

# In-Depth Guide to Growing Your Business in Annapolis



# TABLE OF CONTENTS

INTRODUCTION . . . . . 3

GETTING STARTED . . . . . 4

TEN THINGS YOU SHOULD KNOW BEFORE STARTING A BUSINESS . . . . . 5

STEP ONE: . . . . . 6  
*Local and State Licensing*

STEP TWO: . . . . . 11  
*Basic Permitting*

STEP THREE: . . . . . 13  
*Building Permits*

STEP FOUR: . . . . . 14  
*Miscellaneous Permits/Information*

BUSINESS DISTRICTS . . . . . 15

CONTACTS & FAQ'S . . . . . 16

ADDITIONAL CONSIDERATIONS . . . . . 23

OTHER HELPFUL RESOURCES . . . . . 24

# INTRODUCTION

The process of starting or expanding your business is both exciting and challenging. We know you have lots of questions and concerns about the types of permits and licenses you will need and the process that goes along with obtaining them. The City of Annapolis is committed to making this process as straightforward as possible.

We created this guide as a tool to help navigate the licensing and permitting process, as well as to point you in the right direction for additional resources available to you. It is designed to be usable in its entirety or in sections. It provides valuable information no matter what stage your business is in, from the new entrepreneur floating the idea of starting a business to an established company looking to expand.

Throughout the guide, you will find answers to frequently asked questions, descriptions of the different processes and contact information for city, state, federal, and other agencies that can assist you. We also included web-links to these different agencies, whenever possible. The guide is broken into three different sections—Getting Started, Licensing & Permitting, and Financial & Technical Resources.

## Getting Started

- Provides an overview of the guide and outlines top things you should consider as you are getting started with the opening, relocation or expansion of your business.

## Licensing & Permitting

- **Licensing and Permitting Steps** asks questions that will help direct you to the various departments and agencies you will need to speak with to obtain any necessary permits and licenses.
- **Permitting Checklist** provides a comprehensive listing of all the permits and licenses you might need, with the Departments and the fees associated with those permits.
- **City of Annapolis Contacts** provides each of the various departments and boards you might need to speak with in order to obtain licenses and permits. The section also provides frequently asked questions.
- **State and Federal Contacts** provides various state and federal contact information for those agencies you might need to connect with when opening or operating your business.
- **Additional Considerations** provides answers to other questions you might have regarding permits and licenses.

## Other Helpful Resources

- Provides an overview of different local, state and federal resources available to you for technical assistance.

Please remember that the City of Annapolis is committed to your success. Use this guide as a resource, but do not feel you have to manage the process alone. Feel free to contact the Department of Economic Development at (410) 260-2200 to answer your questions, point you in the right direction, and keep you motivated throughout the process.

## Annapolis Economic Development Division

145 Gorman Street, 3rd Floor, (410) 260-2200, Economic Development Manager, [hgminor@annapolis.gov](mailto:hgminor@annapolis.gov)

The City of Annapolis, in collaboration with the Anne Arundel Economic Development Corporation (AAEDC), provides support to business owners by providing financial resources to expand and grow their business. In addition, Economic Development is available to help business and property owners navigate the City's Permitting process and refer them to the wealth of technical assistance agencies located in the State of Maryland.

# GETTING STARTED

Often, the most difficult part of opening or expanding a new business is getting started. The City of Annapolis is committed to your success and we are here to help you get started and assist you as you work through your licensing and permitting. We encourage you to ask as many questions as needed as you move forward and to contact the Economic Development Division in the Department of Planning and Zoning (P&Z) at (410) 260-2200.

To help you get started, here are a few specific things every business owner should consider:

- **Zoning** - Consult the [City of Annapolis Zoning Ordinance](#) to make sure that your business/property meets the zoning requirements for the site. You may need a permit from the Zoning Board of Appeals. For more information, see page 22.
- **Business Registration** – Most business owners need to register with the State of Maryland. Register your business or Doing Business As (d/b/a), and form the legal business entity with the [Maryland Department of Assessments and Taxation](#). This helps prevent others from using your business name. For more information, see page 8.
- **Business Licenses** – Licenses are typically administered by either a state or local department. For more information contact the [Occupational & Professional Licensing Department of Labor, Licensing and Regulation](#), 410-230-6220.
- **Fictitious Business Name** – Search to determine if your desired business name is already in use. If not, register it to protect your business. [Maryland Department of Assessments & Taxation](#), 888-246-5941.
- **Legal Structure** – Whether incorporating or forming a limited partnership, the [Comptroller of Maryland](#) requires a variety of registrations.
- **Federal Tax or Employee Identification Number (EIN)** – For tax purposes, you will need to define your business structure and obtain identification numbers from the [Internal Revenue Service \(IRS\)](#) for your business and staff. For more information, see page 10.
- **State Taxes** – You must establish your necessary tax accounts with the [Comptroller of Maryland](#). This should be done after you have applied for your federal tax number or EIN.
- **Use and Occupancy Permit** - The purpose of obtaining a [Use and Occupancy Permit](#) is to ensure your safety and to ensure that previous tenants have not changed the original structure in violation of Fire Safety and the City of Annapolis Building Code. You will need a Certificate of Occupancy/Safety Inspections if one of the following conditions applies if you are:
  1. Opening your business in a previously occupied store or office.
  2. Moving to a new location in the City of Annapolis.
  3. Changing ownership
  4. If you change the type of occupancy of a previously occupied facility (e.g. retail store or office to a place of assembly)
  5. If you are building a new commercial building or interior alteration.
- **Building Permit** – If you will be undertaking any construction, you most likely will require a [building permit](#). For more information, see page 13.
- **Financial Assistance** – The City of Annapolis provides financial assistance to local business owners through Loan Programs available through AAEDC. For more information on any of these programs, contact the Economic Development Manager (410) 260-2200 or [hqminor@annapolis.gov](mailto:hqminor@annapolis.gov). You can also find more information [here](#).

**Hot Tip:** The number of home-based businesses is growing throughout the State of Maryland. If you are running a business out of your home that involves seeing any clients and/or the general public, has any display of a sign, and/or utilizes employees, you are required to obtain a Home Occupation Permit. You also will need to talk with the Code Enforcement Chief to find out handicapped accessibility requirements should any of the above apply to your home-based business.

