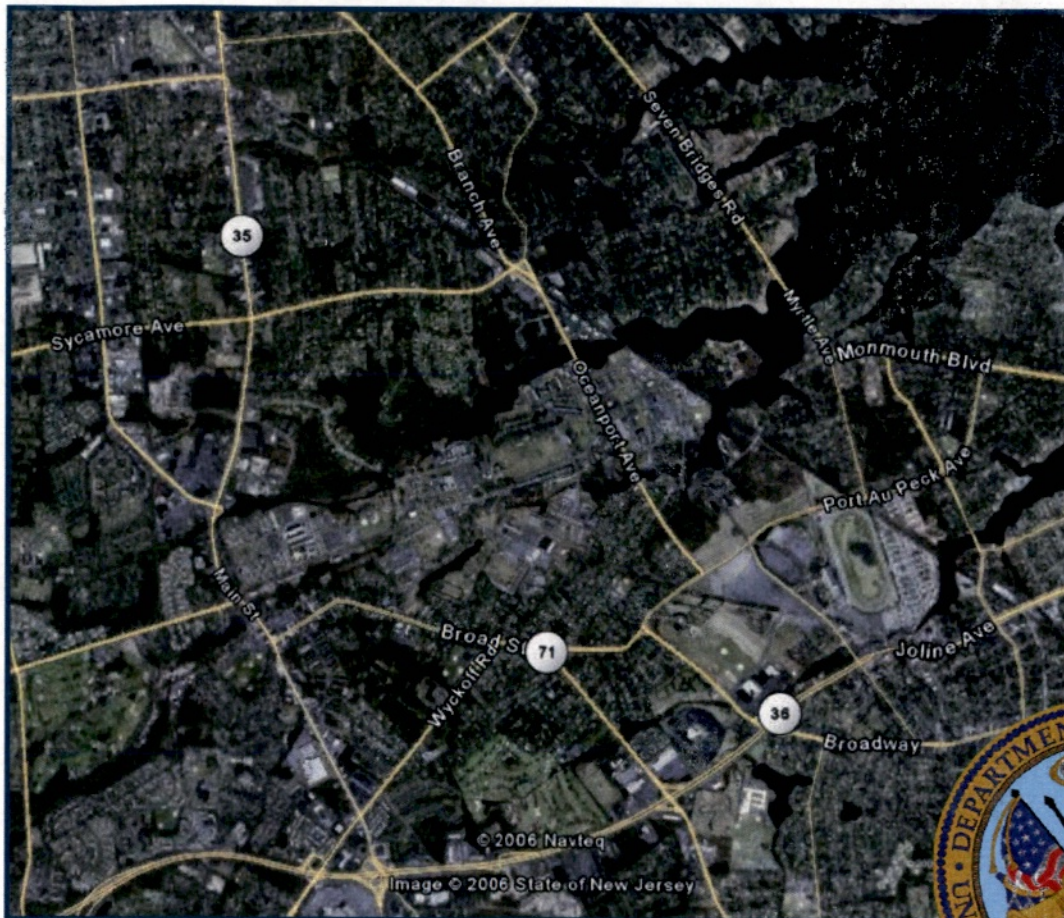


Fort Monmouth

Fort Monmouth, NJ



Site Assessment Report

Transition from the Army to the Community



May 2, 2006
Fort Monmouth
Fort Monmouth, NJ
Site Assessment Report

Fort Monmouth Fort Monmouth, NJ

Site Assessment Report *Transition from the Army to the Community*



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I EXECUTIVE SUMMARY

Fort Monmouth consists of two parcels totaling just more than 1,125 acres and is located approximately 55 miles south of New York, NY. The general character of the surrounding area is residential with some commercial and light industrial interspersed. The main post is surrounded by the town of Oceanport to the East and Eatontown to the West. Similarly, the Charles Wood area is surrounded by Eatontown to the East and Tinton Falls to the West. Current out grant tenants on the property will be required to relocate or negotiate a lease with the new property owner. Grants for utilities should remain in place. The location and surroundings suggests a mixed use development that would combine residential, recreation, research and office and possibly light industrial uses. It appears that there will be one reuse authority made up of the three jurisdictions which should aid negotiations.

A. SUMMARY OF FINDINGS

Fort Monmouth is located in eastern-central New Jersey between the two large population centers of New York City and Philadelphia. Fort Monmouth is immediately located in three townships which include Eatontown, Oceanport and Tinton Falls. The fort is located in one of the fastest-growing counties in New Jersey with easy access to excellent road, rail and air transportation networks. There are 1.5 million people within 20 miles of the site, and approximately 35.1 million people located within 150 miles, which creates healthy markets for consumer goods and services. Furthermore, the population surrounding Fort Monmouth is highly educated and skilled; and therefore, many people in the area command higher paying jobs which help drive the retail and tourist industry in the area.

The site has two distinct areas – the main post and the Charles Wood area. Fort Monmouth is on approximately 1,125 acres. Fort Monmouth is an active operating base. The principal features on the main post are the U.S. Military Academy Prep School and the Army's Communication and Electronic Command. The fort contains approximately 15 acres of non-developable wetlands. Furthermore, there are 117 historically eligible buildings on the main post but none of them have been proposed or listed as a National Historic Landmark. The site has primarily been used for research and technology development and consists of a fiber optic ring that encircles part of the main post. There is also a golf course and firing range at Charles Wood area and a marina on the main post. There are approximately 5 million square feet of Army-owned facilities at Fort Monmouth. The facilities are in generally good condition. The installation is bordered by water, residential communities and commercial areas. There is rail and highway transportation adjacent to the site. The Garden State Parkway runs to the west of the Charles Wood area.

The favorable market and labor conditions in the Fort Monmouth region positively affect the range of opportunities that could take place at Fort Monmouth. Fort Monmouth offers an excellent location with direct access to New York City and Philadelphia. Furthermore, the transportation network provides the opportunity for people to live in the Fort Monmouth area but work in cities such as Newark, New York and Philadelphia. The economy is healthy with the main economic drivers found in retail and tourism.



B. SITE ASSESSMENT CONCLUSION AND NEXT STEPS

Based on the research and discussions conducted as part of this study, below are some high level findings and considerations as the Army and Community focus on re-use opportunities:

- The superb location of the site, high tech-buildings and amenities at Fort Monmouth create an opportunity for the local community to help spur new investment and economic benefit for the surrounding areas of Fort Monmouth to include New York and Philadelphia.
- The mission of the fort has ensured the technology advancement of the site – the buildings and the technology infrastructure lends itself to opportunities for commercial and office use not only for businesses in the immediate area but for businesses headquartered in New York or Philadelphia that are interested in having alternative offices.
- The current high-level Army activities on the site will need to be transferred to another location prior to transfer, and therefore all creative methods of accommodating the replacement facilities at the earliest time should be considered in order to take advantage of the potential to transfer the site at the earliest opportunity.



II. REGIONAL CONTEXT

A. LOCATION / CONTEXT

Fort Monmouth is located in eastern-central New Jersey in Monmouth County (pop. 615,301). The fort is located in the Shore Region of New Jersey on the state's northern Atlantic coastline with part of the fort just west of the Shrewsbury River which connects to the Atlantic Ocean. Fort Monmouth is strategically located between two large population centers; Fort Monmouth is within 50 miles south of New York City (pop. 8.2 million) and within 80 miles north of Philadelphia (pop. 6.2 million). Furthermore, Fort Monmouth is centrally located in the Boston-Washington Corridor; the fort is within four hours driving time from Boston (pop. 589,141), Newark, NJ (pop. 273,546) Washington D.C. (pop. 563,384), Baltimore (pop. 641,943) and Providence, RI (pop. 173,618). (See map and table below.)

Fort Monmouth – National View



Source: Mapquest

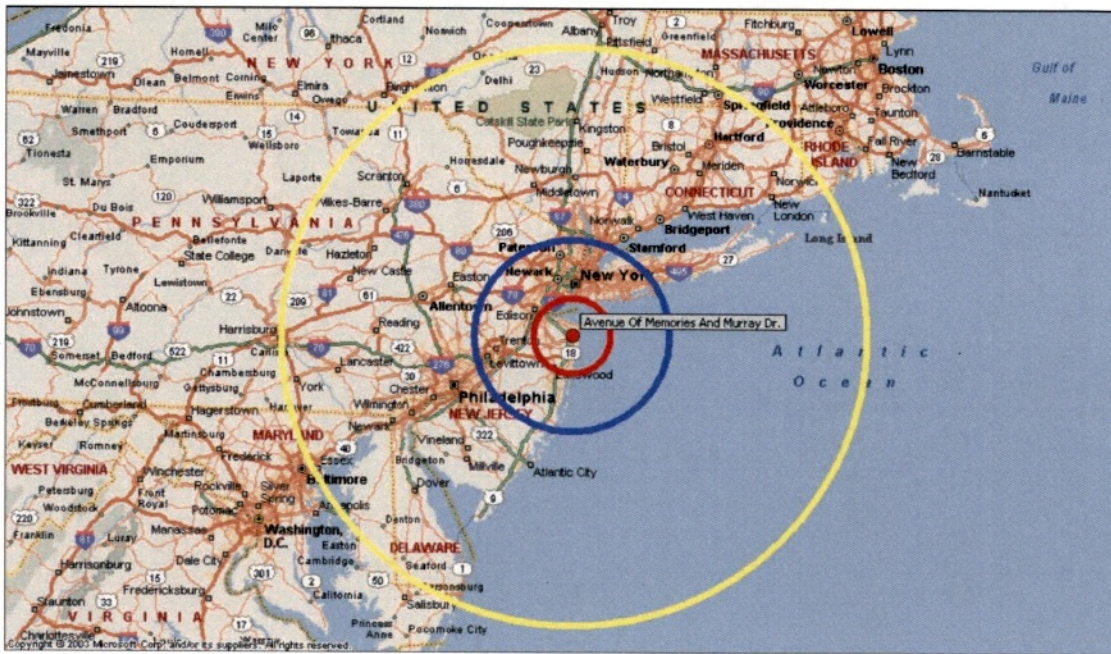


Cities	Driving Distance from Ft Monmouth	Direction
New York City	49 miles	North of Ft Monmouth
Philadelphia	82 miles	Southwest of Ft Monmouth
Washington DC	213 miles	Southwest of Ft Monmouth
Boston	264 miles	Northeast of Ft Monmouth
Providence, RI	228 miles	Northeast of Ft Monmouth
Toronto, Canada	471 miles	Northwest of Ft Monmouth

Source: Mapquest

Fort Monmouth, NJ – Regional View

Below is a regional view of Fort Monmouth. The red circle indicates a 20-mile radius from Fort Monmouth, the blue circle is a 50-mile radius from Fort Monmouth and the yellow circle indicates a 150-mile radius from Fort Monmouth.



Source: Claritas

The fort is located in Monmouth County which is one of the fastest growing counties in New Jersey. Monmouth County with shoreline along the Atlantic Ocean is one of the counties which make up the Shore Region in New Jersey. Fort Monmouth is located only a few miles from the beaches along the New Jersey Shore. The fort has two distinct areas – the main post and the Charles Wood area which together consist of 1,125 acres. The main post is divided between two townships – 218 acres on the main post are in Eatontown, NJ and the other 419 acres on the main post are in Oceanport, NJ. Charles Wood is also divided between two townships – 254 acres on Charles Wood are in Tinton Falls, NJ and the other 235 acres on Charles Wood are in Eatontown, NJ. The fort is directly northeast of another military installation – the Naval Weapons Station Earle. The principal entrance to the fort is easily accessible from the Garden State Parkway. The fort also has a marina that provides access to waterways such as the Shrewsbury River that eventually spill into the Atlantic Ocean. Fort Monmouth (although a security perimeter currently surrounds it) blends into the suburban area that surrounds the fort. There are residential areas that are immediately adjacent to the perimeter of the fort.



Fort Monmouth, NJ – Local View



Source: Mapquest



B. TRANSPORTATION INFRASTRUCTURE

MAJOR ROAD NETWORKS

Fort Monmouth is conveniently located in close proximity to the Garden State Parkway which is immediately west of the Charles Wood area. The Garden State Parkway runs north-south and is a major corridor north into New York and south into Philadelphia. The Parkway is merged with the New Jersey Turnpike which is one of the nation's most traveled arteries.¹ There are several other freeways that service the county to include Interstate 195 (James J. Howard Interstate Highway), U.S. Route 9 and 10 and state routes with truck service and facilities available throughout Monmouth County.² The fort is located approximately 25 miles east of Interstate 95 which is the major interstate that runs north-south primarily through East Coast States linking New England with South Florida.

RAIL AND AIRPORT SYSTEMS

The Fort Monmouth area is serviced by two freight carriers, CSX transportation and Norfolk Southern which connect the region with the North American railway network. New Jersey Transit's North Jersey Coast Line provides passenger service from more than 10 stops in Monmouth County to Newark and midtown Manhattan's Penn Station. There is a New Jersey Transit rail stop less than a half of mile from Fort Monmouth. The New Jersey Coast Line also provides transportation to the Newark International Airport Station. Furthermore, Amtrak is available in nearby communities at the New Brunswick and Metro Park stations in neighboring Middlesex County which provides long distance passenger service to New York, Philadelphia, Baltimore, and Washington D.C.

Fort Monmouth is conveniently located within an hour driving time from three major international airports: Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport. The fort is approximately 40 miles south of the Newark Liberty International Airport which is located in Essex and Union Counties. The airport, which is operated by the Port Authority of New York and New Jersey, offers direct service to many national and international destinations. The Newark International Airport provided service to more than 39 million passengers in 2004. The John F. Kennedy International Airport and LaGuardia Airport both in New York are approximately an hour north of Fort Monmouth and also offer domestic and international flights. Another public airport close to Fort Monmouth is the Monmouth Executive Airport in Wall Township which caters to personal and corporate aircraft. The airport is approximately 13 miles south of the fort.

There are ferry services that provide transportation between Monmouth County and Manhattan. The New York and New Jersey Port Authority "is the largest port complex on the East Coast of North America and is located at the hub of the most concentrated and affluent consumer market in the world, with immediate access to the most extensive interstate highway and rail networks in the region."³ The Port Authority oversees the operation of seven cargo terminals in the New York-New Jersey region which include the Elizabeth Marine Terminal, Howland Hook Marine Terminal, Port Newark, Auto Marine Terminal and Brooklyn Marine Terminal. The terminals are highly integrated, secure and have efficient rail and trucking services.

