

NANTUCKET LAND BANK COMMISSION

ANNUAL REPORT FISCAL YEAR 1996

Nantucket Islands Land Bank was established by the voters of Nantucket in 1984, for the purpose of acquiring, holding, and managing important open space resources of the Island for the use and enjoyment of the general public.

Land Bank land is managed for a wide range of public uses which include passive recreation, scenic value, aquifer protection, active recreation, and rare and endangered species habitat protection.

Land Bank holdings totalled 1,332 acres of open space at the close of Fiscal Year 1996, with an additional 105 acres permanently protected by conservation restrictions. Since its inception the Land Bank has spent \$39.85 million on land purchases on the Island.

Funding for the program is derived from a 2 percent transfer fee which is levied against most real property transfers, subject to certain exemptions.

COMMISSIONERS, ADMINISTRATION, AND STAFF

Five elected Land Bank Commissioners serve without compensation administering the Nantucket Islands Land Bank Act (Chapter 669 of the Acts of 1983, as amended). In April of 1996, Timothy R. Madden was elected by the voters to a five year term of office. The Commissioners and their term expirations are as follows:

Commissioners	Expiration of Term
John D. Brock, Chairman	April 1999
Philip D. Bartlett, Vice Chairman	April 2000
Timothy R. Madden, Vice Secretary/Vice Treasurer	April 2001
Bruce W. Perry, Treasurer	April 1997
Donald T. Visco, Secretary	April 1998

The Commission continued to receive staff support from its three member full-time staff including the Director, Dawn B. Darbey (since 1985); Office Administrator, Craig D. Hunter (since 1989); and Property Manager, H. David Hall (since 1994).

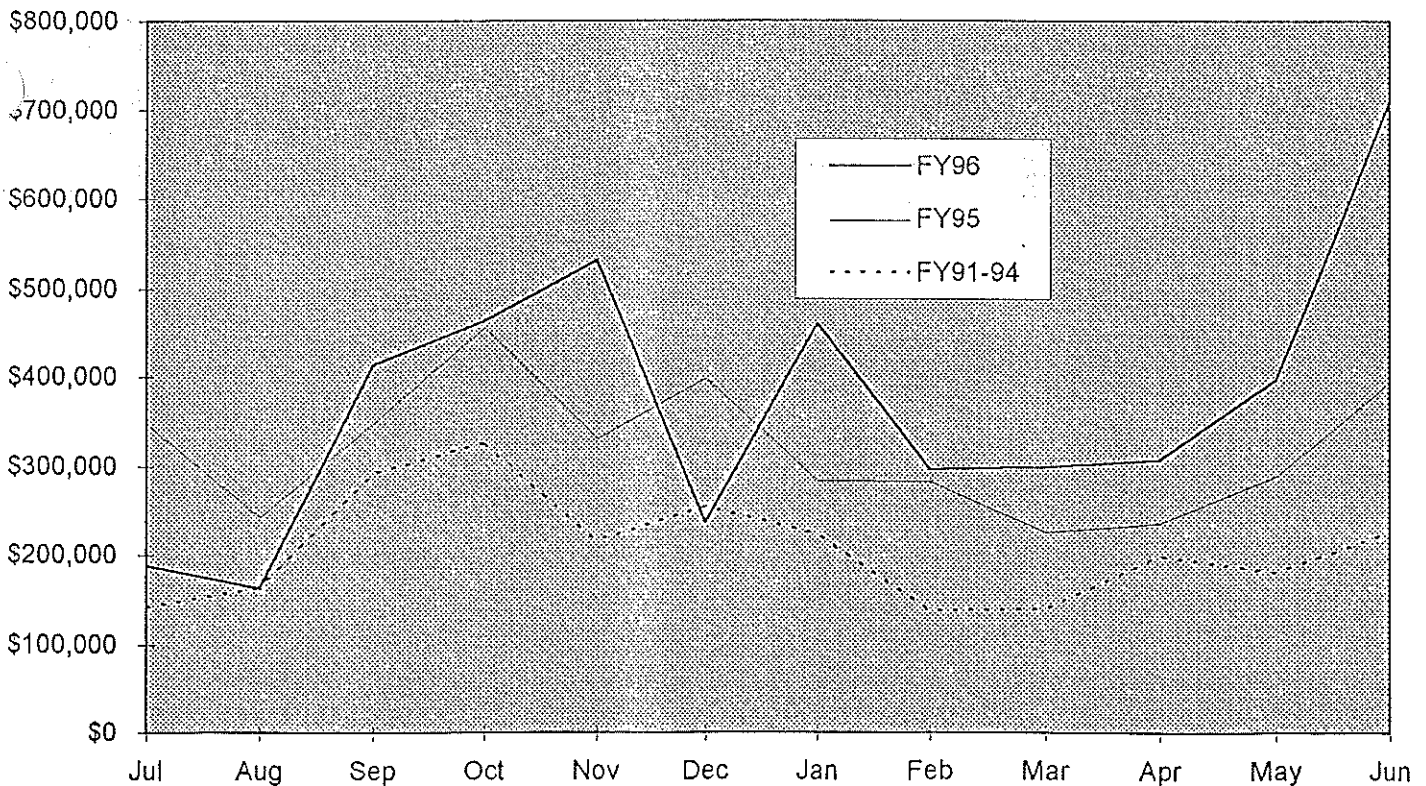
REAL PROPERTY TRANSFERS AND FEE COLLECTION