# TEN THINGS YOU SHOULD KNOW

## BEFORE STARTING A BUSINESS

- 1. Have a viable idea. Are you offering something that people want? Can you profit? Is it proven?**
- 2. Preparation is the key to success: Write a business plan.**
  - A business plan is a written document you create that involves researching your industry and market trends, your potential customers, your competition, pricing, creating a marketing plan, and projecting your revenues and expenses for three years.
  - Most businesses fail because they haven't done this important preparation. You may find you need to change your services based upon researching your competition, alter your pricing scheme, add product lines or even add an online store.
  - According to the US Bureau of Labor Statistics, 33% of businesses fail in the first two years. Most did not have business plans. Plan for success: write a plan.
- 3. Have industry experience.**
  - If you have worked in the business, or doing the type of service you plan to offer, then you know the business, its customers and competition. If you don't know the industry, spend some time working in it first. This will give you an advantage in your business.
- 4. You need to really know and understand your target clientele.**
  - Your business should meet their needs with your goods and services.
  - Research your market, describe them in detail, and understand their desires.
  - Conduct customer surveys before your open. In order to find out what your potential customers will want, you should conduct initial surveys. For example: how much they will pay, what they prefer to buy, how they prefer to buy it, what they want from you, your store or service.
- 5. Figure out how to meet your personal financial obligations for six months to a year because it takes that long to grow a business, minimally.**
  - It takes time to have a successful business. Most businesses do not really take off for a few years—you need that long to create a large customer base, generate customer-to-customer referrals, and create long-term customer loyalty. Many businesses are still struggling financially for up to three years. If you can make it three years, you are very likely to last ten or more. Have patience with yourself.
- 6. Make sure you can fund your business.**
  - Check your personal credit and understand your personal credit situation. Pull your credit reports. Sit down with a banker to help understand them. Figure out if you can get a commercial loan and what you need to do to repair your credit.
- 7. Hire professionals to support you.**
  - Gather together a good team of professional advisors such as an accountant, a lawyer, a bookkeeper, a web designer.
  - Spend the money to make sure your business is set up for success!
- 8. Be prepared to go outside of the business to solicit customers.**
  - Attend networking events, join chambers of commerce, attend to professional meetings, find other professionals to meet with who can refer business to you, etc.
  - For every new customer your business gets, you will also lose one customer through attrition. The "hustle" is a constant in business.
- 9. It is lonely running a business.**
  - You are often the only one you see all day. Make sure you have a professional group you can attend to meet other business owners like yourself.
- 10. It is a roller coaster ride of emotions:**
  - Joy, fear, anger, pride, sadness, and more. Every week you may experience these things over again when customers cancel appointments, no one comes into the store, you make the big sale, you get a referral, you have a big bill you have to pay, etc. It is not an ordinary 9 to 5 job, but a thrill ride with its true highs and lows.

*Adapted from Salem Harbor Community Development Corporation, Advancing Community Business (ACB) seminar "10 Things You Should Know Before Starting a Business".*

# STEP ONE:

## LOCAL AND STATE LICENSING

Navigating the maze of regulations and requirements for the various licenses and permits can be confusing and a bit overwhelming for new, or even the most experienced business owner. To help you as you go through this process, we created a list of the questions you should ask yourself to determine from which City review boards or departments you may need approval. Following this section is a comprehensive list.

### Step One: Basic Local and State Licensing

When starting your Annapolis business, you should first consider if you will need any certificates or licenses from the City or State of Maryland. You may need to visit the following city or state divisions:

#### City Clerk's Office

- Does the title of your business differ from your name or from a corporate name?
- Does your business include a bowling alley, billiards or pool?
- Are you classified as a "junk collector" or "junk dealer"?
- Does your business involve auctions/closeouts?
- Are you or planning to become a building mover?

If you answered "yes" to any of these questions you need to obtain a Business Certificate and/or a License from the [City Clerk's Office](#) at (410) 263-7942. If you answered "not sure", you should consult with the City Clerk to determine if you will need to obtain a license for these items.

- Are you planning to become a public guide?
- Does your business involve fortune telling?
- Are you considered a pawnbroker?
- Are you considered a solicitor/canvasser?
- Are you considered a transient vendor/merchant?

If you answered "yes" to any of these questions, you are required to obtain clearance from the Police Department. Please see the [City Clerk](#) for the [necessary forms](#). If you answered "not sure", you should consult with the City Clerk to determine if you will need to obtain a license for these items.

#### License from the City Clerk

- Does your business involve a vehicle(s) for hire, limousine and/or taxi service?
- Does your business involve towing?

If you answered "yes" to these uses you require a license from the [City Clerk](#). If you answered "not sure", you should consult with the [City Clerk](#) to determine if you will need to obtain a license.



**Apply With The Department of Planning & Zoning First**

- Does your business involve the sale of alcoholic beverages (including on-premises or off-premises consumption)?
- Is your business a restaurant or involve the cooking, serving or preparation of food?
- Is your business a hotel, inn, lodging house, or bed and breakfast?
- Will your business have entertainment (such as playing music on a radio or having live music performed on-site)?
- Is your business providing services as a street vendor, hawker, peddler or sidewalk stand?
- Is your business providing service as a public amusement (i.e. arcades, automatic amusement, etc.)?
- Will your business have an outdoor cafe or any outdoor seating?

If you answered “yes” to any of these questions, you must first apply with the [Department of Planning & Zoning](#), (410) 260-2200, before obtaining a license from the City Clerk. If you answered “not sure”, you should consult with the City Clerk to determine if you will need to obtain a license for these items.



### Register your Business

Maryland offers an online registration system, [Business Express](#), that can accomplish this task for most users. If your business structure is too complicated for the online system, or if you are starting a non-profit organization, the forms must be filled out and filed manually, a lawyer can help you with this.

