

**Fort Monmouth Economic Revitalization Authority
In-Person & Telephonic Board Meeting
502 Brewer Avenue, Oceanport, N.J. 07757
Dial In: 888-431-3598 / Access Code: 1123026
Agenda – March 20, 2024**

1. **Call to Order**
2. **Notice of Public Meeting**
3. **Pledge of Allegiance**
4. **Roll Call**
5. **Welcome**
6. **Approval of Previous Month’s Board Meeting Minutes**
7. **Executive Director/Secretary Report & Update**
8. **Public Comment Regarding Board Action Items**
9. **Committee Reports**
 - Audit Committee – Anthony Talerico, Jr., Chairman
 - Real Estate Committee – McKenzie Wilson, Chairwoman
 - Environmental Staff Advisory Committee – Elizabeth Dragon, Chairwoman
 - Historical Preservation Staff Advisory Committee – Tom Tvrdik, Chairman
 - Housing Staff Advisory Committee – Vacant, Chairperson
 - Veterans Staff Advisory Committee – Vacant, Chairperson
10. **Board Actions**
 1. Consideration of Approval of an Interagency Agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services for the demolition of buildings on Parcels 7&8.
 2. Consideration of Approval of a Road Vacation and Conveyance Agreement between the Fort Monmouth Economic Revitalization Authority, the County of Monmouth and Netflix, Inc.
 3. Consideration of Approval of the Fourth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls.
11. **Other Items**
12. **Public Comment Regarding any FMERA Business**
13. **Adjournment**



MEMORANDUM

To: Members of the Board

From: Kara Kopach
Executive Director

Date: March 20, 2024

Subject: Monthly Status Report

Summary

The following are brief descriptions of the Fort Monmouth Economic Revitalization Authority (FMERA) staff's monthly activities which include the Treasurer's Report, and Update on Utilities and Infrastructure, Update on Development & Marketing and Update on the Fort Monmouth Redevelopment

Treasurer's Report

The Authority's independent auditors, CliftonLarsonAllen, LLP have completed their fieldwork and continue their audit of the Authority's 2023 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 2023 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
 - FMERA expects to close-out the East Interceptor, South Interceptor, and Malterer Avenue sanitary main contracts in Oceanport, and the Wilson Avenue sanitary main contract in Eatontown during the 2nd quarter of 2024. The sewer contractor for the South Interceptor will complete final paving on Oceanport Way south of the Oceanport Borough Hall over the next two months.
 - FMERA has obtained asbestos surveys for the remaining out-of-service sanitary pump stations, with abatement and demolition of the structures to follow. Only two of the eleven main post pump stations left by the Army remain active and will be de-energized in the next 60 days.
 - The bid opening for the 600-area water service lateral contract occurred on February 15th. The lowest bidder was Vaughan Construction. A preconstruction meeting is being scheduled. Work should commence in next few weeks.
 - FMERA staff continues to work with Jersey Central, Power & Light toward the construction of a new 22-megawatt electrical substation and 15KVA distribution system on the main post. This new infrastructure will replace the existing 4160V electrical system and make JCP&L the primary power provider, eventually taking FMERA out of the power supply business. FMERA continues to repair, replace, and maintain aged electrical infrastructure on the fort pending the commissioning of the new substation and distribution system.
 - The abatement of Buildings 550 and 551 has commenced, with demolition to follow. Project completion is expected by the end of May 2024.
 - Through a Board approved MOU with Oceanport, FMERA is utilizing Colliers Engineering to investigate/evaluate the current condition of stormwater infrastructure located on the Main Post of Fort Monmouth. The project also involves identifying and recording necessary repairs and/or replacements to pipes, manholes, catch basins and outfall structures.

The goal of the project is to convey ownership of stormwater infrastructure to the Boroughs of Eatontown and Oceanport once the stormwater infrastructure study is completed and all necessary repairs are made.

- The Facilities and On-site Maintenance Teams continues to maintain and repair heat systems and fire suppressions systems of buildings to be reused by the Mega Parcel purchaser.

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. RPM Development 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 and medical offices.
- Oceanport Municipal Complex on August 16, 2017, where the Borough of Oceanport purchased the property for their new Oceanport Borough Hall, Police Department, Department of Public Works and Office of Emergency Management.
- 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 renovated the Dance Hall as a wedding banquet facility. They have booked over 200 weddings and events since opening.
- Building 501, on April 24, 2019, with Family Promise of Monmouth County, an approximately 1.7-acre site, via a Legally Binding Agreement (LBA). Lunch Break has now merged with Family Promise and will expand the services offered on the site.
- 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 19, 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. The campus opened in the Fall 2020 and continues to have both an academic and community events presence.
- 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. Birdsmouth, a brewery opened in 2022, Baseline Social, a full-service state of the art bar and restaurant opened this summer and Mr. Green Tea, the specialty mochi and ice cream distributor is also open.
- Marina, on March 25, 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, being developed with up to 185 new and renovated housing units. Townhouses are for sale, and some have already been sold and are occupied.
- Allison Hall, on May 20, 2022, 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.

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

- 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, who has upgraded the existing Golf Course and renovated the historic Gibbs Hall. Martelli Signature Homes has constructed and sold numerous townhouses in the middle of the course and continues to construct housing units.
- 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. NJAW has demolished the existing structures on the site and will start construction in the first quarter of 2024.
- 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. The Borough has demolished all of the existing structures and is designing the park for a splash pad and accompanying bathrooms.

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

- Howard Commons, with Lennar Corporation for the construction of 275 Housing Units along Pinebrook Road, together with a retail component consisting of a maximum building square footage of 40,000 fronting on Hope Road and the paved and parking areas located within the property. Lennar has an obligation to provide twenty units of supportive housing on the property.

