26-LDC-0003

Planning Commission
Staff Report
July 16, 2026

Text Amendment to the Land Development Code - Package Liquor Stores

Location:	Louisville Metro
Applicant:	Louisville Metro Government
Representative:	n/a
Jurisdiction:	Louisville Metro
Council District:	All Council Districts
Case Manager:	Joseph Haberman, AICP, Planning & Design Manager

REQUESTS & RECOMMENDED ACTIONS

1. Text Amendment to the Land Development Code (LDC) related to Package Liquor Stores
   - Staff finds the text amendment is in keeping with Plan 2040 and recommends that the Planning Commission **RECOMMEND** that the Louisville Metro Council and other legislative bodies with zoning authority **APPROVE** the text amendment

CASE SUMMARY

The Louisville Metro Council passed a resolution on November 13, 2025 requesting that staff review the Land Development Code (LDC) and develop recommendations to improve the regulations for package liquor stores.

Package liquor stores, with no-site alcohol consumption, are currently permitted by right in C-1, C-2, C-3, C-M, EZ-1, and PEC. The use is also permitted in some areas of PVD (Village Center only) and the Old Louisville/Limerick TNZD (Neighborhood Center and Neighborhood Center Transition: Edge Transition only). In addition, stores may be permitted with a conditional use permit in the TNZD's Neighborhood Transition-Center area.

A summary of the amendments:

- Define "Package Liquor Store" by following an established definition in KRS 243.240 that is utilized for licensing purposes.
- Continue to allow a package liquor store in any zoning district in which it is currently permitted, but with the addition of special standards.
- Allow a package liquor store that cannot meet a special standard with a conditional use permit.
- Update related TNZD provisions to better incorporate the changes within Old Louisville and Limerick.

The full text of this amendment is included as Attachment 1 at the end of this report.

TECHNICAL REVIEW

LDC Overview:

Package liquor stores with no on-site alcohol consumption are currently permitted by right in the C-1, C-2, C-3, C-M, EZ-1, and PEC zoning districts. The use is also permitted in some areas of PVD zoning district (Village Center only) and the Old Louisville/Limerick TNZD zoning district (Neighborhood Center and Neighborhood Center Transition: Edge Transition only). In addition, stores may be permitted with a conditional use permit in the Old Louisville/Limerick TNZD's Neighborhood Transition-Center area.

While not explicitly addressed in the LDC, on-site consumption has been permitted at locations with a zoning classification that allows for another use that permits on-site consumption, such as a tavern. In addition to having a zoning classification that allows on-site consumption, the business must have an ABC license that allows for such consumption.

Kentucky Revised Statutes (KRS):

Chapters 241, 243, and 244 of KRS contain the alcoholic beverage control laws for Kentucky. In general, to open a package liquor store, the business (or licensee) needs a quota retail package license, which permits the retail sale of distilled spirits and wine in unbroken packages for off-premises consumption.

Louisville Metro Code of Ordinances (LMCO):

Chapter 113 of the LMCO contains the local licensing provisions for alcoholic beverages for Metro. These regulations, known as the Alcoholic Beverage Control Ordinance, are administered and enforced by the Louisville Metro Government ABC Administrator. In addition to providing the licensing provisions, this ordinance also provides operating regulations, including the operating hours for a licensee to sell distilled spirits or wine.

Peer City/County Review:

Throughout the US, liquor stores are often subject to requirements intended to limit concentration and/or maintain adequate separation from nearby sensitive uses. These requirements are typically implemented at the state level and associated with licensing rather than zoning. However, some cities, including Indianapolis, IN and Des Moines, IA, have implemented separation requirements for package liquor stores at the local level. In addition, some cities, including Anchorage, AK and Des Moines, IA, require conditional use permits, or similar special exception approvals, for liquor stores.

