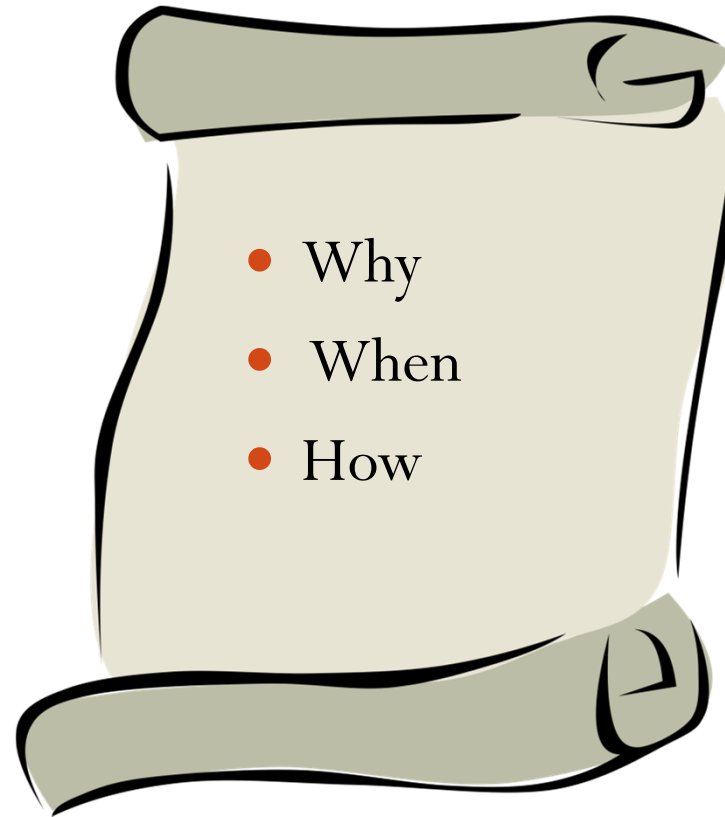


Pinelands Infrastructure Trust Fund (PITF) Review and Next Steps

P & I Committee

7/27/18

Background



- Why
- When
- How

Pinelands Infrastructure Trust Bond Act of 1985

The Pinelands Infrastructure Bond Act - enacted on August 23, 1985

The Act authorized the issuance of bonds - \$30 million

Proceeds of which were to be used:

- To provide grants and loans to local government units
- For infrastructure capital projects
- In Pinelands RGAs

PINELANDS PROTECTION BOND ACT of 1985,11

INTERPRETIVE STATEMENT

- Clarified the intended uses of grants and loans is for transportation, wastewater treatment, water supply, and other infrastructure systems in the Pinelands area.
- Conformance with CMP required before Project funding would be authorized
- Both municipal and county master plans must be certified *by* the Pinelands Commission

Purpose of the Act

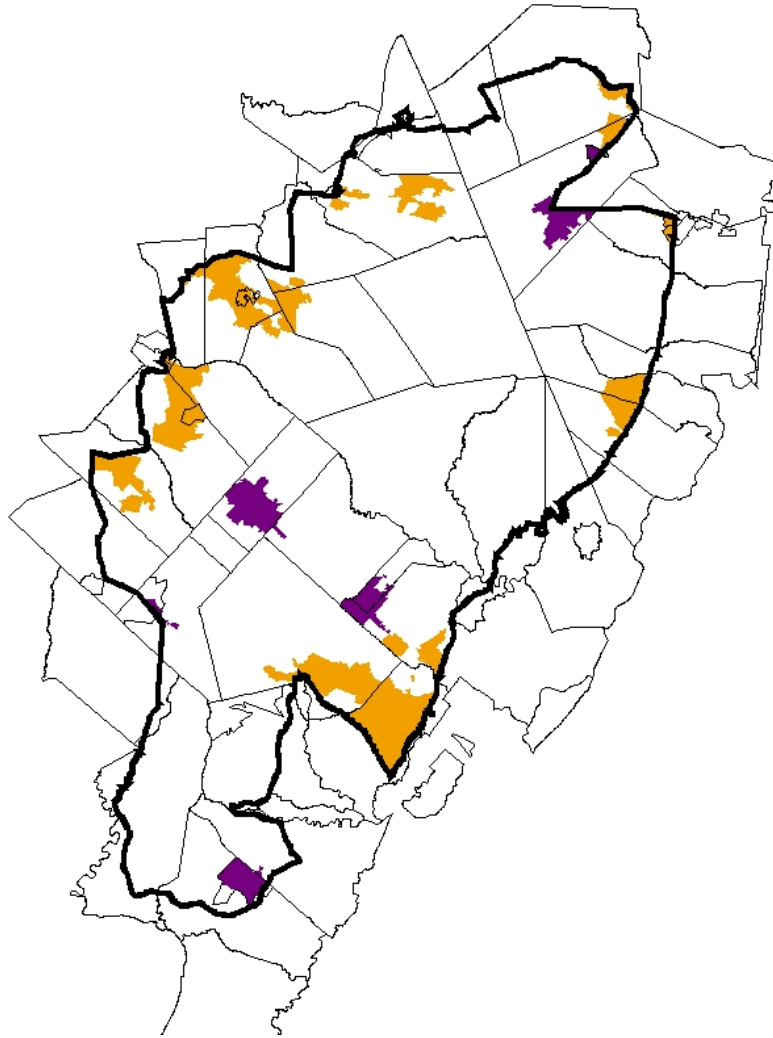
Targeted Growth Areas with PDCs

- Redirecting development away from environmentally sensitive and agriculturally important areas
- Including traditional zoning and the Pinelands Development Credit (PDC) program.

Public Costs

- Public costs are associated with capital facilities needed to serve Regional Growth areas
- Ease financial burden on local taxpayers for RGA infrastructure

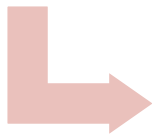
RGAs (orange) and Towns (purple)



Infrastructure Fund Master Plan

PITF Act

- PC must adopt Infrastructure Master Plan
- 1987, resolution PC4-87-3 first PC Master Plan



Pinelands Infrastructure Master Plan

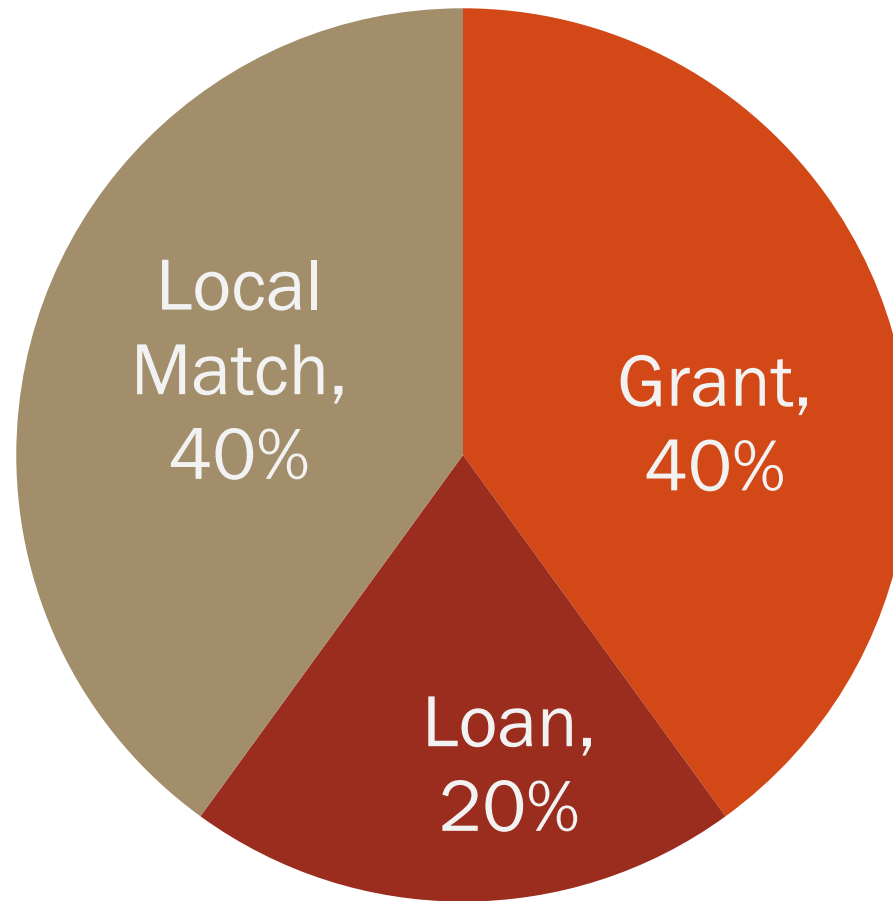
- Funding formula
- Project list (intended uses)
- New PC resolution to change formula or projects
- Several Amendments have occurred



NJ Infrastructure Trust

- Submitted to NJ-EIT
- FY Intended Use Plan
- Legislative authorization

Funding Formula



The Act did not specify what proportion of loans versus grants should be awarded

Past Funding Limited to Wastewater

The Act defined “*infrastructure capital projects*” to include acquisition, construction, improvement, expansion, repair or rehabilitation of all or part of any structure, facility or equipment necessary for, or ancillary to, transportation, wastewater treatment, water supply infrastructure systems.

Projects Funded

- Broad range of infrastructure project types are eligible for funding through PITF.
- Past funding awarded solely to sewer construction primarily for two reasons:
 - Area of greatest need for Pinelands RGAs in 1986, and
 - Existing wastewater assistance programs offered NJDEP provided engineering expertise and management capacity.

