Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Tuesday, October 15, 2024

3:00 PM

Packet

REVISED

Council Chamber

Urban County Council Work Session

Lexington-Fayette Urban County Council
Schedule of Meetings
October 14 – October 21, 2024

Monday, October 14
No Meetings

Tuesday, October 15
General Government & Planning Committee……………………………………………………………………………1:00 p.m.
Government Center – Council Chamber, 2nd Fl.

Council Work Session……………………………………………………………………………………………………..3:00 p.m.
Government Center – Council Chamber, 2nd Fl.

Wednesday, October 16
Access Lexington Commission……………………………………………………………………………………….10:30 a.m.
Virtual Meeting

Thursday, October 17
Corridors Commission…………………………………………………………………………………………………..12:00 p.m.
Government Center – Conference Rm., 5th Fl.

Friday, October 18
No Meetings

Saturday, October 19
Urban County Council Transportation Expo…………………………………………………………………………..9:00 a.m.
Lexington Public Library – Marksbury Family Branch, 2197 Versailles Rd

Monday, October 21
No Meetings

Lexington-Fayette Urban County Council
Work Session Agenda
October 15, 2024

I. Public Comment - Issues on Agenda

II. Requested Rezonings/ Docket Approval- No

III. Approval of Summary- Yes

- **a.** Table of Motions: Council Work Session, October 8, 2024, p. 1 - 2

IV. Budget Amendments- No

V. Budget Adjustments - For Information Only- No

VI. New Business- Yes, p. 3 - 22

VII. Communications From the Mayor – Appointments- No

VIII. Communications From the Mayor – Donations- No

IX. Communications From the Mayor – Procurements- No

X. Continuing Business/ Presentations- Yes

- **a.** Council Capital Projects, October 15, 2024, p. 23
- **b.** Summary: General Government & Planning Committee, September 10, 2024, p. 24 - 28
- **c.** Presentation: Fayette County 2024 November Election Plan, p. 29 - 36
- **d.** Presentation: Affordable Housing Needs Analysis, p. 37 - 60

XI. Council Reports

XII. Public Comment - Issues Not on Agenda

XIII. Adjournment

Administrative Synopsis - New Business Items

a	**0989-24**	Authorization to enter into a contract agreement with Seagrave Fire Apparatus, LLC for the purchase of two (2) new rescue pumper apparatus at the cost of $2,216,911.00. These are expected to be delivered in 1500 days. Funds are budgeted. (L0989-24) (Wells/Armstrong), p. 3
b	**0991-24**	Authorization to enter into a memorandum of agreement with Fayette County Public Schools Southside Technical to establish guidelines and responsibilities of the clinical education component and off campus experiences for students in the Emergency Medical Technician (EMT) Program through Fayette County Schools. No budgetary impact. (L0991-24) (Wells/Armstrong), p. 4
c	**0992-24**	Authorization to approve a sole source purchase for the replacement of the Eutek HeadCell™ Grit Concentrator at West Hickman WWTP from Hydro International at a cost not to exceed $189,840.24. Funds are budgeted. (L0992-24) (Martin/Albright), p. 5
d	**0994-24**	Authorization to approve an amendment to Resolution #629-2023 increasing the easement acquisition budget by $6,000.00 for the Floyd Drive Trunk Sewer Project from $51,000.00 to $57,000.00. Funds are budgeted. (L0994-24) (Martin/Albright), p. 6 - 7
e	**0995-24**	Authorization to execute any future contracts, agreements or other documents pertaining to the 250Lex celebration. Funds to be used for any 250Lex contracts, agreements or other documents are held by the Blue Grass Community Foundation, not by LFUCG. No cost to LFUCG. (L0995-24) (Scott), p. 8
f	**0996-24**	Authorization to approve a Fee Simple Property Acquisition of 139 Elam Park for the Wolf Run Main Trunk G Sewer Project in the amount of $10,000.00. Funds are budgeted. (L0996-24) (Martin/Albright), p. 9 - 11
g	**1000-24**	Authorization to execute a test licensing agreement with Stanard and Associates, Inc. to administer their Police Officer Selection Test (POST) for police recruit candidates at a cost not to exceed $9,500. Funds are budgeted in the division's Professional Services/Police account. (L1000-24) (George/Hamilton), p. 12
h	**1001-24**	Authorization to approve a partial release of a Maintenance Agreement for a Stormwater Incentive Grant project on the property located at 740 West New Circle Road, Lexington KY 40550. The maintenance agreement will continue to encumber the remainder of the property. No budgetary impact. (L1001-24) (Martin/Albright), p. 13

i	**1002-24**	Authorization to submit the 2024 Continuum of Care application, as the Collaborative Applicant, to the U.S. Department of Housing and Urban Development, requesting funding in an amount up to $3,892,327.00 for the operation of programs by community nonprofit organizations to reduce homelessness in Fayette County and to accept award of Federal funds, if offered, in the amount of $141,269.00 for project planning expenses, the acceptance of which obligates the Urban County Government for the expenditure of an amount up to $35,318.00 as local match. (L1002-24) (Herron/Lanter), p. 14
j	**1003-24**	Authorization to enter into an agreement with the law firm of Frost Brown Todd (attorney Joe Scholler) for negotiating services on the Fire and Police collective bargaining agreements (four agreements). The term of the contract is estimated at two (2) years for a cost not to exceed $120,000 in FY 2025. Funds are budgeted. (L1003-24) (Barberie), p. 15
k	**1006-24**	Authorization to amend Section 6-53 of the Code of Ordinances to provide for a three percent (3%) increase, effective January 1, 2025, to each retiree or beneficiary's base annuity. The increase will apply to all annuity payments made after January 1, 2025. The pension is a "closed" fund, and as of September 2024, there are 7 retirees and 19 beneficiaries participating in the fund, which is over 500% funded. (L1006-24) (Allan/Hamilton), p. 16 - 17
l	**1007-24**	Authorization to enter into an agreement with cieTrade Systems, Inc. to purchase three (3) software licenses and a production database to assist with accurately tracking revenue and tonnages of materials at the Materials Recovery Facility and for more efficient reporting, for a total software license fee of $18,750 in FY 2025, in addition to annual support, and estimated professional services. Funds are budgeted. (L1007-24) (Howard/Albright), p. 18 - 19
m	**1017-24**	Authorization to extend the current contract with Anthem for the Medicare Advantage Plan for the Police and Fire Retirement Fund for the period beginning January 1, 2025, through December 31, 2025. The cost for the Medicare Advantage Plan is $140.51 per retiree per month. Funds are budgeted. (L1017-24) (George/Hamilton), p. 20
n	**1018-24**	Authorization to execute an Interlocal Cooperation Agreement and Membership Agreement with Madison County, Scott County, City of Berea, City of Georgetown and City of Richmond to form the Central Kentucky Business Park Authority. The Interlocal Cooperative Agreement is the formation of the Authority and development of the Triple Crown Business Park in Scott County. LFUCG's contribution toward the agreement is $2,125,000. Funds are budgeted. (L1018-24) (Atkins), p. 21

o **1019-24** Authorization to execute a Purchase of Service Agreement (PSA) with TEConomy Partners, LLC, pursuant to RFP 46-2024, for a local economic and workforce development opportunities study related to the technology sector at a cost of $132,860. Funds are budgeted. (L1019-24) (Glasscock/Atkins), p. 22

URBAN COUNTY COUNCIL
WORK SESSION
TABLE OF MOTIONS
October 8, 2024

Mayor Gorton called the meeting to order at 3:03 p.m. Vice Mayor Wu and Council Members J. Brown, Ellinger II, Fogle, Lynch, LeGris, Monarrez, Sheehan, Gray, Worley, F. Brown, Baxter, Sevigny, Reynolds, and Plomin were present.

I. Public Comment – Issues on Agenda

II. Requested Rezonings/Docket Approval

<u>Motion by Ellinger II to approve the October 10, 2024, Council Meeting Docket, as amended. Seconded by Gray. Motion passed without dissent.</u>

<u>Motion by Reynolds to place on the docket for the October 10, 2024 Council Meeting, a resolution authorizing the mayor to execute an agreement with the Institute of Police Technology and Management to host three (3) training courses for officers, at a cost not to exceed $79,500.00 in Kentucky Office of Highway Safety Grant Funds. Seconded by Baxter. Motion passed without dissent.</u>

III. Approval of Summary

<u>Motion by Wu to approve the September 24, 2024 Work Session Summary. Seconded by Plomin. Motion passed without dissent.</u>

IV. Budget Amendments

<u>Motion by Plomin to approve Budget Amendments, as amended. Seconded by Fogle. Motion passed without dissent.</u>

<u>Motion by Lynch to add Budget Journal 150817-18 to establish a transfer of $65,000 to the General Fund Capital Projects Fund by recognizing ARPA interest earned and add Budget Journal 150821-22 to provide $65,000 for Black and Williams Center gym in the General Fund Capital Projects Fund by recognizing a transfer of ARPA interest earned. Seconded by Gray. Motion passed without dissent.</u>

V. Budget Adjustments – For Information Only

VI. New Business

<u>Motion by Baxter to approve New Business. Seconded by Plomin. Motion passed without dissent.</u>

VII. Communications from the Mayor- Appointments

Motion by Fogle to approve Communications from the Mayor- Appointments. Seconded by Gray. Motion passed without dissent.

VIII. Communications from the Mayor- Donations

Motion by Plomin to approve Communications from the Mayor- Donations. Seconded by LeGris. Motion passed without dissent.

IX. Communications from the Mayor- Procurements

Motion by Baxter to approve Communications from the Mayor- Procurements. Seconded by Gray. Motion passed without dissent.

X. Continuing Business/Presentations

Council Member Reynolds provided a summary of the September 17, 2024, Social Services & Public Safety Committee.

XI. Council Reports

Motion by Gray to place in the Social Services & Public Safety Committee a review of the Fayette County Sheriff's Office. Seconded by Lynch. Motion passed without dissent.

XII. Public Comment – Issues Not on Agenda

Motion by Vice Mayor Wu to enter closed session pursuant to KRS 61.810(1)(c) for the purpose of discussing proposed litigation. Seconded by LeGris. Motion passed without dissent.

Motion by Fogle to return from closed session. Seconded by Gray. Motion passed without dissent.

Motion by F. Brown to place on the docket for the October 10, 2024 Council Meeting, a resolution condemning necessary permanent and temporary easements across the property located at 1067 Armstrong Mill Road for the purpose of the Merrick Trunk Sewer Project and authorizing the Department of Law to institute condemnation proceedings in Fayette Circuit Court. Seconded by Worley. Motion passed without dissent.

XIII. Adjournment

Motion by Fogle to adjourn at 4:03 p.m. Seconded by Gray. Motion passed without dissent.

MAYOR LINDA GORTON

LEXINGTON

Jason G. Wells
Fire Chief

TO: Mayor Linda Gorton

FROM: Jason G. Wells, Fire Chief

DATE: 09/24/2024

SUBJECT: Contract with Seagrave Fire Apparatus, LLC

File Summary:
Request Council authorization to enter into a contract agreement with Seagrave Fire Apparatus, LLC for the purchase of 2 new rescue pumper apparatus at the cost of $2,216,911.00. These are expected to be delivered in 1500 days.

Why are you requesting?

These units will replace high mileage aging units. The units scheduled for replacement will then be assigned to the division's reserve fleet, refurbished, or replace older units currently in the reserve fleet.

Contract termination language / clause: N/A

The cost for this FY is: $2,216,911.00

The cost for future FY is N/A

Are the funds budgeted? Yes.

Account information:

1105 505707 5713 96957 Fire_TRUCK_2025

Has an RFP been obtained? N/A

Sole source? N/A

Name of cooperative purchasing agreement if being utilized:

Yes, Houston Galveston Area Council, (HGAC). Contract #FS12-23.

File Number:

Director/Commissioner: Wells/Armstrong

MAYOR LINDA GORTON

LEXINGTON

Jason G. Wells
Fire Chief

TO: Mayor Linda Gorton

FROM: Jason G. Wells, Fire Chief

DATE: September 25, 2024

SUBJECT: MOA Southside Technical, FCPS

The Division of Fire and Emergency Services request authorization to enter into a memorandum of agreement with Fayette County Public Schools Southside Technical to establish guidelines and responsibilities of the clinical education component and off campus experiences for students in the Emergency Medical Technician (EMT) Program through Fayette County Schools. This will consist of their ride time on an ambulance and other educational purposes.

Why are you requesting? We are requesting so that the students from Southside Technical will be able to get the required ride time needed to receive their EMT certification.

Department needs this action completed because: This could help in creating a route for the students of Southside Technical in becoming future firefighters.

Contract termination language / clause: The agreement is subject to termination at the end of the year (measured by the date of execution) upon written notice of at least ninety days.

