

Captioning Transcript of Public Works Committee Meeting - August 16, 2022

"Chair George"

Good Afternoon and welcome the Public Works Committee I'm Nicole George, Im joined by Vice Chair Stuart Benson Council Member Hollander Council Member Flood

And Council Member Ackerson, we need to make sure that everyone participating in today's meeting is turning on their video.

We're also joined today by council members.

Donna Purvis and Rick Blackwell

We have 2 pieces of legislation today. Item number 2 is being held at the request of the sponsor.

To start, we're going to hear item number 1 dash.

108 2 dash 22 an ordinance, amending the Louisville, Jefferson County, Metro government code of ordinances, chapter 119 regarding the registration of rental housing.

Actually, let me back up, let's take this in a different order start with item number 3.

item number three zero dash one hundred and seven dash two two and ordinance amending the Louisville metro code of ordinances section fifty dot fifty seven to define condominiums in the comprehensive stormwater drainage authority may i have a motion

Motion, I may have a 2nd okay. Motions by

Vice chair, Benson and 2nd by Councilman Hollander.

We have several Representatives today from and we are.

Missing our sponsor councilman Piagentini.

Here he comes excellent timing. Perhaps we want to have Msd come forward. questions councilman we on we're on number three

We're on item number 3.

"Committee Member Piagentini"

Hello.

Yes, please, thank you. Madam Chair apologize for the tardiness.

Just getting off the phone with a constituent, so.

the background on this starts with uh some constituents in my district They live in a a subdivision or a section of subdivision.

That is what I would say, commonly, we would call townhouses, townhouse type homes, right? In that they are single family homes.

very simple ownership but have common walls to the side right so not common ceilings walls and some of them are upwards of four packs right so for townhomes connected this same community also has detached single family homes so it's sort of a combination of those types of homeownership

Uh, outreach by a constituent and he pointed out.

That compare to other single family homeowners like myself, I live in a detached single family home in my district and obviously, and we get charged differently related to.

Drainage right, so this is the, if you were to look at an aerial view of your property impermeable space. So this is your roof. This is your sidewalk. This is your driveway.

Uh, when it rains, when anything happens, there's run off.

And has a set rate it is not variable. So I want to be super clear about this. This is not related to sewage.

Which is a factor of how much water usage you have it is not your water bill. Ok, but there is a set fee that every household gets to compensate and pay for maintenance of this part of the infrastructure. After many many, and we've been working with amnesty for easily 6 months. Now I think it's even longer than that and the county Attorney's office. I want to. Thank both and the county Attorney's office. And I think they're going to be still more work to do after today's presentation and misty has proposed some amendments. So we'll probably take it off line. I have to talk to them about it before we. Move from mendham and committee, but what this would ultimately do. right now we have two classes of properties that are defined in ordinance class a class b generally speaking class a was intended for single family homes class b is intended for multi family homes to think apartments particularly high rise condos these types of housing arrangements where the calculation on your runoff accounts for having horizontally stacked right so you have ceilings matching floors rights you have multiple levels Plus you have parking right? Service parking it has to be counted for. So the calculations a little more complicated a little more impact. So, they get charged about twice as much I'm going to be using round numbers. Can clarify the numbers your average homeowner spending I think it's about 11 dollars per month. Where in your class? A properties, whereas your class B properties are spending roughly 20 to 212,222 dollars a month. I forget what the rate is, but somewhere in there, it's about twice as much 10 bucks more than a single family home. So, it's called 21 dollars a month. called twenty one dollars a month This would simply say, and I think. There's an equity question here, which is what sort of drove the final conversation on it that. Many of these townhome styles, single family, home owned things. They don't have a tremendous amount of impermeable space for the homeowner. So they are getting charged extra because they're swept into a class, which I don't believe really well defines what they, what they should be paying. We worked with to identify and I'm sure they'll get into these numbers. Exactly how many communities, and then of those communities, how many properties. What the financial impact is the, what the financial impact is to homeowners. I think the last time we spoke the average impact, if we reclassify some of these townhomes into class a properties, which is what this draft ordinance currently says. it takes it takes folks in these single family town home style homes and moves them from class b to class right that's the intention that homeowner would save about one hundred and twenty dollars a year so about ten dollars a month right so it's not a huge financial impact but But the general demographic, at least for many of these homes that I've looked at, and I've lived in them myself. Is young families and people downsizing. Right. Downsizing tend to be a little older. And particularly some of the constituents to reach out to me were senior citizens many of which living on fixed income and they are just looking at ways of.

Paying their fair share and making sure it's fair and reasonable compared to what.

Impact they're having on the community, so with that, I think, let's go and have present we can answer some questions, but again has proposed some changes to the language.

I've not had time yet to discuss it with them just scheduling conflicts. And we haven't been able to connect, so maybe after we do the presentation to answer some questions, we can table it and then have an amendment to next meeting. Thank you, Madam Chair

"Chair George"

Certainly Thank you.

