

# EASTPORT CIVIC ASSOCIATION

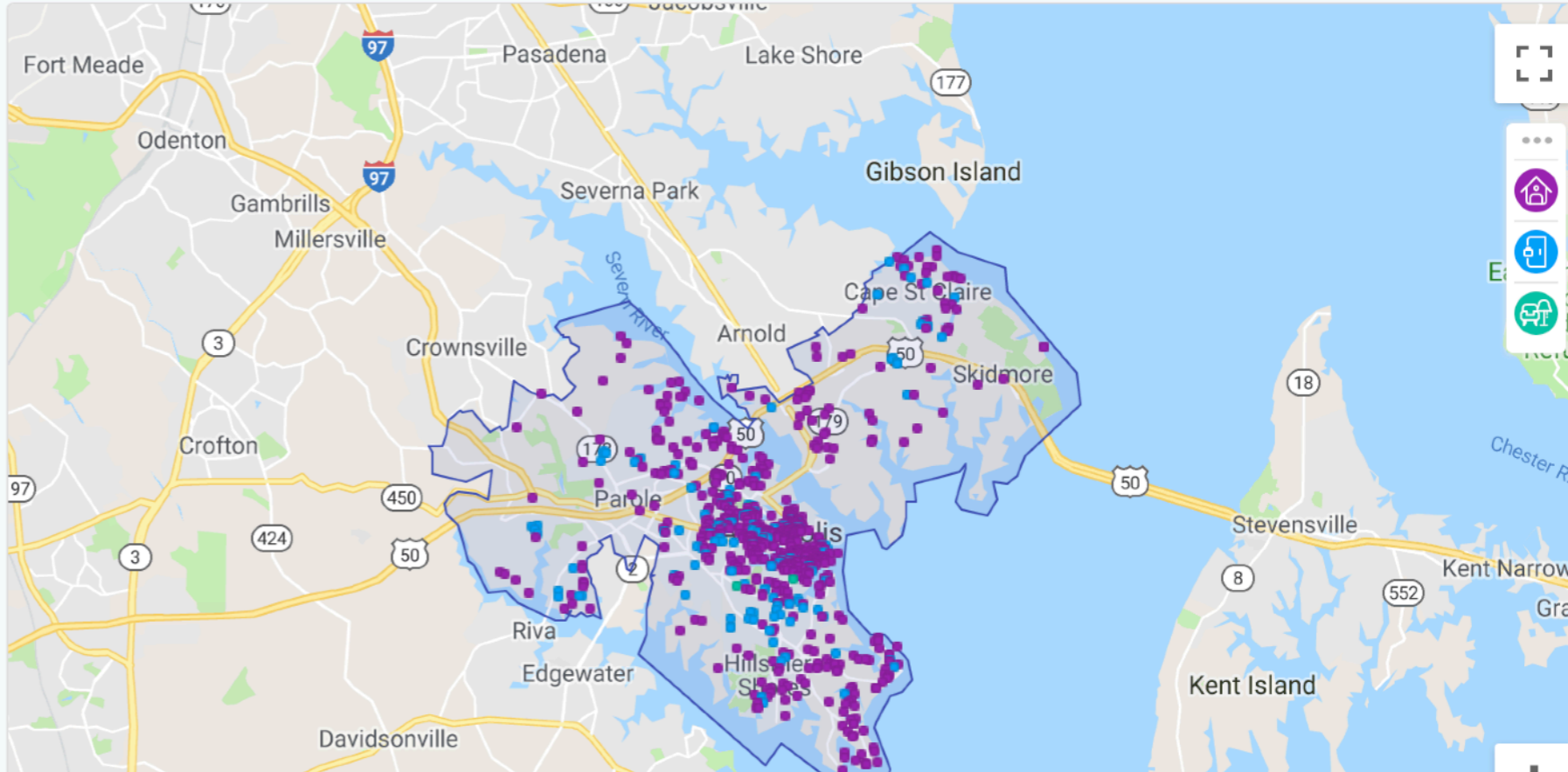
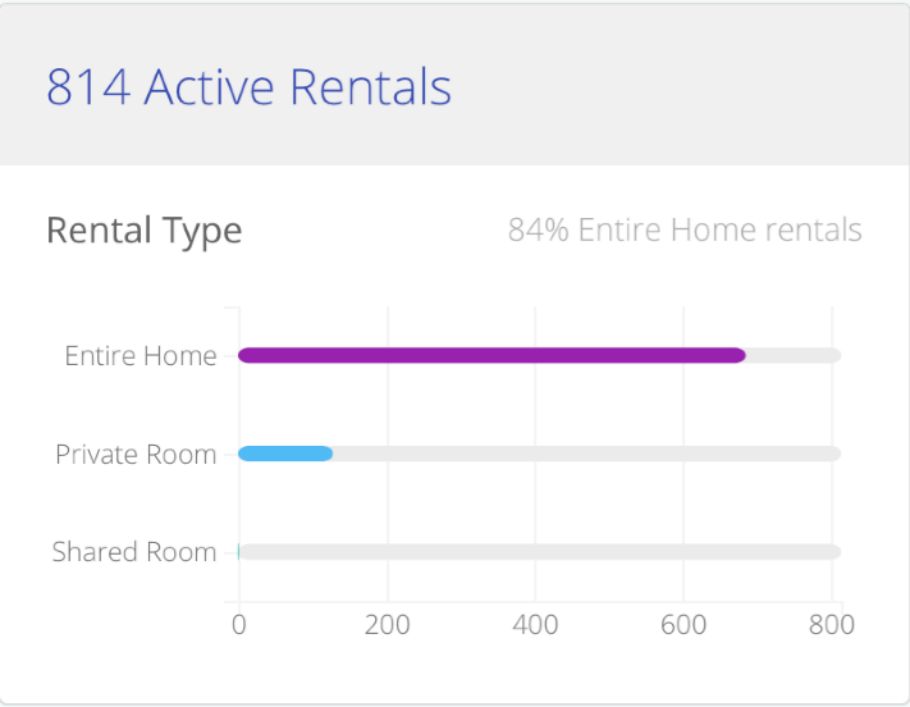
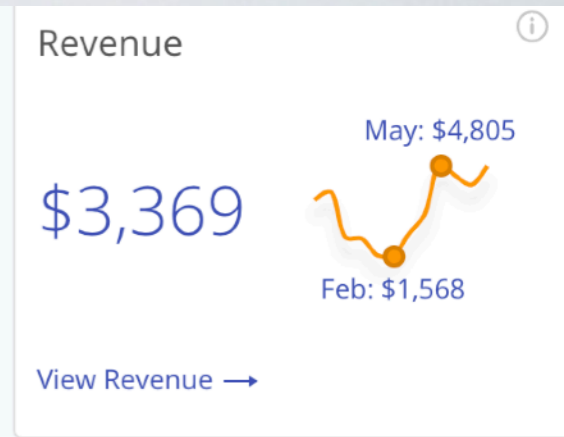
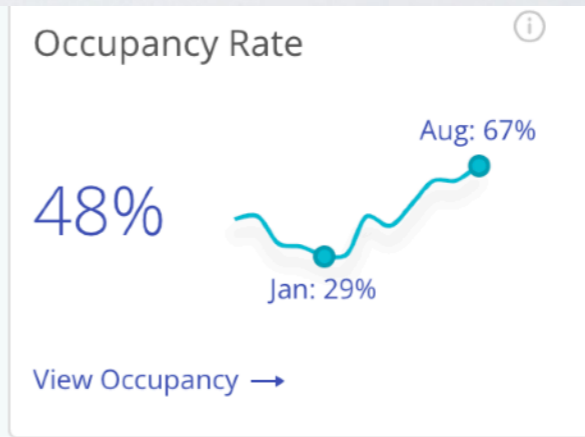
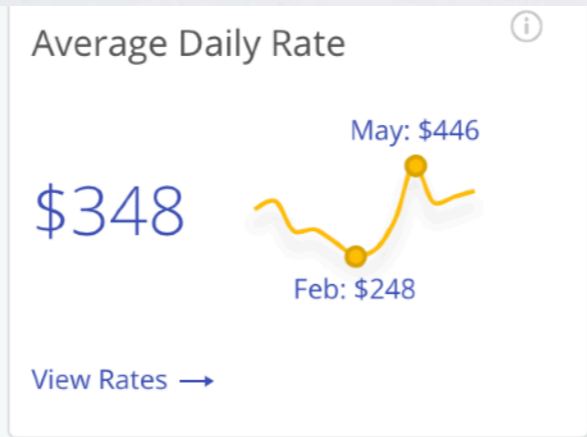
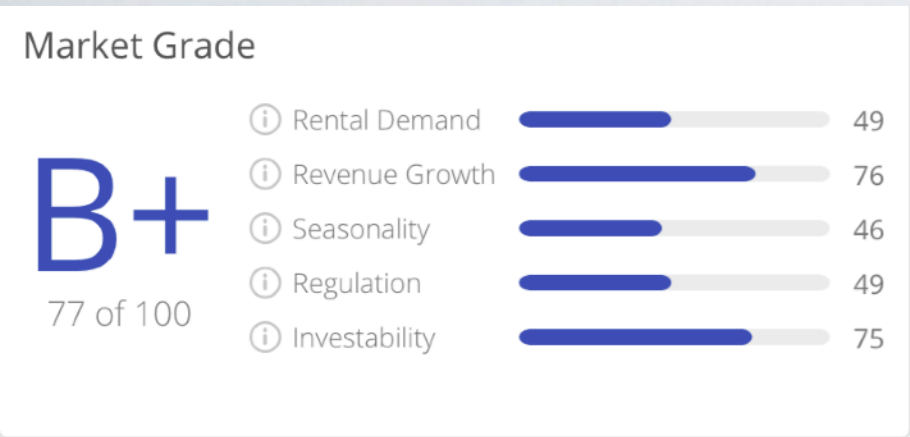
Short Term Vacation Rentals and O-26-19

# STVR DEFINITIONS

The three categories of STVR

1. **Owner-unoccupied and not present:** These “second or third homes” are investment properties for part-time residents, non-residents, corporations, or full-time residents.
2. **Owner-occupied and not present:** These “primary residences” are typically rented during key weeks/weekends in town, during which the owner and family departs.
3. **Owner-occupied and present:** These “primary residence” owners offer a private part of their home to a guest while the owner and family remain.

