Board of Zoning Adjustment

Staff Report

June 29, 2020



Case No: 19-CUP-0286

Project Name:
Location:

Owner(s):

Applicant(s):

Bass Short Term Rental
1213 Central Avenue
Soul Proprietorship, LLC
Soul Proprietorship, LLC

Jurisdiction: Louisville Metro **Council District:** 6 – David James

Case Manager: Jon Crumbie, Planning & Design Coordinator

This case was continued from the March 2, 2020 Board of Zoning Adjustment meeting because the applicant hired legal council and her representative did not have time to review the case.

This case was continued from the March 16, 2020 Board of Zoning Adjustment meeting due to the concern over COVID-19 virus.

This case was continued from the April 6, 2020 Board of Zoning Adjustment meeting due to the concern over COVID-19 virus.

REQUEST(S)

Conditional Use Permit to allow short term rental of a dwelling unit that is not the primary residence of the host in an R-5 zoning district and Traditional Neighborhood Form District.

CASE SUMMARY/BACKGROUND

The applicant requests approval to conduct short term rentals at the subject property. The subject property is developed with a one structure that is a single-family residence. The applicant states that the residence has four bedrooms that will allow a maximum number of ten guests. The site has credit for on-street parking and there appears to be ample parking along the street. The applicant states that there are up to three spaces on the existing driveway and a three-car garage at the rear of the property.

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.

RELATED CASES

None

TECHNICAL REVIEW

There are no outstanding technical review items.

INTERESTED PARTY COMMENTS

A neighborhood meeting was held on December 11, 2020 and no one attended except the applicant.

STANDARD OF REVIEW AND STAFF ANALYSIS FOR CONDITIONAL USE PERMIT

- 1. <u>Is the proposal consistent with applicable policies of the Comprehensive Plan?</u>
 - STAFF: The proposal does not conflict with Comprehensive Plan policies.
- 2. <u>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?</u>
 - STAFF: When appropriately managed, the proposed use is compatible with surrounding development and land uses.
- 3. <u>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?</u>
 - STAFF: The subject property is served by existing public utilities and facilities. The proposal will not create substantial additional requirements for the site.
- 4. <u>Does the proposal comply with the specific standards required to obtain the requested conditional use permit?</u>
- **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. *The applicant has been informed of this requirement.*
- B. The dwelling unit shall be limited to a single short term rental contract at a time. *The applicant has been informed of this requirement.*

- C. At no time shall more persons reside in the short term rental than two times the number of bedrooms plus two individuals, except where the licensed property is in excess of two acres in which case the occupancy limit shall be two times the number of bedrooms plus six individuals. The subject property is smaller than two acres. The applicant states that the residence has four bedrooms that will allow a maximum number of ten guests.
- D. The property on which the short term rental(s) is situated shall not be located closer than 600 feet (measured in a straight line from nearest property line to the nearest property line) to any property on which another approved short term rental that required a conditional use permit is situated. The provision shall not apply to a property in the TNZD district which required a conditional use permit even though it is the primary residence of the host. As of the date of this report, within 600' of the subject property, there are two properties with an approved conditional use permit allowing short term rentals that is not the primary residence of the host. The applicant is requesting relief to the provision in accordance with LDC Section 4.2.2.B. If the Board does not grant relief, the application does not meet all of the listed requirements and the conditional use permit cannot be approved.
- E. The building in which the dwelling unit is located shall be a single-family residence, duplex, or condominium. If the short term rental is a condominium unit, the condominium unit must be the primary residence of the host. All conditional use permit applications for the short term rental of a condominium unit shall include evidence showing the applicable condominium association has taken action to approve the short term rental of the subject condominium. The evidence shall be provided in the form of minutes from an officially called meeting of the applicable condominium association board where in all condominium would be discussed and a majority of the board members voted in favor of permitting/allowing the short term rental of the subject condominium. In addition to notification required by Chapter 11 Part 5A, an applicant for a short term rental within a condominium shall provide notice of the Conditional Use Permit public hearing to all condominium owners within the association. Proof of notification shall be by way of affidavit. This provision shall not be waived or adjusted. *The applicant has been informed of this requirement.*
- F. Food and alcoholic beverages shall not be served by the host to any guest. *The applicant has been informed of this requirement.*
- G Outdoor signage which identifies the short term rental is prohibited in residential zoning districts. *The applicant has been informed of this requirement.*
- H. There shall be a sufficient amount of parking available for 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. The site has credit for on-street parking and there appears to be ample parking along the street. The applicant states that there are up to three spaces on the existing driveway and a three-car garage at the rear of the property.
- I. The short term rental and host shall meet all additional requirements set forth in the Louisville Metro Code of Ordinances. *The applicant has been informed of this requirement.*
- J. If the property is subject to two (2) or more substantiated civil and/or criminal complaints within a twelve (12) month period, the Planning Director may revoke the approval. When the Planning Director revokes an approval under this section, the owner and host shall be notified of the revocation and shall have thirty (30) days in which to request an appeal before the Board of Zoning Adjustment. If no appeal is requested, the revocation shall become final on the thirty-first (31) day

