

ORDINANCE NO. 101 - 2025

AN ORDINANCE AMENDING THE LEXINGTON-FAYETTE COUNTY ZONING ORDINANCE AS FOLLOWS: AMENDING SECTION 3-13(b) AND APPENDIX SECTION 22A-3(d) AND CREATING APPENDIX SECTIONS 22A-3(c)(5), 22B-5(b)(11), 22B-5(c)(11), AND 22C-4(a)(23), ALL IN ORDER TO ALLOW SHORT TERM RENTALS IN THE PLANNED UNIT DEVELOPMENT (PUD-1, PUD-2, PUD-3) ZONES. (URBAN COUNTY COUNCIL).

WHEREAS, the Lexington-Fayette Urban County Planning Commission considered at a meeting on October 23, 2025, amendments to the text of Section 3-13(b) and Appendix Section 22A-3(d) and additional text proposed as Appendix Sections 22A-3(c)(5), 22B-5(b)(11), 22B-5(c)(11), and 22C-4(a)(23) all in order to allow Short Term Rentals in the Planned Unit Development (PUD-1, PUD-2, PUD-3) zones. The Planning Commission did recommend approval of the text amendments by a vote of 9-0; and

WHEREAS, this Council agrees with the recommendation of the Planning Commission; and

WHEREAS, the recommendation of the Planning Commission is attached hereto and incorporated by reference herein.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That Article 3-13(b) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to read as follows:

(b) Except as limited by subsections (k) and (l), the number of Dwelling Units allowed to be utilized as Short Term Rentals per Property:

Zones Allowed	Hosted (Occupancy up to 10)	Hosted (Occupancy >10)	Un-Hosted	# of Dwellings on Property allowed as Short Term Rental Units
Single Family Lots ¹				
R-1A, R-1B, R-1C, R-1D, R-1E, R-1T, R-2, R-3, R-4, R-5, EAR-1, EAR-2, EAR-3, PUD-1, PUD-2	Accessory Use	Conditional Use	Conditional Use	1 dwelling unit or 1 ADU
A-R**	Conditional Use	Conditional Use	Conditional Use (with a maximum size of 10 acres)	Hosted: 1 dwelling unit or 1 FEDU** Or: Un-Hosted: 1 dwelling unit
A-N, ** A-B**	Conditional Use	Conditional Use	Prohibited	Hosted: 1 dwelling unit or 1 FEDU
Multi-Family and Group Residential Lots ²				

R-1T, R-2, R-3, R-4, R-5, EAR-1, EAR-2, EAR-3, CN, PUD-1, PUD-2	Accessory Use	Conditional Use	Conditional Use	10% max or 1, whichever is greater
B-1, P-1, MU-1, MU-2, MU- 3	Accessory Use	Accessory Use	Principal Use	25% max. or 1, whichever is greater
B-2, B-2A, B-2B, B-4*, I-1*, I-2*, CC, B-6P, MU-3*, PUD-3	Principal Use	Principal Use	Principal Use	No max.

¹Single Family Lots may include either a detached dwelling unit or a subdivided attached dwelling unit as a principal structure.

²Multi-Family and Group Residential Lots may include condominiums and attached single family dwelling units on one lot.

*When part of an Adaptive Reuse Project, Industrial Reuse Project, or Entertainment Mixed Use Project

**Properties in the A-R, A-B, and A-N zone may be subject to other regulations and restrictions that impact the ability to operate short term rental uses.

Section 2 – That Appendix Section 22A-3(c) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to create the following as subsection (c)(5):

5. Hosted Short Term Rentals for 10 or fewer occupants, as regulated by Article 3-13 of the Zoning Ordinance

Section 3 – That Appendix Section 22A-3(d) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to read as follows:

- (d) Conditional Uses. Home occupations and Un-Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants shall be the only conditional uses permitted upon approval by the Board of Adjustment.

Section 4 – That Appendix Section 22B-5(b) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to create the following as subsection (b)(11):

11. Hosted Short Term Rentals for 10 or fewer occupants, as regulated by Article 3-13 of the Zoning Ordinance

Section 5 – That Appendix Section 22B-5(c) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to create the following as subsection (c)(11):

11. Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants, as regulated by Article 3-13 of the Zoning Ordinance.

Section 6 – That Appendix Section 22C-4(a) of the Lexington-Fayette Urban County Government Zoning Ordinance be and hereby is amended to create the following as subsection (a)(23):

23. Hosted or Un-Hosted Short Term Rentals, as regulated by Section 3-13 of the Zoning Ordinance.

Section 7 – That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: November 20, 2025



MAYOR

ATTEST:



CLERK OF URBAN COUNTY COUNCIL

PUBLISHED: November 28, 2025-1t

1075-25:bgs:4926-8031-5001, v. 1

Rec'd by _____

Date: _____

RECOMMENDATION OF THE
URBAN COUNTY PLANNING COMMISSION
OF LEXINGTON AND FAYETTE COUNTY, KENTUCKY

IN RE: **PLN-ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE TO ADD SHORT-TERM RENTALS** – a text amendment to allow short-term rentals in the PUD-3 zone.

Having considered the above matter on **October 23, 2025**, at a Public Hearing, and having voted **9-0** that this Recommendation be submitted to the Lexington-Fayette Urban County Council, the Urban County Planning Commission does hereby recommend **APPROVAL OF THE STAFF ALTERNATIVE TEXT** of this matter for the following reasons:

1. The proposed text amendment results in consistency in how short-term rental (STR) uses are regulated across the urban zones.
2. The proposed text amendment provides enforceable limitations on hosted and un-hosted short-term rentals in order to prevent adverse impacts on the health, safety, and welfare of the local community and visitors to the Urban County

ATTEST: This 7th day of November, 2025.


