



STAFF REPORT ON PROPOSED LEGISLATION

To: Mayor Gavin Buckley

From: Victoria Buckland, Acting City Manager

Date: May 21, 2025

Subject: O-17-25: Limiting Short-term Rentals per Blockface

Purpose of legislation

The purpose of this legislation is to limit the number of short-term rentals in the City to 10% of the residences in a blockface; define blockface; and generally deal with short-term rentals in the City of Annapolis.

Impact of legislation on operations

The City was able to conduct a rough analysis to estimate the number of licenses this legislation is likely to affect. To make this legislation fully operational, however, the City will need to invest in a deep-dive of the data to ensure the City has an accurate number of dwellings per blockface. The City's GIS layers will need to be checked to ensure that all dwelling units are appropriately captured and associated with the correct blockface. Once that is complete, the City will need to re-analyze the existing short-term rental licenses for any that do not comply with this limit. The City may need to clarify why it is choosing 10% as the limit.

Many thanks to Shawn Wampler in the Office of Integrated Technology Solutions for this quick, rough analysis.

Ward	# of current STRs	Estimated # of allowed STRs given 10% per blockface	# of blockfaces currently above 10%
1	146	443	30
2	39	496	5
3	9	375	
4	1	296	
5	2	386	
6	5	292	
7	6	385	
8	79	504	7
TOTAL	287	3,177	42

Once a fully cleaned, detailed analysis is done, the short-term rental application process will need to be adjusted to check for these limits moving forward. As noted on the above rough analysis, there are likely existing licenses that do not comply with this limit. The City assumes that existing licenses will be grandfathered in, but we would like confirmation that this assumption is valid. Property owners potentially affected by this change will need to be notified of what to expect.

As written, this ordinance would apply City-wide. The Council may want to consider some options. For example, if the concern is primarily around preserving residential neighborhoods, should the ordinance be targeted to residential zones? The City has a number of short term rentals within a couple blocks of the Naval Academy that cater to Naval Academy families. Should the ordinance carve out an exception immediately adjacent to the Academy to preserve that capacity? The answers to those questions will obviously impact the operations of the Planning and Zoning Department.

Prepared by Victoria Buckland, Acting City Manager