

**TO:** Members of the Board

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

**DATE:** August 27, 2021  
1:00p.m. – Teleconference

**SUBJECT:** Agenda for Special Board Meeting of the Authority

1. **Call to Order – Dr. Robert Lucky, Vice-Chairman**
2. **Pledge of Allegiance**
3. **Notice of Special Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Welcome – Dr. Robert Lucky, Chairman**
5. **Public Comment Regarding Board Action Items**
6. **Board Actions**
  1. Consideration of Approval of the Fourth Amendment to the Agreement to Assign with RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority for Parcel F-1 (Myer Center) in Tinton Falls.
  2. Consideration of Approval of a Redevelopment Agreement with RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority for Parcel F-1 (Myer Center) in Tinton Falls.
  3. Consideration of Approval of a Purchase and Sale & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls.
7. **Other Items**
8. **Public Comment Regarding any FMERA Business**
9. **Adjournment**

**ADOPTED**  
**August 27, 2021**

**Resolution Regarding**  
**Fourth Amendment to Agreement to Assign**

**THIS FOURTH AMENDMENT TO AGREEMENT TO ASSIGN** (hereinafter the “Fourth Amendment”) is made and entered into the \_\_\_\_ day of August 2021 (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 BARNABAS 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” or “Redeveloper”); 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**, that certain Second Amendment to Agreement to Assign dated December 3, 2019 a copy of which is attached hereto as **Exhibit D**, and that certain Third Amendment to Agreement to Assign, dated April 9, 2020, a copy of which is attached hereto as **Exhibit E** (the Agreement to Assign, the First Amendment, the Second Amendment and the Third 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**, in light of the anticipated length of ongoing remediation relating to Environmental Carve Out Parcel Number 16 (“ECP 16”), FMERA and Assignor have agreed to collaborate with the Army to provide certain access, construction and other property rights to Redeveloper after the Closing, until such time as ECP 16 is transferred to Assignee in accordance with the terms of this Fourth Amendment; and

**WHEREAS**, the Agreement to Assign contemplated development of “Project” comprising (i) a 40,000 to 70,000 square foot Ambulatory Care Center; (ii) a 55,000-80,000 square foot medical office building, (iii) a 70,000-100,000 square foot Cancer Institute of New Jersey Cancer Center, (iv) a 95,000-135,000 square foot System Business Office, and (v) a 500,000-700,000 square foot medical arts/specialty facilities in one or more phases; and

**WHEREAS**, Redeveloper subsequently entered into negotiations with FMERA for the acquisition of an approximately 31.25 acre parcel of land located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Tinton Falls Parcel”); and

**WHEREAS**, in light of the proposed additional development at the Tinton Fall Parcel, Redeveloper proposes to modify its Project under the Agreement to Assign and construct a two-phased development of the Property; and

**WHEREAS**, the Parties have agreed the Redeveloper may develop the Project in two phases; and

**WHEREAS**, Phase 1 includes an approximately 138,000 square foot Cancer Center and Ambulatory Care Pavilion, comprised of the following uses: oncology services, imaging, radiation, and ambulatory surgery center (for clarity, a portion of the building will serve as the Cancer Center and the balance will serve as an ambulatory care center and support services), parking and interphase grading and landscaping (“Phase 1”); and

**WHEREAS**, Phase 2, consists of two options which may be undertaken by RWJ at its discretion in accordance with the Redevelopment Agreement, dated as of the date hereof: Phase 2(a) includes the following: (A) an approximately 568,901 square foot acute care hospital, including approximately 250 beds; (B) an approximately 206,768 square foot clinical and support building; (C) an approximately 137,000 square foot medical office building; (D) a 34,000 square foot central utility plant; and (E) an approximately 404,000 square foot structured parking facility (“Phase 2”) ; and Phase 2(b) includes the following: (A) twenty (20) acres of publically accessible open space; (B) stone dust walking trails connecting different site components, including Cancer Center, parking lots, gazebos, and Corregidor Road; (C) Seatwall and Sculpture space; (D) at least two gazebos; and (E) landscaped open areas and plantings (as used herein, “Phase 2” refers to either Phase 2(a) or Phase 2(b), as elected in accordance herewith); and

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

**WHEREAS**, on August 24, 2021, the Real Estate Committee, via email, approved the request and recommends it to the Board for approval.

**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.

a. Section 8.ii. of the Agreement to Assign is hereby amended and restated in its entirety as follows:

Approval Period. The Approval Period shall be the period ending on the eighteen (18) month anniversary of the Effective Date of the Agreement to Assign. In the event that Assignee is unable to obtain all permits and approvals necessary pursuant to this Section in advance of the expiration of the Approval Period, Assignee may exercise up to four (4) six (6) month extension periods, and then two (2) three (3) month extension periods, to run through August 10, 2022, upon payment by Assignee to Assignor of (i) with respect to the first and second extensions, a \$50,000 non-refundable deposit per extension, (ii) with respect to the third and fourth extensions, a \$100,000 non-refundable deposit per extension, and (iii) with respect to the fifth and sixth extensions 3-month extensions, a \$50,000 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 such extension periods, Assignee has not obtained all permits and approvals necessary pursuant to this Section, and Assignee has elected not to proceed to Closing by the Outside Closing Date as provided below, then in such event, 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. Notwithstanding the forgoing, all the deposit monies including the up to Four Hundred Thousand Dollars (\$400,000) extension option payments and the initial deposit of One Million Two Hundred Dollars (\$1,200,000) shall be retained by Assignor upon termination of this Agreement (except in an event of default hereunder by FMERA or Assignor), and no Party shall have any other liability to the other pursuant to such agreements.

b. Section 7 of the Agreement to Assign is hereby amended to add the following Subsection (b):