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

- Parcel E, on January 13, 2013, with Commvault for the headquarters. Commvault announced in March 2023 that they will be selling this building. The new developer anticipates providing lease backed space to Commvault and will also provide additional tenant space to other end users.
- 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. Trinity Hall completed their second-generation project on the site to expand the building's footprint twofold.
- 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. Lennar has completed the residential portion of this site but the commercial deliverables remain and have been adversely impacted due to the changing market conditions for retail.
- Parcel C1 with Lennar Corporation, on August 2, 2018. Lennar has constructed and sold all 45 single family homes.
- Parcel F-1 – Myer Center and Building 2705, on December 16, 2022, an approximately 36-acre parcel in Tinton Falls where RWJ Barnabas Health (RWJBH) plans to create a health campus to include a cancer center, medical offices, and a future hospital. RWJBH anticipates starting construction on the site this year.

Also in **Tinton Falls**, FMERA has executed contracts on two properties:

- 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.
- Tinton Falls Commercial Parcel (Pulse Power, Building 2719, and the Pistol Range) with RWJBH for 1) construction of a three-story Medical Office Building; 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. **Development & Marketing Update**

FMERA continues to make good progress on the Fort's redevelopment, with about 86% of the Fort's 1,126 acres sold, under contract, in negotiations, or entering the request for proposals process. To date, FMERA has sold 34 parcels, and another 7 parcels are under contract or have Board-approved contracts for a first-generation project.

FMERA's redevelopment continues to move forward, with new homes, business, and amenities coming online on a rolling basis. In the Oceanport section of the Fort, Allison Hall is rehabilitating three structures on the site and has begun construction of its new facilities, new homes continue to populate the Parkers Creek development by Pulte, and Baseline Social is now open, offering dining and interactive experiences, like golf caves and live music, at the former Commissary. Mr. Green Tea, the specialty mochi and ice cream distributor is also open, alongside Baseline and Birdsmouth Brewery. In Eatontown, the historic rehabilitation and renovation of Gibbs Hall is now complete and construction of new housing on the course is on-going. Lennar's professionals have started work on-site at the Howard Commons property. FMERA recently issued a final Mandatory Conceptual Review letter for the Borough's park project, now permitted to include a splash pad, dog agility course, anticipated to be constructed this year. Martelli Development continues to make excellent project on the residential component of Suneagles Golf Course, The Ridge, and is also nearing completion on its affordable housing units. In Tinton Falls, most of the Charles Wood area is already developed. However, construction of RWJBarnabas Health's medical campus has begun with the 100,000 sf Cancer Center. At the Board's last meeting, Trinity Hall's Redevelopment Agreement for a third phase of development was approved. FMERA is currently reviewing site plans for its expansion, as all projects within the former Fort Monmouth remain subject to FMERA's Reuse Plan and Land Use Rules.

The remainder of FMERA's projects are in various stages of development, many of which are still in the due diligence, design, and approvals phases. Continuous demolition and construction can otherwise be seen Fort-wide. As for the Mega Parcel, FMERA's Board adopted Plan Amendment #20 at its February meeting, paving the way for Netflix to move into its approvals process. At present, Netflix is finalizing their Phase 1a site plans to be submitted to FMERA for Mandatory Conceptual Review and ultimately to the municipalities and the County for review and consideration. While the developer continues to move forward ahead of schedule, the approval period is 36 months and substantial administrative work needs to be completed before the public can expect to see any visible changes to the site. FMERA staff will begin the process of drafting its next Request for Offers to Purchase for an affordable housing development on the Eatontown Housing Parcel, which is also subject to Plan Amendment # 20.

FMERA is actively working to promote the services and opportunities now available at the Fort through media, meetings, and additional speaking engagements. Recently, FMERA presented to the Monmouth Ocean Development Council's Employer Legislative Committee to highlight the economic impact of the Fort's on-going redevelopment.

FMERA staff will also begin work on the 2023 Annual Report, which will be presented to FMERA's Board in the spring. Following its approval, the report will be made available to the public.

As businesses and amenities come online, FMERA continues to create visibility for these new assets through our social media as well as through our on-site wayfinding signage initiative. Our team will continue to provide updates to the public regarding on-going activities at the Fort that our stakeholders may participate in.

Please visit our website, www.fortmonmouthnj.com and follow us on Instagram at @fortmonmouthnj for our latest updates.


Kara Kopach

Prepared by: Regina McGrade

Resolution Regarding
Approval of an Interagency Agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services

WHEREAS, Buildings 814, 815, 820, 822, 826 and 830, which are located on the Main Post of Fort Monmouth, are outdated and not suitable for future use. All of the buildings are in locations targeted for utility and infrastructure improvements and/or blight removal. This interagency agreement will enable FMERA to move forward with the blight removal and improvements to the Main Post infrastructure, which will serve both sold properties and future redevelopment projects on the Main Post; and

WHEREAS, FMERA will make One Hundred Sixty-Eight Thousand Two Hundred and Thirty-Five (\$168,235.00) Dollars in funding available to the Borough of Oceanport through a Memorandum of Understanding (“MOU”) to pay for all costs associated the Project (“Project Funding”). These funds are allocated for this expenditure in the 2024 FMERA budget; and

WHEREAS, the Borough selected Colliers Engineering and Design (“Colliers”) as the Borough’s engineering firm via a formal RFQ process for the calendar year. Accordingly, the Borough will retain Colliers to prepare demolition plans and specifications (the “Plans”) for the Project, which will include one set of demolition plans and specifications for the Project Site; and

WHEREAS, plans and specifications shall include but not be limited to the following: preparing Soil Erosion and Sediment Control Plans for the Project Site in accordance with the requirements set forth by the Freehold Soil Conservation District); identification of all asbestos-containing materials (to include both interior and exterior materials); identification of all hazardous materials; identification of existing utilities and plans for terminating said utilities, requirements for securing utility mark-outs; securing all necessary permits and paying associated fees; specifications for demolishing the entire building to include slabs, foundations, footings and basements; and requirements for site security and safety during all stages of the project; and

WHEREAS, the plans and specifications should also include a demolition and remediation schedule setting forth the order of tasks and the estimated timeframes for completion on the Project Site. The goal of this Project is the preparation of construction document so that the remediation/abatement, demolition (including all building contents), and site improvement work can be competitively bid, commenced and successfully completed in the most cost-effective manner possible; and

WHEREAS, by using the Borough of Oceanport’s engineers for this work, FMERA will minimize lead time and reduce expenses associated with initiating its own RFQ process. Also, utilizing the Borough engineers will also ensure that the winning bidder to FMERA’s subsequent public procurement will be aware of all permitting requirements and improvements required to meet the Borough’s standards; and

