

Pinelands Development Credit Bank

Functions and Resources



Susan R. Grogan,
Executive Director

What is the Pinelands Development Credit Bank?



- The Pinelands Development Credit (PDC) Bank is the processing agency for the Pinelands Development Credit Program, one of the oldest and most successful transfer of development rights (TDR) programs in the world.

Above: Land preserved by PDCs

PDC Bank History

- The Pinelands Development Credit Bank Act, N.J.S.A. 13:18A-30 et seq., was adopted in 1985.
- The Act established the Bank to regulate, administer and promote the use of Pinelands Development Credits (PDCs). The program, in turn, advances the goals of the Pinelands Comprehensive Management Plan, the rules that govern land-use, development and natural resource protection programs in the million-acre Pinelands Area of southern New Jersey.

Board of Directors



- The PDC Bank is governed by a nine-member Board of Directors.

Board Membership

- The Board consists of five ex-officio members as follows: the Commissioner of Banking, who also serves as the Chair; the Secretary of Agriculture; the Attorney General; the Commissioner of the Department of Environmental Protection; and the Chairman of the Pinelands Commission. Designees of the five ex-officio members have the power to vote in the absence of members. The four additional members are appointed by the Governor and must be residents of Pinelands counties (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Ocean).

PDC Bank Board of Directors

Ex-officio members:

- Honorable Kenneth Kobylowski, Commissioner/Chair, NJ Department of Banking & Insurance;
- Honorable Douglas H. Fisher, Secretary of Agriculture, NJ Department of Agriculture;
- Honorable Jeffrey S. Chiesa, Attorney General, NJ Department of Law & Public Safety;
- Honorable Bob Martin, Commissioner, NJ Department of Environmental Protection;
- Candace McKee Ashmun, New Jersey Pinelands Commission

Designees:

- Christopher Hughes, Director of Operations, NJ Department of Banking & Insurance;
- Susan Payne, Executive Director, NJ Department of Agriculture;
- Jennifer Fradel, Assistant Attorney General, NJ Dept. of Law & Public Safety;
- Fawn Z. McGee, Bureau Chief, State Land Acquisition, Green Acres Program;

At-Large Members:

- Edward J. McGlinchey; and
- Robert C. Shinn.

What does the PDC Bank do?

- The PDC Bank plays a key role in helping to protect environmentally-sensitive land, while working with landowners to promote appropriate economic development.
- Since its inception, the Bank has helped Pinelands property owners who wish to sell (or "sever") the credits for their land and preserve it in perpetuity.



PDC Bank Responsibilities



The bank:

- issues PDC certificates that enable transferable development rights to be bought and sold;
- tracks the sale and purchase of PDCs to ensure that accurate records of all transactions are maintained;
- provides information to people about opportunities to buy and sell PDCs;
- purchases PDCs itself in certain cases; and
- periodically sells PDCs which it has purchased.

The PDC Program -- Briefly

- PDCs are development rights which are allocated to certain lands (“sending areas”) that can be transferred to increase the amount of residential development permitted on other lands (“receiving areas”).
- Each PDC transfers the right to build four homes and can be bought and sold in 1/4 (or 1 right) increments.

Sending Areas



- Include preservation and agricultural areas.
- PDCs may also be allocated to other properties that can't be developed because of environmental problems. Conservation or agricultural easements are placed on the sending properties when the PDCs are transferred.

Receiving Areas

- Receiving areas consist of Regional Growth Areas where zoning allows roughly 50% more homes to be built using PDCs than would otherwise be permitted.
- PDCs can also be used by property owners in other areas of the Pinelands to build homes on certain lots which are slightly smaller than normally required or which involve slight deviations from development standards.



Severing PDCs

- Pinelands Commission issues Letter of Interpretation, indicating the number of PDCs allocated to a property
- Property owner applies to the PDC Bank for a PDC Certificate
- PDC Bank reviews deed and title search
- PDC Bank files deed restriction with County

Severing PDCs



State of New Jersey
Pinelands Development Credit Bank
P.O. Box 359
New Lisbon, NJ 08064 (609) 894-7300

No. _____
Date Issued _____
LOI No. _____

Pinelands Development Credit Certificate

Pursuant to Pinelands Development Credit Bank Act N.J.S.A 13:18A - 30 et seq.,
and the Pinelands Comprehensive Management Plan N.J.A.C. 7:50 -1.1 et seq.