And thank you for being here today for the record. Please state your name and. For seeing the presentation.

"Tony Parrott"

Thank you Madam chair. My name is Tony Parrott and I'm the executive director at alongside me is Brad. Goode. Who is my chief financial officer?

You know, the 1 thing that I think that needs to be kind of clarified is that this is a, an issue that.

We've been debating beyond, or even before this lake forest condo issue came up has received a number of inquiries over the years about the. Method or the process, or the approach that we use to assess drain it charges to glass class B properties.

The, uh Lake Forest condo association did acquire inquire about their drainage charges. Actually back in March of 2020.

And 1 of the things that we do periodically is update.

The billable issues to customers, and when that occurs, we normally get phone calls and questions from, from, from folks about that readjustment. So, 1 of the outstanding issues that we are finding in some of the areas is particularly condo areas is there's areas that have.

Public roads, and there's areas that have private roads.

In those areas that have private roads.

Are pretty much treated a little bit differently than areas that have public roads and then there's some areas that have master meters for individual condos and then there's some condos that have.

more of a one large master media for an entire development so it makes it a very complex issue the way we calculate and we assess

Charges for strong water in drainage throughout Jefferson County.

Uh, the 1 thing that we did come to conclusion on in June of 2021 is that we wanted to conduct a study.

Uh, that would look at things from a holistic standpoint.

Not really looking at it from a piecemeal perspective, but looking at the Approaches that other cities we're using looking at the approaches that the industry standards.

Are using relative to assessment for drainage charges.

And we decided to, in June that we would have a study.

We did have a discussion back in August of last year with Council Member Piagentini, teeny regarding the lake forest question.

We hired a consultant stantec consulting to lead our drainage study.

And 1 of the things I will say is that we have found out that is a very complex issue, but we want it to do it. Right?

And we wanted to make sure that if we do something that there is equity throughout the district.

And that we would not put ourselves in a position to where we adjust 1 class, and be opening ourselves up for litigation within a class or litigation from another class.

So we have completed that study.

That study we plan to review the findings of that study in September.

With the msd board, the msd board would have to agree to any recommendations that come out of the study and whatever recommendations that we have, whether that's going to an adjustment in.

How we assess based upon square footage, or how we assess based upon private roads versus public roads, all those things would have to be discussed, or whether we go to more of a tiered structure.

For various reasons.

We know that for this fiscal year, which has already started, we have not budgeted any changes.

In the ordinance, but based upon our discussion, our pending discussion with the msd board, we know that if we can get.

Approval we will be ready to implement some changes in August of 23, which would be the following fiscal year.

Now, we have looked at as a part of our study, the financial impacts.

Of 2 scenarios and the financial impact to msd if all condos were built at 1 Or 2500 square feet.

And the financial went back to if private railways were excluded from billable, impervious area.

And once we completed that analysis, we have a better understanding of where the equities or the inequities would exist throughout Jefferson County.

We did receive a request back in June of this year, from Council Member

Piagentini that we quantify the impact of his draft ordinance,

which was filed June 6 and that ordinance expands class 8 to no more than 4 residential units in a structure sharing common elements.

We have looked at the impact of that.

We do anticipate that that's going to have a financial impact for us for this fiscal year and ongoing annually of approximately 330,000 dollars, which we haven't budgeted for for this fiscal year.

And that basically means that if we do something based upon the recommended ordinance, that is before you, we will see a revenue hit. see a revenue hit

And that revenue hit is going to have to either be made up by us, reducing some of the services.

That we are currently providing, or there may be a situation where you have another rate class, subsidizing another rate class.

And so those are the litigation or the potential litigation liability issues that we have expressed and concern about.

We have as the council member mentioned, we have reviewed.

The red line, or we presented a red line with some changes that would minimize. Some of the issues are consultant.

Has not recommended the proposal ordinance that is before you and has not recommended that to our board at this time.

We do stand ready to talk to our board about the findings.

Of our study, and even though.

We are saying that we are not recommending it. We have provided a red line.

And we are definitely.

In a position to make sure that potential challenges or issues are addressed.

We did provide a letter response.

In July of 2022, and where we talked about some of those issues, whether they be legal issues.

Practical issues or unintended consequences and so we hope that the.

That letter is available for for members to review.

And also we have provided a copy of that our response to Jeff Derouen.

In the county Attorney's office, but nonetheless we remain.

Committed to evaluating and a holistic approach.

And change to make sure that the rate structure, including tiers or other alternatives.

Will be recommended to address any type of drain as questions or drainage challenges that may be debated at this time.

and again we believe that it needs to be a holistic approach rather than a piecemeal approach

But we have provided a red line mark up to the ordinance status before you. So, with that Madam chair, I'll just stop and see if there's.

Any questions, like I said, will be able to address any questions you have.

"Chair George"

Thank you Mr. Parrott. I want to just ask you to speak briefly about the practical issues and how much time.

You believe it would take to scale up to be able to implement, um.

The, the cost savings to the customer.

