

BY KATHRINA MARQUES
PHOTOGRAPHY BY ERIC SAVETSKY



THE NANTUCKET ISLANDS
LAND BANK

BILL KLEIN'S BIG IDEA...

WAS ALREADY WELL established and bearing fruit when he made the following remark at a growth-management and preservation conference in March of 1989:

Nantucket is a dramatic illustration of a community that thought it could never come to an agreement about what kind of a place it wanted to be and which suddenly reached agreement on a very bold notion.

The bold notion, the creation of a Nantucket Islands Land Bank, the first of its kind in the nation, was Klein's. The agreement on that notion came at Town Meeting in April 1983, when attendees voted in favor of filing a bill with the state legislature to establish a land bank for Nantucket. Although Klein and his supporters had spent many months selling the idea of

a land bank at the local and state level, and felt confident that the Nantucket community was ready to embrace it, he may not have been prepared for the spectacular fashion in which it did so. The vote in favor of the Land Bank Article was 446 to 1. "I nearly fell over," Bill Klein was reported as saying.

Klein was Nantucket's first Planning Director (specifically, director of the Nantucket Planning and Economic Development Commission), a position he held from 1974 to 1991. His idea developed from a "think tank" for planning and growth-management professionals held on Nantucket in 1982. Its basic premise was that of a transfer tax on real estate transactions on Nantucket, money that would go directly toward acquiring open space on the island, to be held in the public trust, for public use.

The idea was radical as well as simple. Radical in that it would ask the state to allow a municipality (Nantucket) to create a new form of taxation (likened to "a sales tax on real estate" by one commentator); and also that the funds generated through this transfer tax would be solely dedicated to the acquisition and preservation of open space. Simple, too, in that the very same forces that were causing loss of resources essential to the island's identity would be tapped into, to provide a stream of funding to protect at least some of those resources. A 2% transfer fee, paid by the buyer on most real estate transactions, would be used by the Land Bank to protect the type of land that Bill Klein, and others, felt was crucially important to what it meant to live here. A major issue at the time was potential loss of public access to beaches. This might sound somewhat absurd on an island ringed by a flat, sandy shoreline but it was, in fact, a real possibility. Although many people were not aware of it, Klein repeatedly pointed out that, of Nantucket's eighty-eight miles of beach, only one and a half miles were public.

On Nantucket, in the early 1980s, more than a quarter of the island was already protected open space, made possible through the vision and efforts of various conservation groups, most notably the privately funded Nantucket Conservation Foundation, which had been founded in 1963. But many felt that this was not enough. In a highly speculative real estate market, and with development tending toward sprawling rather than concentrated, a real sense of urgency prevailed over what, if anything, could be

done to protect more of the remaining undeveloped land before it was lost forever. The time for a big idea had come, before time ran out. Tom Giffin, in an *Inquirer and Mirror* editorial, urged Town Meeting voters to endorse the land bank article, tapping into just this sense of urgency. "The island began to slip out of our hands in the late Sixties, and now it is being bought out from under us at a phenomenal rate," he wrote. And, if islanders lamented these losses—the ongoing erosion of the characteristics of landscape and space that made the place so special—then it was time for islanders to do something about it:

"We have never had this power to protect our land before. The power of self-defense is long overdue and the Land Bank legislation will give it to us."

The legwork by Klein and other planning professionals, along with the rhetoric and exchange of ideas, paid off. The Nantucket Islands Land Bank was established by a special act of the state legislature in December 1983, introducing another tool into Nantucket's growth-management efforts, and one with just such an element of local empowerment and responsibility. The 2% transfer fee applies to most, but not all real estate transactions. There are exemptions, including one for first-time homebuyers. This is not the Land Bank's only source of revenue: It can borrow money and can also accept contributions and appropriations by the town. The five-member elected Land Bank Commission uses these funds to acquire land for open space, recreation, and agriculture. Commissioners serve five-year terms, and are unpaid, making their service truly a labor of love. But beyond the logistics of why and how, the Land Bank concept prompted a fuller consideration of what it means to purchase a home by establishing a connection be-





THE CREEKS

tween the actual home and the greater place in which it is located and a responsibility to protect that place, especially one as finite and fragile as Nantucket. Not only developers, or second-home owners, but everybody who purchases property on Nantucket pays something toward protecting what makes it a unique and desirable place to live.

But, as taxation is wont to do, this source of funding for the Land Bank inevitably generated such opposition as there was to the proposal. Some denounced it as “exclusionary,” even “not the American way.” The lone dissenter at the 1983 Town Meeting likened it to a forced contribution, “a tax on a very small number of people for the benefit of a very large number of people.” The concept of land banks later fell out of favor at the state level during the Weld and Celluci administrations, Governor Paul Celluci again bringing up the “exclusionary” and “elitist” labels. Klein always held fast to the notion that the land bank was anything but exclusionary, maintaining that it was, in fact, inclusionary—an attempt to guarantee public access to open spaces, ponds, and beaches before that access was put out of reach by development or skyrocketing prices. It was, ironically, during this difficult period, when the idea of land banks was in question, and Nantucket’s proposal to increase the fee from 2% to 4% was languishing in the state legislature’s Joint Committee on Taxation, that the first big idea begat another, and the Land Bank received a much-needed boost. The island real estate community, opposed to the increase, proposed instead that the town borrow \$25 million for the land bank. The \$25 million Land Bank Bond, requiring a Proposition 2½ override, was passed by voters in May of 1997, an indication of the community’s continuing commitment to open-space protection and to making this land bank work.

