

Lexington-Fayette Urban County Government

*200 E. Main St
Lexington, KY 40507*



Tuesday, September 16, 2025

3:00 PM

Packet

Council Chamber

Urban County Council Work Session

**Lexington-Fayette Urban County Council
Schedule of Meetings
September 15 - 22, 2025**

Monday, September 15

No Meetings

Tuesday, September 16

Budget, Finance, and Economic Development Committee.....1:00 p.m.
Government Center – Council Chamber, 2nd Fl.

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

Special General Government and Planning Committee.....6:00 p.m.
Government Center – Council Chamber, 2nd Fl.

Wednesday, September 17

Access Lexington Commission.....10:30 a.m.
Virtual

Masterson Station Park Advisory Board.....6:00 p.m.
Parks and Recreation Administrative Building, 469 Parkway Dr.

Thursday, September 18

Corridors Commission.....12:00 p.m.
Government Center – Conference Room, 5th Fl.

Council Meeting.....6:00 p.m.
Government Center – Council Chamber, 2nd Fl

Friday, September 19

No Meetings

Monday, September 22

No Meetings

**Lexington-Fayette Urban County Council
Work Session Agenda
September 16, 2025**

- I. Public Comment - Issues on Agenda**
- II. Requested Rezoning/ Docket Approval- Yes**
- III. Approval of Summary- Yes**
 - a.** Table of Motions: Council Work Session, September 9, 2025, p. 1 - 2
- IV. Budget Amendments- Yes, p. 3 - 4**
- V. Budget Adjustments - For Information Only- Yes, p. 5**
- VI. New Business- Yes, p. 6 - 38**
- VII. Communications From the Mayor – Appointments, p. 39 - 43**
- VIII. Communications From the Mayor – Donations- No**
- IX. Communications From the Mayor – Procurements- Yes, p. 44**
- X. Continuing Business/ Presentations- Yes**
 - a.** Neighborhood Development Funds, September 16, 2025, p. 45
 - b.** Summary: Budget, Finance, and Economic Development Committee, August 19, 2025, p. 46 - 67
 - c.** Presentation: Fayette County Conservation District Annual Report, p. 68 - 76
 - d.** Presentation: The Plan for Lexington’s New Government Center, p. 77 - 93
- XI. Council Reports**
- XII. Public Comment - Issues Not on Agenda**
- XIII. Adjournment**

Administrative Synopsis - New Business Items

- a** **0690-25** Authorization to execute a Memorandum of Understanding with Fayette County Public Schools (FCPS) for transportation services during the 2025-2026 academic school year (a period of approximately 177 school days) for students and children enrolled in the Family Care Center's Parent Education Program. At an estimated cost of \$92,521.44. Funds are budgeted. (L0690-25)(Horton-Holt/Allen-Bryant), p. 6
- b** **0843-25** Authorization to execute a Purchase of Service Agreement with Frontrunners Lex to support the annual Pride Run on September 20, 2025. At a cost of \$2,000. Funds are budgeted. (L0843-25)(Cammack/Scott), p. 7
- c** **0845-25** Authorization to enter into a 12-month Purchase of Service Agreement and related Lease Agreements for animal control services with Lexington-Fayette Animal Care and Control, LLC beginning on July 1, 2025. The cost for FY26 is \$2,350,000. Funds are budgeted. (L0845-25)(Armstrong), p. 8
- d** **0847-25** Authorization to renew the utility franchise agreement with Kentucky American Water for an additional five (5) year term, through January 20, 2031, pursuant to the terms of the franchise agreement and Ordinance No.144-15. This would be Kentucky American Water's second renewal. No budgetary impact. (L0847-25)(Ford), p. 9
- e** **0848-25** Authorization to submit a grant application and accept award, if offered for a total of \$179,625.00 to the U.S. Department of Justice under the Edward Byrne Memorial Justice Assistance Grant Program in FY 2026. The funds would be used for training and equipment for the Police Department. No matching funds are required. (L0848-25)(Weathers/Armstrong), p. 10 - 11
- f** **0851-25** Authorization to execute a memorandum of understanding with Fayette County Public Schools for the use of the Charles Young Center to serve as an emergency shelter if requested for students and staff of the Hub for Innovative Learning and Leadership in the event of an emergency, for a term of one year and will be automatically renewed each year unless terminated. No budgetary impact. (L0851-25)(Allen-Bryant), p. 12

- g** **0852-25** Authorization to execute a vendor agreement with Environmental Enterprises, Inc., pursuant to RFP#21-2025 for disposal costs associated with Household Hazardous Waste collection. At a cost of \$220,000. Funds are budgeted. (L0852-25)(Baldon/Albright), p. 13 - 14
- h** **0858-25** Authorization to execute an amendment to the agreement with the Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. (CAC), to provide early childhood care services (Reso 371-2025). The amendment updates the terms in Section I. Term, Renewal and Termination for Cause and Convenience and Section II. Provider's Obligations to comply with all applicable Federal anti- discrimination laws. No budgetary impact. (L0858-25)(Horton-Holt/Allen-Bryant), p. 15
- i** **0859-25** Authorization to execute Change Order #1 with Geospecialties, LLC (d.b.a. Guardian Fence and Construction) in the amount of \$276,900 for the Jacks Creek Pike Slope Repairs (contract# 210-2025), increasing the total amount from \$849,525.00 to \$1,126,425.00. To provide additional funding for more equipment, a larger benching area to perform work, increased soil reinforcement and the introduction of micropiles for additional long-term stability. Budget amendment in process. (L0859-25)(Albright), p. 16 - 20
- j** **0861-25** Authorization to approve the third annual renewal of contract #291-2022 with Hazen and Sawyer for the Sanitary Sewer Remedial Measures Plan Program Management Consulting Services. At a cost of \$900,000.00. Funds are budgeted. (L0861-25)(Martin/Albright), p. 21 - 22
- k** **0863-25** Authorization to approve the third annual renewal of Sanitary Sewer Monitoring and Alarm Equipment Services (Contract #149-2022) with ADS Environmental Services, for sewer overflow monitoring/reporting services, at an annual cost of \$95,808. Funds are budgeted. (L0863-25)(Martin/Albright), p. 23
- l** **0864-25** Authorization to proceed with the annual Urban Service Changes Process for 2025 in accordance with the proposed schedule. The public hearing will be on November 18, 2025 at 3:00p.m. during Council Work Session. No budgetary impact. (L0864-25)(Albright), p. 24 - 25

