

PECONIC LAND TRUST



For immediate release

Contact: Yvette DeBow-Salsedo
631.283.3195; 646.284.8028 (cell)
ydebow@peconiclandtrust.org

**PECONIC LAND TRUST RECEIVES
CONSERVATION EASEMENT WITH
AFFIRMATIVE & AFFORDABLE FARMING COVENANTS
FROM THE GALBAN FAMILY ON
30+ ACRES OF FARMLAND IN SAGAPONACK**

*Additional restrictions of farmland will ensure that fresh, local food
will be grown on this land for future generations.*

FEBRUARY 3, 2014. SOUTHAMPTON, NEW YORK. John v.H. Halsey, President of the Peconic Land Trust, announced the donation of an overlay Conservation Easement with Affirmative & Affordable Farming Covenants and Resale Restrictions on a 33.4-acre farmland parcel, located between Hedges and Daniels Lanes in Sagaponack by Beverley “Muffie” Galban and her family. Mrs. Galban and her late husband Leandro S. “Pedro” Galban, Jr., have been long-time supporters of the Peconic Land Trust and champions for the conservation of farmland in Sagaponack.

The farmland covered under the recent gift to the Trust has been protected by an Agricultural Easement held by the Town of Southampton as a consequence of a

—next—

subdivision approval by previous owners in 1992. Although the Town's easement precludes residential development of the farmland, the restrictions do not assure that the farmland will be farmed or available to farmers in the future, nor does it preclude the right of a future owner to screen the entire field with a hedge, thereby altering an iconic vista in Sagaponack long enjoyed by the public – viewed from both Hedges and Daniels Lanes. This is a recurring problem with agricultural reserves created through the subdivision process in Southampton Town over the years.

“The Galban family, led by Pedro and Muffie, has a strong connection to the East End's agricultural heritage and has done extraordinary work to see that this incredible resource is conserved for future generations. Having been very involved in the protection of the Hopping farmland on Sagg Main Road in Sagaponack, the family is familiar with the Trust's efforts to apply additional restrictions on farmland to assure its future use in food production. Their voluntary donation of these restrictions on their land is a testament of their commitment to the community and to fresh, local food, and will hopefully serve as a model for other landowners to consider,” said John v.H. Halsey, President of the Peconic Land Trust.

"The agricultural nature of the area has always been key to what made it special. If we don't take steps to protect that, pretty soon the place will be reduced to a crowd of mansions and privet hedges. This is our way to help protect the qualities that first brought our family here over fifty years ago," said Anthony Galban.

In essence, the Affirmative & Affordable Farming Covenants and Resale Restrictions ensure that the land will remain in active agricultural production. They restrict the

agricultural use of the property to food production, set a maximum resale price, limit future sales of the property to qualified farmers, assign the Trust as the buyer of last resort, and protect the property's scenic and open space values. Similar covenants and restrictions are increasingly being used in New York State and elsewhere by land trusts and municipalities, especially in Massachusetts and Vermont, to assure that protected farmland continues to be farmed and that farmers have access to it. The Trust's overlay conservation easement draws heavily from their experience and successes.

An additional benefit to the Galban family is the potential reduction in the value of the farmland for federal and state inheritance tax purposes. Given an increasing number of sales of protected farmland to non-farmers in recent years, the appraised value of such land has risen to about \$100,000/acre on the South Fork. Not only does this value represent an added estate tax burden for families, but it also may necessitate the sale of protected farmland to non-farmers at a price well beyond the reach of most farmers.

About the Property and the Galban Family Legacy

Pedro and Beverley Galban and their children have been staunch supporters of the Peconic Land Trust and the preservation of our agricultural heritage as well as our community character. Mr. Galban, who passed away in July 2009, and Mrs. Galban have expressed their commitment to conservation in many ways, including the acquisition of the 33 acres of farmland adjacent to their home in the Sagaponack area out of concern that a new owner might take it out of agricultural production. Under their ownership, the family has consistently leased it to local farmers including the Wesnofske family, and most recently Peter Ludlow.

The Galban family played an important role in the fundraising effort toward the Trust's successful acquisition of the Hopping farmland in Sagaponack – several hundred donors contributed about \$1 million to the effort. The property, acquired by the Trust in 2010, was also made possible by the Trust's sale of development rights to Suffolk County and Southampton Town as well as support from the South Fork Land Foundation. The protected farmland was then resold to Jim and Jennifer Pike with similar overlay restrictions as described above, including Affirmative and Affordable Farming Covenants and Resale Restrictions. *(For more information on Hopping farmland acquisition and subsequent resale to the Pikes, visit the Trust's website for a press release on the project on April 4, 2011.)*

Affirmative Farming Covenant & Affordable Farming Covenant and Resale Restrictions

In recent years, sales of protected farmland on Long Island's South Fork to non-farmers have been as high as \$200,000/acre raising the average value of protected farmland to about \$100,000/acre—values well beyond the reach of the vast majority of farmers. In addition, non-farmer sales at inflated values have dramatically increased the value of protected land of “land rich, cash poor” farmland owners for estate tax purposes. Through the use of an overlay conservation easement that includes an Affirmative Farming Covenant and/or an Affordable Farming Covenant and Resale Restriction, the value of the protected farmland can be lowered to its “agricultural value” due to the following:

--next--

- future sales of the further restricted farmland are limited to a predetermined value based on comparable sales of similarly restricted farmland to farmers plus appreciation tied to changes in either the Area Median Income (AMI) or the Consumer Price Index (CPI) and the value of any agricultural improvements added to the property;
- the Trust is required to approve all future sales to ensure that the restricted farmland is purchased by a qualified farmer;
- the Trust is the purchaser of last resort if the owner is unable to find a farmer to purchase the restricted farmland. If purchased by the Trust, the protected farmland would be offered for sale to qualified farmers through a transparent selection process including a “request for proposals” and lottery.

In the case of the Galban property, the overlay easement further reduces its value through the following:

- equestrian use of the property is prohibited;
- fruit, horticulture, livestock use of the property is prohibited;
- given the existence of a barn and silo on the property, no additional buildings or structures are permitted, either permanent or temporary;
- if the farmland is fallow for one year, it must be kept available for agricultural use and managed subject to a Natural Resource Conservation Plan;
- if the farmland is fallow for 2.5 years, the Trust has the right to lease it to another farmer to ensure that it remains in agricultural production.

About the Peconic Land Trust

The Trust is continuing to celebrate its 30th Anniversary having been established in

August 1983 to conserve Long Island's working farms, natural lands, and heritage. Since its inception, the nonprofit Trust has worked conscientiously with landowners, communities, municipalities, partner organizations, and donors, to conserve approximately 11,000 acres of land on Long Island. The Trust's professional staff carries out the necessary research and planning to identify and implement alternatives to outright development. While working to conserve the productive farms, watersheds, woodlands, and beachfront of Long Island, the Trust is also protecting the unique rural heritage and natural resources of the region.

The Trust has Stewardship Centers in Cutchogue, Bridgehampton (Bridge Gardens), Southold (Agricultural Center at Charnews Farm and Shellfisher Preserve) and Amagansett (Quail Hill Farm) and its Main Office is in Southampton. For more information about the Peconic Land Trust visit www.peconiclandtrust.org or call 631.283.3195.

###