

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: March 16, 2022 – 5:00p.m.

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – Mayor Jay Coffey**
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 – Mayor Jay Coffey**

It is with great regret that we acknowledge the passing of our Chairman and friend, Dr. Robert Lucky on March 11, 2022.

The following statement is from Governor Murphy:

“It is because of pioneers like Robert Lucky that New Jersey became globally recognized as the home of technological innovation and invention. From groundbreaking research at Bell Labs to leading Fort Monmouth’s redevelopment and reimagination, he dedicated his life to making the impossible possible. With his passing, he leaves huge shoes to be filled, but we will build on his legacy as we seek to fully reclaim the title he helped us grab in the first place, as the world’s home for innovation.”

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 – Vacant, Chairman
 - Real Estate Committee – Vacant, Chairman
 - Environmental Staff Advisory Committee – Elizabeth Dragon, Chairwoman
 - Historical Preservation Staff Advisory Committee – Jay Coffey, Chairman
 - Housing Staff Advisory Committee – Robert Long, Chairman
 - Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Board Actions**

1. Consideration of Approval of the First Amendment to the Grant Agreement and MOU between FMERA and the Two River Water Reclamation Authority.
2. Consideration of Approval of a Recommendation to approve Transmittal to Host Municipalities of Proposed Plan Amendment #18 Permitting an Alternative Development Scenario with respect to the Nurses Quarters Parcel in Oceanport.

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Adjournment**

MEMORANDUM

To: Members of the Board

From: Bruce Steadman
Executive Director

Date: March 16, 2022

Subject: Monthly Status Report

Summary

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

Treasurer's Report

The Authority's independent auditors, CliftonLarsonAllen, LLP, completed their fieldwork the week of February 22 and continue their audit of the Authority's 2021 operations. The auditors will report on the Authority's financial statements and accompanying notes, as well as report on the Authority's internal controls and compliance with Government Auditing Standards. The auditors will report their findings to the Audit Committee at the Committee's April meeting. Subject to the Audit Committee's recommendation, the 2021 Comprehensive Annual Report including the audited financial statements will be forwarded to the Board for their review and approval at the April meeting.

Executive Director's Report

- Update on Utilities and Infrastructure

The facilities, environmental, and site-maintenance team continues to operate to maintain the utility infrastructure to serve our developers, residences, and businesses. The team also handles the maintenance and inspections of the buildings.

FMERA is currently working on completing the following Deeds with the Army:

- The Group 5 Deed is in draft form at the Army level awaiting the Record of Decision from the Army Corps. of Engineers.

Other projects in process include:

- The installation of the New Jersey American Water Avenue of Memories water main is complete.
- An MOU between FMERA and JCP&L regarding the installation of a new 22MW electrical substation on the Main Post was approved by the FMERA Board in February. FMERA & JCP&L are now starting discussions regarding the buildout of the downstream 35KVA distribution station.
- The NJDCA funded \$159,325 for the Professional Engineering Services with the Eatontown Sewerage Authority has been transferred for the sewer improvement projects within the Eatontown section of the Fort.
- Work associated with the Army's landfill capping project is still progressing. Eight of the nine landfills are complete or substantially complete, the final landfill, Landfill 8, will be completed by the end of March.

2. Update on the Fort's Redevelopment

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

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

- Former Patterson Army Hospital on December 13, 2013 with AcuteCare Systems.
- Officer Housing Parcels on January 13, 2017 with RPM Development, LLC. The company renovated the 116 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty percent of the total units are available to low- and moderate-income households.
- Main Post Chapel on February 27, 2017 with Triumphant Life Assembly of God Church who purchased the approximately 16,372 sq. ft. building for use as a house of worship.
- Russel Hall on June 23, 2017 with TetherView Property Management, LLC, a private cloud computing services company who occupies the 40,000 sq. ft. building. Russel Hall currently houses a variety of businesses including tech companies, medical offices, and an architecture firm.
- 13-acre parcel on Murphy Drive on August 16, 2017, where the Borough of Oceanport purchased the property for their new municipal complex.
- Fitness Center on September 26, 2017 enabling Fort Partners Group, LLC, to renovate and expand the facility to emphasize basketball and medically based fitness and wellness programs, and individualized group training and classes.
- Dance Hall parcel on April 4, 2018 to The Loft Partnership, LLC. The developer plans to renovate the Dance Hall as a microbrewery, coffee house, and banquet facility.
- Building 501, on April 24, 2019 with Family Promise of Monmouth County, an approximately 1.7-acre site, via a Legally Binding Agreement (LBA).
- Telecommunications Tower and Land on October 25, 2019 with Global Signal Acquisitions, LLC for an approximately 0.58 parcel of land containing the Telecommunications Tower and adjacent land.
- Squier Hall Complex, on December 18, 2019 with KKE University Enterprises, LLC, an approximately 31-acre site. The developer has secured a commitment from New Jersey City University for use of the site as a satellite campus and anticipates opening in Fall 2020.
- Commissary, Post Exchange (PX) complex, Warehouse District and a 1000 Area Parking parcel, on October 16, 2020 with OPort Partners, LLC. The Commissary/PX parcel shall permit, Food Service, Flex space, Office, R&D and Instructional Schools and Studios. The Warehouse District will permit Flex Space, Medical Office, Office, and Research & Development.
- Marina, on March 22, 2021, with AP Development Partners, LLC, which will continue to operate as a marina/public boat ramp and restaurant.
- Barker Circle, with Barker Circle Partnership, LLC, an approximately 19.5-acre parcel in the historic district which includes the repurposing of buildings 205-208, and 287, as well as the Main Post Firehouse and Kaplan Hall, for residential, office and other commercial uses.
- Lodging Area, on November 24, 2021 with Somerset Development, LLC, a 15-acre site located on Parkers Creek, to be developed with up to 185 new and renovated housing units.