# STVR FACTS ANNAPOLIS



### Rental Growth

6% Quarterly Growth

ⓘ Jun '17 - HomeAway Data Added



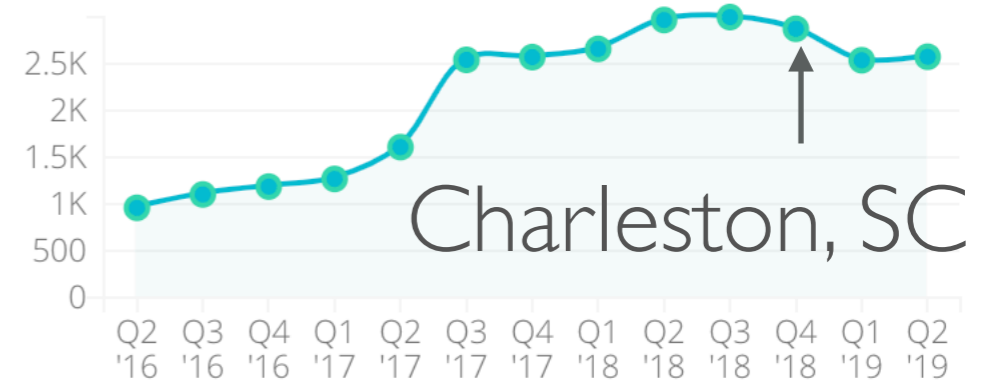
Alexandria, VA

VRFA  
NAPC

### Rental Growth

1% Quarterly Growth

ⓘ Jul '17 - HomeAway Data Added

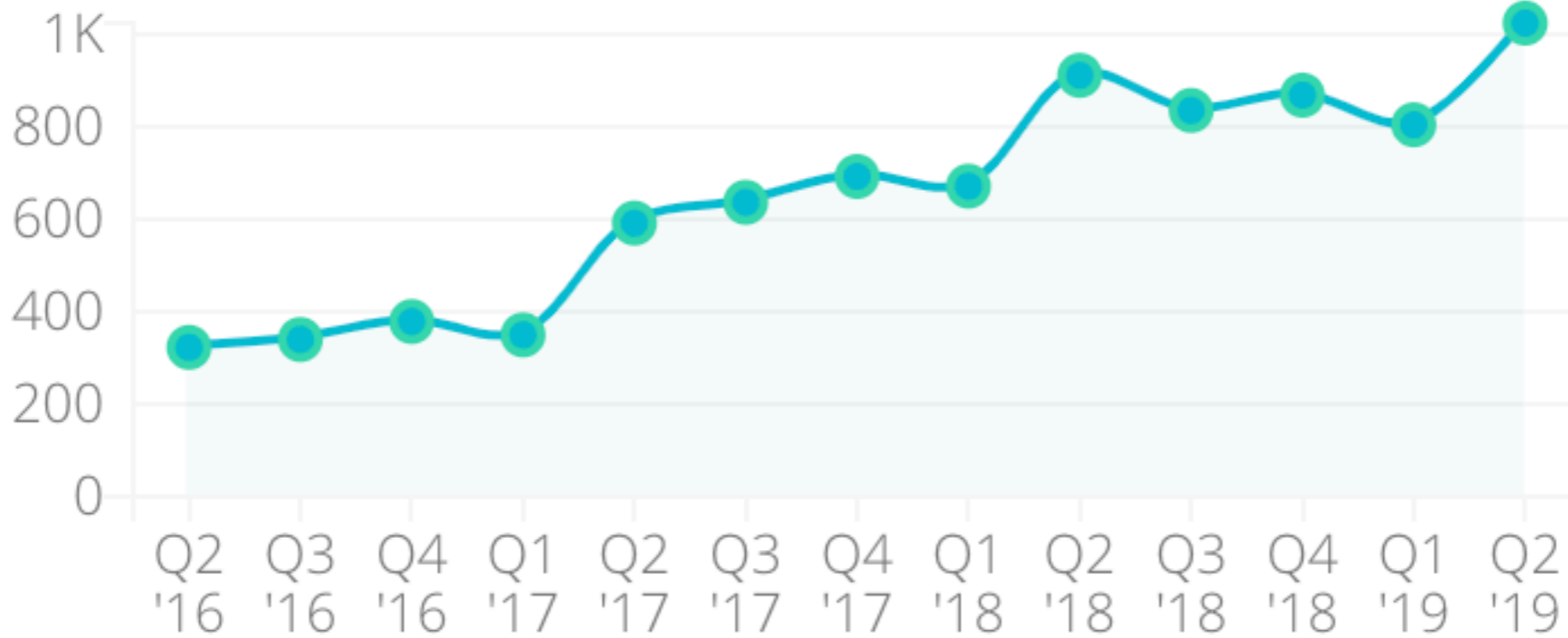


Charleston, SC

### Rental Growth

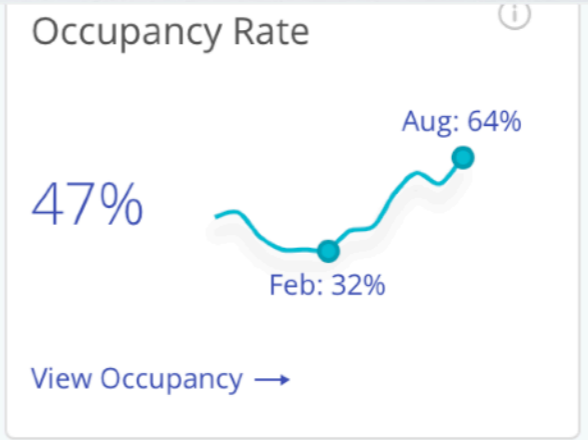
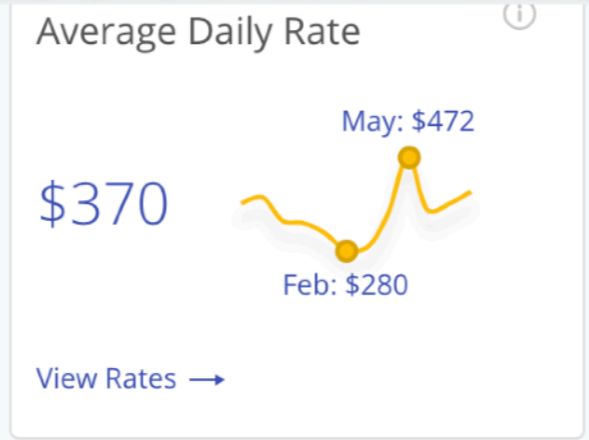
27% Quarterly Growth

