

**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 – May 15, 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 the 2023 Annual Report with Audited Financial Statements.
 2. Consideration of Approval of the First Amendment to the Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority for Wilson Avenue in Eatontown.
 3. Consideration of Approval of Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority for Parcels 7&8 in Eatontown.
 4. Consideration of Approval of the Sixth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with RPM Development, LLC for the Nurses Quarters in Oceanport.
 5. Consideration of Approval of the Seventh Amendment to the Purchase and Sale Agreement & Redevelopment Agreement with U.S. Home, LLC (d/b/a Lennar) for the Howard Commons Parcel in Eatontown.
11. **Other Items**
12. **Public Comment Regarding any FMERA Business**
13. **Executive Session: OPMA EXEMPTION N.J.S.A. 10:4-12(b)(7).**
 - Discussion regarding litigation.
14. **Adjournment**



MEMORANDUM

To: Members of the Board

From: Kara Kopach
Executive Director

Date: May 15, 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

FMERA's independent accounting firm, CliftonLarsonAllen, LLP, completed the 2023 audit and reported their findings to the Audit Committee at the May 8th meeting. The auditors issued an unmodified opinion with regard to FMERA's financial statements, which is their highest opinion. The Annual Report and audited financial statements serve as FMERA's Comprehensive Annual Report to meet the requirements of Executive Order No. 37 (2006) and the June 2012 and October 2016 Economic Development Conveyance Agreements with the Army. Based on the Audit Committee's review, the Committee recommended the 2023 Comprehensive Annual Report be brought to the Board for approval at the May 15th Board 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 second quarter of 2024.
- The contractor who installed the South Interceptor and Malterer sewer mains, has completed the final paving on Oceanport Way south of the Oceanport Municipal complex, on Nicodemus, Avenue of Memories, and Malterer Avenue between Avenue of Memories and Sherrill Avenue.
- FMERA has obtained asbestos surveys for six out-of-service sanitary pump stations, in preparation for abatement and demolition of the structures. The last remaining active-sanitary pump station is projected to be de-de-energized in the next 60 days.
- The installation of a new water service line to the McAfee Center and Building 602 is on schedule and expected to be complete by month-end. The McAfee Center and 602 are the last two facilities on the old Army operated water system. Once this project is completed the buildings will be fed by New Jersey American Water, and FMERA can proceed with abandoning the remainder of the old Army system.
- 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 continues. Project completion is expected by the end of June 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 percent 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. Martelli Development continues to make excellent progress 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. Trinity Hall's Redevelopment Agreement for a third phase of development was recently approved and FMERA recently issued a final Mandatory Conceptual Review letter for Trinity Hall's third-generation project.

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. FMERA is currently in the process of abating and demolishing two buildings across from the Fort Athletic Club that will ultimately provide space for additional community parking for the Fort-wide walking trail and other amenities. 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 anticipates issuing an RFOTP for this parcel over the summer.

FMERA is actively working to promote the services and opportunities now available at the Fort through media, meetings, and additional speaking engagements. FMERA is scheduled to speak at the Monmouth County chapter of Alliance for Action's May meeting as well as at Monmouth Ocean Development Council's State of the Jersey Shore on May 30th.

FMERA staff is proud to present its 2023 Annual Report for the Board's review. Following its approval, the report will be made available to the public.

This past weekend, Eatontown held its 5k race, 5k fitness walk, one mile run, and TOC fun run beginning at the Captain James M. Gurbisz Memorial Park, located off of Nicodemus Avenue. On May 28th, we invite you to join us for the Fort's next blood drive, in partnership with the Fort Athletic Club and New York Blood Center. The second annual Boujee Foodcon at Russel Hall takes place on June 1st and 2nd. Our team will continue to provide updates to the public regarding on-going activities at the Fort that our stakeholders may participate in.

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.

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

Kara Kopach

Kara Kopach

Prepared by: Regina McGrade

**Resolution Regarding
Approval of Fort Monmouth Economic Revitalization Authority 2023 Comprehensive Annual Report**

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

WHEREAS, the Authority selected its independent auditors, CliftonLarsonAllen LLP, pursuant to Executive Order No. 122 (McGreevey); and

WHEREAS, the Authority's independent auditors audited and accepted the Authority's financial statements for January 1, 2023 to December 31, 2023 and issued an unmodified opinion regarding the financial statements; and

WHEREAS, the certification and accompanying financial statements have been executed by the Executive Director and the Accounting Manager confirming that FMERA has followed its standards, procedures and internal controls; and

