

NANTUCKET LAND BANK COMMISSION

**ANNUAL REPORT  
FISCAL YEAR 1997**

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 holdings totaled 1,565 acres of land at the close of Fiscal Year 1997, with an additional 105 acres permanently protected by conservation restrictions. Since its inception the Land Bank has expended \$43.39 million on land purchases on the island.

Funding for the program is derived primarily from a 2 percent transfer fee which is levied against most real property transfers within Nantucket County. During Fiscal Year 1997 real estate market conditions remained on the rise, yielding the largest fee collection period in the history of the Land Bank. The graphs which follow in this report illustrate the history of transfer fee revenue of the Land Bank by fiscal year from 1984 to the present.

In April of 1997 the people of Nantucket voted to boost the land acquisition program of the Land Bank by authorizing the issuance of a \$25 million land acquisition bond to be used exclusively for the purchase of land for public use and open space protection. The Commission is grateful to the voters for this substantial support. The money will be used to acquire open space resources during Fiscal Year 1998.

**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 1997, Bruce W. Perry was re-elected by the voters to another five year term of office. Commissioner Perry later resigned his post. Kenneth W. Holdgate, Jr. was appointed to fill the vacancy until the next annual election.

The Commissioners and their term expirations are as follows:

|                          |            |
|--------------------------|------------|
| Kenneth W. Holdgate, Jr. | April 1998 |
| Donald T. Visco          | April 1998 |
| John D. Brock, Chairman  | April 1999 |
| Philip D. Bartlett       | April 2000 |
| Timothy R. Madden        | April 2001 |

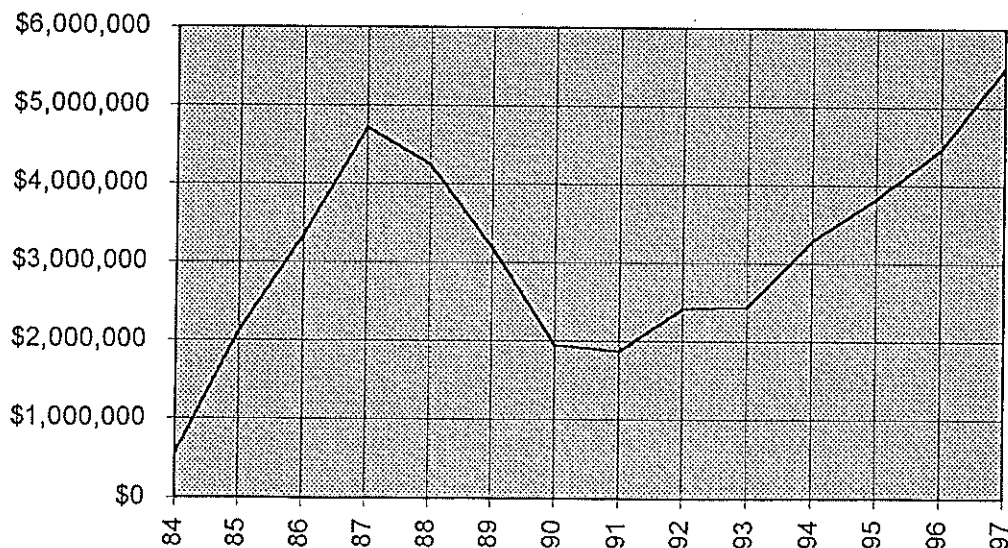
The Commission received full time staff support from Director Dawn B. Darbey (since 1985) and Office Administrator Craig D. Hunter (since 1989). Ms. Darbey resigned from her position at the end of the fiscal year. Eric Savetsky was appointed as the new Land Bank Director, effective in Fiscal Year 1998.

The Commission expanded its property management program during the fiscal year to include two full-time positions. Bruce W. Perry was hired as Property Manager and Robert W. Earley was hired as Assistant Property Manager.