- after the initial action by the Director. Civil complaints include, but are not limited to, reported violations of building, safety, property maintenance, nuisance, health and sanitation, fire, electrical, plumbing, and mechanical codes. Criminal complaints include, but are not limited to, reported drug activity, theft and criminal mischief. *The applicant has been informed of this requirement.*
- K. Prior to commencement of any short term rental on the subject property, the host shall resister the short term rental pursuant to the Louisville Metro Code of Ordinances. If the short term rental is not registered within thirty (30) days of the issuance of the conditional use permit, the permit shall become null and void. *The applicant has been informed of this requirement*
- L. An active registration for the short term rental, as required by the Louisville Metro Code of Ordinances, shall be maintained. No short term rentals may take place unless the registration is active and in the name of the current host and property owner. If the registration is not renewed and lapses for six months, or in the event of a change of ownership and/or host, a new registration is not issued within six months from the date of the change, the conditional use permit shall become null and void. In order to recommence short term rentals, a new conditional use permit must be granted if required by this Land Development Code. The applicant has been informed of this requirement.

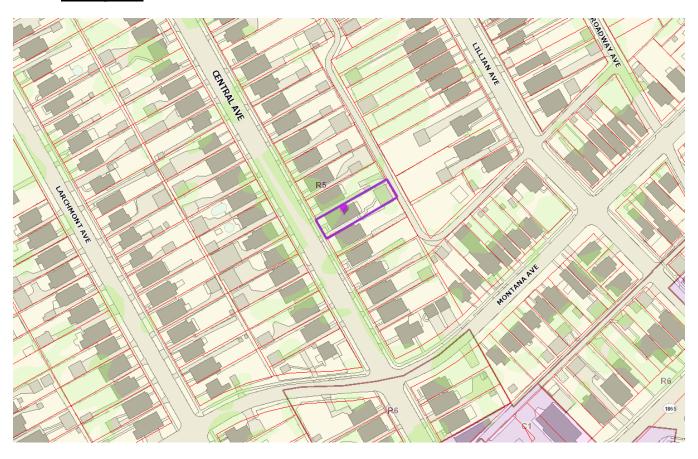
NOTIFICATION

Date	Purpose of Notice	Recipients
6/10/2020		1 st and 2 nd tier adjoining property owners Registered Neighborhood Groups in Council District 6
6/15/2020		Sign Posting

ATTACHMENTS

- 1. Zoning Map
- 2. Aerial Photograph
- 3. 600' Map
- 4. Justification
- 5. Condition of Approval

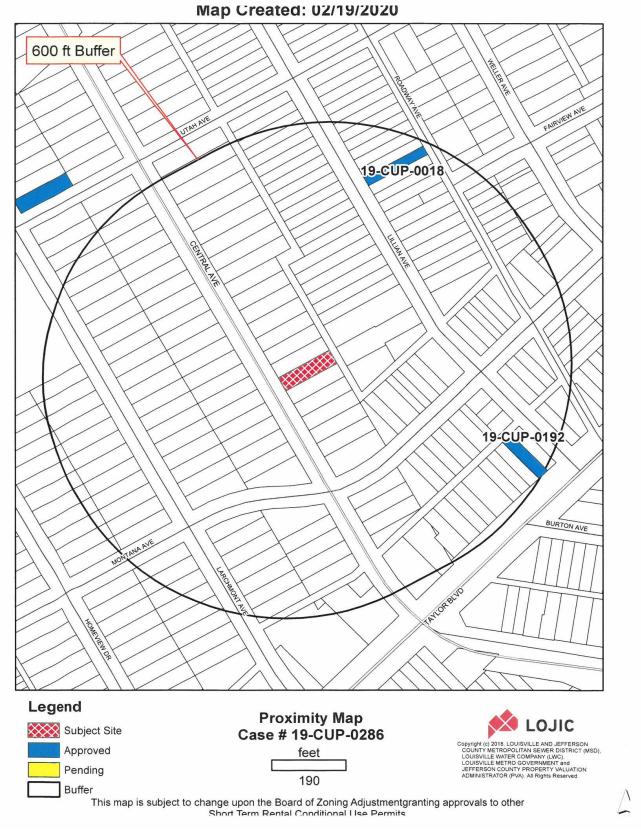
1. Zoning Map



2. <u>Aerial Photograph</u>



3. <u>600' Map</u>



4. Justification

CONSIDERATIONS

- · Intentions and respect for neighborhood
- · Ample off-street parking
- Home satisfies a different need for visitors, apart from those in proximity
- Support and involvement with the community, continued oversight
- Density of corridor, South Louisville landscape
- Existing record of good practice
- timeframe of application