WHEREAS, on May 8, 2024, per its Charter as well as section 9 of Executive Order 122 (2004), the Audit Committee reviewed the draft comprehensive annual report, including the 2023 audited financial statements prior to release and considered the relevancy, accuracy and completeness of the information presented. Also, pursuant to Executive Order 122 (2004), the independent auditor met with the Audit Committee, where it was reported that the financial audit resulted in no negative findings or internal control deficiencies. Subsequent to its review of the report, the Committee recommended that the report be presented to the Board for approval; and

WHEREAS, pursuant to Executive Order No. 37 (Corzine) the Authority is required to submit its Comprehensive Annual Report for review from its Members; and

WHEREAS, the Audit Committee has reviewed the 2023 Comprehensive Annual Report and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Members of the Authority approve the Authority's 2023 Comprehensive Annual Report and approve submitting the Report to the Governor's Authorities Unit, the United States Department of the Army and posting it on the Authority's website.
2. The Executive Director and/or any individual authorized to execute documents pursuant to the Operating Authority is authorized to do and perform all acts necessary to effectuate the above.
3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: May 15, 2024

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

RE: 2023 Comprehensive Annual Report

DATE: May 15, 2024

Request

I am requesting that the Board approve the Authority's 2023 Comprehensive Annual Report, as required under Executive Order No. 37 (2006) and the June 2012 Phase 1 and October 2016 Phase 2 Economic Development Conveyance ("EDC") agreements with the Army.

Background

The Authority presents the Annual Report of accomplishments and activities in support of the revitalization and redevelopment of Fort Monmouth. To meet the requirements of Executive Order No. 37 (2006), the Annual Report is combined with the audited financial statements and serves as FMERA's comprehensive annual report for 2023.

Per the EDC agreements, FMERA is required to submit annual financial statements to the United States Department of the Army, certified by an independent Certified Public Accountant (CPA) that account for the annual gross and net revenues received by FMERA from all sales and leases, or equivalent use of the Phase 1 and 2 parcels and the reinvestment of EDC proceeds during the conveyance period.

The audited financial statements for the year ended December 31, 2023 were prepared by FMERA staff pursuant to Generally Accepted Accounting Principles for a government entity. The financial statements include information for operational and EDC activities. The independent accounting firm of CliftonLarsonAllen LLP has issued an unmodified opinion with regard to the 2023 financial statements which is its highest opinion.

On May 8, 2024, per its Charter, as well as section 9 of Executive Order 122 (2004), the Audit Committee reviewed the draft comprehensive annual report, including the 2023 audited financial statements prior to release and considered the relevancy, accuracy and completeness of the information presented. Also, pursuant to Executive Order 122 (2004), the independent auditor met with the Audit Committee, where it was reported that the financial audit resulted in no negative findings or internal control deficiencies. Subsequent to its review of the report, the Committee recommended that the report be presented to the Board for approval.

Under Executive Order No. 37 (2006), the Authority is required to obtain approval of a comprehensive annual report from its Board. Upon approval, the report will be posted on the Authority's website and submitted to the Governor's Authorities Unit and the United States Department of the Army.

The Audit Committee has reviewed the 2023 Comprehensive Annual Report and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the 2023 Comprehensive Annual Report as required under Executive Order No. 37 (2006) and the June 2012 and October 2016 EDC agreements with the Army in order to submit the report to the Governor's Authorities Unit and the United States Department of the Army, and post to the Authority's website.

Kara Kopach

Kara Kopach

Prepared by: Jennifer Lepore

Draft

**Resolution Regarding
First Amendment to the Memorandum of Understanding between the Fort Monmouth Economic Revitalization
Authority and the Two Rivers Water Reclamation Authority for Wilson Avenue.**

WHEREAS, FMERA and TRWRA entered into a Memorandum of Understanding and Grant Agreement dated as of October 28, 2022 to reflect the mutual understanding of the Parties that TRWRA is to design and survey Replacement Gravity Sanitary Sewer Lines (servicing the Eatontown Parks, the Monmouth County Department of Public Works and Tech Campus B sites) to provide modification to the existing sewer system from the portion of the Fort Monmouth US Army military post located within the Borough of Eatontown to replace the comingled lines (“Project”). The MOU provided that FMERA shall be responsible for up to Eight Thousand Four Hundred and Eighty (\$8,480.00) Dollars for the costs of the Project; and

WHEREAS, the original design scope proposed by the TRWRA’s engineer Colliers Engineering & Design did not include the Monmouth County DPW and Tech Campus B sites and needed to be expanded. Colliers submitted a revised scope of work to TRWRA on December 8, 2022, and subsequently completed the expanded survey, design and permitting services work prior to FMERA and TRWRA amending the Design MOU. The final amount of the Project is Thirty Thousand Two Hundred Eighty-Seven Dollars and Eighty-Three Cents (\$30,287.83). The installation of the Replacement Gravity Sanitary Sewer Lines was completed by the Eatontown Sewerage Authority in April 2024; and

