

**CITY OF ROLLING FIELDS
ORDINANCE 18-2, SERIES 2018
AN ORDINANCE ESTABLISHING LICENSURE AND REGULATIONS
FOR RENTALS INCLUDING SHORT TERM RENTALS
IN THE CITY OF ROLLING FIELDS**

WHEREAS, the City of Rolling Fields Commission finds that the operation of rental properties for compensation is a recognizable and distinct class of business within the City, which the City is entitled to tax and license as a business under KRS 92.280;

AND WHEREAS, the City has found that the rental of houses within the City requires licensure and regulation, due to the instances of unresolved health and safety property conditions at rental dwellings which have occurred in the City;

AND WHEREAS, the City finds that a narrowly tailored ordinance that establishes a registration and permitting process enabling the City to keep and establish a means of clear and concise communication with the owners of rental property in the City is a reasonable regulation that addresses a real public health and safety concern and which power is specifically authorized and given to the City under KRS 92.280 and KRS 92.330;

NOW THEREFORE, be it resolved by the City of Rolling Fields:

Section 1: Purpose:

The City Commission does hereby find (pursuant to KRS 92.330), that it is necessary to provide for the licensure and taxing of rental properties as businesses, because renting of property in exchange for compensation is in fact a business and the operation of rental property can be detrimental to property values and community appearance and interfere with the comfortable enjoyment of adjacent property or premises. Further, there are conditions in the operation of rental property which (unless corrected), can be hazardous or injurious to the health, safety or general welfare of the public. KRS 92.280 grants authority to the City to tax and license rental businesses and to establish a clear and concise communication process between the City and each owner of each rental unit. This updated information and communication process is essential for the City to make sure that it can address any detrimental property conditions, or health or safety violation at the rental property, quickly and efficiently. The fee for the annual license going to the general fund of the City to help defray the cost of maintaining current contact information for all rental properties in the City and also the cost of providing City services, such as lighting, police protection and public work expenditures, which the rental properties use each day.

Secton 2. Definitions:

The following definitions shall apply unless the context clearly indicates or requires a different meaning.

BUSINESS. Carrying on, transacting or exercising, for gain or economic benefit, either directly or indirectly enterprise, the collection of rent from residential real property within City (including short term rental as defined herein), conducted by an individual, partnership, firm, joint venture, association, corporation or any other entity; but shall not include allowing a person to occupy property without charging rent.

PERSON. Any natural person, partnership, firm, joint venture, fiduciary, association or corporation. Whenever “person” is used in any clause prescribing and imposing a penalty in the nature of a fine, the word, as applied to a partnership or other form of unincorporated enterprise shall mean the partners or members thereof, and as applied to corporations, shall mean the officers and directors thereof.

SHORT TERM RENTAL. A dwelling unit that is rented, leased or otherwise assigned for a tenancy for less than 15 consecutive days duration, where no meals are served. This term does not include hotels or motel rooms, extended stay lodging facilities, bed and breakfast inns or boards and lodging house rooms.

Section 3. License Required

- (a) No person shall collect rent from a residential dwelling in the city without first applying for and obtaining a license from the City Clerk or other duly authorized issuing authority. The fee for a license shall be \$150.00. This fee and license requirement shall apply to any person renting their real property including short term rentals. No person shall conduct any business in the city that is not allowed by the Land Development Code of Metro Louisville/ Jefferson County or KRS (State law) and federal law.
- (b) Registration of rental dwellings: Application shall include:
 - 1) The address of the rental dwelling.
 - 2) The name, residence address, business address, business phone number and personal phone number of the owner and each of its principals, officers, and partners, if applicable, and the local agent of the rental property. One of the names and addresses must be specified for city communications.
 - 3) Designation of local agent: If the owner of a rental dwelling, or a responsible member or officer of the owner, does not reside within 60 miles of the city, the owner shall designate a responsible local agent who shall be legally responsible for operating such rental dwelling in compliance with this article, this code of ordinances, and other applicable laws or regulations. All official notices may be served on the responsible local agent, and any notice so served shall be deemed to have been served upon the owner of record.
 - 4) Verification that all state and city taxes levied and assessed against the rental dwelling that are due and payable at the time of the filing of the application have been paid. Delinquencies on such taxes may result in the

denial of an application for registration or re-registration under this section.

