

**Pinelands Development Credits
Summary Report
Through December 31, 2005**



**New Jersey Pinelands Commission
May, 2006**

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 and ask for the Pinelands Development Credit Program Guide.

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ACTIVITY LEVELS AT A GLANCE

	<u>2005</u>	<u>1981-2005</u>
Rights Severed* from Sending Areas	689	5,879
Acres Protected Through Severances**	5,091	47,651
First Time Sales of Rights	297	4,494
2,909 Rights Purchased by Private Parties		
1,585 Rights Purchased by Banks		
Resales of Rights	35	1,077
638 Rights Resold between Private Parties		
439 Rights Purchased from Banks		
Rights Proposed for Use	133	3,797
2706 Rights Redeemed		
1,091 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	81	384
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	169	1621
2001	193	2338
2002	33	539
2003	36	127
2004	48	171
2005	148	529
TOTAL	1586	10265

Notes:

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 1990-2005 LOIs.

TABLE 2
PINELANDS DEVELOPMENT CREDIT PROGRAM
LAND PROTECTED THROUGH PDC SEVERANCES

Year	Rights Severed	Acres Protected				ANNUAL TOTAL
		Preservation Area	Agricultural Production Area	Special Agricult. Production Area	Other Mgmt. Area	
1982	40	686	0	0		686
1983	152	219	801	0		1,021
1984	107	305	0	476		781
1985	29	387	0	10		397
1986	18	0	107	0		107
1987	9	0	58	0		58
1988	2	1	0	0		1
1989	4	27	0	0		27
1990	257	1,728	593	117		2,437
1991	259	895	1,423	0		2,319
1992	213	1,730	340	0	2	2,071
1993	4	41	0	0		41
1994	248	1,723	516	133		2,372
1995	135	275	345	30		650
1996	79	164	223	8	1	396
1997	253	1,142	1,075	207		2,424
1998	207	1,795	50	222		2,067
1999	145	915	138	276		1,329
2000	798	681	977	3,723		5,382
2001	1,068	3,480	671	5,331		9,482
2002	363	894	275	1,533		2,702
2003	103	1,079	145	0		1,224
2004	158	664	716	0		1,380
2005	666	779	2,593	1,602		4,974
PDCBank Total	5,317	19,611	11,046	13,668	2	44,328
FPP Total	562	102	2,476	745		3,323
Grand Total	5879	19,713	13,522	14,413	2	47,651

Notes:

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		1,886	196	2,082
SADC Round 2	14	168	102	510	549	1,161
Burlington Co. Farm Preservtn.	2	14		80		80
TOTAL	38	562	102	2,476	745	3,323

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 active in 2003 thru 2005

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

Figure 1
Annual Trends in Pinelands Development Credit
Allocations and Severances

