

PINELANDS DEVELOPMENT CREDIT BANK BOARD MEETING

THURSDAY, FEBRUARY 15, 1996

The meeting was called to order by John Tarditi, Vice Chair who then read the Open Public Meeting Act Statement.

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

Members

Francis P. Carr, for Acting Commissioner of Banking John Traier
John Tarditi Jr., Vice Chairman, Public Member
George Rover, for Attorney General Deborah Poritz
Richard J. Sullivan, Chairman, NJ Pinelands Commission
James F. Hall, for Honorable Robert C. Shinn, Jr.
Samuel Garrison, for Honorable Arthur R. Brown, Jr.

Other Officials

John T. Ross, Executive Director, PDCB
Richard Osborn, Program Consultant, PDCB
John M. Van Dalen, Deputy Attorney General, PDCB
Kathy Kish, Recording Secretary

Members Absent

Richard Chinery, Public Member
Vacant, Public Member
Vacant, Public Member

The minutes of the meeting of October 12, 1995 were approved as read.

John Ross summarized an application for conveyance of bank owned Pinelands Development Credits at no cost to the New Jersey Department of Environmental Protection. Representatives from the Department of Environmental Protection discussed DEP's need for the 1/2 credit in order to proceed with a hazardous waste site clean up of a landfill located adjacent to wetlands. As a result of the clean up, a portion of the wetlands will not be restored. The 1/2 credit necessity was determined by the Pinelands Commission based on the amount of intrusion the wetlands.

The conveyance met the criteria since the purpose was to serve a compelling public need and would benefit the ground water and environment. Further discussion centered around determining the value of the PC credit and that DEP should seek recovery of cost of that credit from the individuals responsible. The value of the 1/2 credit was set at \$5,000. Resolution to authorize Executive Director to convey PDC to DEP without remuneration but with the stipulation that the DEP seek recovery of the value of the 1/2 PDC was passed by the needed 2/3's majority of the Board.

The Board reviewed the proposed rule for the purpose of increasing the purchase price of PDC credits. John Ross summarized comments received with respect to the proposed rule. Staff was commended for its research and investigation to determine various PDC sales based on size and volume. Motion made, seconded and passed by unanimous decision of members present to proceed with adoption of the proposed rule increasing the purchase price of the PDC credit from \$10,000 to \$12,600.

John Ross summarized an application, not yet complete, presented to the bank for the acquisition of 3.5 PDC Credits at \$10,000 each for a value of \$35,000. This application was a result of a settlement of litigation between Leslie and Anna Heilenman and the New Jersey Pinelands Commission. Discussion centered around execution of this application and settlement of the litigation between the parties. After lengthy discussion, motion was made to authorize Executive Director, John Ross to execute the purchase of the 3.5 credits at \$10,000 a credit, provided the deed restriction and a completed application, including a copy of final signed settlement agreement between the Heilenmans' and the New Jersey Pinelands Commission are completed by March 15, 1996. Upon receipt of documentation, John Ross is to circulate information to Board members before executing the final purchase of the 3 1/2 credits.

Mr. Osborn gave the PDC Bank status report. Credits severed 369.25. 768 rights were sold to developers. The bank currently owns 309 rights and 12,968 acres have been preserved. There has also been substantial activity in the private sector in that developers are showing more interest in purchasing credits.


There was some discussion dealing with the possibility of loans based on the value of the interest in the PDC credits. However, the Bank has not received any requests for PDCs being used as collateral.

Motion made and approved to go into Executive Session to discuss personnel issue. Board reconvened from Executive Session. Motion made to extend Mr. Osborn's contract through December 31, 1996. Motion was unanimously passed.

The next meeting is scheduled for May 9, 1996. The meeting to be held in the Pinelands at a site to be determined by John Ross.

There being no public comment and further business, the meeting was adjourned at 11:25 A.M.

Respectfully Submitted,



John T. Ross