

TOWN OF NANTUCKET

Housing Production Plan 2026

DRAFT

JULY 21, 2026

PREPARED BY BARRETT PLANNING GROUP



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Introduction

Background

Nantucket faces significant housing challenges driven largely by high demand from seasonal residents, tourism, and affluent residents, all of which place intense pressure on the housing market. The competition for housing in Nantucket inflates home prices and reduces availability for year-round households, including young professionals, families, and low-, moderate-, and middle-income residents. Addressing these and other housing needs is essential for improving housing affordability on Nantucket and addressing housing justice for everyone who lives on the island.

The Town has made significant progress in advancing affordable housing initiatives over the past several years. Still, the extent of the challenge requires ongoing strategic and coordinated efforts to meet the needs of year-round residents across low, moderate, and middle-income levels. The Town led the development of this Housing Production Plan (HPP), a state-regulated planning tool that proactively addresses affordable housing needs, outlines steps toward potential solutions, and guides the community forward. By establishing clear goals and strategies, this HPP enables Nantucket to continue to exert control over future housing development and work toward meeting its residents' housing needs.

WHY HAVE A HOUSING PRODUCTION PLAN?

A Housing Production Plan (HPP) outlines strategies for a town to reach and maintain the 10 percent statutory minimum for affordable housing under G.L. c. 40B, §§ 20-23 ("Chapter 40B"). Based on an analysis of housing needs, barriers to housing growth, and community input, this HPP establishes housing development goals that meet state standards and address local issues. Once adopted by the Select Board and Planning Board, the HPP will require approval from the Executive Office of Housing and Livable Communities (EOHLC), on which the Town will rely to certify compliance following the production of new affordable housing units. This HPP has been prepared for Nantucket to fulfill EOHLC's requirements.

PREVIOUS HOUSING PRODUCTION PLANS

- Housing Production Plan (HPP) for Nantucket ("2009 HPP")
- Nantucket Chapter 40B Housing Production Plan ("2016 HPP")
- Nantucket Housing Production Plan 2021 ("2021 HPP")



Graphic by the Town of Nantucket

DATA SOURCES

Information to inform this HPP comes from a variety of sources, including the Town itself, the community engagement process, previous plans and studies, public agencies, and other proprietary data. The most frequently used sources of data are as follows:

- The Bureau of the Census
- The American Community Survey (ACS)
- U.S. Department of Housing and Urban Development (HUD)
- HUD Consolidated Planning/Comprehensive Housing Affordability Strategy (CHAS) Data
- MassGIS

A complete list of cited works and other sources can be found in References. Much of the data in this report draws on the U.S. Census Bureau's American Community Survey (ACS), which provides annual estimates of social, economic, housing, and demographic characteristics for select topics. While the Decennial Census aims to count the entire population, the ACS uses random sampling of about 295,000 households each month. The U.S. Census Bureau bases the annual ACS data on rolling averages of survey responses over the previous five years. ACS results are released annually, but they capture trends over five-year increments; the 2024 ACS 5-Year Estimates, for example, include data from 2019 to 2024. This approach provides a more accurate picture, since the 5-Year Estimates smooth out year-to-year fluctuations and do not necessarily reflect year-by-year changes. Additionally, while the Decennial Census provides more accurate counts of trends related to housing units and other characteristics, the ACS estimates data in years between the 10-year Census, tracking sociodemographic changes not available elsewhere.

Community Engagement Process

The Town actively encouraged participation in the development of this plan from both local officials and the broader community by providing several opportunities for engagement throughout the planning process. To ensure a structured and inclusive approach, the process was guided by a comprehensive Community Engagement Plan. This plan was designed to foster meaningful dialogue, gather diverse perspectives, and promote collaboration among stakeholders. It consisted of several key components, including soliciting public input and ensuring that community voices were heard and considered in developing this plan. Through this structured approach, the Town sought to create a transparent, inclusive, and well-informed planning process that reflected the needs and priorities of the community.

The consulting team also created a project website on ArcGIS Story Maps. The site provided information on participation opportunities and served as an online repository for engagement summaries and HPP content.

EVENTS

STAKEHOLDER INTERVIEWS

- December 2025 - February 2026

HOUSING WORKSHOPS

- March 10, 2026
- June 1, 2026

TABLING DAYS

- June 24, 2026
- July 8, 2026

PUBLIC SURVEYS

- Survey Part 1: March 2026
- Survey Part 2: May - July 2026

PUBLIC REVIEW PERIOD

- July 28 – August 10, 2026

Housing Production Plan Summary

KEY HOUSING NEEDS

The Housing Needs Assessment (HNA) in this HPP details the existing conditions, demographics, housing inventory, and market trends on Nantucket. The key housing needs are identified below:

- Affordable housing for low- to moderate-income (LMI) households at or below 80 percent area median income (AMI);
- Attainable housing for middle-income households up to 250 percent AMI;
- Workforce housing for municipal employees, seasonal workers, and year-round workforce; and
- More year-round housing.

HOUSING GOALS

After identifying the key issues and needs, this HPP outlines clear, meaningful, and achievable goals and sets a five-year housing production target for Nantucket to pursue:

GOAL 1: **PRESERVE AND EXPAND THE YEAR-ROUND HOUSING STOCK**

GOAL 2: **INCREASE HOUSING OPPORTUNITIES AT A MIX OF AFFORDABILITY LEVELS**

GOAL 3: **DIVERSIFY HOUSING TYPES TO SUPPORT ALL RESIDENTS**

GOAL 4: **REVISE POLICIES AND ZONING TO ENCOURAGE RESPONSIBLE GROWTH**

GOAL 5: **COORDINATE FINANCIAL, INFRASTRUCTURAL, REGULATORY, AND ORGANIZATIONAL RESOURCES TO STRENGTHEN LOCAL CAPACITY**

IMPLEMENTATION STRATEGIES

This section lists specific actions to assist Nantucket in achieving its housing goals and highlights potential opportunities:

1. Produce affordable and “deeply affordable” housing
2. Continue to monitor and preserve SHI units
3. Create and regularly update a housing inventory
4. Identify potential sites for affordable housing
5. Revise zoning and regulations to promote affordable housing
6. Streamline the permitting process
7. Continue implementation of Seasonal Communities Designation
8. Consider a comprehensive zoning review
9. Create and preserve year-round housing
10. Reuse, rehabilitate, and redevelop underutilized properties
11. Explore alternative housing options
12. Strengthen the demolition delay Bylaw
13. Evaluate and strengthen year-round housing programs
14. Support housing for seniors and people with disabilities
15. Expand infrastructure to facilitate housing growth sustainably
16. Increase funding and leverage additional resources
17. Strengthen partnerships and collaboration
18. Continue to educate the public and advocate for housing

1. Housing Needs Assessment

Demographics

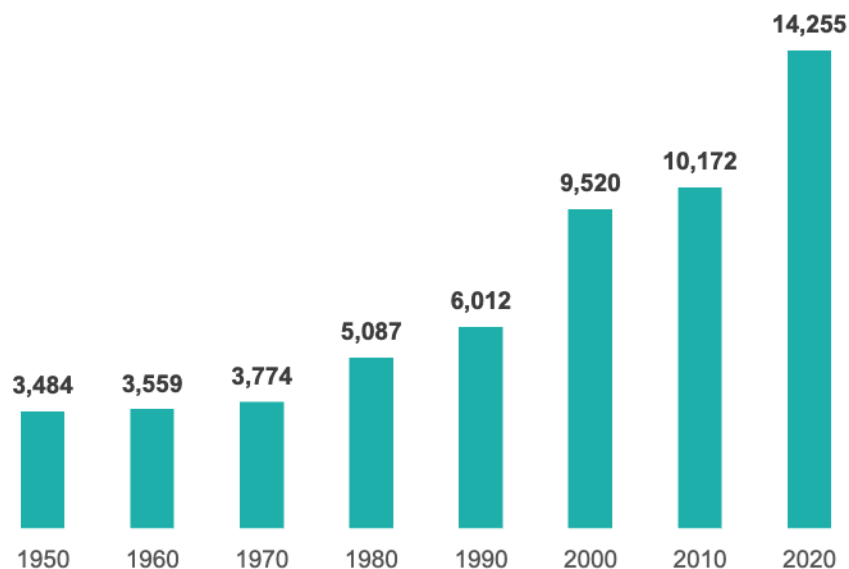
POPULATION

By the mid-twentieth century, the island had emerged from a period of economic hardship and depopulation as the whaling industry declined. Since then, Nantucket has experienced marginal, then steady, population growth as developers began purchasing and redeveloping large pieces of land, attracting residents from the mainland Northeast and transforming the island into the destination it is today.

The official 2020 Census counted 14,255 year-round residents on Nantucket (**Figure 1.1**). Most housing policy and programs, such as the Subsidized Housing Inventory (SHI), rely on Census counts to determine eligibility criteria. However, they are reported only every ten years, and demographics can shift drastically from one year to another.

Figure 1.1. Census Year-Round Population

U.S. Census Bureau, 1950-2020



The American Community Survey (ACS) updates demographic information each year, offering a more granular view of trends in communities over time. The most recent 2024 ACS estimates show a year-round population of 14,483 (**Table 1.1**). The island saw the largest population increase (23.0 percent) from 2020 to 2021, largely due to mainland residents moving to Nantucket during the COVID-19 pandemic.

Table 1.1. Estimated Year-Round Population

Year	Population	% Change
2010	10,069	--
2011	10,135	0.7 %
2012	10,194	0.6 %
2013	10,224	0.3 %
2014	10,414	1.9 %
2015	10,556	1.4 %
2016	10,694	1.3 %
2017	10,912	2.0 %
2018	11,101	1.7 %
2019	11,168	0.6 %
2020	11,212	0.4 %
2021	13,795	23.0 %
2022	14,065	2.0 %
2023	14,299	1.7 %
2024	14,483	1.3 %

ACS 5-Year Estimates, 2010-2024 (Table B01003)

July and August, including seasonal residents, seasonal workers, and visitors.³ By 2030, the Nantucket Data Platform projected that summer tourism may raise the island's peak population to 100,000.⁴

Still, both Census counts and ACS estimates do not fully capture all members of the Nantucket community, and Town officials consider them to be significantly lower than the island's true year-round population. A study using the Nantucket Data Platform estimated a permanent year-round population of 17,160 in 2017, when it was conducted, significantly higher than the 2017 ACS estimate of 10,912.¹ Official counts do not include substantial numbers of immigrants, the influx of new residents since 2020, or anyone who has been missed during population counts. These groups comprise a significant part of the island's community and identity, and when accounting for all community members, unofficial estimates put Nantucket's year-round population at 18,000-20,000 in recent years, with some estimates even higher.²

As a seasonal resort community, Nantucket experiences dramatic population changes throughout the year, sometimes growing to five times the year-round population. The Town estimates the island population can reach 80,000 in

AGE

According to 2024 ACS estimates, children under 18 years old comprised 20.5 percent of Nantucket's year-round population (**Figure 1.2**).

Nantucket saw the steepest decline in the share of young adults aged 18 to 34 from 2014 (22.9 percent) to 2024 (17.2 percent). Although the estimated count of residents in this age cohort increased during this period, its growth lagged far behind the growth of other age cohorts, so its share of the total population shrank. Estimates of residents aged 25 to 34 did decline; however, this decline was more than offset by the increase in residents aged 18 to 24.

¹ Peter A. Morrison et al., "Estimating Nantucket's Effective Population," *Population Research and Policy Review* 39, no. 4 (2020): 577-604, <https://doi.org/10.1007/s11113-019-09565-8>.

² Chris Lisinski, "Census shows recent growth in most cities and towns, including Nantucket," *The Inquirer and Mirror*, May 29, 2025.

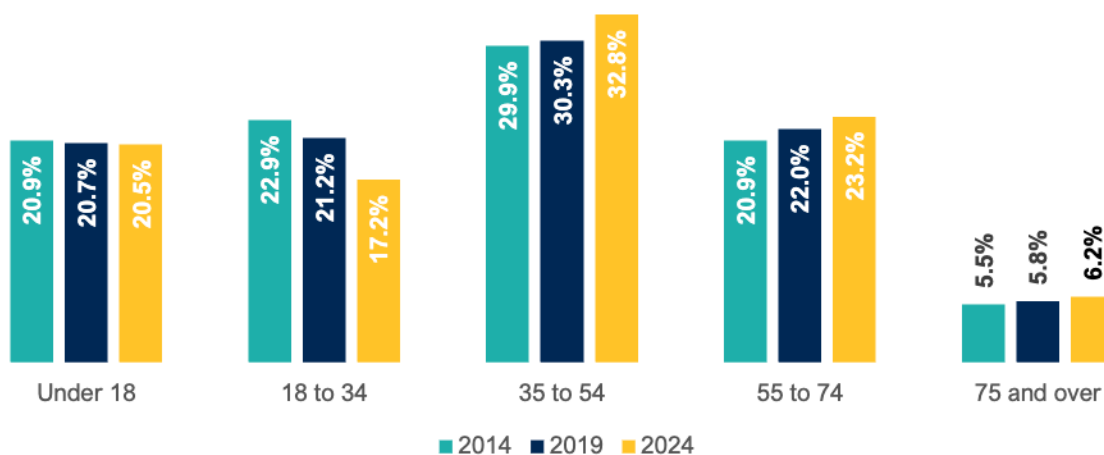
³ Town of Nantucket, "Frequently Asked Questions," accessed February 9, 2026, <https://www.nantucket-ma.gov/m/faq>.

⁴ Kathryn Eident, "New Data Shows Nantucket Is on Track to Host 100,000 Visitors on a Peak Summer Day by 2030," *CAI*, July 27, 2022, <https://www.capeandislands.org/local-news/2022-07-27/new-data-shows-nantucket-is-on-track-to-host-100-000-visitors-on-a-peak-summer-day-by-2030>

In contrast, the 35 to 54, 55 to 74, and 75 and over age cohorts all experienced growth and increased proportions of the total year-round population. Middle-aged adults aged 35 to 54 comprised the largest share and nearly a third of the population (32.8 percent). Younger seniors aged 55 to 74 comprised the second largest share and nearly a quarter of the population (23.2 percent). Older seniors aged 75 and over comprised the smallest share of the population, but had nevertheless experienced growth as Nantucket's population continues to age.

Figure 1.2. Population Age

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B01001)



RACE & ETHNICITY

Nantucket's population is predominantly non-Hispanic White, comprising 68.2 percent (9,879) or over two-thirds of the year-round estimates (**Table 1.2**). While estimates show a growth in this majority racial group, it is at a much slower pace than that of minority groups.⁵

In 2024, Nantucket's population is more racially diverse than at any time in recent history, with the most significant shift occurring within the five years prior. Racial and ethnic minorities comprised 31.8 percent of the estimated year-round population in 2024 (4,604), up from 22.2 percent in 2014 and 14.8 percent in 2019. The estimated minority population declined between 2014 and 2019, before surging through 2024.

Hispanic or Latino residents of all races are the second-largest racial and ethnic group, behind non-Hispanic White, and the largest minority group on Nantucket. This group comprised an estimated 17.0 percent of the total population and 53.6 percent of the total minority population. Black or African American residents are the second-largest minority group, at an estimated 9.4 percent of the total population and 29.6 percent of the total minority population.

⁵ For the purposes of this analysis, 'minority' includes all racial and ethnic groups except non-Hispanic White.

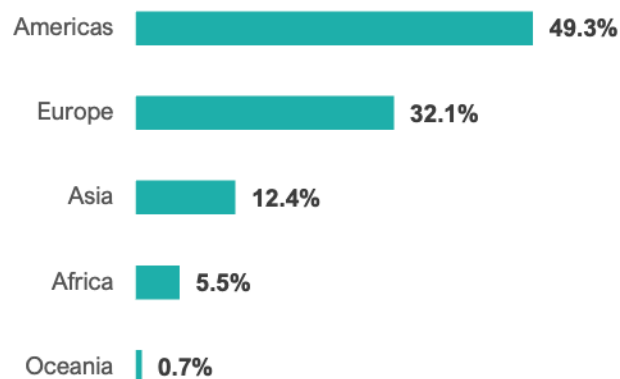
Table 1.2. Race and Ethnicity

	2014	2019	2024
Not Hispanic or Latino	92.8 %	95.8 %	83.0 %
White	77.8 %	85.2 %	68.2 %
Black or African American	8.1 %	6.6 %	9.4 %
American Indian and Alaska Native	0.0 %	0.3 %	0.1 %
Asian	1.2 %	0.6 %	1.7 %
Native Hawaiian and Other Pacific Islander	0.0 %	0.1 %	0.0 %
Other Race	1.0 %	0.0 %	0.9 %
Mixed or Multiracial	4.5 %	3.1 %	2.7 %
Hispanic or Latino, All Races	7.2 %	4.2 %	17.0 %

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B03002)

FOREIGN-BORN

In addition to its racially and ethnically diverse population, Nantucket is known for its community of immigrants. Estimates show that 15.8 percent of the population was foreign-born in 2024.⁶ Nearly half (49.3 percent) of immigrants are from the Americas, particularly El Salvador, the Dominican Republic, Jamaica, Brazil, and Venezuela. European immigrants comprise nearly a third (32.1 percent) of the island's immigrant population, hailing primarily from Ireland, Poland, Germany, and Russia. Asian immigrants (12.4 percent) mostly came from South Korea, the Philippines, and India. African immigrants (5.5 percent) are almost entirely from Ghana. Last, but not least, immigrants from Australia and New Zealand comprise those emigrating from the Oceania region (0.7%).

Figure 1.3. Foreign-Born OriginACS 5-Year Estimates, 2024, via Social Explorer
(Table SE:A07001)

LANGUAGES

According to 2024 estimates, 18.7 percent of Nantucket's population spoke a language other than English at home. Spanish is the dominant non-English language spoken at home by 12.2 percent of the community, followed by Slavic languages such as Bulgarian and Russian at 2.9 percent, and other European languages such as Portuguese and German at 1.6 percent.⁷

⁶ ACS 5-Year Estimates, 2024, via Social Explorer (Table SE:A07001).⁷ ACS 5-Year Estimates, 2024 (Table C16001).

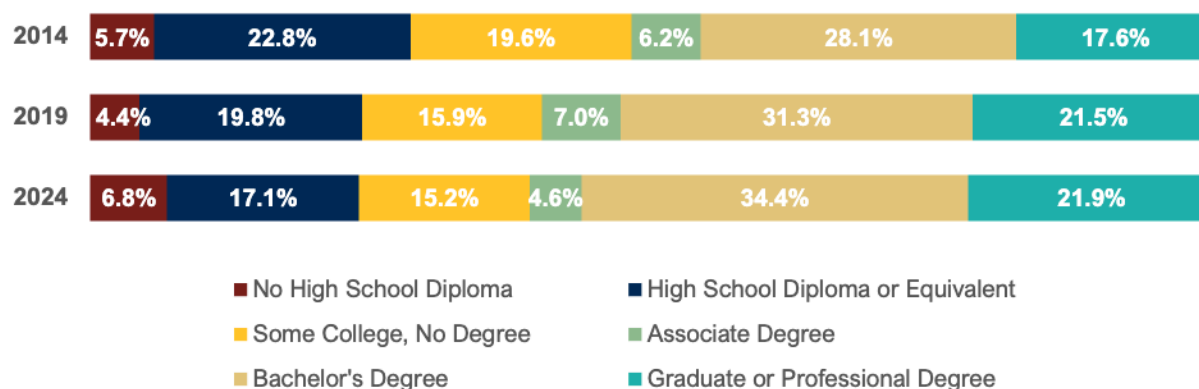
However, the languages spoken on Nantucket are much more diverse than reflected by ACS estimates. This diversity is demonstrated by the availability of translation and interpretation services, language learning programs, and English as a Second Language (ESL) classes offered to students in Nantucket Public Schools (NPS) and to adults by Literacy Volunteers of the [Nantucket] Atheneum (LVA). According to the Director of English Language Learners, nearly half of NPS students speak a language other than English as their first language.⁸ These languages include, but are not limited to, Spanish, Portuguese, Bulgarian, Lithuanian, Russian, Patois, Nepali, Uzbek, Thai, Tagalog, Ukrainian, Yoruba, and Mayan.

EDUCATION

Nantucket has become a more educated community over time. Since 2018, over half of residents aged 25 and over have a bachelor's degree or higher, and this has continued to grow.⁹ According to 2024 estimates, 34.4 percent of the population aged 25 and over had a bachelor's degree, and 21.9 percent had a graduate or professional degree (**Figure 1.4**). Simultaneously, the share of residents with less than a high school diploma has increased to 6.8 percent, the highest since 2014. Meanwhile, the shares of residents with a high school diploma or equivalent, some college with no degree, and an associate degree have declined.

Figure 1.4. Educational Attainment of Residents Aged 25 and Over

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B15003)



⁸ Larry Lindner, "Learning the Ways of Nantucket Also Means Learning English," *N Magazine*, September 11, 2024, <https://www.n-magazine.com/esl-on-nantucket>.

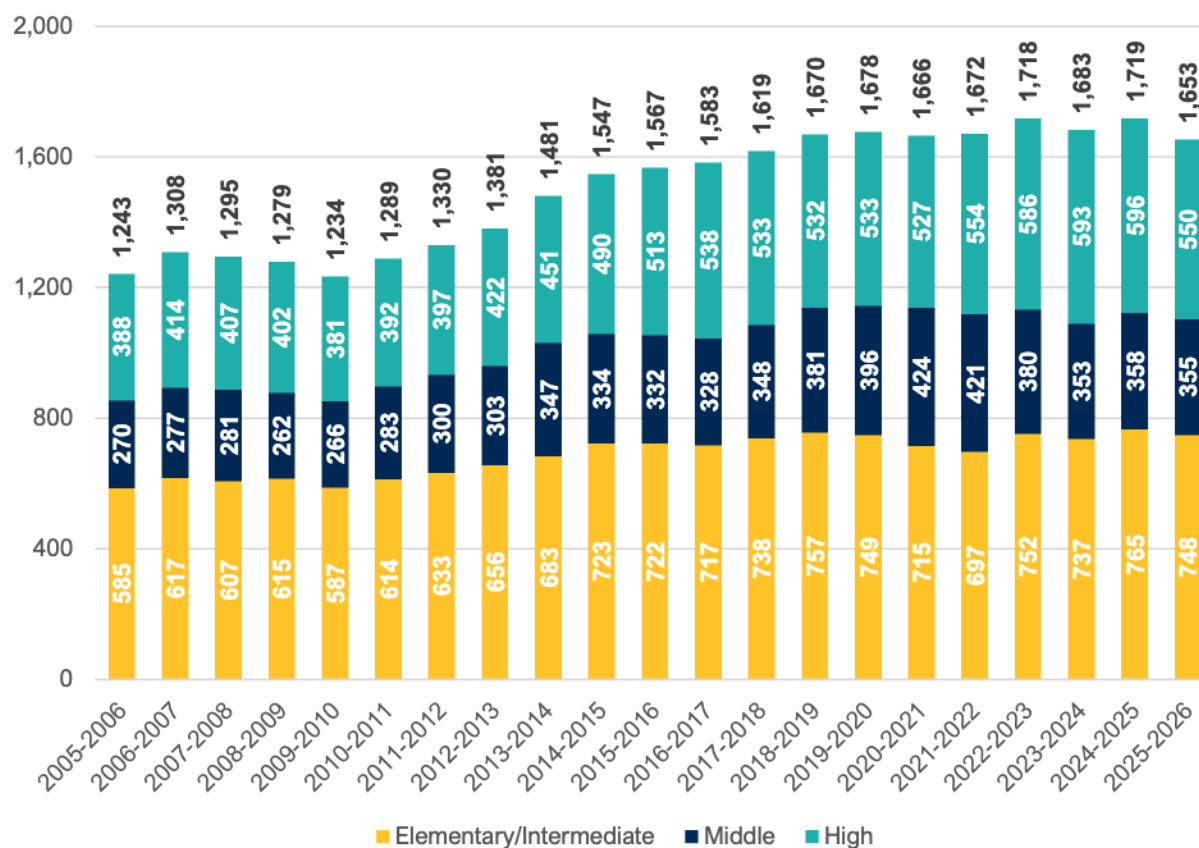
⁹ ACS 5-Year Estimates, 2018 (Table B15003).

PUBLIC SCHOOL ENROLLMENT

Enrollment in the Nantucket Public Schools (NPS) gradually rose over time. Since the Massachusetts Department of Elementary & Secondary Education (DESE) first began recording and publishing School and District Profiles, the number of NPS students rose from a low of 1,000 in the 1993-1994 school year to a high of 1,719 in 2024-2025. The Nantucket Elementary School (Pre-K to Grade 5) had the largest student body of the three schools, before it was divided into two schools, the current Elementary School (Pre-K to Grade 2) and the Intermediate School (Grades 3 to 5).

Figure 1.5. Public School Enrollment

MA Department of Elementary & Secondary Education, School and District Profiles, 2000-2025



DISABILITY

Estimates show that Nantucket has a lower share of residents with a disability (9.7 percent) than Dukes County (11.1 percent), Barnstable County (14.8 percent), and Massachusetts (12.3 percent) (**Figure 1.5**).

Elderly residents, who experience mental, physical, or emotional conditions that contribute to difficulties more often than younger residents, constitute a notably low share of Nantucket's community.¹⁰ Residents aged 65 and over comprised 3.3 percent of the town's total estimated population, compared to 9.4 percent in the neighboring islands of Dukes County, 8.8 percent in Barnstable County, and 5.3 percent statewide.¹¹ Among residents with one or more disabilities, this age group accounted for 34.5 percent of the population on Nantucket, 84.4 percent in Dukes County, 59.3 percent in Barnstable County, and 42.8 percent statewide (**Figure 1.6**).

Nantucket residents aged 35 to 64 accounted for nearly half of the population with a disability (48.0 percent), the highest share among these other communities (**Figure 1.7**). This group represented an estimated 4.7 percent of the total island population, a proportion higher than that in Dukes County (1.3 percent), Barnstable County (3.8 percent), and Massachusetts (4.2 percent).