Indianapolis allows liquor stores by right in most of the city's commercial and mixed use zones. Use specific standards include a separation of at least 100 ft from any protected district and 500 ft from any Indoor Recreation & Entertainment that caters to, or markets itself predominantly to, persons under 21-

years of age. Conversely, new Indoor Recreation & Entertainment that caters to, or markets itself predominantly to, persons under 21-years of age must be at least 500 ft away from any liquor store.

Des Moines also has separation requirements for liquor stores, but in addition, the city requires conditional use permits. The use is permitted in some of the city's commercial zones. Standards include at least 500 ft separation from any church or place of worship, school, public park or licensed child care facility (not applicable in all zones) and at least 1,320 ft from any lot where any limited retail sales, fuel stations, liquor stores and tobacco stores engaged in the sale of alcoholic liquor is located.

STANDARD OF REVIEW FOR TEXT AMENDMENTS

Content of zoning regulations: *KRS 100.203*

Procedure for amending the text of regulation: *KRS Chapter 100.211*

STAFF ANALYSIS FOR TEXT AMENDMENT

The following is staff's analysis of the proposed amendment against the Guidelines and Policies of Plan 2040.

The amendment advances the following Goals, Objectives, and Policies of Plan 2040:

- **Community Form Goal 1:** Guide the form and design of development to respond to distinctive physical, historic and cultural qualities.
- **Community Form Goal 1, Objective c.**: Growth and development patterns are implemented to foster health and prosperity for all neighborhoods.
- **Community Form Goal 1, Policy 16:** Consider impacts on human health, quality of life and the environment including prevailing meteorological conditions and the potential to transport noxious odors, particulates and emissions when reviewing new developments and redevelopments. Special attention should be paid to air and water quality when residences, schools, parks or vulnerable populations will be impacted. Mitigate impacts to areas that are disproportionally affected.
- **Community Form Goal 2:** Encourage sustainable growth and density around mixed-use centers and corridors.
- **Community Form Goal 2, Policy 2:** Encourage development of non-residential and mixed uses in designated activity centers provided: 2.1. proposed uses, density and design are compatible with adjacent uses and meets Form District guidelines; or 2.2. when a proposed use requires a special location in or near a specific land use, transportation facility or when a use does not fit well into a compact center (e.g., car dealerships or lumberyards).
- **Livability Goal 2:** Ensure equitable health and safety outcomes for all.

STAFF FINDING: The proposed requirements are modeled in part after the LDC regulations for smoking retail stores, which were established to safeguard vulnerable populations such as children from businesses that primarily sell unhealthy products intended for adults. The separation requirements limit

such businesses from overconcentrating in an area and keep retailers at a suitable distance from other uses in which vulnerable populations may congregate.

If a standard cannot be met, there is an opportunity for the use to be permitted with a conditional use permit. Conditional use permits are decided upon on a case-by-case basis following a public hearing. Conditions of approval may be applied to mitigate any adverse impacts.

NOTIFICATION

DATE	PURPOSE OF NOTICE	RECIPIENTS
7/8/2026	Planning Commission Public Hearing	Registered Neighborhood Groups for all Council Districts
6/25/2026	Planning Commission Public Hearing	Legal Advertisement in the Courier-Journal

ATTACHMENTS

1. Proposed Text Amendments
2. Proposed Findings for the Planning Commission

1. Proposed Text Amendment

The Planning Commission must make a recommendation to Metro Council and the legislative bodies of cities with zoning authority to approve, approve with modifications, or deny the LDC text amendments. The proposed changes are presented as specific amendments to the Louisville Metro version of the LDC. The cities with zoning authority in Louisville Metro have different versions. If any of the cities consider incorporating the amendments into its LDC, staff will assist the city in preparing specific amendments that reflect the nature of the changes recommended below.

Louisville Metro Land Development Code

Chapter 1, Part 2 Definitions

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Package Liquor Store – A retail establishment with a retail package license that sells distilled spirits and wine in unbroken packages for consumption off the licensed premises (unless such sales are otherwise allowed under a different permitted use type and with proper licensing).

