



The Reporter

Volume III, Issue I, April 2009

Message from the Executive Director



*Knox
van Nagell*

Greetings-

Recently, the *NY Times* published an insightful article by Antoinette Martin entitled “Housing Inventories on the Rise” that analyzed the current economic crisis and weakening real estate markets in the United States.

In her analysis, Martin argues that America must respond to the changing demographics and housing preferences facing the nation to ensure economic recovery and prosperity.

The traditional American family (married couple with children), represented more than 50 percent of all American households in 1985, and now it comprises less than 30 percent of all American households—just 20.4 percent in Lexington/Fayette County. Nationally, more than 59 percent of all American households contain just one or two persons; in Lexington/Fayette, that percentage is 67.6 percent.

These demographics mean that the typical homebuyer is no longer the traditional American family—and development models are evolving accordingly.

“75 percent of home buyers over the next 15 years will have childless households—and within that group are empty-nester baby-boomers, or couples or singles buying a first house... Three out of four home buyers will have no interest in a house in the suburbs... There is a historic reversal of home-buying demand away from suburban and rural areas to cities and inner ring suburbs that are more walkable than driveable... [It] is projected that a nationwide surplus of 22 million

suburban homes on lots larger than a sixth of an acre will be languishing on the market by 2025.”

This trend implies that the single-family detached home in the exurbs has become less and less the housing unit of choice, when other options are available and affordable.

Such a reality has huge implications not only for the United States, but also Lexington-Fayette County. Our community has much to gain by pursuing a growth model that addresses these seismic changes in how we function and live.

By responsibly redeveloping over 8,000 acres of vacant and blighted land inside Lexington’s current city-limits, we can preserve and promote our endangered rural landscape—that anchors a \$3billion agricultural industry and international brand. If creatively achieved, Lexington-Fayette County can become a world-class city in a world-class landscape—and in the process, competitively position our built and natural environments for survival and success in today’s rapidly changing world.

The Fayette Alliance remains steadfastly committed to this mission—from the halls of LFUCG to our public outreach and education events. Indeed, your continued support makes it all possible.

I am looking forward to an exciting and challenging 2009—and please contact me anytime at director@fayettealliance.com or 859.281.1202 if you have questions or insights about this newsletter.

Again, thank you for your support of The Fayette Alliance-

Knox van Nagell, Executive Director



Land Use

The Fayette Alliance regularly weighs-in on land-use issues that impact farmland preservation, and responsible infill redevelopment in Lexington-Fayette County.

The Alliance takes positions on only those issues that have a potential countywide impact on the local zoning ordinance and other planning authorities. By focusing on the “30,000 foot-level” issues, the Alliance hopes to efficiently change the Lexington’s growth model.

While the Alliance is currently watching several issues, the following are those that have crystallized in the last three months:

The Distillery District

Through transparent community participation and collaboration, the Distillery District LLC will redevelop roughly 28 acres of blighted real estate in downtown Lexington. Approximately 630,000 square feet of new mixed-use construction and 350,000 square feet of adaptive reuse projects will anchor roughly \$80 million in public improvements on Manchester Street. Barry McNeess, developer of the Distillery District, aims to use Tax Increment Financing (TIF), historic tax credits, and New Market tax credits to finance the \$190 million project.

Recently, the Pepper building located in the Distillery District was listed on the National Register of Historic Places last month—opening the door for using historic tax credits to renovate the property.



Also, in February, the Distillery District received preliminary approval for TIF financing in Frankfort. Final approval will likely occur within the next eight weeks.

TIF will allow incremental tax revenues, generated over the course of twenty years by the Distillery District, to offset roughly \$80 million in public infrastructure projects needed to make the project attractive for commercial and residential development, and private equity investment.

In exchange for this 20 year expenditure of public tax revenue, the state of Kentucky and Lexington-Fayette County will gain a vibrant hub of retail business, mixed-income residential properties, art galleries and performing arts facilities, parks, walking and biking trails, an

outdoor market, a 125-room boutique hotel, and signature bourbon micro-distillery and museum.

