

# NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~

Tuesday, March 2, 2021

Remote Meeting *via* Zoom – 1:00 pm

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**Trust Members:** Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Kristie Ferrantella, Reema Sherry, Dave Iverson, Allyson Mitchell

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**ATTENDING MEMBERS:** Brian Sullivan, Brooke Mohr, Penny Dey, Reema Sherry, Dave Iverson, Kristie Ferrantella, Allyson Mitchell

**STAFF IN ATTENDANCE:** Eleanor Antonietti (Land Use Specialist)

**Public Present on Zoom:** Susan Campese (NILB); Julia Lindner (ACK\*Now); Anna Day (ACK\*Now); Anne Kuszpa (Housing Nantucket); Henry Sanford; Mickey Perry; Meghan Perry; Howard Dickler; Susan Coffin; Dave Armanetti (Richmond Great Point); Rebecca Nimerfroh; Peter Hoey; Tobias Glidden (ACK\*Now)

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## I. Call Meeting to Order

Brian Sullivan called the meeting to order at 1:03 pm

Brian Sullivan announced that this Open Meeting of the Nantucket Affordable Housing Trust is being conducted remotely via Zoom, consistent with Governor Baker's Executive Order of March 12, 2020, due to the current State of Emergency in the Commonwealth due to the outbreak of the "COVID-19 Virus."

## II. Approval of Agenda

Penny Dey **moved to approve the agenda.** Dave Iverson seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr           Aye
2. Kristie Ferrantella   Aye
3. Allyson Mitchell      Aye
4. Dave Iverson          Aye
5. Penny Dey             Aye
6. Brian Sullivan        Aye

Agenda adopted by **UNANIMOUS** consent.

## III. Closing Cost Assistance

- **Mortgage for CCAP Recipient – 3 Hull Lane**
  - Approve discharge of the mortgage from Ricki-Lee Millington and Emily Millington to the Nantucket Affordable Housing Trust Fund, and concurrently approve a new mortgage, in the same amount of original mortgage, from Emily Millington to the Trust
  - Authorize the Chair to sign documents related to this matter on behalf of Trust

Kristie Ferrantella **motioned** to approve the discharge of the mortgage from Ricki-Lee Millington and Emily Millington to the Nantucket Affordable Housing Trust Fund, recorded at Book 1705, Page 195, to concurrently approve a new mortgage, in the same amount of original mortgage, from Emily Millington to the Trust and to authorize the Chair to sign documents related to this matter on behalf of the Nantucket Affordable Housing Trust. Brooke Mohr seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr           Aye
2. Penny Dey            Aye
3. Reema Sherry        Aye
4. Kristie Ferrantella   Aye
5. Allyson Mitchell     Aye
6. Dave Iverson         Aye
7. Brian Sullivan       Aye

**Motion carries by unanimous consent.**

**IV. DISCUSSION of 2021 Town Meeting Warrant Articles related to creation and maintenance of housing for the year-round community**

- In preparation for FinCom review on 3/8 and Select Board discussion on 3/17

Brooke Mohr explains the process that drives Safe Harbor maintenance for Nantucket. The process will take 5 years to reach 10% because of commitment of units out of Richmond Development.

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**ARTICLE 23**

*(Appropriation: Affordable Housing Trust Fund)*

*To see if the Town will vote to raise and appropriate, borrow or transfer from available funds, the sum of Four Hundred Seventy-five Thousand Dollars (\$475,000) to deposit into the Affordable Housing Trust Fund established pursuant to Mass. General Law c. 44, section 55C for Fiscal Year 2022.*

*Or, to take any other action related thereto. (Select Board)*

Brian Sullivan reads the article.

Brooke Mohr clarifies that the intention is to fund ongoing operation of the Trust including Staff salaries. Staff needs have grown alongside growing work.

Kristie Ferrantella important as we approach Town Meeting (“ATM”) to be clear that this is more for administrative costs and other programs. We need to distinguish between this and other articles

Dave Iverson important to create an informational sheet to hand out to explain how different funding streams can be used.

