

Planning Commission Presentation: USB Criteria
June 29th, 2006
1:30 p.m.
Council Chambers

Thank you Chairman, Commissioners.

My name is Knox van Nagell and I am the director of the Fayette Alliance.

The Fayette Alliance is a true coalition of concerned citizens from the agricultural, neighborhood, and downtown communities of Fayette County who are dedicated to promoting our irreplaceable farmland, to protecting our unique agricultural enterprises from erosive urban expansion, and to securing a better, more prosperous future for our entire community.

Our supporters include Emma Tibbs and Walt Gaffield of the Lexington Neighborhood Council, downtown developer Greg Padgett, general ag farmer and past president of Fayette County Farm Bureau, Jim Shropshire, thoroughbred farmer and past Planning Commission Chair Don Robinson, Nick Nicholson of Keeneland, restaurateur Debbie Long, and many others. Those of you in the audience who support the Fayette Alliance, would you please stand? Thank you.

I appreciate the opportunity to come before you today as a participant in this essential discussion about the urban service boundary and its criteria for expansion.

As you know, the Comprehensive Plan is a visionary template for future growth in Lexington. The 2001 Comprehensive Plan states,

“One of the most significant duties of the Planning Commission is the adoption of a long range vision and plan for the community.” Pgs. 1-3, 2001 Comp. Plan.

As a visionary document, the comprehensive plan must reflect the desires of the people. This mandate is stated on the first page of the 2001 Comprehensive Plan.

“A comprehensive plan is designed to be used by all decision makers, both public and private. In so doing, the plan reflects the **expressed desires of the community**... Pgs. 1-2, 2001 Comp. Plan.

Without a doubt, the urban service boundary is a fundamental part of the Comprehensive Plan, and it must carry out the community vision of Fayette County citizens.

So, we must ask ourselves, WHAT KIND OF COMMUNITY DO WE WANT TO BE? Right now, we are on the brink of a significant turning point in our history. We can

continue to grow out, and become the suburban capital of the world. Or, for the time being, we can responsibly grow within city limits and remain the horse capital of the world. That is the profound question, and Lexington's residents and land use planning history have provided the answer.

Lexingtonians want their city to be an urban and agricultural epicenter. 94% of Fayette County citizens believe that farmland and open space are important to their quality of life. American Farmland Trust "The Cost of Community Services in Lexington-Fayette County, Kentucky", 1999.

Also, this spring, the Division of Planning conducted public input meetings where citizens voiced their likes and dislikes about Lexington.

The most popular response was Lexington's rural landscape. Closely behind were downtown revitalization projects, U.K., and historic neighborhoods. **SEE LIBRARY SURVEY POSTER**

However, citizens noted that suburban sprawl, unattractive-vinyl-sided subdivisions, traffic, and poor infrastructure were their least favorite things about Fayette County.

Land use planning in Lexington has historically addressed these concerns. According to the 2001 Comprehensive Plan,

"Lexington-Fayette County has long been aware of the problems associated with uncontrolled sprawl development particularly with regard to the potentially devastating effects of urban growth on valuable agricultural, horse farm, natural, cultural, and scenic resources." Pg. 1-4

The answer is clear. Lexingtonians covet their remarkable rural city, and they hope to see it into the future.

I submit to you there are six essential criteria for expanding the urban service boundary, all of which derive from our community vision and past comprehensive plans.

They are as follows: adequate infrastructure, protection of agribusiness in Fayette County, downtown vitality, sufficient urban capacity, available affordable housing, and preservation of rural settlements and conservation easements.

In light of the current facts, an expansion of the urban service boundary will undermine these essential criteria and what Lexingtonians want in the future.

First, our infrastructure cannot adequately support an expansion of the urban service boundary.

- Our current storm water system is defunct and cannot support additional growth at this time.

- **In short, we have serious flooding and storm water pollution problems. 1999 Neighborhood Association Sanitary Sewer Report**
 - i. Lexington uses detention and retention basins to control flooding and storm water filtration in its neighborhoods. Because many new homes are built on extremely small lots with poor drainage, it is essential they do their job.
 - ii. Yet, the city has not had enough money to thoroughly maintain these basins.
 - iii. So, when it rains, many of these basins don't absorb or filter a lot of water. Polluted run-off then floods basements, and nearby streams.
 - iv. On top of this problem, the amount of pavement and other impermeable surfaces have increased in Fayette County.
 - v. Simply stated, there is not enough "greenspace" to absorb and filter storm water run-off when it rains. So homes and creeks are regularly flooded and washed out in inclement weather. **SEE HELEN'S POSTER**