WHEREAS, Pursuant to Fiscal Year 2023 Appropriations Act, L. 2022, c. 49, FMERA received a line-item appropriation of \$10,000,000 of State funds for “Infrastructure; and

WHEREAS, FMERA and TRWRA now wish to amend the Design MOU to provide funds for the expanded scope of work and the actual Project Costs as expended by TRWRA; and

WHEREAS, FMERA shall pay 100% of the costs of the Project not to exceed Thirty Thousand Two Hundred Eighty-Seven Dollars and Eighty-Three Cents (\$30,287.83), including but not limited to surveying, preparation of design documentation, and permitting services associated with or arising from the Project. FMERA hereby confirms that FMERA will pay the Project Costs associated with the Design and Engineering Work; and

WHEREAS, The Parties understand and agree that FMERA may utilize federal funding available under the American Rescue Plan Act of 2021 to pay for the Project Costs in an amount of Eight Thousand Four Hundred and Eighty (\$8,480.00) Dollars which may include associated interest and as provided in the original Design MOU. FMERA shall fund the additional Project Costs with State Funds; and

WHEREAS, the attached MOU is in substantially final form. The final document will be subject to the approval of FMERA’s Executive Director, TRWRA, 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 the First Amendment to the Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority regarding the design and engineering of a replacement gravity sanitary sewer line servicing the Eatontown section of the Fort and 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: May 15, 2024

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

RE: First Amendment to the Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority.

DATE: May 15, 2024

Request

I am requesting that the Board approve the First Amendment to the Memorandum of Understanding (“MOU”) between the Fort Monmouth Economic Revitalization Authority (“FMERA”) and the Two Rivers Water Reclamation Authority (“TRWRA”) (the “Parties”) regarding the design and engineering of a replacement gravity sanitary sewer line servicing the Eatontown section of the Fort (the “Project”).

Background

FMERA and TRWRA entered into a Memorandum of Understanding and Grant Agreement dated as of October 28, 2022 (“Design MOU”) to reflect the mutual understanding of the Parties that TRWRA is to design and survey Replacement Gravity Sanitary Sewer Lines (servicing the Eatontown Parks, the Monmouth County Department of Public Works (“Monmouth County DPW”) and Tech Campus B sites) to provide modification to the existing sewer system from the portion of the Fort Monmouth US Army military post located within the Borough of Eatontown to replace the comingled lines (“Project”). The MOU provided that FMERA shall be responsible for up to Eight Thousand Four Hundred and Eighty (\$8,480.00) Dollars for the costs of the Project.

The original design scope proposed by the TRWRA’s engineer Colliers Engineering & Design (“Colliers”) did not include the Monmouth County DPW and Tech Campus B sites and needed to be expanded. Colliers submitted a revised scope of work to TRWRA on December 8, 2022, and subsequently completed the expanded survey, design and permitting services work prior to FMERA and TRWRA amending the Design MOU. The final amount of the Project is Thirty Thousand Two Hundred Eighty-Seven Dollars and Eighty-Three Cents (\$30,287.83). The installation of the Replacement Gravity Sanitary Sewer Lines was completed by the Eatontown Sewerage Authority (“ESA”) in April 2024.

Pursuant to Fiscal Year 2023 Appropriations Act, L. 2022, c. 49, FMERA received a line-item appropriation of \$10,000,000 of State funds for “Infrastructure” (“State Funds”).

First Amendment to the Memorandum of Understanding

FMERA and TRWRA now wish to amend the Design MOU to provide funds for the expanded scope of work and the actual Project Costs as expended by TRWRA.

FMERA shall pay 100% of the costs of the Project not to exceed Thirty Thousand Two Hundred Eighty-Seven Dollars and Eighty-Three Cents (\$30,287.83) (“Project Costs”), including but not limited to surveying, preparation of design documentation, and permitting services associated with or arising from the Project. FMERA hereby confirms that FMERA will pay the Project Costs associated with the Design and Engineering Work.

The Parties understand and agree that FMERA may utilize federal funding available under the American Rescue Plan Act of 2021 (“Federal Funds”) to pay for the Project Costs in an amount of Eight Thousand Four Hundred and Eighty (\$8,480.00) Dollars which may include associated interest and as provided in the original Design MOU. FMERA shall fund the additional Project Costs with State Funds.

The attached MOU is in substantially final form. The final document will be subject to the approval of FMERA’s Executive Director, TRWRA, 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 the Board approve the First Amendment to the Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority regarding the design and engineering of a replacement gravity sanitary sewer line servicing the Eatontown section of the Fort.

