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Susan B. Speckert, J.D.

August 21, 2018

Dear Chairman Wilson and Members of the Planning Commission,

Please accept this letter on behalf of Fayette Alliance with respect to ZOTA 2018-2: Amendment to Expand Accessory Uses to an Agricultural Market in the Agricultural Rural (A-R) Zone.

Founded in 2006, Fayette Alliance is a coalition of citizens dedicated to achieving sustainable growth in Lexington-Fayette County through land use advocacy, education, and promotion. Fayette Alliance believes that preserving our unique and productive Bluegrass farmland, advancing innovative development, and improving our infrastructure are essential to our collective success in Lexington.

In furtherance of this mission, Fayette Alliance supports ZOTA 2018-2, as presented in the staff alternative text, for the following reasons.

Fayette County agriculture generates \$2.3 billion in annual economic activity, supports 1 in 12 jobs, and contributes \$8.5 million to the local tax base through payroll tax.<sup>1</sup> In addition to our world-class equine racing, breeding, and sales industries,<sup>2</sup> Fayette County also produces other diverse agricultural products like crops and cattle.<sup>3</sup>

Fayette County is fortunate to be home to the largest stockyards east of the Mississippi River, Blue Grass Stockyards. Blue Grass Stockyards is to the cattle industry what Keeneland and Fasig-Tipton are to our equine industry.<sup>4</sup> The USDA named the Lexington cattle market as

<sup>1</sup> Davis, Alison, PhD and Simona Balazs, MS, "The Influence of the Agricultural Cluster on the Fayette County Economy," CEDIK, UK College of Agriculture Food and Environment, May 2017.

<sup>2</sup> Fayette County ranks first in the United States for horse breeding and sales, as well as equine support services, such as our world-renowned equine veterinary hospitals and feed manufacturers/distributors. Id.

<sup>3</sup> Phillips, Lynn Roche, PhD, AICP and Priyanka Ghosh, PhD, "Rural Land Use Inventory, Fayette County, Kentucky," Department of Geography, University of Kentucky, June 2017.

<sup>4</sup> The Stockyards handles \$200-\$250 million in cattle sales annually, with customers traveling to Lexington from 90 of Kentucky's 120 counties and 8 surrounding states. Approximately 100 people currently



a primary point of price discovery, meaning that the Stockyards, right here in Lexington, sets the price of cattle across the entire Eastern Seaboard.<sup>5</sup> With the support of the Council, Planning Commission, and community, the Stockyards relocated their facility and created a first-of-its-kind agricultural market after the tragic fire at their previous location.

The Staff Report on the ZOTA thoroughly and eloquently lays out the history of the “Agricultural Market” land-use category in the Zoning Ordinance. Currently, Blue Grass Stockyards is the only facility in Fayette County operating as an agricultural market.<sup>6</sup> The Stockyards have set the bar high and have a proven track record of compliance, stewardship, and success. They are an excellent representation of the agricultural cluster in Fayette County and have achieved the vision laid out in the agricultural market land-use category.

Not only do they promote production agriculture, but also other businesses and services that serve and are devoted to agriculture. The marketplace includes a restaurant, chop shop, farrier supply, cattle companies, commodity brokers, outfitters, trucking company, and auctioneer company. Additionally, the Stockyards houses an education center where people of all ages learn about the science and practices of the beef industry.

The amendments do not change the intent, purpose, or concept of the agricultural market land-use category as currently contained in the Ordinance. Rather, they provide opportunities to maximize the potential such a development presents.

The purpose of the proposed changes is to “create a destination for agricultural commodities and activities in conjunction with agricultural markets.”<sup>7</sup> That is, the agricultural market is the primary focus and the ancillary uses support the market as well as other agribusiness, agricultural, and agritourism activities.

The primary requested amendments are as follows:<sup>8</sup>

- Clarify that 1,000 foot setback applies to livestock marketing and sales building and not accessory or other agricultural uses on the property;<sup>9</sup>
- Clarify that all accessory uses must relate to agriculture or services, supplies, and/or equipment used in agriculture;
- Increase the square footage available for accessory uses;
- Cap allowable square footage for accessory uses to a maximum of 50% of the total square footage of all buildings on the property;
- Allow accessory uses to be located outside of the principal structure;
- Allow signage for accessory uses;

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work at the Lexington facility. Blue Grass Stockyards fact sheet, May, 2018.

<sup>5</sup> Akers, Jim. “Bluegrass Stockyards: Continuing the Tradition.” Narrated PowerPoint, March 2016.

<sup>6</sup> The text amendment would apply to any agricultural market, not just Blue Grass Stockyards. However, there are a limited number of properties within Fayette County that would meet the very specific locational criteria contained in the Ordinance. See Art. 8-1(d)(7).

<sup>7</sup> Staff Report on ZOTA 2018-2, pg. 3.

<sup>8</sup> See generally ZOTA 2018-2: Amendments to Expand Accessory Uses to an Agricultural Market in the A-R Zone, Staff Alternative Text Amendment, August 2, 2018.

<sup>9</sup> The general setback requirements contained in the A-R Zone would apply.

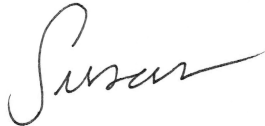
- Allow retail sale, service, and maintenance of farm machinery and equipment;
- Allow agricultural museum limited to 20,000 square feet;
- Allow the retail sale of agricultural products, supplies, and related items produced off the premises.<sup>10</sup>

Importantly, these changes, along with all aspects of an agricultural market, would be regulated as a conditional use.<sup>11</sup> This minimizes potential adverse impacts and enables appropriate regulation of specific uses. The fact that an agricultural market is a conditional use, along with the locational criteria and other requirements in the Ordinance, provides important protections to the Rural Service Area consistent with the Comprehensive and Rural Land Management Plans.

The requested amendments will enable an agricultural marketplace to expand the scope and scale of accessory uses to further support the agricultural economy in Fayette County, while protecting the rural and agricultural nature of the Rural Service Area. Allowing an enterprise like Blue Grass Stockyards additional options to promote agriculture and contribute to Fayette County's economy makes sense.

For the above reasons, Fayette Alliance supports ZOTA 2018-2, as presented in the staff alternative text. Thank you for your consideration and commitment to our community.

Respectfully submitted,



Susan B. Speckert, J.D.  
Executive Director

Cc: Derek Paulsen, Commissioner of Planning, Preservation and Development  
Jim Duncan, Director, Division of Planning  
Traci Wade, Manager, Planning Services

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<sup>10</sup> The Ordinance currently allows for the retail sale of agricultural products, supplies, and related items produced on the premises. Art. 8-1(d)(7)(n)(9).

<sup>11</sup> We also support amending the Agricultural Market (AM-1) Overlay Zone to be consistent with the Agricultural Market conditional use.