SHORT-TERM RENTALS UPDATE

Wes Holbrook, Director, Division of Revenue

Wednesday, July 1, 2026

General Government and Planning Committee

LEXINGTON

Short-Term Rental Ordinance and Policy Timeline

- Short-Term Rental (STR) Ordinance passed July 11, 2023.
  - There was a 6-month grace period for STR Operators to register existing units.
- In January 2024, the Division of Revenue began identification, investigation, and enforcement of non-compliant operators.
  - An RFP was issued for short-term rental compliance, and Granicus was selected.
- The Compliance Hotline was launched in late 2024.
- The Short-Term Rental Ordinance was amended on December 5, 2024.

Short-Term Rental Ordinance and Policy Timeline

- On January 31 of every year, all short-term rental licensees are required to renew their special fees license.
- A registration and renewal portal launched in December 2025 for the 2026 special license renewals.

2026 STR Program Costs

Short-Term Rental Program	
Renewal Revenues	$118,600.00
Personnel Estimate	($60,000.00)
Software	($58,583.50)
Mailing Costs	($300.00)
Surplus/(Deficit)	($283.50)

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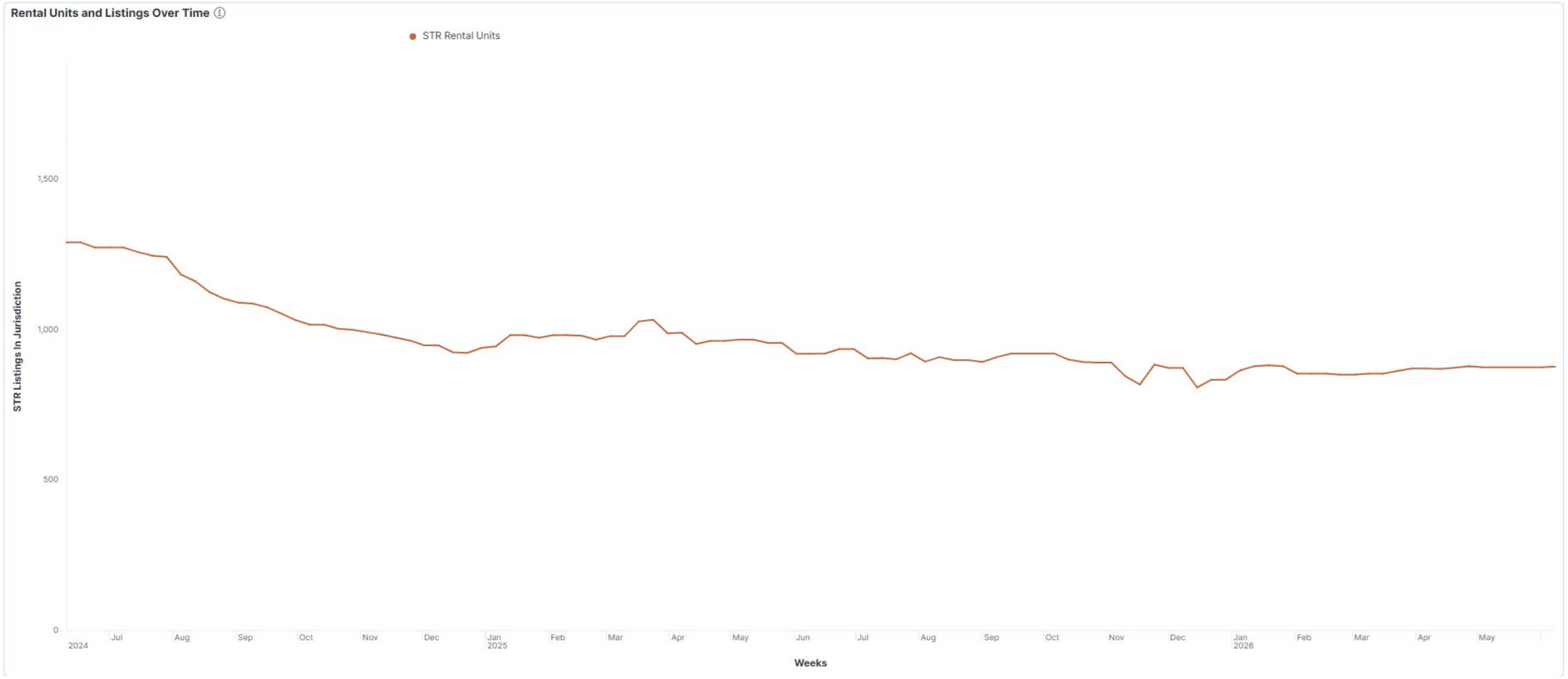
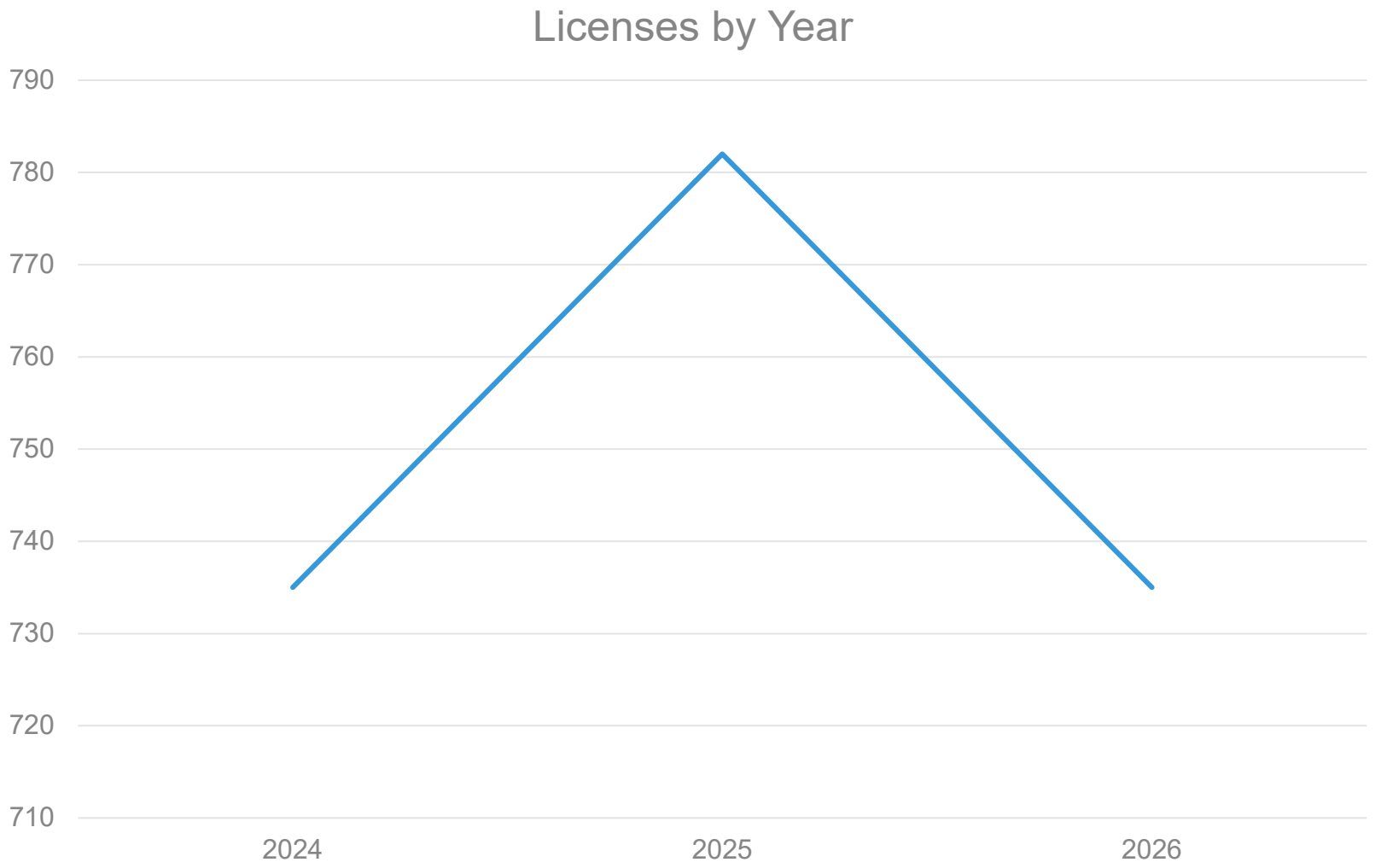
STR Compliance