Kara Kopach

Kara Kopach

Prepared by: Regina McGrade

Draft

Resolution Regarding
Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the
Two Rivers Water Reclamation Authority for Parcels 7&8 in Eatontown.

WHEREAS, on January 18, 2017, the FMERA Board approved staff's execution of an MOU with TRWRA for the planning (including preparation of all applications and associated, prerequisite environmental and engineering services), survey and design for the replacement of the sanitary sewer system located within the Oceanport section of the Fort; and

WHEREAS, on July 19, 2023, the FMERA Board approved staff's execution of an MOU with TRWRA for the funding and design (including preparation of all applications and associated, prerequisite environmental, engineering services), and survey for the Gravity Sanitary Sewer Extension Lines to serve the Parcels in Eatontown; and

WHEREAS, Pursuant to Fiscal Year 2023 Appropriations Act, L. 2022, c. 49, FMERA received a line-item appropriation of \$10,000,000 of State funds for "Infrastructure; and

WHEREAS, in order to expedite the abandonment of the Local Sewer System and to service the Parcels, FMERA and TRWRA are entering into this MOU to construct and install an extension of the Oceanport Way Gravity Sanitary Sewer to serve the Parcels of the Eatontown section of the former Fort Monmouth U.S. Army military base and as shown on the Utilities Plan Key Survey prepared by Colliers Engineering & Design and attached to the MOU as **Exhibits A & B**; and

WHEREAS, the Parties intend this Project to include bid oversight, installation, and receipt of permits for an extension of the Oceanport Way Gravity Lines needed to service the Parcels in the Eatontown section of the Fort. The Project does not include installation of new service lines previously installed by developers along or within the bounds of Oceanport Way. All future tie-ins shall be the responsibility of any developer(s) of adjacent properties; and

WHEREAS, FMERA will provide State Funds in the amount of One Million Five Hundred and Thirty-Nine Thousand Nine Hundred Fifty Dollars and Fifty Cents (\$1,539,050.50). The costs will include the consulting fees, bidding fees, construction administration and observation, permit costs, and all construction and installation costs associated with or arising from the "Project" as set forth in **Exhibit C**. TRWRA will use the Project Costs remitted by FMERA to TRWRA to pay the costs of contractors and consultants hired to complete the Construction and Installation Work. TRWRA shall not be required to utilize any of its own funds to pay costs or expenses of the Construction and Installation Work; and

WHEREAS, FMERA will grant to TRWRA such sanitary sewer easements across its lands as the final approved design for the Project. FMERA shall issue a non-exclusive easement, without charge, to TRWRA for construction and maintenance of the new gravity sewer lines. FMERA shall operate the Local Sewer System until such a time as the entire replacement system has been fully constructed and accepted by TRWRA. Nothing herein shall make TRWRA responsible for the Local Sewer System under any circumstance. However, TRWRA shall assume ownership, operation and maintenance of the Project upon completion and shall be responsible for service to end users to the Project; and

WHEREAS, FMERA and TRWRA have entered into a separate Memorandum of Understanding dated May 16, 2019, that governs the terms and conditions for payment of connection fees by subsequent purchasers of property in Oceanport from FMERA. As this MOU concerns property in Eatontown, TRWRA will work with Eatontown Sewerage Authority to establish terms and conditions for payment of connection fees by subsequent purchasers of property impacted by this MOU. In addition, staff requests delegated authority to FMERA's Executive Director to increase the cost by an amount not to exceed 10% for unforeseen costs; and

WHEREAS, the attached MOU is in substantially final form. The final document will be subject to the approval of FMERA's Executive Director, TRWRA, 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 funding and construction (including preparation of all applications and associated, prerequisite environmental, engineering and construction permits) of the necessary Gravity Sanitary Sewer Extension Lines to serve Parcels 7 & 8 and 2) the grant of delegated authority to FMERA's Executive Director to increase the cost by an amount not to exceed 10% for unforeseen costs 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: May 15, 2024

EXHIBIT 3

Draft

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

RE: Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority for Parcels 7&8 in Eatontown.

DATE: May 15, 2024

Request

I am requesting that the Board approve a Memorandum of Understanding ("MOU") between the Fort Monmouth Economic Revitalization Authority ("FMERA") and the Two Rivers Water Reclamation Authority ("TRWRA") (the "Parties") regarding 1) the funding and construction (including preparation of all applications and associated, prerequisite environmental, engineering and construction permits) of the necessary Gravity Sanitary Sewer Extension Lines to serve Parcels 7 & 8 ("Parcels") and 2) the grant of delegated authority to FMERA's Executive Director to increase the cost by an amount not to exceed 10% for unforeseen costs.