## REAL PROPERTY TRANSFERS AND FEE COLLECTION

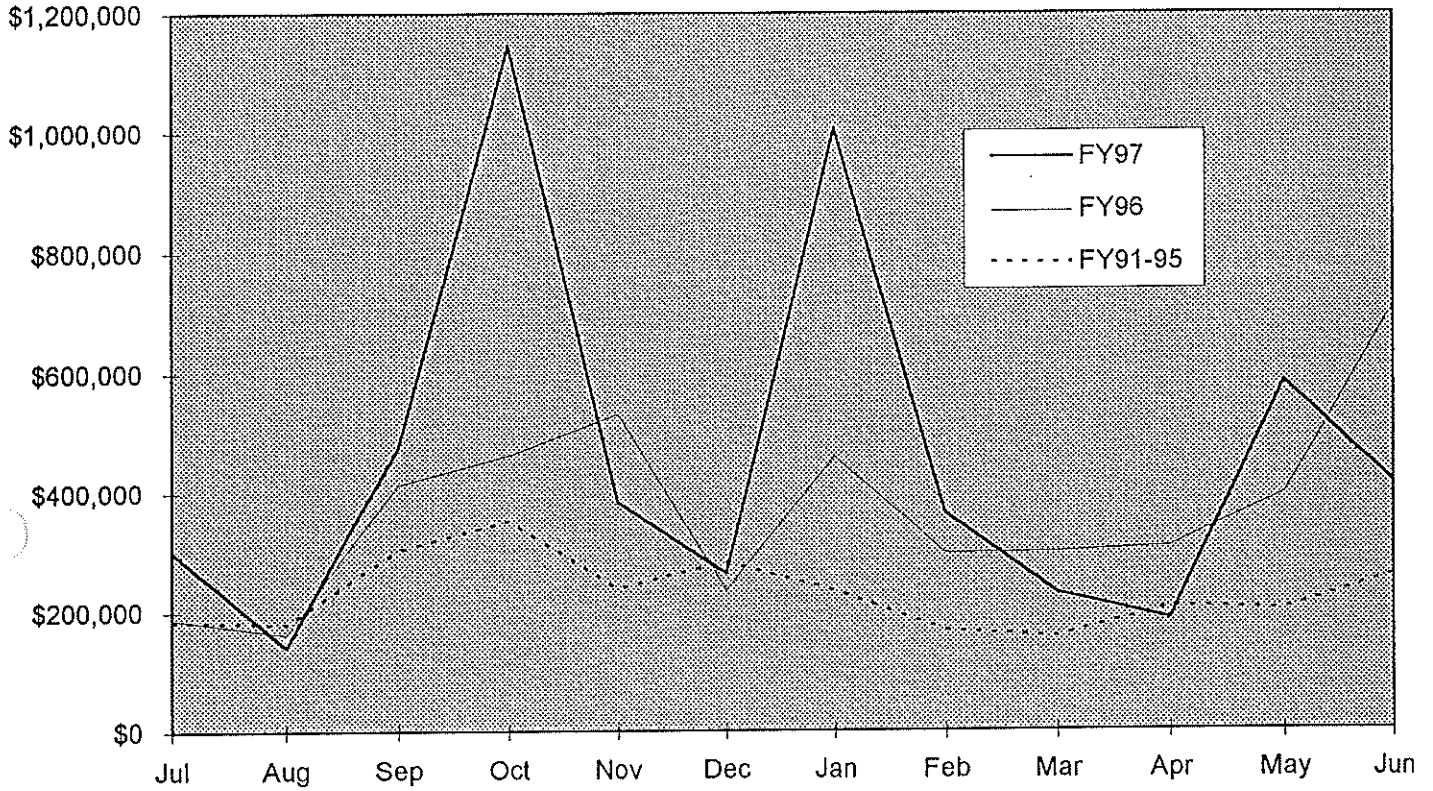
During the year the Land Bank processed 1,255 real property transfers, having a total gross value of \$289 million. Land Bank income received from the collection of the transfer fee totaled \$5,497,285 for the fiscal year. This represented the largest transfer fee income ever recorded by the Land Bank, as is depicted on the following graph.

NANTUCKET ISLANDS LAND BANK TRANSFER REVENUE  
BY FISCAL YEAR



On the graph shown below, the solid bold line illustrates transfer fee income received for each month of Fiscal Year 1997 as compared against transfer fee income in Fiscal Year 1996, and the averaged monthly transfer fee income received in Fiscal Years 1991 through 1995.

