

# Voters say yes to \$25 million Land Bank bond

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Voters went to the polls Thursday and raised the average annual residential property tax bill by at least \$170 to help the town buy \$25 million in open space and spare it from development.

With only 1,637, or 30 percent of registered voters turning out at the polls, the so-called \$25 million Land Bank bond passed with 54 percent of voters in favor, 46 percent against. Bond supporters say conservation-minded groups need more money to buy open space and preserve the island's character.

In all, 879 people voted in favor of the question, with 756 against, and two blanks. Nantucket has 5,391 registered voters.

While questions immediately began to swirl about how far \$25 million will go on the high-priced island real estate market, there was praise for the bold statement made by voters.

"Nantucket is a special place," said Sen. Henri Rauschenbach (R-Brew-



Photo By Merrill Mason

Michael Angelastro, a real estate broker, cast his ballot in last Thursday's election.

ster). "It's one of the few places I know of that could prioritize that and afford to do it."

Heading into the polls, voters were torn between the choice of raising their own taxes and watching even more open space fall to development in this

fast-growing county. Last year, property buyers and sellers contributed \$5.2 million to the Land Bank via its 2 percent tax on property transactions, but many believe more money is needed to allow open space needs to compete with development.

The bond was proposed by real estate agent Hamilton Heard Jr. and supported by an alliance of environmental and real estate interests.

"It shows that people are really concerned about the future of Nantucket," Heard said Friday morning. "This is a big step towards trying to keep it as much the way it is now as it possibly can be. It's the right thing for Nantucket."

Planning Board Chairman and real estate agent Joan Barnes agreed. "It indicates some resolve on the part of the community to try to protect our open space, what little we have left," she said.

The \$25 million will be raised through a town borrowing and the 13-year-old Nantucket Land Bank will decide how to spend it on available open space.

The vote allows the town to exempt the borrowing from Proposition 2 1/2, which limits annual property tax increases. Depending on how the repayment schedule is drafted, the bond will add

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between \$170 and \$214 to the average residential property tax bill. The average residential assessment is \$297,287.

Real estate agent Michael Angelastro supported the bond as an alternative to

doubling the 2 percent Land Bank tax, a proposal that is still pending.

"The Land Bank has an opportunity to spend \$25 million to acquire the land they have targeted now rather than sometime in the

future," he said. "Maybe \$25 million isn't going to buy all that they want but it certainly could put a dent into their wish list."

Land Bank Commission member Tim Madden remembers when voters in

the early 1990s rejected a request for \$250,000 to build high school ballfields.

"It's amazing what a difference five years can make," he said. "The people put their money where their mouths were."

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It was the quietest of solutions to the most urgent of problems. A Town Meeting article that was never called for debate. An override measure that saw minimal lobbying by either side, and squeaked past by barely more than 100 votes. And all of it done, in the words of one selectmen, "to keep the island from being sold out from under our feet."

In 1997 land values — as a result of both Wall Street's boom and the island's

omnipresent popularity — soared to a fever pitch. By summer's end, Nantucket's assessed property values totaled over \$4 billion. The average value of a home had jumped 38 percent, to \$718,000; per-bedroom value had screamed up to \$206,000.

The demand was only amplified by shrinking availability; from 1990 to 1997 the number of listings had declined almost 60 percent. Soon the market was being driven not by sales, but price

— closures of over \$2 million were accounting for more than a quarter of the market's dollar volume, but only 3 percent of its transactions. In 1997, with a third of the island already built, and another third protected, land-buying on Nantucket had become a flat-out race for that final portion, between those who would build and those who would protect.

And the latter were sorely outgunned. Overwhelmed by its deep-pocketed private

competitors, the Land Bank resurrected its battered effort to double its land transfer fee, from two percent of the purchase price to four. And once again, the realtors — both on Nantucket and in Boston — came together to oppose it.

What the island's realtors devised in response was for the Land Bank both a miracle cure and a poison pill; a \$25 million bond that would allow huge swathes of land to be snatched up immediately, but which would also kill the sense of urgency needed to get the Land Bank bill through the state legislature. Damned if you do...

But the trade-off was a fair one. The town passed the bond in May; the Land Bank bill stagnated in Boston short-

ly thereafter (even with only the two percent fee, the Land Bank recorded a record \$6.9 million in revenues for 1997 — another testament to the explosive market). Since then, however, 119 acres of land have been purchased with almost \$7 million of bond proceeds — including the 28 acre parcel known as Trot's Hills, and 48 acres near the Shawkemo Hills, which afford vistas of both the harbor and the middle moors.

As for the rest of the bond money, Land Bank officials have indicated that they will spend it quickly, and not stop until it is gone; the same could probably be said for developers, about the island.

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