¹ <http://www.state.nj.us/turnpike/>

² <http://www.visitmonmouth.com/econdev/trans.asp>

³ <http://www.panynj.gov/AboutthePortAuthority/FacilitiesandServices/>



C. DEMOGRAPHIC SUMMARY

POPULATION STATISTICS

Fort Monmouth is located among three principal townships. The Oceanport Township which is adjacent to the main post of Fort Monmouth has a population of 5,807; the Eatontown Township in which part of the main post and part of the Charles Wood area are located in has a population of 14,008; and in Tinton Falls in which part of the Charles Wood area is located in has a population of 15,053. In 2005, however, there were an estimated 1.5 million people within a 20-mile radius of Fort Monmouth. The population increases dramatically within 50 miles of Fort Monmouth to an estimated 17.2 million people. The area between 50-150 miles from Fort Monmouth has a much higher density than the immediate area around Fort Monmouth. There are more than 35.1 million people estimated in 2005 within 150 miles of Fort Monmouth; this area includes the New York City and Philadelphia Metropolitan areas. The area around Fort Monmouth had a 4.5% increase in population since the 2000 U.S. Census. The population in the immediate area of Fort Monmouth has grown consistently in the last 15 years.

Between 1990 and 2000 there was a 12.1% increase in population in the immediate area of Fort Monmouth. The population growth in this area has been consistent with the overall population growth in the United States. This growth is expected to continue; however, at a slower rate than in the previous years. (See table below)

Population of Fort Monmouth, NJ area

Fort Monmouth, NJ	0 – 20 miles	0 – 50 miles	0 – 150 miles	USA
2010 Projection	1,547,997	17,533,654	36,075,356	309,574,407
2005 Estimate	1,481,951	17,167,282	35,059,014	295,140,073
2000 Census	1,418,653	16,812,945	34,092,909	281,421,906
1990 Census	1,265,220	15,498,053	31,746,788	248,709,873
Growth 2005 – 2010	4.5%	2.1%	2.9%	4.8%
Growth 2000 – 2005	4.5%	2.1%	2.8%	4.8%
Growth 1990 – 2000	12.1%	8.5%	7.4%	13.1%

Source: Claritas

AGE-DISTRIBUTION

Approximately 60% of the population in the immediate area of Fort Monmouth is between the ages of 21 and 64 years old. This age distribution is consistent with the population distribution of the population between 50 and 150 miles from Fort Monmouth. This translates to a more robust workforce in the communities surrounding Fort Monmouth. (See table and graph below)

Population by age in the Fort Monmouth, NJ area

Ft Monmouth	0–20 miles	%	0–50 miles	%	0–150 miles	%	USA	%
16+	1,163,100	78.5	13,512,626	78.7	27,653,615	78.9	230,146,414	77.9
18+	1,121,031	75.7	13,060,698	76.1	26,683,298	76.1	221,671,466	75.1
21+	1,068,798	72.1	12,422,199	72.4	25,303,654	72.2	208,781,848	70.7
65+	199,209	13.4	2,225,534	13.0	4,702,887	13.4	37,055,843	12.5

Source: Claritas



Population – Age Distribution in Fort Monmouth, NJ area



Source: Claritas

EDUCATION

In Monmouth County there are three higher education institutions which include Monmouth University, Brookdale Community College and Talmudical Academy. Monmouth University is a private university in West Long Branch, NJ which offers 26 degree programs. Brookdale Community College offers 2-year associate degrees in more than 55 different programs. Brookdale is located five miles northwest of the fort in Lincroft, NJ. There are approximately 14,000 part and full-time students enrolled. The college consists of a 220-acre main campus and five other sites throughout Monmouth County.

The education level in the Fort Monmouth area is higher than the national average. For example, 18% of the 25+ population within 20 miles of Fort Monmouth has a bachelor's degree, whereas the national average is 16% of the population with a bachelor's degree. (See table below)

Education-Level in Fort Monmouth, NJ area

Fort Monmouth	0 – 20 miles	%	0 – 50 miles	%	0 – 150 miles	%	USA	%
H.S. or GED	305,092	30.55	3,049,388	26.38	6,892,484	29.29	54,729,757	28.44
Some college	184,644	18.49	1,882,170	16.28	3,980,753	16.92	40,718,117	21.16
Associate degree	63,421	6.35	621,950	5.38	1,380,854	5.87	12,241,341	6.36
Bachelor's Degree	178,473	17.87	2,030,552	17.57	3,955,737	16.81	30,208,987	15.70
Master's Degree	71,371	7.15	922,613	7.98	1,775,374	7.55	11,419,749	5.93
Professional School Degree	21,400	2.14	341,714	2.96	617,965	2.63	3,808,958	1.98
Doctorate Degree	8,173	0.82	135,196	1.17	261,917	1.11	1,865,872	0.97

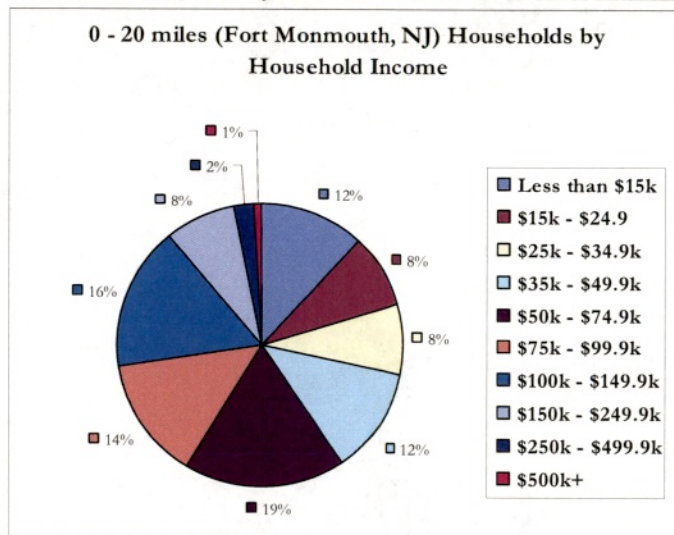
Source: Claritas



INCOME / FINANCIAL STATISTICS

The per capita income in Oceanport is \$33,356, in Eatontown it is \$26,965 and in Tinton Falls it is \$31,520.⁴ The per capita income in the immediate area of Fort Monmouth is well-above the national per capita income average of approximately \$22,000 for the 2000 Census. The per capita income within 20 miles of Fort Monmouth is \$29,959 which is still higher than the regional and national level. Within 50 and 150 miles from Fort Monmouth the per capita income continues to be well-above the national average. The 2000 median household income within 20 miles of Fort Monmouth is \$62,903, and the median family household income is \$76,437.⁵ The median household income for the area within 20 miles of Fort Monmouth is approximately 50% higher than the median income of \$41,994 for the United States. The income levels between the communities adjacent to the fort and the region as a whole are quite similar. The area around Fort Monmouth is affluent and is supported by the higher per capita and household incomes than the national averages for per capita and median household incomes. Approximately 40% of the households in the Fort Monmouth area have a household income of \$75,000 or more; whereas, only 28% of the households nationwide make this amount or more. (See charts below)

2005 Est. Households by Household Income in Fort Monmouth, NJ



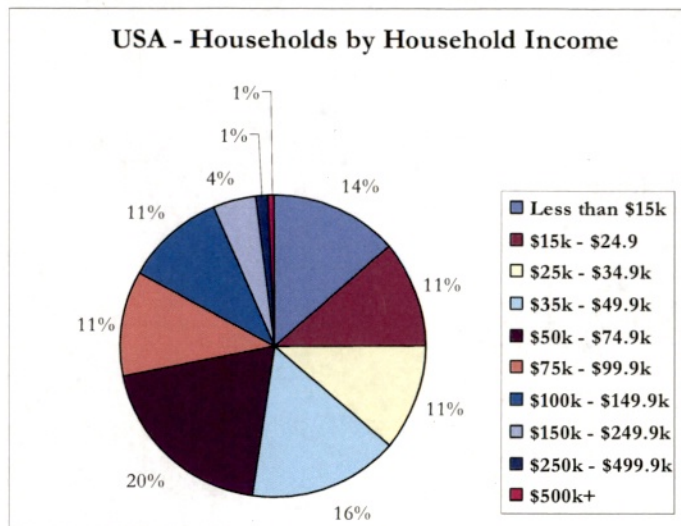
Source: Claritas

⁴ <http://www.census.gov/>

⁵ Source: Claritas



2005 Est. Households by Household Income in USA



Source: Claritas



D. ECONOMIC SUMMARY

ECONOMIC CONDITION FOR REGION

Fort Monmouth, strategically located between Philadelphia and New York and in close proximity to the Atlantic Ocean, attracts both educated, affluent residents and tourists. With 17 miles of beachfront and its proximity to New York City and Philadelphia, tourism is an income generator in the county as the area primarily attracts regional travelers. Retail is also an important economic driver in the Fort Monmouth region. With the strong market base, the Monmouth County Chamber of Commerce estimates that retail sales generate \$5 billion annually. The economy is not only fueled by retail and tourism in Monmouth County, but also, by services, health care, telecommunications and technology.

The 2004 unemployment rate in Monmouth County was 3.6% which is considerably lower than the 2004 national unemployment rate of 5.5%. However, the municipalities immediately outside the gates of Fort Monmouth have unemployment rates that are slightly higher than the county's unemployment rate as a whole; however, these rates are still below the national unemployment rate. The 2003 unemployment rate for Eatontown was 4.9%, for Oceanport was 4.7% and for Tinton Falls was 3.8%.⁶

MAJOR INDUSTRIES AND EMPLOYERS

A majority of Monmouth County's industries and employers focus on retail and services. The strong environment for tourism fuels the service sector and helps boost the retail sector. Furthermore, health services provide a majority of the employment in Monmouth County.

Major Employers in the Monmouth County area in 2005

Company	Number of Employees
Meridian Health System	7,500
U.S. Army Communications Electronics Command and Fort Monmouth	5,500
AT&T	4,050
County of Monmouth Hall of Records	3,607
Foodarama Supermarkets	2,458
CentraState Healthcare Systems	2,156
Monmouth Medical Center	2,050
Bayshore Community Health Services	1,700
Naval Weapons Station Earle	1,500
Asbury Park Press	1,335
Lucent Technologies	1,331
Monmouth University	1,100
Norkus Enterprises, Inc.	1,100
Horizon Blue Cross Blue Shield	800
Food Circus Super Markets, Inc.	790

Source: New Jersey's Monmouth County Economic Development⁷

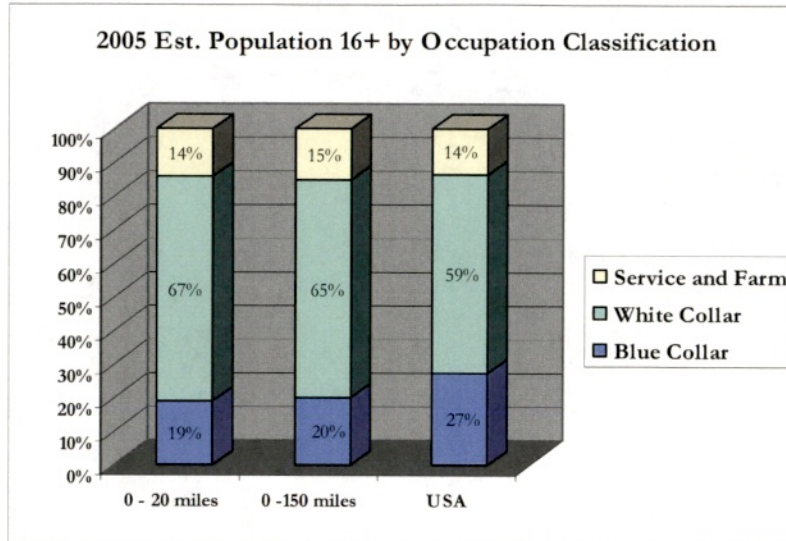
⁶ Source: New Jersey Data Center (April 2004)

⁷ <http://www.visitmonmouth.com/econdev/MajorEmployersList2005.pdf>



More than 65% of the Fort Monmouth area's labor force works in white collar jobs with only 19% of the population working in blue collar jobs. (See graph below)

2005 Estimated Population 16+ by Occupation Classification in Fort Monmouth, NJ



Source: Claritas

2005 Est. Civilian Employed Population 16+ by Occupation in Fort Monmouth, NJ

Fort Monmouth, NJ	0 - 20 miles	%	0 - 50 miles	%	0 - 150 miles	%	USA	%
Population	678,938		7,622,577		16,280,136		138,160,443	
Management, Business & Financial Operations	103,089	15.2	1,143,982	15.0	2,369,265	14.6	18,830,540	13.6
Professional & Related Occupations	149,668	22.0	1,764,479	23.2	3,666,321	22.5	27,985,328	20.2
Service	95,165	14.0	1,186,831	15.6	2,447,255	15.0	20,337,033	14.7
Sales and Office	201,019	29.6	2,150,551	28.2	4,507,591	27.7	36,916,114	26.7
Farming, Fishing, and Forestry	939	0.1	6,110	0.1	37,077	0.2	1,016,888	0.7
Construction, Extraction & Maintenance	57,739	8.5	531,182	7.0	1,293,166	7.9	13,069,445	9.4
Production, Transportation & Material Moving	71,319	10.5	839,442	11.0	1,959,461	12.0	20,005,095	14.4

Source: Claritas

Labor Costs

The average hourly wage for Monmouth-Ocean County is \$19.75 which is higher than the average hourly wage of \$18.09 for the United States.⁸

⁸ www.bls.gov



E. SUMMARY OF FINDINGS

Fort Monmouth's location is unmatched. The fort is strategically located between two of the largest population centers in the United States with easy access to both New York City and Philadelphia by road, air and rail. Furthermore, the fort is located at the center of the Boston, MA – Washington, DC Corridor in close proximity to the Atlantic Ocean.

A favorable characteristic of the Fort Monmouth area is the presence of a highly educated and skilled population. Residents have opportunities to pursue jobs in areas such as New York, Philadelphia or Newark because of Fort Monmouth's proximity and easy access to transportation systems. This concentration of highly educated and skilled workers directly impacts the higher per capita incomes these people receive in the communities surrounding Fort Monmouth. The per capita income for the population in the Fort Monmouth area is higher than the national average. However, due to this highly trained and educated population, labor costs are higher in the Fort Monmouth region as compared to the national average.

Fort Monmouth's great location and extensive transportation network consistently attracts tourists that spend money in the region and in turn help drive the region's economy. Furthermore, the location and transportation system facilitates the opportunity for people to live in the Shore Region but work in cities such as Philadelphia and New York.

