1. DRI 614-M Harborview Hotel Snow/Spa Modification

Applicant: Scout Harbor View Property 1 LLC; Sean Murphy (Lawyer/Agent); John Daley (Scout Director of Construction)

Project Location: 131 North Water Street, Edgartown Map 20b Lot 63.2; the Snow Cottage.

Proposal: To amend their approved plans from the MVC [DRI #614] to switch the uses of the Penniman and Snow Cottages. This would include removing the first floor spa (850 sf) and restrooms/storage (850 sf) from the Penniman Cottage and reconstruct the Snow Cottage to incorporate a new spa (1,869 sf) with an English garden instead of the approved two 3-Bedroom condominiums and storage. Due to the current economic conditions the originally proposed two phase renovation plan has been altered to a multi-phased plan.

Presentation:
- Paul Foley gave a brief staff report and slide show.
- Sean Murphy, the lawyer and agent for the applicant, presented the project.
- The MVC approved a two phase $55 million renovation of the Harborview Hotel last year.
- The project was financed by Lehman Brothers who went bankrupt. Due to economic conditions the new money source wants the project multi-phased rather than two-phased.
- Last winter they put some cosmetic money into the Mayhew Building to make it rentable.
- The next phase is to move the spa from the Penniman Cottage to the Snow Cottage.
- This works better for abutters. The Snow Cottage is currently approved for two 3-bedroom apartments. On the lower level is the major storage for the Harborview with attendant trucks and deliveries. The two approved apartments had balconies which would have created some noise. Thus this modification will have less impact on the neighbors.
- The English garden replaces 5 parking spots near abutters and puts the spots further away.
- Basically the Snow Cottage will have the same foot print except for a bump out on the new garden.
- The spa approved for the Penniman was 850 sf and this one would be 1,869 sf.
- It will have the same hours of operation.
- The complex will be reduced by a total of two units for the short term.
- They hope the economy will come back and the planned and approved phasing will be implemented with just a delay.
- The Spa products will be organic so there should be no issue with fumes.
- Currently the Snow Cottage is a square building with little character. On the last page of handout you can see where the English garden will be instead of a parking lot.
Commissioner Questions:
  o Commissioner Breckenridge asked where the storage is going once it leaves the Snow Cottage.
    o Sean Murphy said that if it were up to John he would throw half of it out. There are other
      buildings with basements. John Daley added that there is basement space in the two other
      new cottages.
  o Commissioner Cabana wanted to clarify that the scope of work is the same as before just that they
    are going to switch the uses of the two cottages. The two 3-bedroom apartments are going to the
    Penniman.
    o Sean Murphy answered yes that is the case.
  o Commissioner Cabana wanted more information about future phasing.
    o Sean Murphy said that in the short term they will come back while things are pending.
  o Commissioner Cabana asked if they are looking at 2-3 more years.
    o Sean Murphy said this lender has said that in this economic climate that it doesn’t make
      sense to go through with all of it at this time. He said he could not give a definitive answer
      on timing and phasing at this time. They will come back for any more incremental changes
      and hope to have an overall phasing plan when the economy picks up.
  o Chairman Sibley clarified that they are not expanding the overall project.
    o Sean Murphy answered that is correct.
  o Commissioner Brown clarified that presumably they want the sunset clause extended.
    o Sean Murphy answered yes. They will also come back when they have a definitive answer.

Motion:
  o Peter Cabana made a Motion, that given the original scope of the project and the
    fact that they have to come back to the MVC for any changes, to recommend to
    the full commission that this is a minor modification not requiring a public hearing
    and that we should approve the minor modification. John Breckenridge Seconded
    the Motion.

Discussion:
  o Commissioner Murphy said that if he was an abutter he would want his day in a hearing.
    o Sean Murphy noted that he had forwarded Paul Foley an e-mail from the main abutter
      saying she is fine with the modification.
  o Paul Foley confirmed that he had received the e-mail and would forward it to commissioners.
  o Commissioner Stephenson said that on the map it looks like there are two abutters.
    o Sean Murphy said that they have reached out to that neighbor and have never heard from
      them. They have been notified for all of the Public Hearing’s at the MVC and local level and
      never heard from them. Plus they are surrounded by 10 foot walls.
  o Commissioner Brown asked which local boards they are going before. They have to go to the ZBA
    at the local level so there will be another public hearing at the local level.
  o Commissioners asked Fred Mascolo, Chairman of the Edgartown Planning Board, whether he had
    any comments. Fred Mascolo said that Ted Morgan once said what’s good for the Harborview is
    good for the town. He added that we have lost so many inns recently.

Vote:
The LUPC voted unanimously to recommend to the full Commission that this is a minor
modification not requiring a public hearing review as a DRI and should be approved
(NO; JB; LS; CB; CM; HS; PC).