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Chapter 2 Part 4 Commercial Zoning Districts

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2.4.3 C-1 Commercial District

The following provisions shall apply in the C-1 Commercial District unless other-wise provided in these regulations:

A. Permitted Uses:

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~~Package liquor stores (no on-site alcohol consumption allowed)~~

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2.4.4 C-2 Commercial District

The following provisions shall apply in the C-2 Commercial District unless other-wise provided in these regulations:

A. Permitted Uses:

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~~Package liquor stores (no on-site alcohol consumption allowed)~~

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2.7.5 Traditional Neighborhood Zoning District – Old Louisville/Limerick

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Table 2.7.5: Table 1 Old Louisville/Limerick TNZD Land Uses – General

TNZD Land Use Category	*Neighborhood General*	*Neighborhood Transition-Center*	*Neighborhood Center*	*Neighborhood Center Transition:*	*Neighborhood General Campus Edge*	*LDC Section Providing Special*

				Edge Transition	*Transition*	*or Conditional Use Standards*
****						
Commercial Uses						
****						
Entertainment, outdoor	NP	P/CU	P	P	NP	~~11.5A.1.B~~ 4.2.TBD
Package liquor stores ~~(no on-site alcohol consumption allowed)~~	NP	P/CU	PS	PS	NP	~~11.5A.1.B~~ 4.2.TBD and 4.3.TBD
Taverns, bars, saloons	NP	P/CU	P	P	NP	~~11.5A.1.B~~ 4.2.TBD
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Other Uses						
Historic house museums	P/CU	P/CU	P/CU	P/CU	NP	11.5A.1.B and 4.2.TBD
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Table 2.7.5: Table 8 Old Louisville/Limerick TNZD - Uses Permitted as Conditional Uses in the Neighborhood Transition–Center

Land Use Category	Description of Uses Permitted as Conditional Uses
****	
Commercial Uses	
Entertainment, ~~Activity –~~ Outdoor	~~Entertainment activity – outdoor~~ Outdoor Entertainment as permitted by Section ~~11.5A.1.B~~ 4.2.TBD of ~~the~~ this Land Development Code. ~~In addition, review shall include at a minimum: an analysis of nearby residential uses and potential impacts, screening and buffering needed to protect adjacent residential uses, and limited hours of operation.~~
Package liquor stores ~~(no on-site alcohol consumption allowed)~~	Package liquor stores as permitted by Section ~~11.5A.1.B~~ 4.2.TBD of ~~the~~ this Land Development Code. ~~In addition, review shall include a minimum: an analysis of nearby residential uses and potential impacts, screening and buffering needed to protect adjacent residential uses, and limited hours of operation.~~
Tavern, bar saloon	Tavern, bar, saloon as permitted by Section ~~11.5A.1.B~~ 4.2.TBD of ~~the~~ this Land Development Code. ~~In addition, review shall include a minimum: an analysis of nearby residential uses and potential impacts, screening and buffering needed to protect adjacent residential uses, and limited hours of operation.~~
Other Uses	
****	
Historic House Museums	Historic house museums as permitted by Section ~~11.5A.1.B~~ 4.2.TBD of ~~the~~ this Land Development Code. ~~In addition, review shall include a~~

	~~minimum: an analysis of nearby residential uses and potential impacts, screening and buffering needed to protect adjacent residential uses, and limited hours of operation.~~
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Table 2.7.5: Table 10 Old Louisville/Limerick TNZD - Uses Permitted with Special Standards in the Neighborhood Center

Land Use Category	Description of Uses Permitted Uses
****	
Transitional Housing	Transitional Housing as permitted by Section 4.3.14 of this Land Development Code.
Commercial Uses	
Package liquor stores	Package liquor stores as permitted by Section 4.3.TBD of this Land Development Code.
Other Uses	
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Table 2.7.5: Table 14 Old Louisville/Limerick TNZD - Uses Permitted With Special Standards in the Neighborhood Center Transition: Edge Transition

