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A Bumper Crop of Bureaucracy

By <u>DANNY HAKIM</u>

ESSEX, N.Y. — When Salim B. Lewis and his wife, Barbara, began building three suburban-style homes in 2006 for the workers on their 1,200-acre organic farm here, they didn't realize they were wading into a regulatory brawl with the state that apparently set off an interagency dispute.

The farm, nestled in the Champlain Valley and not far from Montreal, is viewed by many as one of the most innovative in New York, an example of a successful agricultural enterprise and an asset in an economically depressed region.

But in March, the Adirondack Park Agency, which has varying degrees of jurisdiction over the nearly 6 million-acre Adirondack Park, assessed a \$50,000 civil penalty against the farm, equaling the second-largest fine the state agency had ever imposed.

While the Lewises had obtained local building permits, the park agency said that they failed to obtain permits from it, even though it had not sought permits for a house in three decades. Most farms in the area limit themselves to building mobile homes for migrant workers, and the agency had scant records that it had even required permits for those. Mr. Lewis, a former Wall Street investment executive, is most likely the only farmer in the region wealthy enough to build large, comfortable houses for his workers.

Critics of the agency saw it as an odd position to take for a regulatory body with environmental concerns at its core. Should the Lewises sell their farm, as they have threatened to do, a developer could build 30 homes on the property. Local lawmakers called it an example of the park agency overreaching its authority.

The long-running battle over the homes on the Lewis farm seems to have touched off an interagency squabble.

In late November, Patrick Hooker, commissioner of the State Department of Agriculture and Markets, wrote a letter to Curt Stiles, the chairman of Adirondack Park Agency, stating that the department "supports the Lewises' efforts in their attempt to provide modern, energy-efficient housing for their employees." He went on to argue that under state law, farm worker housing can be viewed as "an agricultural structure and part of a 'farm operation,' " a distinction that Mr. Lewis's lawyers argue would make it exempt from permit requirements.

Judith Enck, the deputy secretary for the environment, oversees both agencies.

"I don't think there's a dispute between the two," she said in a recent interview.

"Historically people don't like to be told what you can and can't do with your land," added Ms. Enck, a longtime environmental activist appointed by former Gov. <u>Eliot Spitzer</u>. "The A.P.A. has been reasonable and sensible."

The Lewises have equipped their operation with technology that others farmers could never afford: cultivator shovels from Denmark, German-made harvesters and an innovative approach to drainage that involves global positioning systems that allow for planting weeks earlier than other farms in the region.

"His farm operation is very impressive and we do wish him all the success with that, but the agency feels he is required to get a permit," said Mark E. Sengenberger, the interim executive director for regulatory programs for the park agency.

Mr. Lewis said he feared that if the park agency was granted jurisdiction over his farm, he would be bombarded with permit requirements. Should that happen, he added, "we're out of the farming business."

"No other farmer can fight it," he said, referring to the agency "All of them have told me you're the only guy who can fight this."

Peter Gregg, a spokesman for the State Farm Bureau, which lobbies on behalf of farmers, called the fine "totally unprecedented."

"There's other jurisdictions that have tried to impose their regulations on our farms, but I don't think we've ever come across anything this extreme," he added.

In a recent interview, Mr. Hooker, of the Department of Agriculture and Markets, played down his department's role.

"There's a discussion going on between the A.P.A. and the Lewises that has nothing to do with this agency," Mr. Hooker said, adding that he had let the matter drop after speaking to Mr. Stiles of the park agency last December. "We're all on the same page," he said.

But he conceded that he had forgotten that he had written another letter in February, this time to the Lewises — a formal opinion that appeared to take their side. The letter stated that "the use of the land in question for the siting and construction of farm worker housing is agricultural in nature."

Complicating the situation is Mr. Lewis's habit of speaking his mind frequently and loudly. Friends say he is brilliant with a strong sense of charity, but is unable to edit himself and has exasperated many people.

The Lewises first bought land in the area in the late 1970s and gradually bought adjoining farms. Their farm, on which they raise grass-fed cattle and a variety of crops, is now one of the largest organic farms in the state.

Mr. Lewis ran the investment firm, S. B. Lewis & Company, until he was prosecuted in the late 1980s for trading violations, though questions have been raised over the years about the case. Mr. Lewis was unconditionally pardoned by President <u>Bill Clinton</u>, and in 2006 a federal judge took the rare step of clearing the way for him to return to Wall Street by vacating an injunction against him.

Today he can talk about weed control as easily as the subprime mortgage meltdown. Mr. Lewis has an absolutist approach to organic purity, going so far as burying the electrical lines around his farm and surrounding his fields with several miles of roads, set deep into the earth, to improve drainage and keep workers off the soil. He says he needs the houses to attract quality workers his farm manager, Marco Turco, has a Ph.D. in agroecology from the University of Madrid.

Last Friday, a State Supreme Court justice, Richard B. Meyer, granted a stay of most of the agency's enforcement actions, and wrote in his decision that "the petitioner has established a likelihood of success on the merits on at least some issues raised."

The case highlights tensions between the park agency and people in the area.

"If Mr. Lewis doesn't win this case, he says he's going to leave," said Assemblywoman Teresa R. Sayward, a Republican from Essex County. "Then it will go to development, and we don't need that. It will probably go to second homes, which people come up here to use only part of the year."

But John F. Sheehan, a spokesman for the Adirondack Council, an environmental group, said that the park agency had to ensure that "violators don't profit from their unlawful actions."

Anita Deming, the executive director of the local Cornell Cooperative Extension, said the farm is "exactly what we really want to have in our county."

"He attracts a lot of interns and students that want to learn about organic agriculture," she added. "It's really nice to have someone who's teaching other people how to do it."

Officials at the park agency appeared to be unclear if the action they were taking was setting a precedent. Cecil Wray, the commissioner who presides over the agency's enforcement committee,

could not recall if the Adirondack Park Agency had ever required a farmer to have a housing permit.

"I can't answer the question," said Mr. Wray, a Manhattan lawyer. "I simply don't know if we've had applications for those or not. Not in my memory, but my memory is fallible."

After a search, the agency found records of two permits that had been issued to farmers for housing in the last 30 years, including one for mobile homes.

"I don't think we're looking to send a message," Ms. Enck said. "We're looking to have the law complied with."

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