

PINELANDS DEVELOPMENT CREDIT BANK

20 West State Street
Trenton, NJ

Minutes

July 16, 2009

(Note: There was no meeting in April.)

Meeting Location: 20 West State Street, Room 828, Trenton, NJ

Members Present: Terry K. McEwen, Commissioner's Chair Designee
Guillermo Vivas, Executive Director, Pinelands Development
Credit Bank
Assistant Attorney General Gerard Burke, Designee
Susan Craft, Department of Agriculture Designee
Daniel M. Kennedy, Pinelands Commission Designee
Cecile Murphy, Alternate NJDEP Commissioner's Designee
Edward J. McGlinchey, At Large Member
Robert C. Shinn, At Large Member

Members Absent: None

Others Present: William Schnurr, Deputy Attorney General, Department of Law
and Public Safety (Board Counsel)
Marilyn Harvin-Henley, PDC Bank Staff

Chairman Terry McEwen called the meeting to order at 2:05 p.m. and read the Statement of Compliance with the NJ Open Public Meetings Act.

Roll Call: Mr. Vivas noted that he keeps a written record of all members in attendance and absent.

Reading and Approval of Minutes:

Chairman McEwen called for a motion to accept the minutes of the January 15, 2009 regular meeting. Mr. Burke moved for approval (with minor corrections) and Mr. McGlinchey seconded; motion carried. Abstentions: Mr. Kennedy, Ms. Craft, Ms. Murphy.

New Business: Informal Discussion

30 Minute Presentation/30 Minute Q&A

**Hebrew Old Age Center, Inc. d/b/a Seashore Gardens Living Center
Block 866, Lots 4-8, Galloway Twp.**

**Request for transfer of bank owned Pinelands Development Credits
at no cost**

Stephen R. Nehmad, Esq. was before the Board, representing the applicant. He introduced Martin Klein, Executive Director of Seashore Gardens, Ron Ruckenstein, PP.

Mr. Nehmad gave an overview of the project and described the organization and its mission. He described the facilities and gave a history of the Seashore Gardens, from its beginning in Atlantic City to its present location on Jimmy Leads Road in Galloway Twp. The proposed project will provide an additional 58 dwelling units with various levels of assisted living for seniors with low/moderate income and/or disabilities. The project will cost \$11.7 million.

They have all local, county and state approvals except for a "letter of no call-up" from the Pinelands Commission, triggered by the need for a "use variance". He continued to discuss the NJHMFA approval for tax credits and the imposition of a 120-days deadline from the date of the approval to start construction.

Mr. Nehmad closed his presentation by mentioning the various letters of support and other documents submitted, seeking a favorable decision by the Board. He then enumerated the requirements of NJAC 3:42-7.11 & 7.12, and how they meet those requirements.

Chairman McEwen thanked Mr. Nehmad and then opened the floor to questions from the Board.

The Board member asked various questions regarding the nature of the facilities, the project in general; and also requested that detailed financial statements and projections be provided to them, with sufficient time to review the documents. Mr. Nehmad also agreed to send copies of the first page of the Site Plan Map. He left one full set of architectural drawings for the files.

The Board was also concerned about the current status of the application with the Pinelands Commission and asked the Executive Director to send a letter to the Pinelands Commission regarding the standing of the application and whether or not it requires their review.

The Board members also asked Mr. Vivas to look up the minutes from a prior similar application in Chiselhurst Borough and provide them with copies.

