

CITY COUNCIL

READ FILE COVER SHEET

Subject: **Ordinance 1098 concerning Amending City Code 147
Rental Property**

(Public Hearing)

Date: **2/22/2023**

Notice: Any comments made after 5:00 p.m. on the Thursday before the Council Meeting will not be seen in the agenda packet.

Purpose:

- FYI
 Read and Comment as Needed
 Action Required by March 6, 2023
 In Confidential File Drawer

Approve:

Casi Boyer Yes No No Comment

Comment: _____

Dave Martin Yes No No Comment

Comment: _____

Jim Ringsaker Yes No No Comment

Comment: _____

Jason Robertson Yes No No Comment

Comment: _____

Tammy Lynn Schneegas Yes No No Comment

Comment: _____

Carolyn Zinner Yes No No Comment

Comment: _____

Note: N/A

CITY COUNCIL
OF
HAVRE DE GRACE, MARYLAND

ORDINANCE NO. 1098

Introduced by _____ Council Member Schneegas

AN ORDINANCE BY THE MAYOR AND CITY COUNCIL OF HAVRE DE GRACE, MARYLAND, ADOPTED PURSUANT TO THE AUTHORITY OF ARTICLE XI-E OF THE MARYLAND CONSTITUTION, THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AND SECTIONS 33 AND 34 OF THE HAVRE DE GRACE CITY CHARTER TO AMEND CITY CODE CHAPTER 147 RENTAL PROPERTY

On: 2/21/2023

at: 7:00 p.m.

Ordinance introduced, read first time, ordered posted and public hearing scheduled.

PUBLIC HEARING

A Public Hearing is scheduled for March 6, 2023 at 7:00 p.m.

EXPLANATION
Underlining indicates matter added to existing law.
[Bold Brackets] indicate matter deleted from existing law.
Amendments proposed prior to final adoption will be noted on a separate page with line references or by handwritten changes on the draft legislation.

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32 **BE IT DETERMINED, DECIDED, AND ORDAINED, AS FOLLOWS:**

33

34 Chapter 147 Rental Property shall be amended as follows, with words shown underlined to be
35 added and those shown [**bold brackets**] to be deleted.

36

37 Article I Registration of Long-Term Residential Rental Property

38

39 § 147-2 Definitions.¹

40

41 **BEDROOM**

42 A room or space designed to be used for sleeping purposes with two means of egress (one of which
43 may be a window acceptable under the building code) and in close proximity to a bathroom. Space
44 used for eating, cooking, bathrooms, toilet rooms, closets, halls, storage or utility rooms and
45 similar uses are not considered “bedrooms”. Space used or intended for general and informal
46 everyday use such as a living room, den, and sitting room or similar is not considered to be a
47 “bedroom”.

48

49 **BOOKING TRANSACTION**

50 A reservation transaction between a host and a prospective transient guest for a short-term rental.

51

52 **HOST**

53 The owner of a dwelling or Accessory Dwelling Unit who provides or offers to provide all or part
54 of the dwelling unit for short-term residential rental use in exchange for a fee.

55

56 **HOSTING PLATFORM**

57 An internet-based entity that, in exchange for a fee:

58

- 59 1. Facilitates reservations of short-term rentals;
- 60 2. Serves as a conduit of communication between hosts and transient guests; or,
- 61 3. Otherwise facilitates booking transactions for short-term rentals.

61

62 **PERMANENT RESIDENCE**

63 A permanent residence is a dwelling unit where the owner resides for at least 180 total days
64 annually and the owner can furnish a driver’s license, voter registration card or official State
65 Homestead Tax Credit designation. For purposes of this article, an owner can only have one
66 permanent residence.

67

68 **SHORT-TERM RENTALS**

69 Any dwelling or portion thereof that is available for use or is used for accommodations or lodging
70 of guests, paying a fee or other compensation for a period of less than thirty consecutive days.
71 Short-term rentals must occur within a dwelling or accessory dwelling unit as defined in the City
72 Code. Tents, sheds, shelters, gazebos, pavilions, recreational vehicles (RVs), boats, or other
73 similar, non-permanent living spaces shall not be deemed a “dwelling or portion thereof” for
74 purposes of this definition.