Real estate activity on the Island continued to increase during the Fiscal Year. The Land Bank's income stream from fee collection during Fiscal Year 1996 was the second largest in Land Bank history.

During the year the Land Bank processed 1,224 real property transfers, having a total gross value of \$220 million. Land Bank income received from the collection of the transfer fee totalled \$4,463,384 for the Fiscal Year.

The solid bold line on the accompanying graph illustrates transfer fee income received for each month of Fiscal Year 1996 as compared against transfer fee income in Fiscal Year 1995, and the averaged monthly transfer fee income received in Fiscal Years 1991 through 1994. (It is noted that Land Bank fees collected in June of 1996 included two large corporate transactions which dramatically skew revenues received during that month.)

MONTHLY TRANSFER FEE REVENUE COMPARISON

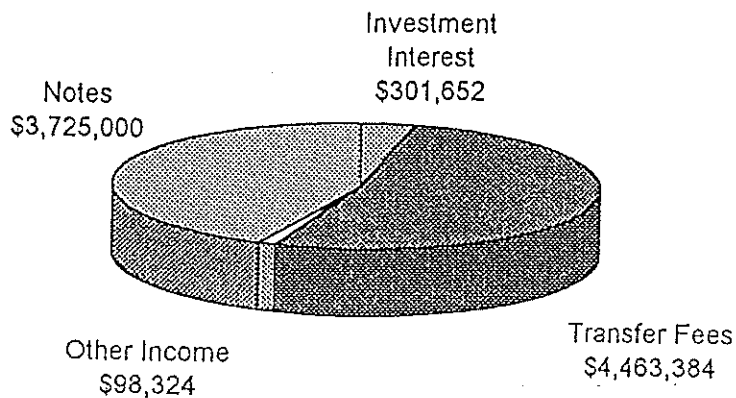


SOURCE AND USE OF LAND BANK FUNDS

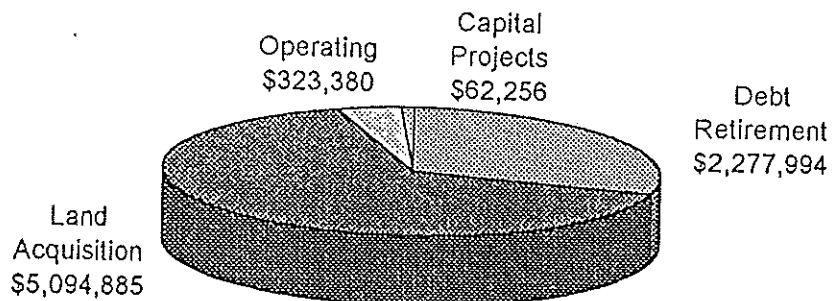
The sources and amounts of revenue received during Fiscal Year 1996 are depicted in the following chart. All funds received by the Land Bank are deposited into a revolving account which the Commission uses to administer land acquisition and property management programs and to retire debt issued for land acquisition.

The uses of funds expended this year are also shown below.

FUNDS RECEIVED FISCAL YEAR 1996



FUNDS EXPENDED FISCAL YEAR 1996



The Financial Summary which follows provides detail of the financial strength of the Land Bank at the close of the Fiscal Year.

FINANCIAL SUMMARY FOR THE FISCAL YEAR ENDED JUNE 30, 1996

REVENUES AND EXPENSES SUMMARY:

REVENUES:

Transfer Fee Revenue	\$4,463,384
Interest Earned on Accounts	301,652
Contributions	20,334
Rental Income	66,690
Miscellaneous Income	11,300
Donation of Land	<u>296,300</u>
TOTAL REVENUE	<u>\$5,159,660</u>

EXPENSES:

Operating and Other General Expenses	323,380
Capital Projects and Acquisition Expenses	49,628
Bond Administration Expenses	12,628
Land Acquisition Debt Service:	
Bond Interest	1,197,881
Note Interest	<u>173,939</u>
TOTAL EXPENSES	<u>1,757,456</u>

NET INCREASE IN FUND BALANCE \$3,402,204

ASSETS, LIABILITIES AND FUND BALANCE SUMMARY:

ASSETS:

Restricted Cash	\$3,218,562
Unrestricted Cash	3,177,296
Accounts Receivable and Prepaid Expenses	60,000
Land and Buildings	40,685,088
Prepaid Fees	59,500
Value of Life Insurance	<u>56,233</u>
TOTAL ASSETS	<u>\$47,256,679</u>

LIABILITIES:

Accounts Payable and Accrued Expenses	\$12,820
Notes Payable	5,361,555
Bonds Payable	16,638,339
Accrued Interest Payable	598,506
Miscellaneous	<u>11,723</u>
TOTAL LIABILITIES	<u>\$22,622,943</u>

FUND BALANCE \$24,633,736

TOTAL LIABILITIES AND FUND BALANCE \$47,256,679

PROPERTY ACQUISITION AND MANAGEMENT

The Land Bank added 112.5 acres of new land to its holdings during Fiscal Year 1996. A description of each of the year's new acquisitions and proposed open space use is detailed below in chronological order.

Included among this year's acquisitions were two donations of land which are described later in this report. The Land Bank wishes to extend its deep appreciation and thanks to Virginia M. Hall and The 'Sconset Trust for their generosity and commitment to land protection on Nantucket.

Land Acquisitions - Fiscal Year 1996

Gardner/ Hummock Pond

The Gardner Property is located on the east side of Hummock Pond. It totals 88.6 acres of pasture and forest land, with 2,000 linear feet of frontage on Hummock Pond. The tract represents a significant scenic resource and also provides for extensive views across the Pond to other protected open space at "Ram Pasture". The tract also abuts other protected open space along the Pond.



The Gardner Property acquisition was structured to take place in 4 parts. Three were completed during Fiscal Year 1996. The 4th and final part of the acquisition is scheduled for the early part of Fiscal Year 1997. The portions of the acquisition completed were acquired from Mary P. Gardner, as Trustee, and the heirs of Richard M. Gardner.

The tract had been used by the Gardner Family for grazing, farming, and pasture land. The Land Bank intends to manage the property in its present open natural condition and to provide the public with a system of walking trails leading to Hummock Pond.

