



FAYETTE ALLIANCE

603 W. Short Street
Lexington, Kentucky 40508
info@fayettealliance.com
fayettealliance.com

June 20, 2019

Dear Vice Mayor Kay and Council Members:

Please accept this letter on behalf of the Fayette Alliance. 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 research. We believe that preserving our unique and productive Bluegrass farmland, advancing smart growth, innovative development and improving our infrastructure are all essential to Lexington's continued success. In furtherance of this mission, we respectfully submit the following with regard to the Fiscal Year 2020 Budget.

The Fayette Alliance fully appreciates and respects the difficult financial position of the City of Lexington and applauds Mayor Gorton's efforts to reduce spending in a reasonable, manageable and resourceful way while still maintaining programs and funding critical to our city's success. We know that all members of the Council have also spent significant time and energy on analyzing the issues at hand and discussing careful solutions to address those dilemmas. Our community and the Lexington-Fayette Urban County Government face these revenue challenges together and the Fayette Alliance supports Mayor Gorton's and the Council's diligent work on this proposed budget.

As our community grows, the balance of our urban and rural areas has never been more important. Well planned urban infrastructure strengthens our community, boosts our economy, expands opportunity and promotes equitable development. Simultaneously, protecting our rural areas provides economic stability and security to our entire community as well as enhances our quality of life; crucial for both continued economic development and maintaining our cultural identity. In light of these priorities, Fayette Alliance commends the continued funding in the FY 2020 Budget for key community programs related to infrastructure, greenspace and the arts, despite our revenue limitations, as well as funding for the following:

- Affordable Housing Trust Fund in the amount of \$2 million, which works to provide and preserve safe, quality affordable housing and promote urban infill and re-development to serve all members of our community;
- Workforce development in the amount of \$200,000 with a focus on local needs, strengthening our

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- economy, our citizens, and the foundation of our community; and
- Urban County Industrial Authority in the amount of \$70,000, instrumental in establishing the city's economic development land at Coldstream Research Park to attract innovative new businesses, jobs and improve quality of life for our entire community while maximizing Lexington's existing assets.

In addition, funding of \$401,000 is allocated to the Purchase of Development Rights Program ("PDR") to cover currently existing commitments and actively continue the program. The 2019 Fiscal Year Budget was the first budget since the program's inception in which funding for PDR was not included.¹ We applaud Mayor Gorton for emphasizing the importance of the PDR program to our city and restoring partial funding of the same to the 2020 Budget despite the budgetary limitations. While we understand the reasoning behind this partial funding, we do want to express our concern for a potential precedent of not fully funding PDR in our city's annual budget as well as re-emphasize the importance of this program to our community's identity, economy and quality of life.

As you know, PDR was created in 2000 as an implementation strategy of the Rural Land Management Plan ("RLMP"), adopted in 1999 as an element of the 1996 Comprehensive Plan. PDR, with input by various interested community stakeholders including Commerce Lexington, Fayette County Farm Bureau, Homebuilders Association of Lexington (BIA of Central Kentucky), Lexington-Bluegrass Association of Realtors, and others, remains the cornerstone of the RLMP.² These various community stakeholders with seemingly different interests universally agreed that farmland was a resource to be prioritized and preserved. The criteria to establish which farms receive PDR funds, despite critiques to the contrary, were established by ordinance and based on an objective point system in order to ensure it equitably protects the highest quality land for future agricultural use.³ Since 2000, the PDR program has permanently preserved nearly 30,000 acres on 272 farms in Fayette County.⁴ The program typically receives between \$1-2 million from the city's general fund to purchase easements and has been funded in these amounts in each annual budget since 2000.⁵

Lexington's history of action to protect our rural heritage from unmanaged suburban sprawl is a long and consistent one. Our "Urban Service Area" approach to planning was recognized by the American Planning Association as a National Planning Landmark in 1991.⁶ Our institution of the Urban Service Boundary is a national model. Our PDR program is known as the best in the country.⁷ Nearly 90% of the Rural Service Area in Fayette County is comprised of prime soils and soils of statewide significance—our most precious natural resource and, more

¹ See LFUCG Resolution No. 393-2018 adopted by Mayor Jim Gray and Council asserting commitment to PDR program despite lack of funding in 2019 FY budget for specific reasons included therein.