75

¹ To be added in the appropriate alphabetical order.

76 **TRANSIENT GUEST**

77 A person who uses a hosting platform to facilitate a short-term residential rental or other person
78 who contracts directly with the owner or owner’s agent to arrange for a short-term rental of a
79 dwelling, bedroom, or Accessory Dwelling Unit.

80
81 Article II Registration and Licensing of Short-Term Rental Property

82
83 § 147-13 Applicability.

84 This Chapter shall apply to all short-term rentals as defined herein. This Chapter does not apply
85 to hotels, motels, inns, bed and breakfasts or group homes as defined in the City Code.

86
87 § 147-14 License required.

88 No person may operate a short-term residential rental without a currently effective license to do
89 so from the Director of Planning. An application will be made available and it will contain the
90 requirements and documentation set forth by the Department of Planning.

91
92 § 147-15 License Term, Renewal and Fees.

- 93 (1) Each license shall expire annually from the date of issuance;
94 (2) Before a license expires, the host may submit a renewal application within thirty (30) days
95 of the expiration date;
96 (3) The annual fee for a short-term residential rental license is \$100 per unit;

97
98 § 147-16 Short-Term Rental District.

99 Short-term rentals are only allowed within the Short-Term Rental District (STRD) as shown in
100 Appendix 1, except as provided herein. The boundaries of the STRD are Pulaski Highway to the
101 north, North and South Juniata Street to the west and the Susquehanna River to the south and east.
102 Short-term rentals are not allowed at marinas as defined in the City Code.

103
104 § 147-17 STRD Location Exceptions.

105 Properties located outside of the STRD are allowed if the following criteria are met:

- 106 (1) The property outside of the STRD was active on a hosting platform for at least 90 days
107 within the year prior to the enactment of this ordinance, or;
108 (2) A property was purchased for the purpose of being utilized as a short-term rental and
109 improvements were being made to the property within one year prior to the enactment of
110 this ordinance.

111 The Department of Planning will require documentation from the owner that sufficiently indicates
112 one of the above criteria were met, which determination shall be made in the Director of Planning’s
113 sole discretion. If any property subject to this provision ceases to be used as a short-term rental for
114 a period of one-year, then such property will no longer be permitted to be used as a short term
115 rental and the balance of this Code provision shall apply.

116
117 § 147-18 Ownership and Tax Registration.

118 All applicants for an initial or a renewal license that are hosting four or more short-term rentals:

- 119 (1) Shall provide proof of owner’s permanent residence or registered corporate address;

- 120 (2) The owner must be registered with the State Comptroller and Harford County for the
121 collection of sales and use tax as required under County law.

122
123 § 147-19 Short-term rental maximum license cap

- 124 (1) The City Council shall set a cap for the number of short-term rental licenses allowed in the
125 STRD to not exceed 60 units.
- 126 (2) The Department of Planning shall provide the City Council with an annual report that
127 examines the effect short-term rentals have on neighborhoods within the STRD. The
128 examination will look at changes in the neighborhood character, safety, traffic, noise, and
129 other matters deemed important to the Department of Planning and City Council.
- 130 (3) The City Council will make a decision annually to adjust the number of short-term rentals
131 allowed within the STRD, to change the boundaries of the STRD and/or to adjust use taxes
132 as appropriate.
- 133 (4) Owners that are interested in utilizing their property as a short-term rental where the
134 maximum cap has been met will be placed on a waiting list. As the cap number is increased
135 or licenses become available, those on the waiting list will be informed of available license
136 on a first-come, first-served basis.

137
138 § 147-20 Host compliance.

