Farmer, Chair
Mossotti, Vice Chair
Gorton
Ellinger
Kay
Ford
Lawless
Beard
Clarke
Henson

A G E N D A
Special Planning & Public Works Committee
April 15, 2014
1:00 P.M.

1.	**March 4, 2014 Committee Summary**	(1-5)
2.	**Affordable Housing Fund** – Gorton	(6-44)
3.	**Design Excellence Update** – Kay	(45-56)
4.	**Residential Parking Permit District Procedures** – Farmer	(57-70)
5.	**Items Referred**	(71)

"Planning & Public Works Committee, to which should be referred matters relating to the Division of Planning and including, but not limited to matters related to housing, infill and redevelopment, purchase of development rights and historic privation, and any related partner agencies and the Department of Public Works and its related divisions, including capital improvement projects and any related partner agencies"
-Council Rules & Procedures, Section 2.102(1)

2014 Meeting Schedule

January 14	June 10
February 11	July 1
March 4	August 12
April 8	September 9
May 6	October 7

Planning and Public Works Committee
March 4, 2014
Summary and Motions

Chair Bill Farmer Jr. called the meeting to order 1:00pm. Committee members Charles Ellinger, Steve Kay, Chris Ford, Julian Beard, Harry Clarke and Peggy Henson were in attendance. Committee members Linda Gorton, Jennifer Mossotti and Diane Lawless were absent. Kevin Stinnett and Shevawn Akers attended as non-voting members.

1. February 11, 2014 Committee Summary

Motion by Beard to approve the February 11, 2014 committee summary. Seconded by Ellinger. Motion passed without dissent.

Farmer made a note to correct a typo in the summary by changing "inn" to "in"

2. Homeowners Rights & Responsibilities

Gorton asked who creates the HOA, is it created by the developer and then turned over. Nathan Billings, a guest attorney present for the meeting, commented on the difference between a neighborhood association and a homeowners association, and whether or not they are voluntary or required. In a voluntary association, there is no right to foreclosure because there are no dues. In a mandatory association, there is a right to foreclosure as dues are required. Gorton asked who creates the rules, the developer or the association. Billings stated that there are a couple of ways and explained them.

Stinnett asked what exactly Akers wanted from the committee. Stinnett added that the example given is probably the exception rather than the rule.

Akers commented that she had asked Law to provide a summary of HOAs in the city but did not receive anything from our law department. Commissioner Graham stated that they asked Jim Frazier for an opinion, as an expert on this topic, and he provided that at no cost to the government. This information was shared with Akers.

Stinnett added that this could possibly be added to the next legislative agenda.

Henson asked if there was a certain amount required before we could foreclose on a property. Graham stated that we set our own requirement for LFUCG based on getting funds back, etc. Henson felt there should be a limit. Graham said that would have to be set by state law.

Mossotti is concerned about changing the whole thing for one issue, adding that in this situation, it appears the homeowner chose to ignore correspondence.

Farmer work with Akers on this issue to determine if there is an opportunity for advocacy that can come back to the committee.

3. Historic Preservation Fees

Betty Kerr commented on the information included in the packet. They revisited the data provided previously to be sure it is still applicable and have found that it is. Kerr stated that research on application and permit fees show that it varies from city to city, some have no fees at all and others are minimal. The amount of fees that could be charged to homeowners tend to range from $20 to $25. The other possible fee amount looked at was a $50 fee for more complicated projects the go to the Board of Architecture Review. The catch is that they receive 450 to 500 applications per year and based on this dollar amount, per the Director of Revenue results in a wash due to the associated processing costs. Kerr said their recommendation is the same as it has been in the past and that there is no need to change the fee structure.

Gorton stated that the link just wanted to review the fees to be sure they were paying for the services provided. We frequently set a fee and determine later that the cost of the service is greater than the fee.

Farmer stated that if the committee chooses to act on this issue, they should refer to page 18 for a possible structure. If there is no desire for the committee to act on this issue, then it can be removed from the committee.

There were no motions on this item. Farmer stated that it will remain in committee for now.

4. Fees for Planning, Preservation & Development Commercial Services

Commissioner Paulsen provided information to the committee on land disturbance permit fees, stating that these fees vary greatly across communities. Our fee is a flat rate of $25, for residential and commercial, and does not account for the size of the project. They asked for information from Louisville but the Metro Area does not have a direct fee but does have a site disturbance fee which varies depending on what is being done. They are not recommending any change to the fee structure at this time. If we tripled our fee for commercial, it would only have brought in $4,500 more last year. Paulsen added that they know the fees are not covering the cost of the service but we would have to raise them to a very high level to do this.

Gorton asked what do we do in the service and what is the cost. Paulsen said we currently have one fee covering residential and commercial. If we raise the fee, it will increase the cost of development for both. Gorton asked if there was a reason we could not separate the two. Paulsen deferred to law on that issue. Brad Frazier provided background on the process. If someone wishes to obtain a land disturbance permit, they would have to submit an erosion sediment control plan to the Division of Engineering. That has to be accepted per the manuals in place. Once it is accepted, they can get the permit. It then goes to Water Quality for review of the plan.

Gorton asked how much time would be spent reviewing and inspecting once the application is received. Frazier stated that it depends on the workload but they are obligated to get back within a 10 day window but the shoot for half that (5 days).

Mossotti asked if they used the same criteria when making the comparisons to other cities. Paulsen said it was. Mossotti asked if Paulsen felt the fees were justified. Paulsen said that he has no real concerns with the fee but as things pick up, they may see other increases that they have to deal with.

Farmer asked if any of the other municipalities were operating under a consent decree. Paulsen said no, adding that they could not do an apple to apple comparison to Louisville, which is why it was not included in the information.

Akers asked if the $25 cost was the same if you were building one house or 100. Paulsen said yes. Akers asked for the number of residential permits were issued. Paulsen said there were 455 residential permits and 8 subdivision permits.

Kay asked if other municipalities reviewed make the distinction between residential and commercial. Jonathan Hollinger stated that some have an exemption for very small land disturbances and charge no fee. He pointed out that many do not have the staff to do this and hire someone by the hour to do the review. They are the same fee but there are some nuances in how they are applied. Kay asked specifically if the fee for Jessamine County was a flat fee. Hollinger stated that they have a $200 flat fee and an additional hourly fee on top of it for paying outside staff. This does account for the scale but there is no distinction between residential and commercial. Kay would like to think about some differentiation to recoup some of the costs. Paulsen said they will look at it and come back to the committee with a better overall cost.

Beard commented on Scott County, specifically Toyota, asking if the size of the lot should have some impact. Paulsen said that it could but does not feel that is the only factor to consider. A smaller plot could be more complicated in terms of review than a larger one. They can look at size but build other factors in as well.

Clarke feels there would be complications in setting different prices for different projects. He is not in favor of this and feels we should stick with a single price for residential and commercial.

Gorton asked Hollinger about the waivers mentioned for small properties. Hollinger said these were for very small areas, i.e. installation of septic system. Gorton asked if this could be applicable to Fayette County. Martin stated that there are already waivers in place for small disturbances, example landscaping, etc. The consent decree started this because of run-off and stormwater issues. The Division of Water Quality is required to inspect all of these areas once a month. Some require more frequent inspections, i.e. close to a sink hole. Gorton asked if you could get a sense of how complicated a project would be from the application or if you would have to go look at it. Martin said from his sense, the large ones may require a site visit but residential areas tend to be a little more routine.

<u>Motion by Gorton to request a proposal which would look at stratification of fees based on size and complexity for discussion by the committee. Seconded by Beard. Motion passed without dissent.</u>

Kay suggested amending the motion to state a stratification rather than bifurcation. Amendment accepted.

5. Oliver Lewis Way Construction Update

Andrew Grunwald provided a project update to the committee. The current areas of work are phase I and phase II. At the request of Kay, Grunwald walked the committee through the map. Phase 1 is the Versailles Road viaduct. They have been working exclusively on this area and have purchased all property in this area. All structures have been demolished and rebuilt, storm sewers replaced and sanitary sewers replaced. With a few exceptions, all utilities are in the correct place. There are still a few to relocate to be sure they do not build over them. A portion of the land purchased in the State's name has been transferred to the City of Lexington. It will be consolidated, reconfigured and re-platted. It will then be given to the Lexington Community Land Trust, to partner with AU & Associates to build the final housing. At that time, people will be moved from temporary housing. They hope to have this built and people moved by the end of this year.

Phase II is Versailles Road to South Broadway. The Transportation Department has purchased 21 parcels. They have consulted with Strand & Associated to purchase the right-of-ways and smaller parcels that are still needed. The first thing we will likely see in this area is the utility work.

Phase III, Scott Street connection, the plans have not yet been drawn up as the construction is still 2-3 years out.

Clarke is concerned about the connection into Bolivar and asked that it be looked at to see what could be done to make it more accessible.

Beard asked how much had been spent and what is projected going forward. Grunwald said a rough number is $50-$55 million. The majority of the funding ($70-$75 million authorized to date) is waiting for further land acquisition. Grunwald gave the total cost estimate at around $100 million but added that this could change.

6. Items Referred

Farmer said the April meeting will include the Affordable Housing issue, the Design Excellence update and the residential parking procedure to see if there is anything Council wants to change on that.

There were no changes to the referral list.

<u>Motion by Ellinger to adjourn at 2:54pm. Seconded by Kay. Motion passed without dissent.</u>

Submitted by: Stacey Maynard

HOMELESSNESS AND AFFORDABLE HOUSING

PROGRAM DEVELOPMENT

Planning and Public Works Committee
April 8, 2014

Presentation Overview

- Homelessness Fund Overview
- Affordable Housing Fund Overview
- Proposed Organization and Coordination
- Affordable Housing Program Development

Homelessness Fund

Administration

- Administered by the Office of Homelessness Prevention and Intervention.
- Managed by Homelessness Coordinator and Advisory Board.
- Office will issue Request for Proposals for specific projects and programs, and implement city-led initiatives.
- Funds will be used to encourage public-private partnerships.

Homelessness Fund

Program Examples

- "Housing First" Pilot Program
- Creation of a Mental Health Court
- Street Outreach and Intervention
- Employment Support
- Homeless Information Management System

Homelessness Fund

Next Steps

- Homelessness Coordinator is in the process of being hired.
- The Homelessness Coordinator and Homelessness Advisory Board will report out recommendations on programs, funding, and other topics aimed at reducing homelessness.

Affordable Housing Fund

Administration

- Administered by the Office of Affordable Housing (OAH).
- Managed by Director of OAH and Advisory Board.
- The fund will include competitive application processes, coordination with organizations inside and outside of government, and management of awarded projects.
- Funds will be used to leverage existing affordable housing programs and public-private partnerships.

Affordable Housing Fund

Director Responsibilities

- Staff the Affordable Housing Advisory Board.
- Manage the competitive application process.
- Manage awarded projects.
- Coordinate affordable housing resources with Division of Special Grants and Programs.
- Coordinate with Office of Homelessness, Division of Planning, and other entities.

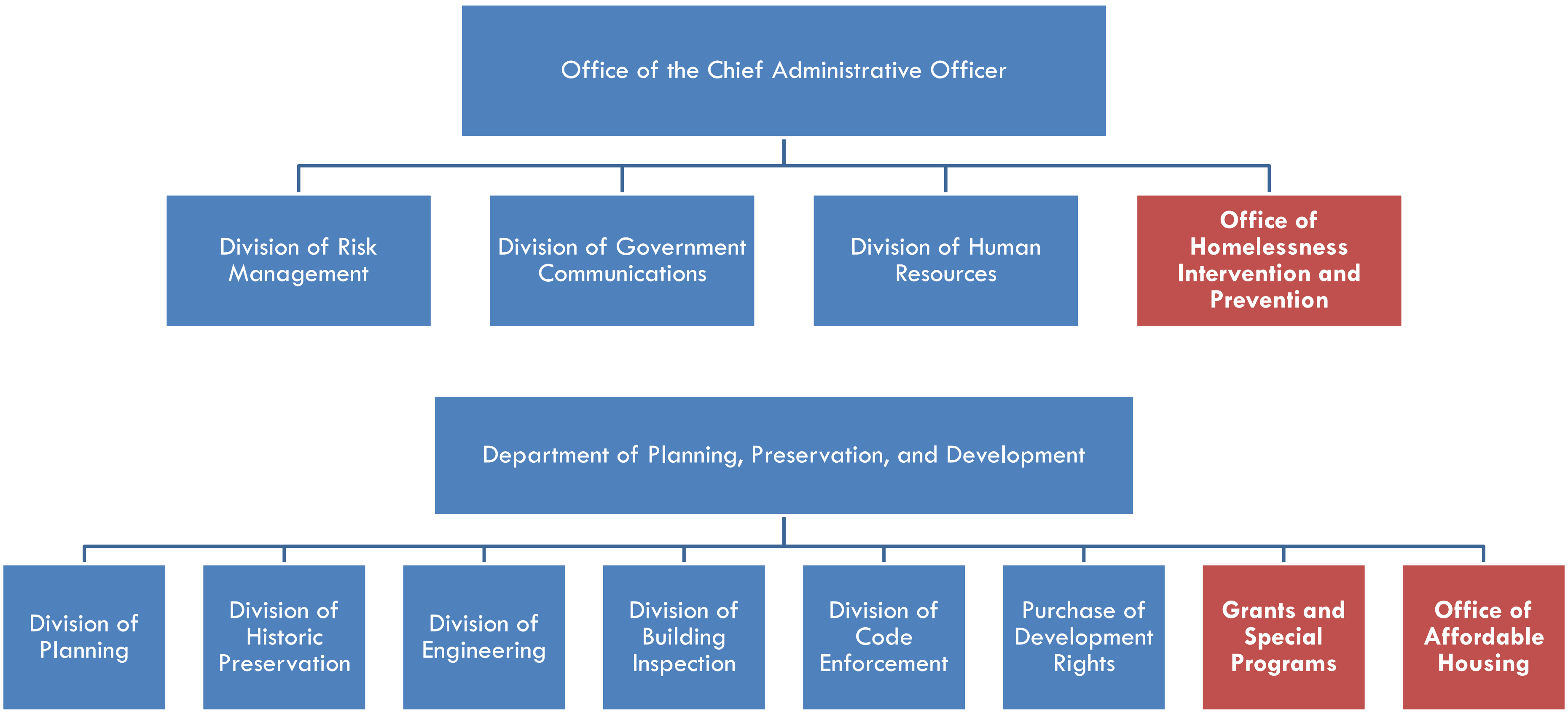
Affordable Housing Fund

Next Steps

- Engage stakeholders to set goals, begin program development, and finalize board composition.
- Create organizational structure for management of affordable housing program.
- Start hiring process for director.