Secretary, Jim Duncan

Zach Davis
CHAIR

At the Public Hearing before the Urban County Planning Commission, this petitioner was represented by **John Billings, Attorney**

OBJECTORS

None

OBJECTIONS

None

VOTES WERE AS FOLLOWS:

AYES:	(9)	M. Davis, Z. Davis, Michler, Barksdale, Wilson, Penn, Forester, Owens, and Worth
NAYS:	(0)	
ABSENT:	(1)	Nicol
ABSTAINED:	(0)	
DISQUALIFIED:	(1)	J. Davis

Motion for **APPROVAL OF THE STAFF ALTERNATIVE TEXT** of **PLN-ZOTA-25-00016** carried.

Enclosures: Application
Letter of Justification
Applicant's proposed text
Staff Report and Staff Alternative Text
Planning Commission Recommended Text
Applicable excerpts of minutes of above meeting

GENERAL INFORMATION - Zoning Ordinance Text Amendment Application**1. APPLICANT INFORMATION:**

Name: Turner Property 4, LLC

2. ATTORNEY (Or Other Representative) INFORMATION:

Zach Cato
Billings Law Firm
145 Constitution Street
Lexington, KY 40507

3. REQUESTED TEXT CHANGE:

Amend the PUD-3 zone to allow hosted and unhosted short-term rentals as principally permitted uses.

4. DESCRIBE THE JUSTIFICATION FOR MAKING THIS CHANGE (Use attachment if necessary.):

See attached letter of justification.

BILLINGS LAW FIRM ^{PLLC}
COUNSELORS-AT-LAW

ZACHARY G. CATO, ESQ.
zach.cato@blfky.com

145 Constitution Street
Lexington, Kentucky 40507
(o) (859) 225-5240
(f) (859) 225-5241

August 27, 2025

LFUCG Planning Commission
200 E. Main Street
Lexington, KY 40507

Re: Zone Ordinance Text Amendment – Short Term Rentals in PUD-3

Planning Commission:

My firm is pleased to represent Turner Property 4, LLC (the “*Applicant*”) in its pursuit of this zone text amendment to include the PUD-3 zone in the short-term rentals (“*STR*”) zoning ordinance (Article 3-13) and clarify that STR is a permitted principal use in the PUD-3 zone (Article 22C-4(a)).

HISTORY

The Applicant successfully created the Industrial Redevelopment Planned Unit Development (PUD-3) zone in 2022, and then successfully rezoned the properties located at 125 Turner Commons Way and 1409 N. Forbes Road to PUD-3. During the zone ordinance text amendment process to create PUD-3, the Applicant discussed extensively with staff the vision for the new zone to create a type of mixed-use opportunity to revitalize underutilized former industrial properties that are no longer suited to industrial uses due to their proximity to non-industrial uses.

The original ordinance proposed by the Applicant specified instead “Dwelling units, including without limitation apartments, townhomes, condominiums, and Short-Term Rentals” and provided a definition for “Short-Term Rental” based on then-existing Kentucky law as interpreted by the Supreme Court. At that time, however, LFUCG had not yet adopted a standard definition for STRs, nor had it enacted the STR ordinance (Article 3-13). At the suggestion of Planning Staff, the Applicant revised the language to instead address only “dwelling units” generally, since that is broader and included (at that time) an STR. The final approved ordinance included among the permitted uses “Dwelling units of any kind except as prohibited.”

The Applicant was clear from the beginning about its stated goal for permitting STRs in PUD-3 and specifically on the Applicant’s properties. There are dwelling units shown on all development plans reflecting this use. However, when the STR ordinance was adopted in July 2023, the PUD-3 zone was inadvertently omitted from Section 3-13(b) even though similar

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zones—such as B-4, I-1, MU-1, MU-2, and MU-3—were included. All indications to the Applicant are that PUD-3 was omitted in error and not intentionally excluded, especially in light of the fact that PUD-3 is equally suited to STRs as those similar business, industrial, and mixed-use zones.

The Applicant is in the process of constructing the dwellings which relate to the potential STR use. This zone text amendment is proposed for the purpose of “cleaning up” the STR ordinance to include the PUD-3 as originally envisioned, and to clarify that “dwelling units” as permitted uses in the PUD-3 ordinance includes Short Term Rentals.

GOALS AND OBJECTIVES

The proposed text amendment furthers the Goals and Objectives of the Comprehensive Plan:

- **Theme A: Growing Successful Neighborhoods**
 - **Goal 1: Expand housing choices.**
 - **Objective b:** Accommodate the demand for housing in Lexington responsibly, prioritizing higher-density and mixture of housing types.
 - **Goal 3: Provide well-designed neighborhoods and communities.**
 - **Objective a:** Enable existing and new neighborhoods to flourish through improved regulation, expanded opportunities for neighborhood character preservation, and public commitment to expand options for mixed-use and mixed-type housing throughout Lexington-Fayette County.
- **Theme C: Creating Jobs & Prosperity**
 - **Goal 2: Attract a wide array of employment opportunities that encourage an entrepreneurial spirit, and enhance our ability to recruit and retain a talented, creative workforce by establishing opportunities that embrace diversity, equity, and inclusion in our community.**
 - **Objective d:** Provide entertainment and other quality of life opportunities that attract and retain young, and culturally diverse professionals, and a work force of all ages and talents to Lexington.
- **Theme E: Maintaining a Balance Between Planning for Urban Uses and Safeguarding Rural Land**

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- Goal 1: Uphold the Urban Service Area concept.
 - Objective d: Emphasize redevelopment of underutilized corridors.
 - Objective e: Maximize development on vacant land within the Urban Service Area and promote redevelopment of underutilized land in a manner that enhances existing urban form and/or historic features.

The intent of PUD-3 from its inception was to facilitate redevelopment of underutilized former industrial parcels within the Urban Service Area for a variety of uses, allowing these projects to adapt to community needs over time. That blend of uses encourages potential for live-where-you-work opportunities and adds entertainment, dining, and shopping opportunities for those already living nearby. STRs in PUD-3 enable flexibility to provide the type of dwellings and tenancies which are attractive and desirable. These are all goals which align well with the Comprehensive Plan.

