

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: April 27, 2022 – 5:00p.m.

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – Mayor Anthony Talerico**
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 Anthony Talerico**
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 a Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the New Jersey Economic Development Authority for the Use and Occupancy of Building 502.
 2. Consideration of Approval of the Second Amendment to the Purchase & Sale and Redevelopment Agreement for the Nurses Quarters in Oceanport.

3. Consideration of Approval of the Fourth Amendment to the Purchase & Sale and Redevelopment Agreement for Howard Commons in Eatontown.
4. Consideration of Approval of the Sixth Amendment to the Purchase & Sale and Redevelopment Agreement for the Dance Hall (Building 552) 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: April 27, 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

FMERA staff is preparing the first quarter financial and operational summary for 2022. Staff will review the quarter and assess the quarter's performance against the 2022 organization goals and budget. The Authority's independent auditors, CliftonLarsonAllen, LLP, have completed the 2021 audit and will report their findings to the Audit Committee at the committee's next meeting in May. Staff will also present the Annual Report to the committee. The Annual Report and audited financial statements serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006). 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 May 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.

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:

- FMERA & JCP&L have begun 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.
- On April 7th, electrical power to the entire fort was interrupted for an hour when a nesting osprey caused a short on a utility pole, causing the main high-voltage breaker in the substation to trip. Determining the exact pole on which the short occurred required investigation. Due to wet ground conditions around the subject utility pole, a temporary bypass is now in place until after the nesting season.
- On April 13th, sparks originating from an osprey nest on a JCP&L high-voltage pole started a brush fire along Anson Avenue at Oceanport Way. Oceanport and Eatontown Fire Departments responded, and the brush fire was extinguished. JCP&L was notified regarding the incident and minor damage to the power pole.

- On April 15th, FMERA was notified by JCP&L's substation group that communications to their switching station, located adjacent to our main substation, were interrupted. JCP&L technicians subsequently discovered that a raccoon had made contact with electric components and damaged a transformer. Though the Fort was unaffected by the incident on Friday, all JCP&L power feeding the switching station and Fort Monmouth had to be de-energized on April 16th to make repairs to their system. The outage lasted from 9:30a.m. to 3:30p.m.
- Despite expensive efforts to strengthen and harden our electrical system to protect it from animal encounters, the intrusions frequently result in unavoidable power outages and harm to wildlife.

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 KKF University Enterprises, LLC, an approximately 31-acre site. The developer has secured a commitment from New Jersey City University for use of the site as a satellite campus and anticipates opening in Fall 2020.
- Commissary, Post Exchange (PX) complex, Warehouse District and a 1000 Area Parking parcel, on October 16, 2020, with OPort Partners, LLC. The Commissary/PX parcel shall permit, Food Service, Flex space, Office, R&D and Instructional Schools and Studios. The Warehouse District will permit Flex Space, Medical Office, Office, and Research & Development.
- 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 parcel:

- 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

While FMERA remains focused on the continued movement and progress of on-going projects, we are also excited to highlight our progress to date with the release of our 2021 Annual Report. The report features extensive visual highlights of the Fort's projects, from construction through completion. Following the Board's review and approval at the May meeting, the report will be available to the public. With the highest and best use of the property and job creation in mind, FMERA re-released its Mega RFOTP on March 8th, which staff believes will further our redevelopment initiatives and support the economic vitality of the region.

At present, FMERA is advertising the Mega Parcel and 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.

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 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

This is my last FMERA Board Meeting as Executive Director, after 11½ years. I will be retiring next month. I can truly say it has been my honor and great joy to be a part of this FMERA team. The extent to which we have achieved successes to date in our mission, is a direct result of the intellect, skill, enthusiasm, and determination of this great team. I want to thank each of the FMERA staff members with all earnestness for all their help, advice, hard work, and commitment to the redevelopment of Fort Monmouth. They have taught me many things and given me many fantastic memories that will always be with me.

I would be remiss if I didn't note my deep gratitude for Al Koepp, former Chair of the EDA Board, and Caren Franzini, former CEO of EDA, who hired me, and contributed greatly to the foundation of FMERA and to our many initial milestones. They were both outstanding people, and I miss them greatly. From a personal standpoint, I want to thank Tim Sullivan, current CEO of the EDA, whose leadership, support, counsel, and vision have been instrumental to the FMERA team's success now and for the foreseeable future.

The FMERA Board members have been a pleasure to work with, supportive, understanding, and always at the ready to help, particularly Mayors Coffey and Talerico, with whom I haven't always seen eye to eye, but whose inputs and perspectives I have always respected and appreciated. Both of our past Chairmen, Jim Gorman and Bob Lucky, were open, honest, and always available to me, offering their unique viewpoints and personal and professional comments and advice if and as needed. Each man set the bar high with respect to expectations of the staff and objectives for FMERA.