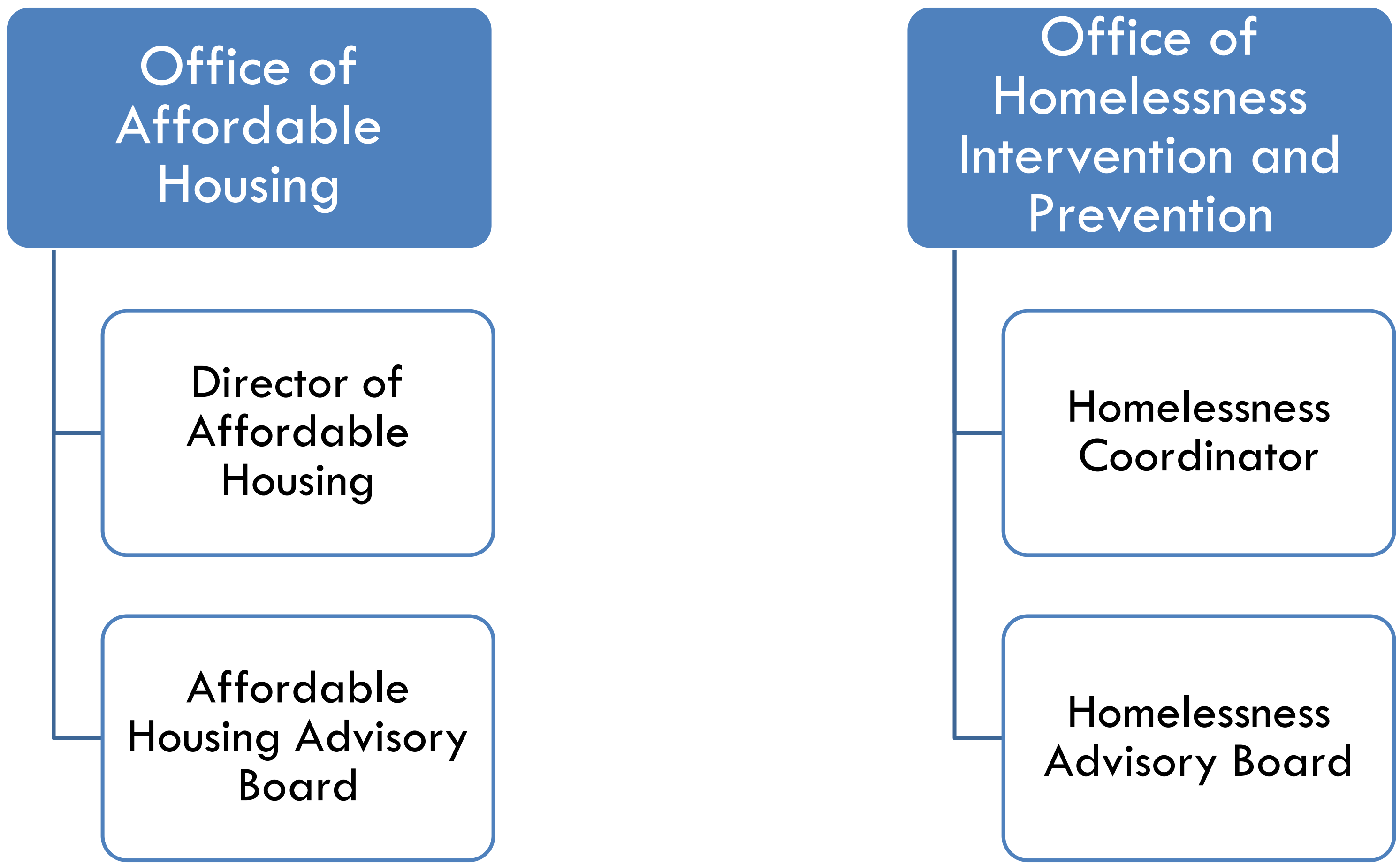
Homelessness and Affordable Housing Fund

Proposed Organization



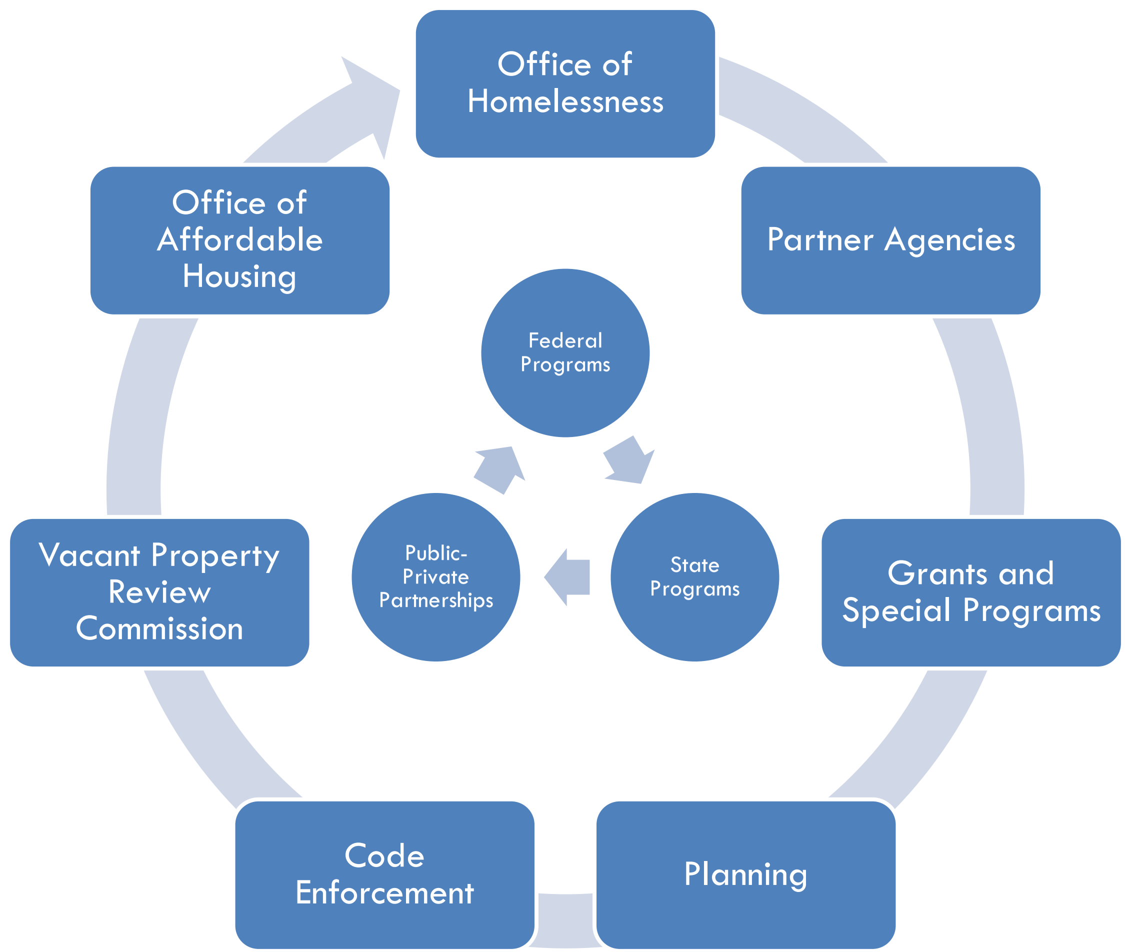
Homelessness and Affordable Housing Fund

Administration



Homelessness and Affordable Housing Fund

Coordination



Affordable Housing Program

Program Development Process

Affordable Housing Program

Stakeholder Group Membership

- Council Member
- Council Member
- Homelessness and Emergency Housing
- Social and Support Services
- Affordable Housing Management
- Grants Administration or Philanthropic Giving
- Housing Construction
- Commercial and/or Mixed Use Development
- Property Leasing or Rental Housing
- Real Estate Management
- Financial or Capital Management
- Financial or Capital Markets
- Affordable Housing Financing

Affordable Housing Program

Stakeholder Group Deliverables

- Affordable housing fund goal.
- Recommended affordable housing programs.
- Recommended funding levels for different programs.
- Long-term funding source recommendation.

Affordable Housing Program

Program Goal

- Examine previous reports and other research to determine affordable housing goals and timeline.
- The goal will be ambitious, but also recognize capacity and recommended funding.

Affordable Housing Program

Program Examples

- Choice Rental Assistance
- Place-Based Rental Assistance
- Gap Financing
- Rehabilitation Programs
- Low Income Housing Tax Credit (LIHTC)
- Land Bank
- Land Trust
- Other

Affordable Housing Program

Funding Level

- Determine appropriate city and partner agency funding levels in each affordable housing program to achieve overall goals.
- Funding will be based on goals of program and capacity.

Affordable Housing Program

Long-Term Funding

- Determine potential long-term funding sources based on funding level identified by stakeholder group.
- Multiple options will be explored and the stakeholder group will make a recommendation.

Affordable Housing Program

Timeline

Creation of Stakeholder Group	April
Program Development	April - July
Report out by Stakeholder Group	July
Department Reorganization	July
Begin Hiring Process for Director	July
Approval of Program Ordinances	August

Questions?

Lexington's Affordable Housing Challenge and Potential Strategy

czb for the City of Lexington, KY

czb

Presentation Elements

czb

- Overview
- Scale of the Problem
- Cause of the Problem
- Cost of “Solving” the Problem
- Local/Non-Local Share
- Recommended Approach
- Building a System

Overview

czb

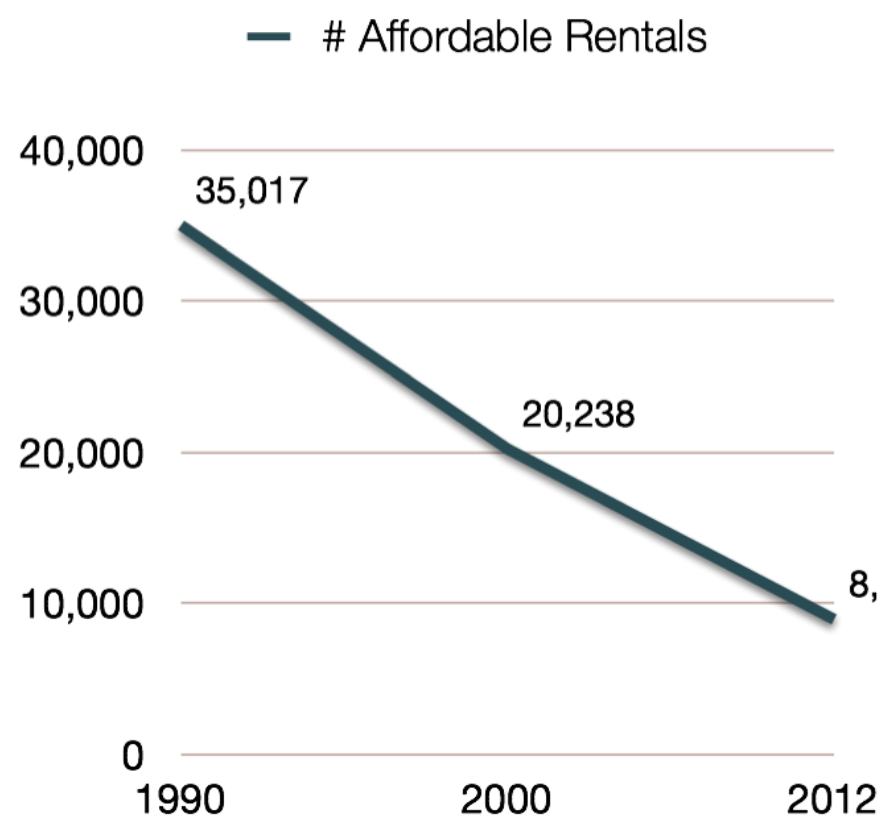
- Big affordable housing problem in the form of a NON-STUDENT rental unit shortage
  - -6,000 units today, and losing an additional -400 each year
- This is a result of success (prosperity) combined with a sizable percent of your workforce being unable to compete for higher wages in your new, high-tech Lexington economy (legacy)
- To remedy this will cost about $6,000 per unit per year *forever*, or until your wage appreciation rate is the same as your housing cost appreciation rate for low-wage households
- That's ultimately a $36M/year cost to catch up AND and additional $2.4M/year to keep up
- **Catching up** can be done by creating a system of rental subsidies tied to property upgrades, along with some new construction, the financing mechanism for which could be a TRUST FUND
- **Keeping up** can be done by creating a system of integrated planning tools that generate revenue, and re-orienting some current programs
- Both catching and keeping up should be coordinated by an enhanced Department of Planning, Preservation, and Development, reporting to the Mayor

How Acute?

