

Rental Registry Committee 8/8/22

Committee members present: Noah, Charlie, Justin, Eric  
Members of the public: Susan Garvey, Robert Greenawalt  
Granicus Representatives: Samantha White and Jeffery Goodman

Justin called the meeting to order at 5:30 call to order

Justin made a motion to approve the minutes from July 27th, 2022. Eric seconded the motion. There was no discussion and the motion passed unanimously.

Justin introduced Samantha White from Granicus. He said she will take us through their software.

Samantha said she wants to highlight best practices in rental registries and how they help municipalities achieve their goals.

Samantha introduced Jeffery Goodman to highlight best practices.

Jeffery introduced himself and explained he is a trained urban planner located in New Orleans. He has been working on short-term rental regulations for 7-8 years working with municipalities. He highlighted that local context is important. He explained the complexity of regulating short-term rentals based on a variety of issues that are important to different communities. He explained that some communities are focused on housing, others on taxes, and some quality of life for residents.

He focuses on what the community goals are. Are we looking at it from housing, economic development, regulation for safety and health, or residential housing in the community? He emphasized the importance of figuring out the communities goals before drafting any regulations. He has seen many places struggle with finding that focus in order to justify their regulation. This is a key step that is pivotal to success.

Justin said we have had discussions about this topic and the select board has tasked this committee with looking at the feasibility of a rental registry and looking into what other towns have done. He said that once we present our recommendation to the select board it will be up to them to determine what the goal and focus will be.

Jeffery said an operations focus is very simple because that is simply focused on safety. He said that most safety concerns are common sense and most people will do this already because they are smart and running a business. Smoke detectors are basic. The larger issues are who gets to do it and where they get to

do it. This is where ordinance definition is important and it will shape the local market and various things that impact the town.

He explained that primary residence requirements will have very different effects than a non-primary residence. These definitions need to be clearly defined in successful ordinances.

Justin asked if Granicus had partnered with Burlington and if he knew much about what they were instituting and if Jeffery had any thoughts about their attempt to pass successful regulation. It seemed to Justin that there might have been some over-regulation.

Jeffery said that what they tried to do was a yes and yes approach. They tried to account for a variety of uses and added housing issues and zoning pieces tied to it and they tried to do things that didn't really make sense. He believes that they tried to include too many stakeholders and didn't have much focus. He thinks they were pulled in too many directions and didn't have a solid goal about the ordinance. That made it easier to pick apart and sows doubt in the ordinance.

Eric asked about Ludlow specifically, being a ski town with around 85% second homeowners, it would be helpful if we know how other communities like us have started. He said how many rentals do we have? We don't even know what we have and what the makeup of those properties is. Housing is a hot topic but we don't think short-term rental regulation would necessarily solve that issue. What do towns, like ski towns, start with?

Samantha shared her screen to show a data set for Ludlow to show where we are. She had an analysis from July of 2022 which showed 1189 units which shows 839 unique rental units. This is just July and those numbers typically change throughout the year, especially in a town like Ludlow with a distinct busy season.

Justin said we have a town next to us that has identified 80 units. He asked if our number was a large number or not.

Samantha said she has seen towns that have higher numbers, so Ludlow is not unique.

Jeffery highlighted that 839 is a more accurate number to use because the 839 some are listed on multiple sites which is where the 1189 listings come from. He said that Colorado and Utah are doing some interesting things. They have pushed housing as a focus because of employment issues. He thinks we have a different opportunity, using primary residence will not change much for us.

Eric asked how far can you drill down on these units, can you tell what kind of unit it is.

Samantha said you can look into around 250 different data points.

Noah asked where condos fall in the unit type.

Samantha said they are include in multi-family.

Justin asked where does the average nightly rate come from is that just the unit rate or does it include cleaning fees ect?

Eric asked if they are able to capture historical data.

Samantha said that they take a data capture every 3 days and we will have access to data from the start of the company.

Jeffery said that housing has become a huge issue, especially in places with a lot of second homes and vacation rentals. Some of the leaders are Colorado towns that understand the importance of STR and want to leverage this. They have looked at cash incentives to convert units to long-term rentals, density bonuses ect. They also use the STR registry funds to pay for this. One town in Utah requires the preservation of open space if they want to develop STR. He said that Marthas Vineyard and Nantucket are facing issues with a lack of residents and are worried about losing their schools so that is what they are focusing on with STR regulation. He emphasized that once we are able to focus on a goal then regulation can begin from there.

