

PINE BARRENS CREDIT CLEARINGHOUSE

James T.B. Tripp, Esq., *Chairman*
Andrew P. Freleng, AICP, *Vice Chairman*
Richard W. Hanley, *Member*
Mitchell H. Pally, Esq., *Member*
Herbert Phillips, *Member*

Pine Barrens Credit Clearinghouse Board of Advisors Meeting Summary for March 26, 2002 Commission Office, Great River, New York 9:30 A.M.

Present: Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Freleng (representing the County of Suffolk); Mr. Hanley (representing the Town of Riverhead); Mr. Phillips (representing the Town of Southampton) and Mr. Pally (representing the State of New York). Also in attendance was Mr. Rigano (General Counsel to the Commission) and Commission Staff members included Mr. Corwin, Mr. Rizzo, Ms. Trezza and Ms. Carter. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 9:45 a.m. There was no quorum present at this time

1. Administrative

Public Comment Period

Summary: There were no public comments at this time.

Ratification of meeting summary from October 30, 2001

Summary: There was no quorum present at this time. This item will be held until a quorum is present.

County Treasurer's Report

Summary: Ms. Christina Cooke forwarded the financial report for the months of October, November and December 2001 for Board members to review. There were three disbursements totaling \$177,200.00 during this period. The total amount of assets to date are \$6,455,919.59.

2. Pine Barrens Credit Application

Letter of Interpretation Applications

Summary: There were no Letters of Interpretation pending at this time.

Pine Barrens Credit Certificates

Summary: There were no credit certificates pending at this time.

3. Program Implementation Initiative

P.O. BOX 587, 3525 SUNRISE HIGHWAY, 2ND FLOOR, GREAT RIVER, NEW YORK 11739-0587
631-224-2604 / FAX 631-224-7653
<http://www.pb.state.ny.us>

Offer to Purchase Riverhead PBC

Summary: Correspondence has been received from Little Rock Construction and Foxwood Village to purchase credits within the Town of Riverhead. It was decided to hold this issue until the Riverhead representative is present.

A letter was received from Resort Properties requesting to purchase 0.5 pine barrens credits for waste water flow purposes. The Health Department stated that credits could be purchased from any of the three Towns for this purpose to be used in the Town of Southampton. This is not a Town requirement, this is being required by the Health Department. The representative for Resort Properties enquired about prices and would like to purchase PBCs in the Town of Riverhead due to the lower price. A discussion ensued open whether or not this can be allowed. Most of feedback was that this should not be allowed to occur. This item will also be held until the Riverhead Representative is present.

Offer to Purchase Brookhaven PBCs

Summary: The following is a list of all purchase offers for Brookhaven PBC's. Mr Rizzo summarized each request for purchase for the Board members. They requests are as follows:

Alliance (6 Credits)

Landmark Properties (12 Credits)

Concorde (3 Credits)

Island Estates (1 Credit)

Campo Brothers (2 Credits)

Liberty (0.66 Credits)

Cont: Offer to Purchase Riverhead PBCs

Summary: Mr. Hanley from the Town of Riverhead arrived at this point. The Board members decided to return to the prior discussion on the purchase of PBCs in the Town of Riverhead. A discussion ensued on the prior conversation regarding the purchase of Riverhead PBCs. Mr. Rizzo stated that Little Rock Construction Inc. does not want to purchase PBCs until the moratorium in the Town of Riverhead is over. When asked Mr. Hanley stated that the moratorium should be over on 6/11/02, but could be extended for up to a year.

Motion by Mr. Pally seconded by Mr. Hanley to extend the deadline for purchase of Riverhead PBCs for Little Rock Construction Inc. until 6/30/02. Motion carried unanimously.

Foxwood Village was discussed next. Mr. Hanley stated that the project had received all it's approvals prior to the moratorium being enacted. He also stated that the project is grand fathered.

Motion by Mr. Pally seconded by Mr. Hanley to approve the sale of 8 PBCs in the Town of Riverhead at \$18,000.00 to Foxwood Village. The transaction must be completed by 6/30/02. Motion carried unanimously.