Land Use Category	Description of Uses Permitted Uses
****	
Transitional Housing	Transitional Housing as permitted by Section 4.3.14 of this Land Development Code.
Commercial Uses	
Package liquor stores	Package liquor stores as permitted by Section 4.3.TBD of this Land Development Code.
Other Uses	
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Chapter 4 Part 2 Conditional Uses

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4.2.1 Intent and Applicability

Certain land uses due to their extent, nature of operation, limited application, or relationship to natural resources are considered as exceptional cases. The uses listed in this Part may be permitted in certain districts by Conditional Use Permit following a public hearing before the Board of Zoning Adjustment provided such uses will not have an adverse effect on neighboring property, are not in conflict with Goals, Objectives, and Policies of the Comprehensive Plan, the proposed uses are essential to or will

promote the public health, safety, and the general welfare in one or more zones, and are in compliance with the listed standards and requirements.

The following uses are subject to the Conditional Use Permit process:

Section	Conditional Use
****	
4.2.TBD	Package Liquor Stores
4.2.TBD	Outdoor Entertainment; Package Liquor Stores; Taverns, Bars, Saloons; and Historic House Museums in the Old Louisville/Limerick TNZD Neighborhood Transition-Center

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4.2.TBD Package Liquor Stores

Any Package Liquor Store that does not meet the provisions of Section 4.3.TBD may be allowed in the C-1, C-2, C-3, C-M, EZ-1, PEC, PVD (Village Center only), and Old Louisville/Limerick TNZD (Neighborhood Center and Neighborhood Center Transition: Edge Transition only) districts upon the granting of a conditional use permit and compliance with the listed requirements.

A. As part of the application, the applicant shall provide written justification for each listed requirement in this section that cannot be met, demonstrating the reasons why relief should be granted and how such relief would not adversely impact any adjacent property.

B. No Package Liquor Store shall be located within 1,000 feet of the boundary of any parcel occupied by any of the following sensitive uses (as measured in a straight line from parcel boundary to parcel boundary): 1) Public or private early childhood, elementary, middle or high school; 2) Park; 3) Public Playground; 4) Public Community Center; 5) Child Care Center; 6) Public Library; and/or 7) Another Package Liquor Store.

    1. Reasons for Potential Relief:

        a. Properties adjacent to the subject property are within nonresidential zoning districts.

        b. There is a significant environmental feature or primary collector or higher classification road that separates the package liquor store from a sensitive use within the buffer area.

        c. A sensitive use within the buffer area is located on the perimeter of the buffer area, with part of the property being located outside of the buffer area.

C. There shall be no on-site alcohol consumption allowed unless the subject zoning district also permits a bar, saloon, or tavern and the space used for on-site consumption is appropriately permitted for such use/occupation. As an exception, limited on-site alcohol consumption may occur for sampling with the appropriate license. No relief shall be granted to this standard.

D. The business shall maintain the proper license required for the alcoholic beverage sales. Any required license shall be in good standing and if not the sales of products regulated by the license are prohibited. No relief shall be granted to this standard.

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4.2.TBD Outdoor Entertainment; Package Liquor Stores; Taverns, Bars, Saloons; and Historic House Museums in the Old Louisville/Limerick TNZD Neighborhood Transition-Center

Any Outdoor Entertainment; Package Liquor Store; Tavern, Bar, Saloon; and Historic House Museum in the Old Louisville/Limerick TNZD Neighborhood Transition-Center upon the granting of a conditional use permit and compliance with the listed requirements.

A. The review shall include an analysis of nearby residential uses and potential impacts, screening and buffering needed to protect adjacent residential uses, and limited hours of operation. The Board may apply conditions to mitigate adverse impacts associated with this analysis.