STR Compliance

- 787 Current Listings
  - 1290 when software went live
- 61 total citations issued
  - 52 unlicensed violations; 9 nuisance violations
  - $78,125 total
  - One $1,000 citation successfully appealed
  - $59,125 outstanding
  - $19,000 of citations paid
  - 4 properties subject to liens
  - 9 properties sold after unlawful STR was stopped
  - $52,400 in fines from 4 individual properties
- 1 property is up for citation currently
- 10 properties recently identified and have received an initial notice

STR Compliance



STR Renewals

- Short-term rentals are a regulated license that must be renewed annually by January 31st.
- Failure to renew results in revocation of the license with the Division of Revenue and zoning compliance.
- Extra steps were taken to notify operators of the renewal:
  - 2 letters to the mailing address for the licensee.
  - Requested outreach from AirBnB to licensees.
  - Direct outreach (phone or email) by Division of Revenue staff.

2026 STR Renewals

- Renewal is $200/ year for the first STR unit. Additional $100/year per additional unit
  - 451 initial properties – $90,200
  - 284 additional properties – $28,400
  - 735 total properties
  - Total $118,600 in revenue from renewals

STR Hotline

- The hotline is a 24/7 phone line. Answered through a call center connected to the Granicus Host Compliance software.
- Complaints may be submitted through an online form.
  - Pictures and videos can be uploaded to help support the complaint.
- The hotline provides the ability to automatically alert the emergency contact of the property and the non-emergency number for the Lexington Police Department if requested by the complainant.

