

PINELANDS DEVELOPMENT CREDIT BANK BOARD MEETING

MONDAY, MARCH 1, 1993

The meeting was called to order by Commissioner Jeff Connor who then read the Open Public Meetings Act.

The roll was called by Acting Executive Director John Ross. Present at the meeting were:

Members

Honorable Jeff Connor, Chairman, PDC Bank, Commissioner of Banking
Peter Anderson, for Honorable Arthur R. Brown, Jr.
Gregory Schultz, for Honorable Robert Del Tufo
James Hall, for Honorable Scott A. Weiner
John Tarditi, Public Member
Al Metzger, Public Member
Ralph A. Sturdivant, Public Member

Other Officials

John T. Ross, Executive Director (Acting) PDCB
John Van Dalen, DAG, Legal Counsel, PDCB
Richard Osborn, Program Consultant, PDCB
Lorraine Strickland, Recording Secretary
Sandy Cooney, Public Relations Officer
Mary Kathryn Palladino, Legislative Liaison

Members Absent

Richard Chinery, Public Member
Richard Sullivan, Chairman Pinelands Commission

The Chairman introduced Public Relations Officer Sandy Cooney and Legislative Liaison Mary Kathryn Palladino to the board.

Minutes of the October 15, 1992 and the December 14, 1992 meetings were approved unanimously.

Mary Kathryn Palladino discussed bills A-1968 and S-1359 which deal with the Banks' authority to purchase Credits and extend loan guarantees. They were passed in the Assembly and are now in the Senate Environment Committee.

Chairman Connor explained that the authority to buy Credits had expired and suggested that Ms. Palladino send a letter to Senator McNamara, chairman of the Environment Committee to ask him to post the bills. At this time a motion was made to seek authority to buy and sell credits and extend loan guarantees by having Executive Director John Ross write an extension letter to the Senate committee and the Bill's sponsors. The motion passed.

This discussion lead into the Executive Directors report where John Ross further explained that he had testified for the Assembly version of the bill and that it was voted out of committee. Mr. Ross foresaw no opposition on the Senate side.

Mr. Hall asked if anyone has spoken to Senator Gormley to see if Senator McNamara can move the bill along. Ms. Palladino said she will check on this.

Executive Director John Ross continued his report, stating that the application to the William Foundation had been given very informal approval for participation for two more years at a funding level of around \$ 94,000. Official word will not be received until the end of April.

Mr. Ross then discussed the status of the Pinelands development Credit Bank, as referred to in the report prepared by the Pinelands Commission. Acres permanently protected in 1991 and 1992 were 2,318 & 2,071 respectfully, bringing the total to approximately 10,000 acres. Mr. Ross stated that the Bank has been successful in facilitating participation from the sending properties, but that for continued success of the program the Bank must focus its attention on the receiving side.

Mr. Osborn stated that he prepared an analysis of a development property with and without PDCs, showing the potential financial benefits that could be attained by using PDCs. This analysis was mailed to the Board's data base of Builders doing business in the Pinelands. Mr. Osborn stated that he also contacted developers who have projects in the Pinelands to insure that they were aware of the benefits of using PDCs and he wrote to real estate agents and appraisers to insure that they were informed of the program. The responses to his outreach have ranged from individuals just hearing about the program for the first time, to a Builder buying a PDC. One disappointment was the number of letters returned due to Builders and Developers no longer being in business. Mr. Osborn reflected that this may be a sign of the times due to a depressed housing industry.

Mr. Osborn informed the Board that he will be attending the N.J.B.A. Mid-Atlantic Builders Conference on March 31, April 1 and 2. He advised the Board that this would be a good opportunity to contact and explain the PDC program to Builders, Developers, Planners, Engineers, Real Estate Professionals and most other professions that might associate with the Housing industry in New Jersey. Mr. Ross mentioned that passes are available if any Board member would like to attend.

The Chairman opened discussion on the proposed Rule readoptions. Mr. Ross stated the Rule Readoptions were published in the January 19th issue of the NEW JERSEY REGISTER and in four newspapers. The Pinelands Development Credit Bank received no comments on this proposal. On adoption two changes were proposed and made.

First N.J.A.C. 3:42-3.6(a) currently requires that when Pinelands Development Credits (PDCs) are redeemed in association with a residential development project approved by a municipal approval agency, the person redeeming the PDC's must deliver to the Executive Director the certificate properly executed. The rules are amended on adoption to clarify that this is necessary for any development application.

Second, the rules are amended to clarify that when PDCs are being required for a Pinelands Commission waiver, they shall be redeemed at the time waiver is granted.

A motion was made for approval for readoption with changes. Motion passed unanimously.

The Chairman asked if there was any plans for an auction? Mr. Ross stated that there were credits available in the private market, and that no auction was needed at this time. The PDC Bank owns 63 credits.

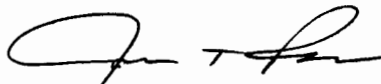
The Chairman asked for a status on the annual report. Mr. Ross said it was being developed and hopes to have it available by the May meeting for Board approval.

The meeting was opened for Public comment, there was none.

It was decided to hold the next meeting at a location in the Pinelands. Mr. Ross will make arrangements. The next meeting will be held on Thursday May 20, 1993 at 10:00 A.M.

There being no further business, the meeting was adjourned by Chairman Connor.

Respectfully submitted,



John T. Ross
Executive Director (Acting)