

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 FINAL Meeting Summary for January 14, 2003 (Approved 5/28/03) 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), Mr. Hanley (representing the Town of Riverhead) 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. 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.

1. Administrative

Public Comment Period

Summary: there was no public comment.

County Treasurer's Report

Summary: Cristina Cooke distributed and reviewed the financial report ending 12/31/02. She stated that there was \$31,732.14 of accrued interest and a deposit of \$50,000.00 which left an ending balance of \$6,955,952.24. Ed Randolph stated that he deposited \$40,000.00 today for the purchase of a PBC from the Clearinghouse. Ms. Cooke mentioned that interest rates are low, but they are the highest in the current market.

Ratification of meeting summary from October 11, 2002

Summary: A motion was made by Mr. Freleng and seconded by Mr. Hanley to accept the meeting summary of 10/11/02 as amended. The motion was carried unanimously.

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

Purchasing of credits for the Clearinghouse, from individuals in Brookhaven, Riverhead

and Southampton

Summary: A discussion ensued on the Zizzi offer to purchase PBCs in the Town of Southampton in the Westhampton Beach and Remsenberg Speonk school districts. It was stated by staff that the contract was acceptable to Mr. Zizzi and that he is anxious to proceed. He is looking to purchase up to 40 PBCs at \$30,000.00 per full credit. Mr. Tripp signed the contract as Chair of the Clearinghouse board. The solicitation will be sent to all core property owners within those two school districts by the end of this month. The responses will be required to be returned within 30 days and will be purchased on a first come first serve basis. The question was raised as whether or not to approach the Town of Southampton regarding the crossing of school district lines with regard to the Pine Barrens Credit Program.

A discussion ensued on the Town of Southampton's TDR Program. George Proios suggested that the Town Board be approached regarding the crossing of school district lines. Herb Phillips asked if the Clearinghouse owns any PBCs in the Town of Southampton to which staff replied that they don't at this time. Mr. Freleng stated that developers should go door to door to purchase credits and the Clearinghouse should be the buyer of last resort.

Reviewing the estimated amount of vacant and unprotected land in the Core area

Summary: Commission staff stated that there are approximately 3626 acres of unprotected land currently in the core of the pine barrens. Mr. Freleng stated that since the inception of the Pine Barrens Comprehensive Plan 75 percent of the land seems to have been purchased, which leaves the remaining land to fall under the pine barrens credit program to be protected. Ray Corwin stated that there are also projects that have been grandfathered or approved which have yet to be built. There are also many overlap problems.

George Proios stated that the smaller lots should be pursued by the Clearinghouse and the County and State should go after the larger lots. Mr. Tripp responded by stating that offers in the past to small property owners have not gone well. Ray Corwin mentioned that a lot of the small lots are usually part of an estate where the ownership is disbursed among several family members. As a result things get confused and the family members are not aware of the credit program.

Ed Randolph mentioned that he received a call to purchase the remaining PBCs in the Town of Brookhaven, which leaves the Clearinghouse without any. The only one selling privately in the Town of Brookhaven currently is the Long Island Country Club.

Mr. Tripp mentioned that the last time Mr. Zizzi did an offer in the Town of Southampton he offered \$20,000.00, this time he is offering \$30,000.00. It will be interesting to see what happens with the WJF property. He also mentioned that at the last meeting, there was an approval to use one million dollars to purchase PBCs in the Town of Riverhead at \$20,000.00 a piece. The mailing will go out after the Zizzi offer.

George Proios would like to see how many PBCs have been used in each Town to date. Rick Hanley stated that is hard to do especially if the PBCs are being used for Health Department reasons. Mr. Freleng also mentioned that the Town of Brookhaven requires the purchase of PBCs as part of their incentive zoning.

There seemed to be a difference of opinion among Board members regarding the purchase of

PBCs. Mr. Freleng feels that the Clearinghouse should be the buyer of last resort and that developers should contact people in the private market. Mr. Phillips feels that the Clearinghouse should always have a stock of PBCs available for individuals to purchase. Mr. Tripp stated that if there is any over flow from the Zizzi offer they should be purchased by the Clearinghouse, so that they have an inventory in the Town of Southampton. Ray Corwin asked if the other school districts should be made aware of the offer. Mr. Tripp stated that the Town of Southampton should be spoken to about this matter. Herb Phillips asked if Mr. Zizzi is the only one from Southampton that has approached the Clearinghouse to help with an offer. The staff replied yes.

