

## **Peconic Land Trust exploring preservation of St. James Gyrodyne property**

By Nicholas Spangler

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Peconic Land Trust could use a combination of private and public money, including funds from a \$4.2 billion bond measure going before New York State voters this month, to buy and preserve a portion of the 75-acre Gyrodyne site in St. James, the group's president told Newsday.

“We want to keep what is open available as open space for the community,” trust president John Halsey said, citing a “unique opportunity” to create a continuous greenbelt from Stony Brook University to Stony Brook Harbor, where Avalon Park and Preserve holds 216 acres of land.

Peconic Land Trust earlier this year appraised the site and participated in meetings about possible preservation with state and local officials, Halsey said.

Gyrodyne, a former defense contractor, is pursuing Smithtown subdivision approval and has said in filings it envisions selling individual lots for uses including an assisted living facility and medical offices, but is also pursuing purchasers for most of the site.

Preservation advocates said they hope a cooling real estate market could make the company amenable to a deal. The company also faces a lawsuit filed by neighbors over the subdivision and pressure from an activist shareholder over its board governance.

Not all of the Gyrodyne site would be preserved; some land was previously sold for a catering hall, and some has been developed for light industry with tenants including Stony Brook University.

The trust would seek what Halsey called “private sources of capital” to donate or lend money to purchase roughly 40 to 48 acres of undeveloped

land at the North Country Road site near the Smithtown-Brookhaven town border.

Halsey declined to comment on the property's appraisal, which he said was completed in early fall, and would not approach Gyrodyne until he had funding lined up.

Meeting participants included Suffolk County Executive Steve Bellone, state environmental officials, Assemb. Steve Englebright (D-Setauket) and Joseph Bollhofer, a St. James lawyer and member of St. James-Head of the Harbor Neighborhood Preservation Coalition, participants said.

In an August Security and Exchange Commission filing, the company said it expected to win final subdivision approval by the end of 2022 or by early 2023. Gyrodyne's 2022 annual report, filed with the SEC in March, put its net realizable value at \$42.5 million, a figure that included properties in Smithtown and Westchester but did not break out their estimated values.

Gyrodyne officers and a lawyer representing the company did not respond to requests for comment.

In one possible scenario, he said, New York State would reimburse the trust using a portion of \$650 million from Bond Act funds that would be dedicated to buying and conserving open space and farmland for conservation and recreation. Suffolk County could also contribute money, Halsey said.

The governor's office, in consultation with the state's Department of Environmental Conservation, would control disbursement of bond funds, Englebright said.

A DEC spokeswoman said in an email that the agency is "supportive of a conservation outcome for the property and has been involved in preliminary discussions" about "potential opportunities for the property's future use." Representatives for Bellone and Gov. Kathy Hochul did not respond to requests for comment.

Bollhofer, whose group in April has an ongoing suit against Smithtown and Gyrodyne, claiming environmental review for subdivision was flawed, said last week that “I’m as positive as I’ve ever been” on the chance for preservation.

Englebright said publicly traded Gyrodyne’s “investors will appreciate certainty over uncertainty ... This is a classic example of the kind of investment that could and should be made with Bond Act funds, should the voters approve it.”

Adrienne Esposito, executive director for the Farmingdale-based Citizens Campaign for the Environment, also cheered the possibility of preservation. The Gyrodyne site includes one of the last large undeveloped spaces in Smithtown, she said. There and in the rest of Suffolk, she said, “100-, 200-, 300-acre swaths — they don’t exist anymore. We’re preserving what’s left, or it will be lost to development forever.”