CONCLUSION

These text amendments will enable the PUD-3 zone to include STRs as originally intended and approved by the Council. The dwelling units currently under construction by the Applicant will have flexibility to serve as traditional dwelling units or STRs, which improves the mix of housing types and fulfills the intent of PUD-3 as a type of mixed-use zone that can respond to the needs of Lexington.

The Applicant respectfully requests that the Commission recommend approval of the proposed zone text amendment, as it agrees with the Goals and Objectives of the Comprehensive Plan. Thank you for your time and consideration.

Sincerely,


ZACHARY G. CATO

ENCL.

Sec. 3-13. General regulations for Short Term Rentals (STRs).

[...]

(b) Except as limited by subsections (l) and (m), the number of Dwelling Units allowed to be utilized as Short Term Rentals per Property:

Zones Allowed	Hosted (Occupancy up to 10)	Hosted (Occupancy >10)	Un-Hosted	# of Dwellings on Property allowed as Short Term Rental Units
Single Family Lots¹				
R-1A, R-1B, R-1C, R-1D, R-1E, R-1T, R-2, R-3, R-4, R-5, EAR-1, EAR-2, EAR-3	Accessory Use	Conditional Use	Conditional Use	1 dwelling unit or 1 ADU
A-R**	Conditional Use	Conditional Use	Conditional Use (with a maximum size of 10 acres)	Hosted: 1 dwelling unit or 1 FEDU** Or: Un-Hosted: 1 dwelling unit
A-N,** A-B**	Conditional Use	Conditional Use	Prohibited	Hosted: 1 dwelling unit or 1 FEDU
Multi-Family and Group Residential Lots²				
R-1T, R-2, R-3, R-4, R-5, EAR-1, EAR-2, EAR-3, CN	Accessory Use	Conditional Use	Conditional Use	10% max or 1, whichever is greater
B-1, P-1, MU-1, MU-2, MU-3	Accessory Use	Accessory Use	Principal Use	25% max. or 1, whichever is greater

B-2, B-2A, B-2B, B-4*, I-1*, I-2*, CC, B-6P, <u>PUD-3</u> , MU-3*	Principal Use	Principal Use	Principal Use	No max.
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¹Single Family Lots may include either a detached dwelling unit or a subdivided attached dwelling unit as a principal structure.

²Multi-Family and Group Residential Lots may include condominiums and attached single family dwelling units on one lot.

*When part of an Adaptive Reuse Project, Industrial Reuse Project, or Entertainment Mixed Use Project

**Properties in the A-R, A-B, and A-N zone may be subject to other regulations and restrictions that impact the ability to operate short term rental uses.

[...]

Sec. 22C-4. – Permitted uses.

The following uses shall be permitted in the PUD-3 zone.

(a) *Principal Permitted Uses.* Other uses substantially similar to those listed herein shall also be deemed permitted.

[...]

23. Hosted or Un-Hosted Short Term Rentals, as regulated in Section 3-13 of the Zoning Ordinance.

**STAFF REPORT ON PETITION FOR ZONING ORDINANCE TEXT AMENDMENT****PLN-ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE TO ADD SHORT-TERM RENTALS**

INITIATED BY: Turner Property 4, LLC

PROPOSED TEXT: SEE ATTACHED (Note: **Red** text indicates the original initiation language; **Blue** text represents subsequent edits, and text ~~stricken through~~ indicates a deletion.)**STAFF REVIEW:**

Within this Zoning Ordinance Text Amendment request, the applicant is seeking to expand short term rental uses to the Planned Unit Development (PUD) zones. The PUD zones are unique zoning districts that encourage innovative design which may not be accomplished using traditional zoning practices. These zones are often designed to be site-specific, and feature differing uses and development standards than their standard zoning counterparts. Currently, a total of three PUD zones exist within the Zoning Ordinance. The Residential Planned Unit Development (PUD-1) zone dates to before the 1983 Zoning Ordinance and was designed to accommodate future residential growth. The PUD-2 zone, the Luigart Planned Unit Development, was established in 2014, and was centered around implementing recommendations of the 2009 Central Sector Small Area Plan and the 2011 North Limestone Sustainability Plan. This development emphasized live-work, mixed-use development, and adaptive reuse within an existing neighborhood context.

In 2022, the Industrial Redevelopment Planned Unit Development (PUD-3) zone was created at the request of the applicant. This zone was intended to create mixed-use developments that are centered around repurposing industrial areas into entertainment, commercial, and residential uses. The allowable uses within the zone were proposed by the applicant at the time of the initial ZOTA, which include uses such as restaurants, retail sales establishments, distilleries, hotels, and residential uses. At the time that the PUD-3 zone was created, Lexington had not yet created any defined standards within the Zoning Ordinance explicitly governing short term rentals. Lexington eventually codified standards for STR in the urban zones, and later updated those efforts with a subsequent ZOTA in the following year (ZOTA-23-00001; ZOTA-24-00007). That same year, another effort was made to create a specialized framework for STR in the rural zones (ZOTA-24-00009). These text amendments did not address the PUD zones; as a result, the PUD zones currently are one of the few zones that do not feature any allowances for short term rentals.

APPLICANT'S TEXT AMENDMENT PROPOSAL

The applicant's intent is to update the zoning regulations to allow for short term rental uses to operate in the PUD-3 zone in the same manner as short term rentals are allowed to operate within the other more intense commercial zones. Below are summaries of the proposed changes to the Zoning Ordinance, organized by section.



Article 3 – GENERAL PROVISIONS AND DEFINITIONS

The applicant's proposal modifies the table in Section 3-13(b) to add the PUD-3 zone to the same use allowance categories as the downtown, commercial center, and industrial zones. Under this framework, short term rentals within the PUD-3 zone would be principal uses, with no limits on the maximum number of dwellings within a particular property that could be utilized for short term rental.

Article 22– PLANNED UNIT DEVELOPMENT (PUD) ZONES

The applicant's proposal alters Appendix 22C-4 to add *"Hosted or Un-Hosted Short Term Rentals, as regulated in Section 3-13 of the Zoning Ordinance"* as a principally permitted use within the PUD-3 Zone.

