

**MINUTES OF THE MEETING
OF THE
LOUISVILLE METRO PLANNING COMMISSION
July 17, 2023**

A special meeting of the Louisville Metro Planning Commission was held on Monday, July 17, 2023 at 5:30 p.m. at the Old Jail Auditorium, 517 W. Liberty Street, Louisville, Kentucky.

Commission members present:

Marilyn Lewis, Chair
Suzanne Cheek
Rich Carlson
Patricia Clare
Bill Fischer
Jennifer Caummisar-Kern
Jim Mims
Te'Andre Sistrunk

Commission members absent:

Michelle Pennix
Lula Howard

Staff Members present:

Emily Liu, Director
Joseph Haberman, Planning Manager
Julia Williams, Planning Manager
Mark Pinto, Associate Planner
Laura Ferguson, Assistant County Attorney

Others Present:

The following matters were considered:

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PUBLIC HEARING

CASE NO. 23-LDC-0001

Request: An Amendment to the Land Development Code concerning the Short Term Rental Regulations
Project Name: Short Term Rental Ordinance Amendments
Location: Louisville Metro
Applicant: Louisville Metro
Jurisdiction: Louisville Metro all Suburban Cities with Zoning Authority
Council District: All Council Districts
Case Manager: Joseph Haberman, AICP, Planning Manager

Notice of this public hearing appeared in **The Courier Journal**.

The staff report prepared for this case was incorporated into the record. The Commissioners received this report in advance of the hearing, and this report was available to any interested party prior to the public hearing. (Staff report is part of the case file maintained in Planning and Design Services offices, 444 S. 5th Street.)

Agency Testimony:

00:04:00 Joseph Haberman presented an overview of the request (see video for PowerPoint presentation). In November 2022, Metro Council passed Resolution \$143, 2022 director Planning & Design Services staff and the Planning Commission to review the regulations for Short Term Rentals and provide recommendations to improve the existing requirements. The resolution also asked the Planning Commission to make recommendations to proposed changes to the Louisville Metro Code of Ordinances, which is not a normal request, but since the Short Term Rental regulations are divided between the zoning ordinance and code of ordinances, the Planning Commission has been asked to make any recommendations they feel are necessary. Staff recommendations were published on May 19, 2023, and the public was given an opportunity to submit comments to PDS. Upon review of the comments, staff made additional recommended changes (see staff report for details).

00:39:35 Commissioner Clare asked if there are areas where there are concentrations of OTF and OR-3. Joseph Haberman said there are currently not many registrations in those particular districts.

00:40:58 Commissioner Carlson asked for clarification on the occupancy calculation. Haberman explained the proposal, and pointed out that, as proposed, relief could be granted via a waiver request. Carlson asked who is tasked with enforcing the proposed regulations. Haberman said zoning enforcement officers that are under Planning & Design Services enforce complaints.

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00:45:15 Commissioner Sistrunk asked if “occupants” meant only people sleeping at the location or anyone on the site. Haberman said it only applied to guests and not any owner/hosts who were on the site. Zoning Enforcement would be the entity to calculate/count people on site if a complaint was received.

00:47:17 Commissioner Mims asked if there had ever been a requirement to post an emergency contact on the site. Haberman said there have been discussions to post that information inside the units, but not on the exterior. Mims asked how many enforcement cases have been heard. Haberman said since the ordinance was originally initiated there have been 281 citations and an unknown number of notices of violations (number is hard to specify because of the way Accela classifies complaints). Haberman described the most common offenders of the ordinances and explained how enforcement is carried out against those who choose not to properly register, have violations, etc.

01:00:20 Commissioner Clare asked how police complaints may be linked to Short Term Rental registrations. Haberman stated that staff is constantly trying to improve communication with LMPD in an effort to identify problem sites.

01:04:00 Commissioner Cheek asked how “after hour complaints” are handled. Haberman said that there are various ways to investigate complaints other than sending zoning enforcement officers to the site. LMPD is used to investigate noise and/or party issues.

01:05:40 Commissioner Mims asked if the platforms would ever discontinue a listing if an owner fails to register. The ordinance requests platforms do not list properties that are not registered, but there are exemptions that may allow a listing that is not registered (zoning classification, etc.)

01:07:29 Commissioner Carlson asked if the maximum number of persons allowed in a unit is posted in said unit. Haberman said that is requested by staff, but is not a requirement. Laura Ferguson said host and manager information is required to be posted in the unit, and the proposed draft requires this information to be provided to adjoining property owners.

01:12:54 Commissioner Caummisar-Kern asked how the “two strikes” rule was determined. Haberman said the number was ultimately a consensus based on conversations amongst staff and local officials.

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The following spoke in regards to the request (please note, public comments were not divided into support and opposition since it was possible for someone be in support of some aspects of the proposal and against other recommendations):

Luanne Maguire, 1226 S. Sixth Street, Louisville, KY 40203

John Inwright, 810 Green Willow Way, Louisville, KY 40223

Suzi Wessel, 681 Carolyn Road, Louisville, KY 40214

Judi Christopher, 2155 Bonnycastle Avenue, Louisville, KY 40205

Kristi Ashby, 509 Cooper Street, Louisville, KY 40204

Art Rothgerber, 3219 Canterbury Lane, Louisville, KY 40207

Myrna Parsley, 211 Rivers Edge Way, Columbus, OH 43237

Debra Harlan, 1734 Chichester Avenue, Louisville, KY 40205

Helga Ulrich, 112 E. Ormsby Avenue, Louisville, KY 40203

Diane Cooke, 3318 Lexington Road, Louisville, KY 40206

Sarah Fisher, 432 E. Lee Street, Louisville, KY 402017

Pam Raque, 709 Chamberry Drive, Louisville, KY 40207

Farooq Shaheen, 9 Northfield Lane, Westbury, NY 11590

Sally Nolan, 903 E. Chestnut Street, Louisville, KY 40204

Tom Nolan, 903 E. Chestnut Street, Louisville KY 40204

Stephen Seim, 937 Cherokee Road, Louisville, KY 40204

Deirdre Seim, 937 Cherokee Road, Louisville, KY 40204

Lisa Santos, 1318 Hull Street, Louisville, KY 40204

Vinnie Kulis, 1434 Winter Avenue, Louisville, KY 40204

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Ann Ramser, 307 E. Kenwood Drive, Louisville, KY 40214