- You will also need to obtain a [federal tax ID number](#) (also called an Employer Identification Number, or EIN) and register your business entity (trade or corporate name) with the State Department of Assessments & Taxation.
- New corporations need to file Articles of Incorporation.
- You can register for [S/MBE certification](#) if you are a small business (under 500 employees, \$23.98M revenue), woman-owned, or minority owned.

### State of Maryland

**State Regulated Businesses, Professions and Occupations** - The State of Maryland regulates some businesses, professions and occupations for reasons of public health, safety and welfare. These businesses are required to have state licenses in order to operate and may be required to demonstrate that certain minimum standards in education, training or proficiency have been met.

**The Division of Occupational and Professional Licensing** - Responsible for regulating the activities of over 22 licensing boards, commissions and programs appointed by the Governor. The State of Maryland licenses the following professions:

- Architects
- Athlete Agents
- Barbers
- Cemetery Oversight
- Certified Interior Designers
- Cosmetologists
- Foresters
- Home Improvement
- Heating, Ventilation, Air Conditioning and Refrigeration (HVACR)
- Individual Tax Preparers
- Landscape Architects
- Land Surveyors
- Locksmiths
- Master Electricians
- Pilots
- Plumbing
- Professional Engineers
- Public Accountancy
- Real Estate Commission
- Real Estate Appraisers, Appraisal Management Companies and Home Inspectors
- Secondhand Precious Metals Objects Dealers and Pawnbrokers
- Stationary Engineers

For more information on the State's license requirements for these professions and occupations, contact:

**Department of Labor, Licensing and Regulation**  
**Division of Occupational Professional Licensing**  
500 North Calvert Street, 3rd Floor  
Baltimore, Maryland 21202  
Telephone number: 410-230-6231  
Dial 7-1-1 to place a call through Maryland Relay

**Health Related Licensing** - Contact the [Department of Health & Mental Hygiene](#), 877-463-3464

## LICENSING WITH THE STATE OF MARYLAND

**The Division of Early Childhood Development** - Responsible for early care and education throughout the state of Maryland. And thus, the Division regulates certified preschools, child care centers, and home-based child care businesses. For more information about licensure requirements, contact a [Regional Licensing Office](#).

**Device Registration** - Types of businesses that may need to have devices registered include gasoline stations, grocery stores, meat markets, candy stores, package shipping stores, quarries, hardware stores, petroleum distributors and other businesses that buy or sell commodities by weight, measure, or count. The [Maryland Department of Agriculture](#) registers commercial weighing and measuring devices used throughout Maryland to ensure that consumers receive the correct amounts of products they purchase. All scales and meters used during sales transactions where products are bought or sold must be registered each year.

For a complete list of regulated businesses and more information about licensure requirements, contact:

### **Weights and Measures**

50 Harry S. Truman Parkway

Annapolis, MD 21401

Telephone number: 410-841-5790

Fax number: 410-841-2765



**Hot Tip:** Will your business include the use of weights, scales and measuring machines including: gas station dispensers, industrial scales, grocery store scales? If you answered "yes" to this question, you need approval from the Weights and Measures program. The office can be contacted at 410-841-5790

TAXES AND INSURANCE ACCOUNTS WITH THE STATE OF MARYLAND

**Taxes And Insurance Accounts**

You will need to set up various tax and insurance accounts:

- Sales & Use Tax ([State of Maryland Comptroller](#))
- Income Tax Withholding ([State of Maryland Comptroller](#))
- Unemployment Insurance ([Department of Labor Licensing and Regulation](#))
- Workers Compensation Commission ([State Department of Assessments & Taxation](#))
- Personal Property Tax ([State Department of Assessments & Taxation](#))
- Income Tax ([IRS](#))
- Social Security and Federal Withholding ([IRS](#))

**Other Local Taxes**

- Real Estate Taxes

Businesses that own real estate pay both Anne Arundel County and City of Annapolis real estate taxes. The FY2019 City real estate tax rate is \$0.738 for each \$100 of assessed value. Assessments are conducted by Anne Arundel County. For questions concerning assessments, contact the Anne Arundel County Finance Department at 410-222-1144.

**FY2019 Property Tax Rates**

| REAL PROPERTY TAX RATE             |           |             |            |
|------------------------------------|-----------|-------------|------------|
| Real Property                      | City Rate | County Rate | State Rate |
| Anne Arundel (Excluding Annapolis) | \$0.000   | \$0.902     | \$0.112    |
| City of Annapolis                  | \$0.738   | \$0.541     | \$0.112    |

| PERSONAL PROPERTY TAX RATE         |           |             |            |
|------------------------------------|-----------|-------------|------------|
| Personal Property*                 | City Rate | County Rate | State Rate |
| Anne Arundel (Excluding Annapolis) | \$0.000   | \$2.255     | \$0.280    |
| City of Annapolis                  | \$1.940   | \$1.352     | \$0.280    |

\* State rate applies to public utility operating real property

**Sales Tax**

The local sales tax rate is 6%. The local sales tax is collected by the State of Maryland and a portion is distributed to the City of Annapolis. There is a 9% tax on alcoholic beverages.

More information on Food Business Taxes is available [here](#).



# STEP TWO:

## BASIC PERMITTING

### Step Two: Basic Permitting

Next, you should consider whether you will need a permit from any of the City's departments or review boards. You should make this determination prior to the submission of any building permit applications to the Permitting and Inspection division. You may be required to have your project reviewed by the following City review boards or departments:

#### Planning Commission

- Will your project include a building of more than 10,000 sq. ft. of new non-residential construction?
- Will your project include a building of more than 6 residential dwelling units?
- Are you dividing a lot, creating new property lines, or constructing a roadway for new homes or businesses?
- Are you proposing a wireless communications facility, planned unit development (PUD), or cluster subdivision?
- Are you proposing construction or redevelopment in a wetlands or flood hazard area?

If you answered "yes" to any of these questions, you need to have the plans for your project approved by the [Planning Commission](#). The Planning staff is located within the [Planning and Zoning Department](#) at (410) 260-2200. If you answered "not sure" to these questions, you should consult the Planning staff in order to determine whether your project needs the approval of the Planning Commission.

#### Signage

- Will you be installing a sign or awning visible from the street?

