



A Resource on Short-Term Rentals in the Pocono Mountains



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SHORT-TERM RENTAL COMMITTEE MISSION STATEMENT

A community effort to inform the public and stakeholders of the value of short-term rentals (STR) as well as support fair and common-sense rules and regulations pertaining to the industry within Monroe County as well as Lehman Township, Pike County. Also, to promote the education of owners and renters of STRs with respect to their responsibilities through forums, multimedia storytelling, web resources and social media.

The committee is comprised of Realtors®, public officials, the Pocono Mountains Visitors Bureau and managers of homeowners associations (HOA).



ABOUT

In March 2018, a Short-Term Rental Task Force was formed by the Pocono Mountains Association of REALTORS® Government Affairs Committee in response to changing regulations and member concerns on behalf of their clients. Then, following an additional surge in 2020 in this sector, the task force was formed as a permanent committee.

Short-term rentals, or vacation rentals as we have always called them, are not a new phenomenon in the Pocono Mountains, and they have been a big part of the real estate and vacation industry for generations. The advent of the “sharing economy,” including Airbnb, VRBO as well as similar companies, has changed and expanded the industry exponentially. As a result, our municipal and homeowner association leaders are dealing with a host of new challenges. The mission is to help local leaders to understand the concern while protecting the rights of property owners, whether those are individuals renting out their homes or neighbors of these properties.

READ: Welcome to Rural Pennsylvania: COVID-19 and Residential Property Sales (2021)

STR committee priorities aimed at helping our region continue to thrive:

- 1) Facilitate widespread adoption of Monroe County’s Model Ordinance for Short Term Rentals
- 2) Research regulations in other areas to identify what works and what doesn’t
- 3) Provide education on the topic to members, community leaders, and the public

The STR committee reviewed the Model Ordinance for its efficacy in today’s marketplace and its enforceability and ease of implementation. The STR committee then had several meetings with representatives from the Monroe County Planning Commission, which was the original author of the model document, in order to explain the few changes the realtors recommend.

Concurrently, the STR committee planned and held two educational summits for community officials and the public to address concerns regarding short term rentals. They identified, interviewed and hired national speakers to lead the discussions using data gathered from around the country about finding solutions to problems and important considerations in creating short term rental regulations. The STR committee and PMAR are committed to being the community's partner in this important issue, as it affects our neighborhoods, property values and our local economy.

Realizing how extremely important it is to understand the issue from all sides, the STR Committee also held an information-gathering session with local zoning officers to get a better feel for the issues and pressures the municipalities are experiencing.

The committee partnered with the Pocono Mountains Visitors Bureau to produce a 3-part series of videos in 2021 helping to raise awareness of the economic benefits of short-term rentals and the inherent issues in owning and regulating them, and providing a step-by-step guide to new owners. This series has resulted in a checklist and materials for new and prospective owners of short-term rentals.

The committee also developed a template presentation for HOAs to use to educate their owners. In addition, the committee held quarterly committee meetings for Realtor® members to gain insights into the latest trends and updates.

The STR committee is holding ongoing meetings with municipalities within Monroe County and other experts to convey the economic importance of thoughtful regulation of short-term rentals in our communities. Working together to continue to address the issues with zoning, ordinances and registration of short-term rentals is especially prudent and important in light of the PA Supreme Court ruling.

READ: Court issues decision short-term rentals in residential areas (PARealtor.org)

Additionally, the committee encouraged Pennsylvania Association of REALTORS (PAR) to create a Task Force to look into this issue statewide. The committee subsequently adopted a Policy Statement around Short Term Rentals, to guide any future advocacy, as well as lobbied PAR Standard Forms Committee which agreed to form a Task Force to discuss possible Addenda to Listing Contract, Agreement of Sale, etc, to facilitate the sale and resulting issues around STR properties.

Learned so far:

- Implementation of effective and enforceable reasonable regulations is critical to our area.
- Grassroots education of the public, especially STR owners, around compliance with permitting requirements and hotel/sales tax collection is necessary and PMAR can and should play a key role in this.
- PMAR should continue to offer its partnership in the community to help with issues like this that affect such a broad cross section of our communities and property owners, as realtors have a valuable perspective and many, geographically diverse 'boots on the ground.'
- Partnering with other organizations in these efforts is key.

