

**Pinelands Development Credits
Summary Report
Through December 31, 2006**



**New Jersey Pinelands Commission
March, 2007**

The Pinelands Development Credit Program

The Pinelands Development Credit program is a Transferable Development Rights program which encourages a shift of development away from important environmental and agricultural lands to other, more appropriate areas within the Pinelands.

Each year, the staff of the Pinelands Commission publishes a report summarizing key activity levels in the program. For more information on how the program works, please call or write the Pinelands Commission or the New Jersey Pinelands Development Credit (PDC) Bank or check their respective websites.

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ACTIVITY LEVELS AT A GLANCE

	<u>2006</u>	<u>1981-2006</u>
Rights Severed* from Sending Areas	663	6,542
Acres Protected Through Severances**	7,180	54,831
First Time Sales of Rights	254	4,748
3,163 Rights Purchased by Private Parties		
1,585 Rights Purchased by Banks		
Resales of Rights	19	1,096
657 Rights Resold between Private Parties		
439 Rights Purchased from Banks		
Rights Proposed for Use	696	4,482
3075 Rights Redeemed		
1,407 Rights Proposed in Active Projects		

The tables and graphs which follow provide more detailed information on these and other key steps in the Pinelands Development Credit Program.

* Includes rights retired through PDC Bank Special Purchase & Farmland Preservation Programs

** Includes acres protected through retirement of PDCs through PDC Bank Special Purchase & Farmland Preservation Programs

TABLE 1
 PINELANDS DEVELOPMENT CREDIT PROGRAM
 ALLOCATION OF RIGHTS BY YEAR

Year	Allocations	Number of Rights
1981	7	332
1982	25	662
1983	37	516
1984	33	215
1985	22	138
1986	13	30
1987	8	41
1988	8	38
1989	82	389
1990	152	713
1991	77	269
1992	17	34
1993	127	245
1994	133	503
1995	27	118
1996	30	194
1997	65	242
1998	81	185
1999	16	81
2000	170	1619
2001	194	2339
2002	33	539
2003	36	127
2004	48	171
2005	150	531
2006	60	407
TOTAL	1651	10678

1. One transferable development right equals one-quarter Pinelands Development Credit (PDC).

2. The numbers of allocations are equivalent to the number of Letters of Interpretation (LOIs) issued by the Pinelands Commission relative to PDC allocations. Revised LOIs are not counted, except where increased allocations result from an increase in acres.

3. In cases where property owners received revised PDC allocations, the adjusted allocation is reflected in the total number of rights for the year in which the original allocation was made, except where increased allocations result from an increase in acres, which are reflected in the year that the revised allocation occurred.

4. In the 2002 Plan Review Report, it was estimated that there were approximately 18,000 total rights to be allocated.

Source: Cross-referenced LAN file summary, Executive Director's LOI summary record and 1990-2006 LOIs.

TABLE 2
PINELANDS DEVELOPMENT CREDIT PROGRAM
LAND PROTECTED THROUGH PDC SEVERANCES

Year	Acres Protected					ANNUAL TOTAL
	Rights Severed	Preservation Area	Agricultural Production Area	Special Agricult. Production Area	Other Mgmt. Area	
1982	40	686	0	0		686
1983	152	219	801	0		1021
1984	107	305	0	476		781
1985	29	387	0	10		397
1986	18	0	107	0		107
1987	9	0	58	0		59
1988	2	1	0	0		1
1989	4	27	0	0		27
1990	257	1728	593	117		2437
1991	259	895	1423	0		2319
1992	213	1730	340	0	2	2071
1993	4	41	0	0		41
1994	248	1723	516	133		2372
1995	135	275	345	30		650
1996	79	164	223	8	1	396
1997	253	1141	1075	207		2424
1998	207	1795	50	222		2067
1999	145	915	138	276		1329
2000	798	681	977	3723		5382
2001	1068	3480	671	5331		9482
2002	363	894	275	1533		2702
2003	103	1079	145	0		1224
2004	158	664	716	0		1380
2005	666	779	2593	1602		4974
2006	461	289	1763	2945		4997
PDCBank Total	5778	19900	12810	16612	2	49325
FPP Total	764	102	4659	745		5506
Grand Total	6542	20002	17469	17357	2	54831

1. One transferable development right equals one-quarter Pinelands Development Credit.
2. Numbers may not total due to rounding.
3. PDCs are normally allocated to land in the listed areas but may also be allocated in special cases to properties in other Pinelands Management Areas.
4. 1,001 rights purchased by NJPDC Bank in years 2000 through 2002 were retired through the Special PDC Purchase Program and are not available for use.
5. The State Agriculture Development Committee (SADC) and the Burlington County Board of Chosen Freeholders have protected additional lands through the Farmland Preservation Program (FPP) and retired the associated PDCs. Please see Table 2-A for more details