m	0865-25	Authorization to abolish two (2) classified positions of Public Service Worker Sr. (Grade 510N) and create two (2) unclassified positions of Sewer Line Maintenance Technician Apprentice (Grade 509N) in the Division of Water Quality, effective upon passage of Council. This has a 12-month future cost savings of \$2,064.74. (L0865-25) (George/Hamilton), p. 26 - 27
n	0866-25	Authorization to abolish one (1) classified position of Public Service Worker Sr. (Grade 510N) and create one (1) unclassified position of Sewer Line Maintenance Technician Apprentice II (Grade 512N) in the Division of Water Quality, effective upon passage of Council. This has a 12-month future impact of \$4,909.67. (L0866-25) (George/Hamilton), p. 28 - 29
o	0867-25	Authorization to execute an agreement with Centurisk for property valuation services related to our on-site property appraisals. Physical evaluations of our insurable properties (buildings) are necessary every 5 years to accurately market the commercial insurance coverage for LFUCG's property, fire, and casualty insurance policy. The cost of this agreement is \$39,990. Funds are budgeted. (L0867-25) (George/Hamilton), p. 30
p	0868-25	Authorization to execute a Special Event Contract with Keeneland for the Lexington Police Department's annual Police Holiday Dinner for employees on Sunday, December 7, 2025. Cost for this event will be covered by the Citizen's Police Academy Alumni Association (CPAAA). No budgetary impact. (L0868-25)(Weathers/Armstrong), p. 31
q	0869-25	Authorization to amend Resolution #466-2020(Citation Boulevard Phase IIIA), increasing the Right-of-Way maximum expenditures from \$1,446,000 to \$2,756,000, a total increase of \$1,310,000 and to execute a Settlement Agreement with Oakbrook Properties, LLC and Trilogy Healthcare of Fayette III, LLC for acquiring the necessary Right-of-Way for the construction of the extension of Winburn Way and Citation Boulevard Phase III-A&B (Parcel 136-Citation Boulevard Phase IIIA). Funds are budgeted. (L0869-25)(Burton/Albright), p. 32
r	0870-25	Authorization to approve a FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for Willow Oak Homeowners Associations, Inc. in the amount of \$39,000.00 to complete a feasibility study to determine green nature-based approaches to stormwater management. Funds are budgeted. (L0870-25)(Martin/Albright), p. 33 - 34

- s** **0871-25** Authorization to approve a FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for WaterwaysLex, Inc. in the amount of \$20,836.25 to support the 2026 Watershed Summit, educational outreach opportunities, and a WaterwaysLex Steering Committee. Funds are budgeted. (L0871-25)(Martin/Albright), p. 35 - 36
- t** **0872-25** Authorization to approve a FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for Lake Crossing Homeowners Association, Inc. in the amount of \$18,920.00 to replace invasive species with a variety of native trees and shrubs that are better suited to the local environment and contribute to the restoration of the canopy and improvement of stormwater runoff. Funds are budgeted. (L0872-25)(Martin/Albright), p. 37 - 38

**URBAN COUNTY COUNCIL
WORK SESSION
TABLE OF MOTIONS
September 9, 2025**

Mayor Gorton called the meeting to order at 3:00 p.m. Council Members Wu, Brown, Ellinger II, Morton, Lynch, LeGris, Curtis, Sheehan, Higgins-Hord, Hale, Beasley, Sevigny, and Reynolds were present. Council Members Baxter and Boone were absent.

I. Public Comment – Issues on Agenda

II. Requested Rezonings/Docket Approval

Motion by Wu to approve the September 11, 2025 Council Meeting Docket. Seconded by Curtis. Motion passed without dissent.

III. Approval of Summary

Motion by Ellinger II to approve the August 26, 2025 Work Session Summary. Seconded by Curtis. Motion passed without dissent.

IV. Budget Amendments

Motion by Wu to approve Budget Amendments. Seconded by Sevigny. Motion passed without dissent.

V. Budget Adjustments – For Information Only

VI. New Business

Motion by Sevigny to approve New Business. Seconded by Ellinger II. Motion passed without dissent.

Motion by Reynolds to remove items u and v from New Business. Seconded by Ellinger II. Motion failed 1 – 12 (Yes: Reynolds. No: Beasley, Brown, Curtis, Ellinger II, Hale, LeGris, Lynch, Morton, Sevigny, Sheehan, Wu, Higgins-Hord.)

VII. Communications from the Mayor- Appointments

Motion by Wu to approve Communications from the Mayor- Appointments. Seconded by Ellinger II. Motion passed 12 – 0. Hale recused.

VIII. Communications from the Mayor- Donations

IX. Communications from the Mayor- Procurements

Motion by Curtis to approve Communications from the Mayor- Procurements. Seconded by Seigny. Motion passed without dissent.

X. Continuing Business/Presentations

Sheehan, GGP Chair, provided a summary of the July 1, 2025 General Government and Planning Committee Meeting.

XI. Council Reports

XII. Public Comment – Issues Not on Agenda

Motion by Brown to enter closed session pursuant to KRS 61.810(1)(m) to discuss a public record or records exempted from disclosure pursuant to KRS 61.878(1)(m) based on a reasonable likelihood of threatening public safety if disclosed. Seconded by Curtis. Motion passed without dissent.

Motion by Wu to return from closed session. Seconded by Seigny. Motion passed without dissent.

XIII. Adjournment

Motion by Seigny to adjourn at 5:16 p.m. Seconded by Curtis. Motion passed without dissent.

BUDGET AMENDMENT REQUEST LIST

JOURNAL	157909	DIVISION	Special Programs	Fund Name	General Fund
				Fund Impact	5,000.00
					5,000.00CR
					.00

To reallocate unspent non-profit capital dollars to provide additional funds for Martin Luther King Day celebration.

