

Nantucket Short Term Rental Working Group

Meeting Summary

April 25, 2023 | 5:00 AM – 6:00 PM ET

Meeting Objectives

- Update on data available
- Refining Policy Lever Options
- Revise Public Statement

Meeting Materials

- STRWG meeting summary from April 11
- Synthesis of WG input on policy levers

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

Welcome & Overview

Stacie Smith, Consensus Building Institute (CBI), welcomed members of the Short-Term Rental Working Group (STRWG) and the public to the eleventh Working Group (WG) meeting. She reviewed the meeting agenda, and introduced Brandon Chambers, CBI, who would be filling in for Simenesh Semine for the first hour of the meeting. There was a motion to approve the April 11 meeting summary, which was approved pending minor changes from a member.

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

Updates on Data Analysis

Stacie introduced Matt Haffenreffer and Alex Judge, Process First, to give an update on data collection. He gave a presentation giving an update on their goals for STRWG analytics and their current data information, and opened the discussion for questions and comments throughout the presentation. The WG discussed the following:

Number of STRs

Matt began by sharing data to understand the total number of STRs operating in Nantucket. He noted that, according to the State Registry, there were 3103 de-duplicated listings (including hotel, model, and B&Bs and multiple registrations) from AirDNA, and 1297 listings that had at least one platform booking in 2022 according to preliminary platform data. One member asked how many years they will be looking at. Matt explained that he is using 2022 as an initial data set, but that they will be including additional years.

Matt explained that the total number of listings from the State Registry, taking out hotels, BnB's, multiple registrations and duplicated listings was 2597. He noted certain limitations such as not being definitely sure the number of rentals operated by the same owner, but with more

time, expects he will be able to get that information. He clarified that all listings remain in the registry even if they are sold or no longer being rented, so this is more of a maximum number than a picture of current STRs. One member asked how they were able to capture the exact number without the addresses, to which Matt explained he is able to pair from several data sets, but was limited in how much he could share about certain sources.

One member asked if Matt was also including rentals that are less than two weeks, which is not defined by the Town as a STR. One member noted that such listings likely exist in these numbers, since they still have to register with the State Registry, even if they are tax exempt. Matt confirmed that this number includes the whole universe of STR ownership, including those rented less than 2 weeks per year.

Ownership Type

Matt showed several slides that depicted ownership definitions and an ownership classification model, including non-natural persons and natural persons in an LLC. One member noted that it can be difficult to figure out, if they are interested in defining "Natural Person", as there are several corporations such as Heirloom that might register their STR in the name of a natural person. Matt agreed it can be difficult to define, but there are certain definitions this group can come up with that are trackable and more clearly defined, depending on what they are trying to achieve. One member suggested that people show proof. Another member noted that the group can use multiple policy levers to address corporate owners from trying to get around the WG policies.

A member noted that even if you boil down an LLC to a name, it is hard to know what their relationship to the island is, and the group should be very careful about using data determinations around this topic to shape their policy levers. Another member felt that this data gave a clear picture of what is going on, and because there are no current regulations, people were likely not trying to hide their LLC ownership status. This WG cannot let perfect be the enemy of good, because people are always going to find ways around regulations they do not want to follow.

One member asked Matt to clarify what he meant by officers of the LLC, to which he explained the officers are the people or names of the LLC, as opposed to another LLC or business.

NAREB Data

Matt noted that it was unlikely that he would have data from NAREB by May 4th, but when it does arrive, it will be aggregated on summary level data, and Process First will work with them to give insight as to how to think about the data in combination with AirDNA. One member asked if the group would be able to see both data sets separately and combined. Matt noted that the answer to the question will depend on how the information is presented to Process First, but the baseline information will be the same. Process First will be able to give total numbers, but the performance data though private offices will be dependent on what NAREB

decides to share. He noted there are a number of answers Process First could get to about usage and revenue, but they would have to combine different data sources and make certain assumptions about the data.