Greg Milliner, 4215 Willowview Boulevard, Louisville, KY 40299

Amy Bisig, 2722 Lamont Road, Louisville, KY 40205

Leah Milliner, 4215 Willowview Boulevard, Louisville, KY 40299

Kirk Kandle, 332 S Bayley Avenue, Louisville, KY 40206

Victoria Quibell, 714 W Kenwood Drive, Louisville, KY 40214

Brad Bisig, 2722 Lamont Road, Louisville, KY 40205

Kristin Jackson, 4710 Kitty Hawk Way, Louisville, KY 40207

Stephen Willhite, 8521 Glenn Ridge Court, Louisville, KY 40242

Jimmy Soto, 1401 Garland Avenue, Louisville, KY 40204

Becky Gorman, 927 Texas Avenue, Louisville, KY 40217

Michael Rohner, 717 E. Oak Street, Louisville, KY 40203

Summary of testimony:

01:16:17 Chair Lewis reminded the speakers that they each get up to three minutes to express their concerns.

01:19:04 Luanne Maguire spoke in support of other short term rental owners. Maguire said she has had a positive experience as a host. Maguire believes long term rentals can be just as problematic as short term rentals. Maguire supports enforcement of the rules but thinks fees should be fair.

01:22:02 John Inwright has had an experience with an unregistered host in his neighborhood. Inwright stated penalties are not strong enough. Inwright and members of the neighborhood he lives in thinks it is important to enforce against people who do follow the regulations.

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01:24:35 Suzi Wessel owns a short term rental that abuts her residence and is considered a super host. She is able to select who uses her property and can request information as to why people are wanting to rent her property. She has turned away renters, and has gone over to the property to enforce complaints.

01:27:53 Judi Christopher owns a duplex where she lives in one unit and rents out the other. She currently only rents for long terms, but hopes the regulations will be amended to allow her to do short term rentals between long term rentals. Christopher believes AirBNB is self-regulating, and the review system helps to monitor those who are requesting to rent her unit.

01:31:17 Kristi Ashby spoke on behalf of the Phoenix Hill Neighborhood Association. The association has concerns about units in their neighborhood, especially allowing them in some of the office zoning classifications. Ashby is happy to see the proposed changes regarding office districts in the traditional form districts.

01:35:06 Art Rothgerber asked if a conditional use permit transfers when a property is sold. Rothgerber believes all current applications be required to meet the new requirements if/when they are approved. Enforcement is important and he supports the changes related to enforcement.

01:38:24 Myrna Parsley lives out of state but does have a short term rental unit in Old Louisville. Parsley said short term rentals contribute to the local economy and are not the cause of homelessness in the community. Parsley does not think the fee increase is fair.

01:40:49 Debra Harlan is pleased to see the Planning Commission and Metro Council are address the regulations. Developers have purchased a number of previously affordable houses in the Phoenix Hill community and converted them to short term rentals. This type of activity has caused there to be a lack of affordable housing and caused a lack of stability in neighborhoods.

01:44:12 Helga Ulrich has been interested in short term rentals since 2015. She has experience with a nuisance short term rental next to her residence. The enforcement process is not strong enough, especially for those that are operating without a permit.

01:47:43 Diane Cooke is with the Lexington Road Preservation Association and they are against short term rentals in their neighborhood. There have been problems with noise, parties, and enforcement actions are too slow. Cooke believes some areas are not a good fit for short term rentals even with regulations in place.

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01:49:35 Joseph Haberman answered the question regarding the transfer of a conditional use permit. In 2019, a provision was added that the CUP does transfer but the registration does not, and if the new owner does not acquire a registration within six months of a transfer then the CUP becomes null and void.

01:52:26 Sarah Fisher is supportive of additional regulations to help address some of the gaps in the current regulations. Fisher said that in urban areas of mixed use and zoning, it is hard to delineate “residential areas” and “commercial areas.” In her opinion, short term rentals do have an effect on housing because it decreases housing stock and leads to increases in rent on other properties.

01:55:43 Pam Raque lives in a completely residential area and is worried about multiple short term rental units coming into residential areas that are zoned for single family residences. Raque believes the fee is minimal and is not unfair to those that are operating short term rental units.

01:58:19 Farooq Shaheen is originally from New York and is pro short term rentals. Shaheen believes there are many misconceptions about short term rentals. Shaheen uses his property as a secondary residence and wants to utilize his property when he is not in the unit. Short Term Rentals are self-regulating because if owners do not keep the property up then they will have difficulty renting it out. Having a short term rental allows him and other owners some flexibility.

02:01:40 Sally Nolan said there are a number of short term rental units near her residence, some of which have converted from owner occupied to non-owner occupied. Nolan likes the idea of having an emergency contact on the outside of the house in case there are concerns or disturbances that need to be addressed immediately.

02:04:28 Tom Nolan addressed the proposed changes that will potentially impact the Phoenix Hill neighborhood. The zoning that is in place in Phoenix Hill was necessary to accommodate the businesses and residences that were in place when the neighborhood plan was completed. Nolan thinks short term rentals are too clustered and parking can be an issue in areas with smaller properties.