WHEREAS, staff requests that the Board approve entering into this interagency agreement utilizing the attached MOU between FMERA and the Borough of Oceanport for civil and environmental engineering services. In addition, staff requests the grant to the Executive Director delegated authority to increase the Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement; and

WHEREAS, the attached MOU is in substantially final form. The final terms of the MOU will be subject to the approval of the Executive Director, the Borough of Oceanport 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. The Authority approves (1) the entry into an interagency agreement between FMERA and the Borough of Oceanport for civil and environmental engineering services with regard to the preparation of demolition plans and specifications, abatement, demolition and site improvements (including preparation of certain applications and associated prerequisite surveying, environmental and engineering services) for the Project Site, which includes: Buildings 814, 815, 820, 822, 826 and 830, located on the Main Post of Fort Monmouth. and (2) the grant of delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen costs associated with the Project with final terms acceptable to the Executive Director and a review as to form by 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: March 20, 2024

EXHIBIT 1

Draft

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

RE: Approval of an Interagency Agreement between FMERA and the Borough of Oceanport to contract for civil and environmental engineering services and grant of delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen costs associated with the Project.

DATE: March 20, 2024

Request

I am requesting that the Board (1) approve the interagency agreement between FMERA and the Borough of Oceanport for civil and environmental engineering services with regard to the preparation of demolition plans and specifications, abatement, demolition and site improvements (including preparation of certain applications and associated prerequisite surveying, environmental and engineering services), which includes: Buildings 814, 815, 820, 822, 826 and 830, located on the Main Post of Fort Monmouth (the “Project Site”). and (2) the grant of delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen costs associated with the Project.

Background

Buildings 814, 815 (gazebo), 820 (grandstand & bleachers), 822, 826 and 830 (picnic pavilion), which are located on the Main Post of Fort Monmouth, are outdated and not suitable for future use. All of the buildings are in locations targeted for utility and infrastructure improvements and/or blight removal. This interagency agreement will enable FMERA to move forward with the blight removal and improvements to the Main Post infrastructure, which will serve both sold properties and future redevelopment projects on the Main Post. The Parcel map is attached as **Exhibit A**.

FMERA will make One Hundred Sixty-Eight Thousand Two Hundred and Thirty-Five (\$168,235.00) Dollars in funding available to the Borough of Oceanport through a Memorandum of Understanding (“MOU”) to pay for all costs associated the Project (“Project Funding”). These funds are allocated for this expenditure in the 2024 FMERA budget.

The Borough selected Colliers Engineering and Design (“Colliers”) as the Borough’s engineering firm via a formal RFQ process for the calendar year. Accordingly, the Borough will retain Colliers to prepare demolition plans and specifications (the “Plans”) for the Project, which will include one set of demolition plans and specifications for the Project Site. Plans and specifications shall include but not be limited to the following: preparing Soil Erosion and Sediment Control Plans for the Project Site in accordance with the requirements set forth by the Freehold Soil Conservation District (FSCD); identification of all asbestos-containing materials (to include both interior and exterior materials); identification of all hazardous materials; identification of existing utilities and plans for terminating said utilities, requirements for securing utility mark-outs; securing all necessary permits and paying associated fees; specifications for demolishing the entire building to include slabs, foundations, footings and basements; and requirements for site security and safety during all stages of the project, generally consistent with **Exhibit B**.

The plans and specifications should also include a demolition and remediation schedule setting forth the order of tasks and the estimated timeframes for completion on the Project Site. The goal of this Project is the preparation of construction document so that the remediation/abatement, demolition (including all building contents), and site improvement work can be competitively bid, commenced and successfully completed in the most cost-effective manner possible.

By using the Borough of Oceanport's engineers for this work, FMERA will minimize lead time and reduce expenses associated with initiating its own RFQ process. Also, utilizing the Borough engineers will also ensure that the winning bidder to FMERA's subsequent public procurement will be aware of all permitting requirements and improvements required to meet the Borough's standards.

Staff requests that the Board approve entering into this interagency agreement utilizing the attached MOU between FMERA and the Borough of Oceanport for civil and environmental engineering services. In addition, staff requests the grant to the Executive Director delegated authority to increase the Project Funding by an amount not to exceed 10% for unforeseen design costs for demolition or environmental abatement.

The attached MOU is in substantially final form. The final terms of the MOU will be subject to the approval of the Executive Director, the Borough of Oceanport 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.

Recommendation

In summary, I am requesting that Board approve (1) approve the interagency agreement between FMERA and the Borough of Oceanport for civil and environmental engineering services with regard to the preparation of demolition plans and specifications, abatement, demolition and site improvements (including preparation of certain applications and associated prerequisite surveying, environmental and engineering services) for the Project Site, which includes: Buildings 814, 815, 820, 822, 826 and 830, located on the Main Post of Fort Monmouth. and (2) the grant of delegated authority to the Executive Director to increase Project Funding by an amount not to exceed 10% for unforeseen costs associated with the Project.



Kara Kopach

Prepared by: Regina McGrade

Resolution Regarding
Road Vacation and Conveyance Agreement between the Fort Monmouth Economic Revitalization Authority, the County of Monmouth and Netflix, Inc. and authorize the transfer of Malterer Avenue to the County.

