

**STATE OF NEW YORK
COUNTY OF DUTCHESS
TOWN OF LA GRANGE**

**TOWN BOARD MEETING
December 15, 2010**

Present: Supervisor Jon Wagner
Councilman Gary Beck
Councilman Steve O'Hare
Councilman Joseph Luna

Absent: Councilman Ed Jessup
Recording Secretary: Councilman Joseph Luna

Others Present: Ron Blass Esq., Van De Water & Van De Water

A special meeting of the Town Board was held on Wednesday, December 15, 2010, at the LaGrange Town Hall, 120 Stringham Road. Supervisor Wagner called the meeting to order at 7:00 p.m.

The purpose of the special meeting was to set a Public Hearing on the subject of the Town of LaGrange's wish to purchase, as special tenants in common with the Dutchess Land Conservancy, Inc., a conservation easement over the Pierson parcel, located on Skidmore Road and Mountain Road, for Open Space. The Public Hearing is set for Wednesday, December 22, 2010, 7:30 o'clock, p.m., at the LaGrange Town Hall, 120 Stringham Road.

Supervisor Wagner introduced the Resolution (SEE ADDENDUM).

MOTION: Councilman O'Hare
SECOND: Councilman Luna

VOTE: Supervisor Wagner AYE
Councilman Luna AYE
Councilman Beck AYE
Councilman O'Hare AYE
Councilman Jessup ABSENT

The meeting was adjourned at 7:09 p.m.

Respectfully Submitted,



Joseph Luna, Councilman

ADDENDUM: Resolution / Pierson Property for Open Space

RESOLUTION

Councilman O'Hare, offered the following resolution, which was seconded by Councilman Luna, who moved its adoption:

WHEREAS, the Neil and Elizabeth R. Pierson are the owners of a certain parcel of land in the Town of LaGrange, County of Dutchess and State of New York, consisting of 167.1 +/- acres, situated at Skidmore Road and Mountain Road (the "Parcel"); and

WHEREAS, the Town of LaGrange (the "Town") wishes to purchase, as tenants in common with the Dutchess Land Conservancy, Inc., a conservation easement over the Parcel for open space purposes under the terms and conditions contained in the proposed agreement, a copy of which is annexed hereto as Exhibit "A"; and

WHEREAS, by resolution dated September 3, 2008, the Town Board authorized the financing of the acquisition of various parcels of land, or rights or interests in such land, for passive and active park purposes and the preservation of open space and farmland, up to a maximum amount of \$2,000,000; and

WHEREAS, the aforesaid September 3, 2008 resolution was approved by a majority of the qualified voters at a special Town election held concurrently at the general election held on November 4, 2008.

NOW, THEREFORE, BE IT RESOLVED that the Town Board approves, and authorizes the Supervisor to execute, a proposed conservation easement in substantially the form annexed hereto as Exhibit "A" ; and

BE IT FURTHER RESOLVED, that the Town Board authorizes the issuance of a bond anticipation note in the amount of \$692,300 to finance the Town's acquisition of the conservation easement; and

BE IT FURTHER RESOLVED, that a public hearing be held in relation to the proposed purchase as set forth in the form of notice, hereinafter provided, at which hearing parties of interest and citizens shall have an opportunity to be heard, to be held at the Town Hall, 120 Stringham Road, LaGrangeville, New York, on December 22, 2010, at 7:30 o'clock p.m., Prevailing Time, and that notice of said meeting shall be published in the official newspaper of general circulation in the Town of LaGrange, by the Town Clerk, at least five (5) days before such hearing and that notice shall be in the following form:

NOTICE OF PUBLIC HEARING

TAKE NOTICE, that the Town Board of the Town of LaGrange will hold a public hearing at the Town Hall, 120 Stringham Road, LaGrangeville, New York on December 22, 2010 at 7:30 o'clock, p.m., regarding the expenditure of \$692,300 for the purchase a conservation easement, as tenants in common with the Dutchess Land Conservancy, from Neil and Elizabeth R. Pierson encumbering a certain parcel of land in the Town of LaGrange consisting of 167.1 +/- acres, situated at Skidmore Road and Mountain Road as open space.

TAKE FURTHER NOTICE, that copies of the aforesaid conservation easement will be available for examination at the office of the Clerk of the Town of LaGrange, at the Town Hall, 120 Stringham Road, LaGrangeville, New York between the hours of 8:30 a.m. and 4:00 p.m. on all business days, except Tuesdays when the hours are between 8:30 a.m. and 3:30 p.m., between the date of this notice and the date of the public hearing.

TAKE FURTHER NOTICE, that all persons interested and citizens shall have an opportunity to be heard on said proposal at the time and place aforesaid.

DATED: LaGrangeville, New York
December 15, 2010



JOSEPH LUNA
COUNCILMAN

The foregoing resolution was voted upon with all councilmen voting as follows:

Supervisor Wagner	AYE
Councilman Luna	AYE
Councilman Beck	AYE
Councilman O'Hare	AYE
Councilman Jessup	ABSENT

DATED: LaGrangeville, New York
December 15, 2010



JOSEPH LUNA
COUNCILMAN

DEED OF CONSERVATION EASEMENT

Between

NEIL PIERSON AND ELIZABETH R. PIERSON

as Grantors

and

DUTCHESS LAND CONSERVANCY, INC.,

and

TOWN OF LAGRANGE

as Grantees

Draft Date – December 7, 2010
Version 5

DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT (the "Easement") is granted this ____ day of _____ 2010, by **Neil Pierson and Elizabeth R. Pierson**, husband and wife, with an address of 249 Skidmore Road, Pleasant Valley, New York, 12569 as Grantors (the "Grantors"), to **Dutchess Land Conservancy, Inc.**, a New York not-for-profit corporation having an office at 4289 Route 82, Millbrook, New York 12545, as Grantee (the "Conservancy") and the Town of LaGrange, a New York municipal corporation having an office at 120 Stringham Road, LaGrangeville, New York 12540, as Grantee (the "Town"). The Conservancy and the Town shall collectively be referred to as the "Grantees."

WHEREAS,

A. Grantors are the owners of certain real property (the "Property") consisting of approximately 167.10 acres located on Skidmore Road and Mountain Road in the Town of LaGrange, Dutchess County, New York, more fully described in Exhibit A and shown on the Easement Map (Exhibit B), and both exhibits attached hereto and incorporated herein.

B. The Conservancy is a New York not-for-profit conservation organization within the meaning of Article 49, Title 3 of the Environmental Conservation Law of the State of New York (together with any successor statute, the "ECL"), is organized for, among other purposes, conserving real property, is a tax exempt and qualified organization within the meaning of Sections 501(c)(3), 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code, and is a "qualified organization" to accept, purchase, and hold conservation easements under Section 170(h) of the Internal Revenue Code and Treasury Regulation Section 1.170A-14(c).

C. The Town of LaGrange is a municipal corporation and has the authority pursuant to Section 247 of the General Municipal Law and Article 49, Title 3 of the ECL to acquire conservation easements and is a "qualified organization" to accept, purchase, and hold conservation easements within the meanings of 170(b)(1)(A)(v) and 170(h) of the Internal Revenue Code and Treasury Regulation Section 1.170A-14(c).

