

MUNICIPAL HOUSING AUTHORITIES

A GUIDE FROM KLC MUNICIPAL LAW

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In order to play any game, you must first learn the rules. The same holds true for the law surrounding municipal housing authorities. It is impossible to carry out the duties of municipal housing authorities unless you familiarize yourself with the applicable state statutes, as well as your local ordinances, that govern.

Statutes are not contained in some magical spell book. There is no forbidden wisdom in a statutory code book. You do not need a law school education to understand their meaning. We wanted to remove some of the mystique from the law by compiling this simple pdf document. It contains the entire portion of Kentucky Revised Statutes which pertain to municipal housing authorities.

Feel free to use this guide in any way that you deem fit. The reason we wanted to present this as a pdf though is because a pdf does have just a little bit of magic, truth be told. A pdf is word searchable. If you have the pdf on a laptop during a meeting and an issue comes up - you can plug the words in and hopefully the relevant portion of the law pertaining to municipal housing authorities will pop up. Failing that, you can always call the KLC Municipal Law Department at 800.876.4552.

The KLC Municipal Law Team

80.020 Housing developments and authorities; purposes; powers

- (1) Cities of all classes may acquire, establish, and operate, within their limits, housing, under the provisions of this chapter, for the purpose of providing adequate and sanitary living quarters for individuals or families, such housing to be for individuals or families with low or moderate income or for individuals or families having income in excess of low or moderate if such housing is acquired, established and operated in conjunction with, and located within one (1) mile of housing for individuals or families with low or moderate income. They may create city housing authorities, and they and the authorities created by them shall have all powers necessary and appropriate to engage in such housing and slum clearance projects, including, without limitation, all power specified in KRS 80.500 and the power in connection with the use of federal funds, with the approval of the federal funding agency, if applicable, to mortgage, encumber, pledge, assign, or otherwise grant or consent to a lien or security interest in, any real or personal property, or any interest therein, owned or held by the authority, to provide security for:
 - (a) The repayment of borrowed funds;
 - (b) Any guarantee of this repayment or any other performance of the authority or;
 - (c) Any payment or guarantee of performance of any subsidiary or affiliate of the authority, or of any business arrangement into which the authority shall have entered in furtherance of the purposes of this chapter.

The conditions of any mortgage or other instrument granting or consenting to a security interest in property of a local housing authority may include any provisions that are customary in mortgages and other security interests used in commercial transactions.

- (2) Housing authorities may engage in the maintenance and enhancement of adequate housing stock for low-income and moderate-income persons as set forth in this chapter.
- (3) Housing authorities may loan moneys on the terms they deem advisable, subject to the approval of the United States Department of Housing and Urban Development, if that agency's funds are used, to other governments or their agencies or to other owners of housing or of housing to be constructed or reconstructed, if the authority determines that the loans will result in the creation of housing.
- (4) Housing authorities may lease or convey real property to other governments or agencies thereof or to nongovernmental owners or developers of housing for a consideration less than fair market value, if the housing authority determines that the action facilitates housing.

80.030 City housing authority, composition; acceptance by authority of another city's public housing program

- (1) Except as provided in subsection (2) of this section, a city housing authority shall consist of the mayor, ex officio, or his designee, and four (4) persons appointed by him with the approval of the city legislative body.
- (2) If a city housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, the housing authority shall consist of the mayor, ex officio, or the mayor's designee; four (4) persons appointed by the mayor with the approval of the city legislative body; and one (1) additional person appointed by each mayor of a city divesting itself of its authority, with the approval of that city's legislative body.

80.040 Qualifications and terms of members of housing authority; political affiliations

- (1) (a) Each person appointed to a city housing authority shall be at least twenty-five (25) years of age and a bona fide resident of the city for which he was appointed for at least one (1) year preceding the appointment. No officer or employee of the city, whether holding a paid or unpaid office, is eligible to hold an appointment on the housing authority. Appointees to a city housing authority shall be originally appointed for terms of four (4) years. Upon the expiration of the term of the first appointees, their successors shall be appointed for terms of one (1), two (2), three (3) and four (4) years, respectively, and upon the expiration of the term of each of the second group of appointees his successor shall be appointed for a term of four (4) years. Vacancies shall be filled for unexpired terms in the same manner as the original appointment.
- (b) If a city housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, an authority member appointed by the mayor of the divesting city, as set out in KRS 80.030, shall be a resident of the city divesting itself of authority.
- (2) (a) If a city housing authority has not agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, then no more than two (2) appointees on any city housing authority shall be affiliated with the same political party.
- (b) If a city housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, and:
 1. Has an even number of members, then no more than half of the appointees on any city housing authority shall be affiliated with the same political party; or
 2. Has an odd number of members, then no more than half of the appointees plus one (1) member of any city housing authority shall be affiliated with the same political party.

