



City of Annapolis

Planning Commission
Department of Planning and Zoning
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To: City Council
From: Planning Commission
August 20, 2025

O-15-25 Accessory Dwelling Unit Requirements Findings and Recommendations

Summary

This legislation is simple in language but far-reaching in consequence. It proposes to:

1. Allow corporate ownership of Accessory Dwelling Units (ADUs),
2. Remove the owner-occupancy requirements in ADU rentals,
3. Allow the owner of a primary residence and an ADU to short-term rent either one of the units but not both.

Public Hearing

On July 17, 2025, the Planning Commission held a virtual public hearing on this matter. Three persons testified: Comprehensive Planning Chief Eric Leshinsky, Alderman Ross Arnett, Alderman Brooks Schandelmeier. One written comment was received.

Findings

In condensed form, the Commission found:

1. The true number of current properties up for short-term rental is difficult to ascertain.
 - a. 253 properties are currently registered as short-term rentals. One suspects there are more.
 - b. Enforcement is spotty.
 - c. The penalties (\$100/day from date of violation notice) are too lenient.
2. Short-term rentals tend to increase pressure on long term rent costs..
3. Some neighborhoods have been profoundly and negatively impacted by short-term rentals.

4. An increase in corporate ownership of properties available for short-term rentals will reduce the available affordable housing – not increase it – and will, in some cases by increasing the percentage of short term rentals in a neighborhood, negatively impact the desired stability of the neighborhood.
5. Removing the owner-occupancy/residency requirement for ADU rentals works at cross-purposes to the goal of increasing affordable housing.
6. ADU construction has been very slow and has been primarily limited to wealthier neighborhoods.
7. If Annapolis wants to increase the construction of ADUs and thereby offer more affordable housing, it must clarify the code and building standards.

Decision

The Planning Commission voted unanimously 5-0 to recommend to the City Council that it **NOT APPROVE** this legislation.

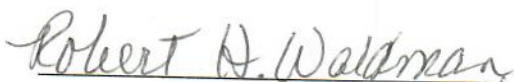
The Planning Commission **STRONGLY RECOMMENDS** that the City Council and Planning Department promptly begin work on clarifying the terms and requirements of ADU construction. The written comments of Ms. Erin McCopp are included here as an example of the problems encountered by citizens.

Further Notes

An amendment to the proposed legislation was offered orally during the meeting. The amendment would purportedly not allow corporate ownership of short-term rentals. No staff report on that amendment was or could have been prepared. The Planning Commission felt it did not have the time nor the resources to properly study and offer an opinion on the legislation as amended. Hence, the above decision is relevant to the proposed legislation in its First Reader form.

Should, however, that amendment or others be offered during the course of the legislative process, the Planning Commission would make itself available on short notice to study, discuss and offer its opinions on any aspect of Accessory Dwelling Units.

Respectfully submitted,


Robert H. Waldman, Chair *KCC/for*

All other commissioners eligible to approve these findings have authorized the Chair to sign on their behalf and the Chair has authorized the Clerk to sign on his.