



Wilkes Square Redevelopment

Town of Nantucket, MA

September 15, 2010

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Chapter 91

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Background



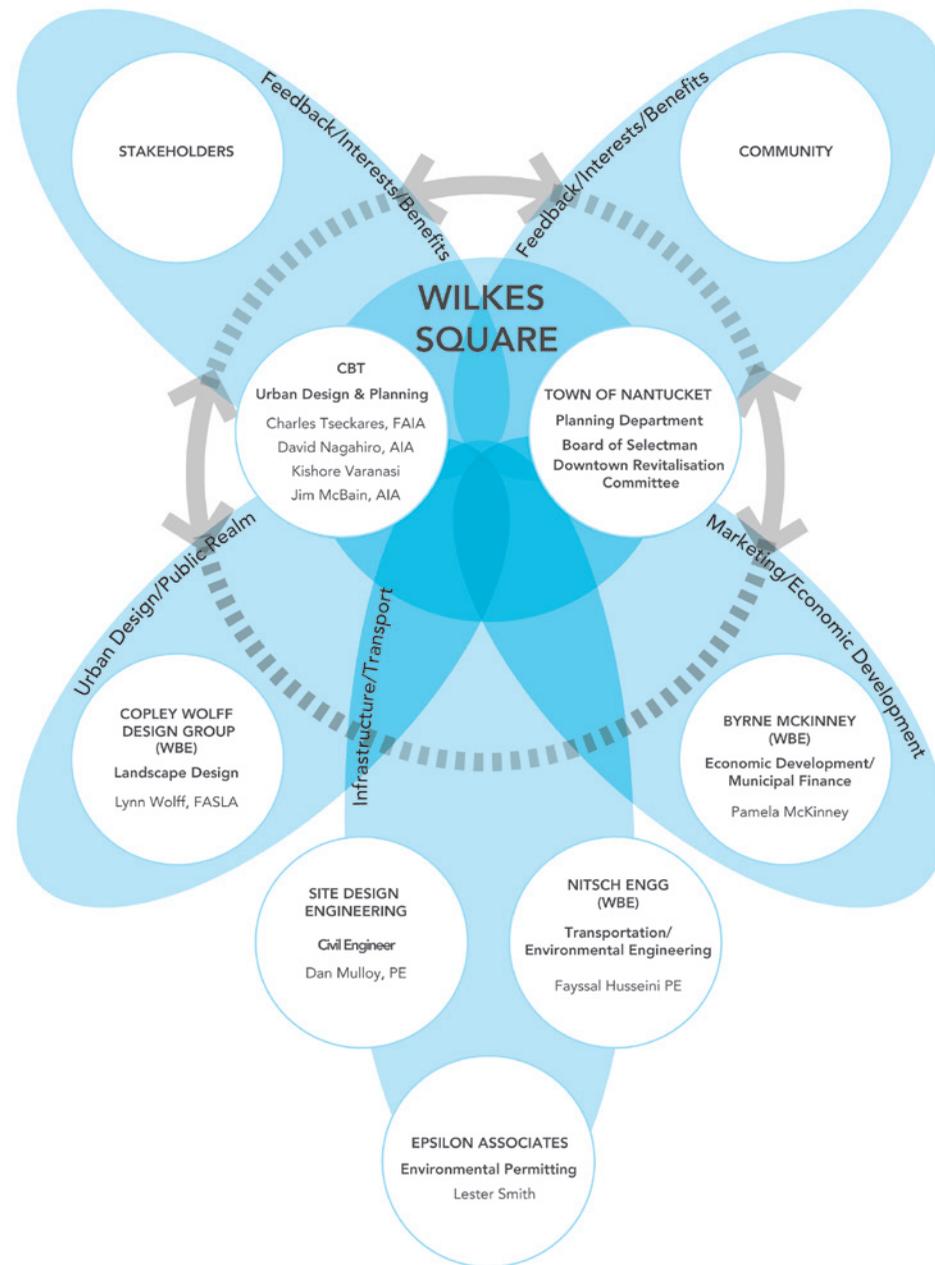
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The Town of Nantucket has conducted a preliminary planning study for the Wilkes Square (Candle Street) Redevelopment Site (Map) including the National Grid, Greenhound, Winthrop, and Nantucket Island Resort properties as identified in Article 90 of the Nantucket 2008 Annual Town Meeting. The site, located on the Waterfront at the entrance to the town, and adjacent to downtown and half its area, is a rare commodity to find in towns and cities and is highly valuable to the Town of Nantucket.

The Board of Selectmen has charged the Downtown Revitalization Committee with identifying goals for the Nantucket downtown area that balance economic strength with community preservation, and encourage greater venues for social activity while recognizing the importance of planning. The focus of the study is to:

- Attract a wide range of individuals through a multifunctional environment including: housing, work, shopping, culture, entertainment, government, and tourist attractions.
- Balance the human, social, and economic needs with the infrastructure requirements of parking, public transportation, bike racks, road access, traffic flow, sidewalks, and shore front walkways.
- Attract commercial business to locate downtown by providing guidance on financing, zoning, and preliminary site design
- Protect the unique qualities, historical significance, and feel of the Town.
- Incorporate attractive space for civic gatherings.
- Recognize the value of keeping the Town Government in downtown.

1:02 Scope and Methodology



The focus of this study is to create a redevelopment vision and framework for the Wilkes Square site by responding to the goals set out by the Town and by analyzing multiple variables related to planning, economic development, traffic and transportation. This is the beginning of a more detailed future study and development of a Public-Private Partnership to redevelop the site. The outcome of this study is intended to generate a framework for rezoning of the site as well as a comprehensive approach for infrastructure funding from various federal and state agencies. It is understood that a cohesive vision for the site can meet all of the community objectives as opposed to individual land owners acting on their own under current zoning parameters. Ultimately, the scope of this study is to promote economic development through good planning.

The focus has been to develop a framework for the overall site that considers public benefits as well as private sector incentives to achieve these benefits. The framework is intended to be highly flexible and create a structure for both physical and policy development in the future. Lastly, the study is highly focused on practicality of the project and a detailed set of “next steps” towards implementation was developed.

The framework is an outcome of a six month long public process and reflects feedback provided by public. The public outreach was arranged through a series of formal meetings/presentations as well as one on one interactions through a series of open houses. A majority of the land owners have been included in the outreach.

LIST OF STAKEHOLDERS

Board of Selectmen
Downtown Revitalization Committee
Planning Office
Historic District Commission
Town Association
Nantucket Regional Transit Authority (NRTA)
Representatives of Green Hound LLC
Representatives of NationalGrid
Representatives of Nantucket Island Resorts
Members of the Press
Salt Marsh Center
Business Owners
Residents of the Town

SCHEDULE

Jul 2009: Project Start - Reconnaissance and Data Collection
Sep 16 2009: First Meeting
Sep-Oct 2009: Development of Preliminary Alternatives
Oct 14 2009: Open House
Oct-Nov 2009: Development of Alternatives
Nov 18 2009: Third Public Meeting
Nov-Dec 2009: Development of Final Alternatives
Dec 05 2009: Christmas Stroll Open House
Jan 2010: Fourth Public Meeting
Jan 27, 2010: Final Public Meeting
September 15 2010: Submission of Findings



01 October 14, 2009 Open House
02 DRC Presentation
03 & 04 January 27, 2010 Open House



02 The Site and Context



2:01 Study Area Description and Features

The study area is approximately a 5.65-acre area bounded by Main Street, Commercial Street, Washington Street, and New Whale Street. The site is currently owned by multiple land owners.

Premier Site and Opportunity For Nantucket

Situated on the waterfront directly adjacent to downtown and located relative to key demand generators, Wilkes Square represents a special opportunity for the Town of Nantucket. The size of this site is equal to the six-block area between Main, Broad, Federal, and Center Streets and is half as big as downtown Nantucket.

Nantucket is a premier tourist destination in New England. The year-round population of approximately 11,000 swells to 50,000 during the summer season. Downtown Nantucket primarily caters to the visiting population today and is seasonal. Majority of the year round population has withdrawn from living and engaging with it due to traffic congestion and lack of attractions. Redevelopment of the Wilkes Square site has a potential to set the stage to alleviate some of the problems in downtown and find opportunities for downtown to be an all season destination for both year round and visiting populations.

1. WINTHROP AND NIR SITES

These sites occupy the northern half of the site and comprise of the following important elements:

a. Winthrop Parking Lot: This tree-canopied parking lot was created in 1965 and provides the much needed parking supply for the downtown today. This shared parking lot has approximately 120 parking spaces that are available on an unsecured basis for town users. This parking lot is used as a flexible civic space during town wide festivals such as the Christmas Stroll. This openness provides

a visual aperture from Main Street to the water. The Sycamore tree that is located in the parking lot is one of the special features of the site that requires careful consideration during the redevelopment of the site.

b. Harbor Fuel: Harbor Fuel is situated prominently on New Whale Street on the waterfront and is the only remaining industrial infrastructure on site. The Town license with Harbor Fuel for fuel tanks expires in September of 2009 and the town is in discussion with the owners regarding a plan to relocate the tanks to a site outside of the downtown.

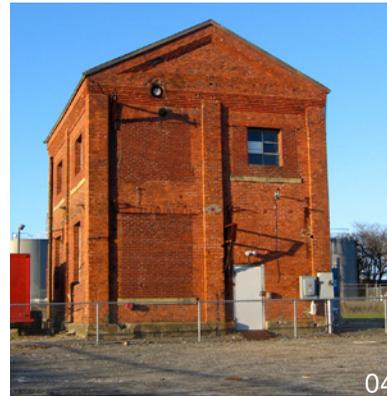
c. Grand Union Grocery Store: Grand Union is a Nantucket institution that serves both downtown residents and visitors. This facility is praised for its convenience and affordability if not for its modern-day functionality. The grocery store parking lot serves as informal parking for other users of the downtown. The Grocery Store lease with Winthrop expires in 2010.

2. NATIONAL GRID

This site occupies the Southern half of the site. This site was used to generate electricity for Nantucket until recently. In 1996 the power supply was switched to a cable connection underwater to the mainland. Currently, there is a generator and substation building at the southeast corner of the site. There is a requirement to maintain a 20-foot clearance around this facility. In addition, vehicular access to the barge in boat basin should be maintained. The site has since been vacated and subjected to environmental clean up. There are two brick buildings on site that present an opportunity for historic preservation and reuse. The owners of the site have expressed an interest in finding a workable redevelopment plan for their property.

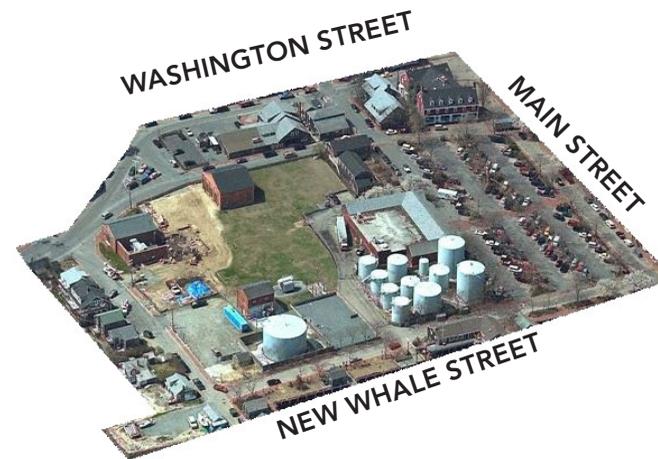
3. GREENHOUND LLC. SITE (NRTA)

This site is located closest to town on the western part of the site. The site is currently the home for Nantucket Regional Transit Authority's shuttle bus station. NRTA runs seven out of their 14 routes from this center. This service is key to the transportation sustainability of the island with an annual ridership of approximately 250,000 passengers.



01 National Electric Transformer Facility
 02 NRTA Transportation Center
 03 Grand Union Grocery Store
 04 Old Brick Building on National Electric Site
 05 Harbor Fuel

SCALE COMPARISON OF THE SITE WITH DOWNTOWN



2:02 Historic Context

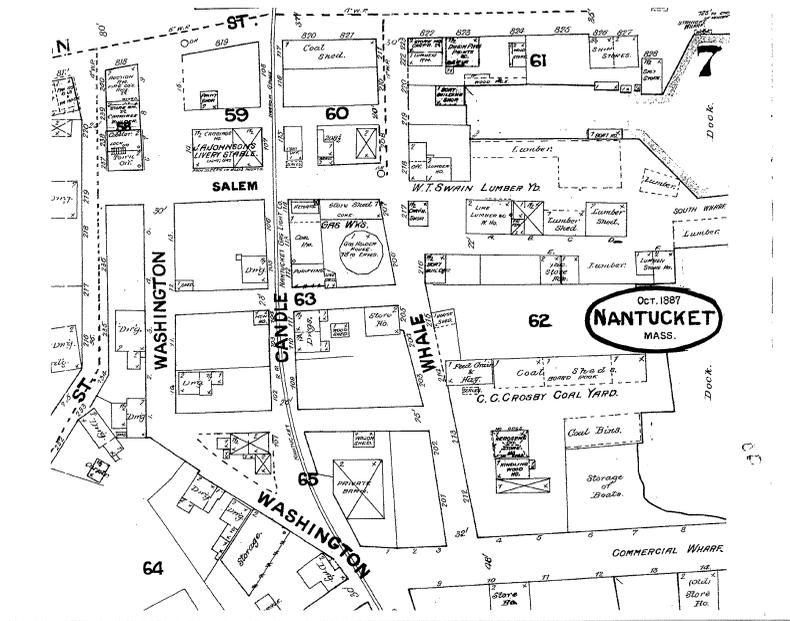
The town of Nantucket is located on the busy harbor and the downtown area contains some of the best preserved and most interesting architecture. In 1966, the town was listed on the National Registry of Historic Places. However, the Wilkes Square site went through a series of transformations over the last 150 years, from a thriving urban mixed-use district to an industrial waterfront. This analysis sets up cues for the future redevelopment of this site.

1800s Thriving Urban District

The early period of 1800s was the high point of the Whaling Industry in Nantucket. The waterfront was a thriving-working and mixed-use area with a contiguous urban fabric to downtown. A combination of industrial and residential architecture can be found during this time with buildings ranging from two to five stories tall. The later half of the 1800s resulted in a decline of Nantucket due to the end of the Whaling Oil era. But the decline helped Nantucket preserve its historic architecture. By 1870s Nantucket started to redefine itself as a summer retreat and a tourist destination.



Source: Nantucket Historical Association



1930s Period of Industrialization

By the 1930s, automobiles have become dominant in Nantucket and the town expanded beyond the downtown to the entire island. Fuel needs and power generation transformed the waterfront into an industrial area. This was the beginning of the decline of the waterfront as a thriving mixed-use center.