What is the cost in this budget year and future budget years?

The cost for this FY is: N/A

The cost for future FY is: N/A

Are the funds budgeted? N/A

File Number:

Director/Commissioner: Wells/Armstrong

MAYOR LINDA GORTON

LEXINGTON

CHARLES H. MARTIN, P.E.
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

FROM: Charles H. Martin, P.E., Director
Division of Water Quality

DATE: September 25, 2024

SUBJECT: Replacement of Eutek HeadCell™ Grit Concentrator at West Hickman WWTP

Request

The Division of Water Quality requests approval of a sole source purchase for the replacement of the Eutek HeadCell™ Grit Concentrator located at West Hickman WWTP (Wastewater Treatment Plant). The sole source vendor is Hydro International, and the cost of this equipment is $189,840.24.

Purpose of Request

Grit removal is a fundamental component of the preliminary treatment process at West Hickman WWTP. In early 2024, the existing grit concentrator failed, and replacement is necessary. Hydro International is the Sole Source vendor for Eutek HeadCell™ grit concentrators and in-kind replacement of the failed unit is recommended to avoid the additional capital cost of replacing additional patented and proprietary preliminary treatment process equipment.

Project Cost in FY25

$189,840.24

Are the funds budgeted?

Funds are budgeted in: 4003 303401 3401 92711 WHWWTP_RMP CONSENT_DE Bud Ref: 2024

Director/Commissioner

Martin/Albright

MAYOR LINDA GORTON

LEXINGTON

CHARLES H. MARTIN, P.E.
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

FROM: Charles H. Martin, P.E., Director
Division of Water Quality

DATE: September 25, 2024

SUBJECT: Amendment of Resolution No. 629-2023, Easement Acquisitions for the Floyd Drive Trunk Sewer Consent Decree Project (RMP No. NE-6)

Request

The purpose of this memorandum is to request amendment of Resolution No. 629-2023, increasing the easement acquisition budget by $6,000.00 for the Floyd Drive Trunk Sewer Project from $51,000.00 to $57,000.00.

Purpose of Request

Resolution No. 629-2023 provided funding for the purchase of permanent and temporary easements necessary for the Floyd Drive Trunk Sewer project. This recommended increase to Resolution No. 629-2023 is the result of further negotiations with two relevant property owners and LFUCG.

Project Cost in FY25 and Future Budget Years

The cost to acquire the necessary easements will not exceed $57,000.00.

Are Funds Budgeted

The funds are budgeted in the following account:

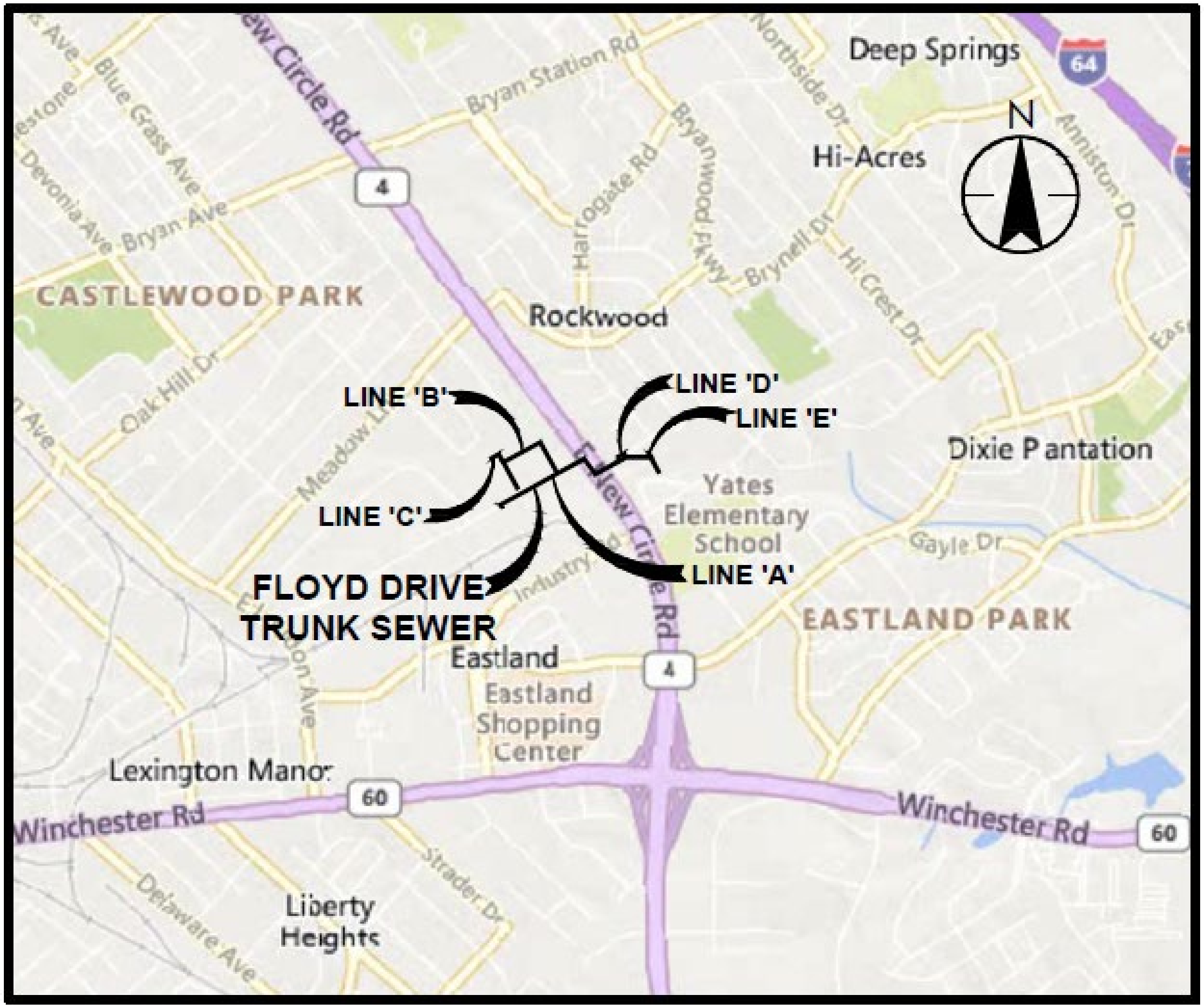
FUND	DEPT ID	SECT	ACCT	PROJECT	ACTIVITY	BUD REF
4003	303408	3466	92811	FLOYD_RMP_2022	CONSENT_DE	2022

Director / Commissioner

Martin / Albright

Floyd Drive Trunk Sewer (RMP Project No. NE-6)

Project Location Map



VICINITY MAP

Lexington-Fayette Urban County Government

OFFICE OF THE MAYOR

Linda Gorton
Mayor

TO: **LINDA GORTON, MAYOR**
URBAN COUNTY COUNCIL

FROM: **Tyler Scott, Chief of Staff**
Office of the Mayor

DATE: **September 26, 2024**

SUBJECT: **250Lex Commission Agreements**

Request: Requesting approval for the Mayor, or her designee, to sign any future contracts, agreements or other documents pertaining to the 250Lex celebration. Funds to be used for any 250Lex contracts, agreements or other documents are held by Blue Grass Community Foundation, not by LFUCG. No cost to LFUCG.

Purpose of Request: Approval of this resolution will allow 250Lex Commission to move forward in a much more efficient and timely manner given that the funding will not be provided by LFUCG.

What is the cost in this budget year and future budget years? N/A

Are the funds budgeted? N/A

File Number: 0995-24

Director/Commissioner: Tyler Scott, Chief of Staff

4867-3266-6089, v. 1

MAYOR LINDA GORTON

LEXINGTON

CHARLES H. MARTIN, P.E.
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

FROM: Charles H. Martin, P.E., Director
Division of Water Quality

DATE: September 25, 2024

SUBJECT: Fee Simple Property Acquisition of 139 Elam Park for the Wolf Run Main Trunk G Sewer - Consent Decree Project (RMP No. WR-7)

Request

The purpose of this memorandum is to request a resolution authorizing the fee simple property acquisition of 139 Elam Park needed for the construction of the Wolf Run Main Trunk G Sewer Project, a Remedial Measures Project required by the Consent Decree. The cost of this acquisition is $10,000.00 excluding agreed closing costs and recording fees to be paid by LFUCG. Purchase price is based upon the current fair cash value as assessed by the Fayette County Kentucky Property Valuation Administrator.

Purpose of Request

The requested resolution will provide funds for the acquisition of 139 Elam Park. Acquisition of this parcel will allow construction of sanitary sewer improvements on the property.

Project Cost in FY25 and Future Budget Years

The cost for FY25 is $10,000.00.

The cost for future fiscal year maintenance is the ongoing maintenance of vacant lots, including mowing, that will be budgeted annually.

Are Funds Budgeted

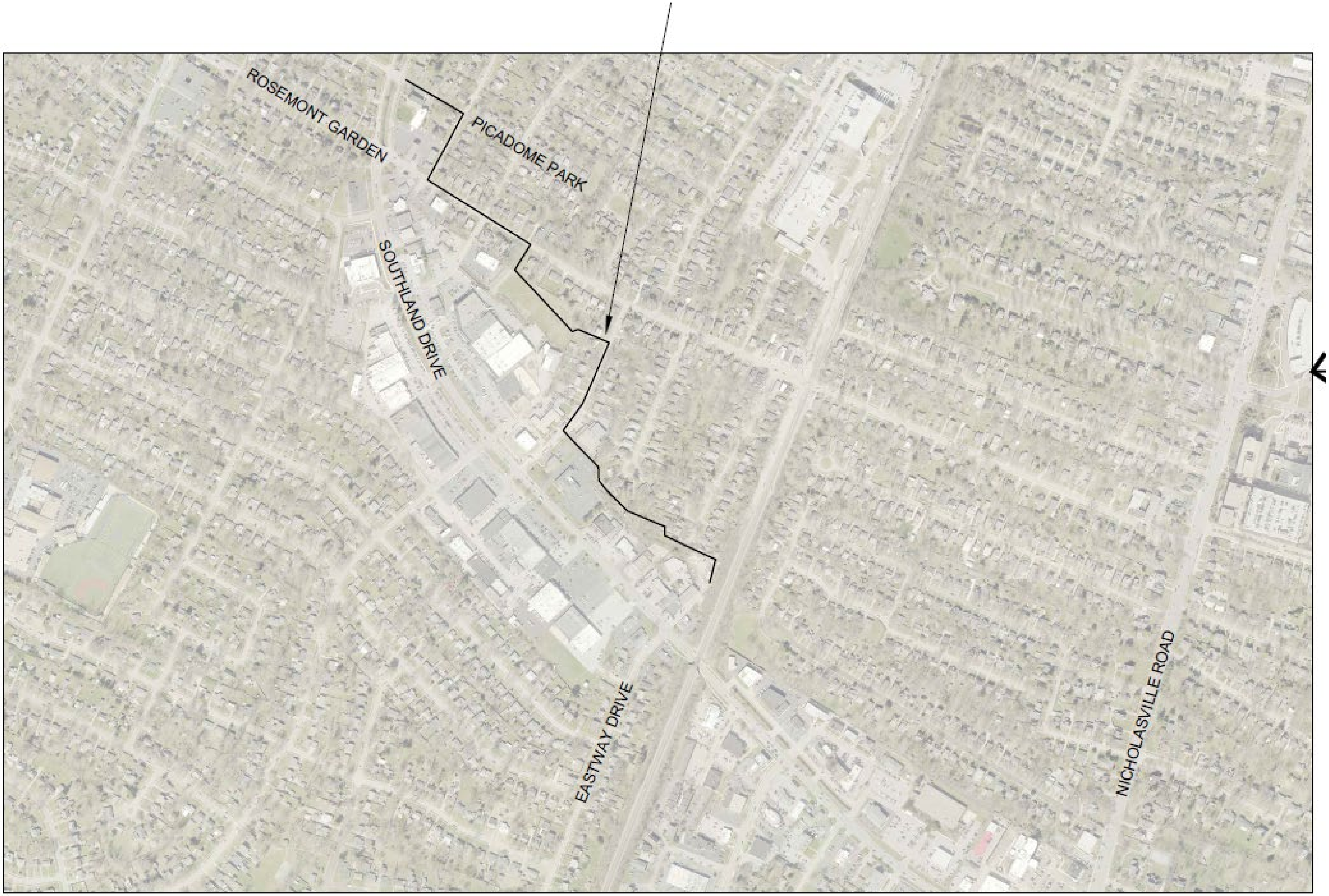
The funds are budgeted in 4003 303408 3466 92811 WRTRUNKFG_2021 CONSENT_DE (BR 2021)

Director / Commissioner

Martin / Albright

Wolf Run Main Trunk G (RMP Project No. WR-7)

Project Location Map



VICINITY MAP

Wolf Run Main Trunk G Sewer – Land Acquisition

139 Elam Pk. Lexington, KY – PVA Parcel ID 20961800 Pictometry

MAYOR LINDA GORTON

LEXINGTON

GLENDA HUMPHREY GEORGE
DIRECTOR
HUMAN RESOURCES

M E M O R A N D U M

TO: Linda Gorton, Mayor
Sally Hamilton, Chief Administrative Officer
Council Members

FROM: Glenda Humphrey George, Director
Division of Human Resources

DATE: September 26, 2024

SUBJECT: **Purchase and Test Security Agreement – Stanard & Associates**

Request:
The attached action authorizes a test licensing agreement between Stanard and Associates, Inc. and the Lexington-Fayette Urban County Government in order to administer their Police Officer Selection Test (POST) for police recruit candidates.