All signs require a permit before being installed. The staff in the [Planning and Zoning Department](#) at (410) 260-2200 can assist you in determining how much signage you are allowed based on the location of your business and size of your storefront. Please see page 20 for more information on sign permits. Also, consult the [City Zoning Ordinance](#).

#### Zoning Board of Appeals

- Is your proposed business allowed by the City's Zoning Ordinance in your proposed location?
- Does your proposed business meet all the requirements of the City's Zoning Ordinance?

If you answered "no" or "not sure" to either of these questions, you should consult with the [Planning and Zoning Department](#) at (410) 260-2200.

According to the City's zoning ordinance, certain land uses are not permissible in certain areas of the City and certain land uses require a "special permit" in order to be permissible. If you do not meet all the requirements of the Zoning Ordinance, you may be able to obtain a "variance." Please see page 22 for more information.



## BASIC PERMITTING

### Health Department

- Is your business a food establishment or involve the sale of food?
- Is your business a bed and breakfast facility?
- Does your business involve a mobile food service unit?
- Does your business provide massage or massage therapy services?
- Does your business involve body art, including tattoos?
- Does your business provide funeral or burial services?
- Does your business involve a recreation or day camp?
- Does your project require a septic system installation?
- Does your business involve the transportation of offensive substances?

If you answered “yes” to any of these questions, you need to obtain a permit from the [Health Department](#). The Health Department staff can be reached at (410) 222-7192. If you answered “not sure” to any of these questions, you should still consult with the Health Department in order to determine whether you will need to obtain a permit for these items. See [page 19](#) for more information.

### Historical Commission

- Is your business going to erect, demolish, reconstruct or alter any exterior architectural feature of any building or require new signage structure within the historic district? [See map of the Historic District](#).

If you answered “yes” to this question, you may need an approval from the [Historic Preservation Division](#), depending on the type of work. The staff for the Historic Preservation Division is located in the Planning and Zoning Department at (410) 260-2200.

**NOTE:** No other City department, office or board can review or issue a permit for your business until you have received approval from the Division. If you answered “not sure” to this question, you should consult the staff for more information.

### Critical Area Commission

- Is your project going to conduct any construction or alteration of land within 100 feet of wetlands or a waterway?
- Is your activity going to take place within 200 feet of a river?
- Will your project take place in a waterway or resource area?

If you answered “yes” to this question, you need to submit a Critical Area Lot Coverage Worksheet to [Planning & Zoning Department](#) (410) 260-2200.

If you answered “not sure” to any questions, you should consult the Land Use & Development Planner in Planning & Zoning.



# STEP THREE:

## BUILDING PERMITS

### Step Three: Building Permits

Finally, you should determine whether your project will require a Building Permit from the City's Permitting and Inspection division. The following questions can help you determine whether you will need a permit:

#### Building Permit

- Does your project involve the construction, alteration, repair, or demolition a structure?

If you answered "yes" to this question, you will probably need to obtain a building permit from the [Permitting and Licensing Division](#). You will need to answer the next four questions to determine whether you will need to obtain a building or demolition permit for your project. If you answered "not sure" to this question, you should consult with the Code Enforcement Chief to determine whether you will need to obtain a building permit for your project.

- Does your project include the building of a one-story detached accessory building that exceeds 120 square feet in floor area?
- Does your project include the installation of a fence(s) that is higher than 6 feet?
- Does your project include the construction of a retaining wall(s) which, in the opinion of the Code Enforcement Chief, is a threat to public safety, health or welfare and which would retain unbalanced fill?
- Does your project include "ordinary repairs", such as:
  - Cutting away of any wall, partition or portion thereof
  - Removal or cutting of any structural beam, column or other load-bearing support
  - Removal or change of any required means of egress
  - Rearrangements of parts of a structure affecting the egress requirements
  - Addition, alterations, replacement or relocation of any standpipe, water supply, mechanical system, fire protection, energy conservation
  - Other work affecting public health or safety

If you answered "yes" to any of these questions, you need to obtain a building permit from the [permitting division](#). If you answered "no" to any of these questions, you may not need to obtain a building permit from the division. Building Inspectors and Building Department staff can be reached at (410) 260-2200. If you answered "not sure" to any of these questions, you should consult with the Building Department in order to determine whether you will need to obtain a building permit for your project.

**NOTE:** Do not use your own judgment in determining whether you will need a building permit. The staff in the permitting division can easily determine whether you need a building permit.

- Will your project change the use of or any space within a building?
- Will you be working on any electrical, plumbing or gas systems?

If you answered "yes" to either question, you will need to obtain a building permit from the [permitting division](#). Building Inspectors can be reached at (410) 260-2200. If you answered "not sure" to this question, you should consult with the Code Enforcement Chief to determine whether you will need to obtain a building permit for your project.

**Hot Tip:** The following document links are intended as intended as guides and are not meant to be all-inclusive of the City of Annapolis permitting process, nor meant to replace a review of your project with a qualified Planning and Zoning employee. [Permitting Checklist](#), [Ten Questions you should ask your General Contractor](#)

# STEP FOUR:

## MISCELLANEOUS PERMITS/INFORMATION

### Step Four: Miscellaneous Permits/Information

The following questions will help you to determine if you need any additional permits and where to go to get those permits. There is also a list of Additional Considerations on page 23 that will help you answer any other questions you might have prior to opening your business in Annapolis.

#### Water and Sewer Availability Fees

Water and sewer availability fees purchase capacity within the City's water and sewer system. They are one-time fees by which the City recovers the cost of the infrastructure needed to provide water and sewer service. These fees are paid when a building first receives water and sewer service. For an existing or previously occupied space, you will have to pay availability fees only if your business will have a higher water use than the previous occupant. In that case, you would pay only the difference between the availability fees for the previous and new uses. If you expect to use a large quantity of water, you should contact the utilities division early in the planning process. Questions should be directed to Chief Code Enforcement, John Menassa, at or (410) 260-2200.

#### Curbs

- Do I need a permit to get a curb cut?

If a new curb cut is necessary for the off-street parking or loading for your facility, you should fill out an application with the Department of Public Works (DPW). DPW will review your application, send you a bill based on the cut and site conditions, and, upon payment, schedule the work. [Department of Public Works \(DPW\)](#) (410) 263-7949.

