



# Town of Bethlehem Farms & Forests Fund



A new tool  
for helping  
interested landowners  
keep farms, forests, and fields  
in Bethlehem

*Presented by Robert Leslie, Director of Planning, to the Bethlehem  
Town Board at the September 11<sup>th</sup>, 2019 Town Board meeting.*

# Existing Town land protection options for landowners

## Term Conservation Easement Program

### How it works

- Landowner forgoes development for a period they choose (15 yrs. – perpetuity)
- Landowner receives property tax break. The longer the easement period, the greater the savings (50% - 90% reduction)

### Challenge

- Farmers may already receive larger property tax breaks through the State agriculture exemption program

## Parkland Set Aside Fund

### How it works

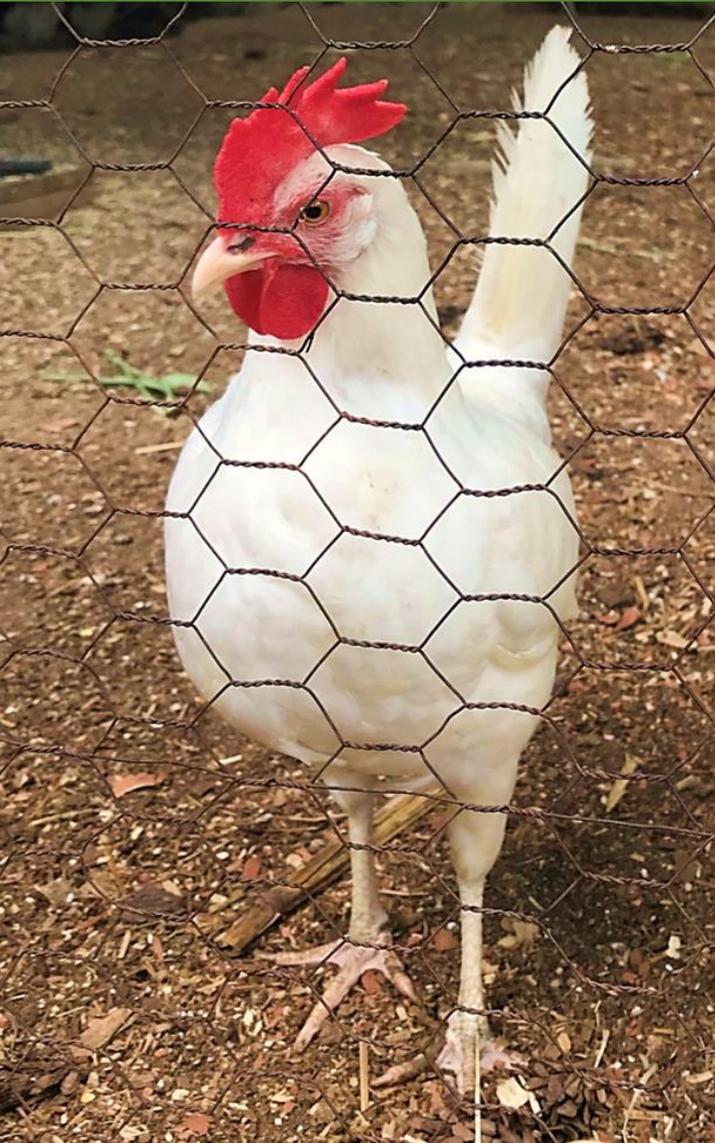
- Revenue from a fee on new residential developments (new people = new parkland)
- Only for parks, park equipment, or parks planning

### Challenge

- Can't be used on properties where public access won't be allowed, such as active farms and working forests

Need new funding tool to purchase agricultural easements or properties that will continue as active farms or working forests

# Solution: Farms & Forests Fund



This new fund would allow the Town to:

- Purchase agricultural easements or land
  - community purchases the land's development value from an interested owner
  - landowner can use money to invest in farm, retire, etc.
  - land is still privately owned and can continue to be farmed, but can no longer grow houses
  - easement is tailored to farmer's/landowner's needs
  - used extensively in Columbia and Saratoga Counties
- Leverage State and Federal funds
  - use as local match for grants
- Pay other transaction costs
  - land appraisals, title searches, land surveys, etc.