- 5) Inaccurate or incomplete registration information: It shall be a violation of this article for an owner to provide inaccurate information for the registration or re-registration of rental dwellings or to fail to provide information required by the application.
- 6) All rental property must be kept in compliance with the City of Rolling Fields Code of Ordinances, as well as all Metro Louisville Ordinances (including, but not limited to Chapter 156), and Land Development Code as a condition of operating a rental property in the City of Rolling Fields. Each rental dwelling shall provide measures acceptable to the City to prevent any excessive noise at any property line. Each rental dwelling shall provide measures acceptable to the City to prevent violations of the City's parking ordinance by Tenants of the rental unit.

Section 4. Standards for Issuance

- (A) Upon receipt of an application, an investigation of the applicant shall be made.
- (B) The application shall be approved unless such investigation discloses tangible evidence that the conduct of the applicant's business would pose a substantial threat to the public health, safety, morals, or general welfare, including, but not limited to:
 - (1) Conviction of a crime of moral turpitude.
 - (2) Willful misstatements in the application.
 - (3) Prior violations of City of Rolling Fields or Louisville Metro ordinances.
 - (4) Has been found by a court of competent jurisdiction to have committed prior fraudulent acts.

Section 5. Date and Duration of License

- (A) A license shall not be valid beyond the expiration date therein specified.
- (B) In no event shall a license be granted to any business or any person for a longer time than one year. (KRS 92.310).
- (C) No person shall offer Short Term Rental of their property for a period longer than a total of fifteen (15) days total in the same calendar year (365 days). The license for short term rentals will expire after the property has been rented short-term for a period of 15 days cumulative.

Section 6. License Not Transferrable

Every license shall be issued to a real party in interest in the enterprise or business, and unless otherwise provided no license shall be assigned or transferred.

Section 7. License Certificate To be Displayed

Every licensee carrying on business at a fixed location shall keep posted in a prominent place upon the licensed premises, the license certificate.

Section 8. Revocation or Suspension

- (A) Any license may be revoked by the city commission at any time for conditions or considerations which, had they existed at the time of issuance, would have been valid grounds for its denial; for any misrepresentation of a material fact in the application discovered after issuance of the license; for violation of any provision of this chapter or other law or ordinance relating to the operation of the business or enterprise for which the license has been issued; for violation of any City Ordinance or upon conviction of a licensee for any federal, state, or municipal law or ordinance involving moral turpitude.
- (B) The revocation shall become effective upon notice served upon the licensee or posted upon the premises affected.
- (C) As a preliminary to revocation, the city commission may issue an order suspending the license, which shall become effective immediately upon service of written notice to the licensee. This notice shall specify the reason for suspension and may provide conditions under which reinstatement of the license may be obtained. Upon compliance with these conditions within the time specified, the license may be restored.

Section 9. Appeal and Review

In case any applicant has been denied a license, or if his license has been revoked or suspended, the applicant or licensee shall within three business days have the right to appeal to the City Commission from the denial, revocation, or suspension. Notice of appeal shall be filed in writing with the City Clerk who shall fix the time and place for a hearing which shall be held not later than one week thereafter. The City Clerk shall notify the Mayor and all members of the Commission of the time and place of the hearing not less than 24 hours in advance thereof.

Section 10. Penalty

Whoever violates any provision of this chapter shall be guilty of a misdemeanor and shall be fined \$500.00. Each day of non-compliance after the violation notice is issued shall constitute an additional violation, up to the following maximums. On first violation, the maximum total fine for each person cited is \$2,500.00. On second violation, the maximum total fine for each person cited is \$5,000.00. On third violation, the maximum total fine for each person cited is \$10,000.00.

First Reading: June 14, 2018

Second Reading: July 12, 2018

Passed and approved this 12 day of July, 2018.

ATTEST: Robert Webb
Robert Webb, City Clerk

David Dunn
David Dunn, Mayor

Those in Favor: 3
Those Opposed: 2