Background

On January 18, 2017, the FMERA Board approved staff's execution of an MOU with TRWRA for the planning (including preparation of all applications and associated, prerequisite environmental and engineering services), survey and design for the replacement of the sanitary sewer system located within the Oceanport section of the Fort.

On July 19, 2023, the FMERA Board approved staff's execution of an MOU with TRWRA for the funding and design (including preparation of all applications and associated, prerequisite environmental, engineering services), and survey for the Gravity Sanitary Sewer Extension Lines to serve the Parcels in Eatontown.

Pursuant to Fiscal Year 2023 Appropriations Act, L. 2022, c. 49, FMERA received a line-item appropriation of \$10,000,000 of State funds for "Infrastructure" ("State Funds").

Parcels 7 & 8 Memorandum of Understanding

In order to expedite the abandonment of the Local Sewer System and to service the Parcels, FMERA and TRWRA are entering into this MOU to construct and install an extension of the Oceanport Way Gravity Sanitary Sewer to serve the Parcels of the Eatontown section of the former Fort Monmouth U.S. Army military base and as shown on the Utilities Plan Key Survey prepared by Colliers Engineering & Design and attached to this MOU as **Exhibits A & B** ("Project Site").

The Parties intend this Project to include bid oversight, installation, and receipt of permits for an extension of the Oceanport Way Gravity Lines needed to service the Parcels in the Eatontown section of the Fort. The Project does not include installation of new service lines previously installed by developers along or within the bounds of Oceanport Way. All future tie-ins shall be the responsibility of any developer(s) of adjacent properties.

FMERA will provide State Funds in the amount of One Million Five Hundred and Thirty-Nine Thousand Nine Hundred Fifty Dollars and Fifty Cents (**\$1,539,050.50**) (“Project Costs”). The costs will include the consulting fees, bidding fees, construction administration and observation, permit costs, and all construction and installation costs associated with or arising from the “Project” as set forth in **Exhibit C**. TRWRA will use the Project Costs remitted by FMERA to TRWRA to pay the costs of contractors and consultants hired to complete the Construction and Installation Work. TRWRA shall not be required to utilize any of its own funds to pay costs or expenses of the Construction and Installation Work.

FMERA will grant to TRWRA such sanitary sewer easements across its lands as the final approved design for the Project. FMERA shall issue a non-exclusive easement, without charge, to TRWRA for construction and maintenance of the new gravity sewer lines. FMERA shall operate the Local Sewer System until such a time as the entire replacement system has been fully constructed and accepted by TRWRA. Nothing herein shall make TRWRA responsible for the Local Sewer System under any circumstance. However, TRWRA shall assume ownership, operation and maintenance of the Project upon completion and shall be responsible for service to end users to the Project.

FMERA and TRWRA have entered into a separate Memorandum of Understanding dated May 16, 2019, that governs the terms and conditions for payment of connection fees by subsequent purchasers of property in Oceanport from FMERA. As this MOU concerns property in Eatontown, TRWRA will work with Eatontown Sewerage Authority to establish terms and conditions for payment of connection fees by subsequent purchasers of property impacted by this MOU.

The attached MOU is in substantially final form. The final document will be subject to the approval of FMERA’s Executive Director, TRWRA, and as to form by 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 Memorandum of Understanding between the Fort Monmouth Economic Revitalization Authority and the Two Rivers Water Reclamation Authority regarding 1) the funding and construction (including preparation of all applications and associated, prerequisite environmental, engineering and construction permits) of the necessary Gravity Sanitary Sewer Extension Lines to serve Parcels 7 & 8 and 2) the grant of delegated authority to FMERA’s Executive Director to increase the cost by an amount not to exceed 10% for unforeseen costs.

Kara Kopach

Kara Kopach

Prepared by: Regina McGrade

**Resolution Regarding
Sixth Amendment to the Purchase and Sale Agreement & 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 for the property and shall have a total Capital Investment, net of the Purchase price, of Six Million Six Hundred Ninety Thousand Dollars; 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. The Second Amendment was executed on August 15, 2022; and

WHEREAS, RPM's Approval Period expired on May 14, 2021, and a Reuse Plan Amendment, which is a condition precedent to closing had not yet been adopted. At its March 2022 meeting, 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. At its April 2022 meeting, the FMERA Board approved the Second Amendment to the Agreement, which retroactively extended the Approval Period for six months until January 14, 2023; and