Figure 1.6. Residents with a Disability

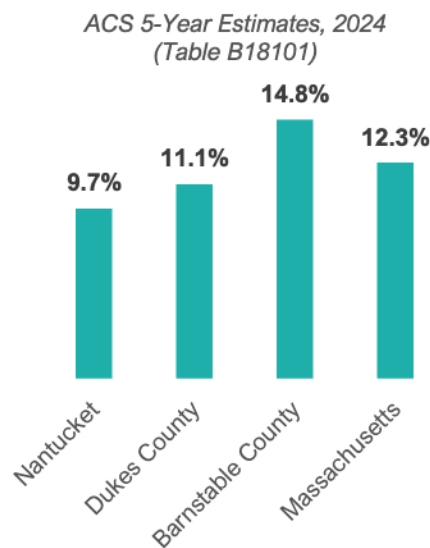
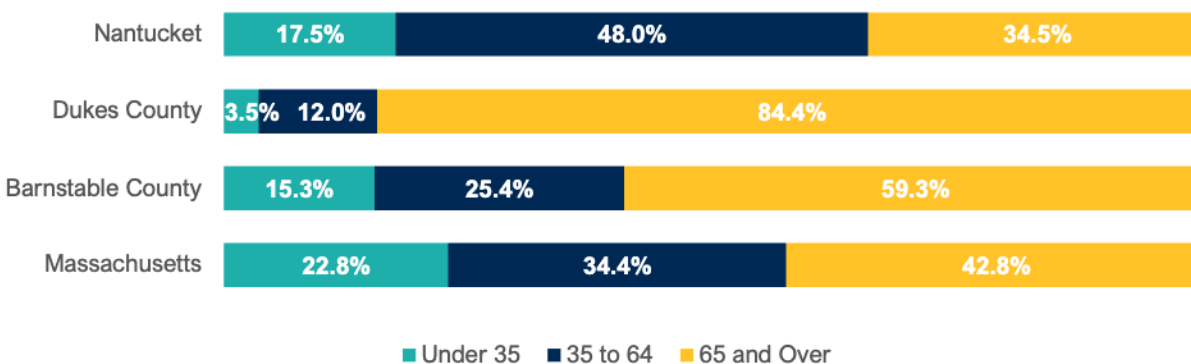


Figure 1.7. Age of Residents with a Disability

ACS 5-Year Estimates, 2024 (Table B18101)



¹⁰ U.S. Census Bureau, *Disability Glossary*, last revised December 16, 2021, <https://www.census.gov/topics/health/disability/about/glossary.html>. The Census defines a person with a disability as someone with ambulatory, cognitive, hearing, independent living, self-care, or vision difficulties.

¹¹ ACS 5-Year Estimates, 2024 (Table B18101).

Household Characteristics

HOUSEHOLD TYPES

The total population in Census counts and ACS estimates is divided into two population categories: people living in housing units and people living in group quarters. People living in a housing unit make up a Census-defined “household,” or occupied housing unit; whereas a group quarter is a non-household group living arrangement owned or managed by an entity or organization that provides housing and services to residents. Unhoused individuals are not counted. On Nantucket, group quarters include residential treatment centers, assisted-living facilities, group homes, military barracks, correctional facilities, emergency and transitional shelters, and, most prominently, employee dormitories. Most household data and estimates in this section represent the household population, or population living in households, and exclude the group quarters population, unless stated otherwise. Group quarter population data is included further in this section.

Furthermore, ACS estimates for household data include households that live in the community year-round and do not include the seasonal population, which comprises visitors, summer residents, and seasonal workers who live off-island for most of the year. Consequently, major data gaps remain for the seasonal population that makes up the majority of the island’s total summer population.

Nearly all Nantucket residents live in households; the estimated household population of 14,224 comprised 98.2 percent of Nantucket’s total population of 14,483 in 2024. The estimated number of Nantucket households or household units has risen over time, from 3,978 in 2014 to 5,252 in 2024, representing a 32.0 percent increase or the addition of 1,274 household units over the past ten years. Over the same period, the estimated household population increased by 41.6 percent, outpacing the growth in household units, resulting in larger household sizes.

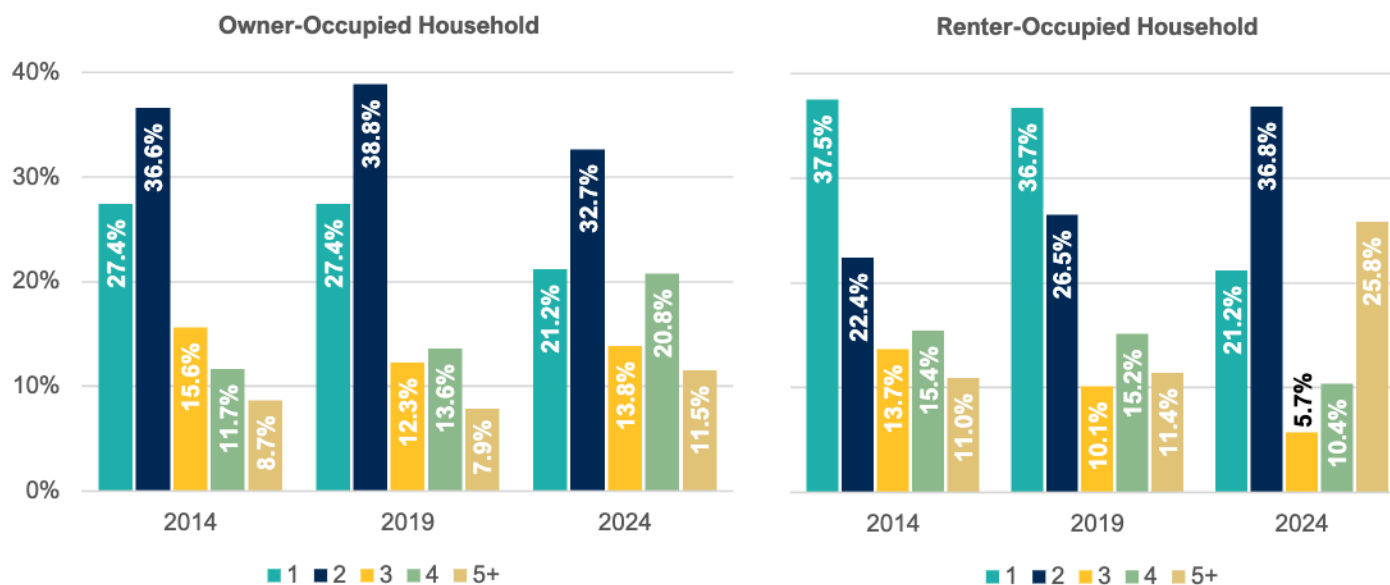
HOUSEHOLD SIZE

As household population growth outpaces the increasing number of households, the average household size has increased from 2.53 in 2014 to 2.71 in 2024 among all households. In comparison, Dukes County, Barnstable County, and Massachusetts had an average household size of 2.73, 2.16, and 2.44, respectively, in 2024.

However, trends differ between owner- and renter-occupied households over these ten years. Owner-occupied household sizes have increased from an average of 2.53 to 2.84, the highest among the neighboring counties, while renter-occupied household sizes have shrunk from an average of 2.52 to 2.36. The increase in the average owner-occupied household size is due to the growth of households with four or more people, from 520 to 1,218 estimated households. Four-person households accounted for 783 of these households and 20.8 percent of all owner-occupied households in 2024, up from 11.7 percent in 2014 (**Figure 1.8**). Although renter-occupied households experienced a decline in average household size overall, largely due to a rise in two-person households, they also saw remarkable growth in households with five or more people, partly indicating the prevalence of overcrowded homes. These two household size groups accounted for 62.6 percent of renter-occupied households in 2024, up from 33.4 percent in 2014.

Figure 1.8. Household Size

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B25009)



FAMILY HOUSEHOLDS

Most Nantucket households are family households.¹² Families accounted for an estimated 3,873 households, or 73.7 percent of all households (**Table 1.3**). The majority, or 79.6 percent, of family households are married-couple families.

Table 1.3. Household Type

	2014		2019		2024	
	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>
Total	3,978	--	3,713	--	5,252	--
Family Households	2,388	60.0%	2,317	62.4%	3,873	73.7%
Married-Couple Family	1,808	45.4%	1,867	50.3%	3,083	58.7%
Other Family	580	14.6%	450	12.1%	790	15.0%
Single Male Householder	151	3.8%	155	4.2%	149	2.8%
Single Female Householder	429	10.8%	295	7.9%	641	12.2%
Non-Family Households	1,590	40.0%	1,396	37.6%	1,379	26.3%
Householder Living Alone	1,234	31.0%	1,120	30.2%	1,113	21.2%
Householder Living with Others	356	8.9%	276	7.4%	266	5.1%

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B11001)

¹² Census defines family households as those with at least one person related to the householder by birth, marriage or adoption, though they may include non-relatives.

From 2014 to 2024, the estimated number of family households increased by 1,485 or 62.2 percent, accounting for the overall growth of all households on Nantucket and offsetting the decline of non-family households, which declined by 13.3 percent. Non-family households previously comprised 40.0 percent of all households in 2014 before falling to 26.3 percent in 2024. Rising housing costs partly explain this decline, as it made it prohibitively expensive for many working households to stay, especially for those who originally moved to the island for employment or have no family on Nantucket to rely on for housing support.

MULTIGENERATIONAL HOUSEHOLDS

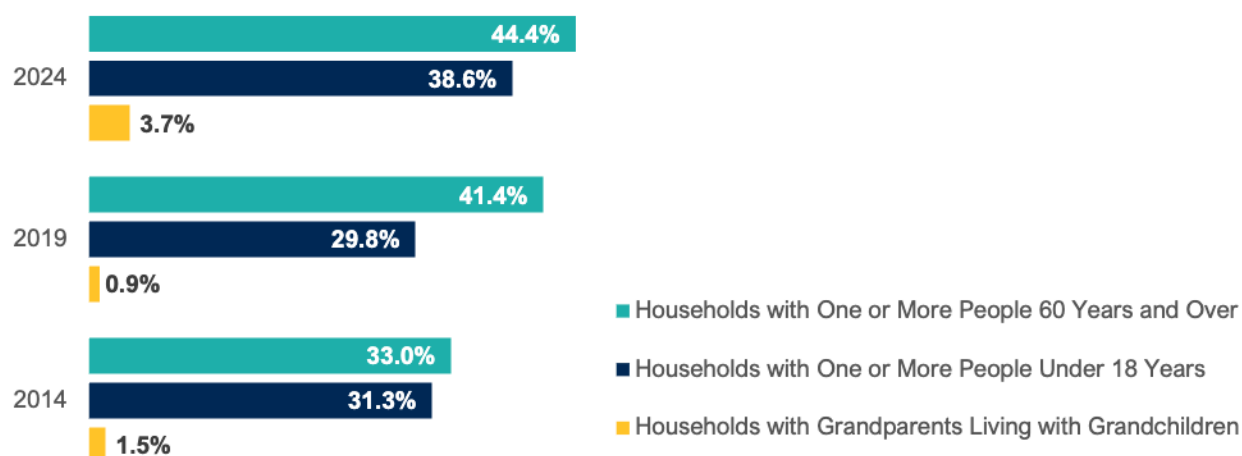
As the Nantucket population continues to age and the number of family households grows, more households have elderly residents and children, both living separately and together.

The number of households with one or more people aged 60 years and over increased from 1,312 in 2014 to 2,330 in 2024, representing a 77.6 percent increase and comprising 44.4 percent of all Nantucket households. The number of households with children under 18 also increased, from 1,244 to 2,027 over the same period, representing a 62.9 percent increase and 38.6 percent of all households in 2024 (**Figure 1.9**).

This growth reflects the increases in households with elderly residents and households with children separately. Nevertheless, multigenerational households have also become more prevalent. In 2024, 194 estimated households with grandparents living with children comprised 3.7 percent of all Nantucket households, or 5.0 percent of family households.¹³ In 2014, these households accounted for only 1.5 percent of all households.

Figure 1.9. Households with Seniors and/or Children

ACS 5-Year Estimates, 2014, 2019, 2024 (Tables B10063, B11005, B11006)



¹³ Census defines multigenerational household as three or more generations living together. They may include unrelated individuals, but ACS lacks those estimates for Nantucket.

INCOME

According to 2024 estimates, the median household income on Nantucket was \$139,688. Household incomes have increased significantly, shifting toward higher brackets and raising the median income by 61.4 percent since 2014 (\$86,529). In 2014, 57.4 percent of households had incomes of less than \$100,000, while households with incomes of \$200,000 or more comprised 8.8 percent of all households (**Table 1.4**). By 2024, households with incomes of \$200,000 or more reached 37.1 percent of all households and became the largest income group, with 1,950 estimated households.

Table 1.4. Household Income Level

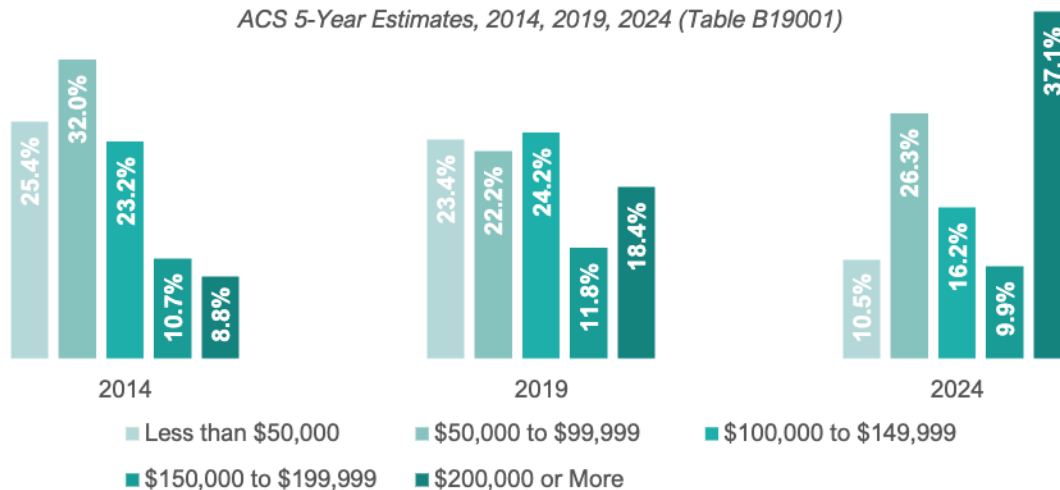
	2014		2019		2024	
	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>
Less than \$50,000	1,009	25.4%	870	23.4%	554	10.5%
\$50,000 to \$99,999	1,272	32.0%	825	22.2%	1,379	26.3%
\$100,000 to \$149,999	924	23.2%	897	24.2%	850	16.2%
\$150,000 to \$199,999	424	10.7%	439	11.8%	519	9.9%
\$200,000 or More	349	8.8%	682	18.4%	1,950	37.1%
Total	3,978	--	3,713	--	5,252	--

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B19001)

Inflation and rising wages do not fully explain the increase in median household incomes on Nantucket. If this were the case, incomes across all income brackets would have increased evenly, and data would show a similar distribution of households across the different income brackets over time (a positively skewed curve), theoretically. Rather, Nantucket experienced an influx of households with incomes of \$200,000 or more, particularly since the COVID-19 pandemic, while the estimated number of households with incomes below \$200,000 fell, disproportionately skewing the distribution towards high-income households (**Figure 1.10**).

Figure 1.10. Household Income Level Distribution

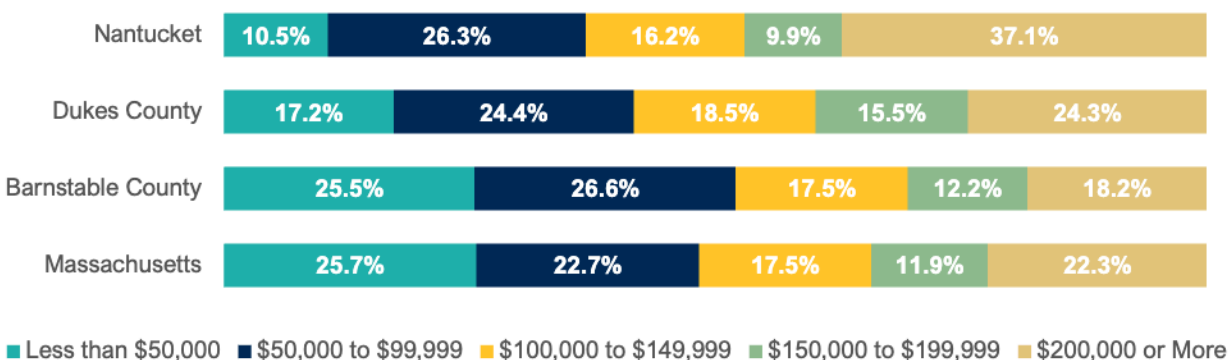
ACS 5-Year Estimates, 2014, 2019, 2024 (Table B19001)



These shifts in household incomes toward the highest income bracket demonstrate Nantucket households' affluence relative to those in Dukes County, Barnstable County, and Massachusetts, and made income inequality on Nantucket even more pronounced. In these other comparison areas, there are larger shares of households in each income group below \$200,000, and households with incomes of \$200,000 or more comprise a smaller share (**Figure 1.11**).

Figure 1.11. Household Income Level Distribution by Geography

ACS 5-Year Estimates, 2024 (Table B19001)



Certain types of households have higher incomes than others. Family and owner-occupied households have higher median incomes at \$154,777 and \$160,714, respectively, than non-family and renter-occupied households (**Table 1.5**). Additionally, the median incomes of family and owner-occupied households increased by 60.4 percent and 48.6 percent, respectively, from 2014 to 2024.

Non-family and renter-occupied households are statistically less affluent. Non-family households' median income of \$74,596 is less than half, or 48.2 percent, that of family households. Renter-occupied households experience an even greater disparity, with a lower median income of \$73,466, and at 45.7 percent of that of owner-occupied households. Renter-occupied households also saw the smallest increase in income from 2014 to 2024, at 16.5 percent. Non-family households fared better, seeing a 42.1 percent increase in their median income. This disparity in income growth has placed renter-occupied households, in particular, among the lowest-income household types on Nantucket.

Table 1.5. Median Income by Household Type on Nantucket

Household Type	2014	2019	2024
All Households	\$86,529	\$107,717	\$139,688
Family Household	\$96,481	\$122,454	\$154,777
Non-Family Household	\$52,479	\$63,203	\$74,596
Owner-Occupied Household	\$108,158	\$118,380	\$160,714
Renter-Occupied Household	\$63,056	\$74,125	\$73,466

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B19013, B19113, B19202, B25119)

These patterns of household income growth vary between comparison geographies. Renter-occupied households in Dukes County faced an even more adverse end of income growth disparity, with their median income increasing only 1.7 percent compared to 92.0 percent among all households, overall (**Table 1.6**). Conversely, the median income of renter-occupied households in the state as a whole increased at a higher rate than that of other households at 64.1 percent. In Barnstable County, all household types experienced relatively even increases in median income.

Table 1.6. Percent Change in Median Income by Household Type, 2014 to 2024

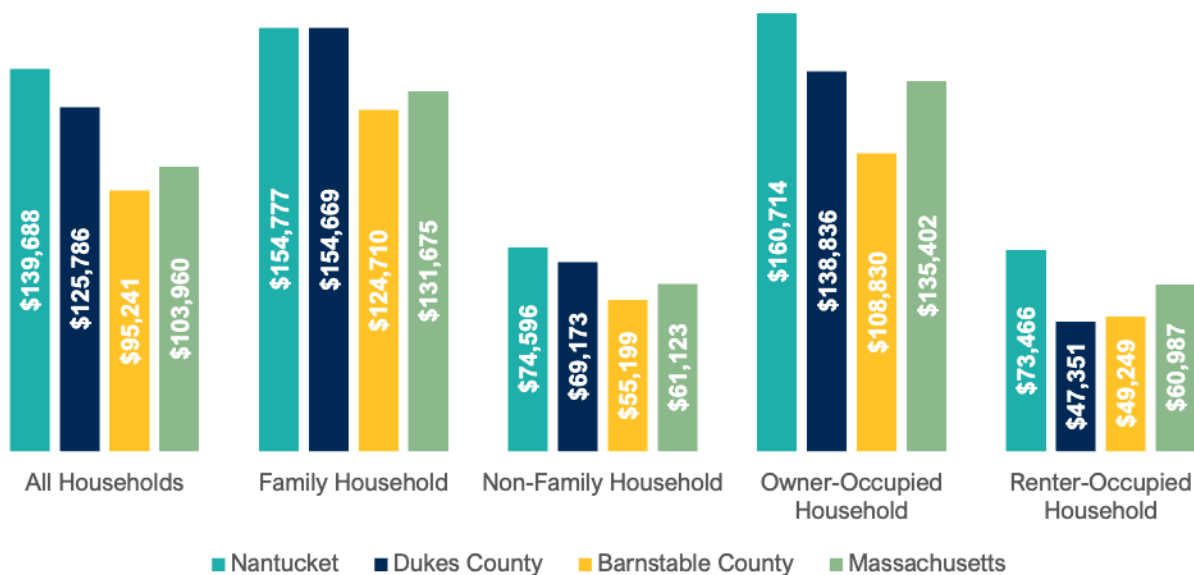
Household Type	Nantucket	Dukes County	Barnstable County	Massachusetts
All Households	61.4%	92.0%	54.6%	53.2%
Family Household	60.4%	83.4%	57.5%	52.9%
Non-Family Household	42.1%	74.1%	54.3%	55.8%
Owner-Occupied Household	48.6%	98.8%	53.2%	48.1%
Renter-Occupied Household	16.5%	1.7%	47.8%	64.1%

ACS 5-Year Estimates, 2014, 2024 (Table B19013, B19113, B19202, B25119)

The higher incomes of Nantucket households are also evident in each household category. Household incomes in Dukes County are closest to household incomes on Nantucket. The median family household incomes on Nantucket and in Dukes County are the most comparable, at \$154,777 and \$154,669, respectively (**Figure 1.12**). However, the median renter-occupied household income in Dukes County (\$47,351) ranks lowest among the comparison geographies and demonstrates the largest discrepancy from Nantucket.

Figure 1.12. Median Income by Household Type

ACS 5-Year Estimates 2024 (Table B19013, B19113, B19202, B25119)



POVERTY

The Census Bureau uses the annually updated Federal Poverty Level to estimate the poverty status of households. The poverty level, adjusted for household size and type, indicates the minimum amount of income required to meet basic needs and eligibility requirements for financial assistance programs. The poverty rate measures the incidence of poverty in a community.

Of all households for which poverty status is determined, 4.7 percent of households on Nantucket were estimated to live below the federal poverty line in 2024 (**Figure 1.13**). Although this incidence of poverty is lower than in Barnstable County (8.7 percent) and the state overall (11.1 percent), it is higher than in neighboring Dukes County (4.0 percent).

Income and wealth inequality have become more evident on Nantucket. ACS estimates for household income mainly consist of earnings, but also include other cash income, such as retirement benefits, Social Security, and other government benefits. As housing and living expenses rise, more households rely on these income streams to support basic needs. While median household income rose, so did the percentage of households receiving public assistance income, Supplemental Nutrition Assistance Program (SNAP) benefits, and Supplemental Security Income (SSI), indicating a greater incidence of financially challenged households.

The estimated number and percentage of households that received cash public assistance, SNAP benefits, or SSI have increased significantly since 2014. Furthermore, over a quarter of households received retirement income and Social Security income in 2024 as the population aged and more residents have retired since 2014 (**Table 1.7**).

Figure 1.13. Household Poverty Rate

ACS 5-Year Estimates, 2024
(Table B17017)

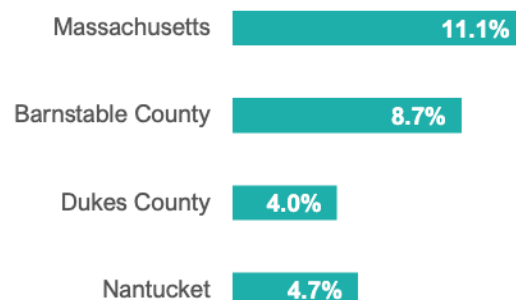


Table 1.7. Other Income Sources

	2014		2019		2024	
	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>	<i>Estimate</i>	<i>Percent</i>
Total	3,978	--	3,713	--	5,252	--
Retirement Income	493	12.4%	640	17.2%	1,495	28.5%
Cash Public Assistance or Food Stamps/SNAP	172	4.3%	192	5.2%	671	12.8%
Public Assistance Income	38	1.0%	68	1.8%	174	3.3%
Supplemental Security Income (SSI)	59	1.5%	98	2.6%	271	5.2%
Social Security Income	858	21.6%	1,002	27.0%	1,524	29.0%

ACS 5-Year Estimates, 2014, 2019, 2024 (Table B19055, B19056, B19057, B19058, B19059)

WORKFORCE & EMPLOYMENT

According to the Massachusetts Department of Economic Research (DER), there were 1,321 establishments or employers on Nantucket in 2024. The number of employees or the workforce varied throughout the year, with a low of 5,881 in January, a peak of 11,981 in July, and a monthly average of 8,560 (**Table 1.8**).

Nantucket's employment base is predominantly in service-providing industries rather than goods-producing industries. In 2024, 84.1 percent of the workforce was employed in service industries on average throughout the year, reaching up to 10,517 workers in July. Leisure and Hospitality (entertainment, recreation, accommodation, and food services) is the largest industry, representing 27.7 percent of the total workforce on average and up to 38.1 percent during the peak season. Information and Manufacturing are the two smallest industries, with monthly average employment of 109 and 113, respectively, accounting for only 1.3 percent of the total workforce.

Table 1.8. Employment by Industry

Industry	Number of Establishments	Number of Employment				LQ*
		January	July	Monthly Average	Percent Labor Force	
Total	1,321	5,881	11,981	8,560	--	--
Goods-Producing	448	1,261	1,464	1,357	15.9%	1.40
Construction	427	1,121	1,220	1,179	13.8%	1.59
Manufacturing	17	89	152	113	1.3%	0.61
Service-Providing	872	4,620	10,517	7,203	84.1%	0.95
Trade, Transportation and Utilities	208	1,076	1,994	1,430	16.7%	0.83
Information	14	97	124	109	1.3%	0.94
Financial Activities	110	293	392	330	3.9%	1.06
Professional and Business Services	233	690	1,564	1,254	14.6%	1.38
Education and Health Services	55	1,084	1,108	1,100	12.9%	0.57
Leisure and Hospitality	155	873	4,563	2,367	27.7%	1.33
Other Services	80	222	362	291	3.4%	0.88

MA Department of Economic Research, Employment and Wages (ES-202), 2024
 *Location Quotient: Nantucket to Cape & Islands Workforce Development Area (WDA)

The location quotient (LQ) is another determinant of the strength of local industries within the broader region or "reference economy." In this case, LQ measures an industry's concentration on Nantucket compared to that of the same industry within the Cape and Islands as a whole. Generally, an LQ ratio between 0.75 and 1.25 indicates that the proportions of jobs in an industry are similar between the compared geographies. A ratio below 0.75 indicates an "import industry" and that the

local industry likely imports the associated goods or services from the larger region. A ratio above 1.25 indicates a strong local industry and is significant evidence of an "export industry," where it brings business into the area from the larger region.

Construction has an LQ ratio of 1.59, the highest among all industries, indicating a relatively strong presence in the local economy. Other industries with the highest ratios include Professional and Business Services (1.38) and Leisure and Hospitality (1.33). Industries with the lowest LQ ratios are Education and Health Services (0.57) and Manufacturing (0.61). Notably, Education and Health Services organizations are the largest in terms of size, with an average of 20 employees per establishment.

WAGES

Unsurprisingly, Leisure and Hospitality is the most lucrative industry on Nantucket, generating \$147 million in income across the island, largely due to the size of the workforce. However, it is also the lowest-paying industry, with an average weekly wage of \$1,199.

Information is the second-smallest industry, just ahead of Manufacturing, but pays the most, with an average weekly wage of \$1,933.

