

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: December 15, 2021 – 5:00p.m.

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 Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - 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 FMERA’s Draft 2022 Budget.
 2. Consideration of Approval of the First Amendment to the Purchase and Sale & Redevelopment Agreement for Howard Commons in Eatontown.

3. Consideration of Approval of the Ninth Amendment to the Purchase and Sale Agreement for the Chapel in Oceanport.
4. Consideration of Approval of a Purchase and Sale Agreement between FMERA and Parker Creek Partners, LLC for the Bowling Center Parcel in Eatontown.
5. Consideration of Approval of a Grant Agreement between FMERA and the Eatontown Sewerage Authority.
12. **Other Items**
13. **Public Comment Regarding any FMERA Business**
 - Responses to questions submitted online or in writing
14. **Adjournment**

**Resolution Regarding
Draft 2022 Budget**

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

WHEREAS, the Draft 2022 Budget illustrates the Authority's progress in implementing the approved Phase 1 and Phase 2 Economic Development Conveyance (EDC) Agreements and embarking on the economic redevelopment of the former Fort property. This year's budget represents the projected 2022 financial activity under the approved Phase 1 and Phase 2 EDC Agreements; and

WHEREAS, the Draft 2022 Budget Summary illustrates the Budget based on the 2022 projected parcel sales to be sold with five parcels projected to be sold with net earnings from parcel sales. The Land Costs for the parcel sales include payments on the Working Capital Loans due to the NJ Economic Development Authority, the Direct Loan from the NJ Economic Development Authority, and payments due to the Army and the Homeless Accommodation under the terms of the EDC Agreement; and

WHEREAS, the Audit Committee has reviewed the draft 2022 Budget and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the draft 2022 Budget, as described in the attached memorandum.
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: December 15, 2021**

EXHIBIT 1

MEMORANDUM

To: Members of the Board

From: Bruce Steadman
Executive Director

Subject: Draft 2022 Budget

Date: December 15, 2021

Request

I am requesting that the Board approve the Authority's Draft 2022 Budget.

Background

The Draft 2022 Budget is enclosed for your review and consideration. FMERA staff has collaborated in the development of a Budget which supports and enhances FMERA's Mission to "create an atmosphere in which employers will employ and investors will invest, to maximize the jobs created and the value of the property". The Budget is also intended to expand the Authority's sources of funding while continuing to control costs and direct spending to maximize the benefits derived.

The Draft 2022 Budget illustrates the Authority's progress in implementing the approved Phase 1 and Phase 2 Economic Development Conveyance (EDC) Agreements and embarking on the economic redevelopment of the former Fort property. This year's budget represents the projected 2022 financial activity under the approved Phase 1 and Phase 2 EDC Agreements.

The Draft 2022 Budget Summary illustrates the Budget based on the 2022 projected parcel sales. Five parcels are projected to be sold for \$7,105,318. The projected Net Earnings from the parcel sales are \$1,167,942. The Land Costs for the parcel sales total \$5,937,376 and consist of \$867,441 in payments on the Working Capital Loan due to the New Jersey Economic Development Authority (EDA), \$161,808 in payments on the Direct Loan due to EDA, \$3,481,815 due to the Army and \$1,426,312 to the Homeless Fund under the terms of the EDC Agreement.

Operating income of \$5,000 represents the estimated amount received for Mandatory Conceptual Review application fee. Non-Operating Revenue of \$11,000 consists of the following: Miscellaneous Revenue of \$10,000 represents projected revenue from the use of the property for various events and Interest from cash in the amount of \$1,000.

FMERA's 2022 proposed Budget's General and Administrative expenses of \$232,500, represents general office operating expenses and maintenance & utilities, and Direct Office expenses of \$1,416,325 represents the salary and fringe of FMERA staff. Program Costs of \$3,088,450 consist of professional services and carrying costs of the property. Carrying costs mainly consist of property maintenance, security, utilities and insurance. Excess Payments on Working Capital Loan of \$3,129,020 represents the estimated amount due to EDA based on 2021 property sales and FMERA's net cash at December 31, 2021. Interest expense on the Working Capital Loans of \$110,000 represents the estimated 2022 interest on the working capital loans from EDA. Interest Expense on the Direct Loan of \$323,855 represents the estimated 2022 interest on the Direct Loan from EDA.

The Authority's 2022 proposed Capital Budget calls for outlays totaling \$16,350,000, comprised of infrastructure projects and demolition. Infrastructure Funds of \$17,750,000 consist of funds received through appropriations in the Fiscal Year 2022 State Budget. The Audit Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

In summary I am requesting that the Board approve the Authority's Draft 2022 Budget.

Bruce Steadman

Prepared by: Jennifer Lepore

DRAFT

Resolution Regarding
First Amendment to the Purchase and Sale & Redevelopment Agreement with US Home Corporation, a wholly owned subsidiary of Lennar Corporation, for the Howard Commons Parcel in Eatontown

WHEREAS, the Howard Commons Parcel is a 63.67-acre tract on Pinebrook Road in the Fort's Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with 3,853 sf general purpose buildings. The Army phased out the use of the townhouses in the years leading up to the Fort's 2011 closure. The Fort Monmouth Reuse and Redevelopment Plan ("Reuse Plan") calls for the demolition of the existing improvements due to their age, condition, density and design, and their replacement with 275 dwelling units and approximately 15,000 sf of ancillary retail/commercial space. Howard Commons is a Phase One property in FMERA's June 25, 2012 Economic Development Conveyance Agreement ("EDC Agreement") with the Army. Title to the 63.67-acre tract was transferred to FMERA in June 2014; and

WHEREAS, on October 20, 2021, the FMERA Board approved a Purchase and Sale & Redevelopment Agreement ("PSARA") with Lennar Corporation and the PSARA was executed on November 30, 2021; and

WHEREAS, pursuant to the terms of the PSARA, Lennar will pay One Million Eight Hundred Thousand (\$1,800,000) Dollars for the Parcel. FMERA may agree to reduce the Purchase Price to cover the cost of the remediation of any newly discovered environmental issues in an amount not to exceed Three Hundred Thousand Dollars (\$300,000.00). The Purchaser's total Capital Investment is estimated at Sixty-Six Million Dollars (\$66,000,000); and

WHEREAS, Purchaser will apply for and diligently pursue the required approvals for the Project within 90 days following the end of the Due Diligence Period. The Approval Period shall be 18 months commencing upon the completion of the Due Diligence Period. 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; 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. Closing shall occur no later than forty-six (46) days after satisfaction or waiver of the Conditions Precedent to Closing; 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 the construction of 275 Housing Units along Pinebrook Road ("Residential Phase"), together with a retail component consisting of a maximum building square footage of 33,800 fronting on Hope Road ("Retail Phase"). The Retail shall be no more than two stories and shall have a maximum permitted lot coverage of 60 percent and a maximum floor area of 20 percent. Of the new housing units, 20 percent will be Affordable Homes. Lennar will develop 220 Homes as 22 or more for-sale single family detached Homes with the balance of the Homes as for-sale townhomes and stacked townhomes, with the remaining 35 non-supportive Affordable Homes to be developed as for-sale or rental units, at Lennar's option. FMERA and/or the Affordable Housing Alliance will have the option to acquire 20 of the affordable homes for use as permanent supportive housing units, as required by FMERA's legally binding agreement for accommodation of special needs populations; and