- In 1990 there were 35,017 apartments that someone working at minimum wage could afford; or about 88% of Lexington’s rental inventory

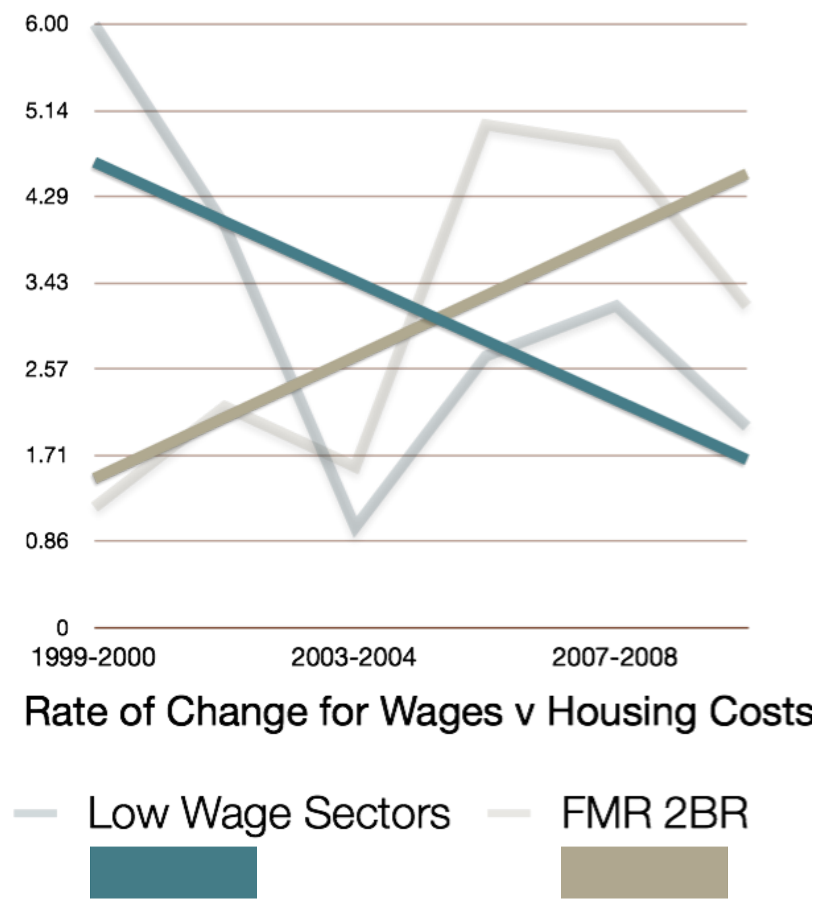
- In 2000 this number became 20,238 (44%)

- By 2010 it had fallen to 8,945 just 17%)



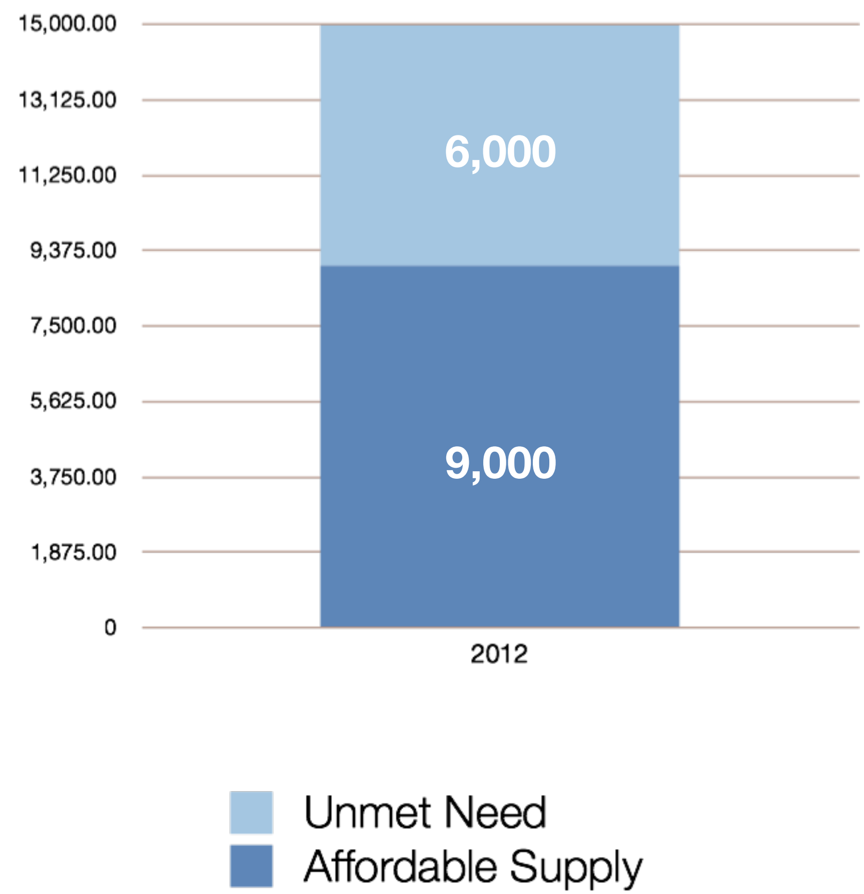
Why Unaffordable for Some?

- Two Main Reasons
  - Legacy (inherited poverty and low wage earning capacity among tens of thousands of households) including 6,000 WORKING households simply not earning enough
  - Newfound Prosperity (rising housing prices growing faster than wages for service sector workers)



Breakdown

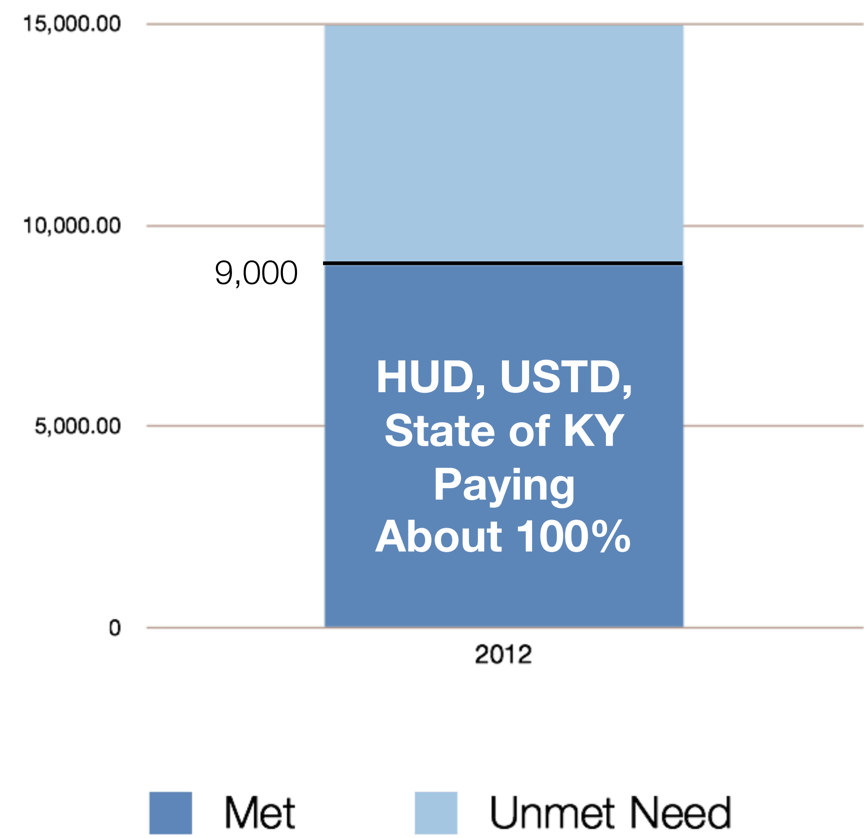
- 15,000 NON STUDENT households in Lexington with incomes < $20,000, and thus unable to afford fair market rents in Lexington ($750)
  - 9,000 of these households are being adequately assisted by the Lexington Housing Authority, Habitat, the Urban League, etc. and the market
  - 6,000 are not being assisted



Who is Paying?

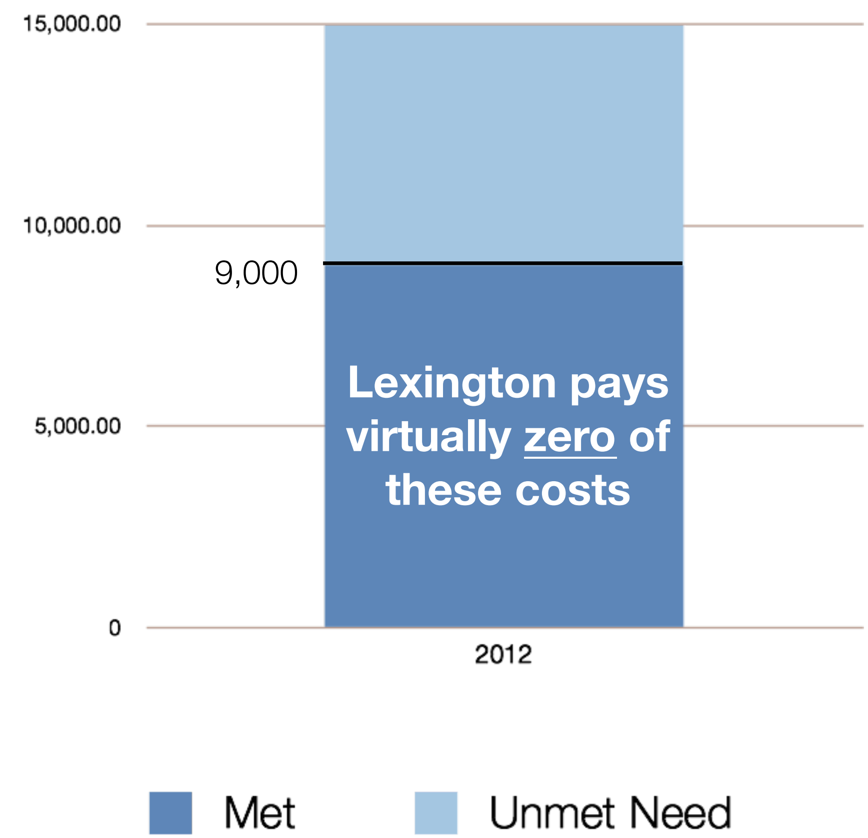
- Nearly 100% of the costs of helping the 9,000 households now being assisted are being paid by the federal government and in some small instances, the State of Kentucky (state housing trust fund)

- Nearly 0% of the costs of helping the 9,000 households now being assisted are being paid by the City of Lexington



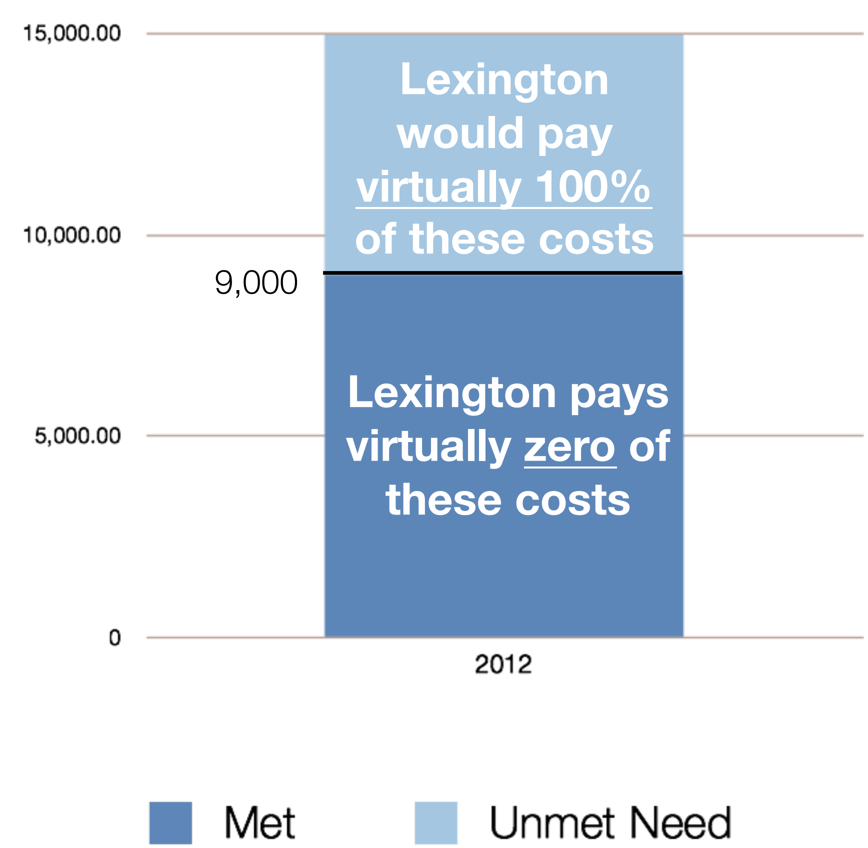
How Much?

- A scalable annual variable is about $6,000 per household per year (sooner or later)
    - Those in Lexington being helped cost the US taxpayer about $20M annually (plus eventual capital improvement costs), of which Lexington pays about $20,000...a 1,000:1 leverage ratio (nearly infinite)



How Much?

