

AN ACT relating to the distribution of federal low-income housing tax credits.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

*(1) When a person applying to the Kentucky Housing Corporation for a reservation of the tax credits allowed in accordance with 26 U.S.C. sec. 42 of the Internal Revenue Code, the low-income housing tax credit, submits the application to the corporation, that person shall simultaneously notify, in writing, the chief executive officer of the city, county, urban-county government, charter county government, consolidated local government, or unified local government in which the project is immediately located, or intended to be located, that an application has been submitted to the corporation and that the notice is being made pursuant to this section of the Kentucky Revised Statutes. If a project is within the corporate boundaries of a city, notice to the county shall not be necessary. The written notice shall identify the property or properties that are the subject of the application by address, shall provide a description of the project or projects, and shall include contact information for the applicant. If an applicant fails to provide the notification required by this section, then the Kentucky Housing Corporation shall not consider the application.*

*(2) The chief executive officer of the local government notified in accordance with subsection (1) of this section shall within five (5) business days of receiving the notice post an advertisement to the Internet Web site affiliated with the local government that contains other information about the particular local government. The advertisement shall be on a prominent location of the Internet Web site, easily discoverable by the public. The advertisement shall remain on the Internet Web site for at least twenty-one (21) days including the initial publication date. If the local government does not have a Web site meeting the*

criteria of this subsection, then the chief executive officer shall submit an advertisement for publication as a legal notice in the local newspaper pursuant to KRS Chapter 424. The local government may recoup the actual cost of the advertisement from the person submitting the application for a tax credit reservation.

(3) The advertisement, no matter the mode of publication, shall contain a statement that an application for federal low-income housing tax credits has been submitted to the Kentucky Housing Corporation, shall identify the property or properties that are the subject of the application by address, shall provide a description of the project or projects, and shall state that a public hearing hosted by the local government may be convened on the project or projects if a request for one is received by the local government within twenty-one (21) days of the publication or posting on the Internet of the advertisement. The advertisement shall positively identify the last day by which the request must be received by the local government. The advertisement shall provide contact information for interested persons to request a hearing pursuant to this section.

(4) A city, county, urban-county government, charter county government, consolidated local government, or unified local government shall conduct a public hearing on a project requesting a reservation of the tax credits allowed in accordance with 26 U.S.C. sec. 42 of the Internal Revenue Code, the low-income housing tax credit, if it receives a request from an interested party pursuant to this section within twenty-one (21) days of the publication of the notice set out in this section. Upon the conclusion of the public hearing, the local government shall send a copy of the minutes and any supporting documentation presented at the meeting to the Kentucky Housing Corporation for its consideration as set out in Section 2 of this Act.

(5) The local government may conduct more than one (1) public hearing on different

projects on the same day if the scheduling permits adequate time for public input.

(6) The failure of the chief executive officer of the local government to publish the advertisement as required by this section shall not prohibit the Kentucky Housing Corporation from reviewing the application or reserving low-income housing tax credits for the project.

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 198A IS CREATED TO READ AS FOLLOWS:

(1) The corporation's board of directors shall establish a method of considering factors such as the public's input as submitted pursuant to Section 1 of this Act relating to the particular project, the location and density of affordable housing, and the disparate impact of the placement of affordable housing. The methodology shall be set out in the yearly qualified allocation plan that the corporation creates beginning with the Fiscal Year 2017 plan.

(2) If an applicant fails to notify the local government pursuant to Section 1 of this Act, then the application shall not be considered by the corporation.