TABLE 2-A
 PINELANDS DEVELOPMENT CREDIT PROGRAM
 LAND PROTECTED THROUGH FARMLAND PRESERVATION PROGRAM
 THROUGH RETIREMENT OF PDCs

Program	No. Farms	Rights Retired	Acres Protected			Total Acres
			Preservation Area District	Agricultural Production Area	Special Ag Production Area	
SADC Round 1	22	380		1886	196	2082
SADC Round 2	14	168	102	510	549	1161
SADC Other Rounds	1	110		1450		1450
Burlington Co. Farm Preservtn.	4	106		813		813
TOTAL	41	764	102	4659	745	5506

Notes:

1. One transferable development right equals one-quarter Pinelands Development Credit.
2. Numbers may not total due to rounding. Acres listed are those from the LOI even though, in some cases, deed restriction describes "exceptions" and associated acreage where future dwelling units may occur.
4. No certificates are issued in association with these deed restrictions and PDCs are retired in accordance with amounts listed in LOI, whether or not they are multiples of 0.25 PDCs.
5. All rights are retired and not available for use.
6. These programs were initiated in 2003

Source: State Agriculture Development Committee (SADC), PDC Bank and Burlington County

Figure 1
Annual Trends in Pinelands Development Credit
Allocations and Severances