Table 1.9. Wages by Industry

Industry	Total Wages	Average Weekly Wages
Total	\$674,525,723	\$1,515
Goods-Producing	\$124,469,181	\$1,764
Construction	\$112,585,888	\$1,836
Manufacturing	\$8,159,352	\$1,395
Service-Providing	\$550,056,542	\$1,469
Trade, Transportation and Utilities	\$100,830,697	\$1,356
Information	\$10,963,234	\$1,933
Financial Activities	\$31,458,788	\$1,836
Professional and Business Services	\$110,199,704	\$1,690
Education and Health Services	\$92,961,904	\$1,625
Leisure and Hospitality	\$147,620,189	\$1,199
Other Services	\$21,019,815	\$1,388

MA Department of Economic Research, Employment and Wages (ES-202), 2024

NON-HOUSEHOLD POPULATION

People counted in the Census but not living in households reside in group quarters.¹⁴ According to 2024 ACS estimates, there were 259 persons living in group quarters on Nantucket, or 1.8 percent of the total island population. This includes people living in group homes like Homestead Nantucket, assisted-living facilities (Sherburne Commons), skilled nursing facilities (Our Island Home), and emergency and transitional shelters (The Warming Place).

However, these figures are an undercount, as well. Most notably, the group quarters population includes employees living in employer-owned dormitories, and because of the transient nature of seasonal workers on Nantucket, the vast majority of them are missed in Census counts. The Nantucket Data Platform study estimated up to 6,600 seasonal workers on the island in July and August 2017.¹⁵ While many workers live in employee housing, a considerable number live in traditional dwellings, and commonly in overcrowded homes.

OVERCROWDING & HOMELESSNESS

Overcrowding has been a very widespread issue in the community. This issue is primarily seen in rental housing. According to 2024 ACS estimates, 23.5 percent of renter-occupied units (349) are considered overcrowded with more than one occupant per bedroom, compared to 0.8 percent of owner-occupied units (31).¹⁶ Across the state, 4.1 percent of renter-occupied units are considered overcrowded. Because many of those living in overcrowded housing are seasonal workers, and therefore excluded from Census counts, the actual number of overcrowded units and the people living in them is likely higher than estimated.

With exorbitant housing prices and rents, households often resort to renting single rooms within a unit, resulting in multiple families living together in a residence. In some cases, people with shift jobs share a single bed with others, using it while the other person is away, a practice known as “hot-sheeting.” These living situations pose numerous health and safety hazards, and any violation is often unreported by the tenant in fear of eviction and by the landlord who wants to provide a home for those with no other place to live.

Barriers to housing access and affordability may force residents to experience homelessness and rely on temporary shelter. Nantucket is part of the Cape Cod and Islands Continuum of Care (CoC), a regional system that identifies needs of those experiencing homelessness and coordinates services across Barnstable, Dukes, and Nantucket Counties. It is part of a nationwide framework established by the U.S. Department of Housing and Urban Development (HUD) to organize how communities prevent and address homelessness.¹⁷ In the Cape Cod and Islands CoC’s Point-in-Time (PIT) count of homeless populations, they found 365 persons experiencing homelessness across the region in 2025. Most of the identified population are sheltered in either emergency shelter or transitional housing, and 60 were found to be unsheltered.

¹⁴ Census counts and ACS estimates do not include unhoused individuals or families.

¹⁵ Peter A. Morrison et al., “Estimating Nantucket’s Effective Population,” *Population Research and Policy Review* 39, no. 4 (2020): 577–604, <https://doi.org/10.1007/s11113-019-09565-8>.

¹⁶ ACS 5-Year Estimates, 2024 (Table B25014).

¹⁷ Barnstable County Department of Human Services, “Continuum of Care,” *Barnstable County*, accessed March 26, 2026, <https://www.capecod.gov/departments/human-services/initiatives/housing-homelessness/continuum-of-care/>.

The 2025 PIT count found zero unsheltered adults. However, the annual PIT count is conducted during a single 24-hour period in the month of January, so it does not capture those experiencing homelessness at any other time throughout the year, especially during Nantucket's peak season.

Table 1.10. Cape Cod and Islands Point-in-Time Count of Homeless Populations

	Sheltered	Unsheltered	Total
Adults	242	58	300
Dependent Children	60	2	62
Unaccompanied Youth (Aged 18 to 24)	3	0	3
Total	305	60	365

Cape and Islands Regional Network on Homelessness, Point-in-Time Count, 2025

On Nantucket alone, The Warming Place estimates 50 to 70 unhoused individuals, not including couch surfers or people living in overcrowded dwellings. Since 2023, The Warming Place has provided a day and night shelter to unhoused and at-risk adult populations on Nantucket. In each of the past three years, the shelter served approximately 50 individuals, with 20 to 25 spending the night more than once. The shelter has a capacity of 20 beds, with no more than 11 used on any given night.¹⁸

Many of the people using the shelter are not just unhoused individuals but are very low-income workers who cannot afford housing year-round. Some of them are offered housing by their employers during the peak season but lack housing during the rest of the year.

TRENDS & PROJECTIONS

By 2050, Nantucket's year-round population is projected to increase. The type of population and the rate of population growth differ across research institutions. The UMass Donahue Institute (UMDI) projects Nantucket's islandwide population to reach 15,555 by 2050, representing a 9.1 percent increase.¹⁹ The Metropolitan Area Planning Council (MAPC) projects Nantucket's *household* population to reach 19,250 by 2050, representing a more drastic 35.6 percent increase (**Figure 1.14**).²⁰

As the population in households is projected to grow, the age composition may shift. Elderly residents aged 75 years and over are projected to comprise 8.3 percent of the population by 2050,

¹⁸ Interview with The Warming Place by Barrett Planning Group, May 21, 2026.

¹⁹ UMass Donahue Institute, "Population Projections," 2024, <https://donahue.umass.edu/business-groups/economic-public-policy-research/massachusetts-population-estimates-program/population-projections>. UMDI's projections are based on historical trends in birth, death, and migration rates.

²⁰ Metropolitan Area Planning Council, "Regional Growth Projections," 2023, <https://www.mapc.org/learn/projections/>. MAPC's projections build on UMDI's estimates for each decade and apply the estimated proportions of people in households by type, the household formation rate, and past housing unit construction activity to model household growth and to interpolate future household numbers, sizes, and populations.

representing the largest relative growth of all age groups from 2020. Children under 18 years are projected to increase the most in absolute numbers to a 23.7 percent share of the population, and younger adults aged 18 to 34 years will also see a growth. While the 35 to 54 years and 55 to 74 years age groups will both see increases in household population counts, they are projected to comprise smaller shares of the total population (**Figure 1.15**).

These projections are not definitive and should be interpreted with caution, as true population counts are subject to numerous variables and will most likely differ. However, they illustrate the potential composition of the community based on historical trends and current conditions and may indicate the types of housing needs residents will demonstrate in the future as the community grows over the next few decades.

Figure 1.14. Population Projections

U.S. Census Bureau; MAPC; UMDI

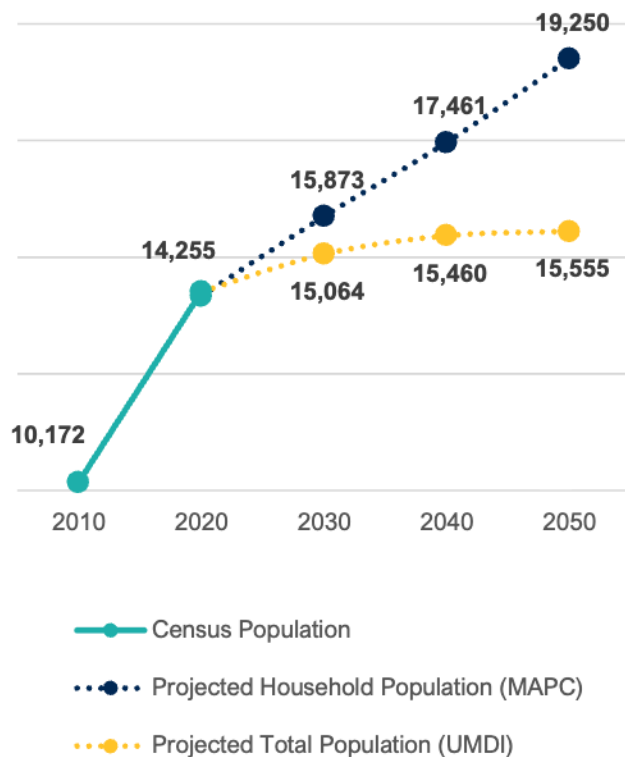
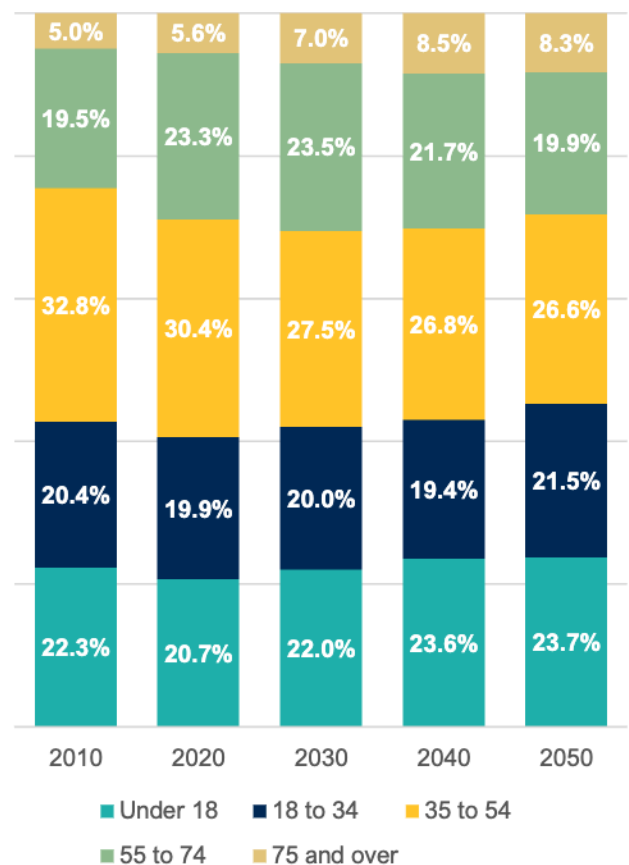


Figure 1.15. Household Population Age Projections

MAPC, Household Projections, 2023



Housing Inventory & Market

UNITS

According to the ACS 2024 estimates, there were 12,594 total housing units on Nantucket (**Table 1.11**). Detached single-family homes comprised most of the island's housing stock at 78.6 percent (9,900 units). Attached single-family homes, such as townhouses, were the second-highest share at 8.5 percent (1,076 units), followed by two-family homes at 5.2 percent (658 units) and three- or four-family homes at 4.9 percent (613 units). In total, multifamily units comprised 12.4 percent (1,558) of all units.

Table 1.11. Housing Unit Type

Type	Estimate	Percent
Single-Family Detached	9,900	78.6%
Single-Family Attached	1,076	8.5%
Two-Family	658	5.2%
Three- or Four-Family	613	4.9%
Medium Multifamily (5-9 Units)	100	0.8%
Large Multifamily (10 or More Units)	187	1.5%
Other (Mobile Home, Boat, RV, etc.)	60	0.5%
Total	12,594	

ACS 5-Year Estimates, 2024 (Table B25024)

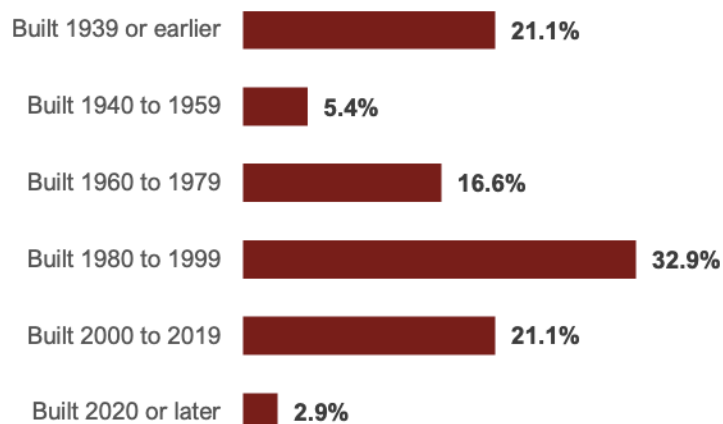
Development trends have favored larger homes with more bedrooms over the past ten years. The estimated number of units with three or four bedrooms gradually increased from 2014 to 2024, but their percentage of the total inventory remained largely unchanged. Nantucket saw the most substantial growth in five-or-more-bedroom units, for which estimates doubled and accounted for 19.9 percent of all units in 2024 (**Table 1.12**).

Among smaller units, there was also an increase in one-bedroom units. Conversely, the estimated numbers of studio and two-bedroom units fell by over one thousand units combined, with the latter experiencing the most precipitous drop from 22.4 percent to only 14.2 percent of the housing stock.

Table 1.12. Housing Units by Bedrooms

Number of Bedrooms	2014		2019		2024	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Studio	515	4.4%	391	3.2%	257	2.0%
1 Bedroom	1,262	10.8%	1,262	10.2%	1,503	11.9%
2 Bedrooms	2,621	22.4%	2,529	20.5%	1,794	14.2%
3 Bedrooms	3,183	27.2%	3,478	28.2%	3,490	27.7%
4 Bedrooms	2,852	24.4%	2,902	23.5%	3,043	24.2%
5 or More Bedrooms	1,270	10.9%	1,783	14.4%	2,507	19.9%

ACS 5-Year Estimates, 2024 (Table B25041)

Figure 1.16. Housing Structure Age*ACS 5-Year Estimates, 2024 (Table B25024)*

Over half (56.9 percent) of current housing units are in structures that were built in 1980 or later (**Figure 1.16**). The largest proportion of units was built from 1980 to 1999 (32.9 percent), coinciding with the Town's increasing popularity as a seasonal destination.

These estimates only partly indicate historical development patterns, as many older homes were demolished and no longer exist in the current housing stock.

PERMITS

Permitting records better illustrate residential development trends and growth on Nantucket's housing stock in recent years. As shown in **Table 1.13**, development slowed due to the COVID-19 pandemic in 2019, and the Town approved new dwelling permits for only 78 applications from the 2020 fiscal year (July 1, 2019, to June 30, 2020). Once housing demand surged in late 2020 and continued the following year, the Town issued new dwelling permits for 146 applications from the 2021 fiscal year. However, the Town also issued 39 demolition permits, resulting in 107 net new dwellings permitted. The 2023 fiscal year saw the largest number of approved permits for new dwellings (185) and the largest net new dwellings permitted (163) in recent years.

One permit does not necessarily equate to one new dwelling unit. Most permits were issued for the development of single-family homes, but some were issued for two- and three-family homes, house moves, or amendments to previous permits.

Table 1.13. Number of Approved Permit Applications

Fiscal Year	New Dwellings	Demolitions	Net New Dwellings Permitted
2020	78	14	64
2021	146	39	107
2022	119	27	92
2023	185	22	163
2024	172	24	148
2025	135	24	111
Total	835	150	685

Town of Nantucket, MA

HOME SALES & PRICES

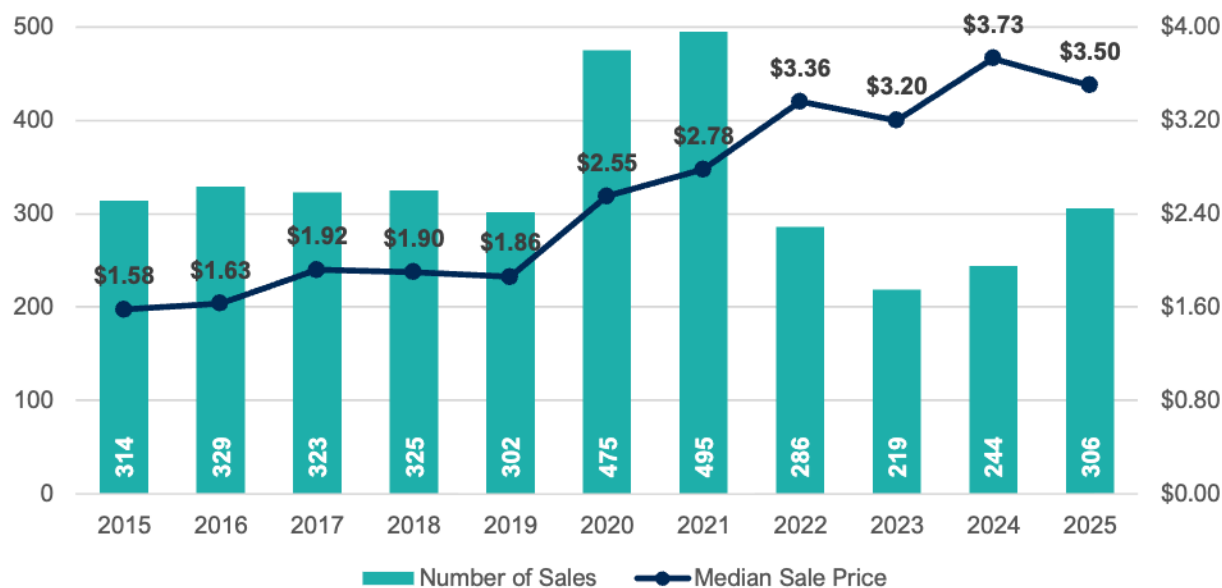
Home values and housing prices have risen dramatically over the years, placing Nantucket as the most expensive housing market in the world. According to Fisher Real Estate, the median single-family home sale price was \$3.50 million in 2025, with 306 transactions and an aggregate sales volume of over \$1.53 billion.²¹ The average home sale price was \$5.0 million, driven up by transactions involving extremely high-value properties, including one sale for \$37.75 million.

In 2025, Fisher Real Estate indicated that 17 percent of home sales were under two million dollars, 23 percent were between \$2 and \$3 million, 28 percent were between \$3 and \$5 million, and 32 percent were over \$5 million. Only six homes were sold under \$1 million, the lowest figure in history.

The sharpest rise in the median sales price occurred from 2019 to 2020, when it jumped 37.1 percent, or \$690,000 (**Figure 1.17**), and the number of transactions increased by 57.2 percent. This largely coincided with the COVID-19 pandemic when lockdowns began in early 2020, and remote work became commonplace. Mainland residents sought living arrangements outside densely populated areas, driving demand for homes in more remote locations, namely, Nantucket. Households with more financial ability and job flexibility to move during this period contributed much to this demand, so not only were home prices raised by excessive demand, but they were also inflated by an influx of affluent buyers who submitted offers at or above the original asking prices.

Figure 1.17. Median Single-Family Home Sale Price (\$ Million)

Fisher Real Estate, Year in Review, 2015-2025



²¹ Jen Shalley Allen, *2025 Year in Review: A Comprehensive Real Estate Analysis*, (Nantucket, MA: Fisher Real Estate, 2026).

Sale prices and transactions continued to grow in the following year of 2021, when Nantucket saw 495 sales, the most single-family transactions since 2005. Following the pandemic, sales activity dipped to a low of 219 sales in 2023, before rising back to previous levels in 2025.

Sales price and number of transactions are loosely correlated, as shown in **Figure 1.17**. When demand exceeds supply, prices increase. This inverse relationship was most pronounced after 2021, when sales volume shrank to a ten-year low, while the median sales price reached an all-time high in 2024. Although initially, the number of sales rose alongside sale prices, that was largely explained by the overwhelming demand during the first year of the pandemic. As the housing inventory diminished, demand remained high, and home values continued to rise years after the initial lockdowns.

Fisher Real Estate's methodology excludes sales of affordable homes, such as Covenant Homes, and non-arm's-length transactions, or sales between parties with a pre-existing relationship, that may be significantly below market value. According to the Town Assessor's records, only three homes sold in 2025 had an affordability deed restriction, one of which is a Covenant home. In 2024, 12 homes sold had affordability deed restrictions, the most since 2018, with the median price of over \$680,000.

Condominiums are relatively more affordable than market-rate single-family homes, with a median sale price of \$1.5 million in 2025. Based on data from Banker & Tradesman, the median sale prices of condominiums have been approximately 56.6 percent less than that of single-family homes since 2000, on average.²² Despite their relative affordability, the number of condominium sales falls behind single-family home sales due to a lower supply.

RENTALS

According to ACS, the median gross rent of households was \$2,213 on Nantucket in 2024.²³ However, these estimates represented occupied units at the time and their self-reported rents, which may have included long-term tenants whose rents had not increased as dramatically as market rents, as well as subsidized rents for deed-restricted affordable units.

Without a reliable, publicly available database of market rents for Nantucket specifically, it is difficult to measure the average rents for year-round rentals separately from short-term rental listings or subsidized units. Instead, rental information is obtained from speaking with individuals familiar with the rental market. According to real estate agents, rents vary by location, housing type, unit size, building age, and structural quality. The typical monthly rent ranges from \$4,000 to \$4,500 for two-bedroom units, \$5,200 to \$6,500 for three-bedroom units, and \$6,000 to \$7,500 for four-bedroom units.

²² Banker & Tradesman, Town Stats.

²³ ACS 5-Year Estimates, 2009-2024 (Table B25064)

MUNICIPAL HOUSING

To maintain Town services and functions year-round, the Town provides housing to many municipal employees on the island. As of December 2025, the Housing Department provided housing for 50 year-round employees and 60 seasonal workers across several locations, with plans to create 25 to 50 more units for employees in the next ten years.²⁴

The Town owns and leases properties where selected employees live. The Housing Department leases 24 units from property owners across the island for municipal employees. Ten of these units are at the Richmond Development, to which the Town pays about half a million dollars annually in rent. **Table 1.14** shows the number of units the Town leases by bedroom count and their average rents.

Table 1.14. Active Leases for Municipal Housing

Bedroom Count	Number of Units	Average Rent
Studio	2	\$2,392
1	4	\$3,296
2	10	\$4,128
3	6	\$5,546
4	1	\$4,000
5	1	\$8,500
Total	24	

Town of Nantucket, MA, May 2026

However, because Town-owned housing is reserved for the critically essential staff, such as first responders and department heads, other municipal employees are left without housing support. Many of them find temporary arrangements, live in overcrowded conditions, or commute to Nantucket from off-island. According to surveys conducted by the Town, 25 to 35 percent, or between 100 and 140 municipal employees, of all Town staff face housing insecurity.

Employee Dormitory

As defined in the zoning bylaw, an *employer dormitory* is a dwelling on a lot occupied by commercial or non-profit use, or on a lot adjoined by the same ownership, and located outside the TOD. An employer dormitory provides sleeping accommodation for more than five employees and is limited to employees only. Similarly, but distinct, *neighborhood employee housing* is housing for an employer's employees and the employees' spouses, domestic partners, and dependents. Each lot is limited to two dwelling units and a total of 18 persons.

No more than two lots containing either employer dormitory housing or neighborhood employee housing can be inside a thousand-foot radius in the R-1, ROH, R-5, R-10, R-20, and R-40 districts. These uses are subject to the Planning Board's special permitting process and site plan review, as well as the requirement to submit a dormitory management plan.

According to the Town, there are 61 permitted employer dormitory or neighborhood employee properties on Nantucket, two of which are Town-owned for seasonal municipal employees (54 Low Beach Road and 19 Waite Drive), and the rest are owned by private businesses.²⁵ The number of beds and rooms in each dormitory varies.

²⁴ Kaie Quigley, "Town Bets on Building Its Own Employee Housing," *The Inquirer and Mirror*, April 9, 2026, https://www.ack.net/news/town-bets-on-building-its-own-employee-housing/article_917eeb1f-4ee6-473c-a8da-a66b2edf7b5e.html.

²⁵ Excluding employee housing owned by the Nantucket Cottage Hospital, as well as unofficial or non-permitted dormitory-style housing across Nantucket.

SEASONAL HOUSING

Nantucket is a seasonal community, which drives seasonal housing and short-term renting. As a result, the housing stock reflects this market. Of the 12,594 estimated total units, 6,925 units (55.0 percent) were for seasonal or occasional use, and 417 units (3.3 percent) were vacant. Only 5,252 units (41.7 percent) were occupied by year-round owner- or renter-households (**Figure 1.18**). The Town has estimated that up to 65 percent of homes are used seasonally.

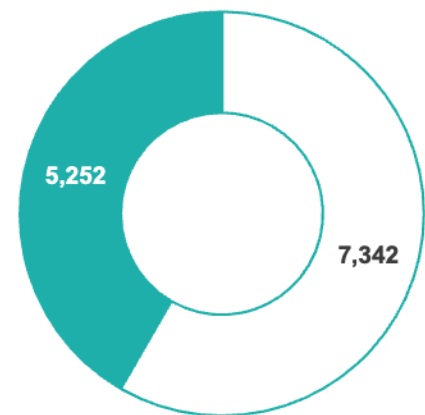
SHORT-TERM RENTALS

The island's short-term rental (STR) market is one of the most lucrative in the country, driven by wealthy visitors, low inventory, and a reputation as a summer destination. To identify and document all units used for short-term rentals, the Town launched its short-term rental registry system in 2024. According to the bylaw (§123-2), a short-term rental is a property rented for more than 14 days within a calendar year, and no more than 31 days at a time to an occupant. Operators of short-term rentals are required to register annually for a short-term rental certificate, comply with local and state laws, carry a minimum of \$1 million in liability insurance, and pay a community impact fee of up to 3 percent if they operate two or more short-term rentals.²⁶

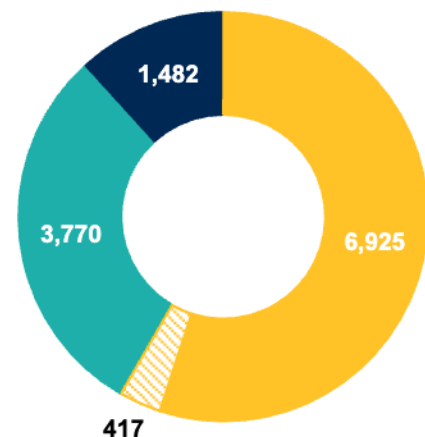
There are 1,623 registered units across 1,551 unique addresses, as of June 2026.²⁷ According to the Nantucket Health Department, 81.6 percent of registered units are owned by non-residents, reflecting a high rate of seasonal or investor ownership. The weekly rates of short-term rentals depend on the time of the year and range widely, from \$1,800 for a two-bedroom cottage in the off-season to \$100,000 for a 13-bedroom estate during the peak season, based on 487 listings by Fisher Real Estate in June 2026.²⁸ Long-term seasonal rentals, which exceed the regulated short-term rental period of 31 days per occupancy, could see monthly rents exceeding \$10,000 for a four-bedroom home during the summer.

Figure 1.18. Occupancy and Vacancy

ACS 5-Year Estimates, 2024 (Table B25004)



■ Occupied ■ Vacant



■ Owner-Occupied
 ■ Renter-Occupied
 ■ Seasonal, Recreational, or Occasional Use
 ■ Other Vacant

²⁶ Town of Nantucket, "Short-Term Rentals," accessed March 26, 2026, <https://nantucket-ma.gov/2673/Short-Term-Rentals>.

²⁷ JohnCarl McGrady, "Nantucket Short-Term Rental Registry Provides New Data on Island Vacation Rentals," *Nantucket Current*, June 15, 2026, <https://nantucketcurrent.com/news/nantucket-short-term-rental-registry-provides-new-data-on-island-vacation-rentals>.

²⁸ Fisher Real Estate, "Nantucket Vacation Rentals," accessed March 26, 2026, <https://fishernantucket.com/rentals/>.