EVALUATION

The intent behind the PUD-3 Zone is to encourage the redevelopment of areas that were used for traditional industrial purposes but over time have become less suited to traditional industrial uses due to their proximity to non-industrial uses. The zone allows dwelling units of all kinds, as well as short term accommodations such as hotels, as principal uses. Due to the current allowance for substantially similar uses, Staff agrees with the applicant that short term rental of dwelling units would be appropriate within the zone.

STAFF ALTERNATIVE TEXT AMENDMENT PROPOSAL

While Staff agrees with the applicant's proposed text, Staff also recommends that the other two Planned Unit Development zones, the PUD-1 and the PUD-2 zones, also be updated to allow for short term rental use at this time. Unlike the PUD-3, the PUD-1 and PUD-2 zones are primarily oriented towards residential uses. Staff recommends that these two zones be incorporated into the STR use table in Article 3-13 along with the other residential uses.

The Staff Alternative text amends the applicant's proposed text in the following ways:

Article 3 – GENERAL PROVISIONS AND DEFINITIONS

The Staff alternative text further modifies the table in Article 3-13(b) to add the PUD-1 and PUD-2 zones to the same categories as the residential zones.

Article 22– PLANNED UNIT DEVELOPMENT (PUD) ZONES

The Staff alternative proposal alters the to add *"Hosted Short Term Rentals for 10 or fewer occupants, as regulated in Article 3-13 of the Zoning Ordinance"* as accessory uses, and *"Un-Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants, as regulated by Article 3-13 of the Zoning Ordinance"* as conditional uses use within the PUD-1 and PUD-2 zones.

The proposed Staff alternative text is attached for further review and consideration.

The Staff Recommends: **Approval of the Staff Alternative Text**, for the following reasons:



1. The proposed text amendment results in consistency in how short term rental(STR) uses are regulated across our urban zones.
2. The proposed text amendment provides enforceable limitations on hosted and un-hosted short term rentals in order to prevent adverse impacts on the health, safety, and welfare of the local community and visitors to the Urban County.

DAC/TLW

9/3/2025

Planning Services/Staff Reports/ZOTA/2025/PLN-ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE TO ADD SHORT-TERM RENTALS



Staff Alternative Text

**ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3)
ZONE TO ADD SHORT-TERM RENTALS**

October 15, 2025

Sec. 3-13. General regulations for Short Term Rentals (STRs).

(a) All short term rentals shall be licensed by the Division of Revenue and subject to the regulations of Section 13 of the Code of Ordinances.

(b) Except as limited by subsections (l) and (m), the number of Dwelling Units allowed to be utilized as Short Term Rentals per Property:

Zones Allowed	Hosted (Occupancy up to 10)	Hosted (Occupancy >10)	Un-Hosted	# of Dwellings on Property allowed as Short Term Rental Units
Single Family Lots¹				
R-1A, R-1B, R-1C, R-1D, R- 1E, R-1T, R-2, R-3, R-4, R- 5, EAR-1, EAR-2, EAR-3, <u>PUD-1,</u> <u>PUD-2,</u>	Accessory Use	Conditional Use	Conditional Use	1 dwelling unit or 1 ADU
A-R**	Conditional Use	Conditional Use	Conditional Use (with a maximum size of 10 acres)	Hosted: 1 dwelling unit or 1 FEDU** Or: Un-Hosted: 1 dwelling unit
A-N, ** A-B**	Conditional Use	Conditional Use	Prohibited	Hosted: 1 dwelling unit or 1 FEDU
Multi-Family and Group Residential Lots²				
R-1T, R-2, R-3, R-4, R-5, EAR-1, EAR-2, EAR-3, CN <u>PUD-1, PUD-2,</u>	Accessory Use	Conditional Use	Conditional Use	10% max or 1, whichever is greater
B-1, P-1, MU-1, MU-2, MU- 3	Accessory Use	Accessory Use	Principal Use	25% max. or 1, whichever is greater
B-2, B-2A, B-2B, B-4*, I-1*, I-2*, CC, B-6P, MU-3*, <u>PUD-3</u>	Principal Use	Principal Use	Principal Use	No max.

¹Single Family Lots may include either a detached dwelling unit or a subdivided attached dwelling unit as a principal structure.

²Multi-Family and Group Residential Lots may include condominiums and attached single family dwelling units on one lot.

*When part of an Adaptive Reuse Project, Industrial Reuse Project, or Entertainment Mixed Use Project

**Properties in the A-R, A-B, and A-N zone may be subject to other regulations and restrictions that impact the ability to operate short term rental uses.

PUD-1 ZONE

Sec. 22A-3. - Permitted uses.

The following uses shall be permitted in the PUD-1 zone. All uses other than those specifically listed as permitted uses or substantially similar to the permitted uses shall be prohibited.

- a) **Principal Permitted Uses.** The primary principal permitted uses shall be single-family, two-family, townhouse, and multifamily dwelling units. In addition the following uses shall be permitted, provided that the aggregate total lot area for such uses does not exceed fifteen percent (15%) of the total lot area of the Planned Unit Development.
 - 1. Kindergartens, nursery schools, day nurseries and childcare centers for four (4) or more children. For any lot or property which will also be used for residential purposes no more than twelve (12) children shall be permitted. All kindergartens, nursery schools, day nurseries and childcare centers shall provide a fenced and screened play lot which shall contain not less than twenty-five (25) square feet per child.
 - 2. Places of religious assembly
 - 3. Nursing homes and personal care facilities.
 - 4. Schools for academic instruction.
- b) **Other Permitted Uses.** Within a Planned Unit Development containing at least one hundred (100) gross acres and not less than six hundred (600) total dwelling units, a restricted commercial use shall be permitted within the PUD-1 zone in conformance with the following provisions:
 - 1. The Commercial Area(s) shall be designated on the required development plans. Residential and non-residential uses may be provided within the same structure, provided that such uses are not located on the same floor, or separate entrances are provided.
 - 2. Permitted uses and off-street parking shall be as provided for principal permitted uses in the B-1 zone.
 - 3. The Commercial Area shall be located on a continuous public collector street, but shall not be closer than two thousand (2,000) feet (measured along the collector street) to any principal or minor arterial street.
 - 4. The total land area for the commercial use shall not exceed two (2) acres in size, or one percent (1%) of the gross land area within the Planned Unit Development, whichever is the greater acreage.
 - 5. The Commercial Area shall be in keeping with the overall design of the Planned Unit Development, provide primarily for the needs of the residents of the development, and visually harmonize with the residential areas within the Planned Unit Development.

