

**RECOMMENDATIONS for STRs
in the
AGRICULTURAL ZONES
from the
RURAL LAND MANAGEMENT BOARD**

May 7, 2024



LEXINGTON

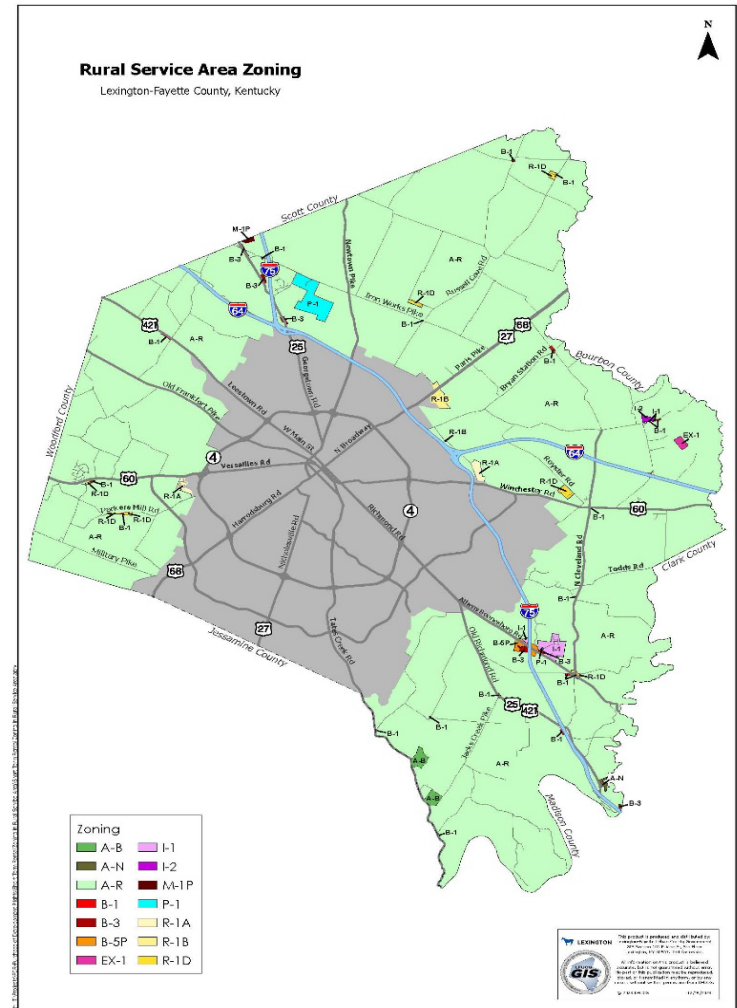


Background

- Recognizing the unique character, opportunities and challenges of allowing STRs in the Agricultural Zones and the Rural Service Area (RSA), Council Members James Brown and Liz Sheehan asked the Rural Land Management Board to review the issue and bring recommendations to the Council.
- Chair Martin assigned this task to the Board's Ordinance Review and Long-Range Planning Committee chaired by Margaret Graves (Conservation Group).
- In addition to Ms. Graves and Chair Martin, committee members included Hannah Emig (Realtor), Philip Meyer (Farm Bureau), Mary Quinn Ramer (VisitLex), Christine Stanley (Historic Preservation), Don Todd (former 12th District Council Member), and Council Member Dave Sevigny (non-voting).
- Staff support was provided by Shaun Denney of Commissioner Horn's Office, Autumn Goderwis of Planning, Tracy Jones and Evan Thompson of the Law Department, and PDR Director, Beth Overman.

Rural Service Area Zoning

- The Rural Area is primarily comprised of the Agricultural-Rural (A-R) Zone as shown in green on this map.
- There are also small areas zoned Ag-Natural (A-N) and Ag-Buffer (A-B).
- These are the three areas for which we are making recommendations.
- The Rural Service Area includes 11 additional land-use zones, as shown on the map, all of which also exist inside the Urban Service Area (USA).
- It is our understanding from the Law Department those 11 zones will be governed by the same zoning regulations as those within the USA.





Research

- The Committee met 7 times from August 2023 to February 2024 to thoroughly study the issue, in addition to several preliminary meetings between the Committee Chair and staff.
- Research included:
 - Gathering data from VisitLex on the number of advertised STRs in the RSA.
 - Conducting a survey of members of the Fayette County Farm Bureau and the Kentucky Thoroughbred Association.
 - Attending Fayette County Neighborhood Association meetings where STRs were discussed.
 - Reviewing STR governance in other cities and municipalities with rural areas.
 - Reviewing the National League of Cities' publication on implementing STR laws.
- The Committee concluded that STRs should be permitted in the Agricultural Zones under certain conditions and restrictions and has provided the following 10 recommendations.
- The Rural Land Management Board approved the Committee's recommendations at its March 27th meeting and agreed to forward them to the Council.