Table 1.15 shows market rents by bedroom count from accessible listings gathered by Rentometer. In the one-year period from March 2025 to March 2026, four-bedroom units had the most listings (29), followed by five- and six-bedroom units, reflecting the seasonal market's favorability toward larger homes. The median asking price for a four-bedroom unit was \$17,250. Nine of the 29 four-bedroom rental units were listed for between \$16,000 to \$19,500 per month.

Table 1.15. Market Rent by Bedrooms

Number of Bedrooms	Number of Listings	Median Rent	Average Rent
1 Bedroom	1	\$2,000	\$2,000
2 Bedrooms	2	\$9,200	\$9,200
3 Bedrooms	6	\$16,750	\$15,250
4 Bedrooms	29	\$17,250	\$17,736
5 Bedrooms	9	\$24,000	\$27,445
6 Bedrooms	7	\$35,000	\$38,215

Rentometer, Rent Estimate, March 2025 to March 2026

After the creation of the registry, residents further demonstrated their support for this market by voting to codify short-term rentals into Nantucket's zoning code at the Special Town Meeting on November 4, 2025. The decision was appealed to the Attorney General but was upheld on May 18, 2026.²⁹ As a result, short-term rentals are allowed by right townwide, except for the Commercial Industrial (CI) district in the Town Overlay District.

VACANCY

Nantucket has demonstrated considerable progress in reducing seasonal use and vacancy rates, and in creating year-round housing. Between 2009 and 2020, vacancy rates fluctuated between 65 and 70 percent of units. The year 2021 marked a significant drop in vacancy rates, coinciding with the COVID-19 pandemic, during which an influx of new or seasonal residents moved to Nantucket year-round. Vacancy rates continued to decline each year to a low of 58.2 percent in 2024.³⁰

²⁹ Kelli E. Gunagan, Assistant Attorney General, letter to Nancy L. Holmes, Town Clerk, Town of Nantucket, regarding Nantucket Special Town Meeting of November 4, 2025, Case No. 12105, May 18, 2026.

³⁰ ACS 5-Year Estimates, 2009-2024 (Table B25004).

Housing Affordability

When Nantucket has the most expensive housing market in the state, with the median home sales price of \$3.5 million in town, market-rate housing is not affordable on the island. Consequently, to keep residents in town, Nantucket relies more heavily on federal, state, and local housing programs and policies that bring housing costs closer within reach of most people with modest financial means, relative to much more affluent households. Programs and policies focused on affordable housing creation include, but are not limited to, those that cap certain units at a maximum allowed price or rent based on tenant income, provide substantial financial assistance to households, and enforce deed restrictions to ensure that homes are accessible to qualified residents. Many of these programs require funding to subsidize the cost of affordable units and support administration.

INCOME LIMITS

Several housing programs rely on the U.S. Department of Housing and Urban Development's (HUD) area median family income (HAMFI or "AMI") thresholds, which are annually updated for Metropolitan Fair Market Rent (FMR) Areas across the country. Income limits help determine eligibility for affordable housing programs serving low- to moderate-income households, including initiatives like the federal HOME Investment Partnerships Program. These annually updated thresholds are widely used by developers, agencies, and municipalities to identify who qualifies for housing assistance and who is eligible to rent or purchase deed-restricted or subsidized affordable units.

The median household income (100 percent AMI) is the 50th percentile income of all households in the FMR area. **Table 1.16** shows the income limits for the 2026 fiscal year, adjusted for household size. According to official terminology, "low- to moderate-income (LMI)" refers to households at or below 80 percent AMI.

Table 1.16. Income Limits FY2026

Income Limit Category	Household Size					
	1	2	3	4	5	6
Extremely Low Income (30% AMI)	\$ 38,300	\$ 43,750	\$ 49,200	\$ 54,650	\$ 59,050	\$ 63,400
Very Low Income (50% AMI)	\$ 63,750	\$ 72,850	\$ 81,950	\$ 91,050	\$ 98,350	\$ 105,650
Low Income (80% AMI)	\$ 92,200	\$ 105,350	\$ 118,550	\$ 131,700	\$ 142,250	\$ 152,800
Median Income (100% AMI)*	\$ 127,500	\$ 145,700	\$ 163,900	\$ 182,100	\$ 196,700	\$ 211,300
Middle Income (250% AMI)*	\$ 318,750	\$364,250	\$409,750	\$455,250	\$491,750	\$528,250

HUD, Income Limits, FY2026
 FY2026 HUD Income Limits were derived from 2024 ACS data.
 *Not official HUD figures.

According to HUD estimates, 1,425 households are considered low-income at or below 80 percent AMI (**Table 1.17**), making 30.6 percent of households eligible for SHI units. In contrast, 2,835 households (60.8 percent) have incomes over 100 percent AMI. In the context of Nantucket and for the purpose of this section, “low-income” households are those with incomes at or below 80 percent AMI, “moderate-income” households are those with incomes between 80 percent and 100 percent AMI, and “middle-income” households are those with incomes between 100 percent and 250 percent AMI.³¹

Table 1.17. Household Income Level Distribution

Income Category	Income Level	Owner	Renter	Total	
				Estimate	Percent
Extremely Low Income	≤30% HAMFI	245	195	440	9.4%
Very Low Income	>30% to 50% HAMFI	370	160	530	11.4%
Low Income	>50% to 80% HAMFI	320	135	455	9.8%
Moderate Income	>80% to 100% HAMFI	255	145	400	8.6%
Median Income or Higher	>100% HAMFI	2,125	710	2,835	60.8%
Total		3,315	1,345	4,660	100.0%

HUD, *Comprehensive Housing Affordability Strategy, 2025*

**Data based on 2022 ACS 5-Year Estimates.*

HUD CHAS data does not break down estimates for the number of households over 100 percent AMI. Estimates range from 32 percent to 37 percent of households that have incomes over 120 percent AMI. The 2024 ACS estimates indicate that there were approximately 1,950 households (37.1 percent) with incomes of \$200,000 or more, while Housing Nantucket and EBP estimated 1,638 households (32.4 percent) with incomes above 120 percent AMI at the time of their report.³²

Additionally, Housing Nantucket and EBP estimated 1,320 households with incomes between 95 percent and 240 percent AMI. Representing low-, moderate-, or middle-income households, Housing Nantucket and EBP estimated that over three-quarters of households met income thresholds up to 240 percent AMI. Using this, approximately 20 percent of households were estimated to have incomes over 240 percent AMI.

³¹ The bylaw's existing text defines “attainable housing” at 240 percent AMI, but residents voted to increase the income threshold to 250 percent AMI at the May 2026 Town Meeting.

³² Housing Nantucket and EBP, *Nantucket Housing Assessment*, October 2025. Nantucket, MA: Housing Nantucket.

AFFORDABILITY GAPS

OWNERSHIP

Without significant financial support, single-family homes at the median sale price on Nantucket are far out of reach not only for low- and moderate-income households, but middle-income households up to 250 percent AMI, as well. **Table 1.18** shows the affordability gaps, or the difference between the 2025 median sales price and the price a household at different income levels can comfortably afford. Middle-income households could only afford up to 40 percent of the median sales price, while low-income (LMI) households fell short by over \$3 million. To afford a home at the median sales price, a household would need an income of approximately \$800,000, which is nearly five times the HUD area median family income.

Table 1.18. Affordability Gaps for Single-Family Homes by Income Level

Income Level	HUD Median Family Income	Max Affordability	2025 Median Sales Price	Affordability Gap
80% HAMFI	\$ 130,560	\$ 450,103	\$ 3,500,000	(\$ 3,049,897)
100% HAMFI	\$ 163,200	\$ 562,629	\$ 3,500,000	(\$ 2,937,371)
175% HAMFI	\$ 285,600	\$ 984,600	\$ 3,500,000	(\$ 2,515,400)
250% HAMFI	\$ 408,000	\$ 1,406,572	\$ 3,500,000	(\$ 2,093,428)

**Assumes 5 percent down payment, 6 percent 30-year fixed-rate mortgage, 0.5 percent PMI, and applies Nantucket's FY26 residential tax rate without residential exemption.*

†Eligibility for programs is adjusted for household size, but this table calculates income thresholds based on HUD's overall area median family income for Nantucket, which is \$163,200 for HUD FY26.

According to Fisher Real Estate, only six homes were sold under \$1 million in 2025. These homes would be attainable to households near 175 percent AMI. Nevertheless, there were too few units available for sale at a price affordable to middle-income households, and virtually no units available for sale at a price affordable to low- and middle-income households in the market. The year 2025 also saw the fewest number of home sales below \$1 million in history, continuing a concerning trend of shrinking housing stock affordable to low-, moderate-, and middle-income households.

RENTAL

A household renting a two-bedroom unit at \$4,500 plus utilities should have a household income of approximately \$204,320 to avoid a "housing cost burden."³³ Yet, the estimated median household income of renter households on Nantucket is \$73,466 (2024 ACS), representing an income gap of (\$130,854) for a two-bedroom unit. The maximum rent a median-income household can afford and avoid cost-burden is \$1,836, including utilities and other housing costs, representing a rent affordability gap of (\$3,272).

³³ Massachusetts Executive Office of Housing and Livable Communities, *2025 Regional Section 8 Utility Allowances*, effective December 1, 2024, <https://www.mass.gov/info-details/2025-regional-section-8-utility-allowances>. Calculation assumes the household does not spend over 30 percent of its income on rent and utilities. The utility allowance of \$608 was determined by averaging figures from Housing Assistance Corporation's 2025 utility allowances for a four-bedroom single-family home.

HUD Fair Market Rent (FMR) is the payment standard and affordability benchmark for federal housing programs, including Housing Choice Vouchers (Section 8), and establishes the maximum gross rent HUD will subsidize for units that accept Housing Choice Vouchers (Section 8). If rents exceed FMR, the unit will not meet HUD's affordability conditions and would not receive support from the federal voucher program. HUD updates the FMRs each fiscal year and delineates FMR areas based on local geographic regions using ACS data, local rent surveys, and public comments.

Although FMR rents are far below what is found on the rental market, they are not "affordable" rents, per se. HUD's goal for the FMR is that it should be "high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible." **Table 1.19** shows the FMRs by unit size from the 2021 to 2026 fiscal years. In just five years, the 2026 FMR for rental units had nearly doubled the 2021 FMR across bedroom counts. Still, at \$3,138, the two-bedroom FMR is about three-quarters (69.7 to 78.5 percent) of the median market rent for a unit with the same number of bedrooms.

Table 1.19. HUD Fair Market Rents by Bedrooms on Nantucket

Fiscal Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
2026	\$2,409	\$2,425	\$3,138	\$4,143	\$5,260
2025	\$2,298	\$2,436	\$2,842	\$3,424	\$4,772
2024	\$1,910	\$1,922	\$2,526	\$3,096	\$3,423
2023	\$1,750	\$2,009	\$2,618	\$3,219	\$3,580
2022	\$1,587	\$1,848	\$2,388	\$3,236	\$3,438
2021	\$1,335	\$1,761	\$2,023	\$2,733	\$2,743

HUD, Fair Market Rents, FY21-FY26

HOUSING COST BURDEN

Being housed is a privilege in itself, but it can be a challenge to afford the rent or mortgage payments, especially with exorbitant prices on Nantucket. "Housing cost burden" refers to paying more than 30 percent of household income for housing expenses, including rent, mortgage payments, utilities, maintenance, insurance, and other housing-related costs. "Severe" cost burden refers to paying more than 50 percent of household income on housing. Households experiencing cost burden can also be described as "house poor."

Table 1.20. Cost Burden by Tenure

Tenure	Cost Burdened (>30% to 50%)	Severely Cost Burdened (>50%)	Not Cost Burdened
Renters	19.7%	10.0%	70.3%
Owners	23.7%	16.7%	59.6%
Total	22.7%	14.8%	62.4%

HUD, Comprehensive Housing Affordability Strategy, 2025

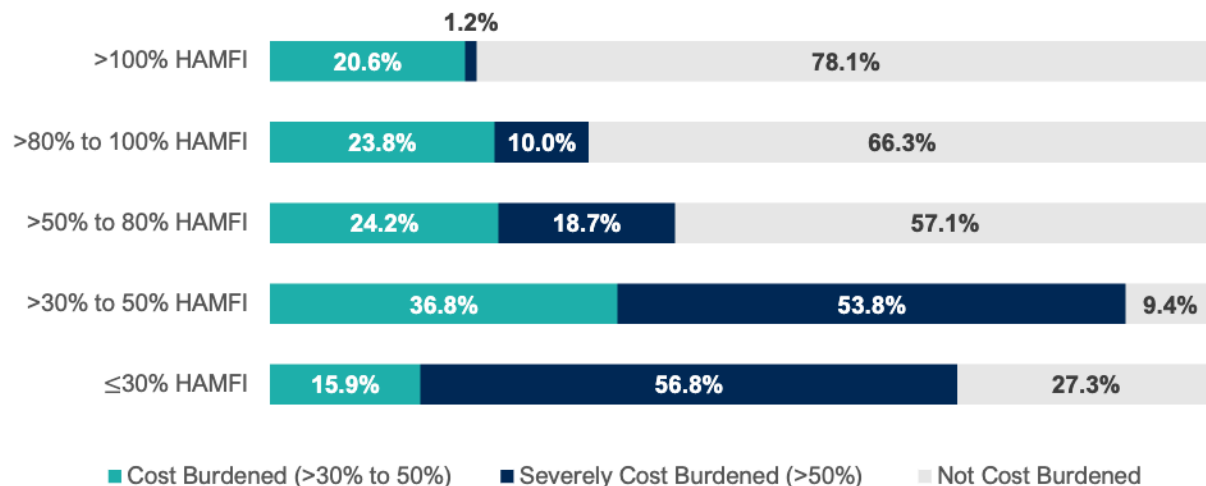
To identify cost-burdened households, HUD's Consolidated Planning/Comprehensive Housing Affordability Strategy (CHAS) dataset is a specialized tabulation of ACS data designed to produce detailed estimates on housing needs and affordability. According to HUD, 37.5 percent of all households on Nantucket were cost-burdened, and 14.8 percent were severely cost-burdened (**Table 1.20**). The incidence of housing cost burden differed between renter- and owner-households. Owner-households experienced higher rates of cost burden than renter households: 40.4 percent of owners were cost-burdened compared to 29.7 percent of renters, and 16.7 percent of owners were severely cost-burdened versus 10.0 percent of renters.

Across both renter- and owner-households, lower-income households demonstrated the highest incidence of cost burden. The majority of very low-income households between 30 percent and 50 percent AMI experienced cost burden (90.6 percent), and over half (53.8 percent) were severely cost-burdened. Most extremely low-income households at or below 30 percent AMI were cost-burdened (72.7 percent), but this percentage was notably less, even with a lower income (**Figure 1.19**).

These discrepancies are likely because rents are often lower than monthly mortgage payments and the additional costs of homeownership, and because housing assistance programs are generally more accessible to extremely low-income households who demonstrate the greatest need.

Figure 1.19. Cost Burden by Income Level

HUD, Comprehensive Housing Affordability Strategy, 2025



SUBSIDIZED HOUSING INVENTORY

Massachusetts G.L. c. 40B, or "Chapter 40B," was enacted to ensure a regionally fair distribution of affordable housing for low- and moderate-income households. Units created under Chapter 40B remain affordable over time through deed restrictions that limit resale prices and rents for many years, often in perpetuity. The law sets a statewide goal that at least 10 percent of every municipality's housing stock be deed-restricted affordable housing.

Chapter 40B authorizes the Zoning Board of Appeals (ZBA) to issue a comprehensive permit to prequalified developers, consolidating all required local approvals into a single streamlined process. The ZBA may approve, conditionally approve, or deny a permit, but developers can appeal a denial to the state Housing Appeals Committee (HAC) if the municipality does not meet one of three statutory "consistent with local needs" determinants. In reviewing applications, the ZBA must balance the regional need for affordable housing against legitimate local concerns such as public health, environmental impact, traffic, and design. Nonetheless, Chapter 40B tips the scale in favor of housing production in communities that fall short of the statutory thresholds. ZBAs also cannot impose requirements on comprehensive permit projects that would not apply to by-right developments.

The 10 percent statutory minimum is calculated based on the total number of year-round housing units counted in the most recent decennial census. On Nantucket, that threshold is 618 units, derived from the 2020 Census year-round housing count of 6,184. With an affordable housing rate of 8.28 percent, Nantucket currently falls below the 10 percent minimum and remains subject to Chapter 40B developments. In response, the Town has actively pursued affordable housing projects to achieve "Safe Harbor" status. **Table 1.21** shows Nantucket's progress in adding units to the Subsidized Housing Inventory (SHI).

Table 1.21. Subsidized Housing Inventory Progress

	2026 HPP	2021 HPP	2016 HPP
SHI Date	May 2026	June 2021	2016
Census Year	2020	2010	2010
Year-Round Units	6,184	4,896	4,896
SHI Units	512	273	125
SHI Percent	8.28%	5.58%	2.55%

EOHLC, Subsidized Housing Inventory; Nantucket HPP 2021; Nantucket HPP 2016

Table 1.22. Nantucket Subsidized Housing Inventory

Project Name	Address	Rent or Own	SHI Units	Expiry Date*
18-26 Sparks Avenue	18-26 Sparks Ave.	Rent	15	Perp
Wiggles Way	31 Fairgrounds	Rent	22	Perp
7 Surfside Road	7 Surfside Rd.	Rent	4	Perp
Abrem Query	2-4-6-8 Folger Ave.	Own	7	Perp
Academy Hill School	Westminster St	Rent	27	2033
Beach Plum Village	15-19 Rugged Rd. & 6-8 Scotts Way	Own	10	Perp
Benjamin Drive - Habitat for Humanity	Benjamin Dr.	Own	3	Perp
Clarendon Street	Clarendon St.	Rent	1	Perp
Dartmouth Street	Dartmouth St.	Rent	2	Perp
DMH Group Homes	N/A	Rent	5	N/A
Irving Street	Irving St.	Rent	1	Perp
Landmark House	144 Orange St.	Rent	18	2027
Landmark House II	Orange St.	Rent	8	2041
Meadows I	1-7 Chicory Pl.	Rent	28	Perp
Meadows II	Davkim Lane	Rent	225	Perp
Miacomet Village I	3 Manta Dr.	Rent	10	Perp
Miacomet Village I	3 Manta Dr.	Rent	12	Perp
Miacomet Village II	Norquarta Dr.	Rent	19	2047
Nantucket Housing Authority	Benjamin Dr.	Rent	5	Perp
Norquarta Drive	Norquarta Dr.	Rent	2	Perp
Norwood Street	Norwood St.	Rent	1	Perp
Sachem's Path I and II	95 Surfside Rd., Wapossett Circle & Nanina Dr.	Own	10	Perp
Sandpiper I	Beach Grass Rd.	Own	4	Perp
Sandpiper II	Old South Rd.	Own	2	Perp
Surfside Crossing	3, 5, 7 & 9 South Shore Rd.	Own	0	Perp
Ticcoma Way	Ticcoma Way	Rent	1	Perp
Ticoma Green Phase I	6 Fairgrounds Rd.and 4 Waitt Dr.	Rent	31	2040
Ticoma Green Phase II	6 Fairgrounds Rd.and 4 Waitt Dr.	Rent	33	Perp
Waitt Drive - Habitat for Humanity	Waitt Dr.	Own	6	Perp
Total			512	

EOHLC, Chapter 40B Subsidized Housing Inventory, May 2026

*Perp: in perpetuity.

DEED-RESTRICTED UNITS

Not all units counted on the SHI are deed-restricted affordable. This is because Chapter 40B allows all units in a rental development or assisted living facility to count toward the SHI, including market-rate units, provided that at least 25 percent are restricted to income-eligible households at or below 80 percent AMI, or at least 20 percent are restricted to households at or below 50 percent AMI. While this provision inflates the reported number of affordable units, it also incentivizes developers and municipalities to produce more housing overall, creating additional housing opportunities in the process. This provision does not apply to homeownership projects under 40B, so unrestricted market-rate ownership units do not count on the SHI. Although the increase in housing supply benefits Nantucket overall and advances the Town towards its 10 percent goal, its positive effects are minimized when many of those units are purchased as investment vehicles or for seasonal use. Since 2019, the Town has added 159 market-rate units to the SHI as of May 2026.

It is also important to create units and increase homeownership opportunities for moderate- and middle-income households that are ineligible for most housing assistance programs but do not earn enough to afford market-rate homes. Since 2019, the Affordable Housing Trust (AHT) has provided funding support for the addition of 13 ownership and 51 rental units for households between 100 percent and 240 percent AMI. Because these units exceed the 80 percent AMI threshold for SHI-eligible units, they are not counted on the SHI unless they were included in Chapter 40B developments with units restricted to 80 percent AMI or below (applicable only to rental units). Covenant homes created by the Nantucket Housing Needs Covenant (NHNC) program are also not counted on the SHI, as they are deed-restricted to households at 150 percent AMI. As of June 2026, there are 122 Covenant homes on Nantucket, but not counted on the SHI.

2. Development Constraints

Regulatory Constraints

Nantucket must consider several factors in efforts to address the island's housing needs. The term "constraints" is a value-neutral term to describe factors that objectively limit housing development. Some constraints, like sensitive natural features or historic sites, are valued community assets and must be protected. Other constraints, especially those arising from local regulations and policies, can be addressed as they fall within the community's control.

Over the past fifteen years, Nantucket has made significant progress by expanding allowable residential uses, increasing density, and easing development regulations, resulting in more compact housing development and the creation of more year-round housing. Still, many features of the Town's local regulations remain a barrier to creating affordable housing.

Town zoning regulations and non-zoning requirements, such as septic system design requirements, create numerous impediments to development, making Nantucket an exceptionally difficult place to create housing. Complex regulatory schemes ostensibly aim to protect community character, land use, and neighbors' interests, but the process is inherently restrictive and effectively inhibits housing development and construction.

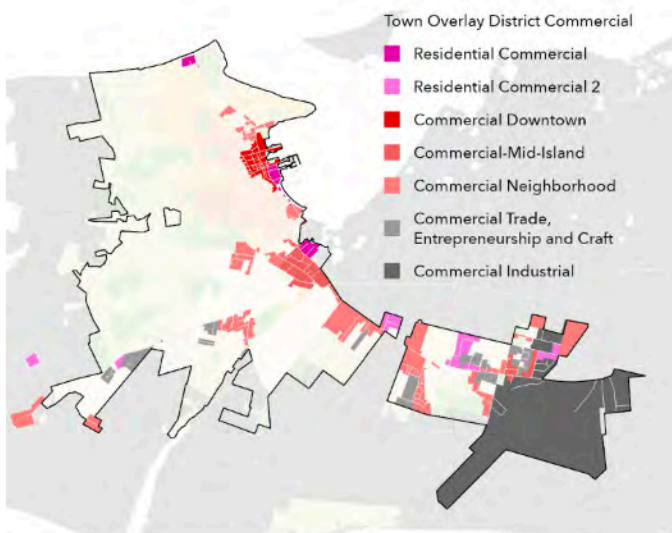
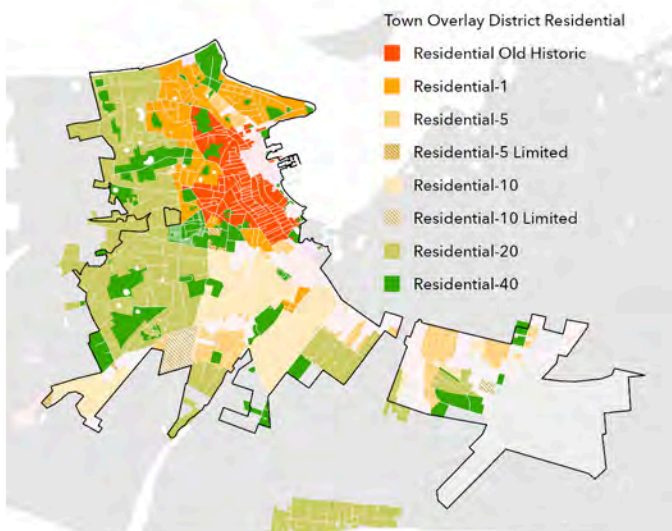
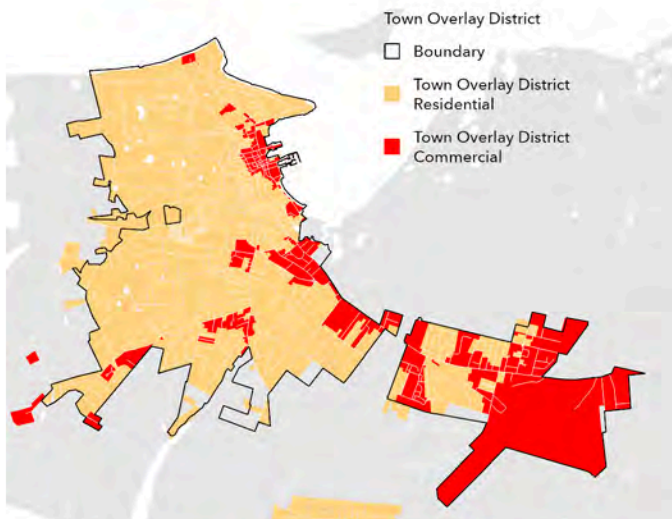
The permit issuance process is particularly cumbersome, with both Town staff and development applicants citing difficulties in navigating the applications, review periods, and decision-making processes. The town relies heavily on Board discretion to grant special permits, and proposals must undergo an extensive series of permit reviews by multiple decision-making bodies, even for uses that meet design standards and are allowed under existing zoning. This adds complications, lengthens the overall timeline, and increases development costs.

ZONING

The Town officially adopted zoning in 1972. Before then, historical efforts in land preservation and conservation shaped most of the island's regulatory framework. Consequently, much of Nantucket's historic land use developed without a unified plan or direction. The Town updated and implemented the current zoning system in 2006 to guide future development.³⁴

It has now been twenty years since Nantucket's Zoning Bylaw was comprehensively reviewed or updated. Rather, the Town has made incremental changes since then, so outdated provisions remain, and the fragmentation of the amendments potentially creates a degree of inconsistency in the regulations that is less than ideal. Moreover, the bylaw is challenging to read, interpret, and modify, with the connection between zoning rules, the zoning map, and actual site conditions often unclear. Consequently, it becomes inaccessible to the general public and is often misunderstood.

³⁴ Nantucket Master Plan 2009, 47-51.



DISTRICTS

The zoning bylaw established twenty-eight use districts, each with dimensional requirements and allowed uses. Most of these districts are encompassed within the Town Overlay District (TOD) or Country Overlay District (COD). Additionally, several overlay districts cover areas within the TOD or COD. They add additional provisions to development and dimensional standards established in each underlying district in the TOD and COD, intended to increase protections of the area's natural, historic, or built characteristics.

- Public Wellhead Recharge (PWR)
- Flood Hazard (FHD)
- Mid-Island Planned Overlay (MIPOD)
- Formula Business Exclusion (FBED)
- Harbor Overlay (HOD)
- Village Height Overlay (VHOD)
- Nantucket Cottage Hospital Overlay (NCHOD)
- Solar Energy Overlay (SEOD)

Town Overlay District

Comprising 12 percent of the island's land area, the Town Overlay District (TOD) permits higher-density housing in the Downtown and Mid-Island areas. The TOD is divided into TOD Residential and TOD Commercial. TOD Residential comprises most of the TOD area and is further divided into smaller residential districts that differ in allowable residential uses and dimensional standards or development "intensity." TOD Commercial allows a wider range of uses, including residential, mixed-use, commercial, and industrial.