One member suggested that Process First take the revised set of questions, and help the WG understand as fast as they can which answers are going to come from AirDNA with comment from NAREB, and which will be unanswered. They noted that now that the Donoghue Report has been published, if there are glaring differences between our data and their data, the WG should be prepared to address why that is true.

Where Are The STRs?

Matt then showed a heat map with the rough geolocation of STRs in Nantucket. This information could also be shown by zones or neighborhoods, but the neighborhoods would need to be defined. One member felt that the neighborhood was important and attainable to get, because it will prompt more meaningful discussion. Another member noted concern about legal action due to creating different policies for different neighborhoods, but acknowledged it could still be helpful to see the information. One member suggested looking at this information by census tract. Another member suggested overlining this map with open space and conservation, and someone also wanted to see where affordable housing is through the assessor data (although there was a concern about the accuracy of the assessor data), and someone else noted that affordable housing would have to be defined before the WG maps it. Stacie encouraged the WG to focus on asking Matt to reshape or re-graph information that was based on our potential policy levers.

Owner-Occupied Definition

Matt asked the group to help him think through possible definitions of "owner occupied". Stacie noted that there was disinterest in creating policies that would apply different rules to owner occupied STRs, but noted that there is interest in the community to understand the relative numbers of owner occupied. One member noted that several groups have struggled to define owner occupied on Nantucket. Another member felt that creating a determination could be used to treat the groups differently, and felt that the WG should not spend too much time trying to define it considering its difficulty. Another member noted it was difficult to regulate and impossible to enforce.

One member noted that the number of listings a natural person owns would be helpful to understand how the effective Community Impact Fee would be.

Contract Frequency and Length

Matt displayed four graphs that showed the frequency and length of contracts in 2022. These graphs showed that the average STR sees about 2.6 reservations in a given week throughout the year, and an average length of contract was 3.8 nights. This was from Memorial Day to Labor day. Several WG members expressed concern about these numbers and noted that they

wanted their classification of a week to be more than 6 nights. Members also noted they wanted Process First to define peak season as July and August. Process First agreed to change how they represented this data to include more specificity and explained that factors such as those named would have an impact on what the data is saying. They also noted that if you pulled out room rentals, as opposed to whole house rentals, there would likely be a change in the churn patterns.

Members were also interested to see how the NAREB data would impact this information, as Real Estate agencies likely encourage longer rental lengths. One member noted this was a very important data point, and would likely have an impact on the policies this group considers so it is important to get this data information right. Another member suggested that they parse out the data week by week so they can see where the peak is, and let the data inform their ideas. Several members agreed the whole house distinction would be important to see in the next version of the data presentation.

Matt noted that they will work to refine this data based on the points above, and said that this information is iterative. The data will change based on these small changes, so it is important for Process First to get this feedback from the WG.

Data Presentation on May 4th

Matt then asked how WG members would like this information to be presented to them during the in-person meeting on May 4th. Stacie noted that much of the meeting would be spent doing small group work to try and come up with a draft policy package and get an update from Process First on data that could help the group make their decisions. Matt noted that they will be giving a presentation in the morning but will be available throughout the day to answer data questions.

One member suggested that there was heightened public participation since the May 4th meeting was so close to Town Meeting, since there are a lot of community members who do not know what the WG is doing or where they are in the process. Another member felt concerned that there was not enough time on the agenda to discuss the Articles being discussed at Town Meeting. One member disagreed, noting that if a complaint from the public is that the WG is not accomplishing enough, they should work hard to produce a draft packet. Several members echoed the point that the WG needs to start producing goals and policy levers for the community to evaluate. One member suggested that the WG save public engagement for the public meeting scheduled for June. Stacie reminded the group that the public will be allowed at all STRWG meetings, but confirmed that the May 4th meeting would focus on deliberations among the STRWG members.