1930s

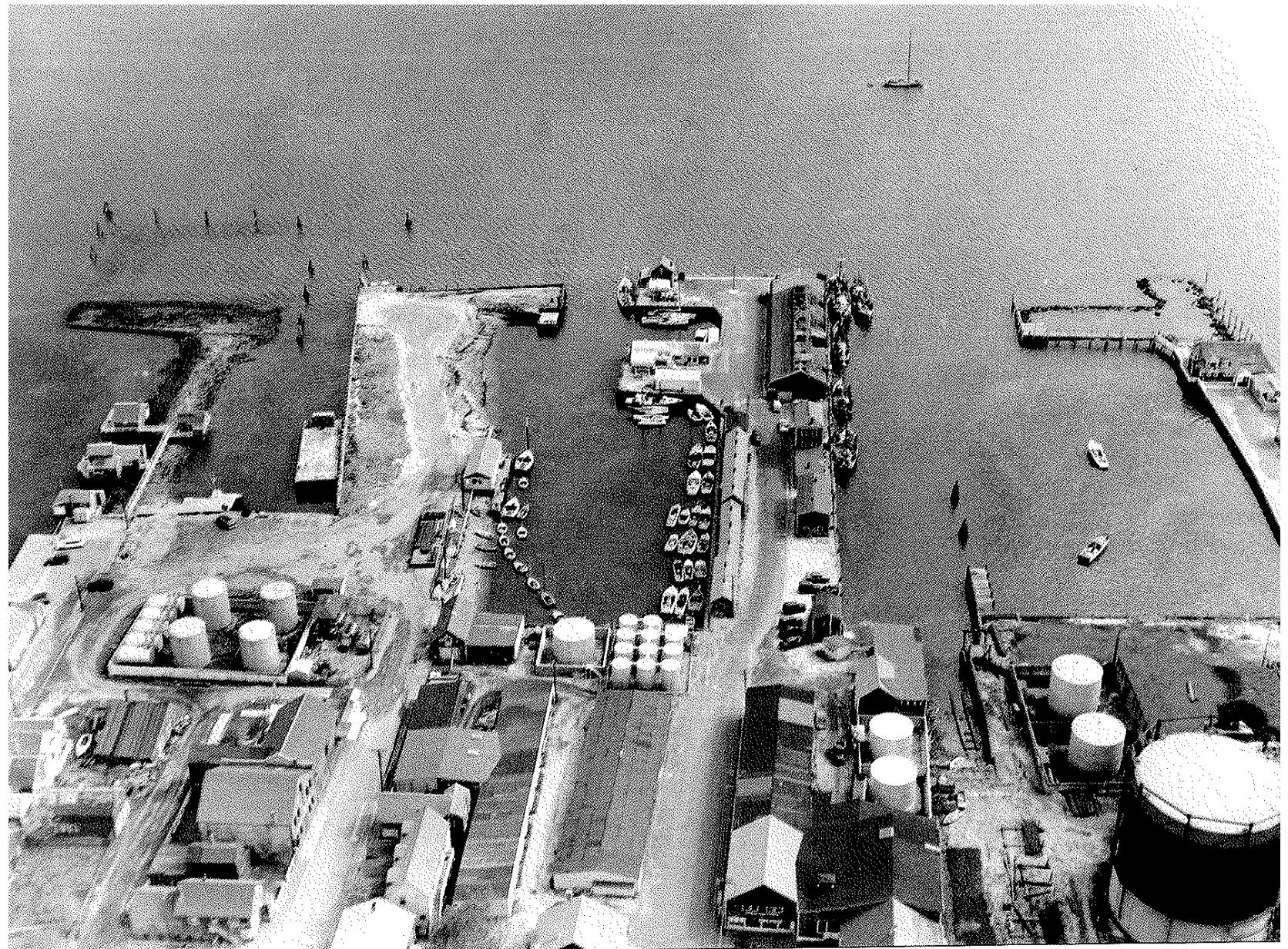


Source: Nantucket Historical Association



1960s Exclusive Tourist Waterfront

By this time, summer tourism had become the primary industry on the island. Realizing the tourism potential led to extensive efforts in historic preservation. Walter Beinecke, Jr., had begun the revitalization of downtown buildings, including the waterfront wharves, to attract wealthy tourists. In conjunction with the large scale industrial uses, the positioning of the waterfront to certain seasonal tourists made the waterfront exclusive. Some of the recent efforts through Chapter 91 have enhanced access to the waterfront.



Source: Nantucket Historical Association

2:03

Urban Design Qualities and Challenges



Seasonal



Active Marine Uses



Transient and Vibrant Yet Chaotic



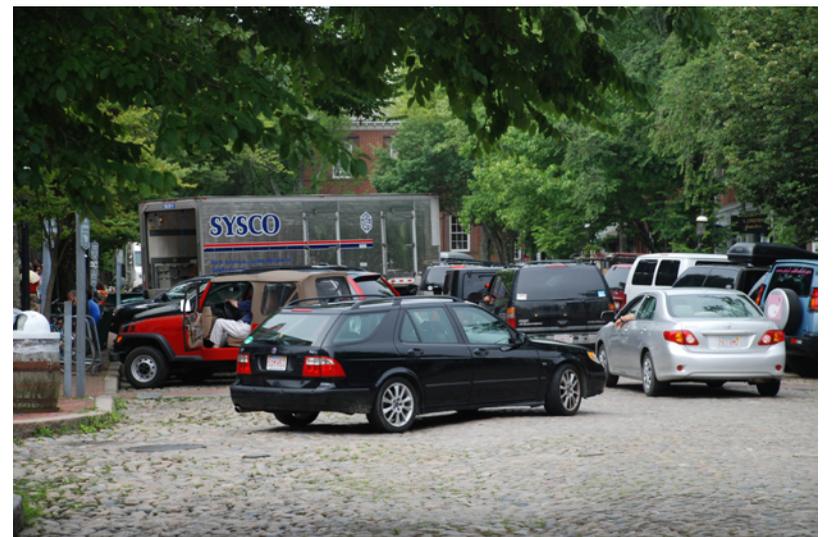


Beautiful Landscape Details



Serenity and Chaos

Pedestrian, Bicycle, and Vehicular Conflicts



Views from and to the Water and Landmarks



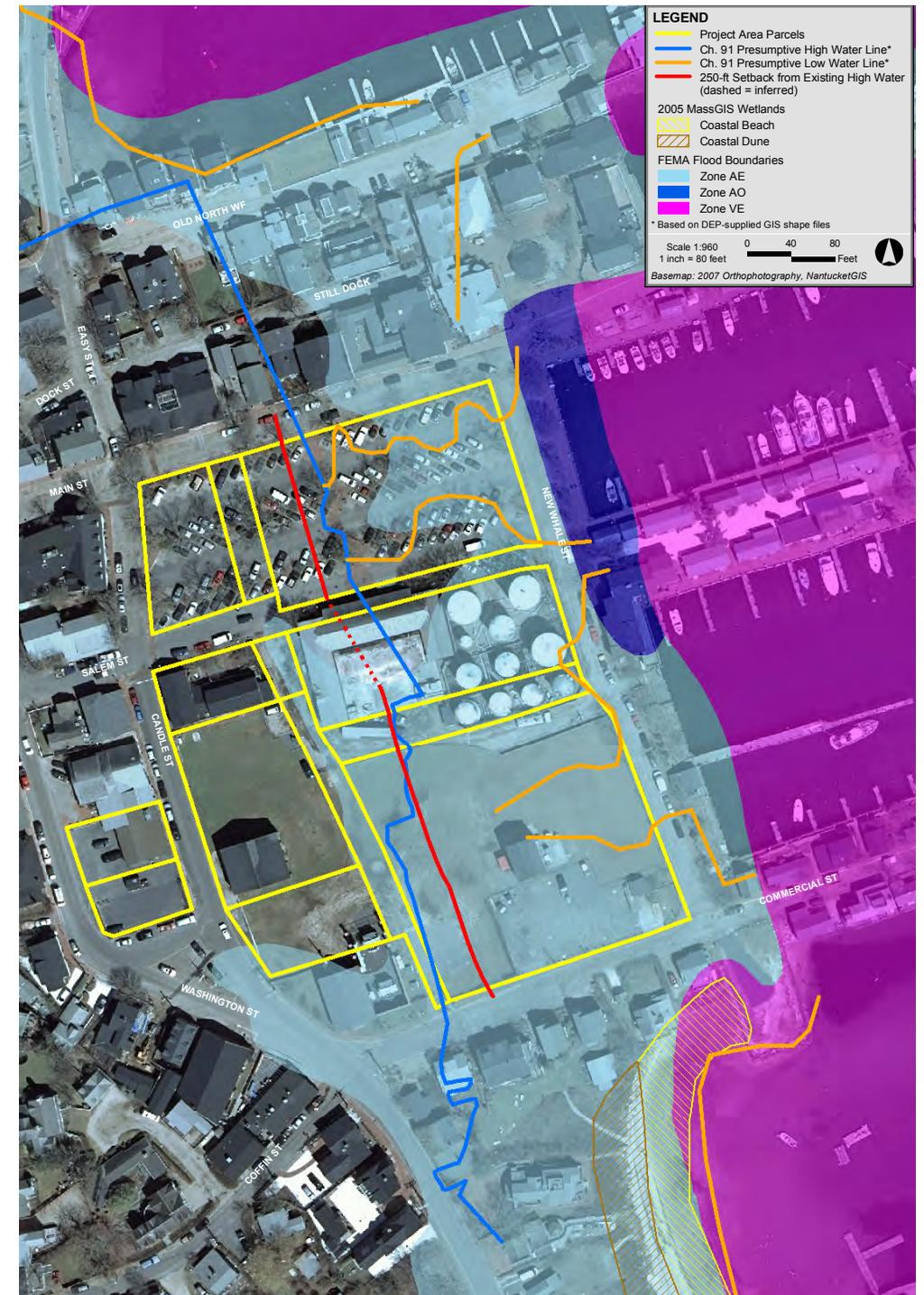
Barriers to Access to Waterfront



2:04 Chapter 91

The Project site contains tidelands which were historically filled and the Commonwealth regulates these through the Chapter 91 Waterways Program. The diagram depicts the historic high and low water lines that the Department of Environmental Protection (DEP) considers to be the “presumptive water lines”, for use in determining Chapter 91 jurisdiction. Tidelands located “seaward of the historic low water mark” are defined as “Commonwealth Tidelands,” whereas tidelands located between the historic high and low water marks are defined as “Private Tidelands.” The landward limit of Chapter 91 jurisdiction is the first public way or 250 feet from the current high water mark. Tidelands beyond the first public way or greater than 250 feet are considered as “Landlocked Tidelands.”

A recent Superior Court decision on the Arno property at 27 Easy Street, Nantucket may have implications on Chapter 91 jurisdiction for the Project site. That court decision found that the Arno property was registered land in which the Land Court in 1922 clearly indicated that the Commonwealth’s and the public interests in that property were extinguished when the Land Court registration occurred. The Arno court decision is currently under appeal. Another example is the Dreamland Theater property, that was not registered land, where the Commonwealth’s interest was not extinguished. Therefore, the Dreamland project has been going through Chapter 91 licensing review. Going forward with the Wilkes Square Project, it is suggested that the Town should have counsel review the deeds for the project site to determine if the deeds for this area are registered and similar to those at Arno. Alternatively, a “Municipal Harbor Plan” can be used as a vehicle to distribute some of the impacts of Chapter 91. Municipal harbor plans establish community’s objectives, standards, and policies for guiding public and private utilization of land and water within Chapter 91 (21) jurisdiction.



2:05

Environmental Issues

Most of the site contains some oil and fuel contamination due to historic use of the property as an electric generating power plant. A portion of the National Grid site has coal tar-related contamination. A clean up has occurred which involved digging up 10 feet of soil on the site, followed by a filter and capping. Three wells have been installed that pump/treat this area. Environmental issues and costs associated with the tank farm site are unknown at this stage. It is very important to understand these impacts going forward as they play a significant role in the feasibility of the Wilkes Square Redevelopment.

- 01 View of Washington Street near Wilkes Square
- 02 View of the parking lot
- 03 View of Candle and Easy Streets



2.06

Transportation

Downtown Nantucket has a unique transportation system coexisting with diverse transportation modes making the downtown vibrant yet chaotic. This uniqueness presents serious challenges to downtown and is a result of special circumstances including pressures associated with tourism and the need to deliver almost everything needed to the island via the Steamship Authority dock in the downtown core area. The Wilkes Square Study area itself perpetuates traffic congestion due to the combination of pick-up, drop off for the Hi-Line, Grand Union, the town parking lot, etc, while a significant portion of the site is unavailable for circulation. Severe conflicts between pedestrians, bicycles, and automobiles exist. Significant dependence on automobiles and lack of appropriate parking accommodation and management further aggravates traffic congestion in the downtown area.



While the NRTA (Nantucket Regional Transit Authority) operates public transportation with its transportation center located at Candle Street. The current location and lack of adequate berths for NRTA buses also adds to traffic congestion in the area. It is fair to say that the transportation system has reached the tipping point and is effecting the economic viability of downtown Nantucket. There are several studies and measures that are being contemplated by the Town and various stakeholders including downtown parking management, park and ride shuttle systems and a parking garage in downtown. While none of the options provide the ultimate solution for the transportation problems, a combination of these and many more is essential to solve the downtown transportation challenge.

The unlocking of the Wilkes Square site can present additional circulation capacity to alleviate some of the congestion and provide an opportunity to consider a parking garage in close proximity to the historic core.



2.07 Real Estate Markets

Nantucket is an island economy: small, seasonal, relatively slow growing, with unique appeal and thus reliance on the tourism and retail service industries. Coupled with high land values and high construction costs, housing is increasingly unaffordable for year-round residents. Leveraging the economic power of the seasonal visitor market to the benefit of year-rounders remains one of the key objectives for a Wilkes Square redevelopment. A detailed market analysis has been conducted to understand Nantucket's market conditions in order to inform the future market opportunities and programming for the Wilkes Square Study area. These are some of the findings:

Year round population and income increase will be modest:

Analysis of general demographic trends identifies a number of basic issues which are likely to impact property within the Wilkes Square Study Area in the near to mid-term. Most fundamental - Nantucket's resident population, household numbers, and income levels are expected to increase only slightly over the next five years and the cost of island living is high. This underscores the need for careful targeting to meet the affordability limits of the local market and the importance of external demand (seasonal visitor demand) to the prospects for future growth and economic development.

A five-year planning period: Like the national and regional economies, Nantucket has also been hard hit by the current recession. The local market is physically small and geographically isolated and is heavily reliant on discretionary visitor spending from non-resident consumers. Retail, hospitality, and construction (many tied to the second home market) establishments dominate the employment base making the economy uniquely vulnerable to external economic shock. With limited residential growth anticipated in the near term, the pattern and pace of Nantucket's economic recovery is very much tied to national and regional, rather than local demand factors.