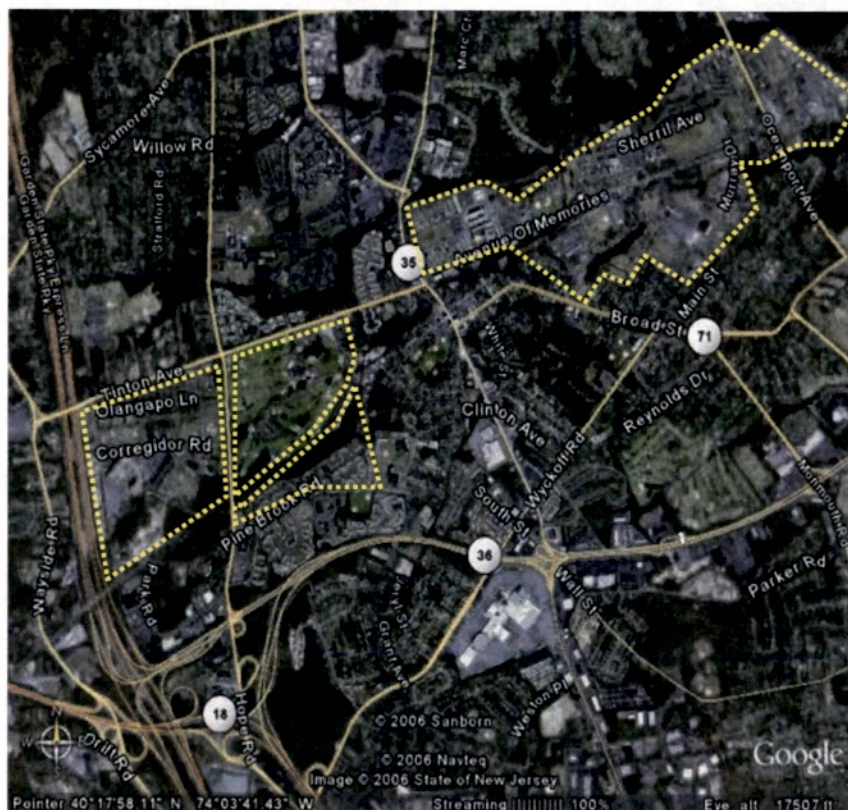


III SITE SUMMARY

A. SITE DESCRIPTION

The following sections provide a description of the existing facilities and summarize environmental issues and natural/cultural resources. The focus is on defining potential environmental constraints applicable to the property. Fort Monmouth consists of approximately 1,100 acres and is located approximately 55 miles south of New York City.

The principal entrance to the Main Post is via Main Street (HWY 35) located on the west side of the post. Located on the eastern portion of the site is Oceanport Ave., a local thoroughfare which can serve as a secondary means of access to the Main Post. However, the fort does not have direct access to a major interstate. Located directly east of the Main Post is Charles Woods area, which is also included in the BRAC 2005 action. Access to this portion of Fort Monmouth is available through Tinton Ave and State Highway 51. Land use in the immediate vicinity of the facility is primarily residential to the north and east with some mixed residential / retail development to the south and west.



Aerial View of Fort Monmouth
Provided by Google Earth

The site itself is a highly developed mixed-use area, the principal features of which are the US Military Academy Prep School and the Army's Communication and Electronic Command. The site contains approximately 44 Acres of non-developable wetlands. There are 117 historically eligible buildings on Main Post, but none of them have currently been proposed or listed as a National Historic Landmark. The historical mission of the facility has been as a research and technology development center. There are several areas of environmental consideration associated with existing landfills, classification exceptions to ground water use and storage tanks (associated with gas stations) in locations on Main Post and Charles Wood area but these areas do not impose any limitations on industrial type reuses or better. The physical



infrastructure of Fort Monmouth/Camp Woods consists of water, sewer, gas, and electric, all of which are in good condition. The telecommunication infrastructure in and around the Post along with redundant power capabilities in several locations are the most attractive features. In addition, there are approximately 4 M square feet of Army-owned facilities on the property, several "Class A" administrative buildings, a medical center and veterinary hospital which are fully operational.



B. NATURAL RESOURCES⁹

Maps 1 and 2 identify areas of the installation where redevelopment must take into account the presence of various natural resources, specifically bodies of water, flood plains and wetlands.

As shown on Map 1 and 2, there are a number of enclosed and adjoining waterways, a significant flood plain footprint, as well as, extensive wetlands and associated buffer. All of the waterways and wetlands at Monmouth are considered sensitive because they provide habitat for various species of indigenous wildlife.

C. CULTURAL RESOURCES¹⁰

Historic Structures

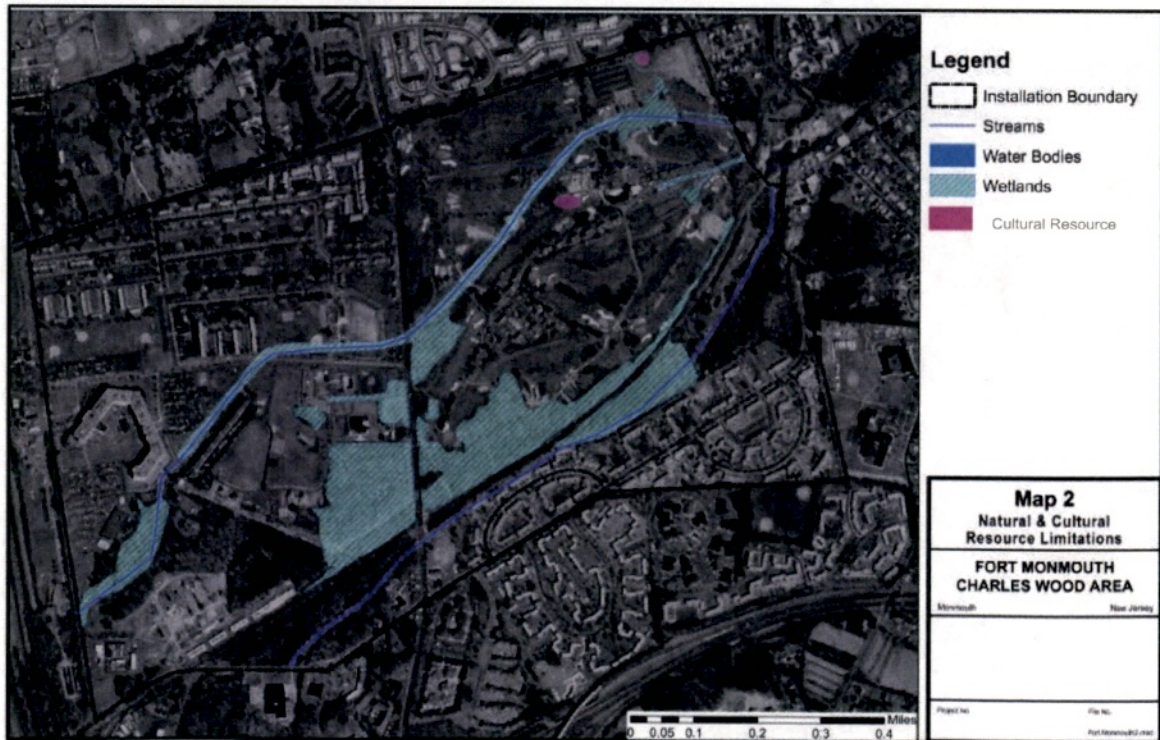
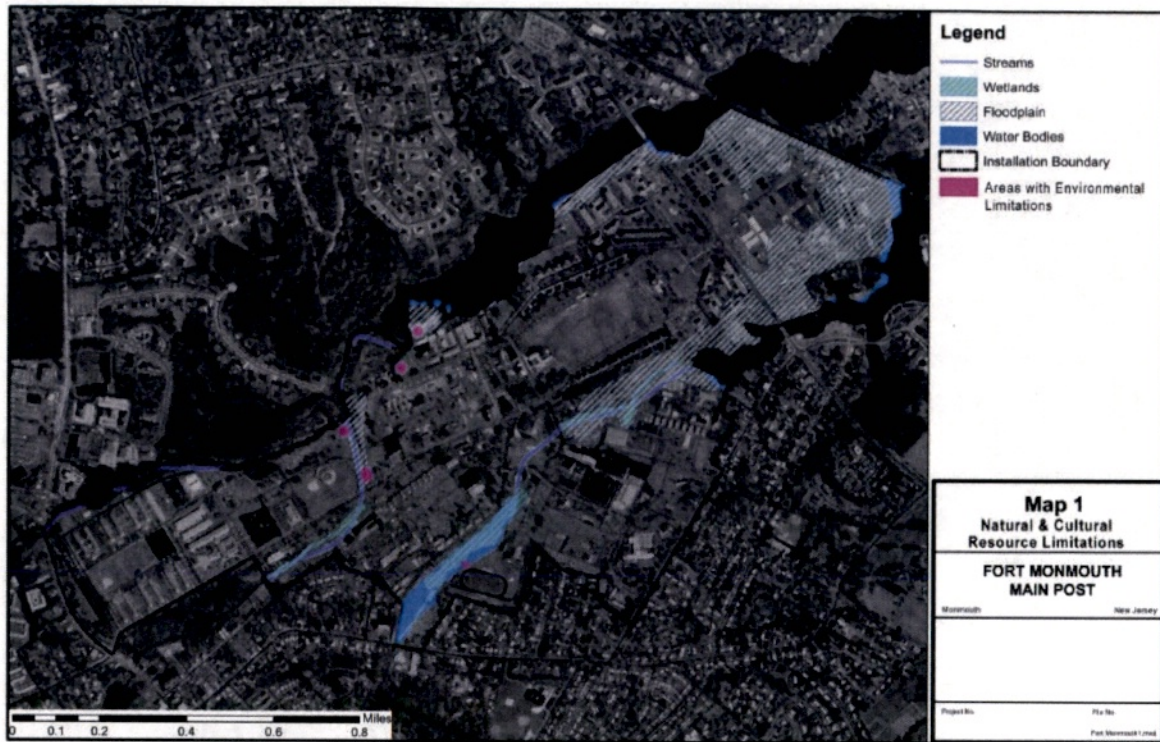
There are 117 Historic family quarters and approximately 10 other facilities in the historic area of Fort Monmouth. All of these facilities are considered eligible for listing on the National Historic Register; however, none have actually been listed. In 2005, a Programmatic Agreement for the family quarters was completed between the Army and the New Jersey State Historic Property Office (NJSHPO). The other facilities were not included in this agreement.

Archeological sites

An archeological survey was conducted in 1984 by John Milner Associates, Inc. which identified eight potential archeological sites (six on Main Post and two on Charles Wood). However, during the Residential Communities Initiative (RCI) one site was eliminated. None of the sites have been listed; however, the potential for eligibility exists. These sites are highlighted on Maps 1 and 2. Potential redevelopers should be sensitive to the possible archeological significance of these sites and have them examined by a competent archeologist prior to disturbing the property. Nevertheless, it is not anticipated that any of these seven sites would pose any immediate or significant limitation with regard to future development.

⁹ The data presented in this section are taken from the draft Environmental Condition of Property Report – Fort Monmouth (AEC, 2005), and interviews with facility staff.

¹⁰ The data presented in this section are taken from the draft Environmental Condition of Property Report – Fort Monmouth (AEC, 2005), and interviews with facility staff.





D. ENVIRONMENTAL LIMITATIONS¹¹

Over the course of its 89 year history, Fort Monmouth has supported a wide variety of missions including engineering laboratories, communications research and development, and material procurement, storage and distribution. It has been the home to the pigeon Breeding and Training Center, the 754th Ordnance Company (Explosive Ordnance Disposal), the United States Military Academy Preparatory School and the U.S. Chaplain Center and School. These activities have resulted in releases of contaminants to the environment in portions of the installation. The US Army began investigating and remediating these sites in 1980 and substantial progress has been made in this regard.

Historically, industrial operations have taken place throughout the installation, i.e., both on the main post and the Charles Wood area. Environmental remediation and investigation have been taking place for some time and the entire facility has been thoroughly examined and many environmental issues have been resolved. A total of 43 sites have been identified; 2 sites are undergoing active remediation, 12 sites are undergoing natural attenuation with long term monitoring and 29 sites are approved and or are awaiting approval for No Further Action status. In some cases, residual groundwater contamination may be encountered. The primary contaminants of interest are organic solvents, PCBs and, to a lesser degree, petroleum hydrocarbons. Those sites that may present some constraint to development are shown on Maps 3 and 4 and are discussed below.

Maps 3 and 4 provide a summary of known locations where releases of hazardous materials have occurred and to one degree or another remain. The map identifies areas that based on contamination or other environmental conditions: (1) are recommended only for highly restricted uses; (2) are reusable for industrial/commercial purpose or better; or, (3) are essentially unrestricted in terms of future use. These areas are color-coded "Red", "Yellow", or "Green", respectively. On the map, however, only the Red and Yellow designations are indicated; any area not otherwise designated is assumed to be Green (unrestricted). In the case of Fort Monmouth, there are no areas that are highly restricted and a majority of the site can be developed for industrial, commercial or higher uses. The following summary should be considered to better and more fully understand the nature of the environmental limitations on the property:

Landfills – There are four closed landfills on the site ranging from 3.2 to 7.2 acres in size. All have been closed and capped. Additionally, all four have groundwater monitoring wells that are sampled quarterly.

Building 886 – This former fuel oil storage area is undergoing active remediation. Associated with this site are eight 6-inch diameter recovery wells, recovery pumps and five ground water monitoring wells. Remedial action operations and quarterly monitoring will remain the responsibility of the Army and will continue for the immediate future.