6. No building permits may be issued for structures designated for commercial uses until occupancy permits have been issued for at least fifty percent (50%) of the total residential dwelling units contained within the Planned Unit Development.
- c) Accessory Uses. The following uses are permitted when incidental and subordinate to principal permitted uses:
1. Private garages, storage sheds and parking areas.
 2. Swimming pools, tennis courts, clubhouses and other private or common use open space and recreational areas.
 3. Agricultural uses, excluding commercial stock raising.
 4. Home office.
 5. Hosted Short Term Rentals for 10 or fewer occupants, as regulated in Article 3-13 of the Zoning Ordinance
- d) Conditional Uses. Home occupations and Un-Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants shall be the only conditional uses permitted upon approval by the Board of Adjustment.

PUD-2 ZONE

Sec. 22B-5. - Permitted uses.

The following uses shall be permitted in the PUD-2 zone. All uses other than those specifically listed as permitted uses or substantially similar to the permitted uses shall be prohibited.

a) Principal Permitted Uses.

- 1) Live/work space.
- 2) Dwelling units.
- 3) Artist studios.
- 4) Artisan food and beverage production.
- 5) Artisan manufacturing.
- 6) Digital makerspace.
- 7) Urban agriculture.
- 8) Visiting artist housing.
- 9) Libraries, museums, art galleries and reading rooms.
- 10) Community centers.
- 11) Places of religious assembly.
- 12) Indoor theaters.
- 13) Tattoo parlors.
- 14) Shoe repair, clothing alterations and tailoring services.
- 15) Beauty shops and barber shops.
- 16) Radio and television studios.
- 17) Banks and financial institutions, without drive-through facilities.
- 18) Offices for business, professional, governmental, civic, social, fraternal, political, religious and charitable organizations.
- 19) Establishments for the retail sale of food products.
- 20) Establishments for the retail sale of merchandise as permitted in the B-1 zone, unless prohibited by Subsection (d) of this section.
- 21) Common use open space and recreational areas.

b) Accessory Uses. The following uses are permitted when incidental and subordinate to principal permitted uses:

- 1) Private garages, off-street parking areas and storage sheds, only if accessory to a principally permitted use which does not contain a principal structure; such as, but not limited to, an Urban Agriculture use.
- 2) Swimming pools, tennis courts, clubhouses and other private or common use open space and recreational areas.
- 3) Private, non-commercial parks and open space.
- 4) A ground-mounted satellite dish antenna, as regulated by Section 15-8.
- 5) Family childcare for up to six (6) children, provided that the total number of children living or being cared for on the property shall not exceed six.
- 6) One (1) or two (2) pool or billiard tables within an establishment.
- 7) Sale of finished products related or incidental to the principal use.
- 8) Accessory dwelling units.
- 9) Temporary structures designed for use or occupancy for up to sixty (60) days per 12-month period on a single property, calculating said period by cumulative consideration of the use of any and all such structures on a single property.
- 10) Sidewalk cafes, when accessory to any permitted restaurant.

11) Hosted Short Term Rentals for 10 or fewer occupants, as regulated in Article 3-13 of the Zoning Ordinance

c) Conditional Uses. Permitted only with Board of Adjustment approval:

- 1) Parking areas.
- 2) Family childcare for seven (7) and not more than twelve (12) children. A fenced outdoor play area shall be provided, which shall contain not less than twenty-five (25) square feet per child.
- 3) Restaurants and brew-pubs, except as prohibited under Section 8-16(e)(14) and (15). This does not include drive-in restaurants.
- 4) The sale of malt beverages, wine or alcoholic beverages, when accessory to a restaurant permitted herein.
- 5) Indoor or outdoor live entertainment and/or dancing, when accessory to a restaurant or brew-pub. Indoor uses shall be sound-proofed to the maximum extent feasible by using existing technology, with noise or other emissions not creating a nuisance to the surrounding neighborhood. The Board may also impose time and other restrictions to minimize nuisance to the surrounding neighborhood.
- 6) Cocktail lounges or nightclubs unless prohibited under Section 8-16(e)(14) and (15).
- 7) Temporary structures designed for use or occupancy for sixty-one (61) to one hundred eighty (180) days per twelve (12)-month period on a single property, calculating said

period by cumulative consideration of the use of any and all such structures on a single property.

- 8) Retail sales not otherwise permitted herein.
- 9) Private clubs or banquet facilities.
- 10) Kindergartens, nursery schools, day nurseries and childcare centers for four (4) or more children. For any lot or property which will also be used for residential purposes, no more than twelve (12) children shall be permitted. All kindergartens, nursery schools, day nurseries and childcare centers shall provide a fenced outdoor play area, which shall contain not less than twenty-five (25) square feet per child.

11) Un-Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants, as regulated by Article 3-13 of the Zoning Ordinance

- d) Prohibited Uses. All uses other than those listed as principal, accessory or conditional uses, or substantially similar to principal, accessory or conditional uses shall be prohibited. The uses below are provided for illustration purposes and for the purpose of limiting permitted uses, and are not intended to be a total listing of all the uses that are prohibited.

- 1) Drive-through facilities.
- 2) Beer, liquor and wine stores.
- 3) General contractors, such as plumbing; heating; carpentry and cabinet shops; masonry; plastering; electrical; tile and terrazzo work; electroplating; drilling; excavating; wrecking; construction and paving. This is not intended to prohibit the administrative offices of such.

