

A rustic wooden fence made of weathered logs and posts runs across a grassy field. The background is filled with lush green trees and foliage under a bright sky.

# BUYING TIME

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A Second Chance to Save  
Open Space & Farms

## Introduction

Two years ago, the Long Island Pine Barrens Society published a White Paper on the history and status of Long Island's efforts to preserve open space and farmland. The report sought to review land preservation accomplishments, to assess current efforts and to reconcile preservation goals with available resources and processes. Entitled, "On Course for Failure: A Call to Action on Land Preservation," the 67-page analysis was extremely well received by the Long Island community.

The White Paper is an outgrowth of the Pine Barrens Society's six year-old "Preservation: Now or Never" campaign, which seeks to mobilize government, business and the non-profit sector to preserve 25,000 acres of open space and 10,000 acres of farmland before final build-out of Long Island, originally projected for 2015. Failure to obtain the goals would have significant adverse environmental and economic consequences.

**The report identified five major elements necessary to reach the preservation goal.**

- 1) Increased government spending at every level
- 2) Increased personnel assigned to preservation programs
- 3) Streamlining the process of appraising and negotiating parcels
- 4) Improving interagency communication and coordination
- 5) Increasing the number of annual transactions

The report explained that to preserve 35,000 acres of open space and farmland would cost some \$3 billion and require doubling the current annual rate of acquisition of land (2,612 acres) by New York State, Nassau and Suffolk Counties and the 13 Long Island towns. It concluded that as successful as past efforts have been, absent a dramatic increase in the land preservation rate, Long Island would fail by nearly half to reach the preservation objective: saving 35,000 of the remaining 70,000 acres still "up for grabs" and that land not preserved immediately would be lost forever to development. An Update in 2008 concluded that preservation rates had not been accelerated and that Long Island was "Still On Course For Failure."

## The State of Land Preservation – 2009

*The recession is "buying time" to complete land preservation on Long Island, and has made the next few years "buying time" for every level of government – without increasing taxes at all.*



## **There's bad news and bad news with a silver lining.**

The bad news is that collectively, state, county and local governments did not increase land purchases in 2008, but purchased less than they did in 2007 and 2006. Four government entities did make modest increases, those being Nassau County, Southampton, Southold, and Riverhead. All in all, 1,542 acres were protected in 2008 by acquisition of 791 acres of open space and the purchase of development rights on 751 acres of farmland. This compares to 2,000 acres in 2007 and 1,569 acres in 2006.

The greatest drop in land purchases came in Brookhaven, where preservation efforts fell from 450 acres preserved in 2007, to a mere 75 acres in 2008. The drop was mostly due to the 2007 defeat of the proposed Brookhaven Community Preservation Fund. That program was projected to generate \$500 million over the next 17 years through a buyer-paid, two percent real estate transfer tax, which has secured more than half a billion dollars in funding for East Hampton, Southampton, Riverhead, Shelter Island and Southold.

Riverhead also remains a concern. Despite increasing its preservation rate in 2008, the town stated in 2007 that it had bonded for the full amount expected to be generated by its Community Preservation Fund through 2030. Having only met 15% of its 5,000-acre goal, Riverhead will need additional funding to secure the remaining 4,254 acres of open space and farmland.

Most ominous of all is a reduced commitment on the part of Suffolk County government. Only two years ago voters extended to 2030 the county's quarter-cent sales tax-funded Drinking Water Protection Program. Despite this, acquisitions are down again this year and Suffolk politicians have introduced legislation that would re-direct funding from land preservation to the general fund.

So far, government has preserved 5,111 acres altogether, including 2,871 acres of open space and 2,240 acres of farmland since The Nature Conservancy produced its "Long Island's Last Stand" proposal for preservation in 2006 – a goal embraced by a broad spectrum of government officials, environmentalists and the business and civic communities. This leaves 22,129 acres of open space and 7,760 acres of farmland to be preserved by final build-out of Long Island – a total of 29,889 of the 35,000-acre goal, still to be protected.

Therefore, to reach the original preservation goal of 35,000 acres by 2015, the average number of acres that government at all levels must preserve every year has increased to 4,982 acres per year – up from the 4,375 acres per year requirement when the goal was established. Given the current acquisition rate of 1,542 acres per year, achieving the land preservation goal would be daunting if not impossible.

## **The Silver Lining**

The bad news with a silver lining is the staggering recession. The current economic meltdown has brought real estate development on Long Island to a trickle. New housing starts in Suffolk, where most of the land sought to be preserved is located, have dropped 22 percent to the lowest level since officials started collecting data in 1950.

That, in turn, extends the date of final build-out, allowing more time to obtain the preservation objective. Final build-out is the point, not at which the final house is built on the last lot left on Long Island, but the point at which 90 percent of the remaining land on Long Island is committed to either development or preservation.