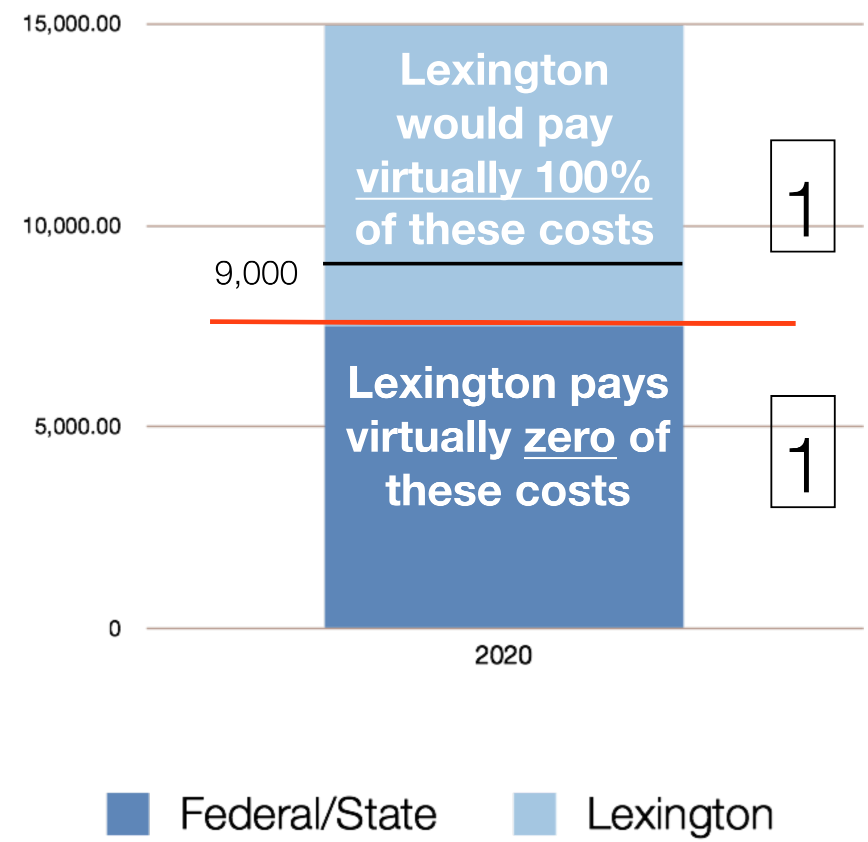
- A scalable annual variable is about $6,000 per household per year (sooner or later)
    - Those in Lexington not being helped now, if helped by Lexington, will cost Lexington $20-30M a year (depending on the methods), of which the state or federal government will likely contribute zero



Combined Leverage

- A scalable annual variable is about $6,000 per household per year (sooner or later)

  - Over the life of the units and the duration of a housing cost-wage gap, about $50M a year is needed in Lexington, of which about half will be paid for by the federal government, and if Lexington chooses to, the other half by Lexington, a <u>maximum leverage ratio of 1:1 under in the BEST scenario</u>



We Recommend

- Be bold and establish an unimpeachable Lexington objective
  - By 2025 and thereafter, anyone who works in Lexington can afford to live in Lexington

- Adopt two clear goals
  - COMPLETELY CATCH UP: Go from -6,000 to zero by 2025
  - KEEP UP: Address projected annual -400 loss

- Build the capacity needed to achieve these goals
  - To tackle the large and growing shortage of affordable rental housing in Lexington, enhance the Department of Planning, Preservation, and Development
  - To begin coordinating a response to the growing problem of homelessness, establish an Office of Homelessness

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- Shift existing orientation of local use of federal and state funds
  - Modify current emphasis on home ownership help towards rental

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- Adopt two clear goals
  - COMPLETELY CATCH UP: Go from -6,000 to zero by 2025
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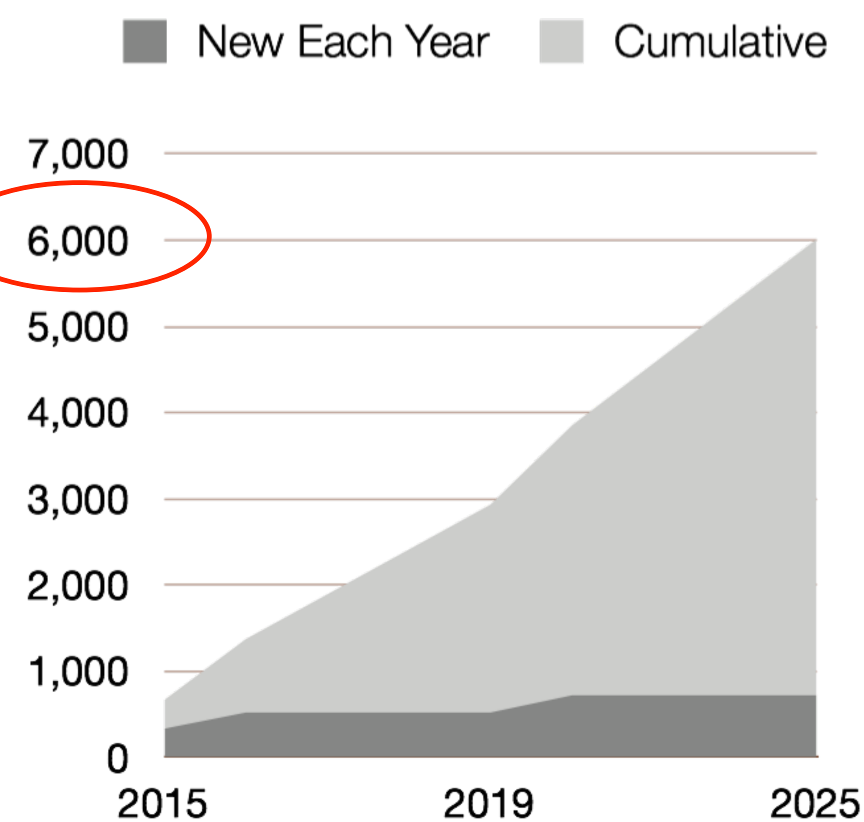
- Generate the resources needed to achieve these goals
  - Create and operate a TRUST FUND of sufficient size
  - Create and coordinate PLANNING TOOLS of sufficient focus

CATCHING UP: Using a Trust Fund

- Start modestly at about $4M the first year, knowing you will have to <u>average</u> $19.48M to have enough $ to catch up (close your 6,000 unit gap)

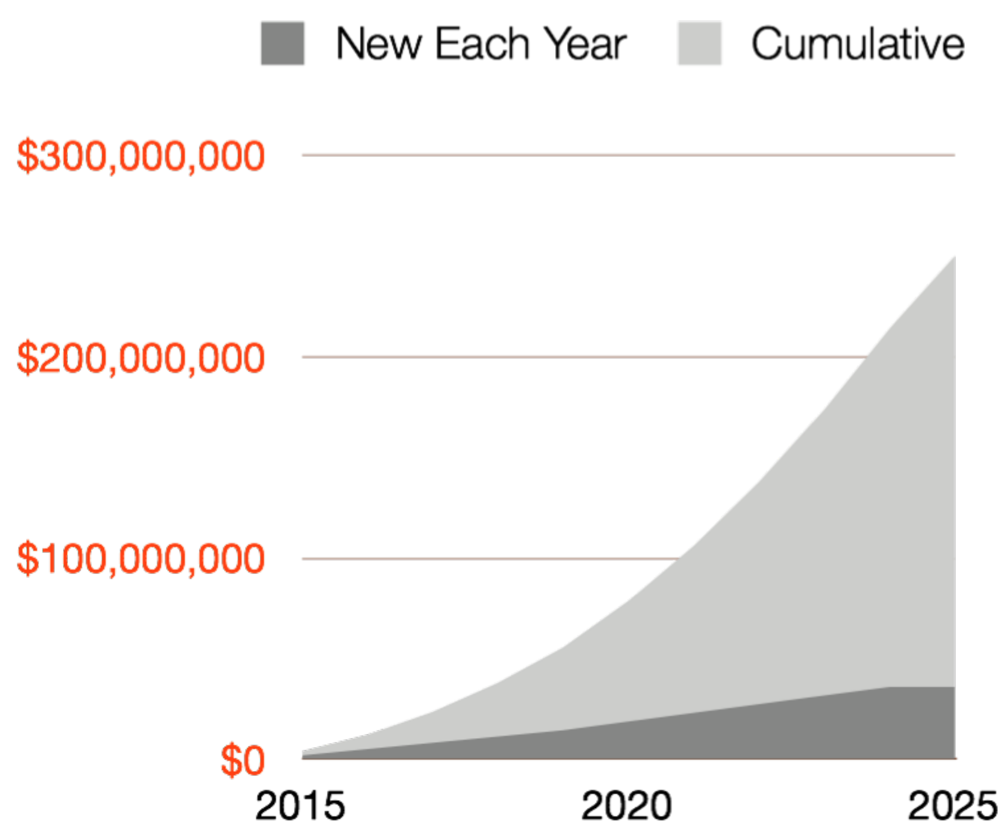
- Allocate $2M towards addressing homelessness each year

- An enhanced Department of Planning, Preservation, and Development would help coordinate the design and development and scaling of the Trust Fund and the system needed to use the $



CATCHING UP: Using a Trust Fund

- A scalable annual variable is about $6,000 per household per year (sooner or later)
- That works out to $36M/yr
- Because you lack capacity, however, even if the heavens rained millions, you could not deploy it right away, so get there gradually
- By having to scale up you can aim to zero out this gap by 2025 (11 years) at an annual average cost of $19.48M from 2015-2025



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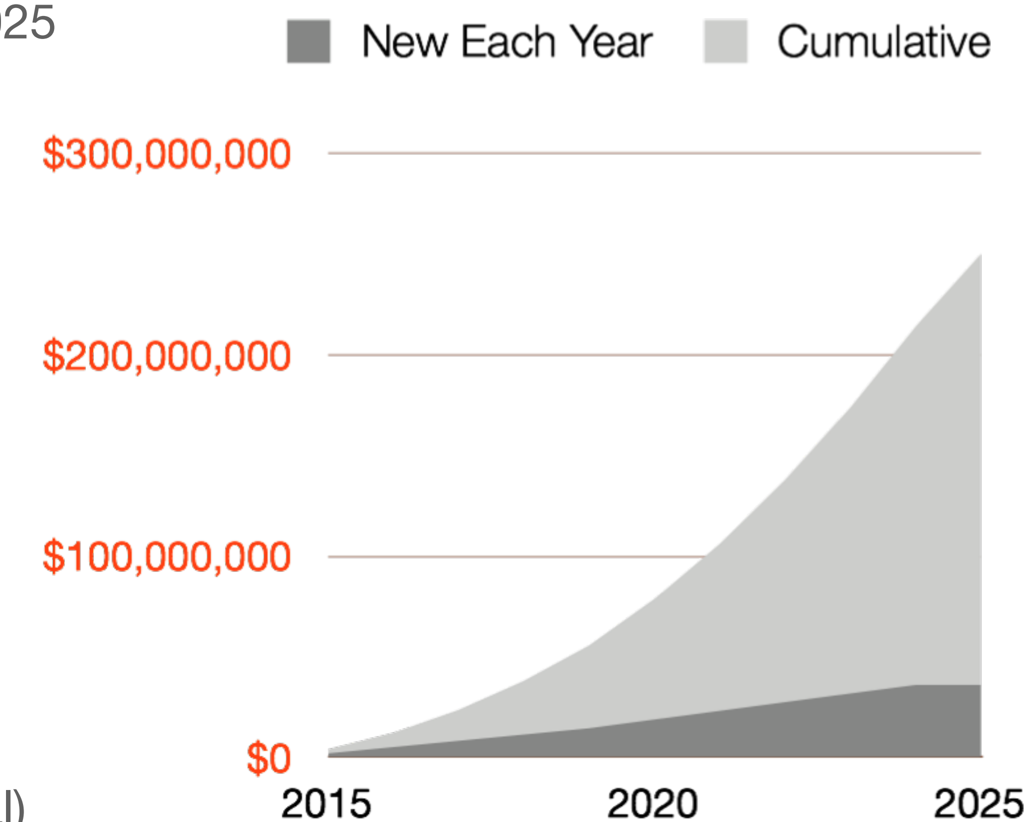
CATCHING UP: Revenue for the Trust Fund

- About $20M a year is the average needed through 2025
- Options could include
- Affordable Housing Levy (Seattle)
- General Obligation Bond (Austin)
- Local Option Sales Tax

  (Current KY proposal)
- Insurance Fee (Current Lexington Proposal)
- **Employer Fee (Recommended Innovation)**

