

1. STRWG MEETING PACKET 3/14/23
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Documents:

3-14-23 STRWG MEETING POSTING.PDF
STRWG 02_14 MEETING SUMMARY DRAFT.PDF
POLICY DEVELOPMENT FRAMEWORK_V2.DOCX.PDF
110723 STM TIMELINE FINAL ENDORSED 021523.PDF
STRWG SCHEDULE AND WORK PLAN_3_7.DOCX.PDF



MEETING POSTING

TOWN OF NANTUCKET

Pursuant to MGL Chapter 30A, § 18-25
All meeting **notices and agenda** must be filed, and time stamped with the
Town Clerk's Office and posted at least 48 hours prior to the meeting
(excluding Saturdays, Sundays and Holidays)

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NANTUCKET TOWN CLERK
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Committee/Board/s | **NANTUCKET SHORT TERM RENTALS WORKING GROUP (STRWG)**

Day, Date, and Time | **TUESDAY, MARCH 14, 2023 @ 6:00PM – 9:00PM**

Location / Address | **REMOTE PARTICIPATION VIA ZOOM**

Signature of Chair or Authorized Person | **MEGAN TRUDEL/ LAND USE SPECIALIST
ADRIAN RODRIGUEZ/ PLUS ADMINISTRATIVE SPECIALIST**

WARNING: IF THERE IS NO QUORUM OF MEMBERS PRESENT, OR IF MEETING POSTING IS NOT IN COMPLIANCE WITH THE OML STATUTE, NO MEETING MAY BE HELD!

**The STRWG meeting will be audio and video recorded*

All STRWG members will be automatically registered as panelists and will receive individual access information over email. For members of the public, this webinar requires advanced registration:

https://cbuilding.zoom.us/webinar/register/WN_KngkyOBpS7W3xdNUSaVzpQ

After registering, you will receive a confirmation email containing information about joining the webinar.

AGENDA

(Please see list below of the topics the chair reasonably anticipates will be discussed at the meeting)

Meeting Objectives:

- Hear from other communities addressing STRs
- Explore promising policy levers
- Updates on data gathering plan and meeting schedule

Materials:

- STRWG meeting summary from February 14
- Revised Policy Framework
- Overview materials about Panel communities
- Synthesis of WG input on limiting owners to 1 STR
- Updated STRWG Workplan and Timeline
- Fall 2023 Special Town Meeting Timeline

6:00 Welcome and Internal Group Work

- Review agenda, ground rules
- Approve meeting summary from February 14
- Check-ins

6:20 STR Panel

- Palm Springs, CA
- Scottsdale, AZ
- Other communities to be confirmed

7:20 Examine Promising Policy Levers

- Group Discussion of 1 STR per Owner Limit

8:00 Updates on Data Analyst Selection and STRWG Schedule

- Presentation and Group Discussion

8:30 Wrap Up and Next Steps

- Take-aways and Action Items

8:40 Public Comment

9:00 Adjourn

We will be using the Zoom webinar feature for our upcoming meeting. If this is your first-time using Zoom, it will prompt you to download a small application file. The following link is a short and sweet introduction to how it works, if helpful: <https://support.zoom.us/hc/en-us/articles/115004954946-Joining-and-participating-in-a-webinar-attendee>- If you have any questions about getting started with Zoom, please don't hesitate to reach out to Simenesh Semine (ssemine@cbi.org).

Nantucket Short Term Rental Working Group

Meeting Summary **DRAFT**

February 14, 2023 | 6:00 PM – 9:00 PM ET

Meeting Objectives

- Refine Process for Evaluating Policy Levers
- Explore 1-2 Promising Policy Levers
- Updates on Data Gathering Plan and Meeting Schedule

Meeting Materials:

- STRWG January 31 Meeting Summary
- Updated STRWG Schedule and Work Plan
- Draft Framework for Policy Proposals

To find meeting materials, please visit the project website [here](#).

Welcome & Overview

Group facilitator Stacie Smith, Consensus Building Institute (CBI), welcomed members of the Short Term Rental Working Group (STRWG) and the public to the meeting. She reviewed the meeting agenda and meeting guidelines. She then asked the group to approve the meeting summaries from the December 12th and January 31st meetings. Both summaries were approved. She then welcomed At Large Alternate Jon Delano to the meeting, who was standing in for John Kitchener who could not attend.

To see the full list of WG members and alternates in attendance, please see Appendix A.

Examine Promising Policy Levers

At the January 31st meeting, a WG member suggested that the group create an approach for evaluating potential STR policy levers. In response, CBI drafted a Policy Framework Development document for the group to review and refine, and created a survey that members filled out to examine two policy levers using the tool: limiting STR permits to only Natural Persons and limiting STR rentals to no more than one per week. Stacie then shared slides showing the WG responses, and invited participants to share their reactions.

Limit/Eliminate “Business” STRs Not Owned/Operated by “Natural Persons”

For the sake of consistency, CBI asked people to use the [Palm Springs legal definition of natural persons and businesses entities](#). The Working Group would have to agree on their own definition for this policy lever.

Problem Statement: Many participants responded that limiting STR's to only natural persons and restricting short-term renting by business corporations could help keep businesses out of residential neighborhoods, and create a disincentive to buying up residential property solely for profit. Participants hoped this might lead to more family-owned properties and better neighbor behavior, because homeowners would have a personal connection to their community. While one member felt that the group was assuming corporate ownership was bad when there was no evidence of that, others felt that this policy lever could prevent corporate ownership from becoming a bigger problem on the island and therefore reduce at least one stream of market competition that may contribute to driving up prices. One member wondered if this lever would apply to all business entities, or just those outside of Nantucket, suggesting that it might be appropriate to allow local businesses to participate in the STR market. One member felt concerned that this policy lever would not do enough because individuals can still act in the same way as corporations and use their properties exclusively for profit.

Intended Consequences: Most participants agreed that the current corporate presence in the island STR market was probably small, and because of that, this policy would only have a small impact on the current STR landscape. However, several saw that limited displacement as a potentially good thing, because it would serve to prevent the growth of corporate STRs, and others suggested that it be paired with other policy levers to have more of an overall impact. One member asked how the town would legislate "connection to the island", and another noted that some people buy houses as an investment.

Unintended Consequences: Members felt it was important to talk about the unintended consequences for all the policy levers, and another noted how important the data will be to properly understanding them. Members generally saw low risks associated with this option. One member raised enforcement challenges, noting how difficult it is to look into LLC's and verify their principal ownership, and wondered how that would be done by the Town.

Meeting Policy Goals: In ranking how effectively this might contribute to the group's policy goals, members noted that it might help preserve neighborhoods, avoid some bad behavior associated with STRs, while protecting resident STR rental flexibility and avoiding harms to individuals. One member understood that people tended to dislike corporate ownership, but wondered if those STRs were actually worse than individually owned STRs in terms of noise and fabric of the neighborhood cultures. Someone acknowledged that with money, power, and time people will be able to figure out a work around, but that these can be addressed as they arise. Others noted how popular restricting corporate ownership was, and felt it was important to be addressed in the WG policy recommendations. Another member, however, cautioned that the group needs to do sole-searching on why corporate ownership is feared, and cited the Copley group donating money to the hospital as an example of corporate ownership that cared for and gave back to the community.

Limit each STR rental to one rental per Week

Problem Statement: People noted that this policy might reduce the number of people and disruptive turnover on the island, and could discourage bad behavior. One member noted that 2-3 day rentals during the shoulder season are not a problem, and that the policy levers should work together to address a number of problems. Another member felt that there would be data to help inform this recommendation, but that the group should also look to town events that promote short rentals. Someone felt concerned that not allowing 2-3 day rentals would disproportionately impact families who could not afford to stay a full week, and that party rentals are largely dependent on the renter, not the duration of stay. One member said that this group should be looking at appropriate rentals, at appropriate places, at appropriate times. If people want to have a bachelor party for example, they should be able to do so in the appropriate places where it will not create a nuisance for neighbors.

Data Needs: How often and frequent is there STR renter turnover? One member suggested that there may be differences in length of stay between the platforms and realtors due to differences in how cleaning fees are assessed; however, another participant disagreed.

- Economic Analysis: Someone asked what the tax revenue implications for the town and for local businesses would be if this or other policies significantly reduced STRs, and others highlighted the importance of understanding this before recommending policy changes. A member of the Finance Committee suggested that the FinCom could estimate potential economic impacts based on rough % of STR reductions - for example, what would the tax impacts be if the policies reduced the number of STRs by 10%. A member said it should be the responsibility of the group to consider the full range of economic impacts their policies would have, both on town tax and fees and also on local businesses, which could have less visitors. One member noted that there is a new economic impact analysis being done by UMass that the WG could look at. CBI committed to discussing with the town what they could do realistically around economic analysis, and what the scope and credibility of the UMass project might be.

Intended Consequences: Some members felt that this would cut down on the transient nature of occupation, and help reduce party rentals during the summer.

Unintended Consequences: One member noted the burden this would place on hosts to deal with the logistical reproductions of this policy, and wondered how this would be checked, tracked, and enforced equally.

Feedback on Policy Framework Document

Stacie asked the WG if they felt that this form asked the right questions and was the right evaluation framework. Overall, people felt that this was a good exercise, and will be more effective when the group is presented data. One member suggested that the ranking of policy goals be changed to a likert scale. Several members wanted enforceability and logistics to have its own question, and wondered the extent to which enforcement mechanisms needed to be determined by this WG, versus being a question for the Town. Someone else brought up the importance of having clear definitions in order to fill out the form. One member felt that if this group did not come up with a zoning article, it would be a failure since that is a current gap in the zoning code. Several members said that the group should use both general and zoning bylaws to achieve their policy goals, but noted that it was not a goal to have a zoning article, just to get agreement on what to do with STRs on the island. When asked if these specific policy levers needed more discussion, members said that each policy will need more evaluation once the data is available, but would like to continue this exercise with other policy levers that have been discussed at previous WG meetings. Stacie said that CBI would send out a survey to members and alternates with options for the next topic to evaluate as well as a policy framework survey with the most popular option, and would dedicate at the March 14th meeting to discuss the responses.

Review Updated Town Meeting and STRWG Schedule

Third Party Data Aggregator

Stacie explained to the group that Brooke Mohr and Brian Turbit were working on a draft scope of work for a third party data aggregator, who would take the data from the NAREB expert, from the STR platforms, from Granicus, and from other relevant locations to compile answers to the WG's questions. Because of schedule delays, there is not enough time for the WG members to have a subgroup meeting to discuss the RFP without delaying the process another week. Instead, Stacie suggested that the group get the RFP electronically and send their comments via email. Members agreed to send asynchronous comments instead of losing a week.

Community Case Study Panel

Members discussed criteria for selecting communities for the community panel planned for the March 14th meeting. Several members emphasized the importance of having communities that were further along than Nantucket, while others wanted to focus on places similar to Nantucket. They suggested we reach out to a number of communities and aim for 3 at the meeting to ensure enough time for discussion. One member suggested CBI reach out to Granicus about potential communities, and another wanted to hear from elected officials or people familiar with the STR regulatory process. Several members noted they would like at least one person on the panel to be from Massachusetts so the cases share the same legal context. CBI noted that WG members have until the end of the week to fill out the community panel form sent to them via email.

Public Comment

- Jeffrey Wengrovius: I have been coming to the island since the 70's. I was amazed by the decorum of the group. We have a handful of STRs for our house in Sconset that we need to rent to afford the house. I caution the group to look out for the little guy and do not squash them. We are old time families who are trying to pay our bills, and we protect our houses because it is our 401K. We have the same concerns about people abusing the system to make a lot of money.

Next Steps

Stacie Smith went over the next steps and action items:

- CBI will create a meeting summary
- CBI will send out a survey about next policy lever for Policy Framework exercise and a follow-up form with the most popular option
- CBI will send WG members scope of work for comments
- CBI will follow up with the Town and Judi Barrett about enforcement considerations
- The STRWG meetings will move back to 5:00 - 8:00 pm ET on March 28th

Stacie thanked everyone for their participation and closed the meeting.

Appendix A: Subgroup Members and Attendance

Working Group Members

Karen Zagayko, At Large
David Iverson, Planning Board Member
Peter Schaeffer, Finance Committee Member
Julie Lindner, ACK Now
Thomas Dixon, Affordable Housing Advocate
Jim Sulzer, At Large
Kathy Baird, Nantucket Together
Peter Kahn, Advisory Committee of Non-Voting Taxpayers
Meri Lepore, Board of Health Designee (Non-voting)

Working Group Alternates:

Jon Delano, At Large
Robin Nydes, Nantucket Together
William Gardner, Advisory Committee of Non-Voting Taxpayers
Joe Grause, Finance Committee Member

Working Group Staff

Stacie Smith, Consensus Building Institute
Simenesh Semine, Consensus Building Institute
Megan Trudel, Planning Department Liaison
Adrian Rodriguez, Administrative Team

**Nantucket Short Term Rentals Working Group (STRWG)
Draft Policy Development Framework**

Recommendation: (What is the policy tool you are recommending? Please include clear definitions of any terms you use.)

Problem Statement: (What problem is this policy tool seeking to solve?)

Data that Supports this: (What data do we have (or need) that this recommendation will address this problem?)

Expected impacts: (describe the potential intended and unintended consequences)

Intended Consequences:

Unintended Consequences:

How well do you think this recommendation advances each of these Policy Goals?

- 1 – No effect or negative effect
- 2 – Minor effect
- 3 – Neutral
- 4 – Moderate effect
- 5 – Major effect

Policy Goals	Response 1-5
Preserve Nantucket’s unique character and traditions, neighborhoods, sense of community, and quality of life	
Increase, or prevent or reverse the loss of, available year-round housing	
Reduce or prevent increase in year-round rental and purchase costs	

Reduce or prevent increase in traffic, congestion, overcrowding, and strains on civic and environmental infrastructure	
Avoid noise, nuisance, and other “bad neighbor” behaviors	
Protect residents’ (year-round and part-time) interests/needs for rental income and flexibility	
Ensure benefits of and avoid harms to the tourism economy for the people of Nantucket	
Preserve tax and fee income for the municipal budget and other Nantucket priorities	

Explain if needed:

How clear is the policy, and/or how can it be made more clear?

What enforcement considerations should be considered?

Questions or other next steps:

November 7, 2023 Special Town Meeting Timeline
Endorsed by Select Board: 02/15/2023

Date	Activity
Wed, Feb 1	SB schedules STM for Nov 7, 2023
Wed, Feb 15	SB endorses STM timeline
Mon, Jun 19 - Tues, Jun 20/4pm	Warrant open for any non-Town articles
Wed, Jun 21	Any citizen warrant articles forwarded to Town Counsel, Planing Board, FinCom
Wed, Jun 28	SB reviews potential warrant articles
Wed, Jul 5	SB reviews warrant articles
Thurs, Jul 6	FC public hearing on any cit warrant articles (NOTE: THIS WILL BE TO BE ADVERTISED)
Wed, Jul 12	SB reviews warrant articles
Wed, Jul 12	STR Work Group Proposed Article(s) Due to SB (NOTE: This assumes article(s) have already been reviewed by Town Cnsl)
Wed, Jul 19	SB reviews warrant articles
Wed, Jul 19	STR Work Group to Review Proposed Article(s) with SB
Weeks of 7/24, 7/31, 8/7	Extra time if needed for STR WG
Wed, Aug 16	Adoption of warrant by Select Board
Thurs, Aug 17	Warrant forwarded to FinCom
Fri, Aug 18	Warrant sent to newspaper
Thurs, Aug 24	Warrant published in newspaper
Fri, Aug 25	FC public hrg notice sent to newspaper
Thurs, Sept 14	FC public hrg notice published in newspaper
by Mon, Sept 18	Planning Board motions must be final
Thurs, Sept 21	FinCom public hearing on warrant articles; possible adoption of motions
Mon, Sept 25	FinCom meeting on warrant articles/motions with possible adoption of motions
Tues, Sept 26	FinCom adoption of motions to warrant articles (if needed & not already complete)
Wed, Oct 4	SB review motions/comments; adopts any comments
Fri, Oct 6	Warrant with motions sent to printer*
Fri, Oct 20	Warrant with motions mailed out to voters**
Thurs, Nov 2/1pm	pre-STM FinCom meeting
Thurs, Nov/2pm	pre-STM conference with Moderator
Tues, Nov 7/5pm	STM starts