WHEREAS, the Redevelopment Project will also consist of the removal of pesticide-contaminated soil found on the Property. Purchaser shall have two options for removal of contaminated soil, a selection of which must occur prior to the conclusion of Due Diligence. Either Purchaser will dispose of any pesticide-contaminated soil found to an off-site location, or Purchaser shall relocate any pesticide-contaminated soil to a portion of the Property identified as the Receiving Parcel. The Receiving Parcel is an approximately six (6) acre portion of the Property on the south side of Pinebrook Road (the "Receiving Parcel"), where Purchaser intends to dispose of pesticide-contaminated soil found on the Property, subject to conditions set forth in this Agreement and as required by the New Jersey Department of Environmental Protection ("NJDEP"), and convert the Receiving Parcel to passive or active recreation space or a small solar energy system. Removal will be subject to NJDEP concurrence; and

WHEREAS, if Purchaser elects to remove contaminated soil to the Receiving Parcel, Purchaser will cap the affected portion of the Receiving Parcel with certified clean fill, or such other hard cap material as may be approved by the NJDEP at a height to exceed 36 inches above the adjacent Pinebrook Road top curb grade. The Receiving Parcel is depicted in the Conceptual Site Plan, and any relocation of the Receiving Parcel shall require FMERA's written consent. Upon completion of the cap to the Receiving Parcel, and upon NJDEP concurrence, Purchaser will be permitted to convey the Receiving Parcel to the Borough of Eatontown; and

WHEREAS, Purchaser shall commence the abatement and demolition of the existing improvements within (45 days of Closing. Purchaser shall complete abatement and demolition of the existing improvements shall occur within 12 months of Closing, and Purchaser shall Complete Construction of the Project no later than 72 months from Closing. Purchaser also covenants to create a minimum of 26 part-time and/or full-time jobs within 12 months of the Completion of the Project completion or pay a penalty of \$1,500 for each job not created. In addition, Purchaser is obligated to improve access to the ball fields located near the southeast portion of the Property by paving and widening, if required, to accommodate emergency vehicles and to grant an access easement to the Eatontown Board of Education ; and

WHEREAS, the Affordable Housing Alliance, which is the identified service provider, of the 20 permanent supportive housing units has recently identified a need for office space to further support the units and offer support services for the residents. Based on this requirement, FMERA and Purchaser agree to the amend the PSARA to provide a 150 square foot office with an adjacent bathroom within the permanent supportive housing unit build out. As part of this addition, FMERA will contribute up to \$50,000 toward this addition. All other parts of the PSARA remain unchanged; and

WHEREAS, attached in substantially final form is the PSARA between FMERA and Lennar. The final terms of the First Amendment are subject to the approval of FMERA's Executive Director, Lennar 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 First Amendment to the Purchase and Sale & Redevelopment Agreement with U.S. Home Corporation, a wholly owned subsidiary of Lennar Corporation for the Howard Commons in Eatontown 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 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: December 15, 2021

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: First Amendment to the Purchase and Sale & Redevelopment Agreement with US Home Corporation, a wholly owned subsidiary of Lennar Corporation, for the Howard Commons Parcel in Eatontown

DATE: December 15, 2021

Request

I am requesting that the Board approve the execution of the First Amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with US Home Corporation, a wholly owned subsidiary of Lennar Corporation (“Lennar” or “Purchaser”) for the Howard Commons Parcel in Eatontown.

Background

The Howard Commons Parcel is a 63.67-acre tract on Pinebrook Road in the Fort’s Charles Wood Area. The property is currently improved with 486 townhouse units constructed by the Army in 1953, along with 3,853 square feet general purpose buildings. The Army phased out the use of the townhouses in the years leading up to the Fort’s 2011 closure. The Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”) calls for the demolition of the existing improvements due to their age, condition, density and design, and their replacement with 275 dwelling units and approximately 15,000 square feet of ancillary retail/commercial space. Howard Commons is a Phase One property in FMERA’s June 25, 2012 Economic Development Conveyance Agreement (“EDC Agreement”) with the Army. Title to the 63.67-acre tract was transferred to FMERA in June 2014.

The Reuse Plan contemplates the demolition of the existing 48 residential housing buildings and the creation of a mixed-income housing neighborhood on the approximately 64-acre Howard Commons parcel, located at the intersection of Pinebrook Road and Hope Road. The Reuse Plan envisioned 275 new units of medium-density housing, open space/recreation and up to 15,000 square feet of convenience and/or mixed-use retail along Hope Road.

Purchase and Sale & Redevelopment Agreement

Pursuant to the terms of the PSARA, Lennar will pay One Million Eight Hundred Thousand (\$1,800,000) Dollars for the Parcel. FMERA may agree to reduce the Purchase Price to cover the cost of the remediation of any newly discovered environmental issues in an amount not to exceed Three Hundred Thousand Dollars (\$300,000.00). The Purchaser’s total Capital Investment is estimated at Sixty-Six Million Dollars (\$66,000,000).

The due diligence period will run for 60 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 with FMERA’s approval the Due Diligence Period may be extended for an additional 60 days if necessary to complete environmental investigations.

Purchaser will apply for and diligently pursue the required approvals for the Project within 90 days following the end of the Due Diligence Period. The Approval Period shall be 18 months commencing upon the completion of

the Due Diligence Period. 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 forty-six (46) days after satisfaction or waiver of the Conditions Precedent to Closing.

Purchaser represents that it is purchasing the Property with the intent to construct the Project, which consists of the demolition of existing improvements, and the construction of 275 Housing Units along Pinebrook Road ("Residential Phase"), together with a retail component consisting of a maximum building square footage of 33,800 fronting on Hope Road ("Retail Phase"). The Retail shall be no more than two stories and shall have a maximum permitted lot coverage of 60 percent and a maximum floor area of 20 percent. Of the new housing units, 20 percent will be Affordable Homes. Lennar will develop 220 Homes as 22 or more for-sale single family detached Homes with the balance of the Homes as for-sale townhomes and stacked townhomes, with the remaining 35 non-supportive Affordable Homes to be developed as for-sale or rental units, at Lennar's option. FMERA and/or the Affordable Housing Alliance will have the option to acquire 20 of the affordable homes for use as permanent supportive housing units, as required by FMERA's legally binding agreement for accommodation of special needs populations.

The Redevelopment Project will also consist of the removal of pesticide-contaminated soil found on the Property. Purchaser shall have two options for removal of contaminated soil, a selection of which must occur prior to the conclusion of Due Diligence. Either Purchaser will dispose of any pesticide-contaminated soil found to an off-site location, or Purchaser shall relocate any pesticide-contaminated soil to a portion of the Property identified as the Receiving Parcel. The Receiving Parcel is an approximately six (6) acre portion of the Property on the south side of Pinebrook Road (the "Receiving Parcel"), where Purchaser intends to dispose of pesticide-contaminated soil found on the Property, subject to conditions set forth in this Agreement and as required by the New Jersey Department of Environmental Protection ("NJDEP"), and convert the Receiving Parcel to passive or active recreation space or a small solar energy system. Removal will be subject to NJDEP concurrence.