WHEREAS, on January 13, 2023 FMERA and Netflix executed a Purchase and Sale Agreement and Redevelopment Agreement (“PSARA”) for the Mega Parcel (“the Property”), an approximately 292± acre parcel of land containing former residential, administrative and R&D buildings, warehouses, workshops and additional general-purpose facilities in the Boroughs of Eatontown and Oceanport, within the Main Post section of Fort Monmouth. The Mega Parcel is conveniently located adjacent to State Route 35, providing easy access to the Garden State Parkway, Route 18, NJ Transit Bus Lines & adjacent to County Route 11 (Oceanport Avenue), which provides direct access to the Little Silver NJ Transit Train Station; and

WHEREAS, under the terms of the PSARA, Netflix intended to seek from the County of Monmouth a vacation of the portion of Wilson Avenue that is located with the Property, and FMERA agreed to reasonably cooperate with Netflix in connection with the vacation of Wilson Avenue and to convey to the County Malterer Avenue in order to provide an alternative route to replace the route that will be lost by the vacation of Wilson Avenue; and

WHEREAS, Wilson Avenue (County Route 537 Extension) is a County-owned public road located in Eatontown and Oceanport, which bisects a portion of the Mega Parcel. Pursuant to a Deed of Roadway Dedication dated November 17, 2016, and one dated March 5, 2024 between FMERA and the County, FMERA conveyed Wilson Avenue, Sherrill Avenue and the Avenue of Memories to the County; and

WHEREAS, a small portion of Wilson Avenue known as “Parcel 102D Part 2 of 2” is still owned by the United States Army (the “Army”) and pursuant to a separate agreement between FMERA and the Army will be conveyed at a later time. Upon FMERA acquisition of title to Parcel 102D Part 2 from the Army, FMERA shall convey to the County, and the County shall acquire from FMERA, fee simple title to that portion of Parcel 102D Part 2 that is located within Wilson Avenue; and

WHEREAS, Malterer Avenue is a FMERA-owned private road located in between Sherrill Avenue and Avenue of Memories. Sherrill Avenue is a public road located in Oceanport also owned by County. The County is the current fee owner of Sherrill Avenue. Wilson Avenue, Malterer Avenue and Sherrill Avenue are all located within, or immediately adjacent to the Mega Parcel; and

WHEREAS, in furtherance of the redevelopment of the Mega Parcel the Parties have agreed that (i) the County shall vacate the Wilson Avenue Segment, (ii) FMERA shall convey fee title to the Malterer Avenue Segment to the County, at the County’s request within six months of execution of this agreement and (iii) that various roadway improvements shall be conducted as set forth under the terms of the Agreement to facilitate vehicular traffic; and

WHEREAS, under the terms of the Agreement, the County has agreed to vacate Wilson Avenue. To facilitate this vacation, on February 8, 2024, at a meeting of the Board of County Commissioners, the County Board declared the County’s intention to vacate the Wilson Avenue Segment to Netflix. Subsequently, on March 14, 2024, the Board of County Commissioners conducted a public hearing regarding the Vacation of the Wilson Avenue to Netflix with the intention to approve, finalize and consummate in all respects at and effective as of March 14, 2024; and

WHEREAS, once Wilson Avenue is vacated, Netflix shall construct a cul-de-sac at its own cost and expense at the junction of Sherrill Avenue, as defined in the Agreement (the “Cul-De-Sac”). The plans and specifications shall be designed and prepared by Netflix and approved by the County in its reasonable discretion. Netflix and the County each acknowledge that portions of area delineated for the Sherrill Avenue Cul-De-Sac are a former Army landfill; and

WHEREAS, Netflix, the County and FMERA shall cooperate and coordinate with each other in good faith to facilitate the construction of the Cul-De-Sac as and when contemplated by this Agreement; it being expressly acknowledged and agreed by all parties that the schedule and timing of the construction of the Cul-De-Sac shall be determined by Netflix based upon the schedule and timing of Netflix’s development of the Mega Parcel in general. Netflix shall have no obligation to commence the construction of the Cul-De-Sac until the later of (i) the date that the Army conveys to FMERA all of the lands of which the Cul-De-Sac Parcel is a part or grants the Sherrill Avenue Cul-De-Sac Construction Easement and (ii) the Initial Closing; and

WHEREAS, pursuant to a PSARA dated as of October 24, 2018 between FMERA and KKF University Enterprises, LLC (“KKF PSARA”), KKF has an option to acquire certain property from FMERA, including a portion of the Cul-De-Sac, and pursuant to a separate agreement among Netflix, the County and KKF, KKF has agreed that, if and to the extent it exercises its option to purchase the KKF/FMERA portion of land containing the Cul-De-Sac under the KKF PSARA, KKF shall convey same to the County; and

WHEREAS, to the extent that KKF does not exercise its option under the KKF PSARA to purchase the KKF/FMERA portion of the Cul-De-Sac parcel within the time period required under the KKF PSARA, FMERA shall execute and deliver a quitclaim deed conveying fee title to the County with the terms of a Local Beneficial Use (“LBU”) transfer, which shall include costs of the fair market value of the land, appraisal, and surveying; and

WHEREAS, in order to facilitate the conveyance of the Cul-De-Sac parcel by Netflix, FMERA shall, as contemplated by the PSARA and to the extent that FMERA is then the fee owner thereof, effectuate a subdivision of the portion of the Cul-De-Sac parcel located on the Mega Parcel by conveying a separate deed to Netflix at the Initial Closing that creates the Netflix Portion of the Cul-De-Sac parcel as a separate, subdivided lot. Promptly following such conveyance, Netflix shall grant a perpetual, non-exclusive easement to the County with respect to the entire Netflix Portion of the Cul-De-Sac parcel; and

WHEREAS, after such time as Netflix becomes permitted under the terms of the PSARA to convey fee title to the County, Netflix shall, within a reasonable period of time, convey fee title to the Netflix portion of the Cul-De-Sac parcel to the County in its then “as is” condition and for nominal consideration; and

WHEREAS, FMERA shall convey to the County by way of a deed of dedication, and the County shall acquire from FMERA, fee simple title to Malterer Avenue, in its then “as is” condition and for nominal consideration. In no event shall the Conveyance of Malterer Avenue result in FMERA or Netflix (i) incurring any costs, except as defined therein, (ii) being obligated to make any roadway or other improvements to Malterer Avenue or the Mega Parcel (other than the Intersection Improvements to be constructed by Netflix and described therein at intersection of Sherrill Avenue, Malterer Avenue and Russel Avenue (“Intersection Improvements”)) and/or (iii) incurring any liability as of result of the same.; and

WHEREAS, Netflix acknowledges that Netflix shall be responsible, at its sole cost and expense, for performing any improvements and/or satisfying any other requirements which may be imposed by the County Planning Board or any applicable municipal planning board as a condition to any site plan approval for the Mega Parcel which is sought by Netflix. Within nine months of execution of this Agreement, the County shall take and complete all actions (including without limitation providing any necessary notices, holding any necessary meetings and/or hearings, adopting any necessary resolutions and/or obtaining any necessary consents) that are necessary or advisable in order for the County to accept fee title to Malterer Avenue from FMERA. If for any reason the conveyance of Malterer Avenue has not been consummated prior to the Initial Closing under the

PSARA, the parties shall consummate the conveyance of Malterer Avenue simultaneously with or immediately after the Initial Closing under the PSARA.