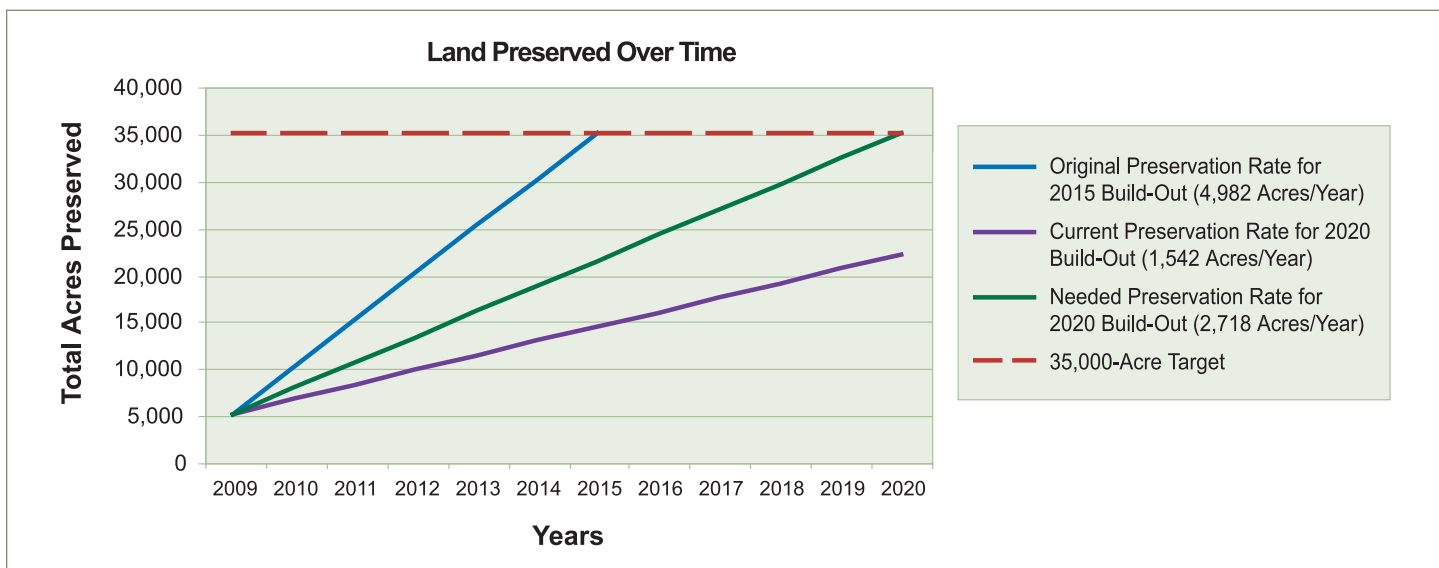
Planners, including Lee Koppelman, head of the Center for Regional Policy Studies at Stony Brook University, now project that final build-out cannot be expected until 2020, even if some real estate development resumes in the next 24 months. Koppelman warns, however, that land use decision-making on what gets saved and what gets built can be expected even earlier than 2020. In any case, the recession represents a renewed opportunity to obtain the preservation goal before a delayed final build-out. According to a 2009 poll, voters remain highly supportive of continued or increased land preservation despite the economic downturn because they believe that protecting clean drinking water, open space and working farms is important to Long Island’s quality of life, and that we must protect Long Island’s environment for our children and grandchildren.

Even so, government will have to pick up the pace of preservation. To protect the remaining 29,889 acres by 2020, state, county and town governments will need to increase their annual preservation rate from 1,542 acres per year in 2008, to 2,718 acres per year for the next 11 years – a 76.3 percent increase. A challenge, yes, but absent the real estate collapse, a 4,982-acre per year rate would have been required to reach the preservation goal. That would have been virtually impossible, given the rate of land preservation over the past two years.

## Key Events in 2008

### New York State Environmental Protection Fund

Key leaders in New York State have acknowledged Long Island’s unique entitlement to open space funding owing to



the urgency of preservation, its importance both to the environment and to the economy of the region, and to Long Island's unparalleled local contribution to preservation funding. Increased state funding was committed, but not delivered in 2008 as a result of the economic crisis.

For 2009, the state budget provides \$225 million for the state Environmental Protection Fund, down only slightly from 2008. In addition, Governor Paterson has promised to end the practice of "sweeping" unspent dollars from the Environmental Protection Fund (which supports land preservation) to the state's general fund. Slow spending of EPF funds resulted in the redirection of these funds in past years to non-environmental purposes. The end of "sweeps" would be good news for Long Island because there are millions of dollars worth of Long Island land targeted for purchase that remain unsecured as a result of this practice.

### **East End Community Preservation Fund**

Ten years after approval of this landmark funding source which comes from a two percent real estate transfer tax paid by the buyer of property, homes or business structures, the CPF hit a big bump in 2008.

