

KENTUCKY HOUSING TASK FORCE 2025

Minutes of the First Meeting of the 2025 Interim

June 30, 2025

Call to Order and Roll Call

The first meeting of the Kentucky Housing Task Force 2025 was held on June 30, 2025, 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: Senator Robby Mills, Co-Chair; Representative Susan Witten, Co-Chair; Senators Jared Carpenter, Matthew Deneen, Gerald A. Neal, and Brandon Smith; Representatives Mike Clines, Jennifer Decker, Kim Holloway, Shawn McPherson, and Joshua Watkins.

Guests: Winston Miller, Executive Director and Chief Executive Officer, Kentucky Housing Corporation; Wendy Smith, Deputy Executive Director of Housing Programs, Kentucky Housing Corporation; M. Nolan Gray, Bluegrass Institute Scholar, Bluegrass Institute for Public Policy Solutions; and Alex Horowitz, Project Director for Housing Policy, The Pew Charitable Trusts.

LRC Staff: Mark Mitchell, Cynthia Brown, and Faithe Wheatley.

Chair Mills stated the focus of the task force will be finding practical, real-world solutions to Kentucky's housing situation.

Discussion of Pro-Growth Housing Policies

Winston Miller, Executive Director and Chief Executive Officer, Kentucky Housing Corporation (KHC), and Wendy Smith, Deputy Executive Director of Housing Programs, KHC, discussed updates on the housing landscape, current resources that support housing development in Kentucky, and recommended areas for the task force to focus.

M. Nolan Gray, Bluegrass Institute Scholar, Bluegrass Institute for Public Policy Solutions, discussed zoning reforms other states have adopted that Kentucky could implement to aid in the housing affordability crisis, such as: legalizing housing in commercial zones, permitting Accessory Dwelling Units, promoting cost containment, and allowing the issuance of permits by licensed third-party professionals.

Alex Horowitz, Project Director for Housing Policy, The Pew Charitable Trusts, discussed Kentucky's housing shortage and affordability issues in comparison to the rest of the United States, various housing policy reforms that different states have implemented, and the outcomes of these policy reforms.

In response to Representative Watkins, Ms. Smith stated the projected number of housing units needed to close the gap was not part of the scope of KHC's market analysis, but that KHC would be willing to work on finding the answer. She will provide a link to the KHC's Housing Supply Gap Analysis, which shows the disaggregation of the supply gap by region and county.

Senator Carpenter commented on his personal experience as a builder with the rising prices of materials, lots, and infrastructure, and the impact on home affordability.

In response to Representative Holloway, Mr. Gray stated he could not speak specifically on the reasons for the lag in building permits being issued. He said regulatory reforms, like those in other states, could speed up permit issuance and make permitting more predictable.

Representative McPherson commented on his personal experience as a developer, having observed the decrease in home size while prices remain the same, discussed the repurposing of homes and properties, and stated that lack of infrastructure in rural areas creates a barrier to new development.

Chair Mills discussed his SB 50 from the 2025 Regular Session that would permit the creation of infrastructure development districts. He stated this bill will likely be filed again in the 2026 Regular Session.

Co-Chair Witten commented she is glad the task force is able to meet for the second year and this year's focus will be to find practical solutions to Kentucky's housing problems.

Chair Mills announced the next meeting date is July 28, 2025.

Adjournment

There being no further business, the meeting was adjourned at 2:17 PM.