



PECONIC LAND TRUST



For immediate release

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

**PECONIC LAND TRUST AND TOWN OF SOUTHAMPTON
PROTECT 33 ACRES OF FARMLAND IN WATER MILL, NY FOR FARMING
-- TRUST TO SELL FARMLAND AT TRUE AGRICULTURAL VALUE TO
QUALIFIED FARMERS**

The Peconic Land Trust purchased the farmland from the Estate of Charlotte Danilevsky; Southampton Town purchased development restrictions at a simultaneous closing from the Trust on Thursday, July 10, 2014. The Town's easement includes additional limitations to ensure that the land is accessible to farmers who produce food in the future, the first municipality in New York State to do so. The Trust will issue a Request for Proposals to qualified farmers today, August 5, 2014

AUGUST 5, 2014. SOUTHAMPTON, NEW YORK. Southampton Town Supervisor Anna Throne-Holst and John v.H. Halsey, President of the Peconic Land Trust, announced the protection of 33 acres of farmland in Water Mill breaking ground with new conservation tools designed to assure that the protected farmland will be farmed

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for generations to come. The Trust closed on the acquisition of the Danilevsky property on July 10th. At the closing, Southampton Town purchased development restrictions (aka development rights) on the property from the Trust, including additional limitations to ensure that the land will be accessible to food production farmers at its true agricultural value in the future.

“We are so pleased that the estate of Charlotte Danilevsky has enabled a conservation outcome for this farmland – productive, prime soils that define the heritage of Long Island’s East End, as well as the character of the Town of Southampton. We also applaud the entire Town Board for their willingness to acquire additional restrictions on this farmland that will assure that this land will be farmed into the future,” said John v.H. Halsey, President of the Peconic Land Trust.

"The unique terms of this easement represent an important acknowledgement by the Town for the need to continue adjusting use of the Community Preservation Fund to ensure the goals and the integrity of the program can be sustained and protected over time, " said Southampton Town Supervisor Anna Throne-Holst.

Senator Ken LaValle said, “From my Farmland Preservation initiative to my Pine Barrens Preservation Act to the Community Preservation Fund, I have worked diligently to preserve and protect the pristine lands in our region. This initiative is in keeping with these efforts, and will go a long way in maintaining the true character of the South Fork. Today represents a major step towards ensuring that the next generation of farmers is able to maintain the proud traditions that are so important to our way of life on the East End.”

Assemblyman Fred W. Thiele, Jr. noted, "Over the past forty years, we have been extremely successful in preserving farmland on the East End. It is now time to focus on preserving farming. With the land now protected, we need to ensure that the land does not lay fallow. We must encourage active farming, contributing to our local economy and preserving part of our culture and history on the East End."

"I want to thank Supervisor Throne-Holst and the Peconic Land Trust for continuing to protect the beauty of Suffolk County's east end," said County Executive Steve Bellone. "As one of the largest agricultural producers in New York State, our Suffolk farming community deserves every resource they need to thrive."

"On behalf of both the Estate and Bennett and Read we were very pleased to have been involved in the preservation of the properties for traditional farming," John J. Bennett of Bennett and Read, LLP.

"I am honored to have played a critical role in the process of the Peconic Land Trust acquiring the Danilevsky parcels. View corridors of this magnificent farmland will forever be preserved from Head of Pond Road, Uncle Leo's Lane, Noyak Path and Cooks Lane," said Tim Davis, The Corcoran Group.

Under the terms of the contract, the Peconic Land Trust purchased the two parcels for \$12,025,000. The Town of Southampton purchased the development restrictions from the Trust for approximately \$11.167 million. Consequently, the restricted value of the newly protected farmland is approximately \$26,000 an acre, a price affordable to food production farmers. Information on the two parcels is as follows:

Parcel 1: 13.9 acres at the end of Uncle Leo's Lane (off Noyac Path) in Water Mill.

This parcel is adjacent to 68 acres of protected farmland that is currently farmed.

Parcel 2: 19.2 acres off of Head of Pond Road, just southwest of Scuttlehole Road in Water Mill. This parcel is adjacent to 34 acres of protected farmland currently in equestrian use and 60 acres of protected farmland that is out of production.

The Town of Southampton purchased additional restrictions (collectively referred to as Affirmative & Affordable Farming Covenants and Resale Restrictions) that preclude equestrian uses and the production of horticultural specialties that result in the removal of soil from the property. The Town's easement document also requires that 80 percent of the farmland be used for the production of food and that future sales of the property be restricted to qualified farmers at its true agricultural value. The Trust currently holds similar restrictions on about 60 acres of farmland in Sagaponack, NY. This transaction is the first time that a municipality in New York State has incorporated similar restrictions in a purchase of development rights, a milestone for Southampton Town.