#### Electrical Permits

The Permitting and Inspection division is responsible for the issuance and oversight of all electrical permits. The following are the permits:

- Electrical Permit
- Temporary, Renewed or New Service Installation Permit
- Gas/Oil Burner Installation Permit
- Service Panel Change Permit
- Swimming Pool Wiring Permit
- HVAC Installation without Building Permit
- Gasoline Pump Permit
- Electric Sign or Siding Permit

#### Public Waterway or Public Piers

What do I do if my business involves using the public waterway or public piers?

Any recreation or commercial use in Annapolis' waters needs a mooring or slip permit from the [Harbormaster](#). A permit is also needed from the Harbormaster for any business that will use a public pier or will require a mooring or launch service. Harbormaster, 1 Dock Street, Annapolis, MD, 21401, 410-263-7973, [harbormaster@annapolis.gov](mailto:harbormaster@annapolis.gov) GPS: 38° 58' 38.279" N -76° 29' 15.910" W

**Hot Tip:** The permitting division is available to provide you with free advice/consultation regarding compliance to the American Disabilities Act, and to help you support the disabled consumer. For more information contact the Department at (410) 260-2200.

### Location, Location, Location

Three criteria will determine where you locate your business: location, size and cost. Before you start your site selection process, you need to have some idea of where you want to be, how much space you need and how much you can afford to spend each month. You will need to decide also which of those three criteria (location, size and cost) is the most important. If location is most important, you may have to compromise on the size or on the monthly rent in order to be in an optimum location.

### Six Business Neighborhoods in the City of Annapolis

#### 1. Downtown

Downtown Annapolis is the historic and cultural center of the community. Its unique architecture and pedestrian-friendly environment are ideally suited for some businesses. Typically, downtown Annapolis is a location for small independent retailers and a wide variety of professional and personal service businesses.

#### 2. West Annapolis

The West Annapolis area encompasses the intersection of Rowe Boulevard and Taylor Avenue and the commercial sections of West Annapolis along Ridgely and Melvin. It is a major gateway into Annapolis with good highway and transit accessibility to U.S. Route 50, MD Route 450, and downtown.

#### 3. Upper West Street

There is a strong commercial corridor in this district. This is an urban mixed use redevelopment-style community and is targeted to strategic points along the West Street corridor, which ends near the Annapolis Towne Centre at Parole. New structures include residential and/or office space on upper floors. Alternatively, redevelopment integrates fully-residential structures with nearby nonresidential structures. This area also has a light industrial and office space available.

#### 4. Inner West Street/Arts District

West Street was the historic entrance to the city; it demarcates this "Gateway" into the city with pedestrian streetscapes and other design features to convey arrival and welcome. This area has been designated as a concentration point for arts uses and related businesses. Qualified Arts Organizations who locate within this area or property owners who lease to such organizations may be eligible for tax incentives.

#### 5. Forest Drive/Bay Ridge

The Forest Drive/Bay Ridge Area encompasses the south side of Bay Ridge Road between Hillsmere Drive and the city's eastern boundary. It is part of an already existent commercial center utilized by the communities on this portion of the Annapolis Neck peninsula. This area is one of the City's fastest growing areas with many options for entrepreneurs.

#### 6. Eastport

Eastport is known for its restaurant row, pubs, coffee shops, working boatyards, and the Annapolis Maritime Museum, located at the end of Second Street on Back Creek.



### Permitting and Inspection Division

145 Gorman Street, 3rd floor, (410) 260-2202

The Permitting and Inspection division is responsible for building and zoning enforcement issues, conducting inspections and enforcement actions on construction projects, and maintaining public properties within its charge. These regulations and inspections insure that building construction and improvements are done in accordance with the building code and protect public safety. The division is divided into four groups:

- Inspections/Permits ensure compliance with the City's Zoning Ordinance. Provides permits and inspections of all construction with a value of \$500 or higher to promote safety and code compliance. Furthermore, it reviews all plans and application packages, and grants or denies permit requests.
- The Permitting and Inspection division collects all Building, Plumbing, and Mechanical Permit Applications and takes all plans and application packages.
- Property Maintenance licenses and inspects all rental housing to ensure safe and sanitary living conditions. The Inspectors hold regular office hours 8 am to 4 pm, Monday-Friday.
- Environmental Programs regulates and educates the public regarding the storm water management program. Maintains and enhances the City's urban forest.

#### What is the "Building Code"?

The Building Code is a legal document that regulates the construction and alteration of buildings. A variety of regulations, including light, ventilation, and structural loads, are typically included in the Building Code, which protects the public health and welfare by reducing potential construction hazards and costs, providing construction standards, and contributing to community well being.

#### Who should request a Building Permit?

A Building Permit is issued to architects, engineers or licensed contractors licensed for work on commercial property. These professionals are responsible for supervising critical aspects of the construction. If the licensed supervisor designated on the permit application leaves the project before completion, construction work must cease and the Code Enforcement Chief must be notified immediately.

#### When is a Building Permit required?

A Building Permit is required for the following construction or alteration: [Permits Required](#)

#### What are the steps in applying for a Building Permit?

##### 1. Consult with Permitting:

Applications for a Building Permit can be obtained [here](#). It is suggested that you consult with the staff when picking up your application to determine what you will need to submit and the other departments that will need to sign off on the Building Permit.

##### 2. Application Package Submission:

The application package must be accompanied by the necessary required documents in addition to a complete set of working drawings with all required stamps of approval. The plans are to be drawn to scale showing exactly what is to be built and compliance with the Building Code. Once your application has been reviewed and approved by the department you will need to pay a fee based on the type and total cost of the project.

##### 3. Plan Review:

The division will review your application for compliance with the following codes: plumbing, wiring, handicap access, zoning, and building. If a project requires the approval of the Planning & Zoning Department, no permits can be issued until the Board provides approval or conditional approval of the project.

**4. Approval or Disapproval of the Project:**

The division anticipates that action be taken on a Building Permit application within 30 days of the filing date. Applications are generally reviewed in 5-20 working days. If necessary, a written list of corrections will be given to the applicant. If approved, a Building Permit will be issued.

