

**HIGHLANDS DEVELOPMENT CREDIT BANK  
MINUTES OF THE MEETING OF NOVEMBER 2, 2017**

**PRESENT**

ROBERT G. WALTON	)	CHAIRMAN
DALE DAVIS III	)	DIRECTOR
KENNETH KLIPSTEIN	)	DIRECTOR
ANDREW R. MCELROY	)	DIRECTOR

**VIA TELE-CONFERENCE:**

ROBERT HOLTAWAY	)	DIRECTOR
JIM RILEE	)	DIRECTOR
GREG ROMANO	)	DIRECTOR

**ABSENT:**

THEODORE MAGLIONE	)	DIRECTOR
SUSAN E. PAYNE	)	DIRECTOR

**CALL TO ORDER**

Chairman Robert G. Walton, called the 22<sup>nd</sup> meeting of the Highlands Development Credit Bank Board of Directors to order at 4:00pm.

**ROLL CALL**

Roll call was taken. Directors Maglione and Payne were absent. All other directors were present. *The following Council staff members were present: Margaret Nordstrom, John Maher, Kim Ball Kaiser, James Humphries, Drew Siglin, Carole Diction, Liz Carlson, and Annette Tagliareni. Also present via tele-conference were Nicholas Kant, Assistant Counsel, Governor's Authorities Unit, and Jennifer Moriarty, DAG.*

**OPEN PUBLIC MEETINGS ACT**

Chairman Walton announced that the meeting was held in accordance with the Open Public Meetings Act at N.J.S.A. 10:4-6. The Highlands Development Credit (HDC) Bank had sent written notice of the time, date, and location of this meeting to pertinent newspapers of circulation throughout the State and posted the same on the Bank's website.

**PLEDGE OF ALLEGIANCE** was then recited.

**APPROVAL OF MEETING MINUTES FOR APRIL 5, 2017**

*Director McElroy made a motion to approve the minutes and Director Davis seconded it.*

*A roll-call vote was taken and the Minutes were APPROVED 6-0.*

**HIGHLANDS DEVELOPMENT CREDIT BANK  
MINUTES OF THE MEETING OF NOVEMBER 2, 2017**

**DIRECTOR REPORTS**

There were no Director reports.

**CHAIRMAN'S REPORT**

Committee Chair Walton reported on the following updates/recommendations of the Council's Landowner Equity & Land Preservation (LELP) Committee:

Updates:

- Since the HDC Bank last met, the Highlands Council was awarded \$2.42M dollars for the 2017 Federal Highlands Conservation Act (HCA) grant. With the HCA grant, the total funding available to the Highlands Development Credit Purchase Program (HDCPP) and Council's Highlands Open Space Partnership Funding Program (OSP) is approximately \$6.4M

Council Committee Recommendation:

- The Landowner Equity and Land Preservation Committee met on October 12 and reviewed the 16 remaining unfunded HDCPP applications. These applications consist of 282 HDCs, which equates to a total request of \$4,512,000. The Committee recommended funding all of the remaining HDCPP applications and dedicating approximately \$1.77M to the OSP, which is administered by the Highlands Council.

Council Approval:

- At the Highlands Council's October 19 meeting, the Council approved by voice vote an additional allocation to the HDCPP of \$4,069,302.
  - \$442,698 leftover for the HDCPP from previous allocations due to applicants withdrawals
  - As of today, total available funding is \$4,512,000 with the new allocation and leftover funding from previous allocations
  - This deadline has been incorporated into the Resolution to acquire additional HDCs as paragraph #3

Deadline for HDCPP Closings:

- Staff explained that the most common cause of delayed closings is a lack of necessary documentation provided by the applicants.
- As such, the Committee recommended that a deadline be imposed on all newly approved applicants. The proposed deadline is within six (6) months of the closing instructions letter date.
- Previously approved applicants will receive notification of a six (6) month deadline from the date that these Bank meeting minutes are approved.

**HIGHLANDS DEVELOPMENT CREDIT BANK  
MINUTES OF THE MEETING OF NOVEMBER 2, 2017**

- If documentation is not provided within six (6) months, the HDC Bank may then review the application and choose to rescind the purchase offer, making that funding available for future HDCPP application purchases.
- The details of this deadline have been incorporated into the resolution before the Bank at this meeting.

