

RAYAC Legal Corner



"This Would Make a Great AirBNB[®]" The Intersection of Short-Term Rentals, Municipal Codes, and Real Estate Licensee Liability

Very few topics (other than politics) are presently as divisive as the use of short-term rentals ("STR"). For those of you unfamiliar, a STR is a property that is rented out to a non-owner for a term typically less than a month. Viewed as vacation alternatives to hotels, motels, and other more traditional short-term occupancy locations, STRs came to prevalence around 2010.

As STRs grew in popularity, residents of communities began to voice opposition to the STR visitors who were viewed as transients coming into local communities for no other purpose than to party, imbibe in a "home away from home," and avoid restrictions often imposed at hotels. These complaints led to several municipalities throughout the United States imposing restrictions on STRs, from limiting the number of days per year a property can be rented, to outright bans - often at the encouragement of the local hotel and hospitality industry.

While as of the date of this newsletter, Pennsylvania does not have any state statute prohibiting, limiting, or permitting them, local municipalities have started to address STRs via municipal zoning ordinances. Keep in mind, in York and Adams Counties alone there are 106 different boroughs and townships, including one (1) city, with almost all of them having their own zoning ordinance. In other words, that means theoretically there could be over 100 different ways STRs may be regulated in just 2 of the Commonwealth's 67 counties. Even more frustrating (especially for those from south of the Mason-Dixon Line), Pennsylvania counties are not typically involved in regulating land use, which decisions are left to the local municipal government.

So how does the ongoing local government battle with STRs impact real estate licensees? The answer really boils down to one simple concept: <u>know what the local regulations allow before</u> <u>making any representations to your clients</u>. Most importantly, overcome the urge to provide an off-the-cuff, unresearched, and uninformed response to pitch a property without first doing your homework.

If you have questions on where to begin to look to get answers to this and other zoningrelated questions, start first with RAYAC's municipal database. Then seek out professional, legal counsel familiar with navigating the various and often intersecting local, state, and federal laws, ordinances, and regulations – like RAYAC's legal hotline!

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