What is the cost in this budget year and future budget year?
The cost is not to exceed $9,500 and will be funded from the division's Professional Services/Police account (1101-160502-1821-71299).

File Number: 1000-24

Director/Commissioner:
Glenda Humphrey George/Sally Hamilton

If you have any questions need additional information, please contact Alana Morton at (859) 258-3037.

MAYOR LINDA GORTON

LEXINGTON

CHARLES H. MARTIN, P.E.
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

FROM: Charles H. Martin, P.E., Director
Division of Water Quality

DATE: September 26, 2024

SUBJECT: Partial Release of Maintenance Agreement - 740 West New Circle Road

Request
The purpose of this memorandum is to request approval of a partial release of a Maintenance Agreement for a Stormwater Incentive Grant project on the property located at 740 West New Circle Road, Lexington, KY 40550.

Purpose of Request
The property owner, Lexmark International Inc., received a stormwater incentive grant for the installation of stormwater infrastructure on its campus at 740 West New Circle Road. The property is encumbered by an agreement to maintain the grant-funded facilities. Lexmark has requested a partial release of the agreement for a portion of the property upon which none of the facilities that are the subject of the maintenance agreement are located. The maintenance agreement will continue to encumber the remainder of the property.

Project Cost in FY24
There is no cost with this request.

Project Cost Impact for Future Budget Years
There is no projected future cost.

Are Funds Budgeted
N/A.

Law Review
Michael Cravens, 09/18/2024.

Martin/Albright

cc: Frank H. Mabson

MAYOR LINDA GORTON

LEXINGTON

CHARLIE LANTER
COMMISSIONER
HOUSING ADVOCACY & COMMUNITY DEVELOPMENT

TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

FROM: CHARLIE LANTER, COMMISSIONER
DEPARTMENT OF HOUSING ADVOCACY AND COMMUNITY DEVELOPMENT

DATE: October 1, 2024

SUBJECT: 2024 HUD Continuum of Care Program Competition

Request: Council authorization to submit the 2024 Continuum of Care application, as the Collaborative Applicant, to the U.S. Department of Housing and Urban Development requesting funding in an amount up to $3,892,327.00 for the operation of programs by community nonprofit organizations to reduce homelessness in Fayette County and to accept award of federal funds, if offered, in the amount of $141,269.00 for project planning expenses.

Purpose of Request: The Office of Homelessness Prevention and Intervention serves as the Collaborative Applicant for the Lexington Fayette County Continuum of Care and is responsible for annual development and submission of the Continuum of Care Program funding application to the U.S. Department of Housing and Urban Development for homelessness funding in the community. The LFUCG, in the role of Collaborative Applicant, has responsibility for scoring and ranking projects, submission of application for all funds, and monitoring compliance by all projects with the Homeless Management Information System. If approved by HUD, funds in an amount up to $3,892,327.00 will be used to implement community projects that reduce homelessness. These funds will be awarded directly to the various organizations from HUD. Each organization will provide the required 25% grant match from their own resources.

LFUCG will submit a grant application totaling $141,269.00 for planning purposes which will be used by the Office of Homelessness Prevention and Intervention to offset personnel and operating costs of compliance monitoring.

What is the cost in this budget year and future budget years? If the planning grant is awarded, match in the amount of $35,318.00 will be required.

The cost for this FY is: $0
The cost for future FY26 is: $35,318.00

Are the funds budgeted? The funds are not yet budgeted as impact would be to FY26. If approved, a BA will be initiated.

Account number: 1145-155003-0001-78201

File Number: 1002-24

Director/Commissioner: Herron/Lanter

MAYOR LINDA GORTON

LEXINGTON

DAVE BARBERIE
ACTING COMMISSIONER
DEPARTMENT OF LAW

TO: Linda Gorton, Mayor

Members, Urban County Council

FROM: David Barberie

Department of Law

DATE: September 30, 2024

RE: Collective Bargaining Negotiations

Request:

Authorization to enter into an agreement with the law firm of Frost Brown Todd (attorney Joe Scholler) for negotiating services on the Fire and Police collective bargaining agreements (four agreements).

Why are you requesting?

This action is requested in order to assist the administration with negotiating four collective bargaining agreements for the Divisions of Fire and Emergency Services (two agreements) and Police (two agreements) using a professional negotiator and law firm with previous experience on related LFUCG agreements.

What is the cost in this budget year and future budget years?

The contract covers negotiating the four agreements (estimated time two years) – cost estimated not to exceed $120,000 in FY 2025.

Are the funds budgeted?

All funds are budgeted

File Number: 1003-24

Director/Commissioner: Dave Barberie, Acting Commissioner of Law

4883-3503-8442, v. 1

MAYOR LINDA GORTON

LEXINGTON

SALLY HAMILTON
CHIEF ADMINISTRATIVE OFFICER

TO: Mayor Gorton and the Urban County Council

FROM: Abigail Allan

CC:

DATE: October 2, 2024

SUBJECT: City Employees' Pension Fund Annuity Increase/ Ordinance Amendment

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Request:

Authorization to amend Section 6-53 of the Code of Ordinances to provide for a three percent (3%) increase, effective January 1, 2025, to each retiree or beneficiary's base annuity. The increase will apply to all annuity payments made after January 1, 2025. The pension is a "closed" fund, and as of September 2024, there are 7 retirees and 19 beneficiaries participating in the fund, which is over 500% funded.

Why are you requesting?

On July 30, 2024, the Board voted unanimously to increase the base annuity pay to provide a 3% annuity increase to retirees, and beneficiaries, participating in the City Employee's Pension Fund. The prior COLA increase was approved in 2023, and the Ordinance is attached for reference (O-139-2023). The projected financial impact listed in the table below is based on the most recent data available:

	Current Scenario	Base Adjustment Increase 5.0%
Nominal Dollars of Projected Payments[2]	$ 7,933,546	$ 8,330,223
Actuarial Accrued Liability[1]	$ 5,528,531	$ 5,804,961
Funded Ratio[1]	578.7%	551.1%
Liability Defeasing Portfolio[3]	$ 5,689,682	$ 5,974,170

What is the cost in this budget year and future budget years?

The cost for this FY is:

The cost for future FY is:

Are the funds budgeted?

The funds are budgeted or a budget amendment is in process: Funds are fully budgeted

Account number: 5002-505004-0001-6XXXX

File Number: 1006-24

Director/Commissioner: Allan/Hamilton

MAYOR LINDA GORTON

LEXINGTON

TRACEY THURMAN
DIRECTOR
WASTE MANAGEMENT

MEMORANDUM

TO: Mayor Linda Gorton
Urban County Council

FROM: ______________________
John Howard, Acting Director
Division of Waste Management

DATE: October 8, 2024

SUBJECT: Request Council Authorization to Execute a Software License & Support Agreement with cieTrade Systems, Inc. to Obtain User Software Licenses and Production Database Between LFUCG Material Recovery Facility (MRF) Division of Waste Management and cieTrade Systems, Inc.

Request: The purpose of this memorandum is to request approval to enter into an agreement with cieTrade Systems, Inc. to purchase Software Licenses and Production Database to assist with accurately tracking revenue and tonnages of materials for both inbound and outbound loads at the Materials Recovery Facility. This agreement would allow the division to be more efficient with revenue reports to our affiliates and annual reporting requirements.

Authorization to: Approve purchase agreement for Software Licenses (3) Software Licenses fees $6,250 each – Total $18,750 Annual Support and Maintenance $4, 128 and Production Database. This agreement shall have an Initial 60 month term for the use of licenses, maintenance and support. Upon expiration of the initial term, as long as license fees are paid in full, the agreement for continued Maintenance & Support can continue for up to an additional 24 months at the current rate. After that time cieTrade reserves the right of a rate increase up to 10% per year. If LFUCG cancels, fails to renew or fails to pay Maintenance & Support fees within 45 days after they are due cieTrade has the right to charge a $7500 reinstatement fee to reestablish Maintenance & Support.
LFUCG has a right to terminate Agreement with or without cause. If this Agreement is Terminated for any reason LFUCG will be required to pay the Licenses fees in full and be entitled to continue authorized use of the licensed program without restriction. However, cieTrade shall have no further obligation to provide any assistance or support under any circumstances.

Why are you requesting? For several years the MRF Division of Waste Management has been using an outdated Excel program to produce reports and track commodities. The Excel program is no longer serving it's intended purpose without extensive time of multiple staff members correcting flaws in the formulas running the program causing delays in reporting. This agreement would allow the Division to work with cieTrade to continue to improve the tracking of commodities and revenue of the MRF.

MAYOR LINDA GORTON

LEXINGTON

TRACEY THURMAN
DIRECTOR
WASTE MANAGEMENT

Are the funds budgeted? Yes. Account: 1115-303501-0001-71208 FY25 $10,000
Account: 1115-303505-3571-71299 FY25 $21,846

The funds are budgeted, or a budget amendment is in process: Yes

cc: Nancy Albright, Commissioner- EQPW

MAYOR LINDA GORTON

LEXINGTON

GLENDA HUMPHREY GEORGE
DIRECTOR
HUMAN RESOURCES

MEMORANDUM

TO: Linda Gorton, Mayor
Sally Hamilton, Chief Administrative Officer
Council Members

FROM: Glenda
Glenda Humphrey George, Director
Division of Human Resources

DATE: September 26, 2024

SUBJECT: **Contract Services with Anthem – Medicare Advantage Plan Renewal Police and Fire Retirement Fund**

Request:
The attached action authorizes the Mayor to extend the current contract with Anthem for the Medicare Advantage Plan for the Police and Fire Retirement Fund for the period beginning January 1, 2025 through December 31, 2025.

Why are you requesting:
The cost for the Medicare Advantage Plan is $140.51 per retiree per month. Funds are budgeted.

File Number: 1017-24

Director/Commissioner:
Glenda Humphrey George/Sally Hamilton

If you have questions or need additional information, please contact Alana Morton 859-258-3037.

MAYOR LINDA GORTON

LEXINGTON

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER

TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

FROM: KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER

DATE: OCTOBER 3, 2024

RE: CREATION OF THE CENTRAL KENTUCKY BUSINESS PARK AUTHORITY – A REGIONAL INDUSTRIAL DEVELOPMENT AUTHORITY

Request:
Authorization for the Mayor to sign an Interlocal Cooperation Agreement and Membership Agreement with Madison County, Scott County, City of Berea, City of Georgetown and City of Richmond to form the Central Kentucky Business Park Authority. The Interlocal Cooperative Agreement is the formation of the Authority and development of the Triple Crown Business Park in Scott County.

Why are you requesting:
The Interlocal Cooperative Agreement and Membership Agreement between Fayette County, Madison County, Scott County, City of Berea, City of Georgetown and City of Richmond would create a Regional Industrial Development Authority – the Central Kentucky Business Park Authority. The Authority would be created for the acquisition, financing and development of initially the Triple Crown Business Park. The agreement would also allow for the development of additional regional business parks with the agreement of all parties.

What is the cost in this budget year and future budget years?
The cost for FY2025 is: $2,125,000.00
The cost for future FY is: N/A

Are the funds budgeted: Yes
1105 136102 1361 71299

Director/Commissioner: Kevin Atkins

MAYOR LINDA GORTON

LEXINGTON

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER

TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

FROM: TROY BLACK
ADMINISTRATIVE SPECIALIST

DATE: OCTOBER 7, 2024

RE: EXECUTE PURCHASE OF SERVICE AGREEMENT WITH TECONOMY PARTNERS, LLC FOR RFP 46-2024

Request:
Authorization to execute a Purchase of Service Agreement (PSA) with TEConomy Partners, LLC for RFP 46-2024 "Local Economic and Workforce Development Opportunities Study."

Why are you requesting:
As part of the Lexington-Fayette Urban County Fiscal Year 2025 budget funding was approved for a comprehensive study of local economic and workforce development opportunities related to the technology sector. The goals of this study are to identify and analyze areas of potential growth, innovation, and job creation within Lexington, and to attract and support a local workforce with the desired technical skills to sustain such growth.