- **Our sewage treatment system is also in trouble.**
 - i. We have leaking sewer lines and pipes.
 - ii. What does that mean? It means that storm water gets into our sewer system through leaky pipes.
 - iii. So, our wastewater plants end up treating sewage AND storm water. 1999 Neighborhood Association Sanitary Sewer Report.
 - iv. When we have a lot of rain, our treatment plants operate at over 100% capacity. Pressure in sewer pipes build up, and often explode, dumping raw sewage near, or sometimes in, people's homes.
 - v. As you can imagine, this is a huge health hazard. 1999 Neighborhood Association Sanitary Sewer Report
 - vi. On the other hand, when we are in a draught, our treatment plants operate below maximum capacity.
 - vii. Simply stated, we cannot safely support new development with a system that is crippled with fluctuating treatment capacities and leaky pipes.

- viii. Last year alone, Lex Call received 2,873 calls reporting sewer and storm water problems. 2005 Lex Call phone call database.
 - ix. In good conscience, the city must repair address these problems before masking them with additional sewer lines and new wastewater treatment facilities.
 - x. If we do not confront them now, they will continue to jeopardize public safety of Fayette County citizens.
- **Apparently, the EPA has noticed our sewer, storm water, and water quality problems, and by all accounts, we are facing sanctions for violating the 1972 Clean Water Act.**
- i. Cities like Louisville and Knoxville are dealing with these sanctions.
 - ii. And, according to the Department of Justice, Louisville will spend around \$500 million, and Knoxville around \$530 million to clean up their act. 7/24/05 DOJ Press Release.
 - iii. Before adding new development and facilities to this system, we are potentially facing hundreds of millions of dollars to repair our sewer and storm water operation.
 - iv. The hardworking citizens of Fayette County will be covering the bill, either by paying increased water user fees or taxes.
 - v. Although exactions cover the cost of establishing sewer lines and storm water in expansion area developments, they DO NOT pay for the overarching costs of fixing our overall water treatment system or cleaning our polluted waterways. LFUCG Division of Planning, 2006.
- **Plain and simple, Lexington cannot afford an expansion of the urban service boundary.**
- i. If, on the other hand, we decide to expand the urban service boundary, it will cost, on average, \$16,529.00/acre to lay new sewer lines. 2006 Rural Sanitary Sewer Capability Study. This number covers just sewer lines, not major roadway improvements, police, fire, schools, or other infrastructural needs.
 - ii. It is unclear who will be covering these astronomical costs. If developers pay for them in exaction fees, they will have to make this money up somewhere-perhaps in the form of increased home prices.

- iii. Also, residential properties create a net loss for the city because of the urban services they require. For instance, in 1998, for every dollar of revenue the city gained from residential development, it spent \$1.69 to service the property. American Farmland Trust “The Cost of Community Services in Lexington-Fayette County, Kentucky”, 1999.
 - iv. On the other hand, for every dollar of revenue the city gained from Fayette County Farms, it spent \$.93 to service them = creating a net gain for the city. American Farmland Trust “The Cost of Community Services in Lexington-Fayette County, Kentucky”, 1999.
- It just makes good economic sense to hold the line urban expansion right now.

Second, an expansion of the urban service boundary will significantly compromise Fayette County’s agricultural industries.

- Agriculture is one of Fayette County’s primary economic engines.
 - Fayette County is home to two of the largest thoroughbred horse sale agencies in the world: Keeneland and Fasig-Tipton.
 - i. In 2005, they collectively had more than \$855 million dollars in thoroughbred sales. Keeneland, Fasig-Tipton
 - The Bluegrass Stockyards is also located here in Fayette County, and it largest stockyards East of the Mississippi River.
 - i. In 2005, it had over \$169 million in cattle sales, and it averaged 3 million in sales each week. Bluegrass Stockyards.
 - Today, Lexington is the horse capital of the world. This title is proudly displayed everywhere, from government stationary to local business slogans.
 - i. We have this honor because world-renowned horse farms, bloodstock companies, veterinary clinics, sales agencies, and racecourses are located here. The Lane Report, “Not Just a Business Center, June 27, 2006.
 - ii. These businesses have over a \$2 billion impact on the regional economy, and they support 6,502 employees. 2005 Dr. Timothy A. Woods Agribusiness Task Force Study.
 - iii. The KY thoroughbred industry itself generates over \$4 billion dollars each year, and it employs approximately 50,000 people statewide. The

Lexington Herald Leader, “Urban Growth Simmers Again”, May 29th 2006; 2005 USDA Annual Report.