Several businesses are already moving to the Distillery District. They are:

The famous **Buster’s Bar** is taking over the “Tarr” building to “fit-up” the facility on May 17th. It expects to open a pool hall, 2 bars, and music venue just before the UK fall semester on Aug. 15th.

Manchester’s Jazz Club opened March 20th—and is still working on finalizing their liquor license. A catering company is supplying and serving spirits until a license is secured.

Mecca Dance Studio and **Latitude Arts** are eyeing Theo’s old space at 903 Manchester for re-location.

Distillery District Developer Barry McNeess is looking into establishing a **business incubator** model at Pepper.

Barry is also soliciting proposals for a **sweat-equity artists’ space** across from distillery plant with six

News

months free rent. 365 Thompson Road may be an option for such a facility—as it is an interesting 1920’s building that housed the Outlaws motorcycle club until recently.

There are a lot of exciting developments happening at the Distillery District, and the Alliance remains fully supportive of the project. No doubt, it is a crucial linchpin in revitalizing the Manchester Street Corridor and West-end of downtown Lexington. We’ll keep you posted of all ensuing details.



Typical B-1 property in Lexington.

our local economy, quality of life, and marketability—and therefore the Fayette Alliance is steadfastly committed to the protection of the rural landscape.

However, if allowed as initially proposed, the Alliance is concerned that the Bogie property subdivision poses several dangerous land-use precedents that jeopardize Fayette County farmland. They are:

Bogie Property Subdivision Application

The Bogie property is located at 5846 Old Richmond Road—on the corner of Jack’s Creek Pike and Old Richmond Road. It is a 14 acre tract in which 10 acres are zoned Agricultural-Rural (A-R), and four acres are zoned Neighborhood- Business (B-1). The property is located outside the Urban Service Boundary, and was “grandfathered” into the Rural Service Area years ago.

The property owners want to subdivide the 14-acre tract into two parcels: one 10-acre A-R tract, and one 4-acre B-1 tract.

Lexington-Fayette County’s Bluegrass farmland makes it one of the premier destinations in the world. It anchors

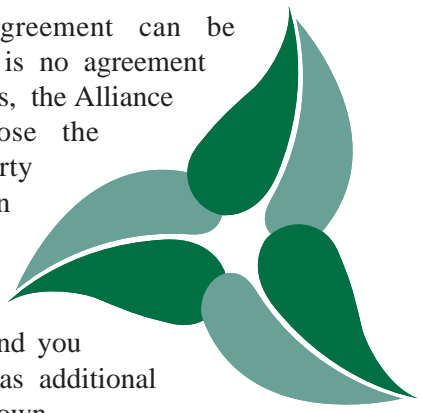
1. The proposal violates the 40-acre minimum and 750’ road-front footage requirement of the A-R zone in the rural area.
2. The zoning of the Bogie property currently violates the local zoning ordinance and is a “non-conforming lot”. As such, it cannot be subdivided in a manner that increases its nonconformance.
3. In approving the proposed subdivision, a waiver of the 10-acre septic tank requirement may be needed, and if granted, it may lead to the inappropriate subdivision of twenty business properties located throughout the rural area.

The Alliance, along with the Old Richmond Road Neighborhood Association, is entering into negotiations with the applicant to protect Fayette County’s renowned rural landscape, while also allowing for the responsible development of the property.

Hopefully an agreement can be reached. If there is no agreement between the parties, the Alliance will likely oppose the Bogie property application when the Planning Commission hears it in April 2009. We will send you an email update as additional details become known.



Juddmonte Farm is located on the Old Richmond Road corridor.





Fayette Alliance Activities

The Fayette Alliance attends all relevant LFUCG meetings. We regularly participate in the Sanitary Sewer Oversight, Stormwater Oversight, Planning, and Infill-Redevelopment Committees. In addition, we go to all necessary Planning Commission and Council meetings.