"Tony Parrott"

Like I said, our recommendations are to look at those issues and whether it's looking at a tiered structure, or whether it's looking at how we deal with the private roadways versus public roadways,

or how we deal with the issue assignment based upon square footage.

We believe at the earliest, we would be able to implement some of those changes in August of 23.

"Chair George"

Excuse me, that's not what I'm asking if we were to pass Councilman Piagentini ordinance as it currently is. What I'm asking is there are some practical issues that were referenced in the letter was sent.

And so some of those have to do with how many condo properties there are and how, I guess currently assesses through systems.

Some of these, it sounds like we'll have to be assessed on a case by case basis. I'm just interested in what some of the practical issues are with the current proposal.

"Brad Goode"

I can answer, I can answer that question. We identified, I think 455 properties.

Which when I say properties, I'm not talking about condos. I'm talking about groups of condos together.

That we believe.

Are that's the population of condos.

None of them are built the same and.

You know, there may be 4 plexus 3 PLEXes.

While we do have measurements on them, they would need to be measured.

To remove the house or the condos, because the condos are going to be 1, but everything else in the property would have to be built.

That's impervious to the so roadways sidewalks the other impervious area not covered by the footprint of the condo itself. So, I'm saying that say that.

We need to look at all those properties we're going to have to re, measure those properties. So that's the effort that's mentioned in the letter and that will take some time. We haven't sat down and figured out what that is.

If that 2 months, is it 4 months? I don't know. It's several months of work probably to make sure that we have all properties.

That would be affected by the ordinance identified so that we could give the same benefit to everyone at the same time.

"Chair George"

Okay, thank you Councilman Piagentini

"Committee Member Piagentini"

and thank you, I'm sure just a few follow up things 1st, of all.

Just to be clear on the overall financial impact is.

Indicated they've estimated it for an individual household 134 dollars, 77 cents annually.

Uh, the total impact msd 328,573 as of.

I'm looking at their fiscal year, 21, total operating revenues.

Which in that year was 329,418,000.

And the only ran to the thousands, this would mean that the impact of msd would be Less than 110th of 1% of their total operating revenue.

Um, so we're not talking about, as a matter of fact, we had a meeting with and they can correct me if I'm,

if I mischaracterized their comments that included their CFO and other members of their leadership team and.

They indicated, and but I'm glad for them to express if I'm miss characterizing how they stated this, that the financial the overall financial impact msd was not, he was not material.

It was small enough that it wasn't giving them heartburn. Let's put it that way, but they did express their concerns with an implementation timeline, which is why we talked about.

Um, and again, we'll have to express in an amendment which we still have to discuss, you know.

Some period of which this would go into effect to give enough time to implement. So, that is definitely going to be part of a met in amendment.

Let me just also finally say that 1 of the things that came up in conversation about a long term, truly wanted to make this equitable.

Right across the entire city the way this is calculated currently.

they're using terminology like one e an is the average unit that uses to calculate this drainage charge per unit that is based off of and somebody Can tell me if I do this wrong 2500 square foot is the average. That's 1. yes. So the idea is that the average home in.

This natural level has 2500 square foot of impervious impermeable space. So, what is happening here is.

People that have homes that are much larger than that are underpaying.

People that have homes that are much smaller than that are overpaying for discharge. Now, again, I'm not claiming they're overpaying or underpaying by a tremendous amount of money. It's probably a few dollars a month here or there.

But I am all about getting that to the right numbers. So, in the long term.

I'm fully supportive of hopefully we're is going, which is to do something similar to what the PVA does. The PVA goes to re.

Assess they do that now they run the software on the satellite images.

They can see, you know, last year, the last time they were assessed. You had this much improved land now you have maybe in addition. Okay. Well, now you have more improved land and it needs to be reassessed.

Similarly, similar type software could be used to do this. And more accurately Bill individuals for round to the nearest 500 square foot or something like that of the impact of actually having a drainage.

But until we get to there, I can't ignore. ignore

And I would like to move toward I understand it. It may be piecemeal. And again I'm open to figuring out exactly when we legislate a date to initiate this, but I don't want to.

Delay much longer, because although I.

i believe in good faith amnesty intends to get these things implemented by next summer there's no guarantee they will and so i think it's worthwhile to start moving the ball in that direction even in these more minor ways

Thank you.

"Chair George"

Thank you. I have a point of clarification. So, in the letter that I read, did I understand correctly that.

Actually, if you have a smaller space that usually has a more intensive use.

And therefore more run off was that the argument made in the letter.

"Brad Goode"

Well, I think we were referring to the density of a development. So if you think of a group of condos.

And again, no, 2 are alike, but.

They're close together there's probably.

Less green space than there would be on a large single family lot. So the density of the structures can also contribute to the amount of run off coming from that particular property and a storm event.

"Chair George"

So, it's not always fair to say that just because you have a smaller lot that there should be.

That there's less run off in it there should be, I guess, a lower.