ⓘ Jun '17 - HomeAway Data Added

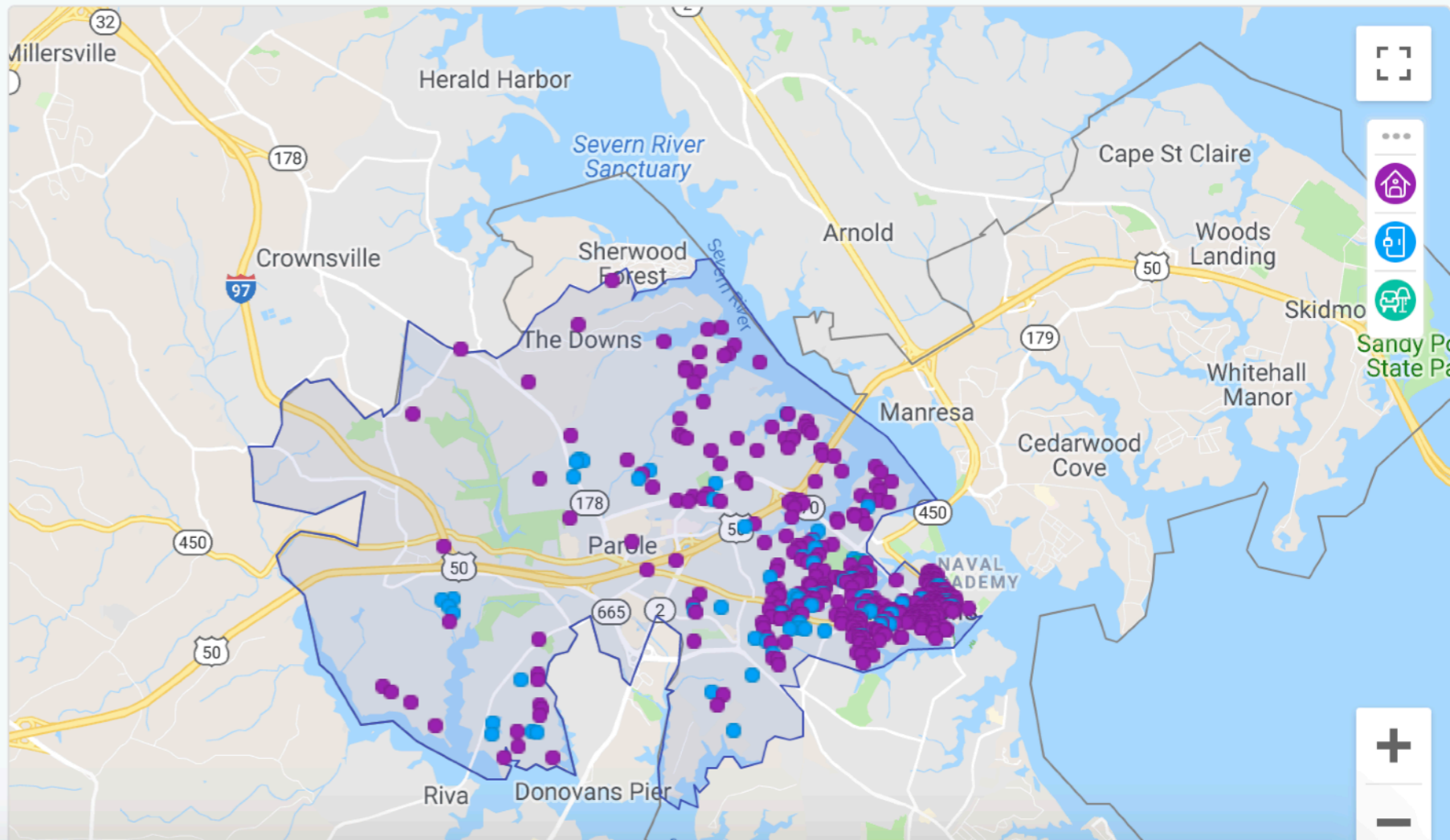


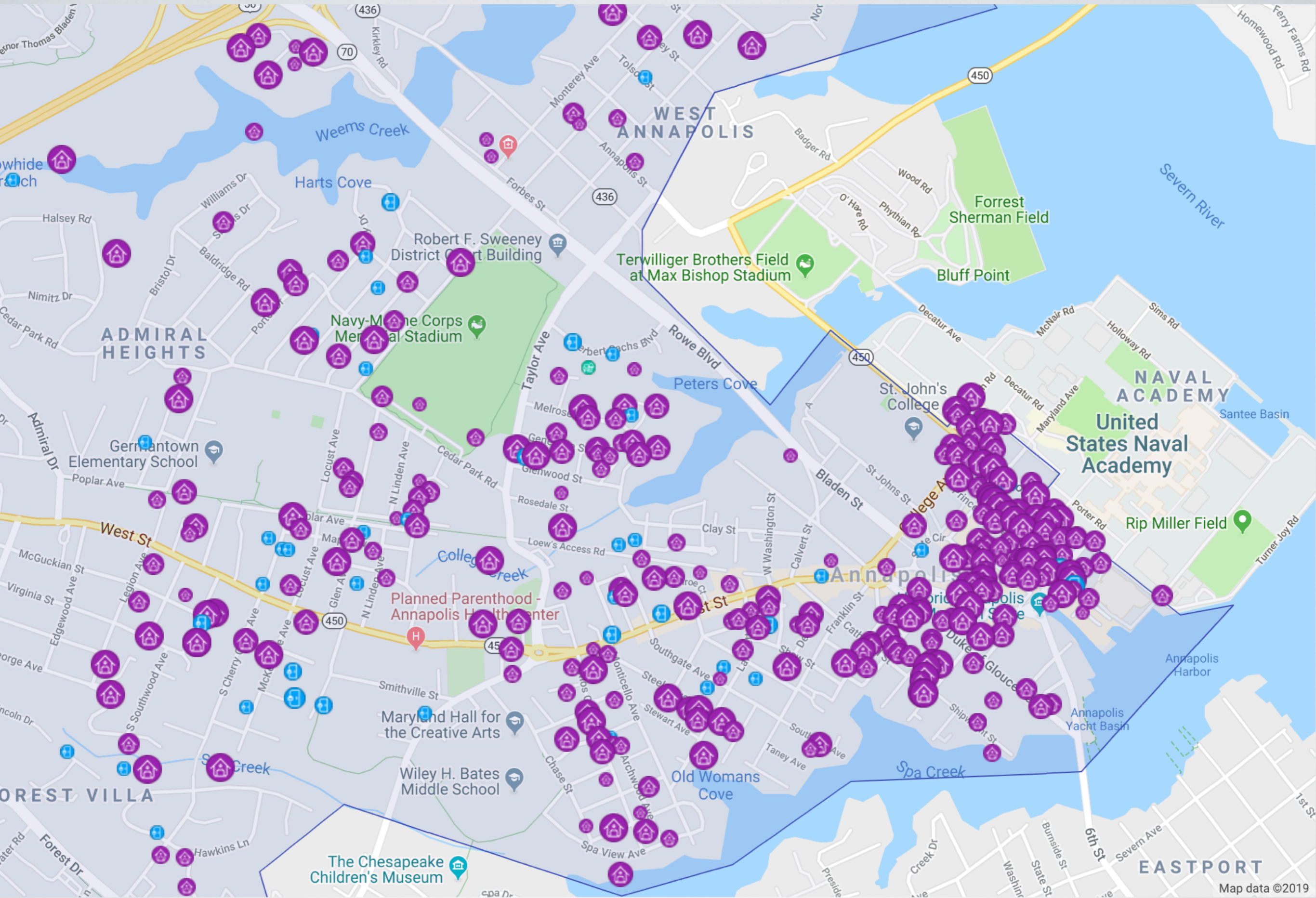
# STVR FACTS

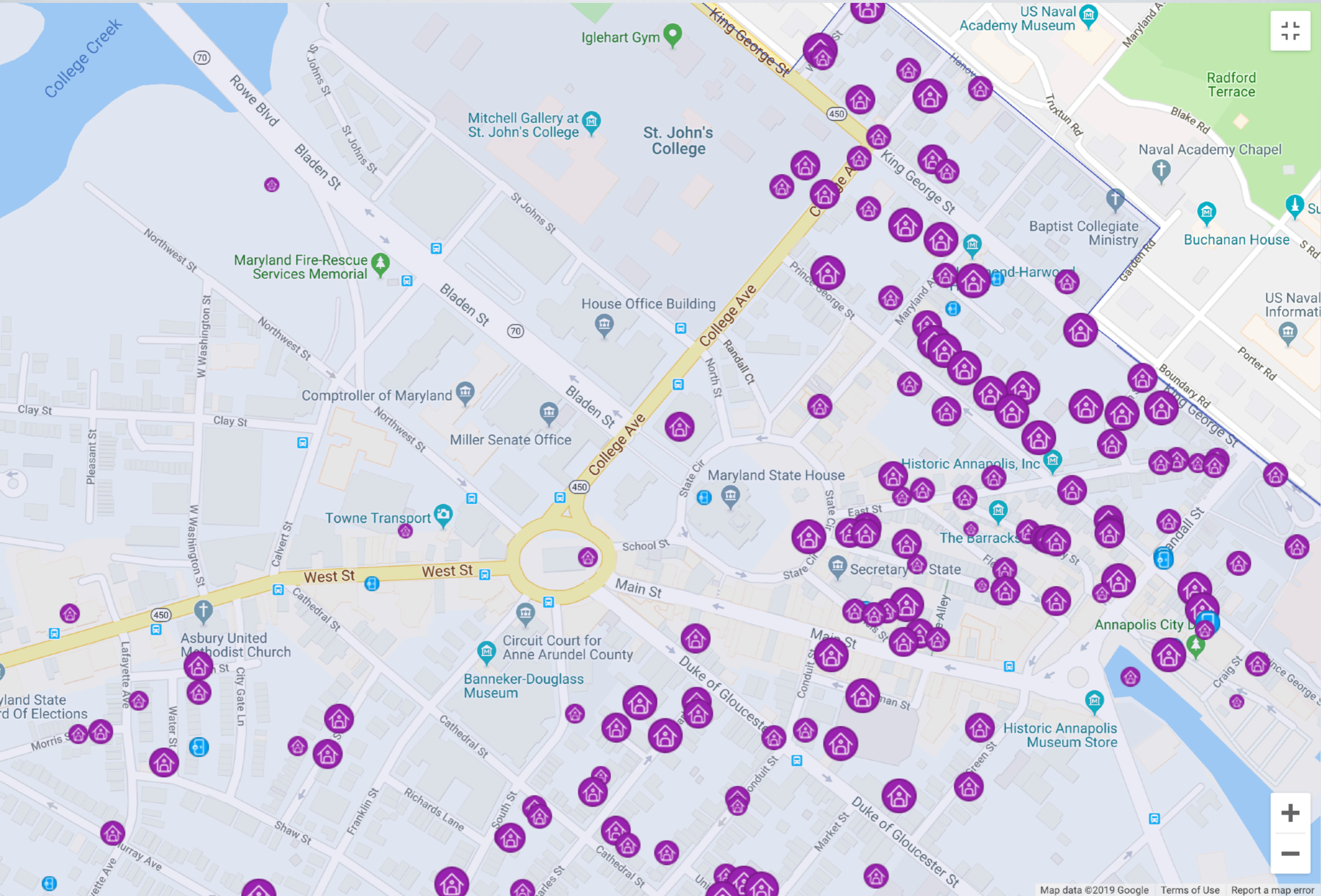
## ANNAPOLIS, 21401



21401	=	424
21402	=	9
21403	=	305
21405	=	2
21409	=	73

