execution of the PSARA between FMERA and the Borough of Eatontown for the Property. The PSARA was executed on May 8, 2019.

Pursuant to the terms of the PSARA, Purchaser was provided a ninety (90) day Due Diligence Period commencing on the Effective Date of the PSARA and; an Initial Approval Period of twelve (12) months commencing at the end of the Due Diligence period; and a six (6) month Approval Extension Period, subject to FMERA approval. Closing would occur within thirty (30) days of satisfaction or waiver of the Conditions Precedent to Closing.

**Due Diligence & First Amendment**

Due to the existing constraints of the site and a need to further investigate two (2) Army-owned environmental carve-out parcels known as ECP Parcel 41 and ECP Parcel 43, environmental contractor T&M Associates made a recommendation to the Borough of Eatontown to request an extension of the Due Diligence Period, which expired on August 8, 2019 per the terms of the PSARA. A request to extend the Due Diligence Period to November 29, 2019 was subsequently submitted to the FMERA Board and approved at the July 2019 meeting.

Under the terms of the First Amendment, executed September 2, 2019, Purchaser agreed to: i) amend the Approval Period to run for a total period not to exceed six (6) months, beginning at the expiration of the Due Diligence Period; and ii) Close within thirty (30) days of the expiration of the amended six (6) month Approval Period, subject to receipt of an NFA from the NJDEP for the two environmental carve-out parcels located within the Property and regardless of whether other Conditions Precedent to Closing have been waived or satisfied.

### **Delegated Authority & Second Amendment**

Following the expiration of the Due Diligence Period, the Borough entered the Approval Period which was set to expire on May 30, 2020. On May 15, 2020, via email correspondence, Purchaser requested an extension to the Approval Period due to challenges navigating COVID-19 at the Borough and also turnover in Borough staff.

Per the Board's action on April 15, 2020, the Executive Director was granted Delegated Authority to approve any pre-closing or post-closing extensions for up to five months for delays for COVID-19 related reasons so long as the developer has requested such an extension in writing and satisfied FMERA's request for any supporting documentation. The FMERA staff reviewed the Borough's request and the Executive Director agreed to retroactively extend the Approval Period under his Delegated Authority for five months or until October 30, 2020. The Second Amendment was executed on July 30, 2020.

### **Reinstatement & Third Amendment**

On October 2, 2020, via letter correspondence, Purchaser requested an additional extension to the Approval Period, set to expire on October 30, 2020, citing delays in the Borough budget approval process for 2020. The budget approval was required in order for the Borough to authorize funds for the remaining environmental work to be completed by T&M Associates. The Borough is requesting an additional five (5) month extension to the Approval Period, set to expire on April 1, 2021. Further, the Borough acknowledges that the Approval Period is set to expire before the Third Amendment can be adopted and as such, agreed to conditionally terminate its agreement with FMERA until such time as the Third Amendment is approved and the 10-day Governor's veto period expires.

All other terms of the PSARA will remain unchanged. The attached Third Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, the Borough of Eatontown, and the Attorney General's Office. 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 the proposed Third Amendment to and the Reinstatement of the PSARA with the Borough of Eatontown for the 1123 Parcel for an extension of the Approval Period.

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Bruce Steadman

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