- 139 (1) The dwelling unit must be maintained in compliance with the City's Building, Fire,
140 Property Maintenance, Zoning and other appropriate laws and codes, as well as the
141 County's Health Department regulations, including a Certificate of Occupancy from the
142 City of Havre de Grace;
- 143 (2) The Host must complete a Life Safety Compliance verification, which indicates the
144 location of smoke alarms, carbon monoxide detectors and fire extinguishers;
- 145 (3) During the term of any rental, the host must prominently display in an area of the dwelling
146 unit that is readily accessible to the transient guests, emergency contact information for a
147 representative of the host. The emergency contact must be located within 15 miles of the
148 short-term rental and be accessible 24-hours a day and for the entire term of the rental;
- 149 (4) At all times during the term of a short-term rental, the host must prominently display the
150 license issued by the City;
- 151 (5) The host must include the license number in any advertisement or listing of the dwelling
152 unit on a hosting platform.

153
154 § 147-21 Local Designated Responsible Party

155 The property owner, or his/her designee, must be capable of being on the property within two
156 hours of being notified. The owner's or his/her designee's contact information must be made
157 available to the City when applying for a license and the contact information must be posted on
158 the exterior of the short-term rental unit.

159
160 § 147-22 Occupancy

161 Occupancy of short-term rentals shall not exceed two people per bedroom, plus one person.
162

163 § 147-23 Inspections

164 The Department of Planning with 48 hours notice to the property owner or designee, and posted
165 on the property, can require an inspection of the short-term rental unit. If the Department is denied
166 an inspection, the Department may immediately revoke the short-term rental license.

167
168 § 147-24 Homeowners' Associations

169 The owner must inform the City if the property proposed for a short-term rental is governed by a
170 Condominium or Homeowners' Association. Properties within such Associations are required to
171 submit to the City proof that short-term rentals are allowed or must provide an official letter from
172 the governing Association demonstrating that the property can be used as a short-term rental in the
173 respective community.

174
175 §147-25 Denial, suspension or revocation of license.

176 The Director of Planning can deny, suspend or revoke a short-term rental license or renewal license
177 under the following conditions:

- 178 (1) The Director informs the host of a problem with the short-term rental unit in writing and
179 the issue is not abated within 15 calendar days;
- 180 (2) In situations deemed an emergency by the Director, the license can be suspended
181 immediately by posting the subject property;
- 182 (3) Making any material false statement in an application for an initial or renewal license;
- 183 (4) Fraudulently or deceptively obtaining the license for oneself or another;
- 184 (5) Fraudulently or deceptively using the license;
- 185 (6) Failing to comply with any provision of this Chapter or of any rule or regulation adopted
186 in the City Code.

187
188 § 147-26 Licenses under special exception approval.

189 The Board of Appeals may consider a Special Exception for a short-term rental license under the
190 findings stated in Chapter 25, Article IV of the City Code for locations outside of the STRD, but
191 east of Pulaski Highway.

192
193 § 147-27 Appeals of licensing decisions.

194 All appeals of administrative decisions will be heard by the Board of Appeals per Chapter 25,
195 Article IV of the City Code.

196
197 § 147-28 Penalties.

198 All violations of this code may lead to a suspension, revocation or denial of a license. Any person
199 who violates any provisions of this Chapter may be guilty of a misdemeanor and/or receive a fine
200 of \$100 for each offense. Each day a violation continues is a separate offense.

201
202 This ordinance becomes effective on June 1, 2023. All Hosts must apply for a license to their
203 property within 10 days of the effective date.

204

205 ADOPTED by the City Council of Havre de Grace, Maryland this __ day of _____, 2023.

206
207 SIGNED by the Mayor and attested by the Director of Administration this ____ day of _____,
208 2023.