WHEREAS, Netflix shall construct the Intersection Improvements, as defined in the Agreement, at its own cost and expense substantially in accordance with plans and specifications that are designed and prepared by Netflix and approved by the County. Netflix, the County and FMERA shall cooperate and coordinate with each other in good faith to facilitate the construction of the Intersection Improvements as and when contemplated by this Agreement; it being expressly acknowledged and agreed by all parties that the schedule and timing of the construction of the Intersection Improvements shall be determined by Netflix; and

WHEREAS, for purposes of clarification, the parties hereby acknowledge that FMERA shall have no obligation to construct all or any portion of the Intersection Improvements. To the extent that all or any portion of the Intersection Improvements work by Netflix will occur on any property that is owned by FMERA or the County, FMERA and the County shall grant access to such property to Netflix in order to allow Netflix to perform such work; and

WHEREAS, to the extent that, the County or Netflix determines that any land(s) need to be acquired in order to enable Netflix to construct and complete the Intersection Improvements as contemplated by this Agreement, the County shall, as soon as reasonably practicable (but not later than October 31, 2025), acquire fee title to such land(s), and Netflix shall pay for all reasonable costs and expenses related to such acquisitions; and

WHEREAS, currently, the Board of County Commissioners intends to hold a public meeting on March 28, 2024 to continue discussions from the March 14, 2024 meeting concerning the vacation of Wilson Avenue and vote to approve the conveyance to Netflix; and

WHEREAS, the Parties shall in good faith and from time to time (i) adopt any additional resolutions and/or obtain any consents (which, with respect to FMERA's obligations to do so hereunder, shall be subject to approvals by the Board of Members of FMERA), (ii) execute, deliver and record any documents and other instruments (including without limitation deeds and related deed transfer forms), and/or (iii) grant any standard and customary easements and other rights (including without limitation drainage, stormwater and similar easements); and

WHEREAS, the attached Road Vacation and Conveyance Agreement is in substantially final form. The final terms of the Agreement will be subject to the approval of FMERA's Executive Director, the County of Monmouth, Netflix, Inc. 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 Road Vacation and Conveyance Agreement between the Fort Monmouth Economic Revitalization Authority, the County of Monmouth and Netflix, Inc and authorize the transfer of Malterer Avenue to Monmouth County.

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 20, 2024

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

RE: Approval of a Road Vacation and Conveyance Agreement

DATE: March 20, 2024

Request

I am requesting that the Board approve a Road Vacation and Conveyance Agreement (the “Agreement”) among the Fort Monmouth Economic Revitalization Authority (“FMERA”), the County of Monmouth (the “County”) and Netflix, Inc. (“Netflix”) (the “Parties”) and authorize the transfer of Malterer Avenue to the County.

Background

On January 13, 2023 FMERA and Netflix executed a Purchase and Sale Agreement and Redevelopment Agreement (“PSARA”) for the Mega Parcel (“the Property”), an approximately 292± acre parcel of land containing former residential, administrative and R&D buildings, warehouses, workshops and additional general-purpose facilities in the Boroughs of Eatontown and Oceanport, within the Main Post section of Fort Monmouth. The Mega Parcel is conveniently located adjacent to State Route 35, providing easy access to the Garden State Parkway, Route 18, NJ Transit Bus Lines & adjacent to County Route 11 (Oceanport Avenue), which provides direct access to the Little Silver NJ Transit Train Station.

Under the terms of the PSARA, Netflix intended to seek from the County of Monmouth a vacation of the portion of Wilson Avenue that is located with the Property, and FMERA agreed to reasonably cooperate with Netflix in connection with the vacation of Wilson Avenue and to convey to the County Malterer Avenue in order to provide an alternative route to replace the route that will be lost by the vacation of Wilson Avenue.

Wilson Avenue (County Route 537 Extension) is a County-owned public road located in Eatontown and Oceanport, which bisects a portion of the Mega Parcel. Pursuant to a Deed of Roadway Dedication dated November 17, 2016 and one dated March 5, 2024 between FMERA and the County, FMERA conveyed Wilson Avenue, Sherrill Avenue and the Avenue of Memories to the County. A small portion of Wilson Avenue known as “Parcel 102D Part 2 of 2” is still owned by the United States Army (the “Army”) and pursuant to a separate agreement between FMERA and the Army will be conveyed at a later time. Upon FMERA’s acquisition of title to Parcel 102D Part 2 from the Army, FMERA shall convey to the County, and the County shall acquire from FMERA, fee simple title to that portion of Parcel 102D Part 2 that is located within Wilson Avenue.

Malterer Avenue is a FMERA-owned private road located in between Sherrill Avenue and Avenue of Memories. Sherrill Avenue is a public road located in Oceanport also owned by County. The County is the current fee owner of Sherrill Avenue. Wilson Avenue, Malterer Avenue and Sherrill Avenue are all located within, or immediately adjacent to the Mega Parcel.

Road Vacation and Conveyance Agreement

In furtherance of the redevelopment of the Mega Parcel the Parties have agreed that (i) the County shall vacate the Wilson Avenue Segment, (ii) FMERA shall convey fee title to the Malterer Avenue Segment to the County, at the County’s request

within nine months of execution of this agreement and (iii) and that various roadway improvements shall be conducted as set forth under the terms of the Agreement to facilitate vehicular traffic.

Wilson Avenue Vacation & Cul-De-Sac

Under the terms of the Agreement, the County has agreed to vacate Wilson Avenue. To facilitate this vacation, on February 8, 2024, at a meeting of the Board of County Commissioners, the County Board declared the County's intention to vacate the Wilson Avenue Segment to Netflix. Subsequently, on March 14, 2024 the Board of County Commissioners conducted a public hearing regarding the Vacation of the Wilson Avenue to Netflix with the intention to approve, finalize and consummate in all respects at and effective as of March 14, 2024.