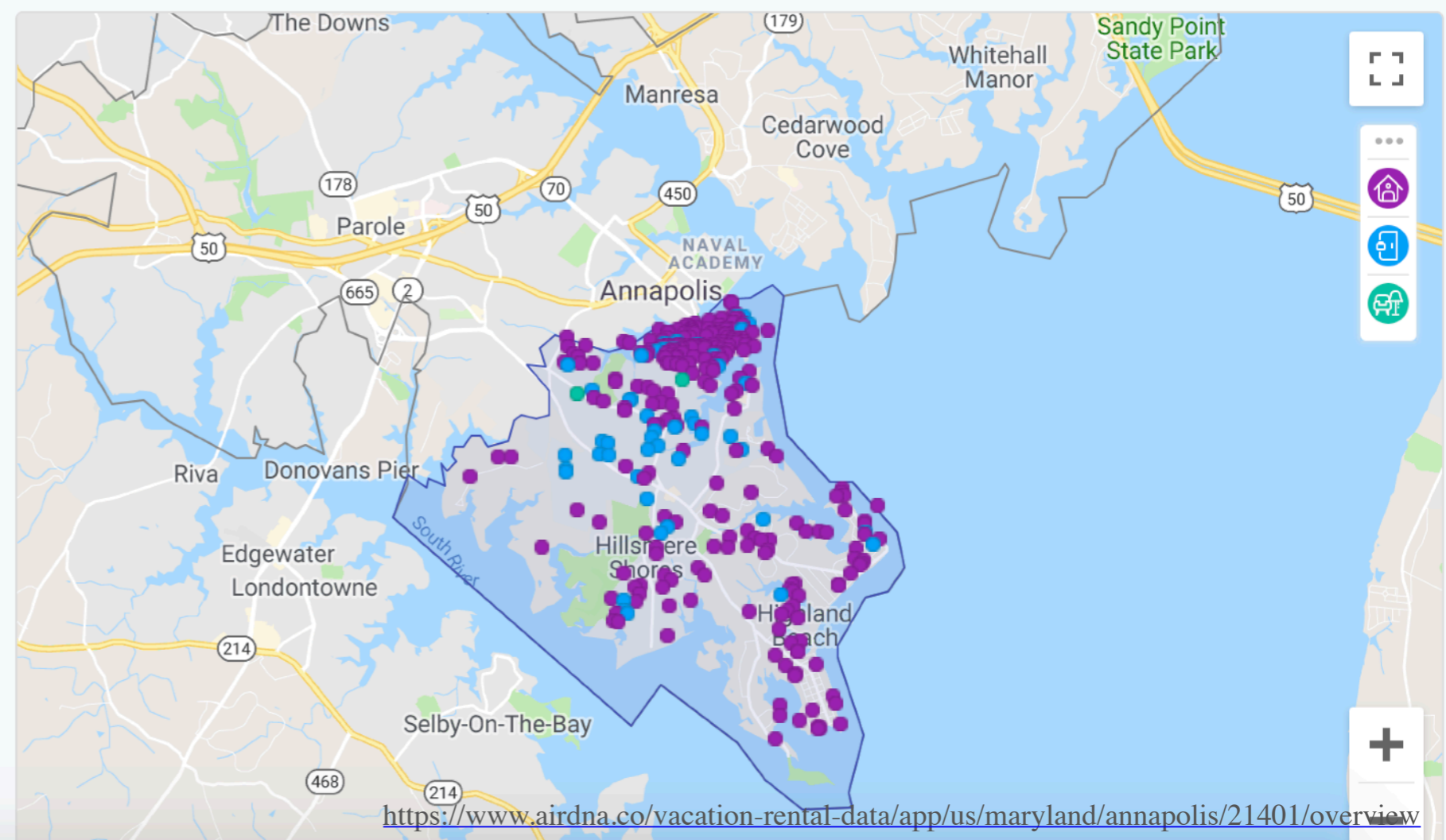
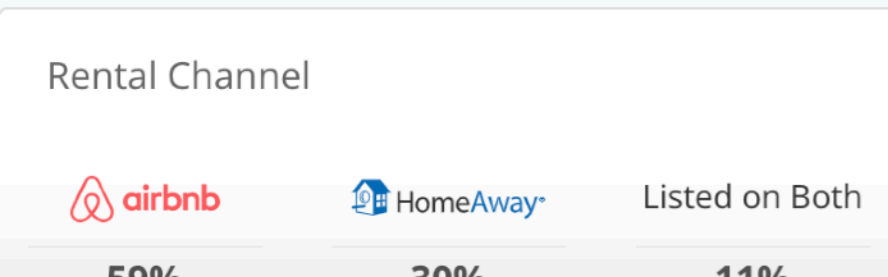
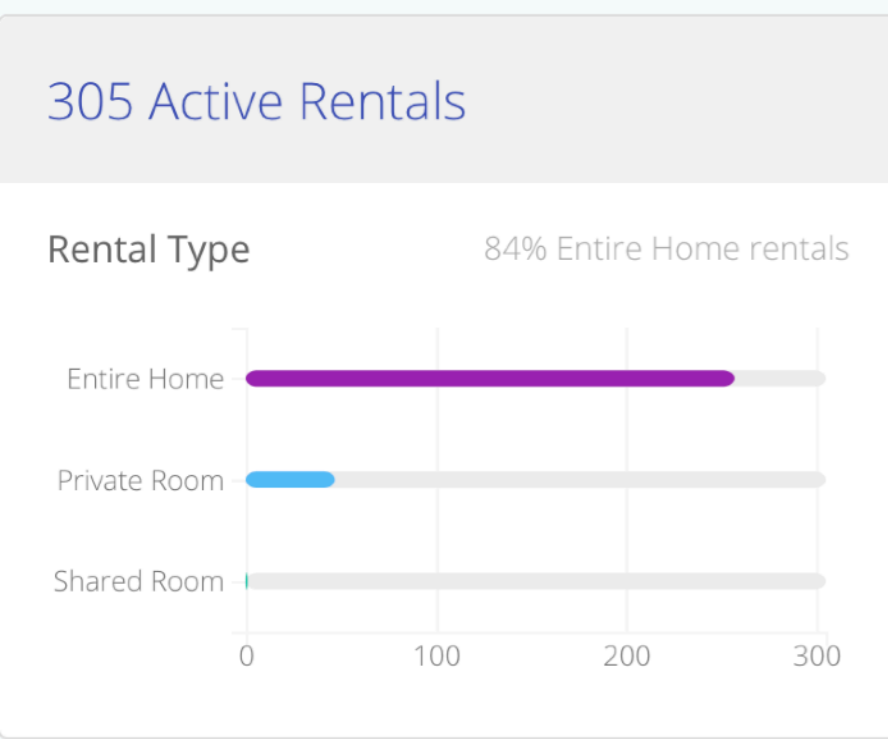
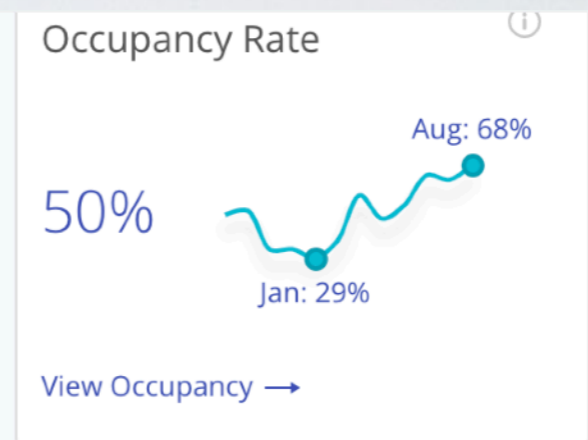
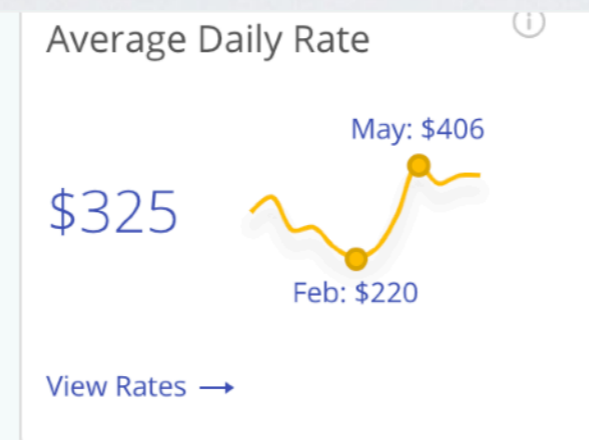
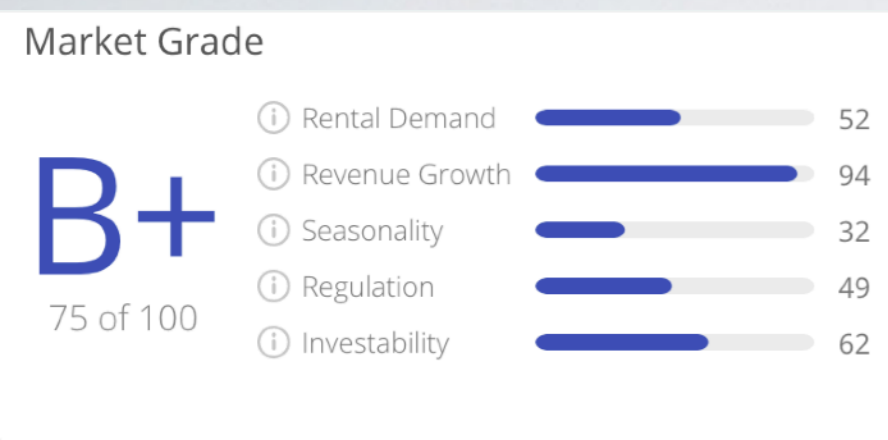