B. No Package Liquor Store shall be located within 1,000 feet of the boundary of any parcel occupied by any of the following sensitive uses (as measured in a straight line from parcel boundary to parcel boundary): 1) Public or private early childhood, elementary, middle or high school; 2) Park; 3) Public Playground; 4) Public Community Center; 5) Child Care Center; 6) Public Library; and/or 7) Another Package Liquor Store.

   1. Reasons for Potential Relief:
      a. Properties adjacent to the subject property are within nonresidential zoning districts.
      b. There is a significant environmental feature or primary collector or higher classification road that separates the package liquor store from a sensitive use within the buffer area.
      c. A sensitive use within the buffer area is located on the perimeter of the buffer area, with part of the property being located outside of the buffer area.

C. The business shall maintain the proper license required for any alcoholic beverage sales. Any required license shall be in good standing and if not the sales of products regulated by the license are prohibited. No relief shall be granted to this standard.

Chapter 4 Part 3 Permitted Uses with Special Standards

4.3.1 Intent and Applicability

Certain uses are appropriate in certain districts only if special standards are applied. Waivers and variances for these special standards shall not be permitted because the uses listed below may only be permitted when these standards have been met. These uses listed in this Part are permitted in the districts indicated provided they conform to the standards and requirements listed in each section.

4.3.2 General Provisions

In addition to meeting the special standards listed under the particular use in this Section, all Permitted Uses with Special Standards shall be required to comply with the requirements of this Land Development Code, except to the extent that they conflict with an applicable special standard, in which case the special standard shall prevail. Proposed developments in accordance with this Part shall be processed using the Category 2 review procedure (Section 11.6.3). Applications shall include materials needed to demonstrate compliance with the special standards.

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4.3.TBD Package Liquor Stores

Package Liquor Stores are permitted in C-1, C-2, C-3, C-M, EZ-1, PEC, PVD (Village Center only), and Old Louisville/Limerick TNZD (Neighborhood Center and Neighborhood Center Transition: Edge Transition only) districts subject to the following special standards. A Package Liquor Store that does

not meet the special standards set forth in this section may be eligible to be approved with a conditional use permit pursuant to Section 4.2.TBD of this Land Development Code.

A. No Package Liquor Store shall be located within 1,000 feet of the boundary of any parcel occupied by any of the following uses (as measured in a straight line from parcel boundary to parcel boundary):
   1. Public or private early childhood, elementary, middle or high school
   2. Park
   3. Public Playground
   4. Public Community Center
   5. Child Care Center
   6. Public Library
   7. Another Package Liquor Store

   Exception: A new Package Liquor Store is exempt from the separation requirement from another package liquor store in A.7. if located on the same lot or development site as a *Grocery Store*.

   As this land use is permitted with special standards, an advanced approval by the Office of Planning is not formally required by this Land Development Code. The burden is on the property owner/business operator to determine compliance with these separation requirements prior to investment in the site and/or operation. The Planning Director, or their designee, may review for compliance with this separation requirement as part of a zoning confirmation, rezoning, or development plan review as well as during the review of any local license application. The Director or designee shall utilize the best available data to verify and confirm compliance.

   In order to be nonconforming to this requirement, a Package Liquor Store must establish that it has been lawfully in operation on the effective date of the initial ordinance establishing the special standard (TBD 2026) and continuously in operation to date. If one of the uses listed above is established thereafter, the Package Liquor Store shall become a nonconforming use at that time and subject to the provisions related to such nonconforming use, including but not limited to those restricting expansion and pertaining to abandonment.

B. There shall be no on-site alcohol consumption allowed unless the subject zoning district also permits a bar, saloon, or tavern and the space used for on-site consumption is appropriately permitted for such use/occupation. As an exception, limited on-site alcohol consumption may occur for sampling with the appropriate license.

C. The business shall maintain the proper license required for the alcoholic beverage sales. Any required license shall be in good standing and if not the sales of products regulated by the license are prohibited.