I need to make a special thank you to Freeholder Lillian Burry, the Grand Lady of Fort Monmouth redevelopment, who has been our staunchest supporter from Monmouth County since day one; and who has provided me with hours of time and effort and counsel on any number of operational, financial, personnel, and other issues since the first moment I met her. Lillian has lived and breathed the many twists and turns in the redevelopment highway of the Fort, for years even before any of the current staff came aboard.

Finally, I know Kara Kopach will be an outstanding Executive Director. She will lead the FMERA team to its greatest successes, forge the path to completion of its most important mission, and put the bricks in place for the creation of thousands of jobs and millions of dollars in tax revenue for the 3 boroughs and the county. She has exceptional leadership instincts and intuition and is a first-class person who inspires and motivates.

There are so many other people that have made major contributions to the FMERA team's success, beyond those I have mentioned. I have tried to reach out to many of them privately over the last few weeks and will continue to do so. My sincere thanks to each of you.

I will be spending my next years chasing the sunrises and sunsets with my better half, retrieving the bouncing golf ball, mentoring our incredible grandchildren, and trying to keep up with the exciting projects you all will be doing here at Fort Monmouth. I will leave you with 2 great quotes worth remembering. First, the famous words of Rick Bobby, "If you ain't first, you're last." And from his best buddy, the Magic Man, "Now you see me, now you don't."

**Resolution Regarding
Approval of a Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and
the New Jersey Economic Development Authority for Use & Occupancy of a portion of Building 502**

WHEREAS, the NJEDA is a state authority whose mission is to grow the state's economy and increase equitable access to opportunity by supporting high-quality job creation, catalyzing investment and fostering vibrant, inclusive community development; the NJEDA is headquartered in Trenton, New Jersey, with additional offices in Newark and Camden; and

WHEREAS, in order to facilitate NJEDA's presence in this part of the state, NJEDA is seeking to enter into an MOU with FMERA to use approximately 2,000 square feet of delineated office space within the FMERA's headquarters, Building 502, located at 502 Brewer Avenue (aka Caren Franzini Way) (the "Property") along with access rights to the Property's lobby, kitchen, parking and common areas for use as an ancillary office; and

WHEREAS, the MOU would be effective from March 1, 2022, until the earlier of February 29, 2028, or until such time as FMERA relocates its headquarters; NJEDA is aware that the Property is included for sale within FMERA Request for Offers to Purchase for the Mega Parcel; and

WHEREAS, under the terms of the MOU, NJEDA would agree to contribute Forty Thousand Dollars (\$40,000) per year for its use of the Property, which will be paid to FMERA on the first day of each quarter in quarterly installments of Ten Thousand Dollars (\$10,000.00). Either Party may terminate the MOU effective thirty (30) days after providing written notice to the other, but to the extent possible, FMERA will provide nine (9) months advance notice of termination unless there is a specific reason for an earlier termination period; and

WHEREAS, the NJEDA shall be responsible for its own administrative tasks, including but not limited to: scheduling meetings, mailings, answering phones, greeting visitors, and/or maintaining organized file systems for the organization; NJEDA shall also be responsible for the maintenance and upkeep of its improvements, furniture and equipment; and

WHEREAS, in the event NJEDA seeks to make improvement to the premises, NJEDA will receive FMERA's prior written approval to its plans and undertake the construction in a good and workmanlike manner in accordance with all requirements of applicable federal, state, and local ordinances and with the rules, regulations and requirements of all departments, boards, bureaus, officials and authorities having jurisdiction; and

WHEREAS, the attached MOU is in substantially final form. The final document will be subject to the approval of FMERA's Executive Director and 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.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Board authorizes the execution of a Memorandum of Understanding that will confirm the mutual understanding and intention between the Fort Monmouth Economic Revitalization Authority and New Jersey Economic Development Authority regarding the interagency agreement for the use and occupancy of a portion of FMERA's headquarters, located at 502 Brewer Avenue (aka Caren Franzini Way) in Oceanport, New Jersey.

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: Request to approve a Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the New Jersey Economic Development Authority for Use and Occupancy of Building 502.

DATE: April 27, 2022

Request

I am requesting that the Board authorize the execution of a Memorandum of Understanding (“MOU”) that will confirm the mutual understanding and intention between the Fort Monmouth Economic Revitalization Authority (“FMERA”) and the New Jersey Economic Development Authority (“NJEDA”) regarding the interagency agreement for the use and occupancy of a portion of FMERA’s headquarters, aka Building 502, an approximately 10,650 sf building located at 502 Brewer Avenue (aka Caren Franzini Way) in Oceanport New Jersey (the “Property”) and adjacent parking facilities for use as an ancillary office by NJEDA.

Background

The NJEDA is a state authority whose mission is to grow the state’s economy and increase equitable access to opportunity by supporting high-quality job creation, catalyzing investment, and fostering vibrant, inclusive community development. The NJEDA is headquartered in Trenton, New Jersey, with additional offices in Newark and Camden.

