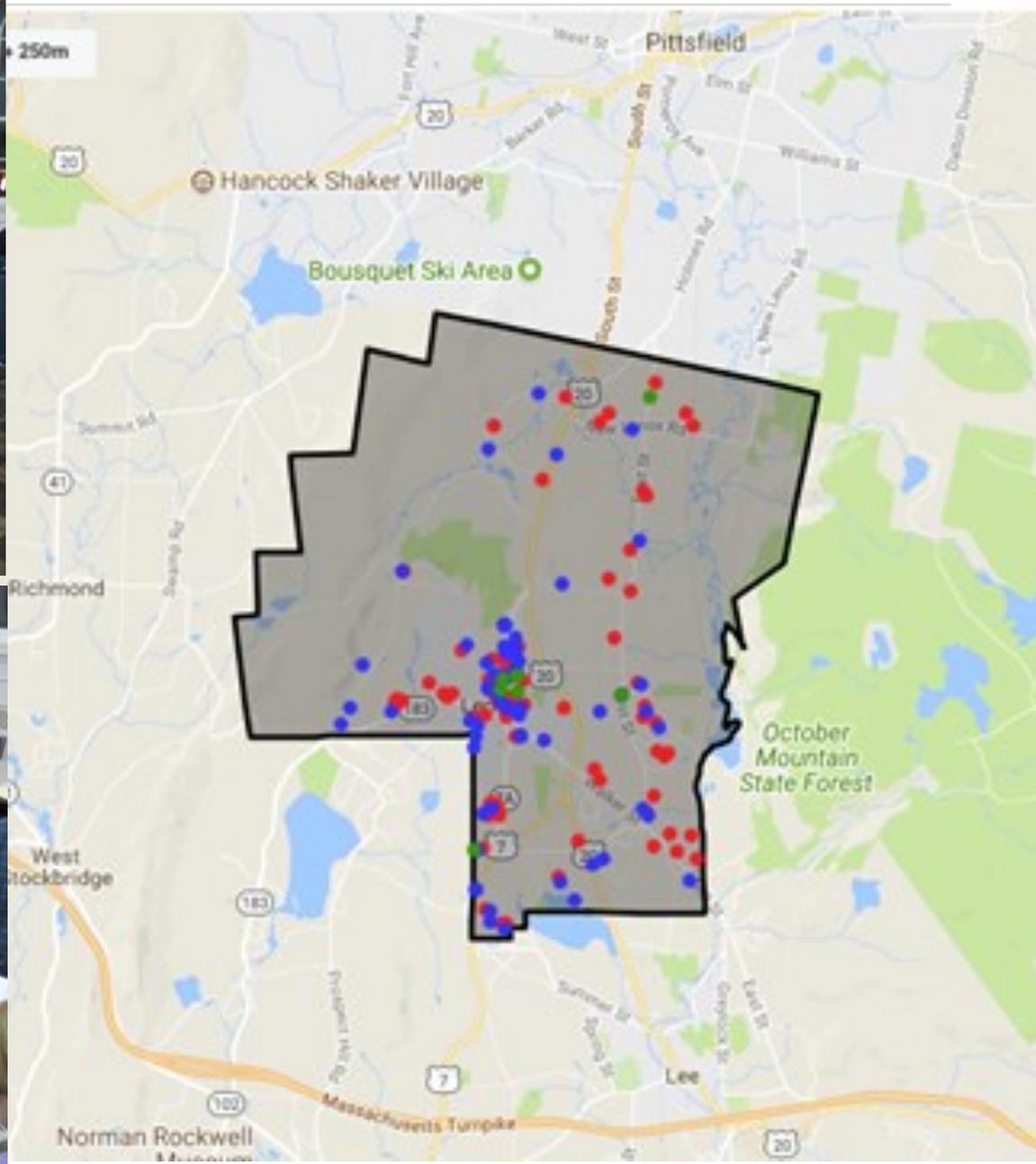


# Short-Term Rentals in Lenox: Summary of Community Roundtable Discussions



## At a Glance

**What:** The Lenox Short-Term Rental Subcommittee (of the Planning Board) held two forums to gather input from residents and stakeholders on the topic of Short-Term Rentals. The goal of the forums was to engage a variety of Lenox stakeholders in informed, interactive discussions and dialogs aimed at weighing the benefits and concerns surrounding Short-Term Rentals in our Town, as well as beginning to explore various policy ideas. Residents were provided with an informational presentation and asked to provide feedback on summarized issues and opportunities, and to comment on policy goal statements. Each group was asked to report back on their top three (3) to five (5) conclusions from their discussion. The goal of the Short-Term Rental Subcommittee is to gather information and solicit input from the community in order to identify issues and craft local policies to address issues or concerns.