(b) Outside Closing Date. Notwithstanding anything else contained herein, if not closed sooner, the outside closing date shall be Friday, December 30, 2022 (the "Outside Closing Date"), subject to all other conditions precedent described in this Agreement.

c. Section 7 of the Agreement to Assign is hereby amended to add the following Subsection (c):

(c) ECP 16 and Ground Lease. The Parties hereto acknowledge and agree that, notwithstanding anything else contained in the Purchase Agreement or Agreement to Assign, Redeveloper shall not be required to acquire the portion of the overall Property known as ECP-16 until such time as the Army has obtained a Finding of Suitability of Transfer with respect to ECP-16 and the remediation of impacted soils and/or ground water has been completed as evidenced by a Response Action Outcome within the meaning of the New Jersey Site Remediation Act, N.J.S.A. 58:10C-1 et seq. or other acceptable evidence as recognized by state and federal governmental agencies having jurisdiction over the impacted ground water (the "Satisfactory Completion of the Impacted Area"). FMERA agrees to continue to cooperate with Redeveloper and facilitate discussions with the Army to provide Redeveloper with access rights to the ECP 16 pursuant to a mutually agreeable ground lease, license agreement, easement or other document providing necessary property rights to Redeveloper to develop the Property.

- d. The definition of Project set forth in the Agreement to Assign is hereby amended and restated as follows:

Project shall mean: (a) with respect to Phase 1, an approximately 138,000 square foot Cancer Center and Ambulatory Care Pavilion, comprised of the following uses: oncology services, imaging, radiation, and ambulatory surgery center (for clarity, a portion of the building will serve as the Cancer Center and the balance will serve as an ambulatory care center and support services), parking and interphase grading and landscaping (“Phase 1”); and (b) with respect to Phase 2, there are two options which may be undertaken by RWJ at its discretion in accordance with this Agreement: Phase 2(a) includes the following: (A) an approximately 568,901 square foot acute care hospital, including approximately 250 beds; (B) an approximately 206,768 square foot clinical and support building; (C) an approximately 137,000 square foot medical office building; (D) a 34,000 square foot central utility plant; and (E) an approximately 404,000 square foot structured parking facility; and Phase 2(b) includes the following: (A) twenty (20) acres of publically accessible open space; (B) stone dust walking trails connecting different site components, including Cancer Center, parking lots, gazebos, and Corregidor Road; (C) Seatwall and Sculpture space; (D) at least two gazebos; and (E) landscaped open areas and plantings (as used herein, “Phase 2” refers to either Phase 2(a) or Phase 2(b), as elected in accordance herewith).

4. Counterpart Copies. This Fourth 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 Fourth Amendment.
5. Entire Agreement, Ratifications and Reconciliation. The Assignment Agreement and this Fourth 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 Fourth Amendment, the Assignment Agreement is hereby ratified and remains in full force and effect. The terms and provisions of this Fourth 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 Fourth Amendment and any terms or provisions of the Assignment Agreement, such term or provision of this Fourth Amendment shall control.
6. Pursuant to written policy, Assignor allows documents to be signed electronically and hereby agrees to be bound by such electronic signatures. Assignee and FMERA also agree to be bound by electronic signatures as signatories to this Fourth Amendment.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the Fourth Amendment to the Agreement to Assign 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 and revise the Project Definition 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 Fourth 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: August 27, 2021**

**EXHIBIT 1**

DRAFT

## MEMORANDUM

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director

**RE:** Fourth Amendment to the Agreement to Assign with RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority for Parcel F-1 (Myer Center) in Tinton Falls

**DATE:** August 27, 2021

### Request

I am requesting that the Board approve the execution of the Fourth 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” or “Redeveloper”). The Fourth 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”) and revises the definition of Project.

### 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 intended to develop a health campus on the Property, which included:

- 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 of the FMERA and EDA Boards 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

In November 2019, the Members of the EDA and FMERA Boards 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.

RWJBH satisfactorily completed environmental testing beneath the Lime Pit Area and proceeded to the Project's approvals phase.

5. Third Amendment to the Agreement to Assign

Because of the scope and complexity of its Project, RWJBH 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 was 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 requested two additional six-month extension options that extended 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. In March 2020, the EDA and FMERA Boards approved the Third Amendment to the Agreement to Assign.

6. Proposed Fourth Amendment to the Agreement to Assign

- Due to additional delays related to the redesign and complexity of the Project, along with the pending Finding of Suitability to Lease documentation for the Lime Pit Area, RWJBH determined that it will be unable to obtain all necessary permits and approvals for the construction and operation of the Property by the final Board approved extension until February 10, 2022. Accordingly, RWJBH requested two additional three-month extension options that extend the Approval Period through August 10, 2022. In consideration for the two additional extension periods, RWJBH will pay a \$50,000 deposit per extension, all deposit monies, including the initial deposit, shall become nonrefundable and shall be retained by NJEDA if the event the agreement is terminated, except in an event of default by FMERA or NJEDA. The deposits will be credited against the Assignment Price at Closing.
- An outside closing date of Friday, December 30, 2022 is established, if property is not closed on sooner.
- Further, the Project definition has been amended and RWJBH may now develop the project over two phases:
  - Phase 1 includes an approximately 138,000 square foot Cancer Center and Ambulatory Care Pavilion, comprised of the following uses: oncology services, imaging, radiation, and ambulatory surgery center (for clarity, a portion of the building will serve as the Cancer Center and the balance will serve as an ambulatory care center and support services), parking and interphase grading and landscaping ("Phase 1").
  - Phase 2, consists of two options which may be undertaken by RWJ at its discretion in accordance with the Redevelopment Agreement, dated as of the date hereof: Phase 2(a) includes the following: (A) an approximately 568,901 square foot acute care hospital, including approximately 250 beds; (B) an approximately 206,768 square foot clinical and support building; (C) an approximately 137,000 square foot medical office building; (D) a 34,000 square foot central utility plant; and (E) an approximately 404,000 square foot structured parking facility; and Phase 2(b) includes the following: (A) twenty (20) acres of publically accessible open space; (B) stone dust walking trails connecting different site components, including Cancer Center, parking lots, gazebos, and Corregidor Road; (C) Seatwall and Sculpture space; (D) at least two gazebos; and (E) landscaped open areas and plantings (as used herein, "Phase 2" refers to either Phase 2(a) or Phase 2(b), as elected in accordance herewith).
- Section 7(c) has been added to confirm that FMERA will continue to cooperate with RWJBH to facilitate discussions with the Army to provide RWJBH access rights to ECP-16 until such time as the Army has obtained a Finding of Suitability of Transfer with respect to ECP-16 and a Response Action Outcome within the meaning of the New Jersey Site Remediation Act, N.J.S.A. 58:10C-1 et seq. or other acceptable evidence as recognized by state and federal governmental agencies having jurisdiction over the impacted ground water.