First, East Hampton Town Supervisor Bill McGintee "borrowed" approximately \$8 million from the town's CPF to meet other governmental needs. This action is being investigated by the Suffolk County District Attorney's office. There is no provision in the CPF legislation for such use. The Town later returned the funds.

Later, controversy erupted on the use of CPF funds for Payment in Lieu of Taxes (PILOTS) to school and other special districts, a practice intended to prevent adverse tax impacts caused by the sudden removal of land from the tax rolls for preservation of the Pine Barrens and other environmentally-sensitive lands. Up to 10 percent of annual CPF proceeds are permitted for this purpose.

However, Southampton Town directed a total of \$3.5 million to PILOTS for the Riverhead and Hampton Bays school districts without providing any basis for these transfers in terms of land preserved. Moreover, preserving land prevents residential development – development that actually increases the cost of government services, especially those for schools. So, it is not clear that these districts were adversely impacted by land preservation. In fact, the school districts may have benefited from the preservation.

In addition, both East Hampton and Southampton pressed Albany lawmakers to permit an increasing share of the CPF for "stewardship" and "historic preservation." While some expenses are permitted for these purposes, these towns sought CPF payment for the ongoing costs of operating preserved resources, something not permitted under the CPF.

As a result, CPF legislative sponsors promised to amend the program this year to explicitly reinforce the principle purpose of the CPF – land preservation – and to ensure that expenditure for other purposes must be extremely limited until the preservation objectives are obtained. In this connection, we urge that the amended CPF require a demonstrated adverse economic impact of preservation by school and other districts before the expenditure of any funds. In addition, the Pine Barrens Society has recommended that the amended CPF also establish town-specific preservation goals before any funds can be expended for PILOTS or stewardship. Since the towns badly want as much

money for as many purposes as they can get, this will serve as an incentive to obtain the annual preservation goals that are largely not being met today.

## **Nassau & Suffolk Counties**

The Nassau County Legislature derailed the proposed renewal of the county's popular and successful Environmental Bond Act for Open Space. Ignoring environmentalists' pleas, Legislators David Denenberg, David Mejias and Jeffrey Toback hijacked the land preservation referendum, ostensibly to obtain funding for south shore sewage treatment facilities.



While environmentalists agreed to the need for upgraded sewage capacity there, they pointed out that such funding regularly and appropriately comes from federal and state sources, with limited local funding from a county's capital budget. In any case, they argued to no avail, that land preservation is largely funded by Bond Act referenda and that such funding should not be raided by the Nassau Legislature. In the end, no referendum was placed on the ballot, funding for south shore sewers has still not been obtained and dollars for the preservation of open space and farmland are expected to run out soon, with no alternative funding source in place. The scandal represented politics at its worst.

In Suffolk, purchases of land under the county's Legacy Fund and Multifaceted Program were halted on the grounds that funding for these programs comes out of the county's capital budget and needed to be curtailed as a result of the current fiscal crisis. Instead, county officials promised that increased land purchases under Suffolk's Drinking Water Protection Program, in place since 1987, would make up the difference. Since the Drinking Water Protection Program is funded by a dedicated quarter-cent sales tax, extended in 2007 to the year 2030 by public referendum, increased spending would have no impact on Suffolk County general services, property taxes or the county's bond rating. Alas, authorization of the Legacy Fund and the Multifaceted Program has been stopped and purchases under the Drinking Water Protection Program have gone down since last year.

The result is that land preservation by Suffolk County has fallen to an unacceptable low, with a doubling of the time it takes from contract signing to closing and an average transaction taking two-and-a-half years. Suffolk County Executive Steve Levy boasts that "Suffolk has preserved four times as much land as Central Park" – a fine sounding claim. However, Central Park is comprised of only 843 acres which is only 0.9 percent of the total land mass of Long Island. Central Park represents 6 percent of the land mass of Manhattan. Therefore, the comparison is meaningless relative to the commitment of Long Islanders to preserve ten percent of its land mass or 100,000 acres.

Even though Suffolk's sales tax is down 8.8 percent at present, the open space program still has \$322 million over the life of the program. Suffolk's quarter-cent sales tax Drinking Water Protection Program is authorized to borrow against anticipated revenues for the next 16 years, so Suffolk should be increasing its purchases now, while the land is much less expensive and while it is still available.

Instead, Suffolk politicians are threatening to scale back on land preservation. Some have even proposed a ballot initiative to end the county's historic land purchases completely. With Suffolk voters squarely behind maintaining or expanding open space and farmland preservation despite the recession, environmentalists have an excellent chance to halt the money grab. A coalition of real estate development groups including the Long Island Builders Institute, the

Long Island Board of Realtors and the Association for a Better Long Island (the misleading name of the commercial developers lobby) is actively working to end land preservation on Long Island and must be stopped.



