

Board of Zoning Adjustment

Staff Report

December 17, 2018



Case No:	18CUP1131
Project Name:	Short Term Rental
Location:	4261 Regina Avenue
Owner/Applicant:	John Carli
Jurisdiction:	Louisville Metro
Council District:	10– Pat Mulvihill
Case Manager:	Steve Hendrix, Planning & Design Coordinator

REQUEST(S)

Conditional Use Permit to allow short term rental of a dwelling unit that is not the primary residence of the host in a R-4 Zoning District and Traditional Neighborhood Form District.

CASE SUMMARY/BACKGROUND

The house has approximately 1,190 square feet and is situated on 0.22 acres in the City of Watterson Park between Poplar Level Road and the post office on Gardiner Lane. The property has a zoning classification of R-4 within a Suburban Workplace Form District.

The house has 3 bedrooms which would allow for the number of guests to be 10.

The applicant has stated that a 2 night minimum stay will be required, parties and pets will not be allowed and no parking on the street. The driveway is 120 feet long with a 2 car garage.

The neighborhood meeting was held on November 5, 2018 with 19 guests. The concerns were strange cars, screening for child molesters, street parking, home security and decreased property values.

STAFF FINDING / RECOMMENDATION

Based upon the information in the staff report and the testimony and evidence provided at the public hearing, the Board of Zoning Adjustment must determine if the proposal meets the standards established in the LDC for a Conditional Use Permit.

TECHNICAL REVIEW

There are no outstanding technical review items.

INTERESTED PARTY COMMENTS

A neighborhood meeting was held on November 5, 2018 with 19 guests in attendance.

STANDARD OF REVIEW AND STAFF ANALYSIS FOR CONDITIONAL USE PERMIT

1. Is the proposal consistent with applicable policies of the Comprehensive Plan?

STAFF: The proposal does not conflict with Comprehensive Plan policies.

2. Is the proposal compatible with surrounding land uses and the general character of the area including factors such as height, bulk, scale, intensity, traffic, noise, odor, drainage, dust, lighting and appearance?

STAFF: When appropriately managed, the proposed use is compatible with surrounding development and land uses. No exterior construction or alterations to the building or the site will be required.

3. Are necessary on-site and off-site public facilities such as transportation, sanitation, water, sewer, drainage, emergency services, education and recreation adequate to serve the proposed use?

STAFF: The subject property is served by existing public utilities and facilities. The proposal will not create additional requirements for the site.

4. Does the proposal comply with the specific standards required to obtain the requested conditional use permit?

4.2.63 Short Term Rental Term Rental of a dwelling unit that is not the primary residence of the host 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 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 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 four individuals.
- D. The dwelling unit shall be a single-family residence or duplex. This provision shall not be waived or adjusted.
- E. Food and alcoholic beverages shall not be served or otherwise provided by the host to any guest.
- F. Outdoor signage which identifies the short term rental is prohibited.
- G. 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. Any parking surface that is added to accommodate the short term rental use shall be removed when the short term rental use is terminated.

- H. The short term rental and host shall meet all additional requirements set forth in the Louisville Metro Code of Ordinances.
- I. If the property is subject to two (2) or more substantiated civil and/or criminal complaints, the Board of Zoning Adjustment may revoke the approval pursuant to section 11.5A

