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Martha's Vineyard Commission

Land Use Planning Committee

Draft Notes of the Meeting of April 28, 2008

Held in the Stone Building, New York Avenue, Oak Bluffs. 5:30 P.M.

Commissioners Present: Chris Murphy (Acting Chair); John Breckenridge; Kathy Newman; Ned Orleans; Susan Shea; Pete Cabana.

MVC Staff Present: Mark London, Paul Foley;

1. Harbor View Hotel Expansion (DRI 539-M2)

Present for the Applicant: Sean Murphy (Lawyer), Thad Heiland (Managing Director of Hotel), John Murray (Engineer)

Applicant: Scout Harbor View Property 1 LLC; Sean Murphy (Lawyer/agent)

Project Location: 131 North Water Street, Edgartown Map 20b Lot 107 (3.88 acres)

Proposal: Addition, demolition, renovation, and new construction at the Harbor View Hotel.

Applicant Presentation:

- Sean Murphy said that there are 3 parts to the project:
 - 1 the main building with the bars, function rooms, units.
 - 2 Mayhew building being demolished.
- There is an increase in square footage but not in rooms.
- The number of Units, Rentable rooms and bedrooms are slightly different.
- The increase in square footage is a difference in style of rooms. Currently they are very small. The proposal is to take those rooms and create a living/dining room in the middle with a room on either side.
- They conducted interviews with guests and found people wanted more space especially for longer stays. The use will not increase.
- The main hotel will be increased in the back and they will fill in the gap on the top floor (image).
- They would demolish the Mayhew building and replace that square footage with 5 smaller cottages spread throughout the complex.
- The Snow cottage will be demolished or donated if possible. The replacement will be the same layout and footprint.
- The Morse and Bradley cottage will be replaced.
- All changes will be within the existing Harbor View campus.
- The amount of parking is the same. They will formalize 10 of the spots across the street by the tennis courts for guests.
- The pool will be shifted and become solar heated. Solar panels will be on the Penniman cottage.
- They are in the process of changing the property over to all propane.
- An informal grill area will be formalized. There will also be a children's area.
- The Penniman building will have a day spa.
- The Huxford building will also have a workout area.
- All of these amenities are just for hotel guests.

- The function space in the rear of the main building is currently a bit mixed up. They want to take down part of the area so they can reconfigure it to be more efficient.
- Currently the most they can handle is 141. The new would be able to have 2??
- They sometimes have functions out on the lawn now.
- To limit traffic impacts:
 - They are offering to limit the total capacity to the same as the current capacity of 306.
 - If there is a wedding the guests all stay at the hotel. If they wanted an off-site function they would offer shuttle service.
- All new buildings would have full basements for storage. Currently none of them have that (except recently converted ones)
- The only space that would be public use would be the 1,100 sf health club.
- ADA – they have engaged Deborah Ryan to review the plans for A.D.A. rooms and compliance standards and parking. They will be in compliance.
- The entire property is probably one of the least energy efficient now. They have O-E windows. Walls and floors are not insulated. The renovations will dramatically increase the energy efficiency.
- They will install light timers.
- Open space – the site is already fully developed.
- They currently rent 22 houses for staff.
- The ownership structure will change to a condo/hotel form of ownership.
 - They could not do the kind of renovations they want to do without financial help.
 - You take the suites and sell them off.
 - Everyone gets .625 % of the common area.
 - It stays as a hotel. Because it is a pre-existing non-conforming hotel in R-5 zoning it has to be a hotel forever.
 - We anticipate that the Edgartown Zoning Board of Appeals will have conditions on this.
 - Edgartown Zoning does not define hotel or transient. Oak Bluffs has a good definition.
 - The way it works is once someone buys a unit the Securities and Exchange Commission requires that the hotel cannot order the owner to put the unit into the rental program (otherwise it would become a security).
 - A prospective owner buys a unit. The rental program allows them to use it a certain amount of days (say 45) and there is 70/30 split (70% to unit owner) and a monthly fee (\$60,000/year).
 - The number of days has not been finally determined yet.
 - The units will not have kitchens. They cannot change the rooms in any way. They are purchasing a hotel room.
 - We anticipate that the ZBA will define hotel for this case.
 - Their hope is that the owners will be people who have come to the hotel for years. They will come for a couple of weeks, put it back into the rental program for the summer and then come in the shoulder season.