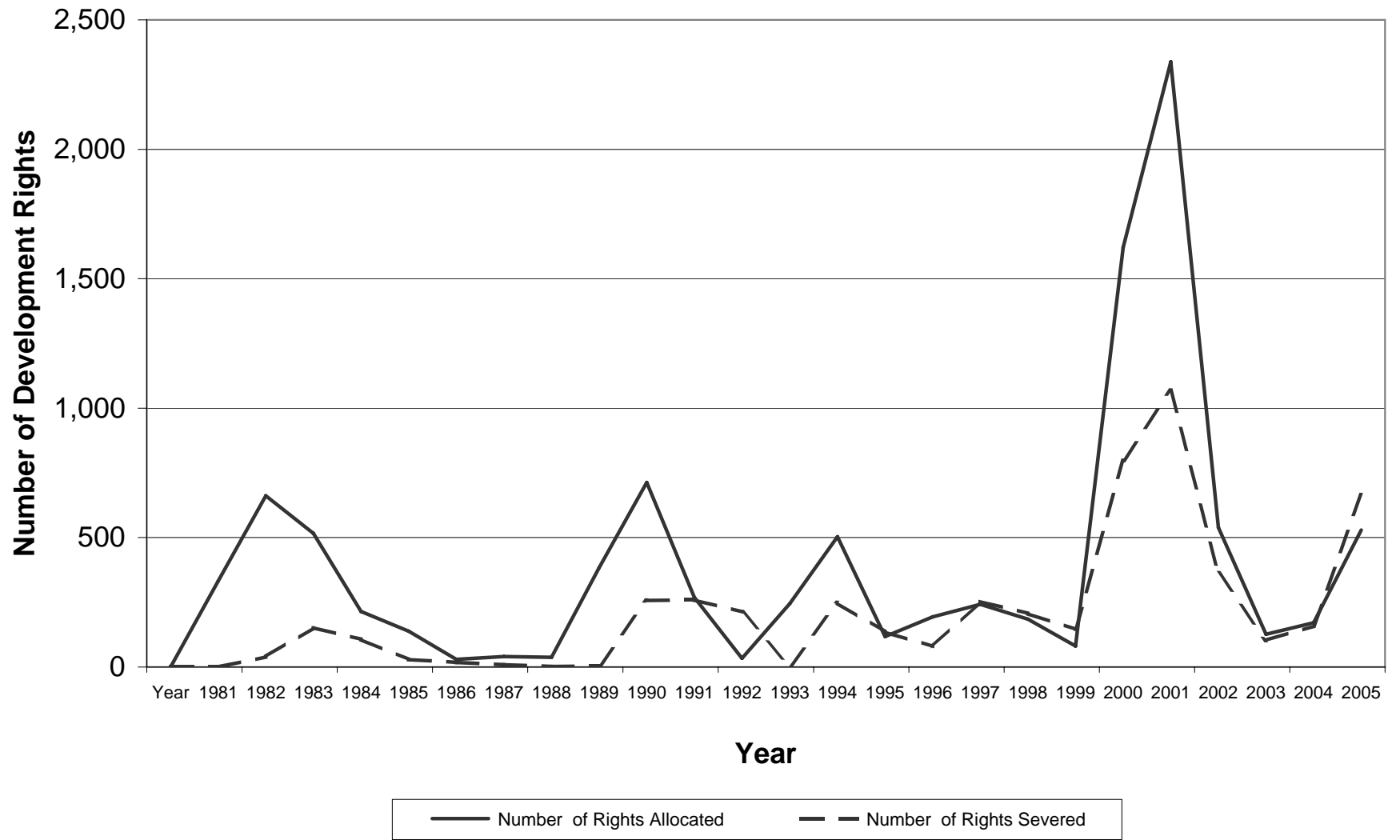


TABLE 3

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
TOTAL	2909	1585	4494	225	4719

Notes:

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

* 1001 rights purchased by NJPDC Bank in years 2000 through 2002 are retired through the Special Purchase Program and not available for use