JOURNAL	157963	DIVISION	Finance/ Library	Fund Name	General Fund
				Fund Impact	385,483.68
					.00CR
					385,483.68

To adjust the FY 2026 Lexington Public Library appropriation based on the Fayette County Sheriff's Property Settlement Audit which summarizes actual assessments and collections.

JOURNAL	157964-65	DIVISION	Streets and Roads	Fund Name	General Capital Fund
				Fund Impact	42,634.84
					42,634.84CR
					.00

To provide funding for paving by recognizing revenues received for Paving Cost Share Program from Kentucky American Water (North Ct, Carlisle Ave, and Orion Way).

JOURNAL	157971	DIVISION	Streets and Roads	Fund Name	County Aid Program Fund
				Fund Impact	326,425.00
					.00CR
					326,425.00

To provide additional funds for Jacks Creek Pike slope repair and other county road repairs. This allocation was approved by the County Judge Executive.

JOURNAL	158038-39	DIVISION	Grants and Special Programs	Fund Name	US Dept of Transportation
				Fund Impact	27,000.00
					27,000.00CR
					.00

To adjust grant budget to reflect actual award on Federal Transit Administration Section 5303 - FY 2026.

JOURNAL	157907	DIVISION	Water Quality	Fund Name	Water Quality Construction
				Fund Impact	200,000.00
					200,000.00CR
					.00

To reallocate savings to create a new stormwater upgrade project in the Limestone Bermuda area.

BUDGET AMENDMENT REQUEST SUMMARY

1101	General Services District Fund	385,483.68
1105	General Fund Capital Projects	0.00
1137	County Aid Program Fund	326,425.00
3160	US Department of Transportation	0.00
4052	Water Quality Construction Fund	0.00

YEAR END BUDGET AMENDMENT REQUEST LIST

JOURNAL	PO00155997	DIVISION	Various	Fund Name	Housing and Homelessness
				Fund Impact	28,716.87CR
				Fund Name	Sanitary Sewer Fund
				Fund Impact	150,427.78CR

To correct budget for Purchase Orders rolled into FY 2026 based on payments accrued to FY 2025 based on the timing of the expenses, as identified by the Division of Accounting.

BUDGET AMENDMENT REQUEST SUMMARY

1145	Affordable Housing & Homelessness Fund	28,716.87CR
4002	Sanitary Sewer Revenue and Operating Fund	150,427.78CR

INFORMATION ONLY

BUDGET ADJUSTMENT LIST
APPROVED SEPTEMBER 1, 2025 THROUGH SEPTEMBER 5, 2025

JOURNAL	157784	DIVISION	Commonwealth Attorney	Fund Name	General Fund	
				Fund Impact		2,000.00
						2,000.00CR
						.00

To adjust operating account for Commonwealth Attorney Office to match current needs for operating supplies and expenses.

JOURNAL	157583	DIVISION	Grants and Special Programs	Fund Name	US Dept of HHS	
				Fund Impact		5,000.00
						5,000.00CR
						.00

To move funds from Police and Fire Sworn to Software-Operating on KY Community Crisis Co-Response Grant Program.

BUDGET ADJUSTMENT SUMMARY

1101	General Services District Fund	0.00
3190	US Department of Health & Human Services	0.00

MAYOR LINDA GORTON



LEXINGTON

KACY ALLEN-BRYANT
COMMISSIONER
SOCIAL SERVICES

TO: Mayor Linda Gorton
Honorable Members, Urban County Council

FROM: 
Kacy Allen-Bryant, Commissioner of Social Services

DATE: September 28, 2025

SUBJECT: Memorandum of Understanding for Student Transportation Services
Fayette County Public Schools and Family Care Center

Request:

Request Council Authorization for the Mayor to execute a Memorandum of Understanding with Fayette County Public Schools and Family Care Center, for student transportation services during the 2025-2026 academic school year. Either party may terminate this agreement without further obligation to the other with written notice within 60 days.

Why are you requesting?

This Agreement provides transportation service for students and children enrolled in the Family Care Center's Parent Education Program. The Agreement covers the 2025-2026 academic school year, from August 13, 2025 through May 28, 2026. This service agreement entails a fleet of two school buses and crews consisting of a driver and monitor to transport enrolled students and their children to and from Family Care Center for the period from August 13, 2025 through May 28, 2026 (or as affected by weather), a period of approximately 177 school days.

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

The cost for FY26 is not to exceed \$522.72 daily, up to 177 days for a cost of \$92,521.44, plus the cost of field trip buses under the prevailing conditions and cost as is provided to schools within the FCPS.

Are the funds budgeted?

Yes, in Account 1101-606403-0001-71299

File Number: 0690-25

Director/Commissioner: Shelia Horton-Holt / Kacy Allen-Bryant



MAYOR LINDA GORTON



LEXINGTON

TO: Mayor Linda Gorton

Urban County Council

FROM: Craig Cammack, Deputy Director of Communications & Community Outreach Liaison

CC: Tyler Scott, Chief of Staff

DATE: September 2, 2025

SUBJECT: Purchase of Service Agreement – Frontrunners Lex Pride Run

Request

Request Council authorization to execute a Purchase of Service Agreement with Frontrunners Lex for the annual Pride Run on September 20, 2025. The term of this agreement is for the event date, September 20, 2025 until the following year's Pride Run in 2026. The agreement lays out a termination notice of 30 days written notice if needed.

LFUCG will receive the following services: an opportunity for an LFUCG representative to speak on stage; six (6) complimentary race entries; LFUCG's logo on stage, along the racecourse, on the back of the event t-shirt, and on the race bib provided to participants; a full-page advertisement on the digital race guide; an advertisement in the physical race guide; recognition of LFUCG on Frontrunners social media website; a link to LFUCG's website on Frontrunners website; and LFUCG will have a table space at the event.

Why are you requesting?

Frontrunners Lex organizes the annual Pride Run, where proceeds support scholarships for LGBTQ+ youth.

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

The cost for this FY is: \$2,000

The cost for future FY is: \$0

Are the funds budgeted? The funds are budgeted.

