

1986
ANNUAL REPORT
Nantucket Land Bank Commission

At the request of the Town of Nantucket, the Nantucket Land Bank was created by an act of the legislature in 1983 and adopted by the Town in 1984.

The Land Bank is representative of the knowledge that man can not live without land and water, or apart from it. It represents a determination to live harmoniously within Nantucket's delicate and finite environment.

The Land Bank Commission respectfully submits the following report which summarizes Land Bank activity during 1986.

MEMBERSHIP

The Land Bank is governed by a five-member Commission. Commissioners are elected by ballot to staggered five-year terms of office and serve without compensation.

At the April 14, 1986 Annual Town Election two Land Bank seats were voted upon. Wayne Viera ran unopposed and was re-elected to a five year seat. Donald T. Visco was elected to fill the unexpired term of John F. McLaughlin, who had resigned in 1985.

The present Land Bank Commissioners and their terms of office are as follows:

<u>Name and Office</u>	<u>Expiration of Term</u>
Wayne J. Viera, Chairman	April, 1991
Kenneth W. Holdgate, Jr., Vice Chairman	April, 1989
Carl F. Borchert, Secretary/Treasurer	April, 1987
Philip D. Bartlett, Vice Secretary/Treasurer	April, 1990
Donald T. Visco	April, 1988

MEETINGS

The Commission holds Regular Meetings on the second and fourth Tuesday of each month and additional Special Meetings as needed. In 1986 the Land Bank Commission called 28 meetings to order and served 50 hours administrating Land Bank activities, including: establishing policy, monitoring real estate transfers and fee collection, acquiring property, reviewing financial records, paying bills, responding to public inquiry, and otherwise overseeing all aspects of Land Bank operations.

INCOME

The Land Bank derives its income from a two percent transfer fee which is levied against real estate transactions, subject to certain exemptions. During 1986, 1541 real estate transfers were processed amounting to a total of \$274 million in gross real estate sales. Of those transfers 28 percent, or 437, were exempt from the two percent fee. Thirty-six (36) were exempt on the basis of being first time buyers of real estate. Income derived from fees collected in 1986 totalled \$5,140,619.70, a weekly average of \$98,858.

Besides the collection of fees, the Land Bank also derives a small portion of its income from interest earned on bank accounts, investments, and private cash contributions. The Land Bank earned \$298,108.68 in interest during 1986. In addition to this, \$8,710.91 was collected as interest and penalties due on delinquent fees.

Private cash contributions of \$450 were received by a Land Bank memorial fund established in the name of David Carter Inches. Other private cash contributions included \$3948 in unrestricted gifts, \$333 applied to the GSA acquisition, and \$125 awarded to the winner of the Land Bank Commission sponsored logo contest.

The chart which follows provides a summary of Land Bank income since inception in 1984.

Land Bank Income Summary

	<u>1984</u>	<u>1985</u>	<u>1986</u>
Number of Transfers	973	1464	1541
Exemptions	39.7%(387)	38.3%(561)	28.4%(437)
Gross Sales of Real Estate	\$86 million	\$153 million	\$274 million
Revenues Collected,			
2% Transfer Fee	\$1.6 million	\$2.7 million	\$5.1 million
Mean Income per Week	\$31,836	\$52,813	\$98,858
Private Contributions	\$238,733	\$476,057	\$4,856
Interest Earned	\$39,462	\$258,385	\$306,820
Total Income	\$1.9 million	\$3.5 million	\$5.5 million

OUTSTANDING DEBT

The Land Bank Commission continued to meet its 1986 debt obligations by making monthly transfers of funds toward repayment of the outstanding \$11.05 million in Land Acquisition Bonds. The Commission paid \$990,506.94 toward the debt during 1986. The bonds are scheduled to be fully paid by the year 2005.

Land Purchase Note #8, issued by the Land Bank in 1985, reached final maturity on May 1, 1986. A principal amount of \$87,500, together with interest running at a rate of 8 percent, was paid on that date.

In addition to bond debt, the following Land Purchase Notes are outstanding.