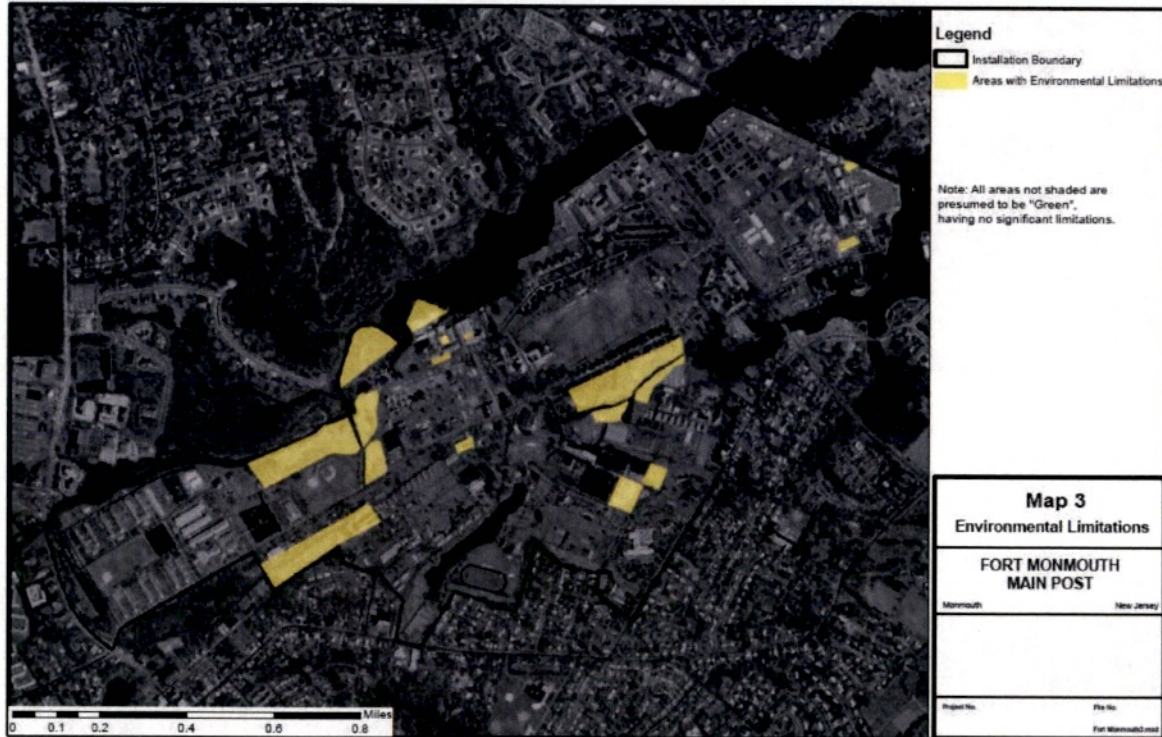
The groundwater contamination noted above does not pose a significant impediment to redevelopment. However, any new construction must maintain the integrity of the landfill caps. Additionally, any construction in the close proximity of groundwater contamination should take into consideration the potential for vapor intrusion.

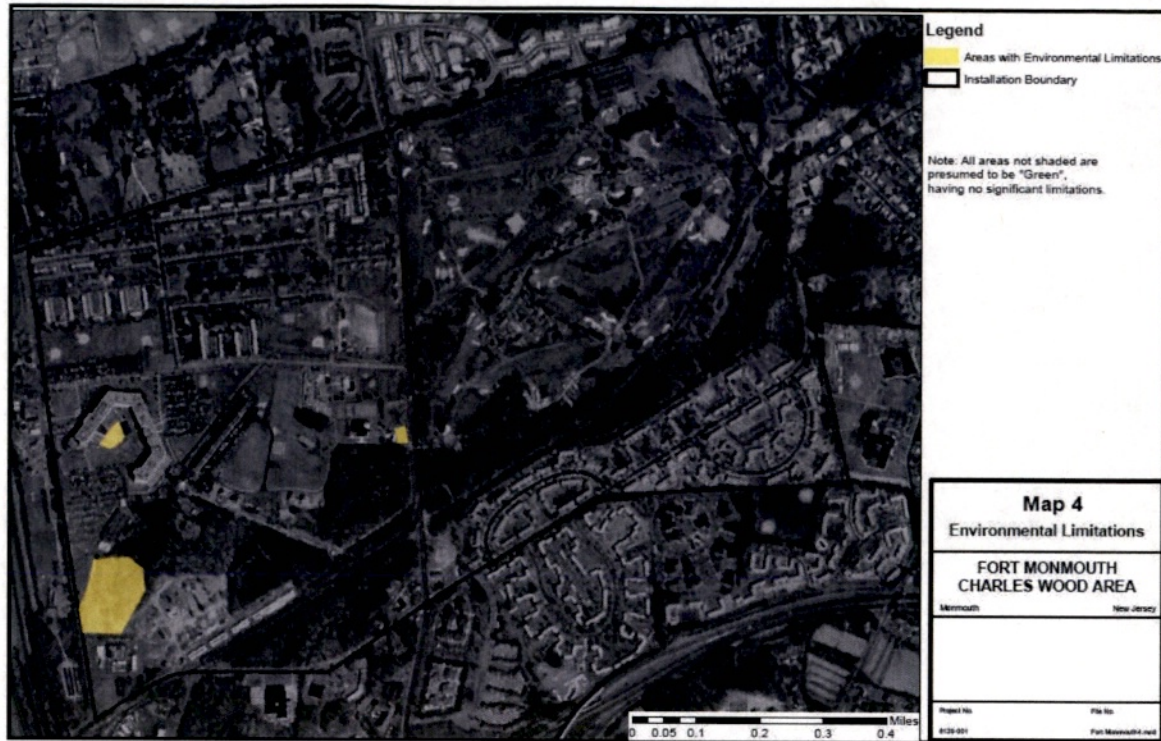
¹¹ The information presented in this section is derived from the draft Installation Action Plan (AEC, 2006); the draft Environmental Condition of Property Report (AEC, 2005); the draft Fort Monmouth BRAC 2005 Implementation Plan (Unknown, 2005), and interviews with facility staff.



Range Activities

There are 15 active ranges at Fort Monmouth. Additionally, there are two closed/inactive ranges at the installation. No UXO or lead investigations have been performed on the property. None of the range activities should interfere with any redevelopment activity.







E. EXISTING FACILITY ANALYSIS

Today, Fort Monmouth is a well-maintained research and office campus. It is a diverse Complex that contains a wide variety of facilities and open spaces. There are approximately 5,000,000 square feet (SF) of Army-owned facilities on the property. A total of 434 buildings and 89 other structures (i.e., bus stops, etc.). There are 667 family housing units of which approximately 474 are vacant as of January 2006. These vacant units are primarily located in the southeastern section on the Charles Wood area of Fort Monmouth in the Pinebrook housing community. The eleven barrack buildings on Main Post can accommodate approximately 742 persons. First Atlantic Federal Credit Union owns and occupies 2 buildings on Fort Monmouth.

The fort has high tech research and development facilities with easily adaptable utility infrastructure. These facilities include labs, specialized testing space, and office space. A fully developed educational campus including dorm rooms with high-speed internet access, indoor/outdoor athletic facilities, dining facility and an auditorium is currently operational on Fort Monmouth. Climate-controlled warehouse facilities are also available. All facilities have state of the art fiber-optic communication systems and 86 percent of the office facilities are equipped with access control, intrusion and fire detection systems. Numerous facilities have emergency backup generators.

The following are specific examples of the facilities on Fort Monmouth:

- 147K SF (Main Post)/65K SF (Charles Wood area) combined office and electronic lab space
- 632K SF (Charles Wood) R&D facility with 7K SF VTC conference room space
- 13K SF provides information management capabilities in 3 separate buildings
- 114K SF health center
- 196K SF child development center
- 1.2M SF of Class A office space
- 5 Large warehouses of 30K to 40K SF including cold storage space
- Numerous community support facilities such as Golf Course, Bowling Center, Marina, Day Care Center, Library, Gas Stations, Fire Station, Commissary and Post Exchange

Facility Condition Assessment:

A general assessment of the condition of the facilities is summarized below and the various locations are highlighted on Map 4 using the color codes below. Facilities not color-coded are primarily "Green" (good condition).

References for the information are: Installation Status Report 2005; Real Property Summary and Site Statistics FY 2006, HQIFS; and discussions with installation personnel.

Green – structures are in good condition and readily adaptable for general reuse

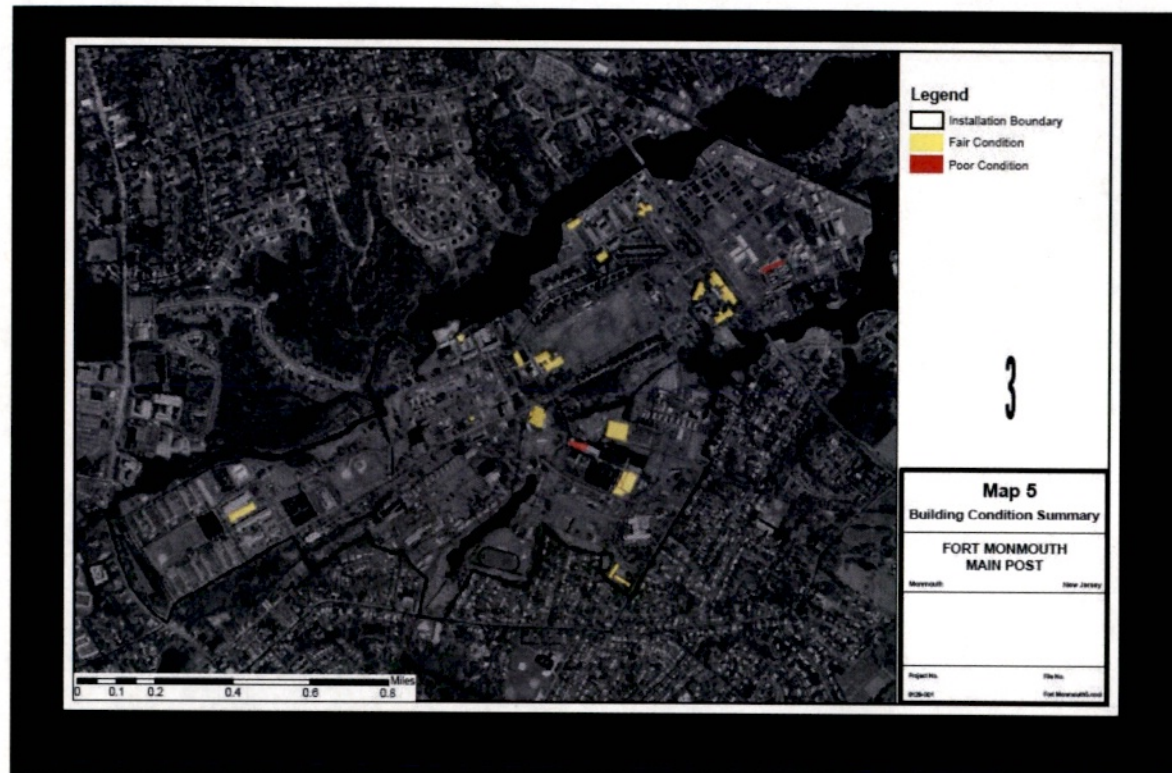
Amber – structures are in fair condition but would require some repair/upgrades

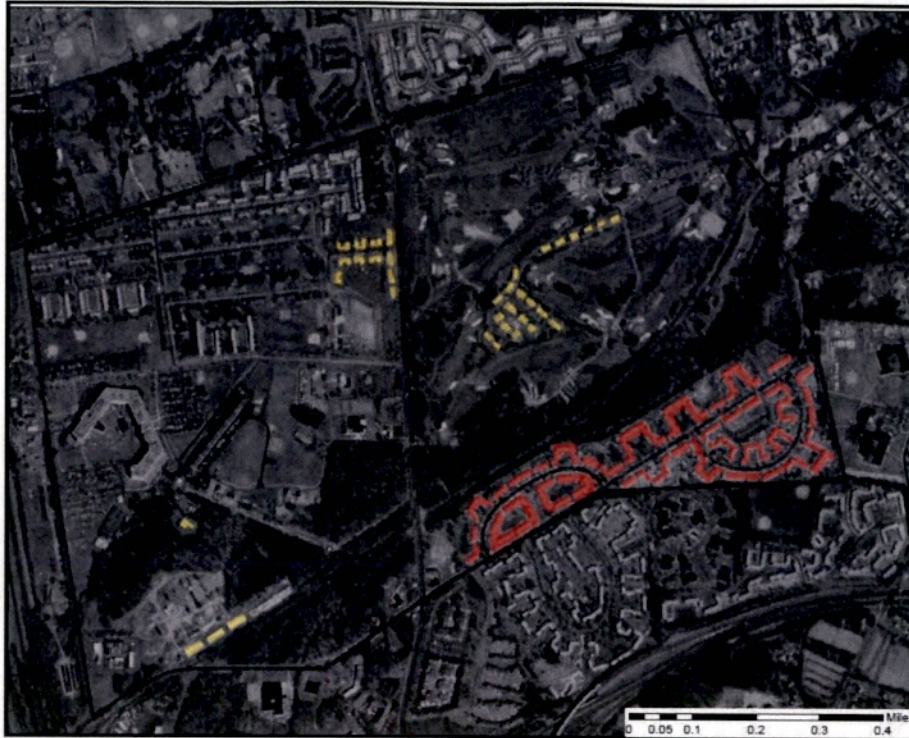
Red – structures are in poor condition and would require significant repair/upgrade before any reuse – demolition may be a viable option

In general, the facilities are in good condition on the main post and portions of the Charles Wood area are also in good condition. Maps 5 and 6 highlight the specific areas which are in fair or poor condition. The following provides an overview of these areas. Only 2 facilities (classroom and storage facility) on the main post were identified as in poor condition and would required significant upgrades. Several other



buildings are considered in fair condition and are marked as amber on Map 5. On the Charles Wood area, all the housing in the Pinebrook area are considered to be in poor condition and are marked in red on the map. The other 2 housing areas and several other buildings are considered in fair condition and marked as amber.





Map 6	
Building Condition Summary	
FORT MONMOUTH CHARLES WOOD AREA	
Map No.	New Jersey
Project No.	File No.
8/10/01	Fort Monmouth



F. UTILITIES AND TRANSPORTATION INFRASTRUCTURE

Utilities Infrastructure

Natural Gas. The natural gas system was privatized in 1994 by the New Jersey Natural Gas Co. which has completely upgraded the system.

Electrical System. The electrical system consists of 6 substations, approximately 26 circuit miles of Primary Distribution Line, 6 circuit miles of Secondary Lines, 1000 street lights and 20.4 miles of lighting conductor and 459 building services. The system is considered to be in excellent condition. Additionally:

- local electric utility provides redundant service connections providing a factor of safety,
- Emergency Electrical Generation exists at 19 facilities with more than 3 million watts of generation capability, and
- Geothermal Heating and Cooling systems have been installed in approximately 20% of the facilities space (one million SF).

Water System

Currently Fort Monmouth purchases potable water from New Jersey American Water Company through 16 metered locations across the installation. Water is not metered at each building. The system consists of approximately 23.5 miles of underground potable water distribution lines, two elevated 250,000 gallon water storage tanks and one 500,000 water storage tank. There are 231 valves and 225 hydrants in the system. The condition of the water system is adequate, but may require some upgrading if significant new demands are anticipated.