02:08:30 Stephen Seim has been involved with short term rentals since 2010. The biggest challenge is enforcement. Seim said none of the money from the local transient tax goes to enforcement, and would prefer to see some of this tax money go to enforcement instead of raising the annual registration fee. This would help weed out some of the bad actors and help those that are interested in doing things properly.

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02:11:40 Deirdre Seim spoke about best practices in short term rentals. Some platforms do not properly enforce license requirements and do not do anything to vet owners or renters. Seim believes all guests should produce a photo ID and this should be a requirement in the regulations.

02:14:14 Lisa Santos spoke about occupancy and substantiating complaints. Santos has noticed that units with large occupancies tend to be the most problematic. Santos would like to see PDS come up with a way to help educate adjoining property owners how to make complaints.

02:16:50 Vinnie Kulis has been a host for about one year. The income that he receives has helped him purchase his house and pay the taxes on the property.

02:19:38 Ann Ramser is opposed to allowing accessory dwelling units to become short term rentals (see video for PowerPoint presentation). Accessory dwelling units are meant to help with long term housing and not meant to be used as short term rental units. Ramser believes Planning & Design is not reviewing applications properly and needs to do a better job to help make sure the regulations are enforced properly. Ramser would like to see a conditional use permit to be required for any short term rental application in a building with more than three units.

02:25:08 Greg Milliner is a superhost on AirBnb. Milliner believes that short term rental hosts are more attentive than long term rental hosts. Being a host has allowed him and his wife to have a family and do things that they would not be allowed to do if they did not have the properties they manage.

02:28:50 Amy Bisig helps run a short term rental in her mother's home. This has been an asset to her to help her pay bills, update her house, pay taxes and do things that she otherwise would not be able to do. Bisig believes their unit lets families have a residential experience and welcoming to large families.

02:31:43 Leah Milliner is a superhost. Milliner is able to use the income from their properties to help support her entire family and has allowed them to keep the properties. Milliner has had a much better experience renting as a short term rental than when they were doing long term rentals.

02:35:00 Kirk Kandle is an applicant for a conditional use permit, but is also a neighborhood advocate that has been monitoring unlicensed short term rental units.

02:38:17 Victoria Quibell is an AirBnb host that lives near all her units. She agrees there needs to be some regulations in place to protect neighbors and provisions put into place to address potential complaints.

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02:40:30 Brad Bisig has done both long term and short term rental. Bisig stated he is able to have more control and better regulate short term rental occupants.

02:52:10 Kristin Jackson is a short term rental host and manager. There are methods that hosts can implement, such as noise monitors, video cameras, etc., to make sure the experience is good for residents as well as the neighbors.

02:54:40 Stephen Willhite owns a number of short term rental units locally and out of state. There needs to be better enforcement against bad hosts.

02:57:15 Jimmy Soto would like to see the amendment that proposes to eliminate non-owner hosts from being eligible to host short term rentals without a conditional use permit. He believes this would be more equitable for a number of different owner/host situations.

02:59:23 Becky Gorman concurs with statements regarding the effect of short term rental units on neighborhoods. Gorman would like to see commercially zoned short term rentals to require a conditional use permit instead of being by right. Gorman would like to see an amendment to require hosts or owners to be within the same zip code of the properties they are renting out. Gorman also supports the increased fees.

03:02:25 Michael Rohner spoke in support to the proposed amendments. Rohner echoed some of the other testimony that was heard at this hearing.

Deliberation

03:05:47 Planning Commission deliberation.

03:06:00 Commissioner Carlson asked about the testimony heard about having a short term rental in an accessory dwelling unit. Joseph Haberman stated staff did not make any recommendations about this topic, but there is draft language for consideration should the Planning Commission or Metro Council want to address it.

Commissioner Carlson asked about how to address single family homes that may be located in commercial zoning districts. Emily Liu provided clarification about the proposed amendments and how single family residential in non-residentially zoned areas are addressed. Liu stated all office zoned areas in traditional neighborhoods are proposed to be treated like residential areas.

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03:17:26 Commissioner Clare asked about the comments that were made about the distribution of the transient tax. Emily Liu stated Planning & Design does not have the authority to address the distribution of that money. Enforcement issues will be addressed in the future, including any additional money or tools that may be needed to provide better enforcement.

03:21:42 Assistant County Attorney Laura Ferguson addressed some of the comments that were provided during testimony. Ferguson said there are some things that can possibly be implemented in the Metro Code of Ordinances, such as providing contact information to all interested parties who ask for it, providing the exact count for the number of occupants permitted in the unit, and providing contact information to guests who have concerns.

03:28:00 Commissioner Mims said some communities are choosing not to regulate, or even permit, short term rentals. Mims has concerns about allowing them because the testimony that has been received clearly shows they do have an impact on neighborhoods.

03:29:30 Commissioner Fischer applauds the efforts that staff has made to come up with the draft amendments and feels something needs to be done soon to help correct the situation.

03:34:34 Commissioner Cheek feels this is a dynamic issue that is ever evolving, and she believes the proposed amendments do a good job of trying to address the situation to keep up with the needs and desires of the community. Commissioner Mims said he understands that, but believes we are not capable to properly enforcing the regulations. Commissioner Sistrunk has concerns about removing housing stock when there is already a shortage of housing stock in the community. The market has turned these homes into a business, and businesses are benefiting more than residents.

03:43:15 Commissioner Sistrunk discussed the difference between owner occupied and non-owner occupied hosts. He would like to see the fee for non-owner occupied hosts to be significantly more than what is proposed.

03:45:11 Chair Lewis asked about how these regulations would be implemented. Joseph Haberman said Metro Council is expected to discuss this and whether or not the new regulations would apply to people that have applied, how it would apply to applications that are at different stages of the process, etc.

03:47:20 Commissioner Caummisar-Kern asked about comments regarding the transfer of properties. Joseph Haberman said that staff would have some discretion about whether or not a revocation hearing is required if there are two strikes.