The attached Fourth 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 August 24, 2021, the Real Estate Committee, via email, 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 Fourth 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 and revise the Project Definition.

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Bruce Steadman

Prepared by: Kara A. Kopach

DRAFT

**Resolution Regarding  
Redevelopment Agreement between RWJ Barnabas Health, Inc. and the Fort Monmouth Economic  
Revitalization Authority for Parcel F-1 (Myer Center) in Tinton Falls**

**WHEREAS**, FMERA and the New Jersey Economic Development Authority (“NJEDA”) entered into a Purchase and Sale Agreement (the “Purchase Agreement”) dated as of October 30, 2017, pursuant to which NJEDA agreed to acquire the former Myer Center in Tinton Falls situated on an approximately 36.3 acre parcel to be subdivided by deed from FMERA. The Property is bordered by two municipal streets, Corregidor Road and Pearl Harbor Avenue; and

**WHEREAS**, per the Purchase Agreement, the NJEDA may assign the Purchase Agreement to a redeveloper to undertake a redevelopment project on the Property so long as the redeveloper (i) is approved by the Chapter 51 Review Unit, (ii) provides FMERA with an unqualified and unconditional acceptance of the terms and conditions of the Purchase Agreement, and (iii) the redeveloper and its project are approved by FMERA. On February 18, 2018 RWJBH submitted an unsolicited offer to purchase the Property to the NJEDA through a proposed Letter of Intent and the Parties executed a non-binding Expression of Interest to Enter into an Agreement to Assign the Purchase and Sale Agreement between FMERA and NJEDA, dated October 30, 2017; and

**WHEREAS**, the NJEDA, FMERA and RWJBH (the “Parties”) entered into an Agreement to Assign, dated as of August 10, 2018, as amended in the First Amendment to the Agreement to Assign, dated as of June 5, 2019, as amended by the Second Amendment to the Agreement to Assign, dated December 3, 2019, as further amended by the Third Amendment to the Agreement to Assign, dated April 9, 2020 (collectively the “Agreement to Assign”) pursuant to which NJEDA agreed to assign to RWJBH all of NJEDA’s rights, title and interest in the Purchase Agreement; and

**WHEREAS**, a Fourth Amendment to the Agreement to Assign will be simultaneously proposed to the Board with this Redevelopment Agreement. The terms of the Fourth Amendment to the Agreement to Assign is subject to the approval by the NJEDA; and

**WHEREAS**, the Purchase Agreement between FMERA and NJEDA, as amended, and the Agreement to Assign, as amended call for the execution of a Redevelopment Agreement between FMERA and RWJBH setting forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the construction of the proposed redevelopment project on the Property (the “Project”); and

**WHEREAS**, the Agreement to Assign contemplated development of the Project comprising (i) a 40,000 to 70,000 square foot Ambulatory Care Center; (ii) a 55,000-80,000 square foot medical office building, (iii) a 70,000-100,000 square foot Cancer Institute of New Jersey Cancer Center, (iv) a 95,000-135,000 square foot System Business Office, and (v) a 500,000-700,000 square foot medical arts/specialty facilities in one or more phases; and

**WHEREAS**, the Redeveloper subsequently entered into negotiations with FMERA for the acquisition of an approximately 31.25-acre parcel of land located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Tinton Falls Parcel”) and in light of the proposed additional development at the Tinton Falls Parcel, Redeveloper proposes to modify its development proposal under the Agreement to Assign and construct a two-phased development of the Property. The Redeveloper also anticipates moving some of the proposed Medical Office Buildings from the Myer Center to the Project on the Tinton Falls Parcel; and

**WHEREAS**, under the terms of the Redevelopment Agreement, Phase 1 of the Project includes an approximately 138,000 square foot Cancer Center and Ambulatory Care Pavilion, comprised of the following uses: oncology services, imaging, radiation, and ambulatory surgery center (for clarity, a portion of the building will serve as the Cancer Center and the balance will serve as an ambulatory care center and support services), parking and interphase grading and landscaping. In addition, the Redeveloper initially proposed creating 616 jobs during Phase 1

of the Project, but by way of correspondence dated May 28, 2021, the Redeveloper has indicated it intends to move 300 of the jobs originally proposed for Phase 1 to the Tinton Falls Parcel; and

**WHEREAS**, Phase 2 of the Project consists of two options which may be undertaken by RWJBH at its discretion in accordance with the Agreement: Phase 2(a) includes the following: (A) an approximately 568,901 square foot acute care hospital, including approximately 250 beds; (B) an approximately 206,768 square foot clinical and support building; (C) an approximately 137,000 square foot medical office building; (D) a 34,000 square foot central utility plant; and (E) an approximately 404,000 square foot structured parking facility; and Phase 2(b) includes the following: (A) twenty acres of publicly accessible open space; (B) stone dust walking trails connecting different site components, including Cancer Center, parking lots, gazebos, and Corregidor Road; (C) Seatwall and Sculpture space; (D) at least two gazebos; and (E) landscaped open areas and plantings; and

