

Nantucket Short Term Rental Working Group

Meeting Summary

June 27, 2023 | 5:00 PM – 8:00 PM ET

Meeting Objectives

- Finalize draft bylaws
- Seek group consensus

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

Welcome & Internal Group Work

Stacie Smith, Consensus Building Institute (CBI), welcomed members of the Short-Term Rental Working Group (STRWG) and the public to the eighteenth Working Group (WG) meeting. She asked members to approve the meeting summaries from May 20th and June 13th, which were passed by all WG members. She noted that the June 20 and June 27 meeting summaries would be approved via email since this was the final WG meeting.

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

Review and Refine Preliminary Package Agreement and Seek Final Consensus

Stacie opened the discussion to WG members to give their thoughts on the draft policy packet. She asked WG members who did not currently support the packet to raise their major areas of concerns, and propose changes to the language that would help the group get to consensus.

To see the full list of bylaws being proposed by the WG, please visit the project website [here](#).

Restricting to 4 Contracts During July and August (Residential Exemption)

A WG member noted that they thought the current proposal to offer an exception to the limit of 4 contracts during July and August for new homeowners was unconstitutional and encouraged the group to consider removing the residential exemption clause. Another member suggested that the WG offer the residential exemption as a separate warrant article so that any legal challenge of the provision would not invalidate the rest of the bylaw. One member suggested allowing the Select Board to work with the Town Counsel to finalize language to ensure that it does meet constitutional standards. Some members suggested that the group amend the language to "6 months and 1 day" to protect year-round residents, while others felt that this language was too similar to Article 60, which did not pass at the previous Town Meeting.

Several members noted that they would not support the overall package if the temporary restriction to 4 contracts was not included. Another member suggested offering all policy levers except the zoning bylaw, natural person ownership, and 1 rental per owner provisions as

separate warrant options to improve the odds of it being passed at Town Meeting. Stacie reminded the group that this group must first reach consensus on the package within the STR before they can get a policy proposed to Town Meeting.

A WG member asked for clarification around why John Giorgio thought the new language would address the commerce clause issue. Stacie explained that the new language tied the bylaw to the occupancy of your residence, rather than regulating by resident or non-resident.

A WG member then formally proposed that the group move the residential exemption language to a separate warrant article to avoid future legal challenges interfering with other parts of the packet. They added that should it be legal, and the voters want to give residents an exemption, they will have the opportunity to decide that for themselves. Several members expressed their support for this idea, noting that this is one of the few policies in the packet that provide guardrails that protect locals and disincentivize commercial STRs. The member opposed to this provision noted that separating it out did not assuage their concerns, and stated that they could not support any package that included treating residents and seasonal residents differently. Another member disagreed that this provision was the only meaningful guardrail, but didn't necessarily oppose moving the exemption to a separate article.

Accessory Use in the Zoning Bylaw

Several members noted that another reason they required the 4 contract limit for new owners in the policy packet was to balance their apprehension about the zoning bylaw allowing STRs in all residential districts. They added that having these two policies together created a balance of opinions.

One member who stated opposition to the policies because of its zoning language noted that they found no support amongst their organization and supporters for the zoning bylaw. They noted concerns that while the General Bylaws created some guardrails, corporations such as Heirloom would not have to change their real estate buying practices because they are still eligible under the current packet language. Overall, they felt there were too many loopholes and questions in the policies and had serious concerns about the ability of this current policy packet to regulate STRs on the island.

Next Steps:

One member noted that the group will report their consensus to the Select Board, who will ultimately have the final decision on what goes to the Warrant. Someone added that it is smart to suggest to the Select Board that the data on STRs from the registry be examined on a yearly basis, as certainly this bylaw will not be the final solution to STRs on Nantucket forever. Another member noted that the last three Town Meetings ended with no progress on this topic. People want this group to propose a middle ground for the acceptable use of STRs on the island. They added that although surely this could be refined in future Town Meetings, the WG should not

rely on future fixes to the policy, and should aim for the best approach they can come to so the community can move on from discussing STRs.

One member added that throughout this process, WG members have worked hard to find compromises that worked for the collective good. They felt that it was frustrating that some members were not willing to change any of their positions. Another member disagreed, noting that there are members of this WG representing other people and their interests, and while their group's positions have moved over time, this package does not do enough to limit full-time STRs.