MARKET SECTORS

Retail Market: On average, retail sales are projected to grow by only 6% over the next five years, an annual rate of growth of 1.2%, underpinned by the slow growth of resident demand and the anticipated slow pace of economic recovery in the larger non-resident marketplace (normalization expected in the 2013 to 2015 period). Analysis suggests that opportunities for significant retail development in the near term are limited, and that growth in the mid- to longer terms will be very much tied to the implementation of effective management and marketing strategies and supportive business incentives rather than to underlying economic expansion.

Residential Market: On average, growth in resident and seasonal demand is expected to yield a need for up to 550 new housing units in Nantucket over the course of the next five years. Analysis suggests an overwhelming market preference for single-family ownership (detached-attached-rowhouse-townhouse-duplex) residences in both the year-round and seasonal buyer markets. Market rate rental development does not appear to be marketable or feasible. Apartment style units (flats, duplexes) may have some appeal for the seasonal market if they can be positioned to exploit water views or other nearby amenities. Opportunities for significant housing development in Nantucket are likely to be constrained by the economics of construction which will continue to drive prices higher, but more critical is the pace of unit absorption which is expected to be slow in the near term.

Hospitality: The national and regional lodging markets continue to suffer disproportionately from the effects of the recession, with luxury product experiencing the greatest effects. The Nantucket market is not immune and will be several years in the recovery mode.

While the barriers to entry in this market are high, the demand for seasonal, waterfront lodging is strong and can be attracted if the product can be positioned and priced to meet the market potential. New product delivery in the Nantucket market is not seen as marketable before 2016. Analysis suggests that the product attributes should be aimed at a limited service, more moderately priced alternative to the existing luxury competitors. The ability to keep control of the operating costs and keep development costs down will be essential to feasibility.

OPPORTUNITIES

- Proximity to downtown
- Proximity to ferry
- Proximity to yacht basin
- Gateway location (from land and water)
- Presence of grocery anchor
- Presence of parking reservoir
- Waterfront/waterview and other parcel attributes
- Potential for larger footprint uses
- Potential for community anchor uses
- Potential for mix of complementary uses
- Potential for public-private partnership
- Potential for community support for the right program

HURDLES

- Zoning and other regulatory limitations
- Multi-party ownership
- Third party lease contracts
- High land values
- Environmental constraints and costs
- Construction cost premiums
- Market and financing complexity
- Development timing

	Lot Size	Groundcover Ratio	Setback			Frontage	Height
			Front	Side	Rear		
RC	5,000	50%	0	5	5	40	30
CDT	3,750	75%	0	0	5	35	30+ by special permit

03 Current Zoning

The majority of this site is currently located in the Residential Commercial (RC) district, a broad zoning district created in 1972 when Nantucket first adopted zoning. From the beginning, it was a poor fit for the waterfront area and was identified in the Implementation section of the 2009 Master Plan to be phased out by year 2015. The area surrounding this site was formerly in the RC district, but was changed to the Commercial Downtown (CDT) district, a primarily commercial zone compatible with the historic downtown development pattern. This district was identified in the Implementation section of the 2009 Master Plan to be expanded. Working with individual landowners to extend the CDT district to this site will be critical to fulfilling the potential of Nantucket’s downtown waterfront. As the table above indicates, the CDT district promotes a compact building form similar to other New England seaport communities

In addition to altering the zoning district, further zoning incentives should be explored. Current parking standards are inappropriate

for Nantucket’s downtown, where the majority of parking spaces are currently located on-street. Altering current parking rules to allow for public alternatives is needed.

Article 90 of the 2008 Annual Town Meeting authorized the area to be designated a priority development site pursuant to MGL Chapter 43D. This state designation provides for expedited permitting and provides priority consideration for a variety of State grant programs. Policy 4.1.1b of the Master Plan recommended designation of the study area.

Due to complications of MGL Chapter 91 it may also be beneficial to amend Nantucket’s Harbor Plan and Harbor Overlay District to include this area so that requirements for open space may be aggregated in key locations within the site. Otherwise, it will be very difficult to meet open space requirements on individual parcels.

3:01

As of Right Options

The site is currently located in RC-1 zone of Zoning Code of Nantucket. This zoning allows two attached residential buildings per a minimum of 5000 square feet lot. There is a 30-foot height limit for buildings with a 50% maximum allowable ground coverage. Various other uses such as hotels, commercial, and retail are allowed under the current zoning. While the range of uses allowed on the site are appropriate for this location, the lot size and height restrictions promote detached suburban style development on this premier site.

The study tested two “as of right” development scenarios on the site. These represent the lowest and highest extremes to demonstrate the base line for individual land owners against which any proposed scenario will be judged. Further, benefits and impacts to public are identified for each scenario.

AS OF RIGHT OPTION I : STATUS QUO

- The National Grid site and the tank farm site are developed for housing and ground floor uses to meet Chapter 91
- Existing zoning parking requirements are applied
- Grand Union and parking lot remain “as is”
- Greenhound site remains “as is”
- Existing privately owned and controlled parking is assumed to continue as public parking
- Total GSF: 73,000

Opportunities and Challenges

Private Sector

- Least risky option for the ownership
- Environmental clean up required
- Chapter 91 requirements too onerous
- Lowest value option for the ownership

Public Sector

- Contributes to a greater privatization of waterfront site: access secured by Chapter 91 only
- Option does little to support the performance of downtown
- Makes little contribution to island life year round, except for the preservation of the existing grocery store
- Economic benefits are mostly for the on site users
- Fiscal impacts are positive, though constrained into the future
- Accommodates on-site parking requirements
- Provides limited relief for downtown parking shortfall
- Does not improve transportation in downtown
- No significant cultural, civic, and convenience retail spaces created
- Least intervention and investment by public sector





AS OF RIGHT OPTION II : MAXIMUM BY-RIGHT

- National Grid and Winthrop/NIR sites developed with full envelope theoretically possible under zoning
- Greenhound site remains “as is”
- Total GSF: 139,000

Opportunities and Challenges

Private Sector

- Redevelopment potentials difficult to achieve: the theoretical maximum
- Environmental clean up required
- Chapter 91 requirements too onerous
- Highest risk option - market and permitting
- Highest value option (if achieved)

Public Sector

- Contributes to a greater privatization of waterfront site; access secured by Chapter 91 only
- Increases density in the downtown without ensuring public benefits in exchange
- Option does little to support the performance of downtown
- Makes little contribution to island life year round, except for the preservation of the existing grocery store
- Economic benefits are mostly for the on site users
- Fiscal impacts are positive though constrained into the future
- Accommodates on-site parking requirements
- Provides limited relief for downtown parking shortfall
- No significant cultural, civic and convenience retail spaces created
- Least intervention and investment by public sector
- Does not improve transportation in downtown and could make conditions worse

04 The Vision and Framework

TOWARDS AN URBAN WATERFRONT

The Study developed a framework for the overall site that takes into account public benefits in terms of public space, tax revenues, civic programs, and transportation improvements as well as private sector incentives to achieve those benefits. This framework is a result of studying several aspects related to urban design, planning, traffic and transportation, and economic development. The framework is intended to be highly flexible and create a structure for both physical and policy development in the future.

While the study developed a single overall framework, two different scenarios within the framework are illustrated in this section. As required by the scope of this study, one scenario includes a parking garage, and the other does not.





Aerial View of the Vision looking
from Southwest

Planning Principles

AN ASSET TO ISLAND LIFE YEAR-ROUND

- Connect Nantucket to its waterfront: make the site publicly accessible
- Deliver an authentic Nantucket ambience and sensibility
- Improve the convenience (and safety) of negotiating through and in the downtown in all seasons
- Emphasize resident-focused services and amenities
- Mitigate the impacts of visitor congestion and competition for parking and public rights-of-way during the peak season
- Preserve and enhance the working waterfront

AN ASSET TO THE PERFORMANCE OF THE DOWNTOWN

- Draw residents and visitors to the downtown (during the peak and off-peak seasons)
- Lengthen the time residents and visitors spend in the downtown per trip/visit
- Extend/enhance the performance of the downtown in the off-peak months
- Provides additional parking (beyond what's needed on site) to serve the downtown

AN ASSET TO THE FISCAL HEALTH OF THE TOWN

- Leverage the value of an underutilized waterfront site
- Leverage the value of surrounding properties in the downtown
- Create additional tax revenues from both
- Generate additional employment opportunities – temporary and permanent

AN ASSET TO THE CURRENT AND FUTURE OWNERS OF THE SITE

- Create value above and beyond what is currently allowed (more density permitted than by-right options)
- Provide a path to redevelopment within a clear and predictable regulatory framework (a plan not a prescription)
- Provide incentives for cooperation and planning across property boundaries (making the whole worth more than the sum of the parts)
- Leverage private investment by using public funding sources to underwrite expensive infrastructure and transportation improvements (recognizing value given for value gotten)
- Offer the opportunity for a reasonable return on both public and private investment capital as measured in dollars and public benefits

4:02

Development Fundamentals

The presence of market demand alone is not sufficient for new development to succeed and thrive. The proximity to and nature of a site's direct demand sources; the quality, maturity, and walkability of the site's physical environment; the synergistic programming of site uses; the availability of parking and/or accessibility to transportation; the project design; and the underlying business economics all have a profound effect on what kind of uses can succeed in a particular project or site. The following is a list of observations regarding the development attributes and economic features of a successful development at Wilkes Square.

MACRO LOCATION

Nantucket's New England island location creates a captive resident demand condition. At the same time, the year-round market is finite and slow-growing and vulnerable to economic change. Nantucket's ability to draw demand from outside its boundaries and to extend its draw in the fall and spring seasons will continue to be the critical factor for the performance of the existing markets and for the future development potentials at Wilkes Square.

MICRO LOCATION

Projects with direct adjacencies to major demand generators such as visitor attractions, major employment sources, public meeting/assembly facilities, solid residential neighborhoods, transit centers, etc. all enjoy better opportunities for development success. The Wilkes Square location, relative to the downtown business district to the waterfront and the Hy-Line ferry dock and Boat Basin in particular, to the public bus terminal and the walking proximate population density of the surrounding residential neighborhood, enhance the potential drawing power and marketability of the site.



Macro Location and
Downtown Nantucket Market Area



Main Street – A Great Urban Environment

PEDESTRIAN ACCESS AND VISIBILITY

Retail and hospitality uses in particular do best when they can be seen directly from the street and feel easily accessible on foot without barriers such as escalators, elevators, major street crossings, bridges, walls, fences, etc. Improving access to the ferry and bus terminal, making safer pedestrian and bicycle connections to and through the existing downtown and waterfront, and creating a strong, walkable street grid with carefully integrated public open spaces will all be critical to the marketability and feasibility of site uses and to the economic success of the plan.

VEHICULAR ACCESS AND PARKING

It is rare for development to be feasible or financeable without parking. Ironically, most redevelopment plans are actually driven by their parking solutions, because cars take up valuable ground plane and development volume, displacing other uses. This is particularly problematic when building heights are limited as they are in Nantucket – as the volume of above grade development potential is finite. Cars are also very expensive to accommodate, especially if above or below-grade garages are involved. In many cases it is the cost of parking that determines a project's financial viability (parking can cost up to \$40,000 per space to build above-grade and well over \$100,000 per space underground if sub-surface conditions are poor). So, notwithstanding the importance of pedestrian and bicycle access and public transportation (land and water), no redevelopment at Wilkes Square can occur without a workable plan for vehicular access and parking. We also note that the downtown parking supply is not sufficient to accommodate the existing commercial and residential demand, a factor that negatively impacts on the performance of the downtown today. Any expansion of activity at Wilkes Square must fully accommodate its own demand and should, if possible, strive to improve on the current under-supply conditions.

CRITICAL MASS AND DEVELOPMENT SCALE

New developments tend to do best when they are a part of and feel integrated with the larger environment. For example, stand-alone retail spaces rarely do well unless they are occupied by destination users (restaurants and some specialty stores) or are targeted and sized to meet the specific demands of on site users. Likewise, too few residential units or too few hotel rooms can make a development feel insubstantial or isolated, creating marketing and operational problems that impact feasibility. Conversely, a project that is oversized or that fails to mesh well with its surroundings can feel jarring or strange to the consumer which can negatively affect marketability and financial performance. For Wilkes Square, like many redevelopment projects, this means walking the fine line between creating a project that is big enough to warrant the redevelopment effort and succeed operationally, but that is also compatible with and enhances rather than detracts from the surrounding environment.

ENVIRONMENTAL QUALITY AND DESIGN

Great developments contribute to and enjoy the benefits of great streets and neighborhood surroundings. The quality of the pedestrian environment is critically important to the success of both commercial and residential uses at the site. Retail and hospitality uses in particular succeed best in a mature, organically grown, active, pedestrian-scaled, walkable, attractive urban context. Likewise, the residential consumer wants to look out the window and step out the front door into an inviting, visually appealing environment. The quality of the Wilkes Square surroundings - quintessential Nantucket waterfront - is unparalleled in this market. A project that can take advantage of this environment while making its own positive contribution will enjoy greater potentials for long-term success. This means ground floors that are open to the street, and inviting to everyone rather than insulating and isolating it for the benefit of on-site users alone. It also means an overall design vision that is authentically Nantucket, resonating with the existing historic fabric and makes the most of its unmatched waterfront location and views.

DEVELOPMENT LEVERAGE AND SYNERGY

The most successful real estate developments make money for their owners and generate positive impacts on their surroundings - in economic terms this leveraging effect is realized through more stable or higher property values, increased consumer activity and sales volumes, more employment, etc. Even within the boundaries of a large site, the effects produced by successful mixing and siting of different program elements can produce synergies that enhance the operational efficiencies and value of the whole – creating a development that is more valuable than the sum of its parts. Conversely, a poorly planned project at best squanders this potential and at worst, impedes development from happening at all. At Wilkes Square, the concepts of leverage and synergy are vital to project success. Indeed, the high cost of island construction (which can be 30 to 50% more than on the mainland) and the volatility and small size of the market as already discussed, create risks that can only be overcome through positive leverage and synergy.

DEVELOPMENT TIMING AND PHASING

The real estate and financial markets are notoriously cyclical and increasingly difficult to forecast. Successful developers and owners manage their properties for returns today, prepare for optimal performance in the future and are ready to act opportunistically when conditions for development or repositioning are favorable. In short, timing the market is difficult, but waiting to take action is not an option either. Developers and owners that fail to plan during the market trough are destined to miss the cresting wave when it arrives. This is especially true today, sitting as we are in the trough of an economic recession – the time for stabilization is in sight – with real improvement some three to five years away. Much can be done to ready the Wilkes Square for redevelopment when the market opportunity allows – including work on the tank farm relocation, public infrastructure, and intermodal transportation center financing, environmental investigations, site rezoning, Chapter 91 relief, streamlining local

approvals, etc. If these activities are not initiated until better times arrive, it is likely that the property redevelopment will miss the next economic cycle.