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

- Allison Hall, with Fort Monmouth Business Center, LLC, a 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.
- Nurses Quarters, with RPM Development, LLC for the 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.

In **Eatontown**, FMERA has closed on the following three properties:

- Suneagles Golf Course, on December 18, 2020 with Martelli Development, LLC, to maintain and upgrade the existing Golf Course, renovate historic Gibbs Hall, and construct 75 new housing units. Martelli continues to operate the course and restaurant in the interim so it remains open to the public as the redevelopment progresses.
- New Jersey American Water Tank Parcel, on April 23, 2021, a parcel located on a 3.945-acre tract on the Howard Commons parcel to install a water tank to serve NJAW's needs by providing approximately four acres of land surrounded on two sides by undeveloped preserved forest, a municipal road on another and a fourth side that encompasses soon to be built residential units which will be buffered by trees.

- Eatontown Parks Parcel, on March 7, 2022 with the Borough of Eatontown, a 3.82-acre tract known as the Nicodemus Avenue Park Parcel located on Nicodemus Avenue for active recreation uses.

Also in **Eatontown**, FMERA has executed or approved contracts on the following two parcels:

- Building 1123, a former general office building at Avenue of Memories and Wilson Avenue with the Borough of Eatontown for the reuse by the Borough's Department of Public Works.

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

- Parcel E, on January 13, 2013 with Commvault for the headquarters.
- Building 2525, on February 5, 2016 with Aaski Technologies who leases the building to other tenants for technology and office uses.
- Child Development Center, on March 18, 2016 with Trinity Hall, for the all-girl high school.
- Fort Monmouth Recreation Center and Swimming Pool, on January 6, 2017 with the Monmouth County Park System and being used for programs which include arts & crafts, sports, exercise classes and a variety of amenities including classrooms, gymnasium and a game room.
- Parcel F-3 on February 23, 2017 with the Monmouth County Park System in conjunction with the adjacent Recreation Center and Swimming Pool. Located along Hope Road, the County has expanded its services and public open space amenities currently offered at the Recreation Center.
- Charles Wood Fire Station, on May 22, 2018 transferring the property to Commvault Systems, Inc. for use as corporate office and training space.
- Parcel C with Lennar Corporation, on August 2, 2018 approved for 243 residential units and up to 58,000 sq. ft. of retail development.
- Parcel C1 with Lennar Corporation, on August 2, 2018 planned for 45 new single-family homes.

FMERA has executed contracts on three properties in **Tinton Falls**:

- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 sq. ft. of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is slated to close imminently.
- Parcel F-1 – Myer Center and Building 2705, an approximately 36-acre parcel in Tinton Falls where RWJ Barnabas Health (RWJBH) plans to create a health campus.
- Tinton Falls Commercial Parcel (Pulse Power, Building 2719, and the Pistol Range) with RWJBH for 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; 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; 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.

3. Marketing Update

FMERA remains focused on the continued movement and progress of on-going projects at this time. With the highest and best use of the property and job creation in mind, FMERA re-released its Mega RFOTP on March 8, which staff believes will further our redevelopment initiatives and support the economic vitality of the region.

The Mega Parcel RFOTP is seeking proposals for the redevelopment of an approximately 292-acre property spanning the Boroughs of Eatontown and Oceanport. FMERA has a strong interest in bolstering the innovation economy to create more and better jobs locally, as well as throughout the state, and to further revitalize Fort Monmouth. Proposals are due by noon on June 6, 2022. Please note that the RFOTP process remains open and competitive to all interested parties. Now that the proposal process has begun, any questions must be submitted through our formal Q&A process, as detailed in Section 6.0 of the RFOTP. Once proposals are received, a formal evaluation process will be conducted, and all proposals will be evaluated against the included evaluation criteria.

On April 6th, from 9:30am-3:30pm, NJCU will be hosting a blood drive on campus, with support from our team. FMERA encourages the community to participate, while taking a moment to see NJCU's incredible Fort Monmouth facility. As more businesses and organizations continue to come online, FMERA will continue to encourage partnership and

collaboration among our stakeholders. We hope this will be the first of many collaborative events that can create a meaningful impact on the community.