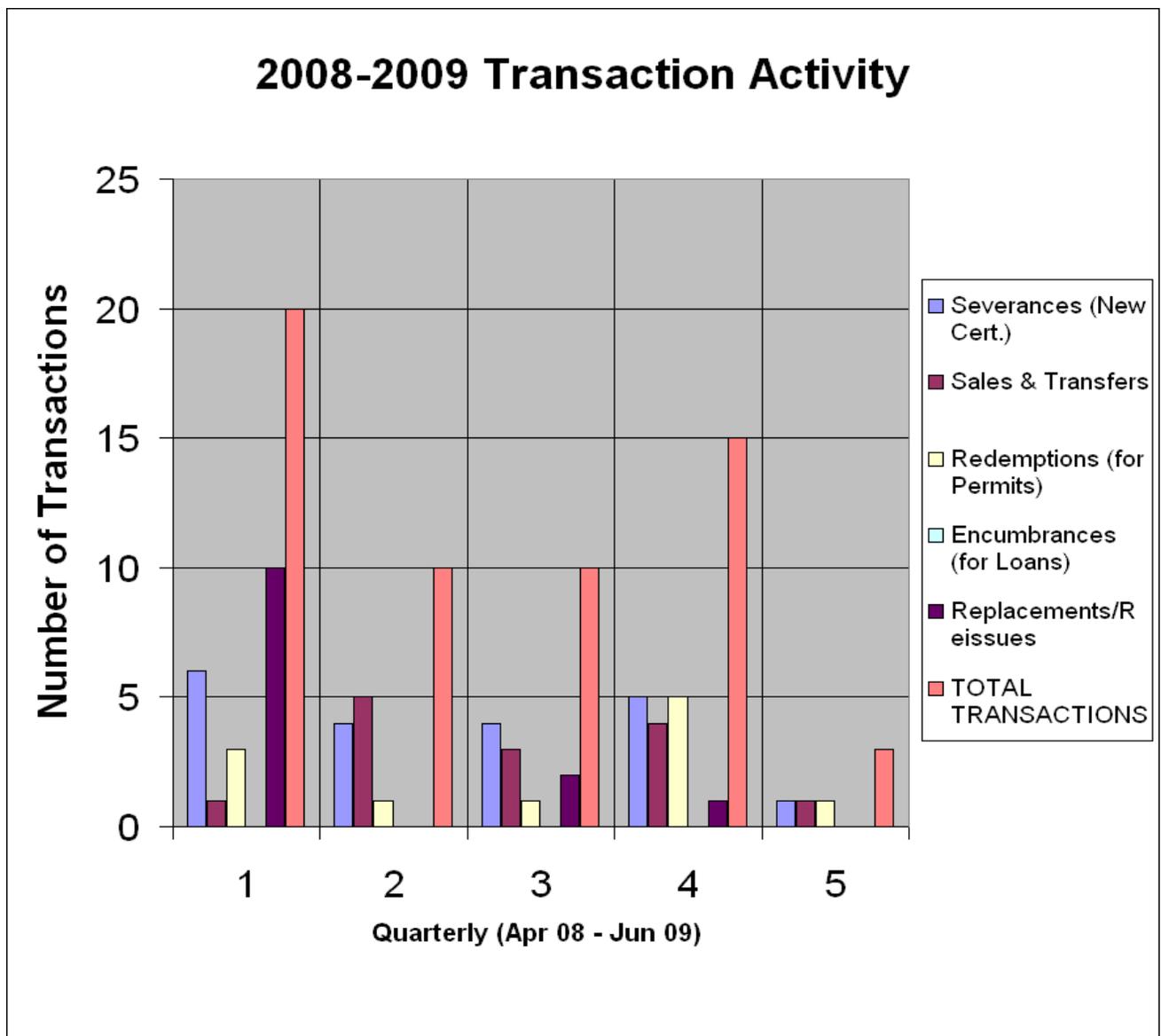
Due to the time constraints of the applicant, the Board agreed to call a special meeting. It will be scheduled for Thursday, August 20, 2009 at 2:00 p.m. in Room 828, 20 West State Street, Trenton, NJ.

Executive Director's Report:

Mr. Vivas discussed with the Board the current decline in the prices if the Pinelands Credits and the slow-down in transaction activity, as it relates to the current recession and on-going market conditions. He used the chart that follows to illustrate the trends:

**Pinelands Development Credit Bank
Application Activity 2008-2009**

	Apr-Jun 2008	Jul-Sep 2008	Oct-Dec 2008	Jan-Mar 2009	Apr-Jun 2009
Severances (New Cert.)	6	4	4	5	1
Sales & Transfers	1	5	3	4	1
Redemptions (for Permits)	3	1	1	5	1
Encumbrances (for Loans)	0	0	0	0	0
Replacements/Reissues	10	0	2	1	0
TOTAL TRANSACTIONS	20	10	10	15	3



Prepared By: Guillermo Vivas, Executive Director
Last updated: 7/14/2009

Business of the Board:

Commissioner Shinn brought to the table the subject of the Board being able to hold an auction to sell privately-owned PDCs (as well as PDC Bank-owned PDCs) and, to be able to pass on the costs of the auctioneer to the private sellers, much like Chesterfield Township had done a few years ago. There is some question as to whether or not the PDC Bank can legally pass these costs on to the sellers, and whether it might require a statutory amendment to make that possible. Mr. Kennedy moved to ask Deputy Attorney General Schnurr to look into the legal requirements (including whether it would take a statutory amendment) to allow the PDC Bank to sell privately owned PDCs and pass the costs associated with an auction to the buyer or the seller. Mr. McGlinchey seconded; motion carried.

Other Business: There was no one from the public in attendance for the meeting.

Adjournment: The meeting was adjourned at 4:10 p.m. on a motion by Ms. Craft, seconded by Ms. Murphy, and a unanimous affirmative vote.

Respectfully submitted,

Guillermo Vivas
Executive Director