The study will include: 1) Assessment of Current Landscape; 2) Labor Market Analysis; 3) Identification of Economic Development Opportunities; 4) Identification of Workforce Development Opportunities; and 5) Policy and Regulatory Recommendations.

What is the cost in this budget year and future budget years?

The cost for FY2025 is:	$132,860.00
The cost for future FY is:	N/A
Are the funds budgeted:	Yes 1144-136102-1361-71299
Director/Commissioner	Amy Glasscock/Kevin Atkins

Council Capital Projects
October 15, 2024
Work Session

Amount	Recipient	Purpose
$ 5,000.00	LFUCG - Parks and Recreation Michelle Kosieniak 1105-707602-7221-91017	For the "Sense of Place" hamlet initiative project
$ 50,000.00	LFUCG - Parks and Recreation Michelle Kosieniak 1105-707602-7221-91015	For elevated signage for the Phoenix Park Reimagine project
$ 2,000.00	LFUCG - Parks and Recreation Michelle Kosieniak 1105-707602-7221-90317	For planting 4 memorial trees in 9th District Parks
$ 50,000.00	LFUCG - Parks and Recreation Michelle Kosieniak 1105-707602-7221-90321	For the Davis Park basketball courts project

General Government and Planning Committee

September 10, 2024

Summary and Motions

Chair Worley called the meeting to order at 1:04 p.m. Vice Mayor Wu and Committee Members J. Brown, Ellinger, Lynch, LeGris, Sheehan, and Reynolds were in attendance. Council members Monarrez, Gray, F. Brown, and Sevigny were present as non-voting members. Council member Plomin was absent.

I. August 29, 2024 General Government and Planning Committee Summary

Motion by Baxter to approve the August 29, 2024, GGP Committee Summary. Seconded by Ellinger. Motion passed without dissent.

II. Parental Leave Update

Glenda George, Director of Human Resources, presented on behalf of the item. Council passed the Paid Parental Leave (PPL) policy in November of 2022 and made it retroactive to July 1st, 2022. The benefits of having a PPL policy includes child growth and development, mental health/family economic security, and retention and recruitment. In order to be eligible, you have to be a full-time or part-time employee for the previous 12 months and have worked a total of 1,250 hours. PPL must be taken consecutively within 6 months of birth, adoption, or placement of a child.

Since July 2022, there have been 215 requests, with 202 approved and 13 denied. Reasons for denial included no proof submitted, did not meet length of service requirement, or was not a covered person. For January 1, 2023 to Jun 30, 2024, the total cost was $2,077,468.01. The general cost (not including backfill or OT) to Policy & Fire was $894,604.93. The Police backfill/OT total cost was $453,563.08; the Fire cost was $729,300.

Some challenges of the program include reporting time, communication around usage, and various unique situations. One recommendation for the program is to offer four weeks of PPL for birth, adoption, and foster child placement. Currently, foster child placement is only two weeks. The second recommendation is to give flexibility to the HR Director to make exceptions in unique circumstances.

Council expressed support for potentially increasing the PPL timeframe. Louisville offers 12 weeks, University of Louisville offers 6 weeks, and the University of Kentucky offers 2 weeks. Council also expressed support for creating an amendment requiring advanced notice if the employee is delaying leave.

A motion by Baxter to approve the proposed updated Paid Parental Leave Ordinance, seconded by Reynolds, passed unanimously.

III. Rural Short-Term Rentals

Jennifer Sutton, Council Research Analyst, provided a summary of the Rural Land Management Board (RLMB) Short-Term Rental (STR) Recommendation presentation from May 2024. She reminded Council of the ten recommendations the RLMB provided. Recommendation #1 is all STRs in the Agricultural Zones should be required to obtain a conditional use permit from the Board of Adjustment (BOA). Recommendation #2 is the BOA should consider the number of STRs within a one-mile radius of the property and no more than one STR should be permitted within a one-mile radius. Recommendation #3 is adjacent property owners should be notified of the conditional use permit as required by existing public notice requirements. Recommendation #4 is only hosted STRs should be permitted in the Agricultural zones because of the unique challenges of agricultural areas.

Recommendation #5 is only one STR should be allowed on each property and no newly constructed STRs should be permitted. Recommendation #6 is a property owner with an existing Farm Employee Dwelling Unit (FEDU) may apply to the BOA for a conditional use permit to convert no more than one FEDU per property into an STR. Recommendation #7 is the maximum occupancy is no more than two individuals per bedroom. Recommendation #8 is all STRs in the RSA should be required to have onsite parking and lighted entrances that are easily visible from the roadway. Recommendation #9 is special events should be limited to the number of participants staying in the STR. Finally, recommendation #10 is all other STRs in the Agricultural Zones should be subject to the new requirements recommended above and should not be grandfathered in.

Traci Wade with the Division of Planning was available to help with various questions. There was a conversation regarding hosted vs. unhosted STRs. If a farm has an employee dwelling unit on the property and it was occupied with an employee, the STR on the property would be considered a hosted unit. Ellinger mentioned there may need to be some exceptions considered for residential areas in the rural zones. The RLMB has concerns that an exception could destroy the entire area and the intent of the rural area.

J. Brown suggested there be a new section specifically for rural STRs rather than an amendment to the current policy. He also requested this come back to committee for discussion at the next meeting.

No action was taken on this item.

IV. Assessment and Historic Preservation of Lexington's African American Hamlets

Tiffany Brown, LFUCG's Equity and Implementation Officer, presented on behalf of the item. She gave an overview of the Steering Committee members and a timeline of key events. Historically, the Black Hamlets have had schools, cemeteries, religious traditions, and local economies. The economic activities included agriculture (farming, livestock raising, and crop production), education & religious institutions, domestic services, skilled trades (blacksmithing, carpentry, masonry, and textile production), and small-scale commerce (local shops and markets).

Brown reviewed the property at 705 Caden Lane. The Cadentown Community was constructed in 1923 during a time when Fayette County's Black residents couldn't attend white schools. The building ceased being a school in 1943. The property will become a dedicated cultural heritage hub that houses the history and legacy of all hamlets in Fayette County. There are several components that will complete the first phase of this initiative. There are repairs that need to be made to the school, ADA Accessibility will need to be created, the cemetery needs clean up and site identification, and the cultural heritage exhibit will need to be designed. The initial fundraising goal was $500,000 and the total raised to date is $539,808.

They have hosted 12 public community engagement meetings. The Sense of Place Historic Marker Mini Grant Program was created to support the installation of historic markers that highlight significant historical sites within the community. The program's next steps include comprehensive community engagement, historic resource inventory and assessment, target preservation and rehabilitation efforts, and capacity building and historic tourism.

No action was taken on this item.

V. Bring Back the Bluegrass

Monica Conrad, the Director of Parks & Recreation, and Chris Cooperrider, the Deputy Director of Parks & Recreation, presented on behalf of the item. As part of 2018 Parks Master Plan, there was robust public input survey conducted. Hiking and walking trails as well as natural areas were some of the top priorities for constituents. Bring Back the Bluegrass was created as a response to the survey results.

Bring Back the Bluegrass is a program that focuses on naturalization efforts in areas of LFUCG parks. Naturalized areas were selected based on existing natural features, Master Plan Data, passive recreation, high demand for multi-purpose fields/space, support of Mayor's Monarch Pledge, and water quality efforts. More than 11 groups and more than 10,000 hours have been logged in the past three years. Currently, there are 80 acres that have been naturalized.

The benefits of naturalization include improved storm water management, increased habitat for wildlife and pollinators, and creates color/plant diversity to the parks' landscape. Since 2023, native plants have been planted in five parks and wildflower beds have been established in nine parks. Future plans include programming for naturalized areas, leveraging resources in locations that have support, implementing additional native plantings, exploring new partnerships for maintenance for naturalized areas, and continuing efficiency improvements.

Some Council Members expressed safety concerns regarding tall, naturalized areas. Additionally, some Council Members support improved signage of the area and educational experiences.

No action was taken on this item.

VI. Items Referred to Committee

<u>A motion by Baxter to remove Item 12: *Paid Parental Leave Update*, seconded by Ellinger, was approved unanimously.</u>

VII. Adjournment

The Committee adjourned at 2:46 pm.

ORDINANCE NO. _____ - 2024

AN ORDINANCE AMENDING SECTION 21-37.3 OF THE CODE OF ORDINANCES OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, RELATING TO PAID PARENTAL LEAVE, AS FOLLOWS: AMENDING SECTION 21-37.3(A) TO DEFINE QUALIFYING EVENT TO INCLUDE PLACEMENT FOR ADOPTION OF A NEWLY ADOPTED CHILD WITH THE EMPLOYEE; AMENDING SECTION 21-37.3(B) TO AUTHORIZE UP TO FOUR (4) WEEKS OF PAID PARENTAL LEAVE FOR PLACEMENT FOR ADOPTION OF A NEWLY ADOPTED CHILD OR FOR FOSTER CARE PLACEMENT OR KINSHIP PLACEMENT OF A CHILD WITH THE EMPLOYEE; AMENDING SECTION 21-37.3(C) TO REQUIRE APPROPRIATE DOCUMENTATION; AND CREATING A NEW SECTION 21-37.3(D) TO AUTHORIZE THE DIRECTOR OF HUMAN RESOURCES, ON RECOMMENDATION TO AND WITH APPROVAL OF THE CHIEF ADMINISTRATIVE OFFICER, TO FIND THAT SPECIAL CIRCUMSTANCES EXIST TO AUTHORIZE THE USE OF PAID PARENTAL LEAVE, CONSISTENT WITH THE GOALS AND OBJECTIVES OF PAID PARENTAL LEAVE, ALL EFFECTIVE UPON PASSAGE OF COUNCIL.

BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That Section 21-37.3(a)(3) of the Code of Ordinances of the Lexington-Fayette Urban County Government be and hereby is amended to read as follows:

Sec. 21-37.3 - Paid Parental Leave.

(a) *Definitions*. The following definitions shall apply to this section:

[…]

(3) *Qualifying event* means the birth of an employee's child, the ~~finalization of~~ <u>placement for</u> adoption of a newly adopted child ~~of~~ <u>with</u> an employee, or the foster care or kinship placement of a newly placed child by an employee~~, provided that such birth, adoption, or foster care or kinship placement occurred on or after July 1, 2022~~.

Section 2 – That Sections 21-37.3(b)(2) and (3) of the Code of Ordinances of the Lexington-Fayette Urban County Government be and hereby are amended to read as follows:

(b) *Paid Parental Leave*. LFUCG employees shall be eligible to receive paid parental leave due to the birth of the employee's child, the ~~finalization of~~ <u>placement for</u> adoption ~~for~~ <u>of</u> a newly adopted child, or the foster care of a newly placed child, in accordance with the following provisions:

[…]

(2) Employees shall have experienced a qualifying event as defined by this section and must be the parent of a newly born child, or have ~~finalized the adoption~~ <u>accepted the placement</u> of a child <u>for adoption</u> and reside in the same household as the

newly adopted child, or have received a child by foster care or kinship placement.

(3) An eligible employee may utilize up to four (4) weeks of paid parental leave at 100% of the employee's base pay per birth, upon placement for adoption of a newly adopted child with the employee, or ~~adoption event or up to two (2) weeks of paid parental leave at 100% of the employee's base pay~~ upon placement of a child in foster care or kinship placement with the employee. Paid parental leave will be based on the employee's normal rate of pay, not including premiums or overtime.

Section 3 – That Section 21-37.3(c)(2)(b) of the Code of Ordinances of the Lexington-Fayette Urban County Government be and hereby is amended to read as follows:

(c) *Requesting Paid Parental Leave*. In order to be eligible to receive paid parental leave, an employee must comply with the following:

[…]

(2) An eligible employee will be required to furnish the following documentation to support paid parental leave:

[…]

(b) In the case of placement for adoption of a newly adopted child, the employee shall furnish appropriate ~~adoption~~ documentation.

Section 4 – That Section 21-37.3(d) of the Code of Ordinances of the Lexington-Fayette Urban County Government be and hereby is created to read as follows:

(d) *Special Circumstances*. Consistent with the goals and objectives of paid parental leave, the director may, on recommendation to and with approval of the chief administrative officer, find that special circumstances exist in an individual situation and may authorize the employee's use of paid parental leave.