Once Wilson Avenue is vacated, Netflix shall construct a cul-de-sac at its own cost and expense at the junction of Sherrill Avenue, as defined in the Agreement (the "Cul-De-Sac"). The plans and specifications shall be designed and prepared by Netflix and approved by the County in its reasonable discretion. Netflix and the County each acknowledge that portions of area delineated for the Sherrill Avenue Cul-De-Sac are a former Army landfill. Netflix, the County and FMERA shall cooperate and coordinate with each other in good faith to facilitate the construction of the Cul-De-Sac as and when contemplated by this Agreement; it being expressly acknowledged and agreed by all parties that the schedule and timing of the construction of the Cul-De-Sac shall be determined by Netflix based upon the schedule and timing of Netflix's development of the Mega Parcel in general. Netflix shall have no obligation to commence the construction of the Cul-De-Sac until the later of (i) the date that the Army conveys to FMERA all of the lands of which the Cul-De-Sac Parcel is a part or grants the Sherrill Avenue Cul-De-Sac Construction Easement and (ii) the Initial Closing.

Pursuant to a PSARA dated as of October 24, 2018 between FMERA and KKF University Enterprises, LLC ("KKF") ("KKF PSARA"), KKF has an option to acquire certain property from FMERA, including a portion of the Cul-De-Sac, and pursuant to a separate agreement among Netflix, the County and KKF, KKF has agreed that, if and to the extent it exercises its option to purchase the KKF/FMERA portion of land containing the Cul-De-Sac under the KKF PSARA, KKF shall convey same to the County.

To the extent that KKF does not exercise its option under the KKF PSARA to purchase the KKF/FMERA portion of the Cul-De-Sac parcel within the time period required under the KKF PSARA, FMERA shall execute and deliver a quitclaim deed conveying fee title to the County with the terms of a Local Beneficial Use ("LBU") transfer, which shall include costs of the fair market value of the land, appraisal, and surveying.

In order to facilitate the conveyance of the Cul-De-Sac parcel by Netflix, FMERA shall, as contemplated by the PSARA and to the extent that FMERA is then the fee owner thereof, effectuate a subdivision of the portion of the Cul-De-Sac parcel located on the Mega Parcel by conveying a separate deed to Netflix at the Initial Closing that creates the Netflix Portion of the Cul-De-Sac parcel as a separate, subdivided lot. Promptly following such conveyance, Netflix shall grant a perpetual, non-exclusive easement to the County with respect to the entire Netflix Portion of the Cul-De-Sac parcel. After such time as Netflix becomes permitted under the terms of the PSARA to convey fee title to the County, Netflix shall, within a reasonable period of time, convey fee title to the Netflix portion of the Cul-De-Sac parcel to the County in its then "as is" condition and for nominal consideration.

Malterer Transfer & Intersection Improvements

FMERA shall convey to the County by way of a deed of dedication, and the County shall acquire from FMERA, fee simple title to Malterer Avenue, in its then "as is" condition and for nominal consideration. In no event shall the Conveyance of Malterer Avenue result in FMERA or Netflix (i) incurring any costs, except as defined therein, (ii) being obligated to make any roadway or other improvements to Malterer Avenue or the Mega Parcel (other than the Intersection Improvements to be constructed by Netflix and described therein at intersection of Sherrill Avenue, Malterer Avenue and Russel Avenue ("Intersection Improvements") and/or (iii) incurring any liability as of result of the same. Netflix acknowledges that Netflix shall be responsible, at its sole cost and expense, for performing any improvements and/or satisfying any other requirements which may be imposed by the County Planning Board or any applicable municipal planning board as a condition to any site plan approval for the Mega Parcel which is sought by Netflix. Within nine (9) months of execution of this Agreement, the County shall take and complete all actions (including without limitation providing any necessary notices, holding any necessary meetings and/or hearings, adopting any necessary resolutions and/or obtaining any necessary consents) that are necessary or advisable in order for the County to accept fee title to Malterer Avenue from FMERA. If for any reason the conveyance of Malterer Avenue has not been consummated prior to the Initial Closing under the PSARA, the parties shall

consummate the conveyance of Malterer Avenue simultaneously with or immediately after the Initial Closing under the PSARA.

Additionally, the County and FMERA will enter into a right of entry to grant the County the right to perform certain preliminary improvements and to use and operate Malterer Avenue as a County roadway until Malterer has been conveyed to the County in fee. Per the terms of the right of entry, the County will agree to indemnify and hold FMERA harmless from any losses incurred as a result of or in connection with the County's use of Malterer and the County will further maintain certain insurance policies and name FMERA as an additional insured on all such insurance policies on terms and conditions set forth therein.

Netflix shall construct the Intersection Improvements, as defined in the Agreement, at its own cost and expense substantially in accordance with plans and specifications that are designed and prepared by Netflix and approved by the County. Netflix, the County and FMERA shall cooperate and coordinate with each other in good faith to facilitate the construction of the Intersection Improvements as and when contemplated by this Agreement; it being expressly acknowledged and agreed by all parties that the schedule and timing of the construction of the Intersection Improvements shall be determined by Netflix. For purposes of clarification, the parties hereby acknowledge that FMERA shall have no obligation to construct all or any portion of the Intersection Improvements. To the extent that all or any portion of the Intersection Improvements work by Netflix will occur on any property that is owned by FMERA or the County, FMERA and the County shall grant access to such property to Netflix in order to allow Netflix to perform such work.

To the extent that, the County or Netflix determines that any land(s) needs to be acquired in order to enable Netflix to construct and complete the Intersection Improvements as contemplated by this Agreement, the County shall, as soon as reasonably practicable (but not later than October 31, 2025), acquire fee title to such land(s), and Netflix shall pay for all reasonable costs and expenses related to such acquisitions.

Currently, the Board of County Commissioners intends to hold a public meeting on March 28, 2024 to continue discussions from the March 14, 2024 meeting concerning the vacation of Wilson Avenue and vote to approve the conveyance to Netflix.