In order to facilitate NJEDA’s presence in this part of the state, NJEDA is seeking to enter into an MOU with FMERA to use approximately 2,000 square feet of delineated office space within the Property (“NJEDA Premises”) along with access rights to the Property’s lobby, kitchen, parking and common areas for use as an ancillary office.

The MOU would be retroactive to take effect from March 1, 2022 until the earlier of February 29, 2028 or until such time as FMERA relocates its headquarters. NJEDA is aware that the Property is included for sale within FMERA Request for Offers to Purchase for the Mega Parcel.

Under the terms of the MOU, NJEDA would agree to contribute Forty Thousand Dollars (\$40,000) per year for the continued operation of the Property, which will be paid to FMERA on the first day of each quarter in quarterly installments of Ten Thousand Dollars (\$10,000.00). Either Party may terminate the MOU effective thirty (30) days after providing written notice to the other, but to the extent possible, FMERA will provide nine (9) months advance notice of termination unless there is a specific reason for an earlier termination period. The NJEDA shall be responsible for its own administrative tasks, including but not limited to: scheduling meetings, mailings, answering phones, greeting visitors, and/or maintaining organized file systems for the organization. NJEDA shall also be responsible for the maintenance and upkeep of its improvements, furniture and equipment. In the event NJEDA seeks to make improvement to the NJEDA Premises, NJEDA will receive FMERA’s prior written approval to its plans and undertake the construction in a good and workmanlike manner in accordance with all requirements of applicable federal, state, and local ordinances and with the rules, regulations and requirements of

all departments, boards, bureaus, officials and authorities having jurisdiction over the NJEDA Premises.

The attached MOU is in substantially final form. The final document will be subject to the approval of FMERA's 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 that the Board authorize the execution of a Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the New Jersey Economic Development Authority regarding the interagency agreement for the use and occupancy of a portion of FMERA's headquarters, aka Building 502, located at 502 Brewer Avenue (aka Caren Franzini Way) in Oceanport New Jersey.

Bruce Steadman

Prepared by: Regina McGrade and Laura Drahushak

DRAFT

ADOPTED
April 27, 2022

**Resolution Regarding
Second Amendment to the Purchase and Sale & Redevelopment Agreement with RPM Development, LLC
for the Nurses Quarters in Oceanport**

WHEREAS, on November 13, 2019, the Board authorized the execution of the PSARA between FMERA and RPM Development Group for the Nurses Quarters Property, an approximately 3.75± acre parcel of land containing two buildings (Buildings 1077 and 1078) totaling approximately 18,655 gsf located on Main Street and Stephenson Avenue in the Main Post Area of Fort Monmouth; the PSARA was executed on January 14, 2020; and

WHEREAS, RPM's proposal for the Nurses Quarters calls for residential uses consisting of thirty-four residential units broken down into a mix of ten three to four-bedroom owner-occupied townhomes and the reuse of twenty-four one- and two-bedroom apartments as rentals, and seven of the apartments will be designated affordable housing flats and the seven affordable housing flats are subject to confirmation that they satisfy Purchaser's obligation to set aside twenty (20%) percent of the total residential units on this Parcel as housing that is affordable to low- and moderate-income households; and

WHEREAS, RPM will pay Two Million One Hundred and Fifty Thousand Dollars (\$2,150,000) for the property and shall have a total Capital Investment, net of the Purchase price, of Six Million Six Hundred Ninety Thousand Dollars (\$6,690,000); and

WHEREAS, under the terms of the PSARA, Seller was to deliver to Purchaser a survey to be used during Due Diligence for Title review, but due to a delay in the delivery of the survey for the site, RPM requested a Due Diligence extension of sixty days to complete its investigation of the suitability of the Property for redevelopment therefore FMERA staff requested and the Board approved a Due Diligence extension until May 14, 2020; the First Amendment was executed on March 12, 2020; and

WHEREAS, on September 25, 2020, the FMERA Board approved transmittal to the host municipalities Reuse Plan Amendment #16, which included an alternative development scenario for the Borough of Oceanport for both the Nurses Quarters Property and the Barker Circle parcel. After the 45-day comment period, FMERA decided to move forward with only an alternative development scenario for the Barker Circle parcel and to address the Nurses Quarters Property in a separate Reuse Plan Amendment; and

WHEREAS, since that time, the Purchaser has been in discussions with the Borough of Oceanport regarding the configuration of the site, and in particular the location of the driveway servicing the parcel along with the setbacks from Main Street; and

WHEREAS, a special development committee formed by the Oceanport Planning Board indicated a willingness to accommodate the project if the ingress and egress were modified and if the setback was held at the proposed depth; the Planning Board will have an additional opportunity to provide comment during the 45-day public comment period; and