Part I

Purchase Price: \$625,000 (Cash)
Acquisition Date: August 10, 1995

Part II

Purchase Price: \$625,000 (Note)
Acquisition Date: December 27, 1995

Part III

Purchase Price: \$625,000 (Cash)
Acquisition Date: June 27, 1996

Part IV (Proposed)

Purchase Price: \$425,000 (Note)
Acquisition Date: July 1996

Management Strategy: Scenic Open Space Protection, Protection of Pond Water Quality, and Pedestrian Access for Passive Recreational Uses

Sesachacha Pond Property - Quidnet

This property consists of .35 acres of vacant land including 113 linear feet of frontage on Sesachacha Pond at Quidnet, within a short walking distance of the Atlantic Ocean. The purchase was part of a joint effort between the Land Bank, the County of Nantucket, and Quidnet area residents which each contributed funding toward the acquisition of Quidnet open space. The purchase involved two simultaneous transactions including a direct purchase by the County of a nearby .49 acre upland parcel and this purchase of waterfront land by the Land Bank.

The Land Bank wishes to extend its sincere thanks to all those who made contributions toward the purchase of the property.

This new Land Bank parcel has traditionally been used by the public for swimming, sunbathing, access for sailing, and provides scenic views of Sesachacha Pond. It is intended that the parcel will continue to be managed in this traditional manner.

Purchase Price: \$370,000 (Cash and Note)
Acquisition Date: October 3, 1995
Management Strategy: Scenic Resource Protection and Pond Access for Passive Uses



The 'Sconset Trust Property - Codfish Park

The Land Bank received this .39 acre parcel of land at Codfish Park as a gift from The 'Sconset Trust. It is located within a very short walking distance of Gully Road and the Atlantic Ocean.

The Land Bank extends its sincere appreciation to The "Sconset Trust for their generosity in gifting this tract for future public enjoyment.

Acquisition Date: October 18, 1995 Gift
Management Strategy: Open Space and Scenic Resource Protection and
Modest Allocation of Land for Park & Recreation Commission
Use to Provide for Children's Swings

Miacomet Coastal Preserve - Miacomet Park

The Land Bank continued its assembly project at Miacomet Park during the Fiscal Year. Transactions with five separate owners were completed, adding another 1.77 acres of protected land within the coastal preserve. The project remains ongoing.

Miacomet Coastal Preserve is characterized by globally rare Sandplain Grassland Habitat. The total land area of the preserve is approximately 73 acres and provides linkage to popular south shore beach destinations and Miacomet Pond.

Purchase Price: \$34,884.63 (Total of 5 Acquisitions - Cash)
Acquisition Dates: November 2 and 29, 1995
Management Strategy: Conservation of Sandplain Grassland Habitat, Scenic Protection,
Passive Recreation, Environmental Study, and Water Access

Burgess (2/3rds interest) - Jeremy's Cove

This property consists of .41 acres of wetland located at Jeremy's Cove on Long Pond and abuts land of the Town of Nantucket. The acquisition completes a land purchase which was made by the Land Bank in 1987. At that time 1/3rd interest in the parcel was purchased. The remaining 2/3rds interest was acquired this Fiscal Year.