"Brad Goode"

Well, that's that's fair to say. It's not.

it's not every lot is different but one of the points we are making a letter refers to the density of the structures and a condo association versus i'm more typical neighborhood where the homes are more spread out or a patio home i guess

"Committee Member Piagentini"

Sure, just respond to that, which is why class A versus class B exists, right to their point. Once you get to certain density where you're talking to 4 story. Right?

You know, I mean, the impact of that is higher, there's no question about it, but again, all, we're talking about here and actually class, I think, allows for duplexes to be still considered classic. So, 2 units can be together.

We're all we're really doing is expanding that to 4. we're not saying that, you know, a 100 unit, right? Super dense areas. Now, going to be. Considered class a, we're just modifying slightly going from 2 to 4 conjoined.

Independent units now and horizontally stack. So I 100% agree that at a certain density you are now increase the impact, which is why class B exists, but I don't think this is materially breaking into that. Or at least there's been no evidence that this does.

that this does

Really broach that point where now you're talking significant density that could increase the impact. Thank you. Thank you.

"Committee Member Flood"

Thank you Madam chair. I just had a quick question, and it's been a 100 years since I did budgets for residential multi family, residential properties, but I know that at 1 time, there were bulk rates.

For condominiums and apartments, they were there, right?

Was cheaper than say.

Myself, as a single family dwelling, is that still the case is that gone by the wind?

"Brad Goode"

There are different rates for wastewater for a commercial property versus the residential property, but for drainage.

All of a sudden it's based on 1 and 1. A, yes, he was the same for commercial or residential.

"Committee Member Flood"

Okay, thank you.

"Chair George"

Okay. I don't see any other questions in the queue.

sorry Councilman Hollander

"Committee Member Hollander"

thanks thank you all for being here let me get some clear clarification if i can about

What you're doing in terms of a more holistic review? I think you said the study is done. Yes you plan on talking about this with the msd board in September next month.

Ah, and you, and and I think you said it would be implemented implemented, could be implemented.

As early as August of 2023, what are the steps in between now? And then. Um, because I do think it's important that.

You know, I'm a little torn as to whether we would make a change at this point. If there's going to be a significant change in the whole system. But what would be the steps from now until. Potentially, August of 2023,

"Tony Parrott"

I'll start and I'll let Brad, em, in, but I think initially next month we were going to be reviewing the findings of the study. And then we would.

Figure out number 1, the tiered structure issue.

Whether we want to adjust the 2500 square feet to a higher number to wear tier 1, is like, for some of our peers.

Their square footage range, anywhere from 3000 square feet to 10,000 square feet. So do we want to adjust the tiers?

To make sure that, you know, the impact of the calculation is going to be less if you're at 4,000 or if you're at 5,000 square feet versus the 2500.

that will be probably the 1st thing that we look at simultaneously. We'll be looking at the practical issue.

That we talked about earlier identifying how many condos or how many properties are going to be impacted and then try to come up with what we think. come up with what we think

Is a reasonable approach, whether it's an implementation of a tier structure and then how much of an impact to the agency is that going to be from a revenue standpoint?

And then, normally, what we do, we start vetting our budgets in January internally.

And then we make a recommended budget to our board and. April of 23.

So, anything that we would have to do, or anything we're going to do is going to have to be finalized between September and April. So we can make those recommendations and then start getting ready for implementation in August.

I don't know if you've got anything other than that.

"Brad Goode"

Yeah. The only thing I would add to that is that.

The MSD, cannot unilaterally change how we assess the charge, because the structure is determined by the ordinance. So the board, assuming they.

Support the tiered structure would make that recommendation to metro Council. Metro council would need to change the ordinance.

Sometime late winter, early spring.

We begin our rates setting process in May, and we have certain things that we're required to do through that process by ordinance that takes usually 60 days to implement rates, which is why we start in May, and we implement rates by August. 1st.

So that's a rough idea of what it could look like.

"Committee Member Hollander"

Okay, that's helpful. And and if you.

And I agree, I mean, 30,300,000 dollars is not the most material saying in the world for obviously.

On the other hand, when you said what impact this would have, if we make this kind of change, if you're talking about a new rate structure overall.

It could be a neutral impact, right? Because you're adjusting the change upwards or downwards. I mean, the rate change right? So it's and that would be the somebody doing that.

"Brad Goode"

Yeah, that would be the idea that we would want to ensure that.

We adjust the rates in a manner that allows us to continue to recover our costs to treat storm water and that it's in a revenue neutral way, but hopefully in more equitable way. Yes. Ok, thank you.

"Vice Chair Benson"

Councilman Benson, thank you, Madam chair.

There's a question I have the condominiums.

I mean, I think some of the condominiums, they're paying 22 dollars a month and a single family. I'm paying 11. 0.

Are they each 1 of those have their own water meter?

Themself individually, if they do, it seems like if they're individual, I know when you're collecting the water or there's some apartments or units.

That whoever they pay the water, and they pay the sewage.

And so you can't only separate that down, but individually, if you have a, a unit that's.