FMERA staff is presently working a hybrid schedule with our offices open daily. Please visit our website, www.fortmonmouthnj.com and follow us on Instagram at @fortmonmouthnj for our latest updates.

4. Action Items for Next Month.

- Continued work with the N.J. Department of Environmental Protection and U.S. Army to identify and resolve environmental issues of concern
- Continued meetings with interested prospective employers and investors
- Continued outreach to our stakeholders in the 3 host municipalities, the County and others
- Continued collaboration with the NJEDA Trenton Office on marketing and business development opportunities
- Continued work on the water, sewer, and electric system improvements
- Continued drafting and revisions of documents for the 30+ projects underway

Effective April 1, 2022, Dave Nuse announced his retirement from EDA after some 35 years of service to the State of New Jersey. Dave was Director of Real Estate Development for FMERA for several years before going back to EDA in Trenton 2 years ago. Following is a personal perspective from FMERA Executive Director, Bruce Steadman.

Dave Nuse. That name will forever conjure up stories of 3-a-day Memphis barbecue meals, Victory Brewery visits to acquire Golden Monkey Beer, boxes and wall-hangings of Elvis memorabilia, and the archeological digs in his office through decades-old files. However, what I remember most is the pride and confidence I always felt whenever Dave and I would walk into a meeting together. And we had to walk into some tough ones. But Dave was always calm, cordial, respectful, and prepared with years of experience and his innate ability to feel and control the pulse of the room.

His relaxed and methodical method of articulating his viewpoint or explaining the context of the specific issue results in better understanding, reduced tension, and frequent agreement by the meeting participants. Without forcing himself into the discussion, but gradually joining the flow at just the right times, Dave has always been able to orchestrate the progress of the meeting toward actionable tasks, devoid of the typical emotional trappings of many meetings. As a result, for many years, Dave was FMERA's greatest resource.

Beyond all that, I would say he is certainly one of the finest people I have ever met. His reputation for honesty, determination, and ethical character are legendary. His working relationships inside and outside of the organization were built on his personal and professional strengths, but mostly because people know that he is honest and straightforward, and that he says what he does and does what he says. If Dave Nuse says it, you can believe it. And of course, he has that wickedly dry sense of humor that allows him to see and share the funny aspects of just about any situation. He enjoys making people laugh, and he is just fun to be around.

It has been a joy and a pleasure working with him, and we will miss him greatly. I believe I speak for the entire FMERA team when I say these things. All the best, Dave; all the best. And thanks for making Fort Monmouth a better place.

Bruce Steadman

Prepared by: Regina McGrade

Dr. Robert Lucky

Dr. Robert Lucky was the Chairman of the Fort Monmouth Economic Revitalization Planning Authority (FMERPA), FMERA's predecessor Authority from its inception in 2007 through 2010. Subsequently, he served as a board member of the Fort Monmouth Economic Revitalization Authority (FMERA) from 2010 through March 2022. In addition, he served as Vice-Chair and Interim Chair of FMERA since 2018. He also Chaired the FMERA Real Estate Committee and the FMERA Audit Committee.

He was an engineer known worldwide for his writing and speaking about technology and society. He led premier research laboratories in telecommunications over the last several decades, first at Bell Labs and then at Telcordia Technologies, where he was Corporate Vice President, Applied Research. In October 2002 he retired from this position. Recently, in addition to his FMERA duties, he devoted much of his time to professional activities, including advisory boards, studies, consulting, bike-riding, and enjoying his family.

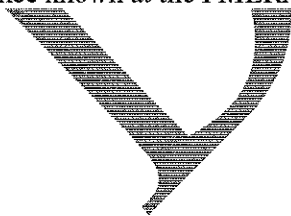
Early in his career he invented the adaptive equalizer, the key enabler for all high-speed modems today. He co-authored a textbook on data communications that was the most cited reference in the field over the period of a decade. He was the author of many technical papers and of several books, including *Silicon Dreams* and *Lucky Strikes Again*. He was the editor of a series of books in communications and of several technical journals. However, most engineers know him best because of the monthly columns he wrote for *Spectrum Magazine* over the last twenty years offering philosophical and sometimes humorous observations on engineering, life, and technology.

Dr. Lucky was a frequent speaker at technical, business, academic, and social occasions around the world. He often gave plenary and keynote addresses to conferences and was an invited speaker at more than one hundred different universities. He also appeared a number of times on network television, including two sessions with Bill Moyers on his "World of Ideas" public television show.

He was active throughout his career in professional, academic, and government roles. He was on the advisory boards of about a dozen universities and chaired the Scientific Advisory Board of the U.S. Air Force and the visiting board of the National Institute of Standards and Technology (NIST). Recently, he was Chairman of the Technological Advisory Board of the Federal Communications Commission and a member of the Defense Science Board. Also, he was president of the Communications Society of the engineering institute (IEEE) and executive vice president of the IEEE.

He received his doctorate in electrical engineering from Purdue University in 1961. He was honored with four honorary doctorates, and received a number of major awards, including the prestigious Marconi Prize and the IEEE Edison Medal. He was selected a fellow of the IEEE and to membership in the National Academy of Engineering, and to both the American and European Academies of Arts and Sciences.