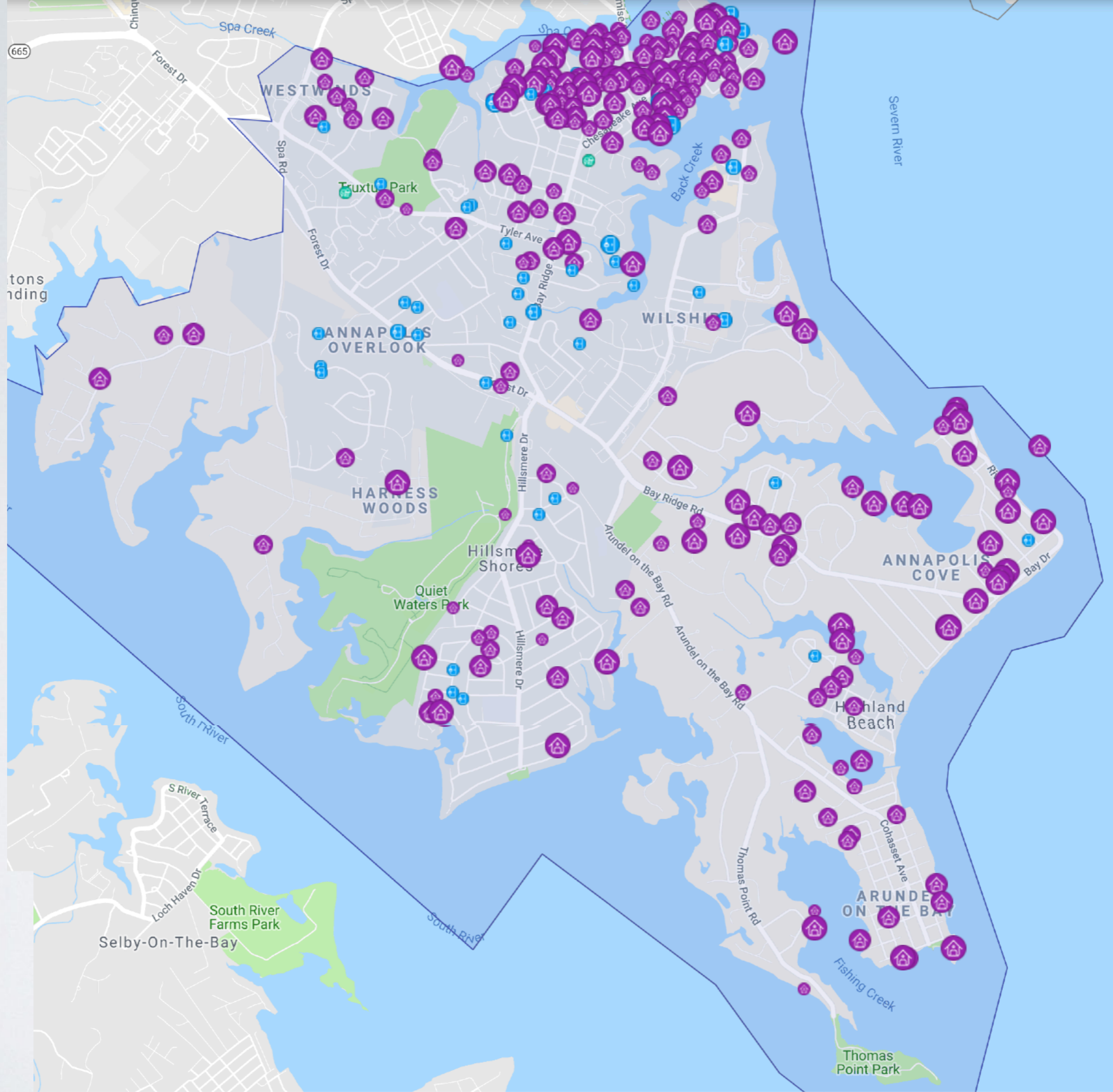


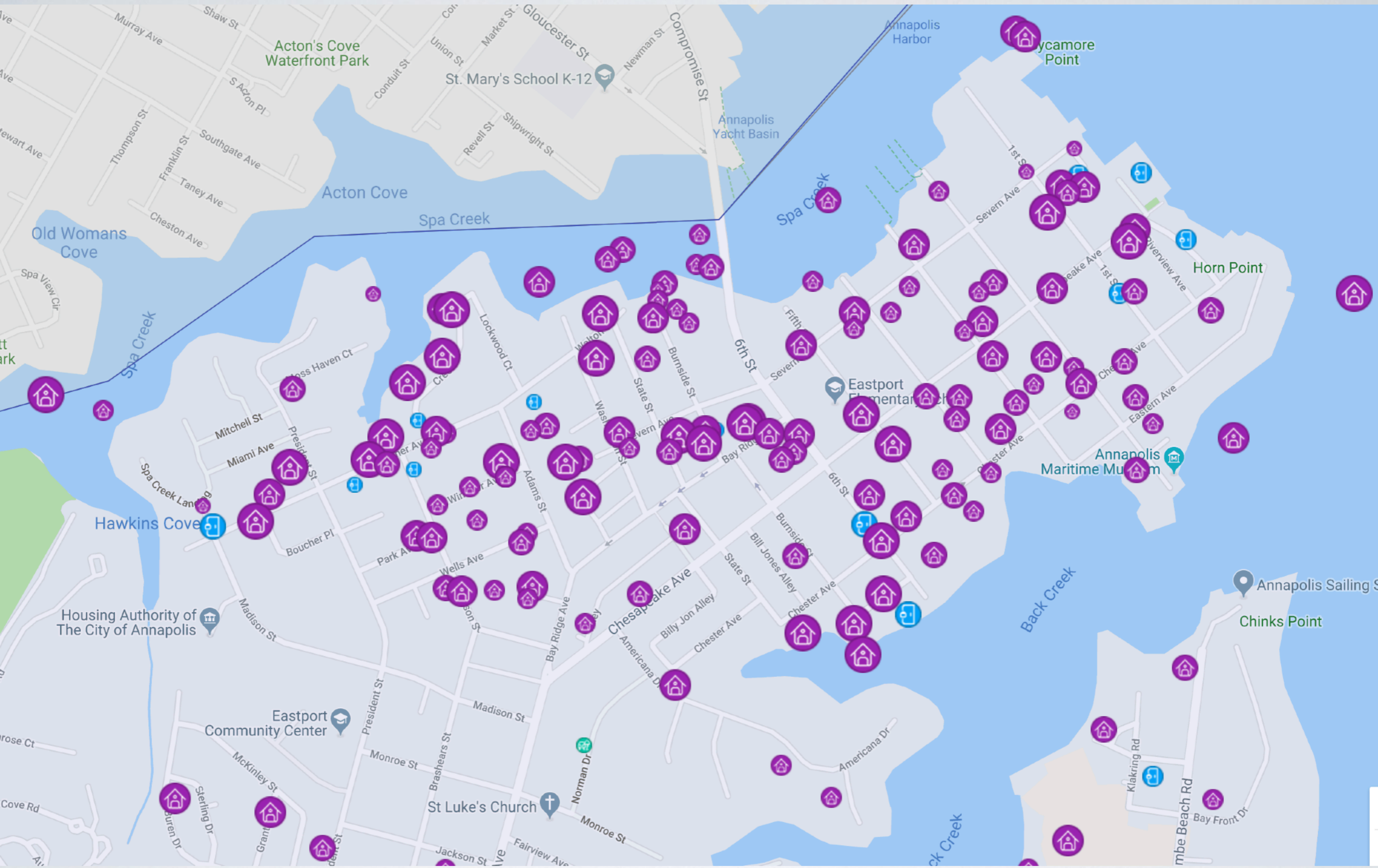
# STVR FACTS

## ANNAPOLIS, 21403









# STVR FACTS

## ANNAPOLIS, 21403

### Rental Growth

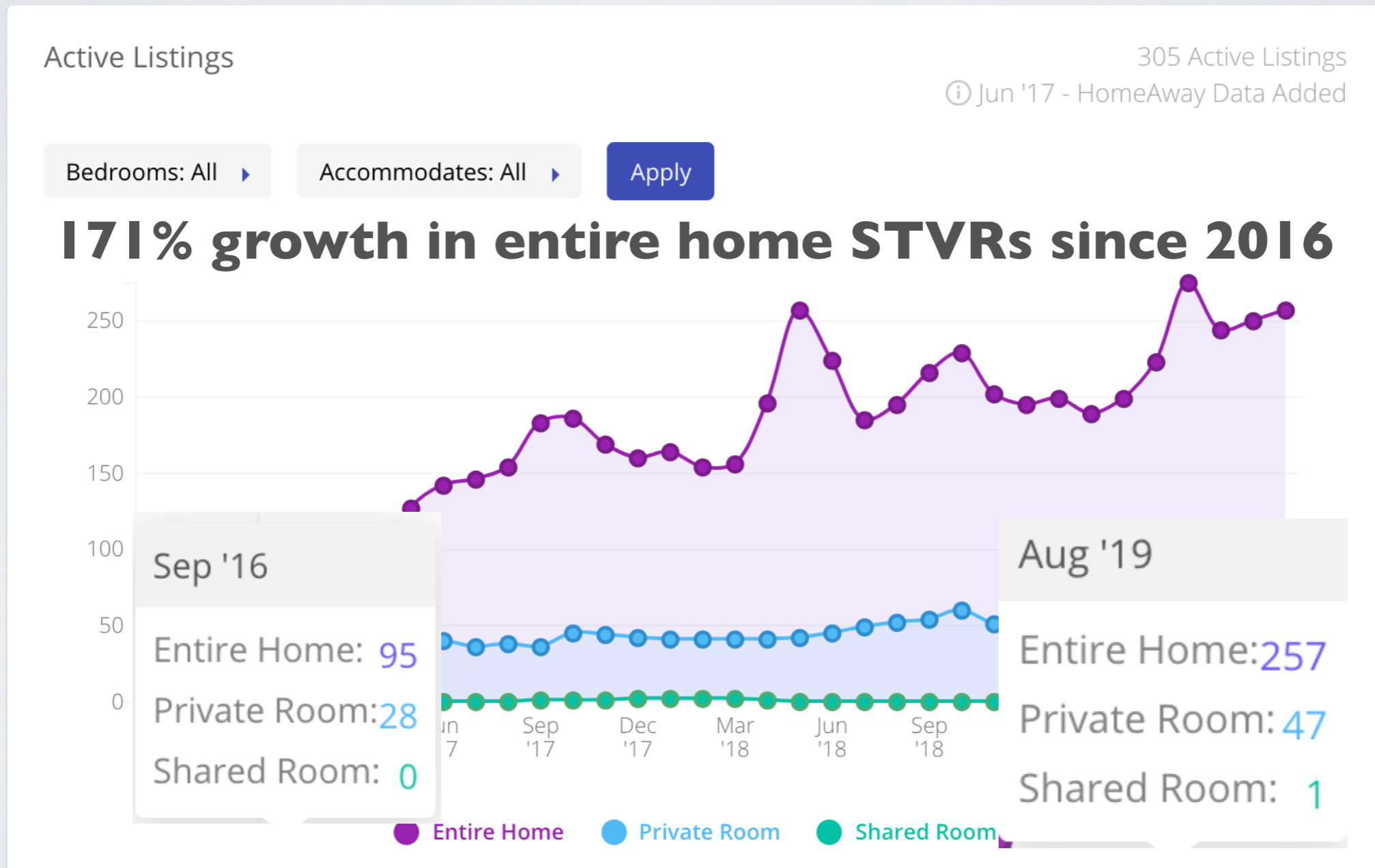
24% Quarterly Growth

ⓘ Jun '17 - HomeAway Data Added



# STVR FACTS

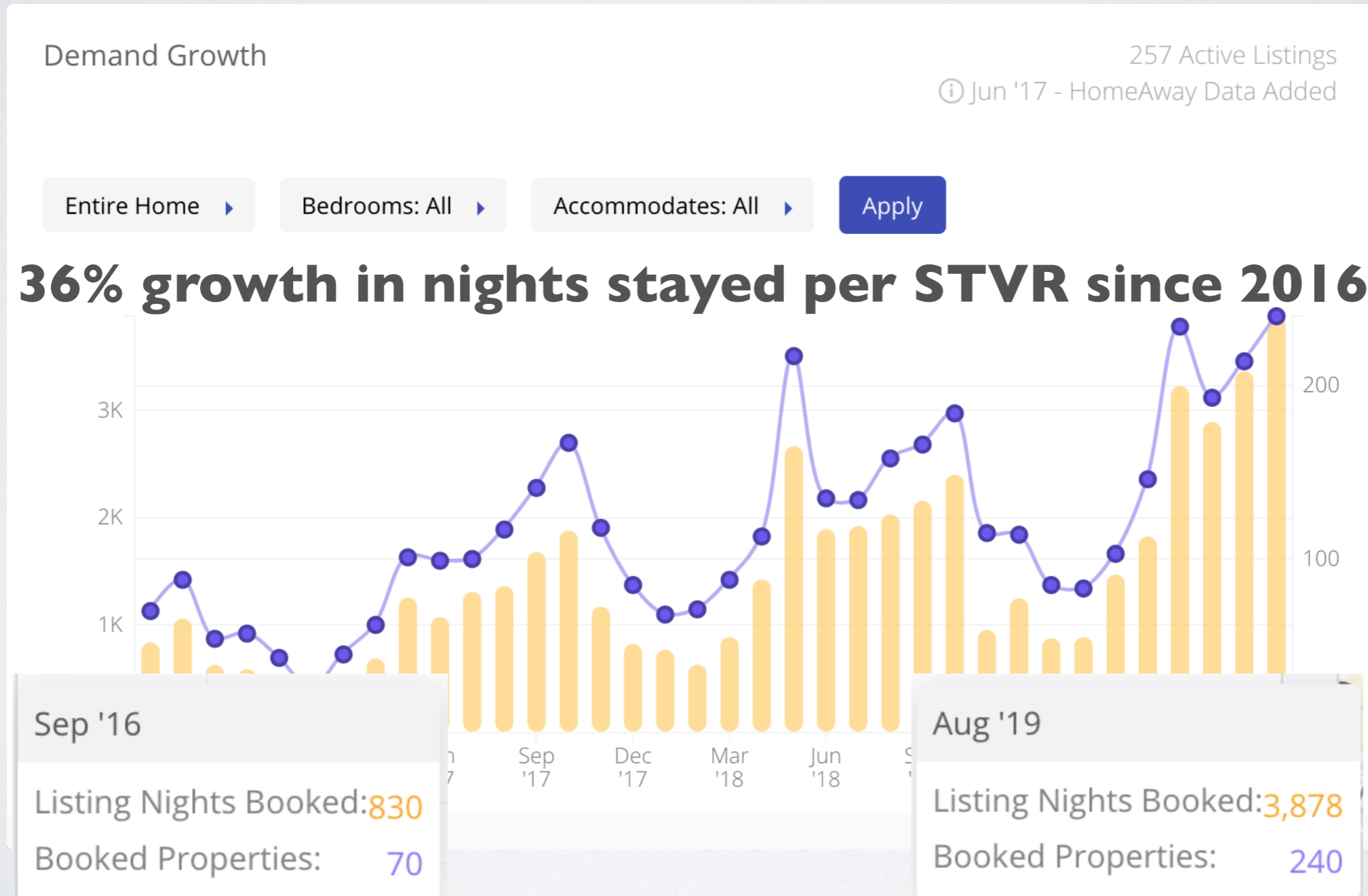
## 21403 ACTIVE LISTINGS



AirDNA defines active listings as those with at least one reservation during the reporting period. AirDNA only includes active listings in its occupancy rate calculations.

# STVR FACTS

## 21403 DEMAND GROWTH



11.9 Nights per month / STVR

16.2 Nights per month / STVR

In Annapolis, 2 BR/2 Bath rentals range from \$250-\$325/night. Check out additional opportunities for peak pricing you can capitalize on at West141. You might say West Street just became Easy Street.

# Add Some Pizzazz to Your Portfolio

Whether you're looking to downsize or diversify in style, West141 is a wise investment. It's more than just the income potential that makes investing in a home at West141 such a good idea. Investing in a home at West141 means you have guaranteed warranties, low maintenance, and turnkey rental services.

If you are looking for features and the best of both worlds, renting from a...

## EASY RENTALS

- Smart door lock
- no needs for
- Smart building reprogrammable
- Smart garage secure access
- App program

- Dec 22 - Jan 3
- Christmas/New Year ↑ 18%
- Apr 19 - Apr 23
- Spring Boat Show ↑ 54.5%
- Bridge Boat Show ↑ 22%

### Rental Revenue

257 Active Listings

Jun '17 - HomeAway Data Added

Entire Home ▶

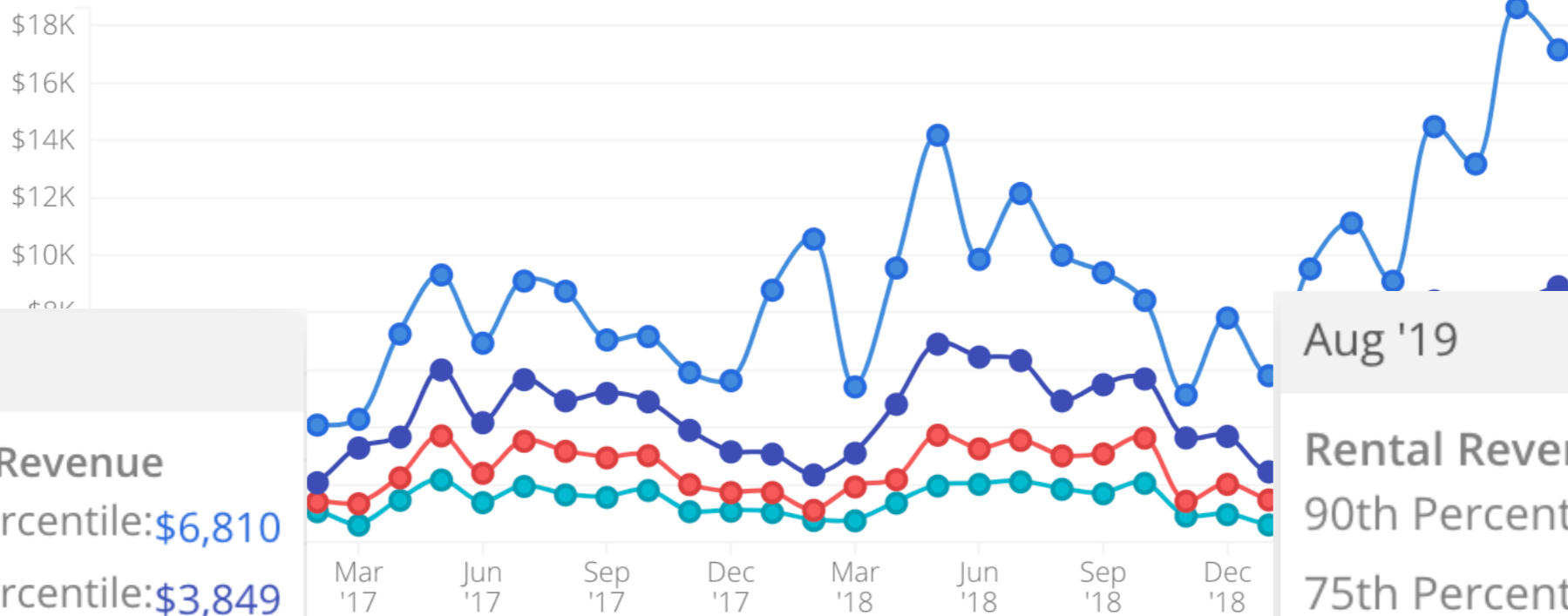
Bedrooms: All ▶

Accommodates: All ▶

Apply

25th percentile  50th percentile  75th percentile  90th percentile

## 152% revenue growth by top 10% of STVRs since 2016



Aug '19

ADR Percentile:

- 95th: \$1,049
- 75th: \$607
- 50th: \$385
- 25th: \$224
- 5th: \$110

Sep '16

Rental Revenue

- 90th Percentile: \$6,810
- 75th Percentile: \$3,849
- 50th Percentile: \$2,514
- 25th Percentile: \$1,535