If Purchaser elects to remove contaminated soil to the Receiving Parcel, Purchaser will cap the affected portion of the Receiving Parcel with certified clean fill, or such other hard cap material as may be approved by the NJDEP at a height to exceed 36 inches above the adjacent Pinebrook Road top curb grade. The Receiving Parcel is depicted in the Conceptual Site Plan, and any relocation of the Receiving Parcel shall require FMERA's written consent. Upon completion of the cap to the Receiving Parcel, and upon NJDEP concurrence, Purchaser will be permitted to convey the Receiving Parcel to the Borough of Eatontown.

Purchaser shall commence the abatement and demolition of the existing improvements within (45 days of Closing. Purchaser shall complete abatement and demolition of the existing improvements shall occur within 12 months of Closing, and Purchaser shall Complete Construction of the Project no later than 72 months from Closing.

Purchaser also covenants to create a minimum of 26 part-time and/or full-time jobs within 12 months of the Completion of the Project completion or pay a penalty of \$1,500 for each job not created.

In addition, Purchaser is obligated to improve access to the ball fields located near the southeast portion of the Property by paving and widening, if required, to accommodate emergency vehicles and to grant an access easement to the Eatontown Board of Education.

Proposed First Amendment to the PSARA

The Affordable Housing Alliance, which is the identified service provider, of the 20 permanent supportive housing units has recently identified a need for office space to further support the units and offer support services for the residents. Based on this requirement, FMERA and Purchaser agree to amend the PSARA to provide a 150 square foot office with an adjacent bathroom within the permanent supportive housing unit build out. As part of this addition, FMERA will contribute up to \$50,000 toward this addition. All other parts of the PSARA remain unchanged.

Attached in substantially final form is the PSARA between FMERA and Lennar. The final terms of the PSARA are subject to the approval of FMERA’s Executive Director, Lennar and the Attorney General’s Office. The Real Estate Committee reviewed the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board authorize the execution of the First Amendment to the Purchase and Sale & Redevelopment Agreement with U.S. Home Corporation, a wholly owned subsidiary of Lennar Corporation, for the Howard Commons Parcel in Eatontown.

Bruce Steadman

Prepared by: Kara Kopach

DRAFT

**Resolution Regarding
Ninth Amendment to Purchase and Sale Agreement with Triumphant Life Church Assembly of God for the Chapel Parcel in
Oceanport**

WHEREAS, on December 14, 2016, the Board authorized the execution of the PSA between FMERA and Triumphant Life for the Chapel Parcel, an approximately 5.0-acre parcel that contains Building 500 and is located on Malterer Avenue in the Main Post Area of Fort Monmouth ("Property"); the building was used as a general house of worship for the Fort and the Property is in the Oceanport Horseneck Center land use district and the Fort's Historic District although the structure itself is non-contributing and not considered historic; and

WHEREAS, Triumphant Life is a registered 501c3 non-profit corporation that has acquired the Property and utilizes this location for its house of worship and community outreach center; and

WHEREAS, FMERA and Triumphant Life entered into a Purchase and Sale Agreement dated as of January 6, 2017 ("PSA") whereby FMERA agreed to sell and Purchaser agreed to purchase the Property; and

WHEREAS, closing occurred on February 27, 2017; pursuant to the terms of the PSA, Triumphant Life paid \$1,000,000.00 for the Property, reflecting its proposal; and

WHEREAS, FMERA conveyed the property to Triumphant Life in as-is condition, but with clear title and subject to the Army's on-going obligations under CERCLA to address any pre-existing contamination that may exist on the property; and

WHEREAS, the Project consisted of the renovation of the existing structure as a house of worship and community outreach center and Triumphant Life obtained its Certificate of Occupancy within the required twelve months of closing and has used and occupied the existing structure as a Chapel since receipt of that certificate; and

WHEREAS, under the terms of the Project, the Purchaser had the option to construct a 115-space parking lot on the Property within twelve months of Closing, subject to review by the State Historic Preservation Officer ("SHPO") and in complement to the architecture and design styles of the adjacent National Register Historic District; and

WHEREAS, under the Executive Director's discretion to administer the Board-approved PSA and under section 6 of the PSA which provides for an additional six months to complete the Project, the time period for construction of the parking lot was extended until August 27, 2018; and

WHEREAS, Purchaser engaged in the design process for the parking lot and indicated to FMERA that it would require an additional seventy-five days to complete construction of the parking lot; and

WHEREAS, on August 15, 2018, the FMERA Board approved the First Amendment to the PSA to allow for Triumphant Life to have 1) a seventy-five day extension of the construction timeline to complete a 115-space paved parking lot on the Property, whereby Triumphant Life would provide a promissory note to guarantee completion of the parking lot within that timeline and FMERA would provide a short-term license to park 115 vehicles off-site during that timeline; and 2) a twelve month extension of the job creation timeline, as referenced in Section 6(c) of the PSA; and

WHEREAS, on October 17, 2018, the FMERA Board approved the Second Amendment to the PSA to allow for: 1) an extension of the construction timeline until May 15, 2019 to complete a 115-space paved parking lot on the Property; and 2) a promissory note to guarantee completion of the parking lot within the May 15, 2019 completion date; and

WHEREAS, on May 23, 2019, the FMERA Board approved the Third Amendment to the PSA to allow for 1) an extension of the construction timeline until September 12, 2019 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; and 2) an amended promissory note to guarantee completion of the parking lot within the September 12, 2019 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until September 12, 2019; and

WHEREAS, on September 18, 2019 the FMERA Board approved the Fourth Amendment to the PSARA to allow for: 1) an extension of the construction timeline until April 30, 2020 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the April 30, 2020 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until April 30, 2020; and

WHEREAS, on April 15, 2020, the FMERA Board approved the Fifth Amendment to the PSARA to allow for: 1) an extension of the construction timeline until July 31, 2020 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the July 31, 2020 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until July 31, 2020; and

WHEREAS, on August 5, 2020, Triumphant Life requested via letter correspondence and FMERA approved under the Executive Directors delegated authority an extension to the Project Completion to December 31, 2020. The Sixth Amendment was executed on August 31, 2020; and

WHEREAS, on November 10, 2020, Triumphant Life received the Oceanport Planning Board's approval, however notified FMERA that they would not be able to complete the parking lot by December 31, 2020 and requested an additional six months or until June 30, 2021 to complete the project; and

WHEREAS, on December 15, 2020, the FMERA Board approved the Seventh Amendment to the PSA to allow for: 1) an extension of the construction timeline until June 30, 2021 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the June 30, 2021 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until June 30, 2021. The Seventh Amendment was executed on January 21, 2021; and

WHEREAS, on June 16, 2021, the FMERA Board approved the Seventh Amendment to the PSA to allow for: 1) an extension of the construction timeline until June 30, 2021 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the June 30, 2021 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until June 30, 2021. The Seventh Amendment was executed on January 21, 2021; and

WHEREAS, on November 10, 2021, Triumphant Life requested via email correspondence an extension to the Project Completion to June 30, 2022, citing the need to use financial reserves as contributions from the members have decreased during the pandemic and the temporary suspension of partnerships that had been aiding in the completion of the parking lot due to Covid-19; Triumphant Life stated that these partners' offices are just now reopening and it expects attendance and contributions to normalize in the upcoming months; and

WHEREAS, FMERA reviewed the request and agreed to extend the Project Completion date to June 30, 2022; and

WHEREAS, these continued efforts have led to the attached Ninth Amendment to the PSA with the following revisions to material terms: 1) an extension of the construction timeline until June 30, 2021 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; and 2) an amended promissory note to guarantee completion of the parking lot within the June 30, 2021 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until June 30, 2021; and

WHEREAS, all other material terms of the PSA as presented to the Board will remain unchanged. The attached Ninth Amendment to the PSA is in substantially final form. The final terms of the Ninth Amendment will be subject to the approval of FMERA's Executive Director; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Ninth Amendment with Triumphant Life Church Assembly of God for the Chapel Parcel in Oceanport, on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director 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.