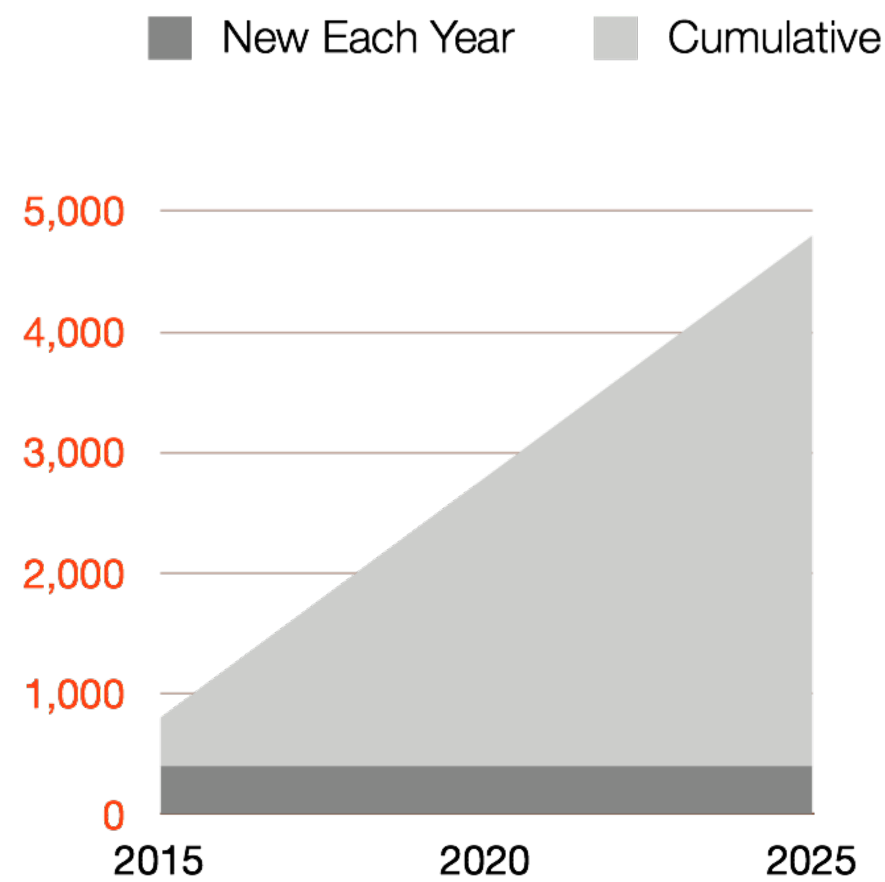


KEEPING UP: Creating + Coordinating Planning Tools

- No matter what you manage to do with a Trust Fund, Lexington will likely shed an additional -400 affordable rental units each year going forward

- To keep up, a full battery of planning tools is needed so that market activity remains fully encouraged and robust, yet accounts the affordability impacts it causes

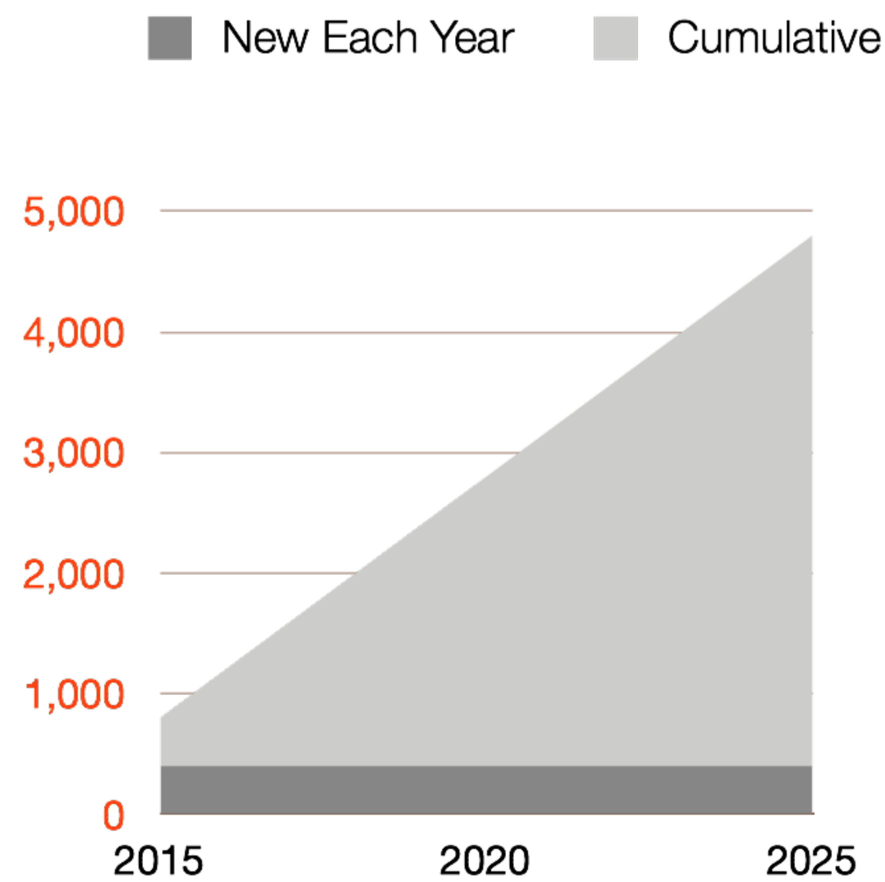
- Done through a range of related land use regulations, zoning and development codes, and other measures



KEEPING UP: Revenue from Planning Tools

- An additional $2.4M per year will be needed to offset to projected annual loss of another -400 affordable rentals each year

- Options could include
- Transfer Development Rights (Park City, UT)
- Significant Up-Zoning (New York City)
- Impact Fees (Alexandria, VA)



RECAP

czb

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FUNDAMENTALS

<u>All development activity essentially boils down to following feasibility questions:</u>

1. **How much does it cost to build or rehab (capital expense)?**

2. **How much does it cost to operate (operating expense)?**

3. **Is there enough sale value or rent (revenue) to cover both sets of expenses plus reward the risk undertaken by the developer and financiers?**

4. **Do physical or regulatory constraints preclude the project?**

<u>Above market capital and operating ***Expenses***:</u>

Cost of Structured Parking: Structured parking is three to four times the cost of surface parking.

Land costs: I/R land is more expensive than undeveloped green field land which is often acquired at what economists call “ag rent” and then upzoned for development. I/R land is often zoned at its highest use.

Market demand for controlled parking (retail, office, residential): the market has overvalued “Free parking” and places a premium on the availability of controlled parking for all three sectors of the real estate market. Zoning regulations have contributed to this by requiring controlled parking outside of the B2 zones. This market condition is very detrimental to the economics of development when combined with land costs.

Above market capital and operating ***Expenses***:

Utility infrastructure: I/R projects often utilize existing utility infrastructure that may not be sufficient for new or even up to date uses. For example, main water service from the early 20th century may provide sufficient supply and pressure for domestic water use, but not for sprinklers which are required to occupy upper floors of historic and new buildings. The expense of updating utility infrastructure falls on the developer not the utility.

Time to permitting: The I/R area contains H-1 and CHADRB board reviews that other districts do not have. Both districts provide valuable public oversight but do add to the cost of doing business in the I/R zone in the form of legal representation, time, and uncertainty.

Duplicate waste management costs: Downtown properties pay into the Urban Services taxing district, though many larger developments rely on private haulers to deal with their waste management needs due to limitations of service provided by the LFUCG.

Limits on ***Revenue***:

Weak commercial market rents: because of overbuilding in the market, rents are depressed, though ironically we need additional office space in order to be competitive for business recruitment.

Lack of retail clusters/leasing control: higher-revenue retailers are not willing to locate without some control over the surrounding environment and clustered businesses that support one another's customer base. Because ownership is divided, there is little coordination on leasing strategies.

Garage cash-flow: there is not enough demand in the market to command parking revenues that will support new construction.

Weak residential rents: the top-of-market rents are below the level necessary to support concrete and steel construction.

Constraints:

Limited land availability: By nature, Infill zones have limited land options and often require assemblage of property in order to put projects together.

Sewer capacity (CAP): Per a consent decree with the EPA, Fayette County is undertaking a 10-year sewer capacity upgrade. Until complete, certain areas will not have sufficient capacity to accept new development or higher intensity uses.

H-1 and CHADRB overlays: By design, H-1 and CHADRB restricts uses and standards of redevelopment.

B-zones parking requirements: Parking is land-intensive, yet does not generate additional revenue for a project, thereby creating a drag on the economics of redevelopment in the I/R.

	Description	Budget Required: No	Budget Required: Yes	Status	Action Needed
Economic Solutions					
Build Public Garages	Create a capital improvement plan to place parking garages in support of commercial ventures in I/R		O	Lex. Parking Authority undertaking a 10 year capital plan to identify implementation strategy	Plan to be created by end of 2014 with support from LDDA
Revolving Predevelopment Fund	Support applications for TIF or other state incentives as appropriate; repaid out of project costs		O	DDA is utilizing HR&A consultants to quantifying the economics and will identify the order of magnitude and priority list for an incentive program.	Program design
ED Land Bank: office	Acquire and prep of development parcels for new commercial office in I/R		O		
ED Land Bank: neighborhood business	Acquire and prep of neighborhood parcels for new neighborhood business		O		
Redevelopment Fund	Establish redevelopment fund to competitively provide gap-financing in the form of below-market or forgivable debt for residential, hospitality, and commercials projects		O		
Leverage publically-held properties for ED	Review and make available appropriate publically held properties in I/R for redevelopment program	O			LDDA to undertake survey of publically-held properties
Adjust Fee Structure for Sewer	Provide a gradiated or installment method of payment on sewer tap-on fees within the I/R area.	O		Public Works developing alternatives for administration's consideration	

	Description	Budget Required		Status	Action Needed
		No	Yes		
Process Solutions					
Create Infill Project Manager Position ("Sherpa")	Specialist on planning and permitting processes to assist with streamlining permitting process		O	Budget requested FY15 by Commissioner of Planning	Awaiting FY15 budget; ZOTA's as required to increase staff authority; followed by job posting to fill position
Create Design Excellence Officer Position	Approve/assist DE projects & provide urban design support as needed for other projects in the city		O	Budget requested FY15 by Commissioner of Planning	Awaiting FY15 budget; ZOTA's as required to increase staff authority; followed by job posting to fill position
Streamline Process	Provide a comprehensive permit review that engages all approval bodies at once; divisions will share computer systems.	O		Commissioner has directed HP and CADRB/DE to attend Tuesday permit meetings as necessary	Awaiting FY15 budget for Accela. Additional funds are required to complete implementation of Accela for Planning and BI.

	Description	Budget Required: No	Budget Required: Yes	Status	Action Needed
Regulatory Solutions					
Increase Waste Management Options	Allow more waste options for developments in I/R area by amending ordinances as needed; provide exemption standards; develop guidelines regarding capactiy for multi-stream waste management; amend pick-up standards; and engage private hauling contracts for limited types of trash collection	O	O	Assessment and analysis has been conducted by staff; assign to new director upon hire	Task to Planning and Public Works Committee for ordinance development
Amend parking requirements	Reduce requirements on commercial uses outside B2; and consider use of commercial parking zones to allow a commercial area to collectively assess parking needs and permits the use of shared parking	O		Dependent upon actions to be taken by LPA (reference 10 yr. capital plan). Following plan suggested regulatory changes to be reviewed by planning and amendment suggested as needed	Task to Planning and Public Works Committee for ordinance development after Parking Authority study

Economic Barriers to Development

Infill/Redevelopment

Ver. 3-5-2014

All development activity essentially boils down to the economics of a project:

- How much does it cost to undertake (capital expense)?
- How much does it cost to operate (operating expense)?
- Is there enough revenue to cover both sets of expenses plus reward the risk undertaken by the developer and financiers?

These three items can be fairly straightforward for green field development, but often get much more complex in I/R settings as expenses are often higher than the market as a whole and revenues are sometimes challenged. Additionally, by the nature of I/R, there are built barriers, divided ownerships, and established communities with an interest in having some control and say in what happens. All of which lead to physical and regulatory constraints not necessarily faced by the regional market as a whole. These factors must be acknowledged, understood, and addressed if we are serious about promoting I/R as a development option in Lexington. This memo acknowledges and attempts to understand the barriers. The attached Development Program attempts to address the challenges.

<u>Above market expenses:</u>

Duplicate waste management costs: Downtown properties pay into the Urban Services taxing district, though many larger developments rely on private haulers to deal with their waste management needs due to limitations of service provided by the LFUCG.

Time to permitting: The I/R area contains H-1 and CHADRB board reviews that other districts do not have. Both districts provide valuable public oversight but do add to the cost of doing business in the I/R zone in the form of legal representation, time, and uncertainty.

Utility infrastructure: I/R projects often utilize existing utility infrastructure that may not be sufficient for new or even up to date uses. For example, water service from the early 20th century may provide sufficient supply and pressure for domestic water use, but not for sprinklers which are required to occupy upper floors of historic and new buildings. The expense of updating utility infrastructure falls on the developer not the utility.

Land costs: I/R land is more expensive than undeveloped green field land which is often acquired at what economists call "ag rent" and then upzoned for development. I/R land is often zoned at its highest use.

Market demand for controlled parking (retail, office, residential): the market has overvalued "Free parking" and places a premium on the availability of controlled parking for all three sectors of the real estate market. Zoning regulations have contributed to this by requiring controlled parking outside of the B2 zones. This market condition is very detrimental to the economics of development when combined with land costs.

<u>Limits on Revenue:</u>

Weak commercial market rents: both retail and office are depressed by the interchangeability of ground floor space. Each commands about the same rent, which is not enough to support new construction or significant rehab of existing space.

Lack of retail clusters/leasing control: higher-revenue retailers are not willing to locate without some control over the surrounding environment and clustered businesses that support one another's customer base. Because ownership is divided, there is little coordination on leasing strategies.

Garage cash-flow: there is not enough demand in the market to command parking revenues that will support new construction. As a point of comparison, the most expensive garage space in Lexington is around $50/mo. The most expensive in Cincinnati is around $220/mo. The cost of construction is the same in both locations.