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Commissioner Caummisar-Kern asked about the proposed parking requirements, and whether or not the proposed regulation addresses citizen concerns. Haberman stated the Board of Zoning Adjustments does have some discretion when they are reviewing conditional use permit applications. For other types of applications, the language proposes director review when needed.

03:56:00 In response to the enforcement discussion, Emily Liu stated staff is constantly trying to improve techniques, particularly to gather information through various platforms and methods of technology. Commissioner Carlson said he would like to recommend Metro Council not wait until next Fiscal Year to explore options and maybe provide funding to improve these tools.

03:57:40 Commissioner Clare asked where the \$250 amount for the registration fee came from. Joseph Haberman said other pier cities charge similar amounts for the same level of review that is done by PDS staff. Creating tiered registration may create additional work on staff to help identify the type of registration. Emily Liu said this could be something to recommend to Metro Council. Laura Ferguson said this could be a valid request as long as there is justification to do so.

04:08:30 Commissioner Carlson asked about potential changes to the number of occupants in the short term rental. Chair Lewis asked if what constitutes a child. Joseph Haberman said generally a child is considered someone under 18. The commission discussed how to define the occupancy number.

An audio/visual recording of the Planning Commission hearing related to this case is available on the Planning & Design Services website, or you may contact the Customer Service staff to view the recording or to obtain a copy.

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04:21:00 On a motion by Commissioner Carlson, seconded by Commissioner Fischer, the following resolution, based on the Staff Report and evidence and testimony heard at today's hearing, was adopted:

RESOLVED, that the Louisville Metro Planning Commission does hereby **RECOMMEND** to Louisville Metro Council and all Cities with Zoning Authority to **APPROVE** the following proposed amendments to the Land Development Code:

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1.2.2 Definitions

Owner - Any person, group of persons, partnership, corporation, or any other legal entity having legal title to or sufficient proprietary interest to undertake development pursuant to Chapters 1 through 10.

Host-Occupied Short Term Rental – See Short Term Rental, Host-Occupied.

Owner-Occupied Short Term Rental – See Short Term Rental, Owner-Occupied.

Primary Residence (or Principal Residence) – A primary residence is the main home of an individual. An individual has only one primary residence at a time. If an individual owns and lives in just one dwelling unit, then that property dwelling unit is ~~his or her~~ their primary residence. If an individual owns or lives in more than one dwelling unit, then ~~he or she~~ the individual must apply a “facts and circumstances” test to determine which property dwelling unit is ~~his or her~~ their primary residence. While the most important factor is where ~~he or she~~ the individual spends the most time, other factors are relevant as well. The more of these factors that are true of a home, the more likely that it is a primary residence. Factors include, but are not limited to, the address listed on an individual’s Kentucky-issued driver’s license or identification card, U.S. Postal Service address, Voter Registration Card, federal and state tax returns, driver’s license, state identification card, and/or vehicle registration.

Short Term Rental – A Dwelling Unit that is rented, leased or otherwise assigned for a tenancy of less than 30 consecutive days duration, where no meals are served. A Short Term Rental is not a **Bed and Breakfast Inn, Extended Stay Lodging facility, Hotel, Motel,** or any other transient use more specifically defined in this Land Development Code.

Short Term Rental 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 **Short Term Rental** and is responsible for its management.

Short Term Rental, Host-Occupied – A Short Term Rental in which the Short Term Rental Host has established their Primary Residence within the Short Term Rental. The host may or may not be the Owner.

Short Term Rental, Owner-Occupied – A Short Term Rental in which the Owner is also the Short Term Rental Host and has established their Primary Residence within the Short Term Rental. For the purposes of the short term rental requirements, the Dwelling Unit must be owned as real property by the owner declaring residency and cannot be owned by a company, partnership, or corporation in order to qualify as an Owner-Occupied Short Term Rental.

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4.2.63 Short Term Rental of a dwelling unit that is not the primary residence of the ~~host owner~~ or ~~the Short Term Rental of~~ a condominium unit that is the primary residence of the ~~host owner~~ in a R-R, R-E, R-1, R-2, R-3, R-4, R-5, U-N, R-5A, R-5B, R-6, R-7 or R-8A district; Short Term Rental of a dwelling unit that is not the primary residence of the owner or a condominium unit that is the primary residence of the owner that is in a OR, OR-1, or OR-2 district and a TN form district; and Short Term Rental of any dwelling unit in a TNZD district

A short term rental of dwelling unit that is not the primary residence of the ~~host owner~~ or ~~the short term rental of~~ a condominium unit that is the primary residence of the ~~host owner~~ in a R-R, R-E, R-1, R-2, R-3, R-4, R-5, U-N, R-5A, R-5B, R-6, R-7 or R-8A district; a short term rental of a dwelling unit that is not the primary residence of the owner or a condominium unit that is the primary residence of the owner that is in a OR, OR-1, or OR-2 district and a TN form district; and a short term rental of any dwelling unit in a TNZD district may be allowed upon the granting of a Conditional Use Permit. In addition to any conditions of approval, a short term rental and its host shall meet the following requirements:

- A. The maximum stay for a guest shall be 29 consecutive days. A dwelling unit rented to the same occupant ~~for~~ 30 consecutive days or more is not considered a short term rental.
- B. The dwelling unit shall be limited to a single short term rental contract at a time.
- C. At no time shall more persons reside in the short term rental than two times the number of bedrooms plus two individuals, except where the ~~licensed registered~~ property is in excess of two acres in which case the occupancy limit shall be two times the number of bedrooms plus six individuals. If the aforementioned occupancy allows for more than 12 individuals, there shall be a maximum of 12 persons over the age of 16 adults. The Board may further restrict the number of individuals.
- D. The property on which the short term rental(s) is situated shall not be located closer than 600 feet (measured in a straight line from nearest property line to nearest property line) to any property on which another approved short term rental that required a conditional use permit is situated. Relief to this provision may be provided by the Board; however the burden is on the applicant to demonstrate that the subject short term rental would not contribute to an overconcentration of short term rentals in the immediate area and/or adversely affect the affordable housing stock in the immediate area. In applications where the entire area encapsulated by the 600 foot buffer is residentially zoned (including TNZD areas mapped Neighborhood General), under no circumstance shall the Board provide relief to this provision in cases in which two or more short term rentals with conditional use permits are already in existence within 600 feet.
The following exceptions to this separation requirement apply:
 - (1) The separation requirement shall not apply to a property on which the conditional use permit is conditioned that the owner acts as host and maintains their primary residency within another dwelling unit in the same building or on the same parcel of land.
 - (2) The separation requirement shall not apply between two or more short term rentals on a single property being reviewed under the same conditional use permit application. However, if the property is subdivided after the conditional use permit is granted, a new conditional use permit shall be required in order for any new lot(s) to have a short term rental, with the separation requirements applying to that subsequent application.

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- (3) ~~This provision~~ The separation requirement shall not apply to a property in the TNZD district on which the conditional use permit is conditioned that the host shall maintain their primary residency within the dwelling unit ~~which required a conditional use permit even though it is the primary residence of the host.~~
- E. The building in which dwelling unit is located shall be a single-family residence, duplex, or condominium. If the short term rental is a condominium unit in a multi-family building, the condominium unit must be the primary residence of the ~~host~~ owner. All conditional use permit applications for the short term rental of a condominium unit shall include evidence showing the applicable condominium association has taken action to approve the short term rental of the subject condominium. This evidence shall be provided in the form of minutes from an officially called meeting of the applicable condominium association board wherein all condominium owners were notified that short term rental of the subject condominium would be discussed and a majority of the board members voted in favor of permitting /allowing the short term rental of the subject condominium. In addition to notification required by Chapter 11 Part 5A, an applicant for a short term rental within a condominium shall provide notice of the Conditional Use Permit public hearing to all condominium owners within the association. Proof of notification shall be by way of affidavit. This provision shall not be waived or adjusted.
- F. Food and alcoholic beverages shall not be served by the host to any guest.
- G. Outdoor signage which identifies the short term rental is prohibited in residential zoning districts.
- H. There shall be a sufficient amount of parking available for the host and guests, as determined by the Board of Zoning Adjustment. The amount and location of parking shall be based on the land uses and density of the immediate vicinity.
- I. The short term rental and host shall meet all additional requirements set forth in the Louisville Metro Code of Ordinances.
- J. If the property is subject to two (2) or more substantiated civil and/or criminal complaints within a twelve (12) month period, the Planning Director may revoke the registration pursuant to section 4.3.23 approval. When the Planning Director revokes an approved registration, staff shall schedule a public hearing for the Board to consider revoking the associated conditional use permit approval under this section, the owner and host shall be notified of the revocation and shall have thirty (30) days in which to request an appeal before the Board of Zoning Adjustment. If no appeal is requested, the revocation shall become final on the thirty first (31st) day after the initial action by the Director. Civil complaints include, but are not limited to, reported violations of building, safety, property maintenance, nuisance, health and sanitation, fire, electrical, plumbing, and mechanical codes. Criminal complaints include, but are not limited to, reported drug activity, theft, and criminal mischief. The Board may also revoke the conditional use permit for other reasons pursuant to section 11.5A.6.
- K. Prior to commencement of any short term rental on the subject property, the host shall register the short term rental pursuant to the Louisville Metro Code of Ordinances. If the short term rental is not registered within thirty (30) days of the issuance of the conditional use permit, the permit shall become null and void. In order to commence short term rentals, a new conditional use permit must be granted if required by this Land Development Code.
- L. An active registration of the short term rental, as required by the Louisville Metro Code of Ordinances, shall be maintained. No short term rentals may take place unless the

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registration is active and in the name of the current host and property owner. If the registration is not renewed and lapses for six months, or in the event of a change of ownership and/or host, a new registration is not issued within six months from the date of the change, the conditional use permit shall become null and void. In order to recommence short term rentals, a new conditional use permit must be granted if required by this Land Development Code.

4.3.23 Short Term Rentals

In a R-R, R-E, R-1, R-2, R-3, R-4, R-5, U-N, R-5A, R-5B, R-6, R-7 or R-8A district, a short term rental of dwelling unit that is the primary residence of the ~~host~~ owner is permitted by the Planning Director with special standards set forth in this section. In a OR, OR-1, or OR-2 district and not within a TN form district, any short term rental is permitted by the Planning Director with special standards set forth in this section. In a OR, OR-1, or OR-2 district and within a TN form district, a short term rental of dwelling unit that is the primary residence of the owner is permitted by the Planning Director with special standards set forth in this section. In a ~~OR, OR-1, OR-2,~~ OR-3, OTF, C-N, C-R, C-1, C-2, C-3, C-M, EZ-1, W-1, W-2, PVD, PTD or PRD district, any short term rental is permitted by the Planning Director with special standards set forth in this section.