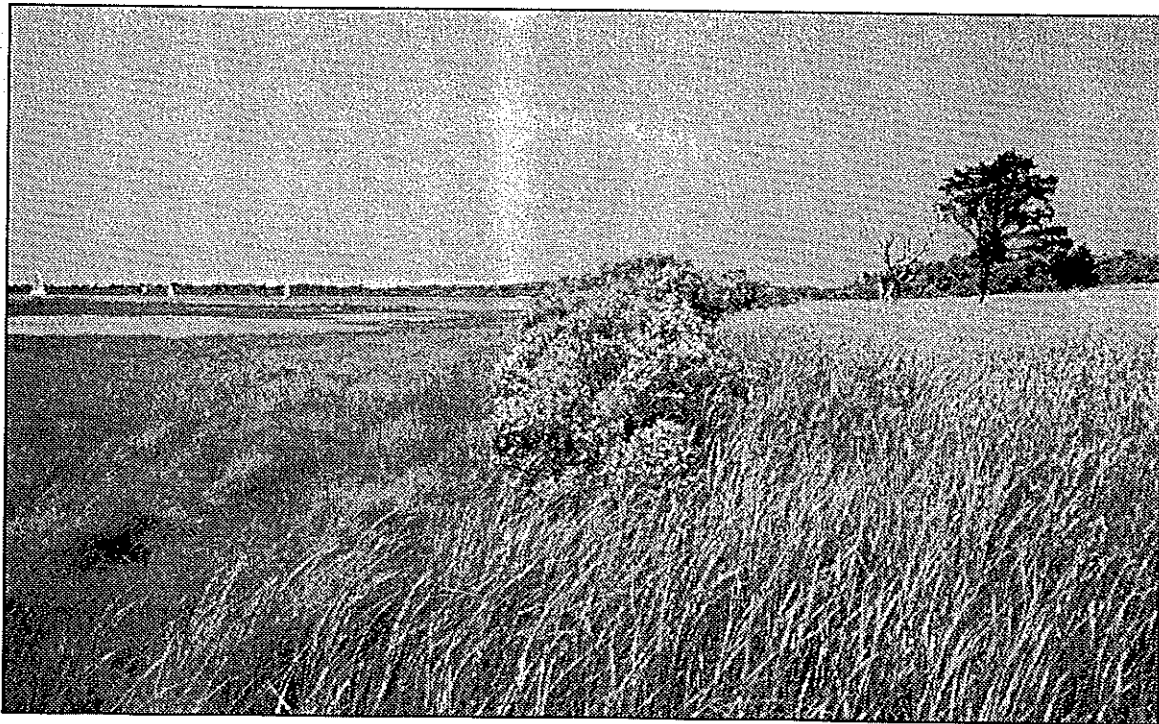
Purchase Price: \$15,000 (Cash)
Acquisition Date: December 27, 1995
Management Strategy: Protection of Wetland Resources and Scenic Integrity

East Harbor Realty Trust (the "Craig Property") - Polpis Harbor

This purchase represents the Land Bank's first acquisition at Nantucket Harbor. The tract consists of 21.3 acres of prime harbor frontage, including over 1,000 linear feet along Polpis Harbor. The parcel also provides frontage on the Polpis Road and Polpis Harbor Road. It consists of upland meadow, a grove of holly trees, wet meadow, salt marsh, and harbor beach. It is a portion of the land previously known as "Holly Farm".

The Land Bank extends its appreciation to the Nantucket Conservation Foundation for their involvement as a middle man in the transaction to allow the structure of the purchase to be fashioned to meet the sellers' objectives. The transaction was structured to include part cash and the issuance of a land acquisition note. A mortgage was issued to secure the note. Payments on the note will be interest only at the rate of 6 percent until the note reaches final maturity in the year 2006.

Purchase Price: \$2,800,000 (\$375,000 Cash and \$2,425,000 Note)
Acquisition Date: June 28, 1996
Management Strategy: Protection of Scenic Open Space Resources, Wetland and Harbor Quality, Public Access to the Harbor, and a Modest Allocation of Land for Parking



Hall - Sesachacha Pond

This .03 acre parcel is located along Sesachacha Pond and directly abuts other land purchased by the Land Bank at that location (described earlier in this report as "Sesachacha Pond Property - Quidnet"). The parcel was a very generous gift from Virginia M. Hall. The Land Bank extends its sincere appreciation and thanks to Ms. Hall for her foresight and support of public land conservation on the Island. The property includes beach and wetland buffer area and frontage on Sesachacha Road. It has served as a popular destination for swimming, sunbathing, and sailing.

The Land Bank will manage the property in its open scenic condition, and encourage continued public access to the water.

Acquisition Date: June 28, 1996 Gift
Management Strategy: Protection of Scenic and Wetland Resources, and Pond Access
for Passive Recreational Uses

John D. Brock
Chairman

Dawn B. Darbey
Director