Justin said that everyone on this committee has a different reason why they wanted to be involved with a short-term rental registry. Justin said he has seen a change in this community and has a hard time finding employees for his two businesses.

Jeffery said he has seen traffic issues with employees coming into work along with tourist traffic which had significantly impacted other communities. He thinks we need to come back to this idea of leverage.

Eric said we started off this meeting with what we view as successful. He doesn't think just implementing an STR registry solves anything. Eric asked if there were success stories that we can compare.

Jeffery said whenever you look at other towns' regulations you need to ask two questions. What are their goals? And what is their budget?

Places that are tipping typically go in a primary residence focus. Communities like Ludlow, typically lean toward an economic development focus. Jackson Hole WY basically took their town and put an overlay with their town and said no STR in the town and the other area was open for everything else. You can split the difference like this and it worked well for them but covid shifted everything. What

it really comes down to is what your goal is. You can constrain supply that allows you to give permission based on certain parameters.

Something that stuck with Jeffery was someone who said “I want this to be a town where you can raise a family if you didn’t inherit property.”

Samantha said that Ludlow VT’s strategic plan mentioned a focus on attracting young families. That chimes well with what Jeff just said. She said that STR is a difficult conversation to have.

Jeffery said he sees regulation as fitting into the town plan and it won’t solve all the problems but it should add to it. He said regulation comes from data on how many units ect., stuff that comes up from the community what is it like on the ground, and a focus on looking at it from a community-wide view from a long-term view. He said that the first two steps should conform to the third. You want to make sure that it fits the town-wide perspective and a 1, 2, 5, and 20-year time frame. How does this work for the entire town? Not just individuals and then that drives things moving forward.

Eric asked if the Granicus team had any parting words for the committee.

Samantha said she would like to reconvene at some point. She said that we are just skimming the surface. She said she wanted to dive into how address identification is achieved before we end.

She said that they are a Host Compliance Service. They have different modules to choose from and a password-protected website. So everyone can access it. Address identification is the baseline. The physical address, owner address, and property id. A computer identifies the unit first and then it is verified by a person. They can look at individual units and see the 250 different data points. There is a timeline of activity. The cleaning fee is a data point. There is capacity information in case there are capacity requirements. We have spent time on the end goal but enforcement is key. They can capture data and send out letters for enforcement. Any prosecution or legal actions that develop can be helped with searchable evidence for the town to use.

Eric asked how the address identification worked when the true address isn’t given on airbnb, ect.

Samantha said first artificial intelligence is used to identify where that property is and they will go further with matching data points. It gives us a robust data set to determine the next steps. The 24/7 hotline is helpful for the public to report issues and the town then has a database on issues. Once you have a Hotline there is evidence about what is going on. There is quite a lot for her to share but we are just at the beginning. As we have these discussions we can circle back to move forward.

Justin said we will present our data on Sept 12 and asked Susan and Jeffery if they would be available to join.

Noah asked about the cost of help in drafting regulations or an ordinance that Jeffery specializes in.

Jeffery said that he can do all of it, run a public meeting, or whatever it happens to be. The scope of what the town wants help with will determine that cost.

Justin thanked them for all the help and their time.

Samantha and Jeffery signed off.

Justin asked if there were any public comments.

Susan Garvey said she had no questions.

Justin said that the Information packet will need to be well presented. He said we have the Granicus presentation packet, the checklist from Fire Safety, and the tax department document. He said members should gather any other information we want to go over for the next meeting. We also invited Granicus to the Selectboard meeting.

Eric wanted to make sure we have the resources for them to addend remotely.

Noah said he thinks the strategic plan would be a good resource to help present the issue and where the goals and focus of the presentation is coming from.

Justin agreed and thinks it is important. He mentioned the state even has a goal for us to draw on.

Justin announced the next meeting is Wed August 24th at 5:30 pm in the conference room.

Charlie made a motion to adjourn and Justin seconded. The motion was passed unanimously and the committee adjourned at 6:45 pm.