Country Overlay District

Comprising 82 percent of the island's land area, the Country Overlay District (COD) covers most of Nantucket outside of the TOD and includes the outlying villages. The COD is zoned for lower-density development to limit growth and effectively concentrates housing and infrastructure in the TOD to preserve the island's historic natural features and rural land. At the same time, it limits the ability to create affordable housing across the island.

USE & INTENSITY REGULATIONS

The zoning bylaw contains several provisions that regulate residential development in various ways, primarily by allowable uses and dimensional standards or “intensity.” Although nearly all communities regulate uses and dimensional standards, Nantucket has much more limiting restrictions in certain respects, which inhibit development density and housing growth.

Residential Uses

The zoning bylaw favors low-density uses while restricting housing types that are typically better suited to producing affordable housing, confining them to limited areas on Nantucket.

Primary dwellings or detached single-family homes are allowed by right in all residential districts. Secondary dwellings, located on the same lot as the primary dwelling, are allowed by right in most residential districts but require a special permit in the R-5 and R-10L districts and are prohibited in four commercial districts within the TOD. Duplexes are allowed in most TOD residential districts but prohibited in most COD residential districts. According to §139-7 of the zoning bylaw, lots are prohibited from having more than two dwellings or dwelling units, with exceptions. Very few districts allow more than two dwelling units on a lot, either by permit or by right. Tertiary dwellings, or third dwellings on lots with two existing dwellings, are allowed only in certain TOD and COD residential districts.

Accessory dwellings (ADU) and garage apartments are allowed in all districts where primary dwellings are allowed. Previously, the zoning bylaw defined an accessory dwelling as a unit up to 800 square feet within an owner-occupied single-family home, but Nantucket residents voted at the 2026 Town Meeting to update the ADU bylaw, increasing the allowable unit size to 900 square feet and removing the owner-occupancy requirement to comply with the 2024 Affordable Homes Act.³⁵

The Town-defined “apartments” are allowed by right or special permit only in certain commercial districts within the TOD. The zoning bylaw defines an “apartment” as a dwelling unit located on the same lot as a commercial use, thereby classifying the property as a mixed-use. This is not to be confused with “apartment buildings,” which are more restricted and allowed by special permit only in the CMI and CN commercial districts in the TOD (totaling 286.6 acres, or 8.5 percent of the TOD land area) and the VN commercial district in the COD (totaling 20.8 acres, or 0.08 percent of the COD land area). The zoning bylaw defines an “apartment building” as a structure containing no more than eight bedrooms and up to six dwelling units on a single lot, or an equivalent density. However, residents at the 2026 Town Meeting voted to amend this definition to allow additional bedrooms if all units are to be added to the Subsidized Housing Inventory (SHI).

“Workforce Rental Community,” or multifamily dwelling units in which at least 25 percent of the total units are restricted to households at or below 80 percent AMI, is allowed only by permit in CMI and CN districts and prohibited in all residential districts. Additionally, the workforce rental housing property must be on a lot no smaller than 60,000 square feet in the CN district and 32,000 square feet in the CMI district, large minimum lot sizes that severely limit where they can be developed.

³⁵ The state law intends to encourage the creation of ADUs statewide by amending statewide zoning policy to allow “Protected ADUs” up to 900 square feet, or no more than half of the gross floor area of the primary dwelling, to be built by-right without owner-occupancy requirements in any zoning district that allows single-family use.

Table 2.1 shows the allowed, permitted, and prohibited residential uses in each district within the TOD and COD.

Table 2.1. Residential Uses by District

Use	TOD Residential							
	R-1	ROH	R-5	R-5L	R-10	R-10L	R-20	R-40
Primary Dwelling	Y	Y	Y	Y	Y	Y	Y	Y
Secondary Dwelling	Y	Y	Y	SP	Y	SP	Y	Y
Accessory Dwelling	Y	Y	Y	Y	Y	Y	Y	Y
Tertiary Dwelling	N	N	Y	N	Y	N	Y	Y
Short-Term Rental (STR)	Y	Y	Y	Y	Y	Y	Y	Y
Long-Term Rental (LTR)	Y	Y	Y	Y	Y	Y	Y	Y
Apartment	N	N	N	N	N	N	N	N
Apartment Building	N	N	N	N	N	N	N	N
Tiny House	N	N	Y	N	Y	N	Y	Y
Garage Apartment	Y	Y	Y	Y	Y	Y	Y	Y
Duplex	Y	SP	Y	N	Y	N	Y	Y
Workforce Rental Community	N	N	N	N	N	N	N	N
Elder Housing Facility	SP	SP	SP	SP	SP	SP	SP	SP
Employer Dormitory	N	N	N	N	N	N	N	N
Neighborhood Employee Housing	SP	SP	SP	SP	SP	SP	SP	SP

Use	TOD Commercial						
	CDT	CMI	CN	CTEC	CI	RC	RC-2
Primary Dwelling	A	A	A	Y	N	Y	Y
Secondary Dwelling	Y	N	N	N	N	Y	Y
Accessory Dwelling	Y	Y	Y	Y	N	Y	Y
Tertiary Dwelling	N	N	N	N	N	N	N
Short-Term Rental (STR)	Y	Y	Y	Y	N	Y	Y
Long-Term Rental (LTR)	Y	Y	Y	Y	Y	Y	Y
Apartment	Y	Y	Y	Y	SP	N	N
Apartment Building	N	SP	SP	N	N	N	N
Tiny House	N	N	N	N	N	N	N
Garage Apartment	Y	Y	Y	Y	Y	Y	Y
Duplex	Y	Y	A	Y	A	Y	Y
Workforce Rental Community	N	SP	SP	N	N	N	N
Elder Housing Facility	N	SP	SP	N	N	SP	SP
Employer Dormitory	N	N	N	N	N	N	N
Neighborhood Employee Housing	SP	SP	SP	SP	SP	SP	SP

Use	COD Residential								COD Commercial	
	SR-1	SOH	SR-10	SR-20	V-R	LUG-1	LUG-2	LUG-3	VN	VTEC
Primary Dwelling	Y	Y	Y	Y	Y	Y	Y	Y	A	A
Secondary Dwelling	Y	Y	Y	Y	Y	Y	Y	Y	N	N
Accessory Dwelling	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Tertiary Dwelling	N	N	N	N	N	Y	Y	Y	N	N
Short-Term Rental (STR)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Long-Term Rental (LTR)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Apartment	N	N	N	N	N	N	N	N	N	N
Apartment Building	N	N	N	N	N	N	N	N	SP	N
Tiny House	N	N	N	N	N	Y	Y	Y	N	N
Garage Apartment	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Duplex	N	SP	N	Y	N	N	N	N	N	N
Workforce Rental Community	N	N	N	N	N	N	N	N	N	N
Elder Housing Facility	SP	SP	SP	SP	SP	SP	SP	SP	N	N
Employer Dormitory	N	N	N	N	SP	SP	SP	SP	SP	SP
Neighborhood Employee Housing	SP	SP	SP	SP	N	N	N	N	N	N

*Y = Allowed, SP = Special Permit, N = Prohibited, A = Accessory Use
Town of Nantucket Zoning Bylaw*

Residential Intensity

The zoning bylaw establishes dimensional standards or “intensity” for residential use in each district. These standards control the physical layout of parcels, preserve neighborhood scale, manage density, and promote privacy between households. However, these regulations inherently limit how much housing there can be in a given area.

Furthermore, Nantucket’s dimensional standards specify requirements for minimum lot sizes, setbacks, frontages, and maximum ground cover ratios. The minimum lot size requirement mandates that newly created parcels must be no smaller than the square footage specified for their district. Minimum setbacks are the minimum distance a structure must have from the front, side, and rear boundary lines of the parcel. Minimum frontage is the minimum linear boundary length along a street line that provides access to the parcel. Finally, the maximum ground cover ratio is the maximum percentage of the lot area that can be covered by a structure. A low ground cover ratio requires a larger portion of the lot to be reserved for open space.

CMI, RC, RC-2, ROH, R-1, R-5, R-5L, and SOH represent districts that allow more dense housing with a minimum lot size of 5,000 square feet and a maximum ground cover ratio of 30 to 50 percent. The

CDT district allows the highest density with a minimum lot size of 3,750 square feet and a maximum ground cover ratio of 75 percent.

Apartment buildings represent a denser residential use and are allowed smaller minimum lot areas per dwelling. The bylaw specifies at least 1,250 square feet of lot area per unit in the CMI district and 2,500 square feet per unit in the CN and VN districts. However, these districts cover a small percentage of the island's total land area, and most of Nantucket is zoned for lower-density use.

Districts such as R-20, SR-20, and V-R have minimum lot sizes of 20,000 square feet and a maximum ground cover ratio of 10 to 12.5 percent. For single-family homes, the LUG-1, -2, and -3 residential districts in the COD have minimum lot sizes of 40,000, 80,000, and 120,000 square feet; and maximum ground cover ratios of 3, 4, and 7 percent, respectively. These requirements for low-density districts are designed to preserve and protect the island's historic rural landscape and natural features, but they significantly limit how much housing can be built on the island.

RESIDENTIAL DEVELOPMENT OPTIONS

In addition to standard residential development permitted by zoning, the bylaw outlines several alternative options for creating and constructing dwelling units, each subject to specific requirements.

Lot Divisions

When property owners divide land to build more housing, the plan may be designated as a subdivision plan if it requires a new road or extending utilities, or an "Approval Not Required" (ANR) plan if the new lots already have the required frontage and conform to zoning on an existing public way or on a way approved by the Planning Board. Due to Nantucket's limited infrastructure, many lot divisions will likely be subdivision plans and must go through the subdivision review process, which is much more complex and imposes additional requirements beyond the state's Subdivision Control framework.

Subdivision plans require approvals from multiple reviewing bodies and must navigate the bylaw's highly detailed road and infrastructure standards, strict Historic District standards, environmental constraints, and health regulations. Furthermore, subdivisions are permitted only in R-5, R-10, R-20, R-40, and LUG-1 districts,

The Town allows property owners, by special permit, to subdivide their lots into two (secondary) or three (tertiary) lots, for deed-restricted affordable homes at 150 percent AMI or below under the Nantucket Housing Needs Covenant (NHNC) program, or for qualified family members. Secondary lots are permitted in ROH, R-5, R-10, R-20, R-40, VR, LUG-1, LUG-2, and LUG-3 districts. Tertiary lots are more restricted and permitted in R-10, R-20, R-40, LUG-1, LUG-2, and LUG-3 districts.

Additionally, the Town permits rear lot subdivisions in R-5, R-10, R-20, R-40, and LUG-1 districts to provide a residential infill option to encourage more housing lots on underutilized parcels. However, there is no further relief from dimensional standards under zoning, and it does not require an NHNC affordability deed restriction but may be subject to the inclusionary housing bylaw.

Flex Development & Open Space Residential Development

Both Flex and Open Space Residential Developments are methods of encouraging open space preservation within smaller-scale development. Effectively, they create what is known as “cluster housing” or “cluster development,” which are dwelling units grouped together on a portion of the lot, with the remainder preserved as open space, rather than spreading development evenly across the entire parcel in a conventional subdivision pattern.

These development options are intended to:

1. Allow for greater flexibility and creativity in the design of residential developments;
2. Encourage a more efficient form of development that consumes less open land;
3. Reduce infrastructure and site disturbance through the creation of compact development;
4. Encourage the permanent preservation of open space.

Flex Development is allowed by special permit in the R-40, R-20, R-10, R-5, and ROH districts in the TOD. Open Space Residential Development is allowed by right in the COD but requires a special permit in the LUG-1 to -3 districts.

Both development types are entitled to bonus lots up to 30 percent of the total building lots that could have been created through a conventional subdivision plan. Additionally, lots in these development types are granted reduced minimum lot sizes in each district, and other dimensional standards differ from the standard zoning.

Infill Development & Buildout Analysis

Nantucket engaged Weston & Sampson to perform the 2025 Buildout Study, aiming to assess the current development status, project future housing demand, and determine the potential number of additional units under existing regulations.³⁶

The buildout study identifies and calculates the number of new units that could be created through lot subdivision and infill development or redevelopment under the Town's current zoning and in buildable areas. Buildout calculations consist of two parts: the capacity for 1) lot subdivision and 2) additional potential dwelling units based on zoning regulations for each existing and potentially newly created lot.³⁷ The number of new lots and dwelling units is limited to the maximum allowed per lot by existing bylaws and allowances. Non-buildable areas include the following constraints: protected open spaces and conservation land; Land Trust parcels; publicly owned parcels; undevelopable land uses; parcels set aside by the Town; wetlands and buffers; FEMA flood zones; water bodies; and sea-level rise projections. It is important to note that this calculation presents a theoretical maximum rather than a prediction, but it illustrates a surface-level picture of Nantucket's development patterns and gaps.

The results indicate that Nantucket's primary development opportunities lie in infill and redevelopment, while subdivision opportunities are limited. According to the study, the island is at

³⁶ Weston & Sampson, *Buildout Study*, August 2025, Town of Nantucket, MA.

³⁷ Not to confuse additional potential dwelling units with Accessory Dwelling Units (ADU). Additional potential dwelling units may include ADUs.

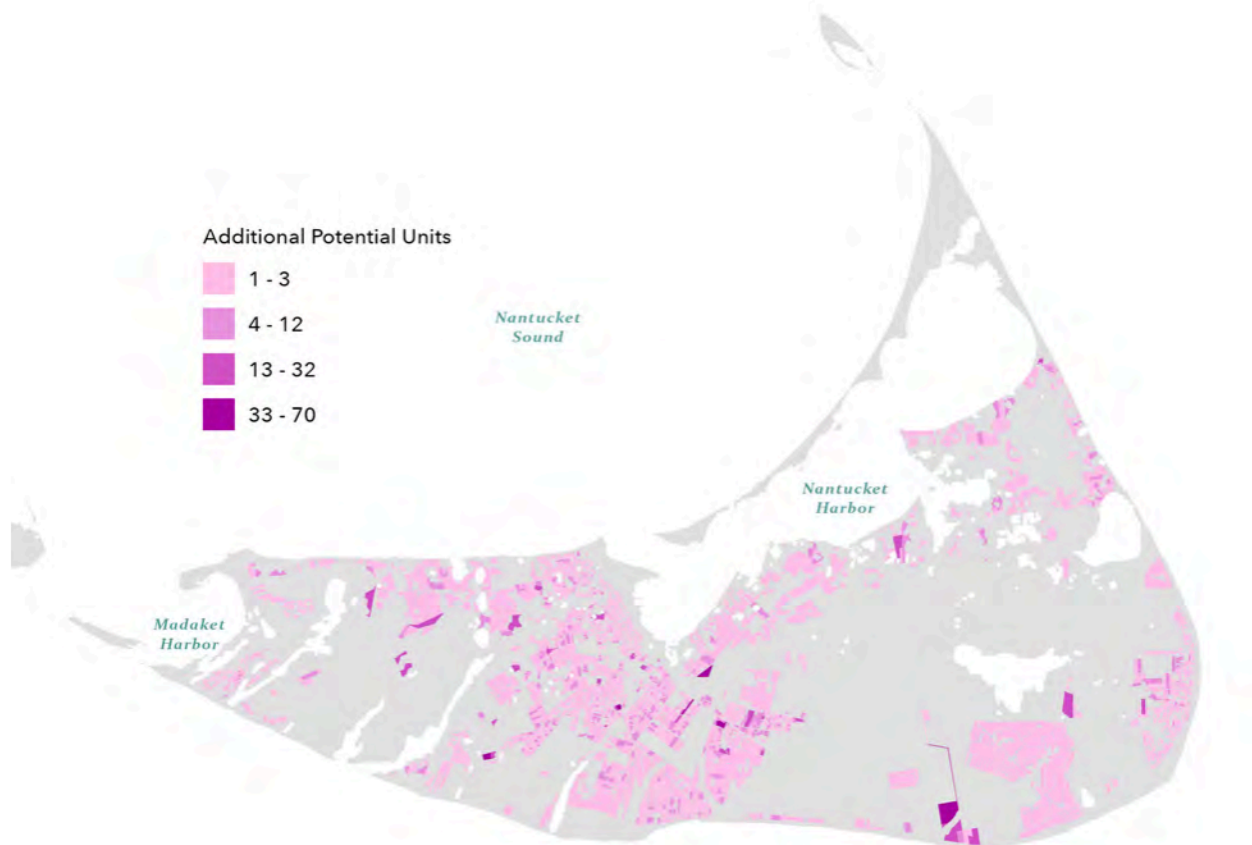
approximately 86 percent lot buildout and at approximately 38 percent dwelling unit buildout, based on existing zoning. Most land is already subdivided, but there is significant potential to add more dwelling units on existing parcels. Under current zoning, up to 1,524 new lots could be created through subdivision, and up to 17,432 additional potential dwelling units could be added on existing lots. **Figure 2.1** maps the number of additional potential dwelling units by parcel on Nantucket.

This study builds on the 2021 Sewer Master Plan (SMP), which analyzed 4,000 parcels within the island's sewer areas, and assesses the buildout potential for non-sewered areas of the island, or areas outside the SMP. The buildout study further found that lots outside the SMP are at approximately 90 percent lot buildout and at approximately 41 percent dwelling unit buildout. At most, non-SMP areas can create 657 new buildable lots through subdivision and add 9,615 potential dwelling units under current zoning.

Opportunities for infill development are present across the island, with only a few districts exceeding 50 percent of their zoned capacity. If the Town amends zoning to allow greater density, the number of potential new lots and units would increase. This study does not account for development allowable under special permits or land division that allows smaller lots, including secondary and tertiary lots, Covenant lots, or Flex and Open Space Residential Developments.

Figure 2.1. Additional Potential Dwelling Units by Parcel

Weston & Sampson, Buildout Study, August 2025



AFFORDABLE HOUSING

The Town does not currently have a regulatory framework that defines or creates affordable housing as defined by Chapter 40B. Under state and federal definitions, "affordable housing" refers to subsidized units restricted to households with incomes at or below 80 percent AMI. Under Nantucket's Zoning Bylaw, "affordable housing" refers to housing restricted to households with incomes at or below 150 percent AMI.

The Affordable Housing Trust (AHT) defines "attainable housing" to target households with incomes below 250 percent AMI, recognizing the widening gap and need for housing accessible to higher-income households, but uses a distinct term to demonstrate transparency toward households with different needs.

Because of these definitional mismatches, units that the Town counts as "affordable" or "attainable" do not always count toward Nantucket's state-mandated affordability requirements under Chapter 40B. The mismatch also affects local housing policy, shifting incentives, subsidies, and regulatory relief away from producing housing for residents who demonstrate the greatest need and toward units at higher income limits.

Workforce Housing

The bylaw's usage of "workforce housing" does not exclusively refer to housing for professionals, seasonal employees, or working populations in general, but rather refers to income-restricted units. It reflects a more political intent to keep working residents on the island year-round, but a wide range of households are eligible as long as they meet income qualifications.

Workforce Homeownership Housing is ownership or rental of single-family homes, where at least 25 percent of the total units have income restrictions. Of the income-restricted units, 75 percent must be restricted to households at or below 80 percent AMI, and 25 percent must be restricted to households at or below 175 percent AMI.

As defined in the bylaw, a Workforce Rental Community is multifamily rental housing in which at least 25 percent of the units must be restricted to residents at or below 80 percent AMI. This development is allowed by special permit only in the CMI and CN districts and requires minimum lot sizes of 60,000 square feet in the CN district and 32,000 square feet in the CMI district, which severely limits opportunities for such use.

Inclusionary Housing

The inclusionary housing bylaw, adopted in 2025, aims to create attainable housing for households at or below 250 percent AMI. The bylaw applies to divisions of land into five or more buildable lots permitted as a rear lot subdivision, flex development, or workforce homeownership housing; and to the construction of five or more dwelling units permitted as an apartment building(s) or a workforce rental community. The bylaw requires the creation of one attainable dwelling unit for every five new buildable lots created from land division, or one attainable dwelling unit for every five dwelling units constructed in an apartment building(s) or workforce rental community. To date, the bylaw has not enabled the creation of any affordable units.

HISTORIC AND CULTURAL RESOURCES

Nantucket's historic preservation regulatory landscape is perhaps unique in the country in that it extends to cover the entire island, the entire extent of the town. The peak of the whaling industry in the mid-nineteenth century was followed by an economic downturn. Coupled with the isolation of the island, into the late twentieth century, the landscape largely reflected the island's historical development, that of a late eighteenth and early nineteenth century whaling village.

Efforts to protect this sensitive landscape began with the state legislature's designation of downtown Nantucket and Siasconset ("Sconset") as local historic districts in 1955 (Acts of 1955, Ch. 601); this designation was extended to the entire island in 1970 (Acts of 1970, Ch. 395). In addition, the Secretary of the Interior designated the entire island a National Historic Landmark in 1966. Together, these two designations provide some of the strongest forms of protection for historic resources. These designations help preserve the landscape and historic buildings of Nantucket, which are highly valued by locals and visitors alike and are one of the island's most significant draws.

The two designations, however, have different impacts on the physical landscape of the island. The local historic district designation offers the strongest regulatory protection for the island's historic resources. All proposed exterior changes to properties must be reviewed and approved by the Town's appointed Historic District Commission (HDC). This includes not only changes to existing buildings but also the design of new construction. The HDC has the power to deny a proposed change if it is not in keeping with the existing character of the historic district, even if a project is allowed by the Town's zoning. Over the years, the HDC has developed and implemented various sets of design guidelines in an effort to support property owners and streamline the review process. But the review process can still be daunting, as there is only one HDC, and they must review projects on the entire island; their agendas get quite long, and projects can take some time to be approved.

The National Historic Landmark designation provides for a consultative review process if a project involves federal or state permitting, licensing, or funding. While this does not impact the average homeowner, projects that receive funding from HUD or MassDevelopment, or that require any kind of state or federal permit, are reviewed. This review process is separate from the HDC's process, although they are notified and their input is often sought. In support of historic preservation efforts, the National Historic Landmark designation allows for the use of federal and state historic rehabilitation tax credits on income-producing properties. In recent years, these have been used to rehabilitate several rental properties on the island.

Nantucket's local bylaws also provide for a demolition delay period (§139-26A(1)). If the HDC does allow for a building's demolition, it must be advertised for "move-off," or relocation to a new site on the island, for 30 days. If someone claims the offer to relocate the house, they are given 180 days to complete the move, during which a demolition permit cannot be issued. While in many other communities moving buildings away from their historic site is considered poor preservation practice, that is not the case on Nantucket. Due to its remote location and lack of building materials, buildings have historically been moved around the island and reused. As they are moved within the local historic district and the National Historic Landmark district, they are still within their historic context. Buildings on the island up for demolition are frequently moved to new sites, providing housing and supporting the Town's sustainability goals by preventing demolition waste.

Environmental Constraints

Sensitive natural features should be protected to preserve environmental quality and public health. That said, these resources restrict development in many areas of Nantucket and limit the supply of buildable residential land. Although many development constraints are related to the resource's physical features, like water bodies, others stem from local, state, and federal regulations that require minimum distances or setbacks from natural resources.

NATURAL RESOURCES

TOPOGRAPHY AND SOILS

Like other coastal geologic formations of New England, Nantucket's glacial history, along with cycles of sea level rise and fall, shaped its physical form found today. Water and wind have also sculpted the island's topography, producing low rolling dunes only 10 feet above sea level at their lowest point as well as steep coastal bluffs.³⁸ Nantucket has several notable hills, such as Altar Rock, that slope from the interior to a relatively flat coastal plain. Nantucket's soils, primarily composed of glacial sand and gravel, are coarse, excessively well-drained, and easily erodible.

WATER RESOURCES & WETLANDS

As an island, Nantucket relies on a sole source aquifer for its water supply, which is fed entirely by groundwater recharge from precipitation. This aquifer is vulnerable to groundwater table rise and subsequent saltwater intrusion, over-pumping, and contamination from a variety of pollutants. As the only source of drinking water, protection of Nantucket's aquifer and its waterbodies is of particular importance. Nantucket has several methods of maintaining recharge rates and water quality of its aquifer, chief among them the island's wellhead protection districts, protected open space, and sanitary sewer system. Moreover, Nantucket's newly created Stormwater Division of the Department of Public Works created the stormwater management bylaw, which was approved by voters at the 2026 Town Meeting.

Wetlands cover much of the island's open space in both coastal and inland areas. Estuarine and marine deepwater wetlands surround Nantucket, Tuckernuck, and Muskeget Islands. Coastal wetlands are prominent at locations like Smith's Point, the Creeks, along Nantucket Harbor, and within the Coskata-Coatue Wildlife Refuge. Inland, freshwater forested/shrub wetlands dot upland areas around water bodies, including Long Pond, Hummock Pond, Tom Nevers Pond, and west and north of Sesachacha Pond. Once considered nuisances, wetlands are now recognized for their many ecosystem services that promote groundwater recharge and coastal resilience. The Town's 2021 Coastal Resilience Plan (CRP) emphasizes the importance of wetland restoration, but rising sea levels are expected to submerge up to an additional 645 acres of wetlands on the island by 2070.³⁹

³⁸ Town of Nantucket Planning and Land Use Services and Weston & Sampson, Town of Nantucket Open Space and Recreation Plan, 2022, <https://www.nantucket-ma.gov/DocumentCenter/View/43749/DRAFT-Nantucket-Open-Space--Recreation-Plan-2023-PDF?bidId=, 37>.

³⁹ Nantucket Coastal Resilience Plan, 71.

The Nantucket Conservation Commission enforces state and local wetland laws by setting and administering regulations for projects within 100 feet of any wetland resource area. The Conservation Commission enacted an updated local wetlands bylaw in January 2025 (Chapter 136) to better incorporate resiliency interests, supplementing state regulations under the Massachusetts Wetlands Protection Act (G.L. c. 131, S. 40). The new regulations update buffer zones around many resource areas, update performance standards within those zones, and place restrictions on building within high-tide flooding areas (§390-15).⁴⁰

In addition to supplying drinking water, Nantucket's water resources provide recreational opportunities, support the local economy, and contribute to the island's scenic landscape, recognizable to the world and beloved by residents and visitors. Several regulatory mechanisms protect these resources. Watershed protection districts establish limits on the number of bedrooms per lot area for properties with septic systems and require updates to existing septic systems to reduce nitrogen contamination of surface water and groundwater. Additionally, Title 5 setback areas prohibit the installation of septic systems within buffer areas around wetlands and waterbodies. The specifics of septic regulations set by the local Board of Health impact the buildability of parcels near water resources. Because much of the island is not served by municipal sewer, particularly outside the Town Overlay District (TOD), many residential properties rely on private septic systems and must abide by these setback requirements, contributing to housing sprawl.

