



Town of Milton

115 Federal Street, Milton, Delaware 19968

www.milton.delaware.gov

Phone: 302-684-4110 Fax: 302-684-8999

ORDINANCE NO. 2025-008

**AN ORDINANCE TO AMEND CHAPTER 164 OF THE TOWN CODE, ENTITLED
"RENTAL PROPERTIES" REGARDING SHORT-TERM RENTALS**

WHEREAS, the Charter of the Town of Milton vests power in the Mayor and Town Council "to license, tax and collect fees annually for any and all municipal purposes... from any individual, firm, association, or corporation carrying on or practicing any business, profession, or occupation within the limits of the Town" and to "provide for and preserve the health, peace, safety, cleanliness, ornament, good order and public welfare of the Town and its inhabitants" and to "regulate and control the exercise of any license or franchise"; and

WHEREAS, the Mayor and Town Council of the Town of Milton have previously enacted an ordinance governing Rental Properties, codified as Chapter 164 of the Town Code; and

WHEREAS, the Mayor and Town Council held an open meeting on June 2, 2025, to consider amendments to Chapter 164;

NOW THEREFORE, BE IT ENACTED AND ORDAINED, by the Town Council of the Town of Milton:

Section 1. Amend Chapter 164 of the Town Code, with additions shown by underline and deletions shown by strikethrough as follows:

ARTICLE I
Terminology

§ 164-1. Definitions.

Any word or term not defined herein shall be used with a meaning of standard usage. The following words or phrases, as used in this chapter, are defined as follows:

AGENT — A person authorized to do any of the following on behalf of the landlord or owner:

- A. Make, contract for, and authorize necessary repairs to the residential rental unit.

- B. Comply with the ordinances, notices and requests of the Town of Milton.
- C. Accept all communications, notices, orders and all types of service of process, relating to the rental housing/unit.

LANDLORD — The owner or agent of real property who offers the residential rental unit to others for a defined term, including month to month, in exchange for monetary compensation or other considerations, or both.

LOCAL CONTACT PERSON — A person designated by the property owner who shall be available during the term of any short-term rental for the purpose of (1) responding within one hundred twenty minutes to complaints regarding the condition or operation of the dwelling unit or the portion of the unit used for short-term rental, or the conduct of the short-term rental transients; and (2) taking action on behalf of the property owner, up to and including termination of the short-term rental, if allowed by and pursuant to the short-term rental agreement, to resolve such complaints.

PERSON — A natural person, a partnership, a corporation, a limited partnership, a trust, a joint-stock company, a voluntary association, a club, a society or any group of persons acting as a unit.

RESIDENTIAL RENTAL UNIT — Any building, structure, or room ~~which~~ that is rented or offered for rent as living quarters. Residential rental units do not include bed-and-breakfasts, hotels, inns, or motels.

SHORT-TERM RENTAL — All or any portion of a residential dwelling unit, which is advertised or held out to the public as a place regularly rented for dwelling, lodging or sleeping purposes to one party with a duration of occupancy of 30 consecutive days or less. Hotels, motels, and other land uses explicitly defined and regulated in Chapter 220 separately from short-term rentals are not considered to be short-term rentals.

TENANT — Any person or persons, including the lessee, who occupies a residential rental unit or rental room with the landlord's consent and upon payment of compensation or gives other considerations in exchange for occupancy.

ARTICLE II

Long-Term Rentals

§ 164-2. License and registration required.

Each person, partnership, corporation, or other entity who rents or offers to rent any residential rental unit shall register to obtain a rental unit license and pay an annual fee as set forth in § 164-3 of this chapter.

§ 164-3. License fees.

License fees to be paid to the Town of Milton for rental licenses shall be at the relevant rate as established in the effective Town of Milton Fee Schedule.

§ 164-4. Application procedures.