**When:** Two sessions were held on November 14<sup>th</sup>, 2017—one at 3:00 p.m. and the other at 6:00 p.m. The afternoon session was the best attended of the two.

**Where:** The two sessions were held in the Lenox Town Hall Auditorium.

**Who:** Approximately fifty (50) attendees were present, forty-six (46) of whom signed in via EventBrite or at the sessions. The Planning Board was represented at both sessions by Chair Pam Kueber, Deborah Rimmler and Kate McNulty-Vaughan. Tom Delasco attended the evening session, and Land Use Director/Town Planner Gwen Miller, AICP was present at both. The Chamber of Commerce was presented as well by Kameron Spaulding, the Director at the time.

**Note:** *Because those who attended the forums were self-selected, the feedback reported in this summary is not necessarily “statistically representative” of the views of all Lenox residents. The forums drew a cross-section of stakeholder types and the discussions, opinions, and suggestions discussed during the forums draw from this cross-section.*

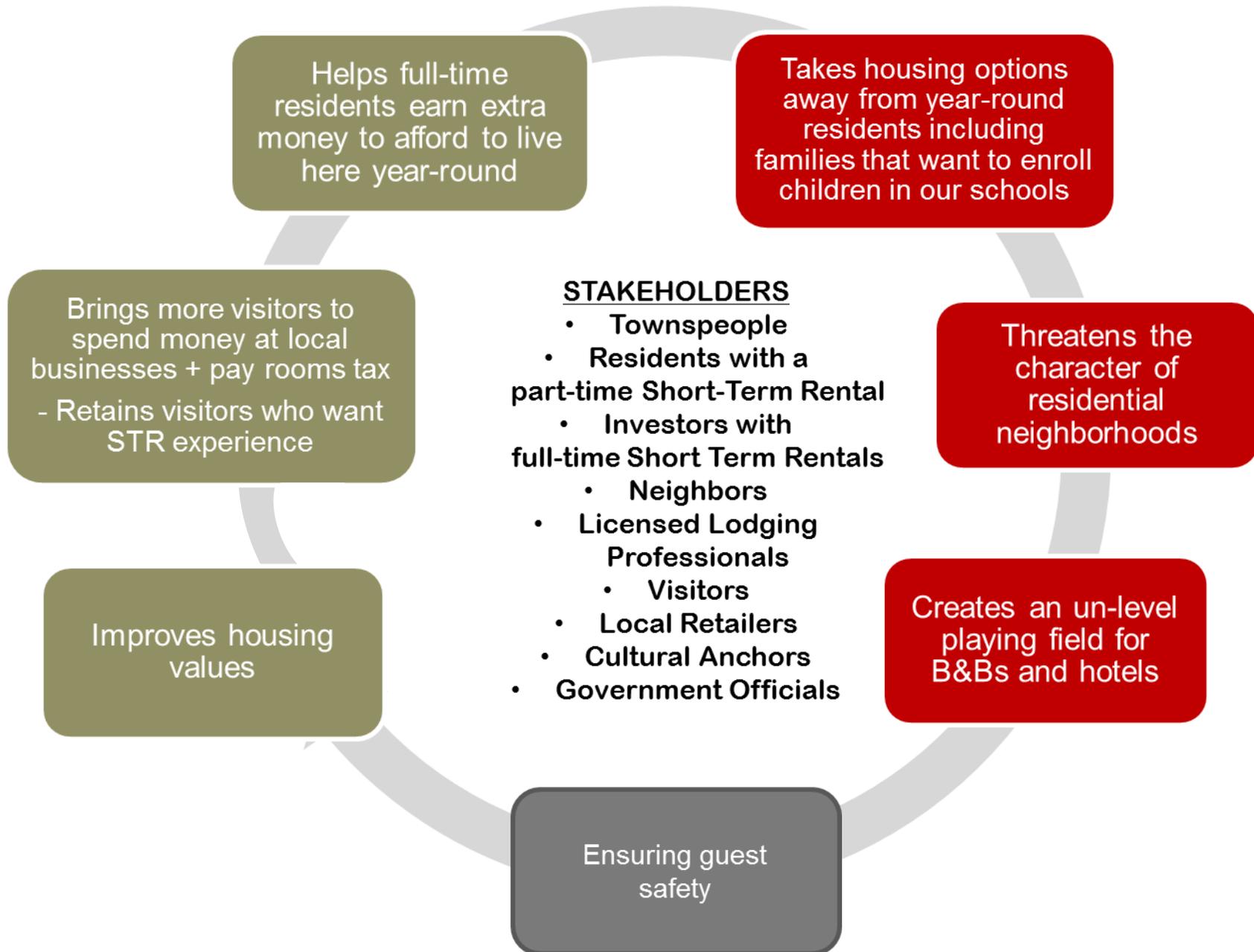
Community members and stakeholders present included:

- ⇒ Innkeepers
- ⇒ Homeowners who let out their home or other properties they own for Short-Term Rentals
- ⇒ Homeowners concerned by how Short-Term Rental activity may change their neighborhood
- ⇒ Commercial property owner/landlord
- ⇒ Realtors
- ⇒ Small business owners
- ⇒ Village residents
- ⇒ Cultural institution representatives
- ⇒ School Committee
- ⇒ Board of Selectmen
- ⇒ Board of Assessors
- ⇒ Finance Committee

**Next Steps:** The input from these sessions is summarized in this document. The information will be used to guide the Short-Term Rental Subcommittee and Planning Board as they gather additional information and begin considering regulatory solutions to community concerns. The group created a survey that will run through January 2018. The state is also working on legislation that will influence how Short-Term Rentals are taxed and regulated. The Short-Term Rental Subcommittee will bring suggested policy changes to the Board of Selectmen and Town Meeting in the Spring or early Fall of 2018. In addition to this summary, a supplemental document includes all of the facilitator notes from both meetings.

## I. Summary of Issues and Opportunities (cont.)

The Short-Term Rental Subcommittee prepared the diagram below reflecting the issues and opportunities related to Short-Term Rentals. Members of each group were asked to comment on which were most important to them, and if they would add any new ones to the list. **Table 1** depicts prioritized take-aways, and **Table 2** depicts associated comments.



## Key Findings: Top Concerns Ranked in Group “Report Backs”

Each group was asked to identify their top three-to-five conclusions from their discussion. Key conclusions and related mentions are ranked below.

Concern:	A top priority identified by:	Related mentions:
<b>#1 (tie) -- Protecting neighborhood character</b>	Every group – 6 groups	
<b>#1 (tie) -- Leveling the playing field</b> for traditional lodging accommodations and Short-Term Rental units  Leveling the playing field’ referred to a tax collection, inspection, enforcement, etc.	Every group – 6 groups	<ul style="list-style-type: none"> <li>⇒ Enforcement of existing rules and regulations (3 groups)</li> <li>⇒ Making sure any new rules and regulations are clear and enforceable (2 groups)</li> <li>⇒ STRs are commercial properties and should be regulated as such (1 group)</li> <li>⇒ Realize and welcome the opportunities STR’s offer, but level the tax and regulatory playing fields. (1 group)</li> </ul>
<b>#3 -- Short-Term Rentals do add to the tourism base</b> of the community	4 groups	
<b>#4 -- Important to differentiate between types of Short-Term Rentals:</b> categorize investor-owned, owner not-on-site, and ADU (Accessory Dwelling Unit), size and use. (3 groups)	3 groups	
<b>#5 -- People discovering Lenox</b> through Short-Term Rentals may move here permanently (2 groups)	2 groups	
<b>Each of the following was mentioned once:</b>		
<ul style="list-style-type: none"> <li>⇒ Shortening or retaining the existing “seasonal rental of rooms” window—new policy should reflect this peak season in Lenox (May-October), and this may be easier to enforce if the time frame doesn’t change. (1 group)</li> <li>⇒ If limiting STRs to a period of time or number of days, winter and holiday season should be considered (1 group)</li> <li>⇒ Enacting regulations based on potential, not yet real issues could have unintended consequences</li> </ul>		

**Note:** In total, there were six groups discussing the same topics with at least one facilitator. While only four of these groups ended up reporting back verbally to the group during the meetings, individual facilitators for each group did include the top conclusions from their tables in their submitted notes.