D. The Conservancy, in its role as a conservation organization, has obtained extensive experience holding, monitoring and administering conservation easements, and is willing to make its services and experience available to the Town to co-hold, monitor and administer this Easement as hereinafter set forth. The Conservancy has agreed to provide a portion of the funds necessary for the purchase of this Easement.

E. The Town has agreed to contribute to fund the purchase of the Easement pursuant to a motion passed by the Town Board at a regular meeting held on April 14, 2010.

F. The New York State Department of Environmental Conservation has granted a Hudson River Estuary Grant pursuant to grant number C303191 to partially fund the purchase of the Easement.

G. The Grantors have agreed to a bargain sale of this Easement by donating a portion of its value, according to the terms contained herein.

H. The Grantors have received independent legal and financial advice regarding this Easement to the extent that Grantors have deemed necessary. The Grantors freely sign this Easement in order to accomplish its conservation purposes.

I. The parties recognize the following:

1. The Property is characterized by scenic views, open farmlands, woodlands, streams and wetlands and natural beauty, and is highly visible from Skidmore Road and Mountain Road, both public highways.
2. The Town of LaGrange Comprehensive Plan, adopted July 13, 2005, states in its Vision Statement that “[t]he Vision is also one in which water supply and natural resources are protected and improved, and the integrity of farmland and open space are preserved.”
3. The Town of LaGrange Open Space Plan (“Open Space Plan”), adopted on June 13, 2007, identifies the Property as a priority core farm area, which should be protected. The Property is just one of two farms in the Sprout Creek North core farming area, which are identified for protection. The Property provides important habitat connections between the steep slopes of the Taconic Ridge, the foothills and the Sprout Creek. The Open Space Plan identifies the Sprout Creek Greenway as an ecological corridor through the Town. The Open Space Plan states that “[w]etlands, forests, wildlife, and active farms abut Sprout Creek. Preserving these lands provides significant protection of water quality for the Town. These lands also serve as a major corridor of open space for wildlife, and an ecological connection between the valleys and the forested habitat of the Taconic Ridge.” The Open Space Plan recommends that the Town utilize a purchase development rights program in order to protect priority properties in the Town.
4. The Property meets the Criteria for Acceptance of Conservation Easements of the Conservancy and is adjacent and in close proximity to preserved public land. The Property is adjacent to the Town’s 130-acre Freedom Park and Dutchess County BOCES, a 50-acre preserve deeded for natural educational purposes. The Property is also located within a mile of the 590-acre James Baird State Park and a mile and half from the 909-acre Taconic Hereford State Multiple Use Area.
5. The Dutchess County Legislature, in the County Master Plan, *Directions*, adopted by the Dutchess County Legislature in 1988, has identified the area in which the Property is located as an area in which agricultural lands, rural uses, open space, steep slopes, and streams and wetlands should be preserved. *Directions* emphasizes the preservation of prime agricultural soils, steep slopes, and wetlands and encourages open space land uses and the protection of scenic resources. Policy 4.4 supports efforts to maintain the vitality, and increase the diversity of agricultural enterprises in the county. Policy 4.5 supports

local land use management techniques that serve to protect agricultural lands, especially within the agricultural districts. Policy 5.14 advocates the protection of wetlands and their buffers from development activities. Policy 5.15 encourages municipalities to preserve their 100-year floodplains by prohibiting uses that either interfere with the flood-carrying functions of the floodplain, create safety hazards, or increase the risk of property damage. Policy 5.16 supports measures to preserve the county's prime and important agricultural soils. Policy 5.19 advocates the preservation of steep slopes and ridgelines. Policy 5.20 advocates the preservation of the county's scenic resources and significant natural areas. Policy 5.23 encourages the protection and recognition of uncommon or especially-sensitive forest resources, such as hemlock groves, forests with particularly large trees, beech woods, and the woodland buffers around water bodies, wetlands and roadways. Policy 5.24 encourages the preservation of woodland "greenbelt" corridors through communities, especially along streams, floodplains, wetlands, and other sensitive areas, to provide wildlife habitat, natural buffers and aquifer protection. Policy 7.11 encourages the provision of open space areas and greenbelt corridors as a fundamental land use that is carefully planned as part of the land use pattern. Policy 7.13 discourages the subdivision of prime and important agricultural soils and large forested tracts into lots, which preclude the future use for agriculture and forestry. Policy 11.18 encourages the maintenance of open space as a technique for preserving unique ecological features, such as floodplains, wetlands, steep slopes and major aquifers. *Directions* recommends low density development to prevent degradation of the area's rural, natural and scenic characteristics through subdivision and development; Policy 11.21 supports the use of conservation easements to preserve open space in rural areas.

6. The Property is included in Certified Agricultural District No. 22, established by Dutchess County pursuant to Article 25AA of the New York Agricultural and Markets Law, encouraging the continuation and protection of agriculture.
7. The Property contains approximately 40 acres of prime farmland soils and approximately 80 acres of farmland soils of statewide importance, which are important for the production of food, feed, forage and fiber crops, as defined by the U.S. Department of Agriculture Natural Resources Conservation Service.
8. The Property is in the watershed of the Sprout Creek/Fishkill Creek, tributaries of the Hudson River.
9. The Property contains approximately 8 acres of wetlands designated on the National Wetlands Inventory by the United States Department of the Interior.
10. The policy of New York State, as set forth in Title 5, Article 15 of the Conservation Law, is to preserve and protect the state's lakes, rivers, streams and ponds. The Property contains approximately 3,400 linear feet of the Sprout Creek, a Class C(T) stream, which has been classified by the New York State Department of Environmental Conservation according to its best use for fish propagation and fishing. This classification helps to

meet the goals of the Federal Clean Water Act and encourages continuous protection to keep the stream clean for the future. Approximately 1,500 linear feet of a tributary of the Sprout Creek also flows through the Property.

11. Approximately 61 acres of the Property lies within a 100-year flood plain as designated by the Federal Emergency Management Agency.
12. The Property contains approximately 44 acres of woodlands that are part of a relatively unbroken tract of woodlands that extends for hundreds of acres and represents valuable habitat as a contiguous forest.
13. Hudsonia Ltd., which is a not-for-profit institute for research, education, and technical assistance in the environmental sciences located in the Hudson Valley, has identified several ecologically significant habitats located on the Property including kettle shrub pools, wet meadows, crest, ledge and talus habitat, upland hardwood forest and upland meadow, *Significant Habitats in the Fishkill and Sprout Creek Corridors, Towns of Beekman, LaGrange and Fishkill, Dutchess County, New York*, by John Sullivan and Gretchen Stevens, Hudsonia Ltd., December 2005.
14. Subdivision and development pressure threaten the continued rural, scenic, ecological, forested, and open space character of the Property and the scenic view along Skidmore Road and Mountain Road.