## Conclusion

The recession has given government a second chance to meet the goal of saving 25,000 acres of open space and 10,000 acres of farmland before final build-out of Long Island, now projected for 2020. Instead of having to protect 4,982 acres per year, the extra time will allow government to preserve only 2,718 acres per year, and still reach the 35,000 acre goal – an eminently doable task. However, the extra time will still require government to increase its land preservation rate of just 1,542 acres – an objective which will continue to receive strong support from Long Island voters because they believe

that open space and farmland preservation are vital to our quality of life and that we must always find ways to protect them. The recession is contributing to achieving the preservation goal in other ways as well. Recent land sales are coming in at 20 to 25 percent less than the prices paid three years ago when the preservation goal was announced. That means that now is the best time in recent memory to complete the Island's historic land preservation efforts. The recession is also increasing the number of willing sellers, despite the drop in prices paid. The third benefit of preservation now is that the dollars paid to land-owners will serve as an economic stimulus to the local economy.

Perhaps best of all is that most of the money used to purchase land and farmland development rights comes not from property taxes but from voter-approved, dedicated funds which cannot be used for any other government purposes. Principal among them is the Suffolk County Drinking Water Protection Program, begun in 1987 and extended in 2007 to the year 2025, and the Community Preservation Fund on the East End which was begun in 1999 and has been extended to 2030. Thus, even with reduced sales tax collections and real estate transactions, these funding sources are expected to generate a minimum of \$2 billion during the life of the programs. The best strategy, then, is to borrow against secure revenue streams now, while land prices are low.

*“Perhaps best of all is that most of the money used to purchase land and farmland development rights comes not from property taxes but from voter-approved, dedicated funds which cannot be used for any other government purposes.”*

Borrowing for land purchases is one of the safest lending activities because minimum income production is dependably predictable. In addition, land purchased now will not be developed, so the cost of new government services such as schools, roads, police protection, etc. in the future will be dramatically limited, controlling taxes and improving the region's economic outlook and bond ratings.

So the recession is "buying time" to complete land preservation on Long Island and has made the next few years "buying time" for every level of government — without increasing taxes at all.

## Land Preservation in 2008

Government saved a quarter less land in 2008 than in 2007 — 1,542 acres versus 2,000 acres, returning to 2006 levels. Only four of the 11 government entities with land preservation programs preserved more land in 2008 than in 2007, and even then, only marginally. The chart below shows the land preservation performance of the state, counties and towns in the three years since the 35,000-acre goal was agreed to.

The towns of North Hempstead, Hempstead, Babylon, Smithtown and Islip did not have active town land preservation programs, but very little of the land sought for preservation lies in those four towns.



**The following summarizes the past year's performance by the governments with active land preservation programs:**

**New York State** declined further its contribution to land preservation on Long Island. Once the protector of as many as 567 acres in 2003, New York fell from 142 acres in 2007 to 64 acres in 2008. Despite efforts by top Long Islanders to persuade Albany officials about the urgency of land preservation on Long Island relative to other regions, and the fact that Long Island has generated more money for preservation than 45 of the 50 states, there is no certainty that Long Island will get the disproportionate share of land preservation funding Long Island needs and is entitled to. The State Legislature approved the oft-defeated expanded bottle bill that includes water bottles in addition to carbonated beverages. The \$80 million generated will go to the state's General Fund but will reduce the number of discarded water bottles which litter our landscape. The Environmental Fund will continue to be financed through the state's Real Estate Transfer Tax. One additional note, no land was designated as parkland by the New York State Office of Parks, Recreation and Historic Preservation in 2008.

**Nassau County** preserved 89 acres in 2008 through its \$100 million bond act from 2006. The Nassau Legislature prevented a 2008 bond renewal referendum, alleging a preference for funding sewage treatment facilities through voter

## 2008 Preservation Numbers

	Open Space Acres	Farmland Acres	Total Acres	Total Cost
NY STATE	64	0	64	\$19,871,400
Nassau County	86	3	89	\$29,700,000
Suffolk County	226	393	618	\$91,278,620
Southampton	182	114	296	\$66,906,684
Southold	100	94	193	\$23,130,887
East Hampton	61	9	70	\$15,972,250
Brookhaven	16	58	75	\$11,223,185
Riverhead	46	79	125	\$13,370,200
Shelter Island	3	0	3	\$1,100,000
Oyster Bay	7	0	7	\$8,218,000
Huntington	1	0	1	\$10
<b>Totals</b>	<b>791</b>	<b>751</b>	<b>1,542</b>	<b>\$280,771,236</b>