Account number: 1101-133003-0001-71299

File Number: 0843-25

Director/Commissioner: Tyler Scott, Chief of Staff



MAYOR LINDA GORTON



LEXINGTON

KEN ARMSTRONG
COMMISSIONER
PUBLIC SAFETY

TO: Mayor Linda Gorton
Members, Urban County Council

FROM: Ken Armstrong, Commissioner of Public Safety

DATE: September 3, 2025

SUBJECT: Purchase of Service Agreement with Lexington-Fayette Animal
Care and Control, LLC

Request: To request approval of the Purchase of Service Agreement with Lexington-Fayette Animal Care and Control, LLC

Authorization to: Enter into a 12-month Purchase of Service Agreement and related Lease Agreement for animal control services with Lexington-Fayette Animal Care and Control, LLC beginning on July 1, 2025.

The initial term of the agreement is twelve (12) months, expiring June 30, 2026, with an automatic renewal period of an additional three (3) months.

Why are you requesting? Lexington-Fayette Urban County Government provides funding for Lexington-Fayette Animal Care and Control, LLC.

Department needs this action completed because: The contract for last fiscal year has expired. Budget must be in place before preparation of contract for new fiscal year.

The cost for this FY is: \$2,350,000.00

The cost for future FY is: Unknown based on future requests from Lexington-Fayette Animal Care and Control, LLC

Are the funds budgeted? Yes.

The funds are budgeted or a budget amendment is in process: Funds are budgeted for FY 2026.

Account number: 1101-505002-0001-71299

File Number: 0845-25

Director/Commissioner: Ken Armstrong, Commissioner of Public Safety



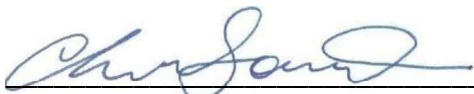
MAYOR LINDA GORTON



LEXINGTON

CHRIS FORD
COMMISSIONER
GENERAL SERVICES

TO: Mayor Linda Gorton
Honorable Members, Urban County Council

FROM: 
Chris Ford, Commissioner of General Services

DATE: July 9, 2025

SUBJECT: Utility Franchise Agreement Renewal – Kentucky American Water

Request:

Request Council authorization to renew the utility franchise agreement with Kentucky American Water for an additional 5 year term, through January 20, 2031, pursuant to the terms of the franchise agreement and Ordinance No. 144-15.

Purpose:

Kentucky American Water was awarded a non-exclusive utility franchise in January 2016, for its water distribution system in Fayette County. The initial term of this agreement was for five years, with an option to renew two additional terms, at five years per renewal. The agreement was renewed for the first time in October 2020. The current agreement term expires January 20, 2026. Kentucky American Water now requests a second renewal term, through January 2031, and it is the administration's recommendation that the franchise agreement be renewed for an additional five years.

The second renewal term is the final renewal option for this franchise agreement. However, this renewal agreement may be extended up to twelve (12) months by mutual agreement of LFUCG and the utility company to pursue good faith negotiation of a new franchise.

Budgetary Implication:

There is no budgetary impact associated with this agreement in the current or future fiscal years.

File Number: 0847-25

Commissioner: Chris Ford





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

**FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: SEPTEMBER 4, 2025

SUBJECT: Edward Byrne Memorial Justice Assistance Grant Program for FY 2026

Request: Council authorization to submit a grant application and accept award, if offered for a total of \$179,625.00 to the U.S. Department of Justice under the Edward Byrne Memorial Justice Assistance Grant Program in FY 2026. No matching funds are required.

Purpose of Request: The Lexington-Fayette Urban County Government is eligible to apply for federal funds from the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, under the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The JAG program provides local agencies with the flexibility to prioritize and place justice funds where most needed.

The LFUCG funding priority for the FY 2026 JAG Funds will include training and equipment for the Lexington Police Department to improve public safety.

- The first project is for Hazardous Devices Unit to purchase six sets of 12 headsets/PPT. Total \$10,800.00
- The second project is for the Emergency Response Unit to purchase IR illuminators/lasers. Total \$9,400.00
- The third project is for K-9 to purchase bite suits, medical kits and two thermal devices. Total \$13,250.00
- The fourth project is for Traffic to purchase multi-use message boards, Stalker DSR dash mount radars and Stalker LIDAR XLR. Total \$32,650.00
- The fifth project is for Backgrounds to purchase polygraph instruments. Total 30,375.00
- The sixth project is for Training to purchase an electric gunfire simulation system, Rampart CDU protective gear and gunshot trauma kits. Total \$51,590.00



- The seventh project is for Community Services to purchase two miniature electric vehicles for Safety City. Total \$31,560.00.

What is the cost in this budget year and future budget years? Available funding in Fiscal Year 2026 is \$179,625.00. Future years funding is dependent upon availability of grant funding.

Are the funds budgeted? A budget amendment will be completed if awarded.

File Number: 0848-25

Director/Commissioner: Weathers/Armstrong



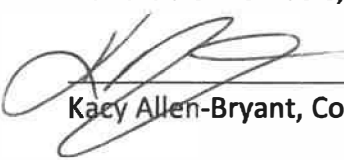
MAYOR LINDA GORTON



LEXINGTON

KACY-ALLEN BRYANT
COMMISSIONER
SOCIAL SERVICES

TO: Mayor Linda Gorton
Honorable Members, Urban County Council

FROM: 
Kacy Allen-Bryant, Commissioner of Social Services

DATE: September 4, 2025

SUBJECT: Fayette County Public Schools Memorandum of Understanding
with LFUCG for the use of the Charles Young Center

Request:

Request Council Authorization for the Mayor to execute a memorandum of understanding with Fayette County Public Schools (FCPS), for the use of the Charles Young Center to serve as an emergency shelter if formally requested for students and staff of the Hub for Innovative Learning and Leadership (HILL) in the event of an emergency.

Why are you requesting?

This Agreement allows use of the Charles Young Center to serve as an emergency shelter for the HILL students and staff, with the activation of this understanding may include, but it not limited to, destructive weather and/or destruction of the HILL building from any event. The term of this agreement is one year after signature by both parties' authorized representatives, and to be automatically renewed every year, except by written termination by either party by providing 30-day written notice to the other party.