Brooke Mohr moved that the **Trust recommends support for Article 23**. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr           Aye
2. Penny Dey            Aye
3. Reema Sherry        Aye
4. Kristie Ferrantella   Aye
5. Allyson Mitchell     Aye
6. Dave Iverson         Aye
7. Brian Sullivan       Aye

**The MOTION carried UNANIMOUSLY.**

Dave Iverson asks if we should add more detail to this motion to explain how the financing works. Eleanor Antonietti reminds the Board that she will be posting for Trust members to attend upcoming FinCom meetings and those who attend may choose to explain rationale behind various requests. Kristie Ferrantella We need to decide how we are going to present to FinCom. A ‘cheat sheet’ that makes it clear the intended uses of each article and that includes our Motions. Brooke Mohr will create that cheat sheet

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**ARTICLE 24**

*(Appropriation: Affordable Housing Trust Fund)*

*To see if the Town will vote to raise and appropriate, borrow or transfer from available funds, the sum of Seven Million Five Hundred Thousand Dollars (\$7,500,000) to pay costs of acquiring existing properties for affordable housing purposes, which may include an affordable rental program, and also for the acquisition of interests in and/or deed restrictions on properties for affordable housing purposes, including the payment of all costs incidental and related thereto; provided that all of such interests or deed restrictions add affordable housing units to the Town’s Subsidized Housing Inventory, within the meaning of G.L. c. 40B, to be spent by the Town Manager with the approval of the Select Board which may include a grant or grants to the Nantucket Affordable Housing Trust, with oversight by the Select Board; that to meet said appropriation the Treasurer, with the approval of the Select Board, is hereby authorized to borrow the sum of Seven Million Five Hundred Thousand Dollars (\$7,500,000) pursuant to G.L. c. 44, §§7 or 8, or any other enabling authority, and to issue bonds and notes of the Town therefor; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition 21/2 debt exclusion vote, or to take any other action relative thereto. (Select Board)*

Brian Sullivan reads the article

Kristie Ferrantella this is a debt exclusion to help maintain Safe Harbor into 2025. It will need majority approval from both Town Meeting and also on the Ballot.

Penny Dey asks if the proponent of this debt exclusion override has calculated what this will add to the average tax bill

Kristie Ferrantella believes Brian Turbitt will be coming out with those figures soon.

Brooke Mohr describe this article as Town Administration’s response to the outline presented on our plans to use funds with consideration for timing of various steps in the process of keeping us in Safe Harbor.

Penny Dey asks if the net additional units in 2021 are 166 would get us to 2 years of Safe Harbor

Brooke Mohr clarifies that no because those are SHI listed units but are not necessarily eligible for Safe Harbor certification. Important to understand how this works. For example, a development like Richmond has 225 units which are only eligible for Safe Harbor certification under certain circumstances year to year. As they build out they will add units to the SHI list but don’t add units to Safe Harbor.

Penny Dey thinks the chart (Page 29 of the Packet) needs clarification.

Eleanor Antonietti reads the Town Counsel guidance on Trust making recommendations

Brian Sullivan explains his opinion on this. He supports but worries about it making it through the ballot along with other ballot questions.

Brooke Mohr we can support the Warrant article but not take action on the ballot measure.

Reema Sherry This would be a helpful funding article for the Trust.

Brian Sullivan these funds will need to be used only for SHI qualified units and it will also have a 2<sup>nd</sup> check with Select Board approval.

Kristie Ferrantella thinks it is only for rentals and goes up to 200% AMI.

Brooke Mohr believes it is a relatively unrestricted funding source, intended for Safe Harbor but may

include an affordable rental program. Less restrictive than Neighborhood First.

Reema clarifies that this is for SHI qualified ownership or rental units by reading *provided that all of such interests or deed restrictions add affordable housing units to the Town's Subsidized Housing Inventory*

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**ARTICLE 32**

*(Appropriation: Fiscal Year 2022 Community Preservation Committee)*

*To see if the Town will vote to act on the report of the Community Preservation Committee on the Fiscal Year 2022 Community Preservation Budget and to appropriate or reserve for later appropriation monies from the Community Preservation Fund annual revenues or available funds for the administrative and operating expenses of the Community Preservation Committee, the undertaking of Community Preservation Projects and all other necessary and proper expenses for the year.*

*Purpose — Community Housing*

*Nantucket Affordable Housing Trust Fund*

*For the creation, preservation, support, rehabilitation and restoration of affordable housing for year-round Nantucket residents in support of plans developed by Habitat for Humanity and Housing Nantucket to create up to six new affordable units. \$800,000*