Applications for licenses pursuant to this chapter shall be made on the prescribed form to the Town of Milton, and no license shall be granted until the applicant has met all provisions in Chapter 95 (Clean Hands Policy) of the Town Code of Milton and the license fee shall have been paid in full. Each applicant shall give provide the following information:

- A. The property owner's name.
- B. The address and telephone number of the property owner.
- C. The property address to be rented (street name, block number, and unit number, if any).
- D. The name, address and telephone number of the agent, if any.
- E. The number of sleeping rooms provided.
- F. If the applicant is a partnership, the names and addresses of the individuals composing the partnership.
- G. If the applicant is a corporation, the names and addresses of the principal officers of the corporation.
- H. Authorization for the Town, its agents and employees to seek information and conduct an investigation into the truth of the statements set forth in the application and the qualifications of the applicant for the license.
- I. A statement that the applicant:
 - (1) Shall comply with all laws and ordinances of the Town of Milton.
 - (2) Shall provide in each such rental unit a functioning smoke-detection device and those other safety devices required by the State Fire Marshal and as enumerated by Subchapter IV, Chapter 66, Title 16, of the Delaware Code.
 - (3) Shall notify the Town of Milton in writing within 30 days after any change in the above requirements.

ARTICLE III

Short-Term Rentals

§ 164-5. Short-term rental use.

All the required approvals shall be obtained prior to establishment of the use. Any additional requirements of the state and Sussex County shall also be required to be satisfied.

§ 164-6. Short-term rental standards.

Short-term rentals, as defined in § 164-1, Definitions, shall be subject to the following general requirements:

- A. Short-term rental dwellings shall meet all applicable building, health, fire, and related safety codes at all times, including:

- (1) That each short-term rental has working smoke detectors in every bedroom, outside of all sleeping areas, and on all habitable floors;
- (2) That each short-term rental has working carbon monoxide detectors in every dwelling unit with an attached garage or fuel appliances;
- (3) That each short-term rental has a properly maintained and charged fire extinguisher in each short-term rental unit; and
- B. The overnight occupancy of a short-term rental shall not exceed the sum of two natural persons per bedroom. Children 6 years of age and younger shall not be counted towards the overall number of occupants.
- C. The short-term rental property shall meet all applicable requirements of the zoning district where the property is located.

§ 164-7. Short-term rental operation.

- A. Use of the short-term rentals to host commercial activities shall be prohibited.
- B. Advertising for the short-term rental, and the rental agreement, shall include information on its key characteristics, including on-site parking (or lack thereof), RV regulations, occupancy limits, the prohibition on commercial activities and public events.
- C. The short-term rental must not be subject to any contractual restrictions precluding the use, including homeowner association agreements, condominium bylaws, and restrictive covenants; the Town's application for the short-term rental must include verification of this.
- D. It shall be the responsibility of the property owner or authorized agent to ensure short-term rental guests comply with the requirements of all Town Codes, including but not limited to, Chapters 148, Noise; Chapter 179, Solid Waste; and Chapter 183, Streets and Sidewalks.
- E. Good Neighbor Brochures, issued by the Town with the annual license, will be provided to every renter by the property owner or authorized agent.
- F. The following information shall be made conspicuously visible inside the dwelling: information on maximum occupancy, location of any off-street parking on the property if such off-street parking exists, contact information for the property owner or local representative, emergency numbers, and waste and recycling pickup schedule.
- G. The designated local contact person shall be available 24 hours a day to accept telephone calls from the Town and, if requested by the Town, respond physically to the short-term rental within a reasonable time period, not to exceed two hours when the short-term rental is rented and occupied.

§ 164-8. Short-term rental complaint procedure.

- A. Any person having a complaint regarding any alleged violation or violations of this article

for a short-term rental shall call the Code and Planning Department at Town Hall, Monday through Friday, excluding weekends and holidays. For weekends, holidays, and outside office hours, any person having a complaint should contact the Milton Police Department.

- B. If the complainant feels the property owner or the authorized agent failed to satisfactorily resolve a complaint, the complainant shall notify the Town, in writing. The Town will investigate the complaint, and if deemed accurate, will authorize the Code and Planning Department to issue a notice of violation to the property owner or the authorized agent.

Article IV Administration

§ 164-5. § 164-9. Certification.