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Chapter 4 Part 4 Accessory Uses and Miscellaneous Standards

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4.4.13 Accessory Sales of Smoking Retail Store Products at a Business Not Classified as a Smoking Retail Store

Any use that meets the definition of Smoking Retail Store shall be regulated as such in Section 4.3.26 of this Land Development Code. If a use does not meet the definition of Smoking Retail Store, accessory sales of Smoking Retail Store Products may be permitted subject to the following standards:

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B. The principal use shall be a use that involves the retail sale of merchandise that is dominant to that of Smoking Retail Products. It shall be a use in which it is customary to include the retail sale of Smoking Retail Products, such as a Convenience Grocery, Convenience Store, Drug Store, Grocery Store or Package Liquor Store.

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4.4.14 Accessory Retail Sales of Alcoholic Beverages at a Business Not Classified as a Package Liquor Store

Any use that meets the definition of Package Liquor Store shall be regulated as such in Section 4.3.TBD of this Land Development Code. If a use does not meet the definition of Package Liquor Store, accessory sales of distilled spirits and wine in unbroken packages may be permitted subject to the following standards:

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A. The principal use shall be a use that is dominant to that of the retail sales of distilled spirits and wine in unbroken packages. It shall be a use in which it is customary to include the retail sale of distilled spirits and wine in unbroken packages, such as a winery or distillery.

B. The business shall maintain the proper license required for the alcoholic beverage sales. Any required license shall be in good standing and if not the sales of products regulated by the license are prohibited.

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Chapter 9 Part 1 Motor Vehicle Parking Standards

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Table 9.1.3B Minimum and Maximum Motor Vehicle Parking Based on Use

GENERAL ACTIVITIES ([1]LBCS Code)	SPECIFIC ACTIVITIES ([1]LBCS Code)	MINIMUM REQUIREMENT	MAXIMUM REQUIREMENT
****			
Shopping, business, or trade (2000)			
	Shopping (goods or service-oriented) (2100)	Suburban Form: 1 per 500 sq. ft. of gross floor area Traditional Form: 1 per 1,000 sq. ft. of gross floor area	1 per 200 sq. ft. of gross floor area

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9.1.14 Queuing for Drive-Through Facilities

Use	Minimum Spaces	Measured From
Bank Teller Lane, Laundromats/Dry Cleaners, Drug Store, Ice Cream Parlor, Package Liquor Store, and all other drive-through lanes not specifically listed	3 per Lane	Teller or Window
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2. Proposed Findings for the Planning Commission

WHEREAS, the Commission finds that the Louisville Metro Council passed Resolution No. R-134-25 requesting that the Commission review the Land Development Code (LDC) and develop recommended changes related to package liquor stores; and

WHEREAS, the Commission finds that Louisville Metro's current comprehensive plan, known as Plan 2040, became effective on January 1, 2019; and

WHEREAS, the Commission finds that the amendments advance the Goals, Objectives, and Policies of Plan 2040, as well as its CHASE principles; and

WHEREAS, the Commission finds that the amendments address Plan 2040's Livability Element by providing guidance and direction for the provision and maintenance of the resources necessary for the health and well-being of citizens; and

WHEREAS, the Commission finds that the amendments meet Livability Goal 2 by addressing the overconcentration of package liquor stores in order to ensure equitable health and safety outcomes for all; and

WHEREAS, the Commission finds that the amendments meet Community Form Goal 1, Objective c. by adjusting the regulations to better implement development patterns to foster health and prosperity for all neighborhoods; and

WHEREAS, the Commission finds that the amendments meet Community Form Goal 1, Policy 16 by considering the impacts of package liquor stores on human health and quality of life; and

WHEREAS, the Commission finds that the amendments meet Community Form Goal 2, Policy 2 by encouraging development of package liquor stores, which are non-residential uses, in designated activity centers.