WHEREAS, following the adoption of Reuse Plan Amendment #18 in July 2022, RPM notified FMERA via email on August 15, 2022, that it wished to modify the Project as defined, citing a change in market conditions that indicate that demand for a small for-sale community would not be economically profitable given the site constrictions requiring a shared driveway for the townhouses. As such, RPM requested that the ten owner-occupied townhouses targeted in the Project be converted to rental units with a reduced footprint of 1850 square feet with no Home Owners Association; and

WHEREAS, additionally, on October 12, 2022, RPM requested via email, a six-month extension to the Approval Period, set to expire January 14, 2023. As RPM had been awaiting confirmation that changes to the Project would be acceptable to FMERA and the Borough of Oceanport, it has been proceeding in good faith towards obtaining all approvals to the extent possible, was delayed in finalizing all applications. The FMERA Board reviewed and approved these requests at its October 2022 meeting. The Third Amendment was executed on November 30, 2022; and

WHEREAS, on May 22, 2023, RPM requested via a letter, an extension to the Approval Period, set to expire June 14, 2023. RPM represented that although the project had been delayed due to a variety of COVID-19 related issues, it was now on track to move through the approval process and was on the agenda for the Oceanport Planning Board June 27, 2023 meeting for preliminary and final site plan approval. As the Approval Period would expire before RPM was scheduled for

the Oceanport Planning Board and would have required additional time to obtain the remainder of its approvals, RPM requested to extend the Approval Period by ninety days with the option for FMERA's Executive Director to further extend by an additional ninety days if Purchaser is proceeding in good faith. The Fourth Amendment was approved on July 11, 2023; and

WHEREAS, on December 4, 2023 RPM requested via a letter, an extension to the Approval Period as extended under the Executive Director's delegated authority and set to expire January 14, 2024. RPM represented that it was still completing resolution compliance for its approvals with the Borough of Oceanport and is awaiting approval from the Freehold Soil Conservation District; and

WHEREAS, As RPM had been proceeding in good faith, FMERA staff recommended and the FMERA Board approved granting a ninety (90) day extension to the Approval Period, until April 14, 2024. FMERA staff further recommended that should RPM request an additional extension of the Approval Period beyond April 14, 2024, that RPM shall agree to reimburse FMERA for the pro rata costs of the insurance premiums for Buildings 1077 and 1078 for the duration of the additional extension, which are currently an annual cost of \$4,373 and \$4,373 respectively; and

WHEREAS, the FMERA Board reviewed and approved these requests via the Fifth Amendment to the PSARA at its December 2023 meeting. The Fifth Amendment was executed on January 10, 2024; and

WHEREAS, on March 27, 2024, RPM confirmed that it would be able to close on the Property within the time set forth in the Agreement, but requested an extension to the date by which Purchaser must commence Construction of the Project. RPM cited the need to expend federal funds in support of previously committed off-site affordable housing projects that would prevent the adequate mobilization of its construction team and delay efforts at the Project; and

WHEREAS, RPM requested to Commence Construction of the Project no later than twelve months after Closing. As Commencement of Construction will be delayed, completion time was also modified to provide RPM will Complete the Project thirty-six (36) months after Closing. Finally, certain definitions were modified or added to provide greater clarification on post-closing obligations. As RPM has been proceeding in good faith and agreed to timely close, FMERA staff recommends granting this extension to ensure quality construction; and

WHEREAS, all other 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 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 Sixth 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: May 15, 2024

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

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

DATE: May 15, 2024

Request

I am requesting that the Board approve the execution of the Sixth Amendment to the Purchase and Sale Agreement & Redevelopment Agreement (“PSARA”) with RPM Development, LLC (“RPM” or “Purchaser”) to extend the timeline for Commencement of Construction no later than twelve (12) months following Closing..

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. The Second Amendment was executed on August 15, 2022.

RPM's Approval Period expired on May 14, 2021 and a Reuse Plan Amendment, which is a condition precedent to closing had not yet been adopted. At its March 2022 meeting, 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. At its April 2022 meeting, the FMERA Board approved the Second Amendment to the Agreement, which retroactively extended the Approval Period for six (6) months until January 14, 2023.

Third Amendment

Following the adoption of Reuse Plan Amendment #18 in July 2022, RPM notified FMERA via email on August 15, 2022, that it wished to modify the Project as defined, citing a change in market conditions that indicate that demand for a small for-sale community would not be economically profitable given the site constrictions requiring a shared driveway for the townhouses. As such, RPM requested that the ten (10) owner-occupied townhouses targeted in the Project be converted to rental units with a reduced footprint of 1850 square feet with no Home Owners Association.