80.050 Corporate powers; officers

The persons appointed as provided in KRS 80.030 and 80.040 shall constitute a body corporate in the name of Housing Authority of....., with power to contract and be contracted with, to sue or be sued, and to adopt a seal and alter it at will. Each authority may establish bylaws, rules and regulations for its own government. Each authority shall elect a chairman and a vice chairman from its members and a secretary and treasurer who need not be a member of the authority. The duties of the offices of secretary and treasurer may be performed by the same person.

80.060 Compensation of housing authority's members and officers; interlocal agreements

- (1) Each member of a housing authority, except an ex officio member, may receive compensation either as a salary or as payment for meetings attended. The compensation of members of a housing authority shall be fixed by the legislative body of the city. The housing authority shall fix the compensation of the secretary and treasurer, but the city legislative body may fix or limit the salary.
- (2) If a city housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, the city may enter into an interlocal agreement pursuant to KRS 65.210 to 65.300 with the city that is divesting itself

of the authority, agreeing to pay all or a portion of the compensation of the member representing that divesting city.

80.070 Employees

- (1) An authority may employ technical experts and attorneys, and any other employees that it deems necessary. The authority shall fix the compensation of its employees. The legislative body of a city may prescribe limitations to the compensation of employees of the city authority and may prescribe whether or not an employee shall devote his entire time to his duties as an employee of the authority.
- (2) In fixing the compensation of its employees, an authority may, but is not required to, utilize an incentive compensation arrangement whereby the employee may receive, subject to appropriate limits, additional compensation measured by the extent of the achievement by the authority of specified operating goals, which goals shall be established by the authority prior to the commencement of work by the employee on the matter with respect to which the goals were set.

80.080 Member or employee not to be interested in project

No member or employee of a housing authority shall acquire any interest, direct or indirect, in any project or in any property including or planned to be included in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any member or employee of any authority owns or controls an interest, direct or indirect in any property included in any project, which interest was acquired prior to his appointment or employment, he shall disclose the same in writing to the authority at the time of his appointment and the disclosure shall be entered upon the minutes of the authority.

80.090 Removal of member for incompetency, neglect or malfeasance

Whenever it appears to the appointing officer that a member of a housing authority appointed by him is incompetent or guilty of neglect of duty or malfeasance, the appointing officer shall require the member to appear before him to show cause why he should not be removed from office. At least fifteen (15) days' written notice of the hearing shall be given to the member whose conduct is in question and to all other members of the authority. At the hearing the member may be represented by counsel and may appear personally and present such pertinent evidence as he wishes or as the appointing officer requests. If after the hearing the appointing officer determines that a member has been incompetent or has been guilty of neglect of duty or malfeasance, he shall remove the member from the authority within seven (7) days, and there shall be a vacancy of the office.

80.095 Technical assistance by authority

An authority may provide technical assistance to other authorities in consideration of appropriate fees therefor. An authority may also provide technical assistance to public and private developers and other builders of low-income and moderate-income housing stock if such technical assistance is not readily available in the private sector at a cost that would make low-income and moderate-income housing projects feasible. Such technical assistance may be provided in consideration of appropriate fees therefor. Such fees shall be established by the authority and shall, when received, be deemed to be funds provided under authority of this chapter.

80.110 Projects subject to building, zoning and sanitary laws

All low-income housing projects are subject to the planning, zoning, sanitary and building laws, ordinances, and regulations applicable to the locality in which the project is situated. In a city of the first class, the housing authority shall submit to the city planning and zoning commission the location, character, and extent of any new street, square, park or other public way, ground or open space, or any public structure or public utility, for approval in the manner provided in KRS 100.197.

