

PINELANDS DEVELOPMENT CREDIT BANK BOARD MINUTES

JULY 20, 1989

Board Chairman Mary Parell called the meeting to order and read the Open Public Meetings Act.

The Chairman followed by welcoming Mr. Jim Hall, Deputy Assistant Commissioner of Natural Resources as designee for DEP Commissioner Christopher Daggett.

Present at the meeting were:

Members

Jim Hall, for Environmental Protection Commissioner Daggett  
Anton Muschal, for Agriculture Secretary Brown  
Richard J. Sullivan, Chairman, The Pinelands Commission  
William Brown, Esquire, for Attorney General Perretti  
Ann E. Myles, Public Member  
Richard Chinery, Public Member

Other Officials

John T. Ross, Executive Director (Acting), PDCB  
John M. Van Dalen, DAG, Legal Counsel for PDCB  
Stephanie A. Brown, Administrative Assistant, PDCB

Members Absent

Ralph A. Sturdivant, Public Member  
Judith S. Norcross, Public Member

Motion was made for approval of the April 20, 1989 Pinelands Development Credit Bank Board of Directors meeting minutes by Mr. Richard Chinery, and seconded by Mr. Richard Sullivan.

The Board proceeded directly to New Business. Mr. Ross began by reviewing an application for the Board's purchase of 0.25 Pinelands Development Credits. He explained that the title had been reviewed with the Deputy Attorney General and that the applicants had met the criteria for selling to the Bank. Mr. Ross made the recommendation for the Board to approve the purchase. Mr. Anton Muschal motioned to approve the purchase, and it was seconded by Mr. Richard Chinery.

Mr. John Stokes of the Pinelands Commission gave a presentation on the PDC Program's progress since the opening of the State Bank. Mr. Stokes explained that there has been considerable increase in the amount of requests for Letters of Interpretation, as well as in the landowners interested in participating in the program. There has also been a dramatic increase within the last year regarding the

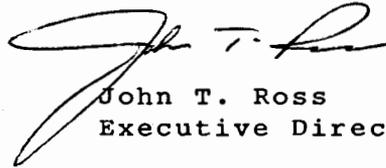
cumulative PDCs purchased by developers and the use of these PDCs in development projects. Mr. Stokes felt that the majority of this trend is due to the efforts of the Bank to effectively market the program.

Next the Board discussed Assemblyman Shinn's Bill A4497. Mr. Ross explained the purpose of the legislation, and recommended that the Board endorse this Bill. Mr. Richard Chinery moved that the Board endorse the Bill, and Mr. Anton Muschal seconded the motion. The motion was approved. The Chairman asked that Mr. Ross convey the resolution to the Governor and the Legislature.

The meeting concluded with the Bank status report by Executive Director John Ross. Mr. Ross explained that there are approximately fifty developers interested in buying credits, and that their most frequent request is for an "optioning provision". Most developers use options to acquire property they intend to develop, this is due to it taking 2 years or more before all approvals are obtained. Similarly, developers desiring to use credits in larger projects state that paying the full purchase price 2-3 years in advance would present a financial burden and possibly discourage the use of credits. Mr. Ross noted that he is working on the rules relating to the sale of Board owned credits, and hopes to have a draft for the September meeting. Chairman Parell suggested that this discussion be postponed until a draft of the rules is available.

The meeting adjourned at 12:05 PM. The Board will reconvene on September 21, 1989 at 20 West State Street, Department of Banking, 5th floor Conference Room, Trenton, at 10:00 AM.

Respectfully submitted,



John T. Ross  
Executive Director (Acting)

JTR:sab  
Enclosures