Commissioner Questions:

- Commissioner Murphy revealed that he just started renting a house to one the Harbor View cooks. He asked if that is a conflict. No one seemed to think it was.
- A commissioner noted that there have already been a lot of changes to the main building.
 - Sean Murphy explained that they did some cosmetic changes to the bar, restaurant, and the kitchen.

- A commissioner asked for more information about Affordable Housing. Do they ever consider making an investment beyond renting?
 - Sean Murphy replied that they have rented a few houses year round.
 - They generally spend \$500,000 per year on employee housing. This year it is up to \$650,000.
 - Last year they donated \$100,000 of furniture to Morgan Woods helping 21+4 families.
 - They have set up the Harbor View and Kelley House Foundation. They have donated to the YMCA.
- A commissioner asked if any of the buildings could be divided so that you can create affordable housing.
 - The reply was that the hotel is for guests.
- A commissioner asked for more information on the children's room noting that there are state laws about the size of the rooms for children's rooms.
 - Thad Heiland (Hotel Manager) said they have been talking to the Board of Health about camp and daycare.
- A commissioner asked what the timing on the project is.
 - Sean Murphy replied that there would be 2 phases.
 - The cottages along the brick walkway would constitute Phase 1.
 - Phase 2 is the Mayhew demolition and additions to the main building.
- A commissioner asked about the rentals. If someone wants to join the rental program. Can they be rented by the night?
 - Sean Murphy replied that when you put them back into the program they will be just like today.
- A commissioner asked if it was a corporation with an off-site function how would you get people to not bring their cars and use the shuttle.
 - John Murray said they are doing a contract for group functions that will address parking and transportation.
- A commissioner asked if they had an energy study done. Did anyone look at making this LEED (Leadership in Energy and Environmental Design) certified?
 - Sean Murphy said that they are going to try to be LEED Certified.
- They were told they might also look into geo thermal. They said they did and it wouldn't work.
- A commissioner noted that the Staff Report said the number of units would drop from 116 to 68. So there would be 68 condo units.
 - Sean Murphy replied that the number of units at 68 is illusory because the suites have lock offs.
- A commissioner asked that with the buildings that are going to be demolished if they are planning on saving any houses or parts of houses.
 - It was noted that in Edgartown the Town obliges developers to offer houses that are going to be demolished or moved to affordable housing. There has been talk of setting up a process to setting up a storage/salvage operation.
 - Sean Murphy said they have touched on it. A lot of the windows and doors are not that old.
- A commissioner asked other commissioners what makes the hotel/condo structure a key issue for us.
 - A staffer asked what would happen if we lost a lot of hotel rooms to condominiums.
 - Sean Murphy added that their pitch will be that because this is the only way they can pay for these extensive renovations. They have to make sure it stays a hotel.
- A commissioner asked if they have a sale price for the units.

- Sean Murphy explained that the units will range from a cost of \$525,000 to \$1.3 million each. The renovation will cost at least \$55 million.

Traffic Scope:

- The Applicant has asked for a waiver from doing a traffic study.
- Sean Murphy said that if someone books a party or function at the Harbor View that will have people who are not staying at the hotel they will tell them they have to use the park and ride.
- He said that the number of rooms is about the same and that the number of parking spaces is the same with the exception that 10 spaces will be shifted across Fuller Street.
- A commissioner asked what happens when you have multiple functions near capacity.
 - Sean Murphy replied that the capacity will be the same as it is now and when they anticipate traffic they have guidelines for the hosts.
- ***Ned Orleans made a motion to waive the traffic study which was duly seconded by Kathy Newman. The LUPC unanimously voted to waive the traffic study.***