

RESOLUTION 2018-1
HIGHLANDS DEVELOPMENT CREDIT BANK
AUTHORIZATION TO RESCIND
HIGHLANDS DEVELOPMENT CREDIT PURCHASE OFFERS
UNDER THE HIGHLANDS DEVELOPMENT CREDIT PURCHASE PROGRAM,
N.J.A.C. 7:70-1 et seq.

WHEREAS, pursuant to Section 13.i of the Highlands Water Protection and Planning Act (Highlands Act), the Highlands Water Protection and Planning Council (Highlands Council) established the Highlands Development Credit Bank (Bank) by Resolution 2008-24 adopted on June 26, 2008; and

WHEREAS, Resolution 2008-24 establishes the functions of the Bank, including serving as a buyer and seller of Highlands Development Credits (HDCs); and

WHEREAS, pursuant to Resolution 2009-05, the Bank has adopted Operating Procedures for the Bank's activities, including the purchase of HDCs; and

WHEREAS, in accordance with Resolution 2016-4 adopted on February 18, 2016, the Highlands Council adopted N.J.A.C.7:70-1 et seq. that created the Highlands Development Credit Purchase Program (HDC Program), under which the Bank may purchase HDCs from certain applicants on an open space priority basis; and

WHEREAS, Resolution 2016-2 adopted by the Bank Board on March 22, 2016 authorized and directed the Executive Director to accept applications under the HDC Program; and

WHEREAS, consistent with the criteria established in the HDC Program, the Executive Director made recommendations to the Bank for approval of HDC Program applications where the applicants' properties qualified for acquisition consideration as determined by the Highlands Council; and

WHEREAS, pursuant to Resolution 2017-1 adopted by the Bank Board on April 5, 2017, the Executive Director was authorized to make offers at \$16,000 per HDC to purchase the HDCs allocated by the Highlands Council to twenty-three (23) properties on the basis that the owners satisfied the acquisition eligibility and priority criteria established by N.J.A.C. 7:70-1 et seq.; and

WHEREAS, pursuant to Resolution 2017-1, the Executive Director issued an offer letter on June 20, 2017 to the owner of property located at Lot 29 in Block 37 in the Township of Washington, Morris County (Property #1) for the purchase of the three and one quarter (3.25) HDCs that had been allocated by the Highlands Council under Allocation #2011-0009, which offer was accepted on July 31, 2017; and

WHEREAS, pursuant to Resolution 2017-1, the Executive Director issued an offer letter on June 20, 2017 to the the owner of property located at Lot 9 in Block 12 in the Township of Harmony, Warren County (Property #2) for the purchase of the two (2.0) HDCs that had been allocated by the Highlands Council under Allocation #2016-0009, which offer was accepted on July 7, 2017; and

WHEREAS, the Executive Director issued closing instructions letters to the owner of Property #2 on July 7, 2017 and to the owner of Property #1 on August 2, 2017, which instructed each applicant

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to submit the information required under N.J.A.C. 7:70-4.1(a) in order to proceed with the HDC closing; and

WHEREAS, in accordance with Resolution 2017-2 adopted by the Bank Board on November 2, 2017, all offers authorized by the Bank Board for the purchase of HDCs allocated by the Highlands Council are contingent upon the owner providing the information required under N.J.A.C. 7:70-4.1(a) within six (6) months of the date of issuance of the closing instructions letter; and

WHEREAS, under Resolution 2017-2, if the owner fails to provide the required information by this deadline, the Bank may consider rescinding the offer and making the funds available to other applicants to the HDC Program; and

WHEREAS, the Executive Director issued additional correspondence to each applicant requesting submittal of all outstanding information required under N.J.A.C. 7:70-4.1(a) in order to proceed with the HDC closing; and

WHEREAS, the respective owners of Property #1 and Property #2 have failed to provide all of the required information in accordance with the deadline established under Resolution 2017-2; and

WHEREAS, the HDC transactions for Property #1 and Property #2 cannot be completed without receipt of this information; and

WHEREAS, pursuant to the Bank By-laws, a true copy of the Board's meeting minutes shall be prepared and forthwith delivered to the Highlands Council and no action taken at such meetings by the Board shall have effect until the Highlands Council's period of review has expired and the Governor's period of review for that Council meeting has expired pursuant to the following paragraph; and

WHEREAS, pursuant to the Highlands Act, at N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

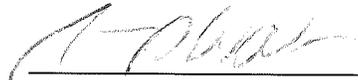
NOW, THEREFORE, BE IT RESOLVED by the Highlands Development Credit Bank that:

The Executive Director is authorized to rescind the offers to purchase the three and one quarter (3.25) HDCs allocated to Property #1 under Allocation #2011-0009 and the two (2) HDCs allocated to Property #2 under Allocation #2016-0009.

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CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Development Credit Bank at its regular meeting held on the 1st day of November, 2018.



 Robert G. Walton, Chairman

<u>Vote on the Approval of this Resolution</u>	<u>Motion</u>	<u>Second</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Director Davis			✓			
Director Fricke			✓			
Director Holtaway	✓		✓			
Director McElroy		✓	✓			
Director Nieuwenhuis						✓
Director Payne						✓
Director Richko			✓			
Director Romano			✓			
Chairman Walton			✓			