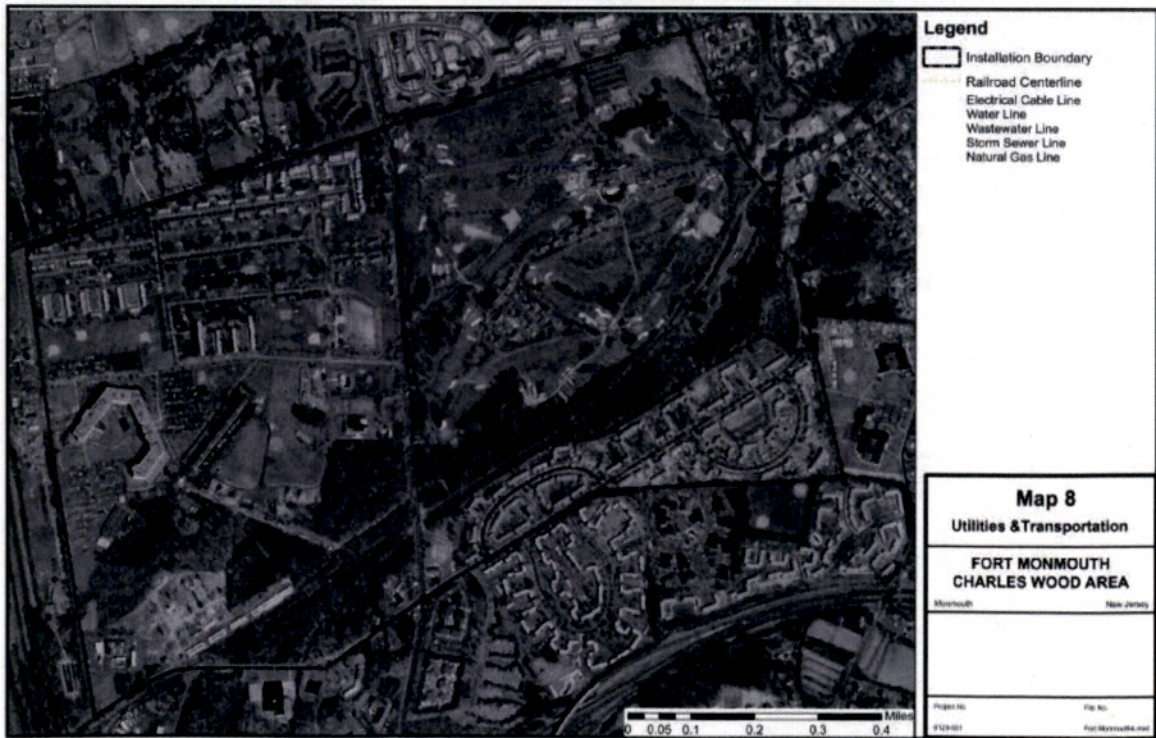
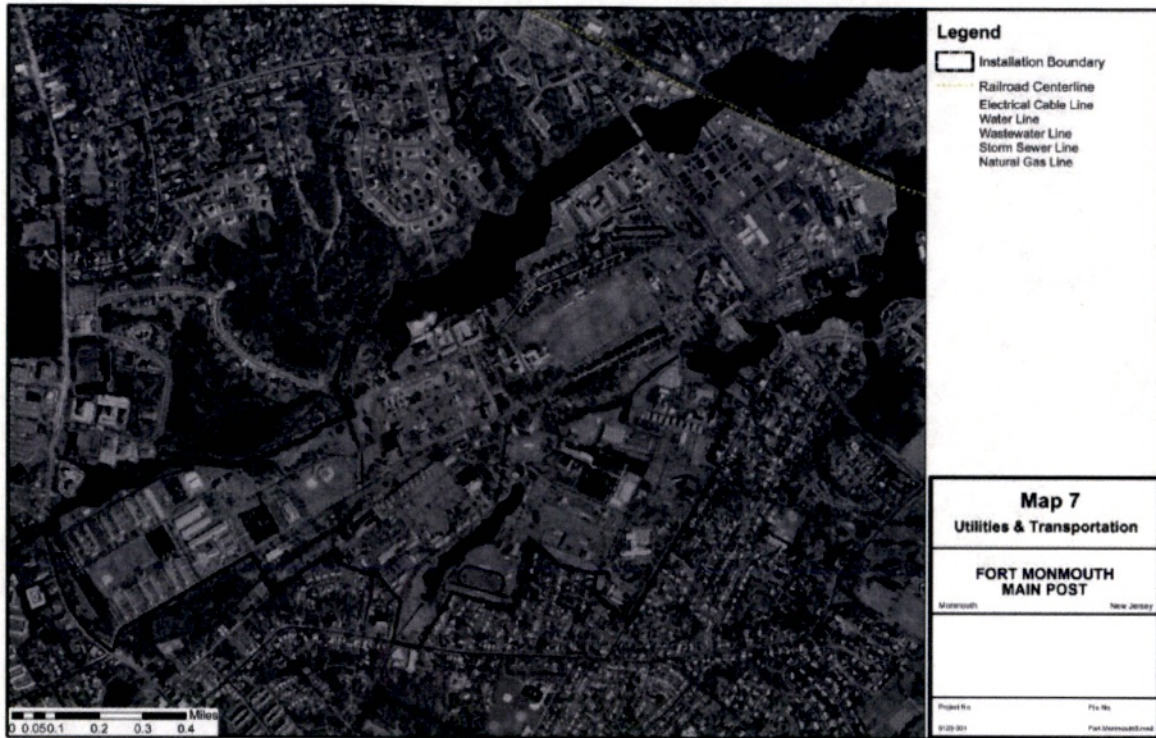
Telecommunications Infrastructure

Within the last four years, a significant investment has been made to the telecommunications systems to include a Fiber Intranet Ring Pathway, Controlled Environmental Vaults and Gigabit Ethernet Equipment resulting in the modernization of voice and networking capabilities.

- Incorporates state of the art Industry Best Practices for convergence of voice, data and video via fiber optic cable infrastructure.
- Fort Monmouth has redundant fiber pathway between the Main Post and Charles Wood Area Campus.
- Core network capacity can be increased 100% over current utilization at no additional cost.
- The Complex's infrastructure pathway can support a 20-fold increase in its capacity with minimal investment.

Transportation Infrastructure

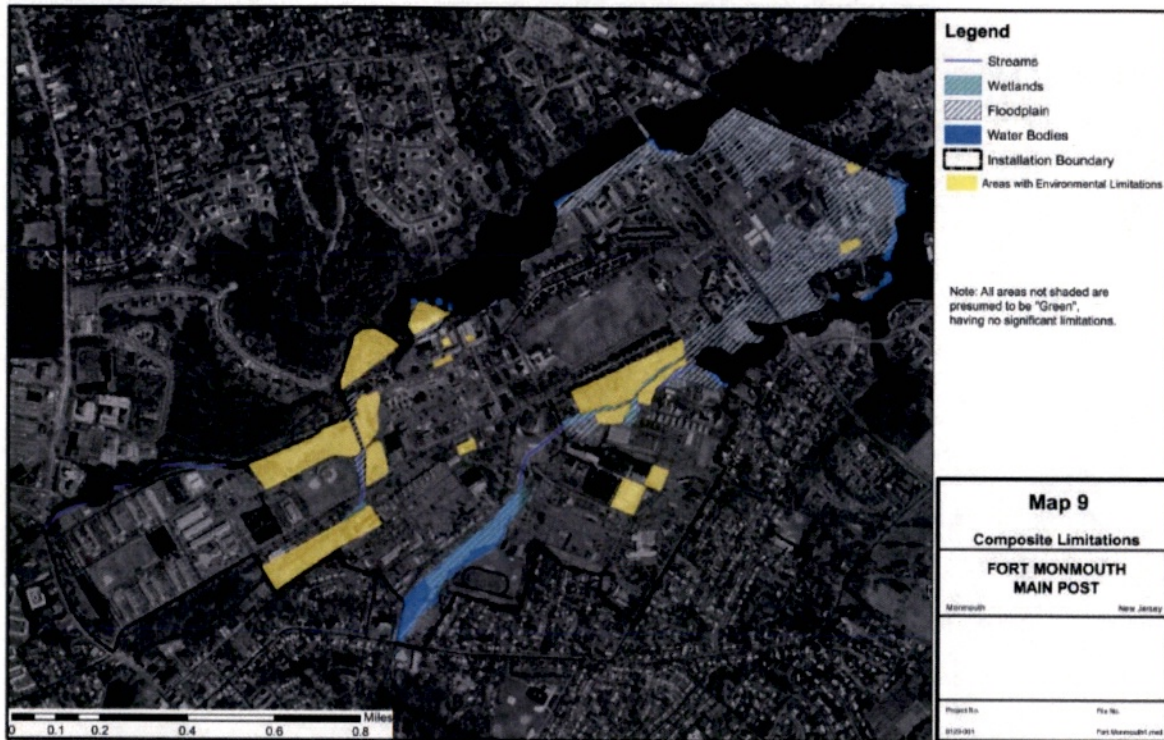
The transportation infrastructure of Fort Monmouth is shown in Maps 7 and 8. To the extent that transportation infrastructure is readily evident from the aerial photographs used, they are not separately identified on the map. The transportation infrastructure within and around Fort Monmouth is probably its most attractive feature. Roadways are in good condition and close to major north/south and east/west arteries and there is excellent rail access, both freight and passenger.

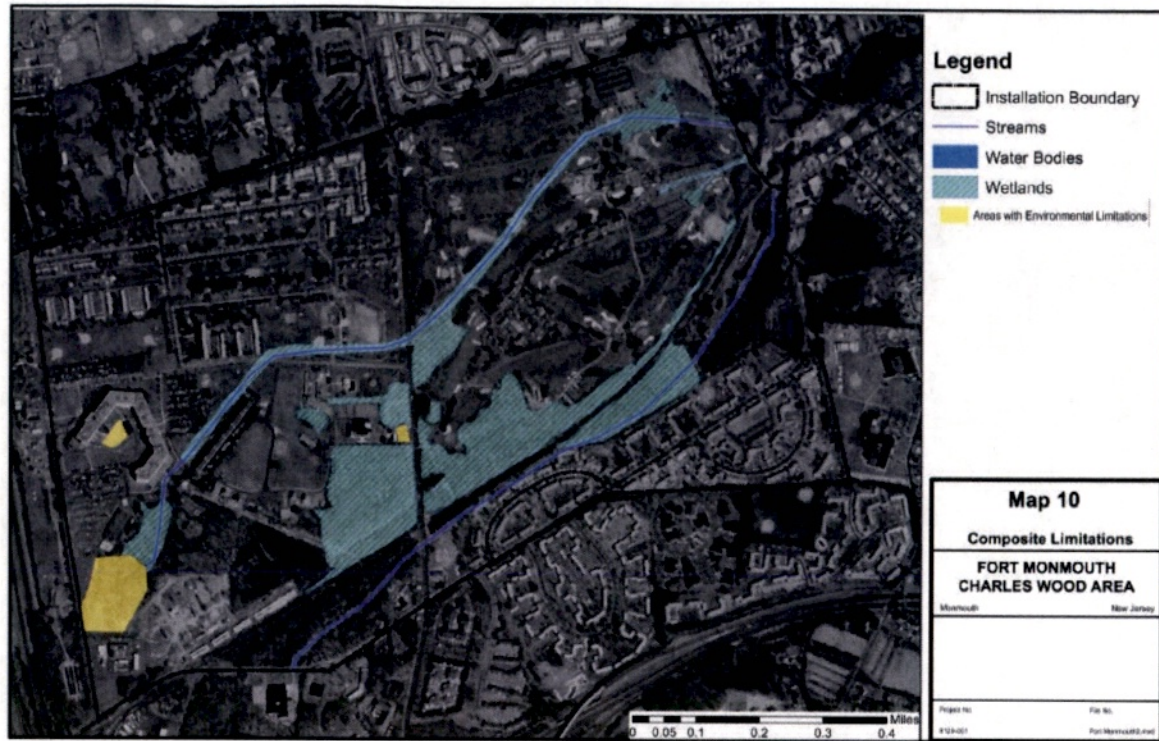




G. SUMMARY OF FINDINGS

Map 9 and 10 are a graphic depiction of the property highlights of the areas that have been analyzed in this section, including natural, cultural, environmental, facilities and infrastructure to show possible constraints in land re-use. Areas not encumbered by any graphics are unrestricted in potential re-use from an environmental standpoint. These areas will be further discussed in Section VI: Opportunities. The map generally helps to identify developable areas of land given the constraints and opportunities posed by the natural resources and environmental condition.







IV. LEGAL / REGULATORY AND CONSTRAINTS SUMMARY

A. LEGAL / CONTRACTUAL CONSIDERATIONS

Ownership

Both parcels that make up Fort Monmouth are owned by the United States of America on behalf of the US Army¹².

Contracts and Out Grants

There are a number of contracts and out grants currently held by Fort Monmouth that can be classified as follows:

- **Federal Government (Non DOD)**
 - Government Services Agency
 - Federal Bureau of Investigation
 - Federal Emergency Management Agency
 - Small Business Administration
 - Federal Investigative Service
 - US Postal Service
 - Veterans Affairs Clinic
- **Private Organizations**
 - Carlson Wagonlit (Travel Agency)
 - First Atlantic Federal Credit Union
 - Officers Wives Club Thrift Shop
 - Checkmate, Inc (Homeless Shelter)
 - US Army Coast Guard Flotilla
 - Fort Monmouth Arts and Crafts Club
 - Fort Monmouth Trailer Park
 - American Federation of Government Employees
 - NFFE
 - DOD Fraternal Order of Police Lodge 173
 - International Association of Firefighters Local F-103
 - Civil Air Patrol
 - Military Affiliated Radio Station
 - Disabled American Veterans

Easements

There are several easements primarily for utilities which serve the post. Easements have been granted to:

- Jersey Central Power and Light
- NE Monmouth County Regional Sewage Authority
- AT&T Communications
- New Jersey Highway Authority
- Township of Middletown Sewage Authority

Monmouth has established several geothermal well fields under parking lots and sports fields that provide heating and air conditioning to 12 buildings with more well fields planned. Easements may have to be

¹² Unless noted other wise information was taken from the Fort Monmouth Real Property Action Plan of 10/07/05.



created for ownership of the fields and the associated plumbing depending on how parcels are divided on the facility¹³.

Reversionary Rights

There do not appear to be any reversionary rights that would affect BRAC conveyance.

B. REGULATORY CONSIDERATIONS

Unique Laws and Issues

The three townships that surround the base have agreed to form a single LRA which will ease communications with the Army. To the extent that the three entities can maintain a common set of goals the LRA makeup should prove to be an enabler to the transition.

C. ZONING / LAND USE CONSIDERATIONS

Neighboring Uses

The predominant land use surrounding the properties is residential with supporting commercial activities. Surrounding localities are largely bedroom communities for New York as commuter trains stop at the township of Little Sliver which is about 1.5 miles from the main post¹⁴.

D. TIMING CONSIDERATIONS

Mission

Depending on when the funding for the establishment of the mission at the gaining facilities is available the timeline for transfer could be affected.

Environmental

The only significant environmental remediation required will be the possible capping of landfills. This will not necessarily slow the process, but it must be considered.

