

PINELANDS DEVELOPMENT CREDIT BANK BOARD MINUTES

MARCH 10, 1988

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

Present at the meeting were:

Members

Judith Norcross, Public Member
Ann Myles, Public Member
Anton Muschal, for Agriculture Secretary Brown
William Brown, for Attorney General Edwards
Michael Catania, for Environmental Protection Commissioner Dewling

Other Officials Present

John Ross, Acting Executive Director
John VanDalen, Esq., Deputy Attorney General
Anthony E. Carmosine, Department of Banking
Kyra N. Lindemann, Department of Banking

Members Absent

Franklin Parker, Chairman, Pinelands Commission
Richard Chinery, Public Member
Ralph Sturdivant, Public Member

Public

Will Berson, Department of Environmental Protection

Technical amendments were made to the February 12, 1988 minutes at the request of the Chairman and subsequently approved by the Board. Assistant Commissioner Carmosine then updated the Board on the ongoing work on the Bank's logo and stationery design. A review of the Department's statutes and regulations found that the Board could use the word "Bank" on its letterhead and not be in violation of state law. All printing will be done by a State print shop and use recycled paper. It was agreed that the stationery would include "State of New Jersey". Work was expected to be completed by March 25.

Mr. Catania was asked by Chairman Parell to review with the Board members through the proposed Bank rules and explain the Rules subcommittee's handling of the public comments.

The following sections were discussed in detail:

3:42-3.3 - Chairman Parell brought up the time period between the

recording of deed restrictions and settlement. The Board agreed that some time limitation should be imposed and added the following language to the proposal:

"The Board will instruct the Executive Director that issuance of the certificate should take place as quickly as possible after recording of deed restriction."

3:42-5.6 - Discussion ensued with regard to how best deal with the comment recommending that the bulk of the Bank's appropriation be set aside for purchases. The Board concluded that the subcommittee's answer was sufficient to address the commentor's concern.

3:42-5.6 - The Board reviewed the comment that claimed the purchase price of \$10,000 was too low. Discussion focused on ways to stimulate a private market or allow the Bank to pay for ancilliary costs associated with closing (as allowed by the Burlington County Program and the Farmland Preservation Program). It was generally acknowledged that the legislative intent of the Pinelands Development Credit Bank Act did not appear to allow the \$10,000/credit price to be eroded by reasonable third party costs.

★ Mr. Ross was assigned to research the range of anticipated expenses associated with one credit and have that information available for the next meeting.

Mr. Muschal noted that there exists some precedent for reimbursement of these costs. The Agriculture Retention and Development Program (N.J.S.A. 4:1C-13) has devised reimbursement guidelines much in the same manner as discussed by the Board members.

★ Mr. Van Dalen was asked to look into the question of using administrative funds to offset third party costs associated with the purchase and sale of credits.

The subcommittee was commended by the Board for the "good job" it did on the regulations. The rules, as amended, were subsequently moved and approved. Mr. Ross will submit them to the Office of Administrative Law for publication in the April 4, 1988 NEW JERSEY REGISTER. The rules will be effective on that date.

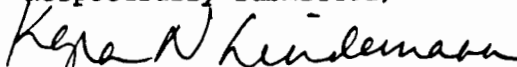
Chairman Parell asked that Mr. Ross provide the Board with an Executive Director's report of activities underway since the last meeting. Mr. Ross reported that he is:

- * Putting the Bank Register together.
- * Preparing for the Bank's opening. Publicity? The Pinelands Commission revised their information booklet to include some information on the Credit Bank. The Board should consider doing such a booklet.
- * Developing a Publicity Plan. Advertise? Newspapers? Press Conference? Topics were raised and discussed, with more detailed discussion to be conducted at the next meeting.

Discussion also covered the question of how to spark a private market for credits. Chairman Parell queried whether the Board could stimulate such a market by buying some credits and holding them, thereby creating a scarcity. Interested developers might then have to coordinate with others holding credits as well as with the Board in order to secure adequate numbers of credits to support the project they would have in mind. This approach might serve to create a private market price, while also encouraging the developer to work with the Credit Bank. No firm decisions were made.

The meeting adjourned at 3:30 PM. The Board will reconvene on April 15, 1988 at 20 West State Street, Banking Department, 5th floor conference room, Trenton, at 2:00 PM.

Respectfully submitted,



Kyra N. Lindemann
Executive Assistant to
Commissioner Mary Parell

/k