**5. Periodic Review and Inspection:**

Inspections and filings are required throughout a building project.

**City Clerk, Office of the**

160 Duke of Gloucester St., 1st Floor, Annapolis, MD 21401; (410)263-7942

**The City Clerk:**

- is the custodian of the City Seal and the legal records of the City
- keeps a record of all proceedings of the Annapolis City Council
- prepares, maintains and records all laws, ordinances, and resolutions adopted and enacted by the Annapolis City Council
- prepares and grants certificates for licenses
- directly issues over twenty-five different types of permits and licenses.

The City Clerk or her designee serves as Clerk to the Alcoholic Beverage Control Board and the Board of Supervisors of Election.

Please see a list of fees. All Licenses expire December 31 of the current year.

**How do I register my business with the City?**

The City of Annapolis does not require any business license. However, you are encouraged to check with Anne Arundel County to see if one is required by the Office of the Clerk of Circuit Court.

**How do I apply for any licenses from the City Clerk's Office?**

Applications can be picked up at and returned to the Clerk's Office. Renewal terms for these applications vary.

The City Clerk is responsible for the licensing and regulation of many different types of businesses and events. The Deputy Clerk can best answer questions about licenses offered by the City.

**What do I need a license for?**

The Clerk provides licenses for the following commercial uses:

- Automatic Amusement
- Street Performer
- Street Vendors, Hawkers and Peddlers
- Fortune Telling
- Outdoor cafes
- Sale of Alcoholic Beverages (seasonal, year-round, and one-day licenses)
- Towing

**Hot Tip:** After the Building Permit work is complete, you must receive a Use and Occupancy Certificate from the permitting division. Whether you're opening a new business or renovating your current space, a Use and Occupancy Certificate is required from the permitting division to occupy a building.

### What is the process for obtaining a liquor license?

The process for obtaining a license through the Alcoholic Beverage Control Board is composed of the following steps:

- 1. Consult with the City Clerk**  
The Clerk can talk to you about the requirements of the Board and any of the permits you may need prior to opening.
- 2. Application**  
You will need to submit one copy of your full application packet, with all the necessary sign offs from city departments and the required fee. As the applicant, you will be responsible for the costs of advertising in the local paper and any notices that are required.
- 3. Public Hearing**  
A public hearing will be scheduled after the submittal of a complete application packet. You, or your representative, will be required to attend the public hearing. At the hearing, the Alcoholic Beverage Control Board will either issue or deny your license.
- 4. Final Approvals (liquor licenses)**  
In the case of licenses involving alcoholic beverages, the Board must act on your application within 30 days.

### What else should I know about obtaining a liquor license?

All individuals applying for a liquor license should be aware of the following information:

- Within 10 days after the receipt of an application, the applicant must publish a notice of the application in a Annapolis newspaper at the applicant's expense and hold a hearing on the application no sooner than 10 days after the notice appears in the newspaper.
- If the proposed premises are within 500 ft. of a church, hospital or school, a copy of the published notice must be sent, by registered mail, to any of these institutions. Applicants who are inn-holders and applicants who are located 10 or more floors above street level are not required to send these notices.
- In the case of a liquor license transfer, the former owner of the premises is still liable for the operation of the premises until a new liquor license is issued.

### Can I obtain a temporary liquor license?

Yes, you can obtain a temporary liquor license. [Temporary Special Class C Licenses](#) may be issued for an event by the City Clerk, on behalf of the Board, to non-profit Clubs not licensed to serve Alcoholic Beverages if such Clubs are operated exclusively for educational, social, fraternal, charitable, civic, political, patriotic or athletic purposes.

### Can I get a special liquor license for an event in my store?

Yes, you can obtain a one-day liquor license for an event, such as a wine-tasting, in your store. Applications can be obtained by the Deputy Clerk.

[More information is available on the website.](#)

## Fire Marshal's Office /Fire Prevention

145 Gorman Street, 3rd floor, (410) 260-2202 [Fire Marshall](#), [FMO@annapolis.gov](mailto:FMO@annapolis.gov)

The Annapolis Fire Department Fire Marshal's Office is dedicated to preserve life and property from fire, explosion and other related hazards through fire prevention, public education and fire investigation. The Fire Marshal's Office is also responsible for issuing several permits, inspections, and signature authority for Use and Occupancy Certificates. Business owners are encouraged to consult with the Fire Marshal early and often during the process of opening or expanding your business.

## Health Department

3 Harry S. Truman Parkway Annapolis, Maryland 21401 410-222-7095 | TTY: 1-800-735-2258  
Licensing and inspection of food service facilities - 410-222-7192

[The Health Department](#) is responsible for the protection of the general health of Annapolis residents and visitors. As part of their role, the Health Department is responsible for enforcing the state rules and regulations regarding various business establishments in the city to protect public health. The Health Department will help you determine what permits are required for your type of business.

### What is the process for receiving a Food Permit?

1. First, contact the Health Agent to make an appointment to discuss your business and its services.
2. Upon meeting with the Agent, please bring a floor plan of your establishment and a proposed menu to be reviewed for compliance with state regulations, which follow the appropriate code.
3. Next, the Health Agent will perform an Opening Inspection of the property. If the property passes inspection, the business owner will receive a Food Permit.

## Historic Preservation Commission

Department of Planning and Zoning (P&Z), 145 Gorman Street, 3rd Floor, (410) 260-2200, [boards@annapolis.gov](mailto:boards@annapolis.gov)  
LIAISON: Roberta Laynor [RLaynor@annapolis.gov](mailto:RLaynor@annapolis.gov) or Shari Phippen [SLPippen@annapolis.gov](mailto:SLPippen@annapolis.gov)

The Annapolis Historic Preservation Commission, located within the Department of Planning and Community Development, is responsible for the review and approval of all proposed exterior work to properties located within the City's local historic districts in order to preserve the City's unique historic character. The Commission is also responsible for reviewing the demolition of structures 50 years or older throughout the City.

### How do I know if my business is in a Historic District?

Contact the [Chief of Historic Preservation](#) for the city.