WHEREAS, the Approval Period expired on May 14, 2021 and an Amendment to the Reuse Plan to accommodate the Project is a condition precedent to closing; and

WHEREAS, on March 16, 2022, the FMERA Board approved the transmittal to the host municipalities of Reuse Plan Amendment #18 which included an alternative development scenario for the Nurses Quarters Property. Reuse Plan Amendment #18 was transmitted on April 4, 2022, and the 45-day comment period ends on May 18, 2022; and

WHEREAS, the Parties now wish to amend the Agreement to retroactively extend the Approval Period until January 14, 2023; and

WHEREAS, all other terms of the PSARA will remain unchanged. The attached Second Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and 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; and

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Second Amendment to the Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Nurses Quarters 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: April 27, 2022

EXHIBIT 2

DRAFT

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Second Amendment to the Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Nurses Quarters in Oceanport

DATE: April 27, 2022

Request

I am requesting that the Board approve the execution of the Second Amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with RPM Development, LLC (“RPM” or “Purchaser”) to retroactively extend the Approval Period until January 14, 2023.

Background

On November 13, 2019, the Board authorized the execution of the PSARA between FMERA and RPM Development, LLC (the “Parties”) for the Nurses Quarters Property, an approximately 3.75± acre parcel of land containing two buildings (Buildings 1077 and 1078) totaling approximately 18,655 gsf located on Main Street and Stephenson Avenue in the Main Post Area of Fort Monmouth. The Nurses Quarters were built in 1962 and include 24 residential units. The PSARA was executed on January 14, 2020.

RPM’s proposal for the Nurses Quarters calls for residential uses consisting of thirty-four (34) residential units broken down into a mix of ten (10) three to four-bedroom owner-occupied townhomes and the reuse of twenty-four (24) one- and two-bedroom apartments as rentals. Seven (7) of the apartments will be designated affordable housing flats. The seven (7) affordable housing flats are subject to confirmation that they satisfy Purchaser’s obligation to set aside twenty (20%) percent of the total residential units on this Parcel as housing that is affordable to low- and moderate-income households.

Purchaser will pay Two Million One Hundred and Fifty Thousand Dollars (\$2,150,000) for the property and shall have a total Capital Investment, net of the Purchase price, of Six Million Six Hundred Ninety Thousand dollars (\$6,690,000). Pursuant to the terms of the PSARA, RPM was provided a sixty (60) day Due Diligence Period commencing on the Effective Date of the PSARA. Per the terms of the PSARA, Closing will occur within thirty (30) days of satisfaction of the Conditions Precedent to Closing, which include RPM completing due diligence and obtaining all approvals or waiving receipt of one or more approvals; an amendment to the Reuse Plan to accommodate the Project; and the consent of the NJEDA Board. Pursuant to the PSARA, the parties will endeavor to satisfy these contingencies within twelve (12) months of expiration of the Due Diligence Period. The Approval Period shall be twelve (12) months commencing on completion of the Due Diligence Period. The Approval Period expired on May 14, 2021.

RPM will commence construction of the Project forty-five (45) days after the satisfaction of all Conditions Precedent to Closing. Purchaser shall complete construction of the Project no later than twenty-four (24) months from the Commencement of Construction. FMERA will have a right to repurchase the Property if construction is not timely commenced or completed. RPM estimates that it will create a minimum of thirty-eight (38) part- or

full-time, temporary construction related jobs in connection with the Project. Purchaser represents that it will create or cause to be created a minimum of one (1) permanent full or part-time job by Project completion or pay a penalty of \$1,500 for each permanent job not created.

First Amendment

Under the terms of the PSARA, Seller was to deliver to Purchaser a survey to be used during Due Diligence for Title review. Due to a delay in the delivery of the survey for the site, RPM requested a Due Diligence extension of sixty (60) days to complete its investigation of the suitability of the Property for redevelopment. FMERA staff requested and the Board approved a Due Diligence extension until May 14, 2020. The First Amendment was executed on March 12, 2020.

Second Amendment

On September 25, 2020, the FMERA Board approved transmittal to the host municipalities Reuse Plan Amendment #16, which included an alternative development scenario for the Borough of Oceanport for both the Nurses Quarters Property and the Barker Circle parcel. After the 45-day comment period, FMERA decided to move forward with only an alternative development scenario for the Barker Circle parcel and to address the Nurses Quarters Property in a separate Reuse Plan Amendment.

Since that time, the Purchaser has been in discussions with the Borough of Oceanport regarding the configuration of the site, and in particular the location of the driveway servicing the parcel along with the setbacks from Main Street. A special development committee formed by the Oceanport Planning Board indicated a willingness to accommodate the project if the ingress and egress were modified and if the setback was held at the proposed depth. The Planning Board will have an additional opportunity to provide comment during the 45-day public comment period.