Discuss the goals and objectives of the Clearinghouse, for the next three years

Summary: Particulars of the agreement with NYS DEC concerning the funding of the Clearinghouse bank were discussed. It was mentioned that five million dollars was received in 1995 and was to be used by the Clearinghouse over a 10 year period for the purchase of pine barrens credits. After the 10 year period is up the five million dollars or what ever is left was to be returned to NYS DEC. If there was an amount over the original five million the was to remain with the Clearinghouse. The original goal was to redirect development and compensate property owners who's land was not acquired.

A discussion ensued on the parcels with overlap problems and what to do with them. It was stated by staff that some of the remaining parcels out there could be involved with one of the law suits or belong to the Scouts, churches or hunting clubs. The sunset provision for the bank funding was discussed. Bill Spitz stated that the money sunsets not the Clearinghouse. There are two ways to go, you can spend all of the money or return the five million and continue to operate on the remaining two million. The five million that is returned goes to purchase Setauket Pine Barrens which is outside of the core area.

Next Clearinghouse Meeting

Summary: Next Clearinghouse Meeting will be on March 11, 2003 at 9:00 a.m. at the Commission Office in Great River.

A motion was made by Mr. Pally and seconded by Mr. Freleng to adjourn the meeting. The motion was carried unanimously.

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Mitchell H. Pally, Esq., *Member*
Herbert Phillips, *Member*

Pine Barrens Credit Clearinghouse Board of Advisors Final Meeting Summary for May 28, 2003 (Approved 10/21/03) 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. Hanley (representing the Town of Riverhead) 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. Randolph, Ms. Trezza, Ms. Carter, Ms. Longo and Mr. Milazzo. Additional attendees are shown on the attached sign-in sheet.

The meeting was chaired by Mr. Tripp and called to order at 9:30 a.m.

1. Administrative

Public Comment Period

Summary: Jim Zizzi addressed the Board stating that he had met with Mark Rizzo last summer to discuss an offer that would pay \$30,000.00 per PBC in the Town of Southampton. Mr. Zizzi felt that this new offer is going to take as long to complete as the last offer that took two years to complete. He stated that he still has no idea how many PBCs he will be purchasing and feels that the process is flawed. Ed Randolph responded by stating that the whole process is very complex. He stated that he is dealing with property owners that are very confused and a lot of them have outstanding title problems that have to be resolved. To date the offer is yielding 10 PBCs at the most.

Mr. Freleng responded to Mr. Zizzi by stating that the Clearinghouse staff is sparing the prospector a lot of leg work, time and problems. Mr. Zizzi disagreed and believes that the Clearinghouse should bank PBCs for developers that need them. He stated that he is willing to take over the process at this time if needed. Mr. Freleng restated that a service is being provided free of charge. He also stated that the Clearinghouse is the buyer of last resort and should not be purchasing PBCs without a clean demonstration of a lack of a private market or to provide an option to a credit holder not inclined to sell the PBC on the private market. A discussion ensued about existing title problems. Mr. Randolph mentioned that there were approximately 50 responses received initially, about 25 remain. The County is doing the title searches for properties that are yielding under 1PBC.

Janet Longo informed the Board members that Joe Gazza submitted several applications that need title searches as well, they might also have title problems. Mr Tripp stated that small properties with title problems should not have a lot of time spent on them. Mr. Freleng felt very

strongly that PBCs should not be issued to properties without clear title.

Mr. Zizzi would like a list of the original 50 property owners that responded. He would like to contact the 25 that dropped out. Ms. Longo stated that Mr. Gazza has contacted the same people and there is a lot of confusion going on. Mr. Gazza sent a FOIL request for the list of people who responded to the offer, but did not receive it. On the advise of Counsel if Mr. Zizzi wants to insure the Clearinghouse and proceed with clearing up the title problems then let him.

County Treasurer's Report

Summary: Cristina Cooke distributed and reviewed the financial report for the months of January, February, March and April 2003. She stated that there was \$40,142.17 of accrued interest and a deposits of \$375,600.00 which left an ending balance of \$7,371,694.41. There were no disbursements during that period of time.

Ratification of meeting summary from January 14, 2003

Summary: A motion was made by Mr. Freleng and seconded by Mr. Hanley to accept the meeting summary of 1/14/03 as amended. The motion was carried unanimously.

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: AVR Realty has an outstanding Letter of Interpretation and credit application for 160.95 PBCs

3. Program Implementation Initiative

Riverhead Credit purchase offer (status)

Summary: The Offer letter was sent out on August 15, 2003.

Miscellaneous

Summary: Correspondence was received from Campo Brothers offering to sell PBCs to the Clearinghouse for \$100,000.00 per PBC.

Suffolk County Department of Health Services policy regarding transferring of Pine Barrens Credits into non-pine barrens towns

Summary: A meeting will be scheduled to discuss this topic.

Next Clearinghouse Meeting

Summary: Next Clearinghouse Meeting will be on August 12, 2003 at 9:00 a.m. at the Commission Office in Great River.