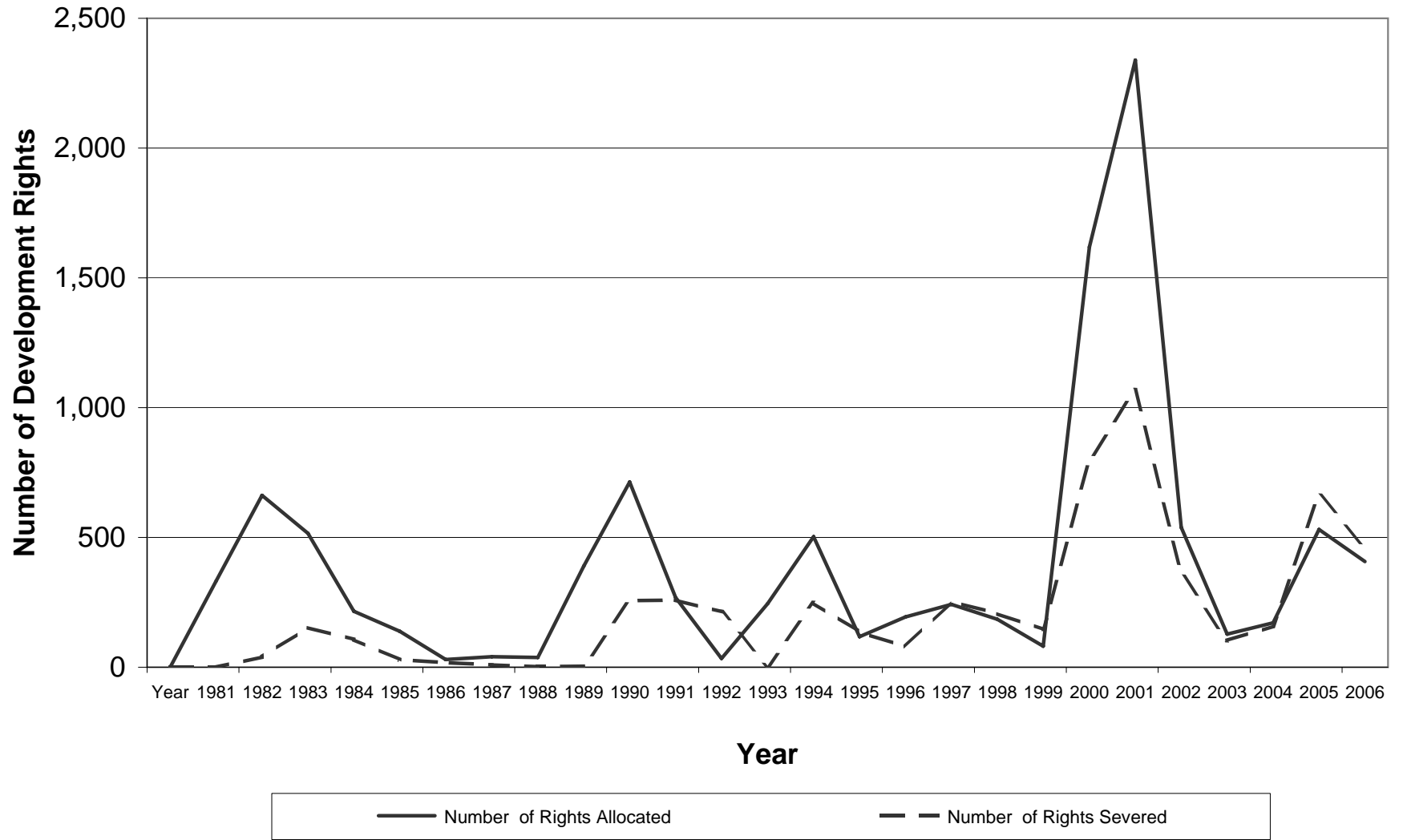


TABLE 3

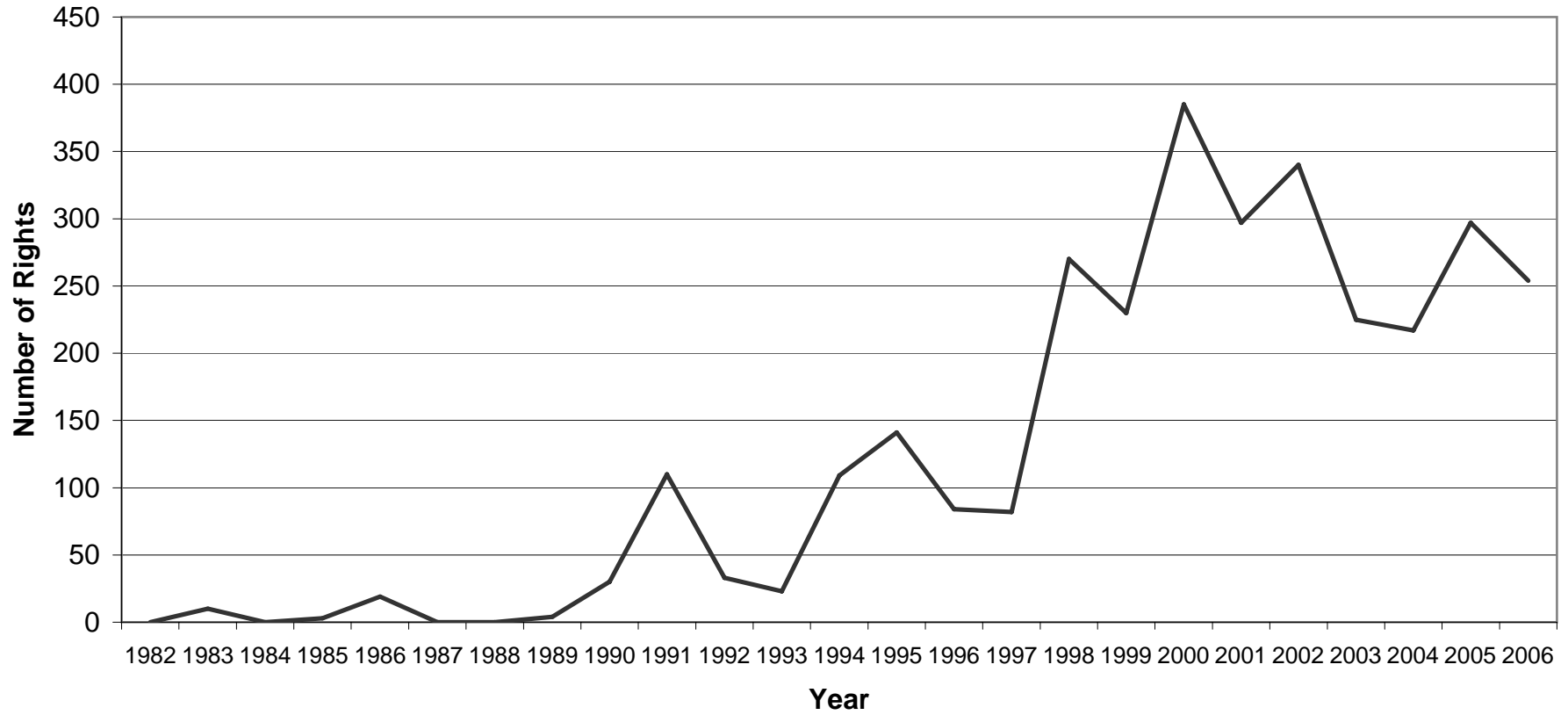
PINELANDS DEVELOPMENT CREDIT PROGRAM
FIRST TIME TRANSFERS OF RIGHTS

Year of Sale	Rights Initially Purchased			Other Rights Transferred	Total
	Between Private Parties	By Public Banks*	Total Rights Purchased		
1982	0	18	18	0	18
1983	10	142	152	0	152
1984	0	107	107	0	107
1985	3	29	32	0	32
1986	19	18	37	0	37
1987	0	9	9	0	9
1988	0	1	1	0	1
1989	4	1	5	0	5
1990	30	146	176	22	198
1991	110	8	118	0	118
1992	33	21	54	90	144
1993	23	0	23	0	23
1994	109	0	109	0	109
1995	141	59	200	0	200
1996	84	14	98	2	100
1997	82	11	93	19	112
1998	270	0	270	3	273
1999	230	0	230	0	230
2000	385	498	883	0	883
2001	297	502	799	16	815
2002	340	1	341	6	347
2003	225	0	225	22	247
2004	217	0	217	1	218
2005	297	0	297	44	341
2006	254	0	254	17	271
TOTAL	3163	1585	4748	242	4990

1. One transferable development right equals one-quarter Pinelands Development Credit