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

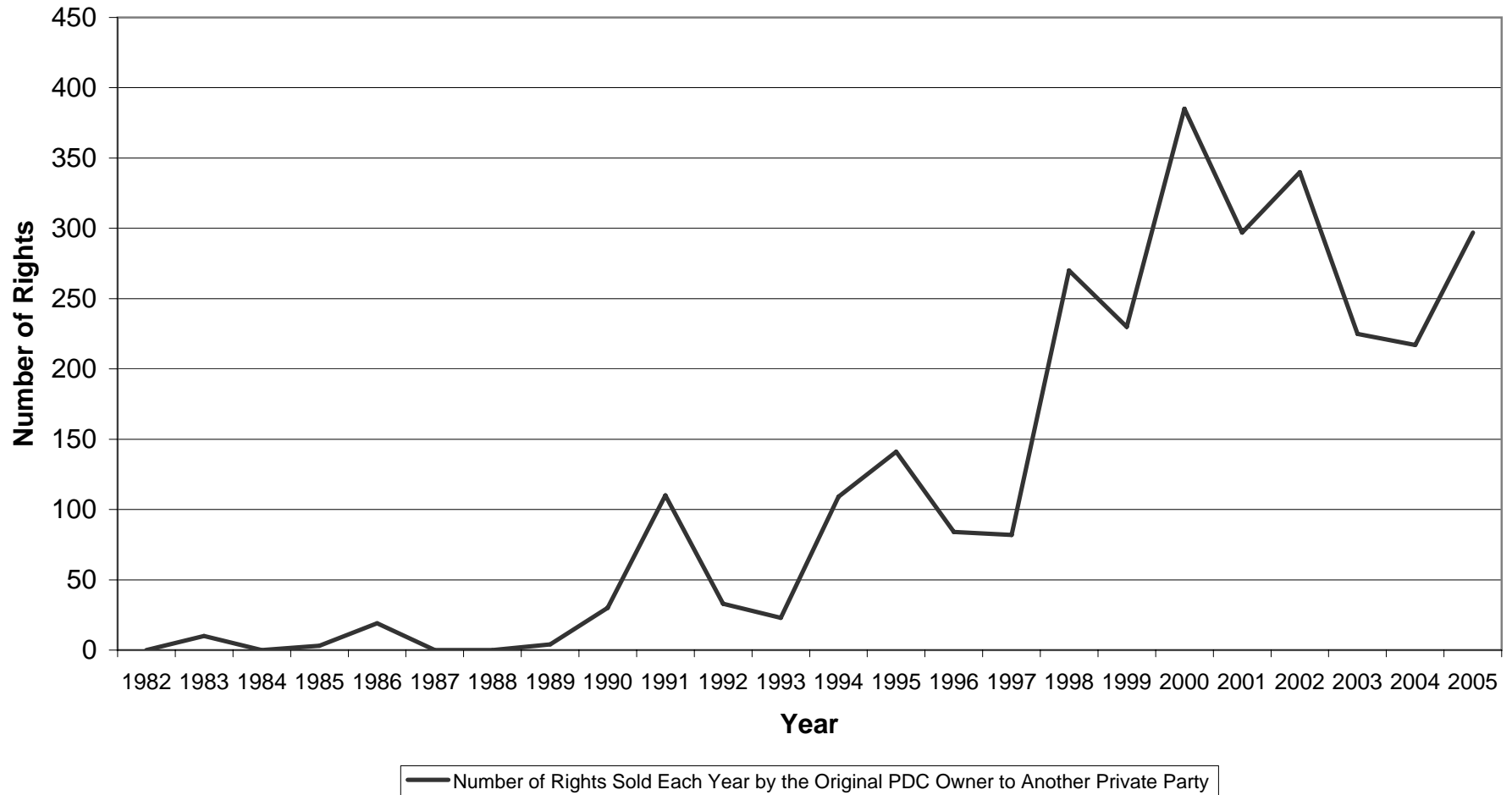


TABLE 4

PINELANDS DEVELOPMENT CREDIT PROGRAM
RESALES AND OTHER SECONDARY TRANSFERS OF RIGHTS

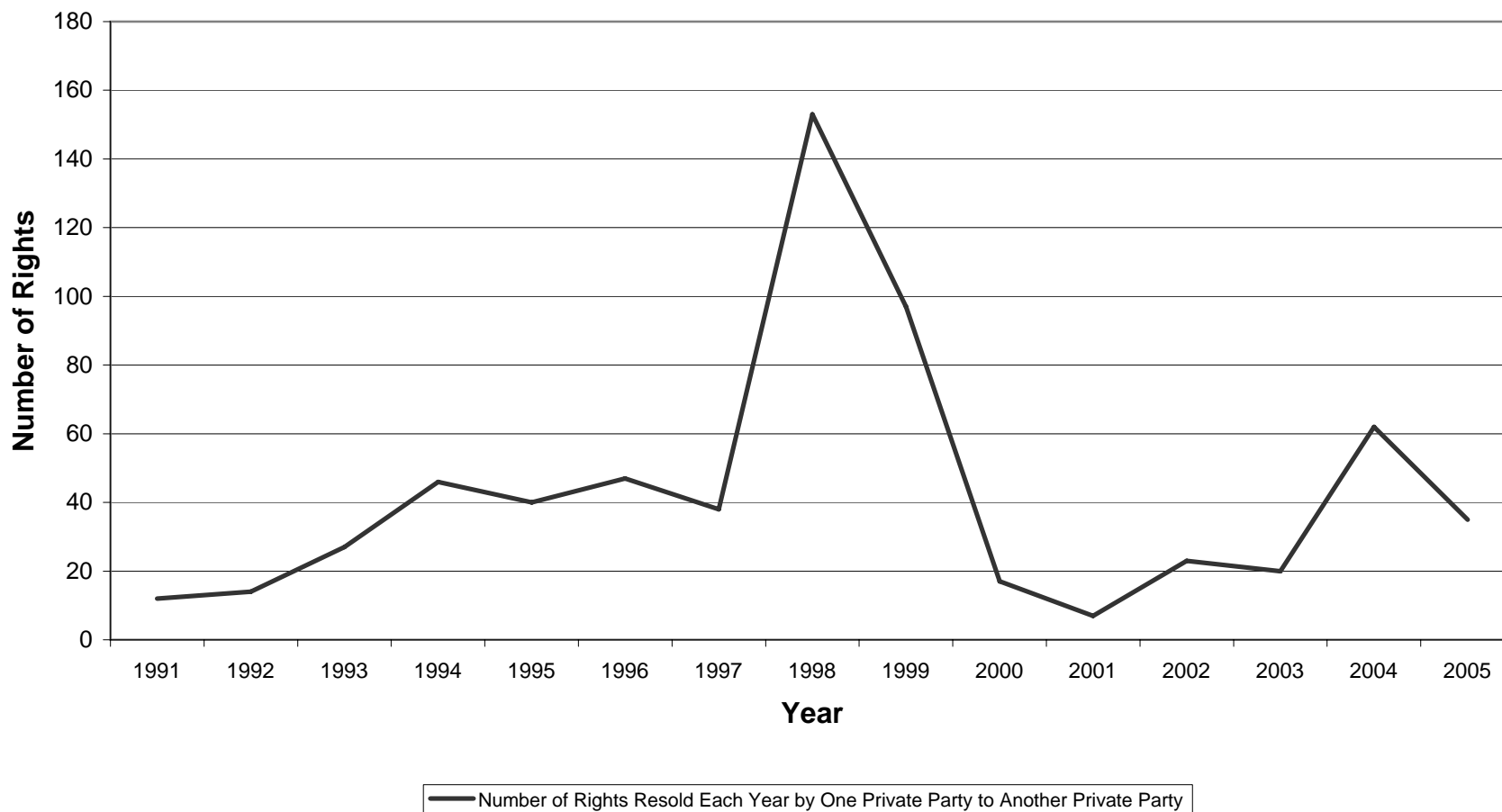
Year of Sale	Rights Sold				
	Between Private Parties	To Private Parties from Public Banks	Total Rights Sold	Other Rights Transferred	Total Rights Transferred
1982	0	0	0	0	0
1983	0	0	0	0	0
1984	0	9	9	0	9
1985	0	5	5	0	5
1986	0	26	26	0	26
1987	0	38	38	0	38
1988	0	86	86	0	86
1989	0	79	79	80	159
1990	0	1	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
TOTAL	638	439	1077	272	1349

Notes:

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□□□□
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

