

PINELANDS DEVELOPMENT CREDIT BANK BOARD MINUTES

OCTOBER 22, 1991

Board Chairman Jeff Connor called the meeting to order and read the Open Public Meetings Act. The Chairman began the meeting by introducing Francis P. Carr, Alternate Member for the Chairman, to the Board of Directors.

Present at the meeting were:

Members

Peter Anderson, for Agriculture Secretary Brown
Gregory C. Schultz, Esquire, for Attorney General Del Tufo
Judith S. Norcross, Public Member
Richard J. Sullivan, Chairman, NJ Pinelands Commission

Other Officials

Francis P. Carr, Chief Examiner, Dept. of Banking
John T. Ross, Executive Director (Acting), PDCB
John M. Van Dalen, DAG, Legal Counsel, PDCB
Stephanie A. Wall, Administrative Assistant, PDCB

Members Absent

James F. Hall, for Environmental Protection Commissioner
Scott A. Weiner
Richard Chinery, Public Member
Ann E. Myles, Public Member
Ralph A. Sturdivant, Public Member

Motion was made by Gregory C. Schultz, and seconded by Judith S. Norcross, for approval of the May 16, 1991 Pinelands Development Credit Bank Board of Directors meeting minutes.

The first order of business was to address the 1992 Board of Directors Meeting schedule. The Board is scheduled to meet on January 16th, May 21st and October 15th, unless otherwise required. One of the three meetings will be held somewhere in the Pinelands, location to be determined at a later date. Chairman Connor encouraged the Members to contact the Bank office if any conflicts exist with the schedule.

Chairman Connor informed the Board that the Banks annual audit was completed and disclosed that adequate books and records continue to be maintained to support the financial accountability for operations. Review of operating procedures since the previous examination in January 1991 also disclosed that sufficient records on written policies are also being maintained. The current ledger system in place is also maintained adequately and the quality of personnel remains excellent.

No exceptions are noted in this examination that would affect the presentation of the Banks financial statements. Mr. Ross gave a brief interpretation of the Banks Balance Sheet & Statement of Revenue and Expenditures to the Board. He reminded the Board that this report does not include the \$500,000 that was returned to the General Treasury on July 1, 1991.

Chairman Connor closed the discussion by informing the Board that the Bank had been approached regarding the possibility of transferring a portion of the Banks funds to the Pinelands Commission. The Commission however, received assistance from other sources and the transfer of funds would not be required.

Mr. Ross gave a presentation to the Board outlining the progress of the Banks project regarding Regional Growth Areas. The projects objective is to study each Regional Growth Area of the Pinelands, identify all vacant land and potential PDC use. The data gathered includes the owner's name and address, the municipal tax block & lot identification number, acreage, RGA Zone, density with and without PDCs, and the extent of any wetlands. Mr. Ross provided the Board with a copy of the final product; a computer generated report that will assist the Bank in identifying properties in the receiving areas and the potential PDC use. Mr. Ross informed the Board that at this time three municipalities out of 23 had been completed. He also advised the Board that the project will be temporarily on hold due to the individual assigned leaving state government. He anticipates resuming in January 1992.

The report continued with an update on the program. Since the May 1991 meeting, 171 rights have been severed, preserving approximately 1,850 acres. During that time 43 rights were sold on the private market. In addition, the 51 rights that were deferred at the May 25, 1990 Bank auction, are due to close November 25, 1991.

Mr. Ross concluded his report by informing the Board that the Banks application to the William Penn Foundation for a grant to fund a position did not look promising. However, the Bank has not received an official denial. Chairman Connor stated that the Board may want to consider funding this position if the grant application is denied. Mr. Ross went on to explain the need for this position to ensure the program's continued success. Mr. Ross briefly explained some of the tasks associated with this position and the experience required. He also informed the Board that the analysis of the Bank that was prepared by OMB before the Bank became operational suggested that the Bank be staffed by five individuals.

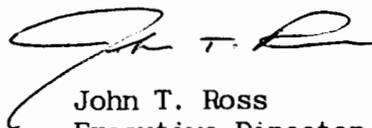
Mr. Sullivan expressed concern about the possible impact of development on the Pinelands. Chairman Connor suggested that before any action be taken, the Pinelands Commission should review this proposal.

A resolution was brought before the Board for the purchase of 2.0 Pinelands Development Credits. A motion was made by Judith Norcross and seconded by Richard Sullivan. All in favor. Motion carried.

In closing comments, Mr. Ross mentioned to the Board that there has been some interest in using PDCs as collateral and that the Bank may want to consider rule making for this purpose. After some discussion, Mr. Van Dalen stated that it is likely that Banks would accept PDCs as collateral without rules being adopted. Mr. Ross will investigate this possibility and report back to the Board.

The meeting adjourned at 11:20 AM. The Board will reconvene on January 16, 1992 at the Department of Banking, 20 W. State Street, Trenton, New Jersey, 5th floor conference room.

Respectfully submitted,



John T. Ross
Executive Director (Acting)

JTR:sab
Enclosures