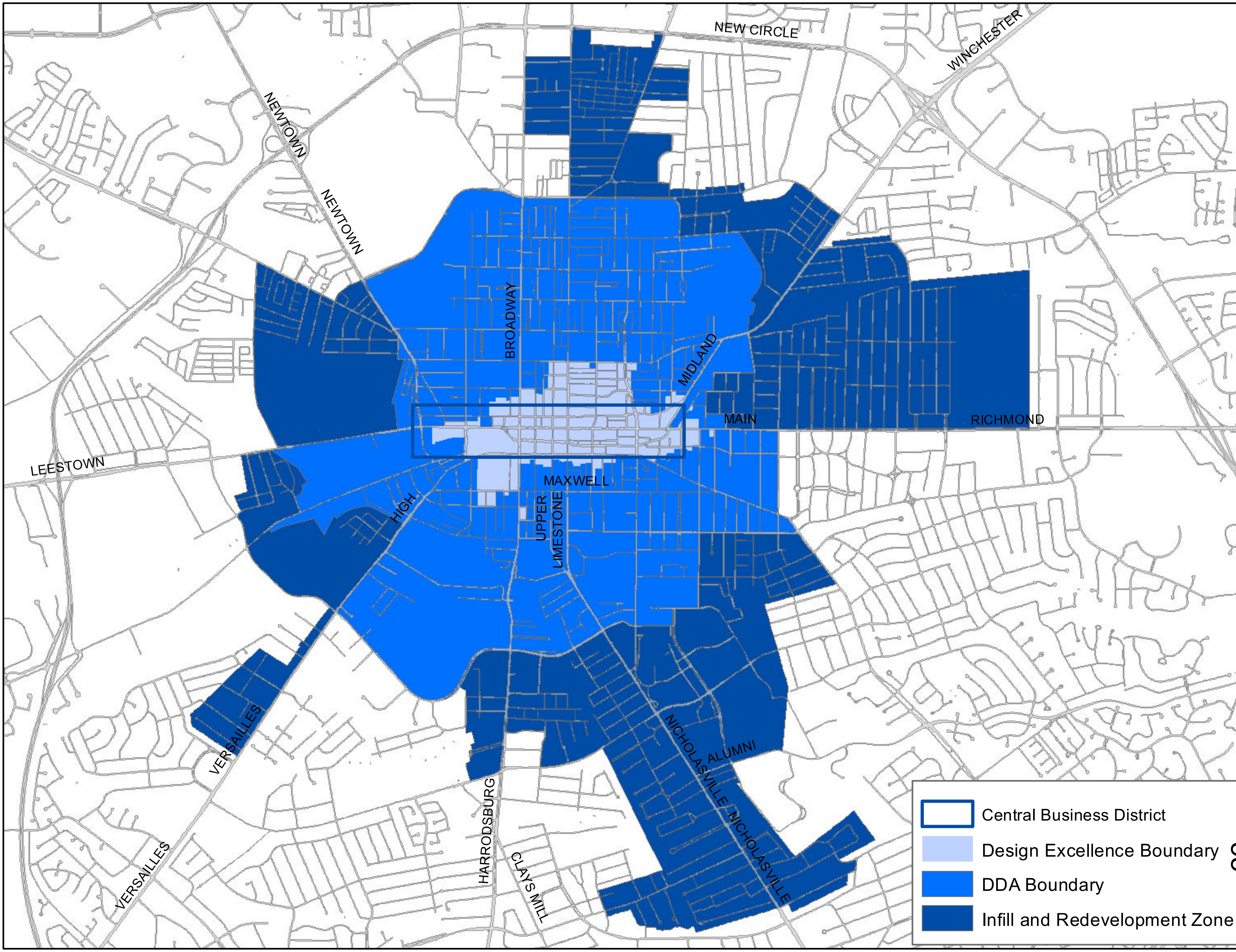
<u>Constraints:</u>

Limited land availability: By nature, Infill zones have limited land options and often require assemblage of property in order to put projects together.

Sewer capacity (CAP): Per a consent decree with the EPA, Fayette County is undertaking a 10-year sewer capacity upgrade. Until complete, certain areas will not have sufficient capacity to accept new development or higher intensity uses.

H-1 and CHADRB overlays: By design, H-1 and CHADRB restricts uses and standards of redevelopment.

B-zones parking requirements: Parking is land-intensive, yet does not generate additional revenue for a project, thereby creating a drag on the economics of redevelopment in the I/R.


NEW CIRCLE
WINCHESTER
NEWTOWN
NEWTOWN
BROADWAY
MIDLAND
MAIN
RICHMOND
LEESTOWN
MAXWELL
HIGH
UPPER
LIMESTONE
VERSAILLES
NICHOLASVILLE
ALUMNI
NICHOLASVILLE
HARRODSBURG
CLAYS MILL
VERSAILLES
Central Business District
Design Excellence Boundary
DDA Boundary
Infill and Redevelopment Zone

I/R Development Program- DRAFT

03/31/2014

	Description	Immediate	Near Term	Budget Required: No	Budget Required: Yes	Status	Action Needed
Economic Solutions							
Build Public Garages	Create a capital improvement plan to place parking garages in support of commercial ventures in I/R	O	O		O	Lex. Parking Authority undertaking a 10 year capital plan to identify implementation strategy	LPA board to approve; plan to be created by end of 2014 with support from LDDA; multi-year LFUCG support based on capital plan
Revolving Predevelopment Fund	Support applications for TIF or other state incentives as appropriate; repaid out of project costs		O		O	DDA is utilizing HR&A consultants to quantifying the economics and will identify the order of magnitude and priority list for an incentive program.	Council action to reserve funds; program design
ED Land Bank: office	Acquire and prep of development parcels for new commercial office in I/R		O		O		
ED Land Bank: neighborhood business	Acquire and prep of neighborhood parcels for new neighborhood business		O		O		
Redevelopment Fund	Establish redevelopment fund to competitively provide gap-financing in the form of below-market or forgivable debt for residential, hospitality, and commercials projects		O		O		
Leverage publically-held properties for ED	Review and make available appropriate publically held properties in I/R for redevelopment program		O	O		LDDA will undertake survey of publically-held properties	
Adjust Fee Structure for Sewer	Provide a gradiated or installment method of payment on sewer tap-on fees within the I/R area.	O	O	O		Public Works developing alternatives for administration's consideration	
Process Solutions							
Create Infill Project Manager Position ("Sherpa")	Specialist on planning and permitting processes to assist with streamlining permitting process	O			O	Budget requested FY15 by Commissioner of Planning	Awaiting FY15 budget; ZOTA's as required to increase staff authority; followed by job posting to fill position
Create Design Excellence Officer Position	Approve/assist DE projects & provide urban design support as needed for other projects in the city	O			O	Budget requested FY15 by Commissioner of Planning	Awaiting FY15 budget; ZOTA's as required to increase staff authority; followed by job posting to fill position
Streamline Process	Provide a comprehensive permit review that engages all approval bodies at once; divisions will share computer systems.	O		O		Commissioner has directed HP and CADRB/DE to attend Tuesday permit meetings as necessary	Awaiting FY15 budget for Accela. Additional funds are required to complete implementation of Accela for Planning and BI.
Regulatory Solutions							
Increase Waste Management Options	Allow more waste options for developments in I/R area by amending ordinances as needed; provide exemption standards; develop guidelines regarding capactiy for multi-stream waste management; amend pick-up standards; and engage private hauling contracts for limited types of trash collection	O		O	O	Assessment and analysis has been conducted by staff; assign to new director upon hire	Task to Planning and Public Works Committee for ordinance development
Amend parking requirements	Reduce requirements on commercial uses outside B2; and consider use of commercial parking zones to allow a commercial area to collectively assess parking needs and permits the use of shared parking	O		O		Dependent upon actions to be taken by LPA (reference 10 yr. capital plan). Following plan suggested regulatory changes to be reviewed by planning and amendment suggested as needed	Task to Planning and Public Works Committee for ordinance development after Parking Authority study

* NOTE: This program only considers actions that LFUCG can undertake under current state statue. A legislative strategy addressing tax abatement issues will need to be developed seperately.

Lexington-Fayette Urban County Council

TO: Bill Farmer, Councilmember
5th District

FROM: Paul Schoninger
Research Analyst

DATE: Tuesday, March 25, 2014

SUBJECT: Residential Parking Permit District Procedures (RPPD)

This is in response to your recent request for information pertaining to the issue of the procedures used to adopt a residential parking permit district. You referred this issue to Committee on February 13 2014.

The procedures were adopted by Council April 5, 1990 via Resolution 168-90 (attached). In July 1990 the Council established the first District in the Pralltown neighborhood adjacent to the University of Kentucky campus as a pilot.

At present there are thirty nine (39) RPPDs in Lexington. I have attached a map of the districts as well as a corresponding list of the districts. Enforcement and management is now provided by the Lexington Parking Authority.

Resolution 168-90 includes a provision for "a public meeting prior to the designation" of a RPPD. However starting in at least 1993 it appears that that provision was routinely waived without any clear explanation.

The public meeting requirements in 168-90 are somewhat formal. It includes the statement that "Such public meeting shall be held only after a newspaper notice has been published by the Council Clerk two (2) times not less than seven (7) nor more than twenty-one (21) days prior to the date of the public meeting…"a similar notification shall be prominently posted within the proposed residential parking permit area and shall be mailed to the facility or facilities comprising the traffic generator affecting the subject properties."

After you referred the item to Committee, I met with Mike Sanner & Gary Means on 3.17.14 to discuss the public meeting provisions and the RPPD procedures. In addition on 3.20.14 Councilmember Harry Clarke met with Mr. & David Barberie for further review. This meeting also included Jamie Giles, Councilmember Clarke's aide, and me.

Councilmember Bill Farmer, 5th District
Residential Parking Permit District Procedures (RPPD)
March 25, 2014
Page Two

From that meeting Mr. Barberie is going to draft an amended public input provision for Council consideration. However that work will not be completed until after the April 8 Committee meeting. I'd recommend that at the April 8 meeting, the Planning/Public Works be updated on the subject. In addition, the Committee may want to review the "Procedures" for potential amendments as they have not been updated since they were adopted in 1990. Then the amendments drafted by Mr. Barberie can be discussed at the May 6 Committee meeting.

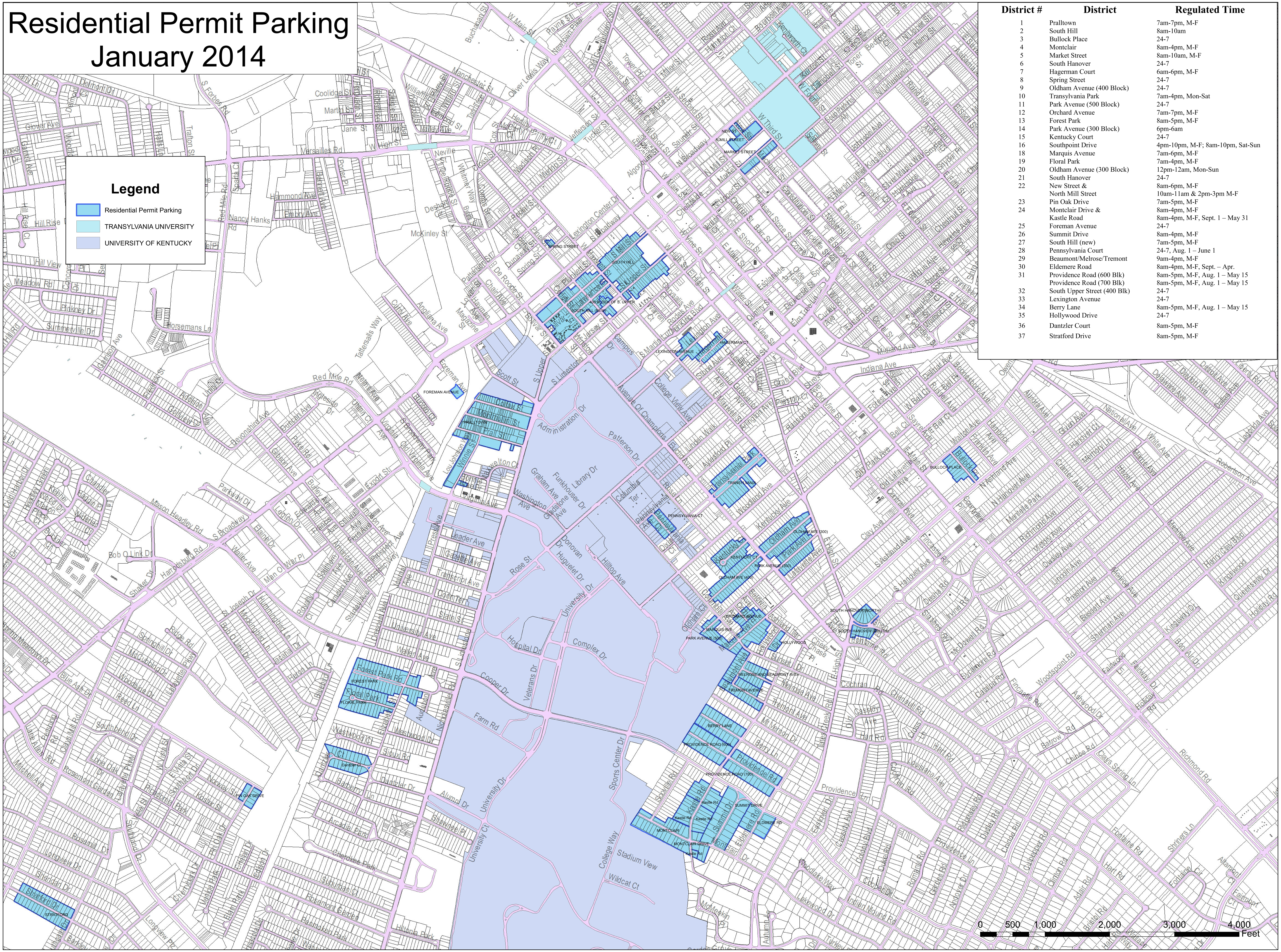
If, after reviewing this memo and attached materials, you have any questions, comments or need clarification, please don't hesitate to contact me.