<u>Note</u>	<u>Issuance Date</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>
#9	December 20, 1985	October 1, 1989	\$200,000	6%
#10	January 6, 1986	January 8, 1990	\$765,000	6.25%
#11	December 29, 1986	June 29, 1987	\$500,000	4.5%

ADMINISTRATIVE OFFICE, STAFFING, AND OPERATING EXPENSES

The Land Bank retains office space on the first floor of the Town and County Building.

During 1986, administrative staff support for the Land Bank was provided by Resource Planner, Dawn B. Darbey. Wendy C. Jannelle served as Secretary and William R. Klein, Director of the NP&EDC, continued to serve as Advisor to the Land Bank.

Salaries and wages for two full-time staff people and part-time advisor totalled \$36,490.89. General operating expenses of the Land Bank including costs related to legal services, appraisals, surveying, printing, office supplies, audit, taxes, property maintenance, travel, postage, and telephone were \$90,253.05 in 1986, or less than 2 percent of the income received from fee collection.

1986 TOWN MEETING ACTION

The Nantucket Land Bank Commission sponsored one Warrent Article which was put before Town Meeting in April of 1986. The Article asked the Town to authorize the Land Bank Commission to acquire 97+- acres of land at Miacomet Park by eminent domain. After a very lengthy and emotional discussion, the meeting voted to authorize the acquisition by more than the required 2/3rds margin. The vote was 242 to 93, in favor.

ACQUISITIONS

The Land Bank acquired 399 acres of prime open space and conservation land during 1986, bringing the total acreage to 761. Of the property acquired, four parcels were ocean front tracts. The Land Bank now owns 3386 linear feet of beach frontage at various locations around the Island and 5850 linear feet of frontage on Nantucket's ponds. Approximately \$6 million was expended on land purchases in 1986. The following is a summary of the properties acquired during the year, in chronological order.

1. Surfside Realty Trust: 25.45 acres of land at Madequecham, adjoining a larger oceanfront tract slated to be purchased by the Land Bank over a four year period. The acquisition includes 60 acres of land and 758 linear frontage of beach. The tract abuts land of the Nantucket Conservation Foundation at Madequecham.

Price: 25.45 acres for \$400,000

Date Acquired: January 6, 1986

Financing: Out-of-Pocket and Issuance of Land Purchase Note

2. Barrett Pond: 33.36 acres abutting land of the Open Land Fund and the Town of Nantucket on Massasoit Road, at the Plains.