The Parties shall in good faith and from time to time (i) adopt any additional resolutions and/or obtain any consents (which, with respect to FMERA's obligations to do so hereunder, shall be subject to approvals by the Board of Members of FMERA), (ii) execute, deliver and record any documents and other instruments (including without limitation deeds and related deed transfer forms), and/or (iii) grant any standard and customary easements and other rights (including without limitation drainage, stormwater and similar easements).

The attached Road Vacation and Conveyance Agreement is in substantially final form. The final terms of the Agreement will be subject to the approval of FMERA's Executive Director, the County of Monmouth, Netflix, Inc. 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 approve a Road Vacation and Conveyance Agreement between the Fort Monmouth Economic Revitalization Authority ("FMERA"), the County of Monmouth and Netflix, Inc and authorize the transfer of Malterer Avenue to Monmouth County.



Kara Kopach

Prepared by: Laura Draushak & Sarah Giberson

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

WHEREAS, the Tinton Falls Commercial Development Parcel is an approximately 31.25± acre parcel of land containing twelve structures located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Property”), and on August 27, 2021, the Members authorized the execution of the PSARA between FMERA and RWJ Barnabas for the Property. The PSARA was executed on October 25, 2021; and

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

WHEREAS, the Project shall consist of the demolition of existing improvements and the redevelopment of the parcel as described in the attached memorandum; and

WHEREAS, pursuant to the PSARA, the Due Diligence Period was to run for one hundred and twenty days from the later to occur of 1) the PSARA execution date, or 2) the date on which FMERA delivers to Purchaser a Boundary Survey and may be extended for two additional thirty-day periods, if necessary, to complete environmental investigations; and

WHEREAS, Purchaser’s initial Due Diligence period expired on February 25, 2022; by way of a letter dated February 21, 2022, Purchaser requested and was granted the first thirty-day extension; and

WHEREAS, on March 24, 2022, Purchaser requested and was granted the second additional thirty-day extension until April 27, 2022; and

WHEREAS, as environmental testing had not yet been completed and Purchaser’s Due Diligence Period was set to expire, Purchaser issued a letter on April 27, 2022, conditionally terminating the PSARA and requesting that the staff seek Board approval for an extension to the Due Diligence Period; and

WHEREAS, on May 18, 2022, the Board approved the reinstatement of the PSARA and an extension to the Due Diligence Period for ninety days or until July 26, 2022, as well as to permit upon written approval of FMERA an additional ninety-day extension if the Purchaser was proceeding diligently and in good faith. The First Amendment was executed on July 20, 2022. Staff approved the additional ninety-day extension via letter dated July 11, 2022; and

WHEREAS, the Purchaser’s Due Diligence was set to expire on October 24, 2022. On September 2, 2022, via letter, the Purchaser requested a six-month extension to the Due Diligence Period. Purchaser stated that it had undertaken additional environmental testing at the Property related to contamination in the groundwater and soils, and that the findings from these studies required additional time to analyze and finalize; and

WHEREAS, on September 21, 2022, the FMERA Board granted an extension of the Due Diligence Period for an additional ninety days until January 22, 2023 with the option to extend for an additional ninety days if Purchaser was proceeding diligently and in good faith. Purchaser requested via letter dated January 18, 2023 and FMERA granted, the additional ninety day extension until April 21, 2023, as permitted under the Second Amendment. The Second Amendment was executed on November 14, 2022; and

WHEREAS, Purchaser's analysis of its environmental investigations detected the presence of Per- and Polyfluoroalkyl Substances (PFAS), which is an emerging contaminate with developing remediation standards. As the U.S. Army (Army) was the prior owner of the Property, the Army may potentially be responsible for any contamination, therefore the Army has agreed to perform a Preliminary Assessment (PA) and a Remedial Investigation (RI); and

WHEREAS, as Army investigations would have substantially delayed Purchaser's due diligence, the FMERA Board approved Purchaser's request to reinstate the Agreement and extend the Due Diligence Period for ninety (90) days or until July 20, 2023, with the option for FMERA's Executive Director to extend the Due Diligence period for three (3) additional ninety (90) day periods under delegated authority in the event additional time was needed by the Army or Purchaser to complete investigations. The Third Amendment was executed on July 12, 2023. As the RI has not yet been completed, all extensions to the Due Diligence Period were exercised and is now set to expire on April 15, 2024; and

WHEREAS, the PA has since been completed and a Remedial Investigation (RI) is forthcoming. While the Army originally anticipated a draft of the PA report by June of 2023, the report was delayed until January 2024. As such, the timeline for the RI has also been pushed out. The contract scope is currently being modified by the Army; and

WHEREAS, as the Army has not completed its investigations, nor presented its findings and potential paths forward to FMERA and Purchaser, Purchaser requires additional time to complete its Due Diligence activities. Based on the anticipated timeline for delivery of the RI and any potential remediation proposals, FMERA recommends the Real Estate Committee review and recommend the Board approve an extension to the Due Diligence Period for six months, or until October 15, 2024. In the event the Army has not completed its investigations or Purchaser is completing its due diligence activities based on the results of the Army's investigation, staff recommends FMERA's Executive Director have authority to extend the Due Diligence period for two additional six month periods; and

WHEREAS, recognizing that the on-going environmental investigations will substantially delay the redevelopment of the Property, the parties further agree to work together in good faith to satisfy any additional obligations of the PSARA impacting adjacent parcels.

WHEREAS, all other material terms of the PSARA will remain unchanged. Attached in substantially final form is the Fourth Amendment to the PSARA between FMERA and RWJ Barnabas. The final terms of the Fourth Amendment to the PSARA are 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.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Fourth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls to extend the Due Diligence Period for an additional six months with the option to extend for two additional six month periods if necessary for the Army to complete environmental investigations.
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 20, 2024

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

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

DATE: March 20, 2024

Request

I am requesting that the Board approve the Fourth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with RWJ Barnabas Health, Inc. (“RWJ Barnabas” or “Purchaser”) for the Tinton Falls Commercial Parcel in Tinton Falls providing for an extension to the Due Diligence, as defined in the PSARA.