Recommendations #1 and #2

1. All STRs in the Agricultural Zones should be required to obtain a conditional use permit from the Board of Adjustment.
 - Residences in the Rural Service Area (RSA) do not have city sewer services and instead rely on septic tanks.
 - The Board of Adjustment (BOA) should require that all STRs in the RSA provide a certificate from the Health Department stating the septic tank on the property is sufficient to handle the proposed use of the property as an STR before applying for a conditional use permit.
 - The BOA should also require that adequate fire safety measures are in place prior to granting a conditional use. Fire Chief Wells recommends that the location of the nearest fire hydrant be included in the staff report to the BOA.
2. The BOA should consider the number of STRs within a 1-mile radius of the property and no more than 1 STR should be permitted within a 1-mile radius.
 - This is consistent with the 1-mile radius restriction for Bed and Breakfast operations in the Agricultural Zones.



Recommendations #3 and #4

3. Adjacent property owners should be notified of the conditional use permit application as required by existing public notice requirements.
 - This will allow neighbors to voice support or concern and share helpful information with the BOA such as what type of farming takes place next door.
4. Only hosted STRs should be permitted in the Agricultural Zones to ensure that visitors understand the unique challenges of farming, do not disrupt active agricultural operations, and are not injured by livestock.
 - Hosted STRs will give visitors an opportunity to learn about farming and experience the unique attributes of the rural area.
 - It will also bring a measure of safety to both the guests and any livestock residing on the host property or those adjacent to it.



Recommendations #5 and #6

5. Only one STR should be allowed on each property and no newly constructed STRs should be permitted.
 - The primary land use in the Agricultural Zones is, and should remain, agriculture.
 - Because STRs are a commercial non-agricultural use, the number permitted in the Agricultural Zones should be limited.

6. A property owner with an existing Farm Employee Dwelling Unit (FEDU) may apply to the Board of Adjustment for a conditional use permit to convert no more than 1 FEDU per property to an STR.
 - Many parcels in the Ag Zones include multiple residences on one property so hosted STRs will not require the owner and guest to reside in the same house.
 - FEDUs are accessory residences in the Agricultural Zones and can only be occupied by farm employees or family members who work on the farm.



Recommendations #7 and #8

7. Given the dependence on septic tanks and there being no city-provided residential water in the Agricultural Zones, maximum occupancy should be limited to 2 individuals per bedroom.

8. All STRs in the RSA should be required to have onsite parking and lighted entrances that are easily visible from the roadway.
 - This is due to safety concerns on narrow rural roads, the lack of streetlights, and for fire and emergency personnel.
 - Fire Chief Wells said it is very important the address of the property be clearly marked and that the Division of E-911 has the address of each house on the property and knows how to reach it. For example, an STR being in the back of a 200-acre farm.
 - Lighting can include bright ground-level spotlights that clearly illuminate the address.
 - These are requirements the Board of Adjustment can ensure will be included when issuing a conditional use permit.



Recommendations #9 and #10

9. Special events including, but not limited to, weddings, bachelor and bachelorette parties, wedding or baby showers, parties, and family reunions should be limited to the number of participants staying in the STR.
 - This is consistent with the ordinance language governing STRs in the Urban Service Area and should apply in the Agricultural Zones as well.
 - Section 3- 13(f) of the STR ordinance states that “Short Term Rentals shall not be utilized for private events, such as weddings or parties, in which the number of participants exceeds the maximum occupancy limit. No private events shall occur between the hours of 11:00 pm and 7:00 am. Special events for a commercial purpose shall be prohibited at all times.”

10. Only 14 property owners in the Rural Service Area registered their existing STR by the January 11, 2024 deadline. All other STRs in the Agricultural Zones should be subject to the new requirements recommended above and should not be grandfathered in.



PDR Farms and Farmstays

- Most properties in the Purchase of Development Rights (PDR) program will not be permitted to have STRs on their farms because conservation easements prohibit non-agricultural related commercial activities.
- Kentucky law permits “farmstays” as agritourism, and per KRS 219.011(8), "Farmstay" means a bed and breakfast establishment at a farm location whose focus includes agritourism as defined in KRS 247.801.
- Though Lexington’s current zoning laws do not address farmstays, they do permit bed and breakfast facilities in the Agricultural Zones.
- Since farmstays involve overnight stays where the guests engage in agricultural activities, it may be possible that a certain subset of PDR properties may be eligible to host farmstays, as language in the PDR federal easement template since 2020 permits commercial agritourism.
- Farmstays may be an avenue to allow greater access to farm properties while protecting existing agricultural activities.
- The Rural Land Management Board will review any requests by landowners to have an STR on their property by reviewing the applicable easement language for the property and current laws.

Conclusion

- STRs in the Agricultural Zones offer a great opportunity for educational and leisure experiences if governed correctly.
- The Conditional Use Permit process through the BOA is paramount for health and safety reasons.
- All STRs must be clearly marked and accessible to our fire and emergency personnel.
- Consistency with the B&B ordinance language allowing 1 per mile helps to ensure housing is primarily used for agriculture and residential use and does not further contribute to a housing shortage.
- The Rural Land Management Board appreciates the opportunity to provide feedback on this issue.





Questions?



Contact Information

Beth Overman

Purchase of Development Rights Director

eoverman@lexingtonky.gov