**WHEREAS**, in the event that Redeveloper constructs Phase 2(b), Redeveloper shall deed restrict the property upon which Phase 2(b) is developed only for use as public open space (the "Open Space Deed Restriction"); provided, that (1) the Open Space Deed Restriction shall run only to the benefit of FMERA, and not directly to the general public, and (2) the Open Space Deed Restriction subject to extinguishment at the FMERA Board's sole discretion; and

**WHEREAS**, the Army is currently conducting an environmental remediation on an approximately 0.285-acre portion of the Property designated by the Army as ECP 16 ("ECP 16") which will be conveyed to FMERA via quitclaim deed upon the Army's completion of remediation and issuance of a subsequent FOST and the Redeveloper shall take title to ECP 16 as set forth in the Purchaser Agreement and the Fourth Amendment to the Agreement to Assign; and

**WHEREAS**, on October 17, 2018, the FMERA Board approved the introduction of Reuse Plan Amendment #12 in accordance with the Redeveloper's Conceptual Site Plan and after the Board's introduction of the amendment and at the end of the Governor's veto period and the host municipalities 45 day comment period, the Board approved the Reuse Plan Amendment #12 on January 16, 2019; and

**WHEREAS**, under the current terms of the Agreement to Assign, the Approval Period is set to expire on February 10, 2022; under the terms of the Fourth Amendment to the Agreement Assign, RWJBH shall be granted two additional three-month extensions, which shall expire on August 20, 2021. As set forth in the Purchase Agreement and the Agreement to Assign, closing shall occur within ninety (90) days of satisfaction of conditions precedent to closing and satisfaction of conditions precedent to assignment. Under the Fourth Amendment to the Agreement to assign, closing shall occur by December 30, 2022, if not sooner; and

**WHEREAS**, closing shall mean the transfer of the Property (other than ECP-16, which will be transferred in accordance with the terms of the Purchase Agreement and the Fourth Amendment to Agreement to Assign), from the FMERA to the Redeveloper and the transfer of the Purchase Price from the Redeveloper to the FMERA, pursuant to the Agreement to Assign and the Purchase Agreement; and

**WHEREAS**, the Redeveloper will commence the Construction of Phase 1 of the Project no later than one hundred sixty days after the closing on the subject Property. The Redeveloper will complete Construction of Phase 1 of the Project no later than twenty-seven months from closing. The Redeveloper shall be obligated to complete the Project which shall consist of Phase 1 and either Phase 2(a) or Phase 2(b). Redeveloper must submit to FMERA in writing thirty days prior to completion of Phase 1, but no later than on or before the twenty-sixth month after closing whether Redeveloper has selected to move forward with Phase 2(a) or Phase 2(b). If Redeveloper fails to notify FMERA in writing of which Phase 2 is shall undertake in the timeframe stated above, this shall constitute an Event of Default, which upon notification by FMERA, the Redeveloper shall have sixty days to cure. With respect to Phase 2, if Phase 2(a) is elected: Redeveloper will commence the Construction of Phase 2(a) within six months from making the Phase 2 election, and Redeveloper will complete Construction Phase 2(a) within eighty-four months of closing. If Phase 2(b) is elected: Redeveloper will commence the Construction of Phase 2(b) within sixty days from Completion of Phase 1, and Redeveloper shall complete Construction of Phase 2(b) within thirty-six months from closing; and

**WHEREAS**, the Redeveloper's required minimum Capital Investment for Phase 1 and Phase 2(a) of the Project is estimated at Six Hundred and Fifty-One Million (\$651,000,000) Dollars. Redeveloper's required minimum Capital Investment for Phase 1 and Phase 2(b) of the Project is estimated at One Hundred and Fifty-Three Million Five Hundred Thousand (\$153,500,000) Dollars; and

**WHEREAS**, the Redeveloper shall create a total of three hundred eighteen full-time equivalent permanent jobs at the Property within twenty-four months of the receipt of the Certificate of Occupancy for Phase 1 of the Project. Redeveloper shall create a total of one thousand full-time equivalent permanent jobs at the Property within twenty-four months of the receipt of the Certificate of Occupancy for any portion of Phase 2(a) of the Project or Redeveloper shall create a total of one full-time equivalent permanent jobs at the Property within twelve months of the Completion for Phase 2(b) of the Project. To the extent the Redeveloper fails to achieve the required creation of full-time equivalent permanent jobs at the Property within the required time period for any phase of the Project, then it shall be liable to pay to FMERA one thousand five-hundred dollars for each full-time equivalent permanent job not created; and

**WHEREAS**, execution of the Redevelopment Agreement is contingent upon approval and execution by the NJEDA, FMERA and RWJ of the Fourth Amendment to the Agreement to Assign.

**WHEREAS**, the attached Redevelopment Agreement is in substantially final form. The final terms of the Redevelopment Agreement will be subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

**WHEREAS**, on August 24, 2021, the Real Estate Committee, via email, approved the request and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the execution of the Redevelopment Agreement the Fort Monmouth Economic Revitalization Authority and RWJ Barnabas Health, Inc. for Parcel F-1 in the Tinton Falls Reuse Area 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: August 27, 2021**

**EXHIBIT 2**

## MEMORANDUM

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director

**RE:** Redevelopment Agreement between RWJ Barnabas Health, Inc. and the Fort Monmouth Economic Revitalization Authority for Parcel F-1 (Myer Center) in Tinton Falls

**DATE:** August 27, 2021

### Request

I am requesting that the Board approve the execution of a Redevelopment Agreement (“Agreement”) among the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Seller”), and RWJ Barnabas Health, Inc. (“RWJBH” or “Redeveloper”) for Parcel F-1 (Myer Center) in Tinton Falls.