- iv. In 2005 alone, it generated \$950 million in cash receipts, and Fayette County was the second largest contributor to these earnings.
 - Yet, Fayette County is not only famous for its thoroughbreds, but also its row crops and cattle.
- i. In 2005, Fayette County sold \$9.9 million in burley tobacco, \$3.2 million in hay, and millions in beef cattle. 2005 USDA Annual Report.
 - Farming in Fayette County is not just about cash receipts; its also about tourism. Agritourism in Fayette County is also a major industry, contributing over a billion dollars each year to the regional economy. The Lexington Convention and Visitor’s Bureau.
 - i. 60% of tourists visit Lexington to see its farms. The Lexington Convention Visitor’s Bureau.
 - ii. And a remarkable amount of tourists come to Fayette County each year to see experience its rural heritage. In 2004, over 1.4 million visitors registered at the KY Horse Park, Keeneland, and the Red Mile. 2005 Dr. Timothy A. Woods-Agribusiness Task Force Study.
- Despite these incredible statistics, we are losing the factory floor of the thoroughbred, general agriculture, and agritourism industries in Fayette County to urban sprawl.
 - i. Between 1997-2002, we lost 19,508 agricultural acres in Fayette County. 2005 USDA Annual Report.
 - ii. And it is estimated that we lose 137 acres of prime agricultural land in the inner Bluegrass Region each day to urban sprawl. USA Today, “Houses vs. Horses, November 3, 2005.
 - iii. This troubling trend has not only alarmed the average Lexingtonian, but also the international community.
 - iv. In 2005, the World Monument Fund designated the inner Bluegrass Region, including Fayette County, as one of the 100 most endangered sites in the world. The Lexington Herald Leader, “A Case For Preservation”, June 22, 2005. **SEE WORLD MONUMENT FUND POSTER**
 - It’s clear that Fayette County Bluegrass and its agricultural industries are under attack.

- Agriculture is here for one reason- the soil.
- i. Our topography in Fayette County consists of Maury Silt Loam soil associations. These associations are considered prime soils for row crops, equine production, and pasture land. U.K. Dept. of Landscape Architecture, “The Bluegrass Region: A Finite Resource, 1999.
- ii. They are located all of over Fayette County, North South East and West.
 - Lower South Elkhorn:** 774 acres consisting of prime agricultural or core equine agricultural land.
 - Man O’ War:** 89% is core equine agricultural or prime agricultural land.
 - Old Frankfort Pike:** 99% are core equine agricultural or prime agricultural land.
 - Ironworks Pike:** 37% of land is core equine agricultural or prime agricultural land.
 - Avon/I-64:** Over 70% is core equine agricultural or prime agricultural land.
 - Delong Road/Richmond Road:** Over 82% is core equine agricultural or prime agricultural land.
- iii. Fayette County Bluegrass is truly a finite geological treasure, and they aren’t making any more of it.
- iv. Our farms can’t simply move away and maintain similar livestock quality standards and production rates, when urban sprawl encroaches on their borders.
- v. To move away and cope with urban sprawl will drive many farmers out of business because its tough to make a profit-even under perfect conditions.
- vi. For instance, in 2003, average expenses exceeded revenues by \$10,000 on Fayette County farms. 2005 Dr. Timothy A. Woods-Agribusiness Task Force Study.

- In short, farming, our economy, and our integrity cannot afford an expansion of the urban service area at this time.

Third, an expansion of the urban service area will undermine downtown revitalization efforts.

- Downtown is definitely on the upswing, and by looking at public surveys and newspaper articles, people like what they see.
 - i. There are currently over \$311.9 million dollars in downtown development projects. 2006 Downtown Development Authority.
 - ii. These projects range from mixed-use, residential, and commercial developments. 2006 Downtown Development Authority.
 - iii. Also, over 27,000 people work downtown, there are over 80 places to eat and shop, there are 15 local and national historic neighborhoods, and numerous art galleries, theatres, and concert halls. 2006 Downtown Development Authority.
- Lexington is on its way to having a hip, energetic, and safe downtown.
- To expand the urban service area at this time will take needed markets and resources away from downtown during this critical stage of its rebirth.

Fourth, vacant land within the current urban service boundary can accommodate Lexington's growth for the near future.

- According to a study done by the Division of Planning, land within the current urban service area has the capacity to absorb approximately a decade of future growth.
 - i. As of December 2005, we had 5,431 acres of vacant residential land, 916 acres of vacant industrial land, and 687 acres of vacant commercial land within the current urban service area. The Division of Planning Vacant Land Analysis, 2005.
 - ii. Even if we continue to accommodate future population growth in the ways we always have, it will take over 10 years to consume our vacant commercial land, over 17 years to consume our vacant industrial land, and nine years to consume our vacant residential land. The Division of Planning Vacant Land Analysis, 2005.
 - iii. Clearly, we can afford to hold the line on expanding the urban service boundary now, and reassess the need for expansion in another five years.