Less than 2500 square feet that that seems like that would be the unit that.

That's how you charged 11 dollars. If you have a meter each person who has a meter, they pay 1111 dollars.

And I don't understand about runoff because.

Councilman Piagentini was talking about, you know, how many how much pervious surface you have.

That's why I got to driveway 600 feet long, although I've got an acre and a half lake and I guarantee you, there's less water coming on my property.

Then when I'm letting go, and so if you're talking about fairness and all the, if there was such thing as fair.

You try to figure out what can be same.

For everybody to understand that if you got a single meter.

European and European run off, you pay it this fee and it might be that.

Everybody makes 15 dollars I don't know, but if you are a single meter.

For a single house that should be the same as You know,

"Brad Goode"

to your point, there are both there are a condo associations who have 1 water meter that serves all the condos and there are condo association or patio, home associations.

Where each residents is individually metered. So.

There's no 1 size fits all there is a different different developments are set up different ways.

Some developments the association pays everything.

they pay all the drainage they pay all the water they pay all the wastewater some are individually billed to homeowners some we have

homeowners are paying the water and wastewater and the association is paying the drainage

So the other thing to remember is that a meter is not essential for a drainage charge because you may owe.

Drainage fees on a property, even if there is no water meter.

So, the water meter is really independent of the drain discharge.

after images assessed and the current ordinance

"Vice Chair Benson"

Well, I, I know of a farm, for example, you don't have a meter.

Do you charge how do you usually you collect the drainage fee.

When you collect the water bill and you're all took together to make it easy to hook it all together.

And I don't know how that works out.

"Brad Goode"

Well, I'm referring more to abandon properties. So if you have an abandoned property, there's no active water service there that property is still assessed a monthly drainage. Even if no one's living there.

or the current ordinance good look and if you have commercial property a commercial property that has pervious surface

Impervious surface that property would still be assessed a monthly drainage fee for that impervious surface. Even though the lot's vacant and there's no active water there. Right?

"Tony Parrott"

Madam chair and I would just also remind that.

1 of the complex issues that we have to decide in our study is how we handle public roads versus private roads and that's impacting the impervious area. And for some of these condos.

And then, secondly, just making sure that when you think about in our study, we also benchmarked ourselves across the country in terms of average drainage bill.

And the average across the country is about 15 dollars a month.

And I think we're at about 11 dollars and 30 cents a month. So we're very comparable to what's going on in the country in terms of how we're assessing charges.

"Chair George"

Thank you. Awesome.

"Committee Member Piagentini"

Yeah Thank you. I'm sure I'm in just a last comment here and then I'll make a motion the table and that is.

Related to the implementation timeline as we will talk to I want to by the way from the county Attorney's Office Jason Fowler of course will help with this and Jeff Derouen.

But because it's here as well, when who has spent a ton of time talking to msd and with me. And with my constituents and just.

Thank you Jeff, because this was a lot of work on his part and kept this on the rails.

So, as far as the implementation brainstorming here, we'll see what we figure out when we look at the rest of the changes you propose but frankly,

I'm fine with saying the implementation date can be August 2023 and make that know if there is a more comprehensive plan or ordinance that, you know, essentially makes this ordinance moot. Right my point is to get to it and to keep the.

and to keep the

don't take this the wrong way but keep the pressure on keep you guys moving in that direction but if you get there in that timeframe and you're hitting the timeframe you say and it's generally accomplishing the goal here i'm fine with saying hey listen i have two implementations in the same twelve month period let's just get one done so with that said we do have a little more work to do and i'm going to make a motion to table this please

Hmm.

Okay, motion to table seconded by Councilman Benson we will take this back up at the next public works committee. Oh.

May I have him maybe all vote all in favor? Yes.

Motion carries.

I failed to mention Council Member Dorsey has an excused absence.

"Chair George"

Item number 1.

Oh, Dash, 182, Dash, 22 and ordinance amending the Louisville, Jefferson County, Metro government code of ordinances,

chapter 119 regarding the registration of rental housing to include and assign the director of legal metro codes and regs or designate further administration and enforcement duties regarding the registry of the rental housing units may I have a motion. i have a motion

Believe we need to have a motion to untable may I have a motion to untable?

2nd, pushing by Council Member Flood and 2nd by Council Member Hollander Councilman Blackwell 1 of the primary sponsors is with us council and BLACKWELL. Do you want to give a general overview just as a reminder and maybe share.

What updates we have since the last time we heard this?

"Council Member Blackwell"

Um, sure. Yeah. So just as as a reminder, um, essentially.

Looking at.

Mimicking where we can the language that we have our, that we just, you know.

Just recently, but fairly recently, um, put in place for short term rentals, um, for this rental registry, which, of course, is for a long term rentals for the same reasons that.

We made the decisions for the short term roles.

We recognize that when someone isn't when it's a single family housing unit, but the person who owns the home, isn't the person who is occupying the home then it is a different situation than when the owner is there.