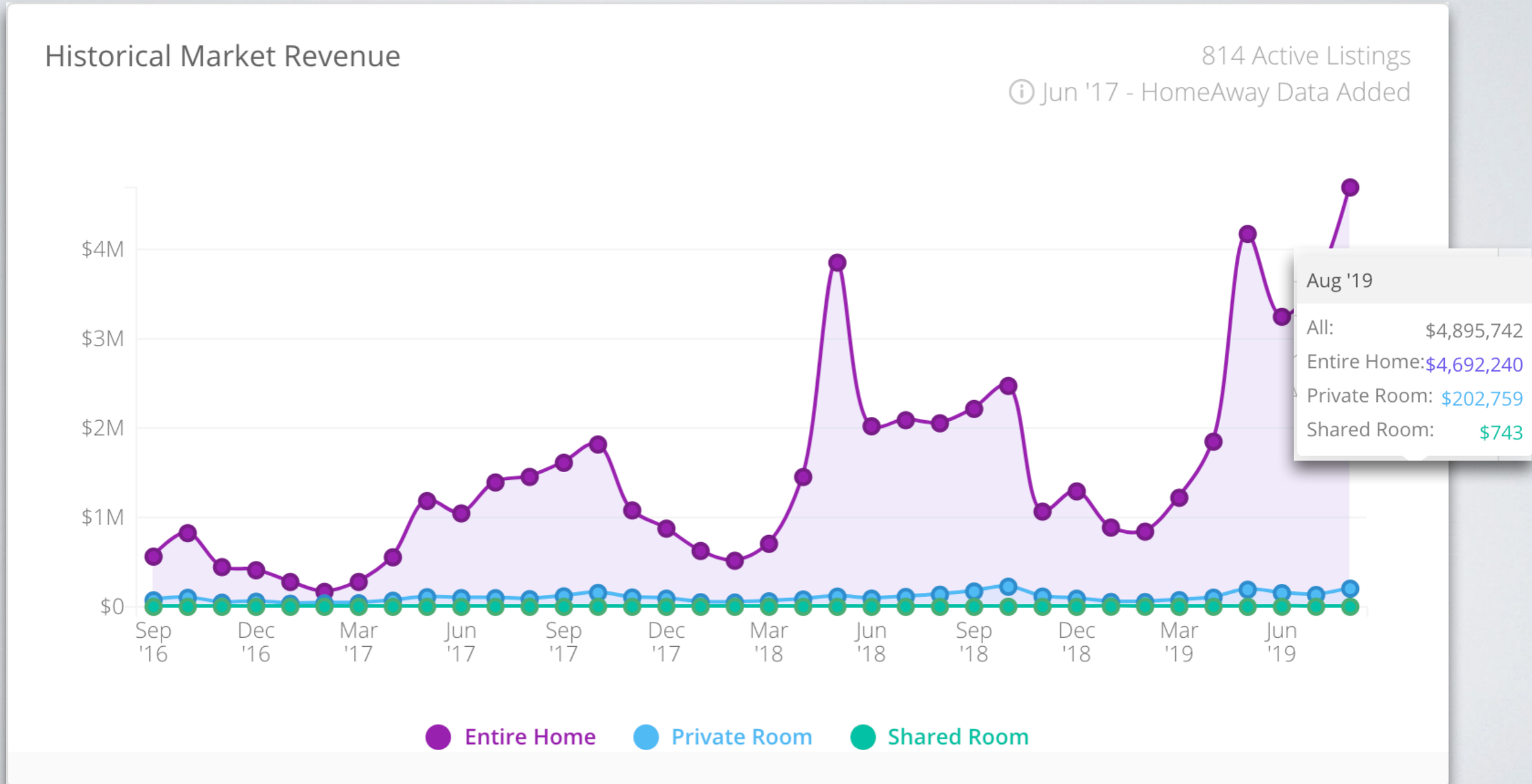
Aug '19

Rental Revenue

- 90th Percentile: \$17,154
- 75th Percentile: \$8,900
- 50th Percentile: \$4,793
- 25th Percentile: \$2,730

# STVR FACTS

## ANNAPOLIS FOREGONE TAX REVENUE

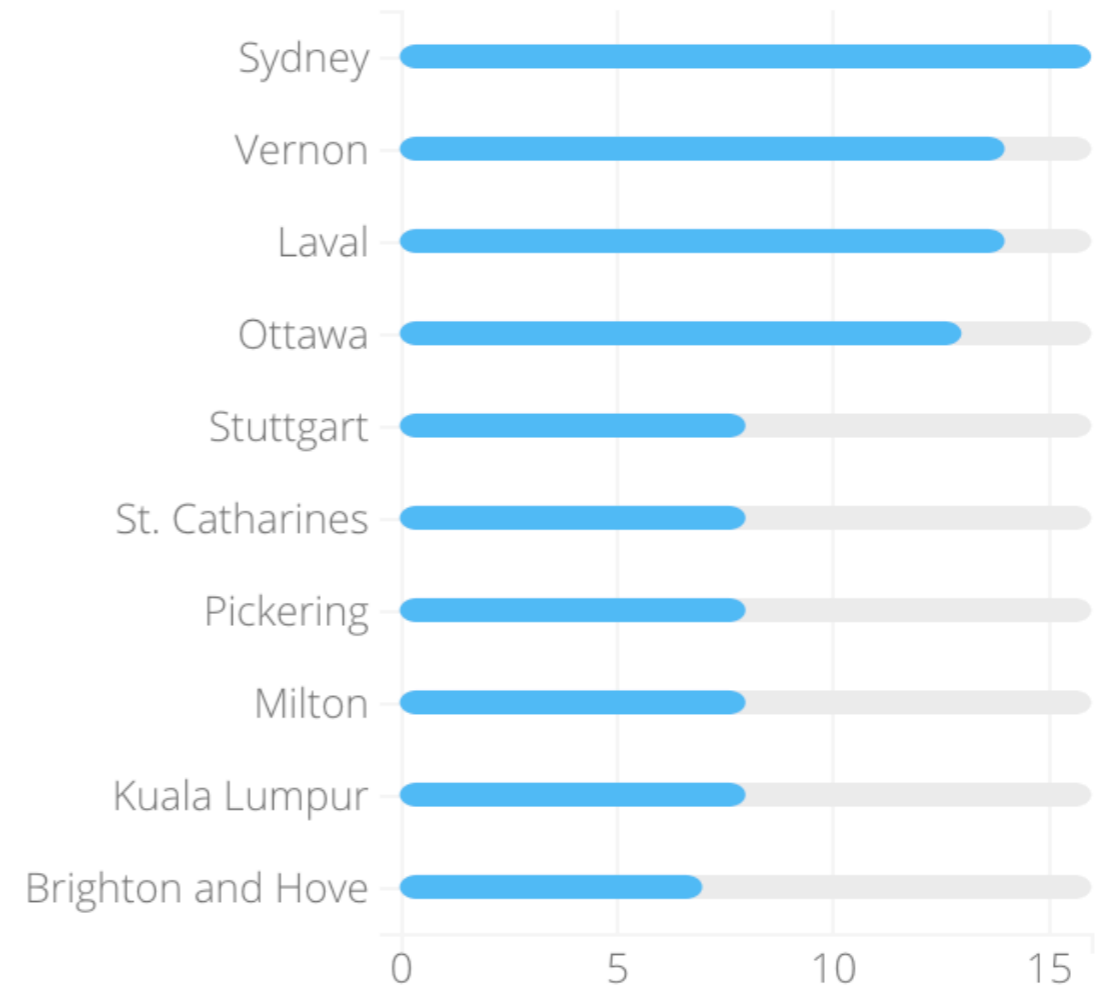
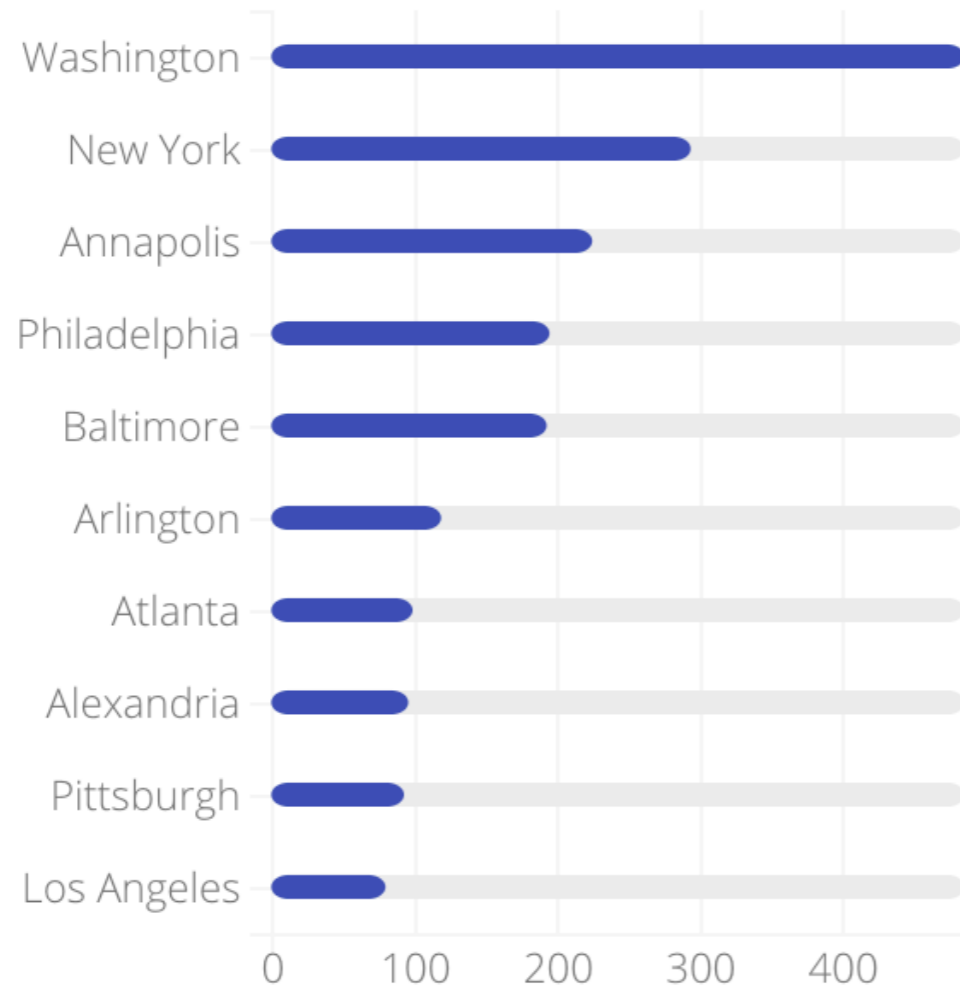


**Past 12 month revenue \$31,300,642 x 7% Hotel Occupancy Tax = \$2.2 million in foregone tax revenue**

# STVR FACTS

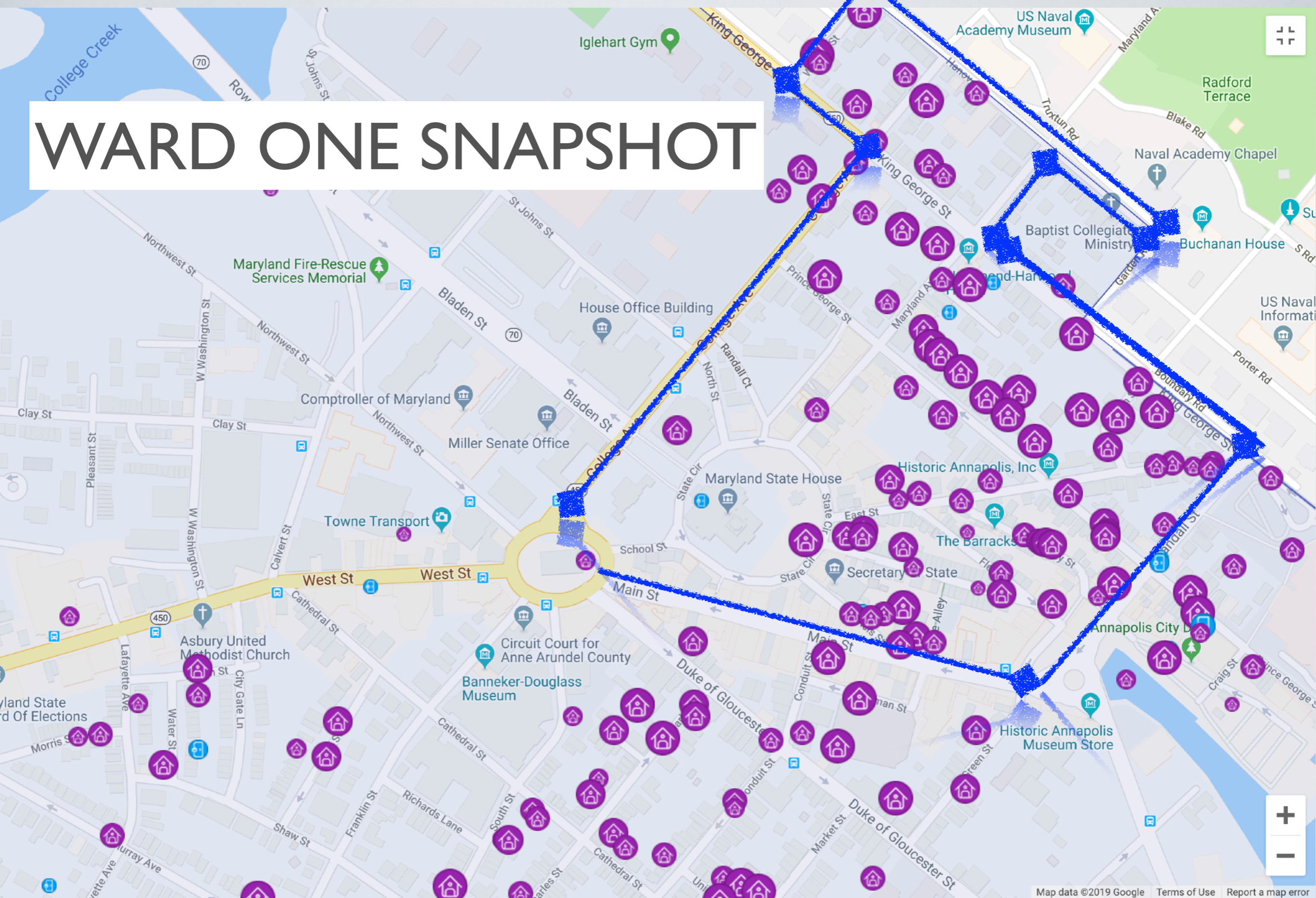
## WHO COMES TO 21403?