Other

It would be prudent to discuss the 117 historic quarters on the fort with the State Historic Preservation Office (SHPO) to understand SHPO intentions regarding listing of the quarters.

E. SUMMARY OF FINDINGS

Opportunities

The opportunities at Fort Monmouth are many and varied. They include:

1. Taking advantage of the telecommunications infrastructure for high-tech research, office or call center operations.
2. Residential
3. Commercial/Warehouse
4. Golf Course development
5. Marina
6. High tech laboratories

¹³ Garrison presentation on 10 January 2006

¹⁴ Site visit of 10 January 2006



Constraints

There do not appear to be any other legal or business issues that would constrain the property during transfer for any of the above like reuse scenarios.

V. REAL ESTATE MARKET

A. REAL ESTATE MARKET OVERVIEW

The following narrative provides a more detailed look at the various real estate sectors within the Northern New Jersey and Monmouth market area. This information was compiled from information provided by CoStar Group and economic/demographic data from Claritas, Inc.

OFFICE:

Key Office Market Statistics (2005)

Number of Properties	7,612
Market Size (SF)	249.6 M
Vacancy Rate	13.1%
New Construction (SF)	1.9 M
Absorption (SF)	5.6 M
Average Rent (/SF)	\$24.98

Source: CoStar Group: CoStar Office Report

- The Northern New Jersey Office market ended the fourth quarter 2005 with a vacancy rate of 13.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,171,601 square feet in the fourth quarter.
- Rental rates ended the fourth quarter at \$24.98, an increase over the previous quarter. A total of 7 buildings delivered to the market in the quarter totaling 297,415 square feet, with 1,902,682 square feet still under construction at the end of the quarter.
- Net absorption for the overall Northern New Jersey office market was positive 2,171,601 square feet in the fourth quarter 2005. That compares to negative (123,200) square feet in the third quarter 2005, positive 1,400,090 square feet in the second quarter 2005, and positive 2,144,072 square feet in the first quarter 2005.
- The office vacancy rate in the Northern New Jersey market area decreased to 13.1% at the end of the fourth quarter 2005. The vacancy rate was 13.8% at the end of the third quarter 2005, 13.8% at the end of the second quarter 2005, and 14.1% at the end of the first quarter 2005.
- The average quoted asking rental rate for available office space, all classes, was \$24.98 per-square-foot per year at the end of the fourth quarter 2005 in the Northern New Jersey market area. This represented a 0.7% increase in quoted rental rates from the end of the third quarter 2005, when rents were reported at \$24.80 per-square-foot.
- In the third quarter, 23 office transactions closed with a total volume of \$326,739,859. The 23 buildings totaled 1,779,528 space square feet and the average price per square foot equated to \$183.61



per square foot. That compares to 41 transactions totaling \$712,112,789 in the second quarter 2005. The total square footage in the second quarter was 5,731,580 square feet for an average price per square foot of \$124.24.

- The Monmouth East submarket, where Fort Monmouth is located, consists of more than 18.0 million square feet in 638 buildings. As of year-end 2005, the vacancy rate was 8% and the average rent was \$23.80.

RETAIL:

- Retail development in the area is comprised of shopping malls, community shopping centers and stand alone establishments which serve the affluent population. Retail space within shopping centers was reported to range from only 6% to 8%. Demand for retail space is very strong within this area.
- Consumer spending statistics provided by Claritas provide insight into the vitality of the local retail market. As indicated in the table below, the annual per capita retail expenditures for a 20 mile and 50 mile radius around Fort Monmouth are 117% and 108% of the U.S. average, respectively.

Area (radius)	Average Household Spending/Yr.	Index to USA Avg.
20 Miles	\$54,115	117
50 Miles	\$49,790	108
150 Miles	\$50,114	109

RESIDENTIAL:

- Residential housing within a 20 mile radius of Fort Monmouth reflects an affluent population. Demand for homes is very strong while home values are well above the U.S. average. Many homes surrounding Fort Monmouth exceed \$1,000,000.
- Approximately 91% of homes within a 20 mile radius of Fort Monmouth are valued at more than \$150,000, according to Claritas. In the U.S., 48% of all homes are valued at more than \$150,000.
- The median home price within a 20 mile radius of Fort Monmouth is \$319,412, above the U.S. average of \$149,314. Approximately 65% of all homes within 20 miles of Fort Monmouth are owner-occupied, below the national average of 67%.



INDUSTRIAL:

Key Industrial Market Statistics (2005)

Number of Properties	12,147
Market Size (SF)	773.1 M
Vacancy Rate	7.9%
New Construction (SF)	7.5 M
Absorption (SF)	4.3 M
Average Rent (SF)	\$6.21

Source:: CoStar Group: CoStar Industrial Report

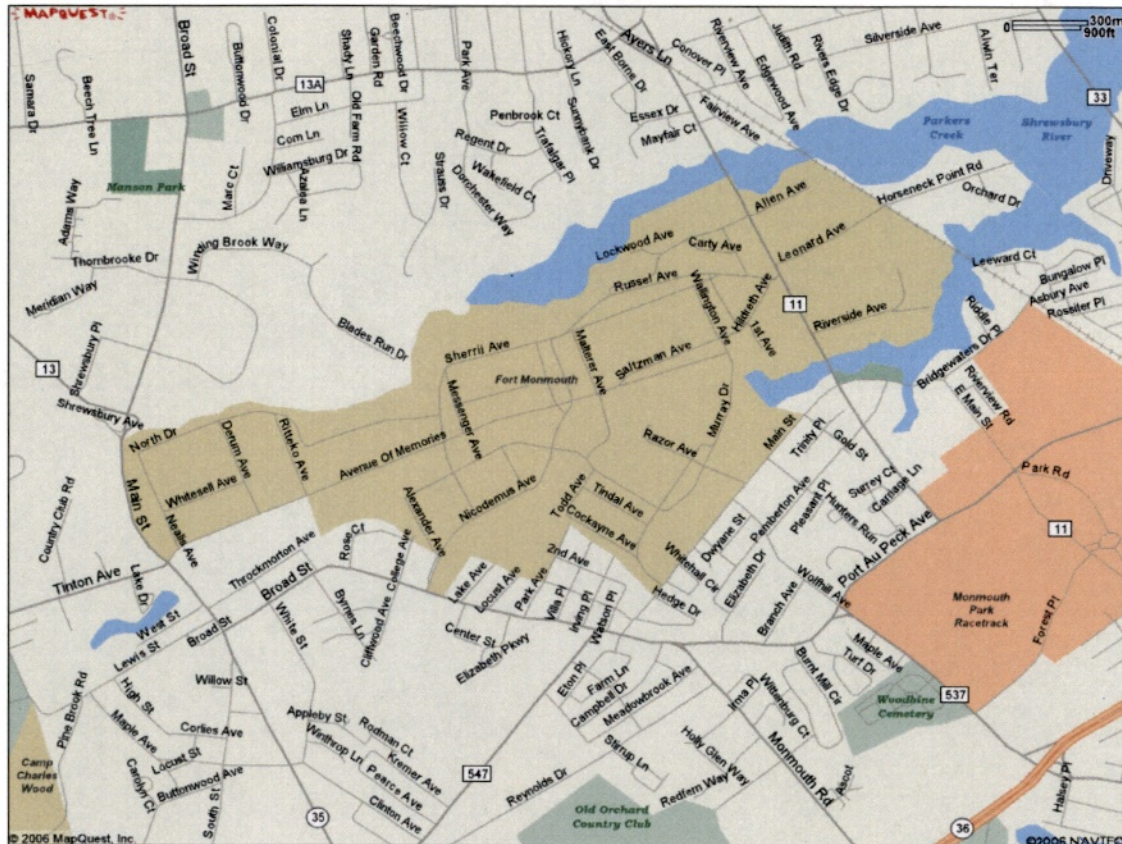
- The Northern New Jersey Industrial market ended the fourth quarter 2005 with a vacancy rate of 7.9%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 903,425 square feet in the fourth quarter.
- Net absorption for the overall Northern New Jersey Industrial market was positive 903,425 square feet in the fourth quarter 2005. That compares to positive 1,340,610 square feet in the third quarter 2005, positive 2,595,558 square feet in the second quarter 2005, and negative (531,258) square feet in the first quarter 2005.
- The Industrial vacancy rate in the Northern New Jersey market area increased to 7.9% at the end of the fourth quarter 2005. The vacancy rate was 7.8% at the end of the third quarter 2005, 7.9% at the end of the second quarter 2005, and 8.1% at the end of the first quarter 2005.
- The average quoted asking rental rate for available Industrial space was \$6.21 per square foot per year at the end of the fourth quarter 2005 in the Northern New Jersey market area. This represented a 2.8% increase in quoted rental rates from the end of the third quarter 2005, when rents were reported at \$6.04 per square foot.
- During the fourth quarter 2005, 6 buildings totaling 1,830,262 square feet were completed in the Northern New Jersey market area. This compares to 5 buildings totaling 1,222,805 square feet that were completed in the third quarter 2005, 11 buildings totaling 1,372,539 square feet completed in the second quarter 2005, and 3,026,152 square feet in 13 buildings completed in the first quarter 2005.
- In the third quarter, 53 industrial transactions closed with a total volume of \$463,595,382. The 53 buildings totaled 6,190,221 square feet and the average price per square foot equated to \$74.89 per square foot.
- The Monmouth Industrial Market, where Fort Monmouth is located, contains 513 buildings totaling 19.2 million square feet. The vacancy rate at year-end 2005 was 9.6% and the average asking rent was \$6.71 per square foot.



B. NEIGHBORHOOD ANALYSIS

Determining the likely use or redevelopment potential of a site can be a function of the development patterns of the surrounding neighborhood. The density and type of development surrounding a site can be a strong indicator of the potential demand for a site.

The map below provides a street level overview of the area immediately surrounding Fort Monmouth. Fort Monmouth is comprised of two sites, the Charles Wood area and the Main Post.



The area immediately surrounding Fort Monmouth (both sites) can generally be characterized as having medium to low density residential uses with some neighborhood commercial retail uses. The neighborhood surrounding the Fort Monmouth site serves a bedroom community to New York City and is generally dominated by very high end residential development, with many homes exceeding \$2.0 - \$3.0 million in value. Residential housing is supported by neighborhood retail development and specialty stores. The Old Orchard Country Club is to the south of the Main Post, while the Monmouth Park Racetrack is to the southeast. The eastern boundary of the Main Post is established by rail road tracks serving New Jersey Transit's North Jersey Coast line, which provides commuter access to New York City.

The neighborhood surrounding Fort Monmouth can be summarized as being mostly low to medium density residential uses with some retail/commercial development. The existing housing stock can generally be characterized as being of very high value. The neighborhood greatly benefits from the



presence of the Garden State Parkway and New Jersey Transit's North Jersey Coast line. The area seems to be best suited for residential and/or mixed use development.

C. REAL ESTATE MARKET RATING

To interpret empirical data, a more qualitative scoring system was used to indicate the vitality of the various segments of the real estate market. In order to ascribe a rating to the different market segments within the Northern New Jersey and Monmouth County real estate market area, and the Monmouth submarket in particular, a qualitative rating system was employed. While somewhat subjective, it is intended to capture the quality of each real estate market segment in the addition to statistical metrics.

The following table represents the overall rating of the various real estate market segments. A score of "1" indicates a market that is below national standards in terms of vitality. Such a market sector would suffer from low demand, downward or flat trends, and low investment appeal. A score of "2" would indicate a market that is at or around the national average in terms of overall health and vitality. Such a market segment would be somewhat neutral; it would not be suffering from low demand or downward or flat trends, but it also wouldn't necessarily be outpacing metrics typical across the U.S. A score of "3" would indicate a market segment that is doing very well relative to the entire country. It would reflect a market segment experiencing very strong demand, upward trends or sustainable high growth rates, and high investment appeal.

	Office	Retail	Residential	Industrial
Market Size	3	3	3	3
Demand	3	3	3	3
Land/Building Value	3	3	3	2
Market Trend	2	2	3	2

1 = Below National Levels; 2 = At or Around National Avg.; 3 = Above National Avg.

D. SUMMARY OF FINDINGS

Both sites pertaining to Fort Monmouth are in an extremely attractive residential area, comprised of upscale homes, neighborhood retail shopping centers, parks and golf courses. Demand for residential land in this area is very strong. The main post benefits from its location on the water and from its proximity to the New Jersey Transit Rail line, which provides direct access to New York City. From a market and neighborhood perspective, the most viable use for the Fort Monmouth land would appear to be residential development; at the Main Post much of this development could be anchored by the existing marina. Other logical uses for this area would include a carve-out of office R&D development, medical office, and/or potentially a college campus. A carve out of land for retail uses could also be viable. The current retail facilities on the base, however, are not located appropriately.



VI. OPPORTUNITIES

Fort Monmouth's location is unmatched. The fort is strategically located between two of the largest population centers in the United States with easy access to both New York City and Philadelphia by road, air and rail. Furthermore, the fort is located at the center of the Boston-Washington Corridor in close proximity to the Atlantic Ocean.

A favorable characteristic in the Fort Monmouth area is the presence of a highly educated and skilled population. Residents have opportunities to have jobs in areas such as New York, Philadelphia or Newark because of Fort Monmouth's proximity and easy access to transportation systems. This concentration of highly educated and skilled workers directly impacts the higher per capita income received in the communities surrounding Fort Monmouth. The per capita income for the population in the Fort Monmouth area is higher than the national average. However, due in part to this highly trained and educated workforce, labor costs are higher in the Fort Monmouth region as compared to the national average.

Fort Monmouth's great location and extensive transportation network consistently attracts tourists that spend money in the region and in turn help drive the region's economy. Furthermore, the location and transportation system facilitates the opportunity for people to live in the Shore Region but work in cities such as Philadelphia and New York.

On the Main Post, more than half of the open land area is available for redevelopment. More than 200 acres of open space can be further developed as required before existing structures are considered for revitalization. Charles Wood is comprised mostly of Light Industrial (lab) and Golf Course, with training fields. Also, 80 acres of contiguous area exists cleared and vacant ready for development. Key infrastructure is available throughout the entire site, and many of the structures have redundant backup capabilities. Both sites have access to major rail and highway systems.



