

PINELANDS DEVELOPMENT CREDIT BANK BOARD MEETING

THURSDAY, MAY 8, 1997

The meeting was called to order by Deputy Commissioner John Traier, for Commissioner Elizabeth Randall.

Mr. Traier began the meeting by reading the Open Public Meeting Act Statement.

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

Members

John Traier, Deputy Commissioner of Banking
James F. Hall, for Honorable Robert C. Shinn, Jr.
George Rover, for Attorney General Peter Verniero
Richard Chinery, Public Member
Susan Grogan, For Richard Sullivan, Chairman, NJ Pinelands Commission
Peter Anderson, for Honorable Arthur R. Brown, Jr.
Donald McCauley, Public Member

Other Officials

John T. Ross, Executive Director, PDCB
Richard Osborn, Program Consultant
Helene Chudzik, DAG
Lorriane Strickland, Recording Secretary

Other Persons in Attendance

Arlyn Poindexter, Mayor of Chesilhurst, NJ
Gerry Burton, Shelter Associates

The minutes of the January 9, 1997 meeting were approved.

Mr. Ross informed the Board, that the Bank had received an application for a no cost conveyance of up to 46 PDC rights. The application was made by B'nai B'rith Housing Inc. to construct low income senior citizen housing in Chesilhurst Borough, Camden County, NJ.

Mr. Ross also advised the Board that the project is applying for U.S. Housing and Urban Development funds and that if the Board approves the conveyance it should be conditional, pending the project receiving HUD funding.

Mr. Ross said that the application meets the Board's standards for a no cost conveyance and that DAG Chudzik had also reviewed the application.

Mr. Rover suggested adding protections for the Bank should this project change use in the future. Gerry Burton of Shelter Assoc., the project manager stated that HUD requirements would keep the project low income housing for 40 years. If not, HUD funding would have to be refunded. Mr. Hall recommended that the Board make any conveyance conditioned upon the use not changing for a period of time and any change must have Pinelands Commission and local approval. Mr. Rover suggested using the 40 year period.

Mr. Traier asked the Board members about putting a condition on this conveyance. Mr. Anderson made a motion and Mr. Chinery seconded it.

The Board unanimously approved the conveyance at no cost based on the following conditions.

- 1) HUD must approve the B'nai B'rith application
- 2) The Pinelands Commission and Chesilhurst Borough must approve the project
- 3) The transfer of PDC's will take place upon receipt of funding from HUD and all necessary approvals from the municipality and the Pinelands Commission.
- 4) Should a change in use or transfer in ownership to a for profit entity take place within 40 years of the conveyance, B'nai B'rith Housing Inc. will remit to the PDC Bank the total cost of the PDCs being conveyed to it.

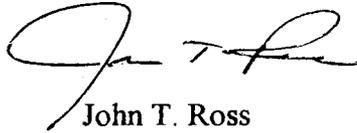
Mr. Ross discussed legislation that would extend the Banks's authority until 2005. He said that he anticipated it be introduced shortly and that it would need to be passed before the end of the year, when the Bank's authority to purchase PDC's expires. Mr. Ross also informed the Board that \$1,000,000 of the Bank's funding had lapsed, however, he expected a portion to be restored.

Mr. Ross said he is recruiting for a part-time individual to replace Rich Osborn who has been hired by DEP. The Department of Banking and Insurance is looking into the possibility of bringing on an employee as an hourly.

Ms. Chudzik recommended that the Bank consider changing its by-laws to allow members to vote by speaker phone. Ms. Chudzik will draft language for the Board to review at its next meeting.

Mr. Chinery made a motion that the meeting be adjourned. Mr. Anderson seconded that motion.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John T. Ross". The signature is fluid and cursive, with a large initial "J" and "R".

John T. Ross
Executive Director