HABITAT AREAS

Nantucket hosts a diverse range of habitats that form its ecologically, economically, and culturally important natural landscape. Barrier beaches line the island's coast, creating seaside and dune habitats, while salt marshes lie inland from the dunes. Nantucket holds 95 percent of the world's sandplain grasslands, mainly on the southern portion of the Island, while coastal heathlands make up much of the central and northern areas of the island.⁴¹ These landscapes are designated as globally threatened ecosystems and provide habitats for endangered species.⁴²

In recognition of Nantucket's unique landscape, the Nantucket Barrier Beach and Wildlife Refuge at the island's northern spit was designated a National Natural Landmark by the Secretary of the Interior in late 2024.⁴³ The entirety of Nantucket, including Tuckernuck and Muskeget islands, is recognized as core habitat and critical natural landscape by MassWildlife and the Nature Conservancy's BioMap. Many parts of Nantucket, including the coastline, areas around the Great Ponds, and the land underlying Nantucket Memorial Airport, are home to rare species of regional importance.⁴⁴

⁴⁰ The local wetland regulations set four buffer zones around wetland resource areas: a 25-foot undistributed vegetative buffer; a 25 to 50-foot buffer zone with no structures allowed and no more than 50% disturbance; a 50 to 75-foot zone allowing structures but requiring the structural area within the zone to be offset with a 1.5x enhancement contiguous with existing vegetation in the previous zone; and 75 to 100 foot zone with structures permitted with ConCom review and Order of Conditions.

⁴¹ Arcadis, One Architecture, The Craig Group Stoss, Coastal Resilience Advisory Committee et al., Nantucket Coastal Resilience Plan, November 2021, 39.

⁴² "Trails & Property," Linda Loring Nature Foundation, accessed September 2024, <https://lfnf.org/trailsandproperty>.

⁴³ National Park Service, "Interior Department Designates Massachusetts Site a National Natural Landmark," <https://www.nps.gov/orgs/1207/interior-department-designates-massachusetts-site-a-national-natural-landmark.htm>.

⁴⁴ MassGIS, "BioMap: The Future of Conservation," November 2022, prepared by MassWildlife and the Massachusetts Chapter of the Nature Conservancy, <https://www.mass.gov/info-details/massgis-data-biomap-the-future-of-conservation>.

OPEN SPACE & CONSERVATION

The people of Nantucket recognize the importance of protecting the island's natural areas and resources, with decades of conservation work resulting in more than half of the Town's land area being dedicated to open space and supporting climate resilience, habitat conservation, recreation, and agriculture. Ninety-four percent of that land is permanently protected from other forms of land use, totaling over 15,000 acres. The Conservation Foundation is the single largest open space landowner on the island, stewarding over 9,000 acres of land and coastal shoreline. The public non-profit Nantucket Islands Land Bank owns about 3,500 acres.⁴⁵ Several other dedicated private and public groups also hold open space lands in Nantucket.

The success of Nantucket's conservation efforts constrains the amount of land available for other uses, including housing development. Removal of about half of the island's land area from the market puts pressure on the remaining space to house Nantucket's people, municipal services, infrastructure, businesses, visitors, and other necessities and amenities. According to MassGIS land use data for the 2024 fiscal year, just over four percent of the island's land area remains developable.

CLIMATE CHANGE & NATURAL HAZARDS

Nantucket's natural resources are extremely vulnerable to climate change, the impacts of which will touch every facet of Nantucket life. Extreme weather, coastal flooding, sea level rise, and erosion pose significant risks to Nantucket's natural, social, and economic systems. As shown in **Figure 2.2**, Nantucket's coastline and the areas surrounding waterbodies are projected to be inundated as the sea level rises. This is extremely evident in Madaket, Tom Nevers, Siasconset, and along Nantucket Harbor (see inset maps). By 2070, over 2,300 buildings on Nantucket are at risk of coastal flooding and/or erosion. Eighty-four percent of those buildings are residential homes of Nantucket's community members.⁴⁶ According to the 2025 Buildout Study, rising sea levels will gradually decrease the number of buildable lots and dwellings. By 2050, the calculated capacity declines from 9,615 to 9,425 additional potential units due to environmental constraints and sea-level rise.⁴⁷

The threats to Nantucket caused by climate change will have a significant impact on the way Nantucket uses land. The CRP includes several zoning and land use-related recommendations on how the Island can rethink its relationship with land uses in light of climate change. Recommendations to reduce density and manage future investment in high-risk coastal areas will impact development potential in those areas, if implemented, in their effort to protect buildings and people.

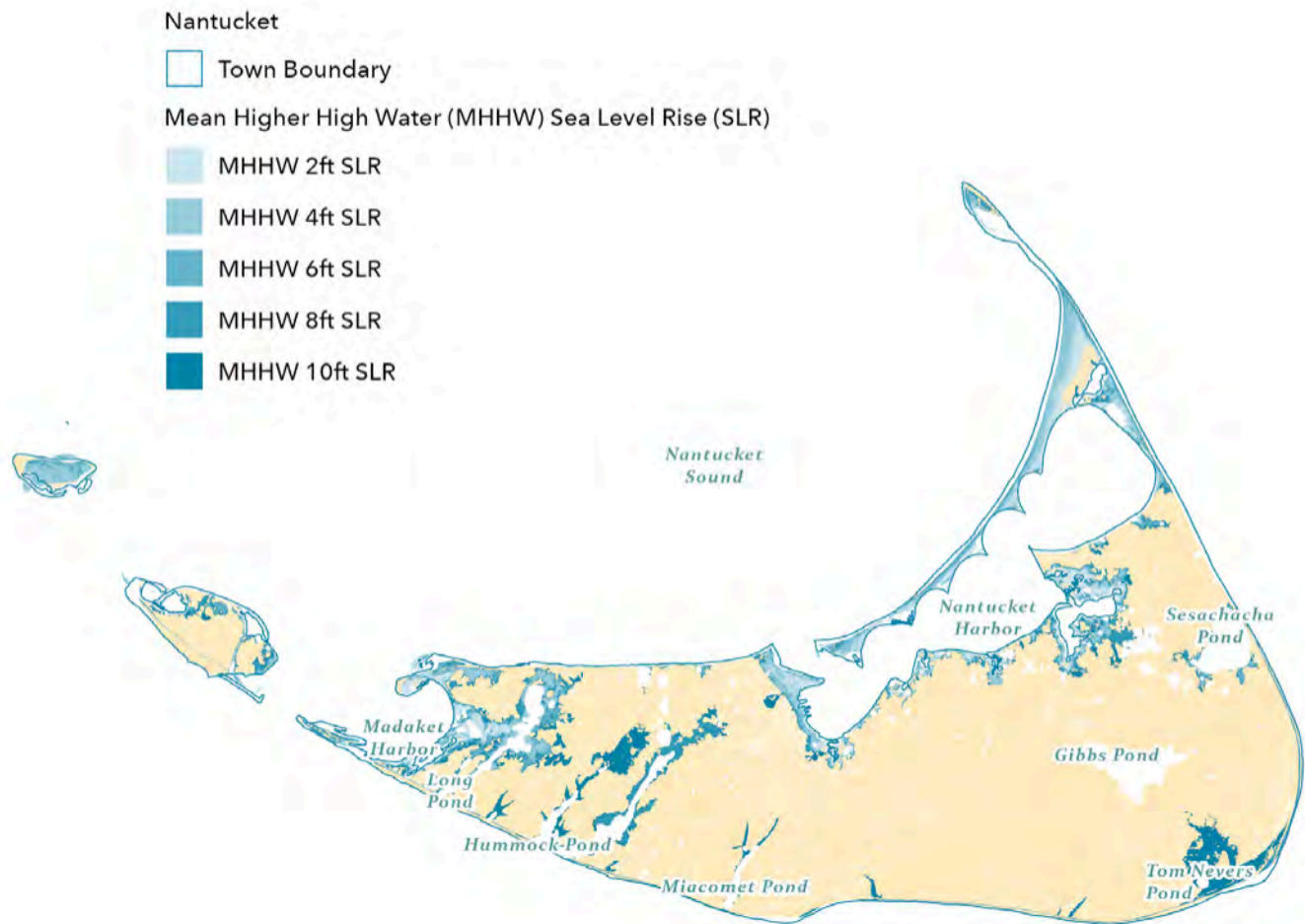
⁴⁵ Nantucket Islands Land Bank, *Annual Report FY25*.

⁴⁶ Nantucket Coastal Resilience Plan, 3, 71.

⁴⁷ Weston & Sampson, *Buildout Study*, August 2025, Town of Nantucket, MA.

Figure 2.2. Sea Level Rise (SLR)

National Oceanic and Atmospheric Administration Office (NOAA); MassGIS



Infrastructure & Utilities

Homes are more than just shelter; they require external infrastructure like road access, drinking water, sanitation, and energy to support their residents. As such, housing growth is constrained by the island's infrastructure capacity. Public utilities and services are essential for development; without them, homes must rely on private systems, leading to higher costs, less efficient land use, and potential health and safety risks for residents.

Residents raised concerns about limited utilities and logistical challenges in their installation or expansion. Coordination with utilities to service homes can often be significantly delayed due to factors like the island location, regulatory processes, or other constraints. While utilities and infrastructure may be installed alongside development, it is prudent to build housing where infrastructure already exists to minimize costs and align with sustainable land use patterns.

ENERGY

Nantucket's population fluctuations can cause capacity challenges for its energy supply. The highest demand ever recorded was 58.2 megawatts in August 2023. However, extensive upgrades to the electricity infrastructure over the years have helped reduce on-island electricity costs. Furthermore, the National Grid anticipates the need for a third undersea cable by 2029.

The Steamship Authority delivers diesel and gasoline, which are distributed across the island. Propane and aviation fuel are delivered by tanker trucks via the Steamship Authority's freight routes. Due to logistical difficulties in maintaining a steady energy supply, fuel prices on Nantucket are typically higher than elsewhere in the state.

STRETCH ENERGY CODE

There are three levels of building energy codes in Massachusetts: the Base Code, the Stretch Code, and the Specialized Code. To prioritize climate resiliency and reduce carbon footprints, Nantucket adopted the Stretch Energy Code, which requires buildings to achieve better overall energy performance, lower energy use, and lower greenhouse gas emissions than would be required under the Base Code.

Higher efficiency standards will reduce long-term energy consumption and utility costs, but the upfront investment in compliant systems adds modestly to construction costs, which is a meaningful concern in a market where financial barriers to housing access are already high. Not only do stricter energy code requirements raise the costs of new builds, but they also raise the costs of reusing existing buildings, as these buildings must be upgraded or retrofitted with compliant systems.

PUBLIC WATER SUPPLY

Nantucket's public water supply is vulnerable to contamination. At the Nantucket Water Department (Wannacomet Water Company), sample testing for PFAS6 compounds in 2024 showed low levels of PFAS in one of the groundwater wells within the Sole Source Aquifer. The aquifer is highly vulnerable to contamination due to a lack of hydrogeologic barriers to block contaminants. This facility serves the town's largest water district but does not treat the water; however, a mobile treatment facility is being installed.

The second water facility, Siasconset Water Facility, is also highly vulnerable to contamination. The facility supplies water to the Siasconset water district and treats water from Well #6 using Calciquest, a product used to reduce lead and copper levels. Sample testing shows that the water leaving the well or water tank through iron and steel pipes is free of lead. However, the 2023 Water Quality Report indicates that lead was found in certain tap water samples, an ongoing problem since 2017. The lead detected in the tap water samples most likely originates from service lines and home plumbing, meaning that many homes may need their water lines replaced to safeguard the health of the residents.

WASTEWATER COLLECTION AND TREATMENT

Nantucket's two wastewater treatment facilities, the Surfside Wastewater Treatment Facility and the Town Wastewater Treatment Facility, serve approximately 60 percent of the island, while the other 40 percent rely on private septic systems. Homes that rely on private septic systems must abide by Massachusetts' Title 5 regulations, as well as more stringent regulations established by the Board of Health. Title 5 setback areas prohibit the installation of septic systems within buffer areas around wetlands and waterbodies. Nantucket's regulations go further by targeting nutrient loading that contributes to the degradation of harbors, ponds, and coastal waters, and therefore, the watershed protection districts require updates to existing septic systems to reduce nitrogen contamination of surface water and groundwater. Additionally, the districts establish limits on the number of bedrooms per lot area for properties with septic systems.

The Town collaborated with Weston & Sampson to publish the 2021 Sewer Master Plan (SMP). The plan covers the Town Sewer District wastewater collection system, which pumps to the Surfside Wastewater Treatment Facility. The plan was designed to be part of the 2014 Comprehensive Water Management Plan (CWMP), suggesting upgrades to pump stations to facilitate possible growth areas in the Town's sewer system. The SMP also reevaluated the 2014 CWMP capacity estimates and forecasted both increases and decreases in capacity due to pipeline development projects and other contributing factors. Necessary improvements to the Surfside Wastewater Treatment Facility are expected to grow, considering capacity constraints and other challenges. The Town is currently designing a sewer extension to the Somerset Needs Area.

Capacity & Resources

Any idea or solution for creating housing opportunities, regardless of how effective, requires concerted, well-organized local action. Financial and organizational support are essential to address the identified housing needs, overcome barriers and constraints, and move Nantucket toward its housing goals. This section highlights the limitations that diminish the community's capacity and ability to implement such initiatives.

DEVELOPMENT COSTS & FINANCING

Since the onset of COVID-19, construction costs have risen by 20 to 40 percent, outpacing income growth. Although the prices of certain materials like lumber have stabilized, expenses for items such as concrete and labor are still increasing. Additionally, the transportation of materials to and across Nantucket adds considerably more to construction costs than in most mainland communities due to the nature of the island's geography. The high costs of development pose a significant hurdle for developers seeking bank financing. Consequently, these higher costs drive up housing prices, leading to larger mortgages and rents. New developments are especially burdensome, as they must often install new infrastructure because existing infrastructure is lacking.

The development review process imposes additional costs, as well, and Nantucket's extensive permitting requirements only compound these costs further. According to the Town, the median estimated construction costs for new dwelling units permitted in the 2022 and 2023 fiscal years were \$1 million and \$845,000, respectively.⁴⁸

Grants have become essential for supporting and financing residential development, especially to ensure housing remains accessible to most residents. Affordable housing for households at or below 80 percent AMI requires even more funding to serve households with the greatest need, yet most underserved. However, it requires substantial funding to subsidize units at that income level and below, especially given Nantucket's exceptionally high construction costs, rents, and mortgages. Rental units on the SHI must also be maintained and monitored by the subsidizing agency for compliance, and ownership units must be monitored by a designated monitoring agent or housing organization, which requires additional staff capacity and funding.

Furthermore, housing has become so far out of reach for not only low- to moderate-income residents, but also all middle-income households. Affordable housing restricted to 80 percent AMI or below excludes many Nantucket households with incomes too high to be eligible for public housing assistance but too low to comfortably afford decent, safe housing. However, it is paradoxically more expensive to fund or subsidize units for middle-income households between 80 percent and 150 percent AMI because there are fewer federal and state programs that subsidize units at this level. To create more housing at this income level, Nantucket must rely more on local funds, programs, and regulatory changes.

⁴⁸ Town of Nantucket, MA, Permits Records.

MUNICIPAL CAPACITY

Some departments still operate out of buildings Downtown, but more municipal staff now work in buildings across the island. The physical fragmentation of municipal office space inhibits collaboration between offices and departments, creating a disjointed, inconsistent experience for citizens seeking to engage with their local officials and staff. The fragmentation of departments can affect the Town's ability to conduct land-use planning and development effectively.

As previously mentioned in *Regulatory Constraints*, Nantucket's permitting processes are lengthy and require multiple approvals, often requiring applicants to visit multiple departments in buildings across the island and eliciting frequent complaints from applicants themselves and Town staff alike. This extensive process consumes excessive time from Town staff, time that could be better spent elsewhere, such as focusing on the actual implementation of housing programs or on seeking additional funding to support programs and development.

In addition, there are some conflicting interdepartmental priorities that make affordable housing development especially difficult. Notably, it has been challenging to coordinate the Housing Office's work with PLUS, the Planning Board, Historic District Commission, Fire Department, and Health Department/Board of Health. Issues like these exist in most communities, but Nantucket has urgent housing needs and a higher incidence of over-occupied housing units than most communities. As a result, there is no consistent, shared framework for getting the affordable housing Nantucket needs permitted and built quickly and efficiently.

MUNICIPAL HOUSING

Town departments universally face challenges with staff recruitment and retention, which impact essential services, such as those provided by teachers and first responders. The problem stems from the very limited affordable housing available to Town employees. There are a handful of Town employees who live off-island and commute, which may degrade the effectiveness of Town services even further. Other municipal employees, such as first responders, are required to live on-island. However, when departments can hire new staff and move them to Nantucket, employees often leave after three to five years because many of the Town-provided rentals are better suited to younger professionals and adults than to mid-career adults with families and larger space needs. It is critical that Nantucket provide permanent housing options for municipal employees who may seek to put down roots, grow their families, and embed themselves within the community for their foreseeable future.

Recognizing this need to provide housing stability for essential municipal workers to sustain the island's operations and functionality, the Town has begun purchasing housing for all levels of staff in recent years. However, the Town must go through a lengthy and costly process to acquire housing for municipal employees. Because property purchases are costly and involve using Town funds outside of the AHT funds, the Town requires a warrant article at Town Meeting whenever it intends to acquire a property. While the Town goes through this slow and arduous process, housing demand among employees remains exceedingly high, and they continue to leave Nantucket.

LOCAL HOUSING AFFORDABILITY PROGRAMS

Community members identified nonprofit-government collaboration and local housing programs as essential, and the Town has significantly ramped up programmatic efforts in the past several years.

However, many of these programs face considerable hurdles related to financing, operational capacity, and regulatory constraints in housing creation. Even when units are created under housing affordability programs, there are concerns with enforcement capabilities, and it is often difficult to monitor individual units for compliance with program requirements. These problems have only exacerbated as previous tools have struggled to keep pace with market trends.

COVENANT HOMES

The Nantucket Housing Needs Covenant (NHNC) program is codified in the bylaw and is administered by Housing Nantucket. The program allows a property owner with more than one residential dwelling to sell one of their units below the market value, or to sell off development rights for a portion of their property, in exchange for greater development or land division flexibility.⁴⁹ Because the Town has created a zoning and regulatory framework for the program, it enables the property owner to divide the lot or create another dwelling unit under less stringent dimensional standards and permitting scrutiny.

For 2026, the program set the maximum sales price for a Covenant home at \$854,171. The income eligibility limit for buyers is 150 percent AMI, but this annual calculation is based on the affordability level for a household at 125 percent AMI. Qualified buyers must have an annual household income at or below \$245,250 (150 percent AMI), less than \$427,085 in unrestricted assets, meet residency requirements, and not own residential property on Nantucket at the time of purchase.

However, rising construction costs have made Covenant homes less economically viable for property owners in recent years, making it more challenging to obtain bank loans. With the median construction cost for a new dwelling unit estimated at \$845,000 in the 2023 fiscal year and rising, property owners have virtually no financial incentive to participate in this program. Additionally, land values have increased significantly, incentivizing homeowners to retain as much land within their property and reducing the incentive to carve out a portion of it. Property owners could instead build an ADU to create an additional unit while retaining the land and protecting their property values. Furthermore, despite restrictions on the maximum sale prices of Covenant homes, they still exceed what many households can afford. Working residents may even abstain from accepting higher pay in order to qualify for income limits.

Still, residents see Covenant lots as a valuable option for creating housing for additional family, since the program has no income or asset limitations on sales to qualified family members. Since its inception, the program has created 122 permanently affordable homes on Nantucket. While this number of permanently affordable homes is substantial, there is a much greater demand for homeownership among households that this program targets.

⁴⁹ Housing Nantucket, "Covenant Homes," accessed June 1, 2026, <https://housingnantucket.org/covenant-homes/>.

LEASE-TO-LOCALS

The Town's Lease-to-Locals program provides cash incentives or subsidies to property owners who convert short-term rentals or underutilized properties into year-round rentals for Nantucket residents. The subsidies aim to bridge the property owner's potential revenue gap between a year-round rent-capped, below-market-rate lease and a seasonal rental.⁵⁰

This program offers several advantages to the Town and the community, including but not limited to:

- Promoting a year-round community
- Utilizing existing housing stock
- Lowering cost-burden for tenants
- Devolving maintenance burden and expenses onto the owner

The program's original intention was to serve as a temporary measure to support year-round residents until they could find more stable and permanent housing. While many residents agree on its success and effectiveness, the inherent cost of subsidizing property owners makes it expensive and difficult to scale. The AHT allocated \$550,000 to continue the program into 2026, its third year. As of December 2025, the program has housed 102 residents across 44 properties in two years, up from 22 properties after its first year.⁵¹

YEAR-ROUND DEED RESTRICTION PILOT

In 2025, the AHT initiated the Year-Round Deed Restriction Pilot Program to further support the year-round community on Nantucket. Modeled after a nationally recognized program in Vail, Colorado (Vail InDEED), the Nantucket program can pay homeowners to permanently restrict their homes for year-round occupancy by offering a cash incentive to place a permanent deed restriction on their homes, limiting any future sale or rental to year-round residents. The payment is a one-time incentive and cannot exceed 20 percent of the property's appraised value. The income limit for potential homebuyers is 240 percent AMI, adjusted for household size. Additionally, like a Covenant home, the sales price is capped at what would be affordable for the buyer-household at the income limit, adjusted for household size.⁵²

The Year-Round Deed Restriction Pilot Program encountered initial challenges with homeowner interest, potential homebuyer eligibility, and a legal requirement that interested applicants approach the Town through a "Request for Proposals" (RFP) process under the state's uniform procurement law. The pilot drew only six applicants, one of whom qualified, but that applicant did not complete the process as of March 2026. Residents have said that the incentive offered is often not enough to bridge the gap between the capped sale price and the market price for a home. As housing prices continue to rise on Nantucket, this gap grows even wider, and there are limited funds to keep pace. However, the program may need to be redesigned to make it more accessible to

⁵⁰ Town of Nantucket, "Lease to Locals," accessed June 1, 2026, <https://nantucket-ma.gov/3616/Lease-to-Locals>.

⁵¹ JohnCarl McGrady, "Affordable Housing Trust Endorses Additional Funding for 'Lease to Locals' Program," *Nantucket Current*, December 7, 2025, <https://nantucketcurrent.com/news/affordable-housing-trust-endorses-additional-funding-for-lease-to-locals-program>.

⁵² Housing Nantucket, "Update: Year-Round Deed Restriction Pilot Program," December 22, 2025, <https://housingnantucket.org/pilotprogram/>.

interested property owners because the RFP requirement is a barrier to participation. It could be easier for Nantucket to administer year-round deed restrictions through an inclusionary zoning bylaw that focuses on year-round housing restrictions instead of household income restrictions, similar to the inclusionary zoning that exists in Vail – the same community that inspired Nantucket’s Year-Round Deed Restriction Pilot Program.

SOCIO-POLITICAL CLIMATE

There are clear divides among community members regarding how to approach the island’s housing crisis and which strategies are in the best interests of Nantucket. Residents express differing opinions and viewpoints on the role of the Town and on what, where, and how resources should be expended to address housing needs. While these disagreements are not unique to Nantucket, they are heightened on the island, perhaps due to the severe constraints and seemingly insurmountable issues perceived by members of the community. Nevertheless, the lack of agreement or consensus on individual actions or broader housing goals only inhibits progress towards meaningful changes that serve and improve the community.

At its roots, public tension simply stems from too much demand competing for the very limited supply of island resources. There is a shortage of housing accessible to all residents, excessive barriers to building homes, and insufficient funding to develop the necessary housing and infrastructure. Meanwhile, demand grew not only for housing but also for historic preservation, land and environmental protection, climate change mitigation, transportation improvements, public health safeguards, community services, and more. These demands can be overwhelming, especially for those working in public service in a lone municipal government with limited resources. Furthermore, Town staff and officials consistently observed an erosion of public trust in local government, which they may attribute to general misinformation, perceived lack of transparency, negative experiences with staff or projects, or a feeling that meaningful progress has been lacking. Together, these sentiments have the potential to hinder or even stall critically needed housing initiatives.

In all consideration, there seems to be universal awareness of the housing crisis, more so than ever, raising public urgency for action and catalyzing local efforts. Since 2019, Nantucket residents have voted to approve \$151.7 million in funding for the AHT at Town Meetings, over half of which has been committed to tangible projects. In 2023, residents voted to approve a tax override to fund \$6.5 million annually for the AHT to support year-round housing efforts, reflecting a strong community consensus for year-round housing and recognizing the need for populations that sustain island functionality.⁵³ It is crucial to find where consensus exists and use this momentum to pave the way forward.

⁵³ Town of Nantucket, “Housing Department,” <https://www.nantucket-ma.gov/3180/Housing-Dept>.

3. Housing Goals

Housing goals are broad, ambitious, yet realistic and measurable outcomes that the community seeks to achieve through coordinated housing efforts and implementation.

As required by EOHLC under Chapter 40B to maintain Safe Harbor status, all certified HPPs must outline goals that aim to produce a mix of housing types that...

- is affordable for low-income households;
- provides a range of housing types; and
- is feasible within the housing market.

Nantucket must produce affordable units for low- to moderate-income households at or below 80 percent AMI at a rate of at least 0.5 percent of its year-round housing stock each year, or 1 percent every two years, over the next five years. This amounts to 31 new SHI-eligible affordable units each year, or 62 units every two years.

Beyond this numerical goal for affordable housing production, this section outlines additional qualitative goals to address other housing needs demonstrated by residents. These goals are informed by and grounded in findings from the Housing Needs Assessment and Development Constraints, previous housing efforts, and public participation.

GOAL 1: PRESERVE AND EXPAND THE YEAR-ROUND HOUSING STOCK

Most of Nantucket's housing stock is used seasonally, and some of the housing needed to address the island's needs already exists but does not serve year-round residents. Furthermore, many year-round homes are vulnerable to the demanding, relentless housing market, where they risk being converted into seasonal dwellings for part-time residents or short-term rentals (STR). The Town has made significant progress in increasing year-round housing opportunities in recent years, but there remains much more to be done to preserve the year-round community.

GOAL 2: INCREASE HOUSING OPPORTUNITIES AT A MIX OF AFFORDABILITY LEVELS

There is a demonstrated need for both rental and homeownership opportunities among households at various income levels. In addition to prioritizing affordable units for low- to moderate-income households, the Town should further continue to encourage attainable housing for middle-income households up to 250 percent AMI. This is critically important for to improving housing access for residents priced out of the market but who do not qualify for affordable housing reserved for lower-income households.

GOAL 3: DIVERSIFY HOUSING TYPES TO SUPPORT ALL RESIDENTS

The current housing market is largely inaccessible to many residents and is displacing those who make the island function year-round. These residents include, but are not limited to, the workforce, municipal employees, families, seniors, homeowners, renters, and long-term residents. Nantucket must diversify its housing stock to increase homeownership and rental options, maintain affordability, and meet the housing needs of all residents to preserve the island community.

GOAL 4: REVISE POLICY AND ZONING TO ENCOURAGE RESPONSIBLE GROWTH

The zoning bylaw should be modernized to align with current development patterns, leverage the housing market, and shape future growth. The current bylaw imposes numerous regulatory barriers to housing development and should be revised to streamline the permitting process, reduce development complexity, and incentivize affordable housing while protecting public health and environmental quality.

GOAL 5: COORDINATE FINANCIAL, INFRASTRUCTURAL, REGULATORY, AND ORGANIZATIONAL RESOURCES TO STRENGTHEN LOCAL CAPACITY

Given Nantucket's limited capacity and resources, the Town should explore additional methods to expand its municipal, financial, regulatory, and political capacity to better support and implement housing policies and strategies to address the island's needs. Additionally, partnering with the Cape and Islands region can enhance the Town's ability to conduct these efforts.