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Ninth Amendment to Purchase and Sale Agreement with Triumphant Life Church Assembly of God for the Chapel Parcel in Oceanport

DATE: December 15, 2021

Request

I am requesting that the Board approve the Ninth Amendment to the Purchase and Sale Agreement (“PSA”) with Triumphant Life Church Assembly of God (“Triumphant Life”) for the sale of the Chapel Parcel (the “Project”) in the Oceanport Reuse Area.

Background

On December 14, 2016 the Members authorized the execution of the PSA between FMERA and Triumphant Life for the Chapel Parcel, an approximately 5.0-acre parcel that contains Building 500 (approximately 16,372 sf) and is located on Malterer Avenue in the Main Post Area of Fort Monmouth (“Property”). The building was used as a general house of worship for the Fort. The Property is in the Oceanport Horseneck Center land use district and the Fort’s Historic District although the structure itself is non-contributing and not considered historic.

Triumphant Life is a registered 501c3 non-profit corporation that has acquired the Property and utilizes this location for its house of worship and community outreach center. Triumphant Life was previously located in Asbury Park, NJ. The Project outlined in the PSA enabled Triumphant Life to relocate staff to this location upon completion of renovations in 2017. The Project was anticipated to result in the creation of an additional ten (10) part-time jobs at Fort Monmouth within eighteen (18) months of completion of initial renovation and receipt of a Certificate of Occupancy.

Purchase and Sale Agreement

The PSA was executed on January 6, 2017. Triumphant Life closed on the Chapel property on February 27, 2017. The PSA approved by the Board included the following terms, which remain unchanged:

Pursuant to the terms of the PSA, Triumphant Life paid \$1,000,000.00 for the Property, reflecting its proposal purchase price. Closing occurred within thirty (30) days of satisfaction of the conditions precedent to closing, which included Triumphant Life completing due diligence and receipt of a final remediation document. FMERA conveyed the property to Triumphant Life in as-is condition, but with clear title and subject to the Army’s ongoing obligations under CERCLA to address any pre-existing contamination that may exist on the property.

The Project consisted of the renovation of the existing structure as a house of worship and community outreach center. Triumphant Life obtained its Certificate of Occupancy within the required twelve (12) months of closing and has used and occupied the existing structure as a Chapel since receipt of that certificate. Under the terms of the Project, the Purchaser had the option to construct a 115-space parking lot on the Property within twelve (12) months of closing. This parking lot shall be subject to review by the State Historic Preservation Officer (“SHPO”)

and Purchaser agrees any exterior renovation on the Property shall complement the architecture and design styles of the adjacent National Register Historic District.

Amendments

Under the Executive Director's discretion to administer the Board-approved PSA and under Section 6 of the PSA which provides for an additional six (6) months to complete the Project, the time period for construction of the parking lot was extended until August 27, 2018. Purchaser engaged in the design process for the parking lot and indicated to FMERA that it would require an additional seventy-five (75) days to complete construction of the parking lot. Purchaser also agreed to provide a promissory note to FMERA guaranteeing the completion of the parking lot within that time frame. FMERA staff believed that this time period was reasonable and recommended extending the construction time for approximately seventy-five (75) days to allow for Triumphant Life to complete the construction of its parking lot. Additionally, Purchaser indicated to FMERA that it would be unable to create ten (10) part-time jobs within eighteen (18) months of completing the initial renovation and receipt of certificate of occupancy. FMERA staff recommended extending the job creation timeline by twelve (12) months.

On August 15, 2018, the FMERA Board approved the First Amendment to the PSA to allow for: 1) a seventy-five (75) day extension of the construction timeline, thereby extending the construction timeline to [insert date], to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA, whereby Triumphant Life would provide a promissory note to guarantee completion of the parking lot within that timeline and FMERA would provide a short-term license to park 115 vehicles off-site during that timeline; and 2) a twelve (12) month extension of the job creation timeline, as referenced in Section 6(c) of the PSA.

On October 17, 2018, the FMERA Board approved the Second Amendment to the PSA to allow for: 1) an extension of the construction timeline until May 15, 2019 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; and 2) a promissory note to guarantee completion of the parking lot within the May 15, 2019 completion date.

On May 23, 2019, the FMERA Board approved the Third Amendment to the PSA to allow for: 1) an extension of the construction timeline until September 12, 2019 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the September 12, 2019 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until September 12, 2019.

On September 18, 2019 the FMERA Board approved the Fourth Amendment to the PSA to allow for: 1) an extension of the construction timeline until April 30, 2020 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the April 30, 2020 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until July 31, 2020.

On April 15, 2020, the FMERA Board approved the Fifth Amendment to the PSA to allow for: 1) an extension of the construction timeline until July 31, 2020 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the July 31, 2020 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until July 31, 2020.

On August 5th, 2020, Triumphant Life requested via letter correspondence and FMERA approved an extension to the Project Completion to December 31, 2020 under the Executive Director Delegated Authority to approve delays for COVID-19 related reasons for up to five (5) months. The Sixth Amendment was executed on August 31, 2020.

On November 10, 2020, Triumphant Life received the Oceanport Planning Board's approval, however it notified FMERA that it would not be able to complete the parking lot by December 31, 2020 and requested an additional six months or until June 30, 2021 to complete the project. On December 15, 2020, the FMERA Board approved

the Seventh Amendment to the PSA to allow for: 1) an extension of the construction timeline until June 30, 2021 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; 2) an amended promissory note to guarantee completion of the parking lot within the June 30, 2021 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until June 30, 2021. The Seventh Amendment was executed on January 21, 2021.

On May 27, 2021, Triumphant Life requested via email correspondence an extension to the Project Completion to December 31, 2021, citing the need to use financial reserves as contributions from the members had decreased during the pandemic and the temporary suspension of partnerships that had been aiding in the completion of the parking lot due to Covid-19. Triumphant Life stated that these partners' offices are just now reopening, and it expected attendance and contributions to normalize in the upcoming months. FMERA reviewed the request and agreed to extend the Project Completion date to December 31, 2021. The Eighth Amendment was executed on August 9, 2021.