____

Paul Schoninger
Research Analyst

Residential Permit Parking
January 2014

District #	District	Regulated Time
1	Pralltown	7am-7pm, M-F
2	South Hill	8am-10am
3	Bullock Place	24-7
4	Montclair	8am-4pm, M-F
5	Market Street	8am-10am, M-F
6	South Hanover	24-7
7	Hagerman Court	6am-6pm, M-F
8	Spring Street	24-7
9	Oldham Avenue (400 Block)	24-7
10	Transylvania Park	7am-4pm, Mon-Sat
11	Park Avenue (500 Block)	24-7
12	Orchard Avenue	7am-7pm, M-F
13	Forest Park	8am-5pm, M-F
14	Park Avenue (300 Block)	6pm-6am
15	Kentucky Court	24-7
16	Southpoint Drive	4pm-10pm, M-F; 8am-10pm, Sat-Sun
18	Marquis Avenue	7am-6pm, M-F
19	Floral Park	7am-4pm, M-F
20	Oldham Avenue (300 Block)	12pm-12am, Mon-Sun
21	South Hanover	24-7
22	New Street & North Mill Street	8am-6pm, M-F 10am-11am & 2pm-3pm M-F
23	Pin Oak Drive	7am-5pm, M-F
24	Montclair Drive & Kastle Road	8am-4pm, M-F 8am-4pm, M-F, Sept. 1 – May 31
25	Foreman Avenue	24-7
26	Summit Drive	8am-4pm, M-F
27	South Hill (new)	7am-5pm, M-F
28	Pennsylvania Court	24-7, Aug. 1 – June 1
29	Beaumont/Melrose/Tremont	9am-4pm, M-F
30	Eldemere Road	8am-4pm, M-F, Sept. – Apr.
31	Providence Road (600 Blk) Providence Road (700 Blk)	8am-5pm, M-F, Aug. 1 – May 15 8am-5pm, M-F, Aug. 1 – May 15
32	South Upper Street (400 Blk)	24-7
33	Lexington Avenue	24-7
34	Berry Lane	8am-5pm, M-F, Aug. 1 – May 15
35	Hollywood Drive	24-7
36	Dantzler Court	8am-5pm, M-F
37	Stratford Drive	8am-5pm, M-F



Residential Parking Permit Districts

Zone	Resolution	District	CD	Street(s)	Range	Time	No. Prop.	No. Spaces	No. Signs
Z1	451-91	Pralltown	3	Colfax, Prall, Montmullin, Winnie, Congress, and Limestone	All All All 500 Block	7A-7P, M-F	177	114	30
Z3	247-93	South Hill	3	South Upper and South Mill	300 Block South Upper 300 Block South Mill	8A-10A	222	37	11
Z2	250-93	Bullock Place	3	Bullock Place	All 139 North Ashland	24-7	16	21	4
Z4	64-95	Montclair	3	Montclair Drive	600 Block Montclair Drive	8A-4P, M-F	23	60	12
Z5	502-95 745-2008	Market Street	3	Market Street	200 Block Market Street Portion of Mechanic Street	8-10A, M-F	9	15	5
Z6	328-96	South Hanover	5	South Hanover	300 (S. Side) Block S. Hanover 853 East High Street	24-7	7	11	3
Z7	122-97	Hagerman Ct.	3	Hagerman Court	All	6A-6P, M-F	28	44	3
Z8	398-97	Spring Street	2	Spring Street	421-429 Spring Street	24-7	3	6	3
Z22	602-97	Oldham	3	Oldham Avenue	400 Block Oldham Avenue 544 Euclid Avenue	24-7	38	65	16
Z10	711-97 & 610-2006	Transylvania	3	Transylvania Park	300 Block Transylvania Park excluding 314, 315, 316, 317, 318, 336 & 367	7A-4P, M-Sa	87 -49	39	13
Z15	137-98	Park Avenue	3	Park Avenue	500 Block Park Avenue 568 and 600 Columbia Avenue	24-7	9	19	8
Z11	383-98	Orchard Ave.	3	Orchard Avenue	All	7A-7P, M-F	8	18	4
Z12	585-98	Forest Park	3	Forest Park	100 and 200 Block Forest Park	6A-5P, M-F	40	50	10
Z14	164-99	Park Avenue	3	Park Avenue	300 Block Park Avenue	6P-6A	31	48	12
Z13	307-99	Kentucky Ct.	3	Kentucky Court	All 512, 530 Euclid Avenue	24-7	28	41	8
Z21	622-2000	Southpoint Dr.	12	Southpoint Dr.	600 Block of Southpoint Drive	4P-10P, M-F 8A-10P, Sa-Su	11	22	6
Added to Z24	169-2001	Pine Street	3	Pine Street	200 Block of Pine Street between Lawrence/Upper	7A-5P, M-F		21	10
THIS RPP AREA IS ELIMINATED WITH THE NEW SOUTH HILL RPP AREA (RESOLUTION 13-2007)									
Z16	170-2001	Marquis Ave.	3	Marquis Ave.	400 & 500 Blocks of Marquis	7A-6P, M-F	33	21	8
Z17	305-2001	Floral Park	3	Floral Park	All	7A-4P, M-F	28	15	2
Z9	155-2002	Oldham Ave.	3	Oldham Ave.	300 Block of Oldham Avenue 541 Euclid Avenue	12P-12A M-Su	39	60	14

Residential Parking Permit Districts

Zone	Resolution	District	CD	Street(s)	Range	Time	No. Prop.	No. Spaces	No. Signs
					552 & 558 East High Street				
Z6	244-2003 & 33-2005	South Hanover	5	S. Hanover Ave.	300 (N. Side) Block S. Hanover	24-7	8	18	6
Z18 & Z19	553-2004	New Street & North Mill Street	1	New Street North Mill Street	All of New Street, 244 N. Broadway & 200 Block of North Mill Street	8A-6P, M-F 10A-11A & 2P-3P, M-F	11	16	7
Z20	557-2004	Pin Oak Drive	10	Pin Oak Drive	230-248 Pin Oak Drive, 202 Reed Lane, 201 & 203 Norway Street	7A-5P, M-F	10	10	4
Added to Z24	480-2005	Montclair Drive	3	Montclair Drive	700-716 Montclair Drive, 1280 Kastle Drive, 1251 Summit Drive	8A-4P, M-F	6	22	6
Z26	95-2006	Foreman Avenue	11	Foreman Avenue	8 Spaces across from 316/318 Foreman	24-7	2	8	3
Z23	707-2006	Summit Drive	3	Summit Drive	All	8A-4P,M-F	17	57	14
Z24	13-2007	South Hill (new)	3	S. Mill Street Lawrence Street Cedar Street Pine Street	400, 500 & 600 Blocks of S. Mill Street; 400 & 500 Blocks of Lawrence Street; 200 Block & 305 & 309 Cedar; 235 Bolivar; 429, 503, 525, 527 S. Upper; 216, 300, 302 W. Maxwell	7A-5P,M-F	70	83	21
Z25	112-2007	Pennsylvania Court	3	Pennsylvania Court	All	24-7 Aug 1st-Jun 1st	16	12	3
Z28	75-2010	Beaumont / Melrose	3	Beaumont Ave. Melrose Ave.	All of Beaumont Avenue 700 Block of Melrose Avenue	9a-4p M-F	25	22	10
	364-2011	Tremont Ave.	3	Tremont Ave.	700 Block of Tremont Avenue	9a-4p M-F	22	9	5
Z27	76-2010	Eldemere Rd	3	Eldemere Road	1st 300 ft of the North end of 1200 block	8a-4p M-F, Sep - Apr	8	18	4
Z29	187-2011	Providence Rd	3	Providence Rd	600 Block of Providence Rd	8a-5p M-F Aug 1 - May 15	18	42	7
Z30	374-2011	400 Blk S. Upper St.	3	South Upper St.	400 Block of South Upper St.	7A-5P,M-F	8	8	5
Z31	375-2011	Lexington Avenue	3	Lexington Avenue	257 Lexington Avenue to E. Maxwell St.	24-7	12	11	5
Z32	442-2011	Berry Lane	3	Berry Lane	600 Block of Berry Lane	8a-5p M-F Aug 1 - May 15	22	22	7
Z33	590-2012	Hollywood Dr	3	Hollywood Dr	400 Block of Hollywood Dr	24-7	10	7	3
Z34	591-2012	700 Providence Rd	3	Providence Rd	700 Block of Providence Rd	8a-5p M-F Aug 1 - May 15	22	50	8
Z35	624-2012	Kastle Rd	3	Kastle Rd	1200 Block of Kastle Rd 1300 Block of Kastle Rd	8a-4p M-F Sept 1 - May 31	28	75	8
Z36	698-2012	Dantzler Ct	3	Dantzler Ct	200 Block of Dantzler Ct	8a-5p M-F	20	22	6
Z37	425-2013	Miller St	1	Miller St	200 Block of the South side of Miller St	24-7	7	5	5

Residential Parking Permit Districts

Zone	Resolution	District	CD	Street(s)	Range	Time	No. Prop.	No. Spaces	No. Signs
Z38	693-2013	Stratford Dr	10	Stratford Dr	500 Block of Stratford Dr	7a-5p M-F	31	21	10
Z39	47-2014	Eldemere Road (new)	3	Eldemere Rd	1100 Block of Eldemere Rd	8a-4p, M-F Sept - April	4	25	
Total Number of RPPP Districts: 42						*TOTALS*	*1165*	*1290*	*329*

RESOLUTION NO. 168-90

A RESOLUTION ADOPTING A PROCEDURE FOR ACTION ON REQUESTS TO ESTABLISH A RESIDENTIAL PARKING PERMIT AREA, PROVIDING THAT SUCH REQUESTS SHALL FIRST BE SUBMITTED TO THE SERVICES COMMITTEE TO HOLD A PUBLIC MEETING ON THE REQUESTS ESTABLISHING NOTICE PROVISIONS AND OTHER PROCEDURES FOR ANY SUCH PUBLIC MEETING, ADOPTING RULES AND REGULATIONS RELATING TO THE ISSUANCE OF PARKING PERMITS PURSUANT THERETO; PROVIDED, HOWEVER, THAT PILOT PROJECT TEST AREAS SHALL FIRST BE CONSIDERED FOR PRALLTOWN AND TRANSYLVANIA PARK AND THE RESULTS FROM SUCH PROJECTS SHALL BE EVALUATED BY THE COUNCIL PRIOR TO CONSIDERATION OF ANY OTHER PROPOSED RESIDENTIAL PARKING PERMIT AREAS.

BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That the "procedure for action on requests to establish a residential parking permit area", attached hereto and incorporated herein by reference, be and the same is hereby adopted.

Section 2 - That pilot project test areas shall first be considered for Pralltown and Transylvania Park and that the results from such projects shall be evaluated by the Council prior to consideration of any other proposed residential parking permit areas.

Section 3 - That this Resolution shall become effective upon its passage.

PASSED URBAN COUNTY COUNCIL: April 5, 1990

MAYOR

ATTEST:

Clerk of Urban County Council

PUBLISHED: April 11, 1990 - 1t

065/388

PROCEDURE ON REQUESTS TO ESTABLISH A RESIDENTIAL PARKING PERMIT PROGRAM

I. Intent and Purpose.

Provisions of this regulation are enacted for the following reasons:

(a) To reduce hazardous traffic conditions resulting from the use of streets within residential districts for vehicle parked by persons not residing within the residential districts;
(b) To protect these residential districts from polluted air, excessive noise, and refuse caused by the entry of such vehicles;
(c) To protect the residents of these residential districts from unreasonable burdens in gaining access to their residences;
(d) To preserve the character of these districts as residential districts;
(e) To encourage the use of public transportation, and parking facilities;
(f) To promote efficiency in the maintenance of streets in these residential districts in a clean and safe condition;
(g) To preserve the value of the property in these residential districts;
(h) To promote traffic safety and the safety of children and other pedestrians in these residential districts;
(i) To forestall dangers arising from the blocking of fire lanes, hydrants and other facilities required by emergency vehicles, both in reaching victims and in transporting them to hospitals;
(j) To facilitate the movement of traffic in the event of accidents and other disasters; and
(k) To promote the peace, comfort, convenience, and welfare of all inhabitants of Fayette County.

II. Definitions.

As used in this regulation,

(a) Residential District shall mean a contiguous or nearly contiguous area containing public streets, roads and highways or parts thereof primarily abutted by residential property or residential and nonbusiness property (such as schools, parks, churches, hospitals and nursing homes);
(b) Residential Parking Permit Area shall mean a residential district where curbside parking on public streets, roads and highways is restricted, unless the vehicle properly displays a parking permit authorized by this regulation;
(c) Curbside Parking Space shall mean twenty (20) linear feet of curb, exclusive of those portions of the curb where parking, apart from the provisions of this regulation, is not presently permitted;
(d) Traffic Generator shall mean any facility which creates a significant demand for parking beyond its boundaries and consequently a larger volume of traffic in an adjacent residential district; and
(e) Restrictions shall mean whatever limits on time-of-day, location, or duration of non-resident parking deemed appropriate to compensate for the effects of the identified traffic generator upon the subject district. Non-resident restrictions, including, but not limited to, daytime only, nighttime only, complete prohibition, two-hour limit, and designated spaces only, will be determined on a case by case basis.

