

Upon the establishment of an overlay district, all property owners within the district shall be notified, by first class mail, that:

- An overlay district is being created;
- The regulations and restrictions the property owner would be required to be followed;
- That the property owner may opt out of being included within the requirements of the overlay district by providing written notification, by a specified date that shall not be less than 180 days from the date of receiving the overlay district creation notice.

Any property owner who responds within the time limits and in the manner prescribed, shall not be required to conform to the overlay regulations. The city shall notify the property owner of its acceptance, in writing, and provide a copy to all agencies responsible for enforcing the overlay district regulations.

This legislation also creates a new section of KRS Chapter 100 outlining the above provisions for the passage of an ordinance, zone designation or zoning map amendment meeting the criteria of a new overlay district created in accordance with KRS 82.660, as amended by this legislation.

The fiscal impact of this bill is not determinable.

Costs to local governments creating an overlay district would be mostly associated with staffing, printing, and first class mail costs. Some local governments or planning and zoning entities could utilize existing staff, such as city planners. Other cities or counties may utilize a third-party such as an area development district and pay an administrative fee for these services. These costs could range from minimal to moderate.

The impact to County Clerks could range from minimal to substantial based on the requirements of the petition, the volume of signatures on the petition, the number of registered voters within the overlay district, and the time in which the Clerk's offices would have to respond to the petition. To certify a petition, Clerk's office staff have to review all of signatures to ensure there is no duplication, verify the person is a registered voter, and lives within the overlay district boundaries. Time constraints may necessitate paying overtime and comp time and hiring temporary staff. Additionally, there is the possibility of litigation costs if the petition does not meet the petition requirements, which would include additional staff time, attorney's fees, and court costs.

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced.

Data Source(s): LRC Staff, Kentucky League of Cities, Kentucky County Clerks Association

Preparer: Mark Offerman **Reviewer:** KHC **Date:** 1/27/20