NOW, THEREFORE, in consideration of the sum of seven hundred and ten thousand dollars (\$710,000.00), and the mutual covenants, terms, conditions and restrictions contained herein, the parties agree as follows:

1. Grant of Easement.

Grantors hereby grant and convey to the Grantees, an Easement, an immediately vested interest in real property defined by Article 49, Title 3 of the ECL of the nature and character described herein, for the benefit of the general public, which Easement shall run with and bind the Property in perpetuity. Grantors will neither perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the covenants contained herein. Grantors authorize the Grantees to enforce these covenants in the manner described below.

2. Purpose.

The Primary Purpose of this Easement is to conserve viable agricultural land and soil resources by preventing uses of the Property that will significantly impair or interfere with the Property's agricultural and forestry viability and productive capacity.

All other purposes listed below shall be secondary and none shall conflict with or significantly diminish the Primary Purpose of this Easement. The Secondary Purpose of this Easement includes the conservation and protection of the Property's scenic views and open space resources and their associated unique and special natural features to the extent that such

protection does not conflict with the Primary Purpose of this Easement.

3. Implementation.

This Easement shall be implemented by limiting and restricting the development and use of the Property in accordance with its provisions. The Property remains subject to all applicable local, state and federal laws and regulations. However, if the Easement is more restrictive than local, state and federal laws and regulations, the Easement restrictions shall govern with respect to the development and use of the Property. This Easement shall not unreasonably restrict or regulate farm operations in contravention of the purposes of Article 25-AA of the Agriculture and Markets Law.

4. Definitions.

- 4.(a). **“Grantors”** or **“owners”** include the original Grantors, their heirs, successors and assigns, all future owners of any legal or equitable interest in all or any portion of the Property, and any party entitled to the possession or use of all or any part thereof.
- 4.(b). **“Grantee”** includes both the original Grantees and their successors and assigns. The term **“Lead Grantee”** is the Grantee designated by mutual agreement between the Grantees to grant permission under this Easement pursuant to Section 17 (**“Permission of the Grantees”**); to act as the lead monitor and inspector of the Easement pursuant to Section 21 (**“Right of Inspection”**); to act as the lead enforcer of the Easement and pursue any legal action to enforce this Easement pursuant to Section 22 (**“Enforcement”**); to give and receive all notices and other communications to and from the Grantors as specifically indicated in this Easement pursuant to Section 32 (**“Notices”**); and to grant waivers pursuant to Section 39 (**“Waiver”**). The Conservancy shall be Lead Grantee unless the Grantors receive written notice of a change in such designation executed by both Grantees.
- 4.(c). **“Residential Dwelling”** shall be defined as dwellings or structures, together with accessory improvements that comprise single-family, multi-family, apartments, and farm labor housing, whether or not the structure(s) are used as the primary residence of the farm owners.
- 4.(d). **“Farm Labor Housing”** shall be defined as dwellings or structures, together with accessory improvements used to house seasonal and/or full-time employees where such residences are provided by the farm landowner and/or operator, the worker is an essential employee of the farm landowner and/or operator employed in the operation of the farm and the farm worker is not a partner or owner of the farm operation. Farm Labor Housing may house family members of the Grantors involved in the operation of the farm. However, a structure used as the primary residence of a farm owner is not **“Farm Labor Housing.”**
- 4.(e). **“Footprint Area”** of a structure, building or improvement shall be defined as the

gross footprint as measured to the exterior walls or edge of the structure, building or improvement.

- 4.(f). **“Height”** of a structure, building or improvement shall be defined as the height as measured from the natural mean grade to the top of the structure, building or improvement. In the case of a structure, building or improvement with a roof, the top of the structure, building or improvement shall be considered the top of the roof line and measured accordingly.
- 4.(g). **“Farm Operation”** shall be defined as “the land and on-farm buildings, equipment, manure processing and handling facilities, and practices which contribute to the production, preparation and marketing of crops, livestock and livestock products as a commercial enterprise” in accordance with Section 301 of the Agriculture and Markets Law, or such successor law as enacted or amended.
- 4.(h). **“Impervious Surfaces”** shall be defined as structures or improvements that permanently cover soil resources. Impervious Surfaces do not include permeable surfaces such as gravel roads and parking areas, structures whose principal purpose is to protect soil and water resources, such as manure storage areas, and structures and improvements lacking permanent foundations.
- 4.(i). **“Sound Agricultural Practices”** shall be defined as those practices necessary for on-farm production, preparation and marketing of agricultural commodities, provided such practices are legal, necessary, do not cause bodily harm or property damage off the farm, and achieve the intended results in a reasonable and supportable way. If necessary, to determine if a practice is “sound,” Grantees or Grantors may request that the Department of Agriculture and Markets initiate a sound agricultural practice review pursuant to Section 308 of the Agriculture and Markets Law, or any successor law as enacted or amended.
- 4.(j). **“Viable Agricultural Land”** shall be defined as land highly suited for agricultural production.
- 4.(k). The following use areas are defined for the Easement:

“Farmstead Complex” is defined as the area(s) depicted in Exhibit B, that centers on existing farm structures or future planned structures.

“Farm Area” is defined as the remaining area of the farm, located outside of the Farmstead Complexes, depicted in Exhibit B.

5. Reserved Rights Retained by Grantors.

As the owners of the Property, Grantors reserve all customary rights and privileges of ownership, including the right of exclusive use, possession and enjoyment of the Property, the rights to sell, lease, and devise the Property, as well as any other rights consistent with the Purpose set forth in Section 2 (“Purpose”) and not specifically prohibited or limited by this Easement.

However, nothing in this Easement relieves Grantors of any obligation with respect to the Property or restriction on the use of the Property imposed by law and nothing in this Easement shall require Grantors to take any action to restore the condition of the Property after any Act of God or Force Majeure.

5.(a). Right to Use Property for Agricultural Uses.

Grantors have the right to produce crops, livestock and livestock products and use the Property as a Farm Operation, which includes but is not limited to the right to establish, reestablish, maintain, and use cultivated fields, orchards, pastures and woodlands. Said farming practices shall be carried out in accordance with Sound Agricultural Practices as defined herein.

5.(b). Right to Use Property for Rural Enterprises.

Grantors have the right to operate otherwise lawful rural enterprises, such as, but not limited to, machinery repair, professional offices within the home, bed and breakfasts, crafts production and firewood distribution, subject to the limitations set forth in this Easement, including Section 8 (“Construction of Buildings and Other Improvements”). In all cases, such rural enterprises must be compatible with the Purpose of this Easement and subordinate to the agricultural use of the Property.

5.(c). Right to Use Property for Recreational Purposes.

Grantors retain the right to use the Property for otherwise lawful personal or commercial recreational uses, including, but not limited to, hunting, fishing, cross-country skiing, camping, horseback riding and snowmobiling, subject to the limitations set forth in this Easement, including Section 8 (“Construction of Buildings and Other Improvements”). In all cases, such recreational uses must be compatible with the Purpose of this Easement and subordinate to the agricultural use of the Property.

6. Access.

Nothing contained in this Easement shall give or grant to the public a right to enter upon or to use the Property or any portion thereof where no such right existed in the public immediately prior to the execution of this Easement.