Section 5 – That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

____
MAYOR

ATTEST:

____
CLERK OF URBAN COUNTY COUNCIL
PUBLISHED:

xxx-xx:MSC:4869-8222-0505, v. 1

Fayette County's 2024 November Election Plan

October 15, 2024

Susan Lamb, Fayette County Clerk

Elections are more than just one day

- Early Voting Opportunities – Open to All Fayette County Registered Voters
- In-Person Absentee w/Excuse October 23-25 & 28-30
- October 31st, November 1st, or 2nd (Thursday, Friday & Saturday)
- Beaumont Branch Library, 3080 Fieldstone Way
- Central Library, 140 East Main Street
- Eastside Branch Library, 3000 Blake James Drive
- Marksbury Family Branch Library, 2197 Versailles Road
- Northside Branch Library, 1733 Russell Cave Road
- Tates Creek Branch Library, 3628 Walden Drive
- 8:30 am – 4:30 pm

Election Day
The Last Day to Vote

- Tuesday, November 5
- 135 Voting Locations – consolidated voting and individual precinct locations
- 286 Precincts total
- ALSO, all 6 Lexington Libraries will be open on the last day to vote
- Polls Open 6:00 am – 6:00 pm
- Voting allowed at your precinct or at any of the 6 Lexington Libraries

Did You Know

Fayette County Elections Process

- Absentee Ballot Process
- Requests can be made online WWW.GoVote.KY.GOV
- Portal opened September 21st and closes October 22nd
- We have four days to mail out an absentee ballot once requested
- The instructions are mailed with each ballot and include the cost of postage return fee or you can return in person to secure ballot box in front of our office
- The County Board of Election can start processing absentee ballots 14 days prior to Election Day.
- Absentee ballots are received up to 6 pm on November 5th either by mail or secure ballot box

Fun Facts

- Voter Registration Portal Closed 10/7/2024 @ 4 pm
- Fayette County has 247,988 registered voters an increase of 4,791 since 2024 Primary election
- As of today, we have received 10,803 absentee ballot requests, portal closes October 22nd
- As of today, we have received 3,404 absentee ballots back.
- As of yesterday, we have mailed out 10,451 absentee ballots
- November 2020 Voting Turnout 61% (absentee ballots)
- November 2023 Voting Turnout 42%

Know Before You Go

- Questions on the November 2024 Ballot = Longer Lines
- Two Constitutional Amendments
  https://www.sos.ky.gov/elections/Pages/2024-Constitutional-Amendments.aspx
- One Referendum
  https://www.fayettecountyclerk.com/web/elections/localreferendumforballot.pdf
- READ THEM BEFORE YOU GO VOTE

Early Voting Locations

- Challenge all of your friends and colleagues to go vote on October 31st, November 1st or 2nd from 8:30 am – 4:30 pm
- Take the challenge and exercise your right to vote
- Six Locations:
- Beaumont Branch Library – 3080 Fieldstone Way
- Central Library – 140 East Main Street
- Eastside Branch Library – 3000 Blake James Drive
- Marksbury Family Branch Library – 2197 Versailles Rd
- Northside Branch Library – 1733 Russell Cave Road
- Tates Creek Branch Library – 3628 Walden Drive

Questions?

Contact Information

Slamb@fayettecountyclerk.com

859-253-8322

CONSULTANTS

LEXINGTON

TPMA

Bold Solutions. Empowered Communities.

AFFORDABLE HOUSING NEEDS ANALYSIS

LEXINGTON, KENTUCKY

OCTOBER 9, 2024

Prepared for LFUCG Housing Advocacy & Community Development

Key Findings

1. **RENT SURGE:** Lexington's median rent increased by 47% from 2019 to 2024, now averaging \$1,200–\$1,250, with a significant 8.7% growth in the past year.
2. **HOUSING GAP:** The city needs 22,549 additional housing units of all types to meet current demand.
3. **AFFORDABLE HOUSING FUND IMPACT:** The AHF has invested \$47.5 million, helping to build 1,750 new units and preserve 1,754 units, with an average cost of \$13,556 per unit.
4. **FOCUS ON AFFORDABILITY:** Affordable housing in this report targets households earning below the Area Median Income of \$62,908.

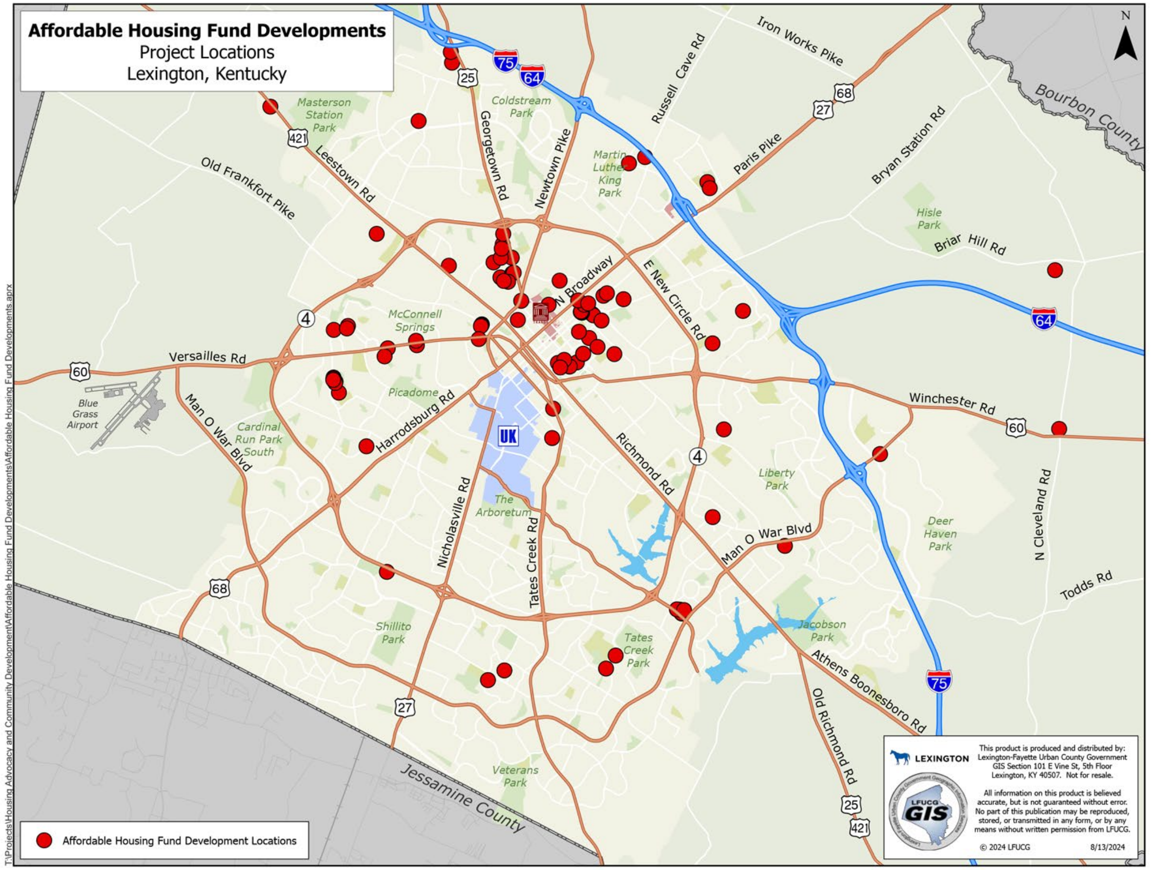
\$4.79M
for the city's affordable housing fund

\$1.4M
for the Office of Homelessness Prevention and Intervention

\$2M
for winterwarming projects, such as the Hope Village

Both funding for affordable housing and the Office of Homelessness Prevention and Intervention doubles the funding of previous years.

Summary of Affordable Housing Fund Data



Impact: The AHF has helped reduce the housing cost burden for many low- and moderate-income families, providing access to safe and stable housing.

Goals: Expand affordable housing availability and improve housing affordability citywide.

Challenges:

- Securing sufficient funding
- Overcoming community resistance to new developments
- Rising construction and management costs
- Ensuring the long-term sustainability of affordable projects

Significance: The AHF is vital for addressing Lexington's affordable housing needs, fostering a more equitable and inclusive city for all.

Summary of Affordable Housing Fund Data

Affordable Housing Fund Impact

- **Total Investment:** $47.5 million invested since 2014, including $17.1 million from American Rescue Plan Act funds.
- **City Allocation:** $48.3 million allocated, with $4.8 million in FY 2025.
- **Unit Development:**
  - New Construction: 1,750 units
  - Preservation: 1,754 units
  - Average Investment: $13,556 per unit
- **Homeownership:** 33 units designated.
- **Rental Unit Breakdown:**
  - 1-bedroom: 2,059 units
  - 2-bedroom: 962 units
  - 3-bedroom: 443 units
  - 4-bedroom: 7 units
- **Special Populations:**
  - Elderly (55+): 1,068 units (754 preserved, 314 new)
  - Supportive Housing: 314 units for survivors of intimate partner violence, those at risk of homelessness, and individuals with mental illness or disabilities.

Key Data

- **Housing Costs:**
  - Homeowners: $1,205/month
  - Renters: $1,036/month
- **Cost Burden:**
  - 54.3% of renters spend over 30% of their income on housing.
  - 28% are extremely cost burdened, spending more than 50%.
  - Homeowners: 21.5% are cost burdened, and 6.8% are extremely cost burdened.
- **Student Housing:** Costs have increased by 33% since 2015.
- **Unemployment Trends:** Spiked in early 2020 due to COVID-19 but have returned to pre-pandemic levels.
- **Affordable Housing Gap:**
  - Lexington needs 22,549 more affordable units.
  - Even excluding 4,760 student households, a gap of 17,789 units remains.

Public Survey Insights

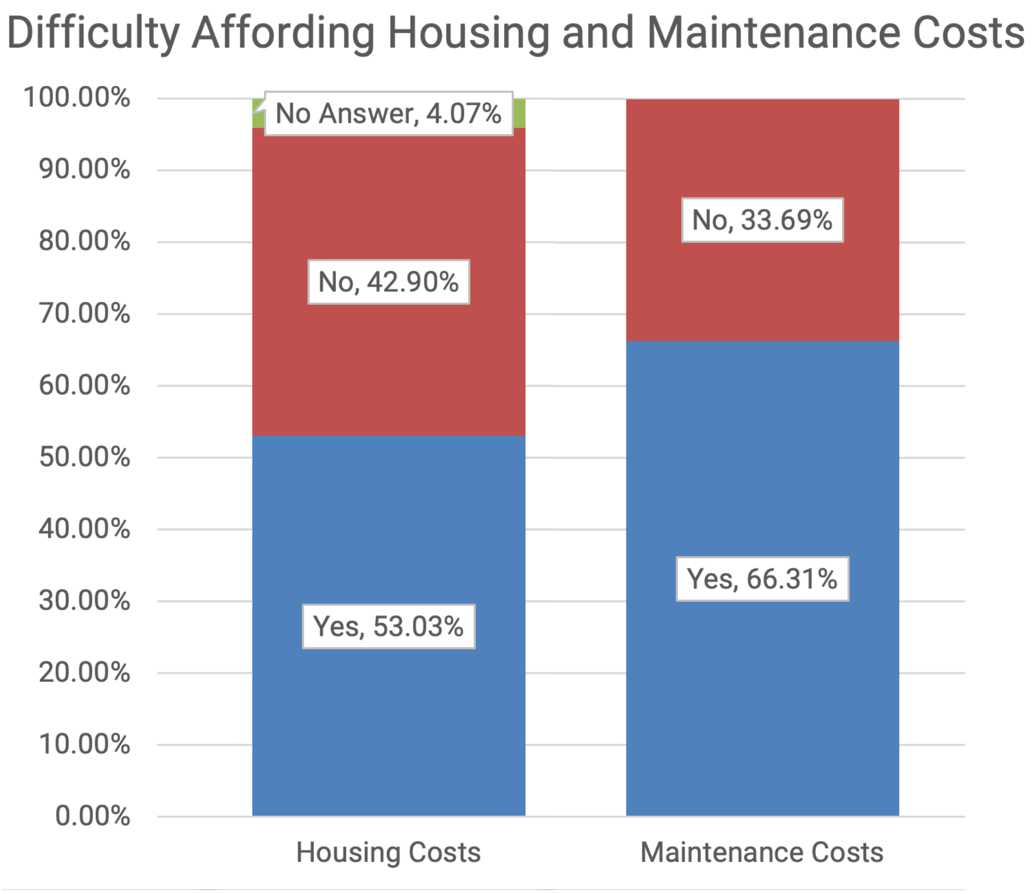
PURPOSE:
The survey aimed to gather local input to help the Lexington-Fayette Urban County Government (LFUCG) improve housing affordability and promote new development.

SURVEY PERIOD:
Open from February 5 to June 20, 2024, receiving over 1,200 responses from more than 60 ZIP codes.

HOMELESS POPULATION:
27% of surveyed homeless individuals (45 respondents) participated.