2. Only rights transferred after being severed from sending properties are recorded.
3. Purchases are those transactions for which the seller received consideration.
4. "Public Banks" include the Burlington County Pinelands Development Credit Exchange and the New Jersey Pinelands Development Credit Bank.
5. Other Rights Transferred includes transfers that are not "arms-length" transfers such as transfers within families and transfers included with the sale of land

* 1001rights purchased by NJPDC Bank in years 2000 through 2002 are retired through the Special Purchase Program and not available for use
Source: BurlCo PDC Exchange listing & PDC Bank Registry

Figure 2
Annual Trends in First Time Sales of
Pinelands Development Credits Between Private Parties



— Number of Rights Sold Each Year by the Original PDC Owner to Another Private Party

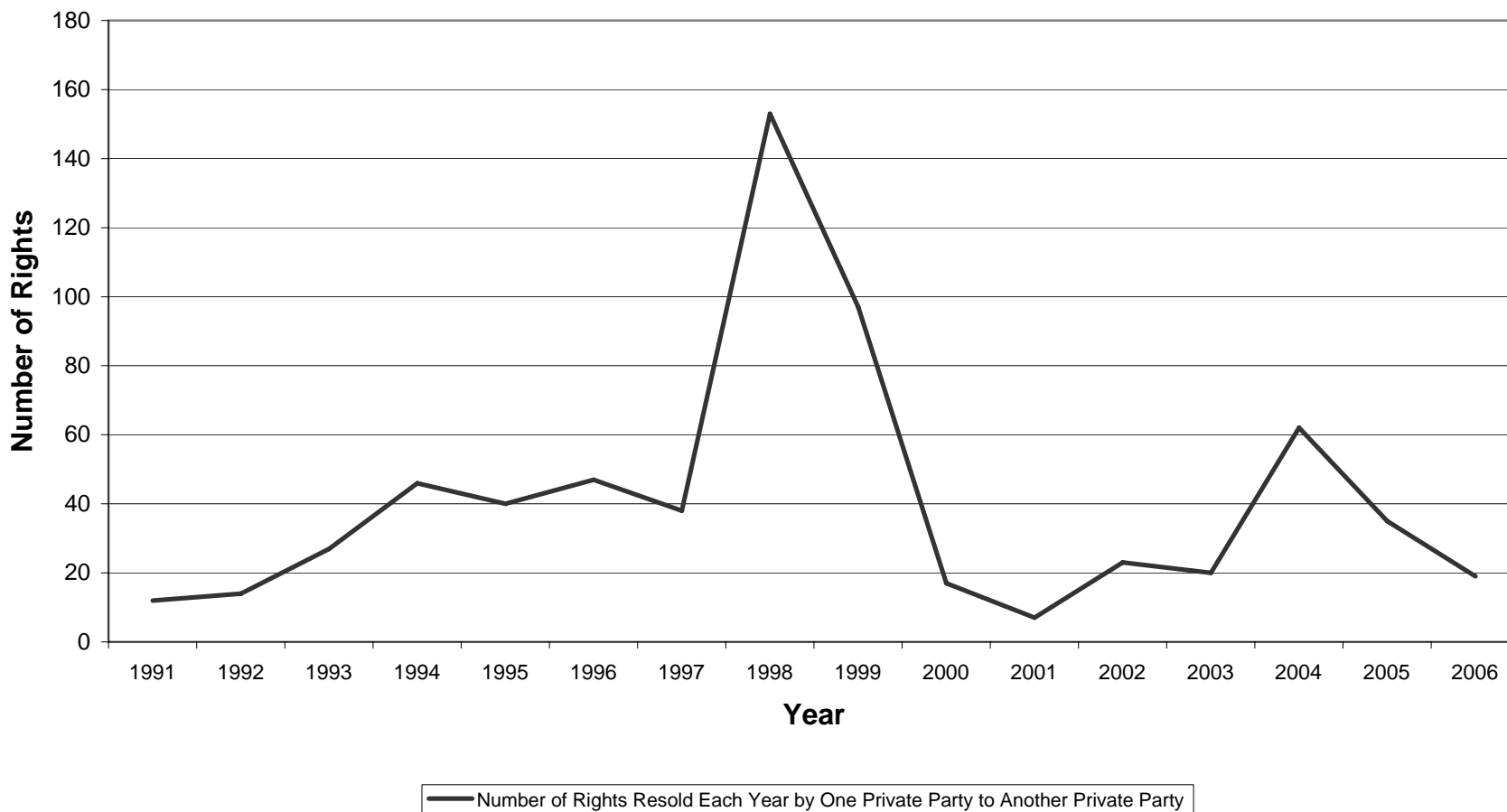
TABLE 4
PINELANDS DEVELOPMENT CREDIT PROGRAM
RESALES AND OTHER SECONDARY TRANSFERS OF RIGHTS
Rights Sold