## I. Summary of Issues and Opportunities (cont.)

Opportunity or Issue	Comments
<b><i>Takes housing options away from year-round residents including families wanting to enroll children in Lenox schools</i></b>	<p>To what extent is this really a problem in Lenox? Need good information. Also, STRs not the only challenge to new buyers looking to live in Lenox—cost and pickiness.</p> <p>STRs as potentially threatening the character of neighborhoods, presenting safety concerns, and interfering with housing affordability by buying up small houses to convert them to STRs.</p>
<b><i>Threatens the character of residential neighborhoods</i></b>	<p>Example given of a street today in which one family owns and operates two STRs – one fulltime, the other in the summer season. These homes previously had fulltime residents – can change the character of your neighborhood, you don't know who's walking up and down your street.</p>
<b><i>Creates an un-level playing field for B&amp;Bs and hotels</i></b>	<p>Innkeeper interested in equity, level playing field. This season lost \$10,000 in one booking to customer who switched to STRs – lost taxes for town too; guest party included some children and they switched to houses. Professional lodging costs: Occupancy taxes, licensing fees, commercial real estate taxes, excise taxes, fire inspections, health inspections, building inspections, semi-annual kitchen inspections – all expensive, all directly tied to guest safety.</p>
<b><i>Ensuring guest safety</i></b>	<p>No matter what the rules and regs, needs oversight. Not fair to put those of us who see and are concerned about what's going on in our neighborhoods into the role of tattletales.</p>
<b><i>Improves housing values</i></b>	<p>If an STR “investor” improves property, but bad for values if nobody wants to live in the home next door to an STR.</p> <p>Not at all sure that housing values would be increasing or that the housing market would “reward” neighborhoods with higher values and fewer true neighbors, when people want to live in a house in a residential neighborhood zone – not be next to a rental housing business.</p>
<b><i>Brings more visitors to spend money at local businesses and pay rooms tax; retains visitors who seek an STR experience</i></b>	<p>Demand will continue to grow: Tanglewood expanding in a major way including global learning center – we will have even more people wanting to stay in Lenox for training.</p>
<b><i>Helps full-time residents earn extra money to afford to live here year-round</i></b>	<p>Sees the advantages of STR's for young couples and the elderly -- providing more diversity in town (age) and extra income opportunities. Sees benefits to housing affordability (through rental) and favors expanding the community's opportunities with year-round STR's.</p>

Table 2

## II. Policy Goal Statements (cont.)

Each group was asked to consider four (4) policy statements. Not every group got to this exercise, and one group expressed concern at how weighted the statements seemed to be toward extremes. **Table 3** summarizes comments made by participants capturing reactions to the policy goal statements. The list on page 8 captures suggested policy goals offered by participants during conversation.

Policy Goal Statement	Agreed/Disagreed	Comments/Discussion
<p><b><i>It is more important to have a year-round community in Lenox than growing our tourism economy.</i></b></p>	<p>One group stated “we want it all!” in response to this statement.</p> <p>At one table, only one of six agreed with the statement. Notably, four of the six were business owners, some in the lodging industry.</p>	<p>It was recognized that tourism is an economic base in Lenox, and that you can have a growing tourism economy while also having a vibrant year round community.</p> <p>One person pointed out that w/o a tourism economy, you would have no year-round community in Lenox.</p> <p>Also stated: Not important to grow tourism economy—“enough rooms already!”</p>
<p><b><i>It is more important to grow our ability to house tourists than to preserve the residential character of our neighborhoods.</i></b></p>	<p>At one table, 4 out of 6 agreed with this statement.</p> <p>At one table, nobody agreed with this statement.</p> <p>At one table, nobody agreed w/ this statement—even w/ one lodging professional in the group.</p>	<p>Preserving neighborhood staying together. Constant turnover in residential neighborhood not good.</p> <p>One neighborhood has two STRs—one full time, the other seasonal. The homes previously housed full-time residents. Has changed character of neighborhood when you don’t know who is walking up and down the street.</p> <p>Two comments relay the idea that there already enough rooms in Lenox to house tourists—an innkeeper said they are at 28% capacity throughout the year.</p> <p>One participant described not wanting “to see another season turn to “another summer” with its influx of visitors crowding out the locals.”</p>

Table 3

## II. Policy Goal Statements (cont.)

Table 3 cont.