While at these meetings, The Fayette Alliance promotes **farmland preservation, innovative infill-redevelopment, and the upgrade of infrastructure** in established neighborhoods.

By effectively working with our elected officials, the Alliance advances land-use policy that will result in a world-class city in a world-class landscape—securing a win-win for our entire community.

The Fayette Alliance has over 2,000 supporters—with the long-term goal of 30,000. If reached, this support base will make us the largest grass-roots organization in Lexington-Fayette County.

Executive Director Knox van Nagell would love to come to your place of

Become an “Ally of the Alliance” today.

As an **ally**, young professionals—age 18-40—are involved in The Fayette Alliance and the community at large.

Specifically, the **Allies:**

- Act as an informal advisory group to The Fayette Alliance Board of Directors in adopting land use policy;



- Build a strong advocacy and volunteer base for Fayette Alliance activities and initiatives;
- Organize fun fundraising and outreach events for The Fayette Alliance.



business, neighborhood association, or organization to talk about The Fayette Alliance. If interested, please contact her at director@fayettealliance.com or 281-1202.

The Allies meet the third Wednesday of every month at 6:00 p.m. at Stella’s Deli. If you want to get involved, please call 281-1202. We look forward to seeing you soon!

Fayette Alliance Events

The 2nd “Our Town, Our Farms” Benefit Concert, April 24th 2009

The Allies are partnering with The Penguin Dueling Piano Bar to host the second “Our Town, Our Farms” benefit concert. The event will take place on Friday April 24th 2009 during the spring Keeneland meet.



Last year's “Our Town, Our Farms” benefit concert at Al's Bar.

Partygoers will enjoy live music by pianists Don Peters, Caz Bzdek, and Andy Paczak in one of downtown Lexington's newest and most popular clubs, while supporting the crucial efforts of the Alliance. Doors open at 6:00 p.m. and cover is \$10—with all proceeds going to The Fayette Alliance.

Smiley Pete Publishing and Keeneland are generously sponsoring the event—many thanks to Chuck Creacy and Alliance Board member Nick Nicholson for their steadfast support of The Fayette Alliance and its efforts.

Bike for the Bluegrass, October 2009

The Allies are currently working with world famous Gainesway and Mt. Brilliant farms to host a bike ride for the community. Ride participants will enjoy beautiful and historic rural landscapes from the back of their bike—while raising awareness for The Fayette Alliance and its efforts to promote farmland preservation in Fayette County.



Planning for this event is ongoing, and we will keep you posted as details unfold.



Polo in the Park- “Bluegrass International Cup”, July 18th 2009

The 3rd Annual "Bluegrass International Cup" will feature a 20-goal polo match between Team South Africa and Team United States at the Kentucky Horse Park's renowned Man o' War field. It will feature a delicious dinner, live music, and auctions. All proceeds raised will benefit the crucial efforts of the Alliance and Bluegrass Conservancy



Last year, over 500 guests enjoyed a fantastic evening of professional polo, sumptuous food, and dancing. This year, over 700 guests are expected to attend to enjoy the same good cheer. Reserved seating and tailgating tickets will be available for purchase in late Spring 2009.

Please contact info@bluegrassconservancy.org for details.

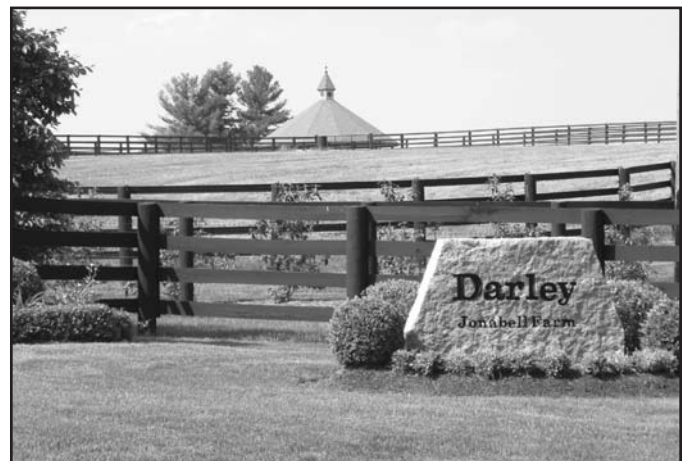


Our Community – Did You Know?

