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Martha's Vineyard Commission

DRI 695 Menotomy Building Demolition and Reconstruction MVC Staff Report – 2020-02-03

Note: New information is printed in bold type.

1. DESCRIPTION

- 1.1 Applicant:** CJ and BP Holdings, LLC; Brian Packish (owner); Ben DeForest (leaseholder)
- 1.2 Project Location:** 14 Kennebec Avenue, Oak Bluffs. Map 9, Lot 29 (0.05 acres).
- 1.3 Proposal:** To stabilize the existing Red Cat Restaurant, providing opportunity for year-round use of the building, and increase the economic vitality of downtown Oak Bluffs through real estate.
- 1.4 Zoning:** B1 - Commercial.
- 1.5 Surrounding Land Uses:** B1 Commercial, R1 Residential
- 1.6 Permits:** Special Permit - OB Planning Board; review by OB Conservation Commission for basement installation; Wastewater; Building Permit.
- 1.7 Project History:** The building was originally constructed in approximately 1888 according to MACRIS (1858 in Assessor's Records) and was originally used as the William H. Davis Paint Shop. It was part of the Oak Bluffs Land and Wharf Co. development, a secular alternative to the MV Campground Meeting Association. The central portion of the existing building remains from the original structure, but many alterations and additions have been made over time, most without any sort of permitting. The front porch was added in 1984 and enclosed in 1987. The building formerly housed Zapotec restaurant. The building is currently a 55-seat restaurant on the first floor, with a 3-bedroom residential unit on the second floor, and unfinished storage space on the third floor. The residential unit has historically been used for daily, weekly and seasonal housing. The building is currently out of compliance with all ADA requirements, most notably the bathrooms and the egress (goes into the kitchen). The building has racked up an extensive list of code violations, and all mechanical systems have exceeded their lifespan.
- 1.8 Project Summary:** Proposal to demolish and replace existing mixed-use building.

2. ADMINISTRATIVE SUMMARY

- 2.1 DRI Referral:** Oak Bluffs Planning Board: Dec. 19, 2019.
- 2.2 DRI Trigger:** 3.1 h) Dev. of Comm – Parking 10+ vehicles, 3.2 a) Mixed Use – 3,500 s.f., 3.2 b) Mixed Use – 4+ units, 3.3 b) Changed Threshold – Special Permit, 3.4 d) Restaurant in B-1 (50+ seats), 8.1 a) Demolition/Ext. Alt of Historic Structure, 8.1 b) Demolition/Ext. Alt Structure > 100 years.
- 2.3 Site Visit:** February 3, 2020.
- 2.4 LUPC:** February 3, 2020.
- 2.5 Public Hearing:** To be scheduled.

3. PLANNING CONCERNS

3.1 Some Key Issues

- What is the historic significance of the existing building Do the revised plans for the replacement house fit the style and materials of the historic building and neighborhood? Will any historic features be preserved and reused in the new building?

- How will this proposed mixed use project impact the surrounding businesses within the Oak Bluffs' B-1 Business District?
- Is the second floor (3) bedroom apartment habitable?
- Will the commercial and residential units be rental or condominium units?
- Does the town plan to install a sidewalk along Kennebec Avenue and if so should the building be pulled back from the street?
- During construction, where will all building materials and equipment be stored and where will the staging be located? How will noise, dust, and traffic be mitigated during the construction process in order to minimize possible impacts to the surrounding businesses and residents?
- Is the proposed project consistent with local, regional, or state plans

3.2 Historic Demolition

- The Menotomy Building is an existing building located at 14 Kennebec Ave that may have been building as early as 1858. Historically the building was part of the Land and Wharf Company Development and originally served as a paint shop and residence. The building was never part of a historic district and the original 19th century portion of the home has been engulfed by additions and alterations that were done as late as the 1980s.
- Based on its age, cultural significance, and the location and public visibility the structure has limited historical significance – holding a matrix rating of 7.
- The interior has structural concerns to include the unlevelled floors with significant slopes on both the first and second floor of the building. There is also significant evidence of water damage however the extent of that damage is unknown (mold etc).
- There may be historic elements and/or materials that could be used in the proposed new building.