Previous Project Ranking Factors

- Two sets of Ranking Factors
 - General
 - Project Specific



Previous Project Ranking Factors

General Ranking Factors – 75 points

- Future development potential
- Total number of future dwelling units served
- *Percent of “Growth Area” needs, including PDCs, met by project*
- Net development capacity (Unmet build-out needs remaining after completion)
- *Cost per Unit* Projects ranked by the total eligible cost per number of future dwelling units served.



Previous Project Ranking Factors

Project Specific Ranking Factors – 25 points

- *Wastewater Infrastructure Projects*
- Documented or known groundwater problems
- Recharge to groundwater in-basin/encourage community treatment plants
- Cost Financial bonus if PITF funding is minimized
- Future PDC units based on realistic potential

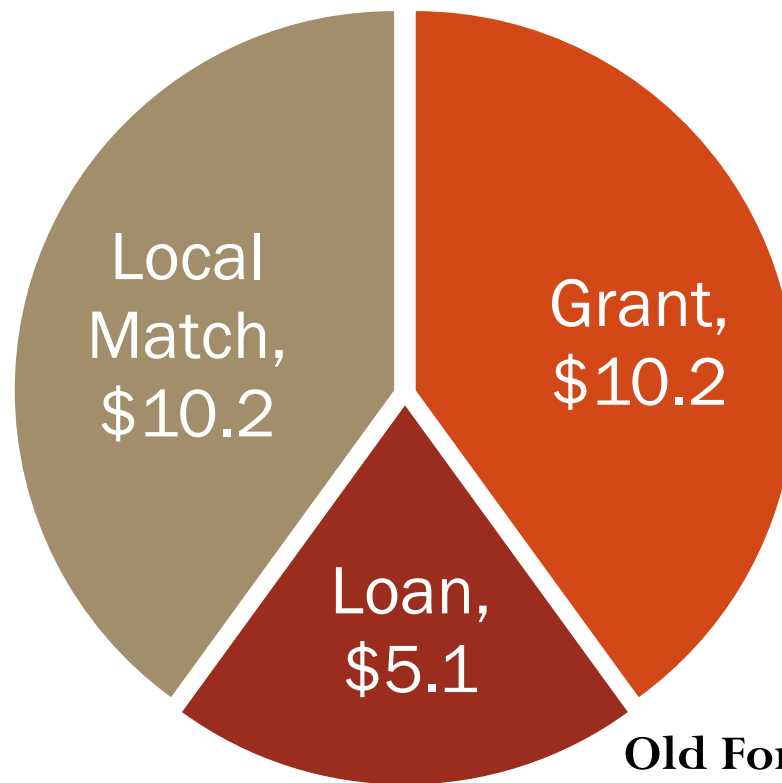


Past Project Summary

Project	9/01/1993 Master Plan Amendment
State Administration	\$500,000
Local Planning & Design	\$100,000
Projects	\$28,055,162
Contingency Grants & Loans	\$1,344,818
Total	\$29,999,980

Status Today

- Amount currently available (primarily from loan payback and low bid projects): \$15.6 million
- Using old funding formula: \$25.5 million in projects



Old Formula : Current Funding

Questions to be Answered: How to Amend the Infrastructure Plan

- Revise possible uses (from only wastewater)?
 - Response: Probably no need to expand, meets needs of today (stormwater and recharge covered)
- Change ranking criteria?
 - Response: Refine depending upon use and assistance offered

Questions to be Answered: How to Amend the Infrastructure Plan, cont.

- Change funding assistance from 40% grant/20% loan/20% other?
 - Response: Options
 - Tie to incentive, e.g.,
 - Recharge?
 - Interest rate tied to level of proposed or actual PDC use?
 - Continue revolving? How?
 - 100% no interest loan?
 - Split between grants, no interest loans and low interest loans

Larger RGAs – 12/24 Municipalities with Regional Growth Areas

Half (12) of those generate substantial PDC demand

Egg Harbor Township	Winslow Township
Hamilton Township	Jackson Township
Monroe Township	Stafford Township
Barneget Township	Medford Township
Pemberton Township	Manchester Township
Galloway Township	Waterford Township

State Intended Use Plan FY19

Draft Pinelands Statement

- The Pinelands Infrastructure Trust Fund, inactive for several years, is targeted for reactivation in FY2019.
- Possible uses , funding formula, and ranking criteria will be re-evaluated
- A new “Request for Proposals” will be issued to all 24 municipalities and counties with Regional Growth Areas
- Projects will then be ranked and recommended for funding (to be then placed in the FY20 Intended Use Plan).

Next Steps

- Review recently developed County Wastewater Plans
- Discuss with
 - Key Counties
 - Key RGAs: the 12 with sufficient development potential remaining
- Finalize proposed amendment to the Master Plan
- Review “amendment” with P &I
- Review “amendment “ with PC



Next Steps, cont.

- Include Notice of Impending RFPs in Infrastructure Trust Fund's (Bank) 2019 Intended Use List
- Issue Request For Proposals - Late Fall
- Pursue CMP Amendment
 - Adding PDCs (and PITF eligibility) to Town Management Areas
 - Permit RDA Recharge areas