209
210
211 ATTEST: MAYOR AND CITY COUNCIL
212 OF HAVRE DE GRACE

213
214 _____

215 Stephen J. Gamatoria
216 Director of Administration

215 William T. Martin
216 Mayor

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219 Introduced/First Reading: 2/21/2023

220 Public Hearing:

221 Second Reading/Adopted:

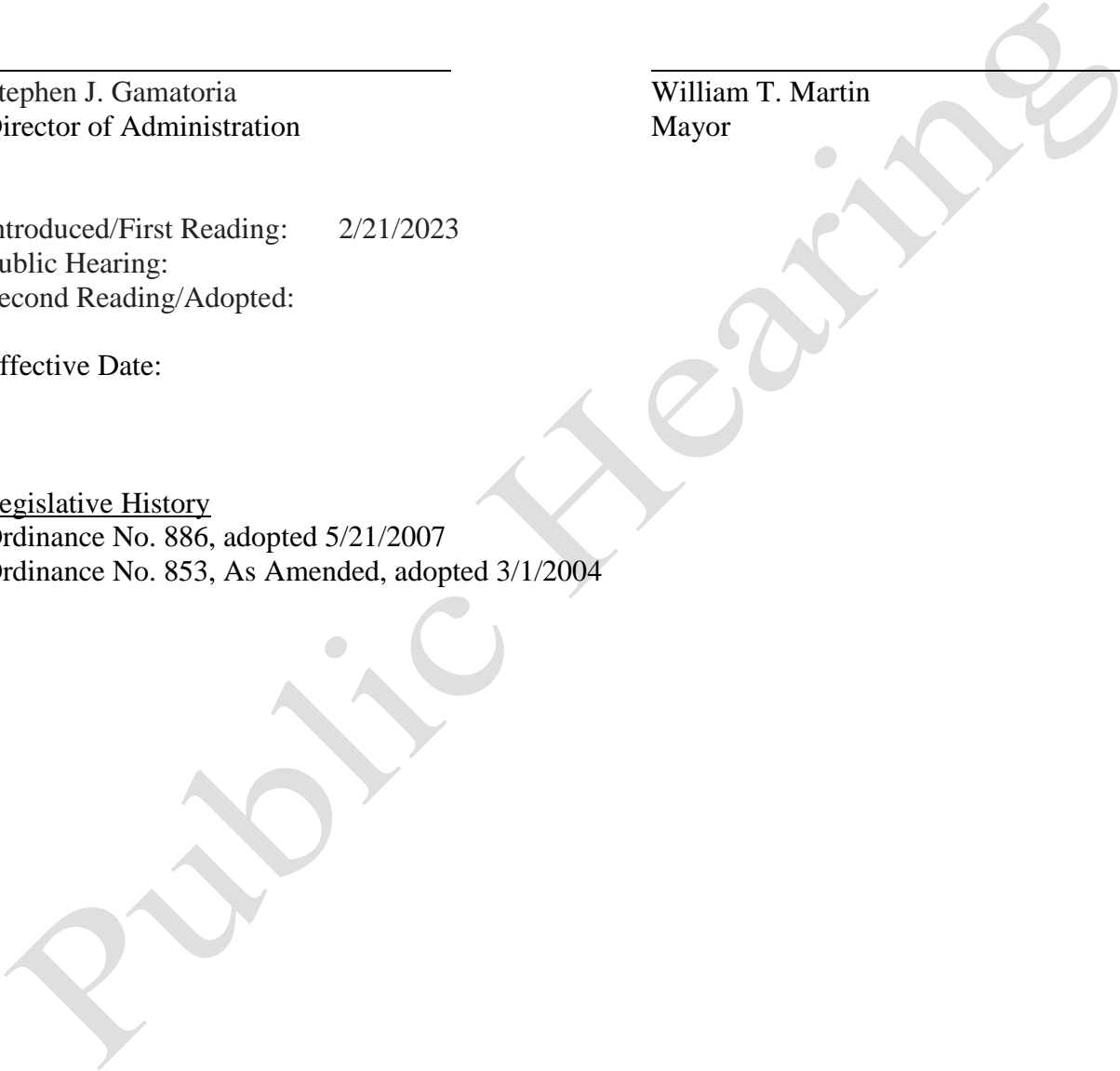
222
223 Effective Date:

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227 Legislative History

228 Ordinance No. 886, adopted 5/21/2007

229 Ordinance No. 853, As Amended, adopted 3/1/2004



Appendix 1

