

TO: Members of the Board

FROM: Bruce Steadman
Executive Director and Secretary

DATE: September 25, 2020

SUBJECT: Agenda for Board Meeting of the Authority

1. **Call to Order – Dr. Robert Lucky, Vice-Chairman**
2. **Pledge of Allegiance**
3. **Notice of Public Meeting - Roll Call – Bruce Steadman, Secretary**
4. **Approval of Previous Month’s Board Meeting Minutes**
5. **Welcome – Dr. Robert Lucky, Vice-Chairman**
6. **Secretary’s Report**
 - Appointment of Secretary and Treasurer of the Authority by Vice-Chairman Robert Lucky
 - Appointment of Audit Committee and Real Estate Committee Members by Vice-Chairman Robert Lucky
 - Staff Review of Executive Session Minutes
7. **Treasurer’s Report**
8. **Public Comment Regarding Board Action Items**
9. **Executive Director’s Report:**
 - Update on Utilities and Infrastructure
 - Update on Requests for Offers to Purchase (RFOTPs)
 - Update on Marketing Effort
 - Action Items for Next Month
10. **Committee Reports**
 - Audit Committee – Robert Lucky, Chairman
 - Real Estate Committee – Robert Lucky, Interim Chairman
 - Environmental Staff Advisory Committee – Kenneth J. Kloo, Chairman

- Historical Preservation Staff Advisory Committee – Jay Coffey, Chairman
- Housing Staff Advisory Committee – Sean Thompson, Chairman
- Veterans Staff Advisory Committee – Lillian Burry, Chairwoman

11. **Board Actions**

1. Consideration of Approval of Organizational Matters
 - i. Assistant Secretaries of the Authority
 - ii. OPRA Records Custodian and Ethics Liaison
 - iii. Meeting Schedule for October 2020 – September 2021
2. Consideration of Approval of Staff Advisory Committee Membership.
3. Consideration of Approval of Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with FMERA's Purchase of the Phase 2 Properties.
4. Consideration of Approval of a Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for a Parks & Recreation Complex on the Nicodemus Avenue Park Parcel.
5. Consideration of Approval of Transmittal to Host Municipalities of Proposed Plan Amendment #16 Permitting an Alternative Development Scenario with respect to Barker Circle and the Nurses Quarters in Oceanport.
6. Consideration of Approval of an Agreement with New Jersey American Water Company to install new water mains on the Main Post.
7. Consideration of Approval of the First Amendment to the Reinstated Amended and Merged Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse, Post Office, Commissary/PX & Parking Lot in Oceanport.

12. **Other Items**

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

- Responses to questions submitted online or in writing

14. **Adjournment**

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman

DATE: September 25, 2020

SUBJECT: Executive Session Items
For Informational Purposes Only

As the Members are aware, the Open Public Meetings Act provides exceptions to public session for certain matters, such as ongoing real estate negotiations, litigation strategy, attorney-client confidential information, or personnel matters. For this reason, from time to time, the Board goes into Executive Session for these matters.

In compliance with New Jersey's Open Public Meetings Act, the Board first adopts a resolution at its public meeting indicating what matters will be discussed in Executive Session and when the minutes of the Executive Session will be disclosed to the public.

Many items remain sensitive or unresolved and therefore cannot be made public at this time; however, after a review by staff, several items have been resolved and are no longer considered confidential. Attached, for the Board's information, is a chart outlining the resolved items from the past five years.

Staff will continue to review executive session items on an annual basis and present an update to the Board at its annual meeting each September, which will include a list of matters no longer deemed confidential. As is the current practice, if a request is made for information on an Executive Session item in the interim, staff, in consultation with the Attorney General's Office, will review the request to determine if the item can be made public at that time.

Bruce Steadman

Prepared by: Regina McGrade

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

DATE: September 25, 2020

SUBJECT: Monthly Status Report

Summary

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

Treasurer's Report

The budget process for 2021 is about to get underway. In the coming weeks, FMERA staff will hold budget sessions and begin drafting the 2021 FMERA Budget. The draft budget will then be presented to the Audit Committee for their review. The 2021 FMERA Budget is scheduled to be brought to the Board for its consideration and approval at the December meeting. FMERA controls spending to the extent possible, until land sales occur, and proceeds are received, at which point we determine which projects in our budget can be completed. With the end of the 3rd quarter approaching, FMERA is and is targeted to remain under budget in all categories through year-end.

FMERA staff and counsel have been in contact over the past few months with representatives of the County of Monmouth and the Monmouth County Improvement Authority regarding the issuance of subsequent notes relating to the financing of FMERA's purchase of the Phase 2 EDC properties from the Army. In 2016, the Monmouth County Board of Chosen Freeholders authorized a payment guaranty on the notes for five years. This will be the fifth and final year under the agreement. As of the November 14, 2020 subsequent maturity date, FMERA is estimating that it will have paid down approximately \$11,000,000 in principal of the original \$33,525,000. At tonight's meeting, FMERA is requesting that the Board authorize the issuance of subsequent notes in an amount not to exceed \$24,500,000 to cover the balance plus issuance costs and fees.

Executive Director's Report**1. Update on Utilities and Infrastructure**

The facilities, environmental, and site-maintenance teams continue to maintain the Fort through the Covid-19 pandemic utilizing safe practices and health guidelines. Increased security, police patrols and building inspections continue.

FMERA is currently working on completing the following FOSTs and deeds with the Army:

- The Group 2 Deed has been conveyed to FMERA. FMERA is awaiting two necessary documents from the Army before recording the deed.
- The Group 3 deed, with supporting documents, has also been conveyed to the FMERA; however, the deed cannot be recorded until the Group 2 deed is recorded.
- The Group 4 Deed is expected to be completed by December of this year.

- The Group 4 FOST is in draft form and is undergoing internal Army review.

Other projects in process include:

- Outbound surveys of the OPort Partners parcels are complete.
- The Expo Theatre survey is under review.
- The Eatontown Parks parcel survey is being completed.
- A survey of Sanger Avenue, ahead of the road dedication to Monmouth County, is complete and with the County for review.
- A 2100-foot 8” water main extension from College Avenue in Eatontown, to Wilson Avenue, to Avenue of Memories, is moving forward, with an expected completion by mid-October. This New Jersey American Water project, funded by FMERA, will supply water to the Artists Barracks parcel, Eatontown DPW Parcel, the County Motor Pool, and the Bowling Center.
- FMERA is moving forward with plans to install a 2000-foot 8” water main from Anson Avenue at Murphy Drive westward to Todd Avenue, then north to Avenue of Memories. This main will serve the Denholtz parcels and tie the NJAW system in Main street to the Phase 1 water main in Avenue of Memories, which was completed in 2018.
- The installation of a 5600-foot 24” water main extension along Avenue of Memories by New Jersey American Water is still scheduled to begin in the spring of 2021.
- A sanitary main extension tying to an Eatontown Sewerage Authority main along Mill creek at North Drive at Wilson Avenue, to serve the Bowling Center and development between Wilson Avenue and Rt. 35, is scheduled following the closing for the Bowling Center.

Buildings slated for sale or reuse are regularly checked. Sanitary lift stations and generators are inspected weekly, and we closely monitor the fort’s electrical power system. And, as always, the facilities team continues to assist our developers and support the real estate development team.

Also, please note: The U.S. Army has commenced the Army landfill capping project on four Army-owned solid waste landfills on the Main Post. The capping project is being executed in accordance with the NJDEP approved Record of Decision (ROD) documents. FMERA has been told that the first phase of the project involves the clearing of trees and other brush which will allow for the proper grading of each landfill before the final caps are constructed. The Army landfill project is designed to protect the integrity of the landfills, safeguard nearby human and animal activities, and provide a permanent solution to the Army’s landfills, some of which are 50+ years old. Any questions regarding the Army landfill capping project should be directed to Mr. William Colvin, Base Environmental Coordinator for the Army.

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 nine properties:

- Officer Housing Parcels on January 13, 2017 with RPM Development, LLC. The company renovated the 116 historic housing units, creating 68 market-rate for sale units, and 48 rental units; twenty (20%) percent of the total units are available to low- and moderate-income households.
- Main Post Chapel on February 27, 2017 with Triumphant Life Assembly of God Church who purchased the approximately 16,372 sq. ft. building for use as a house of worship.
- Russel Hall on June 23, 2017 with TetherView Property Management, LLC, a private cloud computing services company who occupies the 40,000 sq. ft. building. Russel Hall currently houses a variety of businesses including tech companies, medical offices, and an architecture firm.
- 13-acre parcel on Murphy Drive on August 16, 2017, where the Borough of Oceanport purchased the property for their new municipal complex.
- Fitness Center on September 26, 2017 enabling Fort Partners Group, LLC, to renovate and expand the facility to emphasize basketball and medically based fitness and wellness programs, and individualized group training and classes.

- Dance Hall parcel on April 4, 2018 to The Loft Partnership, LLC. The developer plans to renovate the Dance Hall as a microbrewery, coffee house, and banquet facility.
- Building 501, on April 24, 2019 with Family Promise of Monmouth County, an approximately 1.7-acre site, via a Legally Binding Agreement (LBA).
- Telecommunications Tower and Land on October 25, 2019 with Global Signal Acquisitions, LLC for an approximately 0.58 parcel of land containing the Telecommunications Tower and adjacent land.
- Squier Hall Complex, on December 18, 2019 with KKF University Enterprises, LLC, an approximately 31-acre site. The developer has secured a commitment from New Jersey City University for use of the site as a satellite campus and anticipates opening in Fall 2020.