80.120 Plans; contracts; surveys; maps; right of access

- (1) The authority shall:
 - (a) Prepare the proper plans and specifications for the construction of low-income housing;
 - (b) Select the location and determine the size, type, and method of construction;
 - (c) Make the necessary estimates of the probable cost of construction and of the acquisition of the land and rights for the sites;
 - (d) Enter into the necessary contracts to build the necessary buildings; and
 - (e) Cause a survey and map to be made of all lands, structures, rights of way, franchises, easements or other interests in land, owned by any person, the acquisition of which may be deemed necessary for the construction of the low-income housing, and cause the map and survey to be filed in its office.
- (2) The members of the authority, or its agents and employees, after reasonable notice to the occupants, owners, or owners' agent in charge thereof, may enter upon such lands and structures for the purpose of making surveys and maps.

80.130 Advertisement for bids; when required

No contract or agreement with any contractor for the construction of low-income housing exceeding ten thousand dollars (\$10,000) shall be made without advertising for bids. The bids shall be opened publicly and an award made to the best bidder, with power in the authority to reject any or all bids.

80.140 Authority may acquire land and housing stock

- (1) An authority may acquire by gift, devise, bequest, lease, grant, or purchase lands, structures, or interests in land necessary for the building of housing, upon terms, prices, or considerations considered reasonable by the authority and agreed upon between the authority and the owner. Title to all property acquired by the authority shall be taken in the corporate name of the authority.
- (2) An authority may acquire by gift, devise, bequest, lease, grant, or purchase an interest in, by means of a partnership, joint venture, or other co-ownership arrangement, low-income and moderate-income housing stock.

80.150 Condemnation authorized; procedure

If it becomes necessary to condemn property for the purpose of constructing any housing that an authority may be permitted to acquire, establish, and operate under KRS 80.020(1), or securing rights of way leading thereto, the authority may, by resolution reciting the need, order the condemnation of any land or improvement or interest in land, that it deems necessary. Proceedings for the condemnation shall be in the Circuit Court of the county in which the property lies, and shall be conducted in the name of the authority. The city attorney shall conduct the proceedings for the authority. The judgment of the court shall vest title in fee simple to the property condemned in the authority. In all other respects the form and manner of the proceedings shall be the same as that provided in the Eminent Domain Act of Kentucky. No payment or award in any condemnation proceedings, or for the cost or expense of the proceedings, shall be made except from funds provided under the authority of this chapter.

80.160 Removal of obstructions to low-income housing

All persons having buildings, structures, works, conduits, mains, pipes, tracks, or other physical obstructions in, under, over, or upon the public ways, that interfere with or impede the progress of low-income housing when in process of construction and establishment, shall, upon reasonable notice from the authority, promptly shift or remove the obstruction, to the extent necessary, at their own cost and expense, except as otherwise provided or required by law. In cities the city legislative body may prescribe by ordinance the penalty for failing to shift or remove the obstruction.

80.170 Authority must restore damaged public works

Any public ways or public works damaged or destroyed by reason of the building of low-income housing shall be restored or repaired by the authority and placed in their original condition as nearly as practicable.

80.180 Authority to have full control of housing and housing stock

- (1) The authority shall, itself, or through agreements with other public or private entities, operate, manage, and control housing, fix the rate of rentals, and establish bylaws, rules, and regulations for the use and operation of the projects not inconsistent with the provisions of this chapter. The legislative body of a city may prescribe by ordinance penalties for the violation of bylaws, rules, and regulations of a project located within the city.
- (2) The authority, itself, or through agreements with other public or private entities, may operate, manage and control housing stock not within the meaning of KRS 80.010(1) either in their entirety or in conjunction with other persons, whether private or public, or whether through partnership agreements, joint venture agreements and development agreements, limited liability company agreements, and other agreements of that type with other persons, public or private, who may earn a profit from the activities of that venture. Although public housing projects shall not be constructed or operated for profit, or as a source of revenue, other activities undertaken by an authority in conformance with this chapter to maintain or enhance the adequacy of housing stock for low-income and moderate-income persons shall not be subject to the limitation on construction or operation for profit, so long as any profits or any other net revenues generated thereby are utilized, directly or indirectly, in the furtherance of the maintenance and enhancement of housing.

