

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2023 Regular Session**

Part I: Measure Information

Bill Request #: 1698

Bill #: SB 285

Document ID #: 4174

Bill Subject/Title: AN ACT relating to overlay districts.

Sponsor: Senator Brandon Smith

Unit of Government: City County Urban-County
 Unified Local
 Charter County Consolidated Local Government

Office(s) Impacted: Any local government with noncompliant ordinances

Requirement: Mandatory Optional

Effect on
Powers & Duties: 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 285 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 285 would have a minimal fiscal impact on local governments. Any local government with current ordinances that fail to comply with **SB 285** 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 refers to SB 285 as introduced. There are no prior versions

Data Source(s): LRC Staff; Kentucky League of Cities

Preparer: WB (JB) **Reviewer:** KHC **Date:** 3/1/23