BACKGROUND:

Central Ave was my first residential design project. After completing Architecture School in Los Angeles, in 2009, I worked in museums and taught at Woodbury University, but was essentially priced-out of the real estate market there. So, in order to follow my dream, I decided to make a career shift, and established a business in Louisville, which I did in 2015 while still living in Los Angeles. The primary trajectory of Soul Proprietorship LLC has been to work in Design & Development here. The name is a pun on the singularity of the pursuit, while fostering a sense of community and mindfulness. My intention has been to purchase in areas where my investment might have the greatest positive impact.

After searching for over a year, I located two properties in general proximity to one another, and acquired both in the beginning of 2017. I was drawn their character architecturally, as well as their community context.

After moving back, since living away since 1995, I recognized and appreciated the diversity and character offered by South Louisville and Old Louisville alike. The landscape felt most akin to my previous experience living in Los Angeles and New York City. Both properties needed substantial make-overs which I did myself, and with great care.

I devised a plan to focus on Central Ave first, maintaining it as my primary residence and renting when I could to help offset costs. This approach: keeping it as a short-term rental, allowed me to consider the project in a different way. I could focus on the value of experience, rather than resale market values. It also afforded me a complete creative canvas, as I saw it through to furnishing and interior design.

I began renting Central at end of 2017 and have continued in this way since the end of last year, with the proper compliance to registration and taxation.

Subsequent to finishing Central, I moved forward with renovations in Old Louisville. That project took me until the end of last year, and as a smaller property, it made more sense for me to occupy it as my primary residence. I have taken a similar approach, to short-term rent it when possible, to offset the cost of property improvement. However, it is in this change in permanent residency status, after the

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passing of the regulations in May, that I needed to initiate another CUP process in order to continue operating Central Ave, otherwise known as Garland House.

OBJECTIVES

I am interested in green building and sustainability as a whole. With this in mind, over the course of the renovation, I obsessively culled regional auctions, online sales and most importantly, befriended shop owners at local thrift stores, like my neighbors Tony and Russ on Taylor Ave. Their business Tickled Pink, has managed to thrive for over thirty years, and despite my long-held love of vintage, it wasn't until I became a neighbor that I knew about it. Through this relationship I honed the design theme of horses and roses for Garland House, which now subtly guides the guest experience with added textures, while lessening the ecological footprint.

During my time living at the house and operating as a short-term rental, I managed to build a strong positive record from guests. This feedback is highlighted by my continued status as "Superhost" and the glowing reviews and ratings.

I have developed a more than amicable relationship with my neighbors and neighborhood. I have tried, whenever possible, to keep my business local. Whether at the ACE hardware on Taylor Blvd or Tickled Pink, as I have mentioned, restaurants like Molcajete and Wagner's, or local markets like Kroger's on 2nd, Pic-Pac on the corner, and the farmers market in Beechmont, I continue to explore and appreciate my neighborhood, honestly more than I could have ever imagined. I've maintained my voter registration there, because I love my polling place and the volunteers. And I have been involved in supporting the initiatives of the incredible Backside Learning Center at Churchill Downs in association with The Louisville Story Program.

This is all to say that South Louisville is important to me and perhaps even more importantly, that I enjoy passing the knowledge and enthusiasm on to my guests.

This dedication to place has been central to my reasoning for moving back to Louisville and for developing my business as an investor, property developer, and designer here. The modest income I have garnered from renting has really just allowed me to maintain the place and keep up on improvements.

I have welcomed a wide-variety of guests, which includes visitors from all over the world, families, professionals, and ex Louisville-natives. It has already proven to be a clean, safe, and unique home away from home for hundreds of individuals. It is also a base for me as a creative. I keep my online store of vintage there, work tools, and work truck in the garage, and have the flexibility to use the space personally as needed. All of which I couldn't possibly do in a month-to-month rental scenario.