PUD-3 ZONE

Sec. 22C-4. - Permitted uses.

The following uses shall be permitted in the PUD-3 zone.

(a) Principal Permitted Uses. Other uses substantially similar to those listed herein shall also be deemed permitted.

- 1) The principal permitted uses in the I-1 zone except as expressly prohibited in this Article.
- 2) Artisan food and beverage production (as defined in the PUD-2 zone)
- 3) Artisan manufacturing (as defined in the PUD-2 zone).
- 4) Dwelling units of any kind except as prohibited.
- 5) Schools; libraries; museums; art galleries; studios for work or teaching of fine arts, metal work, photography, dance, drama or theater; and theaters, including movie theaters and other indoor amusements, including without limitation live entertainment and event facilities, billiard or pool halls, bowling alleys, dance halls, skating rinks, arcades, pinball, miniature golf, and similar activities.
- 6) Outdoor amusement or entertainment enterprises such as circuses, carnivals, rodeos, horse shows or automobile shows; provided such activity is operated on a temporary basis, not to exceed two weeks
- 7) Community centers, places of religious assembly and private clubs.
- 8) Restaurants, with or without outdoor seating and with or without live entertainment.
- 9) Establishments for the retail sale of food, dairy, bakery, meat, beer, liquor, wine and other food products; the retail sale of merchandise, including new or used clothing and books, gifts, toys, antiques, furnishings, housewares, jewelry, electronics, and other goods.
- 10) Pharmacies.
- 11) Banquet facilities or private clubs with or without live entertainment, brewpubs, bars, cocktail lounges and nightclubs
- 12) Offices, banks, and clinics, including medical and dental offices, clinics, and laboratories.
- 13) Beauty shops, barbershops, shoe repair, dressmaking, or tailoring.
- 14) Hotels, inns, and bed-and-breakfasts.
- 15) Health clubs, athletic clubs, and spas.

- 16) Retail sales of plant, nursery or greenhouse products or agricultural products, produce or goods, including market gardens.
- 17) Kindergartens, nursery schools and child care centers for four (4) or more children. A fenced and screened play area shall be provided, which shall contain at least 25 square feet per child.
- 18) Parks, open space, greenspace, and recreational areas.
- 19) Radio, television, and similar media studios.
- 20) Special events space (including social and business purposes), meeting rooms, and conference rooms.
- 21) Animal grooming facilities.
- 22) Offices of veterinarians, animal hospitals or clinics, provided that:
 - a. All exterior walls are completely soundproofed;
 - b. Animal pens are located completely within the principal building; and
 - c. Boarding is limited to only animals receiving medical treatment.
- 23) Hosted or Un-Hosted Short Term Rentals, as regulated in Section 3-13 of the Zoning Ordinance.

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ARTICLE 3 – GENERAL ZONE REGULATIONS

Sec. 3-13. General regulations for Short Term Rentals (STRs).

- (a) All short term rentals shall be licensed by the Division of Revenue and subject to the regulations of Section 13 of the Code of Ordinances.
- (b) Except as limited by subsections (l) and (m), the number of Dwelling Units allowed to be utilized as Short Term Rentals per Property:

Zones Allowed	Hosted (Occupancy up to 10)	Hosted (Occupancy >10)	Un-Hosted	# of Dwellings on Property allowed as Short Term Rental Units
Single Family Lots¹				
R-1A, R-1B, R-1C, R-1D, R-1E, R-1T, R-2, R-3, R- 4, R-5, EAR-1, EAR-2, EAR-3, <u>PUD-1, PUD-2</u>	Accessory Use	Conditional Use	Conditional Use	1 dwelling unit or 1 ADU
A-R**	Conditional Use	Conditional Use	Conditional Use (with a maximum size of 10 acres)	Hosted: 1 dwelling unit or 1 FEDU** Or: Un-Hosted: 1 dwelling unit
A-N, ** A-B**	Conditional Use	Conditional Use	Prohibited	Hosted: 1 dwelling unit or 1 FEDU
Multi-Family and Group Residential Lots²				
R-1T, R-2, R-3, R-4, R- 5, EAR-1, EAR-2, EAR- 3, CN, <u>PUD-1, PUD-2,</u>	Accessory Use	Conditional Use	Conditional Use	10% max or 1, whichever is greater
B-1, P-1, MU-1, MU-2, MU- 3	Accessory Use	Accessory Use	Principal Use	25% max. or 1, whichever is greater
B-2, B-2A, B-2B, B-4*, I- 1*, I-2*, CC, B-6P, MU- 3*, <u>PUD-3</u>	Principal Use	Principal Use	Principal Use	No max.

¹Single Family Lots may include either a detached dwelling unit or a subdivided attached dwelling unit as a principal structure.

²Multi-Family and Group Residential Lots may include condominiums and attached single family dwelling units on one lot.

*When part of an Adaptive Reuse Project, Industrial Reuse Project, or Entertainment Mixed Use Project

**Properties in the A-R, A-B, and A-N zone may be subject to other regulations and restrictions that impact the ability to operate short term rental uses.

APPENDIX 22A. RESIDENTIAL PLANNED UNIT DEVELOPMENT (PUD-1) ZONE

Sec. 22A-3. Permitted uses.

The following uses shall be permitted in the PUD-1 zone. All uses other than those specifically listed as permitted uses or substantially similar to the permitted uses shall be prohibited.