# Farms & Forests Fund: Authority



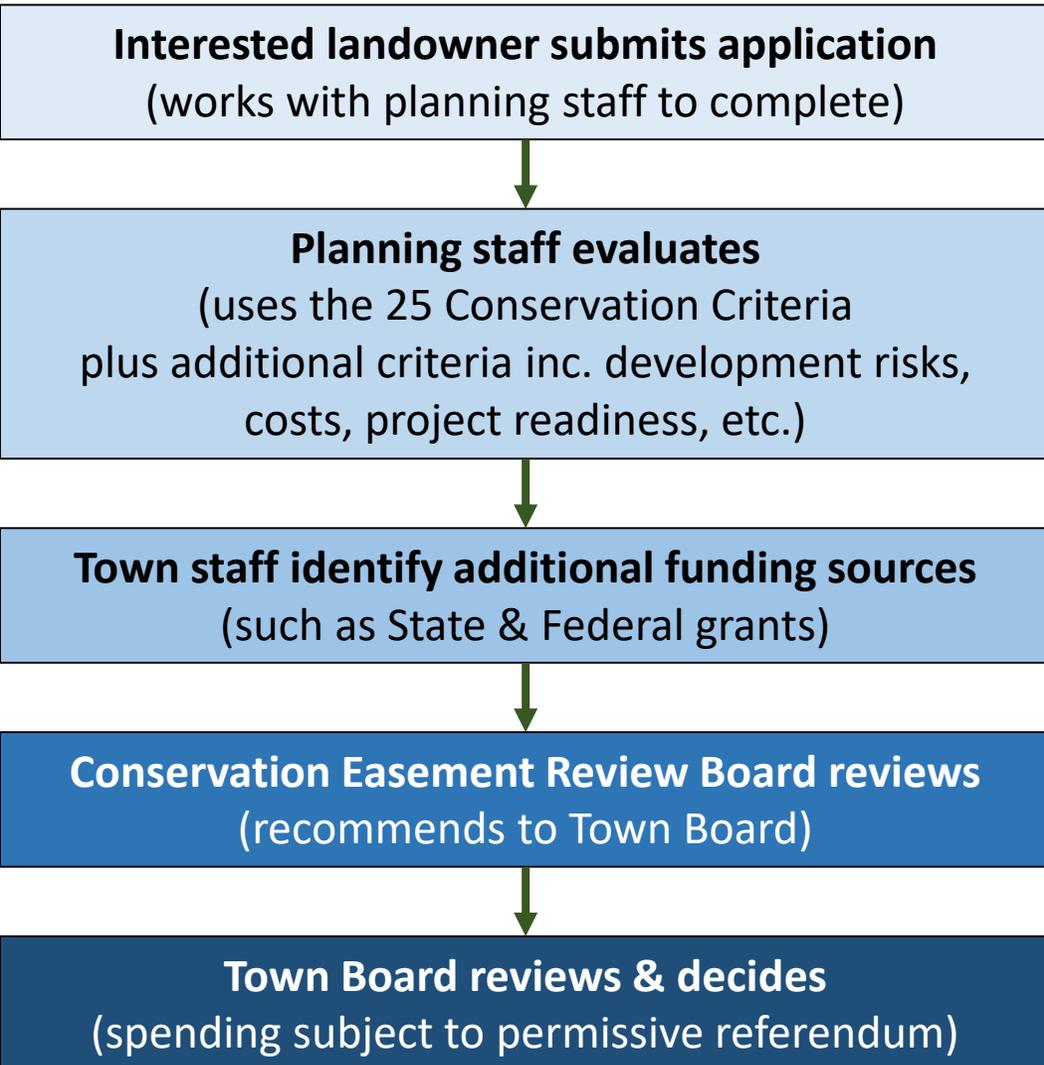
- NYS General Municipal Law 6-c permit municipalities to establish Capital Reserve Funds for the purchase of land or rights in land (e.g., agricultural easements)
- Fund can hold or accumulate funds for land purchases at locations that have yet to be determined

# Farms & Forests Fund: Structure

<b>Fund Balance Exceeds</b>	<b>Capital Reserve/ Farms &amp; Forest Fund</b>
<b>20%</b>	<b>100/0</b>
<b>21%</b>	<b>50/50</b>
<b>22%</b>	<b>100/0</b>
<b>23%</b>	<b>50/50</b>
<b>24%</b>	<b>50/50</b>
<b>25%</b>	<b>50/50</b>
<b>26% +</b>	<b>0/100</b>

- Primarily funded by a % of a surplus in the General Fund Operating Fund at year end
  - Kicks in when year-end unassigned fund balance is in excess of 21% of budget
    - Surpluses can occur when unpredictable revenues, like sales tax, are higher than budgeted, or when employment turnover creates unexpected savings
    - From 2014-18, fund would have grown to a balance of \$582,485
- Residents may also make voluntary contributions to the fund
  - Town not allowed to ask for donations

# When would the Farms & Forests Fund be used?



Decisions about when to use the Farms & Forests Fund would follow the same review and approval process as Term Conservation Easement applications

# More Town land protection options for landowners

## Term Conservation Easement Program

- Landowner forgoes development for a period they choose (15 yrs. – perpetuity)
- Landowner gets property tax break. The longer the easement period, the greater the savings (50% - 90% reduction)

## Parkland Set Aside Fund

- Revenue from a fee on new residential developments (new people = new parkland)
- Only for parks, park equipment, or parks planning

## Farms & Forests Fund

- Revenue from a percentage of Town budget surplus
- Purchase land or agricultural easements
- Land stays in private ownership
- Land can be managed for farms and timber, but cannot be developed

More opportunities for interested landowners

# Farms & Forests Fund: Next Steps



- Town Board approved a Resolution to establish the Farms & Forests Fund – Sept. 25, 2019 meeting
- Farms & Forests Fund accrues money over time
- Conservation Project Landowner Application is now available; landowners/farmers can apply
- Planning staff welcomes farmers and landowners to reach out and discuss conservation options:
  - Rob Leslie, Director of Planning:
    - [rleslie@townofbethlehem.org](mailto:rleslie@townofbethlehem.org), 518-439-4955 x 1157
  - Karen Shaw, Open Space Coordinator:
    - [kshaw@townofbethlehem.org](mailto:kshaw@townofbethlehem.org), 518-439-4955 x 1106