PMAR SHORT-TERM RENTAL COMMITTEE

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Lake Naomi Real Estate

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Vacasa

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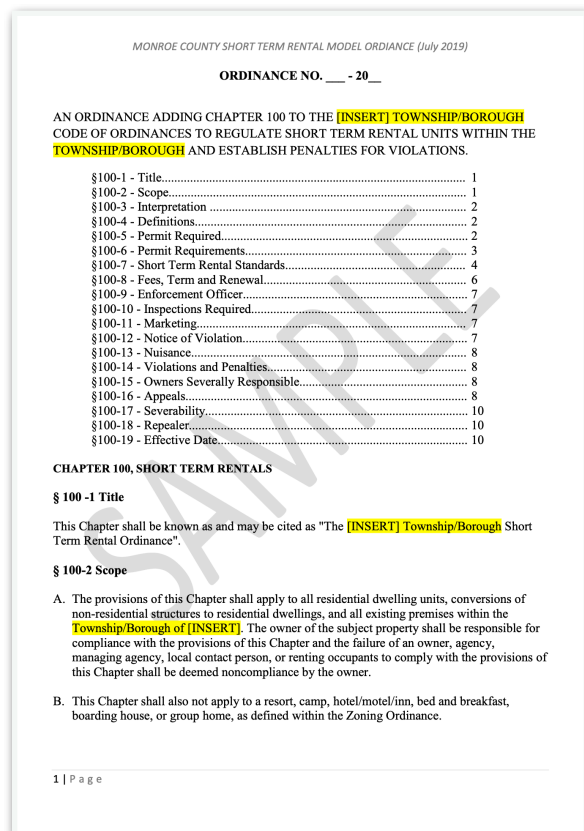
Keller Williams Real Estate

SHORT-TERM RENTAL MODEL ORDINANCE



This document (found at Monroe County Planning Department) should be the standard going forward as it pertains to regulating STRs on a municipal level and homeowners' associations.

(<http://www.monroecountypa.gov/Dept/Planning/Documents/ShortTermRentalModelOrdinance.pdf>)



- Defines terms used in many STR scenarios for townships/boroughs
- Requires STR owners to obtain a permit via application
- Requires at least \$500,000 in general liability insurance
- Permit effective for one year
- Places limits on how many occupants can stay in a STR
- Limits parking to the STR property
- Prohibits disorderly conduct & excessive noise
- Requires smoke/CO detectors and addresses numerous other safety concerns
- Establishes inspections by municipal code enforcement
- Establishes procedures for violations, penalties and appeals

INSIGHTS



POCONO RECORD

Jackson Township's Short-Term Rental program.

Michelle Arner
Zoning & Codes Officer

Initiation and ongoing communication with industry professionals, realtors, government officials and applicants. Communication leads to understanding, understanding leads to development of reasonable regulations. Regulations lead to accountability. Safety improvements to properties (smoke and CO2 detectors, fire extinguishers, handrails on stairways, etc.) Adequate insurance coverage for the use of the short-term rental (STR & home sharing on policies).

Subject to collection of hotel taxes, STRs are on a more level playing field as hotels as they function with the same purpose, transient lodging.

Reviews

Northridge, 557 Upper Deer Valley Road

Daniel M., Bronx, NY

We enjoyed our stay in this spacious and welcoming home. The kids had enough space in the basement to be kids and the dog was able to come with us and enjoy a beautiful Christmas weekend with us. The location was perfect to where you can oversee the slopes as well.

*Rachel R.,
Hempstead, NY*

We had a wonderful time at Camelback for our winter vacation. We rented the house for my family and our mothers and 2 small dogs. The house was very nice and had an AMAZING view. We also appreciated that the beds were made and all the linens were pristine. We would definitely rent again.