7. Maintenance.

Should the Property cease to be used for agricultural purposes for more than three (3) years, the agricultural fields containing prime, statewide important and unique soils will be mowed at least triennially or otherwise maintained in a condition which will prevent growth of woody vegetation that would interfere with future agricultural use or which might result in interference with drainage systems, or in reversion of significant portions of the Property to regulated wetland status. Similarly, during prolonged periods of disuse for agricultural purposes, artificial and natural drainage systems must be maintained in a functional state by the Grantors. If Grantors do not comply with this provision, Grantees shall have the right, but not the

obligation, to mow such fields, at the sole expense of such Grantees, if they so choose.

8. Construction of Buildings and Other Improvements.

The Property is separated into two distinct and separately defined areas as further described in the Baseline Documentation Report, Section 20 (“Baseline Documentation”) and which are depicted on the Easement Map attached hereto as Exhibit B: 1) the Farmstead Complexes; and 2) the Farm Area. Grantors may undertake construction, erection, installation, removal or placement of buildings, structures, or other improvements to the Property within these areas only as provided in this Easement and set forth below.

- 8.(a). Impervious Surfaces** - Subject to the limitations set forth below, Impervious Surfaces may be constructed or placed on up to a maximum of 10% of the Farm Area and without limitation in the Farmstead Complexes.
- 8.(b). Fences** - Existing fences may be repaired, removed and replaced, and new fences may be built on the Property for purposes of reasonable and customary management of livestock and wildlife, safety and general management and to prevent trespassing on the Property.
- 8.(c). Agricultural Structures and Improvements** - Any existing or subsequent agricultural structures and improvements may be repaired, removed, enlarged and replaced at their current locations, subject to the Impervious Surface coverage limitations set forth in Section 8(a) (“Impervious Surfaces”).

Farmstead Complexes: Without permission of the Lead Grantee, Grantors may construct new buildings, structures and other improvements with impervious surfaces, including asphalt and concrete roads and parking areas within the Farmstead Complexes to be used primarily for purposes related to a Farm Operation and for such other agricultural purposes as (i) the production, storage, marketing or sale of farm products or by-products, or processing of farm products or by-products, (ii) the storage of equipment used for agricultural production, and (iii) the keeping of livestock or other animals.

Farm Area: Subject to the Impervious Surface coverage limitations set forth in Section 8(a) (“Impervious Surfaces”), Grantors may construct buildings, structures and impervious improvements for such purposes related to the Farm Operation on up to 5% of the Farm Area without permission of the Lead Grantee. With permission of the Lead Grantee, Grantors may construct buildings, structures and improvements related to the Farm Operation that would cover up to an additional 5% of the Farm Area.

- 8.(d). Residential Dwellings** - The existing Residential Dwelling, as defined in Section 4(c), may be repaired, removed, enlarged and replaced at its current location, which is shown on Exhibit B.

Farmstead Complexes: Without permission of the Lead Grantee, Grantors may construct, maintain, repair, remove or replace Residential Dwellings, together with accessory structures and improvements within the Farmstead Complexes, subject to any applicable local, state or federal laws and regulations. In addition to any Residential Dwellings used exclusively for Farm Labor Housing, four (4) Residential Dwellings used as principal residences, including one built and existing on the date hereof, shall be permitted on the Property. No principal residence shall exceed a Footprint Area of 4,000 square feet and 35 feet in height. Farm Labor Housing shall not exceed a Footprint Area of 2,000 square feet and 35 feet in height per structure. In no case shall the land on which Farm Labor Housing stands be subdivided to result in the Farm Labor Housing to be located on its own separate subdivided lot. Except those used exclusively for Farm Labor Housing, all Residential Dwellings, including accessory apartments, shall only be permitted within a designated Farmstead Complex.

Farm Area: Subject to the Impervious Surface coverage limitations set forth in Section 8(a) ("Impervious Surfaces"), Grantors may construct new Residential Dwellings exclusively for Farm Labor Housing, as defined in Section 4(d) ("Farm Labor Housing"), on up to 1% of the Farm Area without permission of the Lead Grantee. Farm Labor Housing shall not exceed a Footprint Area of 2,000 square feet and height of 35 feet per structure. With permission of the Lead Grantee, Grantors may construct additional Farm Labor Housing in the Farm Area as proven necessary to conduct current farm operations. The land on which Farm Labor Housing Residential Dwellings stand shall not be subdivided, except as permitted in Section 12 ("Subdivision").

- 8.(e). Rural Enterprises** - Rural enterprises may be established and carried out within the Farmstead Complexes, including but not limited to, professional offices within the home, bed and breakfasts, machine shop, crafts production and firewood distribution. In all cases, such uses and any necessary structures or improvements, shall be compatible with the Purpose of this Easement and subordinate to the agricultural use of the Property. Enterprises which market non-agricultural petroleum or chemical products are prohibited. The land on which these structures stand shall not be subdivided, except as permitted in Section 12 ("Subdivision").
- 8.(f). Recreational Structures and Improvements** - Recreational structures and improvements, as described in Section 5(c) ("Right to Use Property for Recreational Purposes"), may be constructed, repaired, relocated, removed and enlarged so long as such structures and improvements are compatible with the Purpose of this Easement, subordinate to the agricultural use of the Property and located in a manner that minimizes the impact to prime or statewide important soils. Under no circumstances shall golf courses and/or ranges or other similar recreational improvements be allowed on the Property.

Farmstead Complexes: Without permission of the Lead Grantee, Grantors may construct permanent recreational improvements within the Farmstead Complexes.

Farm Area: Subject to the Impervious Surface coverage limitations set forth in Section 8(a) (“Impervious Surfaces”), Grantors may construct permanent recreational improvements in the Farm Area up to an aggregate of 1,000 square feet in Footprint Area without permission of the Lead Grantee. With permission of the Lead Grantee, permanent recreational improvements that exceed an aggregate Footprint Area of 1,000 square feet may be constructed in the Farm Area.

- 8.(g). Utility Services and Septic Systems** -Wires, lines, pipes, cables or other facilities providing electrical, gas, water, sewer, communications, or other utility services to or from the improvements permitted in this Easement may be installed, maintained, repaired, removed, relocated and replaced, and Grantors may grant easements over and under the Property for such purposes. Septic or other underground sanitary systems serving the improvements permitted herein may be installed, maintained, repaired or improved. All such services and systems shall be compatible with the Purpose of this Easement, subordinate to the agricultural use of the Property and located in a manner that minimizes the impact to prime or statewide important soils.
- 8.(h). Alternative Energy and Communications Structures and Improvements** - Structures and improvements necessary to undertake alternative energy and communications activities such as wind, solar, methane and other similar energy generation activities are permitted as further described below provided they are compatible with the Purpose of this Easement, subordinate to the agricultural use of the Property and located in a manner that minimizes the impact to prime or statewide important soils. Wireless communications towers are permitted with the prior consent of both Grantees and provided they are compatible with the Purpose of this Easement, subordinate to the agricultural use of the Property and located in a manner that minimizes the impact to prime or statewide important soils.

Farmstead Complexes: With the exception of wireless communication towers, Grantors may construct such structures and improvements without permission of the Lead Grantee within the Farmstead Complexes.

