## Local Government Mandate Statement Kentucky Legislative Research Commission 2022 Regular Session

## **Part I: Measure Information**

Bill Request #: 2059
Bill #: SB 339 GA
<b>Document ID #:</b> 8451
Bill Subject/Title:         AN ACT relating to overlay districts.
Sponsor: Senator Brandon Smith
Unit of Government:       X       City       X       County       Urban-County         Unified Local       Unified Local
X       Charter County       X       Consolidated Local       X       Government
Office(s) Impacted: Any local government with noncompliant ordinances
Requirement: X Mandatory Optional
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing

## Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

Under current law (KRS 82.660) a city legislative body, except for urban-county governments, may create one or more overlay districts to provide additional regulations for design standards and development within any area deemed historically, architecturally, naturally, or culturally significant; or if the area is located near a body of water or along an established commercial corridor with a special character related to the location. In the event ordinances are created for overlay districts, all zoning regulations and district overlay regulations will govern development.

KRS 82.660 also provides the minimum provisions to be included in any ordinance passed pursuant to this statute. One of these provisions is the standards, guidelines, or criteria that shall govern development within the district to preserve, conserve, or protect the historical, architectural, cultural, aesthetic, or other distinctive characteristics of the district. **SB 339 GA** amends this statute to forbid the prohibition of a property owner from painting structures in the district with traditional colors that exist on other structures within the district.

**SB 339 GA would have a minimal fiscal impact on local governments.** Any local government with current ordinances that fail to comply with **SB 339 GA** will be required to stop enforcing the noncompliant ordinance or amend them. There could be some additional costs for the drafting and publication of the new ordinances and additional time costs for administrative staff, though it is expected to be minimal.

Local governments that choose to create ordinances will incur costs associated with the drafting, publication, indexing and recording of adopted ordinances, and at least every five years, review and eliminate redundant, obsolete, inconsistent, and invalid provisions.

According to Kentucky League of Cities, most cities, especially the smaller ones, retain their city attorney on contract and pay on an hourly basis. Time spent drafting an ordinance is influenced by its complexity and the amount of research that is necessary. Currently (FY 2020), the average hourly rate was \$107. Rates for legal notices vary greatly depending on the length of the publication, the number of times it needs to be published and the newspaper in which the publication is placed. Therefore, these costs are unknown.

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

Part II, above, pertains to SB 339 GA version. The GA version is the same as the introduced version. No amendments or substitutes were adopted when the bill passed its chamber of origin.

Data Source(s):	LRC Staff; Kentucky Municipal Statutory Law, Informational Bulletin No.
	145, Revised September 2021

Preparer: K. Sallee Reviewer: KHC Date: 3/21/22
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