Price: \$697,570.35

Date Acquired: January 16, 1986

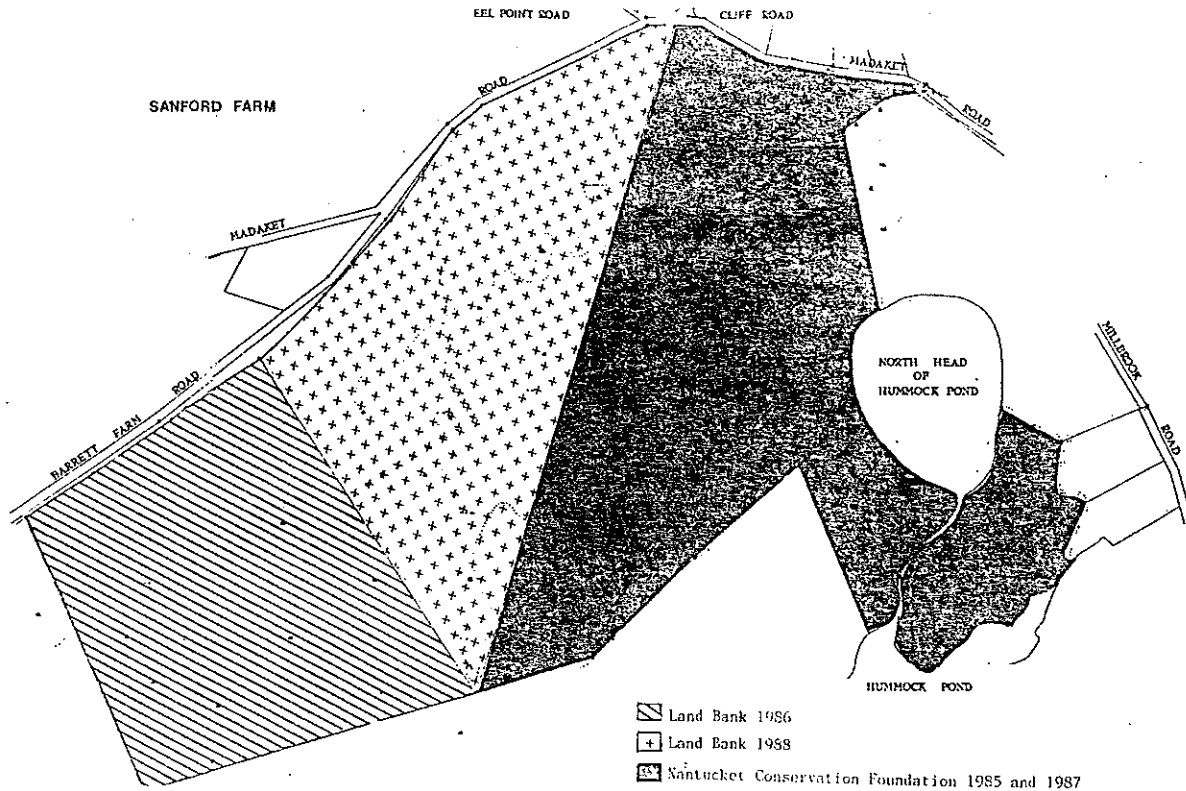
Financing: Out-of-Pocket

3. Sanford Farm: 77.76 acres of unspoiled heathland south of Madaket Road. The purchase is part of a 300 acre property which is to be purchased by the Land Bank and the Nantucket Conservation Foundation over a four year period.

Price: \$1,200,000

Date Acquired: February 12, 1986

Financing: Bond Proceeds



4. Trots Hills: 11.30 acres of land north of Madaket Road. The property had been confiscated by the U.S. Justice Department in a drug case. The purchase was made possible by cash contributions of private individuals.

Price: \$160,000

Date Acquired: March 6, 1986

Financing: \$80,000 Out-of-Pocket and \$80,000 Private Contributions

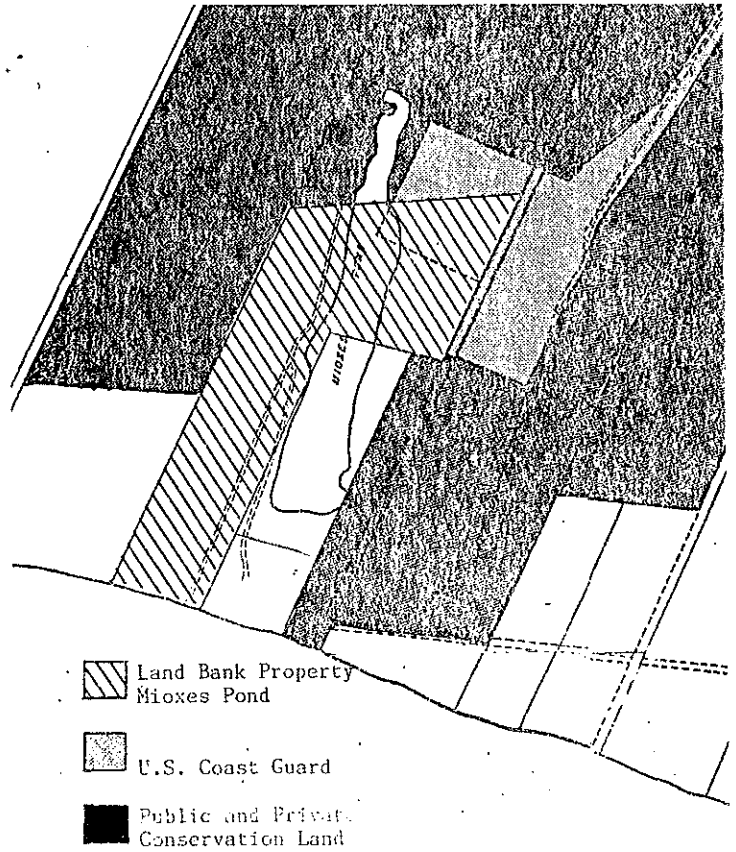
5. Kinkade: 10.3 acres of oceanfront land in 'Sconset. The property includes 600 linear feet of frontage on the Atlantic Ocean at Low Beach. The purchase was made after much controversy and a law suit brought by the Land Bank Commission, as the result of a third party intervening and precluding the purchase. The Land Bank eventually acquired the tract in an out of court settlement.