Year of Sale	Between Private Parties	To Private Parties from Public Banks	Total Rights Sold	Other Rights Transferred	Total Rights Transferred
1982	0	0	0	0	0
1983	0	0	0	0	0
1984	0	9	9	0	9
1985	0	5	5	0	5
1986	0	26	26	0	26
1987	0	38	38	0	38
1988	0	86	86	0	86
1989	0	79	79	80	159
1990	0	1	1	0	1
1991	12	0	12	0	12
1992	14	4	18	0	18
1993	27	0	27	0	27
1994	46	0	46	2	48
1995	40	0	40	0	40
1996	47	0	47	2	49
1997	38	0	38	2	40
1998	153	0	153	40	193
1999	97	2	99	1	100
2000	17	139	156	1	157
2001	7	50	57	30	87
2002	23	0	23	63	86
2003	20	0	20	40	60
2004	62	0	62	2	64
2005	35	0	35	9	44
2006	19	0	19	0	19
TOTAL	657	439	1096	272	1368

1. One transferable development right equals one-quarter Pinelands Development Credit
2. Transfers from the original owner of the PDCs are not included.
3. Resales are those transactions for which the seller received consideration.
4. Public Banks include the Burlington County Pinelands Development Credit Exchange and the New Jersey Pinelands Development Credit Bank
5. Other transfers include the New Jersey Pinelands Development Credit Bank's purchase of 80 rights from the Burlington County Pinelands Development Credit Exchange, donations of rights and transfers that are not "arms-length" transactions.
6. Starting with the 1996 report, 48 rights that were previously listed as initial transfers (Table 3) were reclassified as secondary transfers and are included in Table 4.

Source: BurlCo PDC Exchange listing & PDCB Registry

Figure 3
Annual Trends in Resales of Pinelands
Development Credits Between Private Parties



Note: Prior to 1991, there were no resales between private parties.