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



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

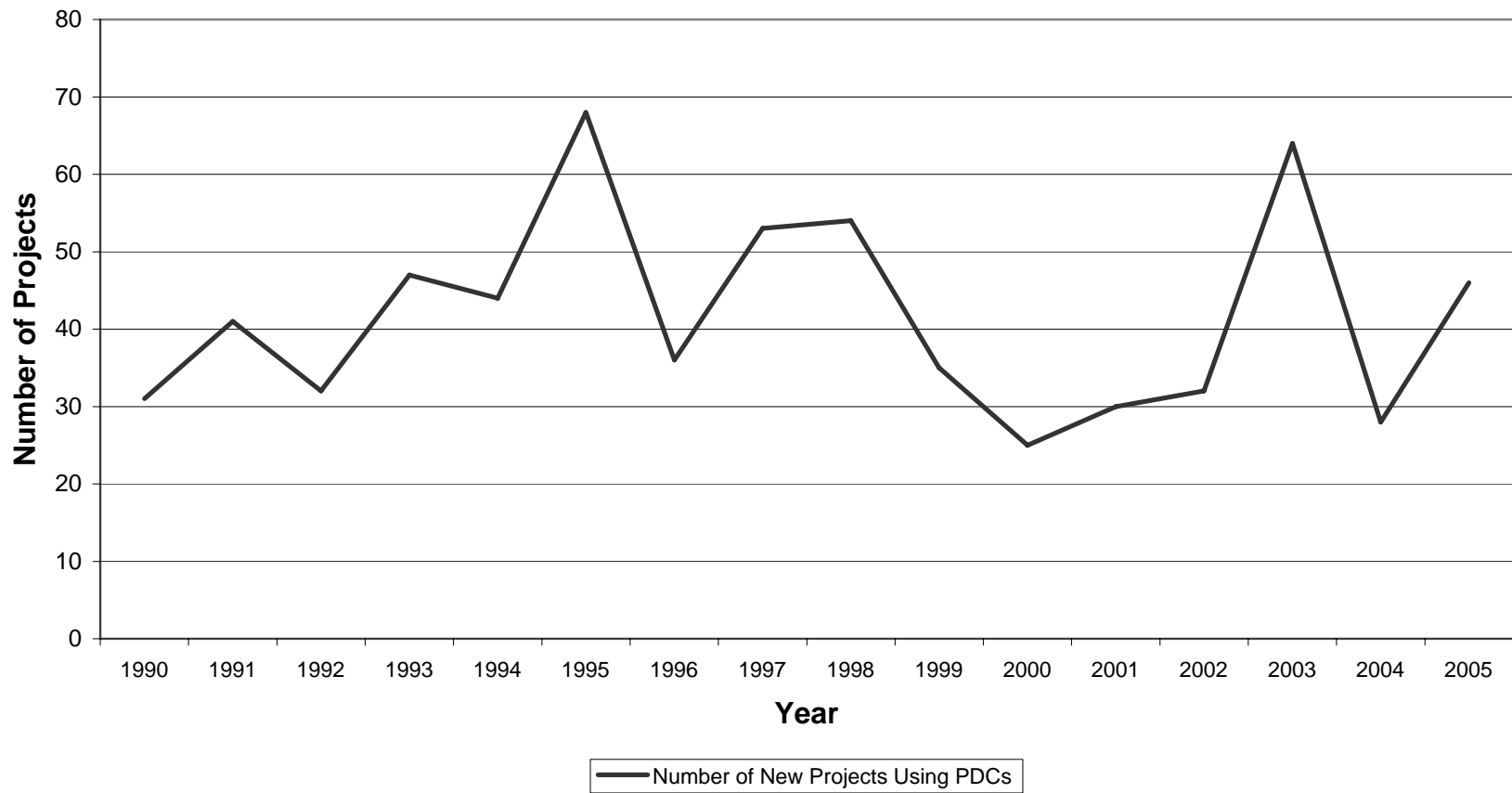
TABLE 5
PINELANDS DEVELOPMENT CREDIT PROGRAM
DEVELOPMENT PROJECTS USING PDCS

Municipality	2005 Activity		1981-2005		
	Number of New Projects	Number of Rights	Total Number of Projects	Total Number of Rights to be Used	Total Number of Rights Redeemed
Barnegat	0	0	5	47	47
Bass River	0	0	1	1	1
Berkeley	0	0	2	4	4
Buena Vista	0	0	5	7	5
Chesilhurst	2	2	11	50	50
Dennis	1	1	6	6	5
Egg Harbor City	1	1	3	12	11
Egg Harbor Township	17	20	153	805	747
Estell Manor	0	0	4	5	4
Evesham	1	1	6	9	9
Folsom	0	0	1	1	1
Franklin	0	0	2	3	3
Galloway	2	3	18	338	110
Hamilton	5	9	45	794	589
Hammonton	2	2	16	21	20
Jackson	0	0	3	4	4
Lacey	0	0	4	6	6
Lakehurst	0	0	1	1	1
Manchester	0	0	4	7	4
Maurice River	0	0	3	3	3
Medford	1	1	43	136	90
Medford Lakes	0	0	4	6	6
Monroe	4	44	64	504	310
Mullica	0	0	8	9	9
New Hanover	0	0	1	2	2
Ocean	0	0	1	1	1
Pemberton	1	1	22	85	31
Shamong	1	1	13	27	26
South Toms River	0	0	1	1	0
Southampton	0	0	7	11	9
Stafford	2	3	14	16	16
Tabernacle	1	1	16	284	281
Upper	0	0	7	10	10
Washington	0	0	1	1	1
Waterford	2	30	28	135	82
Weymouth	1	1	4	5	4
Winslow	2	12	37	428	192
Woodbine	0	0	1	2	2
Woodland	0	0	3	4	4
Linear Development	0	0	1	6	6
TOTAL:	46	133	569	3797	2706

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 2005

Municipality	Mitigation for Waivers of Strict Compliance. (No. of Rights)	Density Increases	
		With Variances (No. of Rights)	Without Variances (No. of Rights)