This certifies: _____ hereby owns,

_____ Pinelands Development Credits (_____) Rights

A restriction on the Deed to Block(s) _____ Lots(s) _____

situated in the Municipality of _____, County of _____

is recorded in Book _____ Page _____ at the County Clerk's Office,

_____, New Jersey. _____

Owner's signature

This certificate entitles the owner to a density bonus
as provided in the Pinelands Comprehensive Management Plan

Executive Director
Pinelands Development Credit Bank

Sales and Transfers

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Pinelands Development Credit Bank PDCs Available for Purchase

Summary
170 certificates
222.5 PDCs

Certificate Number	Date Issued	Pdc Value	LOI Number	Owner	Contact Information
580	8/15/1996	0.25	965	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
580	8/15/1996	0.25	967	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
580	8/15/1996	0.25	968	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
580	8/15/1996	0.25	969	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
580	8/15/1996	0.25	970	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
580	8/15/1996	0.25	971	William & Margaret Smith	PO Box 533 Manahawkin NJ 08050 Phone: Fax: Email:
936	3/30/1999	2.00	609	Karen Mandel	1500 River Avenue Lakewood NJ 08701 Phone: (732) 363-6000 Fax: (732) 367-8334 Email: alank@krupnickrealty.com

Sales and Transfers

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Pinelands Development Credit Bank
PDC Sales Report
7/1/2011 - 2/15/2012

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Certificate Number	Pdc Value	Date Dispatched	First Sale	Pdcs Dispatched	Number of Rights Sold	Private or Public Sale	Total Consideration	Selling Price Per Right
2388	2.00	9/8/2011	Yes	2.00	8	Private	\$100,000	\$12,500
2175	0.25	10/11/2011	No	0.25	1	Private	\$12,000	\$12,000
2385	0.25	10/15/2011	Yes	0.25	1	Private	\$8,000	\$8,000
2266	0.25	10/31/2011	Yes	0.25	1	Private	\$9,000	\$9,000
2169	1.25	1/9/2012	No	1.25	5	Private	\$60,000	\$12,000
2419	0.50	1/26/2012	Yes	0.50	2	Private	\$12,000	\$6,000
Total Rights Sold: 18					Total Sales:		\$201,000	
Number of Certificates Sold: 6					Average Sale Price Per Right:		\$11,167	
Total Credits Sold: 4.5								

Sales and Transfers

SALE, CONVEYANCE OR TRANSFER OF PINELANDS DEVELOPMENT CREDITS

Within ten (10) business days the person acquiring a Pinelands Development Credit, or any interest therein, shall deliver to the Pinelands Development Credit Bank this original certificate, properly completed.

Upon receipt, certificate(s) will be re-issued in the name of the person, or persons, who have secured an interest in the Pinelands Development Credits.

1. GRANTEE (BUYER)

NAME: Ima Buyer

ADDRESS: 123 Transfer Lane

CITY/STATE/ZIP: Pinetown, NJ 08088

SIGNATURE: _____

2. GRANTOR (SELLER)

NAME: John Q. Certificateholder

ADDRESS: 1 Severance Street

CITY/STATE/ZIP: Coneyville, NJ 09012

SIGNATURE: _____

3. NUMBER OF CREDITS SOLD, CONVEYED OR TRANSFERRED: 1.25

4. DATE OF TRANSACTION: Jan. 12, 2012

5. INTEREST SECURED: 100%

6. CONSIDERATION: \$50,000

7. ATTACH WRITTEN EVIDENCE OF THE TRANSACTION.

(e.g., Contract of Sale, Bill of Sale)

PINELANDS DEVELOPMENT CREDITS PLEGGED AS SECURITY

When Pinelands Development Credits are pledged as security for loans, the lending institution shall return this certificate to the Pinelands Development Credit Bank properly completed, within ten (10) business days.

Upon receipt, certificate(s) reflecting the encumbrance will be re-issued.

1. OWNER (BORROWER)

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

SIGNATURE: _____

2. LENDING INSTITUTION

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

SIGNATURE: _____

TITLE: _____

3. AMOUNT OF LOAN: _____

4. TERM OF LOAN: _____

5. DATE OF LOAN: _____

6. NUMBER OF PINELANDS DEVELOPMENT CREDITS PLEGGED AS COLLATERAL

7. ATTACH WRITTEN EVIDENCE OF THE TRANSACTION.

NOTE:

When Pinelands Development Credits are released as security the Pinelands Development Credit Bank will again re-issue a certificate upon notification by the owner and lender.

REDEMPTION OF PINELANDS DEVELOPMENT CREDITS

When Pinelands Development Credits are redeemed in association with a residential development project approved by a municipal approval agency, the person redeeming the Pinelands Development Credits shall return this certificate to the Pinelands Development Credit Bank properly completed, within ten (10) business days.