## 2007 Preservation Numbers

	Open Space Acres	Farmland Acres	Total Acres	Total Cost
NY STATE	142	0	142	\$11,357,400
Nassau County	0	0	0	\$0
Suffolk County	458	307	764	\$97,639,662
Southampton	159	60	219	\$53,607,338
Southold	3	130	132	\$10,457,204
East Hampton	91	16	108	\$34,111,105
Brookhaven	345	105	450	\$54,070,573
Riverhead	31	88	119	\$14,064,437
Shelter Island	9	25	34	\$3,829,192
Oyster Bay	25	0	25	\$5,800,000
Huntington	6	0	6	\$823,000
<b>Totals</b>	<b>1,270</b>	<b>730</b>	<b>2,000</b>	<b>\$285,759,910</b>

## 2006 Preservation Numbers

	OS Acres	Farmland Acres	Total Acres	Total Cost
NY STATE	3	0	3	\$453,000
Nassau County	109	8	117	\$35,955,000
Suffolk County	330	269	599	\$49,929,226
Southampton	66	110	176	\$21,238,908
Southold	25	97	123	\$5,799,204
East Hampton	66	51	117	\$28,055,543
Brookhaven	174	35	209	\$27,475,418
Riverhead	20	189	209	\$15,072,106
Shelter Island	5	0	5	\$462,500
Oyster Bay	4	0	4	\$4,500,000
Huntington	7	0	7	\$2,951,563
<b>TOTAL</b>	<b>810</b>	<b>759</b>	<b>1,569</b>	<b>\$191,892,468</b>

referendum. Federal and state funding is the preferred method of paying for such facilities with a local share provided in the county's capital budget. Nassau County Legislators David Denenberg, Jeffrey Toback and David Mejias led the attack on the referendum. Nassau County Executive Thomas Suozzi did nothing to prevent the sabotage.

**Suffolk County** ignored pressure to preserve more open space and farmland in 2008, protecting just 618 acres compared to the 764 acres preserved in 2007. In fact, East End towns preserved more land than Suffolk in 2008. The county discontinued preservation under both its Legacy Fund and Multifaceted Program. The publicly-supported Drinking Water Protection Program, funded by a quarter-cent sales tax, is authorized to bond against anticipated revenues through 2025, but little borrowing was done. The real estate division has still not been assigned a full-time attorney causing much of the purchase delay. For example, the time between contract signing for land purchases and closing has doubled to nearly eight months under the current administration and the average transaction takes almost two-and-a-half years.



In addition, the number of vacancies in the department has actually increased since a year ago. County Executive Steve Levy continues to brag about Suffolk's land preservation programs and charges that the Pine Barrens Society is the only detractor. In fact, almost every environmental organization on Long Island has advocated for increased land acquisition and the public supports maintaining or even increasing land purchases.

**Brookhaven** Town fell from 450 acres preserved in 2007 to just 75 acres in 2008 due to the 2007 defeat of a proposed Community Preservation Fund of the sort that has proven so successful in the East End towns. Brookhaven's land acquisitions in the past three years have largely made use of the leftover funding secured by the 2004 Clean Water and Open Space Bond Act, which brought in \$100 million. A Blue Ribbon panel called for a three-part plan to make up part of the funding shortfall, but only one recommendation was adopted – a \$10 million-per-year capital expenditure, promised for five years, which is to begin in 2009. The Brookhaven Town Board has yet to act on the recommended \$25 million "bridge" fund to pay for already negotiated land deals and on a replacement funding source for the failed CPF. As a result, there are several major acquisitions in the pipeline (some requiring county matching funds) and the town's Open Space Committee suspended meetings for many months pending alternative land preservation dollars.

**East Hampton** saved 70 acres in 2008 compared to 108 in 2007. Since East Hampton has protected so much of its land targeted for preservation, it has only 1,480 acres remaining to be saved, or 30% of its overall target, so there is more than ample time and money to meet the town's preservation goals. However, East Hampton was at the center of a scandal involving the redirection of Community Preservation Funds to non-preservation uses by East Hampton Supervisor Bill McGintee. An investigation by state and county authorities continues. The trouble helped prompt a reassessment by Albany lawmakers of exactly what, besides preservation, CPF funds may be used for. New state legislation is expected this year.

**Huntington** preserved a single acre of land in 2008 having preserved six acres the preceding year. The big news in Huntington was an extension of a \$15 million bond act, approved by 75 percent of the voters in a November 2008 referendum. Huntington is one of four towns that compose the Western Suffolk region, which has 3,000 acres to preserve. Since 2006, 118 of the targeted 3,000 acres in Western Suffolk have been saved – mostly by Suffolk County, leaving 96% of the goal to be met before 2020. Other than Huntington, the other three towns – Islip, Babylon and Smithtown – have no dedicated preservation funds of their own, which means if Western Suffolk is to meet its target, the towns will need more help from other levels of government.

**Oyster Bay** saved seven acres of land in 2008 contrasted to the 25 acres preserved in 2007. Funding for land preservation comes from a series of environmental bond acts called the SEA Fund, most recently renewed in 2007. Environmentalists encourage partnerships between Oyster Bay and Nassau County, which will be compromised if new county funding is not secured.