Dr. Lucky lived in Fair Haven, New Jersey on his beloved Navesink River. His wife, Joan predeceased him in 2015. They had two children David and Karen and five grandchildren, and he also leaves behind his best pal, his dog Sunny, who always made his presence known at the FMERA Teams meetings.



**Resolution Regarding
First Amendment to the Grant Agreement and MOU between FMERA and the
Two River Water Reclamation Authority**

WHEREAS, on October 20, 2021, the FMERA Board approved an MOU with the New Jersey Department of Community Affairs (“NJDCA”) to make available to FMERA funds in the amount not to exceed \$10,500,000 (the “CSFRF Funds”) for the purpose of setting forth the terms and conditions for the disbursement of monies from American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund to implement the Fort Monmouth Water and Sewer Replacement Program; and on November 15, 2021, FMERA and NJDCA executed the MOU (“NJDCA MOU”), thereby allowing NJDCA to disburse one-half (50%) of the entire amount of the CSFRF Funds to FMERA; and

WHEREAS, on November 29, 2021, FMERA drew down the initial one-half advance of the CSFRF funds, and on January 13, 2022 FMERA drew down one quarter of the remaining CSFRF Funds; and

WHEREAS, FMERA and TRWRA entered into an MOU on May 16, 2019 (“TRWRA MOU”), to reflect the mutual understanding of the Parties that TRWRA will construct and install a new Pump Station, Force Main and East Interceptor serving the eastern portion of the Oceanport section of the former Fort Monmouth (“the Project”); and

WHEREAS, the TRWRA MOU states that FMERA shall pay 100% of the costs of the Project, not to exceed \$5.2M, including, but not limited to consulting fees, design fees, permit costs, and all construction costs associated with or arising from the Project; FMERA and TRWRA reserved the right to reject all bids should the costs for construction observation engineering services exceed \$5.2M; and

WHEREAS, to adhere to reporting and management obligations required by the NJDCA MOU, FMERA entered into a Grant Agreement with TRWRA for the disbursement of the \$5,200,000 of CSFRF Funds for the Project; under the terms of the Grant Agreement, FMERA disbursed \$5,200,000 of the CSFRF Funds to TRWRA for the costs of the Project incurred as set forth in the Project Costs exhibit of the Grant Agreement; and

WHEREAS, on February 8, 2022, in accordance with the Local Public Contracts Law, TRWRA received bids for the Project which substantially exceeded the \$5.2MM Project Costs; TRWRA terminated the bid process as permitted under the TRWRA MOU; and

WHEREAS, TRWRA has attributed the substantially higher bids to escalating material costs, the complexity of the project which includes increased management fees and unanticipated roadway repairs; and has submitted a Project Costs estimate with an amount not to exceed \$6,500,000; and

WHEREAS, the Parties, therefore, have agreed to amend the original TRWRA MOU and the Grant Agreement to provide adequate funds to complete the Project; and

WHEREAS, under the terms of the First Amendment, FMERA shall disburse up to \$6,500,000 (“Project Costs”) from the CSFRF Funds to TRWRA for the costs of the Project to construct and install the Project, including but not limited to construction costs, engineering services during construction, costs to prepare plans and specifications for bidding and permit fees incurred as set forth in Exhibit C to the First Amendment; TRWRA may propose to amend the Project Costs by providing written notice of the proposed amendments to FMERA, and FMERA shall advise TRWRA in writing as to whether the increase in Project Costs is approved; and

WHEREAS, in addition, the TRWRA MOU is amended to state that FMERA shall pay 100% of the costs of the Project not to exceed Six Million Five Hundred Thousand Dollars. Sections 6(a)(i)-(iv) were also deleted; and

WHEREAS, all other terms of the Grant Agreement and TRWRA MOU remain unchanged. In addition, staff requests the Board recommend granting the Executive Director delegated authority to increase the Project Costs by an amount not to exceed 10% for unforeseen site conditions or material costs; and

WHEREAS, the attached First Amendment to the Grant Agreement and MOU between FMERA and TRWRA is in substantially final form. The final terms of the First Amendment to the Grant Agreement and MOU will be subject to the approval of TRWRA, FMERA's Executive Director and a review as to the form by the Attorney General's Office; and

WHEREAS, the Audit Committee reviewed the request and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