*Town of Nantucket*

*Funds to pay the interest and principal of the Five Million Bond authorized at the 2019 Nantucket Town meeting to pay the cost of acquiring land, which may include buildings thereon, for the development of affordable housing and to pay cost of designing, constructing, reconstructing and equipping affordable housing.*

*\$350,000*

*For fiscal year 2022 Community Preservation Purposes with each item considered a separate appropriation to be spent by the Community Preservation Committee.*

*Provided however, that the above expenditures may be conditional on the recording of appropriate historic preservation restrictions for historic resources, open space restrictions for open space resources, recreational restrictions for recreational resources and for affordable housing restrictions for community housing; running in favor of an entity authorized by the Commonwealth to hold such restrictions for such expenditures; meeting the requirements of Chapter 184 of the General Laws pursuant to Section 12 of the Community Preservation Act. (Kenneth Beaugrand, et al)*

Brian Sullivan we are supporting the previous bond interest and the \$800,000 is for new housing creation that have to be spent on 100% AMI units or less.

Brooke Mohr Generally, we require Habitat and Housing Nantucket (“HN”) to create SHI list eligible units when they receive these grants.

Brian Sullivan for release of funds, the CPC has been ‘banking’ the money at the Trust so housing advocacy groups can come mid-fiscal year. This way the money can be distributed throughout the fiscal year.

Reema Sherry allows us to continue our grants to HN and Habitat and for the CPC to pay off debt service on the \$5 million that was set up for us at last ATM. The funds are restricted to 100% AMI or less.

Anne Kuszpa it works for Housing Nantucket to apply for these funds from the Trust.

Penny Dey moved that the **Trust recommends support for Article 32**. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr           Aye
2. Penny Dey            Aye
3. Reema Sherry        Aye

4. Kristie Ferrantella Aye
5. Allyson Mitchell Aye
6. Dave Iverson Aye
7. Brian Sullivan Aye

**The MOTION carried UNANIMOUSLY.**

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**ARTICLE 38**

*(Affordable and Year-round Housing Stabilization Fund*

*To see if the Town will vote to dedicate, without further appropriation, into a special purpose Affordable and Year-Round Housing Stabilization Fund, created herein in accordance with M.G.L., Chapter 40, Section 5B, which was accepted by the Town at the 2017 Annual Town Meeting, for the purpose of meeting affordable and year-round housing needs, two-thirds (2/3) of the local option rooms excise tax that the Town receives on the transfer of occupancy of a room in a bed and breakfast establishment, hotel, lodging house, short-term rental or motel, pursuant to its acceptance of M.G.L., Chapter 64G, Section 3A, as amended by Chapter 337 of the Acts of 2018; provided that said dedication shall take effect beginning in fiscal year 2022; or take other action with regard thereto. (Arthur I. Reade, Jr., et al)*

Brian Sullivan reads this private citizen article. This will require annual votes to access the money. The public body at Town Meeting would always have power to check this.

Penny Dey asks Kristie about the exact range of what the 6% local would constitute. She heard \$7 million for 2020 in which case 2/3 would be \$4.6 million. She is in strong support, because it is a sustainable source of income directly tied to rental business.

Kristie Ferrantella those figures are what we have been hearing from Brian Turbitt.

Brooke Mohr asked Brian Turbitt a few questions about this to understand what this would entail. He said it would be effective beginning July 1<sup>st</sup>. The local options task includes what was in existence as a room tax prior to addition of short term rental (“STR”) tax. This affects all the local options, not just the part generated from STR. The total revenue of local options rooms excise tax thus far in FY 2021 which began July 1, 2020, generated \$7,124,000. The amount of this tax that has been committed to the General Fund for FY 2022 is \$5,000,000 or 70% of amount received to date. The annual proposed budget for FY 2022 has utilized 70% of full local options tax to balance the annual Town budget. They determine how much of the tax is available to be included or allocated General Fund by using a review of the last 5 years, and a review of the first payment in the current fiscal year to come to a starting point, which is reviewed as we progress through the budget cycle. She asked him, “If the article passes, how much of a deficit will it leave in the 2022 budget?” He replied, “The question has multiple parts to it. In terms of the actual budget, there would be an immediate deficit of approximately 3,350,000. Which would have to be made up somehow and could include substantial reductions and those reductions could impact all planned budgetary funding. The other issue is that a severe loss of revenue, would also impact free cash, the towns ability to finance various capital projects because of a reduction in free cash, it would impact the reserves that the town maintains.” She wants to be clear what impact of this article would be on Town’s finances.

