



November 14, 2024

The Honorable Larry Forester
Chair, Planning Commission
Lexington-Fayette Urban County Government
Phoenix Building – 7th Floor
101 E. Vine St.
Lexington, KY 40507

Dear Chair Forester,

On behalf of Chamber of Progress, a tech industry coalition promoting technology's progressive future, I write in response to the proposed short-term rental (STR) regulations. We urge you to **oppose** the proposed amendment on short-term rentals, as it would stifle economic opportunities for Lexington residents and small businesses while restricting options for visitors.

The proposed short-term rental regulations would negatively impact Lexington's residents and local economy

As currently drafted, Amendment PLN-ZOTA-24-00007 would prohibit new short-term rentals from being established within 500 feet of an existing short-term rental property and impose a 3% cap on the total number of short-term rentals permitted within a 1000-foot radius in residential zones. This restrictive measure would significantly limit Lexington residents' ability to participate in the short-term rental market and negatively impact local tourism and the broader economy.

Short-term rentals offer homeowners opportunities to supplement their income

Most hosts do not fall into the category of traditional property investors or conglomerates.¹ Instead, they reside in their primary homes, seeking to diversify their income streams to meet financial needs. By making space in their residences available, homeowners can augment their earnings to cope with escalating mortgage payments. The proposed regulations would strip Lexington residents of this valuable opportunity to generate income through the short-term rental market.

¹ See <https://www.sec.gov/Archives/edgar/data/1559720/000119312520294801/d81668ds1.htm#toc>

Short-term rentals can strengthen local economies by attracting new customers for local businesses

Guests who opt for short-term rentals contribute to local economies by patronizing nearby shops and restaurants. According to survey data, 92% of hosts provided recommendations for local restaurants and cafes, and guests reported that 41% of their overall trip spending occurred in the neighborhoods they stayed in.² Short-term rentals allow visitors to experience more of the city and its small businesses than other lodging options, which tend to be concentrated around tourist attractions and downtown areas. The proposed regulations could reduce the number of short-term rentals available in Lexington, limiting visitors' ability to explore neighborhoods and decreasing economic opportunities for local businesses.

Protecting access to short-term rentals also protects consumer choice

The proposed regulations would limit options for guests visiting Lexington. Short-term rentals offer more flexibility for visitors with needs that hotels alone cannot meet. Large families and workers on temporary assignments can opt for short-term rentals with more space and kitchen access rather than relying on hotel rooms. Families traveling with children who prefer not to be split into multiple units can stay together comfortably.

For the sake of Lexington hosts, visitors, and local businesses, we encourage you to **oppose** the regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Marshall", enclosed within a hand-drawn oval shape.

Kouri Marshall
Director of State & Local Government Relations, Central Region

² See <https://news.airbnb.com/airbnb-estimated-direct-economic-impact-in-the-u-s-nears-34-billion/>