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**'Friends' Raise Funds To Preserve The Hills, Oswegatchie Development Plan Drives Volunteer Partnership'**

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*'Is it going to take \$8 million to buy it? We don't know. But is \$8 million a fair price to negotiate with people and make them offers? We think so.'* East Lyme First Selectman, Wayne Fraser

East Lyme -- For the generations of hikers who scrambled along the ledges and explored the trails of Oswegatchie Hills, one assumption prevailed: The Hills would never change.

So when developer Glenn Russo came to town with plans for a development of hundreds of condominiums and then challenged the Zoning Commission's denial of his application in state and federal courts, it sent a jolt throughout the community.

Now, the lovers of the Hills are racing to acquire some 700 acres of undeveloped land along the Niantic River before developers do.

"The town has taken it for granted," said Michael Dunn, vice president of the nonprofit Friends of the Oswegatchie Hills Nature Preserve. "People have hiked it for decades and decades and never even thought anything of it. The public's general thought has been, 'It's undevelopable.'"

"I never knew," said Friends President Marvin Schutt, "who owned those hills."

Several public and private entities have come together to form Partnership for Preservation. Conceived by East Lyme First Selectman Wayne Fraser, the partnership seeks to pay "fair compensation" for nine targeted parcels in the Hills and preserve them as open space.

Included are one owned by Russo and two others for which he has options to purchase. Russo is head of Landmark Development LLC of Middletown.

Two properties already acquired by the East Lyme Land Conservation Trust — a group not affiliated with the town — and a town-owned parcel at the southern edge of the Hills could potentially form a network of 12 properties connected by trails and forest that could be preserved as open space.

Initially, the partnership wants to raise \$8 million.

"Is it going to take \$8 million to buy it? We don't know," Fraser said. "But is \$8 million a fair price to negotiate with people and make them offers? We think so."

"I hope it happens. That's a tall order," said Fred Grimsey, president of Save the River—Save the Hills, a nonprofit advocacy group. "If he can make that happen, it's wonderful. I'm interested to see how he proposes to do it, because I don't have it."

Fraser said he plans to ask town residents to approve allocating \$2 million as early as January, which would match \$2 million in open space grant money he will seek from the state. He hopes the federal government will provide \$3 million, which U.S. Rep. Rob Simmons, R-2nd District, agreed to seek.

Fraser would then aim to get another \$2 million from outside donations.

"In three years or less, we should be 90 to 95 percent secured on this land," he said at a Friends meeting last week.

So far the preservation partnership consists simply of a group of like-minded people. It has no legal status.

The members' idea is for the component groups to pool their skills and to stay in communication.

"When we target a piece of property," Fraser said, "we don't want three different entities going in there negotiating."

Last Wednesday, 16 people gathered at East Lyme Town Hall to discuss the partnership. They included members of Friends and Save the River—Save the Hills; recently elected state Rep. Edward Jutila of East Lyme and Sen. Andrea Stillman of Waterford; Old Lyme First Selectman Timothy Griswold; representatives from the offices of the governor and Simmons; a deputy commissioner of the state Department of Environmental Protection; and representatives from the Mashantucket Pequot tribe and the Trust for Public Land.

Their first priority, which the group has already set to work on, is purchase of properties adjacent to parcels that have already been preserved. That is expected to help in obtaining grant money, because it gives evidence of intent to form a large green parcel.

For now, the partnership has determined to ignore Russo's land, which is tied up in a federal lawsuit that claims the Zoning Commission's denial was racially motivated because it perpetuates a lack of affordable housing in East Lyme. Fraser said it is time to put Russo's properties "on the back burner and focus on the remaining land."

"What the real focus is, is that there is other land involved, and that the other land is under development pressure," he said.

It is nearly impossible to put a price tag on the Oswegatchie Hills.

The town assessor's office lists assessment and appraisal values for each parcel, but the last revaluation was done in 2001, before real estate prices skyrocketed. Also, each property carries with it the unknown variable of a landowner's incentive to sell or not to sell.