A discussion ensued on the proposal made by Resort Properties. It was mentioned that this should be brought to the Commission's attention and that a letter should be sent to the involved parties stating that this is not a policy that the Clearinghouse Board endorses, but a request by the Health Department.

Motion by Mr. Pally seconded by Mr. Hanley to approve the sale of 0.5PBCs in the Town of Riverhead at \$18,000.00 to Resort Properties. These PBCs are to be used in the Town of Southampton for waste water flow. The transaction must be completed by 6/30/02. Motion carried unanimously.

Gazza Credit appeal (not on the agenda)

Mr. Gazza discussed that action that was taken on his appeal at the last Commission meeting with the Board members. Clearinghouse members advised Mr. Gazza that it was a commission issue.

Ratification of meeting summary from October 30, 2001

Summary: Motion by Mr. Pally seconded by Mr. Hanley to approve the meeting summary from 10/30/01 as written. The motion was carried unanimously.

Southampton Initiative

Summary: Mr. Tripp lead a discussion regarding an offer to buy PBCs from small property owners in the Town of Southampton. The offers would be to purchase one PBC or less for \$12,000.00. This price being offered would not interfere with buying and selling on the open market. He is currently trying to set up a meeting with the new Town Board to discuss this issue. He is also in discussions with the County regarding purchasing the residuals on these properties. Mr. Tripp also stated that he would like Board approval to proceed with this proposal after he has met the Town Board. A brief discussion ensued on what the letter that is sent to the property owners should contain. It was decided to list the purchase price as \$12,000.00 but to also ask what they would want if they are interested in the offer but feel that the price should be higher.

Motion by Mr. Pally seconded by Mr. Hanley to approve the spending of up to \$1,000,000.00 to purchase PBCs in the Town of Southampton. The offer would be to spend \$12,000.00 per credit. The motion was carried unanimously.

Next Clearinghouse Meeting

Summary: Next Clearinghouse Meeting will be on Tuesday, May 29, 2001 at 9:30 a.m. at the Commission Office in Great River.

PINE BARRENS CREDIT CLEARINGHOUSE

James T.B. Tripp, Esq., *Chairman*
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Mitchell H. Pally, Esq., *Member*
Herbert Phillips, *Member*

Pine Barrens Credit Clearinghouse Board of Advisors Final Meeting Summary for July 1, 2002 (Approved 10/11/02) Commission Office, Great River, New York 3:00 P.M.

Present: Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Freleng (representing the County of Suffolk) and Mr. Phillips (representing the Town of Southampton). Also in attendance was Mr. Rigano (General Counsel to the Commission) and Commission Staff members included Mr. Corwin, Mr. Rizzo, Ms. Trezza and Ms. Carter. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 3:15 p.m. There was no quorum present at this time

1. Administrative

Public Comment Period

Summary: There were no public comments at this time.

Ratification of meeting summary from March 26, 2002

Summary: There was no quorum present at this time. This item will be held until a quorum is present.

2. Pine Barrens Credit Application

Letter of Interpretation Applications

Summary: There were no Letters of Interpretation pending at this time.

Pine Barrens Credit Certificates

Summary: There were no credit certificates pending at this time.

3. Program Implementation Initiative

Offer to Purchase Riverhead PBC

Summary: Correspondence has been received from several entities wanting to purchase Riverhead PBCs. The following is a list of all purchase offers for Riverhead PBCs. Mr. Rizzo summarized each request for purchase for the Board members. They requests are as follows:

*Little Rock Construction Inc. (7 Credits)
Ken Geraci (.84 Credits)*

*Fred DeSanti (2 Credits)
Peter Danowski (12 Credits)
Manny Sblendorio (2 Credits)*

Mr. Rizzo stated that in total 23.84 PBCs are needed which exceeds what the Clearinghouse owns by 4.86 credits. A discussion ensued among the Board members on how to handle the over subscription. It was suggested by staff that a letter be sent out stating that closings should on a first come first serve basis. Mr. Tripp stated that the PBCs should be moved. Interested parties should be contacted as soon as possible to see who is ready to purchase now. It was stated by staff that Little Rock Construction Inc. is waiting for an exemption from the moratorium or for it to be over. Mr. Spitz suggested that a general letter be sent out to interested parties stating that PBCs are available but, there is a potential over subscription. Mr. Freleng asked if PCBs are allowed to cross Town boundaries. Mr. Rizzo stated that it is the applicant's responsibility to get the proper approvals. Mr. Tripp stated that if the current supply of Riverhead PBCs are depleted an offer to purchase should be initiated in the Town of Riverhead.