### When do I need Commission approval?

Property owners must receive an approved Certificate from the Commission before undertaking any work to the exterior of properties. There is typically a fee for applications. All applications must include photographs of existing conditions. The more thorough your application is completed, the faster the review process. Whenever possible, photographs, scaled drawings, catalog cuts and paint chips can be used to illustrate the project specifications needed for the Commission to visualize the changes in order to make a determination.

### Is there any part of a property that the Commission does not have review over?

It is best to check the [City of Annapolis Historic Preservation Guidelines](#) for specific answers.

The Historical Commission reviews most any alteration to the structure or property, including the following types of projects:

- Landscaping plantings. Note: The Commission does not have jurisdiction over barriers, such as railroad ties or brick walls that are used in landscaping
- Window air conditioners
- Storm doors and storm windows
- Door and window screens
- Terraces, driveway materials and sidewalks (provided that they are substantially at grade level)
- Lighting fixtures attached to the building
- Interior work that does not affect the exterior

### **How do I apply for Commission approval? What is the process?**

When planning alterations to your property, be prepared to apply for approval well in advance of the date you wish to begin any exterior work. No work can commence until a Certificate is issued.

Applications and required materials must be received by 3:00 p.m. on the Monday 16 days before a meeting in order to make the meeting agenda. All applications for Certificates of Appropriateness or Hardship require a public hearing.

Applications normally may be added to the agenda up to the day of the meeting. In some cases, the Commission Clerk may issue a Certificate of Non-Applicability without review by the full Commission after 24 hours have past from an e-mail notification to the Commission of the application's receipt and provided that photographs of existing conditions are submitted with the application. The Clerk can also get expedited approval for the change of an asphalt roof to black or charcoal gray. A public hearing is not required for this Certificate. All Commission meetings are open to the public.

### **Where can I get more information or assistance?**

It is suggested that the property owner call or visit staff at Planning and Zoning Department to discuss the proposed alterations. [These guidelines](#) provide examples of what is historically appropriate (or inappropriate) and will help you understand what changes are likely or unlikely to be approved.

## **Department of Planning and Zoning (P&Z)**

145 Gorman Street, 3rd Floor, (410) 260-2200, Pete Gutwald, Director, [pgutwald@annapolis.gov](mailto:pgutwald@annapolis.gov)

The Department of Planning and Zoning is responsible for a wide range of activities and responsibilities, including economic development, land use planning, affordable housing, transportation projects, historic preservation, open space conservation, and neighborhood improvement projects. The Planning and Zoning Department coordinates the City's efforts with state agencies and the regional planning commission and it oversees the operation of the Planning Commission, Historic Preservation Commission, and Zoning Board of Appeals.

### **What permits do I need from Planning and Zoning Department?**

As stated above, Planning and Zoning Department (P&Z) staffs a number of boards that might affect your project. You should reference the website for more information about the Boards and their [review process](#). P&Z also is your first stop for obtaining a sign permit.

### **How do I know if I need a sign permit?**

All permanent signs that can be viewed from a public way require a permit. This includes vinyl graphics applied to windows visible from the public way. Temporary signs generally do not require a sign permit; however, they require written approval from the Director of Planning and Zoning. Time limitations apply. For more information, see the "[Guide for Sign Permits](#)".

### **What is the process for obtaining a sign permit?**

Applications for all sign permits are processed through Planning and Zoning Department and the permit is then issued by the Permitting and Inspection division. The process for obtaining a permit varies depending on where you are located in the city. Your first step will be to check in with the staff at Planning and Zoning Department to confirm whether you fall into a local Historic District.

### **How long does it take to obtain a sign permit?**

It can take anywhere from 3 weeks to 3 months to obtain a sign permit depending on where you are located in the city and how complete your application is when you submit it. Applicants are encouraged to talk to the Planning and Zoning Department early in the business planning stages to ensure that you can install your sign in time for your opening.

### Is there any assistance available to help me with my sign?

Here is a [sign permit application on the website](#) to help work through the sign regulations and other [sign information](#) is located on the city website. In addition, the Planning and Zoning Department staff is available to help you navigate the process.

### How do I know if my project requires Site Plan review?

Site Plan Review is required for all non-residential construction/reconstruction over 10,000 square feet, unless located in the Historic District, which is more restrictive. For all projects triggering this requirement, no Building Permits can be issued until the Planning Board grants approval or conditional approval of the project. Applicants for Site Plan review are encouraged to schedule a meeting with the [Planning Commission Staff Liaison](#) in order to review Planning Board submission requirements well in advance.

### What is reviewed during the Site Plan review process?

The review looks at adequacy of:

- Parking and loading facilities
- Traffic and pedestrian circulation systems
- Access to and from the site
- External lighting
- Landscaping & vegetative screening
- Sewage disposal
- Water distribution system, including fire protection
- Drainage system
- Compatibility of the architecture with nearby buildings



**Hot Tip:** Nearly all businesses want a sign outside their doors, but all sign proposals need to be reviewed by P&Z prior to being installed. Depending on... you guessed it... location, your sign designs may also be reviewed by the Historical Commission.

## Zoning Board of Appeals (ZBA)

Department of Planning and Zoning (P&Z) 145 Gorman Street, 3rd Floor, (410) 260-2200

LIAISON: Jacqui Rouse [jmr@annapolis.gov](mailto:jmr@annapolis.gov)

The Zoning Board of Appeals (ZBA) has the authority to grant "special permits" for specific uses and "variances" or waivers to the Zoning Ordinance for certain hardships and conditions, while protecting and preserving the general purpose and intent of the Zoning Ordinance.

### What is a "Special Exception"?

Certain uses are only allowed in certain zones of the City if a Special Exception is granted by the ZBA. For example, if a business owner wanted to open a veterinary clinic in a B-4 zoning district for wholesale or automotive uses, s/he would need to go before the ZBA to petition for a Special Permit. The ZBA has the authority to place conditions on any Special Permit granted.

### What is a "Variance"?

A Variance is a waiver of certain requirements, typically dimensional requirements, of a zoning ordinance. A Variance can only be granted by the ZBA if the request satisfies certain conditions relating to the soil conditions, shape or topography of the land, literal enforcement involves substantial hardship, and the relief may be granted without substantial detriment to the public good and without nullifying or substantially derogating from the intent and purpose of the city's ordinance.