Policy Goal Statement	Agreed/Disagreed	Comments/Discussion
<p><b><i>It's fine for investors to buy houses and apartments to turn into full-time Short-Term Rental properties even if that means fewer housing options for people who want to become residents.</i></b></p>	<p>3 out of 5 agreed at one table.</p> <p>At one table, nobody agreed with this statement.</p>	<p>One person suggested that this would be ok if Short-Term Rentals were held to the same obligations as inns—investors won't invest if not viable.</p> <p>At one table, the comment was made that many people are priced out of the housing market, but also that buyers today are picky and won't always buy what's on the market because it's not what they are looking for.</p>
<p><b><i>I would be willing to limit the number of potential buyers for property in Lenox by banning investor-owned Short-Term Rentals even if that means my property value is lowered.</i></b></p>	<p>One table felt this was a false assumption.</p> <p>One table didn't get to this statement.</p>	<p>What is an "investor", and what constitutes an "investor"? Some residents inherit property or purchase property and are not at a life stage where they can move full-time to Lenox. Short-Term Rentals allow them to maintain the property with low wear and tear before they sell the property or before they move here full-time. A realtor did mention properties she sold for the express purpose of Short-Term Rentals.</p>

## II. Policy Goal Statements (cont.)

### **...Other Policy Goals/Considerations**

- ⇒ Creating rules that will be enforceable and providing staff support to enforce the rules—could be a private-public partnership with support from private sector.
- ⇒ Think about limiting frequency.
- ⇒ Density matters: in a higher density, all residential neighborhood, frequent Short-Term Rental activity could be more impactful than in a low-density, all residential neighborhood bc people are living more closely together in the former scenario.
- ⇒ Limit STRs—they are impactful to the community.
- ⇒ Protecting residential use and character of neighborhoods
- ⇒ Need to level the playing field: code and taxes
- ⇒ Ensure safety
- ⇒ Categorizing STRs by owner-on-site or no-owner-on-site
- ⇒ Should be fair levels of inspections for “1 X renters” versus larger operations where “many X rooms/people” rent.

### III. Strategies or Regulatory Tools to Consider

*Though not initially included in the discussion framework, many of the statements or comments captured by facilitators fall into their own category: ideas or suggestions toward regulating Short-Term Rentals in Lenox.*

- ⇒ Whatever rules or policies are created, they will need to be enforceable.
- ⇒ Mimic existing time window for Seasonal Rental of Rooms (Section 8.8) for whatever is created for Short-Term Rentals, i.e. the May-October.
- ⇒ Enforcement of current rules and future rules will require more staffing—perhaps a private –public partnership could be created.
- ⇒ Create rules for Short-Term Rentals similar to a Zoning Overlay District or regulate certain types to corridors, requiring licensing by district.
- ⇒ Prohibit investor purchase of affordable housing units.
- ⇒ Place a home value floor: allow no Short-Term Rentals on homes valued at less than \$400,000.00 so fulltime residences can own these.
- ⇒ Allow STRs in ADUs so long as their obligations are the same as traditional lodging accommodations and other STRs—“level playing field”.
- ⇒ Will need to create oversight: it isn’t fair to place homeowners who see and are concerned about what is happening in their neighborhood in the role of tattletales.
- ⇒ Consider allowing condo complexes that are relatively self-contained to do STRs if their residents agree to it.
- ⇒ Cap STR occupancy by beds—to prevent overcrowding in rentals.
- ⇒ Cap STR occupancy by the number of people allowed to be in the STR unit.
- ⇒ Categorize STRs by whether a homeowner is on site and where no property owner is on site.
- ⇒ On properties with more land, activities are less likely to be intrusive.
- ⇒ Consider graduated zoning.
- ⇒ Promote balance by controlling the number of STRs with neighborhood caps or an overall community cap.
- ⇒ Require a local contact for STRs.
- ⇒ Consider analyzing Inns and B&Bs with less than 15 rooms and calculate how much would be lost in rooms tax and real estate tax if they reverted to residential uses with STRs.