Badger Blackett, of the Trust for Public Land, said Thursday that the best initial approach is as a representative of a charitable organization, appealing to an owner's desire to preserve the land.

The Friends have already had success with that approach. Last week they signed an agreement to purchase an option on 65 acres in the Hills owned by Alan Gardiner of Waterford, who agreed to a price somewhat below fair market value.

With Glenn Russo it will likely be different.

Five years ago, the state DEP tried to buy Russo's property. The DEP appraised at \$2.1 million an area of 423 acres in the Hills. That area was: 86 acres owned by a subsidiary of Landmark called Jarvis and managed by Russo's wife, Alicia; the two parcels on which he holds options – owned by Sargent's Head Realty Corp.; and 194 additional acres on which Russo previously held options.

In 2001, negotiations between the DEP and Russo stalled. Russo wanted more money, while the DEP maintained that it had offered him fair market value, which by law is the most the state can pay.

David Leff, deputy DEP commissioner, said Thursday that Russo factored in potential development in obtaining his own appraisal.

"He gives hypotheticals to his appraisers," Leff said. "They came in with a higher rate."

Leff said the DEP tried to accommodate Russo by calculating hypothetical development in a subsequent appraisal, but Russo wanted three times more than the offer.

Dunn, of the nonprofit Friends, said he talked with Russo in the parking lot of East Lyme Town Hall after a meeting one night this fall and asked why he was fighting so hard. "Why not travel the smoother route", Dunn asked, "and sell the land to the town?"

"He looked me in the eye and said, 'I wouldn't sell that land to the town for 100 million dollars,'" Dunn said in an interview last month.

Russo said in a phone interview Thursday, "I don't remember saying that to him."

"I had a private conversation with Mr. Dunn, and I don't think it's appropriate to discuss a private conversation between individuals in the newspaper," Russo said.

Russo referred to an offer he has already extended, under which he would sell the town all the land it wants to designate as open space with the exception of the land Landmark wants for Phase I of its most recent proposal, which is about 150 acres. He said the town has not responded to that offer.

That proposal calls for 352 housing units, including 120 affordable housing apartments.

Prior to the announcement of the partnership, three local nonprofit groups in town were each pursuing their own preservation goals and only sometimes crossed paths. Two have said they are actively engaged in the partnership's new idea of teamwork.

Save the River–Save the Hills has no intentions of buying land. Rather, it advocates for preserving land and works on river pollution problems.

"I'll be standing on the sidelines cheering," Grimsey, its president, said.

The Friends of the Oswegatchie Hills Nature Preserve, a nonprofit group, formed for the purpose of raising money. It is incorporated, with a board of directors. Dunn, its vice president, is the principal of Dunn Associates, which buys and sells land. He has also developed properties in Groton and Waterford

and said he understands how to eye land the way a developer would.

The East Lyme Land Conservation Trust has been around the longest, more than 30 years. Its current president, Kathryn Burton, said the agency applies for grant money and does some fundraising. The trust already owns about 130 acres in the Hills, acquired through donations. The trust is not participating in the partnership.

Burton said that while she applauds the group's efforts, she considers "partnership" a legal term that could put the agency at risk should someone sue the partnership.

"We have really been working quietly," Burton said. "Three years ago I told people to not go out there and scream 'I love Oswegatchie Hills' because Glenn Russo is the type who will raise the price. The more he knows people want it, the more he will raise the price."

Burton said all the property owners have been approached, and that only two might be interested in selling. The rest, she said, have owned their land for generations and prefer to hold onto it.

Dunn said the effort to buy the other properties would still be worth it, even if Russo succeeds in his plans to build a housing development.

"We've got the seed of a nature preserve right here, right now," he said. "The more we can get, the better. The waterfront is a gorgeous, unique area that we want to get, but without it, we could still have a beautiful nature preserve. We'll take as much as we can get."