Top Domestic and International Cities ⓘ





# WARD ONE SNAPSHOT



# WARD ONE SNAPSHOT

## Analysis of Ward One Sample-Sector of STVRs

September 30, 2019

	Houses	STVRs	Owner- Unoccupied	Bedrooms	7 BR	5 BR	4 BR	3 BR	2 BR	1 BR	Sleeps
Prince George	93	15 (16%)	10 (67%)	60	1	4	4	5	1	0	119
King George	55	12 (22%)	9 (75%)	37	0	1	1	7	3	1	93
College Avenue	26	4 (15%)	2 (50%)	13	0	0	2	1	1	0	27
Wagner Street	9	2 (22%)	2 (100%)	8	0	1	0	1	0	0	16
East Street	53	10 (19%)	7 (70%)	25	0	0	1	5	2	2	57
Pinkney	31	13 (42%)	11 (85%)	29	0	0	0	3	10	0	69
Fleet Street	28	6 (21%)	6 (100%)	13	0	0	0	2	3	1	38
Cornhill Street	38	8 (21%)	7 (88%)	22	0	0	1	4	3	0	54
Martin Street	5	2 (40%)	2 (100%)	8	0	0	2	0	0	0	19
Randall Street	18	3 (17%)	3 (100%)	10	0	0	1	2	0	0	25
Hanover Street	24	3 (12%)	3 (100%)	11	0	1	0	2	0	0	22
Cumberland Ct	8	2 (13%)	1 (50%)	6	0	0	1	0	1	0	12
<b>Totals</b>	<b>388</b>	<b>79 (21%)</b>	<b>61 (77%)</b>	<b>242</b>	<b>1</b>	<b>7</b>	<b>13</b>	<b>32</b>	<b>24</b>	<b>4</b>	<b>551</b>

Whole-house rentals found on AirBnb, VRBO, At Home Annapolis, HomeAway, Trip Advisor and Long and Foster Rentals, visually confirmed, MD SDAT cross-referenced.

# BENEFITS OF O-26-19

- 1) **Protection of affordable housing** threatened by dislocation / loss of conventional rental housing caused by owner-occupied STVRs
- 2) **Preventing non-conforming, commercial inroads into residential neighborhoods** threatening quality of life of Annapolis neighborhoods
- 3) **Addressing the threat to authenticity** and community character caused by loss of neighbors in residential neighborhoods
- 4) **Increasing life-safety** protection in STVRs
- 5) Creating a path to **taxation**

# O-26-19 PREAMBLE

## **Rental Unit and Short-Term Residential Rental Licenses:**

- 1) For the purpose of mitigating significant dislocation of neighborly residential blocks
- 2) Supporting the City's experience, visitor and tourist-based local economy by leveraging the sharing economy
- 3) Ensuring applicable tax collection and remittances
- 4) Encouraging fair competition, updating and amending the regulation of residential rental properties generally
- 5) Creating operating license requirements governing the short-term rental of residential dwellings and dwelling units above nonresidential uses.

**MUST BE ADDED: Maintaining affordable, conventional-single-family rentals**

# O-26-19 KEY PROVISIONS

1. STVR license is required to rent property as owner-occupied or owner-unoccupied.
2. **Licenses will only be issued to residents of Annapolis and individuals who own a business in town with retail on lower floor and dwelling units on upper floors.**
3. **May apply for one additional license in addition to primary residence (I+I Rule).**
4. A home inspection is required with the same stipulations as a conventional rental.
5. **Limits the length of time an owner may rent-while-absent to 120 nights/year.**
6. If the residence is owner-occupied and rents single rooms out, there is no limit to nights a room may be rented.
7. **Limits the length of time of a short-term rental to a single tenant to 90 days.**
8. Max number of people during a short term rental period is “per existing code” 17.40.470 - Sleeping area.
9. Allows city to suspend/revoke licenses for repeated, unaddressed neighbor complaints.
10. No license is required if STVR’ing during USNA Commissioning Week or either spring/fall boat show

# WARD ONE SECTOR STUDY

**“Downtown Annapolis, unlike so many great American cities, is a city of neighborhoods”**

**It’s important that Ward 1 possess a stable residential core to provide a stable base for business. We should zone to recognize what’s already happened (reduction of residents downtown) and zone to protect what’s left of residential. - Page X**

What is the essence of their recommendations? Annapolis, the Committee agreed, must be a *livable* city; one in which the neighborhoods have enhanced protection of their residential quality -- with special protections for the most vulnerable neighborhoods. There must be greater security against commercial inroads into residential areas and greater protection of local serving uses.

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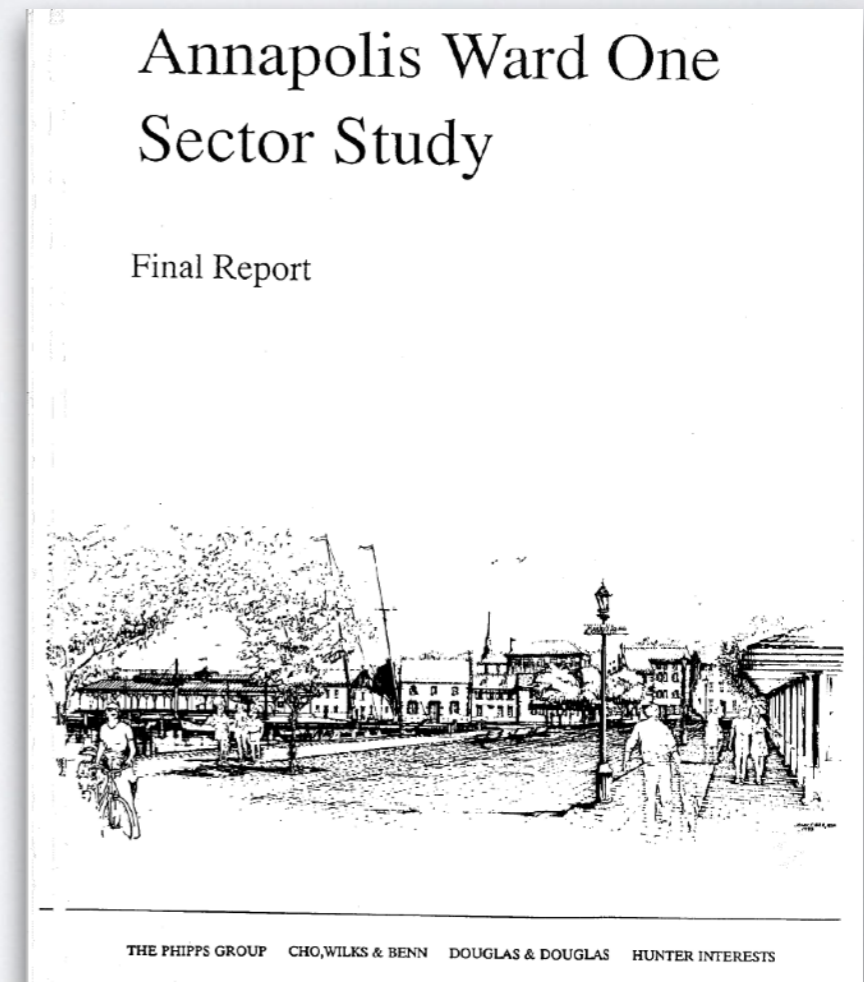
There are neighborhoods within Ward 1 which are "at risk". Commercial encroachments, high traffic volumes, lack of maintenance, and deteriorating neighborhood quality mark a series of streets whose residential future is in doubt. The Study recommends an aggressive neighborhood conservation program of positive zoning controls and incentives, with mandated monitoring. The intent of the program is to enhance the residential quality of life in these areas and to retain and increase the percentage of single-family, owner-occupied dwellings.

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Vigorous, healthy communities rely to a great extent on a solid core of committed citizens, most often single-family homeowners, to form the volunteer committees - both social and civic - which are the basis of community life. In a city such as Annapolis which is characterized by a constant succession of transitory people - tourists, legislators, college students and midshipmen, it is all the more important that Ward 1 possess a stable residential core.

Over the past two decades both owner occupancy and the number of single family structures have declined in Ward 1. There are today several neighborhoods in Ward 1 under stress, where action needs to be taken to ensure they will remain residential rather than succumb to pressure to convert them to other uses.

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**This sector study recommended changes to zoning (in 1990s, C2 covered both residential and business areas near City Dock) to better target areas/neighborhoods in need.**

# CITY OF ANNAPOLIS COMPREHENSIVE PLAN 2009

## C. RECOMMENDATIONS: CONSERVATION RESIDENTIAL OVERLAY ZONE:

To deal with the issues of neighborhood preservation, a "Conservation Residential Overlay Zone" is proposed for those areas in Ward 1 which are currently zoned C1. <sup>1</sup>

The purpose of this Overlay Zone is to apply a strategy of zoning controls, monitoring and incentives to enhance the quality of life in the residential neighborhoods and to retain and increase single-family, owner-occupied dwellings.

Within the Overlay Zone, specific "Neighborhood Conservation Districts" are identified, and specific incentives are provided.

Under this Zone, these neighborhoods are the focus of intensive public efforts to conserve the residential quality of the area.

