

**COMMONWEALTH OF KENTUCKY
CITY OF LA GRANGE, KENTUCKY
ORDINANCE NO. 8, SERIES 2019**

AN ORDINANCE RELATING TO SHORT TERM RENTAL PROPERTY

WHEREAS, the existence of short-term rental of dwelling units within the City of La Grange is recognized as growing social trend and a significant factor in the economic vitality of the City and surrounding communities; and

WHEREAS, the City Council finds that there is a valid need to identify all short term rental properties operating within the City, to regulate said rental activities for the public health, safety and welfare, and to collect a reasonable fee from the owners or operators of short term rental properties for the privilege of doing business.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA GRANGE, KENTUCKY, AS FOLLOWS:

Section 1. Definitions.

1. Boarding House- a residential facility or a portion of a residential dwelling unit for the temporary accommodation of persons or families in a rooming unit, whether for compensation or not, who are in need of shared lodging and personal services, supervision, or rehabilitation.

2. Commercial Establishment- an establishment used for the conduct of a business.

3. Host- any person who is the owner of record of residential real property, or any person who is a lessee or manager of residential real property pursuant to a written agreement for the lease of such real property, who offers a dwelling unit, or portion thereof, for short term rental.

4. Hotel- any commercial establishment, or any portion of such establishment, (A) whose principal use provides that such structure is occupied or intended or designed for occupancy by transients for lodging or sleeping purposes and includes any hotel, inn, tourist court, tourist camp, tourist cabin, motel or any place meeting this definition, and (B) accepts on-site reservations for accommodations.

5. Not Owner-Occupied- the owner of the property does not permanently reside in the STRP or in the principal residential unit which the STRP is associated on the same lot.

6. Owner-Occupied- the owner of the property permanently resides in the STRP or in the principal residential unit with which the STRP is associated on the same lot.

7. Responsible Party- a person residing or located within twenty-five (25) miles of the STRP who shall be responsible for addressing all maintenance, safety and regulatory concerns.

8. Short Term Rental Property (STRP) - a residential dwelling unit that is used or advertised for rent for transient occupancy by guests. Dwelling units rented to the same occupant for more than 30 continuous days are not deemed a short-term rental property.

9. Transient- any person who exercises occupancy or is entitled to occupancy of any rooms, lodgings or accommodations for a period of less than thirty (30) continuous days.

10. Zoning District - refers to the establishment of residential and business districts and general regulations enacted by the Oldham County Comprehensive Zoning Ordinance and Subdivision Regulations, as adopted by the City of La Grange, Kentucky

Section 2. General Provisions.

1. In zoning districts in which Residential Uses are a Permitted Use, including legal non-conforming residential uses, the short term rental of a dwelling unit, or a portion thereof, that is the primary residence of the property owner is required to obtain an owner occupied permit from the City of La Grange, using the application and standards set forth in this section.

2. In zoning districts in which Residential Uses are a Permitted Use, including legal non-conforming residential uses, the short term rental of a dwelling unit, or a portion thereof, that is not the primary residence of the property owner is required to obtain a non-owner occupied permit from the City of La Grange, using the application and standards set forth in this section.

3. For multi-family rental properties, apartments or condominium having more than two (2) short term rental units, the applicant must be either the owner of the property, or a lessee or entity having the written consent of the property owner, for its use as a STRP, and must first obtain a Conditional Use Permit (CUP) from the La Grange Board of Adjustments and Appeals.

4. No person or entity shall operate or advertise a STRP located within the City of La Grange without the owner of the property first having obtained a STRP permit issued by the City of La Grange in accordance with the provisions of this section.

5. Any advertising or description of a STRP, whether printed or by web site or social media, must prominently display the permit number for the STRP unit, which may include an image of the permit in which the permit number is legible.

6. Outdoor signage which identifies the property as a short-term rental is prohibited.

7. There shall be a sufficient parking available for the host and guests and shall not create a demand for parking, nor any excess traffic or safety issues.

8. The host of a STRP may provide food and beverages to the guests if it is included in the rental fee.

9. The principal renter of a STRP unit shall be at least twenty-one (21) years of age.

10. The maximum number of occupants permitted on a STRP property at any one time shall not exceed more than twice the number of sleeping rooms plus four. The occupancy maximum shall be conspicuously posted within the STRP unit. Advertising a STRP for more occupants than allowed by this regulation shall be grounds for revocation of the permit.

11. Simultaneous rental of a STRP to more than one party under separate contracts shall not be allowed, except where the renters have an identity of interest and give their consent.

