

April 4, 2023

The Urban County Council recently completed a council-initiated zoning amendment and sent it to the Lexington-Fayette County Planning Commission for possible amendment and approval. I think it could do more damage to Harrods Hill than anything that has occurred in the last 25 years.

The zoning amendment (ZOTA) deals with short-term rentals (STRs) like Airbnb does the following:

1. Currently rentals in our neighborhood can have a maximum occupancy of four unrelated renters less the number of family members also living there. The number of family members are unlimited. The draft ordinance would increase the maximum number of renters to 12 and would allow the owner of the property to file a request with the LFUCG Board of Adjustment (BOA) asking for a higher maximum occupancy.
2. Louisville and Covington both require that getting an STR license requires notice and a hearing before the BOA. The BOA, in turn, can place conditions on the use as an STR. The proposed Council ordinance makes it very easy for an applicant to not provide notice, to not participate in a hearing, and to not be subject to any conditions.
3. The most important condition involves density. Louisville requires that a new STR cannot be within 600' of another STR, property line to property line. In contrast, the proposed Lexington ordinance only requires that the BOA "consider" density within 1,000'. It includes no objective, enforceable standard. Even worse, any STR licensed without a BOA hearing would not be subject to any conditions, including any density requirement.
4. The Lexington Council version of the proposed ordinance makes a distinction between a "hosted" and an "unhosted" STR, but it does not require that the owner of the property be the host and live there. Anyone can be a "host" by agreeing to live on the property for a year. If a property is "hosted," then no notice, no hearing, and no conditions would be necessary. It would only need a building permit.
5. Another provision in the zoning amendment would allow the owner of a licensed STR to sell it to a new owner and keep the STR license tied to the property. A house with an STR license would sell at a premium price, often through a private market of "investors." The house would be less likely to come on the open market, the selling price would be higher, and the higher selling price would increase property taxes for non-STR neighbors.
6. The Council ordinance has some restrictions in it--no parties with more people there than the number of renters, "no events" like a bridal shower, and a time limit on parties (no later than 11:00). Two (2) violations could result in the loss of a short-term rental license of up to one year. However, the Urban County Government has a less than stellar enforcement record. A case in point is the large number of illegal short-term rental properties that have been allowed to develop in Lexington in the last five (5) years.

A short-term rental is defined in State Law as a property rented between one (1) night and thirty. On its face, the draft ordinance, as written, would open our neighborhood and others to property investors associated with large, commercial enterprises, and that's not a good thing. The Fayette County Neighborhood Council will be hosting Planning staff on Monday evening, April 10th at 6:30 at Tates Creek Christian Church, and anyone wishing to attend may do so. A large turnout could make an impression on the Planning Commission and could lead to a better result. The Planning Commission will have a hearing on the proposal on May 11 at 1:30 in the afternoon. You may contact LFUCG Planning by calling 859-258-3160 or by email at planningmailbox@lexingtonky.gov. You can contact the Urban County Council either by calling (311) or by email at councilmembers@lexingtonky.gov. Please do so.

Thanks!

Walt Gaffield, HHNA Planning & Zoning Chair, fayetteneighborhoods@gmail.com