- A. The maximum stay for a guest shall be 29 consecutive days. A dwelling unit rented to the same occupant for 30 consecutive days or more is not considered a short term rental.
- B. The dwelling unit shall be limited to a single short term rental contract at a time.
- C. At no time shall more persons reside in the short term rental than two times the number of bedrooms plus two individuals, except where the ~~licensed registered~~ property is in excess of two acres in which case the occupancy limit shall be two times the number of bedrooms plus six individuals. If the aforementioned occupancy allows for more than 12 individuals, there shall be a maximum of 12 persons over the age of 16 ~~adults~~ unless more persons over the age of 16 ~~adults~~ are permitted by the planning director (not to exceed to the maximum number of occupants).
- D. The building in which the dwelling unit is located shall be a single-family residence or duplex unless the dwelling unit is located on property zoned C-R, C-N, C-1, C-2, C-3, OR-3, OTF, or EZ-1. This provision shall not be waived or adjusted.
- E. Food and alcoholic beverages shall not be served by the host to any guest.
- F. Outdoor signage which identifies the short term rental is prohibited in residential zoning districts.
- G. There shall be a sufficient amount of parking available for the host and guests, as determined by the Planning Director. ~~The amount and location of parking shall be based on the land uses and density of the immediate vicinity.~~ In the event that a complaint is filed concerning the lack of adequate parking, the Planning Director may require that the host submit a parking study to Planning & Design Services. If the parking study concludes that there is inadequate parking available to the host and guests, the host shall either a) increase the amount of parking to be sufficient or b) discontinue the short term rental use.
- H. The short term rental and host shall meet all additional requirements set forth in the Louisville Metro Code of Ordinances.

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- I. If the property is subject to two (2) or more substantiated civil and/or criminal complaints within a twelve (12) month period related to the short term rental or condition of the property or building on which it is located, the Planning Director ~~may~~ shall revoke the registration. When the Planning Director revokes a registration under this section, the owner and host shall be notified of the revocation and shall have thirty (30) days in which to request an appeal before the Board of Zoning Adjustment. If no appeal is requested, the revocation shall become final on the thirty-first (31st) day after the initial action by the Director. Civil complaints include, but are not limited to, reported violations of building, safety, property maintenance, nuisance, health and sanitation, fire, electrical, plumbing, and mechanical codes. Criminal complaints include, but are not limited to, reported drug activity, theft and criminal mischief.
- J. In ~~a~~ cases in which ~~a)~~ the required primary residency of ~~the a~~ host is in question due to: a) conflicting documentation or information; or b) inadequate documentation supporting a claim to concerning the primary residency of the host is provided by the host; and/or c) questionable circumstances, the Planning Director may request that the Board of Zoning Adjustment review ~~the a pending application or approved~~ registration and make a determination related to the residency of the host. The Board shall act following a public hearing. Public comment by the host and any interested party shall be permitted. During a residency hearing, in addition to considering the documentation provided in the application, the Board may consider the circumstances surrounding the application as well as testimony in determining if the host spends most of their time at the property.
- K. In a R-R, R-E, R-1, R-2, R-3, R-4, R-5, U-N, R-5A, R-5B, R-6, R-7 or R-8A district and a OR, OR-1, and OR-2 district within a TN form district, the short term rental shall be the owner's primary residence unless a conditional use permit allows otherwise. The owner shall have resided in the dwelling unit for at least six months prior to application. Each annual registration application shall include a) a Kentucky-issued driver's license or identification card showing the host resides at the address and b) at least one of the following other documents showing that the host resides at the address: Voter Registration Card, federal tax return, Kentucky tax return, and/or vehicle registration. If the aforementioned documentation cannot be provided, then a residency hearing shall be required pursuant to section J.
- L. Unless a conditional use permit has been granted allowing otherwise, the owner shall act as the primary host and be responsible for performing all responsibilities of the host. While co-hosts, property managers, and emergency contacts may assist with management, the owner shall be the primary contact for all concerns, including those by Metro Government, neighbors, and guests.

4.3.27 Accessory Dwelling Unit (ADU)

Accessory dwelling units may be permitted in the R-R, R-E, R-1, R-2, R-3, R-4, R-5, and U-N zoning districts that permit residential use in accordance with the following standards:

- A. One ADU, either attached or detached is permitted per single family dwelling per lot.
- B. Maximum ADU Size: 800 square feet or 30 percent of the gross floor area of the principal structure, whichever is greater.
- C. Location Requirements:

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1. For an attached ADU, the yard or setback requirements of the principal structure shall be met. The attached ADU shall be located either to the side or behind the principal structure.
 2. For a detached ADU, the yard or setback requirements of an accessory structure shall be met. The detached ADU shall be located either to the side or behind the principal structure.
- D. ADU Access:
1. For an attached ADU, an exterior staircase used to access a second story or higher ADU shall not be located on the front façade of the structure.
 2. For a detached ADU, the exterior pedestrian entrance to the ADU shall be located facing the principal structure or side yard.
- E. Maximum Height:
1. For an attached ADU, the maximum height shall not exceed the height of the principal structure.
 2. For a detached ADU, the maximum height shall not exceed the maximum height permitted for an accessory structure in accordance with Chapter 5 of the LDC. The maximum height shall not exceed the height of the principal structure.
- F. ADUs approved under this provision shall not be used as a short term rental.
- G. Any property that has been subject to a zoning, property maintenance, or building code violation(s) in the 12 months prior to application shall be reviewed and approved by the directors of Planning & Design Services and Codes & Regulations, or their designees. Any violations shall be resolved prior to approval.
- H. Off-street parking shall meet the requirements of Chapter 9 of ~~the~~ **this** LDC.
- I. ADUs that include new construction that results in habitable floor area (for example, additions to principal structures or new accessory structures) shall not be allowed on any areas of lots that contain environmental constraints (LDC Section 4.6.2.A)
- J. The owner of the property shall reside within either the principal or the accessory dwelling unit.
- K. To avoid any confusion, since there is no language to the contrary, this section does not **override any deed restriction or homeowners' association declarations restricting accessory dwelling units.**

The vote was as follows:

YES: Commissioners Clare, Carlson, Cheek, Fischer, Kern, and Lewis

NO: Commissioner Mims

NOT PRESENT AND NOT VOTING: Commissioners Howard and Pennix.

ABSTAINING: Commissioner Sistrunk.