3.3 Economic Development

- The proposed project is to demolish and replace the existing 2,298 total square foot mixed use building with a new 5,621 square foot mixed use building (including basement). The new building will consist of a 52 seat (decrease from 55 seat) full service restaurant and 4 (1) bedroom apartments.
- The proposed new building will provide the commercial space with a more efficient layout and additional kitchen space to operate a full service restaurant in compliance with current health and fire safety building codes. The additional storage may provide a decrease in the number of deliveries to the restaurant. It has not been determined whether the mixed use building will be turned into condominium units or rental space. The new building will allow the restaurant to operate year-round as well as the residential units to be utilized year-round.
- The proposed new mix use building is an allowed use within the Oak Bluffs B-1 Business District.
- The current restaurant is a seasonal business that operates from **April 1 – November**
- It is not clear if the restaurant will be year-round or seasonal. The current hours of operation are as follows:
 - April 1 – May 21st and post Labor Day – six days a week, 5:00pm – 1:00 am
 - May 22 – September (Labor Day) – seven days a week, 5:00pm – 1:00 am

- The current number of employees is approximately 12 during the peak season and 6 during the shoulder seasons. The applicant does not anticipate increasing the number of employees.
- The potential impacts to municipal services such as police and fire are likely to be minimal since the proposed project is located within a densely developed commercial/residential area.
 - The proposed project will be building code compliant for health and fire safety
 - The 1st floor restaurant will be ADA compliant
 - It is not anticipated that there will be an impact to schools since the four residential units are one bedroom each
 - The proposed project will be tied to town water and sewer at the applicant's expense.
- The proposed project's FY 2020 Assessment is \$562,200 and the FY 2020 Property Tax Revenue was \$4,286. The proposed new building will have an increase in assessed value as well as an increase in annual property tax revenue to the town.
- The current and proposed restaurant will continue to generate meals tax revenue at 7%: 6.25% to the Commonwealth of Massachusetts and 0.75% to the Town of Oak Bluffs.
- The proposed demolition and new construction will create a small number of new temporary jobs in the construction and professional service sector industries.

3.4 Affordable Housing

- The proposed project is to demolish and develop a new mixed use building of 5,621 square feet (including the basement). The current 3 bedroom apartment is currently utilized as part storage and seasonal housing for the Chef/Owner. The current apartment does not have a Certificate of Occupancy and therefore may not be deemed appropriate for year-round habitation.
- With the demolition, the MVC's Housing Policy recommends that any useful materials such as flooring or doors be repurposed and donated to an Affordable/Community Housing entity, if possible.
- The proposed project will include 4 new (1) bedroom apartments which will be utilized for Fair Market rental or condominium ownership units.
- The recommended monetary mitigation calculations for the Non-Residential and Residential components are as follows:
 - A. Proposed Non-Residential incremental new square footage:
 - 2,814 (Proposed First Floor and Basement) – 1,238 (Existing Non-Residential) = 1,576 New Incremental Square Footage
 - 1,576 X 5 (Restaurant Multiplier) X \$8 = \$63,040 to be paid prior to the issuance of the Certificate of Occupancy.
 - B. Proposed Residential Units:
 - 10% X 4 new units = 0.4 fraction
 - 0.40 of the total Fair Market Value of one (1) Bedroom Apartment. The Fair Market Appraisal will be determined by an independent appraisal to be completed after the applicant has received a Certificate

of Occupancy. The MVC shall approve the appraiser and the appraisal shall be at the applicant's expense.

- For example, if the Fair Market Value of one (1) Bedroom Apartment is appraised at \$300,000.
 - $\$300,000 \times 0.40 = \$120,000$
- The recommended monetary mitigation will be \$63,040 plus the 0.4 fraction for one apartment's appraised value, to be determined, will equal the total monetary mitigation.
- The applicant has selected to provide a monetary mitigation.

3.5 Wastewater

- The property located at 14 Kennebec Ave has an existing approved capacity of 2,135 gallons per day. The building currently has 55 seats and 3 bedrooms on the upper floor and the property will be decreasing its flow by 35 gallons per day as the proposed new building will seat 52 and have a total of 4 bedrooms on the upper floor for a new flow calculation of 2,100 gallons per day. (per OB Wastewater Department)

3.6 Transportation

- Does the applicant have a construction management plan in place? If so, please provide staff with how traffic will be mitigated during the construction process.
- Where will building materials be stored? How will the staging area effect the surroundings? (Should be part of a construction management plan)

4. CORRESPONDENCE

4.1 Public: