



## Town of Nantucket Finance Committee

### February 5<sup>th</sup>, 2024 – Minutes

PSF COMMUNITY ROOM, 4 FAIRGROUNDS ROAD AND REMOTE PARTICIPATION VIA  
ZOOM WEBINAR

|                    |                                                                                                                                               |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Staff:             | Brian Turbitt, Finance Director, Mariya Basheva, Assistant Town Accountant, Libby Gibson, Town Manager                                        |
| Attending Members: | Denice Kronau, Chair, Peter Schaeffer, Joseph Wright, Jeremy Bloomer, Stephen Maury, Rob Giacchetti, Joanna Roche, Jill Vieth, Chris Glowacki |
| Absent Members:    |                                                                                                                                               |

#### Public Comment and Meeting Framework

- Denice Kronau calls the meeting to order, and requests approval of the agenda made by Peter, seconded by Stephen. **Roll call vote: Rob Aye, Jill Aye, Stephen Aye, Chris Aye, Joanna Aye, Joe Aye, Jeremy Aye, Peter Aye, Denice Aye. Passes Unanimously.**
- Public comment is opened and closed without any participants.
- Denice Kronau outlines the framework for the discussion, including the number of articles and their categories.
- Guidance is provided for speakers of citizen warrant articles to keep their explanations concise.

#### Discussion on Articles 1-59

- Denice Kronau explains the process of discussing articles 1-35, which are appropriation articles sponsored by various boards. Nobody speaks on any of these Articles
- Articles 36 and 37 are highlighted for potential discussion, with no immediate speakers.
- Articles 38 through 59 are zoning-related, with the Planning Board making primary recommendations. Nobody speaks on any of these articles

#### Overview of Short-Term Rental Articles 60-62

- Article 60 is a Select Board-sponsored article on general bylaw amendments related to short-term rentals.
- Steven Cohen and Michael Copco discuss the differences in their articles regarding short-term rentals (STRs).

- Steven Cohen outlines the three main differences: limiting unit ownership, prohibiting tent permits, and not allowing pre-existing non-conforming status for corporate owners.
- Michael Copco agrees on the need for one unified article and discusses the potential for concurrence on most issues.
- John Giorgio summarizes the key points and suggests that the Select Board article could serve as a base for consensus.

#### **Short-Term Rental Articles 60-62 - Committee Questions and Clarifications**

- Peter Schaeffer raises concerns about the potential for lawsuits if corporate ownership is banned without grandfathering.
- John Giorgio explains the potential for litigation and the importance of grandfathering.
- Jill Vieth asks about the impact on zoning articles, and Steven Cohen clarifies that his article is not in conflict with the Select Board's.
- Denice Kronau and John Giorgio discuss the process of amending articles and the potential for voter confusion.

#### **Short-Term Rental Articles 60-62 - Select Board's Role and Next Steps**

- Brooke Mohr suggests appointing a Select Board member to meet with Mr. Cohen and Mr. Copco to reach a consensus.
- The Select Board would then present the agreed-upon article to the Finance Committee for a motion.
- The committee discusses the timeline and the need for quick action to meet the March 13 deadline.

#### **Mention of Article 63 - Bylaw Amendment: Streets and Sidewalks and Discussion on Article 64 - Car Rental Agencies, Registration of**

- Denice Kronau explains that the Finance Committee has already made a motion on Article 63 Bylaw Amendment: Streets and Sidewalks.
- The committee discusses Article 64 bylaw amendment to the car rental medallion bylaw, focusing on the new Section E.
- John Giorgio and Amy Baxter explain the current system and the proposed changes.
- Concerns are raised about the potential for lawsuits and the need for clear language.
- The committee debates the merits of the proposed changes and the need for further study or rewriting.