Additionally, on October 12, 2022, RPM requested via email, a six (6) month extension to the Approval Period, set to expire January 14, 2023. As RPM had been awaiting confirmation that changes to the Project would be acceptable to FMERA and the Borough of Oceanport, it had been proceeding in good faith towards obtaining all approvals to the extent possible, was delayed in finalizing all applications. The FMERA Board reviewed and approved these requests at its October 2022 meeting. The Third Amendment was executed on November 30, 2022.

Fourth Amendment

On May 22, 2023, RPM requested via a letter, an extension to the Approval Period, set to expire June 14, 2023. RPM represented that although the project had been delayed due to a variety of COVID-19 related issues, it was now on track to move through the approval process and was on the agenda for the Oceanport Planning Board June 27, 2023 meeting for preliminary and final site plan approval. As the Approval Period would expire before RPM was scheduled for the Oceanport Planning Board and would have required additional time to obtain the remainder of its approvals, RPM requested to extend the Approval Period by ninety (90) days with the option for FMERA's Executive Director to further extend by an additional ninety (90) days if Purchaser is proceeding in good faith.

The FMERA Board approved this request via the Fourth Amendment to the PSARA at its June 2023 meeting. The Fourth Amendment was executed on July 11, 2023.

Fifth Amendment

On December 4, 2023 RPM requested via a letter, an extension to the Approval Period as extended under the Executive Director's delegated authority and set to expire January 14, 2024. RPM represented that it was still completing resolution compliance for its approvals with the Borough of Oceanport and is awaiting approval from the Freehold Soil Conservation District. As RPM had been proceeding in good faith, FMERA staff recommended and the FMERA Board approved granting a ninety (90) day extension to the Approval Period, until April 14, 2024. FMERA staff further recommended that should RPM request an additional extension of the Approval Period beyond April 14, 2024, that RPM shall agree to reimburse FMERA for the pro rata costs of the insurance premiums for Buildings 1077 and 1078 for the duration of the additional extension, which are currently an annual cost of \$4,373 and \$4,373 respectively.

The FMERA Board reviewed and approved these requests via the Fifth Amendment to the PSARA at its December 2023 meeting. The Fifth Amendment was executed on January 10, 2024.

Sixth Amendment

By email dated March 27, 2024, RPM confirmed that it would be able to close on the Property within the time set forth in the Agreement, but requested an extension to the date by which Purchaser must commence Construction of the Project. RPM cited the need to expend federal funds in support of previously committed off-site affordable housing projects that would prevent the adequate mobilization of its construction team and delay efforts at the Project. RPM requested to Commence Construction of the Project no later than twelve (12) months after Closing. As Commencement of Construction will be delayed, completion time was also modified to provide RPM will Complete the Project thirty-six (36) months after Closing. Finally, certain definitions were modified or added to provide greater clarification on post-closing obligations. As RPM has been proceeding in good faith and agreed to timely close, FMERA staff recommends granting this extension to ensure quality construction.

All other 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 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 with RPM Development, LLC to extend the timeline to Commence Construction no later than twelve (12) months after Closing.



Kara Kopach

Prepared by: Sarah Giberson

**Resolution Regarding
Seventh 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 units of supportive housing in the Borough of Eatontown as set forth in a Legally Binding Agreement with the non-profit organization Affordable Housing Alliance; 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's 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, the Fourth Amendment to the PSARA, executed on May 17, 2022 reinstated the PSARA and extended the Due Diligence Period by an additional ninety days until June 30, 2022; and

WHEREAS, the Fifth Amendment to the PSARA, executed on June 10, 2022, modified the definition of the Retail Phase of the Redevelopment Project to permit a retail component of up to 40,000 square feet of retail space with a limit of two-stories, 35 feet in height, maximum permitted lot coverage of seventy-five percent, and a maximum floor area ratio of 0.25; and

WHEREAS, the Sixth Amendment to the PSARA, executed on June 9, 2023, modified the Redevelopment Project to permit an increase in the amount of contaminated soil to be relocated to the Receiving Parcel from 36 inches above adjacent Pinebrook Road top of curb grade to 60 inches above the adjacent Pinebrook Road top of curb grade; and

WHEREAS, by email dated April 25, 2024, Purchaser requested a six-month extension to the Approval Period citing delays with receiving local approvals and the need for an additional agreement regarding the downstream sewer system improvements with the sewerage authority. As Lennar has been proceeding in good faith, staff requests that the Real Estate committee recommend the Board approve a six-month extension to the Approval Period or until January 2, 2025; and

WHEREAS, all other terms of the PSARA will remain unchanged. Attached in substantially final form is the Seventh Amendment to the PSARA between FMERA and Lennar. The final terms of the Seventh 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 Sixth Amendment to the Purchase and Sale Agreement & 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: May 15, 2024

EXHIBIT 5

Draft

MEMORANDUM

TO: Members of the Board

FROM: Kara Kopach
Executive Director

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

DATE: May 15, 2024

Request

I am requesting that the Board approve the execution of the Seventh Amendment to the Purchase and Sale Agreement & 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 60-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 60-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 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). The Retail Phase has been modified to permit a maximum building square footage of 40,000. 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. The PSARA was executed on November 30, 2021.