On November 10, 2021, Triumphant Life requested via email correspondence an extension to the Project Completion to June 30, 2022, citing the need to use financial reserves as contributions from the members have decreased during the pandemic and the temporary suspension of partnerships that had been aiding in the completion of the parking lot due to Covid-19. Triumphant Life stated that these partners' offices are just now reopening, and it expects attendance and contributions to normalize in the upcoming months. FMERA reviewed the request and agrees to extend the Project Completion date to June 30, 2022.

These continued efforts have led to the attached Ninth Amendment to the PSA with the following revisions to material terms: 1) an extension of the construction timeline until June 30, 2022 to complete a 115-space paved parking lot on the Property, as referenced in Section 54(c) of the PSA; and 2) an amended promissory note to guarantee completion of the parking lot within the June 30, 2022 completion date; and 3) an extension of the short-term license to park 115 vehicles off-site until June 30, 2022.

All other material terms of the PSA will remain unchanged. The attached Ninth Amendment to the PSA is in substantially final form. The final terms of the Ninth Amendment will be subject to the approval of FMERA's Executive Director. 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 Ninth Amendment to the Purchase and Sale Agreement with Triumphant Life Church Assembly of God, for the Chapel Parcel in the Oceanport section of Fort Monmouth.

Bruce Steadman

Prepared by: Regina McGrade

**Resolution Regarding
Purchase and Sale Agreement between FMERA and Parker Creek Partners, LLC for the Bowling
Center Parcel in Eatontown**

WHEREAS, FMERA issued a Request for Offers to Purchase (“RFOTP”) on June 22, 2018 in connection with the sale of the 2.8-acre Bowling Center Parcel in Eatontown (the “Property”). The Bowling Center, also known as Building 689, is an approximately 17,599 sf structure located at the corner of Saltzman and Wilson Avenues. The 2.8-acre parcel also includes Building 682, a 4,720-sf wood frame building constructed in 1941, which must be demolished; and

WHEREAS, Parker Creek Partners (“PCP”) acquired the Bowling Center Property from FMERA by Deed dated March 26, 2021, delivered on March 31, 2021 and recorded on June 11, 2021 in the Office of the Monmouth County Clerk; pursuant to a certain agreement entitled Purchase and Sale and Redevelopment Agreement (“PSARA”) dated July 2, 2019, as amended by the First Amendment, dated July 15, 2020; the Second Amendment, dated as of March 31, 2021; the Third Amendment, dated as of March 31, 2021; and the Fourth Amendment dated as of September 3, 2021; and

WHEREAS, under the PSARA, PCP is obligated to redevelop the Bowling Center Property in accordance with certain plans and timeframes; pay for installation of certain utilities; and to operate the Bowling Center Property so as to create a certain number of jobs; all such obligations being referred to herein as “Redevelopment Obligations”; and

WHEREAS, on September 7, 2021 via email and Federal Express, PCP notified FMERA that it no longer wishes to pursue the Redevelopment Project and does not intend to go forward with the Bowling Center. As such, PCP desired to have FMERA repurchase the property and for PCP to be released from its Redevelopment Obligations; and

WHEREAS, after discussions between FMERA staff and PCP, the parties agreed that PCP would relinquish the Bowling Center Property to FMERA for the Purchase Price of One (\$1.00) Dollar plus the forgiveness of the following items: (a) PCP’s obligation to redevelop the Property in accordance with the PSARA; (b) PCP’s obligation to demolish Building 682; (c) PCP’s obligation to make any remaining monetary contributions for off-site water and sewer improvements; and (d) PCP’s obligation to create certain jobs in connection with the redevelopment of the Property; and

WHEREAS, PCP agrees to sell and convey to FMERA and FMERA agrees to purchase and accept the conveyance from PCP subject to the terms and conditions set forth in the PSA. FMERA shall have a period of 30 days from the date of execution of this Agreement to conduct Due Diligence FMERA agrees to commence such due diligence and to order immediately such environmental and other inspections as it may require; and

WHEREAS, PCP commissioned an asbestos survey which confirmed the presence of non-friable asbestos containing materials and has had such ACM’s removed in and has provided to FMERA the report and receipts pertaining to the removal. PCP performed work only on the interior of the structures, all such work was conducted in accordance with all applicable Environmental Laws and good and customary business practices, and PCP and has not performed any drilling, boring, excavation or soil disturbance of any kind on the Property; and

WHEREAS, PCP shall make available for inspection, and permit FMERA to examine the interior of the Property; and PCP is not aware of any Hazardous Materials that are present at, on, in, under, or migrating from the Property, and has not used or stored any Hazardous Materials on the Property. PCP has provided FMERA with copies of all reports, tests, correspondence and other documents relating to Environmental Conditions on the Property or the presence or absence of Hazardous Materials at, on, in, under, or migrating from the Property. FMERA is in the process of commissioning a Phase I Environmental Assessment of the Bowling Alley parcel and is targeting a

completion date of December 30, 2021 for the Phase I Environmental Assessment Report; and

WHEREAS, closing on the Bowling Center shall occur on or about January 10, 2022. If the closing has not taken place by the aforementioned closing date, then either party may establish a “time of the essence” closing upon ten days’ notice to the other party. PCP shall be solely responsible for any utility charges including natural gas and electric and real estate taxes assessed for its period of ownership of the Property. FMERA agrees to obtain utility readings as of the day before the Closing and to arrange for utility services to cease in the name of PCP as of the date of the Closing; and

WHEREAS, attached in substantially final form is the PSA between FMERA and PCP. The final terms of the PSA are subject to the approval of FMERA’s Executive Director and the Attorney General’s Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Purchase and Sale Agreement between FMERA and Parker Creek Partners, LLC for the Bowling Center Parcel in Eatontown 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: December 15, 2021

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Purchase and Sale Agreement between FMERA and Parker Creek Partners, LLC for the Bowling Center Parcel in Eatontown.

DATE: December 15, 2021

Request

I am requesting that the Board approve the execution of a Purchase and Sale Agreement (“PSA”) between the Fort Monmouth Economic Revitalization Authority (“FMERA”) and Parker Creek Partners, LLC (“PCP”) for the purchase of the Bowling Center (the “Project”) in Eatontown.

Background

FMERA issued a Request for Offers to Purchase on June 22, 2018 in connection with the sale of the 2.8-acre Bowling Center Parcel in Eatontown (the “Bowling Center Property”). The Bowling Center, also known as Building 689, is an approximately 17,599 sf structure located at the corner of Saltzman and Wilson Avenues. The 2.8-acre parcel also includes Building 682, a 4,720-sf wood frame building. The RFOTF gave bidders the option of proposing to purchase Building 689 and ground lease all or portions (i.e. the land beneath Building 689 and its 10,000± sf expansion area) of the 2.8 acres of land, rather than purchasing both the land and the building. Responses to the RFOTF were due on July 10, 2017 and PCP submitted the sole response. The bidder proposed to purchase the improvements on the Bowling Center Property and ground lease the underlying land.

PCP acquired the Bowling Center Property from FMERA by Deed dated March 26, 2021, delivered on March 31, 2021 and recorded on June 11, 2021 in the Office of the Monmouth County Clerk (the “FMERA Deed”); pursuant to a certain agreement entitled Purchase and Sale and Redevelopment Agreement (“PSARA”) dated July 2, 2019, as amended by the First Amendment, dated July 15, 2020; the Second Amendment, dated as of March 31, 2021; the Third Amendment, dated as of March 31, 2021; and the Fourth Amendment dated as of September 3, 2021.