For projects such as Wilkes Square, that are likely to be implemented over a period of time, devising a workable and flexible parcelization and phasing plan is key to optimizing property value and economic potentials long-term. A large site that presents more than one way forward will generally weather changing market conditions better than something more prescriptive. That said, a flexible plan must still have a great first step. The initial phase development efforts catalyze the future and must therefore be carefully chosen to produce these downstream incentives and of course, should succeed. An unsuccessful Phase 1 has the potential to ruin future development prospects. For Wilkes Square, we believe, the Phase 1 effort is best focused on preparing the site for redevelopment with a concentration on demolition, relocation and infrastructure construction (perhaps including construction of an intermodal transportation center and garage) as described above. Once the prep work is done, the site presents several ways forward – a garage lead, a supermarket redevelopment lead, and a new residential lead could all qualify as a good first step.

DEVELOPMENT FEASIBILITY

For a development to be financially feasible, the value of the project on completion – usually measured as a function of the rents it generates or the sales it produces – must be greater than the cost to build including the cost of the land, bricks, and mortar (or shingles), the development soft costs (architecture fees, permitting, legal, accounting, developer overhead, construction interest, financing fees, etc.) and the entrepreneurial incentive. On Nantucket, land (especially waterfront land) is expensive and the costs of construction are higher than typical – by as much as 30% to 50%. Rents and sale prices are also high – but also highly seasonal. This combination of high land and development costs, coupled with the seasonality and volatility of the resulting revenue potentials, produces thin margins for new development – even in economic good times. The financial feasibility of redevelopment

at Wilkes Square depends on the recovery of the underlying economy and real estate markets and on the ability of the public sector to help reduce the costs and uncertainties (i.e. permits and approvals, site work, environmental, parking and infrastructure, etc.) associated with redevelopment.

HIGHEST AND BEST USE AND VALUE CREATION

Highest and best use refers to the use that is physically possible, legally permissible, supported by the market, and generates the highest value for the underlying land. Generally, for the redevelopment of a site to occur, the highest and best use of the land must warrant the development effort, risk taking, and investment implied by new construction. For the Wilkes Square site, the programming and development capacity studies show that there are unrealized development potentials at the property that are constrained today by physical factors such as the existing improvements (esp. the tank farm) and uncertain environmental conditions, and by legal factors including the existing regulatory limitations of zoning, the local review process and Chapter 91.

Analysis of the development markets suggests that while the current economic environment is weak, the future potentials are promising, warranting an investment in planning and preparation for the future (including work on the tank farm relocation, public parking garage, infrastructure and intermodal transportation center financing, additional environmental remediation, site rezoning, Chapter 91 relief, streamlining local approvals, etc.). Typically, a property that is improved with existing buildings or under-improved will have a tendency to convert or redevelop when the value of the land as if vacant exceeds the value of the property as it currently sits. To position the property for future redevelopment and to unlock this future value potential, the physical and legal constraints to highest and best use will need to be modified or removed – work that must begin now if those opportunities are to be realizable when the markets stabilize.

Preparing for the future is critical. The current uses (the tank farm and the supermarket and parking lot as configured) clearly represent an under-improvement of the site, but until a higher and better use is physically possible and legally permissible (whether or when the markets stabilize), it is likely that these uses will remain.

ENTREPRENEURIAL COORDINATION AND CAPITAL INVESTMENT

Successful real estate development projects require the assembly and deployment of all the agents of economic production - land, labor, capital, and coordination. The highest and best use of the land must warrant the development effort, risk taking and investment implied by new construction. Human and capital resources must be available at a cost that can be supported by the project and the developer/owner must have the expertise to garner the resources and execute. If any one of these elements is absent, development cannot occur. For the Wilkes Square site, the future highest and best use potentials are judged to be sufficient to warrant an investment in planning and preparation for the future. That said, the development environment is uncertain and private capital is scarce and risk adverse. Furthermore, it is not clear that the current site owners have the technical capacity to take on a redevelopment of this complexity. For these reasons, we believe that public leadership and investment will be required to lay the ground work for future redevelopment at the site. The site must be rezoned to provide incentives for development in accordance with Nantucket's vision. Chapter 91 relief must be sought. Greater certainty and speed must be created in the local approval process. More must be done to understand how a relocation of the tank farm can be implemented. Environmental costs and risks must be identified and evaluated. A public financing plan, operating plan and a land control strategy must be devised to create an intermodal transportation center (that may or may not include a public garage) and to support the necessary infrastructure investments on and off-site.

In addition, we note that the economics of development in Nantucket - even in good times - cannot support the premium costs associated with extensive environmental remediation, structured parking, or major new infrastructure investments. Public funding sources will be needed to support these costs - in all likelihood with some participation and investment at the local level.

ECONOMIC DEVELOPMENT

If successful, public sector investments in the future planning and preparations for development at Wilkes Square will produce a private sector redevelopment of the site. Analysis of the site's development potentials suggest that the returns to the town from new property tax revenues could more than double in a redevelopment scenario. Other economic activity will also result including job creation (permanent and temporary construction), increased sales revenues and taxes, and greater activity for the downtown overall. It is also important to note that if public sector development activity produces an intermodal transportation center and/or public garage construction, the broader downtown market stands to benefit whether private sector redevelopment of the Wilkes Square site occurs or not (although it is not possible to isolate these indirect effects).

STRONG VISION WITH A FLEXIBLE PLANNING FRAMEWORK

Larger scale sites, especially those with multiple owners and diverse use potentials, are most likely to be developed in phases over time. By their nature, these projects tend to be more complex and more costly to develop and may have exposure to multiple real estate and political cycles. In these cases, it is especially critical that a strong conceptual framework for redevelopment be adopted - one that is shared by the permitting authorities, private land holders and the public at large. A sustaining vision of these larger sites' future potentials helps to buoy redevelopment implementation over time, even in the face of changing markets,



01 Straight Wharf

ownership, public attitudes, and administrations. At the same time, the conceptual redevelopment plans for multi-phase developments must be flexible enough to adapt to changing conditions - presenting a vision and framework for future redevelopment not a detailed programmatic prescription. Plans that are too narrowly focused at the conceptual stage rarely become reality as they tend to fall apart when inevitable changes are encountered. That said, they must offer enough detail to inspire the support and enthusiasm needed to drive implementation forward, illustrating what the future could look like.

Proposed Scenarios

REZONING SCENARIO I : ASSEMBLAGE/COOPERATION

- Full site redevelopment undertaken with cross-boundary ownership cooperation
- Plan designed to deliver on urban design and economic development objectives
- Revised parking ratios are assumed
- Chapter 91 requirements are assumed to be addressed by the Municipal Harbor Plan process.
- Total GSF: 161,000

Opportunities and Challenges

Private Sector

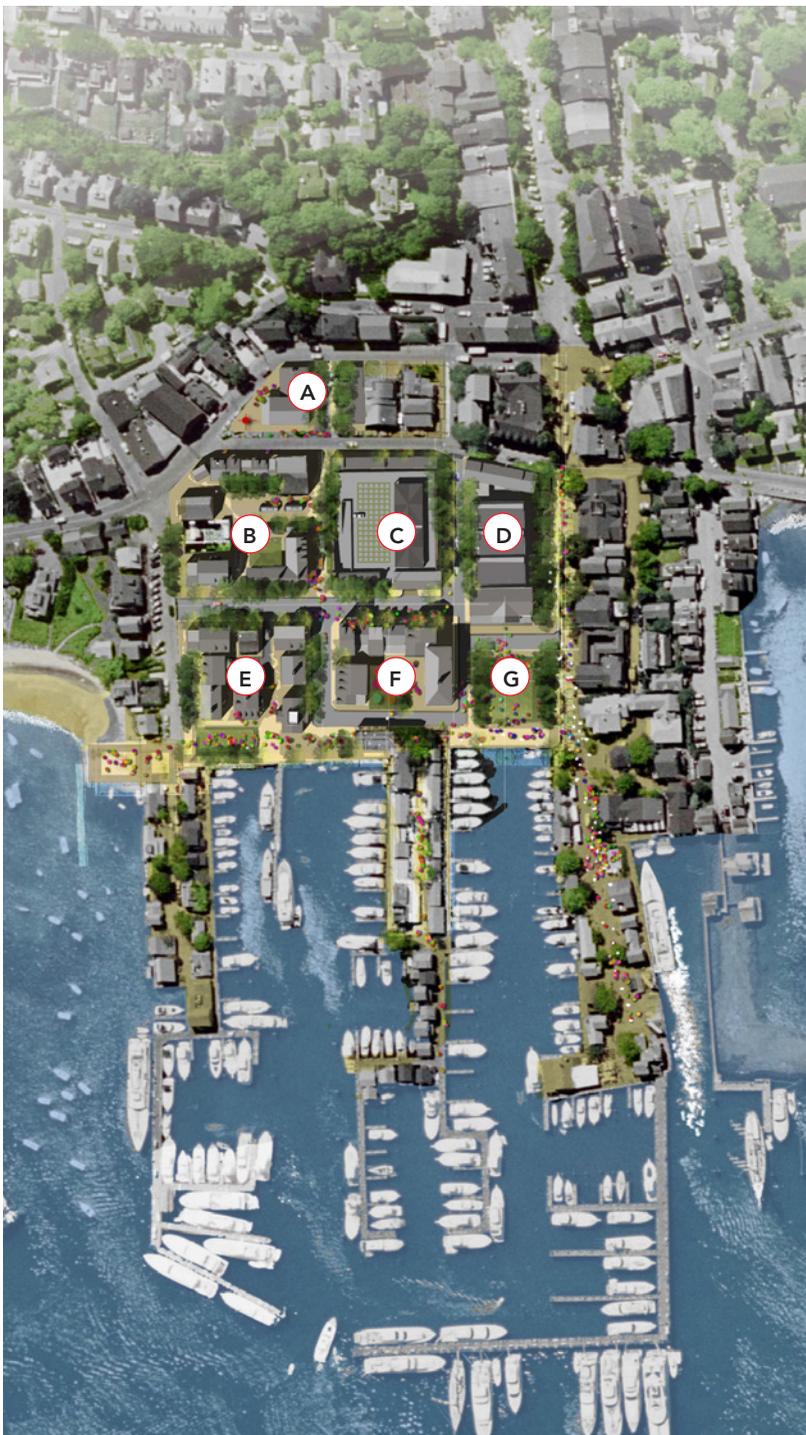
- Shared benefits and burdens between all land owners
- Environmental clean up required
- Potential for 43D expedited permitting
- Potential for public infrastructure funding for intermodal transportation center
- Low risk option - permitting and financing
- High value potential with allowable density more than double the status quo option

Public Sector

- Substantial development capacity with public benefits with a modest public parking program
- Unlocks public access to waterfront
- Improves pedestrian and bicycle safety
- Makes a positive contribution to downtown Nantucket and the waterfront - beyond the boundaries of the site and produces synergy
- Makes a positive contribution to island life year round, with a balanced mix serving residents and visitors
- On-site parking needs can be accommodated, but limited parking capacity created for downtown
- Creates intermodal transit presence and improves transportation conditions in the downtown area
- Provides significant cultural, civic, and convenience retail spaces
- Requires significant public private partnerships and involvement and investment of the Town

1. Town Annex, Education, Residential, Commercial
2. Transportation Center, Residential, Commercial
3. Market, Cultural, Residential, Commercial
4. Surface Parking
5. Residential, Hospitality, Commercial
6. Residential, Hospitality, Commercial





REZONING SCENARIO I : ASSEMBLAGE/COOPERATION (GARAGE)

- Full site redevelopment undertaken with cross-boundary ownership cooperation
- Plan designed to deliver on urban design and economic development objectives
- Revised parking ratios are assumed
- Chapter 91 requirements are assumed to be addressed by the Municipal Harbor Plan process.
- Total GSF: 174,000
-

Opportunities and Challenges

Private Sector

- Shared benefits and burdens between all land owners
- Environmental clean up required
- Potential for 43D expedited permitting
- Potential for public infrastructure funding for intermodal transportation center
- Low risk option - permitting and financing
- High value potential with allowable density more than double the status quo option

1. Town Annex, Education, Residential, Commercial
2. Transportation Center, Residential, Commercial
3. Parking Garage, Commercial
4. Market, Cultural, Residential, Commercial
5. Town Landing
6. Residential, Hospitality, Commercial
7. Residential, Hospitality, Commercial

Public Sector

- Substantial development capacity with public benefits with a modest public parking program
- Unlocks public access to waterfront
- Improves pedestrian and bicycle safety
- Makes a positive contribution to downtown Nantucket and the Waterfront - beyond the boundaries of the site and produces synergy
- Makes positive contribution to island life year round, with a balanced mix serving residents and visitors
- On-site parking needs can be accommodated.
- Significant parking capacity created for downtown
- Creates intermodal transit center with affordable service oriented retail spaces
- Improves transportation conditions in the downtown area
- Provides significant cultural, civic, and convenience retail spaces
- Requires significant public private partnerships and involvement and investment of the Town

PROGRAM EXPLORATIONS

A range of program options were explored from status quo alternatives that assume little or no public intervention or involvement to more proactive redevelopment approaches that assume public participation in seeding the future potentials of the property. Each of these plans illustrates a mix of residential, retail, hotel, and other commercial and institutional uses as well as parking designed to meet identified market demand, the key development feasibility parameters, and economic objectives for the plan. The analysis assumes that economic improvements anticipated over the next five years will deliver financial performance and viability in keeping with past measures. Below is the program tested from an urban design and economic stand point.

* Public parking under shared parking: This measure assumes that only residential units will have dedicated parking and the rest of the parking supply will be shared by all the other uses.