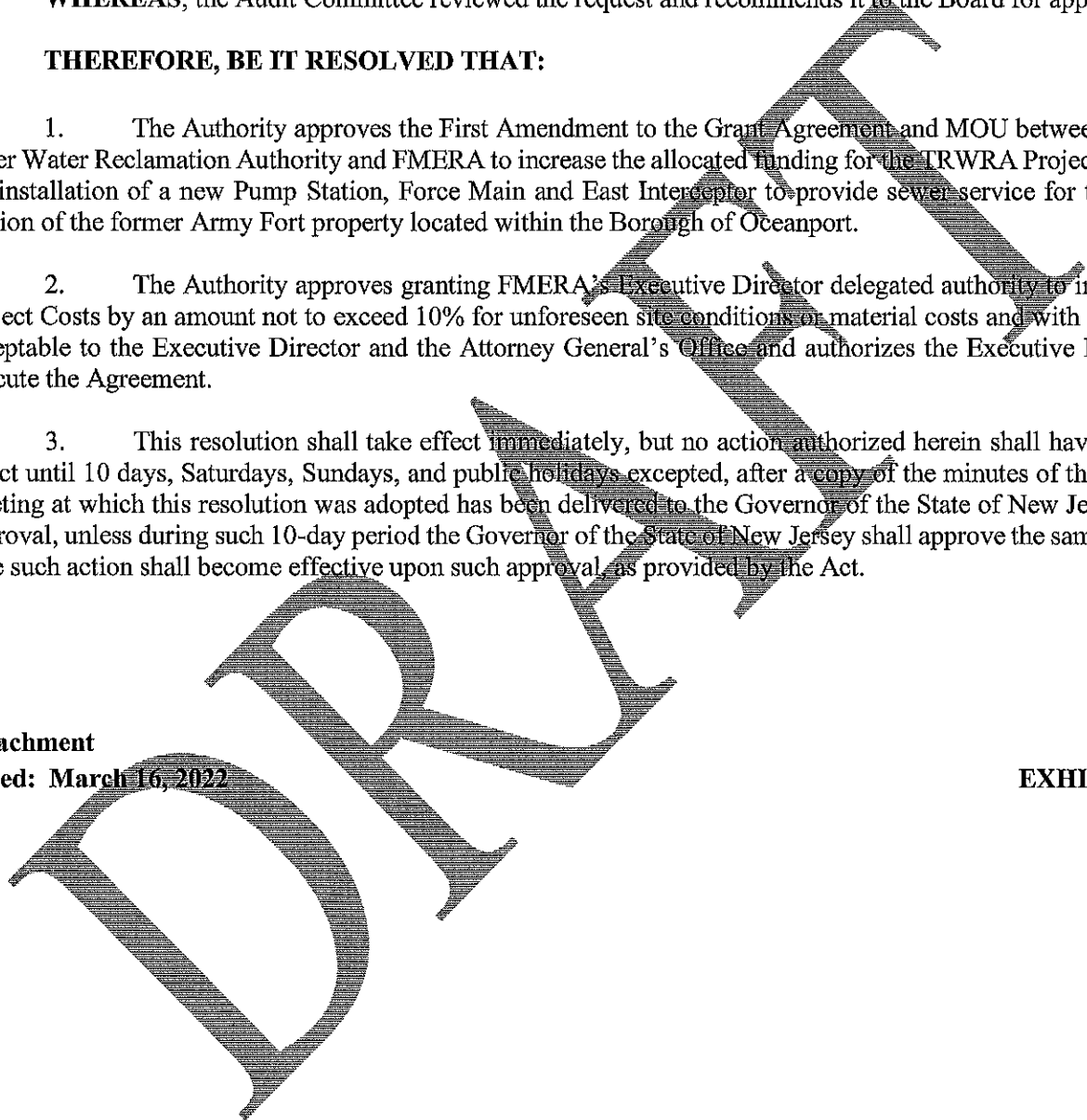
1. The Authority approves the First Amendment to the Grant Agreement and MOU between the Two River Water Reclamation Authority and FMERA to increase the allocated funding for the TRWRA Project Costs for the installation of a new Pump Station, Force Main and East Interceptor to provide sewer service for the eastern portion of the former Army Fort property located within the Borough of Oceanport.

2. The Authority approves granting FMERA's Executive Director delegated authority to increase the Project Costs by an amount not to exceed 10% for unforeseen site conditions or material costs and with final terms acceptable to the Executive Director and the Attorney General's Office and authorizes the Executive Director to execute the Agreement.

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

Attachment
Dated: March 16, 2022

EXHIBIT 1



MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: First Amendment to the Grant Agreement and MOU between FMERA and the Two River Water Reclamation Authority.

DATE: March 16, 2022

Request

I am requesting that the Board approve the First Amendment to the Grant Agreement (“Agreement”) and MOU between the Two River Water Reclamation Authority (“TRWRA”) and FMERA to increase the allocated funding for the TRWRA Project Costs for the installation of a new Pump Station, Force Main and East Interceptor to provide sewer service for the eastern portion of the former Army Fort property located within the Borough of Oceanport.

Background

On October 20, 2021, the FMERA Board approved an MOU with the New Jersey Department of Community Affairs (“NJDCA”) to make available to FMERA funds in the amount not to exceed \$10,500,000 (the “CSFRF Funds”) for the purpose of setting forth the terms and conditions for the disbursement of monies from American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund to implement the Fort Monmouth Water and Sewer Replacement Program. On November 15, 2021, FMERA and NJDCA executed the MOU (“NJDCA 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 disburses subsequent advances totaling one-quarter (25%) of the entire amount of the CSFRF Funds, or \$2,625,000, upon written request to NJDCA.

