

Short Term Rental Ordinance Amendments



What Is A Short Term Rental?



Dwelling

Short
Term
Rental

Hotel

In Louisville Metro, a Short Term Rental (STR) is defined as a rental for a period of less than 30 days

Background

- In December 2015, Metro Council passed an ordinance amending LMCO Sec. 115 to require STR's to meet certain standards and be registered annually (effective August 1, 2016)
- In April 2016, the Planning Commission recommended LDC amendments to regulate STR's. Following the recommendation, in June 2016, Metro Council passed an ordinance adopting those recommendations with some amendments (effective August 1, 2016)
- The regulations within the LDC were subsequently amended by Metro Council in August 2016 and November 2016
- With the exception of Middletown, the cities with zoning authority have not adopted specific LDC regulations related to STR's
- The Planning Commission reviewed the proposed ordinances at public hearings on December 6, 2018 and January 24, 2019

Forms of Short Term Rentals

Hosted Home Sharing

There is a primary occupant of the residence who resides in the dwelling with guests – REQUIRES A CUP ONLY IN TNZD

Un-hosted Home Sharing

There is a primary occupant of the residence who vacates the dwelling while it is rented to guests – REQUIRES A CUP ONLY IN TNZD

Dedicated Short Term Rental

There is not a primary occupant of the dwelling and it is rented out exclusively to guests – REQUIRES A CUP IN RESIDENTIAL DISTRICTS & TNZD

Short Term Rentals: Current LMCO Overview

- Requires annual registration
- Limits to 1 contract at a time
- Caps occupancy
- Prohibits providing meals
- Requires remittal of taxes
- Provides penalties for non-compliance

Short Term Rentals: Current LDC Overview

Special Standards Requirement – approved administratively

- Any STR with residential zoning where the dwelling is the host's primary residence
- Any STR with commercial/office zoning and most special districts

Conditional Use Permit (CUP) Requirement – approved at a public hearing (BOZA)

- Any STR with residential zoning where the dwelling is not the host's primary residence
- Any STR with TNZD zoning (Old Louisville & Limerick)
- Any STR in a multi-family condo building with residential zoning

Overview of Standards

- Limits to 1 contract at a time; caps occupancy
- Limits to single and two family buildings unless a) the property is commercially zoned or b) a condo
- Requires parking based on the land uses of immediate vicinity
- If the property is subject to 2+ civil/criminal complaints, approval may be revoked

Currently Registered Short Term Rentals:

