



Consumer Notice: Ocean City, Maryland 2025 Changes to Code Impacting all Rental Units Plus Specific Occupancy/Rental Restrictions in R1/MH Zoning Districts

The following Ordinances have been enacted in Ocean City, affecting residential properties in R-1 Single Family Residential and MH Mobile Home Residential Districts that are used as rental housing. These are summaries of the ordinances and are updates provided for informational purposes. All parties are encouraged to conduct their own due diligence regarding the impact of these ordinances and other applicable provisions of the Code of The Town of Ocean City.

The Town of Ocean City, Maryland, 301 N. Baltimore Avenue, Ocean City, MD 21842 City Hall Hours: Mon-Fri 8am-4:30pm Phone: 410-289-8221 <https://oceancitymd.gov/oc/departments/planning-community-development/>

Ordinance 2025-01: February 3rd, 2025

Amended various sections of Chapter 14, Business; Occupancy, among other things, defines parameters for suspension and revocation of rental licenses including a new "three strike" rule, establishes the requirement for a local person able to respond within sixty minutes to a rental property, and enacts certain occupancy limitations. The establishment of certain occupancy limitations can be found in Sec. 14- 177. — Premises for Habitation/Rental Housing Units in R-1 single family residential district and MH mobile home residential district— overnight occupancy. The maximum occupancy in a dwelling in the R- 1 single family residential district and the MH mobile home residential district being used as a premises for habitation/ rental housing unit, is two (2) persons per bedroom, plus two additional persons, excluding children aged ten (10) years old and younger, between the hours of 12: 00 midnight and 7: 00 A.M, provided that occupancy does not exceed the maximum allowed occupancy under chapter 10 and the dwelling' s or building' s allowed occupancy use for its provided fire protection features required under chapter 34.

Ordinance 2025-02: February 3rd, 2025

Changes to the definition of "Family" to no longer require blood or marital relation between two or more individuals and limits the number of occupants authorized within the dwelling unit to the number allowed by building and housing code, fire code, and/or the rental housing code.

Ordinance 2025-04: March 3rd, 2025 OVERTURNED BY REFERENDUM VOTE/CERTIFIED 7/22/2025 APPROVED by Town Council 7-29-2025

Premises for Habitation/Rental Housing Units in R-1 Single Family Residential District and MH Mobile Home Residential District – Length of Stay. There shall be a five (5) consecutive overnight minimum length-of- stay for any dwelling rented in the R-1 Single Family Residential District or in the MH Mobile Home Residential District. This shall not apply to a rental booking in the R-1 Single Family Residential District, or the MH Mobile Home Residential District reserved prior to March 3, 2025, for the 2025 calendar year. Beginning January 1, 2027, there shall be a thirty-one (31) consecutive overnight minimum length of stay for any dwelling rented in the R-1 Single Family Residential District or the MH Mobile Home Residential District.

Ordinance 2025-05: February 3rd, 2025 & Ordinance 2025-06: March 17, 2025

Establishes a moratorium on the issuance of any new supplementary short-term rental licenses in the R-1 Single Family Residential and in the MH Mobile Home Residential Districts. During the Moratorium, the Town shall not accept, process, or review any new application for a supplementary short-term rental license in the R-1 Single Family Residential and the MH Mobile Home Residential Districts, except as may be authorized by the above-referenced Ordinances.

Disclosure: The Coastal Association of REALTORS® provides this information as a service to its members and the public. This notice is for informational purposes only and should not be construed as legal advice. All individuals and entities are responsible for conducting their own due diligence and consulting with legal or regulatory professionals regarding the implications of these ordinances.