

PECONIC LAND TRUST



For immediate release

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PECONIC LAND TRUST ANNOUNCES SALE OF ENHANCED RESTRICTIONS ON HAYGROUND FARMS TO THE TOWN OF SOUTHAMPTON

The enhanced restrictions ensure that this farmland will be accessible and affordable to farmers who grow food now and in the future.

APRIL 4, 2016. SOUTHAMPTON, NEW YORK. Peconic Land Trust President John v.H. Halsey is pleased to announce that the Town of Southampton has purchased enhanced restrictions on Hayground Farms, 24.6 acres of prime agricultural soils located on the south side of Montauk Highway as one enters Bridgehampton from the west. This is the Town's first purchase of additional restrictions on protected farmland, thereby insuring that it will be affordable and accessible to farmers for food production for generations to come.

The farmland, the bulk of which (19.9 acres) was acquired by the Trust in 2013 from the descendants of William Haines with the balance (4.7 acres) acquired from Jack and Gusty Folks beginning in 2008, is currently leased to farmer Peter Dankowski through the Trust's Farms for the Future Initiative.

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The enhanced restrictions are similar to those acquired by the Town in 2014 on the Danilevsky farmland located in Water Mill. Using its revolving fund, the Trust acquired the 33 acres as two separate parcels, one comprising 19 acres that the Trust sold to Hank Kraszewski III in 2015. The other parcel of 14 acres is currently in contract to be sold to Jim and Jennifer Pike of the Pike Farmstand in Sagaponack. The Pikes will use the proceeds from a pending sale of the enhanced restrictions to the Town in order to complete this purchase from the Trust.

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 the South Fork, perhaps within a generation, unless aggressive actions are taken.

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

- a tremendous increase in federal and state inheritance tax liabilities for farmers and other owners of protected farmland, necessitating its sale at the highest possible price, primarily to non-farmers;

- an inability for most farmers who produce food to purchase protected farmland (the maximum most 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 historic community character and an important component of our local economy.

About Hayground Farms

The Peconic Land Trust acquired 20 acres of the productive farmland in June 2013 from the 9th generation descendants of William Haines. Mr. Haines was deeded the land as a consequence of the Little South Division of 1682. The Trust could not have been purchased this land without the use of its Revolving Fund, assistance from the South Fork Land Foundation, and a loan from one of the Trust's supporters who wishes to remain anonymous. Thanks to the recent sale of the enhanced restrictions to Southampton Town, the Trust has repaid the loan on the property as well as its Revolving Fund.

In 2002, the Town purchased standard development restrictions from the owners of Hayground Farms for about \$50,000/acre – at that time, the protected farmland was worth approximately \$10,000 - \$15,000/acre. In 2013, the protected farmland was worth \$125,000/acre, indicative of the growing problem of access to affordable farmland that food producers increasingly face.

Ninety percent of Hayground Farms consists of the best agricultural soils on Long Island (Bridgehampton Silt Loam), and perhaps the world. The land has been in active agricultural production – specifically food production – for most of the 9 generations of

the Haines descendants, producing potatoes, corn, and other vegetables. The land may well have been in production by Native Americans for centuries prior to English settlement. According to David Martine, Director of the Shinnecock Nation Cultural Center and Museum, “Native Americans often raised crops, including the Three Sisters (corn, squash, and beans), near their settlements. This property contains very fertile soils close to a documented Native American settlement in Mecox and is adjacent to Kellis Pond, a source of fresh water, so the likelihood is quite high that it was producing food long before Europeans arrived.”

“It has gotten to the point that we literally must purchase additional restrictions on protected farmland in order to assure that at least some of it will be available for food production on the South Fork. Many farmers cannot afford to hold onto protected farmland that is worth \$100,000 or more per acre, much less purchase it. When purchase of development rights (PDR) programs began on Long Island nearly 40 years ago, no one anticipated that non-farmers would want to buy this land at exorbitant prices and then take it out of production,” said John v.H. Halsey, President of the Trust. “We are thankful to the Town of Southampton for their willingness to purchase additional restrictions that not only protect the resource, but also ensure a source of fresh, local food on the South Fork.”

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 \$300,000/acre, raising the average value of protected farmland to well over \$100,000/acre—values beyond the reach of the vast majority of farmers who grow food. 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” for food production. The Hayground Farms parcels include the following restrictions:

- 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 in consideration of 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 continues to be farmed.
- future sales of the additionally restricted farmland are limited to its value at the time of the Town’s purchase of development rights (about \$23,740/acre) plus the value of any agricultural improvements added to the property by the farmer. The land’s appreciation is limited to 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.

About Farms for the Future Initiative

With the help of grants from a number of funders several years ago, the Trust began to implement ways to help new farm operations get off the ground and established growers to retain farmland central to the business of farming with an eye toward their long-term economic health and viability.

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 the Deborah Light Preserve in Amagansett, home of the Trust's Quail Hill Farm.

Objectives of the Farms for the Future Initiative:

- Explore and refine a new set of conservation tools and techniques that address the issues of farmland accessibility, affordability, and sustainability (including [*Overlay Easements with Affordable and/or Affirmative Farming Covenants*](#))
- Buy, protect, rebuild and resell farms to farmers
- Develop and expand our Farmland Leasing Program

To learn more about this program, please contact Melanie Cirillo, Director of Conservation Programs, at 631.283.3195 or MCirillo@PeconicLandTrust.org.

About the Peconic Land Trust

Founded in 1983, Peconic Land Trust conserves 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 nearly 12,000 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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