

PINELANDS DEVELOPMENT CREDIT BANK
BOARD MEETING

June 14, 2001

The meeting was called to order by Director Nicholas J. Ketcha Jr., who then read the Open Public Meeting Act Statement.

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

Members

Nicholas J. Ketcha Jr., Director, Department of Banking & Insurance
Cari J. Wild, Assistant Commissioner, Department of Environmental Protection
John J. Tarditi, Jr., Public Member
Samuel Garrison, Assistant Secretary, Department of Agriculture
Lawrence M. O'Reilly, Assistant Attorney General
Candace M. Ashmun, New Jersey Pinelands Commission

Other Officials

John T. Ross, Executive Director, Pinelands Development Credit Bank
Dennis Massimo, Project Manager, Pinelands Development Credit Bank
Helene Chudzik, Deputy Attorney General
Linda Crelin, Recording Secretary

Others Present

John Stokes, New Jersey Pinelands Commission

Members Absent

Donald McCauley, Public Member
Richard Chinery, Public Member

Motion was made by John Tarditi to approve the minutes of the January 11, 2001 meeting. Ms. Wild recommended a word change in the minutes, for clarification. Mr. Tarditi again made a motion to approve the minutes, as amended. The motion was seconded by Mr. Garrison. The Board approved the minutes, as amended, with Mr. O'Reilly abstaining.

Mr. Stokes gave a presentation to the Board on the status of the Pinelands Development Credit Program, the Special Purchase Program, and S.A.D.C. Pinelands Farms. Following are the highlights of the presentation:

- Through May, 2001, 3,286 rights have been severed, and 27,613 acres of land have been permanently protected.
- Recent Program Activity:
 - Calendar Year 1999: 145 right severed, protecting 1,398 acres.
 - Calendar Year 2000: 798 rights severed, protecting 5,384 acres.
 - January through May, 2001: 327 rights severed, protecting 3,133 acres.
- Acreage yet to be protected: over 110,000 acres, which would yield approximately 15,100 rights.
- Letters of Interpretation have allocated 3,500 rights in the last 10 months; 700 of those rights being in the Preservation Area.
- \$23,000,000 has been appropriated for the Special PDC Purchase Program. \$2,775,822.50 has been spent on purchasing 499 rights, which protected 3,131 acres.
- Conclusions based on December, 2000 Open Houses and Telephone Surveys:
 - Sending area property owner's interest in selling PDCs remains strong.
 - State's \$6,000 per right purchase price is \$2,000 to \$3,000 lower than private market prices.
 - Little interest in State's Purchase Program, despite benefits of bulk purchases and quick settlements.
- S.A.D.C. Special Pinelands Round Recommendations:
 - 32 Easement applications, protecting 3,200 acres
 - Cost \$12.1 million: \$8.5 million G.S.P.T. and \$3.7 million PDC Purchase Program.
 - 600 rights to be retired.

- Special PDC Purchase Program - Possible Future Enhancements:
 - Burlington County Purchase Agreement
 - 2nd Farmland Preservation Round
 - D.E.P. Fee Purchases
 - More competitive State purchase prices
 - "Reverse Auctions"
 - Purchase agreements with other counties.

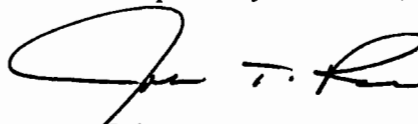
Following the presentation, the Board moved on to the next item of business, which was authorization for the Executive Director to amend the Memorandum of Agreement with the Pinelands Commission and the D.E.P., regarding the purchase and retirement of PDCs. This amendment would allow the Pinelands Commission to transfer up to \$4 million of funds allocated to it in Fiscal Year 2001 from the D.E.P. for the Pinelands Development Credit Purchase Program for use by the State Agricultural Development Committee for the retirement of PDCs, as part of the S.A.D.C.'s Farmland Preservation Program, within the Pinelands.

Following a brief discussion, a motion to approve was made by Mr. Tardidi, and seconded by Mr. Garrison. All were in favor.

The next meeting will be held on October 11, 2001, at the Department of Banking & Insurance.

Mr. Garrison made a motion to adjourn the meeting, which was seconded by Ms. Wild. The members unanimously approved.

Respectfully submitted,



John T. Ross
Executive Director