Penny Dey this is part of what we go through every year this time of year. With reduction in traditional guest houses and inns, the bulk of this room occupancy tax would be generated from rentals of private homes. It may end up being heavily geared toward vacation rentals of private homes.

Brian Sullivan when the STR expanded to include vacation rentals, the intent was to be used for affordable housing and water quality. He supported the 6% tax. It is the job of the Finance Department to work through the budget. He personally supports this article.

Kristie Ferrantella agrees. SB adopted this before she joined. The conversation was around using the funds for affordable housing and water quality. Tourism impacts so much of our economy so seeing

2/3 of it go to housing is a bit of a concern. Would like to see a bit of a reduction in ratio going to housing.

Penny Dey the room occupancy tax allows for SB to raise another percentage for water quality if warranted.

Brooke Mohr all funding streams are not equal due to restrictions and limitations, such as with CPC only being eligible to be used on units that are restricted at 100% AMI or less. This is relatively flexible but has extra hurdle of coming into stabilization fund and having to be voted out by at least a 2/3 vote at ATM. There is at least a year delay in our ability to access funds. She supports article at a bit lower than 2/3.

Penny Dey the delay on disbursement is not problematic. We plan ahead. If we add together the total funding of articles thus far, we are at \$14,875,000.

Allyson Mitchell important to weigh all pros and cons to see how they go together. Every year we will have to go to ATM, but we will not be able to count on a specific amount until the vote. Encourages public to understand that the best answer may be combination of several.

Henry Sanford Works in real estate sales and rentals and manages Hawthorne House Hotel – so has a seat in two places. Important to acknowledge that STRs are a global travel trend. Sees this article as an appropriate mechanism. This will take advantage and capture the value of this growing trend.

Meghan Perry and Howard Dickler also support this article.

Penny Dey moved that the **Trust recommends support for Article 38**. Dave Iverson seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Penny Dey Aye
3. Reema Sherry Aye
4. Kristie Ferrantella Aye
5. Allyson Mitchell Aye
6. Dave Iverson Aye
7. Brian Sullivan Aye

**The MOTION carried UNANIMOUSLY.**

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**ARTICLE 97**

*(Home Rule Petition: Allocate Portion of Land Bank Real Estate Transfer Fee to Support Year-Round Housing)*

*Preamble:*

*Nantucket has long been experiencing an acute crisis of affordable and workforce housing that came further into focus during the pandemic. The shortage of stable, suitable housing that is affordable to year-rounders at a variety of income levels carries significant public health consequences with wide-ranging ripple effects. While the pandemic will end, the severe year-round housing shortage on Nantucket will not without further action.*

*Tremendous work has been done by conservation organizations over the past half century. As a result, over 50% of the Island is now in environmental conservation of one form or another. Thirty-five years after the Land Bank was conceived, it is perhaps time to discuss allocating a minor portion of this steady revenue stream -- for a defined temporary timeframe -- to preserving an equally important resource -- our year-round community.*

*Town Meeting has on three occasions unanimously sent a Home Rule Petition to the State House seeking to establish a separate source of funding, also based on a real estate transfer fee. Yet the legislature has been reluctant to affirm the will of Nantucket voters. Feedback from Boston has suggested that the simple change proposed by this article may be viewed*

*more favorably as it reallocates an existing fee versus adding a new one.*

*This article seeks to respond to the members of the community who have wondered if the revenue stream of the Land Bank could be shared in a manner that would allow the Land Bank to continue with its land conservation mission while simultaneously allowing another critical community mission to be addressed: to provide safe and stable housing for those who live and work on Nantucket year-round.*

*It should be noted this article is designed intentionally with a delayed implementation date, in order that it will not result in any financial insecurity or risk for the Land Bank or the Town of Nantucket. Delaying implementation until January 1, 2022 will allow the Land Bank to address the questions of how its outstanding debt and operating expenses can be reconfigured so that an ongoing 1.5% revenue will be adequate to serve their needs and mission during the 20 years the reallocation of the 0.5% portion would be in effect.*

