



Planning Commission

Staff Report

September 24, 2024

Case No:	ZO-24-01
Request:	Create Article 8.10 (Short-Term Rentals)
Petitioner:	City of Jeffersonville, Planning & Zoning Department

Request

Unified Development Ordinance Text Amendment: Creation of Article 8.10 (Short-Term Rentals)

Case Summary

Recently, there has been much discussion in the community regarding short-term rental properties. Many have expressed concerns with how these properties contribute to the character and vibrancy of the City, particularly in existing neighborhoods. These concerns have grown since Louisville created new regulations on short-term rentals in 2023 which has contributed to a significant increase in such rentals in Jeffersonville.

In August, City Council requested the Department of Planning and Zoning to create an Ordinance facilitating the registration of short-term rentals. That proposed Ordinance is attached.

Required Action

Make a motion to forward this zoning text amendment to the Jeffersonville City Council with one of the following options: **Favorable Recommendation**, **Unfavorable recommendation**, or **No Recommendation**.

Recommended motion

*"I make a motion to forward the ordinance update request ZO-24-01 to the Jeffersonville City Council with **[insert recommendation]** as presented to the Plan Commission on September 24, 2024.*

Attachments

1. Proposed creation of Article 8.10: Short-Term Rentals
2. Proposed definitions to be added to Article 12.

Article Eight

Special Use Standards

Article Eight

Special Use Standards

8.1 Introduction

The following standards have been created for specific uses throughout the City. These standards apply regardless of zone district, whether the use is permitted by right, special exception, or use variance. The intent of this section is to protect the health, safety, morals, and general welfare of the community from the potential negative impacts of these uses.

Contents of this Article

Article #	Use
8.2	Accessory Dwelling Units
8.3	Adult Entertainment
8.4	Automotive Uses (Auto Repair, Auto Sales, Parts Sales, Gas Stations, etc.)
8.5	Fireworks Sales
8.6	Home Occupations
8.7	Mobile Vendors / Transient Merchants
8.8	Multi-family Housing
8.9	Non-Commercial Livestock
8.10	Short Term Rentals
8.11	Substance Abuse Treatment
8.12	Telecommunication/Wireless Facilities
8.13	Temporary Uses
8.14	Vehicle Charging Stations

8.2 Accessory Dwelling Standards (AD)

AD-01 General Intent:

The intent of the Accessory Dwelling standards is to provide standards on accessory dwelling units (ADU's), while ensuring the character and intent, as well as preserving the health, safety, and welfare of the zoning districts in which they are located.

AD-02 Accessory Dwelling Unit Standards

A. General Standards.

1. An Accessory Dwelling Unit shall meet the applicable standards in the subject zoning district for accessory structures (if detached) or primary structures (if attached). These standards are found on the 2-page layouts for zoning districts in Article 3.
2. An accessory dwelling unit shall not be built on a parcel prior to the construction of the primary structure (dwelling unit).
3. A detached Accessory Dwelling shall not be permitted to have its own accessory structures; all accessory structures on the lot shall be considered an accessory to the primary structure.

B. Permits: An Improvement Location Permit shall be required prior to the construction or conversion of an Accessory Dwelling. The planning department shall review all applications for compliance with standards before granting of any permit.

C. Types: No manufactured homes, shipping containers, recreational vehicles, semi-tractor trailer, boat, motor vehicle, or trailer, in part or in whole shall be used as an accessory dwelling unit.

D. Maintenance: All Accessory Dwellings shall be properly maintained and kept in good condition.

Short-Term Rentals (STR)

8.10 Short-Term Rentals (STR)

STR-01 General Intent and Description

- A. The intent of the Short-Term Rental provisions is to protect the health, safety, and general welfare of the citizens of the City by requiring the registration and regulation of short-term rentals within the City. These standards are intended to ensure compatibility between short-term rentals and the residential character of the surrounding neighborhood. Short-term rentals must meet the standards contained in this section.
- B. For the purpose of this section, two types of short-term rentals (Owner-Occupied and Non-Owner Occupied) have been defined based on the nature of the use. These definitions can be found in Article 12. The specific regulations are listed below.