Now that the land has been acquired by the Trust, the protected farmland will be sold to qualified farmers, one of several goals in the Trust's Farms for the Future Initiative. A Request for Proposals (RFP) for the purchase of the protected farmland is issued today, Tuesday, August 5, 2014. For details, including a copy of the RFP, visit the Trust's website at www.PeconicLandTrust.org.

Affirmative & Affordable Farming Covenants 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 over \$100,000/acre—values well beyond the reach of the vast majority of farmers who

grow food. 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. However, through the use Affirmative & Affordable Farming Covenants and Resale Restrictions, the value of the protected farmland can be lowered to its “true agricultural value.” In the case of the Danilevsky property, these restrictions include the following:

- 80 percent of the farmland must be used for the production of food.
- equestrian use of the property is prohibited;
- horticultural specialties that result in the removal of soil from the property are prohibited;
- 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 years, the Town has the right to lease it to another farmer to ensure that it remains in agricultural production.
- future sales of the additionally restricted farmland are limited to its value at the time of the Town’s purchase of development rights (about \$26,000/acre) plus the value of any agricultural improvements added to the property by the farmer, plus appreciation based on the lower of either the Area Median Income (AMI) or the Consumer Price Index (CPI) not to exceed 3.5% annually;
- the Town reviews and approves all future sales to ensure that the restricted farmland is purchased by a qualified farmer;
- the Trust, or a similar organization, will be the purchaser of last resort if the owner is unable to find a farmer to purchase the restricted farmland. When purchased under these circumstances, the protected farmland would be offered for sale to qualified farmers through a transparent selection process including a “request for proposals” and lottery, if necessary.

Why is this Important?

Landmark efforts to protect farms and farming in Suffolk County that began in the 1970s are unraveling. In total, about 12,000 of 34,000 acres of farmland in Suffolk County have been protected from residential or commercial development through development restrictions held by Suffolk County, Towns, and the Peconic Land Trust. For the most part, these restrictions protect the resource but do not assure that protected farmland will be farmed. This has led to the dramatic increase in the number of non-farmers purchasing protected farmland for lawns and other amenities to development as well as for equestrian purposes, especially in Southampton Town. As a consequence, agriculture as we know it, including the production of local food, may very well disappear on Long Island, perhaps within a generation on the South Fork, unless aggressive actions are taken.

Not only has this new trend driven up the value of protected farmland to over \$100,000/acre on the South Fork, but also has additional consequences, including:

- a tremendous increase in federal and state inheritance tax liabilities for farmers, which will necessitate the sale of protected farmland at the highest possible price, primarily to non-farmers;
- an inability for most farmers who produce food to purchase protected farmland at \$100,000/acre or more (the maximum they can afford is \$20,000 - \$30,000/acre);
- without working farms that provide fresh, locally-produced food to residents and visitors alike, we will lose an extraordinary facet of our community character and an important component of our local economy.

About Farms for the Future Initiative

The Peconic Land Trust's Farms for the Future Initiative includes farmland leases, incubator programs, and sales of protected farmland, some with additional restrictions that limit non-agricultural activities, designed to assure access and affordability for farmers in the future. The majority of the lessees operate on protected farmland owned by the Trust either at the Agricultural Center at Charnews Farm in Southold or at Quail Hill Farm/Deborah Light Preserve in Amagansett.

Objectives of the Farms for the Future Initiative:

- Keep conserved agricultural land actively farmed
- Create opportunities for farmers to start-up and/or expand their agricultural operations
- Promote the diversity of farming and farmers on Long Island
- Encourage food production farming
- Ensure that farmland is available and affordable to farmers

To learn more about this program, please contact Luke McKay, Project Manager, at 631.283.3195 or LMcKay@PeconicLandTrust.org.

About the Peconic Land Trust

August 1, 2013 was the 30th Anniversary of the founding of the Peconic Land Trust, which was established in 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 over 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. *The Trust depends primarily upon private donations to support its conservation work. A common misperception, however, is that the Peconic Land Trust collects and distributes the monies raised through the Peconic Bay Region Community Preservation Fund (the CPF is also referred to as the 2% land transfer tax or the Peconic Land Tax). This is NOT the case. The CPF is a public program managed by each of the five East End Towns for the protection of farmland, open space, and community character.* For more information about the Peconic Land Trust visit www.peconiclandtrust.org or call 631.283.3195.

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