A motion was made by Mr. Hanley and seconded by Mr. Freleng to adjourn the meeting. The motion was carried unanimously.

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 October 21, 2003 (FINAL - Approved 2/24/04) 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); 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. Randolph, Mr. Milazzo and Mr. Born.

The meeting was chaired by Mr. Tripp and called to order at 9:45 a.m.

1. Administrative

Public Comment Period

Summary: There were no public comments at this time.

Ratification of meeting summary from May 28, 2003

Summary: **A motion was made by Andy Freleng and seconded by Rick Hanley to approve the meeting summary from May 28, 2003 as clarified by Mr. Freleng. The motion was approved unanimously.**

County Treasurer's Report

Summary: Ms. Christina Cooke forwarded the financial report for the months of August and September 2003 for Board members to review. There were no disbursements or deposits during this period. Total interest accrued was \$ 21,048.50. The total amount of assets to date are \$ 7,424,375.26.

2. Pine Barrens Letter of Interpretation

Gospel Church Appeal

Summary: Ed Randolph presented an aerial photograph and background information concerning the 2.37 acre property. Mr. Randolph informed the Clearinghouse that the parcel was the subject of a previous letter of interpretation, and was awarded zero credits due to lack of vegetation onsite. The appellee's representative, Dominic Nicolazzi, submitted letters from the DEC and the Town that address the environmental sensitivity of the property (eastern tiger salamanders, flood hazards, proximity to Peconic River viewshed). Additionally, he stated the driveway and parking lot that provide access to the property is

not paved. Mr. Nicolazzi argued that because to these facts, the property should be eligible for credits. John Milazzo, Esq., citing the Comprehensive Land Use Plan, asserted that partially improved lots warrant reduction of credit interpretations, but the Clearinghouse can be flexible in this particular case. Members Tripp and Freleng both expressed the need for restrictions placed on the deed for the property, but agreed that it would be eligible for one (1) credit. Mr. Freleng noted that more clarity is needed in policies concerning granting credits to partially improved properties.

Mr. Freleng made the motion to approve a LOI for one credit subject to a strong conservation easement, with Mr. Hanley seconding. The motion was carried four votes to one. Mr. Pally voted no.

Boy Scouts of America

Summary: Mr. Randolph stated that he needed more time to evaluate the existing sewage flow on the subject property. Mr. Randolph is waiting for the applicants to provide him with an updated site plan/survey in order to accomplish this.

3. Pine Barrens Credit Applications

Rose Breslin Associates

Summary: Mr. Milazzo informed the Clearinghouse of this pending application. Before proceeding further, staff has asked for a title report and updated survey information from the applicant, and recommends any decision be deferred until this information is obtained.

4. Program Implementation Initiative

Remsenburg-Speonk Purchase Offer

Summary: Mr. Randolph stated that .5 credits has been yielded from this offer, with another one or two individuals proceeded through the credit redemption process. He also noted various title problems with some of the subject properties.

Status of Riverhead Purchase Offer

Summary: Mr. Randolph noted that 2.5 credits in LOIs have been issued so far for this purchase offer. The Boy Scouts of America property will increase the overall total substantially. Mr. Tripp stated interest in extending an offer in the Town of Brookhaven.

Suffolk County Department of Health Services Intra-Town Credit Transfer Policy

Summary: Currently, the County Department of Health Services does not make a distinction between Pine Barrens development credits, and other credits available for redemption, allowing Pine Barrens credits to be used outside of the Towns of Brookhaven, Southampton and Riverhead. Mr. Tripp expressed interest in supporting intra-town transfers of Pine Barren credits. Representatives from both the Towns of Riverhead and Brookhaven encourage credit redemption within local receiving areas. Mr. Pally raised issues concerning reporting requirements and lack of coordination between towns. Both Mr. Tripp and Mr. Freleng stated

concern over the difference in value of credits between towns.

Mr. Hanley made a motion for the Clearinghouse to pursue a meeting between the towns, the Suffolk County Health Department and the villages to set ground rules on transfer of credits between jurisdictions. Mr. Pally seconded the motion. Motion carries unanimously.

CGA Land Use Analysis

Summary: Ken Born gave an update to the Clearinghouse on the planning study being conducted pertaining to land use and environmental changes within the Central Pine Barrens Compatible Growth Area (CGA) subsequent to the adoption of the Central Pine Barrens Comprehensive Land Use Plan.

Adjournment

Motion by Mr. Freleng seconded by Mr. Hanley to adjourn. Motion carried unanimously.

Next Clearinghouse Meeting was tentatively scheduled for Tuesday, January 20, 2004 at 9:30 a.m. in Great River.