NOTES:
Special Voter Registration Deadline: Wed, Oct 18
Planning Board public hearing (if zoning articles): TBD
Citizen articles require the signatures of 100 registered voters in order to be valid for inclusion on the warrant

November 7, 2023 Special Town Meeting Timeline

Endorsed by Select Board: 02/15/2023

Citizen articles to be sent to Town Counsel as rec'd
No special sessions with Town Counsel are included here (only for ATM)
Per c. 44-8 of Town Code: STM appropriations require quorum of 5% reg voters; transfers require 3%
Town Counsel review of articles & motions built in to timeline
*Printer/mailing requires 2 weeks lead time
**by Charter, the warrant with motions must be mailed out to voters 14 days prior to Town Mtg

Will need to work in other agency review if need be (ie, CapCom)

No SB meetings 6/21, 7/26, 8/9, 8/23, 8/30

Week of 8/28 = End of Summer week

Public Outreach (dates/activities TBD):

DRAFT STRWG Schedule and Work Plan v. 3/7/23

Date	Type of Meeting	Topics	Materials Needed
T 2/14 6-9pm	STRWG Zoom Mtg (3 hrs)	Deep dive on potential policy levers, confirm data and workplan schedule; discuss framework for policy lever development/evaluation	Revised data timeline and workplan schedule Draft framework for policy lever evaluation
T 3/14 6-9pm	STRWG Zoom Mtg (3 hrs)	Panel presentation of case studies from other communities Deep dive on potential policy levers, confirm data and workplan schedule	Revised data timeline and workplan schedule Draft framework for policy lever evaluation Presentation from case study participants
T 3/28 5-8pm	STRWG Zoom Mtg (2-3 hrs)	Initial Presentation and Discussion of Data, plus other topics TBD	Presentation from data analyst Revised framework for policy lever evaluation
T 4/11 5-8pm	STRWG Zoom Mtg (3 hrs)	Final Presentation and Discussion of Data	Presentation from data analyst
T 4/25 5-8pm	STRWG Zoom Mtg (3 hrs)	Discuss Take-Aways from Data and Elements of Proposals	TBD
Th 5/4 10 am – 4 pm	IN PERSON STRWG Mtg	In person 1 day meeting - Develop and Evaluate Proposals	TBD
T 5/16	STRWG Zoom Mtg (3 hrs)	Refine and seek agreement on draft proposals	Draft proposal(s)
T 5/30	STRWG Zoom Mtg (3 hrs)	Prepare for Public meeting	Draft proposal(s)
TH 6/1	PUBLIC INPUT SESSION (2 hrs)	Discuss draft proposal(s) and get input from the public (+ additional public input opportunities)	Draft proposals Public survey/poll
T 6/13	STRWG Zoom Mtg (3 hrs)	Review and refine draft language for general and zoning by-laws	Draft by-law language
T 6/20	STRWG Zoom Mtg (3 hrs)	Finalize language and agreement	Revised by-law language
** T 6/27	STRWG Zoom Mtg (3 hrs)	*Tentative* - in case more time needed to finalize language and agreement	Final by-laws

*One-hour subgroup meetings can be scheduled on an as-needed basis