### MONTHLY TRANSFER FEE REVENUE COMPARISON

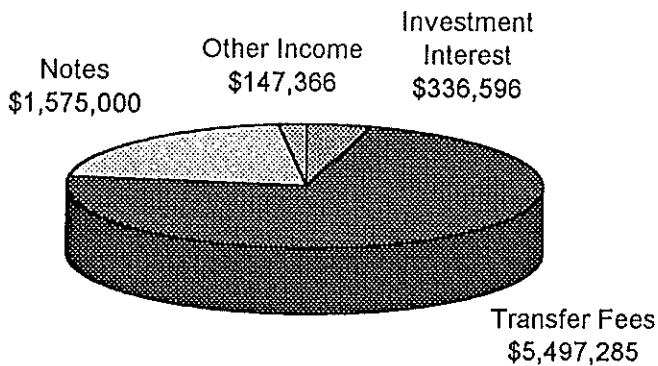


## SOURCE AND USE OF LAND BANK FUNDS

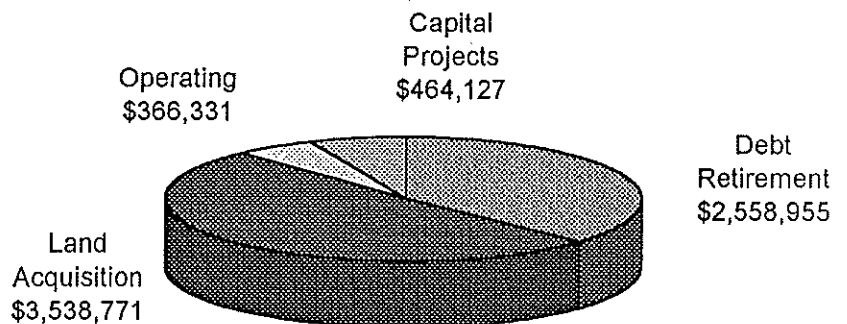
Sources of Land Bank revenue include transfer fee income, interest earned on investments, proceeds from the issuance of land acquisition bonds and notes, and charitable contributions. The sources and amounts of revenue received during Fiscal Year 1997 are depicted in the following chart

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 acquisitions. The uses of funds expended during Fiscal Year 1997 are also shown below.

### FUNDS RECEIVED FISCAL YEAR 1997



### FUNDS EXPENDED FISCAL YEAR 1997



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, 1997

REVENUES AND EXPENSES SUMMARY:

REVENUES:

|                             |                    |
|-----------------------------|--------------------|
| Transfer Fee Revenue        | \$5,497,285        |
| Interest Earned on Accounts | 336,596            |
| Contributions               | 85,152             |
| Rental Income               | 60,483             |
| Miscellaneous Income        | 1,731              |
| Donation of Land            | <u>1,813,926</u>   |
| TOTAL REVENUE               | <u>\$7,795,173</u> |

EXPENSES:

|                                           |                  |
|-------------------------------------------|------------------|
| Operating and Other General Expenses      | 366,331          |
| Capital Projects and Acquisition Expenses | 464,127          |
| Land Acquisition Debt Service:            |                  |
| Bond Interest                             | 1,160,806        |
| Note Interest                             | <u>405,818</u>   |
| TOTAL EXPENSES                            | <u>2,397,081</u> |

NET INCREASE IN FUND BALANCE \$5,398,092

ASSETS, LIABILITIES AND FUND BALANCE SUMMARY:

ASSETS:

|                                          |                     |
|------------------------------------------|---------------------|
| Restricted Cash                          | \$3,847,721         |
| Unrestricted Cash                        | 3,947,088           |
| Accounts Receivable and Prepaid Expenses | 10,000              |
| Land and Buildings                       | 46,026,699          |
| Prepaid Fees                             | 52,500              |
| Value of Life Insurance                  | <u>83,466</u>       |
| TOTAL ASSETS                             | <u>\$53,967,474</u> |

LIABILITIES:

|                                       |              |
|---------------------------------------|--------------|
| Accounts Payable and Accrued Expenses | \$49,418     |
| Notes Payable                         | 7,196,721    |
| Bonds Payable                         | 16,065,458   |
| Accrued Interest Payable              | 620,749      |
| Miscellaneous                         | <u>3,300</u> |
| TOTAL LIABILITIES                     | \$23,935,646 |

FUND BALANCE \$30,031,828

TOTAL LIABILITIES AND FUND BALANCE \$53,967,474

## PROPERTY ACQUISITION AND MANAGEMENT

The Land Bank added 232.84 acres of new land to its holdings during Fiscal Year 1997. A description of each of the year's new acquisitions and proposed open space use is detailed in chronological order.

Included among this year's acquisitions were three gifts of real property. On behalf of the people of Nantucket, the Commission wishes to extend its deep appreciation and thanks to Mr. Robert Anderson, Mr. and Mrs. Richard Graham, and the late Marjorie Schultz for their generous gifts of land and their individual commitment to the protection of Nantucket's unique character and natural beauty.

Property management activities of the Land Bank were increased during the fiscal year. Included among these activities were the laying out and cutting of walking trails, mowing of pastureland, installing split-rail fence to delineate property lines, and improving roadways which provide public access within Land Bank properties. Because of the demand for public access to the harbor, the Land Bank cleared and delineated a modest parking area at its Craig Property along Polpis Harbor.

### Land Acquisitions - Fiscal Year 1997

#### *Gardner Property - Hummock Pond*

This acquisition represents the 4th and final part of a transaction which was commenced in 1995.

