



COMMUNITY SUPPORT FOR A REAL ESTATE TRANSFER TAX

Since 1993, the Peconic Estuary Program has conducted extensive public involvement and outreach initiatives in its watershed. The outcome of this work has been strong partnerships with organizations and individuals in their community. Community-based support on Long Island's East End, including the Peconic Estuary System watershed, was crucial to establishing a two percent (2%) real estate transfer tax to support land conservation and related purposes, including historic preservation. Fortunately, the Peconic Estuary community has had a long history of public involvement and partnership building - essential to the success of the transfer tax program. Real estate transfer taxes are assessments made by states (or local governments) on real estate transfers based on the sale price of the property and, on the East End, paid by the buyer of the property.

THE NATIONAL ESTUARY PROGRAM IN ACTION



Peconic Estuary Program

Implementing the real estate transfer tax required three major steps:

- The New York Legislature had to pass enabling legislation, though some interests at the state and national levels effectively delayed passage of the enabling legislation for more than a decade.
- A Community Preservation Plan was required from each participating town, identifying priority parcels for acquisition and easements.

- Each town needed to pass a local referendum to authorize the tax—again, some interests spent an estimated \$300,000 to fight passage.

In 1998, the New York Legislature voted to allow Long Island's five East End towns to hold referenda on establishing a real estate transfer tax. Despite lobbyist efforts to defeat the referenda, all of the towns gained voter approval, passing with at least a 60% majority.

The success was secured by strategic public outreach, with messages supported by research

provided by the Peconic Estuary Program (PEP) and other stakeholders. A large community-based coalition including the Committee for the East End Community Preservation Fund, the five East End towns, local businesses, realtors, builders, and citizens presented a compelling case to voters that preserving open space would protect estuarine resources, groundwater quality, and the character of Long Island's East End. Studies funded or contracted by the PEP that helped support the need for increased protection included an economic valuation of the Estuary and its impact on the local economy, detailed information on current land use, and projections of development and population trends. The 2% real estate transfer Tax has raised more than \$526 million through September 2008 and is the most successful

land protection program on Long Island. The sunset date for collecting the transfer tax has been extended and is now in place through 2030.

While many critical landscapes have been protected with funds from the 2% real estate transfer tax and other sources, current land acquisition funding is not sufficient to keep up with development rates. Fortunately, large amounts of land can be protected through means other than land acquisition; for example: clearing restrictions, clustering requirements, rezoning, overlay districts, easements, purchase of development rights, and overall better land use practices. It is estimated that the implementation of clearing restrictions and clustering requirements would protect an additional 3,491 acres in the Peconic watershed; acquiring an equivalent amount of

land would cost an estimated \$382 million.

Visit **www.peconicestuary.org** to learn more about this and other PEP efforts.

EPA's National Estuary Program (NEP) is a unique and successful coastal watershed-based program established in 1987 under the Clean Water Act Amendments. The NEP involves the public and collaborates with partners to protect, restore, and maintain the water quality and ecological integrity of 28 estuaries of national significance located in 18 coastal states and Puerto Rico.

For more information about the NEP go to www.epa.gov/owow/estuaries.