

Concord Square Planning & Development, Inc.

Memorandum

To: Joanne Shelton – Bonz and Company
CC: Henry Woolsey, Petersham Selectboard
From: Ted Carman, Concord Square Planning & Development
Subject: Nichewaug Inn Market Analysis work
Date: June 19, 2016

This memo is based on the information presented to the public meeting in Petersham on May 23rd, consisting of a memo to the community and a PowerPoint that was used to make the presentation. After several hours of discussion with over 50 residents, we left with what appeared to be a consensus at the meeting that the four options presented with the PowerPoint were the appropriate way to move forward to evaluate feasible development options for the buildings.

Subsequently, we have received a determination from Mass Department of Environmental Protection (“DEP”) that the existing well on the property may NOT be used as a supply of water for the project. This substantially complicates the overall development process because it requires that the site support both a new well and the appropriately sized septic fields on the 6.6 acre property. This is likely to substantially reduce the number of units / bedrooms that can be developed. It may mean that Options 3 and Option 4 become the most viable ways to proceed.

If it turns out that there is a demand for Options 1 or 2, it will probably be necessary to find an off-site location for a well for the domestic water supply to serve the property. We believe this may be difficult and would add to costs.

A summary of the options to be pursued is as follows. The site plans and schematic layouts are part of the PowerPoint presentation:

1. Retain portions of the Nichewaug Inn and the Academy Building; renovate with 26 condominium units (14 and 12, respectively). Demolish the newer brick connector building, the kitchen wing, the northern flat-roofed part of the dining room wing and the ‘Mother Superior’ addition of the Inn, and demolish the garage.
2. Retain only part of the Nichewaug Inn, with 14 condominium units. Demolish the balance of the site;
3. Retain part of the Inn, as above, demolish the balance of the buildings, and provide for the development of three homes on individual house lots on the northern access road;
4. Demolish all the buildings, and allow for the construction of four homes on single family lots along Common Street

This means that there are two unit types that need to be addressed in the market study:

- A. Condominium Units. Assume that one bedroom units would be 700 to 900 s.f. in size, and the two bedroom units would be 1,000 to 1,400 s.f. in size.
- B. Single Family Homes. Assume these would have three bedrooms, and be from 1,600 to 2,000 s.f. in size.

In both cases, assume granite countertops, stainless steel appliances, tile floors in the entries, kitchen and baths, hardwood floors in the living areas, and carpet in the bedrooms. Assume a high level of energy efficiency.

In the renovation of the Inn, we are planning to retain the “music room” at the north end of the building, which has attractive interior finishes, and make it into a common area serving all residents. We would put in a larger than typical kitchen and dining area, so that residents, to the extent so inclined, can make community dinners and eat together, as is the case in co-housing communities. In other words, an effort will be made to develop a sense of community in the housing, to make it attractive to those already living in the community to downsize into these new and efficient places to live.

The units in the historic inn will be largely new construction, inside the original shell, retaining its historic appearance from Common Street. The porch at the south end, now gone, would be replaced.

We need to know what the units, both the condominiums and the single family homes, would sell for, and the absorption rate – specifically how many could be sold in the first year.

We are going to try to find / identify five to ten current residents of Petersham who would consider selling their current homes in order to downsize into the condominiums at the Nichewaug. There may also be a demand for condominiums from some of the local institutions such as Eagle Hill School, and a local Buddhist Meditation Center (world famous). We will have information for you on this by Wednesday the 29th of June. We will also have for you by then some sense of a count of the local demand that we can identify.

It would also be helpful to have you confirm / provide your opinion regarding the fact that the small population of Petersham and its isolation from both population centers and jobs means that it is not realistically feasible to develop the Inn into:

- a. Market Rate Rental Housing
- b. Retail
- c. Office
- d. Restaurants
- e. Hotel / Hospitality

A final note: The Village Center of Petersham contains a grouping of historic homes of architectural distinction. The Town has set up a Historic District that extends to the North and South of the Village Center. The PowerPoint shows the extent of the District and shows the location of the historic buildings – most of which are residential. What is unique is that there are practically no anomalies to this situation. Many similar villages in New England have a group of historic homes, but most also have more modern buildings interspersed. There are essentially no modern (that is, post-1930s) buildings in the Historic District in Petersham.

This adds a unique element of quality to the Town. This quality will be substantially enhanced by the renovation of the Nichewaug Inn. This quality is likely to result in more demand for the housing that is produced, meaning that prices can be higher and absorption can be accelerated if the development is carried out properly.

Also, it is the Town's intention to have design standards for the new single family homes, to ensure that when completed they will fit appropriately into the overall village center, and in fact could enhance the sense of design quality in the Village Center.