Zoning/Programming Alternatives	As of Right (RC Zone) Option 1		As of Right (RC Zone) Option 2		New Zoning Scenario I		New Zoning Scenario II	
Scenario Description	Assumes that the National Grid Site will be developed with residential lots. Ground floor retail only on lots facing Candle Street. Winthrop lot remains as is except for the Tank Farm which yields one residential lot with ground floor		Both Winthrop and National Grid sites developed with full envelope theoretically possible under zoning		Without Garage		With Garage	
Use Mix	Units-Keys-Spaces-Levels, Etc.	Gross SF	Units-Keys-Spaces-Levels, Etc.	Gross SF	Units-Keys-Spaces-Levels, Etc.	Gross SF	Units-Keys-Spaces-Levels, Etc.	Gross SF
Grocery	1	15,000	0	0	1	16,680	1	16,680
Residential - Market Rate	26	41,200	26	86,936	17	25,843	17	25,843
Residential - Live/Work	0	0	0	0	11	31,824	12	40,254
Hotel	0	0	49	35,413	48	35,900	48	35,900
Retail/Food & Beverage	5	6,400	5	6,239	4	4,685	9	10,305
Cultural-Entertainment	0	0	0	0	0	16,568	1	16,568
Transportation	1	2,000	1	2,000	1	5,200	1	5,200
Industrial/Marine	0	8,533	0	9,359	0	5,000	1	5,000
Town Office Annex/Educ.	0	0	0	0	1	18,956	1	18,956
Program Totals		73,133		139,946		160,655		174,705
Program Total		73,133		139,946		160,655		174,705
Total Parking Provided	187		179		194		288	
Total Parking for On-site Uses	142		152		157		168	
Surplus Parking for Downtown Users	45		27		37		120	
Public Parking Under Shared Parking	152		118		139		233	

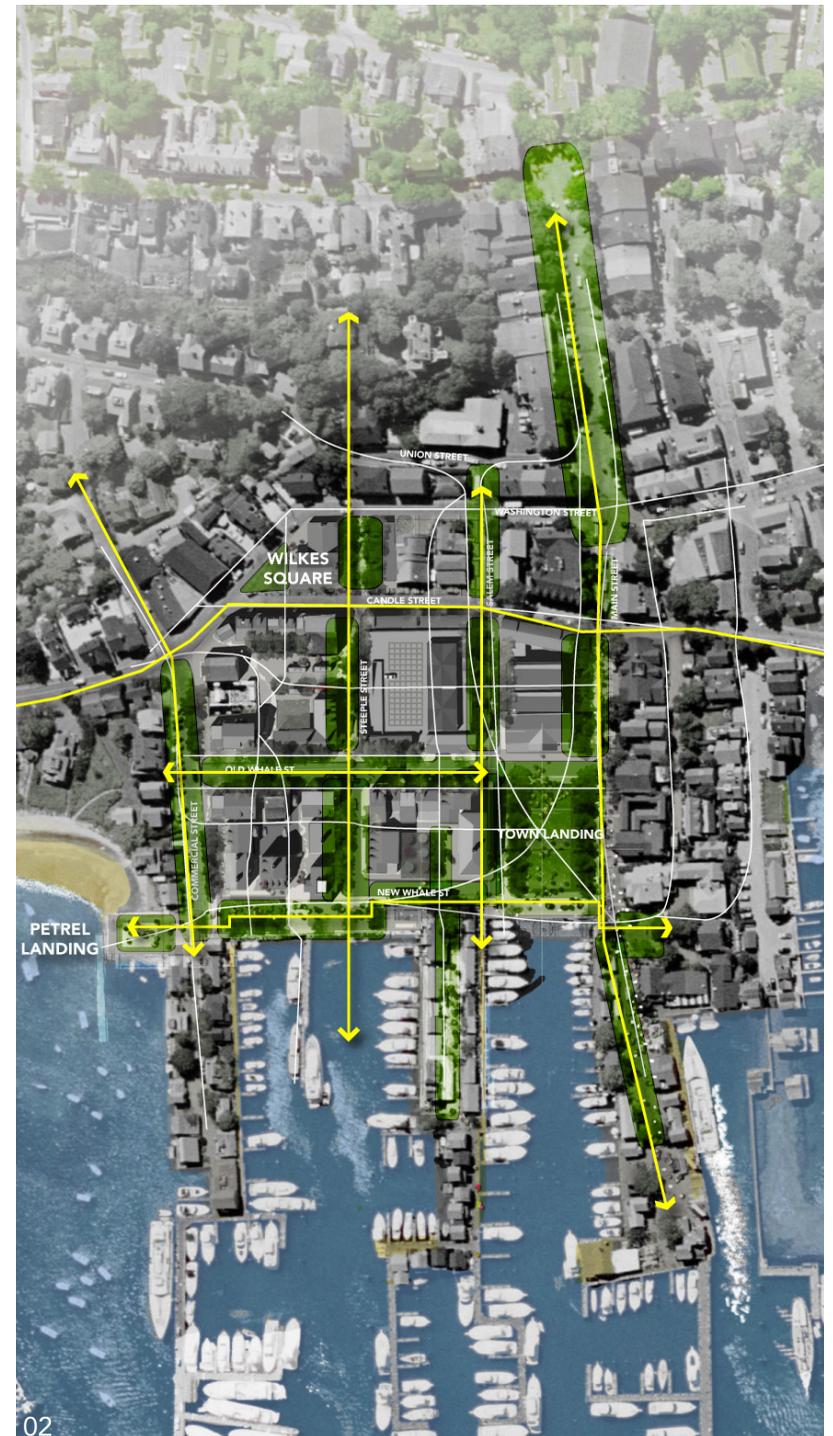
4:04 Public Realm

Public Realm is the basis for the framework - the armature of streets, public spaces, linkages, the grain of blocks, and the ground floors of buildings. Nantucket is about water, but downtown Nantucket has limited relationship to it. The framework unlocks the currently private site to create various connections from the town to the waterfront and also contemplates a network of public spaces along it. These public spaces provide the opportunity to enjoy a civic function or to have a meal in a restaurant or simply sit and watch the water and boats uninterrupted by automobiles.

01 View from the boat basin
02 Public Realm Connections



01



02

THE TOWN LANDING

The Town Landing becomes the pivotal civic space on the waterfront for civic functions and forms a special terminus to Main Street. This also forms a gateway into town from Straight Wharf. The buildings surrounding the town landing are required to have significant public presence and access, particularly on their ground floors. Town landing also becomes a visual organizing element to the town and organizes various transportation functions. It will be a focal point for various local events like the Daffodil Festival, Christmas Stroll, Figawi Festival, and Taste of Nantucket. It will also provide opportunities to engage year round residents, particularly through the off-season by promoting additional events.

WILKES SQUARE

Wilkes Square monument is currently unidentifiable due to the existing traffic movements and parking. The reorganization of vehicular infrastructure proposed in this framework will create a special plaza for the monument with the background of a civic building. This will signify the gateway to downtown from the south.

STEEPLE STREET

A new east-west street between the town and the waterfront not only enhances physical connections but also creates a vista to the Unitarian Church from the water. These references to landmarks are urban devices to create legibility in towns and cities.

BOAT BASIN WATERFRONT

The area of the waterfront between the Anglers's Club and Commercial Wharf is intended to be a more passive area. The existing New Whale Street in this area will be discontinued for vehicular access.

OLD WHALE STREET

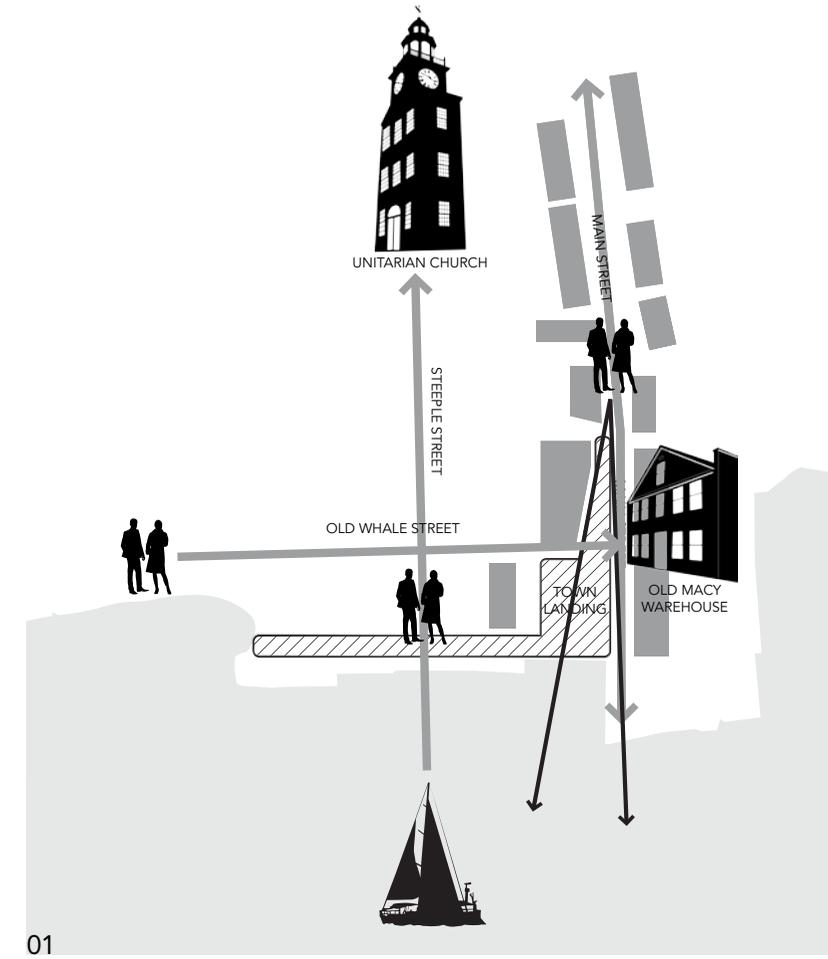
The new north-south street between Commercial Wharf and Main Street is a reintroduction of a historic street. The proposed Old Whale Street is proposed on axis with the historic Macys warehouse building. This is yet another urban device used in the plan.

RELATIONSHIP TO MAIN STREET

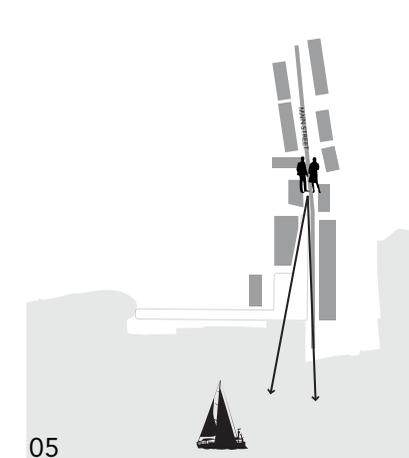
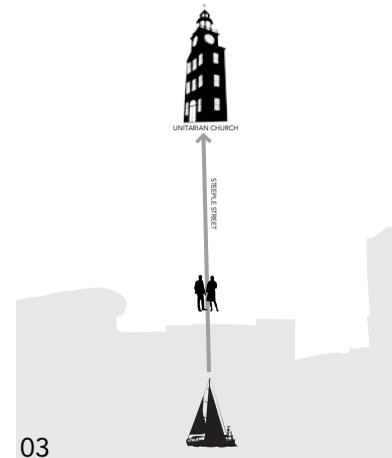
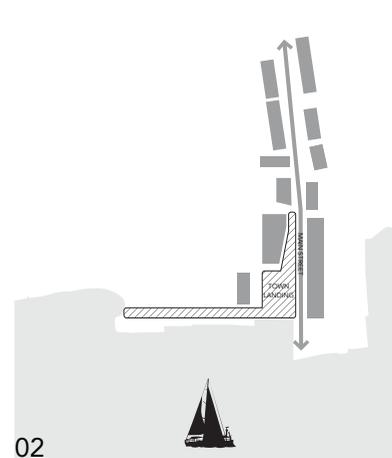
Main Street's visual relationship to the water is extremely important for Nantucket. Any new development should preserve and maintain this view relationship. A combination of 'the town landing' and setting back of buildings maintains this relationship in the proposed framework.

PETREL LANDING

Petrel Landing is a fabulous land resource presenting open views to the water at the end of New Whale Street. The sequence of public spaces along the Boat Basin should effectively connect and engage Petrel Landing.



- 01 Composite concepts
- 02 Town landing
- 03 Steeple Street
- 04 Old Whale Street
- 05 Relationship to Main Street







01 View of Wilkes Square and Candle Street
02 View of the Town Landing





01



01 View of the proposed Old Whale Street
02 View of the water from Main Street



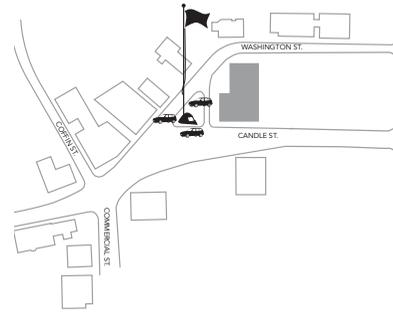
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4:05 Circulation

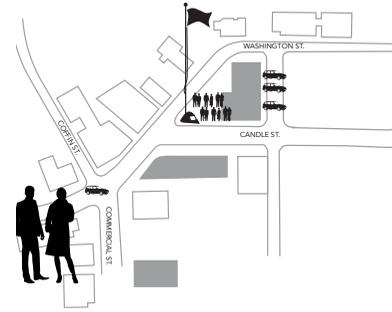
The Proposed circulation is intended to enhance pedestrian and bicycle access and safety coupled with improved movement of automobiles through the downtown area. The introduction of Old Whale and Steeple Streets and reorganization of the intersection at Washington and Commercial Streets adds additional circulation capacity for automobiles.

INTERSECTION OF WASHINGTON AND CANDLE STREETS

This intersection is currently a five-point intersection between Washington south-bound, Commercial, Coffin, Washington North Bound and Candle Streets. The proposal disaggregates the intersection into two separate intersections where the fork of Washington north-bound and Candle is separated from the rest of the intersection. This significantly enhances pedestrian and bicycle safety and traffic operations in this area.



Wilkes Square: Washington and Candle existing intersection



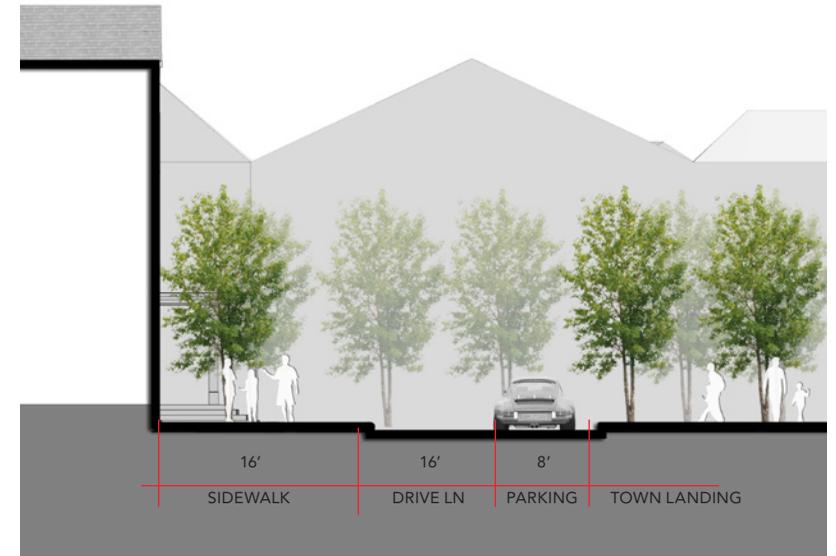
Wilkes Square: Washington and Candle proposed improvements

NRTA BUS CIRCULATION

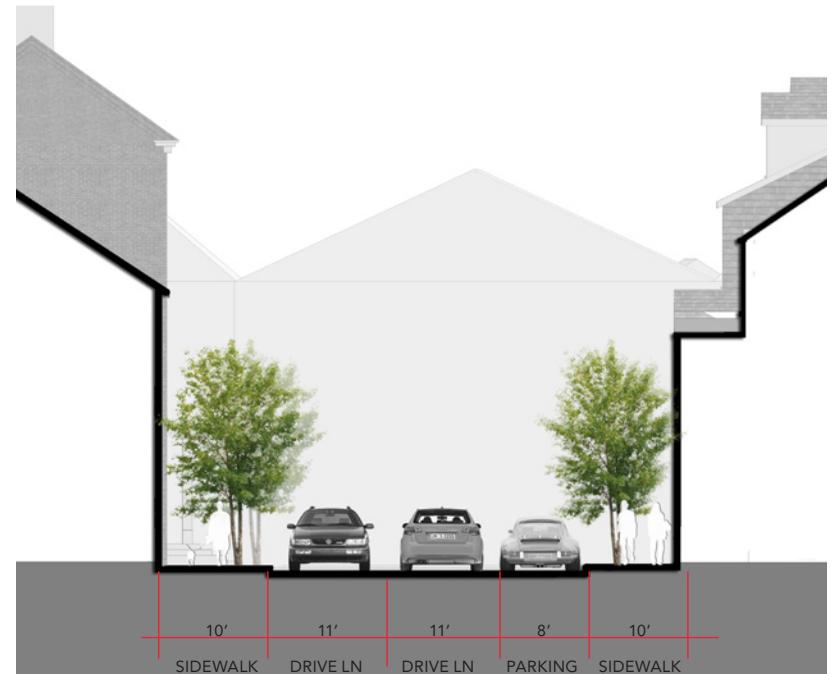
A new Transportation Center is proposed in Block B of the master plan providing all seven required berths for buses. The existing bus routes that service Washington Street and Candle Street will be rerouted into the Transportation Center. The buses currently travel north from Washington Street onto Candle Street, turn left at Main Street, and turn left again on Washington Street. This pattern adds to the current congestion on Washington and Candle Streets. Under future conditions, the buses will turn right from Washington Street onto Commercial Street, turn left on Old Whale Street and turn left again into the Transportation Center. The buses will then go straight out of the Transportation Center to Steeple Street and cross all the way to Washington Street, where they turn left to continue on the exiting route. There are approximately nine buses during each peak hour that serve this route. A fully equipped transportation building is proposed on this block that includes ticketing facilities, transportation offices, information center, lockers, showers, and bicycle facilities.



new WHALE STREET SECTION LOOKING NORTH



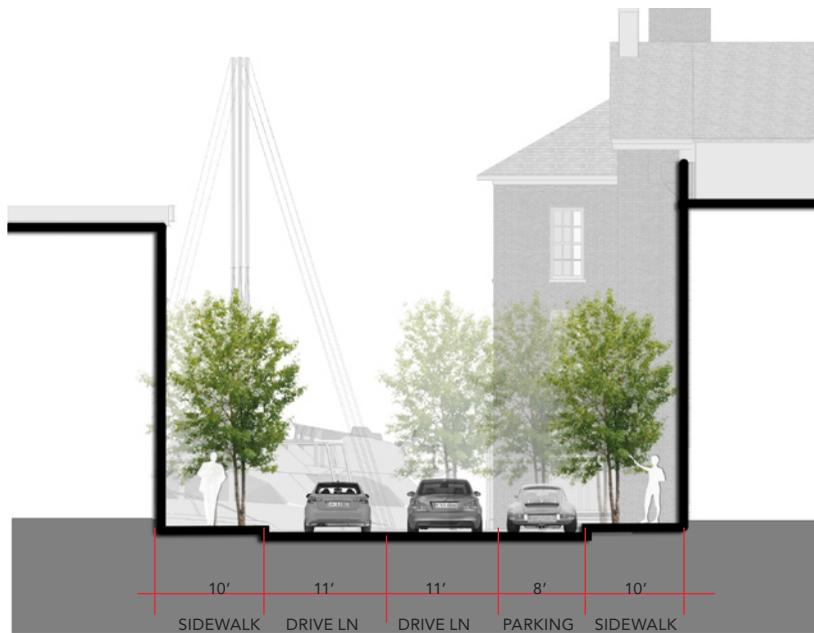
OLD WHALE STREET SECTION LOOKING EAST AT TOWN LANDING



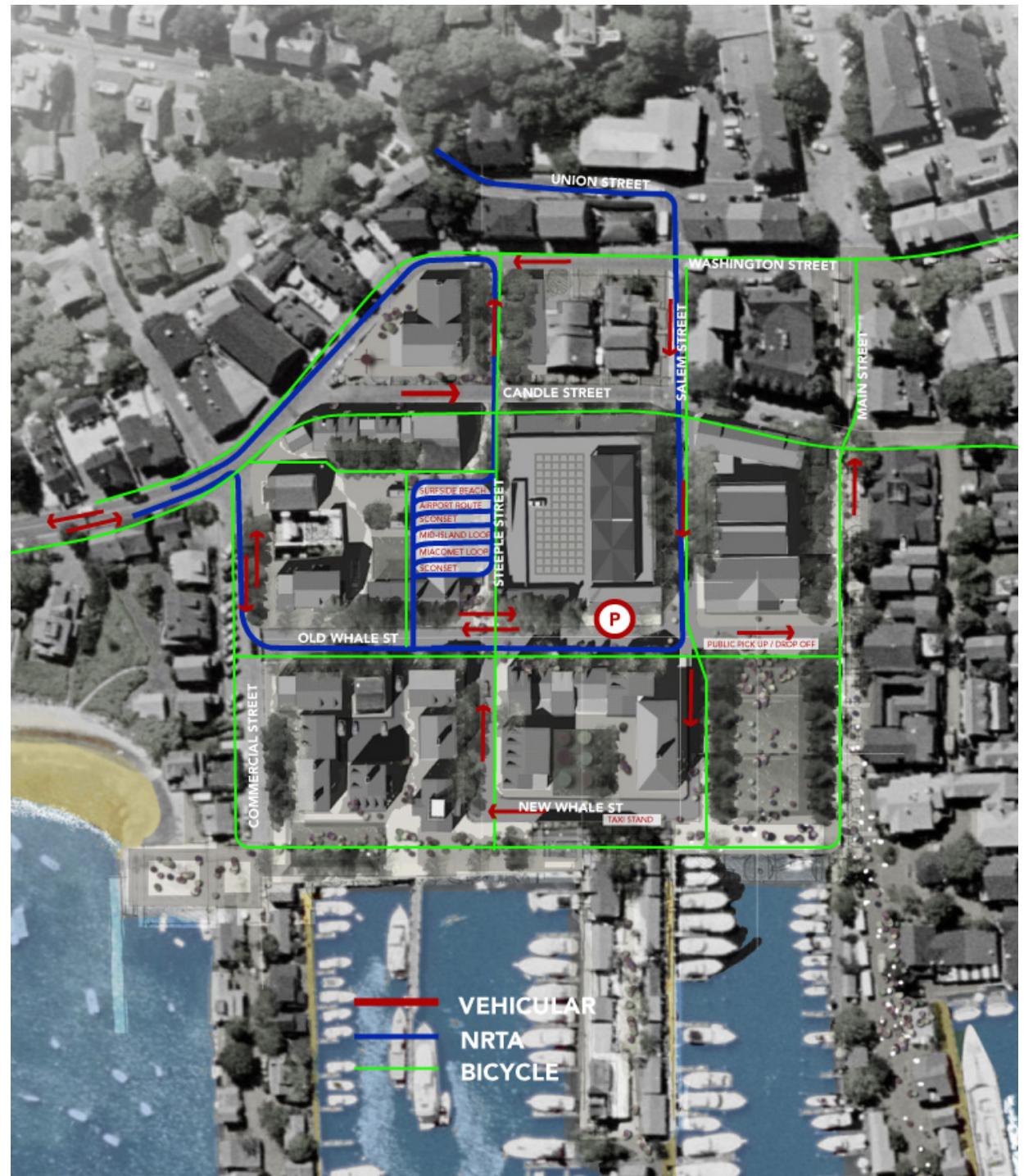
OLD WHALE STREET SECTION LOOKING NORTH



STEEPLE STREET SECTION LOOKING WEST



SALEM STREET SECTION LOOKING EAST





View of Wilkes Square traffic reorganization and improvements to pedestrian and bicycle safety



TAXI OPERATIONS

Taxi operations with respect to Hy Line are highly critical in this area. The proposed scheme provides a dedicated space for taxi waiting and pick up on New Whale Street between Salem and Steeple Streets. New Whale Street is proposed to be discontinued to vehicular access to improve pedestrian access to the waterfront.

PARKING ACCESS

There are two different parking solutions that are contemplated in the two scenarios. One scenario maintains the existing town parking lot in its place. In this scenario the parking lot will be entered from and exited onto from the intersection of Salem and Old Whale Street and exited onto Main Street. The second scenario contains a parking garage in Block C. In this scenario the parking garage will be entered and exited from Old Whale Street only to distribute vehicles before entering the downtown system.

TRIP GENERATION AND DISTRIBUTION

Vehicles can enter the site at two locations, off Commercial Street and Salem Street. Vehicles can exit the site from Commercial Street and Main Street. There is a new drive called Steeple Street being introduced between Commercial Street and Salem Street across from the Transportation Center that runs one-way in the westbound direction to Candle Street and Washington Street.

The existing volumes indicate that the majority of vehicles enter the study area from Washington Street, with approximately 10%-15% of traffic using Salem Street, Main Street, and Coffin Street. Vehicles entering the study area from the south are more likely to use Commercial Street to access the site, and vehicles entering the study area from the north are more likely to use Salem Street. In addition, vehicles exiting to the north are likely to use Main Street, while vehicles exiting to the south are likely to use Commercial Street and Steeple Street.

The additional development, along with the additional circulation capacity provided by the site, normalize one another in future condition and the development does not significantly impact existing downtown traffic conditions. The intersections with the highest existing volumes are Washington Street at Main Street, Washington Street at Salem Street, and Washington Street at Coffin Street. The highest volume of existing traffic occurs during the weekday midday peak hour, where there are approximately 700 – 800 vehicles at each of these intersections. The worst-case scenario for proposed site trips occurs under zoning scenario 2 during the weekday midday peak hour. This scenario will add approximately 95 to 150 site trips to these three intersections, increasing vehicle traffic by approximately 12% -16%. From a level of service standpoint, no significant increases are expected except for these two intersections.

4:06

Block Structure and Program Elements

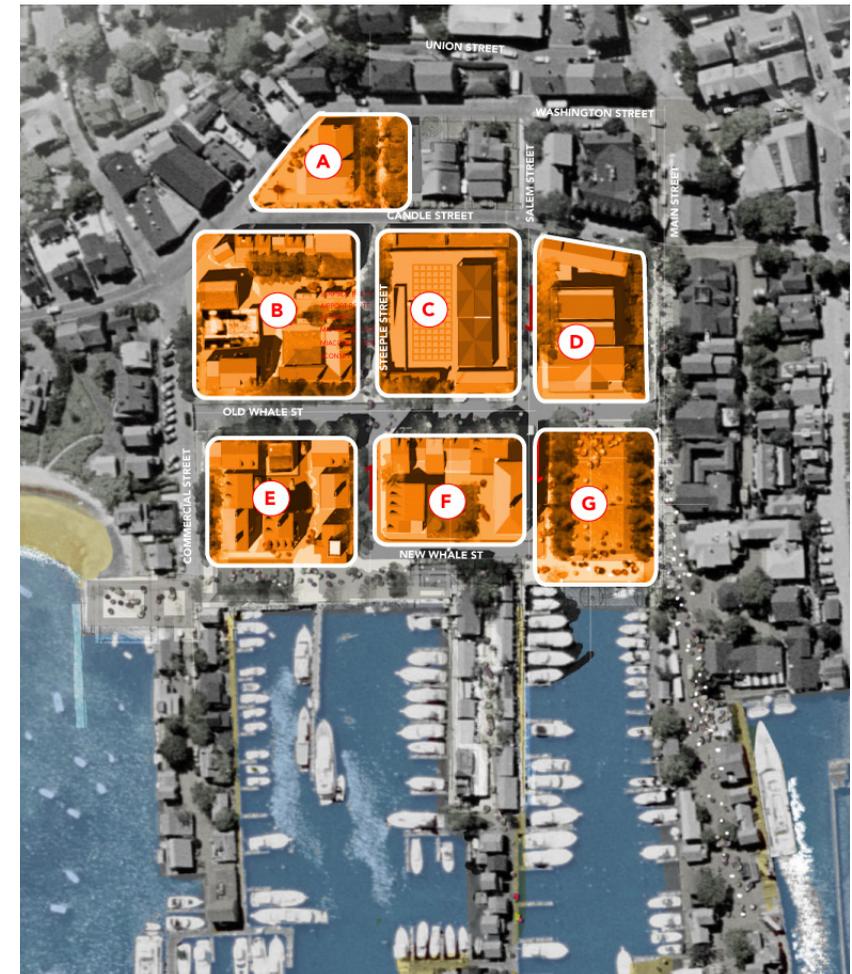
In the play out of a large scale undertaking like Wilkes Square, flexibility is the key. The framework proposes to create seven urban blocks that are highly flexible and support a range of uses. The size and character of these blocks is intended to be identical to that of downtown Nantucket. A multi-disciplinary analysis of redevelopment programming alternatives was undertaken for the site, grounded in the public's aspirations for the property, the market and development fundamentals described by this report and urban design principles. The basic attributes and economic characteristics of these program building blocks are summarized as follows.

A VIBRANT LOCAL MARKETPLACE

- Anchored by a mid-sized/multi-function grocery – modeled after Whole Foods or Trader Joe's in terms of merchandising, but not necessarily these operators. The economic feasibility could benefit from the entrepreneurial motivations of an existing on-island operator.
- The successful concept could include ancillary functions such as a seasonal farmer's market, a crafts market, prepared foods, box lunches, catering or demonstration kitchen, outdoor vending areas, café/coffee house, or other public gathering places.
- The large grocery store footprint would lend itself to other entertainment opportunities above it for venues like a bowling alley, arcade, climbing wall, golf practice facility, or other indoor activity center perhaps with a youth-orientation.
- The minimum size for critical mass and operational efficiency of the grocery is 10,000 to 15,000 SF.



- Notwithstanding the current zoning requirements, the market will require parking at a minimum ratio of 1 to 1.5 spaces per 1,000 SF. These spaces can be accommodated in a variety of ways without impacting marketability – on site or in a common garage, provided that they are visible and accessible and can be part of a shared pool.
- The value of the existing building and the costs of new construction create inertia and promote a status quo use that will require incentives to overcome – prospects for higher and better use, more profitability, a better parking arrangement, etc. will be necessary to prompt redevelopment.



- The rental economics for new store development are thin – but redevelopment of the existing grocery has the potential to leverage value for other uses – on and off-site – especially if it succeeds in creating more parking and a better anchor for year-round activity in the downtown.
- This use cannot support the cost of structured parking or other cost premiums.

A COZY NEIGHBORHOOD OF WATERFRONT COTTAGES

- Market analysis suggests a program of up to 50 units would be viable from a demand and absorption perspective.
- The supportable unit profile is small to mid-sized (<2,000SF/ unit average) – not McMansions on the Harbor.
- The greatest market response (and the optimal price to cost relationship) will be produced by an organic/Nantucket cottage-style mix oriented to attached-townhouse and duplex units with the potential for marketable flats above waterfront and street facing ground floors.
- The pricing is likely to fall in the mid to upscale tier (above \$750K) and can be expected to draw both seasonal and year-round users – with an emphasis on the former.
- Water views will carry a substantial premium as will direct water frontage.
- There is some potential for mixed live/work spaces, especially where ground floors meet the commercial streets and water-edge – but true “artist” live-work units would likely require a subsidy.
- Environmental conditions (both known and unknown) pose the most significant impediment to residential development feasibility at the site, as existing environmental restrictions limit residential uses on the ground floors.



- Residential development plans for some portions of the site will need to consider elevating living spaces above parking spaces or additional remediation.
- If the environmental issues can be managed, this use has the most immediate development potential, given the relative scarcity of waterfront residential opportunities and its ability to carry the costs of new construction.
- Notwithstanding the current zoning requirements, housing will require parking at a minimum ratio of 1 space per unit. These spaces can be accommodated in a variety of ways without impacting marketability – on site or in a common garage – but must be guaranteed.

A SMALL NANTUCKET INN

- Hotel markets have sustained a serious blow in the current recession and are expected to take several years to stabilize. Our analysis assumes a development opportunity well in the future - 2016 or later.
- Market potentials suggest that the supportable future hotel program would contain no more than 50 rooms.
- The feasibility analyses assume a seasonal (closed during the winter and early spring months), independent operation (probably not flagged).
- Labor and operational issues for a seasonal operation add complexity and cost that argues for a limited service facility.
- Publicly accessible meeting, banquet, or a wedding venue on the water could be provided through shared space at the marketplace.
- Likewise, any food and/or beverage service is assumed to be delivered through an affiliation with an existing, local restaurateur.
- Notwithstanding the current zoning, on site parking would be required at 0.5 spaces per key. These spaces can be accommodated in a variety of ways without impacting marketability – on site or a common garage and can be part of a shared parking pool.
- Given the high costs of development and operation, premium costs are not supportable (permitting, environmental, structured parking, etc.)

AN ACTIVE AND ACCESSIBLE WATER'S EDGE

- Within the spirit and intent of Chapter 91, an eclectic mix of small shops and marine-related activities landside would invite public access to the water-edge and provide key services to the boat basin and other users of the harbor.
- The market will not support very much additional retail, so any retail programming is expected to be modest – and is most likely to be seasonal.
- These ground floor uses might also provide the base upon which to situate other above-grade waterfront uses including residential and hospitality functions.
- Watersheet activation concepts (oriented toward Petrol Landing) could include public marina/boat club, boat rental operation, public boat launch
- These ground floor uses are viewed as ancillary to other primary uses of the site

A CIVIC PRESENCE ON THE HARBOR

- Several of the alternative program options examined by this study include a town-office annex conveniently located for residents and town employees with parking to serve both.
- The feasibility of this use is directly tied to the needs of the town and the extent to which the creation of an annex facility enables a more efficient operation or frees up space that might be better deployed to other more economic purposes.
- Such a facility might also allow for swing space to accommodate both public and non-profit educational/cultural users. However, public support or subsidies are likely to be required.



- All of the concepts examined include space for development of an Intermodal Transportation Center with off-street bus berths, comfortable passenger waiting areas, visitor services and information, central ticketing center for water and landside activities, lockers, showers and heads for day visitors and boaters - for all of the seasons. Such a facility is assumed to be publicly funded primarily through State and Federal Sources.
- Ground transportation queuing and parking areas, with flexible spaces that can be reprogrammed in the off-peak months would be a part of the site programming as would public open space.

- A detailed land control strategy and financing plan will need to be crafted to support public transportation and parking programs.

WITH PARKING FOR ALL

- The programs studied by this planning exercise assume that parking would be provided to serve all on site redevelopment demand.
- All of the options tested, except Scenario 2 assume that parking would be accommodated in surface lots or on new streets created within the site.
- Scenario 2 assumes that a 230-space, above grade-parking garage would be constructed – a size sufficient to serve all but the residential uses (which would have their own dedicated spaces on surface), producing an excess to serve the downtown market on the order of 120 spaces.
- Our analysis demonstrates that none of the on-site development uses examined by this study are capable of shouldering the extra cost of structured parking construction for their own use or others. The costs have been estimated on a preliminary basis at between \$7.5M to \$10.0M or up to almost \$40,000 per space.
- The ownership and financing of such an undertaking could take many forms - public or private, taxable or tax-exempt, but we believe that a public sector financing supported by investment from the State and Federal governments – tied to Intermodal Transportation Center development - is the most likely approach to securing a garage commitment at the site.

4:07

Project Financials

PLACEHOLDER

4:08 Block Qualities



BLOCK A

Block A is situated between Washington and Candle Streets at Wilkes Square and presents a significant visual opportunity when entering the town from Mid Island. Through the reorganization of the intersection at Wilkes Square, a special prominence is given to the new monument and the plaza. The prow shaped parcel creates opportunities for a special building signifying the entry into downtown. This building will be a backdrop to the Wilkes Square monument and will be given special design consideration including height exceptions. The parcel should also facilitate the visual access to the Unitarian Church and allow for a vehicular connection (Steeple Street) between Candle and Washington Streets. Washington and Candle Street walls should be maintained with active ground floor uses.



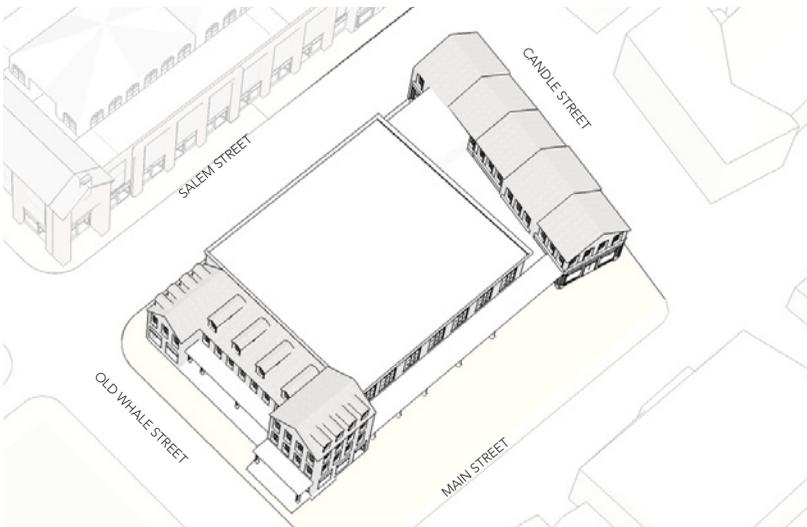
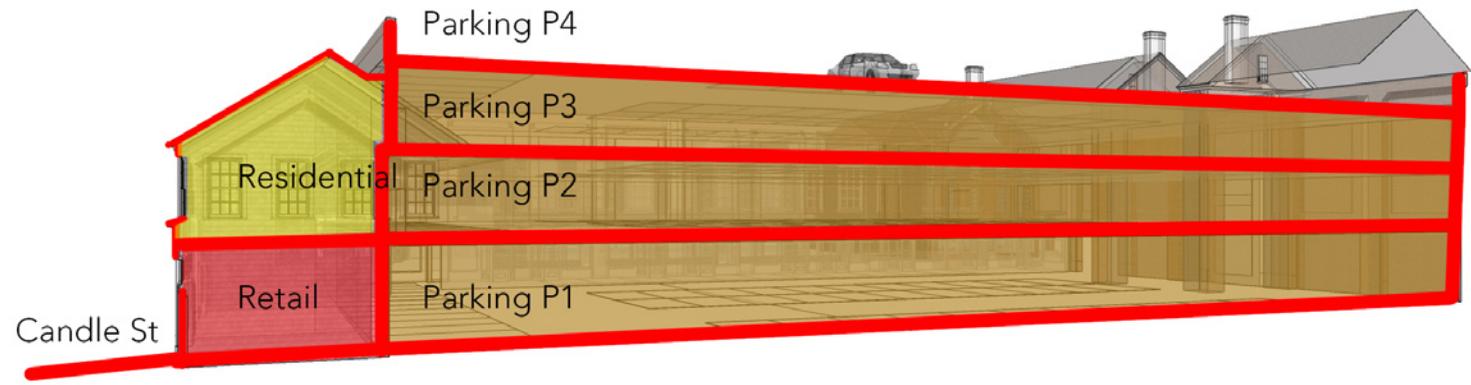
BLOCK B

Block B is situated immediately east of Candle Street and north of Commercial Street. The southwest corner is occupied by National Grid's transformer facility. This facility will need to be maintained with a 20-foot separation on all sides. The reorganization of the Wilkes Square intersection provides additional built space between the building and the realigned Candle Street. The built edge on all sides should maintain a strong street wall with active ground floor uses. Special emphasis should be given to the buildings along Candle Street as they present an important backdrop to the entry into downtown. The new transportation center will be located on this block along Steeple Street. The existing historic brick building at the northwest corner should be preserved, repurposed, and integrated into the block. Bicycle and pedestrian connections from the Washington and Commercial Street intersection to the transportation should be created.



BLOCK C

Block C is situated immediately east of Candle Street and south of Salem Street. It is an infill block primarily with special conditions. This is the suggested block for a parking garage, should there be one in this development. The scale and character of the Candle Street facade is very important and should be carefully crafted, particularly in the option where a parking garage is located. A continuous street wall should be maintained on all sides of the block. The corner of Salem and Steeple Streets is very important as it fronts the 'town landing.' Special architectural expression and ground floor treatment is important. Ground floor animation should be maximized on all streets. Parking entry should be provided in the middle of the block on Old Whale Street.



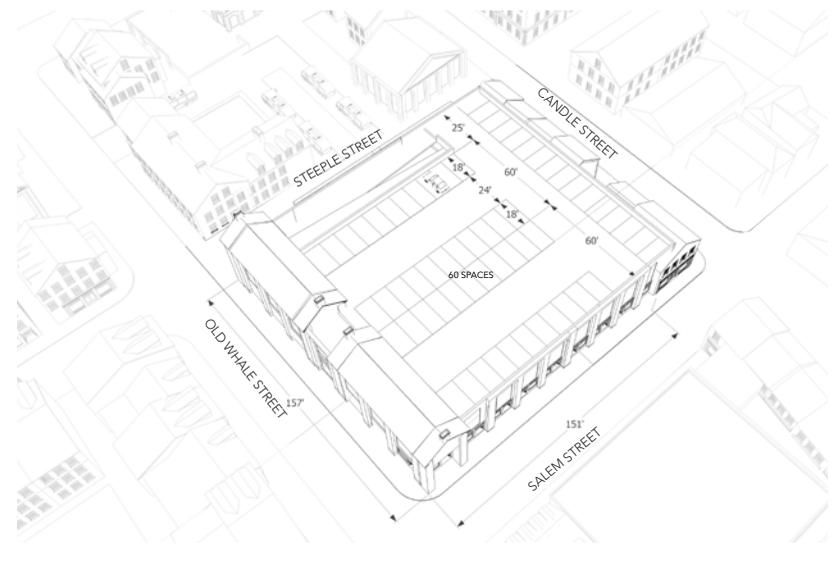
BLOCK D

THE PARKING GARAGE

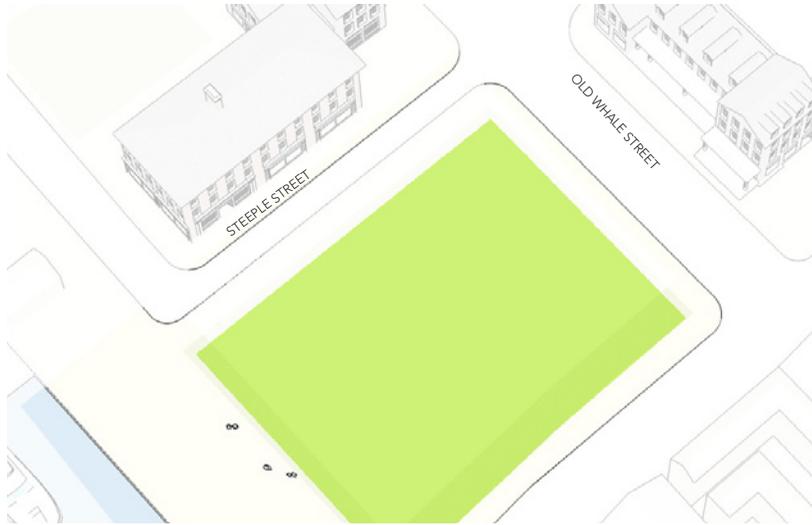
The suggested parking garage is a three-story structure with the ability to park on the roof. The foot print of a parking garage or a market needs to be carefully handled in its design to respond to the sensitive context of downtown Nantucket. There are several examples of such parking garages in historic contexts around the country that could serve as an example, should Nantucket decide to build this garage. From a master planning perspective, the size and location of the garage should be selected in order to have the least visual impact on the context. It is also recommended that the garage have flat floors with speed ramps to use various floors including the roof top for other uses and events during the off-peak seasons.

No. of Spaces: 230

Ground Floor: 50 spaces; Typical Floor: 60 spaces

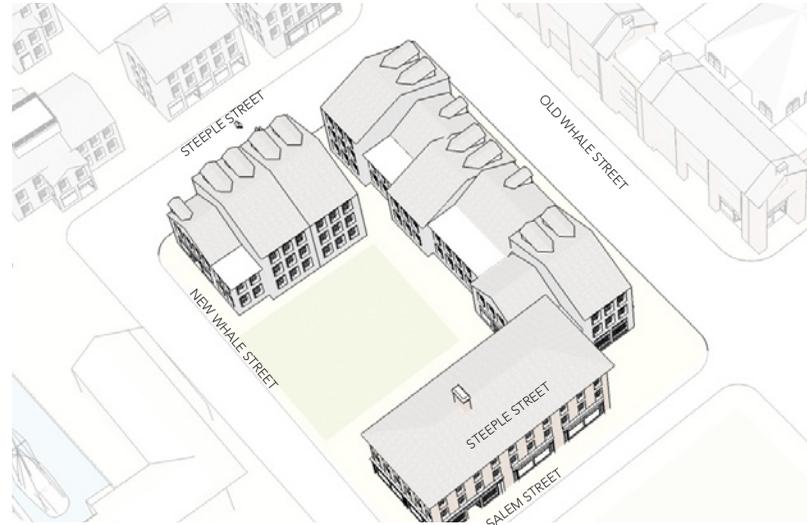


Block D is a prominent parcel located at the corner of Main Street and Candle Street as well as facing the 'town landing.' This block should host an important civic program and celebrate its presence on 'town landing.' Special consideration shall be given to maintaining grand views to the water from Main Street. In addition, creative ways of engaging the old sycamore tree should be an important consideration. The facade facing 'town landing' will be very special and should be treated with great design sensitivity.