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

- Barker Circle, with Regional Development Group, LLC, an approximately 19.5-acre parcel in the historic district which includes the repurposing of buildings 205, 206, 207, 208, and 287, as well as the Main Post Firehouse and Kaplan Hall, for residential, office and other commercial uses.
- Allison Hall, with Fort Monmouth Business Center, LLC, a 13-acre parcel which includes the reuse of the historic building, as well as retail, office/research & development and open space/recreation uses.
- Lodging Area, with Somerset Development, LLC, a 15-acre site located on Parkers Creek, to be developed with up to 185 new and renovated housing units.
- Marina, with AP Development Partners, LLC, currently operating as a marina/public boat ramp and restaurant.
- Commissary, Post Exchange (PX) complex, Warehouse District and a 1000 Area Parking parcel, with OPort Partners, LLC. 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.
- Nurses Quarters, with RPM Development, LLC for the 24-unit residential complex on Main Street adjacent to the former Patterson Army Hospital.

FMERA intends to issue RFOTPs for the following Oceanport properties in the coming months:

- McAfee Center, a 90,000± sf R&D building with several related support buildings on a 47-acre site
- 400 Area, an 80± acre site east of Oceanport Avenue, zoned for housing and commercial uses.

In **Eatontown**, FMERA has executed or approved contracts on the following four parcels:

- Eatontown Barracks, 6 buildings on Semaphore Avenue on an approximately 4.4-acre parcel, where FMERA entered into a PSARA with Kenneth Schwartz for the development of a commercial arts-related project, including studio, performance and gallery space, as well as short-term residential units for artists.
- Suneagles Golf Course, where FMERA has executed a PSARA with Martelli Development, LLC, to maintain and upgrade the existing Golf Course, renovate historic Gibbs Hall, and construct 75 new housing units. Martelli continues to operate the course in the interim so it remains open to the public as the redevelopment progresses.
- Building 1123, a former general office building at Avenue of Memories and Wilson Avenue with an executed PSARA with the Borough of Eatontown for the reuse by the Borough's Department of Public Works.
- Bowling Center, an approximately 2.8-acre parcel including Building 689, a 20-lane bowling alley and Building 682, a wood frame building to be demolished, where FMERA executed a PSARA with Parker Creek Partners, LLC.

Also in **Eatontown**, FMERA is in negotiations for the sale and redevelopment of the following property:

- Expo Theater, an entertainment facility, previously used as a live theater and cinema; and adjacent properties, including Dean Field and portions of the M3, M5, and M4 landfills, as optional sub-parcels.

FMERA intends to issue the following RFOTPs in Eatontown:

- Vail Hall, a 36,000± sf building on Avenue of Memories planned for office and/or commercial use
- Mallette Hall, a 57,000± sf office building across from Vail Hall slated for reuse or replacement

At tonight's meeting, the Board will be asked to approve a Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for the Eatontown Parks Parcel located on Nicodemus Avenue.

FMERA hopes to come to the October Board meeting for approval to issue a new RFOTP for Parcel B after discussions with the Real Estate Committee and the Eatontown Ad Hoc Committee.

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

- Fort Monmouth Recreation Center and Swimming Pool, 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 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, transferring the property to Commvault Systems, Inc. for use as corporate office and training space.
- Parcel C1 with Lennar Corporation, planned for 45 new single-family homes.
- Parcel C with Lennar Corporation, approved for 243 residential units and up to 58,000 sq. ft. of retail development.

FMERA has approved or executed a contract on two properties in Tinton Falls:

- Fabrications Shops (Pinebrook Road Commerce Center), 45,000 sq. ft. of light industrial and flex office space buildings along Pinebrook Road for sale to Pinebrook Commerce Center, LLC, which is slated to close imminently.
- Parcel F-1 – Myer Center and Building 2705, an approximately 36-acre parcel in Tinton Falls where RWJ Barnabas Health (RWJBH) plans to create a health campus. On September 20, 2017, the Board approved a Purchase and Sale Agreement (PSA) with EDA for the parcel. On June 12, 2018, the EDA Board authorized the execution of an Agreement to Assign of the PSA among EDA, FMERA and RWJBH. At the Authority's June 2018 meeting, the Board approved the execution of an Agreement to Assign among FMERA, EDA and RWJBH providing for the assignment of a PSA between FMERA and EDA for the property.

Also in **Tinton Falls**, FMERA is in negotiations for the sale and redevelopment of the Tinton Falls Commercial Parcel, which includes the following.

- Pulse Power, a special purpose facility consisting of 15,690 sf of administrative offices and 10,786 sf of dry lab and testing space.
- Building 2719, consisting of 6,574 sf of administrative space and a 2,448 high-bay garage constructed in 2006.
- Pistol Range, consisting of Building 2627, situated on approximately 1 acre; the Fire and Police Training Area, including Building 2628, situated on approximately 2.3 acres; and the Satellite Road Parcel, an approximately 1.5-acre tract of land.

3. Marketing Update

FMERA continues to engage with leads and prospective purchasers via teleconference while operating remotely. Our team is closely monitoring on-going projects and providing additional support to its developers to ensure the successful redevelopment of properties currently under contract.

After several virtual meetings with developers and industry professionals regarding the Parcel B property, slated as a mixed-use development in Eatontown, FMERA has refined its vision for the new Request for Offers to Purchase for Parcel B. With the delivery of goods and services having changed dramatically over the past 10 years, FMERA has re-envisioned the project in a way that leverages new and unique approaches to mixed-use development and maximizes the economic impact to the surrounding communities. By targeting a broader mix of commercial uses and small-scale, complementary retail amenities, the project is poised for success as a hub for business and community engagement. FMERA anticipates releasing a new RFOTP in the final quarter of 2020.

In September, FMERA hosted two highly successful community events, including the Eatontown 5K on Labor Day weekend and the Indie Street Film Festival Drive-In screening of the HBO Max hit film, Class Action Park on September 17th. Eatontown has reported that its 5K race was its best attended to-date and the Borough continues to look forward to unveiling planned municipal projects on the Fort that residents can enjoy in the future.

The Indie Street drive-in was also a great success, drawing over 90 vehicles to the Fort's grounds for a special screening of Class Action Park. Director Seth Porges hosted a Q&A following the film. FMERA is proud to support the local municipalities and nonprofit organizations that are working to build community within the Fort. A special thank you to the County and local police for making these events a success.

Our team continues to work remotely and is available during normal business hours via email and cell phone. Please visit our website, www.fortmonmouthnj.com and follow us on Instagram at @fortmonmouthnj for our latest updates.

4. Action Items for Next Month.

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

Bruce Steadman

Prepared by: Regina McGrade

**ADOPTED
September 25, 2020**

**Resolution Regarding the
Appointment of the Assistant Secretaries, Reaffirmation of OPRA Records Custodian and
Ethics Liaison, and Approval of October 2020 – September 2021 Meeting Dates**

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’s By-Laws provide that an annual reorganization meeting be held in September of each year.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the designation of the Accounting Manager and the Office Administration Manager as Assistant Secretaries.
2. The Authority affirms the re-appointment of Fred Cole as Ethics Liaison Officer and Marcus Saldutti as OPRA Records Custodian.
3. The Authority approves the October 2020 – September 2021 Meeting Dates attached hereto.
4. 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: September 25, 2020**

EXHIBIT 1

MEMORANDUM

TO: Members of the Board

FROM: Dr. Robert Lucky
Vice-Chairman

DATE: September 25, 2020

SUBJECT: Annual Meeting

The Fort Monmouth Economic Revitalization Authority's By-Laws provide that an annual reorganization meeting be held in September of each year. Although one of the purposes of this meeting is to appoint a Vice-Chairperson of the Authority for the coming year, at this time two public Board member positions remain vacant. Accordingly, I am recommending that I continue as Vice-Chairman and acting Chairman until the open Board positions are filled.

The By-Laws of the Authority also provide for the appointment of one or more Assistant Secretaries. Specifically, the By-Laws state that the Authority may by resolution appoint one or more Assistant Secretaries and provides them with the power to perform any and all duties as Secretary, by request of the Secretary or if he is absent or disabled. Therefore, I am hereby recommending re-appointing Jennifer Lepore, Accounting Manager and Regina McGrade, Office Administrative Manager as Assistant Secretaries.

I am also asking the Board to reaffirm the appointment of Fred Cole as Ethics Liaison Officer and Marcus Saldutti as OPRA Records Custodian.

In addition, attached is a proposed schedule of the monthly Board meetings for October 2020 – September 2021.

Therefore, I am seeking your approval for the following actions: 1) Appointment of Assistant Secretaries, 2) the reaffirmation of OPRA Records Custodian and Ethics Liaison Officer, and 3) monthly Board meeting schedule.

Dr. Robert Lucky, Vice-Chairman

Attachment: 2020-2021 Board Meeting Calendar

ADOPTED
September 25, 2020

**Resolution Regarding
Staff Advisory Committee Membership Criteria**

WHEREAS, the Authority has established four staff advisory committees: Environmental, Historical Preservation, Housing and Veterans; and

WHEREAS, these Committees (“Staff Advisory Committees” or “SACs”) were established to assist FMERA, such as by providing advice to FMERA staff on how best to move Fort Monmouth’s redevelopment effort forward within the context of their area of expertise; and

WHEREAS, while the SACs provide important insight and information to the staff for the benefit of the staff as it manages the issues associated with the redevelopment of the Fort property, there is no formal action taken at SAC meetings; and

WHEREAS, each SAC is chaired by a FMERA board member; and

WHEREAS, FMERA staff developed SAC membership criteria in 2012, which helped to standardize and focus experience and expertise requirements for prospective SAC members; and

WHEREAS, the objective is to ensure that FMERA has a knowledgeable and balanced SAC membership, capable of providing timely and sound advice to FMERA regarding the subject matter of the Committee.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached Board memorandum, the Authority reaffirms the Staff Advisory Committee (SAC) membership criteria attached to the Board memorandum, selects the identified committee chairs, and authorizes the FMERA Executive Director and the SAC Chairs to fill the membership of each Committee accordingly, which membership shall be at the pleasure of the Board.