CONTEXT

The house is large by comparison to many in the area, and well suited for the purposes as short-term rental. The bedrooms are ample, but perhaps a bit lacking

in closet space which would be essential for a long-term rental situation. The kitchen is spacious and well equipped and a newly-replaced deck in the back, in addition to the traditional front porch with swing and rocker, makes for an exceptional place for relaxing and enjoying the landscape no matter what season.

While I anticipated receiving groups interested in the track, the majority of my business has actually been from professionals working at the Expo Center, families visiting Kentucky Kingdom, or groups attending sporting events or convention center happenings. I have even housed a film crew from California, who shot all over the region over the course of several weeks, using caves, parks, and Victorian Mansions for their sets in a soon-to-be released blockbuster horror film. The size, pricing and access afforded by Garland House, were all central to their ability to successfully execute their creative goals.

I fenced-in the back yard, and decided to allow dogs with prior approval. This is a significant service to people visiting Louisville, as most places around town do not permit pets. I have had best in show (for the dog show) stay two years in a row, as well as the judges and organizers for the horse show, and farmers traveling with their livestock to the fair, who just seek a convenient yet comfortable nights rest away from the hubbub.

AMPLE PARKING

The driveway can easily accommodate 3-4 cars or trucks when needed. There is also a three-car garage at the rear. I use this in part for storage as mentioned, but there are two more available spaces, plus an additional two spaces behind the garage with double alley access (though it has yet proven necessary). This means a total of 8 cars in safe, paved off-street parking.

Despite the surge of activity that happens each Spring and Fall surrounding Derby and the races, there has been a surprising lack of affordable options for guests looking to stay in proximity to the Airport, Exposition Center, Downtown or Churchill Downs. I created this property with the desire to help satisfy that need, as well as positively affect the direct community through thoughtful development and continued interest.

The neighborhood is currently comprised of long-term residents, long-term renters, as well as a lot of vacancy and turn over. It's a mixed landscape, and one which I have carefully navigated as a short-term rental, to make a positive connection with my neighbors and allow for a great introduction for visitors, to an otherwise underappreciated, and under-loved corner of our city.

NEIGHBORHOOD APPROVAL

I have had zero issues or voices of disapproval by my neighbors to date, to my knowledge. They have all been informed of my plans from the start, even prior to



going through the registration initially, just by direct conversation. None have had any issue whatsoever, though I make sure to check-in to make sure things are sooth and there are no complaints.

I initiated the CUP process at the end of last year. At that time there was apparently only one approved property that of CUP-0018 at 1207 Lilian Ave. This property is approximately 500' from mine and less than half the size. Meaning even by size alone it is fair to say it caters to a very different clientele. It also has no off-street parking. The other property with CUP-0192 at 3002 Taylor Ave, which was processed approximately a month ago, has no online listing or established track record, but is approximately 550' away.

MANAGEMENT / CARE

I personally manage every aspect of the rental, and have trained and kept an otherwise under-employed cleaning person from the area, to work with me for "turn-overs," and be a second point of contact if ever needed. The more I am able to grow the business, the more positive impact and collaboration I hope to foster. I often hire local handymen to do small maintenance and repair work as well.

For me, a short-term rental means that each experience is unique. As such, a greater care must be given at all times to make sure guests are happy. This means flowers are planted each spring. The garden is kept tidy, trash is taken in and out in a timely fashion, trees are trimmed, snow shoveled, and the place is kept looking great. Perhaps more so than if it were only my place of residence.

My reliable helper is Diana Weaver 1553 Lincoln Ave Louisville, KY 40213. She is dependent on the work provided by cleaning.

I also have additional points of emergency contact if ever I am unavailable. These include my dear friend Damian Côte, at 1319 South Brook Street Lousiville KY 40208 and my mother Rita Day at 37 Chamberry Circle Louisville KY 40207.

SUMMARY

I have maintained great communication with neighbors and guests alike. My "Superhost" status (proving excellence in professionalism through Airbnb) has continued since obtaining in 2018.

I have extensive experience with short-term rental, both as a host (previously consulting for other properties) and traveler, and have a great understanding of what it takes to be successful, while always respectful of my community. I have had a strong positive track record, both with visitors and neighbors, and feel a great pride of place. I have been operating under permit and registered tax payments since operation. I believe the property has offered the neighborhood and visitors a positive dynamic exchange in an often under-appreciated section of South Louisville.

I seek only to continue providing excellent service and a strong positive engagement with my neighborhood, and ask that you approve without condition 1213 Central Avenue for shorterm rental Conditional Use Permit, by offering exception to the 600' rule.

5. Condition of Approval		
The conditional use permit for this short term rental approval shall allow up to four bedrooms. A modification of the conditional use permit shall be required to allow additional bedrooms.		