### Background

FMERA and the New Jersey Economic Development Authority (“NJEDA”) entered into a Purchase and Sale Agreement (the “Purchase Agreement”) dated as of October 30, 2017, pursuant to which NJEDA agreed to acquire the former Myer Center in Tinton Falls situated on an approximately 36.3 acre parcel to be subdivided by deed from FMERA. The Property is bordered by two municipal streets, Corregidor Road and Pearl Harbor Avenue.

Per the Purchase Agreement, the NJEDA may assign the Purchase Agreement to a redeveloper to undertake a redevelopment project on the Property so long as the redeveloper (i) is approved by the Chapter 51 Review Unit, (ii) provides FMERA with an unqualified and unconditional acceptance of the terms and conditions of the Purchase Agreement, and (iii) the redeveloper and its project are approved by FMERA. On February 18, 2018, RWJBH submitted an unsolicited offer to purchase the Property to the NJEDA through a proposed Letter of Intent and the Parties executed a non-binding Expression of Interest to Enter into an Agreement to Assign the Purchase and Sale Agreement between FMERA and NJEDA, dated October 30, 2017.

The NJEDA, FMERA and RWJBH (collectively the “Parties”) entered into an Agreement to Assign, dated as of August 10, 2018, as amended in the First Amendment to the Agreement to Assign, dated as of June 5, 2019, as amended by the Second Amendment to the Agreement to Assign, dated December 3, 2019, as further amended by the Third Amendment to the Agreement to Assign, dated April 9, 2020 (collectively the “Agreement to Assign”) pursuant to which NJEDA agreed to assign to RWJBH all of NJEDA’s rights, title and interest in the Purchase Agreement.

A Fourth Amendment to the Agreement to Assign will be simultaneously proposed to the Board with this Redevelopment Agreement. The terms of the Fourth Amendment to the Agreement to Assign is subject to the approval by the NJEDA.

The Purchase Agreement between FMERA and NJEDA, as amended, and the Agreement to Assign, as amended call for the execution of a Redevelopment Agreement between FMERA and RWJBH setting forth the terms and conditions under which the Parties shall carry out their respective obligations with respect to the construction of the proposed redevelopment project on the Property (the “Project”).

The Agreement to Assign contemplated development of the Project comprising (i) a 40,000 to 70,000 square foot Ambulatory Care Center; (ii) a 55,000-80,000 square foot medical office building, (iii) a 70,000-100,000 square foot Cancer Institute of New Jersey Cancer Center, (iv) a 95,000-135,000 square foot System Business Office, and (v) a 500,000-700,000 square foot medical arts/specialty facilities in one or more phases. The Redeveloper subsequently entered into negotiations with FMERA for the acquisition of an approximately 31.25-acre parcel of land located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Tinton Falls Parcel”). In light of the proposed additional development at the Tinton Falls Parcel, Redeveloper proposes to modify its development proposal under the Agreement to Assign and construct a two-phased development of the Property. The Redeveloper also anticipates moving the proposed Medical Office Building from the Myer Center to the Project on the Tinton Falls Parcel.

As modified by the Redevelopment Agreement, the Project shall consist of the following:

Phase 1 of the Project includes an approximately 138,000 square foot Cancer Center and Ambulatory Care Pavilion, comprised of the following uses: oncology services, imaging, radiation, and ambulatory surgery center (for clarity, a portion of the building will serve as the Cancer Center and the balance will serve as an ambulatory care center and support services), parking and interphase grading and landscaping. In addition, Redeveloper initially proposed creating 616 jobs during Phase 1 of the Project, but by way of correspondence dated May 28, 2021, the Redeveloper has indicated it intends to move 300 of the jobs originally proposed for Phase 1 to the Tinton Falls Parcel.

Phase 2 of the Project consists of two options which may be undertaken by RWJBH at its discretion in accordance with the Agreement: Phase 2(a) includes the following: (A) an approximately 568,901 square foot acute care hospital, including approximately 250 beds; (B) an approximately 206,768 square foot clinical and support building; (C) an approximately 137,000 square foot medical office building; (D) a 34,000 square foot central utility plant; and (E) an approximately 404,000 square foot structured parking facility; and Phase 2(b) includes the following: (A) twenty (20) acres of publicly accessible open space; (B) stone dust walking trails connecting different site components, including Cancer Center, parking lots, gazebos, and Corregidor Road; (C) Seatwall and Sculpture space; (D) at least two gazebos; and (E) landscaped open areas and plantings.

In the event that Redeveloper constructs Phase 2(b), Redeveloper shall deed restrict the property upon which Phase 2(b) is developed only for use as public open space (the “Open Space Deed Restriction”); provided, that (1) the Open Space Deed Restriction shall run only to the benefit of FMERA, and not directly to the general public, and (2) the Open Space Deed Restriction subject to extinguishment at the FMERA Board’s sole discretion.

The Redeveloper will construct ancillary improvements in connection with the Project, including parking, to meet the needs of the user as required by FMERA’s Land Use Rules.

The Army is currently conducting an environmental remediation on an approximately 0.285-acre portion of the Property designated by the Army as ECP 16 (“ECP 16”) which will be conveyed to FMERA via quitclaim deed upon the Army’s completion of remediation and issuance of a subsequent FOST and the Redeveloper shall take title to ECP 16 as set forth in the Purchaser Agreement and the Fourth Amendment to the Agreement to Assign.

On October 17, 2018, the FMERA Board approved the introduction of Reuse Plan Amendment #12 in accordance with the Redeveloper’s Conceptual Site Plan. After the Board’s introduction of the amendment, the end of the Governor’s veto period and the host municipalities’ 45-day comment period, the Board approved the Reuse Plan Amendment #12 on January 16, 2019.