80.190 Housing not to be operated for profit; authority to make payments in lieu of taxes

The authority shall manage and operate its housing in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations, and no authority shall construct or operate any project for profit, or as a source of revenue of the city. Provided, however, that nothing contained in the housing authority law shall be construed to prohibit an authority from making payments in lieu of taxes to the city, or other public body, within the area in which any project is located in such amounts as the authority may determine to be consistent with maintaining the low-rent character of the dwelling accommodations.

80.200 Rentals and tenant selection; participation in private and public developments

- (1) An authority may rent or lease the dwelling accommodations in a housing development only for housing purposes under this chapter.
- (2) An authority may rent or lease to a tenant dwelling accommodations consisting only of the number of rooms that it deems necessary to provide safe and sanitary accommodations to the proposed occupants without overcrowding.
- (3) The dwellings in any housing development shall be available solely for housing purposes under this chapter. Income limits for occupancy and rents shall be fixed by the authority after taking into consideration:
 - (a) The family size, composition, age, physical disabilities, and other factors which might affect the rent-paying ability of the family, and
 - (b) The economic factors which affect the finance and solvency of the housing development.
- (4) The authority shall issue regulations establishing eligibility requirements, consistent with the purposes and objectives of this section, for admission to and continued occupancy in its developments.
- (5) Nothing contained in subsections (1), (2), (3), and (4) of this section shall limit the power of an authority to vest in an obligee of the authority the right, in the event of a default by the authority, to take possession of a housing development or cause the appointment of a receiver thereof, free from all the restrictions imposed by this section.
- (6) An authority may participate in private and public developments not falling within the definition of "housing," as set forth in KRS 80.010, except that:
 - (a) An authority may not purchase, divide, or subdivide land except as provided in this chapter or as set forth in KRS 80.140; and
 - (b) An authority may not develop, improve, construct upon, sell, or resell any real property except as provided in this chapter or as set forth in KRS 80.140.

80.230 Issuance of bonds by city authorities

- (1) Cities of all classes may provide funds for carrying out the purposes of this chapter by the issuance of revenue bonds pursuant to a resolution of the housing authority. The bonds or other obligations of a housing authority shall not constitute an obligation of the city. The bonds shall be payable only out of the properties, revenues, and assets of the housing authority. Nothing contained in this section shall authorize or permit any city to incur any indebtedness of any kind or nature prohibited by the Constitution. Subject to the restrictions set forth in this chapter, a city housing authority may incur any indebtedness and issue any obligations and give any security which it deems necessary or advisable in connection with any project undertaken by it. A city housing authority may issue its bonds to provide for the payment of its indebtedness from time to time in amounts, with maturities, upon the terms and conditions and upon the security as the authority deems necessary or advisable in connection with any project undertaken or to be undertaken by it. The bonds shall be signed by the chairman of the authority or other agent designated by the authority and by the mayor or by the presiding officer of the legislative body of the city under the city's seal, attested by a finance officer of the city.
- (2) A city housing authority may in connection with the borrowing of funds or otherwise enter into agreements with the federal government providing for supervision and control of the housing authority or any project and containing other covenants, terms, and conditions as the housing authority deems advisable. In connection with any loan by a government, a city housing authority is authorized to agree to limitations upon the exercise of any of its powers.
- (3) Bonds issued pursuant to this section shall have, in the hands of a bona fide holder, all of the qualities of negotiable instruments. They shall be exempt from taxation by the state and its political subdivisions. It shall be plainly stated on the face of each bond that it has been issued under the provisions of this chapter and that it does not constitute an indebtedness of the city within the meaning of any constitutional provisions or limitations. In case any provisions are made for the redemption or prepayment of any bonds before maturity, the provisions shall require that the bonds to be redeemed or prepaid shall be selected by lot from the whole number of the issue then outstanding. The bonds may be issued without any other proceedings or conditions than those proceedings and conditions specified and required by this chapter or by the Constitution.