**EXECUTIVE DIRECTOR REPORT**

Ms. Nordstrom reported that everyone who has applied to the HDCPP will be funded upon the Bank's approval today. Ms. Nordstrom spoke about one particular applicant, Dr. Mahmood, who staff has worked with for several years. Ms. Nordstrom was happy to note that Dr. Mahmood recently closed on his property through the HDCPP.

Chairman Walton asked for a motion on the Resolution.

**RESOLUTION – AUTHORIZATION TO ACQUIRE HIGHLANDS DEVELOPMENT CREDITS UNDER THE HIGHLANDS DEVELOPMENT CREDIT PURCHASE PROGRAM, N.J.A.C. 7:70-1 et seq.**

*Director McElroy made a motion on the Resolution and Director Davis seconded it.*

Public Comments

**David Shope, Lebanon Township, NJ** – Mr. Shope commented on his previous request to advise property owners interested in the TDR Program regarding how the HDC value of \$16,000 was determined. Mr. Shope asked if the Bank plans to notify the property owners. Chairman Walton responded that the Bank does not plan to respond. Mr. Shope then gave a history of how he believes the \$16,000 value was determined.

**Wilma Frey, New Jersey Conservation Foundation** – Ms. Frey supports the funding of these HDCPP applications.

*Director Klipstein was present at 4:10pm.*

Director Comment

Director Romano commented and made a recommendation regarding the phrasing of the Resolution, in particular, in paragraphs #3 and #4 of the Resolution regarding "...may consider rescinding..." and "closing costs" to property owners regarding title searches. Chief Counsel Maher responded that the language is acceptable either way. Chairman Walton noted that the language would stay "as is." Director Romano responded that it was acceptable to him.

*A roll-call vote was taken and the Resolution was APPROVED 7-0. Director Klipstein voted "yes" on the resolution, however, abstained on the Clinton Township property (Block 68 Lot 6).*

Chairman Walton asked for a motion on the next Resolution.

**HIGHLANDS DEVELOPMENT CREDIT BANK  
MINUTES OF THE MEETING OF NOVEMBER 2, 2017**

**RESOLUTION – ANNUAL MEETING SCHEDULE FOR 2018**

*Director Klipstein made a motion on the Resolution and Director McElroy seconded it.*

There were no public comments.

*A roll-call vote was taken and the Resolution was APPROVED 7-0.*

Chairman Walton opened the floor for public comment on any other matters.

**PUBLIC COMMENT**

**David Shope, Lebanon Township, NJ** – Mr. Shope commented on Lebanon Township’s obligation regarding affordable housing and in his opinion this will give the Council more work.

*Director Klipstein made a motion to adjourn the meeting and Director McElroy seconded it. The meeting adjourned at 4:18pm.*

**CERTIFICATION**

I hereby certify that the foregoing is a true copy of the minutes of the meeting of the Highlands Development Credit Bank Board.

Date: \_\_\_\_\_

Name: \_\_\_\_\_  
Annette Tagliareni, Executive Assistant

*HDC Bank will approve at its next meeting:*

<b>Vote on the Approval of Minutes</b>	<b><u>Motion</u></b>	<b><u>Second</u></b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
Director Davis						
Director Holtaway						
Director Klipstein						
Director Maglione						
Director McElroy						
Director Payne						
Director Rilee						
Director Romano						
Chairman Walton						

**HIGHLANDS DEVELOPMENT CREDIT BANK  
MINUTES OF THE MEETING OF NOVEMBER 2, 2017**

Council approved the Highlands Development Credit Bank Minutes of November 2, 2017 at its December 7, 2017 meeting:

<b>Vote on the Approval of These Minutes</b>	<b>Motion</b>	<b>Second</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Councilmember Alstede			✓			
Councilmember Carluccio			✓			
Councilmember Dougherty		✓	✓			
Councilmember Dressler			✓			
Councilmember Francis			✓			
Councilmember Holtaway			✓			
Councilmember James						✓
Councilmember Richko			✓			
Councilmember Sebetich			✓			
Councilmember Tfank			✓			
Councilmember Visioli			✓			
Councilmember Vohden			✓			
Councilmember Walton	✓		✓			
Chairman Rilee			✓			