Farm Area: Subject to the Impervious Surface coverage limitations set forth in Section 8(a) (“Impervious Surfaces”), such structures and improvements, including roads and drainage ditches, may be built in the Farm Area only with the permission of Lead Grantee, which may be conditioned upon the posting of a bond. These structures and improvements are permitted only if the activity is limited and localized in impact affecting no more than two percent (2%) of the Farm Area at one time.

Prior to determining the location of a site for these structures and improvements in the Farm Area, the Grantors shall notify the Lead Grantee and the local Soil and Water Conservation District to give them an opportunity to participate in an onsite meeting to review proposed locations. Grantors shall agree to comply with the Department of Agriculture and Markets guidelines for agricultural mitigation for construction of such structures.

9. Notice of Exercise of Certain Reserved Rights Outside of the Farmstead Complexes.

In addition to other requirements for permission, the Grantors shall give the Lead Grantee written notice before exercising the following reserved rights outside of a designated Farmstead Complex: (a) construction of new agricultural structures and improvements as permitted in Section 8(c) ("Agricultural Structures and Improvements"); (b) construction of Residential Dwellings as permitted in Section 8(d) ("Residential Dwellings"); (c) construction of new recreational improvements as permitted in Section 8(f) ("Recreational Structures and Improvements"); (d) installation of new utility services as permitted in Section 8(g) ("Utility Services and Septic Systems"); (e) installation of alternative energy and communications improvements as permitted in Section 8(h) ("Alternative Energy and Communications Structures and Improvements"); (f) extractive activities to the extent permitted in Section 14 ("Mining and On-Site Extractive Activity"); and (g) road construction as permitted in Section 15 ("Road Construction").

10. Maintenance and Improvement of Water Sources.

Grantors may use, maintain, establish, construct, and improve water sources, water courses and water bodies (including ponds) within the Property for the uses permitted by this Easement. Grantors may alter the natural flow of water over the Property in order to improve drainage of agricultural soils, reduce soil erosion and/or flooding, provide irrigation for the Property or improve the agricultural or forest management potential of the Property, provided such alteration is consistent with Sound Agricultural Practices, the Purpose of this Easement and is carried out in accordance with applicable local, state and federal laws and regulations.

11. Water Rights.

Grantors may use any appurtenant water rights sufficient to maintain the agricultural productivity of the Property in accordance with applicable local, state and federal laws and regulations. Grantors shall not transfer, encumber, lease, sell or otherwise sever such water rights from title to the Property itself.

12. Subdivision.

The Property is currently comprised of one tax parcel owned by Grantors. The Property shall not be subdivided or partitioned to consist of more than four (4) parcels except with the permission of the Lead Grantee, which permission shall be granted only if all parcels of land thereby created

will remain viable for agricultural production either individually, or as part of an established farming operation and in compliance with all the terms provided in this Section and Section 17 (“Permission of Grantees”). The Grantors may determine the desired location of the boundaries of the four permitted subdivided parcels, subject to obtaining any required permits or approvals that may be necessary from local, state or federal agencies. The Town has made no warranties or representations to the Grantors concerning any potential subdivision, its review by the Town Planning Board, or the approvals that may be anticipated by agencies of the Town. It is not a condition of this Agreement that the Town Planning Board approves the number of subdivision lots applied for by the Grantors. Lot line adjustments, which do not create additional building lots, are permitted only with the prior written permission of the Lead Grantee, which permission shall be granted only if all parcels of land thereby created will remain viable for agricultural production either individually, or as part of an established farming operation. No such subdivision or lot line adjustment shall affect the use of the Property permitted by this Easement. Any such subdivision shall not include the right to construct or relocate any new habitable or commercial structures, except as otherwise permitted by this Easement and shall explicitly limit any Farm Labor Housing in the Farm Area existing at the time of any such subdivision to that exclusive use. Any partition, subdivision or lot line adjustment also must comply with all applicable local, state or federal regulations, and any subdivided parcels shall be subject to the terms of this Easement. Mortgages, or other non-possessory interests in land do not constitute subdivisions for the purpose herein, provided such interests encompass the whole parcel.

The right to construct new impervious improvements set forth in Section 8(a) (“Impervious Surfaces”) shall be allocated at the time of each conveyance. In no event shall there be allocated to the portion being conveyed a greater number of structures or square footage than the number allowed on the portion of the Property owned by such owner immediately prior to such conveyance. Such allocation of rights to construct new impervious improvements set forth in Section 8(a) (“Impervious Surfaces”) shall not result in greater than 10% of the Farm Area being covered by impervious surfaces. At the discretion of the Lead Grantee, a functionally and materially equivalent Easement may be recorded at the time of conveyance.

13. Forest Management.

Without permission from the Lead Grantee, Grantors may clear forested areas for conversion to farmland, harvest wood for use on the Property including heating or construction of buildings and improvements, manage forested areas for wildlife habitat and recreation, and remove trees that are fallen, dead, diseased, invasive or considered a safety hazard, so long as such activities are consistent with generally accepted forest best management practices.

Without permission from the Lead Grantee, Grantors may commercially harvest timber and other wood products, conduct timber stand improvements and construct, maintain, remove, and repair unpaved access roads and “staging areas” (those areas where logs are temporarily stored for transport) necessary for such activities. All such activities shall be in accordance with generally-accepted forestry best management practices. Such commercial timber harvests and timber stand improvements shall be carried out in accordance with a forest management plan and harvest plan prepared by a forester who is certified by the Society of American Foresters or such successor organization as is later created, a Cooperating Consulting Forester with the New York

State Department of Environmental Conservation or a qualified forester approved by the Lead Grantee.

In order to facilitate the monitoring and stewardship of this Easement and ensure continuing communication between parties, Grantors shall give the Lead Grantee, its successors or assigns, written notice not less than forty-five (45) days prior to the anticipated commencement of any commercial timber harvest or timber stand improvement. Such written notice shall include submission of the current forest management plan and harvest plan.

14. Mining and On-Site Extractive Activity.

Surface exploration, development, storage or extraction of minerals and hydrocarbons on or from the Property by any mining method is prohibited, except Grantors may remove sand and gravel on the Property to the extent permitted under Internal Revenue Code Section 170(h)(5) and applicable Treasury Regulations and provided said removal: (a) is limited and localized in impact, affecting no more than two acres of the Property at any one time; (b) is consistent with the Purpose of this Easement and not irremediably destructive of significant conservation interests; (c) is reasonably necessary for, and incidental to, carrying out the improvements and agricultural production uses permitted on the Property by this Easement, and (d) minimizes the impact to the prime and statewide important soils. The preceding sentence shall not prevent the establishment and maintenance of ponds or lakes on the Property as permitted in Section 10 (“Maintenance and Improvement of Water Sources”).

Subsurface exploration, development, storage or extraction of minerals and hydrocarbons on or from the Property by any mining method is prohibited except to the extent permitted under Internal Revenue Code Section 170(h)(5) and applicable Treasury Regulations and as provided herein. Grantors may undertake such subsurface mineral and hydrocarbon exploration, development and extraction activities only with the permission of the Grantee, which may be conditioned upon the posting of a bond. Such activities must: (a) be limited and localized in impact; (b) be consistent with the Purpose of this Easement and not irremediably destructive of significant conservation interests; (c) be subordinate to the agricultural use of the Property; and (d) mitigate any adverse effect on the agricultural viability of the Property in carrying out any permitted exploration, development or extractive activities.