The Land Bank idea offered a unique format for local,

public-sector participation in open-space protection. Overlapping in overall goals with other island conservation groups, but differing in specifics and acquisition strategies, and with an eye on public use and benefit, it would deliver not just more land, but more land types to Nantucket’s open-space acreage. The timing was right, the community was behind it, and the results over a span of some thirty years have surely fulfilled Bill Klein’s vision of what such an organization could accomplish. Waterfront properties have always been high on the Land Bank Commission’s priority list, and concerns over beach access have been addressed with the acquisition of the island’s iconic “local” beach—the “40th Pole”—and a string of south shore beach-access points. Acquisitions along Washington Street have opened up previously blocked views across Nantucket Harbor toward Monomoy, and a serenely beautiful creek-side property just outside of downtown is now banked for future public use. From large parcels adjoining Conservation Foundation land in Middle Moors and Ram Pasture to tiny lots like the Fair Street park, from public golf courses to agricultural land supporting small farm initiatives and community gardening, the Land Bank boasts a truly diverse collection of properties, from which everyone who lives or visits here benefits. And in combination with the island’s largest owner of open space (the Nantucket Conservation Foundation), and other groups, the Land Bank’s approximately 3,000 acres (purchased with more than \$200 million collected to date) have contributed toward fulfillment of another wish expressed by Klein when he first began sounding the alarm bells in the early eighties, that 50% of the island might be protected open space.

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A Reflection on Land Bank Beginnings

BY BILL KLEIN

I became Nantucket's first planning director at the age of twenty-seven. Although I had never set foot on the Island before my interview, it wasn't long before I came to love the place. I was hooked.

Growing up on Long Island, I knew the perils of planned sprawl firsthand. The idea of a Land Bank based on a transfer tax grew in part from a number of experiences and concepts gathered during my earlier planning work in New York and Pennsylvania. I had learned that if communities are serious about guiding growth, a much stronger tool than zoning is needed—one that faces up to the takings clause of the U.S. Constitution.

It was heartbreaking during those early years to see the island slipping away from islanders, beginning to become like everywhere else. In 1972, the town had adopted a conventional large-lot zoning ordinance that wasn't very innovative. In 1974, the last best chance to lock in "forever wild" lands on the Island—the Nantucket Sound Islands Trust Bill (the Kennedy Bill)—had just gone down to a narrow defeat in Congress. By the late 1970s, we were subdividing about five hundred lots and building about a hundred homes a year. This meant that some four hundred vacant lots were being put into inventory annually, much of it in outlying areas. Nantucket was rapidly locking in its future settlement pattern; it wasn't a pretty picture. While the Nantucket Conservation Foundation had done a terrific job of conserving large expanses of open space, there was still an alarming amount of shorefront and habitat up for grabs.

That's about the time a year-rounder remarked to me, "You know, Bill, Nantucket doesn't like to do things the way they do on the mainland." This was the "aha" moment. It was a green light. What would it cost to purchase the development rights to needed shorefront and critical habitat? I figured about \$100 million. That's when I began musing about a real estate transfer tax, but instead of raising general revenues, the proceeds would be dedicated to open-space preservation.

I drafted the bill, hardly daring to believe it could become a reality. State environmental officials gave advice; conserva-



tion-minded legislators sponsored the measure. Getting support from Nantucketers was an intensive two-year consensus-building effort. With almost four hundred real estate brokers and twenty-five percent of the workforce involved in construction, this was a daunting task. Backed by the Nantucket Planning & Economic Development Commission, I spent an

inordinate amount of time in conversation with islanders and summer people. In 1982, we brought in off-island experts to brainstorm about "Nantucket in the Year 2002," followed by the *Goals and Objectives for Balanced Growth* document, in which the Land Bank concept is mentioned. In the end, the brokers and contractors were enthusiastic about the measure, which is what legislators wanted to see.

Much to our surprise, the bill passed that first year. Two months later, buyers were delivering Land Bank forms and writing checks—a dream come true.

HISTORIC
Nantucket

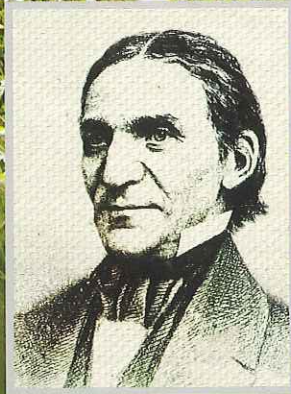
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BIG IDEAS

ON A LITTLE ISLAND



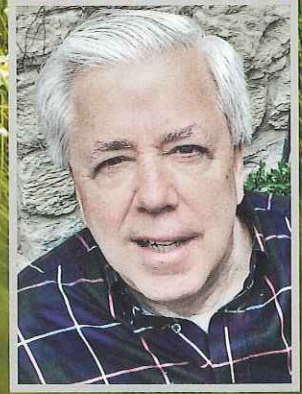
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