Um, not good or bad just different. It's a, but it becomes a business and the same. The same situation is true for short term rentals also for long term rentals.

It is a different situation and affects, um.

The community in different ways and so essentially what we're hoping to do is have the registry.

Allow for now, it's the registry is kind of a dark.
Secret that we, we gather information, but nobody has.
You know, can can avail can get that information available to them,
including council offices. You can't go into the registry and see what
rentals are registered in your district.
So, you can't respond to a constituent or call an owner with a concern
and say, hey, you know, that we've got this concern that was brought to
our attention that you might need to address. Um.
So you can, with a short term rental, you can go online and you can pull
up who owns the property and be able to contact them. You cannot with
long term rental, because it's kind of secret space.
So, it takes away that secrecy and makes it more accessible for folks.
And then hopefully it holds owners ultimately, you know, more accountable
for having.
Um, rental units, not just having a number of rental units and trying to
increase on number of rental units was just a great goal, but also having
those rental units.
Be at a standard that's acceptable to the community.

"Chair George"

If I may interrupt. I'm sorry we, um.
We need councilman Ackerson's camera on if we're to proceed.

"Council Member Blackwell"

I can't help you with that 1, but I'll pause.
There it is.
This is not.

"Chair George"

Thank you Councilman Ackerson. Okay. Please proceed.

"Council Member Blackwell"

So, we've had a number of questions come before us, and we're, we're we
are trying to address those issues.
We had some issues surrounding whether Kenny attorney to address the
specific of it, but surrounding.
WH, what we do if, um.
A renter refuses, um.
The inspection, because we have not only do we have inspections if this
were to pass, not only do, would we have inspections that are driven by
complaints, which is our current system but we would also have some.
Inspections that would happen routinely,
or at least a percentage and we set that at 10% for for a number to look
at that what happened routinely so that we have an opportunity to. to
Um, have inspections kind of in all areas, or at least you have an
opportunity to have your, your rental inspected. Um.
That's I don't know that we've made. We haven't at this point, we have
not made, um.
Unless there's something in the in, uh, I don't know that we added any of
those changes to the county Attorney's office that we talked about at the
last meeting. Uh, if we have 1, we might need to, uh.
There's also some amendments if you can check, I can see for there.

"Chair George"

Thank you for the recap recap Councilman Blackwell, this point I would ask Jason Fowler to just maybe. Again, highlight what the big challenge was, and what the proposed solution is.

"Jason Fowler"

Right Thank you. Certainly. Certainly Thank you. Councilwoman. Jason Fowler Assistant County Attorney.

In particular the.

Inspection regimen would require owners to.

Register a face a penalty and failure of a register failure of an owner to register.

The rental housing unit, um.

Would also be a considered would also be considered a violation for purposes under this section.

For various reasons, the county Attorney's office has reviewed this language and would recommend an amendment.

To better clarify, um, and paragraph 9.

That it is the owner's responsibility, whereas that language currently says.

Failure to allow.

The Department of codes and regulations to inspect.

Would be would be a penalty of violation under this.

We would state that failure of an owner to allow codes and regulations to inspect would be a violation of this.

Ordinance, and there's reasons for that, including, um.

Um,renters, right to refuse inspection.

And some complicated legal matters regarding Yalta.

And weren't requirements, so.

I'm happy to read that amendment into the record of counsel and so, like.

Yes, very good. Um, on, uh.

Paragraph 9. subsection. B.

I'll just read right through the whole thing on an annual basis. The Department of codes and regulations shall be required randomly select 10% And conduct conduct an inspection of the rental housing unit, newly built rental housing units is verified by cross reference and inquiry into building permits shall not be eligible for an inspection for 10 years. Recently renovated rental housing units as verified by cross reference and integrate into building permits.

Shall not be eligible for inspection for 5 years.

Inspections shall we use to verify the premises sufficiently maintain our s383.59580.

The department and its discretion may utilize the affidavit required by subsection. 8 is proof of compliance in lieu of or in conjunction with.

A physical inspection of a property failure, and here begins the amendment of an owner.

And amendment to allow the Department of codes and regulations to physically physically inspect a unit within registered rental housing, or in a property for which registration is sought, shall be considered a violation of this section for the purpose of section 1999. A. nine hundred and ninety nine a

"Chair George"

Thank you are there any questions about the amendment.

Okay, may I have a motion.

Council Member Purvis yeah.

"Council Member Purvis"

I'm sorry, I'm, I'm just reading over.

The, um, legislation, I, I just had a question about.

I am looking at.

Section 4, um.

a b where it talks about

The, um, several offense for the penalty of a 100 dollars.

for rental unit apartment complex for a first offense second offense

within a twenty four month period

A result in a 250 dollar per rental housing unit.

it's roughly low am i the only one thinking that

And, and with a 2 year, period,

"Chair George"

so I am certain. You're not the only 1 thinking, or having questions about what any sort of penalty would look like.

if it's okay for purposes of just stay in focus can we

Please parking lot that issue around penalty and circle back to.

