Background

- Why
- When
- How
The Pinelands Infrastructure Bond Act - enacted on August 23, 1985

The Act authorized the issuance of bonds - $30 million

Proceeds of which were to be used:

• To provide grants and loans to local government units
• For infrastructure capital projects
• In Pinelands RGAs
PINELANDS PROTECTION BOND ACT of 1985,11

INTERPRETIVE STATEMENT

- Clarified the intended uses of grants and loans is for transportation, wastewater treatment, water supply, and other infrastructure systems in the Pinelands area.
- Conformance with CMP required before Project funding would be authorized.
- Both municipal and county master plans must be certified by the Pinelands Commission.
Purpose of the Act

**Targeted Growth Areas with PDCs**
- Redirecting development away from environmentally sensitive and agriculturally important areas
- Including traditional zoning and the Pinelands Development Credit (PDC) program.

**Public Costs**
- Public costs are associated with capital facilities needed to serve Regional Growth areas
- Ease financial burden on local taxpayers for RGA infrastructure
RGAs (orange) and Towns (purple)
Infrastructure Fund Master Plan

- **PITF Act**
  - PC must adopt Infrastructure Master Plan
  - 1987, resolution PC4-87-3 first PC Master Plan

- **Pinelands Infrastructure Master Plan**
  - Funding formula
  - Project list (intended uses)
  - New PC resolution to change formula or projects
  - Several Amendments have occurred

- **NJ Infrastructure Trust**
  - Submitted to NJ-EIT
  - FY Intended Use Plan
  - Legislative authorization
The Act did not specify what proportion of loans versus grants should be awarded.
Past Funding Limited to Wastewater

The Act defined “infrastructure capital projects” to include acquisition, construction, improvement, expansion, repair or rehabilitation of all or part of any structure, facility or equipment necessary for, or ancillary to, transportation, wastewater treatment, water supply infrastructure systems.
Projects Funded

• Broad range of infrastructure project types are eligible for funding through PITF.

• Past funding awarded solely to sewer construction primarily for two reasons:
  • Area of greatest need for Pinelands RGAs in 1986, and
  • Existing wastewater assistance programs offered NJDEP provided engineering expertise and management capacity.
Previous Project Ranking Factors

- Two sets of Ranking Factors
  - General
  - Project Specific
Previous Project Ranking Factors

**General Ranking Factors – 75 points**

- Future development potential
- Total number of future dwelling units served
- **Percent of “Growth Area” needs, including PDCs, met by project**
- Net development capacity (Unmet build-out needs remaining after completion)
- **Cost per Unit** Projects ranked by the total eligible cost per number of future dwelling units served.
Previous Project Ranking Factors

Project Specific Ranking Factors – 25 points

- Wastewater Infrastructure Projects
- Documented or known groundwater problems
- Recharge to groundwater in-basin/encourage community treatment plants
- Cost Financial bonus if PITF funding is minimized
- Future PDC units based on realistic potential
## Past Project Summary

<table>
<thead>
<tr>
<th>Project</th>
<th>9/01/1993</th>
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<tbody>
<tr>
<td>State Administration</td>
<td>$500,000</td>
</tr>
<tr>
<td>Local Planning &amp; Design</td>
<td>$100,000</td>
</tr>
<tr>
<td>Projects</td>
<td>$28,055,162</td>
</tr>
<tr>
<td>Contingency Grants &amp; Loans</td>
<td>$1,344,818</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$29,999,980</strong></td>
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Status Today

- Amount currently available (primarily from loan payback and low bid projects): $15.6 million
- Using old funding formula: $25.5 million in projects
Questions to be Answered: How to Amend the Infrastructure Plan

• **Revise possible uses** (from only wastewater)?
  * Response: Probably no need to expand, meets needs of today (stormwater and recharge covered)

• **Change ranking criteria**?
  * Response: Refine depending upon use and assistance offered
Questions to be Answered: How to Amend the Infrastructure Plan, cont.

- **Change funding assistance** from 40% grant/20% loan/20% other?
  - Response: Options
    - Tie to incentive, e.g.,
      - Recharge?
      - Interest rate tied to level of proposed or actual PDC use?
    - Continue revolving? How?
      - 100% no interest loan?
      - Split between grants, no interest loans and low interest loans
Larger RGAs – 12/24 Municipalities with Regional Growth Areas

<table>
<thead>
<tr>
<th>Half (12) of those generate substantial PDC demand</th>
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<tbody>
<tr>
<td>Egg Harbor Township</td>
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<tr>
<td>Hamilton Township</td>
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<td>Monroe Township</td>
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<td>Barnegat Township</td>
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<td>Pemberton Township</td>
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<tr>
<td>Galloway Township</td>
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The Pinelands Infrastructure Trust Fund, inactive for several years, is targeted for reactivation in FY2019. Possible uses, funding formula, and ranking criteria will be re-evaluated. A new “Request for Proposals” will be issued to all 24 municipalities and counties with Regional Growth Areas. Projects will then be ranked and recommended for funding (to be then placed in the FY20 Intended Use Plan).
Next Steps

- Review recently developed County Wastewater Plans
- Discuss with
  - Key Counties
  - Key RGAs: the 12 with sufficient development potential remaining
- Finalize proposed amendment to the Master Plan
- Review “amendment” with P &I
- Review “amendment “ with PC
Next Steps, cont.

- Include Notice of Impending RFPs in Infrastructure Trust Fund’s (Bank) 2019 Intended Use List
- Issue Request For Proposals - Late Fall
- Pursue CMP Amendment
  - Adding PDCs (and PITF eligibility) to Town Management Areas
  - Permit RDA Recharge areas