STR-02 General Provisions

- A. The City shall enforce its ordinances for short-term rentals in the same manner as enforcement of similar properties that are not short-term rentals.
- B. All short-term rentals are subject to the following standards:
 - 1. Rental of the dwelling is done in a manner consistent with the character of the surrounding neighborhood.
 - 2. The appearance of the dwelling must not conflict with the residential character of the neighborhood. The dwelling must be properly maintained and kept in good repair, so the use does not detract from the general appearance of the neighborhood.
 - 3. Renters must not encroach on neighboring properties.
 - 4. The premises must be maintained free of debris and unwholesome substances. Garbage must be kept in a closed container and disposed of on a regular, weekly schedule.
 - 5. Renters must not create a nuisance. For purposes of this chapter, a nuisance includes, but is not limited to, any activity that violates City noise or similar regulations.
 - 6. Short-term rentals must not be used to house sex-offenders; operate a structured sober living home; manufacture, exhibit, distribute, or sell illegal drugs, liquor, pornography, or obscenity; or operate an adult business as defined in IC 12-7-2-1.8.
 - 7. Registration of a short-term rental is required prior to the use of any property as a short-term rental. Any change in the use or construction of a dwelling resulting in noncompliance with City or State standards, as determined by the Zoning Administrator, will void the short-term rental permit approval.

STR-03 Permitted Locations

- A. Owner-occupied short-term rentals shall be allowed in any zone district that allows residential use
- B. Non-owner occupied units shall be allowed in any zone district that allows residential use EXCEPT where the unit:
 - 1. is located in the Downtown and Adjacent Neighborhoods as designated in Appendix C, and
 - 2. is located in an CN, CO, M1, R1, R2, R3, or R4, zoning district.In these areas a special exception is required (see STR-06).

STR-04 Permits

- A. Permits Required:
 - 1. All short-term rentals within the City of Jeffersonville must obtain a permit (this includes owner-occupied units).
 - 2. A permit covers all legal dwelling units located on the property that the owner offers to the public as a short-term rental, including those in accessory structures.
 - 3. Where the owner of a multi-family building is leasing multiple units as short-term rentals, they shall only require one permit.

- B. Application:
 - 1. Applications for a short-term rental permit must be made by the property owner on forms published by the City of Jeffersonville and include appropriate filing fees and documentation.
 - 2. An owner must submit a separate permit application for each property requiring a permit.
 - 3. If the owner is a corporation, partnership, or other legal entity, the permit application must be made by an officer or agent of the owner.
- C. Application requirements:
 - 1. The following information is required at the time of application:
 - a. The owner's name, street address, mailing address, e-mail address, and telephone number. If the owner is a corporation or partnership, the application must require
 - i. owner's state of incorporation or organization; and
 - ii. names, residence addresses, e-mail address, and telephone numbers of the owner's principal officers or partners.
 - b. If a property manager is used, the property manager's name, street address, mailing address, e-mail address, and telephone number.
 - c. A short description of how each of the owner's short-term rentals on the property are marketed or advertised including the following:
 - i. the advertised occupancy limits of each short-term rental.
 - ii. Whether the short-term rental is:
 - 1. a single-family home;
 - 2. a dwelling unit within a single-family home;
 - 3. a dwelling unit in a two-family or multi-family dwelling, or
 - 4. a dwelling unit in a condominium, cooperative, or time share.
 - 2. The Zoning Administrator may waive or relax any of the requirements listed deemed irrelevant or unnecessary for a thorough review of the application.
- D. Permit Issuance:
 - 1. If an owner submits a permit application under this section that meets requirements set forth in this ordinance, the Zoning Administrator shall issue a permit to the owner within thirty (30) days of receipt of the application.
 - 2. Where an application requires a Special Exception or if the permit application is deficient, Staff shall notify the applicant within ten (10) days of receipt of the application.
 - 3. Where a special exception is required, a permit shall not be issued until after the special exception has been granted by the BZA.
 - 4. A permit shall not be issued if it is determined the short-term rental would violate the standards or procedures located in IC 36-1-24-10.
- E. Permit Fee: A non-refundable fee of \$150.00 must accompany each of type of the following short-term rental applications:
 - 1. An initial permit issued to an owner for the permitted property.
 - 2. The issuance of a subsequent permit to an owner for the permitted property after the owner's previous permit has been revoked.
- F. Permit Duration: A short-term rental permit expires one (1) year after the date it is issued
- G. Permit Renewal: The City shall renew Permits for no additional fee. The City will use reasonable efforts to notify owners of short-term rentals thirty (30) days prior to the expiration of their permit.

Short-Term Rentals (STR)

(continued)

- H. Duty to Update Permit Information: If any information provided by an owner to a unit in the permit application changes, the owner shall provide updated information for the unit, in writing, within thirty (30) business days.
- I. Permit Transferability: If an owner sells all or part of a permitted property, the short-term rental permit is not transferable to the new owner. The new owner must submit an application for a new permit. Additionally, if there is a change of ownership, in any capacity or form, the change of ownership initiates the mandatory requirement to submit an application for a new permit.