Prior to determining the location of a site for such subsurface exploration, development, storage or extraction activities, the Grantors shall notify the Lead Grantee and the local Soil and Water Conservation District to give them an opportunity to participate in an onsite meeting to review proposed locations. Grantors shall agree to comply with the Department of Agriculture and Markets guidelines for agricultural mitigation for construction of such structures and related extractive activities.

15. Road Construction.

Pursuant to the Impervious Surface coverage limitations set forth in Section 8(a) (“Impervious Surfaces”), Grantors may construct roads for residential driveways, barnyards, farm markets, farm roads or other improvements necessary to provide access to, and parking for, permitted buildings or improvements, or to conduct other activities permitted by this Easement,

provided to the greatest extent practicable, impact to the prime and statewide important soils is minimized.

16. Dumping and Trash.

The dumping, land filling, burial, application, injection, or accumulation of any kind of garbage, trash or debris on the Property is prohibited, other than agriculturally-related waste or biodegradable material as described below. Without permission of the Lead Grantee, Grantors may (1) store, compost, apply or inject agriculturally-related waste or biodegradable material; (2) store old farm equipment to be used for parts; (3) temporarily store trash or household waste in receptacles for periodic off-site disposal and (4) compost or re-use biodegradable materials generated off the Property for use on the Property or commercial use or sale. All such activities shall be conducted in accordance with Sound Agricultural Practices and in a manner consistent with all applicable local, state or federal laws and regulations. Notwithstanding the foregoing, the storage and treatment of sewage associated with buildings permitted on the Property is permitted by this Easement.

17. Permission of the Grantees.

When Grantors are required to obtain the Grantees' permission for a proposed action pursuant to the Easement, permission shall be requested in writing to the Lead Grantee. The Lead Grantee shall grant permission unless it determines that such action is (1) incompatible with the Purpose of this Easement, or (2) not subordinate to the agricultural use of the Property. Such permission shall not be unreasonably withheld. The Lead Grantee shall respond with a decision in writing within forty-five (45) days of receipt of the Grantors' written request, which shall include all relevant building plans identifying the use, the Footprint Area of any proposed structures, and related survey information, if available. If the Lead Grantee fails to act within forty-five (45) days of receipt of plans and materials it deems sufficient for its review, consent shall be deemed granted unless the Grantors consent to a longer period of time for review and discussion with the Lead Grantee. The Grantees shall not be liable for damages for any failure to grant permission to Grantors.

18. Ongoing Responsibilities of Grantors and Grantees.

Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on the Grantees, or in any way to affect any obligations of Grantors as owners of the Property, including, but not limited to, the following:

- 18.(a). Taxes** - Grantors shall be solely responsible for payment of all taxes and assessments levied against the Property. If the Grantors becomes delinquent in payment of taxes the Grantees, at their option, shall have the right to take such actions as may be necessary to protect their interests in the Property and to assure the continued enforceability of this instrument and to recover all of its costs including reasonable attorney's fees. If, as a result of such actions, the Grantees ever pay any taxes or assessments on Grantors' interest in the Property, Grantors

will promptly reimburse the Grantees for the same.

18.(b). Upkeep and Maintenance - Grantors shall be solely responsible for the upkeep and maintenance of the Property, to the extent required by law and this Easement. The Grantees shall have no obligation for the upkeep or maintenance of the Property.

18.(c). Liability and Indemnification - Grantors agree to indemnify and hold the Grantees harmless from any and all costs, claims or liability, including but not limited to reasonable attorneys fees arising from any personal injury, accidents, negligence or damage relating to the Property, or any claim thereof, unless due to the negligence of the Grantees or their agents, in which case liability shall be apportioned accordingly.

19. Extinguishment of Development Rights.

Except as otherwise reserved to the Grantors in this Easement, all non-agricultural development rights appurtenant to the Property are hereby released, terminated and extinguished, and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, or used for the purpose of calculating permissible lot yield of the Property or any other property.

20. Baseline Documentation.

By its execution of this Easement, the Grantees acknowledge that the present uses of, and related structures and improvements on the Property are permitted by this Easement. In order to evidence the present condition of the Property so as to facilitate future monitoring and enforcement of this Easement, a Baseline Documentation Report, including relevant maps and photographs, describing such condition at the date hereof, has been prepared and subscribed by all parties, and a copy thereof has been delivered to Grantors and a copy will be kept on file with the Grantees. The Baseline Documentation Report may be used by the Grantees to establish that a change in the use or character of the Property has occurred, but its existence shall not preclude the use by the Grantees of other evidence to establish the condition of the Property as of the date of this Easement.

21. Right of Inspection.

The Lead Grantee shall have lead inspection and monitoring responsibilities to ensure compliance with the terms of this Easement. The Lead Grantee shall have the right to enter upon the Property with forty-eight (48) hours advance notice to Grantors for the purpose of inspecting for compliance with the terms of this Easement. Such inspection shall be conducted between the hours of 9 a.m. and 7 p.m. on a weekday that is not a legal holiday recognized by the State of New York or at a date and time agreeable to the Lead Grantee and Grantors. In the instance of a violation or suspected violation of the terms of this Easement, which has caused or threatens to cause irreparable harm to any of the agricultural or other resources this Easement is designed to protect, no such advance notice of date and time is required. An annual report, measured from delivery of this Easement, of the results of such monitoring or inspection, including advice of

compliance or any apparent violations of this Easement, shall be provided by the Lead Grantee to both (1) the Grantors, or successors of their right, title or interest in the Property and (2) any other Grantee, at the addresses provided in Section 32 ("Notices").

In the event that a Grantee believes that the Lead Grantee has failed to carry out its monitoring responsibility, that Grantee shall provide notice to the Lead Grantee of said failure, with a copy to the Grantors. The Lead Grantee shall have 20 days to respond to said notice either by carrying out the monitoring needs identified by the other Grantee or by explaining the Lead Grantee's monitoring and/or interpretation of the Easement. If the other Grantee still believes that monitoring needs are still unmet, the other Grantee may monitor or inspect the Property. In such instance, that Grantee shall notify the Lead Grantee and the Grantors of its intent to monitor at least 10 days prior to exercising such rights. Neither the 20-day nor 10-day notification requirements shall apply when their application may result in significant harm to the Purposes of this Easement.

22. Enforcement.

The Lead Grantee shall have lead enforcement responsibilities for ensuring compliance with the terms of this Easement. If the Lead Grantee determines that a violation of this Easement has occurred, the Lead Grantee shall so notify Grantors, giving Grantors ten (10) days to cure the violation: provided, however, if the violation cannot be cured during that period due to weather or other events beyond the Grantors' control, then such additional time as is reasonable shall be afforded the Grantors. Notwithstanding the foregoing, where the Lead Grantee in its sole discretion determines that an ongoing or threatened violation could irreversibly diminish or impair the Purpose of this Easement, the Lead Grantee may bring an action to enjoin the violation, *ex parte* if necessary, through temporary or permanent injunction.