Under the current terms of the Agreement to Assign, the Approval Period is set to expire on February 10, 2022; under the terms of the Fourth Amendment to the Agreement Assign, RWJBH shall be granted two additional three-month extensions, which shall expire on August 20, 2021. As set forth in the Purchase Agreement and the Agreement to Assign, closing shall occur within ninety (90) days of satisfaction of conditions precedent to closing and satisfaction of conditions precedent to assignment. Under the Fourth Amendment to the Agreement to assign, closing shall occur by December 30, 2022, if not sooner.

Closing shall mean the transfer of the Property (other than ECP-16, which will be transferred in accordance with the terms of the Purchase Agreement and the Fourth Amendment to Agreement to Assign), from the FMERA to the Redeveloper and the transfer of the Purchase Price from the Redeveloper to the FMERA, pursuant to the Agreement to Assign and the Purchase Agreement.

The Redeveloper will commence the Construction of Phase 1 of the Project no later than one hundred sixty (160) days after the closing on the subject Property. The Redeveloper will complete Construction of Phase 1 of the Project no later than twenty-seven (27) months from closing. The Redeveloper shall be obligated to complete the Project which shall consist of Phase 1 and either Phase 2(a) or Phase 2(b). Redeveloper must submit to FMERA in writing thirty (30) days prior to completion of Phase 1, but no later than on or before the twenty-sixth (26<sup>th</sup>) month after closing whether Redeveloper has selected to move forward with Phase 2(a) or Phase 2(b). If Redeveloper fails to notify FMERA in writing of which Phase 2 is shall undertake in the timeframe stated above, this shall constitute an Event of Default, which upon notification by FMERA, the Redeveloper shall have sixty (60) days to cure. With respect to Phase 2, if Phase 2(a) is elected: Redeveloper will commence the Construction of Phase 2(a) within six (6) months from making the Phase 2 election, and Redeveloper will complete Construction Phase 2(a) within eighty-four (84) months of closing. If Phase 2(b) is elected: Redeveloper will commence the Construction of Phase 2(b) within sixty (60) days from Completion of Phase 1, and Redeveloper shall complete Construction of Phase 2(b) within thirty-six (36) months from closing.

The Redeveloper's required minimum Capital Investment for Phase 1 and Phase 2(a) of the Project is estimated at Six Hundred and Fifty-One Million (\$651,000,000) Dollars. Redeveloper's required minimum Capital Investment for Phase 1 and Phase 2(b) of the Project is estimated at One Hundred and Fifty-Three Million Five Hundred Thousand (\$153,500,000) Dollars.

The Redeveloper shall create a total of three hundred eighteen (318) full-time equivalent permanent jobs at the Property within twenty-four (24) months of the receipt of the Certificate of Occupancy for Phase 1 of the Project. Redeveloper shall create a total of one thousand (1,000) full-time equivalent permanent jobs at the Property within twenty-four months of the receipt of the Certificate of Occupancy for any portion of Phase 2(a) of the Project or Redeveloper shall create a total of one (1) full-time equivalent permanent jobs at the Property within twelve (12) months of the Completion for Phase 2(b) of the Project. To the extent the Redeveloper fails to achieve the required creation of full-time equivalent permanent jobs at the Property within the required time period for any phase of the Project, then it shall be liable to pay to FMERA one thousand five-hundred dollars (\$1,500) dollars for each full-time equivalent permanent job not created.

Execution of the Redevelopment Agreement is contingent upon approval and execution by the NJEDA of the Fourth Amendment to the Agreement to Assign.

The attached Redevelopment Agreement is in substantially final form. The final terms of the Redevelopment Agreement will be subject to the approval of FMERA's Executive Director and the Attorney General's Office. On August 24, 2021, the Real Estate Committee, via email, 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 Redevelopment Agreement the Fort Monmouth Economic Revitalization Authority and RWJ Barnabas Health, Inc. for Parcel F-1 in the Tinton Falls Reuse Area.

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Bruce Steadman

Prepared by: Kara A. Kopach & Regina McGrade

**Resolution Regarding**  
**Purchase and Sale & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls**  
**Commercial Parcel in Tinton Falls**

**WHEREAS**, the Tinton Falls Commercial Development Parcel is an approximately 31.25± acre parcel of land containing twelve structures located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Property”); the Army is currently conducting an environmental remediation on an approximately 2.1-acre portion of the Property designated by the Army (“ECP 21”) which will be conveyed to FMERA via quitclaim deed upon the Army's completion of remediation and issuance of a subsequent FOST and the Purchaser shall take title to ECP 21 as set forth in the Agreement; and

**WHEREAS**, in February 2020, FMERA issued a Request for Offers to Purchase (“RFOTP”) calling for qualified individuals or entities interested in purchasing the Tinton Falls Commercial Parcel; and

**WHEREAS**, the Reuse Plan contemplates the renovation and reuse of the Pulse Power for office or research & development use; buildings 2719 and 2704 are contemplated for demolition and for passive open space; the Pistol Range is envisioned for reuse as a gun range; and the Police & Fire Training Area is envisioned for reuse as a fire & police training center by state, county or local governmental entities; and

**WHEREAS**, as that amendments to the Reuse Plan have substantially changed the land use plan for the Tinton Falls Reuse Area, FMERA accepted offers that included the reuse or demolition of Buildings 2707, 2708, 2709, 2710, 2719, 2627, 2628, and 2629, the demolition of Building 2704, and the redevelopment of the parcel for office/ research & development, alternate commercial or open space/recreational uses consistent with or complementing the planned uses in the area; and

**WHEREAS**, the minimum bid for the Property was Four Million Five Hundred Thousand (\$4,500,000) Dollars; and

**WHEREAS**, responses to the RFOTP were due on April 27, 2020, and FMERA received two proposals from: CHA Partners, LLC and RWJ Barnabas Health, Inc. The two bids were scored by an evaluation committee as follows: CHA Partners, LLC (3215) and RWJ Barnabas Health, Inc. (3725) with RWJ Barnabas receiving the highest score. The evaluation committee recommended proceeding with negotiations for a PSARA with RWJ Barnabas for the Tinton Falls Commercial Parcel. CHA subsequently withdrew its proposal; and