80.240 Application of receipts of city housing authority

- (1) The rents and other revenues of a city housing authority shall be applied: first to pay the interest and principal of the bonds issued under KRS 80.230 as payments fall due; next, to pay the costs of maintaining, repairing, improving and operating its developments; next, to create such reserve for depreciation as the housing authority deems necessary and proper. The excess, if any, of the rents received during any annual period may be applied to the prepayment of the obligations of the housing authority or may be placed in a special fund for the purpose of paying the principal and interest of the obligations as they become due.
- (2) Receipts of revenues of a city housing authority in excess of the amounts required to pay:
 - (a) The interest and principal on bonds issued under this chapter as payments fall due;
 - (b) The cost of maintaining, repairing, improving and operating its projects; and
 - (c) Reserves for depreciation as the housing authority deems necessary and proper; may be applied to the engagement by the authority in activities for the maintenance and enhancement of adequate housing stock for low-income and moderate-income persons, as defined in this chapter.

80.250 Authority may contract to manage

A housing authority may contract with the federal government to manage or operate any low-income housing erected or owned by the federal government.

80.255 Validation of creation of municipal housing authorities

The creation and establishment of housing authorities pursuant to the provisions of the Housing Authority Act (KRS Chapter 80) together with all proceedings, acts and things heretofore undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects notwithstanding any defect or irregularity therein or any want of statutory authority.

80.256 Validation of contracts and undertakings

All contracts, agreements, obligations and undertakings of housing authorities heretofore entered into relating to financing or aiding in the development, construction, maintenance or operation of any housing or to obtaining aid therefor from the United States Housing Authority and its successor agencies, including (without limiting the foregoing) loan and annual contributions contracts and leases with the United States Housing Authority and its successor agencies, agreements with cities, counties or other public bodies (including agreements which are pledged or authorized to be pledged for the protection of the holders of any notes or bonds issued by housing authorities or which are otherwise made a part of the contract with such holders of notes or bonds) relating to cooperation and contributions in aid of housing, payments (if any) in lieu of taxes, furnishing of municipal services and facilities, and the elimination of unsafe and unsanitary dwellings, and contracts for the construction of housing, together with all proceedings, acts and things heretofore undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects notwithstanding any defect or irregularity therein or any want of statutory authority.

80.257 Validation of notes and bonds

All proceedings, acts and things heretofore undertaken, performed or done in or for the authorization, issuance, execution and delivery of notes and bonds by housing authorities for the purpose of financing or aiding in the development or construction of housing and all notes and bonds heretofore issued by housing authorities are hereby validated, ratified, confirmed, approved and declared legal in all respects, notwithstanding any defect or irregularity therein or any want of statutory authority.

CITY-COUNTY HOUSING AUTHORITY

80.262 Formation of city-county housing authority

- (1) If the governing body of a city and of a contiguous county by resolution declare that there is a need for one (1) housing authority to be created for the city and county to exercise in that city and county the powers and functions prescribed for a city-county housing authority, a public body corporate and politic to be known as a “city-county housing authority” (with such corporate name as it selects) shall thereupon exist for all of that city and county and exercise its powers and other functions within its area of operation (as herein defined) including the power to undertake projects therein.
- (2) Provided, however, if there is an existing municipal or county housing commission, such resolution of the governing bodies of the city and contiguous county shall not take effect unless preceded by a request to do so in a resolution of the existing municipal or county housing commission or commissions. Such resolution of the governing body of a city and of a contiguous county shall also provide for the abolishment of any municipal and contiguous county housing commissions existing in the city and county adopting the resolution, on a day certain, on which day the authority, responsibilities, personnel and property, both real and personal, of said municipal and contiguous county housing commissions are then and there transferred to the newly created city-county housing authority, and the present commissioners of the existing municipal and contiguous county housing commissions shall continue to serve out their appointed terms as members of the newly created city-county housing authority. Thereafter, appointments shall be made as provided in KRS 80.266.
- (3) The city and county housing commissions to be abolished are hereby authorized and directed to take such actions and to execute such documents as will carry into effect the provisions and the intent of the resolutions and as will carry into effect said transfer.

80.263 Compliance with KRS 65A.010 to 65A.090

The board of each authority shall comply with the provisions of KRS 65A.010 to 65A.090.