- Motion to close the public hearing on Article 64 (Bylaw Amendment: Car Rental Agencies, Registration of) made by Chris, seconded by Stephen. **Roll call vote: Joanna Aye, Joe Aye, Jeremy Aye, Chris Aye, Stephen Aye, Peter Aye, Jill Aye, Rob Aye, Denice Aye. Passes Unanimously.**
- Motion to adopt Article 64 (Bylaw Amendment: Car Rental Agencies, Registration of) made by Jill, seconded by Jeremy, **Roll call vote: Rob Nay, Jill Aye, Peter Nay, Stephen Aye, Chris Aye, Jeremy Aye, Joe Nay, Joanna Nay, Denice Aye. Passes 5-4.**

### **Public Hearing on Article 65 Bylaw Amendment: Car Rental Agencies, Registration of/McCrensky**

- Rebecca McCrensky presents Article 65, which aims to create a fair rental car medallion system inclusive of island residents.
- The article addresses the lack of new legal entrants to the rental vehicle market in over 25 years.
- The committee discusses the potential impact of the article and the need for equitable access to medallions.
- Concerns are raised about the number of individuals using their vehicles for rental purposes and the need for clear regulations.

### **Discussion on Legal and Constitutional Implications of Article 65 Bylaw Amendment: Car Rental Agencies, Registration of/McCrensky**

- Jeremy Bloomer raises a legal question about the priority of distribution to Massachusetts or Nantucket residents, questioning its constitutionality.
- John Giorgio explains the complexity of the issue, referencing past discussions on short-term rental regulations and the potential violation of the equal protection and due process clauses.
- Jeremy Bloomer and John Giorgio discuss the interstate commerce implications and the potential for significant litigation.

### **Proposals for Adopting and Amending Articles 64 and 65**

- John Giorgio suggests that the Finance Committee could recommend provisions from Article 65 and incorporate them into Article 64, which is already in bylaw form.
- Joseph Wright expresses support for Article 64 but suggests waiting to see how it is implemented before considering Article 65.

### **Opposition to Article 65 by Hertz Corporation**

- Courtney Simmons, representing Hertz Corporation, opposes Article 65, arguing it treats similarly situated individuals differently without a rational basis.
- Courtney Simmons claims the article infringes on the right to pursue trade or commerce and criticizes the lack of a public hearing process and just compensation.
- Courtney Simmons highlights the ambiguity and potential for arbitrary application of the terms "resident of Nantucket" and "Massachusetts-based business or corporation."
- Rebecca McCrensky corrects some of Courtney Simmons' numbers and questions why Hertz is holding unused medallions.

### **Article 65 Debate on Constitutionality and Practical Issues**

- Jeremy Bloomer suggests increasing the number of rental car medallions over time to avoid takings issues and serve public policy.
- Denice Kronau clarifies that the Select Board would need to make the decision on increasing the number of medallions.
- John Perten, representing Nantucket Rent-A-Car and Affordable Rentals, supports the constitutional arguments made by Hertz and highlights the practical issues of storing additional vehicles.

### **Motion to Close Public Hearing and Vote on Article 65, Reviewing remaining Articles and Adjournment.**

- Motion to close the public hearing on Article 65 (Bylaw Amendment: Car Rental Agencies, Registration of/McCrensky) made by Jill, seconded by Peter. **Roll call vote: Chris Aye, Stephen Aye, Peter Aye, Jill Aye, Rob Aye, Joanna Aye, Joe Aye, Jeremy Aye, Denice Aye. Passes Unanimously.**
- Motion not to adopt Article 65 (Bylaw Amendment: Car Rental Agencies, Registration of/McCrensky) made by Chris, seconded by Jill. **Roll call vote: Rob Aye, Jill Aye, Peter Aye, Chris Aye, Stephen Aye, Joe Aye, Joanna Aye, Jeremy Aye, Denice Aye. Passes Unanimously.**
- Denice Kronau moves on to discuss other articles, including Articles 66, 67, 69, and 70, and provides updates on their status.
- Motion to Adjourn made by Peter, seconded by Jill. **Roll call vote: Rob Aye, Jill Aye, Peter Aye, Chris Aye, Stephen Aye, Joanna Aye, Joe Aye, Jeremy Aye, Denice Aye. Passes Unanimously.**