- In our opinion, this is the best-laid plan because 8.5% of all housing units in Fayette County are currently VACANT. U.S. Census Bureau.
- i. Over the past five years, interest rates have been good and developers in Fayette County have constructed an average 2,500 houses a year. The Division of Planning.
- ii. We should not blindly expand the urban service area to accommodate this kind of construction rate when we don't know if interest rates will hold up, and when many of these homes sit empty. To do so, would not be sound land use planning.
- Another thing to consider, many Lexingtonians want to live in the urban interior because they don't want to deal with traffic and their families are getting smaller.
- i. For instance, 72% of all new residents in Lexington are singles and childless couples under the age of 30. 2004 Zimmerman & Volk Study.
- ii. And, on average, only 2.3 persons live in Fayette County households. U.S. Census Bureau.
- iii. In light of these recent trends, many people need and want smaller living quarters, and the urban interior can accommodate their needs.
- iv. According to the 2004 Zimmerman & Volk study, the downtown area alone can support the construction of 424 housing units per year. Presumably, this number could increase if you consider infill properties located throughout the entire urban service boundary.
- v. You and other local government officials are up to the task of re-defining our notion of capacity, and establishing a visionary land use system by which we can responsibly grow up, not out.
- vi. We need this change, because our current notion of capacity is not environmentally responsible or feasible.
- vii. For instance, in San Francisco, there are 3,446 people per square mile. In Lexington, there are 915 people/ per square mile. U.S. Census Bureau.
- viii. If we change the way we think about capacity, we will not only save our farms and other resources, we may also improve our air quality by reducing our dependence on automobile transportation. A badly

needed change, considering that Kentucky 7th in the country in carbon dioxide pollution. The Lexington Herald Leader, “Kentucky 7th in rising CO2 Emissions”, June 21, 2006.

- In light of these facts, we have the capacity to support future growth, and an expansion is not needed at this time.

Fifth, an expansion of the urban service boundary will not necessarily provide affordable housing to the public.

- On average, Lexingtonians make \$34,242.00/year. 2003 U.S. Bureau of Economic Analysis.
- And the average sales price for a single family home in Fayette County is \$146,000, and for a town home it is \$131,805. 2005 Residential Real Estate Summary

Beazer Homes: Avg. Price is \$150,000 Beazer Homes

Ball Homes: Prices range from \$107,300 - \$294,900 Ball Homes

Barlow Homes: \$157,200-\$185,200 Barlow Homes

Jimmy Nash Homes: \$300,000 - \$500,000 Jimmy Nash Homes

- After doing the math, it is no surprise most people have to go into debt in order to buy a new “affordable” home.
 - i. More than 10,000 Fayette County households spend over 35% of their monthly income on mortgage payments, and more than 18,000 renters spend over 35% of their monthly income on rent. U.S. Census Bureau.
- Rising gas prices must also be thrown into the mix when thinking about affordable housing.
 - i. Everyday we experience record highs at the pump. This situation is making it difficult for homeowners in distant subdivisions to economically get from point A to point B The Lexington Herald Leader, “Urban Growth Simmers Again”, May 29, 2006.
- When considering all of these factors, it’s apparent that an expansion of the urban service boundary won’t guarantee affordable housing.

Sixth, an expansion of the urban service area will threaten our historic rural settlements and the integrity of our rural easements.

- Historic rural settlements such Athens, Jimtown, Uttingertown, Mattoxtown, and Coletown will be threatened by encroaching urban development.
- Many of these settlements are close the current urban service boundary, and if an expansion goes forward, many will be swallowed up.
- Without question, an influx of traffic, noise, and commercial, industrial, and residential development will compromise their historic integrity and sense of place.
- The 1996 Rural Land Management Plan recognized this potential problem, and it expressly mandates their preservation.
 - i. “Historic rural settlements are an essential part of the rural character of Fayette County, and the rural land management plan requires the preservation and enhancement of these settlements. Pg. IV-30, 1996 Rural Land Management Plan.
- An expansion will also threaten the agricultural activities and existence of Fayette County farms under easement.
 - i. Currently, there are approximately 18,719 agricultural acres under easement in Fayette County.
 - ii. As many farmers here today can attest, farming and most forms of development cannot co-exist side by side, and an expansion will make it practically impossible for many to continue farming in an economically feasible fashion.
- Our rural settlements and those who have forever committed their lands to farming cannot afford an expansion at this time.

In conclusion, I want to thank you for patiently listening to this presentation, and for your work during this comprehensive plan process. In light of the public’s community vision, the criteria for expanding the urban service boundary, and the cold-hard facts-please do not expand the urban service area at this time.

Thank you.

