Notes: Due to the lack of a quorum, the meeting scheduled for November 15, 2012 had been canceled. Although originally scheduled for 2:00 p.m. in the Annual Meeting Notice, the meeting time for today’s meeting was changed to 3:00 p.m. and legal notice provided to the Secretary of State and all 4 official Pinelands newspapers on Tuesday, April 23, 2013.

1. Call to Order

Chairman Hughes called the meeting to order at 3:05 p.m. and read the Open Public Meetings Act Statement. Mr. Hughes called the roll.

All present pledged allegiance to the Flag.

Mr. Hughes welcomed new Board member, Mr. Sam Mento III. Also, he apologized for his absence from the November 15, 2012 meeting as he had been summoned at the last minute to attend a meeting related to damage from “Super Storm” Sandy.
2. Adoption of Minutes of the June 21, 2012 meeting.

Chairman Hughes presented the minutes of the June 21, 2012 Bank Board meeting. Ms. Ashmun moved the adoption of the minutes. Mr. McGlinchey seconded the motion and all voted in favor.

3. Executive Director’s Report

Ms. Grogan said that each member had received a copy of the FY-2012 Annual Report. She gave a presentation of the highlights of the report, noting that all the slides were extracted directly from the report. The report is posted on the PDC Bank web site at: http://www.state.nj.us/pinelands/pdcbank/reports/2012%20PDC%20Bank%20Annual%20Report%20Final%20for%20Web.pdf

She said that the graphs show the peaks/valleys over time with the increased sales activity, price and use of PDCs peaking roughly 10 years ago and dropping to some of the lowest all time levels currently.

The Board members complimented Ms. Grogan on the thoroughness of the report.

Mr. Shinn said that he thought it would be interesting if one could determine the cost of the PDC program for the acreage preserved.

Ms. Grogan said that such a determination would be difficult as there is involvement of both the PDC Bank and the Pinelands Commission but she would see if there were some way to provide an estimate. She reminded those present that funding for the PDC Bank had run out years ago.

Ms. Ashmun said that the graphs show highs and lows but they are subject to misinterpretation. The point of the program was to be fair and when the price of PDCs drops, it benefits the developer. Likewise, when the price rises, it benefits the certificate holder.

Ms. Grogan said that in future reports she’d be able to include text regarding the trends. She said that right now activity at the PDC Bank, like residential development, is in a holding pattern. This is time which the Bank can use to prepare for future outreach activities.

Ms. Grogan directed the Board to the FY-2013 PDC Sales Report (as of 4/29/13) (Attachment A) which shows 48 rights sold thus far with the average sales price per right dropping from $10,500 in FY-2012 to $9,458 per right today.


Ms. Grogan said that Mr. Shinn had asked about efforts to enhance the PDC program. She said that currently the Pinelands Commission was undertaking its 4th Plan review. As part of the process, comment has been solicited from the public and those comments relevant to the PDC program were provided to the Board in the meeting packet.
Mr. Liggett said that Commission staff has been preparing outreach to improve the PDC program and he provided a PowerPoint presentation (Attachment B) noting the need to increase opportunities for the use of PDCs. He said that in 2009, the Commission had prepared draft rules related to enhancing the PDC program but they were never proposed formally. Since that time, staff has continued to evaluate such improvements and seek input from various stakeholders. The Commission wants to increase demand for PDCs while recognizing the needs of the detractors. The goal is to have another proposal ready within the year.

Mr. Liggett highlighted some of the concepts under consideration to promote the program and increase the use of PDCs. Higher density development is encouraged with PDC obligations based on a sliding scale (higher density/ fewer PDCs). Commercial development might be required to use PDCs based on the amount of impervious surface. Seven fiscally stressed growth municipalities could be allowed to vary their PDC programs recognizing that market forces related to housing and land values might be different than for the less stressed communities. He said that the municipalities do not like increased densities because of the pressure it puts on schools to accommodate additional students. Neither do they like PDCs for commercial development out of fear that it will discourage ratables. The builders fear that a mandatory PDC obligation will increase housing costs and they prefer the current base/bonus system that allows them to decide where/if they will use PDCs. Mr. Liggett said that some consideration may be given to designating a portion of Forest Area (FA) as a PDC sending area in the future. The agriculture community objects to this out of concern that an increase in the number of PDCs will depress the prices even lower.

In response to a question from Chairman Hughes regarding the schedule, Mr. Liggett said that the Commission hopes to have a proposal later this calendar year; it will be reviewed by the Governor’s office and generally it takes a year from formal proposal to complete the rule adoption process.

5. Public Comment

There was no comment from the public.

6. Other Items of Interest

Mr. Hughes announced that the next Board meeting is scheduled for Monday, September 30, 2013 at 2:00 p.m. and adjourned the meeting at 3:58 p.m.