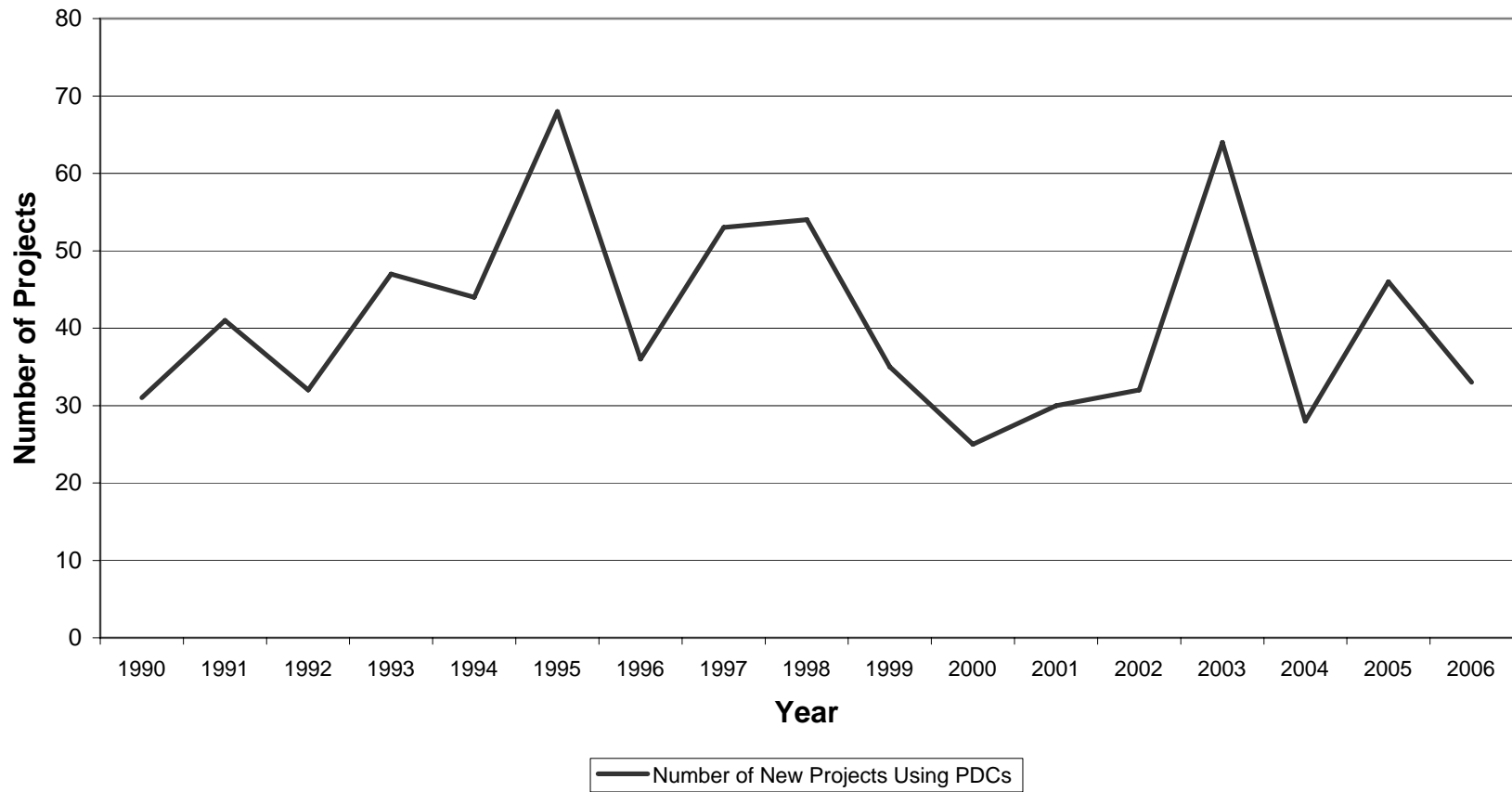
TABLE 5
PINELANDS DEVELOPMENT CREDIT PROGRAM
DEVELOPMENT PROJECTS USING PDCS

Municipality	2006 Activity		1981-2006		
	Number of New Projects	Number of Rights	Total Number of Projects	Total Number of Rights to be Used	Total Number of Rights Redeemed
Barneгат	2	23	7	70	70
Bass River	1	1	2	2	20
Berkeley	0	0	2	4	4
Buena Vista	0	0	5	7	5
Chesilhurst	0	0	11	50	50
Dennis	0	0	6	6	5
Egg Harbor City	0	0	3	12	12
Egg Harbor Township	11	59	163	861	784
Estell Manor	0	0	4	5	4
Evesham	0	0	6	9	9
Folsom	1	1	2	2	1
Franklin	0	0	2	3	3
Galloway	1	1	19	339	279
Hamilton	3	3	48	797	614
Hammonton	1	1	17	22	21
Jackson	2	63	5	67	5
Lacey	0	0	4	6	6
Lakehurst	0	0	1	1	1
Manchester	0	0	4	7	4
Maurice River	1	1	4	4	4
Medford	0	0	43	136	90
Medford Lakes	0	0	4	6	6
Monroe	1	1	65	505	322
Mullica	0	0	8	9	9
New Hanover	0	0	1	2	2
Ocean	0	0	1	1	1
Pemberton	3	295	25	381	60
Shamong	2	2	15	29	27
South Toms River	0	0	1	1	0
Southampton	0	0	7	11	9
Stafford	1	170	15	186	16
Tabernacle	0	0	16	284	282
Upper	0	0	7	10	10
Washington	0	0	1	1	1
Waterford	1	1	29	136	111
Weymouth	0	0	3	4	4
Winslow	2	74	39	494	212
Woodbine	0	0	1	2	2
Woodland	0	0	3	4	4
Linear Development	0	0	1	6	6
TOTAL:	33	696	600	4482	3075

Notes:

1. One transferable development right equals one-quarter Pinelands Development Credit.
2. Only those projects which are seeking local approvals, are in receipt of local approvals, or are built are reported here.
3. Redemptions are reported only after a formal redemption notice is issued.
4. Total number of projects reflects an ongoing review and identification of abandoned, revised and closed projects, projects no longer requiring PDCs and projects having no activity for the previous five years.