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: September 25, 2020

EXHIBIT 2

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman

DATE: September 25, 2020

SUBJECT: Staff Advisory Committee Membership Criteria

Request

The Fort Monmouth Economic Revitalization Authority (FMERA) staff is asking that the Board reaffirm the Staff Advisory Committee (SAC) membership criteria and authorize FMERA's Executive Director to work with the SAC Chairs to fill or reappoint the membership of each committee accordingly.

Background

The four (4) Staff Advisory Committees (SAC) are Environmental, Housing, Veterans, and Historical Preservation. The SACs were established to assist FMERA by providing advice to the FMERA staff. The Committees are charged with making recommendations to staff on how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise. Each SAC is chaired by a FMERA board member and is made up of selected members of the community impacted by the closing of Fort Monmouth. While the SACs provide important insight and information to the staff for the benefit of the staff as it manages the issues associated with the redevelopment of the Fort property, there is no formal action taken at SAC meetings. Meetings are scheduled by the FMERA staff in consultation with the SAC Chairs, the frequency and timing of which is to be determined based on specific issues confronting the staff in each of the subject areas.

In 2012 FMERA staff developed SAC membership criteria, which helped to standardize and focus experience and expertise requirements for prospective SAC members. The objective is to ensure that FMERA has a knowledgeable and balanced SAC membership, capable of providing timely and sound advice to the FMERA staff regarding the subject matter of the committee. It is important that subject matter experts and parties involved in various segments of the community and marketplace participate in the committees to give FMERA staff access to current and creative thinking in each of the SAC subject matter areas.

Attached hereto is a description sheet for each of the four SACs, including a mission statement.

Recommendation

In summary, the FMERA staff is asking that the Board reaffirm the Staff Advisory Committee (SAC) membership criteria and authorize the FMERA Executive Director to work with the SAC Chairs to fill or reappoint the membership of each committee accordingly, which membership shall be at the pleasure of the Board.

Bruce Steadman

Prepared by: Regina McGrade

DRAFT

Environmental Staff Advisory Committee
Mission Statement

The Environmental Staff Advisory Committee will serve in an advisory role to the FMERA staff and board. Members of the Committee will review and discuss environmental issues related to the closing of Fort Monmouth. The Environmental Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Commissioner of Environmental Protection (Kenneth J. Kloo as the current designee)

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

Historical Preservation Staff Advisory Committee
Mission Statement

The Historical Preservation Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss historical preservation issues related to the redevelopment of Fort Monmouth. The Historical Preservation Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Mayor Jay Coffey

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

Housing Staff Advisory Committee
Mission Statement

The Housing Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss housing issues related to the closing of Fort Monmouth. The Housing Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise and guidelines potentially imposed by state mandates.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Commissioner of Community Affairs (Sean Thompson as the current designee)

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

FMERA Veterans Staff Advisory Committee
Mission Statement

The Veterans Staff Advisory Committee will serve in an advisory role to the FMERA staff. Members of the Committee will review and discuss veterans issues related to the closing of Fort Monmouth. The Veterans Staff Advisory Committee will be charged with recommending how best to move Fort Monmouth's redevelopment effort forward within the context of their area of expertise.

The Committee will be made up of at least one board member, as well as select members of the public who have knowledge and expertise in the committee's subject matter. The Staff Advisory Committee will be chaired by a member of the FMERA Board and will have at least one member of the Authority's staff assigned to it. The Committee Chair will regularly provide reports to the FMERA Board based on the Committee's findings.

Chair: Lillian Burry

Category

- representing Tinton Falls
- representing Oceanport
- representing Eatontown
- representing County
- university or college educator by trade
- contractor or developer by trade
- real estate professional
- national advocacy group

Resolution Regarding
Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with
FMERA's Purchase of Phase 2 Properties with respect to 2020 Notes

WHEREAS, at the October 2016 meeting, the Board authorized financing for the purchase of the Phase 2 properties through the Monmouth County Improvement Authority ("MCIA"); the financing structure entailed MCIA's issuance of short-term, fixed-rate, taxable notes to provide the consideration to be paid to the Army, along with the cost of issuance; and

WHEREAS, the original principal amount of the notes was \$33,525,000, divided between two series, 2016A in the amount of \$10,155,000 which was callable in whole or in part, after six months, and 2016B, in the amount of \$23,370,000; and

WHEREAS, at the November 15, 2017 initial note maturity date, FMERA paid down approximately \$9,800,000 in principal of the 2016A Notes as a result of the sale of three parcels: Officer Housing, Russel Hall and the Fitness Center, and so the amount of the subsequent notes issued in November 2017 was \$23,735,000, divided between two series, 2017A in the amount of \$16,735,000 and 2017B in the amount of \$7,000,000 which was callable in whole or in part, after eighteen months with interest on the notes and expenses payable by FMERA on a current basis, with the notes expected to be rolled over annually as one-year or multiple-year obligations; and

WHEREAS, at the November 14, 2019 subsequent note maturity date, FMERA paid down approximately \$175,000 in principal of the 2017 Note as a result of the sale of two parcels: Dance Hall and Cell Tower; and

WHEREAS, as of the November 12, 2020 subsequent note maturity date, FMERA is estimating that it will pay down approximately \$1,300,000 in principal of the 2019 Notes as a result of the sales of two parcels: Squier Hall and the Commissary/PX, Parking, Warehouse District & Post Office Parcel; and

WHEREAS, the County of Monmouth's Board of Chosen Freeholders has authorized a payment guaranty for the notes for five (5) years, i.e. through November 2021, and the County holds a mortgage against the Phase 2 parcels which is released on a parcel by parcel basis as and when FMERA is ready to convey individual parcels to third party purchasers; and

WHEREAS, during the five-year term of the County's guaranty, the Notes are expected to be rolled over so that principal payments are made by FMERA from and only to the extent that sale proceeds are available, and if any principal balance remains at the end of the five-year loan term, the balance will become a general obligation of the Authority and FMERA's options will be to either: (i) renegotiate and extend the guarantee; (ii) refinance the balance through a third-party lender; or (iii) pay off the balance from cash on hand; although the County and the MCIA could determine to further roll-over the Notes if the Notes are not paid in full and

WHEREAS, upon expiration of the notes, MCIA has to take action to issue subsequent notes to refund the notes that mature and cover issuance costs, and based on FMERA's anticipated redemption of \$1,300,000 in notes by November, the amount of the subsequent notes to be issued in November 2020 is anticipated to total approximately \$22,260,000 million plus the cost of issuance, but not to exceed \$24,500,000; and

WHEREAS, staff is recommending that one series of notes be issued on a taxable basis for a one-year term; the documents are essentially the same as those approved by the Board in 2016 and the Loan Agreement approved in 2019; and

WHEREAS, although FMERA will not be a signatory to the official statement and contract of purchase, it is

necessary to review those documents and confirm the accuracy of any statements in the official statement so as to comply with federal securities laws. The official statement and contract of purchase will be finalized closer to the date of issuance; and

WHEREAS, FMERA staff is requesting that the Board approve the Loan Agreement and Note with the Monmouth County Improvement Authority (“MCIA”) for financing through the issuance of up to \$24,500,000 in subsequent notes through the MCIA related to the financing of FMERA’s 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army, and delegate to the Executive Director authority to approve the Preliminary Official Statement and the Official Statement and to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover. Final versions of the documents will be subject to the approval of FMERA’s Executive Director, the Attorney General’s Office, and special counsel, Robert Tuteur of Eckert Seamans; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Loan Agreement and Note with the Monmouth County Improvement Authority for financing through the issuance of notes in an amount not to exceed \$24,500,000 through the Monmouth County Improvement Authority related to the financing of FMERA’s 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army and delegation to the Executive Director authority to approve the Preliminary Official Statement and the Official Statement execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover. Final versions of the documents will be subject to the approval of FMERA’s Executive Director and the Attorney General’s Office.

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.

Dated: September 25, 2020

EXHIBIT 3

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Authorization to Rollover Notes through the Monmouth County Improvement Authority in connection with FMERA's Purchase of the Phase 2 Properties

DATE: September 25, 2020

Request

I am requesting that the Board approve the Loan Agreement and Note with the Monmouth County Improvement Authority ("MCIA") for financing through the issuance of subsequent notes in an amount not to exceed \$24,500,000 through MCIA relating to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army. I am also requesting that the Board delegate to the Executive Director authority to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association (the "Trustee") in connection with the rollover.