The Approval Period expired on May 14, 2021. As mentioned above, an Amendment to the Reuse Plan to accommodate the Project is a condition precedent to closing.

On March 16, 2022, the FMERA Board approved the transmittal to the host municipalities of Reuse Plan Amendment #18 which included an alternative development scenario for the Nurses Quarters Property. Reuse Plan Amendment #18 was transmitted on April 4, 2022, and the 45-day comment period ends on May 18, 2022.

Therefore, the Parties now wish to amend the Agreement to retroactively extend the Approval Period until January 14, 2023.

All other terms of the PSARA will remain unchanged. The attached Second Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and a review as to form by the Attorney General's Office. The Real Estate Committee has approved the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the proposed Second Amendment to the PSARA with RPM Development, LLC to retroactively extend the Approval Period until January 14, 2023.

Bruce Steadman

Prepared by: Regina McGrade

ADOPTED
April 27, 2022

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

WHEREAS, on November 30, 2021, FMERA and Lennar executed a PSARA for Howard Commons, an approximately 59.62-acre parcel of land on Pinebrook Road in the Fort's Charles Wood Area in Eatontown; 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, the Redevelopment Project shall include the construction of 275 Housing Units along Pinebrook Road, together with a retail component consisting of a maximum building square footage of 33,800 fronting on Hope Road and the paved and parking areas located within the Property with a capital investment of Sixty-Six Million Dollars (\$66,000,000); the Redevelopment Project shall include the buildout of twenty (20) units of supportive housing ("Supportive Housing Units") in the Borough of Eatontown as set forth in a Legally Binding Agreement ("LBA") with the non-profit organization Affordable Housing Alliance ("AHA"); and

WHEREAS, in the First Amendment to the PSARA executed on January 14, 2022, FMERA and Purchaser agreed to amend the PSARA to provide a 150 square foot office with an adjacent bathroom within the permanent supportive housing unit build out; FMERA will contribute up to \$50,000 toward this addition; and

WHEREAS, in the Second Amendment executed on January 15, 2022, FMERA executive director, under his delegated authority, agreed to the extension of the due diligence until March 30, 2022 and memorialized the extension via an administrative amendment; and

WHEREAS, the Third Amendment to the PSARA, executed on April 20, 2022, memorialized the incorporation of the Second Administrative Letter as Exhibit I and the Supportive Housing PSA as Exhibit J, as an administrative amendment; the Third Amendment also acknowledged that U.S. Home Corporation d/b/a/ Lennar had submitted a certificate of conversion from a corporation into and LLC. U.S. Home, LLC d/b/a/ Lennar retains all of the same rights and responsibilities under the terms of the PSARA; and

WHEREAS, during the course of its due diligence investigations, Purchaser identified additional groundwater and soil contamination in the Howard Commons parcel, as the Due Diligence Period was set to expire on March 30, 2022, Purchaser submitted a letter dated March 25, 2022 conditionally terminating the PSARA and requesting that the Board grant an additional ninety (90) days extension so it could conduct additional environmental testing. Purchaser also requested that FMERA review documentation on whether the contamination qualified as a Newly Discovered Environmental Issue as that term is defined in the PSARA; and

WHEREAS, as the Purchaser is continuing to work to finalize its site plans and making progress in good faith, FMERA staff recommends granting the extension to the Due Diligence Period until June 30, 2022; and

WHEREAS, all other terms of the PSARA will remain unchanged. Attached in substantially final form is the Fourth Amendment to the PSARA between FMERA and Lennar. The final terms of the Fourth Amendment are subject to the approval of FMERA's 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.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Fourth Amendment to the Purchase and Sale & Redevelopment Agreement with U.S. Home, LLC a wholly owned subsidiary of Lennar Corporation, for the Howard Commons 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 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: April 27, 2022

EXHIBIT 3

DRAFT

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

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

DATE: April 27, 2022

Request

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

Background

On November 30, 2021, FMERA and Lennar executed a PSARA for Howard Commons, an approximately 59.62-acre parcel of land on Pinebrook Road in the Fort’s Charles Wood Area in Eatontown. The property is currently improved with 486 townhouse units, along with 3,853 square feet of general-purpose buildings. 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 approximately 59.92-acre tract was transferred to FMERA in June 2014.

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 due diligence period will run for 60 days from the later to occur of 1) the PSARA execution date on November 30, 2021, or 2) the date on which FMERA delivers to Purchaser a Boundary Survey. The Due Diligence Period may be extended with FMERA’s approval for an additional sixty (60) days, if necessary, to complete the Purchaser’s environmental investigations provided Purchaser is proceeding diligently and in good faith.

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.