Monroe County makes millions with Airbnb rentals

By Brian Myszkowski
February 4, 2020

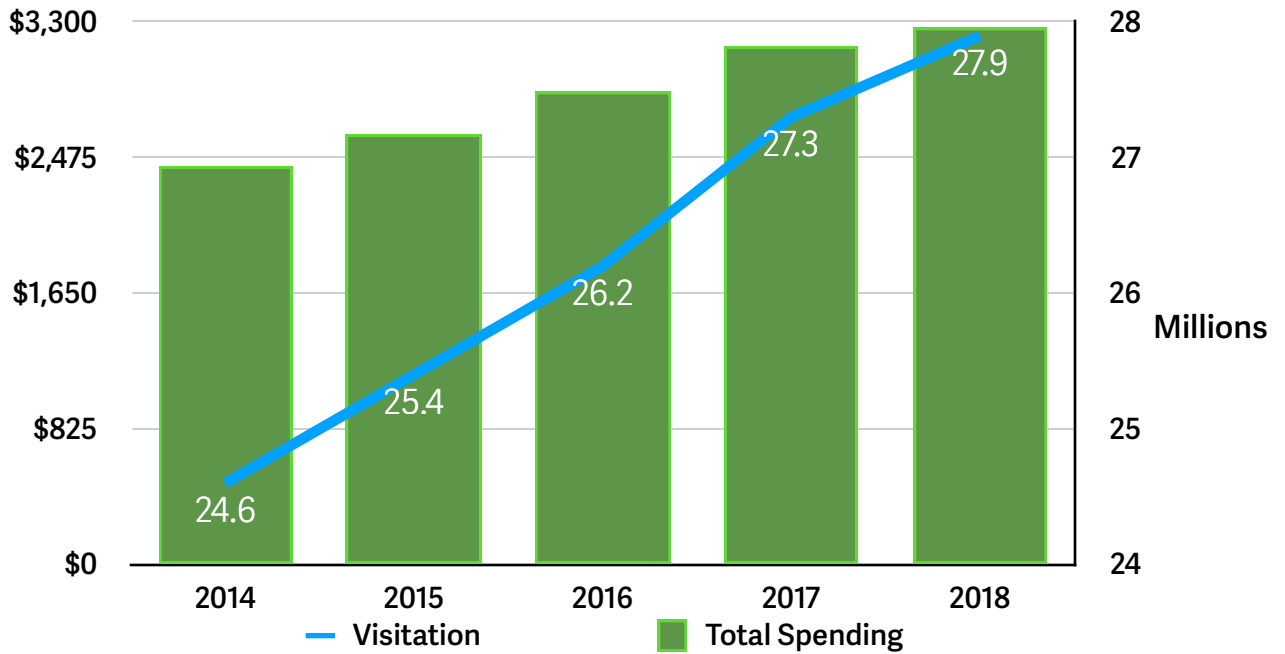
With hosts raking in nearly \$19 million in revenue over the course of 2019, the Poconos have become an absolute hot-spot for Airbnb rentals.

According to the short-term rental company, Monroe County hosts welcomed 156,200 guests to their properties over the past year, netting them \$18.9 million after taxes and fees and establishing the area as Airbnb's third most-profitable county in the commonwealth.

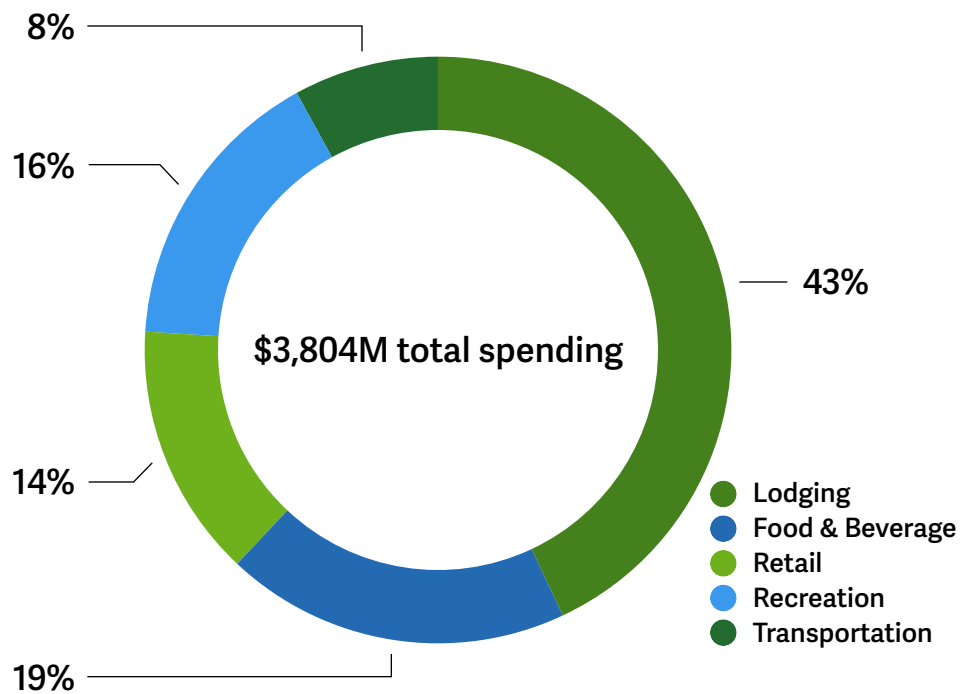
Only Philadelphia, which took \$66.8 million, and Allegheny, which earned \$20.2 million, surpassed Monroe in total 2019 host income.