Background

At the October 2016 meeting, the Board authorized financing for the purchase of the Phase 2 properties through MCIA. The financing structure entailed MCIA's issuance of short-term, fixed-rate, taxable notes to provide the consideration to be paid to the Army, along with the cost of issuance. The original principal amount of the notes was \$33,525,000, divided between two series, 2016A in the amount of \$10,155,000 which was callable in whole or in part, after six months, and 2016B, in the amount of \$23,370,000. At the November 15, 2017 initial note maturity date, FMERA paid down approximately \$9,800,000 in principal of the 2016A Notes as a result of the sale of three parcels: Officer Housing, Russel Hall and the Fitness Center. The amount of the subsequent notes issued in November 2017 was \$23,735,000, divided between two series, 2017A in the amount of \$16,735,000 and 2017B in the amount of \$7,000,000 which was callable in whole or in part, after eighteen months. Interest on the notes and expenses is payable by FMERA on a current basis, with the notes expected to be rolled over annually as one-year or multiple-year obligations. At the November 14, 2019 subsequent note maturity date, FMERA paid down approximately \$175,000 in principal of the 2019 Notes as a result of the sales of two parcels: Dance Hall and the Cell Tower. As of the November 12, 2020 subsequent note maturity date, FMERA is estimating that it will pay down approximately \$1,300,000 in principal of the 2019 Notes as a result of the sales of two parcels: Squier Hall and the Commissary/PX, Parking, Warehouse District & Post Office Parcel. FMERA staff anticipates that it will have sufficient money from sales to provide for the payment of the outstanding balance of principal and interest owed on the Notes at maturity. The COVID-19 pandemic has resulted in unanticipated and unforeseen changes in the market as well as project delays. FMERA has and will continue to closely monitor sales and closing activity and will also explore other potential funding sources for payment of the Note.

The County's Board of Chosen Freeholders has authorized a payment guaranty for the notes for five years, i.e. through November 2021. The County holds a mortgage against the Phase 2 parcels which is released on a parcel by parcel basis as and when FMERA is ready to convey individual parcels to third party purchasers. During the five-year term of the County's guaranty, the Notes are expected to be rolled over so that principal payments are made by FMERA from and only to the extent that sale proceeds are available. If any principal balance remains at the end of the five-year loan term, the balance will become a general obligation of the Authority and FMERA's

options will be to either: (i) renegotiate and extend the guarantee; (ii) refinance the balance through a third-party lender; or (iii) pay off the balance from cash on hand. The County and the MCIA would have the right, but not any obligation to further roll-over the Notes.

Upon expiration of the notes, MCIA has to take action to issue subsequent notes to refund the notes that mature and cover issuance costs. Based on FMERA's anticipated redemption of \$1,300,000 in notes by November, the amount of the subsequent notes to be issued in November 2020 is anticipated to total approximately \$22,260,000 million plus the cost of issuance, but not to exceed \$24,500,000.

Staff is recommending that one series of notes be issued on a taxable basis for a one-year term. The documents are essentially the same as those approved by the Board in 2016 and the Loan Agreement approved in 2019.

Although FMERA will not be a signatory to the official statement and contract of purchase, it is necessary to review those documents and confirm the accuracy of any statements in the official statement so as to comply with federal securities laws. The official statement and contract of purchase will be finalized closer to the date of issuance. I am requesting that the Members delegate to the Executive Director authority to approve those documents, subject to their review and approval by the Attorney General's Office and our special counsel, Robert Tuteur of Eckert Seamans. The Audit Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the Loan Agreement and Note with the Monmouth County Improvement Authority ("MCIA") for financing through the issuance of up to \$24,500,000 in subsequent notes through the MCIA related to the financing of FMERA's 2016 purchase of the Phase 2 Economic Development Conveyance properties from the Army, and delegate to the Executive Director authority to approve the Preliminary Official Statement and the Official Statement and to execute any related financing documents required by MCIA, the County of Monmouth or U.S. Bank National Association in connection with the rollover. Final versions of the documents will be subject to the approval for FMERA's Executive Director, the Attorney General's Office and special counsel, Robert Tuteur of Eckert Seamans.

Bruce Steadman

Prepared by: Jennifer Lepore

Resolution Regarding
Authorization to enter into a Purchase and Sale & Redevelopment Agreement with the Borough of
Eatontown for a Parks & Recreation Complex on the Nicodemus Avenue Park Parcel

WHEREAS, on May 18, 2016, the Board approved Evaluation Scoring for Local Beneficial Use Requests. The Borough of Eatontown (“Borough”) requested that this conveyance be administered as a Local Beneficial Use (“LBU”) transaction. Accordingly, the Borough’s proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria. This scoring is used to determine the discounted purchase price of the Property; and

WHEREAS, using the Fort’s appraisal for the land area in the Main Post, the fair market value of 3.82 acres for open space recreation use, net of the demolition costs, results in an estimated value of \$198,565 for the Property. The scoring of the Borough’s proposed use of the Property is 807, which entitles the Borough to the maximum discount of 40% and resulting in a purchase price of \$119,139.00; and

WHEREAS, negotiations with the Borough have resulted in the following terms: The Borough will pay \$119,139.00 for the approximately 3.82-acre property for recreation uses associated with Eatontown’s Recreation Department. Per the PSARA, Purchaser will have a sixty day Due Diligence Period commencing on the Effective Date of the PSARA with an option to extend Due Diligence for one additional sixty day period; an Initial Approval Period of twelve months commencing at the end of the Due Diligence period; and a six month Approval Extension Period, subject to FMERA approval. Closing will occur within thirty days satisfaction or waiver of the Conditions Precedent to Closing; and

WHEREAS, FMERA will convey the Property to the Borough in as-is condition, but with clear title and subject to the Army’s on-going obligations under CERCLA to address any pre-existing contamination that may exist on the Property. There is one existing environmental carve-out parcel located within the Property. The environmental carve-out parcel will be conveyed to Purchaser for \$1.00 after the Army completes its remedial actions. In addition, Purchaser will create approximately two construction related, temporary part-time and/or full-time jobs at the Property by twelve months after project completion or pay a penalty of \$1,500 per job not created; and

WHEREAS, the Borough will expend a minimum amount of \$250,000 to complete their reuse and redevelopment project. The project includes the development of an Eatontown Borough park for active recreation uses and will consist of the demolition of Buildings 787, 788, and 790 and the renovation or demolition of 770 within the timelines set forth under the PSARA as well as upgrading the existing outdoor area to a standard suitable for public use as a municipal park; and

WHEREAS, at a later date, the Borough may approach FMERA to complete an optional Phase Two of the Project which may consist of the construction of an administrative building of up to 20,000 SF to be used for related administrative and/or active recreation purposes. A Phase Two project would require a separate redeveloper’s agreement and FMERA Board approval. Purchaser shall be responsible for commencing demolition of Buildings 787, 788, and 789, and remove the debris from the Parcel within ninety days of closing. Purchaser may reuse Building 770, provided it is painted, repaired, and landscaped appropriately within thirty days of closing and shall complete the Project within eighteen months from Commencement of the Construction of the Project, or twenty-one months after Closing. Purchaser shall be responsible for all demolition and related costs including but not limited to the costs of any required asbestos and lead-based paint remediation and disposal; and

WHEREAS, there is one environmental carve-out parcel located within the Property. ECP Parcel 98 consists of an area where former Army housing existed and Buildings 787, 788, and 789 are currently located. PCBs were identified and removed by the Army. FMERA has received an “Unrestricted Use,” NFA determination from the NJDEP in a letter dated May 21, 2018 and a Finding of Suitability to Transfer from the Army in May 2020. ECP 98 is anticipated as a part of the Group 3 deed and is planned for transfer to FMERA in 2020. In the event the property

is not transferred in accordance with the above anticipated timeline, there may be an Initial Closing of the Property excluding the Carve-out Parcel and up to one subsequent closing for Carve-out Parcel ECP 98 within forty-five days of Army completing environmental investigations and remedial actions and conveying the Environmental Carve-out Parcel to FMERA; and

WHEREAS, regarding infrastructure and utility improvements, the Borough has agreed to the terms as described in the attached memorandum; and

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

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for a Parks & Recreation Complex on the Nicodemus Avenue Park Parcel 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: September 25, 2020

EXHIBIT 4

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Authorization to enter into a Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for a Parks & Recreation Complex on the Nicodemus Avenue Park Parcel

DATE: September 25, 2020

Request

I am requesting that the Board authorize FMERA staff to enter into a Purchase and Sale & Redevelopment Agreement (“PSARA”) with the Borough of Eatontown (“Borough”) for a 3.82-acre tract known as the Nicodemus Avenue Park Parcel (“the Property”) including Buildings 787, 788, 789, and 770 as well as ECP 98 and land located along Nicodemus Avenue in the Eatontown Section of Fort Monmouth, New Jersey.

Background

On May 18, 2016, the Board approved Evaluation Scoring for Local Beneficial Use Requests. The Borough requested that this conveyance be administered as a Local Beneficial Use (“LBU”) transaction. Accordingly, the Borough’s proposed use of the Property was reviewed and scored by FMERA staff utilizing the Board approved LBU criteria. This scoring is used to determine the discounted purchase price of the Property. Using the Fort’s appraisal for the land area in the Main Post, the fair market value of 3.82 acres for open space recreation use, net of the demolition costs, results in an estimated value of \$198,565 for the Property. The scoring of the Borough’s proposed use of the Property is 807, which entitles the Borough to the maximum discount of 40% and resulting in a purchase price of \$119,139.00. A copy of the LBU score sheet for the Property is attached.