Offer to Purchase Brookhaven PBCs

Summary: Correspondence was received from Middle Island Plaza, LLC to purchase 8 PBCs in the Town of Brookhaven. The Clearing house has 15 PBCs available at this time. They will be sold at \$40,000 per PBC and should be closed on no later than 8/31/02.

Health Department use of PBCs in other Towns

Summary: Jim Pimm from the Suffolk County Department of Health Services attended the meeting to discuss the concept of PBCs crossing Town boundaries to be used for increased waste water flow. Mr. Pimm stated that he felt that this wouldn't burden any particular area because the density would be spread throughout different areas and it would help move the Pine Barrens Credit program along. He stated that in order for this to work a letter would be required from each of the Town Boards involved approving the concept. He also mentioned that the Towns usually don't care if the PBCs are used for a Health Department transfer, so there is no conflict. Mr. Freleng suggested that if a PBC is being used for this purpose a price should be set across the board. In the open market PBCs could sell for what ever the owner wants to sell it for. A discussion ensued on what is needed to make this concept workable for all involved parties.

It was stated that to date transfers have not occurred outside of the pine barrens area. A discussion ensued on policies and procedures that would have to be adhered to in order for this to work. Board members feel that they should be able to set their prices and enact their own policies. It was suggested that all PBCs being used for Health Department transfers should be sold at \$40,000 each no matter what Town they come from. Mr. Selleck, private property owner, stated that it isn't really fair to change policies and procedures at this point, it would hurt the private credit holders. A discussion ensued on a blanket price for PBCs for the above mentioned purpose. Mr. Spitz stated

that this might be a way to raise the current price of PBCs in the Towns of Riverhead and Southampton. Mr. Tripp suggested that another meeting be set to discuss this matter and in the meantime each representative can go back to their respective town and discuss this concept and have a discussion at the next scheduled meeting. Staff will continue to sell PBCs to the towns in western Suffolk on a first come first serve basis.

Southampton Initiative

Summary: To proceed with the offer as approved previously.

Next Clearinghouse Meeting

Summary: Next Clearinghouse Meeting will be on Tuesday, September 10, 2002 at 9:00 a.m. at the Commission Office in Great River.

PINE BARRENS CREDIT CLEARINGHOUSE

James T.B. Tripp, Esq., *Chairman*
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Mitchell H. Pally, Esq., *Member*
Herbert Phillips, *Member*

Pine Barrens Credit Clearinghouse Board of Advisors FINAL Meeting Summary for October 11, 2002 (Approved 1/14/03) Commission Office, Great River 9:00 AM

Present: Board members present were Mr. Tripp (representing the Town of Brookhaven); Mr. Freleng (representing the County of Suffolk), Mr. Pally (representing the State of New York) and Rick Hanley (representing the Town of Riverhead). Also in attendance was Mr. Rigano (General Counsel to the Commission) and Commission Staff members included Mr. Corwin, Mr. Randolph, Ms. Trezza and Ms. Carter. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 9:15 a.m. There was no quorum present at this time

1. Administrative

Public Comment Period

Summary: Jack Selleck, Long Island Country Club, stated that there is clearing taking place on the property next to his. He believes that this is County owned land. Ann Carter, Commission staff stated that she believes that the clearing could be due to a grasslands restoration project.

Ratification of meeting summary from July 1, 2002

Summary: There was no quorum present at this time. This item will be held until a quorum is present.

2. County Treasurer's Report

Summary: Christina Cooke distributed and reviewed financial reports that covered April 2002 thru July 2002 and August 2002 thru September 2002. She stated that the report that covered April 2002 thru July 2002 had \$220,400.00 in disbursements and accrued \$54,672.43 in interest earnings. Total assets were \$6,634,516.14. The second report which covered August 2002 thru September 2002 had \$0.00 disbursements and accrued 22,063.96 in interest earnings. Total assets were \$6,874,220.00.