² 2017 LFUCG Rural Land Management Plan (hereinafter, "2017 RLMP"), pg. 101.

³ LFUCG Ordinance Chapter 26-10 (4).

⁴ www.lexingtonky.gov, Purchase of Development Rights Program.

⁵ 2019 was the first year in which the PDR program was not funded, see i.e. LFUCG 2019 Adopted Budget.

⁶ 2017 RLMP, pg. 8.

⁷ See Eblen, Tom, "Kentucky has been rapidly losing farmland. Where most of it went may surprise you," Lexington Herald-Leader, April 20, 2018.

importantly, a finite one.⁸ Once they are gone, we cannot get them back. Likewise, we cannot relocate our agricultural industries; they are indisputably tied to the land. Our community determined that “conservation easements offer the best protection of fertile soils, farmland and natural areas.”⁹ In order to reach the goal of the PDR program to protect 50,000 acres of agricultural and natural rural lands, we must prioritize fully funding the PDR program in the Fiscal Year 2021 budget and beyond.¹⁰

Lexington-Fayette County’s agricultural business sector, founded upon the farmland protected and conserved by the PDR program, produces significant economic returns. Importantly:

- Fayette County’s agriculture sector generates **\$2.3 billion in annual economic activity** and **\$1.3 billion in additional income, profits and dividends.**¹¹
- **1 in 12 jobs in Fayette County is supported by agriculture.**¹²
- Agri-tourism alone has an economic impact of **over \$2 billion and supports over 15,000 jobs.**¹³

The data shows that our unique Bluegrass farmland is truly the foundation of Lexington’s brand, identity and diverse economy.

In addition to the economic basis for continuing to preserve our precious farmland, the Lexington-Fayette County community supports it as well. Significantly, over 81% of our community supports utilizing public funds for the permanent protection of 50,000 acres in the rural area for agriculture, food security and environmental protection—the goal of the PDR program.¹⁴ In a 2016 survey, 72% of our community opposed expansion of the Urban Service area, protecting our agricultural land.¹⁵ Our citizens are more engaged than ever before; over 11,000 citizens participated in the planning process for the 2018 Comprehensive Plan. The vast majority of the comments collected indicated a strong desire to protect our farmland in order to preserve the uniqueness of our community, were against expanding the Urban Service Boundary and were in favor of continuing the PDR program.¹⁶

Through our efforts, Lexington can become the model for sustainable growth by connecting and balancing its vibrant city with its unique and productive Bluegrass farmland. Protection and promotion of our natural areas are essential to Lexington-Fayette County’s continued growth and prosperity. Our nationally recognized PDR program is critical to the balance and protection of our community, and Fayette Alliance respectfully requests that the partial funding of this program in FY 2020 budget not be considered a precedent, but a

⁸ Id., pg. 70.

⁹ Id., pg. 101.

¹⁰ Id., pg. 102.

¹¹ Alison Davis, et al., “The Influence of the Agricultural Cluster on the Fayette County Economy,” University of Kentucky, College of Agriculture, May, 2017.

¹² Id.

¹³ Id.

¹⁴ 2017 RLMP, pg. 13.

¹⁵ Id.

¹⁶ Imagine Lexington, 2018 Comprehensive Plan, Appendix C: Public Input Report, pgs. 18-32.

commitment to the continued support for the PDR program with the goal of fully funding the same in Fiscal Year 2021 and beyond.

I know how committed each of you are to this community. On behalf of the Fayette Alliance, I sincerely thank you for your consideration.

Respectfully,

A handwritten signature in cursive script that reads "Brittany M. Roethemeier".

Brittany M. Roethemeier, J.D.
Executive Director

Cc: Honorable Linda Gorton, Mayor
Kevin Atkins, Chief Development Officer
Gloria Martin, Rural Land Management Board Chair