As of 4/5/2019

Registrations

Status

- Registered
- Inactive

Jefferson County Boundary

Interstate

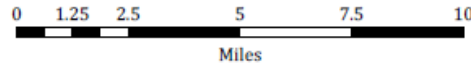
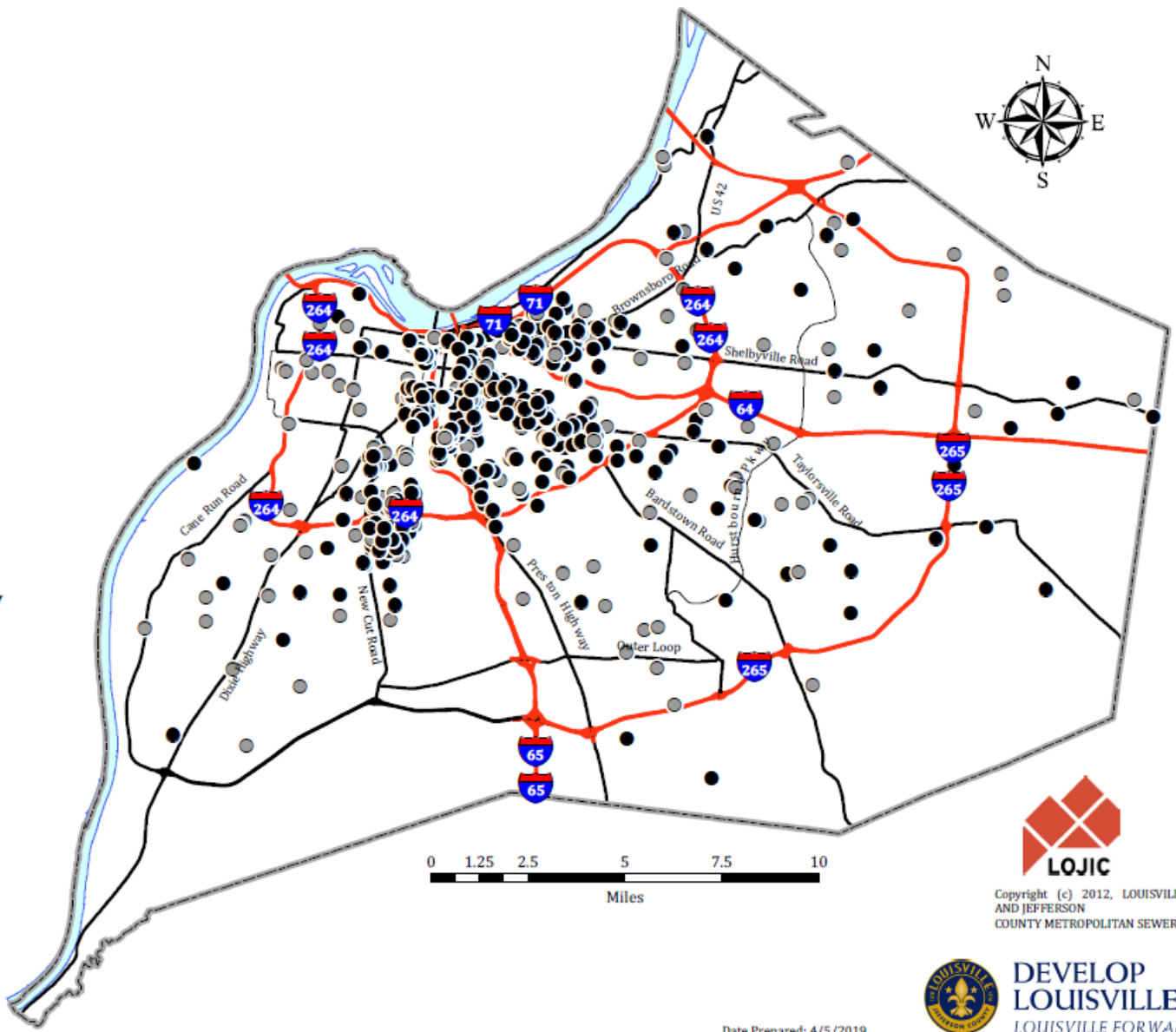
Major Arterial

