

Land Bank: The Time Has Come

When the state legislature last year passed a bill allowing Nantucket to collect a 2% transfer tax on real estate transactions of more than \$100,000, Cape Codders and Martha's Vineyard islanders sat up and took notice. Collected fees on Nantucket (currently netting \$170,000 a month) fund a land bank for acquisition of beachfront property and recreational areas for public use. The land bank is overseen by an independent commission.

On Nantucket, the land bank bill was supported by virtually every segment of the island's population. Builders, realtors, and residents agreed that the small amount of open land remaining would soon pass to private ownership. Nantucketers recognized they must either purchase shorefront property for public use or lose public access to island beaches.

This year, Martha's Vineyard officials have asked the legislature for permission to establish a land bank commission. In Cape communities, selectmen have worked out a regional proposal; Barnstable County's local land bank option bill was approved recently by the legislature's taxation committee and is now in House Ways and Means. If the bill passes, all the Cape's 15 towns will have the option of levying an up-to-2% transfer tax on real estate transactions of more than \$50,000. Each town will offer its voters the option as a ballot question.

The bill provides that local conservation commissions will oversee the land bank funds; transfer tax rates will be set annually at town meetings; taxes will be collected by the County Registry of Deeds and returned to the towns.

Unlike the experience on Nantucket, opposition has arisen. The Home Builders Association of Massachusetts objects to

the Barnstable County bill because it differs from this pertaining to the islands in that the Barnstable bill empowers appointed, rather than elected officials, to oversee land bank funds. Objecting to both the island bill and that of Barnstable County are the Massachusetts Association of Realtors and the Cape Cod Real Estate Board. Members of the state group believe the bills bypass Proposition 2½, fear transfer tax bills will become widespread in the Commonwealth and, together with other fees, cost an additional \$1,000 to \$2,000 for each transfer.

Real estate people on the Cape are joined by the Martha's Vineyard Chamber of Commerce in fighting the bills. They see an inequity in requiring those who buy or sell real estate to pay for public facilities rather than facility-users paying the freight.

With the exception of opposition from these groups, the legislation is backed enthusiastically by officials at all levels of government as well as by the general public. If the legislature passes the land bank bills, Dukes and Barnstable County towns may never need to enact a building moratorium to protect water supplies.

A land bank fund could be used to acquire beachfront property when it becomes available; a land bank could purchase tracts of undeveloped land threatened with subdivision; a land bank fund would impose a relatively small additional cost on most real estate transactions. Best of all, though, town conservation commissions could act expeditiously, could move speedily when appropriate and necessary to protect public interests.