



LEGISLATIVE SUMMARY

O-32-23

Short-term Rental Regulations

This summary was prepared by the City of Annapolis Office of Law for use by members of the Annapolis City Council during consideration of the legislation.

BILL SUMMARY

O-32-23 seeks to close license application loopholes for short-term rentals, such as VRBO and AirB&B, where hosts, property owners, or their representatives attempt to get around the City's one-property-per-licensee limit on short-term rentals.

Also, short-term rental requirements are currently found in two different code sections of Title 17, § 44.030 and § 44.090. The ordinance consolidates those two sections and moves all definitions into the "Definitions" section of the chapter.

1. Section 17.44.030

Ordinance 32-23 maintains a "short term" rental operator's license requirement in 17.44.030 "Rental operator license types." However, the regulations currently in that section are moved to Section 17.44.090, where most short-term rental requirements are located.

17.44.030 - Rental operator's license types.

- **(A)(2)** - paragraph deals with short-term rental licenses and is moved into the Short Term Rentals section of the code
- **(A)(4)** - added to a) maintain the license requirement, and b) refer readers looking for subsection 2 to its new location in Section 17.44.090



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2. Section 17.44.090

The entire section is rewritten to state requirements more clearly. The following explains the changes to current law.

- **A. Definitions** - tells readers where the definitions are located in Title 17.
- **B. Licensee requirements**
 - Cannot list property for rent unless the owner has a City of Annapolis short-term license
 - The licensee must be the owner, and that person may receive one license
 - The property owner, whether a corporation or person, is defined as a person
 - Must provide information about:
 - ✓ The property owner
 - ✓ The property manager
 - ✓ Any associations of which the property is part
 - ✓ Hosting platforms
- **C. Short-term Rental License Restrictions** - This subsection includes many of the requirements from Section 17.44.030.
 - A licensee is allowed only one license
 - Must list all ownership entities
 - Which businesses don't need short-term licenses
 - Must be over 21
 - Can't rent for more than 90 days to any single tenant
 - Limits occupants
 - Must keep a record of renters
 - Can't transfer the license to someone else
 - Must pay state & county taxes
- **D. Property Manager requirements** - Property managers must have an office in Annapolis and be available in an emergency.
- **E. Building Code Compliance** - The licensee must meet City code requirements (building, maintenance, electrical, plumbing, etc.) to get *and keep* the license.
- **F. Exceptions** - Annapolis residents can rent their property *without* a short-term rental license during major annual events such as the Naval Academy graduation, boat shows & other such events. The events covered are listed in Section 17.44.090(F).



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- **G. Enforcement & Penalties**

- Reasons the license can be revoked now include being a nuisance, fraud, and misrepresentation.
- Online short-term rental platforms will be notified of terminations.

3. Section 17.44.110 - Definitions

Moves all Short-term rental-related definitions into the definitions section of the Chapter.

- Adds definitions for: "Host," "Hosting Platform," and "Nuisance."
- Clarifies the existing "Person" definition.
- Expands the "Short-term licensee" definition.

4. Section III

The Planning and Zoning Department has 90 days to create additional rules/regulations to implement O-32-23 fully.