

ORDINANCE NO. 0-131-15, SERIES 2015

**AN ORDINANCE AMENDING SECTION 115 OF THE
LOUISVILLE METRO CODE OF ORDINANCES RELATING
TO SHORT TERM RENTALS (Amendment By Substitution)**

SPONSORED BY: Council Member Julie Denton

WHEREAS, today travelers and individuals in need of short term rentals are increasingly turning to the internet as a new method to secure short term rental opportunities, including the ability to rent by the room or an entire house, which has created a fluid market of residential property being offered for short term rentals (commonly referred to as “short term rentals”);

WHEREAS, Metro Louisville has a growing number of dwelling units being rented for short terms, most of which are being advertised via online third party platforms;

WHEREAS, Metro Council evaluated existing laws to adequately understand the issues associated with these new internet based sites for the travelers and residents of these short term rentals arrangements;

WHEREAS, Metro Council understands that Codes and Regulations and Develop Louisville have issued notices of alleged violations of the Land Development Code; and

WHEREAS, Metro Council seeks to balance the interests and needs of travelers and individuals in need of short term rentals with property owners and residents;

**NOW THEREFORE BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) FOLLOWS:**

SECTION I: Sections 115.505 through 115.514 of the Louisville Metro Code of Ordinances is hereby established to create subchapter entitled SHORT TERM RENTALS:

SHORT TERM RENTALS

§ 115.505 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DIRECTOR. The Director of the Louisville Metro Department of Develop Louisville.

HOST. Any Person who is the owner of record of residential real property, or any Person who is a lessee of residential real property pursuant to a written agreement for the lease of such real property, who offers a dwelling unit, or portion thereof, for Incidental Transient Occupancy.

HOSTING PLATFORM. An internet based platform that generally allows an owner or tenant to advertise the dwelling unit through a website and provides a means for potential Incidental Transient Users to arrange Incidental Transient Occupancy and payment through the Hosting Platform.

INCIDENTAL TRANSIENT OCCUPANCY. The use or possession or the right to the use or possession of any room or rooms, or portions thereof for dwelling, sleeping or lodging purposes in any One-Family Dwelling, Two Family Dwelling, Multiple Dwelling, or Secondary Dwelling, by a Transient User.

TRANSIENT USER. A person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of third (30) consecutive calendar days or less.

§ 115.506 INCIDENTAL TRANSIENT OCCUPANCY

Incidental Transient Occupancy of a residential dwelling is only allowed as an incidental use of such dwelling and limited to one hundred eighty (180) days per year if the Host is not present.

§ 115.503 TRANSIENT OCCUPANCY TAXES

(A) Transient Occupancy Taxes are to be collected and paid to the Metro Government pursuant this Code; and

(B) Transient Occupancy taxes are ultimately the responsibility of the Host, but the collection and remission of all required taxes pursuant to MCO Chapters 110 and 121 may be paid by a Hosting Platform on behalf of host if the Incidental Transient Occupancy is created through a Hosting Platform that has an agreement with the Metro Government for collection and payment of such taxes to the Metro Revenue Commission.

§ 115.509 DUTIES OF A HOST.

(A) It shall be the duty of a host under this subchapter to ensure that the Incidental Transient Occupancy dwelling meets the smoke detector requirements set forth in MCO 94.02; and

(B) There shall be no more than one contract per residence at a time.

(C) Ensure that there is not any signage on the premises of the Incidental Transient Occupancy dwelling, advertising or identifying the short term rental.

§ 115.510 ENFORCEMENT.

In addition to the penalties provided in § 115.999(L), the Director is authorized to enforce the provisions of this subchapter through declaratory, injunctive and other civil actions filed in any court of competent jurisdiction.

SECTION II: This Ordinance shall take effect upon its passage and approval.

H. Stephen Ott
Metro Council Clerk

David W. Tandy
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By:_____