

**MEMORANDUM OF AGREEMENT
BETWEEN
THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION,
THE PINELANDS DEVELOPMENT CREDIT BANK
AND
THE PINELANDS COMMISSION**

This Memorandum of Agreement is made between the New Jersey Department of Environmental Protection, the New Jersey Pinelands Commission and the Pinelands Development Credit Bank.

WHEREAS, the Pinelands Comprehensive Management Plan (N.J.A.C. 7:50-1.1 et seq.) adopted pursuant to the Pinelands Protection Act, P.L. 1979, c.111 (C.13:18A-1 et seq.) allocates Pinelands Development Credits (hereinafter "PDCs") to certain lands in the Preservation Area District, the Agricultural Production Area and the Special Agricultural Production Area of the Pinelands Area (N.J.A.C. 7:50-5.41 et seq.); and

WHEREAS, the State of New Jersey has appropriated monies for the purchase of Pinelands Development Credits (hereinafter the "Pinelands Development Credit Purchase Program") for Fiscal Year 2000 and may do so in successive fiscal years; and

WHEREAS, the purpose of this Agreement is to set forth the procedures to be followed and the responsibilities of each of the signatories with respect to the purchase of PDCs utilizing the monies appropriated by the State of New Jersey for such purchase, for Fiscal Year 2000 and any successive fiscal years; and

WHEREAS, the Pinelands Commission issues Letters of Interpretation as to its determination of the number of PDCs allocated to an individual parcel pursuant to N.J.A.C. 7:50-4.71 et seq.; and

WHEREAS, the Pinelands Development Credit Bank was established pursuant to the Pinelands Development Credit Bank Act, P.L. 1985, c.310 (C.13:18A-30-49) and was granted the authority to purchase PDCs to further the objectives of the Pinelands Protection Act, P.L. 1979, c.111 (C.13:18A-1 et seq.) and the Pinelands Comprehensive Management Plan adopted pursuant thereto.

NOW, THEREFORE, the parties agree to the following:

1. The Department of Environmental Protection shall take all necessary steps to immediately transmit to the Pinelands Commission all monies appropriated by the State of New Jersey for the purchase and retirement of PDCs in FY2000 and any subsequent fiscal years, upon the release of such monies by the Treasurer of the State of New Jersey, at a schedule to be determined by the Treasurer after

consultation with the Pinelands Commission; provided no monies shall be transmitted unless the Director of the Division of Budget and Accounting, Department of Treasury, has approved a spending plan prepared by the Pinelands Commission and submitted by the Department of Environmental Protection.

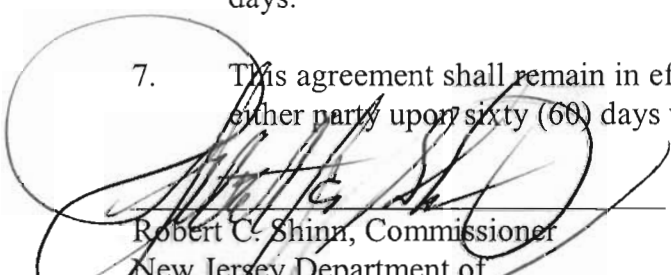
2. The entire \$3 million appropriated by the State of New Jersey for FY2000 for the Pinelands Development Credit Purchase Program and the entirety of any appropriations for this program for the following two fiscal years, shall be used exclusively for the purchase of PDCs in accordance with the provisions of this Agreement. These monies shall be maintained in a separate cash management account by the Pinelands Commission.
3. The Pinelands Commission may provide a portion of the monies referenced in (1) above to the Burlington County Development Credit Exchange for the purchase of PDCs from properties in Burlington County, provided that the Burlington County Development Credit Exchange enters into a Memorandum of Agreement with the Pinelands Commission agreeing to adhere to the terms of this Agreement and the provisions that follow:
 - a. The Burlington County Development Credit Exchange will provide a match for any funds received from the Pinelands Commission; and
 - b. The proportionate share of any PDCs purchased pursuant to this paragraph, with funding provided by Burlington County may be utilized in the manner deemed appropriate by the Burlington County Development Credit Exchange.
 - c. The Burlington County Development Credit Exchange will take the necessary steps to ensure that the proportionate share of any PDCs purchased pursuant to this paragraph, with State funding, shall be retired and may never be transferred, sold, conveyed, redeemed or otherwise used in any way, as set forth in (4.i) below; and
 - d. The Burlington County Development Credit Exchange shall provide notice to the Pinelands Commission of any Pinelands Development Credits retired in accordance with (c) above.
4. The Pinelands Development Credit Purchase Program shall function as follows:
 - a. The Pinelands Commission will determine the allocation of PDCs at the request of a property owner, in accordance with the provisions of the Pinelands Comprehensive Management Plan, and shall issue a Pinelands