The Redevelopment Project shall include 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") and the paved and parking areas located within the Property with a capital investment of Sixty-Six Million Dollars (\$66,000,000). Seller has an obligation to provide twenty (20) units of supportive housing ("Supportive Housing Units") in the Borough of Eatontown as set forth in a Legally Binding Agreement ("LBA") with the Affordable Housing Alliance ("AHA") a non-profit organization executed on June 19, 2020 and amended by the Administrative Letter and First Amendment to the LBA on June 19, 2020. The Parties agree that at the Seller's sole discretion, Seller or AHA shall have an option to purchase twenty (20) of the newly constructed Supportive Housing Units, to be developed in accordance with the Second Administrative Letter ("Administrative Letter"), and a form of Purchase & Sale Agreement between AHA and Purchaser ("Supportive Housing PSA") and that if AHA fails to exercise its option, Seller shall have an option to purchase the Supportive Housing Units. The Second Administrative Letter and the Purchase and Sale Agreement were executed on March 17, 2022.

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 the 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 forty-five (45) days of Closing. Purchaser completion of 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.

First Amendment

In order to provide additional support services to future residents of the Supportive Housing Units, AHA requested that one of the Supportive Housing Units include office space. To satisfy this request, FMERA and Purchaser

agreed 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 the addition, FMERA will contribute up to \$50,000 toward this addition. The First Amendment was executed on January 14, 2022.

Second Amendment

Under the terms of the PSARA, Purchaser's due diligence period was set to expire on January 30, 2022. On, January 3, 2022, Purchaser requested that FMERA approve the additional sixty (60) days extension period to perform due diligence. As Purchaser was proceeding diligently and with good faith, FMERA staff, under its delegated authority, agreed to the extension of the due diligence until March 30, 2022 and memorialized the extension via an administrative second amendment. The Second Amendment was executed on January 14, 2022.

Third Amendment

Under the terms of the PSARA, the Second Administrative Letter to the Legally Binding Agreement between FMERA and AHA identified as Exhibit I, and the Supportive Housing PSA between AHA and Lennar for purchase of the twenty (20) Supportive Housing Units under terms as set forth in the PSARA identified as Exhibit J were to be attached to the PSARA prior to the expiration of the Due Diligence.

The Third Amendment to the PSARA memorializes the incorporation of the Second Administrative Letter as Exhibit I and the Supportive Housing PSA as Exhibit J, as an administrative amendment. The Third Amendment also acknowledged the U.S. Home Corporation d/b/a/ Lennar and submitted a certificate of conversion from a corporation into and LLC. U.S. Home, LLC d/b/a/ Lennar retains all of the same rights and responsibilities under the terms of the PSARA. The Third Amendment was executed on April 20, 2022.

Fourth Amendment

During the course of its due diligence investigations, Purchaser identified additional groundwater and soil contamination in the Howard Commons parcel. As the Due Diligence Period was set to expire on March 30, 2022, Purchaser submitted a letter dated March 25, 2022 conditionally terminating the PSARA and requesting that the Board grant an additional ninety (90) days extension so it could conduct additional environmental testing. Purchaser also requested that FMERA review documentation on whether the contamination qualified as a Newly Discovered Environmental Issue as that term is defined in the PSARA.

As the Purchaser is continuing to work to finalize its site plans and making progress in good faith, FMERA staff recommends granting the extension to the Due Diligence Period until June 30, 2022.

All other terms of the PSARA will remain unchanged. Attached in substantially final form is the Fourth Amendment to the PSARA between FMERA and Lennar. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and a review as to the 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 that the Board authorize the execution of the Fourth Amendment to the Purchase and Sale & Redevelopment Agreement with U.S. Home, LLC a wholly owned subsidiary of Lennar Corporation, for the Howard Commons Parcel in Eatontown.

Bruce Steadman

Prepared by: Regina McGrade

**Resolution Regarding
Sixth Amendment to Purchase and Sale & Redevelopment Agreement for the Dance Hall (Building 552)
Parcel in the Oceanport Reuse Area**

WHEREAS, on August 17, 2016 the Members authorized the execution of the PSARA between FMERA and AP Development Partners, LLC (“APDP”) subsequently assigned to its affiliate, Regional Development Group (“RDG”), and then to The Loft Partnership (“LP” or “Purchaser”), for the Property that contains the Dance Hall (Building 552), Van Kirk Park and an associated parking area located on the Main Post, along Saltzman Avenue and Caren Franzini Way (a.k.a. Brewer Avenue). The Dance Hall is approximately 16,420 sf and occupies a 4.2± acre parcel of land within Fort Monmouth, Oceanport, New Jersey. The PSARA was executed on December 20, 2016; and

WHEREAS, pursuant to the terms of the PSARA, LP opted to waive all approvals and closed on the Property on April 4, 2018; from closing, LP was to complete the project within twelve months, on or by May 19, 2019, but because LP was proceeding in good faith toward completion of the project, LP was entitled to a six-month extension of the completion date until November 19, 2019; and