- A. Upon receipt of an initial license application for a subject property under provisions of this chapter, the Town Administrator or his/her designee shall then, within 10 business days, perform an inspection of the residential rental unit to determine whether such property complies with the applicable provisions of the Town Code of Milton (Chapter 136, Housing Standards, § 136-11 through and including § 136-23). The Town Administrator or his/her designee shall then issue a report of his/her findings. Any deficiencies noted shall be noticed and corrected pursuant to § 136-30 of the Town Code. No license shall be issued if the premises and building do not comply with the applicable provisions within the Town Code of Milton.
- B. Once a residential rental unit has received and passed an initial inspection, the landlord shall, along with the application for the annual license, certify the residential rental unit is in compliance with the prescribed standards as defined within the provisions of the Town Code of Milton, in order to effectuate the annual license renewal.
- C. Any license allowed to lapse shall be considered an initial application and subject to inspection.

§ 164-6. § 164-10. Issuance and expiration.

- A. Upon proper application, payment of the prescribed fee, inspection, or certification of compliance, a license signed by the Town Administrator or his/her designee shall be issued to each applicant.
- B. Each license shall be effective for the calendar year (January 1 through December 31) in which it is issued.

§ 164-7. § 164-11. Inspection access.

- A. The landlord shall permit the Town Administrator or his/her designee, upon adequate notice to the landlord to provide notice to the tenant, to inspect all premises governed by this chapter to determine if a residential rental unit is operated on the premises and/or to determine compliance with the provisions of this chapter, and shall fully cooperate with such inspections. The landlord shall make reasonable efforts to notify tenants of planned inspections of their rental units to the extent required by Delaware state law.

- B. The landlord or his/her designee shall be present on the premises during inspections; however, failure of a landlord or his/her designee to comply with this requirement shall not deprive the Town of the authority to inspect.
- C. When an inspection has been scheduled, it is the responsibility of the landlord to make sure the subject property is ready by the time the inspector arrives on the site.
 - (1) If an inspection needs to be cancelled or rescheduled, the landlord shall notify Town officials no later than 4:00 p.m. on the business day prior to the inspection.
 - (2) If the inspector arrives on site and the subject property is not ready and the inspection was not properly cancelled or rescheduled, a non-cancellation fee shall be paid at Town Hall before the inspection may be rescheduled.
 - (3) When conditions of a subject property are such that cause more than one follow-up inspection, for the purpose of ensuring compliance, a fee as provided on the Town fee schedule per inspection shall be imposed.
- D. Failure of a landlord to comply with any of the requirements of this section shall subject the landlord to suspension or revocation of the license, in addition to other penalties provided for in this chapter. Any such suspension or revocation shall continue until the inspection has been completed, any violations satisfactorily remedied and any outstanding fees or penalties have been paid.

~~§ 164-8.~~ § 164-12. Suspension or revocation of license.

- A. Any license issued pursuant to this chapter shall be subject to suspension or revocation by the Code Enforcement Officer or his or her designee for:
 - (1) A violation of any provision of this chapter or for grounds that would warrant the denial or issuance of such license in the first place;
 - (2) Misrepresentation or false statement contained in the application for the license;
 - (3) Delinquency in payment of any taxes, fees, fines, penalties, interest or assessments due the Town of Milton; or
 - (4) If by complaint filed with the Code Enforcement Officer, an inspection finding a residential rental unit does not comply with Chapter 136, Housing Standards (§ 136-11 through and including § 136-23) of the Town Code of Milton. For a finding that the structure is unfit for human occupancy or use, is unsafe, or has unsafe equipment, correction action shall be in accordance with § 136-30 of the Town Code.
 - (5) Three or more violations of the Chapter within one calendar year will be grounds for revoking the short-term rental license and delaying a new license by one year.
- B. The Town Administrator or his/her designee, upon revocation or suspension, shall state the reasons, in writing to the landlord, and specify the particular grounds for such revocation or suspension and designate a time frame for corrective action to occur in accordance with § 136-30 of the Town Code.

~~§ 164-9.~~ § 164-13. Appeals.