Concerns around, um.

the ability to inspect and being able to have access making sure that we have a process for that

"Council Member Purvis"

I I would like to revisit this again. Please

"Chair George"

certainly.

"Council Member Purvis"

Thank you.

"Chair George"

You're welcome.

They have an motion for the amendment motion Councilman Piagentini,

seconded by councilman Hollander all those in favor.

Any opposed? No. All right. We have.

Let's do a roll call please.

"Cheryl Woods"

Okay.

Committee Member Dorsey Committee Member Ackerson

"Chair George"

Okay, we have.

Uh, 1, no, 1 present and 4 yes's.

So, the amendment passes yes. All right. So I think this is a good example of as we work through a list of approximately 30 questions that

we have, how we come up with questions that are problems that need to be solved.

And how we're working through them to hopefully get to a higher quality piece of legislation.

"Committee Member Piagentini"

yes, 2 things 1 is I know I sent some questions in writing. I'm assuming what you're saying is these are still being worked on. Is that correct? Madam chairman?

"Chair George"

Yes. And some of these were addressed.

And last committee, and we will continue to address them as we, as we work through them.

"Committee Member Piagentini"

Okay. And then maybe a, follow up. Are we addressing them only verbally in committee? Or are we going to get written responses as well?

"Chair George"

We're keeping a spreadsheet, so once we work through them, we'll have a solid document and we can certainly discuss them as as folks want to see you.

"Committee Member Piagentini"

I hear you correctly, you have a working spreadsheet of all the questions, and it's being updated, but hasn't been shared yet. Correct? Correct. Okay. Good. I just wanna make sure I didn't miss anything because my email is pretty stacked right now and, um.

The, uh, the only other thing I would like to advocate for somewhat philosophically that I don't I don't even think I added to my questions and if it's already been addressed or if it's in the questions then.

Okay.

Um, and that is.

Um, the question of what is the actual.

Functional effect of the ordinance and by that, I mean, my understanding.

Um, and and we can figure out how to form this in a question. Once I think you get the background is.

Under the current registry 1 of the number 1 problems is.

And those that don't comply with the law.

Don't register, so, what we have is a registry of compliant landlords, a registry of people that generally don't have complaints a registry of, you know.

Business people who are trying to run a legit business and provide housing for people.

And meanwhile we have bad actors.

Who we could pass 16 pieces of legislation we could pass legislation from now until the cows come home and they won't do what they're supposed to do. They stack they don't register. They don't comply with complaints. And part of the reason is, and this is where, I think the question and number 1, I do want to understand if this is the case. I understand it from some.

Property owners that is the case that the bad actors are not registering, even currently. So they're not going to register for this.

But, secondly, and that's the enforcement angle what I would understand is that ultimately, when enough enforcement actions have happened against the bad actor, there would be action to maybe foreclose or condemn, or do something that you could take more final action on. What I understand is, is part of the issue is that the city is not doing that. And that's where I would like to understand more from.

The executive branch of the mayor's office and whoever's responsible for this.

Maybe that's codes and rags and I don't want to speak for anybody. I have no idea who's ultimately responsible, but that.

The SLUM lords keeps on boarding because at the end of the day so what that you stacked up, you know, all these violations, they're not paying it and we're not foreclosing. So ultimately.

So what right, you know, what's the end game here? Because what I'm concerned about is that we're trying to legislate.

A failure of execution.

And I would, and I'm going to be.

Concerned about over legislators.

When I'm not convinced that we're properly executed, even under the current circumstances. So if that's already in questions, we'll go with that. But that's something. I don't think I put in my written questions that I would just like to vet out there and we can take up at a later date. Once we think through it.

"Chair George"

So, I think that's an excellent question to start because it's fundamental to while we're doing this and if we can't answer that question, it makes it really difficult to ask for a vote. And so I appreciate the question.

And I've heard a little bit about this, like, just generally from some of our colleagues and so I want to ask folks to consider something. And that is that we talk a lot about the bad actors and the way of.

Of folks who own investment property, and we talk about people as they're good community members, and they're invested in in their properties and they're accessible when they, they do their best to keep up their property.

I want to challenge folks to say that is with any profession that includes our own and in any circumstance.

We think about it, like, it's a continuum right? And it's not just this dichotomy of good, good players and bad actors that there are things in between. And it's those folks in between sometimes that need.

More support, or more incentives or more direct consequences to be able to to be inspired to take the best actions in the best interest of everyone.

And so I would also say to that piece, always being mindful of unintended consequences that the piece around transparency is really important here. Most people want to know.

What's happening next door to them? Right? Most people want to know if there's a business being operated.

They want to know who's living next door. Like, that's just kind of a universal and so 1 of the things we hope to be able to accomplish with this.

Again is to really add that additional layer of transparency. So, I don't know if director Kirchdorfer, in the, in the audience, if he wants to say anything about.

Some of the questions that councilman Piagentini raised, we have 5 minutes. So it seems good to sit in this rather than rather than raise another question. Although I do see Council Member Flood the in the queue.