Purchase and Sale & Redevelopment Agreement

FMERA staff is pleased to report that negotiations with the Borough of Eatontown have resulted in the following terms: The Borough will pay \$119,139.00 for the approximately 3.82-acre property for recreation uses associated with Eatontown’s Recreation Department. Per the PSARA, Purchaser will have a sixty (60) day Due Diligence Period commencing on the Effective Date of the PSARA with an option to extend Due Diligence for one (1) additional sixty (60) day period; an Initial Approval Period of twelve (12) months commencing at the end of the Due Diligence period; and a six (6) month Approval Extension Period, subject to FMERA approval. Closing will occur within thirty (30) days satisfaction or waiver of the Conditions Precedent to Closing. FMERA will convey the Property to the Borough in as-is condition, but with clear title and subject to the Army’s on-going obligations under CERCLA to address any pre-existing contamination that may exist on the Property. There is one existing environmental carve-out parcel located within the Property. The environmental carve-out parcel will be conveyed to Purchaser for \$1.00 after the Army completes its remedial actions and transfers title to FMERA. In addition, Purchaser will create approximately two (2) construction related, temporary part-time and/or full-time jobs at the Property by twelve (12) months after project completion or pay a penalty of \$1,500 per job not created.

The Borough will expend a minimum amount of \$250,000 to complete its reuse and redevelopment project. The project includes the development of an Eatontown Borough park for active recreation uses and will consist of the demolition of Buildings 787, 788, and 790 and the renovation or demolition of 770 within the timelines set forth under the PSARA as well as upgrading the existing outdoor area to a standard suitable for public use as a municipal park. At a later date, the Borough may approach FMERA to complete an optional Phase Two of the Project which may consist of the construction of an administrative building of up to 20,000 SF to be used for related administrative and/or active recreation purposes. A Phase Two project would require a separate redeveloper's agreement and FMERA Board approval. Purchaser shall be responsible for commencing demolition of Buildings 787, 788, and 789, and remove the debris from the Parcel within ninety (90) days of closing. Purchaser may reuse Building 770, provided it is painted, repaired, and landscaped appropriately within thirty (30) days of closing and shall complete the Project within eighteen (18) months from Commencement of the Construction of the Project, or twenty-one (21) months after Closing. Purchaser shall be responsible for all demolition and related costs including but not limited to the costs of any required asbestos and lead-based paint remediation and disposal.

There is one (1) environmental carve-out parcel located within the Property. ECP Parcel 98 consists of an area where former Army housing existed and Buildings 787, 788, and 789 are currently located. PCBs were identified and removed by the Army. FMERA has received an "Unrestricted Use," NFA determination from the NJDEP in a letter dated May 21, 2018 and a Finding of Suitability to Transfer from the Army in May 2020. ECP 98 is anticipated as a part of the Group 3 deed and is planned for transfer to FMERA in 2020. In the event the property is not transferred in accordance with the above anticipated timeline, there may be an Initial Closing of the Property excluding the Carve-out Parcel and up to one (1) subsequent closing for Carve-out Parcel ECP 98 within forty-five (45) days of Army completing environmental investigations and remedial actions and conveying the Environmental Carve-out Parcel to FMERA.

Regarding infrastructure and utility improvements, the Borough has agreed to the following: 1) Purchaser is responsible for establishing service and accounts with FMERA [for electric], New Jersey American Water (NJAW), New Jersey Natural Gas (NJNG) and Eatontown Sewerage Authority ("ESA"); and installing a new sewer main to the Parcel from College Avenue or at a location otherwise directed by FMERA or the ESA. There are no utilities serving the Property at this time. At such time as the electric system is transferred, Purchaser will be responsible for establishing service and accounts with Jersey Central Power & Light (JCP&L); 2) Electric services will be provided by FMERA until another provider is available. FMERA intends to convey the former Army electric substation to JCP&L within five (5) years. At that time, Purchaser shall be responsible for the connection from the transformer to new distribution lines that JCP&L/FMERA will run adjacent to the Property; 3) Purchaser is responsible for replacement, repair, maintenance and/or relocation of utilities within the Property to serve the Project, subject to Seller's review and approval; 4) Purchaser is responsible for coordinating communication services to the Property through a provider of its choosing; 5) Seller is responsible for providing access to a new water line at the parcel boundary in the vicinity of College Avenue, or as otherwise directed by FMERA. Seller to obtain all necessary easements for the installation of the new water line. Purchaser responsible for installation of a lateral within the Property bounds to the water main; and 6) Purchaser is responsible for coordinating sanitary sewer service with the Eatontown Sewerage Authority and locating an off-site sanitary outfall to serve the Property. A sanitary outfall is not available within or adjacent to the subject parcel on FMERA-owned property. However, FMERA believes that there is an available sewer connection on College Avenue in the Borough of Eatontown. Purchaser should confirm with the ESA. Alternatively, a sanitary manhole will be installed on the DPW Property and Purchaser may connect to that manhole by running a sewer main to the site.

The attached PSARA between FMERA and the Borough of Eatontown is insubstantially final form. The final terms of the PSARA are subject to the approval of FMERA's Executive Director, the Attorney General's Office and the Borough of Eatontown's Council. 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 FMERA staff to enter into a Purchase and Sale & Redevelopment Agreement with the Borough of Eatontown for the Nicodemus Avenue Park Parcel in Eatontown.

Bruce Steadman

Prepared by: Sarah Giberson

DRAFT

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

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

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

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

WHEREAS, with respect to the Barker Circle parcel, the Reuse Plan contemplates mixed-income apartment residential uses at Buildings 205, 207, and 287. Reuse Plan Amendment #6 moved the civic/institutional uses envisioned for Buildings 206, 208, and 282 to a 13-acre parcel along Murphy Drive. Amendment #6 also included the change in use of Buildings 206 and 208 for residential and/or office/research & development uses, as well as retail or office/research & development uses of Building 282, the former Fire House. Amendment #6 relocated 32 residential units from Oceanport Municipal Complex parcel to Buildings 206 and 208 in the Barker Circle. The Reuse Plan envisions a museum/art center civic/institutional use for Building 275, known as Kaplan Hall, the former theater and museum of the Fort and open space in the form of a wetland preservation park along Oceanport Creek; and

WHEREAS, with respect to the Nurses Quarters parcel, the Reuse Plan contemplates the reuse of Buildings 1077 & 1078 as mixed-income apartments. Under the Land Use Rules, the Property is included in the Oceanport Education/Mixed-Use Neighborhood Development District, which permits low-and medium-density residential, mixed-use, retail, office/research, institutional/civic, and open space/recreational uses.

WHEREAS, the Amendment, prepared by Upendra Sapkato, FMERA's Senior Project Officer of Planning and Development and FMERA's planning consultant, Phillips Preiss (PPG) would permit those uses as described in the attached memorandum; and

WHEREAS, the attached Amendment #16 is in substantially final form and the final terms of Amendment #16 are subject to the approval of the Executive Director and the Attorney General's office; and

WHEREAS, the Real Estate Committee has reviewed the proposed plan change Amendment #16 and recommends Board approval of the transmittal of the proposed amendment to the governing body of each host municipality.

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached memorandum, the Authority approves the transmittal to the governing body of each of the three host municipalities of the proposed attached Amendment #16 to the Fort Monmouth Reuse and Redevelopment Plan that would permit an alternative development scenario in the Oceanport Reuse Area.

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

ATTACHMENT

Dated: September 25, 2020

EXHIBIT 5

DRAFT

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Recommendation to approve of Transmittal to Host Municipalities of Proposed Plan Amendment #16 Permitting an Alternative Development Scenario with respect to the Barker Circle and the Nurses Quarter Parcels in Oceanport.

DATE: September 25, 2020

Request

I am requesting that the Board approve the transmittal to the three host municipalities of proposed Plan Amendment #16 to the Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”) that would permit an alternative development scenario for the Barker Circle and the Nurses Quarter Parcels in Oceanport.

Background

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

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

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

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

1. Whether the proposed amendment would result in a material change in the overall development yield or affordable housing obligations of the host municipality, or would result in any negative impact to the Authority’s obligations pursuant to the Fair Housing Act of 1985;
2. Whether the proposed amendment would result in any significant adverse impact on other areas of Fort Monmouth;
3. Whether the proposed amendment would substantially impair the intent and purposes of the Reuse Plan;

4. Whether the proposed amendment would have any negative impact on the Authority's obligations pursuant to the Base Realignment and Closure Act ("BRAC") and any agreement with the U.S. Army conveying Fort Monmouth property to the Authority; and
5. Whether the proposed amendment would have significant adverse infrastructure ramifications different from those envisioned in the Reuse Plan.

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

Development Contemplated under the Reuse Plan

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

Amendment #16 provides the option for an alternative development scenario on the Barker Circle and the Nurses Quarters Parcels that are located in the former Fort Monmouth property in the Borough of Oceanport.

The Barker Circle Parcel: With respect to the Barker Circle parcel, the Reuse Plan contemplates mixed-income apartment residential uses at Buildings 205, 207, and 287. Reuse Plan Amendment #6 moved the civic/institutional uses envisioned for Buildings 206, 208, and 282 to a 13-acre parcel along Murphy Drive. Amendment #6 also included the change in use of Buildings 206 and 208 for residential and/or office/research & development uses, as well as retail or office/research & development uses of Building 282, the former Fire House. Amendment #6 relocated 32 residential units from Oceanport Municipal Complex parcel to Buildings 206 and 208 in the Barker Circle. The Reuse Plan envisions a museum/art center civic/institutional use for Building 275, known as Kaplan Hall, the former theater and museum of the Fort. The Reuse Plan also envisions the maintenance of open space in the form of a wetland preservation park along Oceanport Creek.