- From 2000-2005, Lexington’s population grew 3% and housing increased roughly 10%. *U.S. Census Bureau, 2006.*
- Lexington-Fayette County adds approximately 15 miles of new subdivision streets each year, while maintaining the same number of arterial streets in the city — creating traffic congestion. To compound this situation, by the late 1990’s, there were MORE registered cars in Lexington-Fayette County than people. *The LFUCG Downtown Masterplan, 2006.*
- The Lexington-Metro area has the largest carbon footprint, per capita, in the United States. *The Brookings Institution, July 2008.*
- There are over 8,300 acres of vacant, blighted, and/or underutilized land inside the city of Lexington. LFUCG Division of Planning, 2008.



- Between 1997 -2002, Fayette County lost over 19,000 agricultural acres. *USDA Annual Report, 2005*
- Fayette County’s equine veterinarian industry produces over \$17 million in local payroll revenues. *The Lane Report Market Review, 2007-2008.*
- The Bluegrass Stockyards is the 2nd largest stockyard in the U.S.; and the inner Bluegrass Region-including Fayette County- has the largest cattle-broker population, per capita, in the U.S. *Bluegrass Stockyards; Business Lexington 2007 .*
- Lexington-Fayette County has over 200 horse-farms — truly making it the “Horse Capital of the World”. *KY Horse Farm Manager’s Directory, 2004.*
- Out of 200 major cities in the United States, Lexington ranked 120th in job growth, 157th in leisure, and 200th in income growth in 2007. This is a troubling trend, considering that LFUCG relies on payroll tax for 83% of its revenue. *Forbes Magazine, 2007; LFUCG 2007.*
- Today, 77% of workers pick city first, job second. Quality of life is an essential economic development tool in 21st century America. *Detroit Creative Cities Conference, 2008.*



Our Organization

To learn more about The Fayette Alliance's mission and policies, please visit www.fayettealliance.com. Your financial support makes everything possible, and all donations are greatly appreciated www.fayettealliance.com/join.shtml.



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Staff

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Knox van Nagell



Amarae Hollingshead

Give Form

Yes! I want to support farmland preservation and infill redevelopment in Fayette County by giving to The Fayette Alliance.

_____ Gift of \$20.00 Gift of \$250.00
_____ Gift of \$100.00 Gift of \$ _____

Name _____

Address _____

City/State/Zip _____

Phone _____

Email _____

How did you hear about us? _____

Please be aware that your contribution/donation may be tax deductible if you and/or your tax advisor determine that it is an ordinary and necessary business expense incurred in your trade or business. If you have any questions, please contact Knox van nagell at (859) 281-1202 or visit our website at www.fayettealliance.com.



Get Involved

**In 2005,
Fayette County had
13,086
vacant housing units.**

Get involved in Lexington-Fayette County's future and become a Fayette Alliance "Ally" today!

A strong support base enables The Fayette Alliance to effectively carry the message of responsible land use planning to our elected officials and local government. So become a Fayette Alliance supporter today and stay in the know!

Please become a "Fan" of The Fayette Alliance on our Facebook page to stay in the know on the latest land use issues and Alliance events.

Come see The Fayette Alliance on **facebook**



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601 W. Short Street
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To promote, through education, our irreplaceable farmland in Fayette County, to protect our unique agricultural enterprises from adverse suburban expansion, and to secure a better, more prosperous future for our entire community.