On November 29, 2021, FMERA drew down the initial one-half advance of the CSFRF funds, and on January 13, 2022 drew down one quarter of the remaining CSFRF Funds.

Grant Agreement and MOU with TRWRA

FMERA and TRWRA entered into an MOU on May 16, 2019 (“TRWRA MOU”), to reflect the mutual understanding of the Parties that TRWRA will construct and install a new Pump Station, Force Main and East Interceptor serving the eastern portion of the Oceanport section of the former Fort Monmouth (“the Project”). The Project consists of the construction and installation of the East Interceptor to service the area adjacent to Oceanport Avenue, a new Pump Station into which the East Interceptor will flow, along with such other future lines as the Parties may hereafter determine are needed, and a new Force Main connecting the new Pump Station into TRWRA’s system north of Parker’s Creek in Little Silver. The Project is proceeding in accordance with the Plans prepared by Maser Consulting entitled “New Regional Sewage Pump Station, Force Main and East Interceptor for the Oceanport Section of Fort Monmouth for Two Rivers Water Reclamation Authority” dated February 15th, 2019 and any alternate Maser design as a result of the March 20, 2019 Board approved MOU. The TRWRA MOU states that FMERA shall pay 100% of the costs of the Project, not to exceed \$5.2M, including, but not limited to consulting fees, design fees, permit costs, and all construction costs associated with or arising from the Project. FMERA and TRWRA reserved the right to reject all bids should the costs for construction observation engineering services exceed \$5.2M. It was understood that no TRWRA funds were to be or can be used in advancement of the Project.

To adhere to reporting and management obligations required by the NJDCA MOU, FMERA entered into a Grant Agreement with TRWRA for the disbursement of the \$5,200,000 of CSFRF Funds for the Project. Under the terms of

the Grant Agreement, FMERA disbursed \$5,200,000 of the CSFRF Funds to TRWRA for the costs of the Project incurred as set forth in the Project Costs exhibit of the Grant Agreement. TRWRA may propose to amend the Project Costs by providing written notice of the proposed amendments to FMERA, and FMERA shall advise TRWRA in writing as to whether the Project Costs, as updated, are approved.

The Grant Agreement was executed by both Parties on November 15, 2021 and it stated that FMERA would disburse up to \$5,200,000 from the Appropriate Funds to TRWRA for the costs of the Project and establishing various reporting obligations to meet the reporting requirements of the CSFRF Funds. Per the Agreement, 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.

First Amendment to the Grant Agreement

On February 8, 2022, in accordance with the Local Public Contracts Law, TRWRA received bids for the Project which substantially exceeded the \$5.2MM Project Costs. TRWRA terminated the bid process as permitted under the TRWRA MOU. TRWRA has attributed the substantially higher bids to escalating material costs, the complexity of the project which includes increased management fees and unanticipated roadway repairs; and has submitted a Project Costs estimate with an amount not to exceed \$6,500,000. The Parties, therefore, have agreed to amend the original TRWRA MOU and the Grant Agreement to provide adequate funds to complete the Project.

Under the terms of the First Amendment, FMERA shall disburse up to \$6,500,000 (“Project Costs”) from the CSFRF Funds to TRWRA for the costs of the Project to construct and install the Project, including but not limited to construction costs, engineering services during construction, costs to prepare plans and specifications for bidding and permit fees incurred as set forth in Exhibit C to the First Amendment. TRWRA may propose to amend the Project Costs by providing written notice of the proposed amendments to FMERA, and FMERA shall advise TRWRA in writing as to whether the increase in Project Costs is approved.

In addition, the TRWRA MOU is amended to state that FMERA shall pay 100% of the costs of the Project not to exceed Six Million Five Hundred Thousand Dollars. Sections 6(a)(1)-(iv) of the TRWRA MOU are deleted.

All other terms of the Grant Agreement and TRWRA MOU remain unchanged. In addition, staff requests the Board grant the Executive Director delegated authority to increase the Project Costs by an amount not to exceed 10% for unforeseen site conditions or material costs.

The attached First Amendment to the Grant Agreement and MOU between FMERA and TRWRA is in substantially final form. The final terms of the First Amendment to the Grant Agreement and MOU will be subject to the approval of TRWRA, FMERA’s Executive Director and a review as to the form by the Attorney General’s Office. The Audit Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

Staff requests that the Board approve the First Amendment to the Grant Agreement and MOU between the Two River Water Reclamation Authority (“TRWRA”) and FMERA to increase the allocated funding for the TRWRA Project Costs for the installation of a new Pump Station, Force Main and East Interceptor to provide sewer service for the eastern portion of the former Army Fort property located within the Borough of Oceanport and to grant delegated authority to FMERA’s Executive Director delegated authority to increase the Projects Cost by an amount not to exceed 10% for unforeseen site conditions or material costs.