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

There is no fiscal impact associated with this agreement.

Are the funds budgeted?

There is no fiscal impact associated with this agreement.

File Number: 0851-25

Director/Commissioner: Kacy Allen-Bryant



MAYOR LINDA GORTON



LEXINGTON

THERESA REYNOLDS
DIRECTOR
GRANTS & SPECIAL PROGRAMS

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

**FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: SEPTEMBER 9, 2025

**SUBJECT: Request Authorization to execute a vendor agreement for the Fall 2025
Household Hazardous Waste Collection Event with Environmental
Enterprises, Inc.—RFP #21-2025**

Request: Council authorization to execute a vendor agreement with Environmental Enterprises, Inc. for the disposal cost associated with the Household Hazardous Waste collection fall event.

Purpose of Request: On March 20, 2025 (Resolution 109-2025), Council authorized acceptance of state funds from the Kentucky Energy and Environment Cabinet for Fayette County in amount of \$110,000 with required local match of \$27,500 for one Household Hazardous Waste Recycling Event. The Division of Central Purchasing issued Request for Proposals #21-2025 and Environmental Enterprises, Inc. was selected to perform these services with an established price contract. The Division of Waste Management hosts hazardous waste collections for citizens two times per year to encourage proper hazardous waste disposal. Hazardous waste not properly disposed of pose significant risk to waste collection employees and vehicles, groundwater, and landfills. Grant funding is applied toward disposal costs for one event when awarded by the state. Disposal costs for a second fiscal year event not covered by available grant funding are budgeted by Waste Management.

Under the price contract, total disposal cost for FY26 is estimated at \$220,000. Grant-funded portion of the project totals \$137,500.

What is the cost in this budget year and future budget years? \$220,000 is the cost in FY2026. Future cost in the amount of \$200,000 anticipated for FY2027 is dependent on availability of grant funds.

Are the funds budgeted? Yes, 3400-303501-0001-71299 KYHOHAZWA_2026, STA_GRANT 2026 and 1115-303501-0001-71299

File Number: 852-25

Director/Commissioner: Baldon/Albright







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

**FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: SEPTEMBER 5, 2025

SUBJECT: Amendment to the Early Head Start Program at the Family Care Center

Request: Council authorization to execute an amendment to the agreement with the Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. (CAC), to provide early childhood care services. The amendment updates the terms in Section I. Term, Renewal and Termination for Cause and Convenience and Section II. Provider's Obligations to comply with all applicable Federal anti-discrimination laws.

Purpose of Request: On August 14, 2025 (Resolution 371-2025), Council approved acceptance of award from Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. (CAC) in the amount of \$49,443.84 in federal funds for the provision of early childhood care and education services under the Early Head Start Program at the Family Care Center (FCC) for FY 2026. FCC's EHS program, which began August 1, 2025, provides early childhood education, health services, social services, and parent involvement as outlined in the Early Head Start Program Performance Standards.

The Early Head Start Program is administered by the U.S. Department of Health and Human Services, Administration for Children and Families with the objective of promoting school readiness by enhancing the social and cognitive development of low-income children. The program is authorized by the Head Start Act, as amended by the Improving Head Start for School Readiness Act of 2007, Public Law 110-134, 42 U.S.C 9801.

What is the cost in this budget year and future budget years? No cost in FY26 amendment to update terms of service. Funds for future budget years are dependent upon availability of grant funds.

Are the funds budgeted? Funds previously budgeted.

File Number: 0858-25

Director/Commissioner: Horton-Holt/Allen-Bryant





TO: Mayor Linda Gorton
Urban County Council

FROM: Andrew Grunwald, P.E. 
Construction Manager
Department of Environmental Quality and Public Works

DATE: September 5, 2025

SUBJECT: Change Order #1 to Agreement with Geospecialties, LLC (d.b.a. Guardian Fence and Construction) for Jacks Creek Pike Slope Repair
Contract Number 210-2025

Request:

The purpose of this memorandum is to request Council authorization for the Mayor to execute a Change Order to the agreement with Geospecialties, LLC (d.b.a. Guardian Fence and Construction) for increased construction services for the Jacks Creek Pike Slope Repair Project.

Purpose of Request:

With SITE excavation and removal of the existing failed material, more extensive damage was identified to be repaired. Additional funds are needed to for more equipment, a larger benching area to perform work, increased Soil reinforcement and, the introduction of micropiles for additional long term stability.

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

The cost for this FY is: \$276,900

The cost for future FY is: N/A

Are the funds budgeted?

BA Pending from County Aid Surplus Funds

Fund: 1137 Account: 71299 Depart: 303301 Section: 1

Amount: \$276,900

File Number: 0859-25

Commissioner: Albright



CONTRACT HISTORY FORM

Project Name: Jacks Creek Pike Slope Repair

Contractor: Geospecialties LLC

Contract Number and Date: 210-2025 (July 1,2025)

Responsible LFUCG Department: Environmental Quality & Public Works

CONTRACT AND CHANGE ORDER DETAILS

A. Original Contract Amount: \$ 849,525.00
Next Lowest Bid Amount: N/A

B. Amount of Selected Alternate or Phase: \$ 0.00

C. Cumulative Amount of All Previous Alternates or Phases: \$ 849,525.00

D. Amended Contract Amount: \$ 849,525.00

E. Cumulative Amount of All Previous Change Orders: \$ 0.00 0.0%
(Line E / Line D)

F. Amount of This Change Order: 1 \$ 276,900.00 32.6%
(Line F / Line D)

G. Total Contract Amount: \$ 1,126,425.00

SIGNATURES

Project Manager:

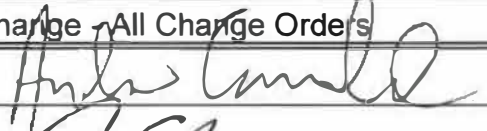
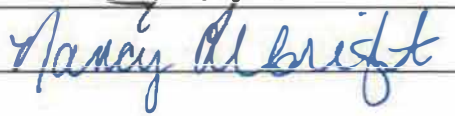

Andrew Grunwald, P.E.

