

Short Term Rental Committee
Minutes December 9, 2021

Present: Bea Phear, John Rau, Karen Overtoom, and Dan Rossi

Bea started by discussing the reasons why the town might want to have a short-term rental by law. One would be to ensure that we collect the taxes, but that actually is pretty secure given the state role. A second would be to look at health and safety issues and code violations, but the department of health has their jurisdiction and the market itself would tend to weed out unsafe rentals. A third would be to protect year round tenancies, but with prices so high it is unclear whether that really does happen. So she concluded that the preservation of community character and keeping corporate owners out was one major motivation that all committee members shared. Another would be to clarify the rights of owners to rent, given the Styler decision in the city of Lynn.

John said what would happen if we banned rental of all units by non-residents but have the current people grandfathered in? He also felt that short-term rentals do tend to push out long-term since short term is more profitable, and also drives up the real estate values.

Karen said the problem with an owner renting long-term is that absentee seasonal owners couldn't use the property for themselves either in the off-season or for a month during the summer. They need the income but they don't want long-term tenants, as there is also an issue with maintenance. How do we protect them but ban a commercial entity?

Bea suggested allowing absentee owners to rent a single property rather than multiple properties, which would deter the investors but not the seasonal residents.

John asked Karen approximately how many off island landlords actually own more than one house. Karen said she thought it was about 10% of her clients who own several houses.

John said it would be difficult to find a way to define ownership and would require disclosure of the person who is behind an LLC and had beneficial

ownership. It would not be a discriminatory reason for disclosure since no protected classes would be discriminated against. He said there are a number of western states that ban corporations from owning land in order to protect farms.

John said we should check with Town Counsel about limiting rental to one property.

Bea said she would call Dawn in the assessor's office to see if they have a way of knowing who is behind the LLC.

Members of the committee agreed that this was not an emergency situation but we should get ahead of the curve.

Bea volunteered to write an initial draft of a report to the planning board echoing these thoughts. She would distribute it and solicit feedback from the committee. She reminded everyone that the feedback should come directly to her, because a group email would be considered a violation of the open meeting law. She would then distribute a second draft to the committee for discussion at the next meeting.

The next meeting was decided to be Tuesday, January 11.

Respectfully submitted,

Beatrice Phear

Approved on January 18, 2022