BLOCK E

Block E is situated on the waterfront at the end of Main Street. This is 'town landing'



BLOCK F

Block F is situated prominently on 'town landing' near the waterfront. Special consideration should be given to the massing and facade that faces the 'town landing.' A continuous street wall should be maintained on all facades with possible exception along New Whale Street where breaks are allowed to take advantage of the views to the water. Special attention should be given to the connection to and engagement of the Old South Wharf.



BLOCK G

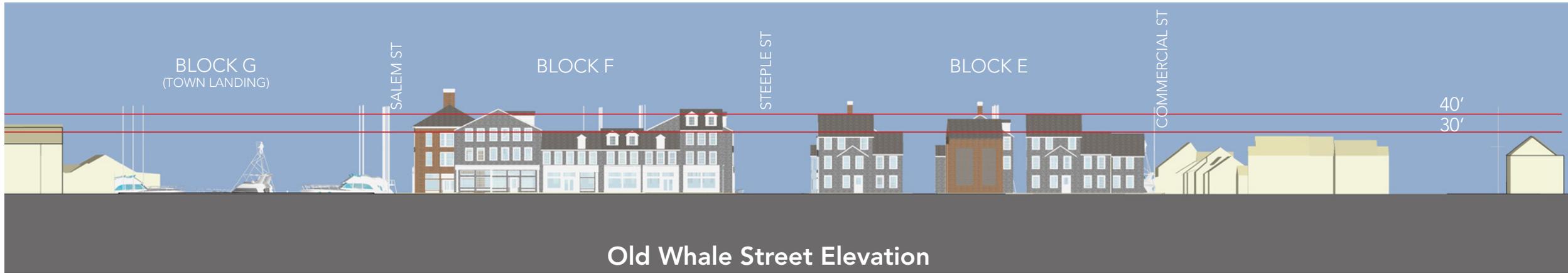
Block G is located at the end of Commercial Street with uninterrupted views to the water. A continuous street wall should be maintained on all facades with a possible exception along New Whale Street where breaks are allowed to take advantage of the views to the water. The existing historic brick building in the middle of the block should be preserved, repurposed, and integrated into the block. Ground floors should be highly animated and publicly accessible, particularly on the waterfront side.

4:09

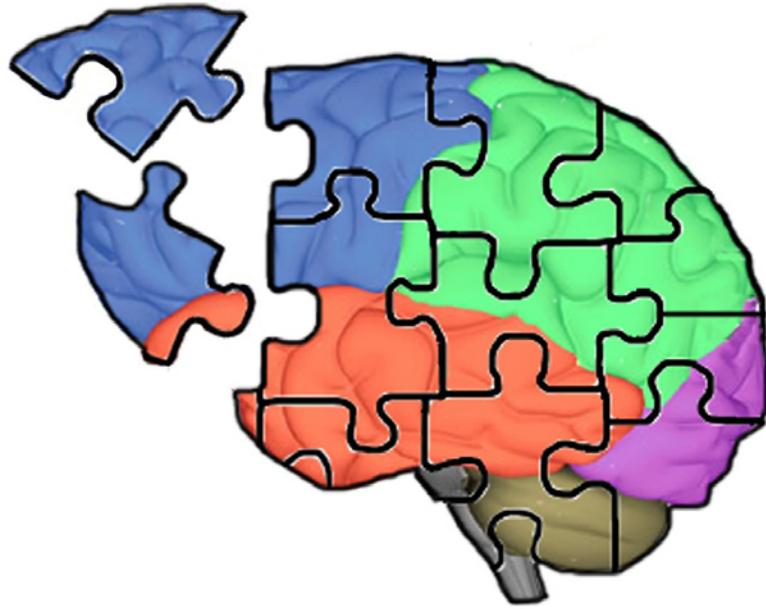
Massing and Height

Downtown Nantucket is a world heritage site with a great architectural history. Wilkes Square Redevelopment attempts to respect the quality of architecture and scale of the downtown while catering to contemporary needs. To this end, the generic height of most of the development is kept at 30' while allowing for specific exceptions to go upto 40'. This variation is found through out the downtown area and creates visual interest and dynamism. This variation also allows to maintain the densities for development while providing public benefits like new streets, waterfront access and town landing.





05 Implementation



5:01 Implementation

Promoting redevelopment beyond the status quo options will require public leadership and investment. The site must be rezoned to provide incentives for development in accordance with Nantucket’s vision. Chapter 91 relief must be sought. Greater certainty and speed must be created in the local approval process. More must be done to understand how a relocation of the tank farm can be implemented. Environmental costs and risks must be identified and evaluated. A public financing plan, operating plan, and a land control strategy must be devised to create an intermodal transportation center (that may or may not include a public garage) and to support the necessary infrastructure investments on and off-site.

We note that the economics of development in Nantucket - even in good times – cannot support the premium costs associated with extensive environmental remediation, structured parking, or major new infrastructure investments. Public funding sources will be needed to support these costs – in all likelihood with some participation and investment at the local level. The most critical next steps include developing:

IMMEDIATE NEXT STEPS

- The first step after this study is for the Town of Nantucket to analyze the recommendations and develop scope for a detailed implementation study
- Conduct an Implementation Study that accomplishes the following:

IMPLEMENTATION STEPS AND TIMELINE

0	6 mo	24 mo	48 mo
Community Discussion	Implementation Study	Phase I implementation	Phase II implementation
<ul style="list-style-type: none"> • Form an inter-agency group (DRC, HDC, Planning, Town Association, Land Bank, land owners Etc.) • Reprioritization of objectives • Develop a scope for implementation study 	<ul style="list-style-type: none"> • Rezoning Plan and Implementation • Revised program to meet priorities (public vs. private and garage vs no garage) • Public Private Partnership Structure • Municipal Harbor Plan • Infrastructure Financing • Garage Financing, Pricing and Operation • Chapter 43D designation • Land Appraisals • Land Control/Ownership Plan 	<ul style="list-style-type: none"> • Funding procurement • Infrastructure construction • 43D approvals • Land Acquisitions/Transfers (if needed) 	<ul style="list-style-type: none"> • Funding procurement • Infrastructure construction • 43D approvals • Phase II Implementation

**AN APPROACH TO ENTITLEMENTS THAT BUILDS
CONSTITUENT SUPPORT**

- A flexible zoning framework with clearly articulated and predictable parking and design standards that are supported by local constituent groups (guidelines and trade-offs not prescriptions)
- A Municipal Harbor Plan that provides relief from the prescriptive requirements but not the objectives of Chapter 91
- A Massachusetts Chapter 43D designation that provides expedited permitting for land owners/developers that works within the guidelines of an approved Masterplan

**A PUBLIC PRIVATE PARTNERSHIP TO DRIVE IMPLEMENTATION
CRAFTED AROUND OPPORTUNITIES FOR:**

- Intermodal transportation and smart growth
- Public parking and infrastructure improvements
- Public access to the waterfront
- Brownfields redevelopment
- Downtown revitalization

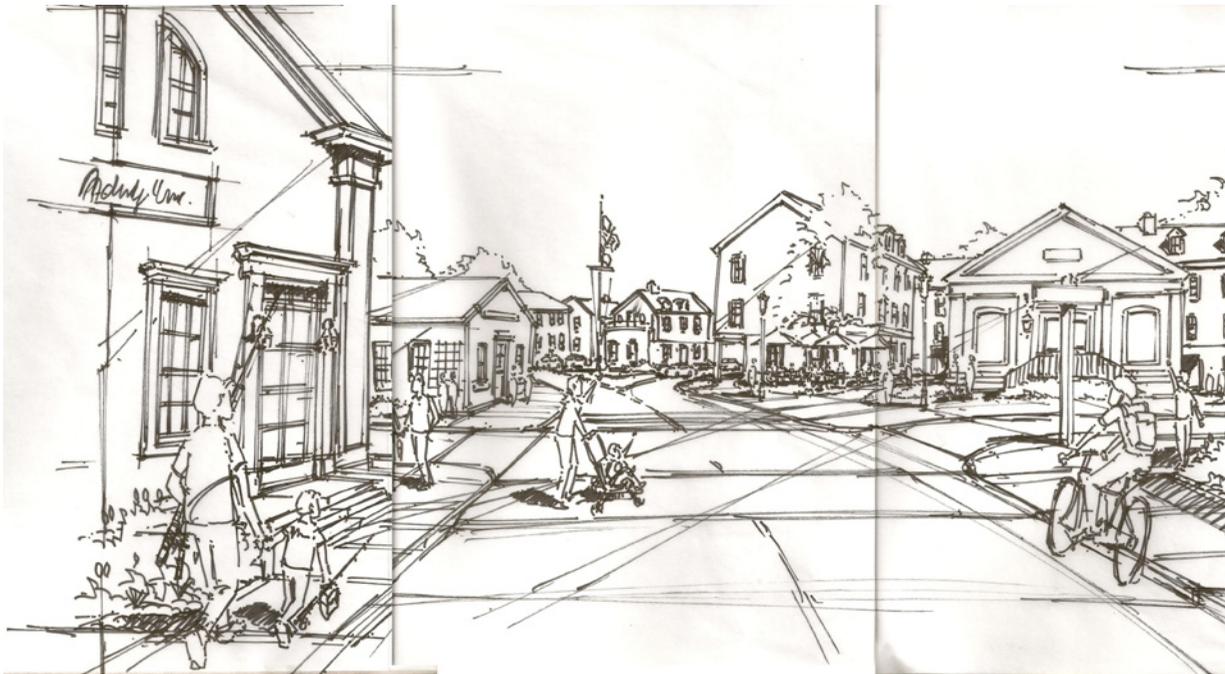
**A MIXED FINANCE PLAN THAT LEVERAGES CONSTITUENT
FINDING INTERESTS IN:**

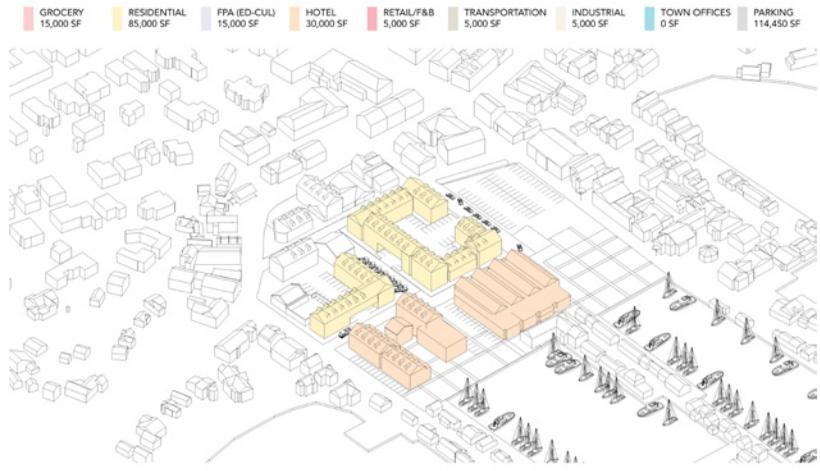
- Intermodal transportation
- Sustainable/green design
- Smart growth
- Historic preservation
- Continuing education
- Brownfields redevelopment
- Downtown revitalization & public parking
- Public access to the waterfront & watershed
- Bicycle and pedestrian paths
- Beautification/scenic preservation/urban design
- Maritime history/cultural preservation
- Arts & culture

**AND INCLUDES PURSUIT OF POTENTIAL FUNDING SOURCES
SUCH AS:**

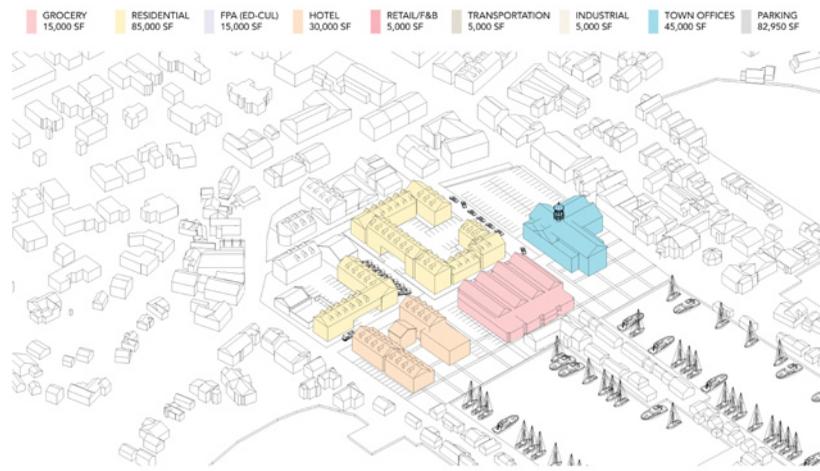
- Federal Transportation Administration
- National Endowment for the Arts
- US Department of the Interior
- National Endowment for the Humanities
- US Environmental Protection Agency
- Mass Executive Office of Finance and Administration
- Mass Development Finance Agency
- Mass Health & Education Finance Agency
- Mass Cultural Council
- Mass Exec. Office of Transportation
- Mass Department of Transportation
- Mass Dept. of Environment Management
- Mass Dept. of Conservation and Recreation
- Mass Technology Collaborative
- Mass Renewable Energy Trust
- Office of Community Development
- Local DIF/TIF/BID
- Municipal Bonds

06 Process Sketches

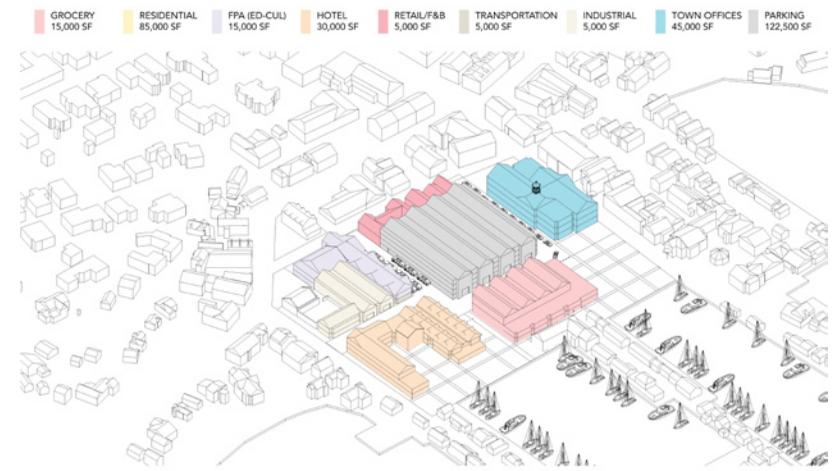




SCENARIO 1
160,000 SF



SCENARIO 2
205,000 SF



SCENARIO 3
120,000 SF