*It is the intention of this article to ask the Land Bank to refrain from the incurring of any additional debt obligations until it can be determined that the existing and future debt obligations can be supported by 75% of its current fee (1.5%). A reliable, steady source of funding would allow the Nantucket Affordable Housing Trust (NAHT) to be able to offer programs it has long envisioned: down-payment assistance for year-round home buyers, more housing options for our seniors, and the ability to incorporate greater buffers and green space in future housing development.*

*Article:*

*To see if the Town will vote to authorize the Select Board to petition the General Court for special legislation to modify the Land Bank Act of 1983 (Chapter 669 of the Acts of 1983), as amended, to have 25% of the total Land Bank fee (1/4 of the 2% transaction fee prescribed therein) be transferred directly to the Nantucket Affordable Housing Trust Fund for a period of twenty (20) years to begin on January 1, 2022 for the purposes of the creation and preservation of affordable housing in the Town of Nantucket for the benefit of year-round low and moderate income households, consistent with the Trust's enabling legislation; provided that said special legislation shall include a requirement that the transfer of 25% of the Land Bank fee to the Affordable Housing Trust Fund shall be reduced in any given year by the amount necessary for the Land Bank to meet its then existing debt service obligations and other normal and customary operating expenses of the Land Bank as certified by the Land Bank to the Select Board each on or before June 30; and provided further that the Land Bank shall not incur any additional debt service obligations or other normal and customary operating expenses that cannot be supported by the remaining 75% of the Land Bank fee as so certified each year; and further to direct the Select Board that during the pendency of this Home Rule Petition not to enter into a Memorandum of Understanding as was contemplated in Article 30 of the 2020 Annual Town Meeting that would result in the incurring of a debt obligation of the Land Bank that would exceed its available revenue at the adjusted 1.5% fee; Or to take any other action related thereto. (Brooke Mohr, et al)*

Brooke Mohr recuses so she can present on this article which she is sponsoring.

Brian Sullivan reads the article.

Brooke Mohr presents. She and a group of other residents response to feedback from the Statehouse re. pushback at legislative level for Housing Transfer Fee. The landscape has changed dramatically since this article was originally contemplated and filed. There are multiple methods for funding the Trust on the warrant. We can work more quickly to help Nantucketers knowing that we have a steady funding stream. Asking the question how does conservation's continued efforts stack up against what an increasingly dire housing crisis? That is what this article asks the community to contemplate. Cites a few specifics. In 1987, 53% of Nantucket's land mass was undeveloped. In 2010, it was 7.8%. Currently it is at 4.8%. So available property has shrunk dramatically.

Penny Dey suggests we explain what is happening at the State House with alternate legislation.

Brian Sullivan we have been updating on the Housing Bank Bill. We are looking at a new window of legislation. There is a new proponent at State House level working on a state-wide housing bank bill.

**Brooke Mohr leaves the meeting at 2:18pm**

Allison Mitchell The Housing Bank Bill covers only up to 175% AMI, but we want to be able to work

with people up to 200% AMI. We need to start to work on programs that will help more people, such as down-payment assistance programs and equity sharing programs. She supports this. It will not affect our tax bills. Can be used flexibly and will provide significant funds quickly. A lot of money generated from home sales and less than 5% of available land.

Reema Sherry supports the article. Doesn't think this will have a bad effect on the Land Bank ("NILB") which is in a strong financial position. This is the fastest and least restrictive path to funding for affordable housing.

Dave Iverson the magic in this article is the discussion it is generating. If the other sources are approved, this article would be less important.

Kristie Ferrantella many options on the table. In presenting to FinCom, we need to have strong agreement about one vs. the other and we need to be clear on pros and cons.

Penny Dey the NILB fee generated about \$30 million in 2020 so this would be about \$12 million if it were in effect. She is fundamentally opposed to altering the Land Bank legislation. Does not support this. Not in a position to predict what NILB needs will be.

Brian Sullivan appreciates the 20-year sunset provision. He favors this, because it is not an increased tax and the State House pointed us in this direction.

Howard Dickler this comes down to question of priority. Comes down to the last few million that NILB takes in each year. You can house 20 families permanently for every \$5 million.

Meghan Perry against this article. References letter she sent in December. The NILB wants to be nimble in the market. They might support coastal resiliency or playgrounds. There are other articles worth supporting vs. taking money from another group.