**Riverhead** is faced with the challenge of saving nearly 4,000 additional acres – most of it farmland – with meager resources. The town averages only \$3.7 million from its Community Preservation Fund as compared to \$34.4 million generated by the same program in Southampton. The difference is based on property values. As a result, Riverhead Town has borrowed almost all that it can against the CPF revenues expected to be generated by the time the program sunsets in 2030. This means that Riverhead, more than any other town, will depend on disproportionate revenues from New York State and Suffolk County to meet regional preservation needs. Riverhead saved 125 acres of land in 2008; 119 in 2007.



**Shelter Island**, like East Hampton, is reaching its own preservation goals. With nearly one-third of the Island in permanent protection, Shelter Island has little left to save. Shelter Island secured only three acres of land in 2008, contrasted to 34 the previous year. Because much of the

town's land is already protected, Shelter Island has only 511 acres that have been recommended for preservation by 2020. At an average of only \$2.2 million per year, the town's CPF generates less revenue than any of the other East End CPFs. So however small its preservation goal, the Island will require county and/or state assistance to finish the job.

**Southampton** eclipsed its 2007 performance 296 to 219 in acres saved. This is far below the rate of preservation necessary to secure the 5,000 acres remaining to be protected. Southampton has borrowed \$120 million against anticipated CPF revenues but generates an average of \$34.4 million per year and as much as \$53.3 million. There

is no land preservation entity that needs to do more to use anticipated revenues immediately, while the land is less expensive and while landowners are willing sellers. Southampton Supervisor Linda Kabot has shown no willingness to increase spending for this purpose. She is turning Southampton's land preservation program into a "pay-as-you-go" operation, when, in fact, the Community Preservation Fund is intended to be a "buy now, pay later" program, since CPF revenues will continue flowing to the town for a decade after projected final build-out. In addition, Southampton has too often responded to offers to sell by property owners who have approached the town, or neighbors eager to see a particular parcel preserved, rather than focusing on preserving the land earmarked by environmentalists as most requiring of protection. Southampton has 4,897 acres of farmland and open space to preserve by 2020, so a rate of 445 acres per year will be required to reach Southampton's goal and an even more accelerated rate must be achieved now.



**Southold** bought 193 acres, about evenly divided between open space and farmland in 2008, compared to 132 the year before. Like Riverhead, Southold's CPF revenues will not be adequate to preserve the remaining 3,924 acres of farmland and open space targeted for protection. Southold too, must depend on disproportionate purchases by the state and county. Southold has recently begun borrowing from expected CPF funds, though not at a rate commensurate with the size of the preservation goal. To reach its goal, Southold will require help from other levels of government and must increase its preservation rate to 357 acres per year. To Southold's credit, the town is also supplementing its CPF funding with local bond acts to keep needed funds coming.