12. The maximum stay for any renter shall be thirty (30) consecutive days.

13. The name and telephone number of the responsible party for a STRP shall be conspicuously posted within the unit, and the responsible party shall respond to calls promptly at any time for the duration of the rental period to address problems associated with the unit.

14. A clearly marked evacuation plan shall be posted on the rental premises.

15. The permit holder shall be responsible for maintaining proper liability, property and casualty insurance coverage on the STRP and guests and provide proof to the City.

16. The permit holder shall be responsible for collecting and remitting all applicable room, occupancy, and sales tax required by the State of Kentucky, Oldham County, and the City of La Grange.

17. Each STRP shall comply with the laws, rules and regulations of federal, state, and local agencies, including but not limited to, laws related to nondiscrimination, zoning, safety, nuisance, property maintenance, health and sanitation, fire, electrical, plumbing, mechanical, building and other laws affecting safety, welfare and property rights of renters and residents.

Section 3. Application for STRP Permit and Fees.

The STRP permit application shall provide and verify by sworn affidavit that all of the information is true and accurate, where the initial application shall include completion and submittal of an application form required by the Code Enforcement Officer containing the following information:

1. The name, telephone number, address, and email address of the owner, the host, and the cell number of the responsible party for addressing maintenance and safety concerns.

2. Owners applying for an owner-occupied permit must provide two documents giving proof of ownership and owner occupancy, such as, Kentucky driver's license, Kentucky identification card, voter registration card, utility bills, paycheck stub, blank check, bank statement, provided the documents establish that the applicant's name and address match that of the property to be utilized for short term rental. A lessee or entity applying for non-owner-occupied permit must provide a copy of the rental or management agreement granting permission to the host for use of the property as a STRP.

3. A floor plan of the residence, including number of sleeping rooms, bathrooms, kitchen, all exterior entry and exit points. The floor plan may be hand-sketched, but must show details at all levels, including windows, doors, locations of smoke detectors, and any accessory structures.

4. A statement that to the best of the applicant's knowledge, operating the STRP would not violate any Condominium or Home Owners Association rules or bylaws, nor any subdivision or deed restrictions, nor any restrictions or encumbrances of public record, nor any other public restriction upon use of the property.

5. Proof of insurance on the STRP, including liability, fire and casualty, for the rental property and guests of the STRP. Insurance coverage shall not be allowed to lapse for any period in which the STRP permit is in effect or the property is rented.

6. The initial application fee shall be \$150.00 payable to the City of La Grange upon submission. The annual renewal fee shall be \$100.00. If a STRP permit is revoked or suspended, a new initial application and application fee shall be required.

Section 4. Expiration and renewal of STRP permit.

1. No person, agent or entity shall operate a STRP on any premises within the City of La Grange unless such rental property and its true owner are currently registered with the City of La Grange in accordance with City’s rental property registration ordinance, and such person possesses a valid STRP permit issued by the City of La Grange..

2. All STRP permits expire on December 31st of each calendar year and must be renewed on an annual basis prior to expiration.

3. Renewal of the STRP permit shall be submitted on the required form, including a sworn statement verifying the accuracy of all information on file, or correction of all information that may have changed, a statement that the STRP has been and continues to be in full compliance with all applicable laws, rules and regulations, and all applicable taxes and fees have been paid, accompanied by payment of the required annual renewal fee.

4. A STRP permit may not be transferred or assigned to another person, agent, or entity, nor used for a different rental property, nor authorize any other person other than the person named therein to operate the STRP on the property.

Section 5. Denial or Revocation of Permit and Appeal.

1. The La Grange Code Enforcement Officer shall be authorized to administer the STRP application and renewal process and shall have discretion to revoke or suspend a STRP permit for violation of any provision of this ordinance or any other violation of the La Grange Code of Ordinances.

2. If a STRP application or renewal is denied, or a STRP permit is revoked or suspended, the permit holder may appeal such action to the La Grange Board of Adjustments and Appeals as an administrative appeal.

This Ordinance shall become effective upon its passage by the City Council after public hearing, approval by the Mayor, and publication pursuant to KRS 424.120.

First Reading; May 6, 2019

Second Reading: June 3, 2019

VOTE: For: 6
 Against: 2
 Abstain: 0
 Present: 8

APPROVED this 3rd day of June 2019

JOHN W. BLACK, MAYOR

ATTEST:

I certify the foregoing to is a true copy of the ordinance enacted by the City Council of the City of La Grange, Kentucky, effective as of the above publication date.

Stephanie Cooper, City Clerk