Letter of Interpretation pursuant to N.J.A.C. 7:50-4.71 et seq. for each PDC allocation. At the request of the applicant, the Letter of Interpretation shall include a determination of whether or not the PDCs qualify for purchase pursuant to the Pinelands Development Credit Purchase Program outlined in this Agreement and contained in the regulations in the Comprehensive Management Plan establishing this program. A copy of the Pinelands Letter of Interpretation with the eligibility determination will be forwarded to the Pinelands Development Credit Bank.

- b. For those property owners who previously received a Letter of Interpretation as to the allocation of PDCs and whose property has not been deed restricted, the Pinelands Commission shall determine at the request of the property owner if the PDCs are eligible for purchase by the Pinelands Development Credit Bank, pursuant to the Pinelands Development Credit Purchase Program outlined in this Agreement and contained in the regulations in the Comprehensive Management Plan establishing this program.
- c. The Pinelands Development Credit Bank shall review the 60 year title search and the 20 year search of liens and judgments provided by the property owner, to ensure that title to the property is marketable.
- d. The Pinelands Development Credit Bank shall review the deed restriction to be placed upon the property prior to the issuance of a Pinelands Development Credit Certificate by the Pinelands Development Credit Bank.
- e. The Pinelands Development Credit Bank shall prepare a Pinelands Development Credit Certificate, following the recordation of the deed restriction by the Bank upon the receipt of the appropriate recordation fees from the property owner. A copy of said Certificate shall be forwarded to the Pinelands Commission.
- f. The Pinelands Development Credit Bank shall verify that the PDCs remain eligible to be purchased pursuant to the Pinelands Development Credit Purchase Program.
- g. Upon receipt of a copy of the Pinelands Development Credit Certificate and a determination that the PDCs are eligible for purchase pursuant to the Pinelands Development Credit Purchase Program, the Pinelands Commission shall transmit sufficient funds to the Pinelands Development Credit Bank for the purchase of the PDCs referenced in the Certificate.

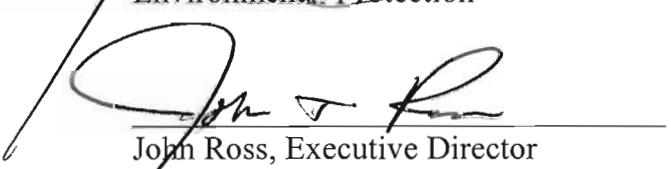
market.

- e. PDCs must be purchased directly from the person or entity who owns the parcel to which the PDCs are allocated.
 - f. PDCs shall not be purchased from a public agency.
 - g. No more than 25 PDCs may be purchased from any person or entity in FY2000 unless the full amount of the appropriation by the State for such purposes is not obligated by June 30, 2000.
6. This agreement shall take effect upon approval by the authorized representative of all parties and subsequent to the Governor's review for a period of ten (10) days.
7. This agreement shall remain in effect until otherwise amended or terminated by either party upon sixty (60) days written notice.



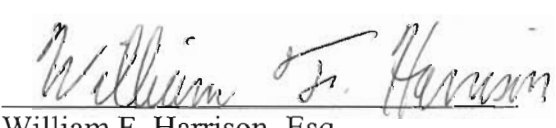
Robert C. Shinn, Commissioner
New Jersey Department of
Environmental Protection

Date: 3/24/00



John Ross, Executive Director
New Jersey Pinelands Development
Credit Bank

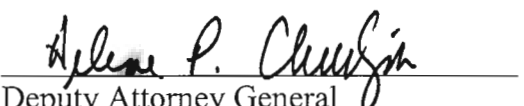
Date: 4/3/00



William F. Harrison, Esq.
Acting Executive Director
New Jersey Pinelands Commission

Date: 3/28/00

Approved as to Form by:



Helen P. Chargin
Deputy Attorney General
State of New Jersey

Date: 3/16/00

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