04:22:30 On a motion by Commissioner Carlson, seconded by Commissioner Fischer, the following resolution, based on the Staff Report and evidence and testimony heard at today's hearing, was adopted:

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RESOLVED, that the Louisville Metro Planning Commission does hereby **RECOMMEND** to Louisville Metro Council to **CONSIDER** the following:

- The Planning Commission recommends the following changes to the Louisville Metro Code of Ordinances:

SHORT TERM RENTALS

§ 115.515 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 Planning and Design Services.

HOST. Any person who is the owner of record of real property, or any person who is a lessee of real property pursuant to a written agreement for the lease of such real property, who offers a dwelling unit, or portion thereof, for short term rental and is responsible for its management.

HOSTING PLATFORM. A person or entity that provides a means through which a Host may offer a dwelling unit, or portion thereof, for short term rental use. Most platforms are internet based and allow a Host to advertise a dwelling unit as a short term rental through a website or mobile app.

SHORT TERM RENTAL. A dwelling unit that is rented, leased or otherwise assigned for a tenancy of less than 30 consecutive days duration, where no meals are served. This term does not include hotel or motel rooms, extended stay lodging facilities, bed and breakfast inns or boarding and lodging house rooms.

SHORT TERM RENTAL ADVERTISEMENT. Any method of soliciting use of a dwelling unit or portion thereof as a short term rental.

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 less than 30 consecutive days duration.

§ 115.516 ANNUAL REGISTRATION REQUIRED.

No person, firm, or corporation shall own or operate a short term rental on any premises within Jefferson County unless the short term rental has been registered annually with the Louisville Metro Department of Develop Louisville.

- (A) The Director may refuse to issue or renew the registration of a short term rental until all outstanding penalties associated with violations of §§ 115.515 through 115.521 that have been assessed against the property owner and/or Host are paid in full.
- (B) The Director may refuse to issue or renew the registration of a short term rental until all outstanding fines and liens that have been assessed by Louisville Metro Government against the subject property are paid in full.

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- (C) The Director may deny or refuse to renew the registration of any Host for violating or failing to comply with any applicable provision of §§ 115.515 through 115.521.
- (D) (1) A new registration for a property shall not be issued if a citation for a violation(s) of §§ 115.515 through 115.521 had been issued in the prior 12 months. When the Planning Director denies a registration under this section, the owner and Host may request a waiver. The Board of Zoning Adjustment shall approve or deny the waiver following a public hearing.
- (2) An active registration shall be revoked by the Planning Director if ~~if~~ the property is subject to two or more substantiated civil and/or criminal complaints or the Host is found to have twice violated or failed to comply with any applicable provision of §§ 115.515 through 115.521 with respect to a given property within a 12 month period, ~~the Planning Director may revoke the registration.~~ When the Planning Director revokes a registration under this section, the owner and Host shall be notified of the revocation and shall have 30 days in which to request an appeal before the Board of Zoning Adjustment. If no appeal is requested, the revocation shall become final on the thirty-first day after the initial action by the Director. Civil complaints include, but are not limited to, reported violations of building, safety, property maintenance, nuisance, health and sanitation, fire, electrical, plumbing, and mechanical codes. Criminal complaints include, but are not limited to, reported drug activity, theft and criminal mischief.
- (E) When any owner or Host has a short term rental registration revoked, they shall be ineligible to receive any new short term rental registrations for a period of one calendar year.

§ 115.517 ANNUAL REGISTRATION; FEE.

- (A) Each annual registration for a short term rental shall be per the procedure prescribed by the Director. The registration form, at a minimum, shall include the following:
- (1) The name, address, phone number, and email address of the Host and an emergency contact residing or located in Jefferson County, Kentucky and/or within 25 miles of the short term rental that shall be responsible for addressing any maintenance, safety concerns, or nuisance complaints. The Host shall provide the emergency contact's information to Transient Users prior to commencing their stays; and
 - (2) The location of the short term rental.
- (B) A nonrefundable fee of ~~\$100~~ \$250 shall accompany the annual registration form of a short term rental.
- (C) A registration shall expire one year from the date it is issued and shall be renewed annually. A renewal application shall be not accepted until 30 days prior to the expiration date of the current registration. A renewed registration shall be effective for one year and commence the day after the previous registration expired. Renewal applications submitted after the expiration date shall not be accepted and shall be reviewed and acted upon as new applications. Short term rentals are prohibited under an expired registration.
- (D) A change in Host, ~~and/or~~ ownership, ~~or tenancy~~ of a dwelling unit used as short term rental invalidates any existing registration. The new Host, ~~and/or~~ property owner, ~~and/or tenant~~ must apply for a new registration in their name.
- (D) Any change in required primary residency of a dwelling unit used as a short term rental invalidates any existing registration.

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(E) An application, whether it be for a new or renewal registration, shall be reviewed under the current provisions of §§ 115.515 through 115.522.

§ 115.518 COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS AND REGULATIONS.

Each separate short term rental shall be in compliance with any currently applicable laws and regulations of the federal, state, or local governments, as may be amended from time to time including but not limited to, laws or regulations on nondiscrimination, zoning, building, safety, property maintenance, health and sanitation, fire, electrical, plumbing, mechanical, and other applicable laws.

§ 115.519 REGISTRATION WITH THE LOUISVILLE METRO REVENUE COMMISSION.

- (A) Pursuant to LMCO Chapter 121, transient room taxes are to be collected and paid by the Host to the Louisville Metro Revenue Commission. Transient occupancy taxes are ultimately the responsibility of the host, but the collection and remission of all required taxes pursuant to LMCO Chapter 121 may be paid by a hosting platform on behalf of Host if the short term rental 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 ~~;~~ **and.**
- (B) Pursuant to LMCO Chapter 110, the Host is subject to occupational license taxes to the Louisville Metro Government.
- (C) The Host shall register with the Louisville Metro Revenue Commission to ensure compliance with all applicable local taxes including the transient room tax and occupational license tax.