Henry Sanford this is not a novel idea and has been done at several localities across Massachusetts.

Reema Sherry moved that the **Trust recommends support for Article 97**. Allyson Mitchell seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Penny Dey Nay
3. Reema Sherry Aye
4. Kristie Ferrantella Nay
5. Allyson Mitchell Aye
6. Dave Iverson Aye
7. Brian Sullivan Aye

**The MOTION passed by a MAJORITY Vote of 5 in favor and 2 opposed.**

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Brian Sullivan is there an order or positioning or is it just a vote that we want to include in our notes to FinCom? Krisite brought this up? Do we want to expand more on the vote?

Penny Dey some of us should be participating in the FinCom meetings.

Brian Sullivan will participate in the 4 funding articles. He has been advised that because his primary income is directly linked to STRs, he will be recusing from next article.

**Brooke Mohr returns at 2:37pm.**

**Brian Sullivan and Penny Dey leave meeting at 2:37pm**

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**ARTICLE 90**

*(Bylaw: Short-Term Rentals)*

*To see if the Town will vote to amend the Town Code by adding a new Chapter 142 as follows, and further to authorize the Town Clerk to make non-substantive, ministerial revisions to the numbering of this bylaw in order that it be in*

*compliance with the numbering format of the Code of the Town of Nantucket; or to take any other action relative thereto.*

## CHAPTER 142: SHORT-TERM RENTALS

### § 142-1 PURPOSE.

*The purposes of this Bylaw are to:*

- *Provide a process through which Nantucket can continue the historic tradition of a vibrant vacation rental market by owner-occupied homes such that they may be permitted and registered with the Town of Nantucket for lawful use as Short-Term Rentals (as defined below);*
- *Help ensure equity and sufficiency of housing stock for year-round residents*
- *Protect the health and safety of renters and residents for those lawful Short-Term Rentals;*
- *Ensure that Short-Term Rentals will not be detrimental to the character and livability of the Island and the residential neighborhoods surrounding such Short-Term Rentals; and*
- *Ensure proper regulation of exclusively commercial uses of homes in Nantucket's residential areas.*

### § 142-2 DEFINITIONS.

*Short-Term Rental: Any rental of a residential dwelling unit, or of a bedroom within a dwelling unit, in exchange for payment, as residential accommodations for a duration of less than thirty (30) consecutive days, but not a Transient Residential Facility.*

*Short-Term Renter: Any person or persons occupying a dwelling unit, or a bedroom within a dwelling unit, as a Short-Term Rental.*

*Short-Term Rental Operator: The person or persons offering a dwelling unit or bedroom for short-term rental with (if not the owner) the written permission of the owner, and the condominium association or homeowners association, where applicable.*

*Resident Short-Term Rental: The short-term rental of a dwelling unit, or of individual bedrooms within a dwelling unit, that is a residence of, or accessory to the residence of, a Nantucket resident, which residency shall be determined by the Town using one or more of the following methods – proof of enrollment in the Nantucket residential exemption program, tenancy agreement along with photo ID, or an income tax return for the current year and a recent utility bill, both showing the current address of the operator as the address of the Short-Term Rental.*

### § 142-3 REQUIREMENTS AND LIMITATIONS ON FREQUENCY AND USE.

*(a) Short-Term Rentals are permitted as an accessory use to a permitted principal residential use, subject to the following requirements:*

1. *No residential premises may be used as a Short-Term Rental except in compliance with this bylaw.*
2. *The following residential housing units may not be used as short-term rentals: (i) Any residential property in violation of the State Sanitary Code, 105 CMR 410; and (ii) residential units designated as affordable or otherwise income-restricted, which are subject to affordability covenants or are otherwise subject to housing or rental assistance under local, state, or federal programs or law.*
3. *Resident Short-Term Rentals shall not exceed, in the aggregate, ninety (90) consecutive or nonconsecutive days per calendar year.*
4. *Other than Resident Short-Term Rentals, Short-Term Rentals shall not exceed, in the aggregate, forty-five (45) consecutive or nonconsecutive days per calendar year.*
5. *Short-Term Rental Operators shall offer all Short-Term Rentals, other than Resident Short-Term Rentals, to only one party of Short-Term Renters at a time, not rented as separate bedrooms, beds, or spaces to separate parties.*
6. *Occupancy within a Short-Term Rental shall be limited to 2 people per bedroom for the maximum number of bedrooms lawfully available at the Short-Term Rental pursuant to its current Title V certification.*
7. *A Short-Term Renter shall be limited to parking one (1) vehicle per Short-Term Rental.*
8. *No Short-Term Rentals shall be for a period of less than seven (7) consecutive days. Resident Short-Term Rentals shall be*