Purchase and Sale Agreement for the Bowling Center Property

Under the PSARA, PCP is obligated to redevelop the Bowling Center Property in accordance with certain plans and timeframes; pay for installation of certain utilities; and to operate the Bowling Center Property so as to create a certain number of jobs; all such obligations being referred to herein as “Redevelopment Obligations”. On September 7, 2021 via email and Federal Express, PCP notified FMERA that it no longer wishes to pursue the Redevelopment Project and does not intend to go forward with the Bowling Center. As such, PCP desired to have FMERA repurchase the property and for PCP to be released from its Redevelopment Obligations. After discussions between FMERA staff and PCP, the parties agreed that PCP would relinquish the Bowling Center Property to FMERA for the Purchase Price of One (\$1.00) Dollar plus the forgiveness of the following items: (a) PCP’s obligation to redevelop the Property in accordance with the PSARA; (b) PCP’s obligation to demolish Building 682; (c) PCP’s obligation to make any remaining monetary contributions for off-site water and sewer improvements; and (d) PCP’s obligation to create certain jobs in connection with the redevelopment of the Property.

PCP agrees to sell and convey to FMERA and FMERA agrees to purchase and accept the conveyance from PCP subject to the terms and conditions set forth in the PSA. FMERA shall have a period of 30 days from the date of execution of this Agreement to conduct Due Diligence. FMERA agrees to commence such due diligence and to order immediately such environmental and other inspections as it may require.

PCP commissioned an asbestos survey which confirmed the presence of non-friable asbestos containing materials and has had such ACM's removed in and has provided to FMERA the report and receipts pertaining to the removal. PCP performed work only on the interior of the structures, all such work was conducted in accordance with all applicable Environmental Laws and good and customary business practices, and PCP has not performed any drilling, boring, excavation or soil disturbance of any kind on the Property. PCP shall make available for inspection, and permit FMERA to examine, the interior of the Property; and PCP is not aware of any Hazardous Materials that are present at, on, in, under, or migrating from the Property, and has not used or stored any Hazardous Materials on the Property. PCP has provided FMERA with copies of all reports, tests, correspondence and other documents relating to Environmental Conditions on the Property or the presence or absence of Hazardous Materials at, on, in under, or migrating from the Property. FMERA is in the process of commissioning a Phase I Environmental Assessment of the Bowling Alley parcel and is targeting a completion date of December 30, 2021 for the Phase I Environmental Assessment Report.

Closing on the Bowling Center shall occur on or about January 10, 2022. If the closing has not taken place by the aforementioned closing date, then either party may establish a "time of the essence" closing upon ten days' notice to the other party. PCP shall be solely responsible for any utility charges including natural gas and electric and real estate taxes assessed for its period of ownership of the Property. FMERA agrees to obtain utility readings as of the day before the Closing and to arrange for utility services to cease in the name of PCP as of the date of the Closing.

Attached in substantially final form is the PSA between FMERA and PCP. The final terms of the PSA are subject to the approval of FMERA's Executive Director 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 execution of a Purchase and Sale Agreement between the Fort Monmouth Economic Revitalization Authority and Parker Creek Partners, LLC for the purchase of the Bowling Center in Eatontown.

Bruce Steadman

Prepared by: Regina McGrade

Resolution Regarding
Grant Agreement between FMERA and the Eatontown Sewerage Authority

WHEREAS, on March 11, 2021, the President signed the “American Rescue Plan Act of 2021” P.L. 117-2 (the “ARP Act”) into law and as part of the ARP Act, Congress at subtitle M of the ARP Act, amended Title VI of the Social Security Act by adding Sections 602 and 603 to create the “Coronavirus State Fiscal Recovery Fund” (“CSFRF”) which allows for the funds to be used, generally: (a) to respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) to respond to workers performing essential work during the COVID public health emergency by providing premium pay to eligible workers of the State who are performing such essential work, or by providing grants to eligible workers who perform essential work; (c) for the provision of government services to the extent of the reduction in revenue of the State due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State prior to the emergency; or (d) to make necessary investments in water, sewer, or broadband infrastructure.

WHEREAS, pursuant to the Fiscal Year 2022 Appropriations Act, L. 2021, c.,133, ten million five hundred thousand dollars (\$10,500,000) of CSFRF Funds were appropriated for Fort Monmouth Water and Sewer, subject to the approval of the Director of the Division of Budget and Account, with notice provided to the Joint Budget Oversight Committee with respect to this appropriation of CSFRF Funds; and

WHEREAS, the NJDCA is responsible for overseeing the entire portfolio of funds, consistent with CSFRF requirements, as the State-designated Grants Manager. The State of New Jersey received \$6,244,537,955.50 in CSFRF Funds under the ARP Act that must be used in conformance with the requirements of the ARP Act. As of July 22, 2021, the State Treasurer has entered into a MOU with NJDCA (the “DCA MOU”), as Grants Manager for the CSFRF Funds, to provide those grant management functions and processes for the State that are necessary to administer, manage and monitor State entity grant awards and disburse funds accordingly. NJDCA will use its Sandy Integrated Recovery Operation and Management (“SIROMS”) grant management system to track State entity expenditures and obligations, administer approved grant funds, and track compliance with applicable laws, regulations, guidance, and project requirements.; and

WHEREAS, on October 20, 2021, the FMERA Board approved an MOU with the NJDCA to make available to FMERA, funds in the amount not to exceed \$10,500,000 (the “CSFRF Funds”) for the purpose of funding the Program; and

WHEREAS, on November 15, 2021, FMERA and NJDCA executed the MOU, thereby allowing NJDCA to disburse one-half (50%) of the entire amount of the CSFRF Funds to FMERA. After the initial one-half (50%) advance, NJDCA will disburse subsequent advances totaling one-quarter (25%) of the entire amount of the CSFRF Funds, or \$2,625,000, upon written request to NJDCA; and

WHEREAS, the request included the required documentation as outlined in the MOU. NJDCA agreed to advance the requested funds within fifteen (15) calendar days of FMERA’s submission of a completed request. FMERA shall use the CSFRF Funds for the purpose of funding the Program; and

WHEREAS, FMERA is required to obligate CSFRF Funds for use by December 31, 2024 (“Incurred Deadline”), and expend the Funds by December 31, 2026 to cover such incurred costs, or any remaining CSFRF monies must be returned to United States Department of the Treasury (“U.S. Treasury”), unless the deadline is extended by U.S. Treasury; and

WHEREAS, FMERA must also ensure that any entities to which FMERA provides CSFRF Funds obligate the CSFRF Funds by December 31, 2024 and expend the CSFRF Funds by December 31, 2026, unless the deadline is extended by U.S. Treasury. FMERA will receive and must use the proceeds of this CSFRF Fund for “Allowable Costs,” meaning costs that are acceptable pursuant to 2 CFR §200.403, all other applicable federal regulations, and approved as part of the Program encompassed by this MOU; and

