RESOLUTION 2010-04
HIGHLANDS DEVELOPMENT CREDIT BANK
AUTHORIZATION TO ACQUIRE HIGHLANDS DEVELOPMENT CREDITS
UNDER SECOND ROUND OF HARDSHIP CONSIDERATION

WHEREAS, pursuant to Section 13.i of the Highlands Water Protection and Planning Act (Highlands Act), the Highlands Water Protection and Planning Council (Highlands Council) established the Highlands Development Credit Bank (Bank) by Resolution 2008-24 adopted on June 26, 2008; and

WHEREAS, Resolution 2008-24 establishes the functions of the Bank, including serving as a buyer and seller of Highlands Development Credits (HDCs); and

WHEREAS, pursuant to Resolution 2008-24, the activities of the Bank must be guided by the Highlands Regional Master Plan; and

WHEREAS, Policy 7C6 of the Highlands Regional Master Plan requires that the Bank establish a program for the purchase of HDCs as soon as possible and Policy 7C7 states that the Bank “should seek to provide an opportunity for Sending Zone landowners to sell their HDCs in advance of the establishment of Receiving Zones;” and

WHEREAS, Objective 7C7b of the Highlands Regional Master Plan mandates that the Bank’s HDC purchase program give “priority to landowners who can demonstrate unique and extenuating financial circumstances as a direct result of the Highlands Act;” and

WHEREAS, pursuant to Resolution 2009-05, the Bank has adopted Operating Procedures for the Bank’s activities, including the purchase of HDCs; and

WHEREAS, the Operating Procedures authorize the Bank to acquire HDCs from property owners who are able to demonstrate an extenuating financial circumstance where:

1. The owner's equity in the land to which the HDCs are allocated is substantial in relation to the owner's net worth; and
2. The owner is experiencing extraordinary financial hardship, including but not limited to imminent bankruptcy, extraordinary medical expenses, or loss of job.

WHEREAS, pursuant to Resolution 2009-06, the Bank instituted an initial HDC Purchase Program to provide landowners who face an extenuating financial circumstance with a means of selling their HDCs as well as to those landowners whose property just missed qualifying for Exemption #3 under the Highlands Act pursuant to N.J.S.A. 13:20-13.h(2); and

WHEREAS, consistent with the criteria established in Resolution 2009-06, the Bank has reviewed several HDC Certificate Applications where the landowners qualified for hardship consideration as determined by the Highlands Council, including one landowner that just missed qualifying for Exemption #3; and

WHEREAS, pursuant to the HDC Bank By-laws, a true copy of the Board’s meeting minutes shall be prepared and forthwith delivered to the Highlands Council and no action taken at such meetings by the Board shall have effect until the Highlands Council’s period of review has expired and the
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Governor’s period of review for that Council meeting has expired pursuant to the following paragraph; and

WHEREAS, pursuant to the Highlands Act, at N.J.S.A. 13:20-5.1, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

NOW, THEREFORE, BE IT RESOLVED by the Highlands Development Credit Bank that:

1. The Executive Director is authorized to make offers at $16,000 per HDC to purchase the HDCs allocated by the Highlands Council to the following properties on the basis that the owners satisfied the Bank’s and Highlands Council’s extenuating financial circumstances criteria:
   a. Block 21.01, Lot 20.01, Liberty Township, Warren County;
   b. Block 209, Lots 9 and 10, Jefferson Township, Morris County;
   c. Block 24, Lots 4 and 20, Oxford Township, Warren County and Block 16, Lot 45, White Township, Warren County; and
   d. Block 8301, Lot 13, Mt. Olive Township, Morris County.

2. Where the offer made by the Bank is accepted within the time specified in the offer letter, the Executive Director is authorized to complete the necessary due diligence process for certification of the HDCs allocated to the respective properties, including the recording of the appropriate deed of easement for the property, and to consummate the purchase of the HDCs by the Bank.

3. The Executive Director is authorized to pay up to $2,500 in closing costs per property for those landowners that qualified for hardship due to extenuating financial circumstances on a reimbursement basis upon the presentation of invoices indicating the closing costs incurred. Closing costs that may be reimbursed include costs for a title search, upper and lower court search, attorney review of the deed of easement, and recording of the deed of easement with the appropriate county clerk.
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CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Development Credit Bank at its regular meeting held on the 10th day of December, 2010.

Theodore J. Maglione, Acting Chairman

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