STR-05 Existing Short-Term Rentals and Non-Conforming Status:

- A. Short-Term Rental units that exist prior to adoption of this ordinance **and** do not meet the location standards listed above shall be considered legal non-conforming.
- B. All such units shall register with the City within 120 days after the effective date of this ordinance [insert date] or they will lose their legal non-conforming status and will need to go through the Special Exception process as noted in Article 12.
- C. Failure to renew a Short-Term Rental permit within 6 months of the permit's expiration date will forfeit a property's non-conforming status.

STR-06 Violations:

- A. Any owner and/or their occupant(s) must abide by all applicable state and federal laws and local ordinances, including but not limited to ordinances relating to parking, noise, and maximum occupancy limitations. Violation of any applicable local ordinance and/or state and federal laws shall receive a notice of violation and be subject to the appropriate penalties.
- B. Operation without a permit: A property owner who has failed obtain a permit for their short-term rental shall be found in violation of this Ordinance and shall be subject to fines and penalties found in Article 11.9 of this Ordinance until such property is registered.
- C. Violation of Special Exception Requirements: A property owner that is found to have established a short-term rental without receiving the necessary Special Exception shall be found in violation of this Ordinance and shall be subject to fines and penalties found in Article 11.9 of this Ordinance.

Article Twelve

Definitions

Retirement Community: An age-restricted development, which may include detached and attached dwelling units, apartments, and may also have a nursing home component.

ROW: See Right-of Way.

Road: See Street.

Salvage Yard: A place, usually outdoors, where waste or discarded used property, including but not limited to automobiles, farm implements and trucks, is accumulated and is or may be salvaged for reuse or resale. This does not include industrial scrap metal or accumulation of organic matter.

Satellite Dish/Antenna: An apparatus capable of receiving communications from a transmitter relay located in a planetary orbit, or broadcasted signals from transmitting towers.

School, elementary/secondary: A public or private institution which offers instruction in any branches of learning. These institutions include elementary, middle, junior high, and high schools.

School, higher education (campus): An educational facility which offers instruction for post-secondary education. This type of facility shall have multiple education buildings, and can include housing for full-time attendees.

School, higher education (single facility): An educational facility which offers instruction generally specific to a trade, business, or commercial endeavor. This facility is limited to one building on the subject property.

Setback: The minimum horizontal distance between the building line and a lot line or right-of-way.

Short-Term Rental: As pursuant to IC 36-1-24-6, means the rental of:

- (1) a single-family home;
- (2) a dwelling unit in a single-family home;
- (3) a dwelling unit in a two-family or multifamily dwelling; or
- (4) a dwelling unit in a condominium, cooperative, or time share;

for terms of less than thirty (30) days at a time through a short-term rental platform. The term includes a detached accessory structure, including a guest house, or other living quarters that are intended for human habitation, if the entire property is designated for a single-family residential use. The term does not include property that is used for any nonresidential use.

The following shall not constitute a short-term rental:

- (a) Family occupancy: Any member of a family and the family's guests may occupy a dwelling as long as owned by the family. Family occupancy extends to guest houses or similarly separate dwellings legally located on the same premises as the primary building and used without remuneration to the owner.
- (b) House sitting: During the temporary absence of the owner and the owner's family, the owner may permit non-owner occupancy without remuneration to the owner.
- (c) Dwelling sales: Occupancy of up to 90 days after closing by a prior owner after the sale of a dwelling is permitted.
- (d) Estate representative: Occupancy by a personal representative, trustee, or guardian of the estate, with or without remuneration is permitted.

Short-Term Rental, Owner-Occupied: A property that is the owner's primary residence and is offered to the public as a short-term rental, pursuant to IC 36-1-24-3. For the purposes of short-term rental permits, a property owner may only identify one property they own as their primary residence.

Short-Term Rental, Non-Owner-Occupied: A property that is not the owner's primary residence and is offered to the public as a short-term rental, pursuant to IC 36-1-24-3.

Short-Term Rental Platform: an entity that provides an online platform through which unaffiliated parties offer a short-term rental to an occupant and collects fees for the rental from the occupant, pursuant to IC 36-1-24-7.

Side Lot Line: A lot boundary line other than a front or rear lot line. (SEE GRAPHIC UNDER "SIDE YARD")

Side Yard: The horizontal space between the nearest foundation of a building to the side lot line.