

# KENTUCKY HOUSING TASK FORCE

## Minutes of the Fourth Meeting of the 2024 Interim

September 23, 2024

### Call to Order and Roll Call

The fourth meeting of the Kentucky Housing Task Force was held on September 23, 2024, at 1:00 PM in Room 171 of the Capitol Annex. Senator Robby Mills, Chair, called the meeting to order, and the secretary called the roll.

### Present were:

Members: Representative Susan Witten Co-Chair; Senator Robby Mills Co-Chair; Senators Julie Raque Adams, Jimmy Higdon, and David Yates; Representatives Kevin D. Bratcher, Randy Bridges, Lindsey Burke, and Mike Clines.

Guests: Kate Shanks, Kentucky Chamber of Commerce; Anetha Sanford, Home Builders Association of Kentucky; Bob Thieneman, RJ Thieneman Development; J.D. Carey, Apartment Association of Kentucky; and Logan Hanes, Kentucky Manufactured Housing Institute.

LRC Staff: Christopher Jacovitch, Mark Mitchell, Christina Gordley, and Cheryl Walters.

### Approval of Minutes from August 26, 2024 Meeting

Upon the motion of Senator Witten, seconded by Senator Yates, the minutes from the August 26, 2024 meeting were approved.

### Discussion of Commercial Consideration of Housing

Ms. Anetha Sanford, Chief Executive Officer/EVP with the Home Builders Association of Kentucky (HBAK), discussed HBAK's key challenges, including workforce, planning and zoning, lack of infrastructure, and regulatory barriers.

Mr. Bob Thieneman, Executive Vice President of RJ Thieneman Development, discussed housing development issues from a developer's viewpoint.

Ms. Kate Shanks, Senior Vice President of Public Affairs with the Kentucky Chamber of Commerce, discussed the study that was recently conducted by the Chamber and HBAK,

which included research on Kentucky's housing supply, housing affordability challenges, economic development impacts, and key policy solutions for state lawmakers.

In response to a question from Senator Raque Adams, Ms. Sanford and Ms. Shanks replied that the cost of a starter home is between \$260,000 and \$400,000.

In response to a question from Representative Bratcher, Ms. Sanford said vacant office buildings can be converted into apartments.

In response to another question from Representative Bratcher, Ms. Shanks stated HUD would be better able to answer questions regarding the impact of immigration on housing affordability.

In response to a question from Senator Yates, Ms. Shanks said there are examples of potential incentives discussed in the Chamber and HBAK's report and examples of policies pursued by other states.

Senator Mills commented that the report was timely for the Task Force.

Mr. J.D. Carey, Executive Director of the Apartment Association of Kentucky, discussed challenges facing multi-family housing and potential measures that could be taken to address those challenges.

In response to a question from Representative Witten, Mr. Carey said decreases in the number of single-family homes and smaller unit rentals on the market in Kentucky was a result of Covid and regulations, among other factors.

In response to a question from Representative Bratcher, Mr. Carey said he could provide data regarding lease lengths to the Task Force.

In response to a question from Representative Bridges, Mr. Carey stated short-term rentals could have some effect on the market for single-family homes, and that for multi-family homes used for short term rentals, data would list the property as occupied.

In response to another question from Representative Bridges, Mr. Carey replied that there would have to be a change in the fair-housing laws to include residency requirements before an individual could receive low-income housing assistance.

In response to a question from Senator Yates, Mr. Carey discussed the conversion of office space into apartments.

In response to a question from Senator Higdon, Mr. Carey said there is a trend towards the production of smaller units which could help reduce costs and increase supply.

Mr. Logan Hanes, Executive Director of the Kentucky Manufactured Housing Institute, discussed changes in the manufactured housing industry and the potential for manufactured homes to alleviate housing shortages.

In response to a question from Representative Clines, Mr. Hanes said that after presentations to various groups, the industry has received positive responses.

Senator Mills announced that the October meeting would be the last meeting for testimony. The final report of the Task Force would be discussed at the November meeting.

There being no further business, the meeting was adjourned at 2:50 PM.