"Committee Member Flood"

it's just a quick question for the county attorney under section b that you you read into the record

When you say recently, renovated, do we need to define renovation?

My my concept of renovation may be different than the inspectors, and I just don't know if we need something that has that much subjective into it.

And you may have, you may have a legal definition,

"Robert Kirchdorfer"

Robert Kirchdorfer for director of codes and regulations Council Member Flood your, your question.

We've kind of talked about that's going to be a tough 1. we'll have to. narrow that down to try to figure out if that's the end result on that because that can be

Yes, we have computer records of permits issued for new construction.

Uh, that should be, um, can't speak for I. T, but try to pull up or our staff could go back in and look through our records not to say a lot of permits didn't come over from the previous system. If they had been closed out for several years.

So, but, I mean, they get in that area there. I can check with it again to go back in if there's a problem going in. But if we had records of the new construction, these new units, that should be easier when you can end the alterations.

You know, you've got to go in and kind of look what did only do 2 units or was it a whole total thing and replace the stuff and renovate it? So. That could be painstaking, uh, you know, trying to go in there and then also, it just comes to me Jeffersontown.

Also issues their own permits I don't have access to their record. I mean, you know, I would have to reach out.

See, if permits were issued in there, but we do all the other permitting. Outside of the city of Jtown Jeffersontown that it's there. So we would have computer records. But are they going back 10 years? I would have to double check to see if that stuff came over when we went to the new system.

And downs answer Councilman Piagentini's question.

On the, uh, you know, we, we go out and make inspections every day to try to gain compliance and we.

Probably put in somewhere between 6 and 7 Million dollars worth of violations, penalties a year on properties. And then, you know, lien filed on those, uh.

You know, somewhere, we're out there every day, trying to address things, but, uh.

You know, I mean, it's the system is there, we have a sync in place. We talked about the last meeting if people called in.

Uh, you know, we do have a system in place and we'll respond to questions. However, you know, we found out every day there's tenants living in places where they're told not to call in or they don't know to call in. How do we address those or how do we try to do a better job? To to be able to get in those units to try to make them just Co compliant. That's all. We're after.
If I could ask a director coach for if you could answer in a minute,

"Committee Member Piagentini"

if it's too complicated, just say we can answer another time because we're up against the clock. But.

My question is, you've got, uh, for lack of a better term slum Lord, somebody who doesn't care right? About keeping up the property and you've now cited them.

Infinity times. Okay. So pick some absurd number were clearly they just have no interest in complying. You've compounded problems on top of problems.

What happens to ultimately hold them accountable.

"Robert Kirchdorfer"

Well, typically, we'll go out with start out through the regular property maintenance process and issue the violation notices and then get into citations then when we're not getting compliance.

There we'll end up going to court and sometimes now we've taken a while and it's.

You know, eventually we get compliance or they vacate the structure if it's that bad we can do in order to vacate and then try to go to court.

To get them if they weren't vacating to try to go in and have the Court's order folks out of the building,

"Committee Member Piagentini"

I would love some data on that. The data being more specifically.

How often things like that happen how often we're going to the court, how long that process takes and then how many orders to vacate this?

"Robert Kirchdorfer"

We're in court every day we have cases in court.

Basically a representative that's over there almost every day.

Um, you know, court cases or follow up and that's in addition to the ones that we have property maintenance, anywhere from 45 to 60, 50 on average 4,550 of the code board every Friday.

But the court we're over in court with at least a case or so we have representatives over every day. over every day

"Committee Member Piagentini"

Okay, thank you. Thank you. Madam.

"Chair George"

Gentlemen, thank you. We're, we're at time I see Council Member Purvis in the queue. Is this.

Um, something that can be responded to fairly quickly counsel member.

"Council Member Purvis"

It's not a question, it's just a comment that I want it to make.

And I know that it, it sounds like we're really focused on multi multi drilling units, but I also just wanted to.
Let it be known that all rentals are we're going to have to pay close attention to all rentals and especially.
In neighborhoods, such as the ones that I represent, what we have.
A ton of slumberland and so I just, you know, I don't want those people that are looking. I don't want them to think that the focus will not be on this. Well, it will be.
so that was the only comment that i wanted to make thank you

"Chair George"

Thank you that's a good reminder for us to keep on the forefront. I want to thank director Kirchdorfer for coming today and I do hear 2 things I hear the need for us to maybe make the list of questions that we have as we work through them.

Transparent, and also, to let folks know that we are working on a public meeting, so that we can receive comments from folks and more questions as we proceed through this process. I think the county Attorney's office, because as part of this, we are getting to a better quality document.

So that may have a motion to table.

467 "Brown, Marissa" (2051741440)

01:00:37.290 --> 01:00:45.390

Motion by Council Member Flood 2nd and back councilman Benson all those in favor.

All right, the motion, I'm sorry, the ordinance is tabled and we will pick this back up at our next public works committee.

We're adjourned, thank you.