Public Survey Insights – Key Findings

- **Housing Affordability:** Over half of respondents struggle with affording housing costs.
- **Home Maintenance:** Two-thirds face difficulties maintaining their homes.
- **Migration Impact:** High housing costs are driving current and former residents to more affordable surrounding communities.
- **Lack of Housing Variety:** There is a perceived shortage of housing options, especially for seniors and those at risk of homelessness.
- **Support for Solutions:**
  - Repurposing vacant or blighted commercial buildings for residential use.
  - Requiring developers to include affordable units in new developments.
  - Building smaller single-family homes.



Demographics

- **STUDY OVERVIEW:** In 2024, the Kentucky Housing Corporation, in collaboration with Bowen Research, estimated the housing gap across Kentucky counties.
- **KEY FINDINGS:**
  - **Current Housing Stock:** 137,227 units
  - **Housing Gap:** 22,549 units needed
  - **Increase Needed:** To close the gap, Fayette County would need to expand its housing stock by 16%.

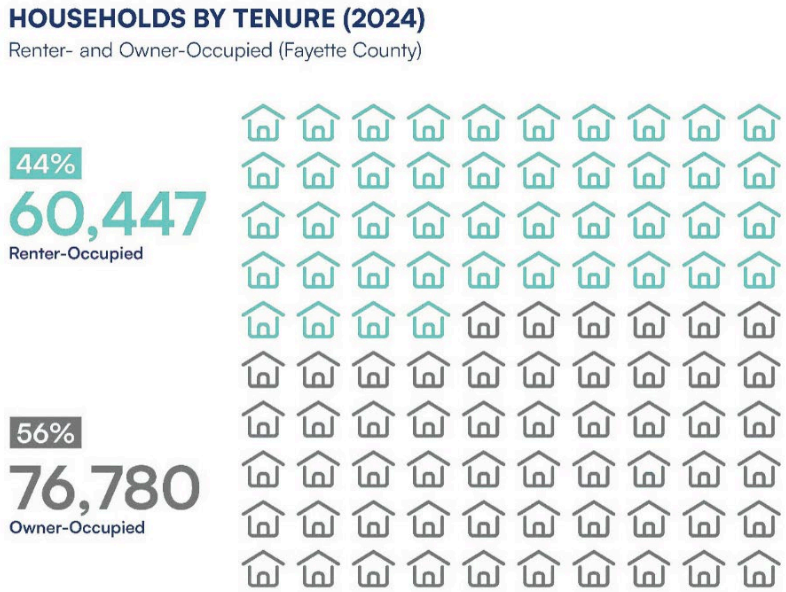
HOUSEHOLD INCOME BY RACE AND %AMI

Lexington-Fayette Households by Income as a Percentage of AMI (2022)										
%AMI	30%	50%	80%	100%	120%					
Income	$18,872	$31,454	$50,326	$62,908	$75,490					
	Number of Households									
AMI:	White	Black	Latino	Native	Asian	Pacific	Other	2+	TOTAL	TOTAL (non-white)
<30%	11,733	4,567	771	100	393	0	367	994	18,924	7,192
30-50%	12,208	1,725	1,186	16	412	17	370	2,294	18,230	6,021
50-80%	16,038	3,124	1,634	1	753	1	584	1,232	23,368	7,329
80-100%	9,715	1,059	969	26	574	27	402	896	13,669	3,954
100-120%	8,898	1,252	574	10	299	0	156	493	11,681	2,784
>120%	47,078	5,988	1,950	92	2,690	0	727	3,058	61,584	14,506
TOTAL	**105,670**	**17,716**	**7,084**	**245**	**5,121**	**45**	**2,607**	**8,968**	**147,456**	**41,786**
	Percent of Households									
AMI:	White	Black	Latino	Native	Asian	Pacific	Other	2+	TOTAL	TOTAL (non-white)
<30%	11%	26%	11%	41%	8%	0%	14%	11%	13%	17%
30-50%	12%	10%	17%	7%	8%	38%	14%	26%	12%	14%
50-80%	15%	18%	23%	0%	15%	2%	22%	14%	16%	18%
80-100%	9%	6%	14%	11%	11%	60%	15%	10%	9%	9%
100-120%	8%	7%	8%	4%	6%	0%	6%	5%	8%	7%
>120%	45%	34%	28%	38%	53%	0%	28%	34%	42%	45%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

100% AMI is the median income for Lexington-Fayette according to the 2022 ACS Data. Every other %AMI was calculated directly from this value.

Demographics

HOUSEHOLD INCOME BY TENURE *SOURCE: ACS 2022 1-YEAR ESTIMATES*



Housing Cost Trends

Rising Rental Costs

- **2017:** Average rent was $839 per unit.
- **2024:** Increased to $1,104 per unit.
- **Projected Increase:** By 2028, the average rent is expected to reach $1,305, marking a 56% rise over 11 years.

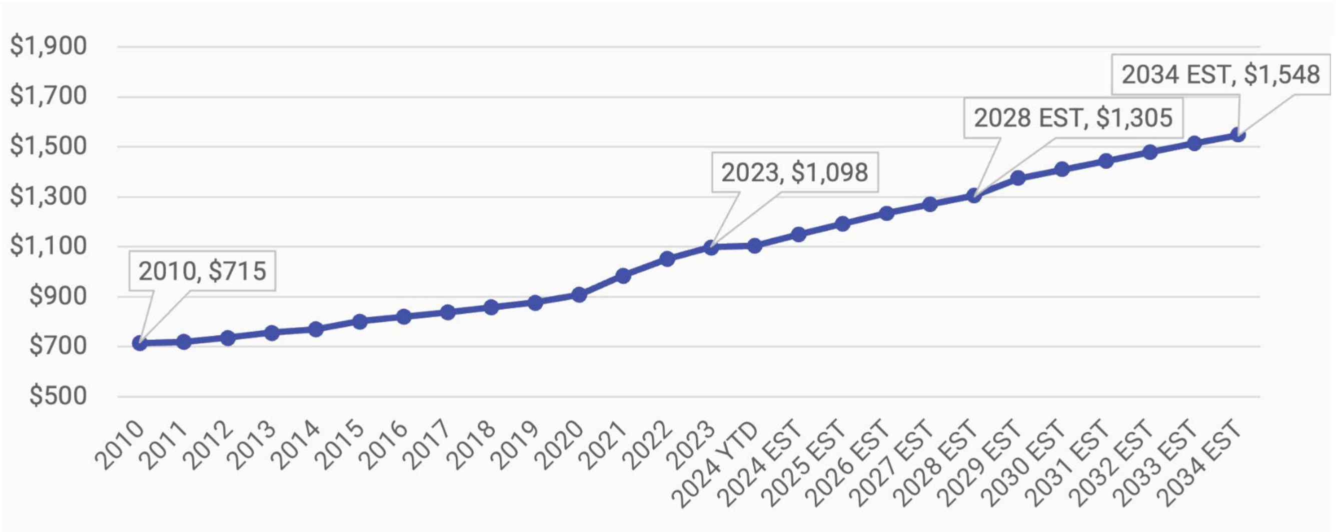
Naturally Occurring Affordable Housing (NOAH)

- Areas with lower median rents offer NOAH—affordable without subsidies.
- These units are concentrated in the northend market areas, limiting geographic options for low-income families.

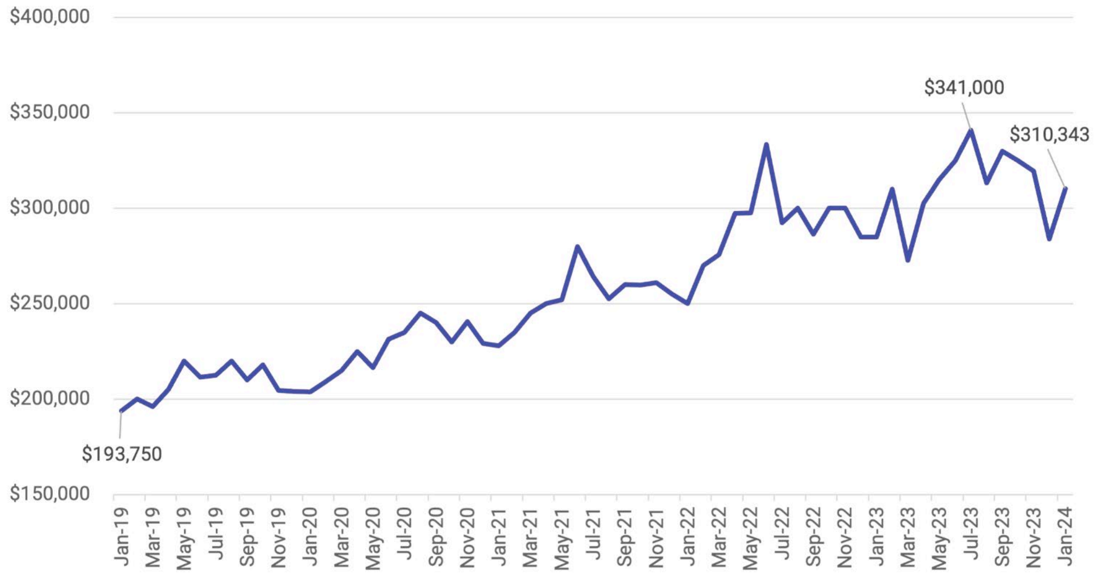
Bed Size	2024 Fair Market Rents
Studio	$802
One Bedroom	$983
Two Bedroom	$1,177
Three Bedroom	$1,599
Four Bedroom	$1,807

Housing Cost Trends

MARKET ASKING RENT PER UNIT *SOURCE: COSTAR MULTIFAMILY DATA*



MEDIAN SALE PRICE
SOURCE: REDFIN, 2024



Housing Demand

CURRENT HOUSING GAP, FAYETTE COUNTY - (17,005 units / 75% less than 80% AMI)

	<30% AMI	31%-50% AMI	51%-80% AMI	81% - 120% AMI	121%-150% AMI	151%+ AMI	All Brackets
Rental Gap	8,764	2,672	2,014	973	0	0	14,423
For Sale Gap	1,120	927	1,508	1,442	1,204	1,925	8,126
	9,884	**3,599**	**3,522**	**2,415**	**1,204**	**1,925**	**22,549**

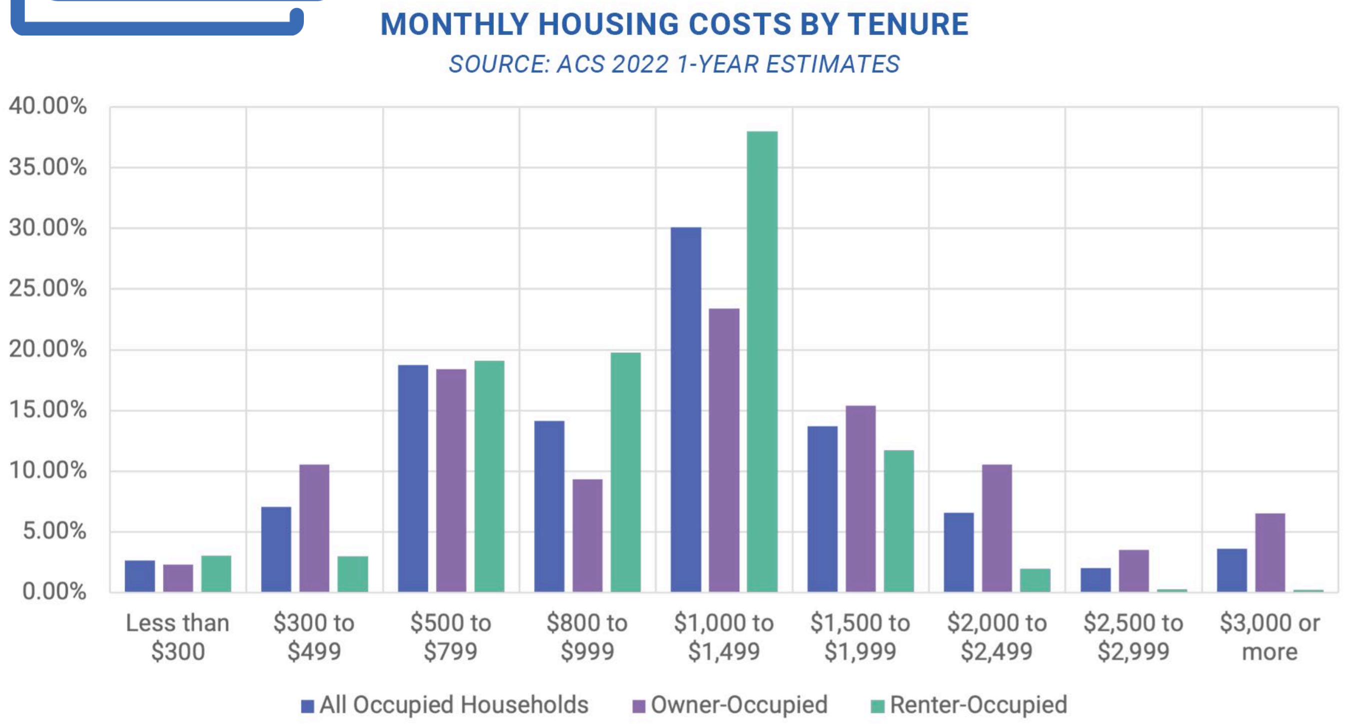
ESTIMATED HOUSING DEMAND BY AMI BRACKET (2,186 less than 80% AMI)

Income Level	Projected Demand
0-30% AMI	835
31-60% AMI	809
61-80% AMI	542
81-100% AMI	585
101-120% AMI	470
121%+ AMI	2,390

Housing Costs

Median Monthly Housing Costs (2022)

- **All Households:** Median housing cost was $1,095 per month.
- **Owners:** Typically spend more, with a median of $1,205 per month.
- **Renters:** Spend less, with a median of $1,036 per month.
- **Cost Distribution:** Overall housing costs follow a standard distribution, with higher costs for owners and lower costs for renters.