The Nurses Quarters Parcel: The Reuse Plan contemplates the reuse of Buildings 1077 & 1078 as mixed-income apartments. Under the Land Use Rules, the Property is included in the Oceanport Education/Mixed-Use Neighborhood Development District, which permits low-and medium-density residential, mixed-use, retail, office/research, institutional/civic, and open space/recreational uses.

The Proposed Reuse Plan Amendment

The attached proposed Plan Amendment #16 prepared by Upendra Sapkota, FMERA's Senior Project Officer of Planning and Development and FMERA's planning consultant Phillips Preiss (PPG) would permit the following on the subject parcels:

The Barker Circle Parcel: The proposed amendment would permit business lofts in Building 206. Childcare centers will be permitted only as an accessory use in Building 206. Restaurant, craft production facility and art and culture related retail uses would be permitted in Building 282. Additionally, the amendment would permit art and cultural retail in Building 275. Office uses are permitted only as accessory use in Building 275.

With respect to bulk regulations and density, a total of 75 residential units will be permitted in the parcel. The amendment permits Buildings 205, 287, 207 and 208 to be adaptively reused to house residential units. The amendment permits up to 0.55 Floor Area Ratio (FAR) for non-residential uses and relaxes several bulk regulations, including loading space requirements, setback requirements for adaptive reuse of the historic buildings in the Barker Circle parcel. Redevelopment of land parcels with adaptively reused historic building/s would be exempt from all setback requirements including street facing building setback requirements and no

minimum loading space would be required for residential and non-residential uses. The amendment also relaxes Gross Floor Area requirements and Maximum Impervious Lot Coverage requirements for land parcels with historic buildings. However, Gross Floor Area shall not exceed more than 5% of the permitted gross floor area set forth in the FMERA Land Use Rules N.J.A.C. 19:31C-3.5(b) Table 4 and Maximum Impervious Lot Coverage shall not exceed 5% of the permitted Impervious Lot Coverage set forth in the FMERA Land Use Rules N.J.A.C. 19:31C-3.5(f).

The amendment would permit a shared parking approach for subdivided parcels as set forth in the FMERA Land Use Rules 19:31C-3.7 subject to the following conditions: If the shared parking approach is utilized for this site, the applicant will submit an easement agreement executed by the parties involved, to FMERA and the Borough of Oceanport at the time the site plan application. The location of the nearest parking space of the shared parking lot shall not be greater than 400 ft walking distance from the entrance of the proposed building.

With respect to signage, the amendment permits one ground sign for each adaptively reused building or for each reused building or for each subdivided parcel. The maximum sign area shall not be more than 80 square feet for non-residential uses, and it shall not be more than 40 square feet for residential use. The maximum sign height shall not be more than ten (10) feet above grade for non-residential uses and the maximum sign height shall not be more than seven (7) feet above grade for residential use. For non-residential buildings containing more than one tenant, the provisions set forth in FMERA Land Use Rules 19:31C-3.9(d) shall apply to the exterior surface of each tenant space or leased portion of the building. Also, all the signage design shall conform to the FMERA's Historic Design Guidelines.

The Nurses Quarter Parcel: The Reuse Plan calls for adaptive reuse of Building 1077 and Building 1078 for 24 residential units as well as development of new single-family residential units along Main Street. A total of 34 residential units which includes the reuse of 24 one- and two-bedroom residential units and 10 townhomes with three-bedroom residential will be permitted. This amendment further contemplates the development of new townhomes in such a way that it creates a compact pedestrian-friendly environment along Main Street allowing the development of more flexible and usable open spaces for recreational uses in the western section of the parcel.

With respect to bulk regulations, the street facing building setback on Stephenson Avenue shall be minimum of 15 ft from the property line and the building setback on Main Street shall be minimum of 10 ft from the property line. Except for the modification of the street facing setback, all other bulk standard set forth in the FMERA Land Use Rules shall be applicable for the Nurses Quarters Parcel. The amendment permits the new townhomes to have frontage on Main Street and will not permit parking or a driveway between the new townhomes and Main Street. Further, the amendment requires a minimum three (3) foot-wide sidewalk along Main Street.

With respect to signage, the amendment permits one ground sign on the Nurses Quarters Parcel. The maximum sign area shall not be more than 40 square feet and the maximum sign height shall not be more than seven (7) feet above grade. FMERA Land Use Rules 19:31C-3.9(d) shall be applicable for all other requirements related ground signs.

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

- 1) This Amendment affects only the Oceanport Reuse Area. This amendment does not contemplate the construction of any residential square footage. This Amendment is consistent with the Reuse Plan and permits up to 720 residential dwelling units in the Oceanport Reuse Area.
- 2) This Amendment permits diverse tech-oriented uses and these uses are consistent with the goal and uses contemplated in the Reuse Plan.
- 3) This Amendment would not adversely impact any of the "Transportation Circulation Improvement Goals" established in the Reuse Plan.

- 4) This Amendment does not impact any active recreation or open space contemplated in the Reuse Plan. Furthermore, this Amendment aims to encourage the concept of placemaking and the development of public space, plaza, and walkways within the redevelopment area which is consistent with the Reuse Plan.
- 5) This Amendment is well aligned with the sustainably element of the Reuse Plan.
- 6) The uses contemplated in this Amendment are compatible with the surrounding land uses anticipated in the Reuse Plan and subsequent amendments.
- 6) This Amendment would maintain the overarching land use concepts, objectives and principles of the Reuse Plan and addresses the relationship of the new uses at the subject parcel with the surrounding uses. Thus, the Reuse Plan would remain a rational coordinated land use plan.
- 7) This Amendment is consistent with the Authority's BRAC obligations and the existing Phase 2 Economic Development Conveyance ("EDC") agreement with the Army by incorporating open space uses envisioned in the Reuse Plan approved as part of the BRAC process.

In order for the Authority to begin the public process required before the Board considers approval or disapproval of the amendment to the Plan, FMERA staff is requesting approval to transmit the attached proposed Amendment #16 to the governing body of each of the three host municipalities.

Attached is Reuse Plan Amendment #16 which is in substantially final form. The final terms of Reuse Plan Amendment #16 are subject to the approval of the Executive Director and the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the transmittal to the three host municipalities of the proposed Amendment #16 to the Reuse Plan that would permit alternative development scenarios in Oceanport.

Bruce Steadman

Prepared by: Upendra Sapkota

Resolution Regarding
Approval of an Agreement with New Jersey American Water Company to install new water mains on the
Main Post

WHEREAS, the water mains which service the Main Post of Fort Monmouth are outdated and not suitable for future water usage requirements, and, therefore, new mains must be installed to provide potable water service for current and future property owners. Further, the Purchase and Sale & Redevelopment Agreements (“PSARAs”) for the Commissary & PX Complex, the Warehouse District & Post Office Area and future development require that FMERA provide water service at or near the property borders; and

WHEREAS, in June 2018, the Board approved an interagency agreement between FMERA and the Borough of Eatontown to contract for the Borough’s Engineer to design the water mains for Phases II and III (A & B), which will serve both sold properties and prospective purchasers on the Main Post. Phase 3A specifically serves the Commissary & PX Complex, the Warehouse District & Post Office Area and future development; and

WHEREAS, the Borough’s Engineer prepared plans and a scope of work (the “Plans”) for the Phase 3A, and these Plans included surveying services, field reconnaissance, test pits, certification applications for Soil and Erosion Control, typical NJDOT Lane Closure Plans, and NJDOT Permit Application for Utility Opening (MT17A); and

WHEREAS, upon receipt of the plans for Phase 3A, FMERA prepared the application for the proposed new water main construction. However, in order to submit the plan to NJAW along with an Extension Deposit Agreement (“EDA”) and an Amendment to the EDA, FMERA must receive Board approval to also transmit the required \$10,000 deposit and ultimately make an estimated payment of Four Hundred and Fifty Thousand Seven Hundred and Eighty-Two Dollars and Fourteen Cents (\$450,782.14) (“Initial Estimate”) for the full balance of the estimate cost for the project; and

WHEREAS, upon Board approval and after the ten-day Governor’s veto period, FMERA will provide the \$10,000 deposit, EDA and EDA Amendment to NJAW and NJAW will put the proposed new water main construction out to bid in order to facilitate the construction and installation of the water main to serve the Commissary & PX Complex, the Warehouse District & Post Office Area and future developments; and

WHEREAS, once bids are received, NJAW will amend its Initial Estimate to a Revised Estimated, reflecting the price of the winning submission; and

WHEREAS, staff requests that the Board authorize the payment of the \$10,000 deposit and the anticipated full balance of the Initial Estimate for the project, and staff further recommends that the Board approve the use of delegated authority to make additional payments up to 20% of the total Initial Estimate should the Revised Estimate or later cost over-runs exceed the Initial estimate; and

WHEREAS, FMERA anticipates a contribution for a portion of the costs of the water main under an existing Purchase and Sale and Redevelopment Agreement (“PSARA”) for an estimated \$338,085.00. The Purchaser is expected to close by September 30, 2020, or should the Reinstated PSARA be amended by mid-October; and

WHEREAS, NJAW’s standard form of agreement is attached. The agreement will be amended by the attached amendment to clarify the following terms: (1) The only physical work required as a condition of the agreement is the markout locations and cut and cap existing pipes. All other physical work will be done at a later time at FMERA’s discretion; (2) Any additional over-run costs beyond the 20% approved by the Board will

require FMERA Board approval. The final terms of the agreement are subject to the approval of FMERA's Executive Director and the Attorney General's Office; and

WHEREAS, the attached NJAW EDA for Phase 3A and the Amendment to the EDA are in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director and the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval; and

THEREFORE, BE IT RESOLVED THAT:

1. For the reasons expressed in the attached agreement, an agreement with New Jersey American Water Company to install new water service on the Main Post to service the Commissary & PX Complex, the Warehouse District & Post Office Area and future development at an estimated total upfront cost to FMERA of \$450,782.14.