In the event that a Grantee believes that the Lead Grantee has failed to enforce any of the terms of this Easement, that Grantee shall provide notice to the Lead Grantee of said failure, with a copy to the Grantors. The Lead Grantee shall have 20 days to respond to said notice either by carrying out the enforcement needs identified by the other Grantee or by explaining the Lead Grantee's enforcement activities and/or interpretation of the Easement. If the other Grantee still believes that a violation has occurred without enforcement, that other Grantee may enforce the terms of the Easement against the Grantors. In such instance, that other Grantee shall notify the Lead Grantee and the Grantors of its intent to exercise its enforcement rights at least 10 days prior to exercising such rights. Neither the 20-day nor 10-day notification requirements shall apply when their application may result in significant harm to the conservation purposes of this Easement.

The Grantors agree that any material violation of the restrictive terms of this Easement shall be deemed to be an irreparable injury and shall also be deemed to balance the equities in favor of injunctive relief. In addition to injunctive relief, the Grantees shall be entitled to seek the following remedies in the event of a violation: (a) money damages, including damages for the loss of the resources protected under the Purpose of this Easement and, particularly, damages for the improper removal of any trees, forest, and woodlands; and (b) restoration of the Property to its condition existing prior to such violation. Said remedies shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. In any case where a court finds that a violation has occurred, Grantors shall reimburse the Grantees for all their expenses

incurred in stopping and correcting the violation, including, but not limited to, reasonable attorneys' fees.

The expenses incurred in the prosecution of any legal action to enforce this Easement will detrimentally impact the Town's available cash flow. If the Town, as Grantee under this Easement, shall commence an action at law or in equity to enforce the terms of this Easement, the Town shall have the interim right to annually assess its expenses and costs including, but not limited to, reasonable attorneys' fees by charging such sums against the real property which is the subject of this Easement, by adding that charge to, and making it a part of, the next annual real property tax assessment roll of the Town. Prior to charging such assessments, the owners of the real property shall be provided written notice to their last known address of record, by certified mail, return receipt requested, of an opportunity to be heard and object before the Town Board to the proposed real property assessment, at a date to be designated in the notice, which shall be no less than 30 days after its mailing.

The failure of the Grantees to discover a violation or to take immediate legal action shall not bar the Grantees from doing so at a later time. In any case where a court finds no violation has occurred, each party shall bear its own costs. In addition, upon a Court's ruling that no violation of the terms of this Easement has occurred, the Grantors shall be entitled to a judgment in a sum equal to the amount assessed against their Property and the Town shall promptly pay said amount within ninety (90) days of said judgment.

23. Dispute Resolution.

If a dispute arises between the Grantors and the Grantees concerning the consistency of any proposed use or activity with the purposes of this Easement or any of the specific provisions contained herein, and Grantors agree not to proceed with the use or activity pending resolution of the dispute, either party may request a meeting between the parties, or refer the dispute to mediation by written request. Within ten (10) days of such request, Grantees shall schedule a meeting or the parties shall select a single trained and impartial mediator knowledgeable about production agriculture to recommend potential resolutions of the dispute. Reasonable costs associated with the mediation process shall be determined by the impartial mediator. Nothing in this clause shall diminish Grantees' rights under Section 22 ("Enforcement").

24. Transfer of Easement.

Both Grantees, acting together, or any sole remaining Grantee which has acquired the rights of another Grantee, shall have the right to transfer this Easement to any private non-governmental organization or public agency that, at the time of transfer is a "public body" or "not-for-profit conservation organization" as defined by Section 49 of the ECL and "qualified organization" under Section 170(h) of the Code, provided the transferee expressly agrees to assume the responsibility imposed on Grantee by this Easement. If a Grantee ever ceases to exist or qualify under Section 49 of the ECL and Section 170(h) of the Code, a court of competent jurisdiction shall transfer this Easement to another qualified organization having similar purposes that agrees to assume the responsibilities imposed by this Easement. Grantors must be notified in writing in advance of any such transfer.

25. Transfer of Property.

Any subsequent conveyance, including, without limitation, transfer, lease or mortgage of the Property, shall be subject to this Easement, and any deed or other instrument evidencing or effecting such conveyance shall contain language substantially as follows: "This {conveyance, lease, mortgage, easement, etc.} is subject to a Conservation Easement which runs with the land and which was granted to _____ by instrument dated _____, and recorded in the Office of the Clerk of Dutchess County on _____ at Document No. _____." Except in the case of a transfer from Neil Pierson and Elizabeth R. Pierson to James Bisceglia and Kristin Bisceglia, Grantors shall notify the Lead Grantee in writing at least thirty (30) days before conveying the Property, or any part thereof or interest therein, to any third party. The failure to notify the Lead Grantee or to include said language in any deed or instrument shall not, however, affect the validity or applicability of this Easement to the Property or limit its enforceability in any way.

26. Amendment of Easement.

This Easement may be amended only with the written consent of the Grantees and Grantors. Any such amendment shall be consistent with the Purpose of this Easement and shall comply with the ECL and any regulations promulgated thereunder and shall not unreasonably restrict or regulate farm operations in contravention of the purposes of Article 25-AA of the Agriculture and Markets Law. Any such amendment shall be duly recorded.

27. Extinguishment of Easement.

At the mutual request of Grantors and the Grantees, a court with jurisdiction may, if it determines that conditions surrounding the Property have changed so much that it becomes impossible to fulfill the Purpose of this Easement described in Section 2 ("Purpose"), extinguish or modify this Easement in accordance with applicable law. In that case, the mere cessation of farming on the Property shall not be construed to be grounds for extinguishment of this Easement.

Notwithstanding the foregoing, if condemnation by exercise of the power of eminent domain makes it impossible to continue use of all or any portion of the Property for the Purpose of this Easement as described in Section 2 ("Purpose") herein, the restrictions may be extinguished as to any such portion by judicial proceeding. Upon any subsequent sale, exchange or involuntary conversion by the Grantors pursuant to this Section, the Grantees shall be entitled to a portion of the proceeds from any subsequent sale or other disposition of the Property, or title insurance proceeds, in accordance with Section 28 ("Proceeds") herein.

In the event that Grantors retain the Property subsequent to any such extinguishment or partial extinguishment, the Grantees shall be entitled to receive from Grantors an amount equal to the fair market value of the Property or a portion of the Property as to which the extinguishment applies times the percentage determined under Section 28 ("Proceeds").

28. Proceeds.

The grant of this Easement gives rise to a property right, immediately vested in the Grantees, which, for purposes of calculating value in the event of any such extinguishment or partial extinguishment or proceeds from a sale or other disposition of the Property as contemplated under Section 27 ("Extinguishment of Easement"), shall have a value equal to a percentage of the value of the Property unencumbered by this Easement (the "Proportionate Share"). The Proportionate Share is determined by dividing the value of this Easement, calculated as of the date hereof, by the unencumbered value of the Property, also calculated as of the date hereof. The Proportionate Share is 44%. The Proportionate Share shall remain constant (subject to reasonable adjustment to the extent permissible under Section 170(h) of the Internal Revenue Code for any improvements, which may hereafter be made on the Property).