Public Statement

Stacie explained that the Town Meeting Moderator agreed to allow the STRWG to make a statement on the floor of Town Meeting to give an update about what this group is doing and

where they are in the process. The group will spend time during the in-person meeting agreeing and discussing the statement. In the meantime, the group suggested the STRWG immediately release a public statement to update on the group's progress, and empowered Stacie to draft the statement, which she shared with members for feedback last week. She shared her screen with recommendations WG members sent her on the current draft of the public statement, which suggested the statement be one page, simplify the ask, and reiterate the public's ability to participate in the process.

One member suggested the statement open and close with the plea and, take out the jargon about the group's charter from the Town. Another member suggested adding clarification on when the group started and what the data needs were.

One member suggested that instead of stating that there were disagreements among the group about goals or policy mechanisms, that there were ongoing conversations within the group about them to use more positive language.

Stacie noted that she would be giving an update to the Select Board tomorrow, and wondered what other mechanisms of distribution CBI should explore. One member suggested that the WG hand out copies of the statement at Town Meeting and send it to the local press to ask if they would publish the letter or a story about it. Stacie suggested that the group sign it (with at least two registered voters signing) on the versions that will be passed out at town meeting.

One member suggested that CBI reach out to Judi Barrett to attend the last part of the in-person meeting to help the group refine their policy goals. Stacie agreed, and also said that if the group was able to create a draft packet their next task was to work with her and Town Council to refine and write the policy in a legal and enforceable way, as well as plan a public meeting to get qualitative and quantitative data from the public.

The group noted that they can hold a one hour meeting for May 9th in order to debrief from Town Meeting, and the next meetings of the STRWG were scheduled for May 16th and May 30th, with a public meeting scheduled for June 1st.

Public Comment

- Jon Delano: I identify strongly with the recommendation of the group to state the ask on the public statement at the beginning and end. As someone who has attended almost all of the WG meetings as an alternate, I think each one of you should be very proud of the work you have done. There will always be naysayers, but as someone who has been involved in public policy, this group has done great work and it is all coming together. If you allow Alternates, I would love to sign the statement. I was planning to attend the in-person gathering, but I would love to participate in the discussion since it is such a long meeting (at least in small groups).

- Stacie asked if the WG Members were okay with allowing alternates to participate in the in-person meeting, to which the group agreed.
- Rick Atherton: The idea of the Affordable Housing Trust years ago was for transactions under a certain million amount, a certain percentage of those went from year-round to investors of off island people. Would a summary of all transactions from 2016 be available from buyers to see if we can find trends over time?
- Bob Vidoni: Thank you for your dedication and patience through this process. We rent our home, and last year we were on island for about 95 days, and we are a part of the community with lifelong friends. A rental of a week is 7 nights, and we have a minimum of 7 nights from memorial day to labor day, but I found I was not getting a booking in the shoulder season. So I started allowing shorter rentals and then I got more bookings in the shoulder seasons. It is important to consider the fact that not everyone has the time or can afford to take a week's rent. It is really important to find out where those shorter rentals are, because they are probably people who need to have shorter rentals in order to afford their home.
- D Anne Atherton: I have made it a point to watch these meetings, and I am impressed with the quality of your discussions. Looking forward to the Town Meeting, I am really struggling on what I am going to do. We want to have confidence in you as a work group and what you are doing. There is a perception that this WG is not objective, and I think in your statement, you should try to engender trust from the Voters of Nantucket. When you sign the statement, you should note if you are a voter or not. I recommend Jim Sulzer as your spokesperson as he is a trusted member of the community, and his comments are always well informed.

Next Steps

Stacie Smith went over the next steps and action items:

- CBI will create a meeting summary
- Process First will continue to refine data questions for the in person meeting
- CBI to create an agenda for the In person meeting
- CBI to finalize public statement and send around for release

Stacie thanked everyone for their participation and closed the meeting.

Appendix A: Subgroup Members and Attendance

Working Group Members

John Kitchener, At Large
Karen Zagayko, At Large
Dave 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
Meri Lepore, Board of Health (Non Voting)

Working Group Alternates:

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

Working Group Staff

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