**WHEREAS**, pursuant to the terms of the PSARA, RWJ Barnabas will pay Five Million One Hundred Thousand (\$5,100,000) Dollars for the Parcel, and its total Capital Investment is estimated at One Hundred Million Dollars (\$100,000,000); and

**WHEREAS**, the due diligence period will run for one hundred and twenty days from the later to occur of 1) the PSARA execution date, or 2) the date on which FMERA delivers to Purchaser a Boundary Survey and may be extended for an additional two (2) additional thirty (30) days if necessary, to complete environmental investigations; and

**WHEREAS**, the Approval Period shall be twelve months commencing upon the later to occur of completion of the Due Diligence Period, or adoption of the Reuse Plan Amendment, and in the event that the Purchaser is unable to obtain all Approvals within the Approval Period, FMERA staff may grant, at its sole discretion an extension of the Approval Period for an additional six month period which shall be granted if FMERA staff determines that the Purchaser is diligently and in good faith pursuing all Approvals; and

**WHEREAS**, closing is subject to and conditioned upon the following conditions i) Approval of Purchaser as redeveloper of the Property by the NJEDA Board; ii) the receipt by Purchaser of all Approvals within the

timeframes set forth in the PSARA; iii) a Mandatory Conceptual Review approval of the Project by FMERA prior to (or concurrent with) seeking preliminary and final site plan approval from the Borough with the understanding that any such waiver will not toll or delay in any way the Purchaser's obligation to comply with the Project Schedule; iv) Seller shall have satisfied all conditions relating to the conveyance of fee simple marketable title insurable at regular rates; and v) Seller shall have obtained a Reuse Plan Amendment for the property; and

**WHEREAS**, closing shall occur no later than thirty days after satisfaction or waiver of the Conditions Precedent to Closing or ten days after all title and environmental obligations are satisfied, whichever is later. The Army is currently conducting an environmental remediation on an approximately 2.1-acre portion of the Property designated by the Army ECP 21 which will be conveyed to FMERA via quitclaim deed upon the Army's completion of remediation and issuance of a subsequent FOST and the Purchaser shall take title to ECP 21 as set forth in the Agreement; and

**WHEREAS**, purchaser represents that it is purchasing the Property with the intent to construct the Project, which consists of the demolition of existing improvements and conditions as described in the attached memorandum; and

**WHEREAS**, additionally, the Purchaser shall design, fund and construct a roadway across the Property connecting Pearl Harbor Avenue and Satellite Road to provide access to and from the Fabrication Shops parcel located southeast of the Property within fifteen months of closing on the Property; a Deed restriction for the benefit of FMERA preserving public access to the passive recreation and open space shall be recorded at Closing; provided, that 1) the Open Space Deed Restriction shall run only to the benefit of FMERA, and not directly to the general public, and 2) the Open Space Deed Restriction shall state that FMERA shall have the ability to terminate and discharge the Open Space Deed Restriction upon RWJ's request which shall be considered in the Board's sole discretion; and

**WHEREAS**, Purchaser shall commence construction of the Project no later than ninety days after Closing. Purchaser will complete Construction of the Project no later than twenty-six months from Closing; and

**WHEREAS**, the Purchaser also covenants to create three hundred part-time and/or full-time jobs within twelve months of the Completion of the Project completion or pay a penalty of \$1,500 for each job not created; and

**WHEREAS**, attached in substantially final form is the PSARA between FMERA and RWJ Barnabas. The final terms of the PSARA are subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

**WHEREAS**, on August 24, 2021, the Real Estate Committee, via email, reviewed the request and recommends it to the Board for approval.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the Purchase and Sale Agreement & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls 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: August 27, 2021**

**EXHIBIT 3**

**MEMORANDUM**

**TO:** Members of the Board

**FROM:** Bruce Steadman  
Executive Director

**RE:** Purchase and Sale & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls

**DATE:** August 27, 2021

**Request**

I am requesting that the Board approve the execution of a Purchase and Sale & Redevelopment Agreement (“PSARA”) with RWJ Barnabas Health, Inc. (“RWJ Barnabas” or “Purchaser”) for the Tinton Falls Commercial Parcel in Tinton Falls.

**Background**

The Tinton Falls Commercial Development Parcel is an approximately 31.25± acre parcel of land containing twelve structures (Buildings 2627, 2628, 2629, 2630, 2631, 2632, 2704, 2707, 2709, 2710, 2629, and 2719) located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Property”). The Army is currently conducting an environmental remediation on an approximately 2.1-acre portion of the Property designated by the Army (“ECP 21” or “Environmental Carve-Out Parcel”) which will be conveyed to FMERA via quitclaim deed upon the Army's completion of remediation and issuance of a subsequent FOST and the Purchaser shall take title to ECP 21 as set forth in the Agreement.

In February 2020, FMERA issued an Request for Offers to Purchase (“RFOTP”) calling for qualified individuals or entities interested in purchasing the Tinton Falls Commercial Parcel. In addition to the redevelopment of the Property, the Potential Purchaser would be required to design, fund, and construct a roadway across the Property connecting Pearl Harbor Avenue and Satellite Road to provide access to and from the Fabrication Shops parcel located southeast of the Property. The design of the roadway would be at the Potential Purchaser's reasonable discretion as long as the roadway is designed to accommodate tractor-trailer traffic leaving the Fabrication Shops parcel. If the Potential Purchaser intends to dedicate the roadway as a future right of way, the roadway will be subject to municipal design standards and must be designed accordingly.