WHEREAS, FMERA may use the CSFRF Funds for Direct Costs and must maintain full documentation of Direct Costs for all expenses incurred and provide access for NJDCA, U.S. Treasury, and any other monitoring agency upon request. The administrative costs of FMERA may not exceed 2.5% of the cost of the Program. However, the administrative costs are not included in the CSFRF Funds allocated to the Program. FMERA will comply with all reporting requirements as defined in the Section 3 and the General Provisions as defined in Section 4 of the MOU; and

WHEREAS, the Eatontown Sewerage Authority (“ESA”) is the sole sewer utility authority within the Eatontown section of the former Fort Monmouth US Army military base. On October 5, 2021, ESA submitted a proposal to FMERA for Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects within the Eatontown section of the former Fort Monmouth U.S. Army military base, as more fully described in the proposal; and

WHEREAS, FMERA and ESA intend to negotiate a subsequent Agreement to address the construction and installation of improvements for replacement sewer mains, a new pump station to replace the existing pump station and a force main connecting to an existing manhole; and

WHEREAS, under the terms for the Grant Agreement, FMERA shall disburse up to \$159,325.00 (“Grant Funds”) from the Appropriated Funds to ESA for the costs of the Project for the Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects, including but not limited to topographic survey and base mapping, subsurface evaluation, preliminary design, permits and environmental investigation, final design and bidding services, and contract administration and inspection; and

WHEREAS, ESA shall hold the Grant Funds in escrow and shall use Grant Funds solely as necessary for Project Costs. For fiscal year 2021, which runs from July 1, 2021 through June 30, 2022, ESA agrees to submit to FMERA interim financial reports when requested by FMERA so FMERA’s staff can perform a reasonable review for (i) a full accounting of all expenditures that were funded from the Appropriated Funds. This will include a description of all expenditures made and their associated costs. Proof of payment, such as a vendor receipt, will also be submitted and (ii) bank statements for the separate account in which ESA deposits the Appropriated Funds; and

WHEREAS, ESA further agrees that any and all payments of Grant Funds to be made by FMERA under this Agreement shall be subject to and dependent upon appropriations being made from time to time by the New Jersey Legislature (the “State Legislature”) for such purposes. The State Legislature has no obligation to make or maintain appropriations for such purposes. Furthermore, any and all payments of Grant Funds to be made by FMERA are also subject to the availability of such funds. FMERA shall have no obligation to make any payment of Grant Funds due to the failure of the State Legislature to make such appropriations or due to the unavailability of such funds during the Fiscal Year; and

WHEREAS, ESA agrees that all funds not expended in accordance with this Agreement will be returned to FMERA before December 31, 2026 (“Expenditure Deadline”) provided that (i) expended funds include funds that are needed to pay expenditures that are incurred by December 31, 2024 (“Incurred Deadline”), but for which payments are made after that date; (ii) ESA provides FMERA, by the Incurred Deadline, a copy of all contracts and purchase orders for the remaining work to be done and (iii) ESA will provide FMERA with invoices and proof of payment for all expended funds once payment is complete; and

WHEREAS, the Grant Agreement shall become effective on the date it is fully executed by both Parties for the earlier of a period of 2 years or until such time as the Project is complete. The Term may be extended by mutual amendment by the Parties, so long as all expenses for the Project are incurred by December 31, 2024, and funds are expended by December 31, 2026 in accordance with 31 CFR Part 35 U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds – Final Rule; and

WHEREAS, if ESA materially fails to comply with the Grant Agreement or any applicable State or federal statute or regulation, FMERA may take one or more actions, as appropriate in the circumstances as described in the attached memorandum; and

WHEREAS, ESA shall require that any contract for construction, reconstruction, demolition, alteration, custom fabrication or repair work, or maintenance work required pursuant to the Grant Agreement performed on property owned or controlled by FMERA or paid for in part or whole by FMERA must provide that each worker employed on the project shall be paid not less than the prevailing wage rate for worker's craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to N.J.S.A. 34:11-56.25; and

WHEREAS, the rights and remedies of ESA under the Grant Agreement shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., and the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., the provisions of which are hereby incorporated herein. The Grant Agreement may be executed in any number of counterparts, all of which counterparts, taken together, shall constitute but one and the same Agreement. There are no third-party beneficiaries of this Agreement. The Grant Agreement may be modified or extended only by prior written agreement by the Parties; and

WHEREAS, the attached Grant Agreement between FMERA and ESA is in substantially final form. The final terms of the agreement will be subject to the approval of ESA and FMERA's Executive Director. The Audit Committee reviewed the request and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves a Grant Agreement between FMERA and the Eatontown Sewerage Authority on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director 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: December 15, 2021

EXHIBIT 5

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Grant Agreement between FMERA and the Eatontown Sewerage Authority

DATE: December 15, 2021

Request

I am requesting that the Board approve a Grant Agreement between the Eatontown Sewerage Authority (“ESA”) and the Fort Monmouth Economic Revitalization Authority (“FMERA”) for the disbursement of the Coronavirus State Fiscal Recovery Funds (“CSFRF”) monies for Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects within the Eatontown section of Fort Monmouth.

Background

On March 11, 2021, the President signed the “American Rescue Plan Act of 2021” P.L. 117-2 (the “ARP Act”) into law and as part of the ARP Act, Congress at subtitle M of the ARP Act, amended Title VI of the Social Security Act by adding Sections 602 and 603 to create the “Coronavirus State Fiscal Recovery Fund” (“CSFRF”) which allows for the funds to be used, generally: (a) to respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) to respond to workers performing essential work during the COVID public health emergency by providing premium pay to eligible workers of the State who are performing such essential work, or by providing grants to eligible workers who perform essential work; (c) for the provision of government services to the extent of the reduction in revenue of the State due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State prior to the emergency; or (d) to make necessary investments in water, sewer, or broadband infrastructure.

Pursuant to the Fiscal Year 2022 Appropriations Act, L. 2021, c.133, Ten Million Five Hundred Thousand Dollars(\$10,500,000) of CSFRF Funds were appropriated for Fort Monmouth Water and Sewer, subject to the approval of the Director of the Division of Budget and Account, with notice provided to the Joint Budget Oversight Committee with respect to this appropriation of CSFRF Funds.

The NJDCA is responsible for overseeing the entire portfolio of funds, consistent with CSFRF requirements, as the State-designated Grants Manager. The State of New Jersey received \$6,244,537,955.50 in CSFRF Funds under the ARP Act that must be used in conformance with the requirements of the ARP Act. As of July 22, 2021, the State Treasurer has entered into a MOU with NJDCA (the “DCA MOU”), as Grants Manager for the CSFRF Funds, to provide those grant management functions and processes for the State that are necessary to administer, manage and monitor State entity grant awards and disburse funds accordingly. NJDCA will use its Sandy Integrated Recovery Operation and Management (“SIROMS”) grant management system to track State entity expenditures and obligations, administer approved grant funds, and track compliance with applicable laws, regulations, guidance, and project requirements. NJDCA is distributing a portion of the CSFRF Funds, in an amount not to exceed \$10,500,000 to FMERA for the implementation of the Program. The Governor’s Disaster Recovery Office and the NJDCA have determined that the Program is eligible for CSFRF Funds as these funds shall be used as necessary investments in water and sewer to allow for planning, survey, design, engineering, construction/installation and replacement of the former Army owned sewer system and water mains on the former Fort

Monmouth military base. The implementation of the Program shall be undertaken in compliance with Federal, State and local laws and regulations as well as the requirements of the Program.