### 1. Zoning Controls & Monitoring: Neighborhood Conservation District:

Components of the Neighborhood Conservation District strategy are:

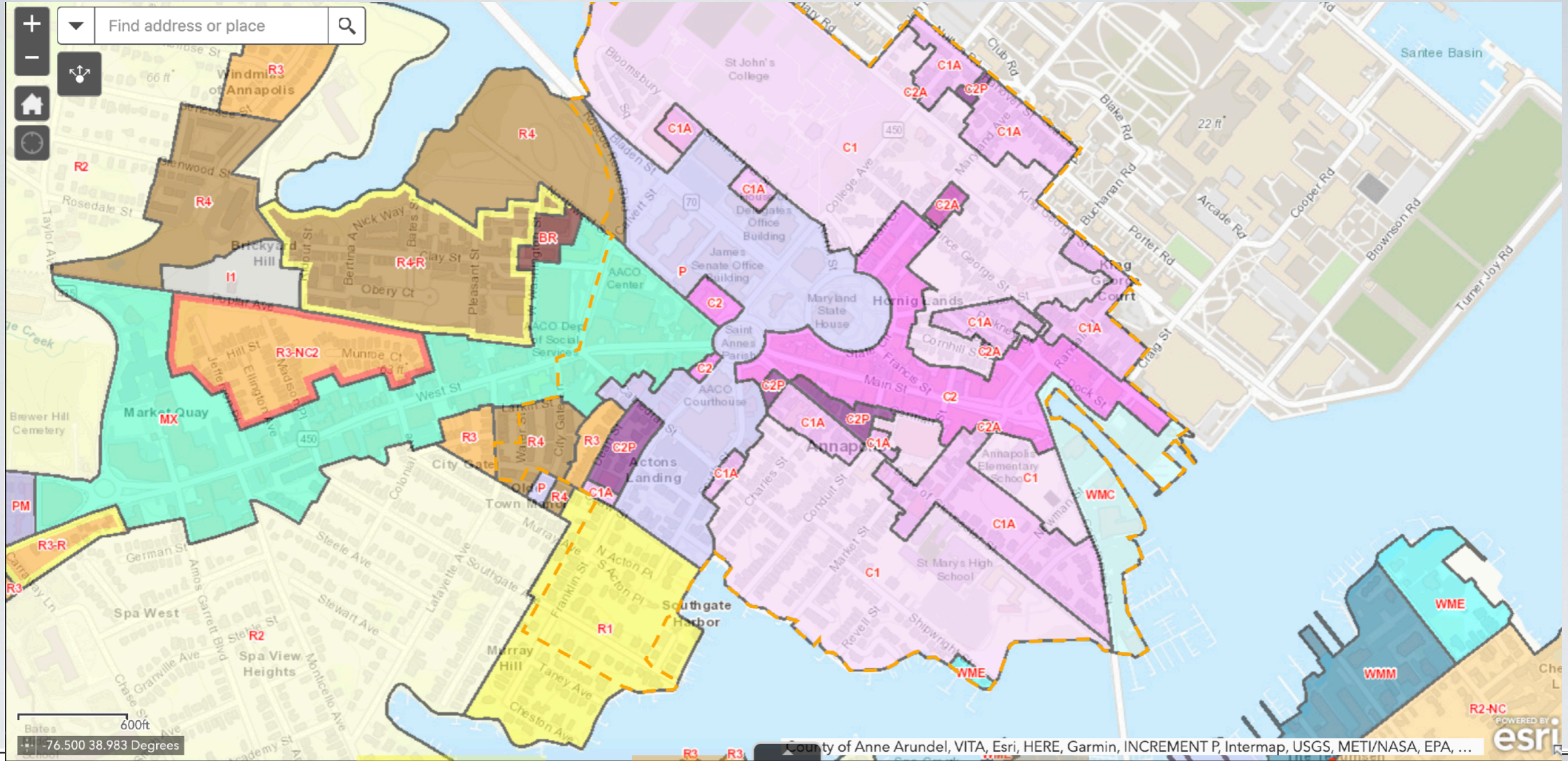
- o formal definition of the area by neighborhood along legal lot lines,
- o official inventory of uses and conditions of buildings as of a fixed date,
- o clear policy that existing residential uses must remain residential

# CI-A ZONING

## SPECIAL CONSERVATION RESIDENCE DISTRICT ZONING

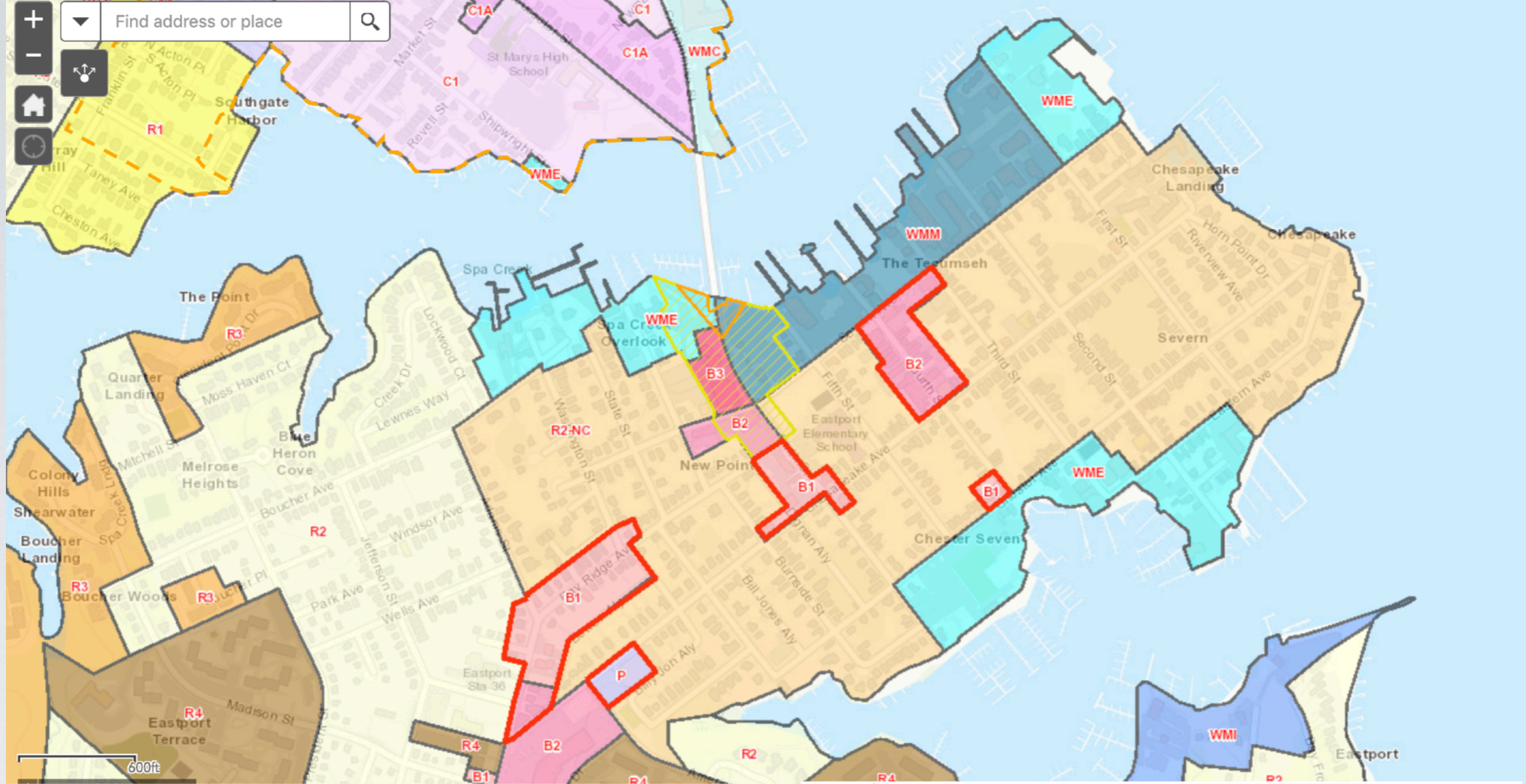
- To preserve ‘at risk’ neighborhoods as ID’d in the Annapolis Comprehensive Plan and Ward One Sector Study
  - Significantly impacted by ‘a growing number of nonconforming uses
- CI-A lands are the focus of intensive public efforts to minimize conversions from single-family to multi-family or office use, to stabilize and enhance the residential quality of life, and to encourage single-family development and conversion to single-family use





Uses	District R1A	District R1B	District R1	District R2	District R2-NC	District R3	District R3-NC	District R3-NC2	District R3-R	District R4	District R4-R	District C1	District C1A	District C2	District C2A
Inns			S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S		S	
Apartment hotels										P-Std	P-Std			<b>A=Accessory Use</b>	
Bed and breakfast homes					P-Std		P-Std	P-Std				P-Std	P-Std	<b>P=Permitted Use</b>	
Dwellings, single-family attached						S	S	S	S	S	S	S-Std		<b>S=Special Exception Use</b>	
Dwellings, single-family detached	P	P	P	P	P	P	P	P	P	P	P	P	P	S	

**A=Accessory Use**  
**P=Permitted Use**  
**S=Special Exception Use**  
**Std=Use Subject to Standards**

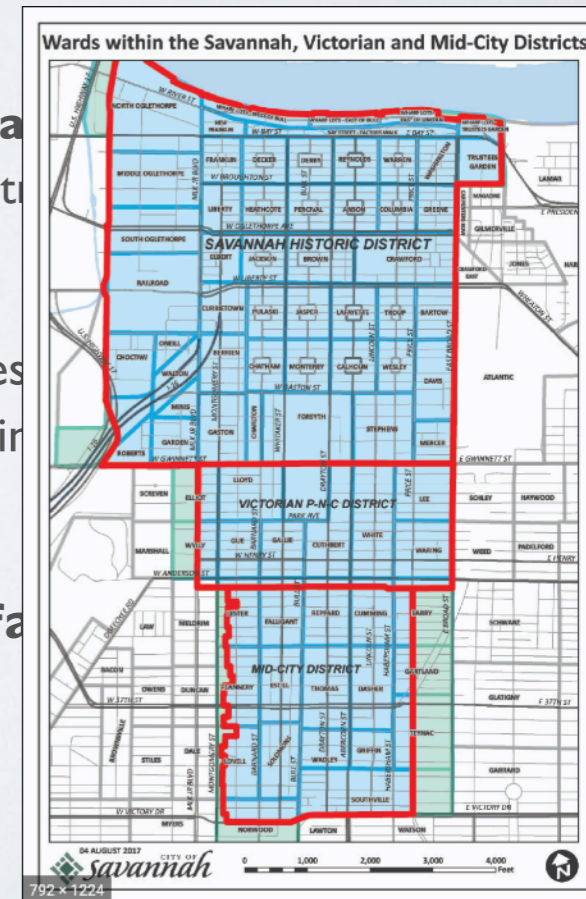


Uses	District R1A	District R1B	District R1	District R2	District R2-NC	District R3	District R3-NC	District R3-NC2	District R3-R	District R4	District R4-R	District C1	District C1A	District C2	District C2A
Inns			S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S-Std	S		S	
Apartment hotels										P-Std	P-Std			<b>A=Accessory Use</b>	
Bed and breakfast homes					P-Std		P-Std	P-Std				P-Std	P-Std	<b>P=Permitted Use</b>	
Dwellings, single-family attached						S	S	S	S	S	S	S-Std		<b>S=Special Exception Use</b>	
Dwellings, single-family detached	P	P	P	P	P	P	P	P	P	P	P	P	P	S	

**A=Accessory Use**  
**P=Permitted Use**  
**S=Special Exception Use**  
**Std=Use Subject to Standards**

# POLICY PRESCRIPTIONS

- Alexandria, VA - **Registration only**, for taxation purposes
- Arlington, VA - **STVR limited to primary residence**, max number of guests is six, or two per bedroom per night. Requires a business license, and proper housing license. The county amended the law last year to allow renters to share their homes.
- Charleston, SC - STVR permit based on **zone, Fire and Safety inspection requirement**, not more than 4 guests, **owner must remain in the home**, Bed and Breakfasts became Commercial STVR, log of guests must be kept
- Savannah - STVR regulations focus on the Historic, Victorian, and Mid-City districts: **max of 20% of residential properties in those wards may be owner-unoccupied STVR, with owner occupied exempted.**
- Washington, DC- STVR limited to **primary residences** for fewer than 30 days at a time, max of **90 days** or 2 per bedroom. Host must maintain a log, and host agency must provide monthly report on all STVR to the city.  
**No home inspection required.**
- Montgomery County, MD - STVR limited to **primary residences**, owner-occupied and not present for more than **120 days a year**. No limit if the owner or authorized resident is present. Host must maintain a log of all STVRs for 10 years and make it available to county officials when requested.
- Baltimore City, MD - STVR limited to **primary residences**, host must maintain a log. **Grandfathered owner-unoccupied STVRs.**



# QUESTIONS / COMMENTS

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