Price: \$292,650

Date Acquired: May 6, 1986

Financing: Out-of-Pocket

6. Mioxes Pond: 20.3 acres of unspoiled heathland at Smooth Hummocks. The property includes 350 linear feet of frontage on the Atlantic Ocean, plus access to both the east and west sides of Mioxes Pond. The property is habitat for numerous endangered plant and animal species, including the short-eared owl.
 Price: \$850,000
 Date Acquired: October 21, 1986
 Financing: Bond Proceeds and Out-of-Pocket



7. Frackelton: .71 acres of oceanfront land on 'Sconset with 110 linear feet of frontage on the Atlantic Ocean.
 Price: \$40,000
 Date Acquired: December 29, 1986
 Financing: Out-of-Pocket

8. Vorys: 2.5 acres of oceanfront land at 'Sconset. The property consists of beach, dune, and adjoining backland, with nearly 200 linear feet of frontage on the Atlantic Ocean. The tract is dissected by the 'Sconset Railroad Right-of-Way.
 Price: \$195,000
 Date Acquired: December 29, 1986
 Financing: Out-of-Pocket

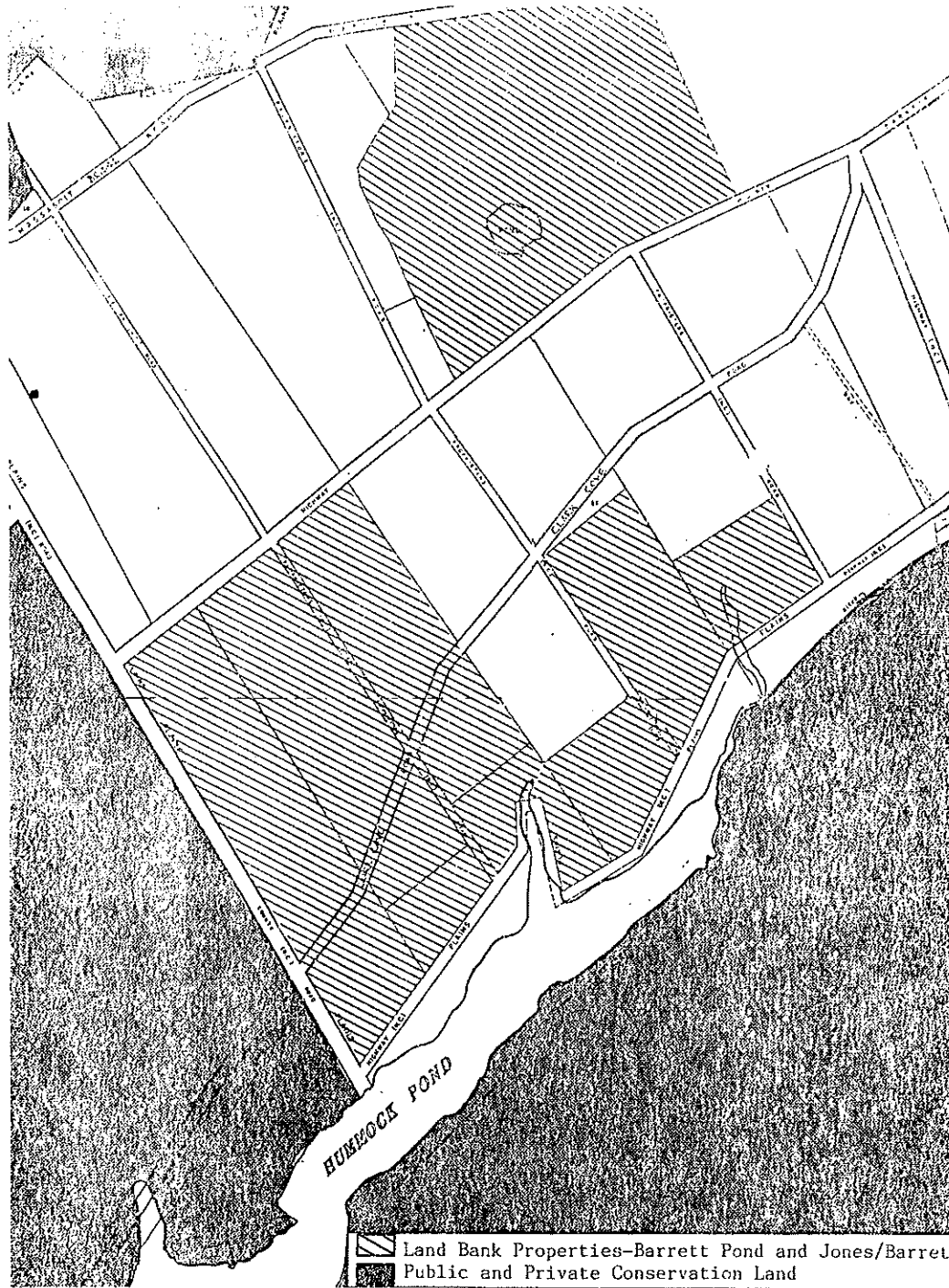
9. Benedict: 1.8 acres at Trots Hills, which joins another Land Bank property north of Madaket Road.
 Price: Gift
 Date Acquired: December 30, 1986