POCONOS BY THE NUMBERS

Visitation & Visitor Spending in Pocono Mountains



Visitor Spending in the Poconos, 2018



Economic Impact of Tourism in the Poconos, 2018

TALKING POINTS

- FOR DECADES SHORT-TERM RENTALS WERE REPUTABLY OVERSEEN BY REALTORS WHICH HAS ENSURED ACCOUNTABILITY FOR STRS
- NOW GUESTS/OWNERS ARE INCREASINGLY USING ONLINE COMPANIES TO ACT AS INTERMEDIARIES WHICH HAS LED TO LESS ACCOUNTABILITY
- BETTER REGULATION MEANS EVERYONE WINS
- PUTTING A FRAMEWORK IN PLACE TAKES OUT THE GUESSWORK
- STRS HELP SUPPORT MORE PROPERTY OWNERSHIP
- REVENUE OPPORTUNITY IS INCENTIVE TO BUY, LEADING TO MORE HOMES AND PROPERTIES CONTRIBUTING TAXES TO LOCAL MUNICIPALITIES
- MORE STRS LEAD TO MORE VISITATION TO SUPPORT JOBS (2/3 OF LABOR INCOME)
- PROPERTY VALUES INCREASE IN PART DUE TO STRS
- A POTENTIAL BUYER IS MORE LIKELY TO PAY MORE FOR A PROPERTY THAT CAN PROVIDE POSITIVE RECURRING REVENUE
- STRS INCENTIVIZE BUYING "SECOND HOMES" SO THE PROPERTY DOESN'T SIT EMPTY MOST OF THE YEAR
- IN SOME CASES, THERE IS NOT ENOUGH HOTEL/TRADITIONAL LODGING TO HANDLE THE CURRENT DEMAND FOR SHORT-TERM STAYS
- WORKING WITH HOMEOWNERS' ASSOCIATIONS PREVENTS MISINFORMATION, FEAR OF WORST-CASE SCENARIOS
- ATTENDING MEETINGS (TOWNSHIP/ZONING HEARING BOARDS, HOAS) KEEPS LINES OF COMMUNICATION OPEN
- MOST MUNICIPALITIES ADDRESS STRS IN ONE FORM OR ANOTHER IN THEIR ZONING REGULATIONS, AND HAVE RULES SPELLED OUT. REGULATION STILL VARIES GREATLY AND NOT THE IDEAL UNIFORMITY WE WANT
- REALTORS AND THEIR CLIENTS ARE ENCOURAGED TO RESEARCH CAREFULLY WHEN PURCHASING PROPERTIES FOR THIS USE, KEEPING IN MIND THAT YOU MUST CHECK IF ZONING ALLOWS FOR THAT PARTICULAR PROPERTY, AND IF SO, WHAT ARE THE RULES/ PERMITTING REQUIREMENTS UNDER WHICH TO DO THEM, AND DON'T FORGET TO ALSO CHECK WITH THE HOA IF APPLICABLE



CONCLUSION

The Pocono Mountains has steadily been a destination for millions of visitors from NY, NJ, Philadelphia and now more from Washington D.C. and Baltimore as well. Many visitors prefer the ease of renting on a short-term basis in order to experience the feel of “home” while they are away.

Short-term rentals can play a significant role not just in the tourism industry, but the real estate market and the overall economy. Jobs and economic vitality depend on ample supply of lodging options for everyone.