Bruce Steadman

Prepared by: Regina McGrade

**Resolution Regarding
Transmittal to Host Municipalities of Proposed Eighteenth Plan Amendment Permitting Alternative
Development Scenario in Oceanport.**

WHEREAS, the FMERA Act, P.L. 2010, c.51, in N.J.S.A. 52:27I-26(c), and the Land Use Rules, in 19:31C-3.27(c), authorize FMERA to amend the plan from time to time as development progresses; and

WHEREAS, pursuant to the Land Use Rules, FMERA must transmit any proposed Reuse Plan amendment to the governing body of the three municipalities for a 45-day comment period and then consider any comments prior to the Board approving or disapproving the amendment; and

WHEREAS, the Reuse Plan envisions the redevelopment of the Oceanport Reuse Area for approximately 1.75 million square feet of non-residential space and 720 residential units which would include a high-tech/green-industry cluster, education/medical campus, a neighborhood center, a boutique hotel and spa, and expansive green space including the historic Parade Ground; and; and

WHEREAS, with respect to the Nurses Quarters parcel, the Reuse Plan contemplates the reuse of Buildings 1077 & 1078 as mixed-income apartments, and this amendment further contemplates the development of new townhomes in such a way that it creates a compact pedestrian-friendly environment along Main Street allowing the development of more flexible and usable open spaces in the western section of the parcel; and

WHEREAS, Amendment #18 provides the option for an alternative development scenario on the Nurses Quarters Parcels that is located on the former Fort Monmouth property in the Borough of Oceanport; the Property is included in the Oceanport Education/Mixed-Use Neighborhood Development District, which permits low-and medium-density residential, mixed-use, retail, office/research, institutional/civic, and open space/recreational uses; and

WHEREAS, Amendment #18, prepared by Upendra Sapkota, FMERA's Senior Project Officer of Planning and Development would permit those uses as described in the attached memorandum; and

WHEREAS, the attached Amendment #18 is in substantially final form and the final terms of Amendment #18 are subject to the approval of the Executive Director and a review as to form by the Attorney General's Office; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #18 and recommends Board approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #18 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Oceanport Reuse Area.
2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT

Dated: March 16, 2022

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to approve Transmittal to Host Municipalities of Proposed Plan Amendment #18 Permitting an Alternative Development Scenario with respect to the Nurses Quarters Parcel in Oceanport.

DATE: March 16, 2022

Request

I am requesting that the Board approve the transmittal to the three host municipalities of proposed Plan Amendment #18 to the Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”) that would permit an alternative development scenario for the Nurses Quarter Parcel in Oceanport.

Background

In 2008, the Reuse Plan was completed and accepted by the U.S. Department of Housing and Urban Development and the U.S. Department of Defense and serves as the Plan for the redevelopment and revitalization of Fort Monmouth to be implemented by FMERA. FMERA’s enabling legislation, P.L. 2010 c. 51 (the “Act”), the Land Use Rules subsequently adopted in 2013, N.J.A.C. 19:31C-3 et seq. (“Land Use Rules”), and the Reuse Plan contemplate that amendments to the Reuse Plan would be required from time to time. Specifically, the Act authorizes FMERA “to adopt, revise, adjust, and implement ... any aspect of the plan.”

Reuse Plan amendments allow FMERA to respond to opportunities that arise through the Request for Offers to Purchase (“RFOTP”) process. The amendment is required to be a report or statement with proposals that include the following:

1. Objectives, assumptions, and standards on which the plan is based;
2. The relationship to statewide, county and municipal planning objectives;
3. Proposed land uses; and
4. Any significant relationship to municipal and county plans as well as the State Development and Redevelopment Plan.

According to the Land Use Rules, the FMERA Board shall consider the following as guidance when reviewing a proposed amendment:

1. Whether the proposed amendment would result in a material change in the overall development yield or affordable housing obligations of the host municipality, or would result in any negative impact to the Authority’s obligations pursuant to the Fair Housing Act of 1985;
2. Whether the proposed amendment would result in any significant adverse impact on other areas of Fort Monmouth;
3. Whether the proposed amendment would substantially impair the intent and purposes of the Reuse Plan;
4. Whether the proposed amendment would have any negative impact on the Authority’s obligations pursuant to the Base Realignment and Closure Act (“BRAC”) and any agreement with the U.S. Army conveying Fort Monmouth property to the Authority; and
5. Whether the proposed amendment would have significant adverse infrastructure ramifications different from those envisioned in the Reuse Plan.

In accordance with the Act and the Land Use Rules, prior to approving an amendment to the Plan, the amendment must be transmitted to the governing body of each host municipality for a 45-day comment period, at the end of which each municipality may provide FMERA with a written report containing the municipality's recommendations. Staff will review the report from each host municipality and prepare a preliminary analysis with reasons for accepting or not accepting the recommendations. This report shall be presented to the Board for its consideration and approval.

Development Contemplated under the Reuse Plan

The Reuse Plan envisions the redevelopment of the Oceanport Reuse Area for approximately 1.75 million square feet of non-residential space and 720 residential units. The development would include a high-tech/green-industry cluster, education/medical campus, a neighborhood center, a boutique hotel and spa, and expansive green space including the historic Parade Ground.