80.264 Legal effects of creation of city-county authority

- (1) On the day set in the resolutions of the city and contiguous county governing bodies:
 - (a) Any housing commission in said city and any housing commission in the contiguous county shall cease to exist as a body politic and corporate;
 - (b) All property, real and personal and mixed, belonging to the abolished city and contiguous county housing commissions shall vest in, belong to, and be the property of the city-county housing authority;
 - (c) All judgments, liens, rights of liens, and causes of action of any nature, in favor of the abolished commissions, shall remain, vest in, and inure to the benefit of the city-county housing authority;
 - (d) All rentals, taxes, assessments, and any other funds, charges or fees, owing to the abolished commissions shall be owed to and collected by the city-county housing authority;

- (e) Any actions, suits, and proceedings pending against, or having been instituted by the abolished housing commissions shall not be abated by such abolition, but all such actions, suits and proceedings shall be continued and completed in the same manner as if abolition had not occurred, and the city-county housing authority shall be a party to all such actions, suits, and proceedings in the place and stead of the abolished housing commissions and shall pay or cause to be paid any judgments rendered against the abolished housing commissions in any such actions, suits, or proceedings, and no new process need be served in any such actions, suits or proceedings;
 - (f) All obligations of the abolished housing commissions, including outstanding indebtedness, shall be assumed by the city-county housing authority, and all such obligations and outstanding indebtedness shall be constituted obligations and indebtedness of the city-county housing authority; and
 - (g) All rules, regulations and policies of the abolished housing commissions shall continue in full force and effect until repealed or amended by the city-county housing authority.
- (2) The creation of a city-county housing authority shall be subject to the same provisions and limitations of KRS 80.320 to 80.610 as are applicable to a regional housing authority.
 - (3) The area of operation of a city-county housing authority shall include all of the territory within the boundaries of the city and contiguous county joining in the creation of the authority.

80.266 Membership of authority; compensation; interlocal agreements

- (1) (a) Except as provided in paragraph (b) of this subsection, the city-county housing authority shall be composed of eight (8) members. The mayor shall appoint four (4) members, and the county judge/ executive shall appoint four (4) members. No more than four (4) appointees on any housing authority shall be affiliated with the same political party.
- (b) 1. If a city-county housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, the housing authority shall be composed of four (4) members appointed by the mayor, four (4) members appointed by the county judge/executive, and one (1) additional person appointed by each mayor of a city divesting itself of its authority, with the approval of that city's legislative body.
- 2. If a city-county housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, and:
 - a. Has an even number of members, then no more than half of the appointees on any city-county housing authority shall be affiliated with the same political party; or
 - b. Has an odd number of members, then no more than half of the appointees plus one (1) member of any city-county housing authority shall be affiliated with the same political party.
- (2) Each person appointed to a city-county housing authority shall be at least twenty-five (25) years of age and a bona fide resident of the city or county for which he was appointed for at least one (1) year preceding the appointment. No officer or employee of the city or county, whether holding a paid or unpaid office, is eligible to hold an appointment on the housing authority. No more than two (2) appointees by the mayor or no more than two (2) appointees by the county judge/executive shall be

affiliated with the same political party. Two (2) of the four (4) members appointed by the mayor shall be designated to serve for terms of two (2) years and two (2) for terms of four (4) years, respectively, from the date of their appointments. Two (2) of the four (4) members appointed by the county judge/executive shall be designated to serve for terms of two (2) years, and two (2) for terms of four (4) years, respectively, from the date of their appointments. Thereafter, all members of the city-county housing authority shall be appointed as aforesaid for a term of office of four (4) years, except that all vacancies shall be filled for the unexpired terms.

- (3)
 - (a) Each member of a city-county housing authority may receive compensation either as a salary or as payment for meetings attended. Any compensation of the members of a city-county housing authority shall be fixed by the legislative body of the city and the county. The housing authority may fix the compensation of the secretary and treasurer, but the city and county legislative bodies may fix or limit the salary.
 - (b) If a city-county housing authority has agreed to accept a transfer or full transfer of ownership and operation of another city's public housing program pursuant to the United States Housing Act of 1937, the city and county that are members of the housing authority may enter into an interlocal agreement pursuant to KRS 65.210 to 65.300 with the city that is divesting itself of the authority, agreeing to pay all or a portion of the compensation of the member representing that divesting city.