- (a) *Principal Permitted Uses.* The primary principal permitted uses shall be single-family, two-family, townhouse, and multifamily dwelling units. In addition the following uses shall be permitted, provided that the aggregate total lot area for such uses does not exceed fifteen percent (15%) of the total lot area of the Planned Unit Development.
 - 1. Kindergartens, nursery schools, day nurseries and childcare centers for four (4) or more children. For any lot or property which will also be used for residential purposes no more than twelve (12) children shall be permitted. All kindergartens, nursery schools, day nurseries and childcare centers shall provide a fenced and screened play lot which shall contain not less than twenty-five (25) square feet per child.
 - 2. Places of religious assembly
 - 3. Nursing homes and personal care facilities.
 - 4. Schools for academic instruction.
- (b) *Other Permitted Uses.* Within a Planned Unit Development containing at least one hundred (100) gross acres and not less than six hundred (600) total dwelling units, a restricted commercial use shall be permitted within the PUD-1 zone in conformance with the following provisions:
 - 1. The Commercial Area(s) shall be designated on the required development plans. Residential and non-residential uses may be provided within the same structure, provided that such uses are not located on the same floor, or separate entrances are provided.
 - 2. Permitted uses and off-street parking shall be as provided for principal permitted uses in the B-1 zone.
 - 3. The Commercial Area shall be located on a continuous public collector street, but shall not be closer than two thousand (2,000) feet (measured along the collector street) to any principal or minor arterial street.
 - 4. The total land area for the commercial use shall not exceed two (2) acres in size, or one percent (1%) of the gross land area within the Planned Unit Development, whichever is the greater acreage.
 - 5. The Commercial Area shall be in keeping with the overall design of the Planned Unit Development, provide primarily for the needs of the residents of the development, and visually harmonize with the residential areas within the Planned Unit Development.
 - 6. No building permits may be issued for structures designated for commercial uses until occupancy permits have been issued for at least fifty percent (50%) of the total residential dwelling units contained within the Planned Unit Development.
- (c) *Accessory Uses.* The following uses are permitted when incidental and subordinate to principal permitted uses:
 - 1. Private garages, storage sheds and parking areas.

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2. Swimming pools, tennis courts, clubhouses and other private or common use open space and recreational areas.
 3. Agricultural uses, excluding commercial stock raising.
 4. Home office.
 5. Hosted Short Term Rentals for 10 or fewer occupants, as regulated in Article 3-13 of the Zoning Ordinance
- (d) Conditional Uses. Home occupations and Un-Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants shall be the only conditional uses permitted upon approval by the Board of Adjustment.

APPENDIX 22B. LUIGART PLANNED UNIT DEVELOPMENT (PUD-2) ZONE

Sec. 22B-5. Permitted uses.

The following uses shall be permitted in the PUD-2 zone. All uses other than those specifically listed as permitted uses or substantially similar to the permitted uses shall be prohibited.

(a) Principal Permitted Uses.

1. Live/work space.
2. Dwelling units.
3. Artist studios.
4. Artisan food and beverage production.
5. Artisan manufacturing.
6. Digital makerspace.
7. Urban agriculture.
8. Visiting artist housing.
9. Libraries, museums, art galleries and reading rooms.
10. Community centers.
11. Places of religious assembly.
12. Indoor theaters.
13. Tattoo parlors.
14. Shoe repair, clothing alterations and tailoring services.
15. Beauty shops and barber shops.
16. Radio and television studios.
17. Banks and financial institutions, without drive-through facilities.
18. Offices for business, professional, governmental, civic, social, fraternal, political, religious and charitable organizations.
19. Establishments for the retail sale of food products.
20. Establishments for the retail sale of merchandise as permitted in the B-1 zone, unless prohibited by Subsection (d) of this section.
21. Common use open space and recreational areas.

(b) Accessory Uses. The following uses are permitted when incidental and subordinate to principal permitted uses:

1. Private garages, off-street parking areas and storage sheds, only if accessory to a principally permitted use which does not contain a principal structure; such as, but not limited to, an Urban Agriculture use.
2. Swimming pools, tennis courts, clubhouses and other private or common use open space and recreational areas.
3. Private, non-commercial parks and open space.
4. A ground-mounted satellite dish antenna, as regulated by Section 15-8.

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5. Family childcare for up to six (6) children, provided that the total number of children living or being cared for on the property shall not exceed six.
6. One (1) or two (2) pool or billiard tables within an establishment.
7. Sale of finished products related or incidental to the principal use.
8. Accessory dwelling units.
9. Temporary structures designed for use or occupancy for up to sixty (60) days per 12-month period on a single property, calculating said period by cumulative consideration of the use of any and all such structures on a single property.
10. Sidewalk cafes, when accessory to any permitted restaurant.

11. Hosted Short Term Rentals for 10 or fewer occupants, as regulated in Article 3-13 of the Zoning Ordinance

(c) *Conditional Uses*. Permitted only with Board of Adjustment approval:

1. Parking areas.
2. Family childcare for seven (7) and not more than twelve (12) children. A fenced outdoor play area shall be provided, which shall contain not less than twenty-five (25) square feet per child.
3. Restaurants and brew-pubs, except as prohibited under Section 8-16(e)(14) and (15). This does not include drive-in restaurants.
4. The sale of malt beverages, wine or alcoholic beverages, when accessory to a restaurant permitted herein.
5. Indoor or outdoor live entertainment and/or dancing, when accessory to a restaurant or brew-pub. Indoor uses shall be sound-proofed to the maximum extent feasible by using existing technology, with noise or other emissions not creating a nuisance to the surrounding neighborhood. The Board may also impose time and other restrictions to minimize nuisance to the surrounding neighborhood.
6. Cocktail lounges or nightclubs unless prohibited under Section 8-16(e)(14) and (15).
7. Temporary structures designed for use or occupancy for sixty-one (61) to one hundred eighty (180) days per twelve (12)-month period on a single property, calculating said period by cumulative consideration of the use of any and all such structures on a single property.
8. Retail sales not otherwise permitted herein.
9. Private clubs or banquet facilities.
10. Kindergartens, nursery schools, day nurseries and childcare centers for four (4) or more children. For any lot or property which will also be used for residential purposes, no more than twelve (12) children shall be permitted. All kindergartens, nursery schools, day nurseries and childcare centers shall provide a fenced outdoor play area, which shall contain not less than twenty-five (25) square feet per child.

11. Hosted Short Term Rentals, and Hosted Short Term Rentals for more than 10 occupants, as regulated by Article 3-13 of the Zoning Ordinance.