WHEREAS, in January 2018, Purchaser requested to expand the scope of the Project to include an approximately ±5,905-square-foot addition, triggering a need for a new MCR application for Major Site Plan approval. The expanded Project increased both the usable space in the facility, as well as the capital investment from approximately \$1,380,000 to approximately \$4,600,000; and

WHEREAS, on March 20, 2019, FMERA staff requested and the Board approved the First Amendment to the PSARA which expanded the Project definition to include the ±5,905-square-foot addition, increase the capital investment and provide an additional six (6) month extension until May 19, 2020 for Purchaser to complete the Project; the First Amendment to the PSARA was executed on April 12, 2019; and

WHEREAS, the approvals process took longer than anticipated due to third-party delays, including but not limited to numerous requests from approval entities for supplemental information in conjunction with LP’s site plan application, that adversely impacted Purchaser’s timeline; therefore, FMERA staff requested and the Board approved an additional six-month extension until November 19, 2020 for Purchaser to complete the Project, via the Second Amendment to the PSARA, executed May 14, 2020; and

WHEREAS, the on-going pandemic caused unforeseen delays requiring additional time to complete the Project, and so FMERA granted an additional five (5) month extension to complete the Project by April 19, 2021 via the Third Amendment to the PSARA, executed on November 19, 2020; and

WHEREAS, due to changes to construction financing and continued delays in permitting resulting from the pandemic, Purchaser required additional time to complete the Project and requested one (1) eight (8) month extension to complete the Project by December 19, 2021; on March 17, 2021 on the continuous progress and good faith efforts by the developer the Board approved an extension of the Project Completion Date until December 19, 2021 and the Fourth Amendment to the PSARA was executed on May 7, 2021; and

WHEREAS, after numerous pre-construction meetings with potential users and industry professionals, LP determined that the proposed addition to the Project originally approved in the First Amendment would prevent the project from being financially viable and that increased costs in construction materials resulting from COVID-19, could not be reasonably offset by revenue generated at the facility. Staff had determined that reverting to Purchaser’s initial proposed Project and revised capital investment would not impact the Purchaser’s score through the Request for Offers to Purchase evaluation process and this modification, along with a request for a one-hundred

twenty-day (120) extension to complete the Project was approved by the Board at its October 2021 meeting. The Fifth Amendment was executed on November 15, 2021; and

WHEREAS, on March 29, 2022, FMERA received email correspondence from LP stating that it has faced several stalled attempts to get water service to the building along with extreme material delivery delays. While the interior of the Project is near completion, LP is still waiting for the delivery of critical materials including doors and finish items required to complete construction and obtain its certificate of occupancy. Exterior work including landscaping is on-going but continues to remain subject to weather conditions. Due to the aforementioned delays, LP requested an additional one hundred and twenty (120) days to complete the project; and

WHEREAS, LP notified FMERA staff of the need for additional time to complete the Project ahead of the completion deadline; however, due to FMERA's Board schedule this extension will be applied retroactively, subject to Board approval; and

WHEREAS, LP has continued to pursue completion of the Project in good faith and staff has observed the progress of the Project first-hand, through its recent tour of the facility on March 29, 2022. Therefore, staff recommends that the Board approve a modification to the Redevelopment Project and an extension to complete the Project.; and

WHEREAS, all other material terms of the PSARA will remain unchanged. The attached Sixth Amendment to the PSARA is in substantially final form. The final terms of the Amendment will be subject to the approval of FMERA's Executive Director and a review as to the form by the Attorney General's Office. The Real Estate Committee reviewed the request and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Sixth Amendment to the Purchase and Sale & Redevelopment Agreement for the Dance Hall (Building 552) Parcel in the Oceanport Reuse Area on terms substantially consistent to those set forth in the attached memorandum and with final terms acceptable to the Executive Director and the Attorney General's Office and authorizes the Executive Director to execute the Agreement.
2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Attachment

Dated: April 27, 2022

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Sixth Amendment to Purchase and Sale & Redevelopment Agreement for the Dance Hall (Building 552) Parcel in the Oceanport Reuse Area

DATE: April 27, 2022

Request

I am requesting that the Board approve the execution of the Sixth Amendment to the Purchase and Sale & Redevelopment Agreement (“PSARA”) with AP Development Partners, LLC (“APDP”), initially assigned to its affiliate, Regional Development Group, LLC (“RDG”), and subsequently assigned to The Loft Partnership (“LP” or “Purchaser”) providing for an additional extension of the Project Completion Date, as defined in the PSARA.

Background

On August 17, 2016 the Members authorized the execution of the PSARA between FMERA and APDP subsequently assigned to its affiliate, RDG, and then to LP, for the Property that contains the Dance Hall (Building 552), Van Kirk Park and an associated parking area located on the Main Post, along Saltzman Avenue and Caren Franzini Way (a.k.a. Brewer Avenue). The Dance Hall is approximately 16,420 sf and occupies a 4.2± acre parcel of land within Fort Monmouth, Oceanport, New Jersey. The PSARA was executed on December 20, 2016.