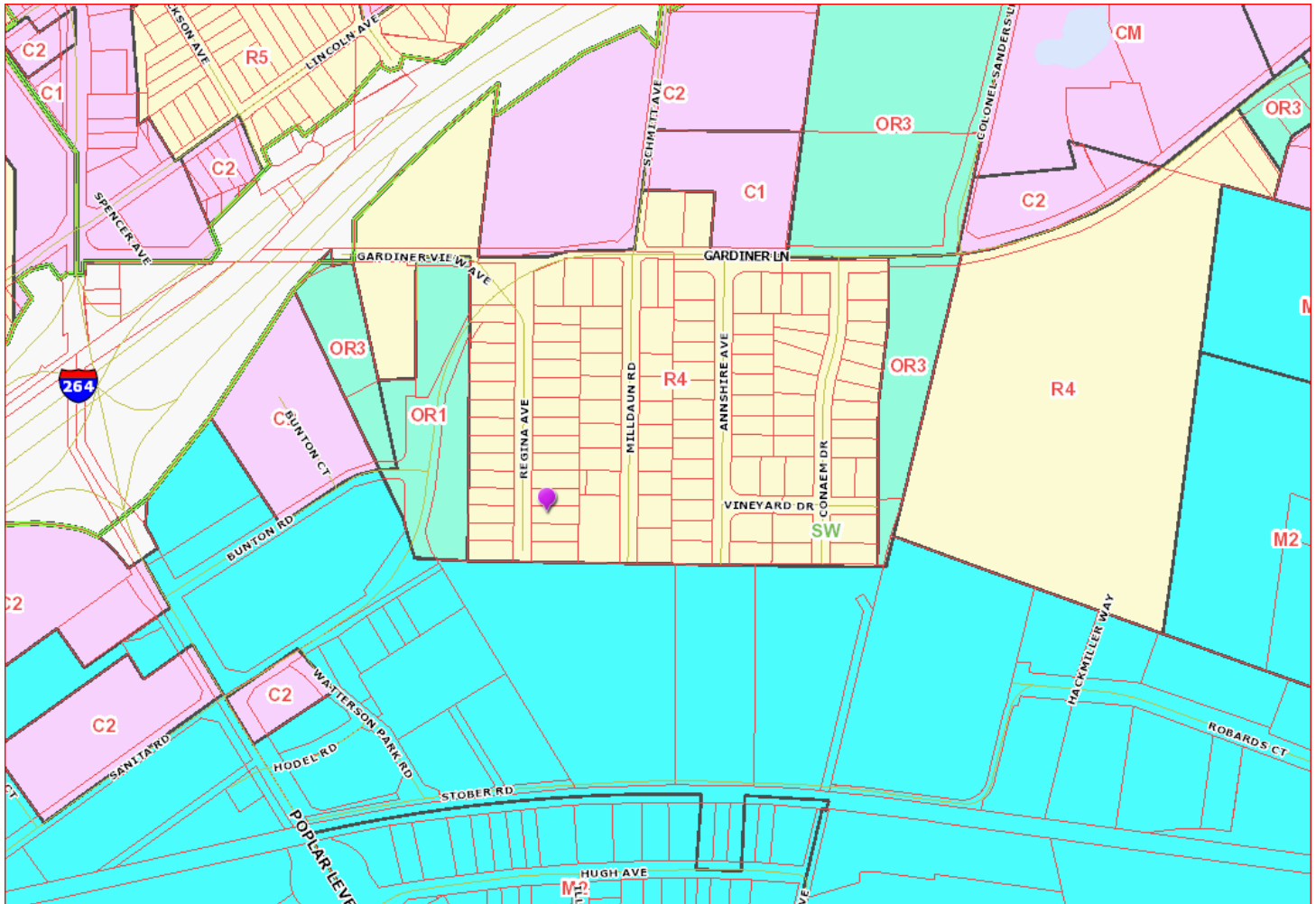
NOTIFICATION

Date	Purpose of Notice	Recipients
10/30/2018 11/30//2018	Hearing before BOZA	1 st and 2 nd tier adjoining property owners Registered Neighborhood Groups in Council District 10
12/7/2018	Hearing before BOZA	Sign Posting

ATTACHMENTS

- 1. Zoning Map
- 2. Aerial Photograph
- 3. Conditions of Approval
- 4. Photo
- 5. Email from Linda Chesser
- 6. Email from Owen Kavanaugh
- 7. Neighborhood Meeting Summary/ Sign In Sheet
- 8. Floor Plan

1. Zoning Map



2. Aerial Photograph



3. Conditions of Approval

1. Prior to commencement of any short term rental on the subject property, the host shall register the short term rental with Develop Louisville and with the Louisville Metro Revenue Commission. If the short term rental is not registered with Develop Louisville and with the Revenue Commission within 60 days of the approval of the minutes of this case, then the Conditional Use Permit shall be deemed null and void.