An example of a Variance would be to allow an applicant to construct an addition to a dwelling without the required side yard setback due to the particular shape of the property.

### Can I get a "Variance" to change the zoning or use of my property?

No. The ZBA cannot change the zoning or allowed use of a property. Only the City Council has the authority to rezone a property.

### How do I submit a request for a Special Exception or Variance to the ZBA?

The ZBA review process is comprised of the following steps:

#### 1. Go to the Department of Planning and Zoning.

To determine whether your proposed plan for an addition, alteration or new construction conforms to the City's Zoning Ordinance. If your project does not conform, you can apply for a special exception or variance.

#### 2. Pick up an Application for Variance or Special Permit.

You will need to submit 6 copies of your application, plot plan(s), the Letter of Denial, tax certification, and any other requested supporting documentation along with an application fee. Applicants must also pay for the required placement of two (2) ads in the newspaper. During the application process, you will be able to work with the ZBA Administrator to develop a certified abutter list, which is a list of parties of interest in your project area, for public notification purposes.

#### 3. Attend the public hearing that will be held after of the submission of your application.

You will be called upon to present evidence to the ZBA regarding your position. The ZBA will ultimately approve or deny your requested Special Permit or Variance. Typically, the ZBA will make a decision regarding a Special Exception within 40 days of the closing of your public hearing.

Additional information is available in the City Code [Chapter 21.28 – VARIANCES](#) and [Chapter 21.26 - SPECIAL EXCEPTIONS](#).

# ADDITIONAL CONSIDERATIONS

## Who should I contact regarding trash collection?

The Department of Public Works Recycling Division is the municipal contact for questions regarding trash collection throughout the City. Most commercial establishments must utilize private waste haulers for collection of solid waste. The City does offer [commercial recycling](#). A list of City of Annapolis Licensed Refuse Collectors is on the [website](#).

### Department of Public Works

Recycling Division, 145 Gorman Street, 2nd Floor, Annapolis, MD 21401; (410) 263-7949.

## Who should I contact to have my water service or sewer turned on or connected?

The Department of Finance will activate a water account and the Department of Public Works will connect water or sewer to your business for a fee.

### Department of Finance

160 Duke of Gloucester Street, 1st Floor, Annapolis, MD 21401, (410) 263-7952, [finance@annapolis.gov](mailto:finance@annapolis.gov)

### Department of Public Works

145 Gorman Street, 2nd Floor, Annapolis MD 2141; (410) 263-7949.

## Who should I contact if my business involves the use of vehicles as transportation for compensation?

The City Clerk regulates vehicles used in business such as tow companies and household movers.

### City Clerk, Office of the

160 Duke of Gloucester St., 1st Floor, Annapolis, MD 21401; (410) 263-7942

## Operating a taxi business?

If you will be operating a taxi business, you should first contact the Department of Transportation, Director. The director shall supervise the inspection of all taxicabs and is responsible for the licensing, suspension or revocation of permits of all taxicabs and taxi drivers of the City and related matters.

### Department of Transportation

308 Chinquapin Round Road, Annapolis MD, 21401; 410-263-7964

[transit@annapolis.gov](mailto:transit@annapolis.gov)

## Who should I contact to bid on a municipal contract?

Purchasing is a service department responsible for contracting all goods and services to support the City. If you're interested in doing business with the City, please talk to the Procurement Officer.

### Central Purchasing Department

161 Duke of Gloucester St., 1st Floor, Annapolis, MD 21401; (410) 263-7944, [bds@annapolis.gov](mailto:bds@annapolis.gov)

## Who should I contact regarding having my electrical service established?

You should contact BGE in order to request new service, to reconnect or disconnect service, to obtain your account balance and payment history, to make changes to your account information, to change your account information, to report a power outage, to discuss credit and collection issues. [www.bge.com](http://www.bge.com) or 1.800.685.0123

## Who should I contact regarding having my natural gas service established?

BGE operates and manages natural gas distribution in Annapolis. If you need to connect to a natural gas line, please consult with a BGE representative. [www.bge.com](http://www.bge.com) or 1.800.685.0123

## Congratulations! Though you're open, we're still here to help...

- Do you have a website set up? Maryland businesses can set one up at no cost.
- We can be your first customer! Have you considered selling to the Maryland State Government?
- If you haven't written a business plan, it's never too late. Help is available with this process, as well as general planning and mentoring.

# OTHER HELPFUL RESOURCES

## Business Structures

A business becomes a 'legal entity' meaning that it can own property, can hold bank accounts, and pay taxes almost exactly as if it were a living citizen of the State of Maryland. There are several types, however, each with its own benefits and limitations. While it can be changed later, it is far easier to make this decision correctly before going further.

- Here's more information about [business structures](#).
- [Federal tax implications](#) of different business structure choices.
- We recommended consulting with both a [lawyer](#) and an [accountant](#) before choosing.
- If you are starting an [agribusiness](#), there are state resources tailored to help.

For assistance or more information, contact the [Maryland Department of Commerce](#) and/or the [Department of Assessments and Taxation](#)

## Other Business Links & Resources

- [Maryland Department of Commerce](#)
- [Comptroller of Maryland](#)
- [Start a Business in Maryland](#)
- [Maryland Business Licenses Online](#)
- [Maryland Small Business & Technology Development Center](#)
- [U.S. Small Business Administration](#)
- [Help for Small Businesses \(SCORE\)](#)
- [Trademarks and Servicemarks FAQ](#)
- [Governor's Office of Minority Affairs](#)
- [Internal Revenue Service](#)





## **Annapolis Economic Development Division**

Department of Planning and Zoning  
145 Gorman Street, 3rd Floor  
Annapolis, Maryland 21401

### **Economic Development Manager**

Hollis Minor  
HGMinor@annapolis.gov  
410-263-7961 x7770

### **Small/Minority Business Enterprise Liaison**

Hope Stewart  
HStewart@annapolis.gov  
410-263-7961 x7787