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".

| Part I               |                                                                                                  | Part II           |                   |
|----------------------|--------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Purchase Price:      | \$625,000 (Cash)                                                                                 | Purchase Price:   | \$625,000 (Note)  |
| Acquisition Date:    | August 10, 1995                                                                                  | Acquisition Date: | December 27, 1995 |
| Part III             |                                                                                                  | Part IV           |                   |
| Purchase Price:      | \$625,000 (Cash)                                                                                 | Purchase Price:   | \$425,000 (Note)  |
| Acquisition Date:    | June 27, 1996                                                                                    | Acquisition Date: | July 7, 1996      |
| Management Strategy: | Scenic Open Space Protection, Protection of Pond Water Quality, and Access for Recreational Uses |                   |                   |

*Schultz Property - Town*

The Land Bank received this property as a bequest from the late Marjorie Schultz. It consists of .15 acres of land and a dwelling located at 38 West Chester Street. Ms. Schultz intended this gift to be used to enhance the purposes of the Land Bank and open space protection on Nantucket.

The Land Bank is sincerely thankful for this very generous gift and for Marjorie Schultz's commitment to Nantucket and land conservation.

Acquisition Date: October 22, 1996 Gift By Bequest  
Management Strategy: Enhancement of Land Bank Program. Use to be determined.

*The Plains/Head of Plains Property - off Massasoit Bridge Road  
and Milestone Road - North/South*

The Land Bank acquired 170 acres of open space in a series of transactions which included 15 separate parcels of land located in 3 locations on the island; off Massasoit Bridge Road, and on the north and south sides of Milestone Road. Each of the acquisitions constitute part of larger land conservation assembly projects at these locations. Negotiations for the assembled parcels have spanned more than a decade.

Off Massasoit Bridge Road: The Land Bank purchased 93.71 acres of land at The Plains/Head of Plains area of the island. The tract provides 2,550 linear feet of frontage on Massasoit Bridge Road and abuts numerous acres of land owned by the Land Bank, the Town and Nantucket Conservation Foundation.

Milestone Road (North): The acquisition included 36.07 acres of vacant land at the central moors. The tract abuts the State Forest and runs from Milestone Road through to Polpis Road. The property provides 1600 linear feet of Milestone Road and 1,000 linear feet of frontage on the Polpis Road. It consists of gently rolling pinelands providing linkage to large tracts of protected open space at the central moors.

Milestone Road (South): This tract is located south of Milestone Road, running from Milestone south to Hinsdsale Road. It includes 40.98 acres of gently rolling pinelands and abuts other land of the Land Bank and the State Forest. The acquisition contributes to the scenic protection of the Milestone Road corridor.

Purchase Price: \$3,017,497 (\$1,200,000 Cash and \$1,817,497 Notes)  
Acquisition Date: November 19, 1996  
Management Strategy: Open Space and Scenic Resource Protection, and Recreation

*Lacouture - Low Beach, 'Sconset'*

The Land Bank exercised a right of first refusal it held on a .29 acre parcel located at Ocean Avenue in 'Sconset. The property consists of coastal bank and dune. It includes 157 linear feet of frontage along Ocean Avenue and is adjacent to other ocean front land of the Land Bank at Low Beach.

Purchase Price: \$90,000 (Cash)  
Acquisition Date: December 10, 1996  
Management Strategy: Beach Access, Scenic Protection, Recreation

*Anderson - Low Beach, 'Sconset'*

This property was donated by Robert Anderson of Dataw Island, South Carolina. It consists of 2.51 acres of beach and dune habitat located south of Tom Nevers Pond. The tract abuts land of the Town of Nantucket.

The Land Bank extends its appreciation for the generosity of Mr. Anderson in making this gift of land to the public.

Acquisition Date: December 10, 1996 Gift  
Management Strategy: Recreational Use, Beach Access

*Kidd Property - Head of Plains*

The Land Bank exercised its option to acquire this 55.8 acre tract of land located along Clark Cove Road, adjacent to Hummock Pond. The acquisition is part of a larger land assembly project at this area of the island which was commenced in 1986 when the Land Bank acquired 79.5 acres of land from the Kidd Family for \$975,000.

This recent acquisition was a part of that earlier transaction. The tract was slated for acquisition by the Land Bank 10 years after the 1986 purchase. The purchase price reflects the seller's carrying costs of the property during the option period.

Purchase Price: \$6,274.02 (Cash)  
Acquisition Date: April 23, 1997  
Management Strategy: Protection of Scenic Open Space Resources and Recreational Use



*Graham Property - Low Beach, 'Sconset*

This 3.30 acres of vacant land is located along Low Beach Road, 'Sconset. The property includes beach and dune habitat and directly abuts land of the U.S. Coast Guard and Town of Nantucket.

The property was received as a gift from Richard and Marion Graham. The Land Bank extends its sincere appreciation and thanks for this support of public land conservation on the island.

|                      |                                                                      |      |
|----------------------|----------------------------------------------------------------------|------|
| Acquisition Date:    | April 23, 1997                                                       | Gift |
| Management Strategy: | Protection of Scenic and Wetland Resources, and<br>Recreational Uses |      |

John D. Brock  
Chairman