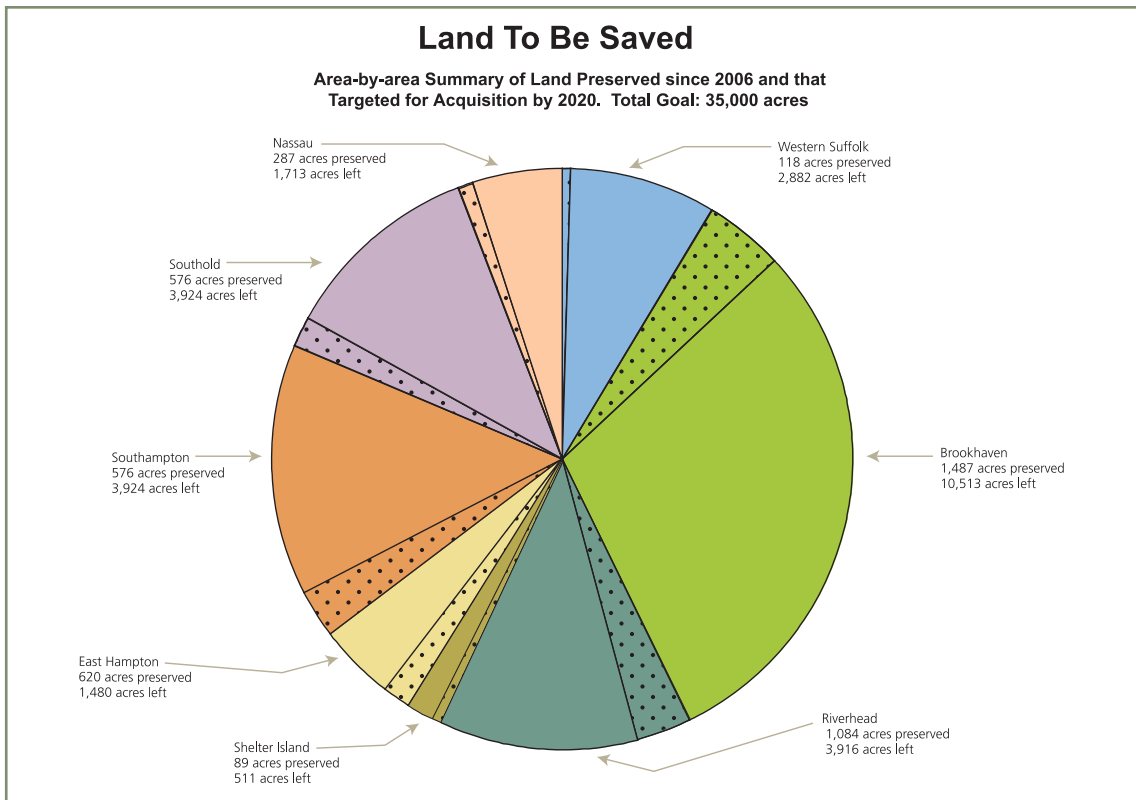
## Conclusion

Altogether, land purchasing agencies of government saved 1,542 acres of land in 2008, down from 2,000 acres in 2007. The new annual rate of preservation must rise to 2,718 if 25,000 acres of open space and 10,000 acres of farmland are to be saved by 2020.

## What's Still Needed

As the pie chart below shows, the availability of open space varies significantly by area. For the majority of these areas, only 12–20% of their targeted land has been preserved.

With considerable land acquisition still to be accomplished by 2020, what could be done differently to improve the rate of land preservation at a state, county and town level? The Society looked simultaneously at obstacles to increased preservation and possible solutions:



1) New York State must increase funding for Long Island land preservation through the state's Environmental Protection Fund, created in 1993 in response to the need for funds for Pine Barrens preservation. The EPF was scheduled to be increased to \$300 million this year, but the fund has, instead, been reduced to \$225 million.

Furthermore, a disproportionate amount of the EPF dollars for land preservation must come to Long Island relative to other regions. \$50 million annually is needed, the rationale for which is that the Island provides unparalleled local matching funds for land preservation relative to other regions and because the urgency of preservation is without precedent.

2) The counties need to refine their procedures. Nassau County has little open space remaining, but it is very expensive. Nassau must advance an additional \$100 million in funding for land preservation immediately. Instead, the Nassau County Legislature killed a proposed 2008 Open Space Bond Act, seeking instead to create a bond act for sewage treatment facilities – an expense that should be paid for by the federal and state governments with a portion coming from the Nassau County capital budget. The result is that no Bond Act appeared on the 2008 ballot and open space purchases are grinding to a halt. A new \$75 million Open Space Bond Act is sorely needed. In Nassau, there remains too much provincialism with legislators vying against one another for environmental projects in their districts – ignoring

county-wide needs. The executive branch must also expedite parks and infrastructure projects even though they are more complicated and time-consuming than the open space transactions.

**3)** In Suffolk, transactions now take more than two-and-a-half years for four reasons. First, there remains no full-time attorney assigned to land preservation, so the legal department is where much of the transactions bog down. This has been pointed out previously with no remediation. Second, Suffolk has effectively halted land preservation under its Legacy and Multifaceted Funds. Suffolk's excuse is that these programs are funded within the county's capital budget which is stressed by the recession, while the Drinking Water Protection Program has a dedicated revenue stream that does not use property taxes. Of course, this indicates the importance of increasing the rate of preservation under the quarter-cent program to compensate for the lack of purchases under the other two programs. So far, that has not happened and must. In addition, the Legacy and Multifaceted programs may have had to be scaled back as a result of the recession but instead, they have been curtailed altogether. Third, the recently-extended, quarter-cent sales tax transactions are being further delayed because of additional time made necessary by a new provision to strip development rights off purchased properties. This affects both county acquisitions and joint acquisitions involving Suffolk and its towns. To date, no affordable housing has resulted from preservation of these development rights, which was the intent of the new provision. Fourth, not only did Suffolk not fill vacancies complained about last year, additional vacancies or transfers have occurred. Suffolk lacks the staff needed to reach its preservation requirement and is likely to save fewer acres in 2009 than in the preceding two years. Finally, an internal executive branch prioritization committee is unilaterally determining what properties are bought and when, without regard to threat of development, merit relative to competing parcels, legislative intent or how long they've been on the acquisition authorization lists. The Suffolk County Legislature must resolve this defective practice immediately.

**4)** Suffolk Towns are not equally capable of meeting their respective preservation goals. For example, Southampton and East Hampton are capable of meeting their preservation goals through proceeds from their Community Preservation Funds. The North Fork towns of Riverhead and Southold generate insufficient funds from their CPFs to protect the 1,500 acres of open space and 3,500 acres of farmland in Riverhead and 1,500 acres of open space and 3,000 acres of farmland in Southold. It is clear that state and county dollars will have to be disproportionately focused on the North Fork if the Island's preservation goals are to be obtained. The survival of tourism, agriculture, fishing and the second-home industry will depend upon it, apart from maintenance of a healthy environment and quality-of-life.