With regard to the portion of such Proportionate Share equal to the percentage of the purchase price of this Easement, the Grantees agree to use such portion in a manner consistent with the Primary Purpose of this Easement, which is to enable land to remain in active agricultural and forestry use. The Town, which has contributed to the purchase price for this Easement, shall share proportionate to their contribution to the purchase price of the Easement, in whatever proceeds become available upon the extinguishment of the Easement and subsequent sale, exchange or involuntary conversion of the Property. The Town shall be entitled to 88% of the Proportionate Share referenced above, which includes the contribution from the State Department of Environmental Conservation. The Conservancy shall be entitled to receive the percentage of the proceeds attributable to its contribution and the donated value of the Easement, which is 12% of the Proportionate Share referenced above.

29. Interpretation.

This Easement shall be interpreted under the laws of the State of New York, or federal law, as appropriate. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed to effect the Purpose of this Easement. If any provision in this Easement is found to be ambiguous, an interpretation consistent with the Purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

30. Successors.

Every provision of this Easement that applies to Grantors and the Grantees shall also apply to their respective agents, heirs, executors, administrators, assigns, and other successors in interest, and shall continue as a servitude running in perpetuity with the Property.

31. Severability.

Invalidity of any of the covenants, terms or conditions of this Easement, or any part thereof, by court order or judgment shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

32. Notices.

Any notice required or desired to be given by any party under any provision of this

Easement shall be in writing and shall be sent by (i) personal delivery, (ii) via registered or certified mail, return receipt requested, or (iii) via Federal Express or other private courier of national reputation providing written evidence of delivery. Notice shall be deemed given upon receipt in the case of personal delivery, and upon delivery by the U.S. Postal Service or private courier. All notices shall be properly addressed as follows: (a) if to the Conservancy, at the address set forth above or its last known address if such address has changed; (b) if to Grantors, at the address set forth above; (c) if to any subsequent owner, at the address of the Property; (d) if to the Town at the address set forth above or at the then location of the Town Hall.

The Grantors shall send or deliver all notices and communications required by this Easement, to the Lead Grantee. The Lead Grantee shall promptly, upon such notification from the Grantors, forward such notice to the other Grantee in writing at the above addresses.

33. Title.

The Grantors covenant and represent that the Grantors are the sole owners and are seized of the Property in fee simple and have good right to grant and convey the aforesaid Easement; that the Property is free and clear of any and all mortgages not subordinated to this Easement, and that the Grantees shall have the use of and enjoyment of the benefits derived from and existing out of the aforesaid Easement.

34. Subsequent Liens on Property.

No provisions of this Easement should be construed as impairing the ability of Grantors to use this Property, or a portion thereof encompassing entire separately deeded parcels, as collateral for a subsequent borrowing. Any subsequent liens on the Property must be subordinate to this Easement.

35. Subsequent Encumbrances.

The grant of any easements or use restrictions is prohibited, except with the permission of the Lead Grantee. Any future encumbrances shall be consistent with the primary Purpose of this Easement and shall not unreasonably restrict or regulate farm operations in contravention of the purposes of Article 25-AA of the Agriculture and Markets Law.

36. Grantors' Environmental Warranty.

Grantors warrant that they have no actual knowledge of a release or threatened release of hazardous substances or wastes on the Property, as such substances and wastes are defined by applicable law, and hereby promises to indemnify the Grantees against, and hold the Grantees harmless from, any and all loss, cost, claim (without regard to its merit), liability or expense (including reasonable attorneys' fees) arising from or with respect to any release of hazardous waste or violation of environmental laws.

If at any time after the effective date of this Easement there occurs a release in, on, or about the Property of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or in any way harmful or threatening to human

health or the environment, Grantors agree to take all steps that may be required under federal, state, or local law necessary to assure its containment and remediation, including any cleanup.

Nothing in this Easement shall be construed as giving rise to any right or ability in the Grantees, to exercise physical or management control over the day-to-day operations of the Property, or any of Grantors' activities on the Property, or otherwise to become an operator or arranger with respect to the Property within the meaning of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA") or any corresponding state and local statute or ordinance.

37. Duration of Easement.

Except as expressly otherwise provided herein, this Easement shall be of perpetual duration, and no merger of title, estate or interest shall be deemed effected by any previous, contemporaneous, or subsequent deed, grant, or assignment of an interest or estate in the Property, or any portion thereof, to the Grantees, it being the express intent of the parties that this Easement not be extinguished by, or merged into, any other interest or estate in the Property now or hereafter held by the Grantees.

38. Entire Agreement.

This instrument sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings and agreements relating to the Easement, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Section 26 ("Amendment of Easement").

39. Waiver.

No waiver by the Grantees of any default, or breach hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default or breach hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. No waiver shall be binding unless executed in writing by the Lead Grantee.

40. Binding Effect.

The provisions of this Easement shall run with the Property in perpetuity and shall bind and be enforceable against the Grantors and all future owners and any party entitled to possess or use the Property or any portion thereof while such party is the owner or entitled to possession or use thereof. Notwithstanding the foregoing, upon any transfer of title, the transferor shall, with respect to the Property transferred, cease being Grantors or owners with respect to such Property for purposes of this Easement and shall, with respect to the Property transferred, have no further responsibility, rights or liability hereunder for acts done or conditions arising thereafter on or with respect to such Property, but the transferor shall remain liable for earlier acts and conditions done or occurring during the period of their ownership or conduct.

41. Captions.

The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

42. Choice of Venue.

This Easement shall be interpreted under the laws of the State of New York. Any litigation under this Easement shall be venued in Dutchess County, State of New York.

IN WITNESS WHEREOF, Grantors and the Grantees, intending to be legally bound hereby, have hereunto set their hands on the date first above written.

Grantors

By: _____
Neil Pierson

By: _____
Elizabeth R. Pierson

Grantees

By: _____
Rebecca E. C. Thornton
President, Dutchess Land Conservancy

By: _____
Jon Wagner
Supervisor, Town of LaGrange

State of New York)
County of Dutchess), ss:

On the ____ day of _____ in the year 2010 before me, the undersigned, personally appeared **Neil Pierson**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Signature/office of individual taking acknowledgement

State of New York)
County of Dutchess), ss:

On the ____ day of _____ in the year 2010 before me, the undersigned, personally appeared **Elizabeth R. Pierson**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Signature/office of individual taking acknowledgement

State of New York)
County of Dutchess), ss:

On the ____ day of _____ in the year 2010 before me, the undersigned, personally appeared **Rebecca E. C. Thornton**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Signature/office of individual taking acknowledgement

State of New York)

County of Dutchess), ss:

On the ____ day of _____ in the year 2010 before me, the undersigned, personally appeared **Jon Wagner**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Signature/office of individual taking acknowledgem

EXHIBIT A

Description of the Property

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the Town of LaGrange, Dutchess County, New York, more particularly described as follows:

EXHIBIT B

Conservation Easement Map