10. Rozelle C. Jones and Edna C. Barrett Memorial: 70 acres at the western edge of Hummock Pond and Clark Cove. The acquisition was made possible by the skillful negotiation of the Nantucket Land Council.

Price: \$975,000

Date Acquired: December 30, 1986

Financing: Out-of-Pocket and Land Purchase Note held by Boston Safe Deposit & Trust Company



11. Heller: 3.8 acres of land adjacent to the 'Sconset well fields. The tract is a portion of the designated Aquifer Protection District at 'Sconset.

Price: Gift

Date Acquired: December 31, 1986

12. North Pasture: 31 acres located in the central moors, abutting land of the Nantucket Conservation Foundation and the Nature Conservancy. The property is part of a much larger 500 acre tract, all of which is assigned to the Land Bank and other conservation groups.

Price: \$775,000

Date Acquired: December 30, 1986

Financing: Out-of-Pocket

13. North Pasture: 110 acres leased in the central moors with a firm option to purchase after 9 years. The tract abuts property of the Land Bank and other conservation groups. The leased area is open to the public for recreational use. The annual lease payment is equivalent to 7 percent of the agreed purchase price.

Lease Payment: \$192,500

Date of Contract: December 31, 1986

Financing: Out-of-Pocket

14. Miacomet Park: The Land Bank Commission has continued its effort to negotiate with known property owners at Miacomet Park. During 1986, six separate buildable parcels were purchased by the Land Bank from six separate owners. Five of those were purchases made by negotiated sale, one was acquired by eminent domain.

Price: \$212,000

Date Acquired: Various

Financing: Out-of-Pocket

Besides the new acquisitions listed, the Land Bank also expended \$225,000 for the second one half undivided interest in the Lily Pond Property. The Land Bank now owns 100 percent of that 4.5 acre in-town park.

The Land Bank Commission has also negotiated for an additional 118.8 acres of land which is scheduled for acquisition during 1987 and the years ahead. (This acreage does not include the 110 acres described above in item 13.)

The map on the following page illustrates the location of Land Bank holdings in relation to other public open space and private conservation land on the Island.