*exempt from the minimum stay duration requirement set forth in this paragraph provided that such rental is for a single private room in a residence occupied by a Nantucket resident as defined in this Chapter.*

*9. Short-Term Rental Operators shall provide all Renters with contact information for the Short-Term Rental Operator, or when the operator is not present, the contact information for a locally available contact designated to respond to all emergencies and problems that may arise during the rental period, whether from renters, neighbors or municipal authorities. Short-Term Rental Operators shall also provide all Short-Term Renters with all applicable trash, noise, parking and other local regulations.*

§ 142-4 REGULATIONS. *The Board of Health shall have the authority to promulgate regulations to carry out and enforce the provisions of this Chapter 142 “Short-Term Rentals.”*

§ 142-5 REGISTRATION, PERMITTING, INSPECTION AND FEES.

*(a) All Short-Term Rental Operators shall apply for a “Short-Term Rental Operator Permit” (the “Permit”) with the Town’s Board of Health prior to offering the Short-Term Rental use and occupancy.*

*(b) The fees for such Permit shall be as follows:*

*a. Resident Short-Term Rentals-\$150 per year, exclusive of any other applicable local fees or costs; and*

*b. All other Short-Term Rentals-\$500 per year, exclusive of any other applicable local fees or costs.*

*(c) Permit applicants must be current with all town taxes, water, and sewage charges, and shall not have any outstanding building, sanitary, zoning, or fire code violations, orders of abatement, or stop work orders. If a violation or other order is issued to the Short-Term Rental Operator after a Permit is granted, the Town may suspend or revoke said Permit until the violation has been cured or otherwise resolved, subject to the requirements of Chapter 19, §§ 13 -18. Multiple violations by any one Short-Term Rental Operator may, at the Town’s discretion, disqualify that Short-Term Rental Operator from obtaining a permit in the future. Short-Term Rental Operators shall comply with all applicable federal, state, and local laws and codes, including but not limited to the Fair Housing Act, G.L. c. 151B and local equivalents and regulations related thereto, and all other regulations applicable to residential dwellings.*

*(d) If a Permit is granted, the Short-Term Rental Operator shall register with the Town all such Short-Term Rentals, and secure a Certificate of Registration according to standards set forth by the Board of Health. Such registration shall include an attestation that the Permit-holder is in compliance with all applicable federal, state and local laws. The Board of Health shall not grant any Certificate of Registration unless the Permit- holder has (1) paid all associated permit fees; (2) provided contact information for person to address any issues at the Short-Term Rental within two (2) hours’ notice; and (3) provided the Town with a Certificate of Insurance evidencing liability insurance coverage for the Short-Term Rental in an amount to be determined by regulation by the Board of Health.*

*(e) At all times, the Short-Term Rental Operator shall maintain an up-to-date log of all occupants that occupy the Short-Term Rental. This log shall contain the name of at least one Short-Term Renter, the total number of guests for the stay, and dates of each rental period. The log shall be available for inspection by the Board of Health upon request, and kept accessible for a period of three (3) years.*

*(f) Permit-holders are subject to inspection of the Short-Term Rental by the Town upon reasonable notice via consent or administrative warrant, or without such notice in the event of imminent concern or threat to public health or safety.*

*(g) Permits are valid for one (1) year, and may be renewed at the Board of Health’s discretion, provided that the Short-Term Rental Operator has complied with the provisions of this Chapter and any associated regulations during the preceding year and the Building Department issues a new Certificate of Registration.*

*(h) Permits are granted to named Short-Term Rental Operators and do not run with the land. If the Short-Term Rental is sold or transferred out of ownership, a new Permit application needs to be filed before Short-Term Rentals can continue or resume.*

*(i) The Town, through its Town Manager, may procure services to assist in any aspect of administering this Bylaw.*

§ 142-6 ENFORCEMENT

*All violations of this section may be penalized by a noncriminal disposition as provided for in G.L. c. 40, § 21D and imposing a fine of Three Hundred Dollars (\$300). Each day of violation shall be deemed a separate and distinct offense. The provisions of this section may also be enforced, if applicable, by the Town seeking an injunction from a court of competent jurisdiction prohibiting the offering of the Short-Term Rental. Nothing herein shall be construed to preclude the Town from seeking any additional penalties or taking any additional enforcement action as allowed for by law.*

§ 142-9 SEVERABILITY.

