

March 15, 2023

Dear Metro Council Members Jecorey Arthur and Andrew Owen,

Two Community Councils (Clifton and Clifton Heights) and three Neighborhood Associations (Butchertown, Irish Hill and Phoenix Hill) have joined together to discuss concerns in our respective neighborhoods regarding short term rentals (STRs). We write this letter to express our full support for the short-term rental ordinance that would impose a temporary moratorium on conditional use permit applications and new registrations in neighborhoods that have experienced the adverse effects of STRs.

Both individually and collectively our neighborhoods have seen a significant increase in short-term rentals in recent years. Currently, of STRs registered, there are 45 in Clifton with 7 pending, 60 in Clifton Heights, 52 in Phoenix Hill and 25 in Butchertown. These figures capture only those registered, yet give you some idea of the significant impact STRs are having on available housing and rental stock. In Phoenix Hill and Butchertown, for example, STRs make up 20% of the single family homes. On one small block in the western part of Phoenix Hill out of the 25 single family homes 8 are STRs. One resident noted, until recently, he had four households of neighbors that were now gone, replaced by STRs. Two new owners reside out of state. Vacant lots have been purchased on Liberty, Wenzel, and East Jefferson, been developed, sold at a well elevated price for this neighborhood and are listed as Airbnbs. Unfortunately in this part of Phoenix Hill it is zoned OR2 which has allowed the STRs to operate within 600 feet of each other without a conditional use permit. This is one of the main reasons that we are asking for the moratorium so that we can evaluate what can be done so a neighborhood doesn't dissolve into blocks of STRs.

Our main concerns with short-term rentals are the negative impact they can have on the quality of life for residents, reduction in the number of long-term residents, and the erosion of the sense of community that we have worked hard to build in our respective neighborhoods. When short-term rentals are allowed to operate without adequate regulations, they can create noise, traffic, and parking problems that disrupt the peaceful neighborly atmosphere that we cherish. In addition, the constant turnover of short-term renters can lead to a lack of accountability and a sense of transience that undermines the stability of our community. STRs are often owned by absentee landlords who do not have a stake in our community and who may not be invested in maintaining the quality of life for our residents. Additionally, only conditional use permit applicants are required to adhere to the 600-foot Rule. Host occupied units and properties zoned OR2 are not required to meet this requirement when registering for STR status. Many in the 'host' category are not present on the property as implied in their registered status.

Additionally, the proliferation of STRs has had an impact on the availability of affordable housing - both homes and apartments - in our neighborhoods. Many landlords have converted long-term rental properties into short-term rentals or have swooped in to purchase homes that otherwise could have been available for a potential homeowner. This directly competes with

market demand, leading to higher cost of home ownership, higher rental prices, and a shortage of housing for families and individuals who wish to make our neighborhoods their long-term home. We believe that there must be a balance between economic interests and the well-being of our neighborhoods.

We appreciate the continuing efforts of the Louisville Metro Planning Commission and the Council to review the current policies relating to short-term rentals, and we believe that this moratorium will provide a much-needed period of stability and reassessment while this review takes place. We also appreciate the efforts of the Council to create a period where no new short-term rentals are created, whether through conditional use permits or new registrations, while the Planning Commission reviews potential changes to short-term rentals.

We urge you to pass this ordinance and to ensure that it is fully enforced to protect our neighborhood and its residents. Our neighborhoods have compiled recommendations which we feel would strengthen the policies regulating short-term rentals while allowing for responsible and sustainable short-term rental operations (see below). We look forward to sharing these recommendations and to working with you and other members of the Council to address this important issue and to ensure that our neighborhoods remain safe and vibrant communities for years to come.

Sincerely,

Kari Haan, President, Butchertown Neighborhood Association

Mike O'Leary, President, Clifton Community Council

Alison H. Johnson, President, Clifton Heights Community Council

Lisa Santos, Chair, Irish Hill Neighborhood Association

Kristi Ashby, Phoenix Hill Neighborhood Association

Suggested recommendations for the Planning commission to consider:

- Extend the 600-foot rule to 1,000-feet and adhere to this distance for all STRs regardless of zoning or 'host' occupancy; Phoenix Hill asks that this be front and center on all requests. The reason for the proliferation in our neighborhood is due to our OR2 zoning.
- require all STR operators to go through the Conditional Use Permit process
- require STR operators to comply with regulations such as safety standards, noise and realistic occupancy limits
- require that the STR is the primary residence of the owner
- enforce penalties for STR operators who violate regulations, including automatic revocation of their license and a fine for repetitive violations
- require that STR platforms, such as Airbnb and Vrbo collect and remit local taxes on behalf of their hosts
- rigorous enforcement accompanied by an up-to-date STR directory map of registrants