**5)** The failure of the Brookhaven Town CPF in 2007 requires \$25 million in bridge funding by the Town Board to complete land purchases already in the pipeline. A Blue Ribbon Panel also recommended increasing the tax rate by \$1 per

\$100 of assessed valuation and the budgeting of \$10 million annually in the town's annual budget for the next five years. It may also be possible to redirect capital budget funds to land preservation from other areas in the future to avoid increasing taxes.

6) Southampton and Southold must increase bonding against their CPF income before land prices climb and development resumes following the recession. The bond ratings of these towns will not be adversely affected by such bonding because the money is ensured by CPF funding, independent of the towns' other financial resources and budget.



Most preservation agencies still decline to fully borrow against anticipated revenues. This is neither productive nor fiscally responsible. The housing market is at a near standstill, making land acquisition more affordable now. There has been a steep increase in the number of land owners offering their property for sale and previously "unwilling sellers" are more persuadable. There is no reason why purchasing agents should not make deals as rapidly as possible, funding them with revenue streams such as the Community Preservation Fund on the East End and Suffolk's Drinking Water Protection Program.

7) The threat of commercial greenhouse development on farms threatens the future of purchase of development rights (PDRs) on farmland. New Suffolk County legislation which proposes to limit the percentage of a farm which may be covered with greenhouses and other structures could save

the PDR program if adopted. At the moment, however, the restriction of such development would only apply to future PDRs, not those on more than 17,000 acres of farmland already thought to be protected from development. The resolution of this conflict must be a top priority for 2009.

8) Last year, the Society recommended creation of a "clearing house" which would coordinate communication among land purchasing entities, share effective procedures and enhance partnering opportunities. This year, the Land Preservation Advisory Group (LPAG) is expected to adopt recommendations for each land-buying entity to expedite preservation and ensure that priority parcels are protected. In addition, state legislation is needed to control how much of the CPF funds can be used for Payment in Lieu of Taxes (PILOTS) and for land stewardship purposes as a result of alleged abuses. Since preservation of land is the principle purpose of the CPF, the LPAG has recommended that PILOTS and stewardship funding be tied to land preservation quotas or metrics so that town-specific preservation goals will be incentivized and achieved. The new state legislation must also ensure that school and other special districts demonstrate that their economic plight has been caused by preservation. Legislative sponsors of the CPF are examining this program component and the New York State Comptroller Thomas DiNapoli's office is conducting an audit. Continued public support for land preservation programs will depend on public confidence in the integrity of the CPF program.

9) Long Island's real estate and development interests are actively opposing land preservation for the first time since land protection began in 1960. A coalition has been created including the Long Island Builders Institute, Association for a Better Long Island (the euphemism for the Island's commercial developers) and the Long Island Board of Realtors. This special interest has been lobbying politicians to curtail land purchases so that the land available for continued over-development will still be available when the recession ends. Their tactics include the publication of a discredited "report" which questioned open space preservation and direct attempts to kill funding for preservation.

The result is that politicians have proposed legislative measures that would alter land protection programs created by public referendum in violation of law and the Suffolk County Budget Review Office has published false information impugning open space preservation efforts. Long Island's elected officials must resist efforts by real estate special interests to slow or curtail the Island's historic preservation programs even in the face of generous campaign contributions from these interests.

10) Land purchasing agents should update their lists of targeted parcels to determine what parcels have been saved, which parcels developed and which ones remain available for purchase. Among those parcels still in need of protection, the agents should determine the imminence of development and prioritize those under threat. Agents should use the preservation priority list and not merely purchase whatever land is offered for sale. Given the current state of the economy, land purchasing agents should proactively contact owners of land sought to be protected to determine their current interest in selling. Many previously unwilling sellers are expressing new interest in selling because of the tough economic times. Of course, appraisals should reflect current value.

## Epilogue

*The recession offers government a second chance to achieve the Island's preservation goals, but will require a modest increase in the rate of acquisition of land and purchase of development rights on farms*

Completing Long Island's goal of preserving a total of nearly 100,000 acres over the course of half a century remains critical to the environmental and economic health of the region. Tourism, farming, fishing and the second-home industry depend upon the existence of dwindling open space and farmland every bit as much as do drinking water protection, habitat preservation and maintenance of quality-of-life.

The recession offers government a second chance to achieve the Island's preservation goals, but will require a modest increase in the rate of acquisition of land and purchase of development rights on farms.

We have been given a reprieve from the environmental and economic death sentence represented by the failure to accelerate land purchases over the past few years. We have but one, final chance to save our precious natural heritage. Let us meet the challenge to save what's left.

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