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.

Dated: September 25, 2020

EXHIBIT 6

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: Agreement with New Jersey American Water Company to install new water mains on the Main Post

DATE: September 25, 2020

Request

I am requesting that the Board approve an agreement with New Jersey American Water Company (“NJAW”) to install new water service on the Main Post to service the Commissary & PX Complex, the Warehouse District & Post Office Area and future development at a total cost estimated to be \$450,782.14.

Background

The water mains which service the Main Post of Fort Monmouth are outdated and not suitable for future water usage requirements. Therefore, new mains must be installed to provide potable water service for current and future property owners. Further, the Purchase and Sale & Redevelopment Agreement (“PSARA”) for the above properties requires that FMERA provide water service at or near the property borders.

In June 2018, the Board approved an interagency agreement between FMERA and the Borough of Eatontown to contract for the Borough’s Engineer to design the water mains for Phases II and III (A & B), which will serve both sold properties and prospective purchasers on the Main Post. Phase 3A specifically serves the Commissary & PX Complex, the Warehouse District & Post Office Area and future development. The Borough’s Engineer prepared plans and a scope of work (the “Plans”) for the Phase 3A. These Plans included surveying services, field reconnaissance, test pits, certification applications for Soil and Erosion Control, typical NJDOT Lane Closure Plans, and NJDOT Permit Application for Utility Opening (MT17A). Upon receipt of the plans for Phase 3A, FMERA prepared the application for the proposed new water main construction. However, in order to submit the plan to NJAW along with an Extension Deposit Agreement (“EDA”) and an Amendment to the EDA, FMERA must receive Board approval to also transmit the required \$10,000 deposit and ultimately make an estimated payment of Four Hundred and Fifty Thousand Seven Hundred and Eighty-Two Dollars and Fourteen Cents (\$450,782.14) (“Initial Estimate”) for the full balance of the estimate cost for the project.

Upon Board approval and after the ten-day Governor’s veto period, FMERA will provide the \$10,000 deposit, EDA and EDA Amendment to NJAW and NJAW will put the proposed new water main construction out to bid in order to facilitate the construction and installation of the water main to serve the Commissary & PX Complex, the Warehouse District & Post Office Area and future developments. Once bids are received, NJAW will amend its Initial Estimate to a Revised Estimate, reflecting the price of the winning submission. The timing of this payment is particularly critical as FMERA expects these projects to close this year. Therefore, staff requests that the Board authorize the payment of the \$10,000 deposit and the anticipated full balance of the Initial Estimate for the project.

Staff further recommends that the Board approve the use of delegated authority to make additional payments up to 20% of the total Initial Estimate should the Revised Estimate or later cost over-runs exceed the Initial estimate.

Additionally, FMERA anticipates a contribution for a portion of the costs of the water main under an existing Purchase and Sale and Redevelopment Agreement (“PSARA”). Under Section 47 of the Reinstated, Amended and Merged PSARA for the Commissary & PX Complex, the Warehouse District & Post Office Area (“Reinstated PSARA”) , the Purchaser shall be responsible for contributing the cost of one-thousand, five hundred (1,500) linear feet of new water main to the Commissary & Complex, the Warehouse District & Post Office Area properties. The amount of the Purchaser’s contribution is estimated to be \$338,085.00. The Purchaser is expected to close by September 30, 2020, or should the Reinstated PSARA be amended by mid-October.

NJAW’s standard form of agreement is attached. The EDA will be amended by the attached amendment to clarify the following terms: (1) The only physical work required as a condition of the agreement is the markout locations and cut and cap existing pipes. All other physical work will be done at a later time at FMERA’s discretion; (2) Any additional over-run costs beyond the 20% approved by the Board will require FMERA Board approval. The final terms of the agreement are subject to the approval of FMERA’s Executive Director and the Attorney General’s Office.

The attached NJAW EDA for Phase 3A and the Amendment to the EDA are in substantially final form. The final terms of the amendment will be subject to the approval of FMERA’s Executive Director and the Attorney General's Office. The Real Estate Committee has reviewed the request and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board authorize the execution of an agreement with New Jersey American Water Company to install new water service on the Main Post to service the Commissary & PX Complex, the Warehouse District & Post Office Area and future development at an estimated total upfront cost to FMERA of \$450,782.14.

Bruce Steadman

Prepared by: Kara Kopach & Jennifer Lepore

Resolution Regarding

First Amendment to the Reinstated Amended and Merged Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse, Post Office, Commissary/PX & the Parking Lot in Oceanport

WHEREAS, at the December 2017 meeting, staff recommended, and the Board approved the issuance of three separate Request for Offers to Purchase (“RFOTPs”) for the Commissary and PX, the Warehouse District, and the Post Office Area with the option to propose individual or interrelated projects on one or more parcels; and

WHEREAS, since all of these parcels were in close proximity to one another and to facilitate proposals of the highest and best use, the RFOTP scoring provided additional consideration to parties who proposed to purchase multiple parcels. Additionally, parties bidding on the Commissary & PX and/or the Warehouse District had the option of also bidding on the Parking Area and received additional scoring consideration over bidders on those parcels who elected not to bid on the Parking Area; and

WHEREAS, the PSARA for the Post Office and Warehouse Parcels between FMERA and OPort Partners, LLC (“OPort” or “Purchaser”) was approved by the Board at its July 17, 2019 (“Warehouse PSARA”) meeting and executed by FMERA and OPort on September 16, 2019; and

WHEREAS, the PSARA for the Commissary/PX and Parking Lot (“Commissary PSARA”) was approved by the Board at its November 13, 2019 meeting and executed by FMERA and OPort on February 5, 2020; and

WHEREAS at the June Board meeting, the Board approved the merger of the Post Office, Parking Lot and Commissary/PX parcels for one cohesive parcel to encompass Class A office space which can support both general and food related research uses and flex space as ancillary related product storage and distribution in support of other primary uses. The merger also serves as a support to the Commissary space, which shall serve as an enrichment center incorporating a provision for food services, a culinary school, crafts production, arts adaptation (including music and art facilities for enrichment learning for all ages) as well as the display of art. The complex may also potentially include retail, office, entertainment, research and development. This merger simplifies land use planning and land use compliance. In order to facilitate the merger, timelines including Due Diligence, Approval Period, Reuse Plan Amendment, and Closing between the Warehouse and Commissary Parcels were aligned within this amendment; and

WHEREAS, the Purchase Price was reduced to a total of Four Million Three Hundred Fifty Thousand Dollars (\$4,350,000.00) in exchange for an expedited closing by September 30, 2020 in which OPort has agreed to close without receiving All Approvals to allow FMERA to meet its financial obligations for 2020. If Purchaser did not close by September 30, 2020, OPort must pay the original Purchase Price of Four Million Nine Hundred and Fifty Thousand (\$4,950,000.00) dollars. The reduced purchase price remains above the required minimum bids threshold as required under the RFOTPs; and

WHEREAS, due to recent unforeseen items in the closing process, OPort has asked for an extension to the Closing date of September 30, 2020 while still allowing Purchaser to receive the Purchase Price reduction for waiving All Approvals and an early closing on the Property. OPort now seeks an extension of this timeline to October 20, 2020; and

WHEREAS, the attached Amendment to the Reinstated, Amended and Merged PSARA includes the following revisions to material terms: In the event that the Purchaser exercises Purchaser’s option to waive the Approvals Period and proceed to Closing on or before October 20, 2020 pursuant to Sections 8(c)(i), the Purchase Price shall be reduced to a total of Four Million Three Hundred Fifty Thousand Dollars (\$4,350,000.00); and

WHEREAS, all other material terms of the PSARA as presented to the Board will remain unchanged. The attached Amendment to the Reinstated, Amended and Merged PSARA was transmitted to the Real Estate Committee

on September 22, 2020 and is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, OPort Partner, LLC and the Attorney General's Office. The Real Estate Committee approved the request on September 23, 2020 and recommends it to the Board for approval.

THEREFORE, BE IT RESOLVED THAT:

1. The Authority approves the First Amendment to the Reinstated Amended and Merged Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse, Post Office, Commissary/PX & the Parking Lot in Oceanport 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: September 25, 2020

EXHIBIT 7

MEMORANDUM

TO: Members of the Board

FROM: Bruce Steadman
Executive Director

RE: First Amendment to the Reinstated Amended and Merged Purchase and Sale Agreement & Redevelopment Agreement with OPort Partners, LLC for the Warehouse, Post Office, Commissary/PX & the Parking Lot in Oceanport

DATE: September 25, 2020

Request

I am requesting that the Board approve this Amendment to the Reinstated Amended and Merged Purchase and Sale & Redevelopment Agreement (“PSARA”) with OPort Partners, LLC (“OPort” or “Purchaser”), for the Warehouse, Post Office, Commissary/PX & the Parking Lot in the Oceanport section of Fort Monmouth.

Background**1. Requests for Offers to Purchase (“RFOTP”)**

At the December 2017 meeting, staff recommended, and the Board approved the issuance of three separate RFOTPs -- for the Commissary and PX, the Warehouse District, and the Post Office Area – with the option to propose individual or interrelated projects on one or more parcels.