Barneгат	0	1	46
Bass River	1	0	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	117	681
Estell Manor	2	3	0
Evesham	4	3	2
Folsom	1	0	0
Franklin	2	1	0
Galloway	10	7	321
Hamilton	24	218	552
Hammonton	1	10	10
Jackson	4	0	0
Lacey	5	1	0
Lakehurst	0	1	0
Manchester	6	1	0
Maurice River	2	1	0
Medford	7	27	102
Medford Lakes	2	4	0
Monroe	8	56	440
Mullica	8	1	0
New Hanover	2	0	0
Ocean	1	0	0
Pemberton	11	16	58
Shamong	6	1	20
South Toms River	0	0	1
Southampton	11	0	0
Stafford	13	2	1
Tabernacle	7	36	241
Upper	9	1	0
Washington	1	0	0
Waterford	7	15	113
Weymouth	3	0	2
Winslow	4	8	416
Woodbine	2	0	0
Woodland	4	0	0
Linear Development	6	0	0
TOTAL:	192	588	3017

Notes: continued on next page

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	\$2,250	\$2,250	\$2,250	3
1986	\$2,006	\$2,083	\$1,875	\$2,083	19
1987	N/A	N/A			0
1988	N/A	N/A			0
1989	\$3,375	\$2,875	\$2,750	\$5,000	4
1990	\$4,199	\$4,125	\$2,625	\$5,600	30
1991	\$3,567	\$3,437	\$2,800	\$5,000	110
1992	\$3,511	\$3,500	\$2,700	\$4,500	47
1993	\$3,544	\$3,125	\$3,000	\$5,000	38
1994	\$3,518	\$3,500	\$2,955	\$4,500	154
1995	\$3,220	\$3,206	\$3,000	\$4,500	156
1996	\$3,504	\$3,500	\$3,200	\$4,000	118
1997	\$3,470	\$3,500	\$3,000	\$4,000	133
1998	\$3,327	\$3,400	\$1,750	\$4,000	423
1999	\$3,960	\$3,750	\$3,250	\$6,250	318
2000	\$6,833	\$6,500	\$3,375	\$9,000	363
2001	\$7,128	\$7,500	\$6,000	\$9,000	304
2002	\$7,751	\$8,000	\$6,000	\$9,000	363
2003*	\$10,320	\$10,000	\$8,500	\$16,500	261
2004	\$22,942	\$22,000	\$12,000	\$40,000	279
2005	\$30,413	\$30,000	\$15,000	\$40,000	316