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(d) *Prohibited Uses.* All uses other than those listed as principal, accessory or conditional uses, or substantially similar to principal, accessory or conditional uses shall be prohibited. The uses below are provided for illustration purposes and for the purpose of limiting permitted uses, and are not intended to be a total listing of all the uses that are prohibited.

1. Drive-through facilities.
2. Beer, liquor and wine stores.
3. General contractors, such as plumbing; heating; carpentry and cabinet shops; masonry; plastering; electrical; tile and terrazzo work; electroplating; drilling; excavating; wrecking; construction and paving. This is not intended to prohibit the administrative offices of such.

APPENDIX 22C. INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE

Sec. 22C-4. Permitted uses.

The following uses shall be permitted in the PUD-3 zone.

(a) *Principal Permitted Uses.* Other uses substantially similar to those listed herein shall also be deemed permitted.

1. The principal permitted uses in the I-1 zone except as expressly prohibited in this Article.
2. Artisan food and beverage production (as defined in the PUD-2 zone)
3. Artisan manufacturing (as defined in the PUD-2 zone).
4. Dwelling units of any kind except as prohibited.
5. Schools; libraries; museums; art galleries; studios for work or teaching of fine arts, metal work, photography, dance, drama or theater; and theaters, including movie theaters and other indoor amusements, including without limitation live entertainment and event facilities, billiard or pool halls, bowling alleys, dance halls, skating rinks, arcades, pinball, miniature golf, and similar activities.
6. Outdoor amusement or entertainment enterprises such as circuses, carnivals, rodeos, horse shows or automobile shows; provided such activity is operated on a temporary basis, not to exceed two weeks
7. Community centers, places of religious assembly and private clubs.
8. Restaurants, with or without outdoor seating and with or without live entertainment.
9. Establishments for the retail sale of food, dairy, bakery, meat, beer, liquor, wine and other food products; the retail sale of merchandise, including new or used clothing and books, gifts, toys, antiques, furnishings, housewares, jewelry, electronics, and other goods.
10. Pharmacies.
11. Banquet facilities or private clubs with or without live entertainment, brewpubs, bars, cocktail lounges and nightclubs
12. Offices, banks, and clinics, including medical and dental offices, clinics, and laboratories.
13. Beauty shops, barbershops, shoe repair, dressmaking, or tailoring.
14. Hotels, inns, and bed-and-breakfasts.
15. Health clubs, athletic clubs, and spas.
16. Retail sales of plant, nursery or greenhouse products or agricultural products, produce or goods, including market gardens.

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17. Kindergartens, nursery schools and child care centers for four (4) or more children. A fenced and screened play area shall be provided, which shall contain at least 25 square feet per child.
18. Parks, open space, greenspace, and recreational areas.
19. Radio, television, and similar media studios.
20. Special events space (including social and business purposes), meeting rooms, and conference rooms.
21. Animal grooming facilities.
22. Offices of veterinarians, animal hospitals or clinics, provided that:
 - a. All exterior walls are completely soundproofed;
 - b. Animal pens are located completely within the principal building; and
 - c. Boarding is limited to only animals receiving medical treatment.

23. Hosted or Un-Hosted Short Term Rentals, as regulated in Section 3-13 of the Zoning Ordinance.

Note - Mr. J. Davis informed the Commission that he would be recusing himself from the following case, and left the meeting at this time.

C. PUBLIC HEARINGS ON ZONING ORDINANCE TEXT AMENDMENTS

1. **PLN-ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE TO ADD SHORT-TERM RENTALS (3/2/2026)*** – a text amendment to allow short-term rentals in the PUD-3 zone.

INITIATED BY: Turner Property 4, LLC
PROPOSED TEXT: Copies are available from the staff.

The Zoning Committee Recommended: Approval of the Staff Alternative Text.

The Staff Recommends: Approval of the Staff Alternative Text, for the following reasons:

1. The proposed text amendment results in consistency in how short-term rental (STR) uses are regulated across the urban zones.
2. The proposed text amendment provides enforceable limitations on hosted and un-hosted short-term rentals in order to prevent adverse impacts on the health, safety, and welfare of the local community and visitors to the Urban County.

Staff Presentation - Mr. Crum presented the request to allow short-term rentals as a principal use in the PUD-3 zone. He depicted the location of the three existing PUD zones and described them. He briefly explained why the PUD zones had not been considered when the short-term rental regulations were adopted. Additionally, Mr. Crum said that Staff recommended alternative text that included the addition of short-term rentals as a conditional use in the PUD-1 and PUD-2 zones for consistency with the zones that were addressed in the earlier text amendments.

Mr. Penn asked if this was updating the PUD zones. Mr. Crum clarified that this was updating the short-term rental chart that listed the zones and where short-term rentals were allowed. The PUD zones were not listed, but this ZOTA would correct that.

Ms. Worth asked why the PUD-3 was recommended for principal use, but the other two PUD zones were conditional use. Mr. Crum explained that the PUD-1 & PUD-2 zones were primarily residential, but the PUD-3 zone is more of a mixed-use entertainment area and regulated differently, so they would not need that type of restriction of a conditional use or number of units.

Applicant Representation - Attorney Zach Cato was present to represent the applicant. He said that he agreed with the staff alternative text, and had no problem adding the PUD-1 & PUD-2 zones. He asked for approval at this time.

Mr. Penn asked Mr. Cato if he had ever used the PUD-3 zone before, and Mr. Cato replied that his firm requested the ZOTA that created the PUD-3 zone.

Action - Mr. Michler made a motion, seconded by Ms. Barksdale, and carried 9-0 (Nicol absent, J. Davis recused), to approve the staff alternative text of **PLN-ZOTA-25-00016: AMENDMENT TO THE INDUSTRIAL REDEVELOPMENT PLANNED UNIT DEVELOPMENT (PUD-3) ZONE TO ADD SHORT-TERM RENTALS.**

* - Denotes date by which Commission must either approve or disapprove request, unless agreed to a longer time by the applicant.