III. Designation of Residential Parking Permit Area.

(a) In order for the Council to determine whether a residential district shall be designated as a residential parking permit area, the Services Committee shall conduct, upon the Council's own initiative or upon a petition signed by a majority of the residents in the district, a public meeting prior to such designation. Such public meeting shall be held only after a newspaper notice has been published through the Council Clerk two (2) times not less than seven (7) nor more than twenty-one (21) days prior to the date of the public meeting. The notice shall clearly state the purpose, time and location of the public meeting, the exact location and boundaries of the proposed residential parking permit area and the proposed parking permit fees to be charged. In addition to the published notice, a similar notification shall be prominently posted within the proposed residential parking permit area and shall be mailed to the facility or facilities comprising the traffic generator affecting the subject properties. During such public meeting any interested person shall be entitled to appear, to be heard and to submit a written statement for the record. The committee, at its discretion, may impose a reasonable limitation upon the length of time that any interested person may be heard. A record of all oral and written statements by all interested persons shall be maintained by the Council Office for review by any interested Councilmember or other person.

(b) To enable the committee to determine whether a residential district shall be designated as a residential parking permit area, the committee shall request within fifteen (15) days following completion of the public meeting, at a time and on a day consistent with the restrictions under consideration, that a block-by-block survey of the proposed residential parking permit area be conducted. No residential district shall be designated as a residential parking permit area unless the survey of it reveals the following:

(1) The total number of curbside parking spaces occupied by vehicles equals or exceeds seventy-five percent (75%) of the number of curbside parking spaces on the public streets, roads and highways of the proposed residential parking permit area; and

(2) The total number of curbside parking spaces occupied by vehicles whose operators do not reside within the proposed residential parking permit area equals or exceeds twenty-five (25%) of the total number of curbside parking spaces occupied by vehicles.

(c) Within thirty (30) days following the close of the public meeting, the committee shall recommend by written report to the Council in Work Session based on the record of the public meeting and the results of the survey, whether to designate the residential district under consideration as a residential parking permit area. The report may also demonstrate that the committee, in making the recommendation, has taken into account the following:

(1) The effect on the safety of the residents of the proposed, or existing, residential parking permit area from intensive vehicle parking by non-residents;

(2) The difficulty or inability of residents of the proposed, or existing, residential parking permit area to obtain adequate curbside parking adjacent to or near their residences because of widespread use of available curbside parking spaces by non-resident motorists;

(3) The likelihood of alleviating, by use of the residential parking permit system established by this regulation, any problem of nonavailability of residential parking spaces;

(4) The desire of the residents in the proposed residential parking permit area for the institution of a residential parking permit system and the willingness of those residents to bear the costs incidential to the issuance of parking permits authorized by this regulation; and

(5) The need for some parking spaces to be available in the proposed residential parking permit area for use by the general public.

(d) Within forty-five (45) days following its receipt of the report, the Council shall vote whether to designate the residential district under consideration as a residential parking permit area and, if so, what restrictions shall apply.

IV. Posting of Residential Parking Permit Signs.

(a) Following the Council's affirmative vote to designate a residential parking permit area, parking signs shall be erected in the designated area by the Division of Traffic Engineering.

(b) The signs shall be of such character as to readily inform an ordinarily observant person that curb-side parking on public streets, roads and highways in the designated area is subject to the specified restrictions, unless the vehicle properly displays a parking permit authorized by this regulation.

V. Notice to Residents of Designation of Residential Parking Permit Area.

(a) Following the Council's affirmative vote to designate a residential parking permit area, the Council Office shall mail to every residence within the designated residential parking permit area the following documents:

(1) A Notice of Designation which shall inform the residents in the designated area of:

(a) The existence, exact location and numerical designation of the residential parking permit area;

(b) The parking restrictions applicable to all vehicles in curbside parking spaces along public highways in the designated area which do not properly display a parking permit authorized by this regulation; and

(c) The procedures to obtain a residential, visitor, business or guest parking permits; and

(2) An Application for Residential Parking Permit on which the applicant is to provide the following information for each vehicle to receive a residential parking permit:

(a) The name and residential address of the owner of the vehicle;

(b) The name, residential address and driver's license number of the principle operator of the vehicle;

(c) The make, model, license plate number and registration number of the vehicle; and

(d) The signature of the applicant for the residential parking permit.

VI. Issuance of Residential Parking Permits.

(a) Upon the applicant's payment of a ten dollar ($10.00) residential parking permit fee, his submission of a completed and validated residential parking permit application and his fulfillment of all applicable provisions of this regulation controlling issuance, renewal or transfer of residential parking permits, the applicant shall receive from the Division of Tax Collection one (1) residential parking permit for the vehicle described in the application; provided, however, that only two (2) permits shall be issued per dwelling unit. Such residential parking permit shall contain the statement: "This permit does not guarantee that a parking space shall be available to the permittee." It shall be securely affixed to the inside bottom left corner of the front windshield of the vehicle and shall display the following information:

(1) The license plate number and registration number of the vehicle;
(2) The numerical designation of the residential parking permit area; and
(3) The expiration date of the residential parking permit, which shall be one (1) year following the date, or the most recent anniversary of the date, whichever is later, of the Council's designation of the residential parking permit area.

(b) No residential parking permit shall be issued to a vehicle whose owner and principle operator do not reside within the designated residential parking permit area and possess a valid Kentucky driver's license.

(c) The applicant for, and holder of, the residential parking permit shall be the owner or principle operator of the vehicle receiving the parking permit.

(d) A vehicle shall be issued a residential parking permit only if it displays valid State license plates, unless the vehicle is not required to have them.

VII. Renewal of Residential Parking Permits.

(a) Upon the holder's payment of a ten dollar ($10.00) residential parking permit renewal fee, his submission of a completed and validated residential parking permit application, and his fulfillment of all applicable provisions of this regulation controlling issuance, renewal or transfer of residential parking permits, on or before the expiration date of the existing residential parking permit, the holder shall receive from the Division of Tax Collection a new residential parking permit.

(b) The expiration date to be displayed on the new residential parking permit shall be one (1) year following the expiration date of the existing residential parking permit.

VIII. Transfer of Residential Parking Permits.

(a) Upon the holder's payment of a six dollar ($6.00) residential parking permit transfer fee, his submission of a completed and validated residential parking permit application, his fulfillment of all applicable provisions of this regulation controlling issuance, renewal or transfer of residential parking permits, and his surrender of his existing residential parking permit, the holder shall receive from the Division of Tax Collection a new residential parking permit to be transferred to another qualifying vehicle.

(b) The transfer of the residential parking permit to another qualifying vehicle shall not affect its expiration date.

IX. Issuance of Permits for Visitors.

Upon application of any resident of a residential parking permit area, the Division of Tax Collection shall issue a visitor parking permit to the resident for the visitor's vehicle to be limited to that particular parking permit area for a period not exceeding thirty (30) days. No more than two visitor parking permits shall be issued to any one residence at any one time. For the purposes of this regulation, the resident shall be the holder of and responsible for the use and misuse of the visitor parking permits issued to him.

X. Issuance of Permits for Persons Doing Business with a Resident.

(a) Upon application of any resident of a residential parking permit area and any person doing business with this resident, the Director of Tax Collection shall issue a business parking permit to the resident for the vehicle of the person doing business with the resident to be limited to that particular parking permit area for a period not exceeding the estimated time, as shown on the application, required to complete the business transaction. No business parking permit shall be valid for more than thirty (30) days. For the purposes of this regulation, the resident shall be the holder of and responsible for the use and misuse of the business parking permits issued to him.

(b) The parking restrictions imposed by this regulation shall not apply to any service or delivery vehicle when used to provide services or to make deliveries to residences within a residential parking permit area, provided that the parking of the service or delivery vehicle within the parking permit area does not exceed four (4) hours in duration on any given day. The parking of any such vehicle within the parking permit area for more than four (4) hours on any given day will require an application for a business parking permit.

XI. Issuance of Permits for Guests.

Upon the application of any resident of a residential parking permit area, the Director of Tax Collection shall issue guest parking permits to the resident for the guest vehicles to be valid for only one (1) day, if the issuance of a permit will not unduly impair traffic safety during the time of the permit's validity. Use of guest parking permits may be restricted to designated streets or portions of streets within the residential parking permit area. The number of such permits in use shall not exceed at any time fifty percent (50%) of the number of curbside parking spaces in which they are valid. For purposes of this regulation, the resident shall be the holder of and responsible for the use and misuse of the guest parking permits issued to him.

XII. Use of Residential, Visitor, Business and Guest Parking Permits.

(a) All visitor, business and guest parking permits shall be displayed on or about the front windshield of the vehicle so as to be easily visible from outside the vehicle. Such parking permits shall contain the following:

(1) The numerical designation of the residential parking permit area;

(2) The name and address of the resident to whom the parking permit was issued; and

(3) The expiration date of the parking permit.

(b) A parking permit shall not guarantee or reserve a parking space within a designated residential parking permit area. A parking permit shall not authorize the the standing or parking of any vehicle in such places and during such times as the stopping, standing or parking of vehicles is prohibited or set aside for specified types of vehicles, and shall not excuse the observance of any traffic regulation, other than the restrictions enforced in the residential parking permit area.

(c) Whenever the holder of a residential, visitor, business or guest parking permit, or the vehicle for which the parking permit was issued, no longer fulfills one or more of the applicable provisions of this regulation controlling issuance, renewal or transfer of parking permits, the holder shall so notify the Director of Tax Collection, who may then direct the holder to surrender the parking permit.

(d) Until its expiration, surrender or revocation, a parking permit shall remain valid for such time as the holder continues to reside within the designated residential parking permit area.

(e) A parking permit shall be valid only in the residential parking permit area for which it is issued.

(f) It shall be a violation of this regulation for the holder of a parking permit to fail to surrender it when directed to do so.

(g) It shall be a violation of this regulation for any person to represent in any fashion that a vehicle is entitled to a parking permit authorized by this regulation when it is not so entitled. The display of a parking permit on a vehicle not entitled to such a parking permit shall constitute such a representation.

(h) It shall be a violation of this regulation for any person to duplicate, or attempt to duplicate, by any means, a parking permit authorized by this regulation. It shall also be a violation of this regulation for any person to display on any vehicle such a duplicate parking permit.

XIII. Exemptions.

(a) Whenever metered parking is in effect in any portion of a residential parking permit area, the parking spaces controlled by meters shall be excepted from the provisions of this regulation so long as the control by meters continues.

(b) A petition requesting the exemption of a particular street segment of a residential parking permit area, signed by a majority of the residents of that street segment, will automatically exempt that particular street segment from designation as a residential parking permit area.

XIV. Withdrawal of Designation of Residential Parking Permit Area.

Following the Council's affirmative vote to withdraw the designation of an existing residential parking permit area, the Council Office shall mail to every residence within the existing residential parking permit area, a notice of the Council's withdrawal of the designation. Said notice shall specify the effective date of the withdrawal of the designation, which shall be thirty (30) days following the date of the Council's affirmative vote to withdraw the designation. No public meeting, petitions or other documentation shall be required to support the Council's decision to withdraw the designation.

XV. Penalty.

Pursuant to Section 18-114.1 of the Code of Ordinances, any person violating any provision of this regulation shall, upon conviction thereof by a court of competent jurisdiction, be fined not more than fifty dollars ($50.00) for each violation and, in default of any fine so imposed, shall be imprisoned for a period not to exceed three (3) days for each violation, or both so fined and imprisoned.

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Planning and Public Works Committee Referrals

Item	Referred By	Date	Status
Review Street Tree & Tree Protection Ordinances	9.27.11	11.20.12	11.20.12
Possible Revision of Sign Ordinance	Farmer	6.12.12	Apr/May 2014
Private Streets: Enforcement, Maintenance & Specifications	Mossotti	1.129.13	Apr/May 2014
H-1 Notification Process	Myers	1.19.13	
Maintenance of Major Roadways	Stinnett	4.16.13	Apr/May 2014
Greenway Manual & Plan	Mossotti	10.8.13	Feb 2014
Fees to Offset Historic Preservation Services	Gorton	12.5.13	Mar 2014
Explore Providing Assistance to Low Income Homeowners with Code Compliance	Gorton	12.5.13	May 2014
Examine Fee Structure for Planning, Preservation & Development Services	Gorton	12.5.13	Mar 2014
Homeowner Associations Rights & Responsibilities	Akers	12.3.13	Mar 2014
Leaf Collection Review	Stinnett	1.14.14	May 2014
Multi-Way Stop Glendover Rd @ Valley Rd	Beard	1.30.14	Feb 2014
Code Enforcement Fines	Lawless	2.11.14	May 2014
Building Inspection Civil Offenses	Lawless	2.11.14	
Off Premise Signage	Lawless	2.11.14	
Streetlight Installation Plan	Stinnett	2.11.14	
Snow Removal Plan	Stinnett	2.11.14	May/Later 2014
Residential Parking Permit District Procedures	**Farmer**	**2.13.14**	**Apr 2014**
Initiate Zoning Text Amendments for Food Trucks in the P-1 and AU Zones	Akers	2.18.14	
Affordable Housing Issue	**Gorton**	**2.25.18**	**Apr 2014**

Item	Referred By	Date	Status
Oliver Lewis Way Update	Blues	4.9.09	Mar 2014
Todd's Road Widening Phase II	Stinnett	4.15.09	Feb 2014
Downtown Traffic Study	Farmer		Feb 2014
Design Excellence Update	**Kay**	**4.8.14**	**Moved to Planning Commission Apr 2014**