Date: 9/4/2025

Commisioner:


Nancy Albright, P.E.

Date: 9/5/25

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT CONTRACT CHANGE ORDER Page 1 of 3		Date:	August 11, 2025	
		Project:	Jacks Creek Pike Slope Repair	
		Location:	Jacks Creek Pike	
To (Contractor): Geospecialties LLC 1060 Elizabeth Street, Suit 8 Nicholasville Ky, 40356		Contract No.	210-2025	
		Original Contract Amt.	\$849,525.00	
		Cumulative Amount of Previous Change Orders	\$0.00	
		Percent Change - Previous Change Orders		0.00%
		Total Contract Amount Prior to this Change Order	\$849,525.00	
		Change Order No.	1	
You are hereby requested to comply with the following changes from the contract plans and specification;				
Current Change Order				
Item No.	Description of changes-quantities, unit prices, change in completion date, etc.	Decrease in contract price	Increase in contract price	
	See Attached Sheets (pages 2)			
	Total decrease	-\$20,000.00		
	Total increase		\$296,900.00	
	Net Amount of this Change Order	\$276,900.00		
	New Contract Amount Including this Change Order	\$1,126,425.00		
	Percent Change - This Change Order			32.59%
	Percent Change - All Change Orders			32.59%
Recommended by <u></u>		(Proj. Engr.)	Date <u>8/25/2025</u>	
Accepted by <u></u>		(Contractor)	Date <u>8/26/25</u>	
Approved by <u></u>		(Commissioner)	Date <u>9/5/25</u>	
Approved by _____		(Mayor or CAO)	Date _____	

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT					DATE:	August 11, 2025		0859-25
CONTRACT MODIFICATION					Change Order #:	1		
					CONTRACT #:	210-2025		
Project: Jacks Creek Pike Slope Repair								
You are hereby requested to comply with the following changes from the contract plans and specifications;								
Item No.	ADD / DEL	Description of changes	Units	Quantity	Unit Price	Decrease in contract price	Increase in contract price	
Change Order								
2	ADD	Mobilization	LS	0.50	\$ 50,000.00	\$ -	\$ 25,000.00	
8	ADD	Excavation / Benching	CY	500.00	\$ 50.00	\$ -	\$ 25,000.00	
10	ADD	Geosynthetically Reinforced Soils (GRS)	SF	200.00	\$ 97.00	\$ -	\$ 19,400.00	
15	DEL	Drop Inlet for Culvert Pipe	EA	-1.00	\$ 10,000.00	\$ (10,000.00)	\$ -	
16	DEL	24" Culvert Pipe	LF	-40.00	\$ 250.00	\$ (10,000.00)	\$ -	
17	ADD	Micropiles & increased area to shotcrete on exposed wall	LF	91.00	\$ 2,500.00	\$ -	\$ 227,500.00	
Total decrease						\$ (20,000.00)		
Total increase							\$ 296,900.00	
Net Difference in contract price							\$ 276,900.00	

Page 3 of 3		
JUSTIFICATION FOR CHANGE	PROJECT:	Jacks Creek Pike Slope Repair
	CONTRACT NO.	210-2025
	CHANGE ORDER	1
1. Necessity for change: To adjust quantities, remove a portion of the original retaining wall and include micropiles under where the failed retaining wall was located. 2. Is proposed change an alternate bid? ___ Yes <u> X </u> No 3. Will proposed change alter the physical size of the project? ___ Yes <u> X </u> No If "Yes", explain.... 4. Effect of this change on other prime contractors: N/A 5. Has consent of surety been obtained? ___ Yes <u> X </u> Not Necessary 6. Will this change affect expiration or extent of insurance coverage? ___ Yes <u> X </u> No If "Yes", will the policies be extended? ___ Yes <u> X </u> No 7. Effect on operation and maintenance costs: N/A 8. Effect on contract completion date: YES. Contract Completion date shall be extended to October 27, 2025 Mayor Date		

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: August 15, 2025

SUBJECT: Third Renewal of Contract #291-2022 for the
Sanitary Sewer Remedial Measures Plan Program Management Consulting Services
(Consent Decree)

Request

The purpose of this memorandum is to recommend Council approval of the third renewal to the contract awarded in FY23 to Hazen and Sawyer (Hazen) for the program management services needed to implement the Consent Decree Remedial Measures Plan. Award of contract #291-2022 was for 365 days as measured from the Mayor's signature date on the resolution (November 17, 2022), and provided for up to four (4) annual renewals if approved by the Urban County Council. This recommendation represents annual renewal request number three to utilize FY26 funds budgeted for this work.

Purpose of Request

Since 2008, the Division of Water Quality (DWQ) has been implementing the terms and conditions of the Consent Decree, including implementation of the Remedial Measures Plan (RMP). The RMP is an estimated \$590 M capital improvement plan intended to abate Recurring Sanitary Sewer Overflows (SSOs) as required by the Consent Decree.

RMP implementation has been executed using a Program Management contract services format. The history of that format is as follows:

- Competitive advertisement of a Request for Proposals (RFP) led to Resolution #394-2010, awarding the original RMP Program Management services contract to Hazen.



- A revised RFP was advertised and led to Resolution #449-2019 awarding a revised RMP Program Management services contract to Hazen. The terms of this new contract required annual renewal requests along with the clear identification of Hazen staff who could bill for work under the contract terms.
- Expiration of the contract approved by Resolution #449-2019 led to advertisement of RFP 56-2022. Hazen was the lone responder to that RFP, and thus was awarded the current RMP Program Management services contract via Resolution #628-2022.

Project Cost in FY26

A \$900,000 allocation for this work was approved in the FY26 budget. The cost for future fiscal years is estimated at \$900,000 annually through full implementation of the RMP.