Pursuant to the terms of the PSARA, LP opted to waive all Approvals and closed on the Property on April 4, 2018. From closing, LP was to begin construction within forty-five (45) days and complete the project within twelve (12) months, on or by May 19, 2019. Because LP was proceeding in good faith toward completion of the project, LP was entitled to a six (6) month extension of the completion date until November 19, 2019.

First Amendment

In January 2018, Purchaser requested to expand the scope of the Project to include an approximately ±5,905-square-foot addition, triggering a need for a new MCR application for Major Site Plan approval. The expanded Project increased both the usable space in the facility, as well as the capital investment from approximately \$1,380,000 to approximately \$4,600,000.

FMERA’s review of a new MCR application for a Major Site Plan, as well as the expanded scope of the project, impacted Purchaser’s ability to complete the project on or before November 19, 2019. Therefore, on March 20, 2019, FMERA staff requested and the Board approved the First Amendment to the PSARA which expanded the Project definition to include the ±5,905-square-foot addition, increase the capital investment and provide an additional six (6) month extension until May 19, 2020 for Purchaser to complete the Project. The First Amendment to the PSARA was executed on April 12, 2019.

Second Amendment

Following the receipt of a six (6) month extension under the First Amendment to the PSARA, Purchaser continued to proceed in good faith toward the completion of the project; however, the approvals process took longer than

anticipated due to third-party delays, including but not limited to numerous requests from approval entities for supplemental information in conjunction with LP's site plan application, that adversely impacted Purchaser's timeline. Therefore, FMERA staff requested and the Board approved an additional six (6) month extension until November 19, 2020 for Purchaser to complete the Project, via the Second Amendment to the PSARA, executed May 14, 2020

Third Amendment

As the pandemic began, Purchaser diligently continued pursuit of construction financing and all outstanding approvals; however, the on-going pandemic caused unforeseen delays requiring additional time to complete the Project. On October 27, 2020, via email correspondence, the Purchaser requested a five (5) month extension to the Project Completion Date until April 19, 2021, citing COVID-19 related delays impacting financing and construction. Purchaser provided sufficient documentation to satisfy the requirements for permitted extensions under the Executive Director's delegated authority and was granted an additional five (5) month extension to complete the Project by April 19, 2021 via the Third Amendment to the PSARA, executed on November 19, 2020.

Fourth Amendment

Due to changes to construction financing and continued delays in permitting resulting from the pandemic, Purchaser required additional time to complete the Project and requested one (1) eight (8) month extension to complete the Project by December 19, 2021. Based on the continuous progress and good faith efforts by the developer, the Board approved an extension of the Project Completion Date until December 19, 2021 at its July 2021 meeting. The Fourth Amendment was executed on May 7, 2021.

Fifth Amendment

After numerous pre-construction meetings with potential users and industry professionals, LP determined that the proposed addition to the Project originally approved in the First Amendment would prevent the project from being financially viable and that increased costs in construction materials resulting from COVID-19, could not be reasonably offset by revenue generated at the facility. Staff had determined that reverting to Purchaser's initial proposed Project and revised capital investment would not impact the Purchaser's score through the Request for Offers to Purchase evaluation process and this modification, along with a request for a one-hundred twenty-day (120) extension to complete the Project was approved by the Board at its October 2021 meeting. The Fifth Amendment was executed on November 15, 2021.

Sixth Amendment

On March 29, 2022, FMERA received email correspondence from LP stating that it has faced several stalled attempts to get water service to the building along with extreme material delivery delays. While the interior of the Project is near completion, LP is still waiting for the delivery of critical materials including doors and finish items required to complete construction and obtain its certificate of occupancy. Exterior work including landscaping is on-going but continues to remain subject to weather conditions. Due to the aforementioned delays, LP requested an additional one hundred and twenty (120) days to complete the project.

LP notified FMERA staff of the need for additional time to complete the Project ahead of the completion deadline; however, due to FMERA's Board schedule this extension will be applied retroactively, subject to Board approval.

LP has continued to pursue completion of the Project in good faith and staff has observed the progress of the Project first-hand, through its recent tour of the facility on March 29, 2022. Therefore, staff recommends the Real Estate Committee review and recommend the Board approve a modification to the Redevelopment Project and an extension to complete the Project.

All other material terms of the PSARA as presented to the Board will remain unchanged. The attached Sixth Amendment to the PSARA is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and a review as to the 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 that the Board approve the proposed Sixth Amendment to the PSARA for the Dance Hall Parcel providing for an additional extension of the Project Completion Date, as defined in the PSARA.

Bruce Steadman

Prepared by: Sarah Giberson

DRAFT