*If any provision in this section shall be held to be invalid by a court of competent jurisdiction, then such provision shall be considered separately and apart from the remaining provisions, which shall remain in full force and effect.*

§ 142-8 EFFECTIVE DATE.

*The provisions of this Chapter 142 “Short-Term Rentals” shall take effect on October 1, 2021. (Tobias Glidden, et al)*

Brooke Mohr appointed Chair *pro tem*. Brooke summarizes article

Allyson Mitchell was initially supportive of this article. Priority is housing islanders but not sure this article would get us to a culture where homes are prioritized for year-round (“YR”) islanders. Would like to see something more specific to that.

Dave Iverson undeniably this is a problem, but this article is confusing and complex. To think that any of those houses will return to YR community is unrealistic. This article would take things away from people. People have based financial decisions on this. Supports in principle, but it will not do what we need.

Reema Sherry doesn’t think this affects us directly. It’s intention is to help YR residents by discouraging this kind of investment. It mentions affordable housing but does not really have any direct impact. Thinks we should take no action in terms of recommendations pertaining to this article. Kristie Ferrantella agrees. We should not take a position on this. The article has started a conversation, but a lot of these houses are not going to return to YR houses. If we are supporting STR tax going to affordable housing, which we voted earlier to do, then this article would limit our funding source.

Brooke Mohr concern is unintended consequences by shrinking available revenue. Would support an article that grandfathers what exists and then have a limited pool of STR permits so that as people buy into the market going forward, they know what they can and cannot do in terms of financial decisions. There is room for more robust conversation about how zoning can affect affordable housing.

Henry Sanford thankful for ACK\*Now for crystallizing this, but locals who are using STRs for survival are worried. Leveraging value of property is important. Need to dive deeper into what needs are. Some degree of STR regulation is good idea. He manages a portfolio of vacation rentals for a corporate investment entity. They are not the huge business that people think. A minimum of 30% of gross lease value is directly poured back into local service economy. Need to further define economic impact. Members of our community support our businesses which will be negatively impacted. There are outliers who have no connection to Nantucket. Definition of investor is ambiguous and situations change. This creates huge enforcement burden on the Town. Second homeowners are now becoming concerned with and aware of affordable housing but thinks if this is passed the moment of their awareness will not be capitalized on. This is risky.

Julia Lindner The research shows a direct link with housing which is why we confronted this in this manner. This is about protecting YR housing. This a general bylaw and can be altered. We are still open to figuring out how to make this work for community. Other communities have taken this route. Brooke Mohr what is process of offering amendments?

Julie Lindner Tobias has first right to suggest anything on ATM floor.

Brooke Mohr if you offered amendments before ATM, would you inform the community of changes you might offer in response to feedback?

Julie Lindner yes.

NO ACTION Taken on this article.

**Brian returns at 3:00pm**

Kristie Ferrantella moved to authorize Brooke Mohr to put together materials to present our recommendations to FinCom at their upcoming meetings. Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr           Aye
2. Penny Dey            Aye
3. Reema Sherry        Aye
4. Kristie Ferrantella   Aye
5. Allyson Mitchell     Aye
6. Dave Iverson         Aye
7. Brian Sullivan        Aye

**The MOTION carried UNANIMOUSLY.**

**V. Other Business**

▪ **Next Meetings**

- March Special meeting: Tuesday, March 9, 2021 at 1:00pm
- Regular March meeting: Tuesday, March 16, 2021 at 1:00 pm

**VI. PUBLIC COMMENT** (for items not otherwise on the agenda)

Meghan Perry - NCTV 18 will be airing the Thursday hearing live for Surfside Crossing.

**VII. BOARD COMMENTS**

**VIII. Adjourn**

M/S/A Brooke Mohr Kristie Ferrantella

Meeting ended at 3:03pm

Submitted by:

Eleanor W. Antonietti