Housing Cost Burden in Lexington-Fayette County

- **HUD Definition:** A household is considered cost-burdened if more than 30% of its income is spent on housing.
- **Hourly Wage Requirement:** To afford a safe, modest 2-bedroom apartment in Lexington, a household needs to earn $23.08 per hour, assuming full-time work and factoring in essential secondary costs (childcare, healthcare, food, etc.).
- **Cost Burden by Tenure and Income:** Housing cost burdens across different household incomes and housing tenures.

PERCENT OF LEXINGTON HOUSEHOLDS THAT ARE HOUSING COST BURDENED BY INCOME BRACKET & TENURE

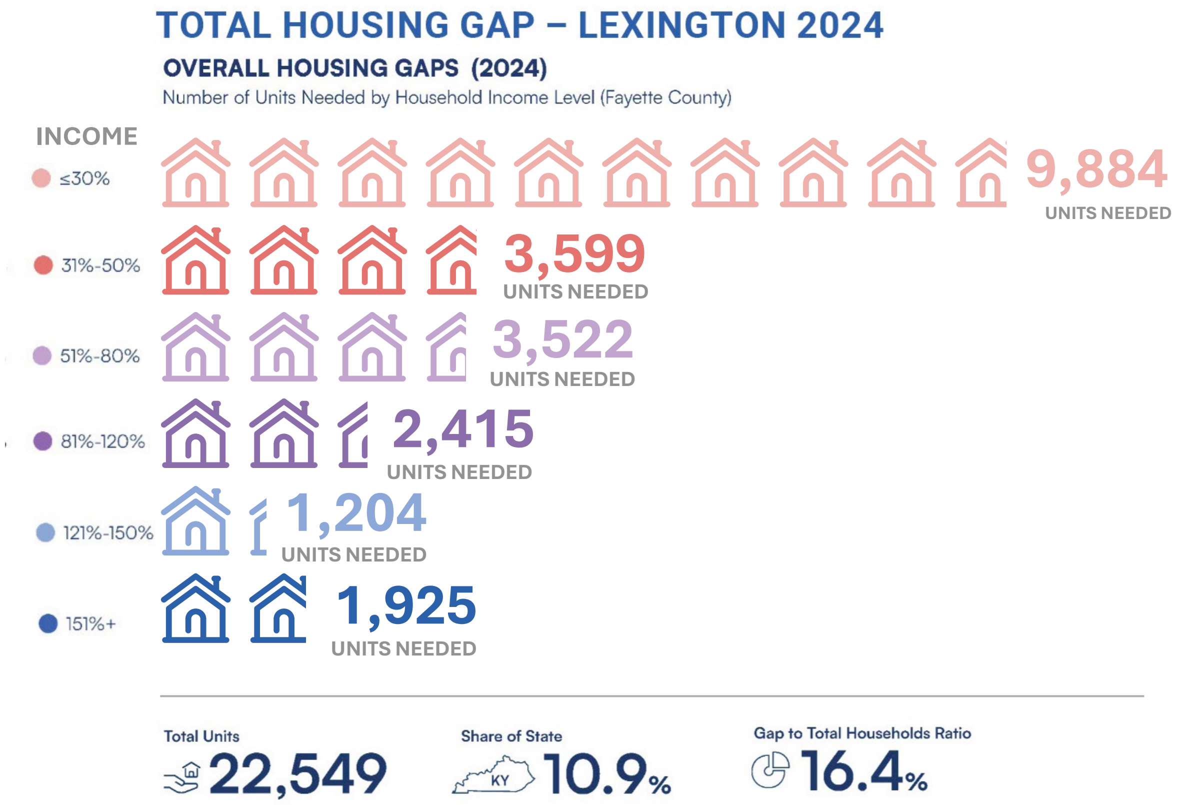
The Scale of the Affordable Housing Problem

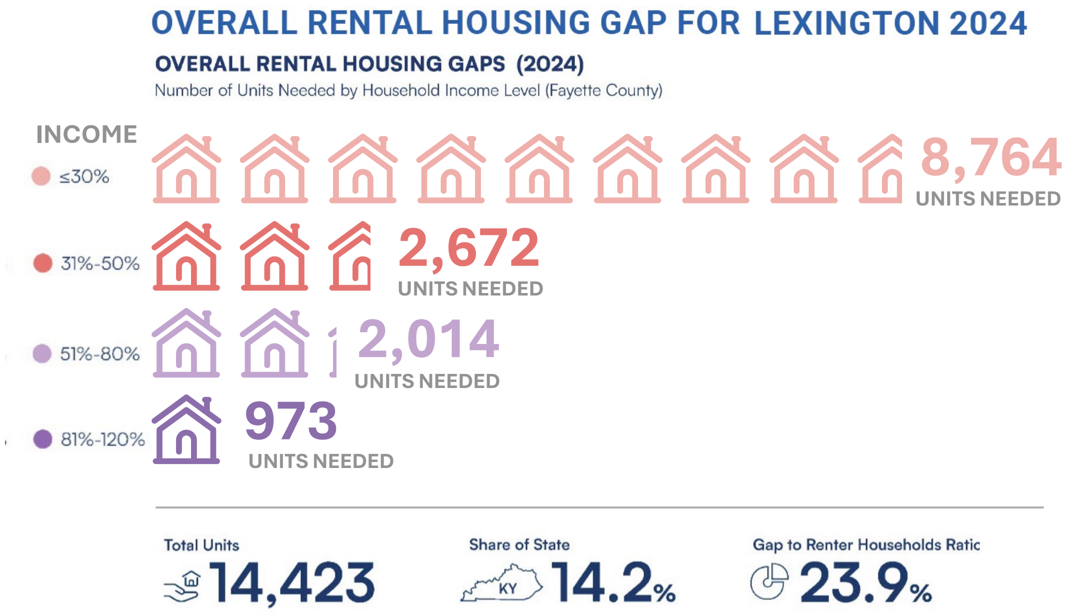
- **Magnitude of the Issue:** The financial requirements to address the affordable housing gap are significant, far beyond the capacity of the Affordable Housing Fund alone.
- **Financial Projection:** A 10-year projection shows that:
  - Simply spending more will not solve the problem.
  - Projected investment strategies we explored are:
    - ✓ Closing the housing gap entirely.
    - ✓ Maintaining the gap at current levels.
    - ✓ Achieving a modest reduction by 3,332 units through direct funding.

PROJECTED COST OF DIRECT SUBSIDY

Cost of Subsidizing Affordable Housing Construction			
Year	**Eliminating the Gap (1,867 Units/yr)**	**Maintaining the Gap (167 Units/yr)**	**Reducing the Gap (500 Units/yr)**
Year 1	$25,313,118.80	$2,261,140.80	$6,778,000.00
Year 2	26,199,077.96	$2,340,280.73	$7,015,230.00
Year 3	$27,116,045.69	$2,422,190.55	$7,260,763.05
Year 4	$28,065,107.29	$2,506,967.22	$7,514,889.76
Year 5	$29,047,386.04	$2,594,711.08	$47,777,910.90
Year 6	$30,064,044.55	$2,685,525.96	$8,050,137.78
Year 7	$31,116,286.11	$2,779,519.37	$8,331,892.60
Year 8	$32,205,356.13	$2,876,802.55	$8,623,508.84
Year 9	$33,332,543.59	$2,977,490.64	$8,925,331.65
Year 10	$34,499,182.62	$3,081,702.81	$9,237,718.26
TOTAL 10-YEAR EXPENDITURE	**$296,958,148.76**	**$26,526,331.72**	**$79,515,382.84**

Housing Gap


TOTAL HOUSING GAP – LEXINGTON 2024
OVERALL HOUSING GAPS (2024)
Number of Units Needed by Household Income Level (Fayette County)
INCOME
≤30%
9,884
UNITS NEEDED
31%-50%
3,599
UNITS NEEDED
51%-80%
3,522
UNITS NEEDED
81%-120%
2,415
UNITS NEEDED
121%-150%
1,204
UNITS NEEDED
151%+
1,925
UNITS NEEDED
Total Units
22,549
Share of State
KY
10.9%
Gap to Total Households Ratio
16.4%

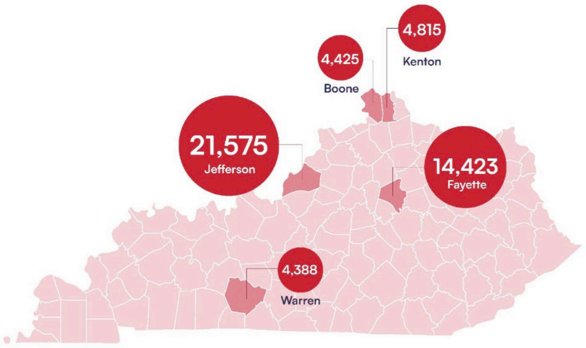

OVERALL RENTAL HOUSING GAP FOR LEXINGTON 2024
OVERALL RENTAL HOUSING GAPS (2024)
Number of Units Needed by Household Income Level (Fayette County)
INCOME
≤30%
8,764
UNITS NEEDED
31%-50%
2,672
UNITS NEEDED
51%-80%
2,014
UNITS NEEDED
81%-120%
973
UNITS NEEDED
Total Units
14,423
Share of State
KY
14.2%
Gap to Renter Households Ratic
23.9%

Housing Gap

HIGHEST KY COUNTY RENTAL GAPS

RENTAL HOUSING GAPS (RANKED)

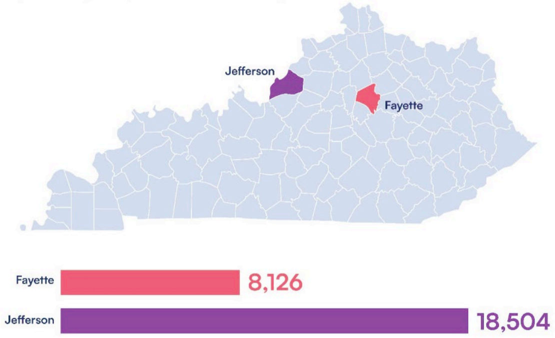
Top 5 Counties Rental Housing Gap Estimates for 2024



COMPARISON OF THE FOR-SALE HOUSING GAP BETWEEN FAYETTE & JEFFERSON COUNTIES

FOR-SALE HOUSING GAP (2024)

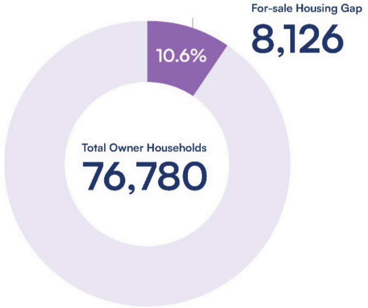
Fayette County Compared to Jefferson County



FOR-SALE HOUSING GAP RATIO IN LEXINGTON

FOR-SALE HOUSING GAPS TO TOTAL OWNER HOUSEHOLDS RATIO (2024)

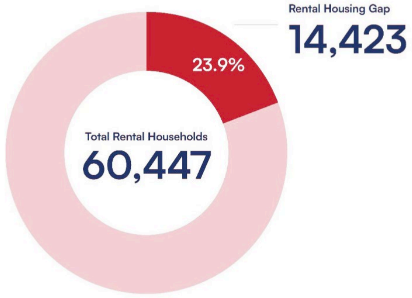
(Fayette County)



RENTAL GAP TO RENTER HOUSEHOLD RATIO

OVERALL RENTAL HOUSING GAP TO TOTAL RENTER HOUSEHOLDS RATIO (2024)

(Fayette County)



Number of Lexington Households by %AMI and Tenure							
	<30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	100-120% AMI	>120% AMI	TOTAL
Renter	15,165	9,490	10,586	6,235	6,128	12,843	60,447
Owner	4,853	4,451	7,447	6,909	6,855	46,306	76,821
TOTAL	20,018	13,391	18,033	13,144	12,983	59,149	137,268