While we recognize the concerns communities have as it pertains to short-term rentals and how they fit into each respective municipality or development, we also want to ensure we’re protecting the homeowners’ ability to make the most out of their properties.

Key Takeaways

- Regulations should be implemented on a case-by-case basis. A complete ban hurts everyone.
- Open discussions with realtors, HOAs, the vacation bureau and stakeholders are key to the STR committee’s success.
- Educating our neighbors about the benefits of STRs will help build a common understanding.
- Education on reasonable compliance and enforcement for all.

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Monroe County Municipalities

<http://www.monroecountypa.gov/Dept/Assessment/Pages/Municipalities.aspx>

Short-Term Rental Checklist

Before you list your property as a short-term rental, follow these important steps:



KNOW YOUR ZONING AND/OR HOA RULES

Is it currently legal? Does your township/borough/HOA allow it? What ordinances/regulations are in place/in the works?



KNOW YOUR NEIGHBORS

Will they be negatively impacted?



KNOW YOUR OWN ABILITIES

Opening a short-term rental is hard work and time consuming. (Linens? Disposable Products? Garbage?)



KNOW YOUR FINANCES

Buy-in cost: Furnishings? Maintenance? Utilities?



ASSEMBLE A VILLAGE

Turnovers/Yard Maintenance/Emergencies/Deep Cleanings/Periodic Reviews/Marketing/Legal/Staging Property

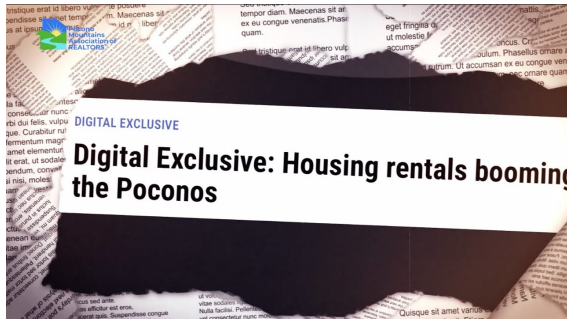


KNOW YOUR TAKEAWAY

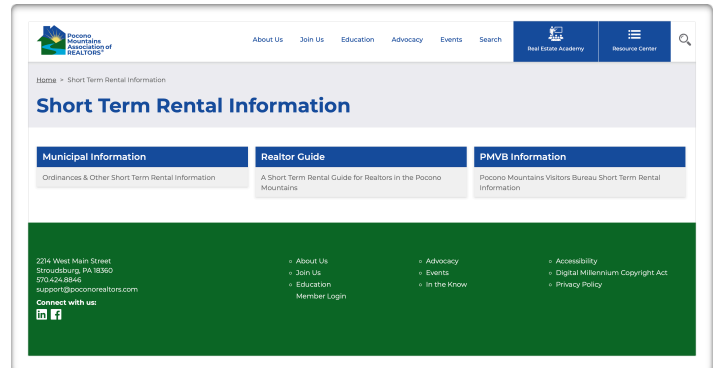
After you pay your village, your take-home \$ is taxed as income



APPENDIX



IMPACT OF SHORT-TERM RENTALS IN THE POCONOS



INSIDE SHORT-TERM RENTALS IN THE POCONOS



SHORT-TERM RENTALS CHECKLIST

Pocono Mountains Marketing Dashboard

Below is a dashboard showing high-level data and metrics that relate to Lodging, Marketing, and Website Data for the Pocono Mountains Visitors Bureau.

- Expand and review the different metrics by clicking on the "+" symbols.
- Each metric is set to YTD as of the end of the previous month. Click on the drop-down menu and select the year you would like review. You can break this down By Year, By Quarter, or By Month. If you select YTD Edge it will give you data listed as of the previous day.*
- Click the "?" icon on each graph for more details represented in the graph.
- Click the Arrow Icon to expand the graph and see more details and click the Grid Icon to see more details on represented data.

*Depending on data sources, some graphs are only updated at the end of the month or by quarter. When looking at previous years, some data may not show as it will only show from when the data was pulled in originally.

STR +

AirDNA +

Book Direct +

Website Traffic +

Website Organic Traffic +

Paid Traffic +

Blog Traffic +

Email Marketing +

Additional Information and Tools

Research/Travel Impacts >

Regional School Calendar >