Amendment #18 provides the option for an alternative development scenario on the Nurses Quarters Parcels that is located on the former Fort Monmouth property in the Borough of Oceanport. The Reuse Plan contemplates the reuse of Buildings 1077 & 1078 as mixed-income apartments. Under the Land Use Rules, the Property is included in the Oceanport Education/Mixed-Use Neighborhood Development District, which permits low-and medium-density residential, mixed-use, retail, office/research, institutional/civic, and open space/recreational uses.

The Subject Parcel

The Nurses Quarters Parcel is an approximately 3.75-acre parcel of land containing two residential buildings totaling 24 one- and two-bedroom units totaling 18,665 gsf known as the former Nurses Quarters (aka Buildings 1077 & 1078), at Main Street and Stephenson Avenue in the Oceanport Reuse Area of the Fort. Constructed in 1962, the Property was used as apartments for Army nurses and is located just west of the former Patterson Army Hospital in Oceanport and includes laundry and storage facilities, lawn areas, and off-street parking.

The Reuse Plan contemplates the reuse of Buildings 1077 & 1078 as mixed-income apartments. This amendment further contemplates the development of new townhomes in such a way that it creates a compact pedestrian-friendly environment along Main Street allowing the development of more flexible and usable open spaces in the western section of the parcel.

The Proposed Reuse Plan Amendment

The attached proposed Plan Amendment #18 prepared by Upendra Sapkota, FMERA's Senior Project Officer of Planning and Development would permit the following on the subject parcels:

The proposed Amendment calls for adaptive reuse of Building 1077 and Building 1078 for twenty-four (24) one- and two-bedroom residential units and an additional ten (10) three-bedroom townhomes in the parcel. Thirty-four (34) residential units will be permitted in the parcel as a result of the proposed development.

With respect to bulk standards and density, the Amendment would permit a total of 34 residential units which includes the reuse of twenty-four (24) one- and two-bedroom residential units and ten (10) three-bedrooms residential units. This amendment further contemplates the development of new townhomes in such a way that it creates a compact pedestrian-friendly environment along Main Street allowing the development of more flexible and usable open spaces for in the western section of the parcel.

The maximum height of the new residential buildings shall not exceed three (3) stories or forty (40) feet in height. The building setback on Stephenson Avenue and Main Street shall be a minimum of fifteen (15) feet from the property line. Patios, walkways, steps and landscaping will be permitted within the setback area.

The Amendment further defines additional requirements to include the following:

- a. The new townhomes shall have frontage on Main Street and no parking or driveway is permitted between new townhomes and Main Street.
- b. One (1) access driveway to the site from Main Street will be permitted.
- c. A minimum five (5) foot-wide sidewalk shall be installed along Main Street.

With respect to signage, the amendment permits one ground sign on the Nurses Quarters Parcel. The maximum sign area shall not be more than forty (40) square feet and the maximum sign height shall not be more than seven (7) feet above grade. FMERA Land Use Rules 19:31C-3.9(d) shall be applicable for all other requirements related ground signs. The proposed Amendment encourages the use of green infrastructure measures such as: permeable pavers, electric vehicle charging stations, rain gardens and bio-retention basins and native plants and vegetations.

Staff has reviewed the Amendment with regard to the criteria in the Land Use Rules, in N.J.A.C. 19:31C-3.27(c)(5), for reviewing a proposed amendment and proposes the following conclusions:

- 1) This Amendment permits a diverse range of housing types which are consistent with the goal and uses contemplated in the Reuse Plan.
- 2) This Amendment affects only the Oceanport Reuse Area. This Amendment would not adversely impact any of the "Transportation Circulation Improvement Goals" established in the Reuse Plan. This Amendment does not impact any active recreation or open space contemplated in the Reuse Plan. Furthermore, existing buildings will be adaptively reused, and new townhomes would be aligned along Main Street which will allow the creation of adequate open space in the parcel for some passive recreational opportunities. The uses contemplated in this Amendment are compatible with the surrounding land uses anticipated in the Reuse Plan and subsequent amendments.
- 3) This Amendment will not substantially impair the intent and purposes of the Reuse Plan and is well aligned with the sustainability goals of the Reuse Plan. Specifically, the reuse of Buildings 1077 & 1078 would further the Reuse Plan's green building sustainability goal to maximize the adaptive reuse of existing buildings and infrastructure.
- 4) This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 2 Economic Development Conveyance ("EDC") agreement with the Army by incorporating open space uses envisioned in the Reuse Plan approved as part of the BRAC process.
- 5) This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan and addresses the relationship of the new uses at the subject parcel with the surrounding uses. Thus, the Reuse Plan would remain a rational coordinated land use plan.

In order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment #18 to the governing body of each of the three host municipalities.

Attached is Reuse Plan Amendment #18 which is in substantially final form. The final terms of Reuse Plan Amendment #18 are subject to the approval of the Executive Director and a review as to form by 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 Board approve the transmittal to the three host municipalities of the proposed Amendment #18 to the Reuse Plan that would permit alternative development scenarios for the Nurses Quarters Parcel in Oceanport.

Bruce Steadman

Prepared by: Regina McGrade