§ 115.520 DUTIES OF A HOST.

It shall be the duty of a Host under this subchapter to ensure that:

- (A) The short term rental meets the smoke detector requirements set forth in LMCO § 94.02; has at least one functional carbon monoxide detector installed in an appropriate location as set forth in Kentucky Residential Code; has at least one properly maintained and charged fire extinguisher on each habitable floor; every sleeping room shall have at least one operable emergency and rescue opening as set forth in the Kentucky Residential Code; and that a clearly marked evacuation plan is posted on the premises ~~;~~.
- (B) There shall be no more than one contract per short term rental at a time ~~;~~.
- (C) There is no signage on the premises of the short term rental advertising or identifying the short term rental in residential zoning districts.
- (D) The name, email, and telephone number of the Host and any emergency contact shall be conspicuously posted within the short term rental, as well as the maximum number of guests (and maximum number of persons over the age of 16, if applicable). This contact information will be made available to any interested party, including neighbors.
- (E) Any Host using a Hosting Platform shall include the valid, Louisville Metro-issued registration number for the short term rental in the Short Term Rental Advertisement.

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(F) The Host is responsible for the activity of Transient Users (guests). The Host shall immediately address any problems associated with the short term rental when it is occupied by a Transient User (guest) regardless of the time of day. If the Host is not available, he or she may delegate this responsibility to an Emergency Contact.

§ 115.521 ADVERTISING ON A HOSTING PLATFORM.

- (A) Short term rentals registered in accordance with § 115.517 may be advertised for short term stays of less than 30 days on a Hosting Platform. A Host and/or property owner that advertises an un-registered short term rental on a Hosting Platform is subject to enforcement as stated in §§ 115.522 and 115.999(N)(2).
- (B) The Director may request that a Hosting Platform remove any listing or Short Term Rental Advertisement from the platform where the registration number associated with a short term rental listing is invalid, expired, or has been revoked. The Director must identify the listing(s) to be removed by the listing URL and displayed registration number (whether valid or invalid) and state the reason for removal. The Hosting Platform shall remove the listing within ten business days of notification by the Director.
- (C) The Director may request that a Hosting Platform provide the following information to the Louisville Metro Department of Develop Louisville on a monthly basis:
 - (1) The total number of short term rentals in Louisville Metro that were listed on the platform during the applicable reporting period; and
 - (2) The total number of nights all short term rental units were rented through the platform during the applicable reporting period.These reports shall be due at the end of each month to include information from the preceding month.
- (D) Pursuant to KRS 65.8821, the Code Enforcement Board shall have the authority to subpoena information from any Hosting Platform. Any such subpoena shall:
 - (1) Be submitted in writing by the Code Enforcement Board attesting that Louisville Metro Government has a reasonable belief based on evidence that a short term rental may be in violation of §§ 115.515 through 115.521;
 - (2) Be served on the platform via its registered agent;
 - (3) Be related to a specific investigation by Louisville Metro Government relating to a short term rental that is identified in the subpoena; and
 - (4) Identify the alleged violations of §§ 115.515 through 115.521.The platform shall notify their user/Host of the information requested in the subpoena within ten business days of receiving the subpoena and produce records within 21 days of providing notice to the user/Host, except to the extent that the user/Host has sought relief in a court of competent jurisdiction.

§ 115.522 ENFORCEMENT.

In addition to the penalties provided in § 115.999(N), 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.

§ 115.999 PENALTY.

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(N)

- (1) Any person who violates any provision of §§ 115.515 through 115.520 will be subject to a civil penalty of \$125 as imposed by an Enforcement Officer. A second offense will be subject to a civil penalty of \$250 as imposed by an Enforcement Officer. A third offense will be subject to a civil penalty of \$500 as imposed by an Enforcement Officer. Any additional offense beyond the third offense will be subject to a civil penalty of \$1,000 as imposed by an Enforcement Officer. Each day that a violation continues after separate notice has been served shall be deemed a separate offense. Any person who receives a citation for violating §§ 115.515 through 115.520 may appeal the violation to the Code Enforcement Board.
 - (2) Any person who violates any provision of § 115.521 related to advertising on a Hosting Platform shall receive a notice of violation as a warning for a first offense. Any additional offense will be subject to a civil penalty of \$125 as imposed by an Enforcement Officer. Each day that a violation continues after separate notice has been served shall be deemed a separate offense. Any person who receives a citation for violating § 115.521 may appeal the violation to the Code Enforcement Board.
 - (3) In addition to the penalties provided herein, the Director is authorized to pursue remedial civil actions for violations of §§ 115.515 through 115.521 by civil complaint or petition for injunctive relief, declaration of rights or other appropriate proceedings filed in the Jefferson County, Kentucky Circuit Court.
- Planning Commission further recommends that Metro Council consider a tiered schedule for LMCO 115.517(B) with a minimum fee of \$250, and in the tiering consider owner-operated categories of registration and host-operated categories of registration.
 - Planning Commission further recommends that Metro Council consider providing financial resources as necessary to provide additional staff and resources to better enforce and administer the LMCO and LDC provisions on short term rentals.

The vote was as follows:

YES: Commissioners Clare, Carlson, Cheek, Fischer, Kern, and Lewis

NO: Commissioner Mims

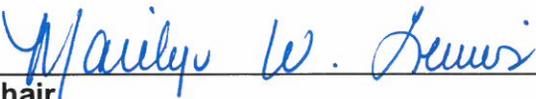
NOT PRESENT AND NOT VOTING: Commissioners Howard and Pennix.

ABSTAINING: Commissioner Sistrunk.

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ADJOURNMENT

The meeting adjourned at approximately 10:30 p.m.



Chair



Planning Director