3. Pine Barrens Credit Application

Letter of Interpretation Applications

Summary: There were no Letters of Interpretation pending at this time.

Pine Barrens Credit Certificates

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Summary: There were no credit certificates pending at this time.

4. Program Implementation Initiative

Offer to Purchase Brookhaven PBCs

Summary: Two pieces of correspondence have been received regarding the purchase of Brookhaven PBCs. The first request was received from Dr. Bernadini to purchase 0.15 PBC for \$6,000.00. The second request was from Tom Cashell to purchase 1.0 PBC for \$40,000.00. The Board members instructed staff to handle the transactions. It was also stated as a point of information that the Clearinghouse currently does not own any PBCs in the Towns of Riverhead and Southampton.

Offer to Purchase Southampton PBCs

Summary: Commission staff was approached by developer Jim Zizzi regarding a reverse auction to purchase PBCs in Southampton. The scope would be limited to the Westhampton Beach and Remsenburg Speonk school districts. He is willing to pay \$30,000.00 per PBC and has no specific amount of credits that need to be purchased. A draft contract has been written by Counsel for Clearinghouse Board members to review. It was stated that they could approve the draft contract today or review it and vote at the next meeting. Jim Rigano reviewed the contract for Board members. There was a discussion on whether or not to include a minimum amount of PBCs that should be purchased. Staff stated that Mr. Zizzi is willing to buy up to 40 PBCs if available.

A motion was made by Mr. Pally and seconded by Mr. Freleng to approve the amended contract for the Zizzi reverse auction. The motion was approved unanimously.

It was decided to put the previously discussed Southampton initiative on hold due to the Zizzi offer. A discussion ensued on the Towns and their use of PBCs.

It was stated that there could be an increased demand for PBCs in the Town of Brookhaven due to impending zone changes. Currently there is an application pending before the Commission for a zone change that would require the applicant to purchase 15 PBCs to be able to complete their project. Mr. Freleng stated that it is good that the Town is creating a need for PBCs, however zone changes on designated receiving areas could backfire in the future when the receiving areas run out. This shouldn't be the only criteria in place for zone changes. He suggested that the Towns should be sending reports regarding the ratio of sending areas to receiving areas, to the Commission. A discussion ensued on zone changes and ratios of sending areas to receiving areas.

A discussion ensued on Health Department transfer of PBCs. Board members discussed whether or not prices should be the same for this purpose, or should they remain the same with different prices for each of the three Towns. The across the board price that was discussed was \$40,000.00 for Health Department transfers. It was decided after a detailed discussion to think about a policy regarding this issue. Mr. Tripp also suggested watching what happens with this over the next few months to determine what should be done.

Mr. Tripp suggested that another initiative be put together for the Town of Riverhead. A straight offer of \$20,000.00 per full PBC should be offered to property owners that are interested in participating.

A motion was made by Mr. Pally and seconded by Mr. Hanley to approve the purchase of PBCs in the Town of Riverhead for \$20,000.00 per PBC from private property owners in the Town of Riverhead. The motion was approved unanimously.

AVR LOI Application

Summary: Correspondence was received requesting the credit yield on the 200.5 acre parcel in the core owned by AVR Realty. It is possible that these parcels are eligible for 160 PBCs can be gotten on this parcel. A discussion ensued on the history of the parcel. Mr. Freleng stated that the County is looking into purchasing the parcel under the Open Space Program and stripping the PBCs to use them in some kind of way. They might want the Clearinghouse to manage them. Bill Spitz stated that Towns, Counties and the State can not receive PBCs according to the Plan. He also stated that he feels that the Clearinghouse should stay out of the County's plans. A discussion ensued on Open Space programs and TDRs.

Ratification of meeting summary from July 1, 2002

Summary: A motion was made by Mr. Pally and seconded by Mr. Freleng to approve meeting summary from July 1, 2002 as written. The motion was approved unanimously.

Next Clearinghouse Meeting

Summary: Next Clearinghouse Meeting will be on Tuesday, January 14, 2003 at 9:00 a.m. at the Commission Office in Great River.