2. The short term rental and host shall meet all additional provisions set forth in the Louisville Metro Code of Ordinances.

Front of the house.



November 5, 2018

RECEIVED
NOV 12 2018
PLANNING &
DESIGN SERVICES

RE: 4261 Regina Avenue – Conditional Use Permit Meeting

Mr. Carli,

Due to my recent foot surgery, I am unable to attend the conditional use permit meeting for the property located at 4261 Regina Avenue.

Speaking as a 40-year resident of Watterson Park, and now serving as Mayor, I do have some concerns with the short-term rental concept that is becoming increasingly popular, not only in Louisville, but in many cities across the US.

John, when you and I spoke, I expressed my feelings regarding rentals in general. Prior to your purchase of two homes in Watterson Park to use as short-term rentals, I didn't know what the Metro Louisville regulations are and also the pros and cons for the community. The pros in our case are; you assured me that you maintain your properties; you require a two-night minimum stay which helps prevent bachelor and bachelorette parties, etc.; and you screen prospective tenants and they, in turn, can rate your properties on the AirBnb sites.

As a resident, listed below are some of my concerns.

- Metro regulations allow two occupants per bedroom plus four which means you could have up to ten people staying in this home at one time.
- I see this as a mini-hotel in the middle of a single-family residential neighborhood.
- Parking could be an issue. If you took a survey, I believe you would find out that the majority of residents in most neighborhoods are not in favor of strangers parking in front of their homes, and some residents are not in favor of neighbors parking in front of their homes.
- You screen the applicants, but how would you know if they bring unwanted guests.
- Rentals, in general, are proven to have a negative effect on property values. I do agree with your comment regarding short-term rentals are generally better kept than long-term rentals. If the property is not maintained, the owner could get a review that would impact bookings.
- Throughout this process I have learned that Realtors do not have to disclose information regarding bordering properties, so potential buyers better do their homework prior to making probably the largest investment they will ever make.
- I am sure you have heard the term, 'putting the cart before the horse.' This seems to be a perfect example of that statement. Someone purchases a home to use as a short-term rental, starts renovations, furnishes it, and then asks for the neighbors blessing.
- It is my understanding that Metro Government is reviewing the regulations regarding short-term rentals and may consider changes to the Ordinance. Personally, I hope there are more controls put in place and that they are enforced.

18CUP1131

To sum it up:

- I would not want a short-term rental property next door to my home.
- Finally, I love living in a neighborhood where I know my neighbors. We look out for each other, and I trust my neighbors. You will never develop this type of camaraderie with short-term renters.

Sincerely,



Linda Chesser

RECEIVED
NOV 12 2018
PLANNING &
DESIGN SERVICES

1811101131

Hendrix, Steve

From: Owen Kavanaugh <kavbros@gmail.com>
Sent: Monday, November 05, 2018 10:15 AM
To: Hendrix, Steve
Subject: Neighborhood meeting re: 4261 Regina Lane

My wife Laura and I live at and own 4255 Regina Lane. We bought our home in this neighborhood with the knowledge that it was zoned residential and nothing else.

We see nothing good coming out of creating a variance to have a "BnB" in our neighborhood. We believe it will create noise, crime, traffic and a constant flow of vagabonds on our street.(which is a dead end street)There is a hotel on Gardiner Lane and many other hotels and motels closer to the "attractions " that Louisville provides. This BnB will lower our property values and create a general nuisance on our street Please deny this request immediately.

SUMMARY OF NEIGHBORHOOD MEETING

Meeting began at 7pm, November 5, 2018 at the Cyril Allgeier Community Center. The meeting adjourned at 8:00pm.