Since all of these parcels were in close proximity to one another and to facilitate proposals of the highest and best use, the RFOTP scoring provided additional consideration to parties who proposed to purchase multiple parcels. Additionally, parties bidding on the Commissary & PX and/or the Warehouse District had the option of also bidding on the Parking Area and received additional scoring consideration over bidders on those parcels who elected not to bid on the Parking Area.

FMERA received five (5) proposals for the Commissary and PX Parcels, four (4) proposals for the Post Office Area and five (5) proposals for the Warehouse District in response to its May 8, 2018 Requests for Offers to Purchase (RFOTP). Following the evaluation and scoring process, OPort was selected as the highest-scoring potential Purchaser of two of the three parcels, the Warehouse District and the Post Office Area. Although OPort included an offer for the 1000 Area Parking, the Commissary & PX Complex, another proposer scored highest in conjunction with its proposed use for the Commissary & PX Complex. Therefore, the evaluation committee recommended proceeding with negotiations with OPort for a PSARA for the Warehouse and Post Office Parcels only. The PSARA for the Post Office and Warehouse Parcels was approved by the Board at its July 17, 2019 (“Warehouse PSARA”) meeting and executed by FMERA and OPort on September 16, 2019.

Warehouse PSARA

Under the terms of the Warehouse PSARA, Purchaser proposed to demolish all of the existing buildings and use the Warehouse Parcel for Class A office buildouts, and Post Office for additional Class A office buildouts. Purchaser was to pay One million nine hundred and fifty thousand (\$1,950,000.00) dollars for the property and invest a total of thirty-one million four hundred and forty-three thousand and seven hundred and fifty (\$31,443,750) dollars into the Project. Twelve million nine hundred thousand (\$12,900,000.00) dollars as the Post Office Area and eighteen million five hundred and forty-three thousand and seven hundred and fifty (\$18,543,750.00) dollars as to the Warehouse



District. OPort was provided a sixty-day Due Diligence period commencing on the effective date of the PSARA and had thirty days to apply and diligently pursue approvals following the later to occur of the final and non-appealable amendment to the Reuse Plan or completion of Due Diligence. Its Approval period was for fourteen months with an optional six-month extension. The Project was to be completed within eighteen (18) months after completion of demolition and site work not to exceed twenty-two (22) months after closing on the Property. Closing(s) on the Property shall occur within thirty (30) days after satisfaction or waiver of the Conditions Precedent to Closing. Conditions precedent to Closing include OPort obtaining or waiving All Approvals within the Approval Period necessary to develop the Project; an amendment to the Reuse Plan to accommodate the Project; FMERA obtaining title and a FOST to Parcels 57; and the consent of the NJEDA Board. Purchaser was to have thirty (30) days to apply and diligently pursue approvals following the later to occur of the final and non-appealable amendment to the Reuse Plan or completion of Due Diligence. OPort estimated that it will create approximately four hundred thirty nine (439) part-time and/or full-time permanent jobs within twenty-four (24) months of project completion or pay a penalty of \$1,500 per permanent job not created. OPort is responsible for funding a total of one thousand (1000') linear feet of new water main and one thousand (1000') linear feet of new sewer main along Razor and Anson Avenues, or in such other off-site location as directed by FMERA. Abutting developers will be obligated to install or fund additional water and sewer infrastructure to complete the connection of the Property to off-site public utilities. Purchaser will also be responsible for running new electrical distribution lines from the Property to an upgraded JCP&L substation following FMERA's conveyance of the abutting electric substation to JCP&L at a future date.

Commissary PSARA

On October 11, 2019, the highest-scoring potential Purchaser for the Commissary and PX Parcels and 1000 Area Parking terminated its negotiations for the Commissary and PX Parcels and 1000 Area Parking. As OPort was the second highest score, FMERA initiated negotiations with OPort for these parcels. The PSARA for the Commissary/PX and Parking Lot ("Commissary PSARA") was approved by the Board at its November 13, 2019 meeting and executed by FMERA and OPort on February 5, 2020.

Under the terms of the Commissary PSARA, Purchaser proposed to reuse the remaining Commissary building for a commercial building and to demolish all the remaining buildings. The site would ultimately serve as an enrichment center incorporating a provision for food service, a culinary school, crafts production, arts adaption, etc., Purchaser was to pay three million (\$3,000,000.00) dollars for the property and invest a total of twenty-three million (\$23,000,000.00) dollars into the Project. OPort was provided a sixty-day Due Diligence period commencing on the effective date of the PSARA and had two additional thirty (30) day due diligence extensions. Its Approval period was for fourteen months with an optional six-month extension. The Project was to be completed twenty-seven (27) months after closing on the Property. Closing(s) on the Property was to occur within thirty (30) days after satisfaction or waiver of the Conditions Precedent to Closing. Conditions precedent to Closing include OPort obtaining or waiving All Approvals within the Approval Period necessary to develop the Project; an amendment to the Reuse Plan to accommodate the Project; FMERA obtaining title and a FOST to Parcels 55, 57, 64, and 65; and the consent of the NJEDA Board. The parties would endeavor to satisfy these contingencies prior to the expiration of Purchaser's Approval Period. Purchaser was to have thirty (30) days to apply and diligently pursue approvals following the later to occur of the final and non-appealable amendment to the Reuse Plan or completion of Due Diligence. OPort estimated that it will create approximately three hundred eleven (311) part-time and/or full-time permanent jobs within twenty-four (24) months of project completion or pay a penalty of \$1,500 per permanent job not created. OPort will also be responsible for funding a total of five hundred (500') linear feet of new water main and five hundred (500') linear feet of new sewer main along Razor and Anson Avenues, or in such other off-site location as directed by FMERA. Abutting developers will be obligated to install or fund additional water and sewer infrastructure to complete the connection of the Property to off-site public utilities. Purchaser will also be responsible for running new electrical distribution lines from the Property to an upgraded JCP&L substation following FMERA's conveyance of the abutting electric substation to JCP&L at a future date.

Reinstated Amended and Merged Warehouse PSARA and Commissary PSARA

At the June Board meeting, the Board approved the merger of the Post Office, Parking Lot and Commissary/PX parcels for one cohesive parcel to encompass Class A office space which can support both general and food related research uses and flex space as ancillary related product storage and distribution in support of other primary uses.

The merger also serves as a support to the Commissary space, which shall serve as an enrichment center incorporating a provision for food services, a culinary school, crafts production, arts adaptation (including music and art facilities for enrichment learning for all ages) as well as the display of art. The complex may also potentially include retail, office, entertainment, research and development. This merger simplifies land use planning and land use compliance. In order to facilitate the merger, timelines including Due Diligence, Approval Period, Reuse Plan Amendment, and Closing between the Warehouse and Commissary Parcels were aligned within this amendment.

The Purchase Price was reduced in exchange for an expedited closing by September 30, 2020 in which OPort has agreed to close without receiving All Approvals to allow FMERA to meet its financial obligations for 2020. If Purchaser did not close by September 30, 2020, OPort must pay the original Purchase Price of Four Million Nine Hundred and Fifty Thousand (\$4,950,000.00) dollars. The reduced purchase price remains above the required minimum bids threshold as required under the RFOTPs.

The PSARA was also Reinstated as Purchaser had conditionally terminated the Warehouse PSARA by letter dated April 22, 2020 and the Commissary PSARA by letter dated June 5, 2020 with the hope that FMERA would provide an extension to the Due Diligence Period to completed additional environmental testing and building inspection. FMERA agreed to both extensions as OPort was working in good faith during the Due Diligence Period and was entitled to additional time to investigate the site.

Due to recent unforeseen items in the closing process, OPort has asked for an extension to the Closing date of September 30, 2020 while still allowing Purchaser to receive the Purchase Price reduction for waiving All Approvals and an early closing on the Property. Under the Reinstated Amendment and Merger to the Purchase and Sale and Redevelopment Agreement, in the event that the Purchaser exercises Purchaser's option to waive the Approvals Period and proceed to Closing on or before September 30, 2020 pursuant to Sections 8(c)(i), the Purchase Price shall be reduced to a total of Four Million Three Hundred Fifty Thousand Dollars (\$4,350,000.00). OPort now seeks an extension of this timeline to October 20, 2020.

Amendment to the Reinstated, Amended and Merged Purchase and Sale & Redevelopment Agreement

The attached Amendment to the Reinstated, Amended and Merged PSARA includes the following revisions to material terms:

1. **Purchase Price.** In the event that the Purchaser exercise Purchaser's option to waive the Approvals Period and proceed to Closing on or before October 20, 2020 pursuant to Sections 8(c)(i), the Purchase Price shall be reduced to a total of Four Million Three Hundred Fifty Thousand Dollars (\$4,350,000.00).

All other material terms of the PSARA as presented to the Board will remain unchanged.

The attached Amendment to the Reinstated, Amended and Merged PSARA was transmitted to the Real Estate Committee on September 22, 2020 and is in substantially final form. The final terms of the amendment will be subject to the approval of FMERA's Executive Director, OPort Partner, LLC and the Attorney General's Office. The Real Estate Committee approved the request on September 23, 2020 and recommends it to the Board for approval.

Recommendation

In summary, I am requesting that the Board approve the Amendment to the Reinstated Amended and Merged Purchase and Sale & Redevelopment Agreement with OPort Partners, LLC for the Warehouse, Post Office, Commissary/PX & the Parking Lot in Oceanport.

Bruce Steadman

Prepared by: Kara Kopach