Figure 4
Annual Trends in Projects Using Pinelands Development Credits



Note: Prior to 1/1/90, these statistics were not maintained on a calendar year basis.

TABLE 6

PINELANDS DEVELOPMENT CREDIT PROGRAM
HOW PINELANDS DEVELOPMENT CREDITS ARE PLANNED TO BE USED THROUGH 2006

Municipality	Mitigation for Waivers of Strict (No. of Rights)	Density Increases	
		With Variances (No. of Rights)	Without Variances (No. of Rights)
Barneгат	0	1	69
Bass River	1	1	0
Berkeley	4	0	0
Buena Vista	3	4	0
Chesilhurst	0	50	0
Dennis	4	2	0
Egg Harbor City	0	1	11
Egg Harbor Twp	7	122	732
Estell Manor	2	3	0
Evesham	4	3	2
Folsom	1	1	0
Franklin	2	1	0
Galloway	10	8	321
Hamilton	24	220	553
Hammonton	2	10	10
Jackson	5	0	62
Lacey	5	1	0
Lakehurst	0	1	0
Manchester	6	1	0
Maurice River	3	1	0
Medford	7	27	102
Medford Lakes	2	4	0
Monroe	8	57	440
Mullica	8	1	0
New Hanover	2	0	0
Ocean	1	0	0
Pemberton	12	17	352
Shamong	8	1	20
South Toms River	0	1	0
Southampton	11	0	0
Stafford	13	2	171
Tabernacle	7	36	241
Upper	9	1	0
Washington	1	0	0
Waterford	7	16	113
Weymouth	3	1	0
Winslow	4	8	482
Woodbine	2	0	0
Woodland	4	0	0
Linear Development	6	0	0
TOTAL:	198	603	3681

Notes:

Notes:

1. One transferable development right equals one-quarter Pinelands Development Credit.
2. Density increases with variances include cases when use variances involving Pinelands Development Credits were granted by municipalities.
3. Total number of projects reflects an ongoing review and identification of abandoned, revised and closed projects, projects no longer requiring PDCs and projects having no activity for the previous five years.

TABLE 7

PINELANDS DEVELOPMENT CREDIT PROGRAM
PDC PRIVATE SALES – PRICE PER RIGHT

Year of Purchase	Mean Sales Price	Median Sales Price	Price Range per Right		No. Rights Sold
1984	N/A	N/A			0
1985	\$ 2,250.00	\$ 2,250.00	\$ 2,250.00	\$ 2,250.00	3
1986	\$ 2,006.00	\$ 2,083.00	\$ 1,875.00	\$ 2,083.00	19
1987	N/A	N/A			0
1988	N/A	N/A			0
1989	\$ 3,375.00	\$ 2,875.00	\$ 2,750.00	\$ 5,000.00	4
1990	\$ 4,199.00	\$ 4,125.00	\$ 2,625.00	\$ 5,600.00	30
1991	\$ 3,567.00	\$ 3,437.00	\$ 2,800.00	\$ 5,000.00	110
1992	\$ 3,511.00	\$ 3,500.00	\$ 2,700.00	\$ 4,500.00	47
1993	\$ 3,544.00	\$ 3,125.00	\$ 3,000.00	\$ 5,000.00	38
1994	\$ 3,518.00	\$ 3,500.00	\$ 2,955.00	\$ 4,500.00	154
1995	\$ 3,220.00	\$ 3,206.00	\$ 3,000.00	\$ 4,500.00	156
1996	\$ 3,504.00	\$ 3,500.00	\$ 3,200.00	\$ 4,000.00	118
1997	\$ 3,470.00	\$ 3,500.00	\$ 3,000.00	\$ 4,000.00	133
1998	\$ 3,327.00	\$ 3,400.00	\$ 1,750.00	\$ 4,000.00	423
1999	\$ 3,960.00	\$ 3,750.00	\$ 3,250.00	\$ 6,250.00	318
2000	\$ 6,833.00	\$ 6,500.00	\$ 3,375.00	\$ 9,000.00	363
2001	\$ 7,128.00	\$ 7,500.00	\$ 6,000.00	\$ 9,000.00	304
2002	\$ 7,751.00	\$ 8,000.00	\$ 6,000.00	\$ 9,000.00	363
2003*	\$ 10,320.00	\$ 10,000.00	\$ 8,500.00	\$ 16,500.00	261
2004	\$ 22,942.00	\$ 22,000.00	\$ 12,000.00	\$ 40,000.00	279
2005	\$ 30,413.00	\$ 30,000.00	\$ 15,000.00	\$ 40,000.00	316
2006	\$ 28,570.00	\$ 29,871.00	\$ 20,000.00	\$ 40,000.00	273