Background

The Tinton Falls Commercial Development Parcel is an approximately 31.25± acre parcel of land containing twelve structures (Buildings 2627, 2628, 2629, 2630, 2631, 2632, 2704, 2707, 2709, 2710, 2629, and 2719) located at Pearl Harbor Avenue and Pinebrook Road in the Tinton Falls Reuse Area of the Charles Wood Area of the Fort (the “Property”). On August 27, 2021, the Members authorized the execution of the PSARA between FMERA and RWJ Barnabas for the Property. The PSARA was executed on October 25, 2021.

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

The Project shall consist of the demolition of existing improvements, and 1) construction of a three-story Medical Office Building anticipated to be approximately 121,125 GSF; 2) installation of a grid-supply solar energy system which ground-mounted systems shall not to exceed 20% of the developable acreage and shall be placed at the back of the site and not front on Pinebrook Road or Pearl Harbor Avenue; 3) construction of active recreational facilities, including two (2) multi-purpose grass or turf athletic fields, one (1) baseball/softball field, up to five (5) tennis courts, and a field house; 4) passive recreation, including a community walking/nature trail that enhances walkability and interconnectedness of the Tinton Falls section of Fort Monmouth; and 5) open space to benefit the surrounding area. Additionally, the Purchaser shall design, fund and construct a roadway across the Property connecting Pearl Harbor Avenue and Satellite Road to provide access to and from the Fabrication Shops parcel located southeast of the Property within fifteen (15) months of closing on the Property. A Deed restriction (the “Open Space Deed Restriction”) for the benefit of FMERA preserving public access to the passive recreation and open space shall be recorded at Closing.

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

Pursuant to the PSARA, the Due Diligence Period was to run for one hundred and twenty (120) days from the later to occur of 1) the PSARA execution date, or 2) the date on which FMERA delivers to Purchaser a Boundary

Survey and may be extended for two (2) additional thirty (30) day periods, if necessary, to complete environmental investigations.

Reinstatement and First Amendment to the PSARA

Purchaser's initial Due Diligence period expired on February 25, 2022. By way of a letter dated February 21, 2022, Purchaser requested and was granted the first thirty-day extension. On March 24, 2022, Purchaser requested and was granted a second additional thirty-day extension until April 27, 2022.

As environmental testing had not yet been completed and Purchaser's Due Diligence Period was set to expire, Purchaser issued a letter on April 27, 2022, conditionally terminating the PSARA and requesting that the staff seek Board approval for an extension to the Due Diligence Period.

On May 18, 2022, the Board approved the reinstatement of the PSARA and an extension to the Due Diligence Period for ninety (90) days or until July 26, 2022, as well as to permit upon written approval of FMERA an additional ninety (90) day extension if the Purchaser was proceeding diligently and in good faith. The First Amendment was executed on July 20, 2022. Staff approved the additional ninety (90) day extension via letter dated July 11, 2022.

Second Amendment to the PSARA

The Purchaser's Due Diligence was set to expire on October 24, 2022. On September 2, 2022, via letter, the Purchaser requested a six (6) month extension to the Due Diligence Period due to the discovery of contamination in the groundwater and soils that required additional time to analyze. On September 21, 2022, the FMERA Board granted an extension of the Due Diligence Period for an additional ninety (90) days until January 22, 2023 with the option to extend for an additional ninety (90) days if Purchaser was proceeding diligently and in good faith. Purchaser requested via letter dated January 18, 2023 and FMERA granted, the additional ninety (90) day extension until April 21, 2023, as permitted under the Second Amendment. The Second Amendment was executed on November 14, 2022.

Third Amendment to the PSARA

Purchaser's analysis of its environmental investigations detected the presence of Per- and Polyfluoroalkyl Substances (PFAS), which is an emerging contaminate with developing remediation standards. As the U.S. Army (Army) was the prior owner of the Property, the Army may potentially be responsible for any contamination, therefore the Army has agreed to perform a Preliminary Assessment (PA) and a Remedial Investigation (RI).

As Army investigations would have substantially delayed Purchaser's due diligence, the FMERA Board approved Purchaser's request to reinstate the Agreement and extend the Due Diligence Period for ninety (90) days or until July 20, 2023, with the option for FMERA's Executive Director to extend the Due Diligence period for three (3) additional ninety (90) day periods under delegated authority in the event additional time was needed by the Army or Purchaser to complete investigations. The Third Amendment was executed on July 12, 2023. As the RI has not yet been completed, all extensions to the Due Diligence Period were exercised and is now set to expire on April 15, 2024.

Fourth Amendment to the PSARA

The PA has since been completed and a Remedial Investigation (RI) is forthcoming. While the Army originally anticipated a draft of the PA report by June of 2023, the report was delayed until January 2024. As such, the timeline for the RI has also been pushed out. The contract scope is currently being modified by the Army.

As the Army has not completed its investigations, nor presented its findings and potential paths forward to FMERA and Purchaser, Purchaser requires additional time to complete its Due Diligence activities. Based on the anticipated timeline for delivery of the RI and any potential remediation proposals, FMERA recommends the Real Estate Committee review and recommend the Board approve an extension to the Due Diligence Period for six (6) months, or until October 15, 2024. In the event the Army has not completed its investigations or Purchaser is completing its due diligence activities based on the results of the Army's investigation, staff recommends

FMERA's Executive Director have authority to extend the Due Diligence period for two (2) additional six (6) month periods.

Recognizing that the on-going environmental investigations will substantially delay the redevelopment of the Property, the parties further agree to work together in good faith to satisfy any additional obligations of the PSARA impacting adjacent parcels.

All other material terms of the PSARA will remain unchanged. The attached Fourth Amendment between FMERA and RWJ Barnabas is in substantially final form. The final terms of the Fourth Amendment to the PSARA are 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 Fourth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with RWJ Barnabas Health, Inc. for the Tinton Falls Commercial Parcel in Tinton Falls to extend the Due Diligence Period for an additional six (6) months with the option to extend for two additional six (6) month periods if necessary for the Army to complete environmental investigations.

Kara Kopach

Kara Kopach

Prepared by: Sarah Giberson

Draft