

NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

March S. Gallagher, Esq.
Comptroller



Alicia DeMarco, CPA
Deputy Comptroller

Sam Sonenberg, CPA
Director of Audit & Control

Contact: Dafne DeJesus, 845 853 6730
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Comptroller Releases Short-Term Rental Analysis: 3% of all Ulster County Housing Units Offered as Short-Term Rentals

Kingston, NY (July 20, 2022) –Ulster County Comptroller, March Gallagher, released a snapshot report on the impact of the short-term rental market on Ulster County. The analysis compares Ulster County to other surrounding counties and finds that 3% of all housing units in the county were being offered as short-term rentals through platforms such as Airbnb as of the end of June 2022. The Emergency Tenant Protection Act defines less than 5% vacancy as a housing emergency. The only county more heavily impacted by short-term rentals is Greene County.

“Short-term rentals have profoundly impacted the availability of long-term housing for rent and purchase in Ulster County, contributing to the conditions that create high costs and lack of availability,” said Ulster County Comptroller March Gallagher. “I am pleased that many of our communities have taken on the task of regulating short-term rentals and balancing housing and nuisance issues against the economic benefits of additional hospitality. The information in this report is designed to help more communities determine whether regulating short-term rentals, including capping the number of units, may help avoid a local housing crisis. We also hope this data will inform a regional conversation about housing and inspire others to learn from the experiences of our Ulster County communities that have already begun to regulate short-term rentals.”

The analysis compares data obtained from AirDNA on whole unit short-term rentals compared to the total number of housing units identified in the 2020 Census. The large impacts are reflected in other economic indicators including a 56% increase in median home sale price between 2019 and May 2022, historically low vacancy rates, a 133% increase in occupancy tax collections between 2020 and 2021, and the addition of large numbers of tourism and hospitality jobs over the last year.

Housing stock impacts, as well as nuisance complaints from neighboring communities, have led 10 of 23 Ulster County municipalities to regulate short-term rentals. The breadth and scope of the local laws differ by community to reflect their individual needs.

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Report available at: <https://comptroller.ulstercountyny.gov/audit-reports/short-term-rental-snapshot>



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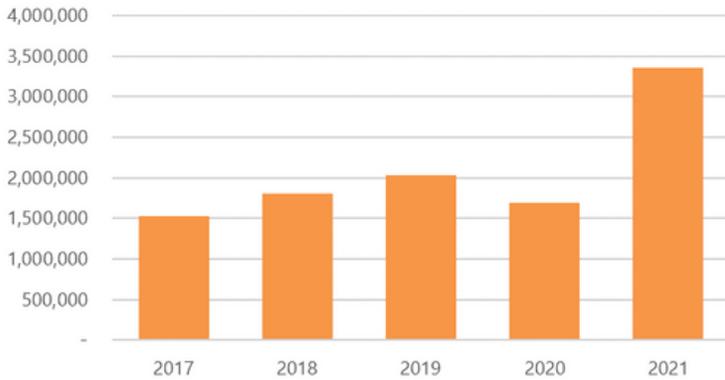
Short-Term Rental Snapshot

Released July 2022

comptroller.ulstercountyny.gov

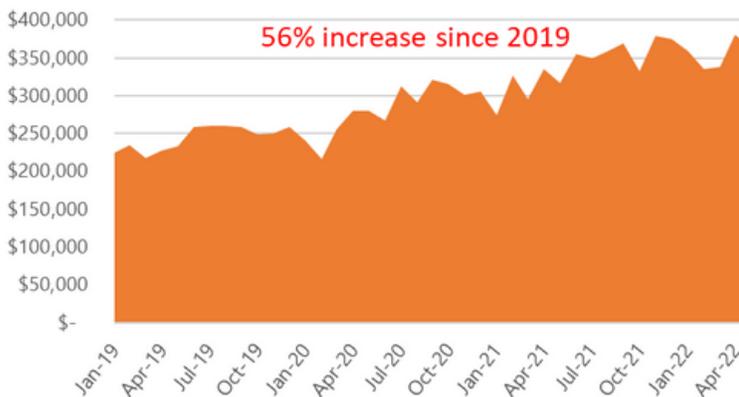
Ulster County has long thrived off the tourism and hospitality industry. Tourism and hospitality represent 45% of all Ulster County jobs created in the last year. According to the Albany Times Union, Ulster County hosts earned over \$7 million in Airbnb revenues in 2021, a 133% increase over 2019 revenues and a full 6% of the entire host market in New York State. Ulster County has seen Occupancy Tax collections grow substantially from \$1.53 million to \$3.57 million over the last five years. The bulk of that increase has been since the 2021 implementation of the voluntary collection agreement with Airbnb and during the pandemic.

Ulster County Actual Occupancy Tax Revenues



Inventories of rentals and properties for purchase are scarce. Kingston just revised a vacancy study showing a vacancy rate of 1.57%. According to the NYS Association of Realtors, purchase supply has dwindled from 1,432 homes for sale in May of 2019 to 532 homes for sale in May of 2022. Additionally, Ulster County has seen a tremendous increase in median home sale price of 56% in just over three years, from \$225,000 in January 2019 to \$363,000 in May of 2022.

