

381.803 Definitions for section -- Failure to maintain infrastructure or common area -- Petition by city to appoint receiver -- Authority of receiver -- City may seek reimbursement for costs to repair or maintain infrastructure or common area from receiver.

- (1) As used in this section:
 - (a) "City" means any city, consolidated local government, urban-county government, or unified local government; and
 - (b) "Planned community" means a group of residential dwellings, excluding condominiums, composed of individual lots for which a deed, common plan, or other legal document requires that:
 1. All owners within the group become members of a homeowners' association;
 2. Owners, or the homeowners' association, hold or lease property or facilities for the benefit of all owners within the group; or
 3. Owners support by membership fees property or facilities for all owners within the group to use.
- (2) If a planned community, whether active or inactive, fails to maintain any infrastructure, common area, storm water detention or retention area, or other facility that it is legally obligated to maintain, any city in which the planned community is located may petition the Circuit Court of the jurisdiction in which the city lies for the appointment of a receiver to manage the affairs of the homeowners' association. The city shall serve notice of the filing of the petition on the governing authority of the planned community and each owner within the planned community. If the petition by a city for the appointment of a receiver is successful, the city seeking the appointment of a receiver shall be entitled to reimbursement of all costs, fees, and reasonable attorney's fees, as approved by the court.
- (3) The receiver appointed pursuant to subsection (2) of this section shall have all the authority granted to the governing authority of the planned community by its governing documents, including the ability to impose and collect fees as authorized by, and in conformance with, its governing documents, and to contract for the ongoing renovation, maintenance, and upkeep of the legally obligated infrastructure, common areas, storm water detention or retention areas, or other facilities. The receiver shall be entitled to recover reasonable costs and fees for services as approved by the court.
- (4) If any city is required to expend funds to repair, renovate, maintain, or correct code violations of the infrastructure, common areas, storm water detention or retention areas, or other facilities for which the homeowners' association is legally responsible, the city may seek reimbursement for those costs from the receiver.

Effective: July 15, 2024

History: Created 2024 Ky. Acts ch. 150, sec. 1, effective July 15, 2024.