4. Implementation Strategies

Housing strategies for implementation are specific objectives that the Town and the community can achieve to move Nantucket closer toward its stated housing goals.

At a minimum, EOHLC-certified HPPs must list strategies that address the following:

1. Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating SHI-Eligible Housing developments to meet its housing production goal;
2. The identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications;
3. Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality;
4. Identification of municipally owned parcels for which the municipality commits to issue requests for proposals (RFP) to develop SHI-Eligible Housing; and
5. Participation in regional collaborations addressing housing development.

PRODUCE AFFORDABLE AND “DEEPLY AFFORDABLE” HOUSING

To comply with Chapter 40B, the Town must produce and add 0.5 percent of the Census year-round housing stock (31) affordable units to the SHI each year, or 1 percent (60) every two years. Affordable units must be restricted to households at or below 80 percent AMI to be SHI-eligible.

Under Chapter 40B, all units in a *rental* development, including market-rate or non-LMI units, may be counted on the SHI if affordable units restricted to 80 percent AMI or below comprise at least 25 percent of all units in a development. Non-LMI *ownership* units are not SHI-eligible.

The Town should also consider encouraging the development of “deeply affordable” units, or units restricted to very low- to extremely low-income households at or below 60 percent, 50 percent, or even 30 percent AMI. Under Chapter 40B, all units in a rental development may be counted on the SHI if “deeply affordable” units restricted to 60 percent AMI or below comprise at least 20 percent of all units in a development, rather than 25 percent for having units at or below 80 percent AMI.

The proportion of income-restricted units would be smaller but reserved for households at the lowest income levels. Creating and reserving more units at these levels would help reduce overcrowding of homes and minimize the displacement of Nantucket’s extremely low-income workforce.

CONTINUE TO MONITOR AND PRESERVE SHI UNITS

There are many instances in which communities across Massachusetts create and add affordable units to their housing stock, but the units fall off the SHI due to improper administration. In other cases, SHI units might not have their income restrictions enforced, and without a proper enforcement procedure in place, these problems go unnoticed.

SHI units developed under 40B or with state funds are typically monitored by the subsidizing agency, but other SHI units can be monitored by third parties, such as a nonprofit, land trust, the Housing Department, or another designated entity. The Town should continue to regularly check with each monitoring agent to ensure that SHI units are properly administered.

Furthermore, not all units stay on the SHI in perpetuity. Nantucket has 45 SHI units with deed restrictions set to expire as early as 2033, and 103 SHI units in total by 2047. Usually, the developer of expiring units can renegotiate with financing bodies to continue subsidies in order to keep the units on the SHI; however, Nantucket is far from the norm. Developers may be more incentivized to forego the subsidies and rent or sell to the more lucrative market instead. In this case, the Town may need to implement more aggressive funding strategies to preserve SHI units; otherwise, it will be more expensive to create and add new SHI units.

CREATE AND REGULARLY UPDATE A COMPREHENSIVE HOUSING INVENTORY

The Town should organize and develop a comprehensive housing inventory in collaboration between the Housing Department, PLUS, and the Assessor’s Office. This tool enables staff to track property types, monitor transactions, document deed restrictions and participation in Town

affordability programs, and stay informed about the island's overall housing stock, allowing them to proactively identify future housing needs. The Town created a registration system to identify STRs, as defined in §123-2, but should consider creating an inventory or registry of year-round rentals, as well.

IDENTIFY POTENTIAL SITES FOR AFFORDABLE HOUSING

The Town must identify *municipal properties* potentially suitable for affordable housing development. Once selected, the Town may dispose of them and issue Request-for-Proposals (RFP) for affordable housing development. Underused Town-owned properties should be considered for rehabilitation, repurposing, or disposition for housing.

The Town must also identify *privately owned properties* potentially suitable for affordable or mixed-income housing development. Ideal sites are owned by commercial, industrial, or institutional owners or private non-profit organizations, rather than individual homeowners, who have a greater capacity to develop residential properties. The Town should work with the owner to facilitate or encourage the development or redevelopment of the site for SHI-eligible housing. Where appropriate, some sites should be encouraged to be developed with a negotiated Comprehensive Permit ("friendly" Chapter 40B), either by the original owner or a third-party developer. This method uses Chapter 40B tools and allowances, offering more development flexibility over unnecessarily restrictive local zoning, and expedites development, while ensuring that the development aligns with community values and creates a meaningful number of affordable units.

REVISE ZONING AND REGULATIONS TO PROMOTE AFFORDABLE HOUSING

In order to enable housing development on a meaningful scale, the Town's zoning bylaw and regulations must be revised in several ways to encourage housing creation:

- Expand existing allowable uses, such as secondary and tertiary dwellings and duplexes, to additional zoning districts.
- Expand existing permitted uses, such as apartment buildings and workforce or employee housing, to additional zoning districts or allow them by-right or site plan review in select districts where appropriate. Apartment uses (dwelling unit above a commercial use) could be expanded to be allowed by-right in all commercial districts in the TOD.
- Consider incorporating a tiered system in the Inclusionary Housing bylaw to encourage affordable units for a range of household incomes.
- Adopt a second type of inclusionary zoning with incentives (density bonuses and other types of cost offsets) in the Town Overlay District to create units restricted for year-round occupancy *independent of household income limits*. This type of inclusionary policy, modeled after the Vail, Colorado approach, should be instituted to complement the Town's year-round housing deed restriction program by creating year-round restricted units through the real estate development process, not at the expense of Nantucket taxpayers.
- Provide property tax incentives to create and preserve affordable units.
- Offer real property tax abatements for property owners who rent to year-round households with low or moderate incomes.

- Consider establishing higher-density residential and mixed-use districts in place of the existing conventional use districts in areas of Nantucket with the highest growth potential.
- Complete the ongoing subdivision regulation update to ensure they align with the Town's housing goals.

STREAMLINE THE PERMITTING PROCESS

Many stakeholders and developers express frustration with Nantucket's permitting process, which is commonly described as overly burdensome, more so than in other Massachusetts communities. The Town's regulations grant too much discretionary power to several permitting authorities, thereby lengthening approval timelines and increasing development costs.

To reduce these regulatory barriers to construction, the Town should streamline and simplify local permitting. One step is to reduce or eliminate special permit requirements and reduce dependency on discretionary approval. Instead, the Town could effectively encourage the construction of permitted uses by allowing them by-right pending site plan review. A site plan review requirement ensures that new developments fit the community's preferred scale for specific uses, which may be illustrated in accompanying design standards or guidelines.

The Town should also consider new allowances to guide growth, such as cottage courts with limited retail or commercial options, or develop character districts based on development standards instead of traditional use districts, to provide more flexibility for residential development while preserving historic neighborhoods. In the same vein, the Historic District Commission (HDC) Special Act legislation should be revised to enable needed housing growth and align with Nantucket's housing goals, supported by the following recommendations:

- Review in detail HDC's operations and recommend updates to the Special Act legislation.
- Exempt common items from full HDC review or shift the review responsibilities to the Town staff.
- Consider establishing separate historic district commissions for different areas of town to distribute review responsibilities and accelerate approvals.
- Work with the HDC to create design standards for pre-approved housing plans, i.e., plans that will be eligible for expedited approval.
- Review and, if suitable, implement the recommendations from the National Alliance of Preservation Commissions for the Town's preservation program and Special Act legislation.

CONTINUE IMPLEMENTATION OF SEASONAL COMMUNITIES DESIGNATION

The Town adopted the Seasonal Communities Designation in 2025 and has committed to implementing zoning changes in accordance with state regulations and guidelines. The Town has made progress in its first year: adopting the "Protected Use ADU" bylaw and amending the bylaw's definition of "attainable housing," increasing the income limit from 240 to 250 percent. Nantucket must continue this momentum and should implement the following tools provided by Seasonal Communities:

- Acquire year-round housing occupancy restrictions without affordability restrictions to increase housing opportunities for middle-income households.
- Develop or acquire housing with preference for local essential municipal workers
- Allow by-right year-round, attainable residential development on undersized lots.
- Allow by-right tiny homes, provided they are restricted to year-round occupancy.
- Adopt the maximum residential tax exemption of 50 percent to offer more relief to year-round residents, especially long-term households near retirement age.

CREATE AND PRESERVE YEAR-ROUND HOUSING

Without regulatory intervention, the current market incentivizes property owners and developers to build and rent dwelling units to seasonal residents or visitors during the summer months. To reduce the abundance of seasonal homes and mitigate their effects on the Town's current housing inventory, the Town should identify and support the following strategies to secure homes for year-round residents:

- Amend zoning to offer regulatory waivers, expedited approvals, and other types of cost offsets for developers to place year-round deed restrictions on new construction.
- Implement the tools available through the Seasonal Communities Designation to create more year-round housing opportunities.
- Identify and build relationships with year-round homeowners who are aging out of their homes within the next five years. Together, explore ways to preserve their homes for continued year-round use and prevent them from being sold or converted to seasonal housing.
- After launching the rental preservation program, consider revising its guidelines to allow Lease-to-Locals participants to transfer into the program, preventing underutilization of Lease-to-Locals units or the loss of units to short-term rentals.
- Continue acquiring more properties for housing.

REUSE, REHABILITATE, AND REDEVELOP UNDERUTILIZED PROPERTIES

Nantucket has not adopted zoning provisions specifically encouraging adaptive reuse, conversion, or the rehabilitation of existing buildings for housing. Existing buildings may be renovated under the Town's general zoning bylaw, including regulations governing preexisting nonconforming structures, but the zoning bylaw does not provide dedicated incentives, streamlined permitting, or special standards for converting existing buildings to residential use. The Town should explore zoning incentives for the reuse of existing structures to preserve neighborhood histories, make use of existing materials, reduce development impact, and minimize development costs.

In addition to codifying reuse into the bylaw, the community can support reuse in other ways. The Town can work with the Nantucket Preservation Trust to assess the island's historic housing stock and identify properties that may be suitable for income-restricted housing.

If reuse opportunities are limited, infill developments should be prioritized where possible, to build dwellings closer to existing municipal infrastructure and services and maximize protected open

space on Nantucket. The TOD is intended to encourage infill development, and provisions such as those regulating residential development options and ADUs indirectly support it. However, the Town might want to consider establishing a dedicated infill bylaw or overlay to further stimulate infill growth.

EXPLORE ALTERNATIVE HOUSING OPTIONS

The Town recently adopted Protected Use ADUs to comply with state regulations under the 2024 Affordable Homes Act, but it can do more to accelerate ADU construction. Town staff should research the effectiveness of voluntary restrictions on ADUs and identify additional ways to incentivize production.

In addition to allowing Protected Use ADUs, the Town should consider allowing modular or prefabricated homes by-right or by site plan review. As prefabricated housing types, they would be constructed off-island and then transported to a permanent site on Nantucket, significantly reducing the construction costs associated with traditional housing on the island. An example of prefabricated housing is tiny homes, which the Town may and should allow by-right under the Seasonal Communities Designation.

The Town may supplement these approaches with design guidelines or a “pattern book” of preapproved plans or designs to align these housing styles with the island’s existing architectural character while expediting the permitting process, particularly for site plan review and historic district approval. Not only does this tool make the approval process easier for permitting authorities, particularly the Planning Board and HDC, but it also simplifies the process for small-scale developers, who can choose from a list of pre-approved plans. This method promotes predictability and consistency in small-scale housing development, especially for one- to four-unit dwellings.

To further diversify the seasonal housing options for visitors of all income levels and free up housing for employees and year-round residents, the Town should also consider adopting zoning allowances for temporary lodging, such as hostels and boarding houses. This could be in addition to expanding commercial lodging use or “transient residential facilities,” such as hotels and inns, to more zoning districts.

STRENGTHEN THE DEMOLITION DELAY BYLAW

To promote housing preservation and affordable housing, the Town should consider additional measures to strengthen the demolition-delay bylaw. One way is to increase fines for unpermitted demolitions to strengthen the demolition delay bylaw and encourage compliance. The current fine of \$1,000 is low given Nantucket’s exceptionally property values, and as a result, it is an insufficient deterrent to unlawful demolitions.

The Town should also consider adopting a deconstruction bylaw to complement the demolition delay bylaw. A deconstruction bylaw could require that buildings pending demolition be assessed for reusable materials and carefully dismantled to salvage materials for reuse in new construction or recycling. This level of policy-driven support is crucial for local partners to effectively fulfill their missions in sustainability, preservation, and affordable housing.

EVALUATE YEAR-ROUND HOUSING PROGRAMS

The Town should regularly evaluate the new housing programs it has initiated, such as the Year-Round Deed Restriction Pilot Program and Rental Preservation Program, to measure their effectiveness, identify gaps, monitor changing market conditions, and make necessary adjustments to funding or administration to ensure the programs' long-term success.

SUPPORT HOUSING FOR SENIORS AND PEOPLE WITH DISABILITIES

The Town should support and advocate for initiatives that expand affordable housing options for seniors. At the same time, there should also be efforts to dedicate land, funding, and other resources to the development of supportive housing that enables older adults and residents with physical or cognitive disabilities to remain safely and affordably housed within the community.

EXPAND INFRASTRUCTURE TO FACILITATE HOUSING GROWTH SUSTAINABLY

The Town should expand and coordinate infrastructure investments, including continuing sanitary sewer system improvements, to support sustainable housing growth by aligning septic and wellhead protection regulations with affordable and year-round housing goals. These efforts will help protect critical water resources while increasing the capacity for new housing development and supporting the long-term needs of the year-round community.

INCREASE FUNDING AND LEVERAGE ADDITIONAL RESOURCES

The Town should increase and diversify funding sources to support housing initiatives by pursuing alternative revenue streams, increasing staff capacity to manage housing programs, and developing a long-term financial strategy for housing investments. Expanding financial resources and organizational capacity will enable more effective implementation of housing policies, preserve existing housing, and create new affordable and year-round housing opportunities for residents.

As Town representatives work to pass transfer fee legislation at the state level, it is crucial to explore alternative funding sources for housing initiatives to maintain control over Nantucket's financial direction. Nantucket would benefit from developing a loan fund management plan with underwriting guidelines to better strategize how to leverage its funds and to communicate the Town's expectations for non-profit and for-profit developers seeking to access Town resources.

The Town also has room to increase its Community Preservation Act (CPA) surcharge from 2 percent to the maximum of 3 percent. The CPA surcharge is levied on local property taxes and supplemented by annual state matching funds to finance projects related to affordable housing, historic preservation, and open space. CPA revenues have been an important local funding source for affordable housing initiatives on the island and can contribute even more. Additional funding can support existing or potential housing efforts, such as:

- purchasing distressed or low-cost market-rate housing for resale with covenant restrictions;
- subsidizing the cost of market-rate units; and
- developing a down payment assistance program.

STRENGTHEN PARTNERSHIPS AND COLLABORATION

The Town should strengthen partnerships with local nonprofits, regional organizations, major employers, and private developers to expand its capacity to address housing needs. By coordinating with community stakeholders, pursuing regional housing initiatives, and leveraging external expertise and resources, the Town can increase housing production, support year-round residents and essential workers, and implement housing programs and policies more effectively.

Public-private collaborations can help reduce the Town's burden to produce more housing, bypass burdensome state procurement requirements, and expedite the creation of new year-round housing opportunities throughout the community.

Other recommendations for the Town include:

- encouraging coordination between non-profits and the creation of issue-based coalitions;
- collaborating with Nantucket Land Bank to identify opportunities to address pressing community needs within the scope of its enabling legislation; and
- working with large Island employers to expand housing options for essential workers, including teachers and hospital staff.

CONTINUE TO EDUCATE THE PUBLIC AND ADVOCATE FOR HOUSING

There are countless ways to advocate for housing opportunities to address island needs and to educate the public about why they are important.

The Nantucket community should continue having constructive discussions to bridge public divides, identify common interests, and reach consensus for housing goals. Discussions should include envisioning a year-round community, potential modifications to enhance planning and plan implementation capacity, and strategies to improve coordination among the planning initiatives of multiple departments, boards and commissions, and community groups.

The Town should also expand its outreach and develop a comprehensive marketing campaign to *increase public awareness of the Town's existing housing programs and opportunities for year-round housing*. Results from surveys conducted during the process of developing this plan indicate generally low awareness of several housing resources. Furthermore, in-person outreach demonstrated that many residents want to participate in public meetings about housing to share their perspectives, but they were unaware of these opportunities. The Town should continue to improve its communication toward affected residents by partnering with trusted stakeholders in underrepresented communities and making housing-related materials available in Spanish, Portuguese, and other languages as appropriate.

Given the complexity of the permitting process in its current state, the Town should provide applicants with additional guidance and support while increasing staff capacity and board training to improve project review and administration. Establishing a dedicated housing or permitting coordinator could help to streamline applications, reduce burdens on existing staff, and create an efficient, approachable, and predictable process.

Finally, Nantucket leaders should continue to advocate for the passage of the transfer fee legislation at the state level. As currently proposed, it would allow municipalities to add a 0.5 to 2 percent surcharge on high-value real estate transactions, typically over \$1 million, to fund affordable housing.

Potentially Suitable Sites for Affordable Housing

To increase the supply and availability of housing on Nantucket, there is interest in redeveloping and subdividing underutilized Town-owned and privately owned sites. This section features selected properties that support the goals and strategies of this HPP through new development or redevelopment, or that would distribute housing options more evenly across town instead of concentrating them in specific areas, such as within a zoning district or overlay. Proposed zoning changes in this HPP are intended to unlock the development potential of these areas while creating clear pathways for a range of housing types.

Some of these sites were previously highlighted in the 2021 HPP but remain underutilized or unchanged, so they are re-listed as they continue to hold potential. However, other sites listed in the previous HPP were redeveloped since:

- **18 Vesper Lane:** The AHT purchased and exchanged 18 Vesper Lane to Cottage Hospital for 16 Vesper Lane.
- **16 Vesper Lane:** The AHT awarded an RFP in 2025, and the site is currently under development for a 55+ community with 17 units.
- **135/137 Orange Street:** The AHT awarded an RFP in 2025, and the site is currently under development.
- **5/7/9 Wait Drive:** Developed and completed by Habitat for Humanity in 2025 for affordable ownership units.
- **7 Amelia Drive:** the Town issued an RFP in 2025.
- **31 Fairgrounds Road:** Developed and completed into Wiggles Way in 2024 by Housing Nantucket with funding support from the AHT for affordable and workforce rentals.

The following section is not a comprehensive list and does not endorse any specific project, as many properties around Nantucket could potentially be redeveloped using different strategies and zoning reforms described in this HPP. Instead, it showcases key examples of such properties to demonstrate how the town can achieve its housing objectives by concentrating development on select sites. By identifying these locations as preferred areas for residential growth, the Town seeks to encourage housing proposals that advance local housing goals and support the creation of affordable housing in accordance with state housing policy, particularly Chapter 40B.

PUBLIC SITE 1



Address	40 Pleasant Street
Owner	Town of Nantucket
Parcel ID	55.4.1-181
Area (acre)	0.30
Zoning	TOD Residential Old Historic (ROH)
Utilities	Public Sewer
Description	Existing Town parking lot.
Constraints	Issues around easements and access to the street for existing neighbor parcels.

PUBLIC SITE 2



Address	55 Fairgrounds Road / 10 Parker Lane
Owner	Town of Nantucket
Parcel ID	67-308 / 67-311
Area (acre)	1.95
Zoning	TOD Residential-10 (R-10)
Utilities	Public Sewer, Well
Description	Acquired by AHT in 2025. 55 Fairgrounds Road parcel is undeveloped.
Constraints	Existing single-family home on 10 Parker Lane parcel; within Zone 2 Wellhead Protection Area.

PUBLIC SITE 3



Address	131-135 Pleasant Street
Owner	Town of Nantucket
Parcel ID	55-270 / 55-271
Area (acre)	1.08
Zoning	TOD Commercial Mid-Island (CMI)
Utilities	Public Water, Public Sewer
Description	Has potential for mixed-use redevelopment, possibly including community meeting space, non-profit office space, or retail space.
Constraints	Existing structure (former fire station) on the parcel, currently housing the Health Department; within Zone 2 Wellhead Protection Area.

PUBLIC SITE 4



Potential Housing Parcels

Feet 0 30 60 90 120
Meters 0 10 20 30



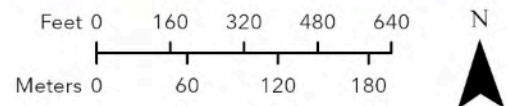
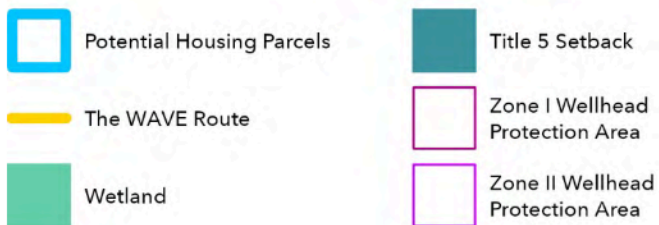
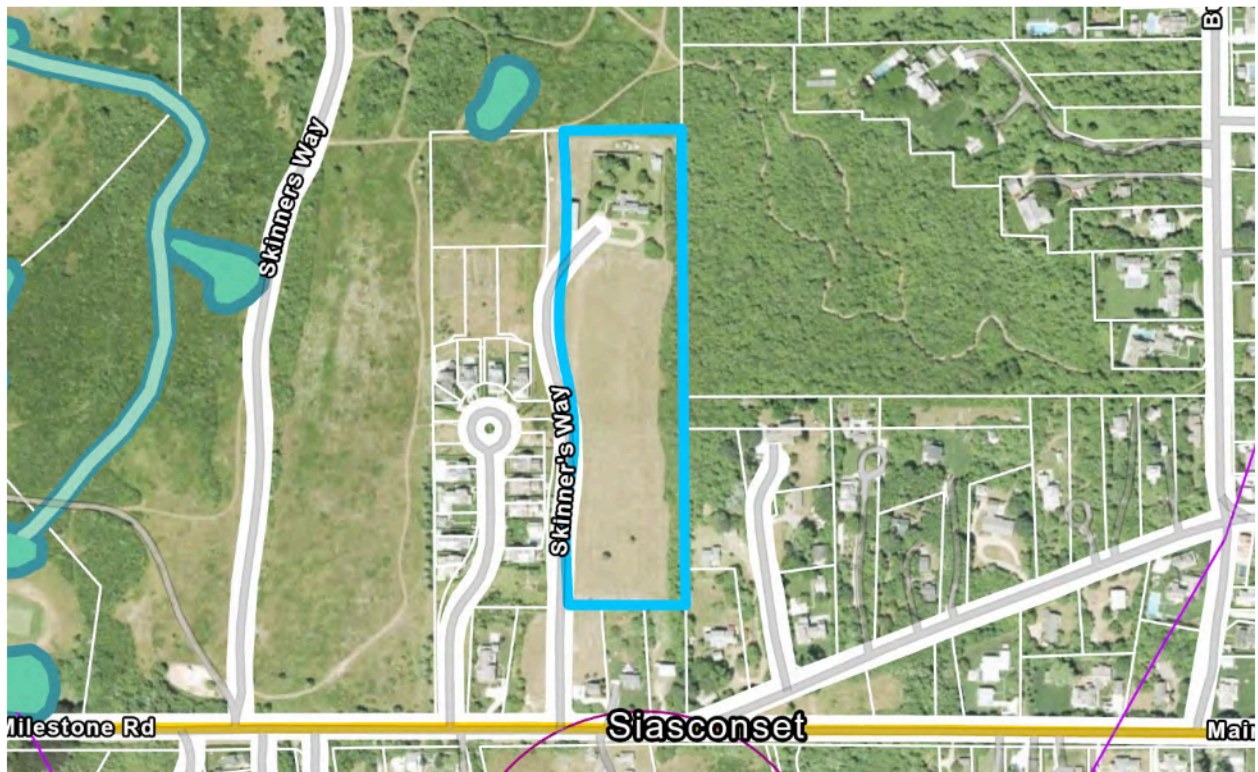
Address	7 Amelia Drive
Owner	Town of Nantucket
Parcel ID	67-434
Area (acre)	0.28
Zoning	TOD Commercial Neighborhood (CN)
Utilities	Public Water, Public Sewer
Description	Vacant lot with potential for mixed-use development with housing above commercial use on the ground floor.
Constraints	Abuts two private lots; within Zone 2 Wellhead Protection Area.

PUBLIC SITE 5



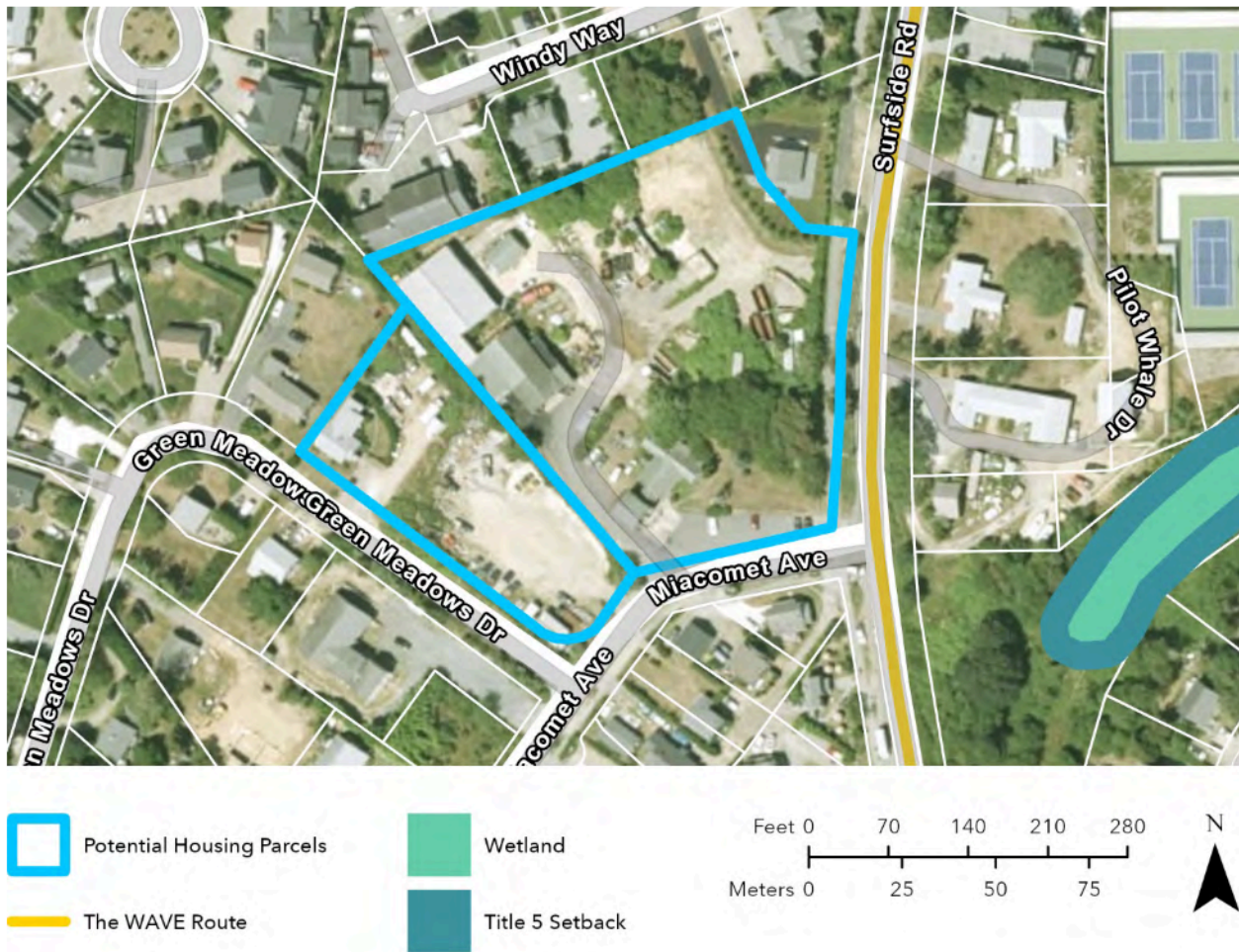
Address	47 Okorwaw Avenue
Owner	Town of Nantucket
Parcel ID	79-149
Area (acre)	2.43
Zoning	COD Limited Use General-1 (LUG-1)
Utilities	Well, Septic
Description	Single-family lot with potential for secondary/tertiary dwellings.
Constraints	Large minimum lot size (40,000 sq. ft.).