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 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. 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) day 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 was continuing to finalize its site plans and proceeding in good faith, FMERA staff recommended, and the Board approved granting the extension to the Due Diligence Period until June 30, 2022. The Fourth Amendment was executed on May 17, 2022.

Fifth Amendment

Under the terms of the PSARA, Purchaser represented that it was purchasing the Property with the intent to construct a retail component consisting of a maximum building square footage of 33,800 fronting on the Property's Hope Road ("Retail Phase"). Buildings within the Retail Phase are limited to two-stories of no more than thirty (30) feet, with a maximum lot coverage of no more than sixty percent and a maximum Floor Area Ratio (FAR) of 0.20.

The Fifth Amendment to the PSARA modified the definition of the Retail Phase of the Redevelopment Project to permit a retail component of up to 40,000 square feet of retail space with a limit of two-stories, 35 feet in height, maximum permitted lot coverage of seventy-five percent, and a maximum floor area ratio of 0.25. The Fifth Amendment was executed on June 10, 2022.

Sixth Amendment

By email dated January 19, 2023, Purchaser requested to modify the Redevelopment Project to permit an increase in the amount of contaminated soil to be relocated to the Receiving Parcel from 36 inches above adjacent Pinebrook Road top of curb grade to 60 inches above the adjacent Pinebrook Road top of curb grade. Purchaser found that after completion of environmental Due Diligence, which expired on June 30, 2022, the amount of soil with pesticide exceedances was larger than expected and, therefore, required the additional height to cap all the soil and the expansion of Receiving Parcel to approximately 7.4 acres. The PSARA permits Purchaser, upon New Jersey Department of Environmental Protection's (NJDEP) concurrence, to convey the Receiving Parcel to the Borough of Eatontown. Eatontown was informed of the request on January 20, 2023, and by way of email dated February 7, 2023 approved of the height increase, which shall be compliant with all necessary requirements for ADA accessibility, relevant NJDEP approvals, FMERA's Mandatory Conceptual Review and Eatontown's planning board review.

Therefore, at its April 2023 meeting, staff requested and the Board approved the following modifications to the PSARA: a) Section 2(ccc), the definition of the "Receiving Parcel" shall be revised to include approximately 7.4 acres of land and b) Section 7(b) "Redevelopment Project" shall be revised to capture that the height of the soil on the Receiving Parcel shall not exceed 60 inches above adjacent Pinebrook Road top of curb grade, including the pesticide contaminated soil plus any cap material. Additionally, the increase to 60 inches shall be gradual from the curb to the 60-inch height limit and shall provide for appropriate ADA accessibility, stormwater management and any other requirements identified by NJDEP, FMERA and Borough of Eatontown, in accordance with Exhibit A-1. The Sixth Amendment was executed on June 9, 2023.

Seventh Amendment

By email dated April 25, 2024, Purchaser requested a six (6) month extension to the Approval Period citing delays with receiving local approvals and the need for an additional agreement regarding the downstream sewer system improvements with the sewerage authority. As Lennar has been proceeding in good faith, staff requests that the Real Estate committee recommend the Board approve a six (6) month extension to the Approval Period or until January 2, 2025.

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

Kara Kopach

Kara Kopach

Attachment: Seventh Amendment to the Purchase and Sale Agreement & Redevelopment Agreement
Prepared by: Sarah Giberson

Draft

**ADOPTED
May 15, 2024**

**Resolution Regarding
Entering into Executive Session
Discussion regarding litigation**

WHEREAS, pursuant to the Open Public Meetings Act, specifically N.J.S.A. 10:4-12(b)(7), a public body may enter into executive session to discuss "pending or anticipated litigation or contract negotiation other than in subsection b. (4) herein in which the public body is, or may become, a party, or matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer"; and

WHEREAS, the Authority desires to enter into executive session to discuss pending litigation.

THEREFORE, BE IT RESOLVED THAT:

1. In accordance with the Open Public Meetings Act, the Authority shall go into executive session for the purpose of discussing pending litigation
2. The Authority anticipates that the minutes of the executive session will not become available to the public until after such time as the subject litigation is concluded and the Authority determines that the need for confidentiality no longer exists and the matters discussed can be disclosed.

Dated: May 15, 2024

EXHIBIT 6