## IV. Group “Report-Backs”

*In total, there were 6 (six) groups discussing the same topic with one facilitator. Each group was asked to identify their top three (3) to five (5) conclusions from their discussion. While only four (4) of these groups ended up reporting back to the group during the meetings, individual facilitators for each group did note the top conclusions from their tables. These are listed below. Numbers in parentheses to the right of each statement indicates the thought or statement was repeated more than once. It should also be noted that one table submitted two (2) sets of facilitator notes—and both sets of notes were included in the summary.*

- 1) Protecting neighborhood character (6)
- 2) Enforcement of existing rules and regulations (3)
- 3) Making sure any new rules and regulations are clear and enforceable (2)
- 4) Leveling the playing field for traditional lodging accommodations and Short-Term Rental units (in terms of tax collection and inspection/enforcement)(6)
- 5) Shortening or retaining the existing “seasonal rental of rooms” window—new policy should reflect this peak season in Lenox (May-October), and this may be easier to enforce if the time frame doesn’t change.
- 6) People discovering Lenox through Short-Term Rentals may move here permanently (2)
- 7) Important to differentiate between types of Short-Term Rentals: categorize investor-owned, owner not-on-site, and ADU (Accessory Dwelling Unit), size and use. (3)
- 8) STRs are commercial properties and should be regulated as such
- 9) If limiting STRs to a period of time or number of days, winter and holiday season should be considered
- 10) Enacting regulations based on potential, not yet real issues could have unintended consequences
- 11) STRs do add to the tourism base of the community (4)
- 12) Realize and welcome the opportunities STR’s offer, but level the tax and regulatory playing fields.

## V. Conclusions from the Meeting

*Input from the sessions indicate that Lenox residents are aware of both the opportunities and challenges associated with Short-Term Rentals.*

**Section IV** demonstrates key considerations in crafting policies or regulations around Short-Term Rentals are grounded in:

- ⇒ Ensuring a level playing field amongst lodging providers: traditional inn, B&B and hotel owners/managers and Short-Term Rental operators;
- ⇒ The desire to maintain residential neighborhood character and environments;
- ⇒ Short-Term Rentals are a part of the tourist economy in Lenox;
- ⇒ While important to ensure guest and public safety in a Short-Term Rental, and tax similarly to other commercial lodging uses, not all are alike and perhaps should be treated uniquely dependent on owner-occupied and on-site status, size, frequency ,among other considerations;
- ⇒ Making sure new rules and regulations are clear and enforceable;
- ⇒ Reflecting the traditional peak season in Lenox in future rules or regulations, while also considering the demand for Short-Term Rentals in the shoulder season or ski season.

## *Attendee List (from sign-in sheets and EventBrite registration)*

1. Cecil Pollen
2. Steve Baum
3. Sue Baum
4. Terry Cogwill (Berkshire Edge)
5. Paul Bagnall (Berkshire Record)
6. Joe D'Anna
7. Oren Cass
8. Scott Short
9. Drew Davis
10. Ken Fowler
11. David Fisher
12. Molly Elliott
13. Steve Ball
14. Allyn Burrows
15. Tom Johnson
16. Debbie Lancaster
17. Gretchen Fairfield
18. Lois Hill
19. Jim Biancolo
20. Barbara France
21. Scott Barrow
22. Olga Weiss
23. Tom Romeo
24. Dianne Romeo
25. Clarence Fanto
26. Mary Jo Piretti
27. Marybeth Mitts
28. Veronica Fenton
29. Frank Newton
30. Ken Kelly
31. Elliott Morse
32. Angela Lomanto
33. Kameron Spaulding
34. Tim McCaffery
35. Jim Harwood
36. Nancy Stoll
37. Ed Lane
38. Randy Austin
39. Eiran Gazit
40. Mary Jane Fromm
41. Brenda Durrir
42. Gerard Michney
43. Joel Catalano
44. Marianne Zimberg
45. Mark Shapp
46. Jennifer Schapp