1. OWNER (PERSON REDEEMING)

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

SIGNATURE: _____

2. MUNICIPALITY IN WHICH PINELANDS DEVELOPMENT CREDITS ARE REDEEMED:

MUNICIPALITY: _____

COUNTY: _____

3. MUNICIPAL TAX BLOCK AND LOT NUMBER OF PROPERTY FOR WHICH PINELANDS DEVELOPMENT CREDITS WERE REDEEMED.

BLOCK#: _____ LOT #: _____
(Use separate sheet of paper if necessary)

4. NUMBER OF PINELANDS DEVELOPMENT CREDITS REDEEMED: _____

5. PINELANDS COMMISSION APPLICATION NUMBER:

6. MUNICIPAL DEVELOPMENT APPROVAL WAS ISSUED:

DATE

7. MUNICIPAL OFFICIAL ISSUING DEVELOPMENT APPROVAL:

NAME: _____

TITLE: _____

SIGNATURE: _____

Redemptions

SALE, CONVEYANCE OR TRANSFER OF PINELANDS DEVELOPMENT CREDITS

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Upon receipt, certificate(s) will be re-issued in the name of the person, or persons, who have secured an interest in the Pinelands Development Credits.

1. GRANTEE (BUYER)

NAME: Ima Buyer
ADDRESS: 123 Transfer Lane
CITY/STATE/ZIP: Pinetown, NJ 08088
SIGNATURE: _____

2. GRANTOR (SELLER)

NAME: John Q. Certificateholder
ADDRESS: 1 Severance Street
CITY/STATE/ZIP: Coneyville, NJ 09012
SIGNATURE: _____

3. NUMBER OF CREDITS SOLD, CONVEYED OR
TRANSFERRED: 1.25

4. DATE OF TRANSACTION: Jan. 12, 2012

5. INTEREST SECURED: _____

6. CONSIDERATION: _____

7. ATTACH WRITTEN EVIDENCE OF THE
TRANSACTION.

(e.g., Contract of Sale, Bill of Sale)

PINELANDS DEVELOPMENT CREDITS PLEGGED AS SECURITY

When Pinelands Development Credits are pledged as security for loans, the lending institution shall return this certificate to the Pinelands Development Credit Bank properly completed, within ten (10) business days.

Upon receipt, certificate(s) reflecting the encumbrance will be re-issued.

1. OWNER (BORROWER)

NAME: _____
ADDRESS: _____
CITY/STATE/ZIP: _____
SIGNATURE: _____

2. LENDING INSTITUTION

NAME: _____
ADDRESS: _____
CITY/STATE/ZIP: _____
SIGNATURE: _____
TITLE: _____

3. AMOUNT OF LOAN: _____

4. TERM OF LOAN: _____

5. DATE OF LOAN: _____

6. NUMBER OF PINELANDS DEVELOPMENT
CREDITS PLEDGED AS COLLATERAL

7. ATTACH WRITTEN EVIDENCE OF THE TRANSACTION.

NOTE:

When Pinelands Development Credits are released as security the Pinelands Development Credit Bank will again re-issue a certificate upon notification by the owner and lender.

REDEMPTION OF PINELANDS DEVELOPMENT CREDITS

When Pinelands Development Credits are redeemed in association with a residential development project approved by a municipal approval agency, the person redeeming the Pinelands Development Credits shall return this certificate to the Pinelands Development Credit Bank properly completed, within ten (10) business days.

1. OWNER (PERSON REDEEMING)

NAME: Ima Buyer
ADDRESS: 123 Transfer Lane
CITY/STATE/ZIP: Pinetown, NJ 08088
SIGNATURE: _____

2. MUNICIPALITY IN WHICH PINELANDS DEVELOPMENT CREDITS ARE REDEEMED:

MUNICIPALITY: Hamilton Township
COUNTY: Atlantic County

3. MUNICIPAL TAX BLOCK AND LOT NUMBER OF PROPERTY FOR WHICH PINELANDS DEVELOPMENT CREDITS WERE REDEEMED.

BLOCK#: 25 LOT #: 3
(Use separate sheet of paper if necessary)

4. NUMBER OF PINELANDS DEVELOPMENT CREDITS
REDEEMED: 1.25

5. PINELANDS COMMISSION APPLICATION NUMBER:
2010-0821.001

6. MUNICIPAL DEVELOPMENT APPROVAL WAS
ISSUED:

4/14/12

DATE

7. MUNICIPAL OFFICIAL ISSUING DEVELOPMENT
APPROVAL:

NAME: Nancy Rainbow
TITLE: Planning Administrator
SIGNATURE: _____

PDC Bank Staff

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(609) 894-7300
E-mail: PDCBank@njpines.state.nj.us

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Trenton, NJ 08625