STR Hotline

GRANICUS
Host Compliance

You got a new Short-term Rental Hotline call!

This is the 1st report for this address.

We wanted to let you know that we just received a new call on the Short-term Rental Hotline. You'll find the details below.

Listen to call recording

Call Details

Call ID
0b740ea390a24eeaa0d2ab0d52db8d02
Call Time 30/01/2025 02:42:09 PM (America/New_York)
Caller Name [redacted]
Caller's Callback # [redacted]
Property's Contact Person Called None
Property's Contact Person's # None

Reported Issue Details

Reported Address Lexington, Kentucky
Reported Issue Details general: Trying to pay short term rental via online process and need to know what his business account number is.
Permit/Registration # None

Please check the hotline listing, evidence may have been uploaded for the Tip/Complaint.

STR Hotline

Calls Over Time
Total Calls
Total Calls
4
3
2
1
0
13th
20th
27th
4th
11th
18th
25th
1st
8th
April 2026
May 2026
June 2026
Weeks

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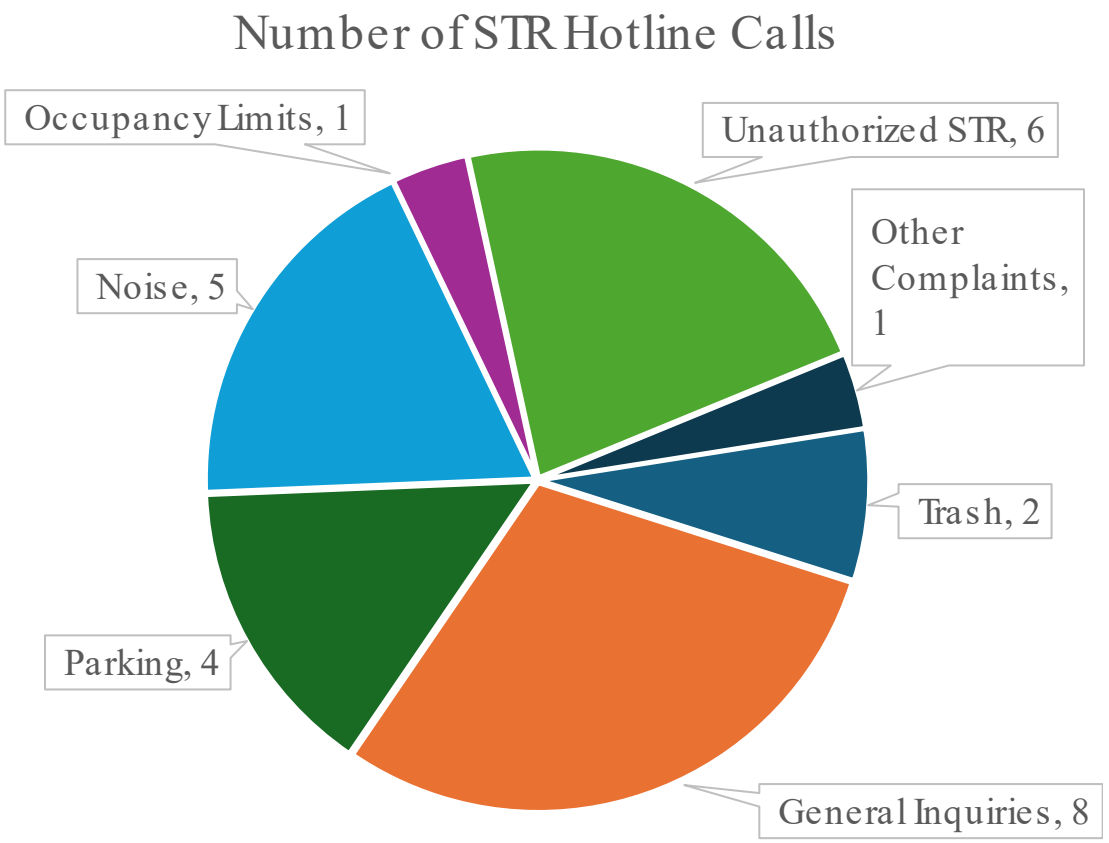
Hotline Calls *July 2025 - Present*



- Total valid calls – 17 calls
  - Trash – 2 calls
  - General Inquiries – 8 calls
  - Parking – 4 calls
  - Noise – 5 calls
  - Occupancy Limits – 1 call
  - Unauthorized STR – 6 calls
  - Other Complaints – 1 call
- Total Invalid calls – 51 calls
- *Disclaimer: Valid calls do not mean that complaints were substantiated, only that they warranted investigation.*

STR License Revocation

- An STR license can be revoked if the short-term rental has two violations in a calendar year. The Director of Revenue can issue a revocation. Revocations can be appealed to the Commissioner of Finance.
- Two properties have received notice of license revocation due to violations.
  - 1 successfully appealed revocation in 2025 and was reinstated.
  - 1 did not appeal in 2026 after one year.

STR Hotline

Call 859-710-9048

Or visit

https://secure.hostcompliance.com/lexington-fayette-urban-county-ky/complaints/type

Questions?

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