Any person aggrieved by a decision of the Town Administrator or his/her designee may, within 15 days, take an appeal to the Town Council by giving written notice of his or her election so to do and the reasons therefor to the Town Hall; and, upon the appellant's payment of a fee, if any, as may be established in the currently effective Town of Milton Fee Schedule, the Town Administrator or his/her designee shall notify the Secretary of the Town Council and shall transmit to the Secretary of the Town Council all the papers constituting the record upon which the decision appealed from was taken. Council shall set a date, time and place for the hearing of the appeal, which time and date shall be at the regular Town Council meeting, so long as the applicable notice and time requirements may be met; if such applicable notice and time requirements cannot be met, then the appeal shall be held at either a special meeting or at the next regular Council meeting. Notice of the appeal shall be sent to the appellant at least seven days prior to the scheduled hearing. The decision of the Mayor and Council shall be final, and any review shall be by writ of certiorari to the Superior Court of the State of Delaware.

~~§ 164-10.~~ § 164-14. License to be posted and chapter to be provided.

- A. All licenses issued under this chapter shall be posted in the lobby, vestibule, rental office or other prominent public place on the premises for which they are issued during the entire period they are in effect. In the case of a single-family-dwelling residential rental unit, it is sufficient if a copy of the license is provided the tenant.
- B. The landlord shall provide a copy of this chapter to each tenant prior to the tenant taking possession of the residential rental unit.

~~§ 164-11.~~ § 164-15. Tenant identification.

Licensees are required to provide names of tenants occupying residential rental units upon request of the Town, for the purpose of verifying compliance with Chapter 136.

~~§ 164-12.~~ § 164-16. Transferability.

- A. In the event the holder of a license transfers ownership or shall change his or her address, the holder shall notify the Town within 30 days of such change.
- B. No license is transferable. Upon sale of the residential rental unit, the new owner shall file an application for a new rental license accompanied by the appropriate fee as established in the effective Town of Milton Fee Schedule. The Town of Milton shall not issue a license until an inspection has been performed and the residential rental unit is deemed in compliance with all provisions of this chapter. However, notwithstanding the foregoing, the new landlord may file a certification that the residential rental unit is in compliance with this chapter, rather than have the residential rental unit inspected, if an inspection by the Town or a Delaware-licensed home inspector has occurred within the past three years and is provided to the Town.
- C. Whenever the ownership of the rental property changes hands, it shall be the duty of the transferor to notify all tenants of the residential rental unit of the name, address and location

of the transferee or the transferee's agent, or both.

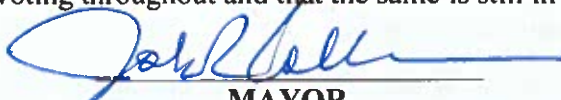
§ 164-13. § 164-17. Violations and penalties.

- A. No person, corporation or other entity shall engage in, carry on, aid or assist in the business, occupation, or activity of providing a residential rental unit without having first obtained an annual rental license for said residential rental unit within the Town of Milton.
- B. The Town of Milton may request verification from any property owner of record of said property's status in the form of a declaration of property status as prescribed by the Town of Milton. Upon such a request, the property owner of record shall return the verification on the prescribed form of declaration to Town Hall within 30 days of the request being sent.
- C. Any person violating any provision of this chapter shall be subject to such penalties and pay such fines as set forth in Chapter 1, Article II, General Penalty.

§ 164-14. § 164-18. When effective.

The effective date of this chapter shall apply immediately to any new applications. ~~All licenses valid through December 31, 2015, shall be eligible for certification under § 164-5.~~

I, **JOHN R. COLLIER**, Mayor of the Town of Milton, hereby certify that the foregoing is a true and correct copy of the Ordinance adopted by the Town Council of the Town of Milton at its meeting held on the 2nd day of June, 2025, following a duly noticed meeting, at which a quorum was present and voting throughout and that the same is still in full force and effect.


MAYOR

SYNOPSIS

This ordinance amends the Town Code's rental properties ordinance. Specifically, it adds an article specifically for short-term rentals.