A. STRENGTH ANALYSIS

The table below is an overall qualitative summary of some of the strengths for the region and for the area surrounding the site. The chart is intended to focus on the strengths of the location to be able to attract uses. The chart intentionally does not describe weaknesses since weaknesses may be able to be mitigated or corrected over time. Overall, the strengths for the region and its immediate surroundings are shown below¹⁵:

Regional Strengths		
Criteria / Factor	Strength?	Comment
Extensive Road / Highway Infrastructure	Yes	New Jersey Corridor
Extensive Rail Networks	Yes	Good passenger and freight access
Good Commercial Airport Access	Yes	Good commercial airport access
Good Port Access	Yes	Near Atlantic Ocean Ports
Population Size / Density / Growth	Yes	Between NYC and Philadelphia
Similar US Average Age	Yes	
Availability of Higher Education / Vocational Schools	Yes	Near many colleges and universities
Above US Average Education Level	Yes	
Above US Average Median Household Income	Yes	
Positive Economic Environment / Job Growth	Yes	Benefits from being central to population centers
Lower than US Average Cost of Living		
Lower than US Average Labor costs		

Local Strengths		
Criteria / Factor	Strength?	Comment
Extensive Road / Highway Infrastructure	Yes	Urban / Suburban environment
Extensive Rail Networks	Yes	Very near rail station
Good Commercial Airport Access	Yes	
Population Size / Density / Growth	Yes	
Similar US Average Age	Yes	
Availability of Higher Education / Vocational Schools	Yes	Many colleges nearby;
Above US Average Education Level	Yes	
Above US Average Median Household Income	Yes	Higher than average HH income
Positive Economic Environment / Job Growth	Yes	Very stable economy with good job pay
Lower than US Average Cost of Living		
Lower than US Average Labor costs		

¹⁵ The strength matrix is a summary of a few key factors discussed in previous sections; a "yes" infill in the strength box infers that the factor is strength, and no infill infers that the factor/category is not a strength.



Below is a summary of the strengths associated with the site itself:

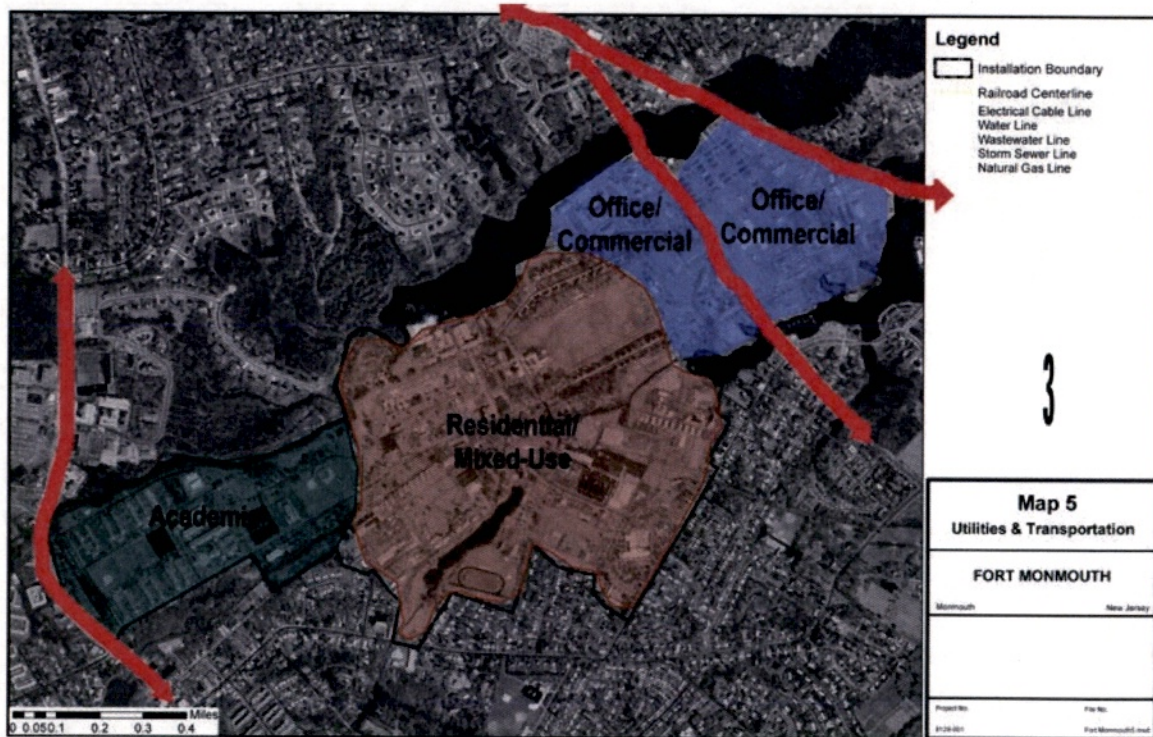
Site-Specific Strengths		
Criteria / Factor	Strength?	Comment
Size of Contiguous Developable Land		Large parcels of land; but many structures
Site Topography Conducive to Development	Yes	Mostly flat terrain
Roads - Access to Site	Yes	Urban location with good infrastructure
Roads - Existing On-Site Infrastructure	Yes	Good on site infrastructure
Rail - Service to Site		
Rail - Existing On-Site Infrastructure		
Continued Army / Federal Presence		
Minimal Legal / Contractual Challenges		
Few Deed Restrictions / Easements		
Streamlined Zoning / Entitlement Process		
Reusable Existing Utilities	Yes	Utilities are reusable
Reusable Existing Facilities	Yes	Many reusable facilities
Unique Natural Resources		
Unique Natural Amenities	Yes	Good proximity to water
Unique Cultural Resources		
Unique Historical Resources		

Overall, the site is well located near population centers, transportation networks (including highways and passenger rail), and has very good buildings and infrastructure.



B. SITE POTENTIAL ANALYSIS

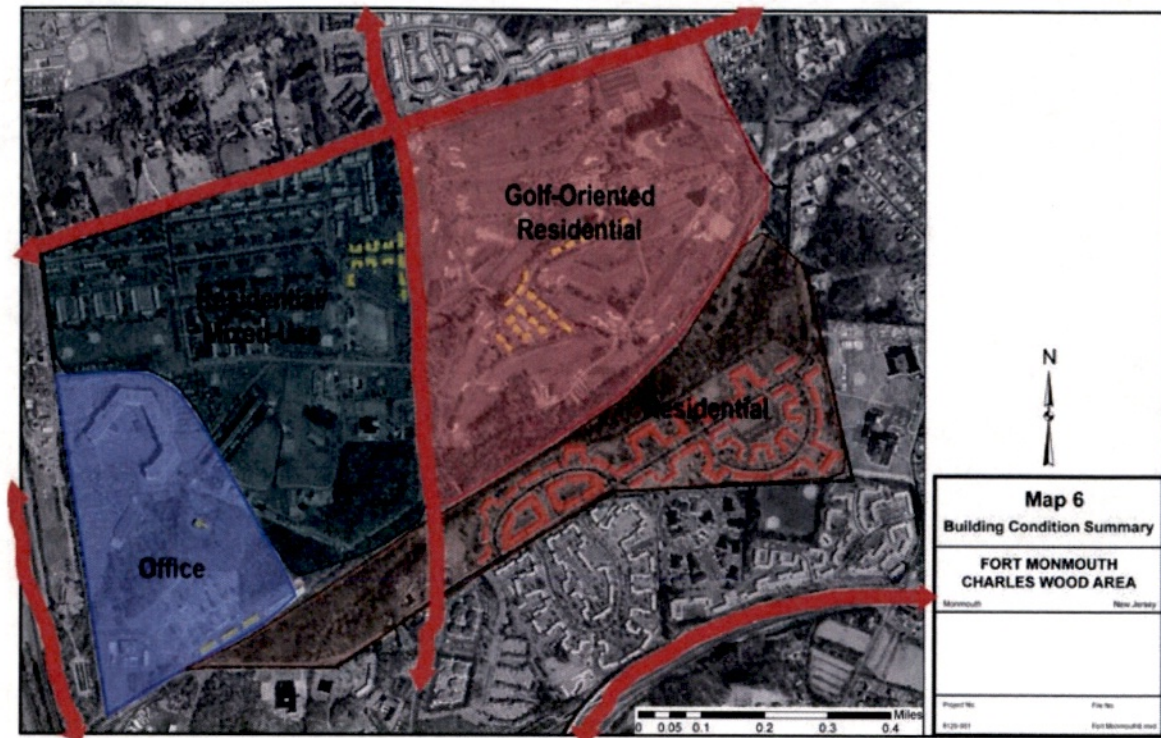
Based on the site analysis from section 3, below is a summary analysis of the potential opportunities and constraints offered by the sites. The areas are divided into broad categories of potential uses based on the conditions of the site, access, adjacent land uses, and other site-specific issues. The analysis is intended to offer an idea of overall observations of considerations for future land-use alternatives.



The map above shows the potential uses for the Main Post. There are multiple potential points of entry into the site, with the south and east of the site. The potential uses include office or a mix of office and retail at the north east of the site, residential / mixed use in the center of the site (including potential community-service office and retail uses), and academic near the south of the site in its current configuration ¹⁶.

The following chart identifies the specific types of uses that might be most likely, given the site analysis and the real estate market analysis. The re-use opportunities are identified as low to high potential for the ability for the use to be incorporated somewhere into the overall site.

¹⁶ For purposes of determining potential re-use alternatives based on environmental condition, the following broad categories have been defined: 1) Industrial/commercial use (Although the nature of the constraint has to be taken into account when making decision regarding future use and not just the fact of contamination, assuming a site is acceptable for industrial use and has been cleaned up to a level consistent with a worker exposure risk assessment scenario would be similar for industrial or commercial (office / Retail) level uses) 2) residential or cleaner use.



The map above shows the potential uses for the Charles Wood area. Access to the site is from multiple locations, although mainly from the north and through the center of the site. There is a potential of office type uses near the highway on the south east corner of the site, and potentially residential or residential / mixed use (i.e. community serving retail and support office) on the remainder of the site.



The most likely re-use opportunities, given the location and site characteristics, are shown in the table below:

Land Use Opportunity Analysis									
Criteria / Factor	Dense Uses						Open Uses		
	Retail	Office	Residential	Industrial	Leisure / Hospitality	Institutional	Agricultural	Conservation	Mining / Natural Resources
Adjacent Synergistic Land Uses									
Local Land Use Market Inventory									
Local Available Similar Development Parcels									
Local Land Use Demand									
Current Land / Facility Use									
Most Probably Land Use Opportunities									

Retail includes Wholesale Retail and Retail Trade

Office includes Professional & Business Services, IT, Financial Activities, Federal office uses

Industrial includes Warehousing, Manufacturing, Transportation, Utilities uses

Recreation includes Hospitality / Leisure and related income-generating recreation activities

Institutional includes Educational, Health Services, and civic uses

Open includes Conservation, Natural Resources and Mining uses



C. OPPORTUNITY MATRIX

There are several opportunities which could be considered for the site at Monmouth, given the site location (near an interstate and airport in a main metropolitan area), the variety of site conditions and infrastructure on the land. The opportunity matrix below arrays many of the specific reuse opportunities that were investigated or discussed over the course of the study period. The opportunities are not all mutually exclusive; there may be opportunities that can be combined together into a single realistic reuse plan¹⁷.

While it is possible for some of the opportunities to come to fruition, a rating scale has been developed to help identify the most likely beneficial uses. The rating scale is based on low (1) to high/beneficial (3) scale. The five "impact factors" are described below:

Jobs – the number of jobs that would be created in the community to support the potential re-use opportunity

Timing – the estimated period of time required to fully realize the development of the opportunity on the site

Risk – the level of risk in terms of financial or market exposure that the developer or community would incur by pursuing the particular opportunity

Value – the potential total final economic value that would be created by the opportunity

Reality – the overall reality, given the real estate analysis, that the opportunity could be implemented

¹⁷ The opportunity matrix categories include generic opportunity names, potential partners, description and / or logistics that are required to execute the opportunity, the estimated land required by the opportunity, the estimated magnitude of jobs that the opportunity might create, and the environmental level of clean up required (lower numbers require a "cleaner" environmental condition).



Below is a summary of the opportunities which were uncovered:

Installation	Opportunity Name	Industry	Description / Logistics	Land-use Type	Appropriate Environ't'l Class	Impact Factors					Average
						Jobs	Timing	Risk	Value	Reality	
Ft Monmouth	Golf-oriented Development	Entertainment and Recreation	Ft. Monmouth current has a golf course which is well established, the location is in a vacation region, therefore a golf development can potentially be privatized as a source of income and jobs.	Leisure / Hospitality / Recreation	Unrestricted	2	3	2	2	3	2.4
Ft Monmouth	Office - Back Office	Real Estate Development	Monmouth is currently a mixed use installation with residential, office, retail, golf course and parkland. The office-type facilities, coupled with proximity to NYC, might be attractive to corporations looking for lower-cost back-office facilities.	Office	Unrestricted	2	2	2	3	3	2.4
Ft Monmouth	Office - High Tech	Real Estate Development	Ft. Monmouth has several high tech office facilities and operations. A portion of the campus can be converted into high tech and data center office uses.	Office	Unrestricted	2	2	2	3	3	2.4
Ft Monmouth	Residential	Real Estate Development	The existing infrastructure, location, access to NYC, and natural amenities are ideal for a residential community	Residential	Unrestricted	1	2	3	3	3	2.4
Ft Monmouth	Resort / Hotel	Real Estate Development	The existing infrastructure, golf, and natural amenities are well suited for a resort community, potentially with a conference center.	Leisure / Hospitality / Recreation	Unrestricted	2	2	2	3	2	2.2
Ft Monmouth	Retail - Community-based	Real Estate Development	Some existing buildings are appropriate for small scale retails uses as part of a mixed-use development. The retail success relies on other proximate uses.	Retail	Unrestricted	2	2	2	2	3	2.2
Ft Monmouth	Retirement Community	Health Care	The area around Ft. Monmouth has a dense population, and the buildings and amenities on the Ft. could be converted to use in retirement, assisted living, dependent care and retirement home uses. The proximity to the ocean can be a draw for potential residents.	Institutional	Unrestricted	3	2	1	3	2	2.2
Ft Monmouth	Marina Oriented Development	Entertainment and Recreation	Ft. Monmouth has a small marina with some access to the Atlantic Ocea; This Marina and adjacent retail/marina services could be expanded for greater income generation.	Leisure / Hospitality / Recreation	Unrestricted	1	3	2	1	3	2
Ft Monmouth	College / University Campus	Educational Services	Monmouth is a mixed-use location with existing facilities that could be modified for academic use. The location is unique and could be an attraction for students.	Institutional	Unrestricted	3	2	2	1	1	1.8



D. ANALYSIS OF OPTIONS

DESCRIPTION OF BEST OPPORTUNITIES

As described above, the best opportunities are a mix of office, residential and potentially retail uses in a mixed-use environment.

INDUSTRY STATISTICS AND HEALTH

Based on the opportunity matrix, there are several industries that should be considered to provide income and jobs on the site. Below is a summary of a few of the key industries that might be appropriate for this site.