The Reuse Plan contemplates the renovation and reuse of the Pulse Power for office or research & development use. Buildings 2719 and 2704 are contemplated for demolition and for passive open space. The Pistol Range (Building 2627) is envisioned for reuse as a gun range. The Police & Fire Training Area is envisioned for reuse as a fire & police training center by state, county or local governmental entities. Given that amendments to the Reuse Plan have substantially changed the land use plan for the Tinton Falls Reuse Area, FMERA accepted offers that included the reuse or demolition of Buildings 2707, 2708, 2709, 2710, 2719, 2627, 2628, and 2629, the demolition of Building 2704, and the redevelopment of the parcel for office/ research & development, alternate commercial or open space/recreational uses consistent with or complementing the planned uses in the area. The proposed new uses would require an amendment to the Reuse Plan. All proposals were required to include adequate parking per FMERA’s Land Use Rules.

The minimum bid for the Property was Four Million Five Hundred Thousand (\$4,500,000) Dollars.

Responses to the RFOTP were due on April 27, 2020, and FMERA received two proposals from: CHA Partners, LLC and RWJ Barnabas Health, Inc. The two bids were scored by an evaluation committee as follows: CHA Partners, LLC (3215) and RWJ Barnabas Health, Inc. (3725) with RWJ Barnabas receiving the highest score. The evaluation committee recommended proceeding with negotiations for a PSARA with RWJ Barnabas for the Tinton Falls Commercial Parcel. CHA subsequently withdrew its proposal.

### **Purchase and Sale & Redevelopment Agreement**

Pursuant to the terms of the PSARA, RWJ Barnabas will pay Five Million One Hundred Thousand (\$5,100,000) Dollars for the Parcel. The Purchaser's total Capital Investment is estimated at One Hundred Million Dollars (\$100,000,000).

The due diligence period will run for one hundred and twenty (120) days from the later to occur of 1) the PSARA execution date, or 2) the date on which FMERA delivers to Purchaser a Boundary Survey and may be extended for an additional two (2) additional thirty (30) days if necessary, to complete environmental investigations.

Purchaser will apply for and diligently pursue the required approvals for the Project within the Approval Period. The Approval Period shall be twelve (12) months commencing upon the later to occur of (1) completion of the Due Diligence Period, or (2) adoption of the Reuse Plan Amendment. In the event that the Purchaser is unable to obtain all Approvals within the Approval Period, FMERA staff may grant, at its sole discretion an extension of the Approval Period for an additional six (6) month period which shall be granted if FMERA staff determines that the Purchaser is diligently and in good faith pursuing all Approvals. Purchaser may elect to waive receipt of all Approvals within the Approval Period or Approval extension Period and close on the Property without said Approvals.

Closing is subject to and conditioned upon the following conditions i) Approval of Purchaser as redeveloper of the Property by the NJEDA Board; ii) the receipt by Purchaser of all Approvals within the timeframes set forth in the PSARA; iii) a Mandatory Conceptual Review approval of the Project by FMERA prior to (or concurrent with) seeking preliminary and final site plan approval from the Borough with the understanding that any such waiver will not toll or delay in any way the Purchaser's obligation to comply with the Project Schedule; iv) Seller shall have satisfied all conditions relating to the conveyance of fee simple marketable title insurable at regular rates; and v) Seller shall have obtained a Reuse Plan Amendment for the property. Closing shall occur no later than thirty (30) days after satisfaction or waiver of the Conditions Precedent to Closing or ten (10) days after all title and environmental obligations are satisfied, whichever is later.

Purchaser represents that it is purchasing the Property with the intent to construct the Project, which consists of the demolition of existing improvements, and 1) construction of a three-story Medical Office Building anticipated to have be approximately 121,125 GSF; 2) installation of a grid-supply solar energy system which ground-mounted systems shall not to exceed 20% of the developable acreage and shall be placed at the back of the site and not front on Pinebrook Road or Pearl Harbor Avenue; 3) construction of active recreational facilities, including two (2) multi-purpose grass or turf athletic fields, one (1) baseball / softball field, up to five (5) tennis courts, and a field house (which shall initially consist of storage space for equipment related to the active recreational facilities, but may be expanded in the future to include bathrooms, locker rooms or other similar amenities at Purchaser's sole discretion); 4) passive recreation, including a community walking / nature trail that enhances walkability and interconnectedness of the Tinton Falls section of Fort Monmouth; and 5) open space to benefit the surrounding area. Additionally, the Purchaser shall design, fund and construct a roadway across the Property connecting Pearl Harbor Avenue and Satellite Road to provide access to and from the Fabrication Shops parcel located southeast of the Property within fifteen (15) months of closing on the Property. A Deed restriction (the "Open Space Deed Restriction") for the benefit of FMERA preserving public access to the passive recreation and open space shall be recorded at Closing; provided, that 1) the Open Space Deed Restriction shall run only to the benefit of FMERA, and not directly to the general public, and 2) the Open Space Deed Restriction shall state that FMERA shall have the ability to terminate and discharge the Open Space Deed Restriction upon RWJ's

request which shall be considered in the Board's sole discretion. Purchaser shall commence construction of the Project no later than ninety (90) days after Closing. Purchaser will complete Construction of the Project no later than twenty-six (26) months from Closing.

The Purchaser also covenants to create three hundred (300) part-time and/or full-time jobs within twelve (12) months of the Completion of the Project completion or pay a penalty of \$1,500 for each job not created.

Attached in substantially final form is the PSARA between FMERA and RWJ Barnabas. The final terms of the PSARA are subject to the approval of FMERA's Executive Director and the Attorney General's Office. On August 24, 2021, the Real Estate Committee, via email, approved the request and recommends it to the Board for approval.

**Recommendation**

In summary, I am requesting the Board authorize the execution of a Purchase and Sale & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls.

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Bruce Steadman

Prepared by: Kara Kopach & Regina McGrade

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