PRIVATE SITE 1



Address	320 Milestone Road
Owner	Private
Parcel ID	73-55
Area (acre)	6.01
Zoning	COD Sconset Residential-20 (SR-20)
Utilities	Public Water, Septic
Description	Single-family lot with potential for subdivision or secondary lot.
Constraints	Within Zone 2 and Interim Wellhead Protection Areas.

PRIVATE SITE 2

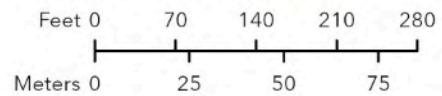


Address	57 Surfside Road / 3 Miacomet Avenue
Owner	Private
Parcel ID	67-210.5 / 67-218
Area (acre)	3.24
Zoning	TOD Residential-5 (R-5)
Utilities	Public Water, Public Sewer
Description	Existing industrial site with potential for mixed-use or multifamily housing redevelopment.
Constraints	Possible contamination from industrial use; within Zone 2 Wellhead Protection Area.

PRIVATE SITE 3

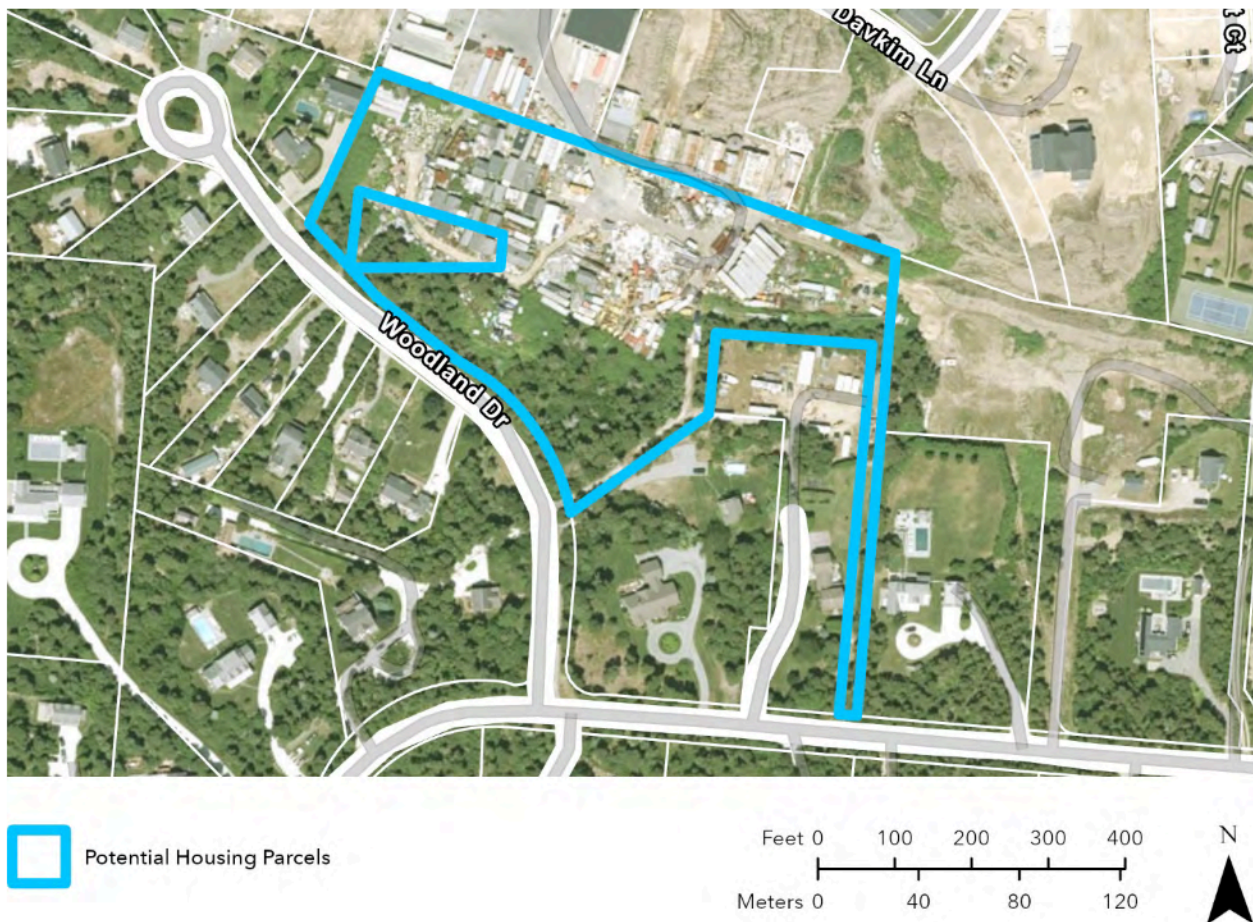


Potential Housing Parcels



Address	25 Rugged Road
Owner	Private
Parcel ID	67-166
Area (acre)	3.02
Zoning	COD Limited Use General-2 (LUG-2)
Utilities	Well, Septic
Description	Single-family lot with potential for redevelopment.
Constraints	Large minimum lot size (80,000 sq. ft.); within Zone 2 Wellhead Protection Area.

PRIVATE SITE 4



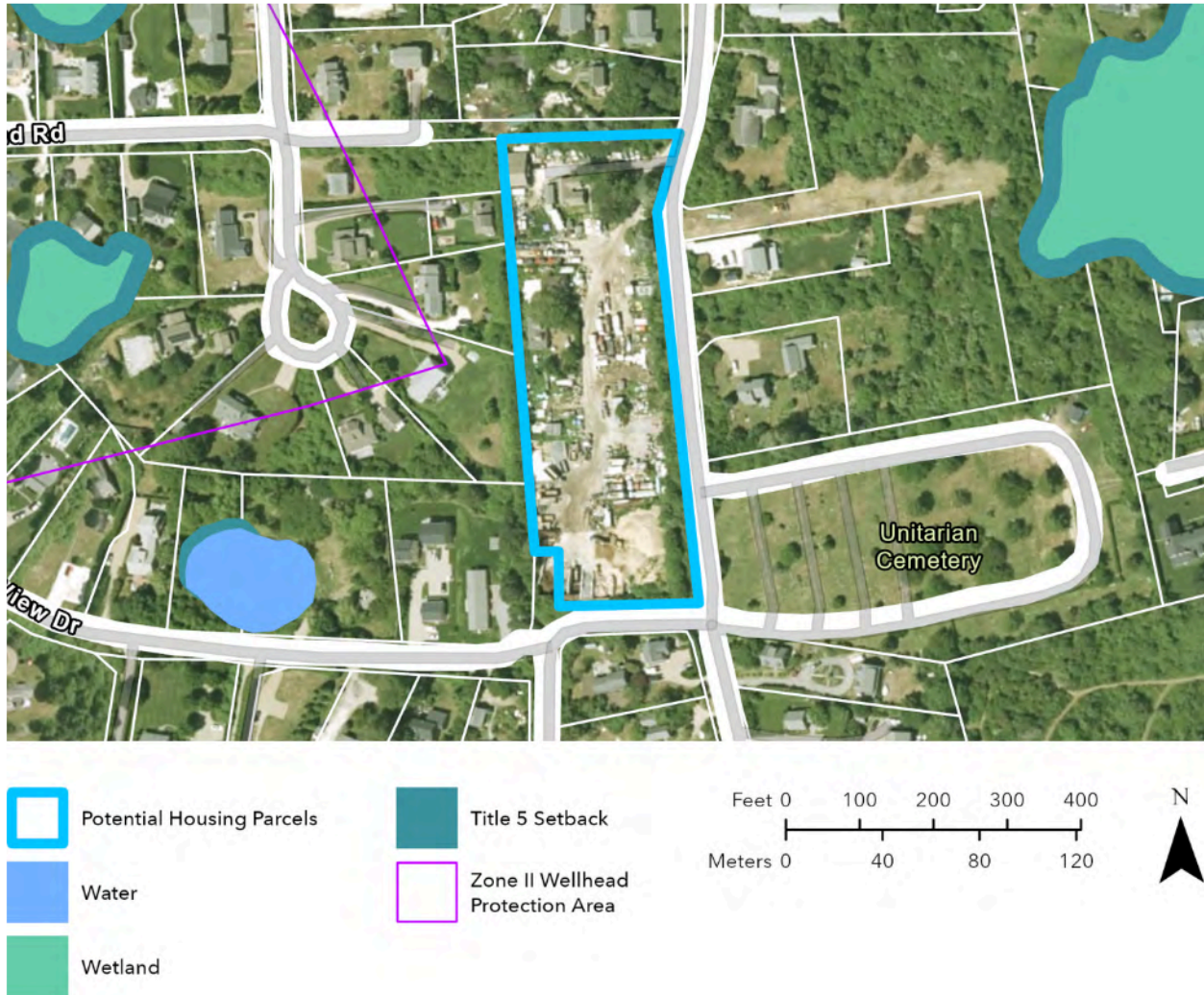
Address	13 Woodland Drive
Owner	Private
Parcel ID	79-208
Area (acre)	4.75
Zoning	COD Limited Use General-2 (LUG-2)
Utilities	Public Water, Public Sewer
Description	Existing industrial site with potential for redevelopment.
Constraints	Possible contamination from industrial use; large minimum lot size (80,000 sq. ft.); within Zone 2 Wellhead Protection Area.

PRIVATE SITE 5



Address	20/24 South Shore Road
Owner	Private
Parcel ID	80-116 / 80-218
Area (acre)	2.14
Zoning	COD Limited Use General-1 (LUG-1)
Utilities	Well, Septic
Description	Existing industrial site (junkyard) with potential for redevelopment.
Constraints	Possible contamination from industrial use; large minimum lot size (40,000 sq. ft.).

PRIVATE SITE 6



Address	21 Somerset Road
Owner	Private
Parcel ID	56-163
Area (acre)	3.04
Zoning	TOD Residential-20 (R-20)
Utilities	Public Water, Septic
Description	Nonconforming industrial use with potential for redevelopment.
Constraints	Possible contamination from industrial use; within Zone 2 Wellhead Protection Area.

PRIVATE SITE 7



Address	46 Cato Lane
Owner	Private
Parcel ID	55-112
Area (acre)	2.24
Zoning	TOD Residential-10 (R-10)
Utilities	Well, Septic
Description	Single-family lot with potential for secondary or tertiary lots.
Constraints	within Zone 2 Wellhead Protection Area

PRIVATE SITE 8



Address	14 1st Way / 21-25 Backus Lane
Owner	Private
Parcel ID	55-99 / 55-626 / 55-627
Area (acre)	2.35
Zoning	TOD Residential-10 (R-10)
Utilities	N/A
Description	Vacant lots (21-25 Backus Lane) with potential for residential development.
Constraints	Possible water and septic requirements; within Zone 2 Wellhead Protection Area.

References

Bibliography under construction

Appendix

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Town of Nantucket Housing Production Plan 2026

Joint Meeting: Select Board and Planning Board
August 19, 2026



Overview

- Housing Production Plan Overview
- State Requirements
- HPP Goals & Strategies
- Procedural Requirements
- Status Update

What is a Housing Production Plan?

- State-regulated planning framework for cities and towns to work toward the 10% minimum under Chapter 40B, the Massachusetts Affordable Housing Law
- Instituted 25 years ago
- Intended to reward communities that make steady progress toward 10% - as Nantucket has done over the past several years
- Primary focus:
 - Local initiatives
 - Housing eligible for the Chapter 40B Subsidized Housing Inventory (SHI): affordable to families with low or moderate incomes

NANTUCKET SHI* LIST PROGRESS

*Subsidized Housing Inventory

Nantucket now has **512** housing units on the SHI list, reaching **8.28%**.

The Housing Department projects **594** units by 2028, quickly approaching the **10%** goal of **618** units.



Source: Town of Nantucket

State Requirements for Housing Production Plan

760 CMR 56.03(4)

State Requirements

- Comprehensive Housing Needs Assessment
 - Demographic analysis
 - Population/household projections
 - Housing market analysis
- Analysis of Development Constraints
 - Environmental resources
 - Infrastructure
 - Local regulations
- Housing Plan Goals
 - Numeric (progress needed to reach 10%)
 - Qualitative
- Implementation Strategies

State Requirements (cont'd)

- Implementation Strategies
 - Zoning districts or geographic areas where the Town will seek to modify current regulations to create SHI-Eligible Housing
 - Specific sites where the Town will encourage 40B Comprehensive Permit applications
 - Preferred housing characteristics in proposed residential or mixed-use developments
 - Identification of Town-owned parcels for which Nantucket commits to issuing RFPs for SHI-eligible housing
 - Participation in regional collaborations addressing affordable housing needs
- Strategies to address other local housing needs may be added to the HPP

2026 HPP Goals & Strategies

Quantitative Goals

Nantucket must produce SHI-eligible affordable units for low- to moderate-income households at or below 80 percent AMI at a rate of at least:

0.5 percent of its year-round housing stock each year, or
1 percent every two (2) years, over the next five years.

For the next five years...

- **31** new SHI units each year, or
- **62** new SHI units every two (2) years.

Qualitative Goals

- **GOAL 1:** Preserve and expand the year-round housing stock
- **GOAL 2:** Increase housing opportunities at a mix of affordability levels
- **GOAL 3:** Diversify housing types to support all residents
- **GOAL 4:** Revise policies and zoning to encourage responsible growth
- **GOAL 5:** Coordinate financial, infrastructural, regulatory, and organizational resources to strengthen local capacity

Implementation Strategies

1. Use zoning requirements and community investments to produce affordable and “deeply affordable” housing
2. Continue to monitor and preserve SHI units
3. Create and regularly update a town housing inventory
4. Identify potential sites for affordable housing
5. Revise zoning to incentivize affordable housing, with cost offsets
6. Streamline the permitting process for housing, e.g., with pre-approved housing plans
7. Continue implementing the Seasonal Communities Designation

Implementation Strategies (cont'd)

8. Develop options to create and preserve year-round housing
9. Require set-asides for year-round workforce housing
10. Reuse, rehabilitate, and redevelop underutilized properties
11. Explore alternative housing options
12. Strengthen the demolition delay bylaw
13. Evaluate and strengthen year-round housing programs, including inclusionary zoning requirements specifically for workforce housing and year-round housing
14. Support housing for seniors and people with disabilities

Implementation Strategies (cont'd)

15. Expand infrastructure to enable housing growth sustainably
16. Increase funding and leverage additional resources
17. Strengthen partnerships and collaboration
18. Continue to educate the public about housing needs and housing insecurity in Nantucket and strengthen advocacy for housing
19. Conduct an annual review and evaluation of HPP implementation; amend and update, as needed

HPP Procedural Requirements

Local Approval Process

- Adoption by Planning Board and Select Board
- Letter signed by Town Manager stating the following:
 - Local adoption dates
 - The submission constitutes the Town's updated HPP
 - Request for HPP approval
- Cover letter from municipal contact (Housing Department)
- Requests for HPP Certification require documentation of new units created

HPP Approval vs. Certification

- HPP may be submitted to the Executive Office of Housing & Livable Communities (EOHLC) for *approval* after local adoption by Planning Board, Select Board
- Approved HPP qualifies the Town to seek *certification* once Nantucket has created the minimum number of new SHI-Eligible units in a given calendar year to meet the HPP's numeric goals
- “Certification” enables the ZBA to deny unwanted comprehensive permits without HAC interference during the certification period
- **Nantucket has qualified for certification several times due to sustained efforts by the Town/AHT and financial commitments from Town Meeting**

Status Update

- Informational meetings: Planning Board, Select Board: July 2026
- HPP Draft published: week of July 20
- Meetings to request approval:
 - AHT, August 4
 - Planning Board, August 10 (rescheduled)
 - Joint Select Board-Planning Board, August 19
- Final HPP with revisions, photos, community engagement summaries, and survey analyses: End of August 2026

Discussion

Nantucket Select Board & Planning Board
August 19, 2026

Strategy	Lead Responsibility	Partners & Support	Timeframe	Housing Goals Supported
1. Through land acquisitions, funding, and partnerships with developers, produce affordable and “deeply affordable” housing	Housing Department; Affordable Housing Trust	Select Board; Finance Committee; Planning Board; PLUS Department	Year 1-2 (Ongoing)	1, 2, 3
2. Continue to monitor and preserve SHI units	Housing Department	Affordable Housing Trust	Year 2-4 (Ongoing)	1, 2
3. Create and regularly update a comprehensive housing inventory	Housing Department	PLUS Department; Assessor's Office	Year 2-4	1
4. Identify potential sites for affordable housing	PLUS Department; Housing Department; Real Estate Office;	Select Board; Planning Board; Affordable Housing Trust	Year 1-2 (Ongoing)	1, 2, 3, 4
5. Revise zoning and regulations to incentivize affordable housing in new developments, conversions, and adaptive reuse projects	Planning Board; PLUS Department	Select Board; Housing Department; Affordable Housing Trust	Year 1-2	1, 2, 3, 4
6. Streamline the permitting process for residential development	Planning Board; PLUS Department	Select Board; Housing Department; Affordable Housing Trust; Historic District Commission; Board of Health	Year 1-2	1, 2, 3, 4
7. Continue implementing the Seasonal Communities Designation	Planning Board; PLUS Department; Housing Department	NPDEC; Affordable Housing Trust	Year 1-2	1, 2, 3, 4
8. Develop options to create and preserve year-round housing	Planning Board; Affordable Housing Trust;	PLUS Department; Housing Department	Year 1-2	1, 2, 3, 4
9. Require all new development, redevelopment, or reconstruction projects to include a set-aside for year-round workforce housing	Planning Board, PLUS	Select Board Affordable Housing Trust, Housing Department	Year 1-2	1, 2, 3, 4
10. Create a regulatory environment that encourages reuse, rehabilitation, and	Planning Board; Real Estate Office; Housing Department	PLUS Department; Historic District Commission;	Year 2-4	1, 2, 3, 4

redevelopment of underutilized properties for year-round housing				
11. Explore alternative housing options	Planning Board; PLUS Department; Housing Department	Affordable Housing Trust; Historic District Commission;	Year 4-5	2, 3, 4
12. Strengthen the demolition delay bylaw	Planning Board; PLUS Department	Historic District Commission; Housing Department; Affordable Housing Trust	Year 2-4	1, 2, 3, 4
13. Evaluate and strengthen year-round housing programs	Housing Department; Affordable Housing Trust	Planning Board; PLUS Department	Year 2-4 (Ongoing)	1, 2
14. Support housing for seniors and people with disabilities	Planning Board; Affordable Housing Trust	Housing Department; Council on Aging; Commission on Disability	Year 4-5	2, 3
15. Expand infrastructure to facilitate year-round housing growth sustainably	Select Board; NPDEC;	PLUS Department; Housing Department; Affordable Housing Trust	Year 4-5 (Ongoing)	1, 3, 4, 5
16. Increase funding and leverage additional resources for affordable and attainable housing	Housing Department; Affordable Housing Trust	Select Board; Planning Board; PLUS Department; NPDEC; Finance Committee	Year 1-2 (Ongoing)	1, 2, 5
17. Strengthen partnerships and collaboration with housing developers and advocacy groups	Housing Department; Affordable Housing Trust	NPDEC	Year 1-2 (Ongoing)	1, 2, 3, 5
18. Continue to educate the public and advocate for housing	Housing Department; Affordable Housing Trust	PLUS Department; NPDEC	Year 1-2 (Ongoing)	4, 5
19. Conduct an annual review and evaluation of HPP implementation; amend and update, as needed	Housing Department; Affordable Housing Trust	Select Board; Planning Board; PLUS Department	Year 1-2 (Ongoing)	4, 5

From: [Will Willauer](#)
To: [Libby Gibson](#); [Erika Mooney](#); [Town Administration](#); [Dawn E. Hill](#); [Brooke Mohr](#); [Matt Fee](#); [Bob DeCosta](#); [Jill Vieth](#); [Joseph Topham](#); [d.m.iverison](#); [lizavhatton](#); [Planning and Land Use Services](#); [Leslie Snell](#); [Megan Trudel](#)
Subject: Draft 2026 Housing Production Plan — request for a directive on infrastructure capacity figures prior to state submission - Submitted for: August 19, 2026 joint Select Board and Planning Board meeting packet
Date: Tuesday, August 11, 2026 4:33:00 PM

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Members of both Boards,

Nantucket Tipping Point submits this comment on the draft Housing Production Plan dated July 21, 2026. We are not asking the Boards to delay adoption. We are asking that adoption carry a directive to complete one required element of the plan before it goes to the state.

Why this protects the submission. 760 CMR 56.03(4)(b) requires that the needs assessment examine development constraints and the Town's plans to mitigate them, and — separately and explicitly — “the capacity of the municipality's infrastructure to accommodate the current population and anticipated future growth, including plans for enlargement or expansion of existing infrastructure systems to ensure that both current and future needs are met.” The draft states the principle at page 59, that housing growth is constrained by the island's infrastructure capacity, and then does not quantify that capacity anywhere in 92 pages. The word “gallon” does not appear in the document. A plan submitted in that condition is weaker than it needs to be, both in EOHLC review and in any future proceeding where the adequacy of the Town's constraints analysis is at issue.

Suggested motion language:

Moved, that the Board adopt the 2026 Housing Production Plan, and further direct that prior to submission to the Executive Office of Housing and Livable Communities, staff supplement the Development Constraints chapter to include:

- (1) for the Surfside and Town wastewater treatment facilities — permitted capacity, current average and peak flows, flow committed to approved but unbuilt projects, and remaining headroom, in gallons per day;
- (2) for the Wannacommet and Siasconset systems — permitted or registered withdrawal volumes, current peak-day demand, the 2024 PFAS6 result by well and analyte with concentration, and the capacity and schedule of the mobile treatment facility referenced at page 60;
- (3) the capital costs already identified for the infrastructure improvements the plan contemplates, including those in the 2021 Sewer Master Plan, together with the funding mechanisms anticipated; and
- (4) identification of the board or department responsible for evaluating these systems in the aggregate against the buildout figures at pages 51–52.

The gap the directive would close. At pages 51–52 the draft reports the Weston & Sampson Buildout Study of August 2025: approximately 86 percent lot buildout but only approximately 38 percent dwelling unit buildout, with up to 1,524 new lots and up to 17,432 additional potential

dwelling units on existing lots under current zoning. The plan appropriately calls this a theoretical maximum rather than a prediction, and notes it excludes special permits, secondary and tertiary lots, Covenant lots, and Flex and Open Space Residential Developments. The study's non-buildable criteria are entirely land-based — open space, conservation and Land Trust parcels, publicly owned parcels, wetlands and buffers, FEMA flood zones, water bodies, sea-level rise. Infrastructure capacity is not among them, and the Development Constraints chapter does not supply it.

On wastewater, page 60 states that improvements to the Surfside facility are expected to grow considering capacity constraints — asserting that constraints exist without stating what they are. The Somerset Needs Area extension receives one sentence.

On water supply, page 55 states that the sole-source aquifer is fed entirely by groundwater recharge from precipitation and is vulnerable to saltwater intrusion, over-pumping, and contamination. Page 60 states that 2024 PFAS6 sampling at Wannacomet showed low levels of PFAS in one groundwater well, that the aquifer is highly vulnerable due to a lack of hydrogeologic barriers, that the facility serving the largest water district does not treat the water, and that a mobile treatment facility is being installed. No concentration, well identification, or installation schedule is given. The plan identifies over-pumping as a risk and states no withdrawal volume, permitted limit, or peak-day demand anywhere. The words “withdrawal” and “drought” do not appear in the document, though Nantucket County has been under a state drought designation throughout the period in which this plan was prepared, most recently addressed by the Drought Management Task Force on August 7, 2026.

On cost, Strategy 15 recommends expanding infrastructure to facilitate housing growth in 63 words. The plan states no capital cost and identifies no funding source for that expansion. The terms “capital improvement,” “betterment” and “ratepayer” do not appear in the document. A recommendation to expand infrastructure, without cost or funding, does not satisfy the regulation's requirement for plans for enlargement or expansion of existing systems.

One related request. The PFAS detection disclosed at page 60 does not appear in Wannacomet's 2025 Consumer Confidence Report, nor does the treatment installation. Siasconset's 2025 report, same department and same year, reports PFAS6 at 2.86 ppt against a 20-ppt state limit. Wannacomet's report separately discloses that a 2024 Notice of Non-Compliance “was not included in our 2024 Consumer Confidence Report as required.” Only the 2025 report is posted on the Town's Water Quality Reports page. We ask that the Boards request the Water Department restore at least five years of reports online.

This is not a request for a moratorium, and it does not oppose housing for the people who live and work here. It asks that a plan required to examine infrastructure capacity do so, using figures the Town already holds.

Respectfully submitted,

Will Willauer
President – Nantucket Tipping Point, 501(c)(3)
PO Box 3604
Nantucket, MA 02584-3604

From: [Jack Weinhold](#)
To: [Libby Gibson](#); [Erika Mooney](#); [Town Administration](#); [Dawn E. Hill](#); [Brooke Mohr](#); [Matt Fee](#); [Bob DeCosta](#); [Jill Vieth](#); [Joseph Topham](#); [d.m.iverson](#); [lizavhatton](#); [Planning and Land Use Services](#); [Leslie Snell](#); [Megan Trudel](#)
Subject: Draft 2026 Housing Production Plan — request for a directive on infrastructure capacity figures prior to state submission - Submitted for: August 19, 2026 joint Select Board and Planning Board meeting packet
Date: Thursday, August 13, 2026 10:52:20 AM

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Members of both Boards:

"Anecdotes are not data." Yesterday I heard that said by a medical researcher in a presentation on the ecological danger it presented for humans and the planet.

To my surprise I later read the same admonition, in Nantucket Tipping Point's comments on the draft Housing Production Plan dated July 21, 2026.

I urge you to replace the comfortable, anecdotal wording with actual facts and data as you follow the request to complete the suggested required element of the plan before it goes to the state.

Respectfully Requested
Jack Weinhold

--

Jack Weinhold
508-228-5242