Professional and business services

The professional and business services super-sector includes establishments that are found in the professional, scientific, and technical services sector; the management of companies and enterprise sector and the administrative and support and waste management and remediation services sector. The following are activities performed in the professional and business services super-sector: legal advice, accounting, bookkeeping, payroll services, architectural, engineering and specialized design services; advertising services, computer services, consulting services, research services, photographic services, veterinary services, office administration, hiring and placing of personnel, document preparation, security and surveillance services, cleaning services and waste disposal services among others.¹⁸

According to the Bureau of Labor Statistics, the professional and business services super-sector provided approximately 16.4 million jobs in 2004. This is slightly lower than the 2000 job-level when there were 16.6 million jobs in this sector.

Recently, the U.S. business sector has not performed as strongly due to the over saturation in the marketplace.¹⁹ However, with new legislation such as Sarbanes-Oakley and emerging markets expanding there are increasing opportunities for business firms domestically and internationally. The largest sector in the business sector is in recruitment consulting which focuses on temporary and permanent work placement.²⁰

Recent trends in the professional and business services sector include the consolidation of businesses as companies try to offer their customers more services and products under one group. Furthermore, there has been increased focus devoted on developing compatible systems so that business is able to be conducted over the computer from remote and/or overseas locations.²¹

The leading players in the U.S. in the business services sector include Adecco, Accenture, Manpower, Aramark and Automatic Data Processing. The table below lists the companies that hire the most employees in the business and professional sector (revenues for the highest-employing companies are also listed).

¹⁸ Bureau of Labor Statistics – <http://www.bls.gov/iag/profbusservices.htm>

¹⁹ <http://www.investor.reuters.com/business/Industry>

²⁰ <http://www.investor.reuters.com/business/Industry>

²¹ <http://www.investor.reuters.com/business/Industry>



Company	# Employees	Revenue (M)
Industry Average	31,158	\$5252.9
ARAMARK Corporation	240,000	\$11,159.1
Accenture Ltd	123,000	\$17,840.8
Rentokil Initial plc (ADR)	90,994	\$4,026.2
ABM Industries, Inc.	70,000	\$2,587.8
Volt Information Sciences, Inc.	48,000	\$2,229.3
Automatic Data Processing	44,000	\$8,830.0
ServiceMaster Company	39,000	\$3,239.5
BB Holdings Ltd.	36,300	\$1,450.4
SITEL Corporation	34,000	\$1,037.8
Adecco SA (ADR)	32,000	\$22,118.2

Source: Reuters.com

Important factors for establishments in the professional and business services sector are proximity to markets with buying power, demand in the market for these services, a skilled, educated or trainable workforce, and access to higher education institutions. Although these types of jobs are found throughout the country, they are more prevalent in areas with large populations and high business activity.

Hotels and other accommodations

The hotels and other accommodations industry includes all types of lodging to include upscale hotels, RV parks, resorts, casino hotels, bed-and-breakfast inns and boarding houses. The majority of the establishments are hotels and motels of which there are five types of hotels: commercial, resort, residential, extended-stay and casino.²² Furthermore, this industry includes banquet rooms and exhibit halls in larger hotels that cater to large gatherings, business meetings, wedding receptions and conventions.²³

The hotel and other accommodations industry employed approximately 1.8 million workers in 2004. Most of the jobs in this industry are found in highly dense areas such as cities and resort areas.²⁴ More than 90% of the establishments in this industry hire less than 50 people. Furthermore, a large percentage of the workers in the hotels and accommodations industry are young with close to 20% of them under the age of 25 in 2004, according to the Bureau of Labor Statistics.

According to the Bureau of Labor Statistics, the overall employment in the hotels and accommodations industry is expected to grow 17%, faster than the 14% growth for all occupations in the United States through 2014. The hotel industry continues to recover after Sept. 11th and despite the security concerns facing the U.S. in recent years. The industry is expected to report pre-2001 revenue values for 2005.²⁵

A recent trend in the hotels and accommodations industry has been the consolidation of hotel properties as a result of the economic downturn post September 11th. As the economy improves and as domestic and international travel resumes, hotels and other accommodations will benefit from this upturn. In order to maximize their profits, hotel operators are looking to cut costs with new technology efficiencies which will conserve energy spending.²⁶

22 Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

23 Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

24 Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

25 <http://www.investor.reuters.com/business/Industry>

26 <http://www.investor.reuters.com/business/Industry>



Leading players in the hotels and accommodations industry include Cendant, Inter-Continental, Hilton Hotels, Choice Hotels International and Marriott International. The table below lists the companies that hire the most employees in the hotels and accommodations industry (revenues for the highest-employing companies are also listed).

Company	# Employees	Revenue (M)
Industry Average	76,196	\$7,462.7
Starwood Hotels & Resorts Worldwide, Inc	145,000	\$5,977.0
Marriott International Inc.	143,000	\$11,550.0
Cendant Corporation	84,800	\$18,236.0
Hilton Hotels Corporation	61,000	\$4,437.0
Intestate Hotels and Resorts, Inc.	33,000	\$1,116.2
Four Seasons Hotel Inc. (USA)	30,900	\$212.7
InterContinental Hotels Group PLC (ADR)	29,659	\$3,575.3
Fairmont Hotels & Resorts Inc. (USA)	28,000	\$857.5
Intrawest Corporation (USA)	24,800	\$1,651.0
City Developments Limited (ADR)	12,448	\$1,465.0

Source: Reuters.com

Important drivers in the hotels and accommodations industry include proximity to population centers, demand in the market, competitive labor costs and a favorable climate. There is not a need for a highly skilled workforce as most of the training can occur on the job.

Health care industry

The health care industry includes establishments that provide care and medical attention for millions of people in the United States ranging from newborns to the seriously ill. These establishments range from a private practice which hires a small staff to a large hospital which hires thousands of workers. Approximately 70% of hospital employees work in establishments where there are more than 1,000 employees. The health care industry includes physician, other health practioners and dentists' offices; hospitals, nursing and residential care facilities; outpatient care centers, ambulatory health care services, medical and diagnostic laboratories. Although health care jobs are found throughout the United States, they are primarily concentrated in larger states such as California, New York, Florida, Texas and Pennsylvania.²⁷

According to the Bureau of Labor Statistics, the health care industry employed approximately 13.5 million workers making it the largest industry in the United States. Although many of the jobs do not require a high level of education, the practioners in the industry are some of the most educated in the labor force. Within the health care industry, hospital care is the largest sector accounting for approximately 59% of the revenues for the industry as a whole.²⁸

According to the Bureau of Labor Statistics, the overall employment in the health care industry is expected to grow 27% through 2014, a significantly higher growth rate than all other industries. Growth is expected to occur most aggressively in smaller home health care services and less aggressively in the hospital segment.

Recent trends in the health care industry include the increased presence of ambulatory surgical centers and diagnostic testing centers. Furthermore, there has been an increase of niche hospitals that focus on

²⁷ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

²⁸ <http://www.investor.reuters.com/business/Industry>



limited services such as cardiac, orthopedic or surgical procedures. Other trends have been the shortage of healthcare workers such as nurses, increasing medical liability insurance costs and financial constraints caused by uninsured patients all of which apply pressure on the health care industry.²⁹

Leading players in the healthcare facilities sector in the United States include Hospital Corporation of America, Tenet Healthcare Corporation, HEALTHSOUTH, Community Health systems and Triad Hospitals. The table below lists the companies that hire the most employees in the healthcare facilities sector (revenues for the highest-employing companies are also listed).

Company	# Employees	Revenue (M)
Industry Average	41,211	\$7,020.2
HCA Inc.	139,800	\$24,455.0
Tenet Healthcare Corporation	73,434	\$9,614.0
Integrated Health Service	73,200	\$2,492.5
Manor Care, Inc.	58,000	\$3,417.3
Fresenius Medical Care AG & Co. (ADR)	47,521	\$6,771.8
Quest Diagnostics Incorporated	41,500	\$5,503.7
Kindred Healthcare, Inc.	38,900	\$3,924.0
Triad Hospitals, Inc.	38,000	\$4,747.3
Extendicare Inc. (USA)	37,600	\$1,633.9
Universal Health Services, Inc.	35,000	\$3,935.5

Source: Reuters.com

Important factors in the health care industry are the proximity to the market/population centers, demand in the market for the service, access to an educated workforce and/or trainable workforce. Another driver in this industry is access to research and related institutions to create synergies among the establishments.

Educational Services

The educational services industry includes elementary, middle and secondary schools, as well as, postsecondary schools which include universities, colleges, professional schools, community or junior colleges, and career and technical institutes. This industry also offers services to schools and students in programs that focus on curriculum development, student exchanges and tutoring, as well as, non-academic programs such as cooking or self-enrichment classes.³⁰ Furthermore, this industry includes charter schools which are administered independently of the school system.³¹

The educational services industry is one of the largest industries in the country with approximately 13 million employees. The majority of the jobs are teaching jobs in elementary and secondary schools according to the Bureau of Labor Statistics. The workers in this industry are some of the highest educated workers in the work force. Many workers have advanced degrees and have completed a training and license program which qualifies them to teach at educational institutions.³²

According to the Bureau of Labor Statistics, the overall employment in the educational services industry is expected to grow 17%, slightly faster than the 14% growth for all occupations in the United States through 2014. U.S. spending on education is equivalent to 7.3% of the GDP.³³ Currently, there are many

²⁹ <http://www.investor.reuters.com/business/Industry>

³⁰ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

³¹ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

³² Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

³³ <http://www.investor.reuters.com/business/Industry>



opportunities for workers, who meet the education and licensing requirements, to find work because older workers are retiring at a high rate. Furthermore, as certain regions in the country grow rapidly, it has created a demand for teachers in those areas.³⁴

The United States places a high importance on education. Therefore, there will continue to be a demand for quality educational institutions and services throughout the country. However, the U.S. is currently facing budget and teacher shortages. Although there has been increased spending on education, schools have found it difficult to keep up with the operating costs to administer their programs. Another trend has been the growing number of students attending private schools. From 1988 until 2001, enrollment in private schools increased 18% and is projected to continue to increase.³⁵

Leading players in the education industry in the for-profit education management companies include Edison Schools, Leona Group, National Heritage Academics, Chancellor Beacon Academies and White Hat Management. The table below lists the companies that hire the most employees in the education industry – not including universities (revenues for the highest-employing companies are also listed).

Company	# Employees	Revenue (M)
Industry Average	16,187	\$1,430.3
Apollo Group, Inc.	32,666	\$2,409.3
Laureate Education, Inc.	22,800	\$875.4
Career Education Corp.	14,230	\$2,034.6
Education Management Corp.	6,000	\$1,095.5
Corinthian Colleges, Inc.	4,985	\$972.9
Devry Inc.	4,800	\$805.0
ITT Educational Services	3,800	\$688.0
Nobel Learning Communities, Inc.	3,266	\$166.4
Lincoln Educational Services Corp	2,350	\$299.2
Universal Technical Institute, Inc.	2,300	\$323.0

Source: Reuters.com

Important drivers in the educational services industry include a highly educated and trained, workforce, demand in the market for the service, proximity to population centers and proximity to other similar or research institutions to create synergies among the institutions.

Arts, entertainment, and recreation

The arts, entertainment and recreation industry includes establishments that “occupy a person’s leisure time, excluding the viewing of motion pictures and video rentals.”³⁶ The industry has grown as personal incomes and leisure time have increased in the U.S. According to the Bureau of Labor Statistics there are three main groups: live performances or events; historical, cultural or educational exhibits; and recreation or leisure-time activities.

According to the Bureau of Labor Statistics, the arts, entertainment and recreation industry provided approximately 1.8 million jobs in 2004. Close to 60% of the jobs were found in industry segments such as golf courses, membership sports and recreation clubs and physical fitness facilities. About 25% of the workers in this industry are under 25 years-old, compared to 14% in all industries.³⁷

³⁴ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

³⁵ <http://www.investor.reuters.com/business/Industry>

³⁶ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

³⁷ Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)



According to the Bureau of Labor Statistics, the overall employment in the arts, entertainment and recreation industry is expected to increase by 25% through 2014. Several factors attribute to this growth which include rising incomes, leisure time and awareness of physical fitness.³⁸ In the U.S. in 2004, entertainment and recreational activities such as theme parks and fitness centers were valued at \$10 billion and \$35 billion respectively.³⁹

The recent trends in the arts, entertainment and recreation have been the increased demand for cruises and the increased use of the internet to organize and purchase activities in this industry. There has been a decline, however, in the participation in outdoor recreational activities since after 2001.⁴⁰

The leading players in the recreational activities industry in the U.S. include Walt Disney (theme park), Bally Total Fitness (fitness centers), Carnival and Royal Caribbean Cruises (cruise operators), American Express (travel agency) and Blockbuster (video-rental). The table below lists the companies that hire the most employees in the recreational activities industry (revenues for the highest-employing companies are also listed).

Company	# Employees	Revenue (M)
Industry Average	54,265	\$9,007.0
Blockbuster Inc.	72,600	\$5,864.4
Carnival Corporation	67,000	\$11,152.0
Carnival plc (ADR)	67,000	\$11,152.0
Royal Caribbean Cruises, Ltd.	38,800	\$4,903.2
Movie Gallery, Inc.	23,800	\$1,519.4
Bally Total Fitness Holdings Corp.	23,200	\$1,066.2
AMF Bowling, Inc.	17,280	\$702.0
Warner Music Group Corp.	4,000	\$3,458.0
Vail Resorts, Inc.	3,700	\$820.9
Life Time Fitness, Inc.	3,400	\$390.1

Source: Reuters.com

Important drivers for establishments in the arts, entertainment and recreation industry are proximity to population centers, existing demand in the market, access to competitive labor costs and a favorable climate.

38 Bureau of Labor Statistics – Occupational Outlook Handbook, 2006-2007 Edition (Bulletin 2601)

39 <http://www.investor.reuters.com/business/Industry>

40 <http://www.investor.reuters.com/business/Industry>



E. CONCLUSIONS / FINDINGS

Based on the research and discussions conducted as part of this study, below are some high level findings and considerations as the Army and Community focus on re-use opportunities:

- The superb location of the site, high tech-buildings and amenities at Fort Monmouth create an opportunity for the local community to help spur new investment and economic benefit for the surrounding areas of Fort Monmouth to include New York and Philadelphia.
- The mission of the fort has ensured the technology advancement of the site – the buildings and the technology infrastructure lends itself to opportunities for commercial and office use not only for businesses in the immediate area but for businesses headquartered in New York or Philadelphia that are interested in having alternative offices.
- The current high-level Army activities on the site will need to be transferred to another location prior to transfer, and therefore all creative methods of accommodating the replacement facilities at the earliest time should be considered in order to take advantage of the potential to transfer the site at the earliest opportunity.