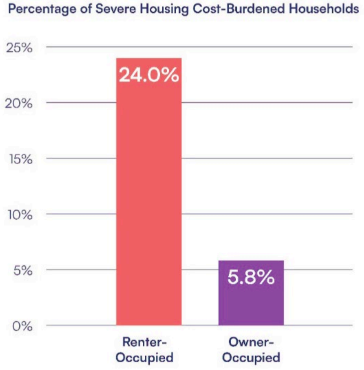
Percent of Lexington Households by %AMI and Tenure							
	<30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	100-120% AMI	>120% AMI	TOTAL
Renter	25.1%	15.7%	17.5%	10.3%	10.1%	21.2%	100%
Owner	6.3%	5.8%	9.7%	9.0%	8.9%	60.3%	100%
TOTAL	14.6%	10.2%	13.1%	9.6%	9.5%	43.1%	100%

PERCENT OF HOUSEHOLDS THAT ARE SEVERELY HOUSING COST BURDENED BY TENURE

SHARE OF SEVERE HOUSING COST-BURDENED HOUSEHOLDS BY TENURE (2024)

(Fayette County)

Households paying excessive amounts of their income toward housing costs are a consideration when assessing the housing needs of a market. Severe cost burdened households are defined as those **paying over 50% of their income toward housing costs.**



Housing Gap

COMPLETE HOUSING GAP ESTIMATES FOR LEXINGTON 2024 BY %AMI

Fayette County	Rental Housing Gap Estimates by Income (2024)						
Percent of Area Median Income	≤30%	31%-50%	51%-80%	81%-120%	121%-150%	151%+	Total
Household Income Range	≤$26,790	$26,791-$44,650	$44,651-$71,440	$71,441-$107,160	$107,161-$133,950	$133,951+	
Rent Range	≤$670	$671-$1,116	$1,117-$1,786	$1,787-$2,679	$2,680-$3,349	$3,350+	
Vacancy Surplus or Deficit	720	190	-28	-235	-413	-719	-485
Replacement of Substandard Housing	344	116	108	50	0	0	618
External Market Support	3,186	1,612	2,004	1,388	337	470	8,997
Severe Cost Burdened Households	3,957	868	130	13	0	0	4,968
Total Gross Demand #1	8,207	2,786	2,214	1,216	0	0	14,423
Net Step-Down Support	557	-114	-200	-243	0	0	0
Total Gross Demand #2	8,764	2,672	2,014	973	0	0	14,423
Total Rental Housing Gaps	**8,764**	**2,672**	**2,014**	**973**	**0**	**0**	**14,423**

Fayette County	For-Sale Housing Gap Estimates by Income (2024)						
Home Price Range	≤$86,886	$86,887-	$44,651-$71,440	$71,441-$107,160	$107,161-$133,950	$133,951+	Total
Vacancy Surplus or Deficit	226	196	387	405	231	609	2,054
Replacement of Substandard Housing	23	14	21	16	0	0	74
External Market Support	565	508	1,033	1,141	669	1,797	5,713
Severe Cost Burdened Households	149	68	50	14	4	0	285
Total Gross Demand #1	**963**	**786**	**1,491**	**1,576**	**904**	**2,406**	**8,126**
Net Step-Down Support	157	141	17	-134	300	-481	0
Total Gross Demand #2	**1,120**	**927**	**1,508**	**1,442**	**1,204**	**1,925**	**8,126**
Total For-Sale Housing Gaps	**1,120**	**927**	**1,508**	**1,442**	**1,204**	**1,925**	**8,126**

Regulatory Impact on Affordable Housing

- **Role of Zoning:** Zoning regulations can either support or hinder affordable housing development by influencing the type, size, and cost of housing.
  - Large-lot, single-family zoning can limit affordable housing and raise prices.
  - Lengthy permitting processes increase costs passed on to buyers and renters.
- **Proposed Zoning Amendments by LFUCG:**
  - **Increase in Housing Supply:**
    - Density Bonuses: Incentivizes developers to include affordable units, increasing the supply.
    - Accessory Dwelling Units (ADUs): Permitting ADUs boosts the housing stock, offering more affordable rental options.
  - **Diverse Housing Types:**
    - Multi-Family Zoning: Expanding zoning for multi-family units creates more opportunities for affordable and mixed-income housing.
  - **Lower Development Costs:**
    - Streamlined Approval: Faster approvals reduce costs, making affordable housing more feasible for developers.
    - Fee Reductions/Waivers: Lowering fees further incentivizes developers to build affordable units.
  - **Inclusionary Zoning:**
    - Mandatory Affordable Units: Requires a certain percentage of affordable units in new developments, ensuring continued growth in affordable housing.

Government Initiatives Supporting Affordable Housing

Local Programs

- **Lexington-Fayette Urban County Government (LFUCG):**
  - Affordable Housing Fund (AHF): Supports construction and renovation of affordable housing.
  - Housing Stabilization Program: Provides emergency financial aid to prevent homelessness.
  - HOME Investment Partnerships Program: Grants for building, buying, and rehabilitating affordable housing.
  - Community Development Block Grant (CDBG): Funds for land acquisition, planning, and other non-construction costs.
- **Lexington Housing Authority (LHA):**
  - Public Housing: Provides affordable rentals for low-income families, elderly, and disabled residents.
  - Housing Choice Voucher Program (Section 8): Rental subsidies for low-income families.
  - Project-Based Rental Assistance (PBRA): Subsidies for private landlords to offer affordable units.

State Programs

- **Kentucky Housing Corporation (KHC):**
  - Low-Income Housing Tax Credit (LIHTC): Tax incentives for affordable housing development.
  - Affordable Housing Trust Fund (AHTF): Supports development for households earning up to 60% of the median income.
  - Tax-Exempt Bond Financing: Bonds for affordable housing projects that can be combined with LIHTC.
  - Small Multifamily Affordable Loan Program (SMAL): Funding for small-scale multi-family affordable projects.

Government Initiatives Supporting Affordable Housing

Federal Programs

- **HUD:** Federal programs supporting affordable housing.
- **Veterans Affairs (VA) Housing Assistance:** Housing benefits for veterans.
- **National Housing Trust Fund (NHTF):** Grants to preserve affordable housing.
- **New Markets Tax Credits (NMTC):** Tax credits to incentivize investment in low-income communities.

Nonprofit and Private Sector Involvement

- **Nonprofit Developers:** Organizations like Habitat for Humanity, Urban League Local Development Corporation and Lexington Community Land Trust build and renovate affordable housing.
- **Public-Private Partnerships (PPPs):** Collaborations between government and private developers to fund and build affordable housing.

Additional Tools

- **Inclusionary Zoning:** Requires a percentage of new developments to be affordable.
- **Density Bonuses:** Allows more units if affordable housing is included.
- **Land Banking:** Acquiring and redeveloping underutilized properties for affordable housing.

Strategies and Best Practices for Affordable Housing

1

Public Housing and Section 8:

- LHA manages public housing and Section 8 vouchers, helping low-income families, seniors, and disabled individuals access safe, affordable housing.

2

New Affordable Housing Developments:

- The Affordable Housing Fund has supported townhomes and apartment complexes for low-income families, expanding the city's affordable housing supply.

3

Specialized Housing Projects:

- Focus on housing for seniors and disabled individuals with tailored amenities and support services.

4

Nonprofit and Private Sector Contributions:

- Nonprofits and private developers, supported by government funding and tax credits, have played a significant role in building affordable housing.

Best Practices for Affordable Housing Trust Funds (AHTFs):

1. Dedicated Revenue Sources:

- Ensure consistent funding through property taxes, real estate transfer fees, or commercial linkage fees.

2. Community Land Trusts (CLTs):

- Support CLTs for long-term affordability and create mixed-use CLTs to integrate commercial and residential spaces.

3. Scalability and Replication:

- Develop scalable, adaptable housing models and open-source housing plans to lower development costs.

4. Innovative Design Incentives:

- Prioritize sustainable, energy-efficient designs and host design competitions to encourage innovation.

5. Community Involvement:

- Engage community stakeholders and allocate funds for resident-driven projects to ensure alignment with local needs.

6. Leveraging Additional Resources:

- Create social impact funds with private investors to finance projects with both financial and social returns.

7. Holistic Support Services:

- Integrate job training, healthcare, and childcare in affordable housing developments to support residents' success.

Key Takeaways

Diversified Funding Streams

Successful cities leverage a mix of local, state, federal, and private funding sources.

Public-Private Partnership

Collaboration with private developers and investors is crucial for maximizing resources.

Voter-Approved Measures

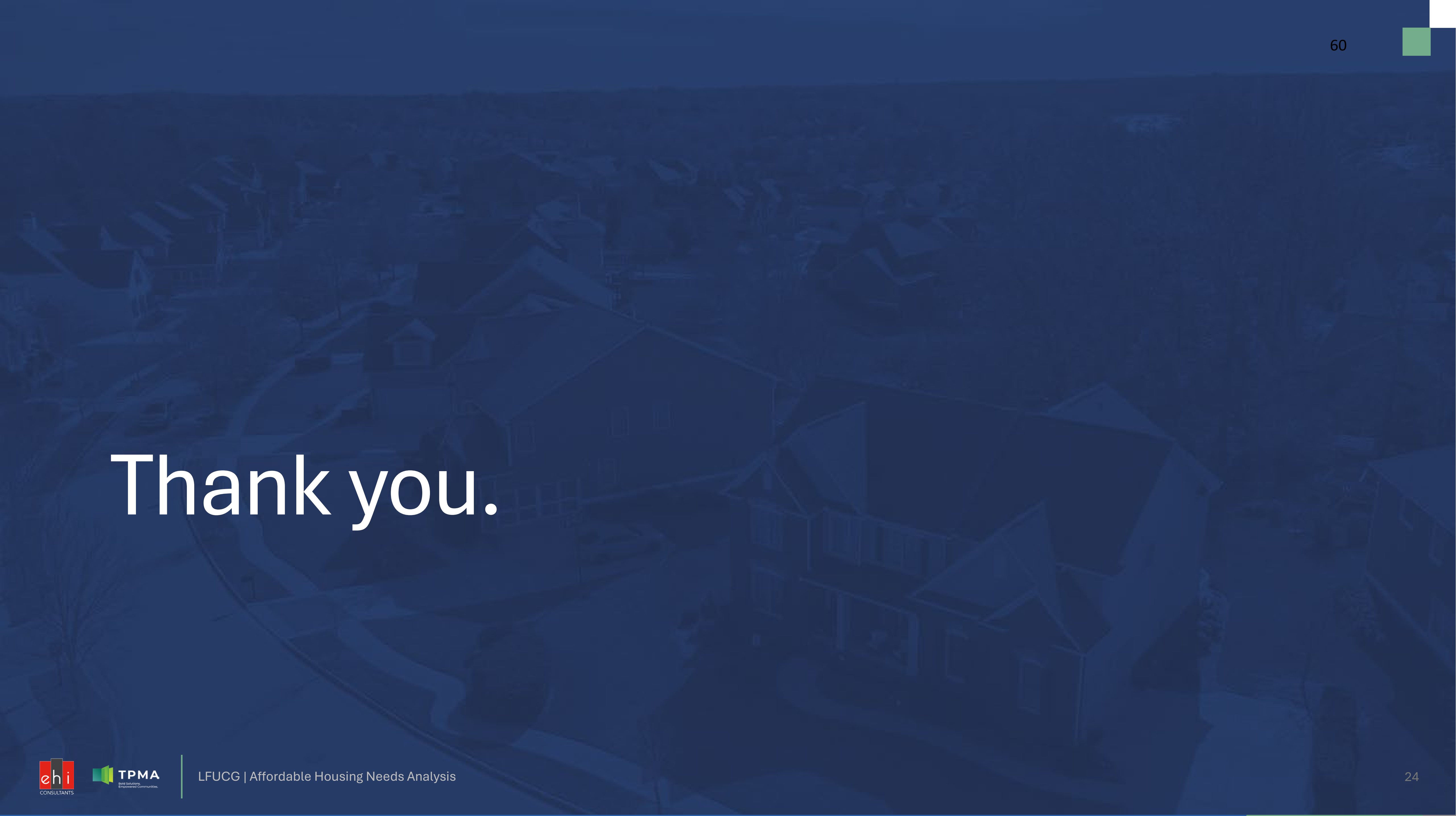
Property tax levies and bond measures often require public approval but can provide substantial and stable funding.

Innovative Financing Mechanisms

Programs like tax increment financing and inclusionary zoning help generate additional funds for affordable housing.

Innovative Financing Mechanisms

Programs like tax increment financing and inclusionary zoning help generate additional funds for affordable housing.



Thank you.