

PINELANDS DEVELOPMENT CREDIT BANK BOARD MINUTES

SEPTEMBER 29, 1987

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

Present at the meeting were:

Members

Richard Chinery, Public Member  
Ralph Sturdivant, Public Member  
Judith Norcross, Public Member  
Franklin Parker, Pinelands Commission Chairman  
Samuel Garrison, for Agriculture Secretary Brown  
Michael Catania, for Environmental Protection Commissioner Dewling  
William Brown, for Attorney General Edwards

Department Staff Present

Anthony E. Carmosine                      Kyra N. Lindemann

Public

Peter Furey, Executive Director, NJ Farm Bureau  
Terry Moore, Executive Director, Pinelands Commission  
Fred McCannie, Pinelands Commission  
John Stokes, Pinelands Commission  
Sharon Ainsworth, Department of Agriculture  
Peter Anderson, Department of Agriculture

Members Absent

Ann Myles, Public Member

Chairman Parell apprised the Board members of the agreement entered into on June 8th with the Division of Management Services, Office of Management and Budget, Department of the Treasury, whereby a management consultant was assigned to the Board for the purpose of conducting a comprehensive study of existing state and local transfer development credit programs. The OMB study was divided into two parts and was conducted by management consultant, Alfred Gaissert. The first part focused on the role and function of the Bank and the second part, to be conducted once the role has been determined, will center on the organizational framework of the Bank. Mr. Gaissert was introduced by Chairman Parell and asked to present the Board with an overview of the report's findings.

The first part of the report entitled, RESEARCH FOR THE PINELANDS DEVELOPMENT CREDIT BANK, was completed on September 10, 1987 and provides several conclusions with respect to the appropriate role and function of the Pinelands Development Credit Bank and recommendations for action. The findings are based on an extensive study of the reasons for the existence of the Bank, its powers, obligations and the issues to be faced.

In general, the OMB study found that the Bank was created in order to support the Transfer Development Right feature of the Pinelands Program by providing or encouraging a market for Pineland Credits and that the Board should be an active catalyst for developing that market. The report set forth recommendations urging the Board to identify the role and functions of the Bank so that it may meet this statutory mandate.

Mr. Gaissert presented the Board with three options to be considered in determining the Bank's role in promoting a market: (1) buying/selling or transferring ownership of credits in ordinary course, (2) guaranteeing loans using credits as collateral, and (3) delegating the transfer development credit function and funds to counties. The options were presented in context with the Board's mandated statutory function of issuing certificates confirming that the Pinelands Commission has allocated certain credits to individual landowners, maintaining files and generating an annual report.

Following Mr. Gaissert's presentation, Chairman Parell opened the meeting to general discussion on the role of the Bank and the options available to the Board. Comments from the Board members and from members of the public attending the meeting indicated a concern that the Board act expeditiously to become visibly and actively involved in buying and selling credits. Mr. Moore urged the Board to gear up quickly and turn its attention to buying/selling and guaranteeing credits. He suggested that the Board devise regulations on how, why and when to buy credits, much in the same manner as those rules developed for the Burlington County program. He furthermore suggested that the Board become familiar with the Pinelands Plan, of which the Bank is an adjunct, and offered to provide the Board with a presentation by the Pinelands Commission on the elements that make up the Pinelands Development Credit Program.

Mr. Furey echoed Mr. Moore's remarks. He also asked that the Board preserve its autonomy by remaining independent of other government agencies. He emphasized that the Board must use this opportunity to shore up property owners confidence in the Pinelands Development Plan.

Mr. Sturdivant noted the importance of defining the size of the market if the Board is to buy and sell credits. Ms. Norcross agreed that such information would be useful in dealing with hardship cases. Based on the discussion, the Board concluded that staff should be hired for the purpose of helping them obtain this data so that certificates could be issued without further delay.

Discussion on the procedure for determining the Bank's role concluded with the decision to schedule a future workshop session to discuss the options in depth and to discuss staffing needs.

The discussion next proceeded to the design of the Bank organization, centering specifically on the level of staffing, creating a job description for the purpose of hiring an Executive Director and seeking a qualified candidate for that post. The Board members emphasized that the Executive Director would help get the Bank underway but would serve in the post on a temporary basis. Mr. Catania suggested that staff be borrowed from public agencies familiar with the program on an interim basis. Mr. Garrison suggested that a representative from the Burlington County program be invited

to attend the workshop to explain their organizational framework and describe in detail their loan guarantee/buy-sell program. Mr. Moore suggested that the Board consider first developing rules and regulations so that the Bank could begin issuing certificates.

Chairman Parell assigned the development of regulations to a "rule subcommittee" consisting of Ms. Norcross (Chairman), Mr. Garrison, Mr. Catania, and the Deputy Attorney General assigned to the Board. A second subcommittee was created for the purpose of seeking a qualified candidate for the Executive Director post. The "personnel subcommittee" is chaired by Chairman Parell, with Mr. Sturdivant and Mr. Parker. The subcommittees were directed to meet and complete their assignments in preparation for the workshop session. Mr. Gaissert was simultaneously asked to progress with the second part of his report focusing on the organizational design of the Bank.

The Board set the workshop session agenda to include: (1) a presentation by the Pinelands Commission on the transfer development right program (2) possible presentation by Burlington County program representatives on how that program operates (administrative functions), (3) review of interim rules if available (4) interview of an acting executive director if possible (5) planning for press conference to kick off start of operations, and (6) discussion of second part of the OMB report.

The meeting was adjourned after it was agreed that the workshop session would be held at the Pinelands Commission in New Lisbon on October 29th at 10:30 AM.

Respectfully Submitted,



Kyra N. Lindemann

Executive Assistant to  
Commissioner Mary Parell