Funds are Budgeted

The funds are budgeted in: 4003-303401-3425-71205 REMEDIAL CONSENT_DE 2026 LFUCG

Martin / Albright





TO: Mayor Linda Gorton
Urban County Council

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

DATE: September 2, 2025

SUBJECT: Third Annual Renewal of Sanitary Sewer Monitoring and Alarm Equipment Services (Contract #149-2022)

Request

The Division of Water Quality (DWQ) requests approval of the third annual renewal of Contract # 149-2022 with ADS Environmental Services (ADS, LLC), the division's sole source provider for sewer overflow monitoring/reporting services. This is the third of five renewals permitted under the contract associated with Resolution 321-2022.

Purpose of Request

The purpose of this contract is to provide the continued flow monitoring, operation/maintenance services, cell service, and web hosting operations necessary to mobilize crews when wet weather manhole overflows occur. The existing monitoring system was implemented to meet Consent Decree requirements associated with the Sewer Overflow Response Plan (SORP).

Project Cost in FY26 and in Future Budget Years

This third renewal provides services for 16 monitors at an annual cost of \$95,808.

Are Funds Budgeted

Funds are budgeted in 4002 303406 3454 71299

Director/Commissioner

Martin/Albright

Cc: Jimmy Ross, Division of Water Quality
Crystal Mundy, Division of Water Quality



MAYOR LINDA GORTON



LEXINGTON

NANCY ALBRIGHT
COMMISSIONER
ENVIRONMENTAL QUALITY & PUBLIC WORKS

TO: Mayor Linda Gorton
Urban County Council

FROM: 
Nathan Dickerson
Administrative Officer

DATE: September 8, 2025

SUBJECT: Schedule for 2025 Urban Service Changes

Request:

The Department of Environmental Quality & Public Works requests approval of the attached schedule for the 2025 Urban Services Legal Process.

Why are you requesting:

Before properties are developed within the Fayette County urban service boundary, they are generally taxed solely for Police and Fire protection (Tax District 02 - General Services). However, once a property is recorded, divided and platted for new development, the new properties are moved to the appropriate tax district for other provided services. For example, properties on public streets are placed in the full service (01) tax district that provides refuse collection, streetlights, and street sweeping. Private streets are placed within the 03 tax district, which only includes refuse collection given that property owners maintain their own streets and provide their own streetlights if desired. Property owners also can petition to add city services with a tax district change through this process.

Kentucky Law requires that the Urban County Government notify each property owner by certified mail of a proposed increase in property tax and hold a public hearing. Per the attached schedule, the public hearing will be held at 3:00 p.m. on Tuesday, November 18, 2025, during Council Work Session.

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

N/A

Are the funds budgeted?

N/A

File Number:

0864-25

Director/Commissioner:

Nancy Albright
Environmental Quality & Public Works



URBAN SERVICES CHANGES - 2025 SCHEDULE

Petition Deadline	August 1, 2025
Administrative Review (Bluesheet)	September 8, 2025
Work Session Discussion	September 16, 2025
Certified Mail Voting Cards to USC Voters	September 17, 2025
Notify Private Haulers of Voting Streets	September 18, 2025
Documents Due to Law Department	September 25, 2025
Certified Mail New Development	September 29, 2025
Resolution First Reading	October 9, 2025
USC Voting Deadline	October 17, 2025
Notify Private Haulers of Voting Results	October 22, 2025
Resolution Second Reading	October 23, 2025
Publish Week 1/3	October 27, 2025
Publish Week 2/3	November 3, 2025
Publish Week 3/3	November 10, 2025
Pre-Work Session Meeting	November 18, 2025 1:00 PM to 3:00 PM
Work Session Public Hearing on Urban Service Changes	November 18, 2025 3:00 PM
Documents Due to Law Department	November 21, 2025
Ordinance First Reading	December 2, 2025
Ordinance Second Reading	December 4, 2025
Documentation to Budgeting/PVA	December 19, 2025

MAYOR LINDA GORTON

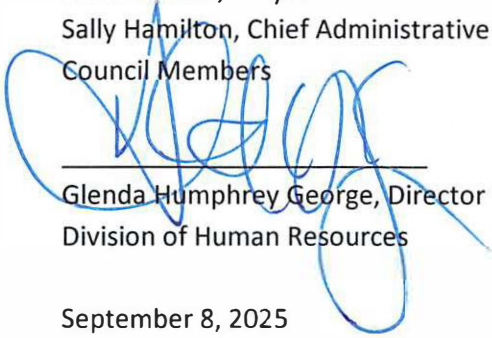


LEXINGTON

GLEND A HUMPHREY GEORGE
DIRECTOR
HUMAN RESOURCES

MEMORANDUM

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

FROM: 
Glenda Humphrey George, Director
Division of Human Resources

DATE: September 8, 2025

SUBJECT: Abolish/Create positions – Division of Water Quality

Request:

The attached action is requesting authorization to abolish two (2) classified positions of Public Service Worker Sr. (Grade 510N) and create two (2) unclassified positions of Sewer Line Maintenance Technician Apprentice (Grade 509N) in the Division of Water Quality, effective upon passage of Council.

Why are you requesting:

The purpose of this reorganization is to enable the Division of Water Quality to hire and train entry-level staff. This will create a career path which will help employees develop skills for advancement to higher roles.

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

This has a 12-month future impact cost savings of \$2,064.74.

Position Title	Annual Salary Before	Annual Salary After	Annual Increase/Decrease
Public Service Worker Sr.	\$37,949.60	\$0	(\$37,949.60)
Public Service Worker Sr.	\$37,949.60	\$0	(\$37,949.60)



Sewer Line Maintenance Technician Apprentice	\$0	\$37,132.16	\$37,132.16
Sewer Line Maintenance Technician Apprentice	\$0	\$37,132.16	\$37,132.16
Total Annual Impact/ Salary and Benefits (\$2,064.74)			

File Number: 0865 · 25

Director/Commissioner: Glenda Humphrey George/Sally Hamilton

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



MAYOR LINDA GORTON



LEXINGTON

GLEND A HUMPHREY GEORGE
DIRECTOR
HUMAN RESOURCES

MEMORANDUM

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

FROM: 
Glenda Humphrey George, Director
Division of Human Resources

DATE: September 8, 2025

SUBJECT: Abolish/Create positions – Division of Water Quality

Request:

The attached action is requesting authorization to abolish one (1) classified position of Public Service Worker Sr. (Grade 510N) and create one (1) unclassified position of Sewer Line Maintenance Technician Apprentice II (Grade 512N) in the Division of Water Quality, effective upon passage of Council.