No private sales in years 1984, 1987 and 1988

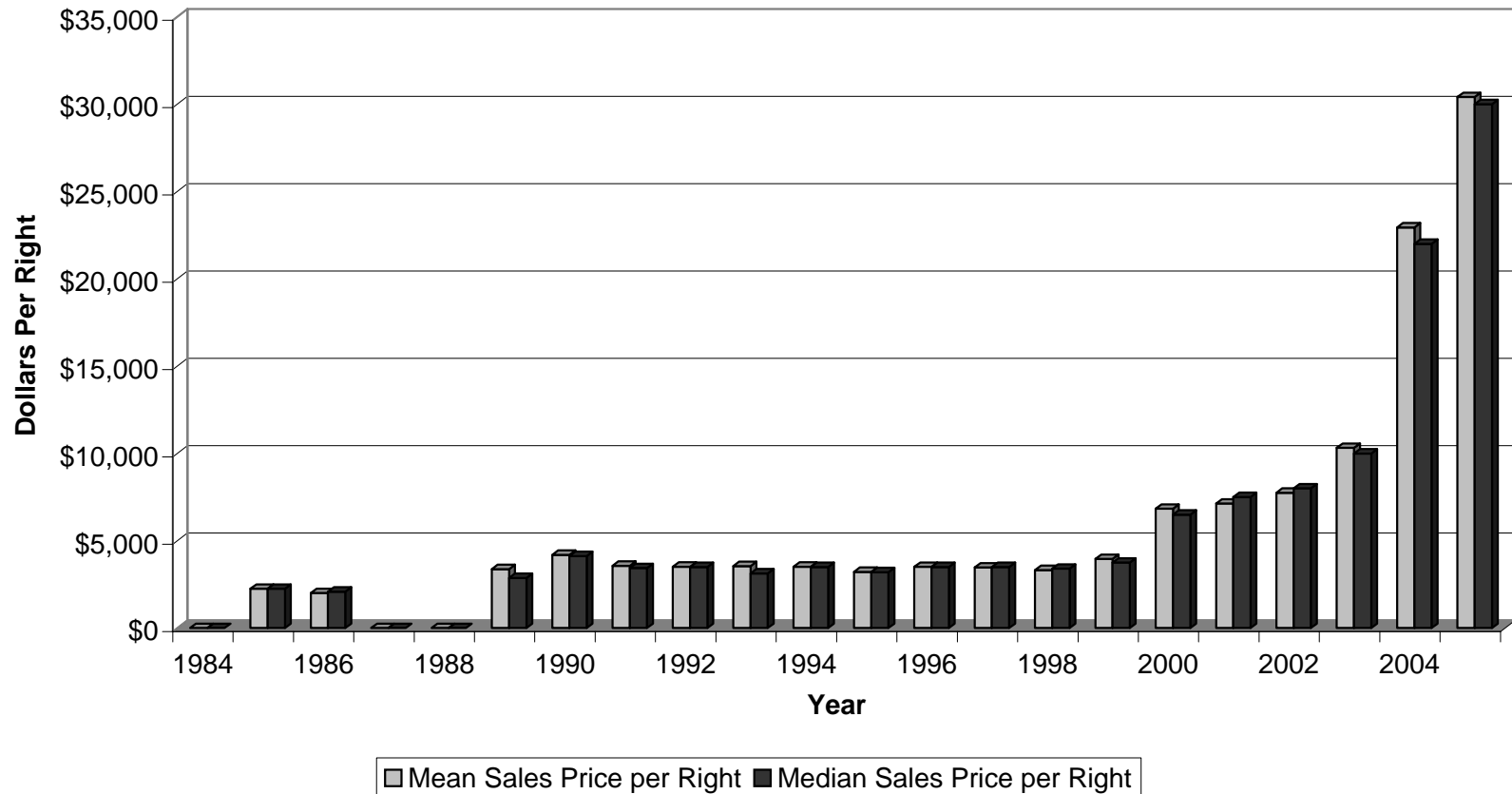
In order to reflect the influence of the re-sale market, includes secondary as well as first-time sales, resulting in some multiple counting of rights

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