Twenty-nine (29) APO neighbors/owners, including the Mayor and City Clerk of the City of Watterson Park were invited to the meeting to discuss our proposal. The Mayor of the City of Watterson Park distributed copies of the Notice to EVERY resident of Regina Lane, and City of Watterson Park council members.

There were nineteen (19) individuals present; however, one (1) individual refused to sign the Meeting Attendance Sheet.

Of the eighteen (18) individuals who signed the Attendance Sheet, only two (2) were actually APO's. There were seven (7) City of Watterson Park council members present, as well as nine (9) non-APO's.

Of the nineteen (19) individuals present, there were primarily two (2) individuals asking questions. These two individuals (Owen and Laura Kavanaugh) are not within the 500 feet buffer but do reside at 4255 Regina Lane, on the same street as the property being discussed. Mr. and Mrs. Kavanaugh were very aggressive, they attacked me personally, and refused to have a dialogue about our proposal and how we could work together to make this agreeable to everyone. Mr. Kavanaugh vowed to fight us and stop this process by any means. He was not willing to discuss options. His only suggestion included putting the house up for sale.

I presented our proposal amid many interruptions from the Kavanaugh's. I discussed how the short-term rentals work, the current Metro Louisville Ordinance requirements, and what the "house rules" will be for our guests.

Their primary concerns were:

1. Strange cars /transients on "their" street
2. Screening for child molesters
3. Street parking
4. Home Security
5. Decreased property values

I tried to address their concerns one at a time; however, the Kavanaugh's made it difficult to have any meaningful conversation. I was constantly interrupted by the Kavanaughs, when trying to answer their questions, or questions by others.

The Kavanaugh's repeatedly indicated that they did not want strangers on their street. This street is a dead-end street so there is not a lot of traffic on this street, and the speed humps cut down on the speed and traffic. I will NOT allow parties to be held at the house by renters and the number of guests will be limited as well. There would NOT be a caravan of cars coming and going from the property, as the Kavanaugh's suggested.

The question was asked if I would be renting to child molesters and how I would screen the renters. I explained the verification processes used by AirBNB and VRBO (the platforms that will be used to make reservations). While no screening system is perfect, AirBNB run hosts and guests against regulatory, terrorist, and sanctions watch lists. For hosts and guests in the United States, they also conduct background checks. VRBO has a verification process as well but does not include background checks. In addition, the Candlewood Suites (0.30 mile away) does not screen for these types of guests either. I explained that I can "reject" any reservation request that I am not comfortable with, or that does not meet the guidelines established for the rental.

I confirmed for them that guests will only be allowed to park in the driveway (which is not the case with other residents on this street overnight). My Regina home has a 2 car garage and 120 foot driveway, which will allow for more than adequate guest parking. We will limit the number of guests according to the Metro Louisville Ordinance, which is currently 10 guests. We will also have a 2-night minimum booking requirement.

Issues regarding security were addressed.

The Kavanaugh's asked about bringing down their property values. I indicated that I did not see this as an issue and indicated how much I have invested in this property and I would not want property values to decrease. The house is currently one of the better homes on the street and I intended for it to stay that way. The property will be maintained just as if I were a resident - lawn maintenance, flowers planted, landscaping, and regular maintenance will be done.

The mayor of the City of Watterson Park also sent a letter since she was unable to attend the meeting. The letter is attached.

At the end of the meeting, several attendees approached me and apologized for the Kavanaugh's behavior and wished me good luck with the home.

Attendance sheet attached.

BRE Consulting & Appraisal Services, Inc.
SKETCH ADDENDUM

File No. 26567

Borrower John Anthony & James Francis Carl
 Property Address 4261 Regina Ln
 City Louisville County Jefferson State KY Zip Code 40213
 Lender/Client Interinc Mortgage Services, LLC Address 11822 Ransom Dr. - Suite 201, Louisville, KY 40243