NJDCA & FMERA Memorandum of Understanding

On October 20, 2021, the FMERA Board approved an MOU with the NJDCA to make available to FMERA, funds in the amount not to exceed \$10,500,000 (the “CSFRF Funds”) for the purpose of funding the Program, attached as **Exhibit A**. On November 15, 2021, FMERA and NJDCA executed the MOU, thereby allowing NJDCA to disburse one-half (50%) of the entire amount of the CSFRF Funds to FMERA. After the initial one-half (50%) advance, NJDCA will disburse subsequent advances totaling one-quarter (25%) of the entire amount of the CSFRF Funds, or \$2,625,000, upon written request to NJDCA. The request included the required documentation as outlined in the MOU. NJDCA agreed to advance the requested funds within fifteen (15) calendar days of FMERA’s submission of a completed request. FMERA shall use the CSFRF Funds for the purpose of funding the Program.

FMERA is required to obligate CSFRF Funds for use by December 31, 2024 (“Incurred Deadline”), and expend the Funds by December 31, 2026 to cover such incurred costs, or any remaining CSFRF monies must be returned to United States Department of the Treasury (“U.S. Treasury”), unless the deadline is extended by U.S. Treasury. FMERA must also ensure that any entities to which FMERA provides CSFRF Funds obligate the CSFRF Funds by December 31, 2024 and expend the CSFRF Funds by December 31, 2026, unless the deadline is extended by U.S. Treasury. FMERA will receive and must use the proceeds of this CSFRF Fund for “Allowable Costs,” meaning costs that are acceptable pursuant to 2 CFR §200.403, all other applicable federal regulations, and approved as part of the Program encompassed by this MOU.

FMERA may use the CSFRF Funds for Direct Costs and must maintain full documentation of Direct Costs for all expenses incurred and provide access for NJDCA, U.S. Treasury, and any other monitoring agency upon request. The administrative costs of FMERA may not exceed 2.5% of the cost of the Program. However, the administrative costs are not included in the CSFRF Funds allocated to the Program. FMERA will comply with all reporting requirements as defined in the Section 3 and the General Provisions as defined in Section 4 of the MOU.

Additionally, staff requested, and the Board approved, delegated authority to receive additional CSFRF Funds should funds beyond the initial \$10,500,000 be made available to FMERA under the same terms and conditions as stated in the MOU.

Grant Agreement with ESA

The Eatontown Sewerage Authority (“ESA”) is the sole sewer utility authority within the Eatontown section of the former Fort Monmouth US Army military base. On October 5, 2021, ESA submitted a proposal, attached in **Exhibit B**, to FMERA for Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects within the Eatontown section of the former Fort Monmouth U.S. Army military base, as more fully described in the proposal (“Project”). FMERA and ESA intend to negotiate a subsequent Agreement to address the construction and installation of improvements for replacement sewer mains, a new pump station to replace the existing pump station and a force main connecting to an existing manhole.

Under the terms for the Grant Agreement, FMERA shall disburse up to \$159,325.00 (“Grant Funds”) from the Appropriated Funds to ESA for the costs of the Project for the Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects, including but not limited to topographic survey and base mapping, subsurface evaluation, preliminary design, permits and environmental investigation, final design and bidding services, and contract administration and inspection.

ESA shall hold the Grant Funds in escrow and shall use Grant Funds solely as necessary for Project Costs. For fiscal year (“FY”) 2021, which runs from July 1, 2021 through June 30, 2022, ESA agrees to submit to FMERA interim financial reports when requested by FMERA so FMERA’s staff can perform a reasonable review for (i) a full accounting of all expenditures that were funded from the Appropriated Funds. This will include a description of all expenditures made and their associated costs. Proof of payment, such as a vendor receipt, will also be submitted and (ii) bank statements for the separate account in which ESA deposits the Appropriated Funds.

ESA further agrees that any and all payments of Grant Funds to be made by FMERA under this Agreement shall be subject to and dependent upon appropriations being made from time to time by the New Jersey Legislature (the “State Legislature”)

for such purposes. The State Legislature has no obligation to make or maintain appropriations for such purposes. Furthermore, any and all payments of Grant Funds to be made by FMERA are also subject to the availability of such funds. FMERA shall have no obligation to make any payment of Grant Funds due to the failure of the State Legislature to make such appropriations or due to the unavailability of such funds during the Fiscal Year

ESA agrees that all funds not expended in accordance with this Agreement will be returned to FMERA before December 31, 2026 (“Expenditure Deadline”) provided that (i) expended funds include funds that are needed to pay expenditures listed in Exhibit A that are incurred by December 31, 2024 (“Incurred Deadline”), but for which payments are made after that date; (ii) ESA provides FMERA, by the Incurred Deadline, a copy of all contracts and purchase orders for the remaining work to be done and (iii) ESA will provide FMERA with invoices and proof of payment for all expended funds once payment is complete

The Grant Agreement shall become effective on the date it is fully executed by both Parties for the earlier of a period of 2 years or until such time as the Project is complete. The Term may be extended by mutual amendment by the Parties, so long as all expenses for the Project are incurred by December 31, 2024, and funds are expended by December 31, 2026 in accordance with 31 CFR Part 35 U.S. Treasury Coronavirus State and Local Fiscal Recovery Funds – Final Rule

If ESA materially fails to comply with this Agreement or any applicable State or federal statute or regulation, FMERA may take one or more of the following actions, as appropriate in the circumstances:

1. Disallow all or part of the cost of the activity or action not in compliance.
2. Wholly or partly suspend or terminate the current disbursement for the Project.
3. Withhold further disbursements for the Project,
4. Request the balance of Grant Funds to be returned and/or seek reimbursement for Grant Funds expended that were not in compliance with the terms and conditions of this Agreement.
5. Take other remedies that may be legally available.

ESA shall require that any contract for construction, reconstruction, demolition, alteration, custom fabrication or repair work, or maintenance work required pursuant to this Agreement performed on property owned or controlled by the Grantor or paid for in part or whole by Grantor must provide that each worker employed on the project shall be paid not less than the prevailing wage rate for worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to N.J.S.A. 34:11-56.25.

The rights and remedies of the ESA under this Agreement shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., and the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., the provisions of which are hereby incorporated herein. This Agreement may be executed in any number of counterparts, all of which counterparts, taken together, shall constitute but one and the same Agreement. The Audit Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

Staff requests that the Audit Committee recommend that the Board approve a Grant Agreement between the Eatontown Sewerage Authority (“ESA”) and the Fort Monmouth Economic Revitalization Authority (“FMERA”) for the disbursement of the Coronavirus State Fiscal Recovery Funds (“CSFRF”) monies for Professional Engineering Services for the design, contract administration, and inspection services for sewer improvement projects within the Eatontown section of Fort Monmouth.

Bruce Steadman

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