

PINELANDS DEVELOPMENT CREDIT BANK BOARD MINUTES

JULY 19, 1990

The Board Chairman, Jeff Connor, called the meeting to order and read the Open Public Meetings Act.

Present at the meeting were:

Members

Pete Anderson, for Agriculture Secretary Brown  
Gregory C. Schultz, Esquire, for Attorney General Del Tufo  
Richard J. Sullivan, Chairman, NJ Pinelands Commission  
James F. Hall, for Environmental Protection Commissioner  
Judith A. Yaskin  
Ann E. Myles, Public Member

Other Officials

Phil DiBerardino, Deputy Commissioner-Department of Banking  
John T. Ross, Executive Director (Acting), PDCB  
John M. Van Dalen, DAG, Legal Counsel for PDCB  
Stephanie A. Brown, Administrative Assistant, PDCB

Members Absent

Ralph A. Sturdivant, Public Member  
Judith S. Norcross, Public Member  
Richard Chinery, Public Member

Public

John Stokes, Assistant Director-NJ Pinelands Commission  
Larry Liggett, NJ Pinelands Commission Staff Member  
Robert Bembridge, NJ Pinelands Commission Staff Member  
Mary DiBerardino, observer

Motion was made for approval of the April 19, 1990 Pinelands Development Credit Bank Board of Directors meeting minutes by Ann E. Myles and seconded by Gregory C. Schultz, Esq.

The Board proceeded directly to New Business with a status report on the outcome of the May 25, 1990 sale of Board owned credits. Mr. Ross explained that the Board offered ten (10) credits at a minimum bid of \$3,000 per one-quarter [1/4] credit (should the one-quarter [1/4] credit bid reach or exceed \$5,000 an additional 25 PDCs would be made available for sale). The Board received nine (9) sealed written bids totaling 48.50 PDCs bid for purchase. The high bid reached \$5,650 per one-quarter credit, for a total of two (2) credits. Supplemental bids were received for 11.00 credits at the high bid price, resulting in a sale of 13 credits or 52 development rights at \$5,650 per one-quarter credit.

The terms of the sale were as follows: 1) one bidder elected to complete the purchase of 0.25 PDCs within 30 days of the sale; and, 2) two bidders elected to defer the completion date of purchasing 12.75 PDCs for an eighteen (18) month period. The proceeds from the sale including the credits sold and the deferral costs equals \$340,480.

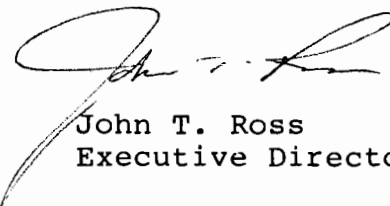
Mr. Ross continued by informing the Board that credit values per acre based on the Board's sale are as follows: 1) \$1,159 per acre in the Agricultural Production Area; and, 2) \$580 per acre in the Preservation Area. He also noted that there are pending private transactions as a result of the Board's sale for 5.5 PDCs at \$5,600 per one-quarter credit and 19.50 PDCs at \$5,000 per one-quarter credit. Two of these purchasers were unsuccessful bidders at the Board sale.

The meeting concluded with the Executive Director's report. Mr. Ross suggested that the Board may want to consider raising the purchase price of PDCs to 80% of what the Board determines credits are selling for privately. He also informed the Board of pending legislation regarding the Bank. Senate Bill 2462 and Assembly Bill 305, sponsored by Senator Raymond Lesniak and Assemblyman Robert Shinn, would extend the time during which the Bank could purchase and extend credit guarantees from December 31, 1990 to December 31, 1992. A motion was made by Richard Sullivan, and seconded by James Hall, that a letter be forwarded to the legislature indicating the unanimous support of the Board of Directors.

Mr. Ross stated that the past efforts of the Bank were directed towards landowners to develop interest in selling credits, now that participation has increased on the sending side, Mr. Ross suggested that the Bank should direct its efforts towards working with developers to increase demand for PDCs on the receiving side of the program.

The meeting adjourned at 11:20 AM. The Board will reconvene on September 20, 1990 at 20 West State Street, Department of Banking, 5th floor Conference Room, Trenton, at 10:00 AM.

Respectfully submitted,



John T. Ross  
Executive Director (Acting)

JTR:sab  
Enclosures