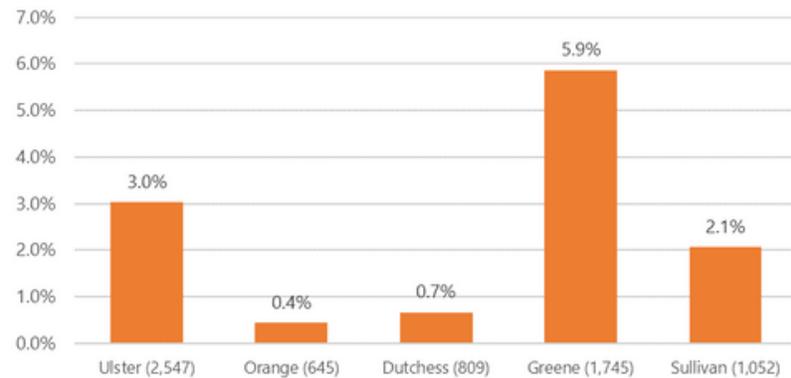
Ulster County Median Home Sale Price



The Emergency Tenant Protection Act defines a housing emergency as a vacancy rate of less than 5%. There are enough short-term rentals in Ulster County to significantly impact the vacancy rate.

Using data from AirDNA, as of June 2022, an evaluation of short-term rentals (STR) compared to housing units shows that Ulster County has 2,587 short term rentals or 3% of its total housing stock and 12% of all rental housing stock. These numbers are slightly above Sullivan County, but below Greene County which has been even more impacted. In Greene County, 5.9% of all housing units are short-term rentals and a shocking 45% of all rental units are short-term rentals. By comparison, Orange and Dutchess Counties both have under one percent of their housing units listed as short-term rentals. Ulster County has more short-term rental housing units than any other county in the region.

% of Housing Units Offered as Short Term Rentals



The short-term rental market in the Hudson Valley has expanded greatly over the last decade bringing additional lodging options and additional revenues to property owners, but not without side effects such as nuisance complaints and a reduction in long-term housing supply.

In 2020, the Comptroller's Office [audited the occupancy taxes](#) collected from short-term rentals (finding Ulster County was not capturing all taxes due) and this resulted in the County instituting a voluntary collection agreement with Airbnb to collect taxes at the point of sale. The Comptroller Office also issued a [report on emergency housing](#) last year (families are spending on average 97 days in emergency housing for lack of affordable housing supply).

Ulster County has seen tremendous impacts on the housing market from short-term rentals which is why at least ten municipalities have already adopted STR regulation including the City of Kingston, the Towns of Hurley, Marletown, Marlborough, Olive, Saugerties, Shandaken, and Woodstock; and the Villages of Ellenville and New Paltz. The Towns of Gardiner and Shawangunk have actively considered STR regulation. The Village of Saugerties is considering STR regulation. These local laws vary in their implementation. Each town, village, and the city will need to adjust their laws to meet local needs while considering their zoning code, economic base, and housing availability.

Some of the municipal considerations in short-term rental regulation include:

- Appropriate zones for STRs
- Requiring owner occupation or not
- Limiting the number of units a single owner can register
- Requiring a local host or property manager to address complaints and emergencies
- Capping the total number of STR registrations
- Application and annual registration fees ranging from \$50 to \$400 (ownership and size dependent)
- Barring STRs in multifamily dwellings to preserve housing supply
- Limiting the number of days that a property can be used for STR
- Imposing safety, noise, and nuisance requirements

The City of Kingston has redefined short-term rentals as hotels and limited those to specific zones, although the City is contemplating additional changes. Other communities allow short-term rentals in any area that residential use is allowed. Several municipalities have limited short-term rentals to properties with one or two units only so as to preserve affordable housing stock. Some municipalities have banned non-owner-occupied short-term rentals while others limit non-owner occupied to a single short-term rental unit. Both the Village of New Paltz and the Town of Hurley ban all non-owner occupied whereas the Town of Shandaken has set a cap of 150 non-owner occupied. Communities may choose to allow non-owner occupied short-term rentals if they have a tourism dependent economy and little formal hotel lodging. Local land use regulations allow communities to make the best decision for their communities.

Housing Units from 2020 US Census and Short-Term Rental Units per AirDNA June 2022									
County	Total Housing Units	% Occupied Units	# Occupied Units	% Rental Units	# Rental Units	STRs Whole Units	% Occupied Units as STR	% of All Units as STR	% of Rental Units as STR
Ulster (2,547)	85,372	82%	70,005	31%	21,702	2,587	3.7%	3.0%	12%
Orange (645)	144,264	90%	129,838	32%	41,548	645	0.5%	0.4%	2%
Dutchess (809)	121,161	91%	110,257	32%	35,282	809	0.7%	0.7%	2%
Greene (1,745)	29,746	59%	17,550	23%	4,037	1,745	9.9%	5.9%	43%
Sullivan (1,052)	50,966	56%	28,541	31%	8,848	1,052	3.7%	2.1%	12%