Minor Arterial

Ohio River

Registrations: 542

Map by Heather Pollock



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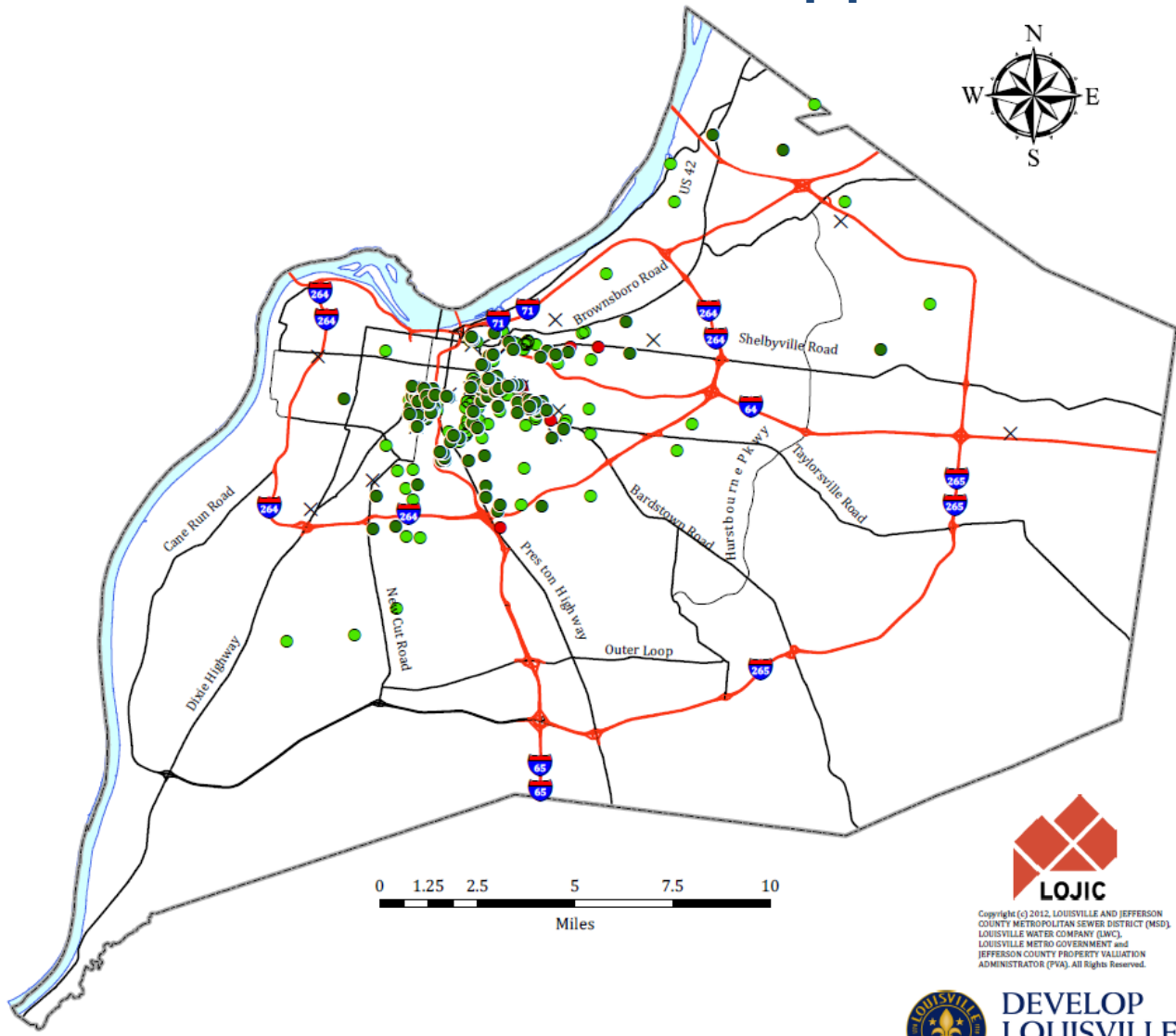
DEVELOP LOUISVILLE
LOUISVILLE FORWARD

Date Prepared: 4/5/2019

Short Term Rentals Conditional Use Permit Applications: As of 4/5/2019

- Stage**
- APPROVED
 - DENIED
 - PENDING
 - × WITHDRAWN

-  Jefferson County Boundary
-  Interstate
-  Major Arterial
-  Minor Arterial
-  Ohio River



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 LOUISVILLE FORWARD

Summary of Proposed LMCO Amendments

- Increases annual registration fee from \$25 to \$100
- Improves emergency contact requirements
- Requires carbon monoxide detector and operable emergency openings
- Removes occupancy requirements (shall remain in LDC)
- Provides requirements related to removing listings from platforms and platform reporting
- Makes it a violation to advertise an unlawful STR (\$125 fine)
- Modifies fine structure: 1st offense, \$125 fine; 2nd offense, \$250 fine; 3rd offense, \$500 fine; any additional offense, \$1,000 fine

Summary of Proposed LDC Amendments

- Modifies occupancy requirements ($2 \times$ the # of bedrooms + 2)
- Provides a minimum distance of 600 feet between STR's approved by CUP's (this change would not impact host-occupied rentals and rentals with non-residential zoning)
- Limits the number of guests to $2 \times$ the number of bedrooms plus 2
- Allows STRs in EZ-1 with special standards
- Requires a host to register within 60 days of issuance of a CUP
- Requires a host and property owner to maintain an active registration to keep CUP
- Allows the Director of Planning & Design Services to require a host with questionable residency status to go to the BOZA for approval
- Provides authority to prohibit a host who has had a registration revoked from re-applying for 1 year

Notable Differences Between Planning Commission Recommendation and Substituted Amendment

- Adds minimum distance between STR's approved by CUP's (LDC)
- Removes PC recommendation to waive initial registration fee (LMCO)
- Removes PC recommendation for an inspection by a fire prevention inspector or home inspector (LMCO)
- Provides requirements related to removing listings from platforms (LMCO)
- Provides requirements for platform reporting (LMCO)
- Modifies enforcement fine structure to increase minimum fines (LMCO)