No private sales in years 1984, 1987 and 1988

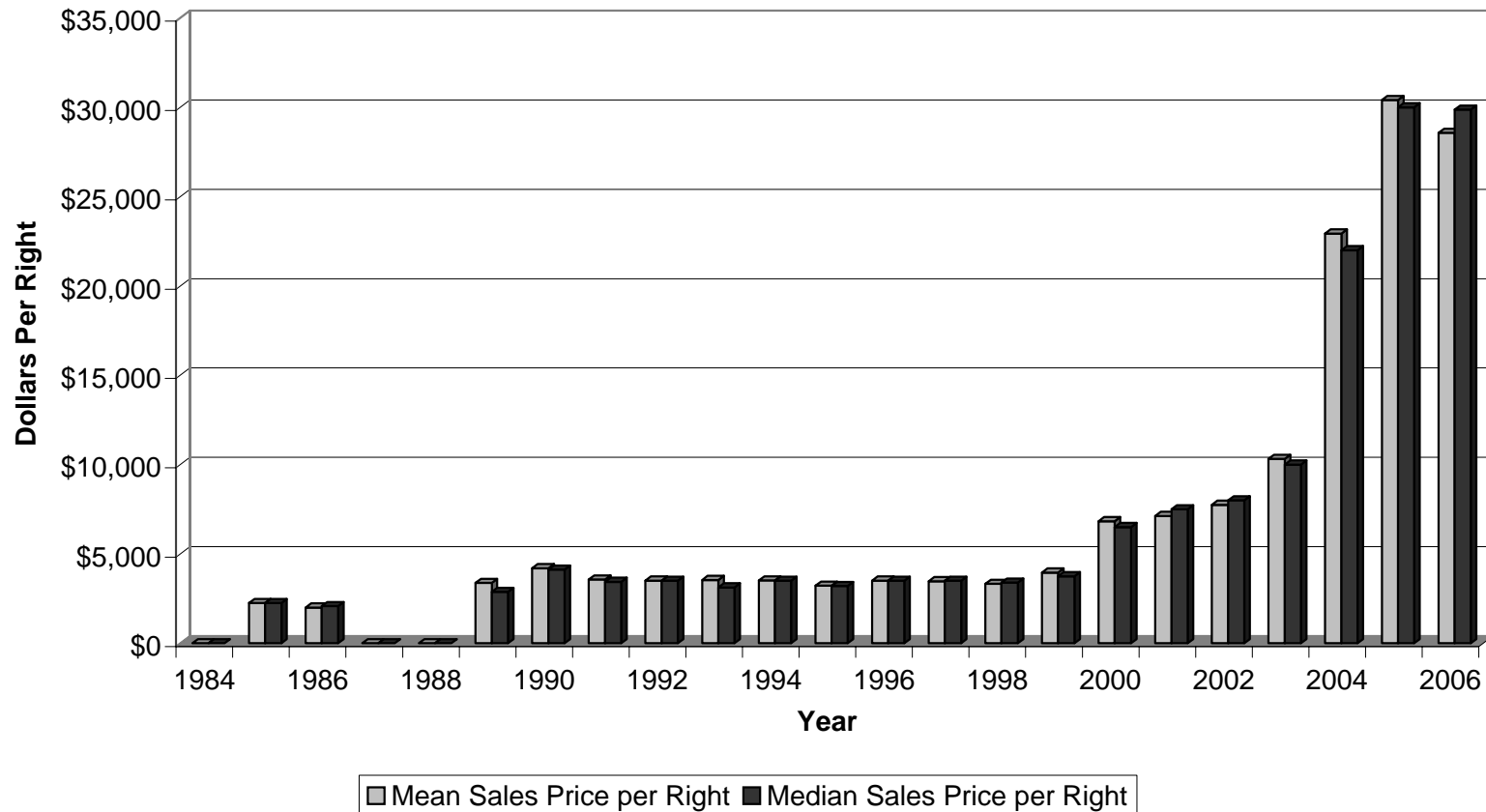
In order to reflect the influence of the re-sale market, includes secondary as well as first-time sales, resulting in some multiple counting of rights

Prices are not adjusted for inflation

Does not include sales/transfers involving special circumstances such as gifts within families or sales including land

*16 rights sold in 2003 not reported until 2005; prices are reflected here for 2003

Figure 5
Mean and Median Private PDC Sale Prices



No private sales in years 1984, 1987 and 1988.

In order to reflect the influence of the re-sale market, includes secondary as well as first-time sales, resulting in some multiple counting of rights. Does not include sales/transfers involving special circumstances such as gifts within families or sales including land.

Source: 1991 Plan Review document (for data through mid-1991) and the PDC Bank