Final Review of Policy Packet

Stacie then reviewed the current draft of the bylaws, noting the new suggestion that the residential exemption in Provision K be moved to an a la carte option, and asked members to note any other final changes they would like to propose before the consensus vote:

- One member suggested that the amended changes in definitions sent to the WG by Judi Barrett should be sent to Town Council to be included in the final bylaws.
- One member suggested the Town should calculate how much revenue the Town would receive from the Community Impact Fee and what mechanism the Town would prefer for a stabilization fund.
- One member asked for definitions about "Conveyance" and "Transfers" in the General Bylaw.
- One member asked for clarification on if Hosted Stays included people who stayed in garage apartments on the premises of someone's house.
- One member noted that the Select Board will have to clarify details and definitions in the language, for example, when a rental starts if it straddles two months, and that this should be presented as a work in progress.
- One member suggested they ask the Select Board about the STRWG's role in providing advocacy and education of this policy package for the voters.
- One member asked for clarification on how the WG members should make suggestions or ask questions to the Select Board moving forward.

Consensus Vote

Stacie then reviewed one final time the packet of agreements that the WG members would be voting on, including:

- The current zoning and general bylaws with residential exemption on Provision K separated out
- The a la carte Community Impact Fee bylaws
- Judi Barrett and John Giorgio's recommendations
- Request the Select Board's advice on STRWG and Process First's role in:
 - Answering remaining questions about bylaws
 - Determining data collection needs within Town Registry to monitor effectiveness and impacts of bylaws (and annual monitoring/evaluation post implementation)

- o Advise the BOH on documentation needs required to establish eligibility of Provision H
- o Advocacy and education for bylaws for Special Town Meeting
- o Defining how enforcement will happen for each provision

She then asked the WG members to vote yes, no, or to abstain:

John Kitchener, At Large – YES

Jim Sulzer, At Large – YES

Karen Zagayko, At Large – YES

Dave Iverson, Planning Board Member – YES

Peter Schaeffer, Finance Committee Member – YES

Thomas Dixon, Affordable Housing Advocate – YES

Kathy Baird, Nantucket Together – YES

Julia Lindner, Ack Now – NO

- Comment: At the last meeting, I got pushback from Work Group members that AckNow has not moved its position on the STR issue. I think we have come a long way. We have supported or brought several articles to Town Meeting. We support year round and seasonal residents renting their homes, and what we don't support is commercial or investor STRs. The Town's proposal last year was to allow STRs across all zoning districts, which is very similar to this proposal. Many of our supporters believe the bylaws have no teeth, and full time STRs will be able to continue. For those reasons I am voting no.

Peter Kahn, Advisory Committee of Non-Voting Taxpayers – NO

- Comment: I regrettably vote no because I cannot support an unconstitutional provision and feel it is a serious mistake to drive a wedge between residents and non-residents.

With the final tally being 7 supporting votes and 2 opposing votes, the STRWG has researched consensus as defined by the Select Board's Charter.

Questions:

- Will those who voted no be able to provide a minority report?
 - o CBI: Yes, and they will be included in the final packet materials. While members who supported the final packet have free will to discuss their opinions about this final product to the Select Board, we recommend they continue to show support it during the next education and advocacy phase.
- Are the WG members going to see the final report before it is submitted to the Select Board?
 - o CBI: Yes, CBI will write this up and send it to the WG before they submit it to the Select Board.

Public Comment

- Caroline Baltzer: I am curious since the group's task is to negotiate with each other and figure out how to compromise, why group members did not ask the AckNow representative to consider dropping the current lawsuits since that is a goal of the WG and been a driver of the STRWG conversation.
- Mike Fargo: Thank you all for you very much for all the time you have devoted to this. I have sat in on many of your meetings and thank you for your flexibility in allowing solely family owned STRs to continue to operate.

Next Steps

Stacie Smith went over the next steps and action items:

- CBI will create a meeting summary and send June 20 and June 27 meeting summary via email for approval
- CBI will draft the final report to be send to WG members and the Select Board
- Town Council will draft final bylaw language

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
Thomas Dixon, Affordable Housing Advocate
Jim Sulzer, At Large
Kathy Baird, Nantucket Together
Julia Lindner, Ack Now
Peter Kahn, Advisory Committee of Non-Voting Taxpayers

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