Why are you requesting:

The purpose of this reorganization is to enable the Division of Water Quality to hire and train entry-level staff. This will create a career path which will help employees develop skills for advancement to higher roles.

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

This has a 12-month future impact cost of \$4,909.67.

Position Title	Annual Salary Before	Annual Salary After	Annual Increase/Decrease
Public Service Worker Sr.	\$37,949.60	\$0	(\$37,949.60)
Sewer Line Maintenance Technician Apprentice II	\$0	\$41,837.12	\$41,837.12
Total Annual Impact/ Salary and Benefits \$4,909.67			



File Number: 0866-25

Director/Commissioner: Glenda Humphrey George/Sally Hamilton

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



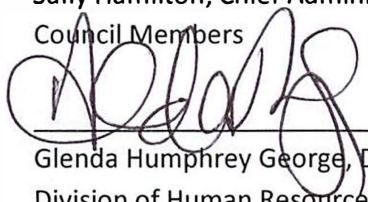
MAYOR LINDA GORTON



LEXINGTON

GLEND A HUMPHREY GEORGE
DIRECTOR
HUMAN RESOURCES

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

FROM: 
Glenda Humphrey George, Director
Division of Human Resources

DATE: September 8, 2025

RE: Agreement with Centurisk

Request:

The attached action authorizes the Mayor to execute an agreement with Centurisk for property valuation services related to our on-site property appraisals. Physical evaluations of our insurable properties (buildings) are necessary every 5 years to accurately market the commercial insurance coverage for LFUCG's property, fire, and casualty insurance policy.

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

The cost of this agreement is \$39,990 and funds are budgeted from the Professional Services/Risk Management account (1101-160904-1901-71299)

File Number: 0867.25

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

LAWRENCE WEATHERS
CHIEF
LEXINGTON POLICE DEPT.

TO: Mayor Linda Gorton
Urban County Council

Lawrence B. Weathers

FROM: Chief Lawrence B. Weathers
Lexington Police Department

CC: Commissioner Kenneth Armstrong
Department of Public Safety

DATE: September 8, 2025

SUBJECT: Keeneland – Special Event Contract

Request

Authorization to accept the attached Special Event Contract with Keeneland.

Why are you requesting?

The attached Special Event Contract will allow for the Lexington Police Department to host our annual Police Holiday Dinner for employees on Sunday, December 7, 2025. Keeneland states that if the Lexington Police Department (Host's) fail to comply with the terms of this contract it may result in cancellation of the event. We are requesting Council Approval and Mayor Gorton to sign the attached contract.

What is the cost in this budget year and future budget years? Cost for this event will be covered by the Citizen's Police Academy Alumni Association (CPAAA).

Are the funds budgeted? Cost for this event will be covered by the Citizen's Police Academy Alumni Association (CPAAA).

File Number: - 0868-25

**Director/Commissioner: Lawrence B. Weathers, Chief
Lexington Police Department**

LBW/rmh





TO: Mayor Linda Gorton
Urban County Council

FROM: Doug Burton, Director
Division of Engineering

DATE: September 8, 2025

SUBJECT: Amendment of Resolution 466-2020 – Citation Boulevard Phase IIIA
Authorization to enter into a Settlement Agreement with Oakbrook Properties, LLC and
Trilogy Healthcare of Fayette III, LLC (Parcel 136 – Citation Boulevard PHASE IIIA)

Request:

To amend Resolution No. 466-2020, increasing the Right-of-Way maximum expenditures from \$1,446,000 to \$2,756,000. This would be an increase of \$1,310,000.

Council authorization to enter into a Settlement Agreement with Oakbrook Properties, LLC and Trilogy Healthcare of Fayette III, LLC for the necessary Right-of-Way for the construction of Citation Boulevard Phase IIIA (Parcel 136 – Citation Boulevard Phase IIIA). The Agreement will facilitate the Lexington Fayette Urban County Government taking legal title to a parcel of land containing 0.207 acres for Fee Simple Right-of-Way and 3,495 Square Feet of Temporary Construction Easement. Oakbrook Properties, LLC and Trilogy Healthcare of Fayette III, LLC shall receive funds to relocate existing site facilities, utility service connections, out of the property that will be acquired.

Purpose of Request:

To acquire needed right-of-way from Oakbrook Properties, LLC for the construction of the extension of Winburn Way and Citation Boulevard Phase III-A&B.

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

The cost for this FY is: \$1,310,000

The cost for future FY is: No

Are the funds budgeted?

BA Pending from 91715-2610-303202-3251 Activity: CONSTRUCT

To Account: 91715-2610-303202-3251 Activity: ENG_ROW

File Number:

Director/Commissioner: Burton/Albright



MAYOR LINDA GORTON



LEXINGTON

CHARLES MARTIN
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

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

DATE: August 29, 2025

SUBJECT: Recommendation for a FY26 (Class A Neighborhood) Stormwater Quality Projects
Incentive Grant for Willow Oak Homeowners Associations, Inc.

Request

The purpose of this memorandum is to request approval of an FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for Willow Oak Homeowners Associations, Inc., in the amount of \$39,000.00.

Purpose of Request

Grant funds will be used to complete a Feasibility Study to determine green nature-based approaches to stormwater management for the property located at 750 Millpond Road. The study will develop recommendations on ways to 1) improve water quality in the Shannon Run Tributary to South Elkhorn Creek by incorporating natural stormwater features and streambank stabilization to reduce and filter pollutants, and 2) establish native vegetation within the HOA area, including riparian buffers, wet meadows, and native trees. The study will also yield recommendations on ways to educate the public about stormwater management systems and water quality, incorporating public meetings during the feasibility study and implementing educational signage after full construction.

Project Cost in FY26 and in Future Budget Years

The grant has been approved for FY26 funding by the Water Quality Fees Board in the amount of \$39,000.00.

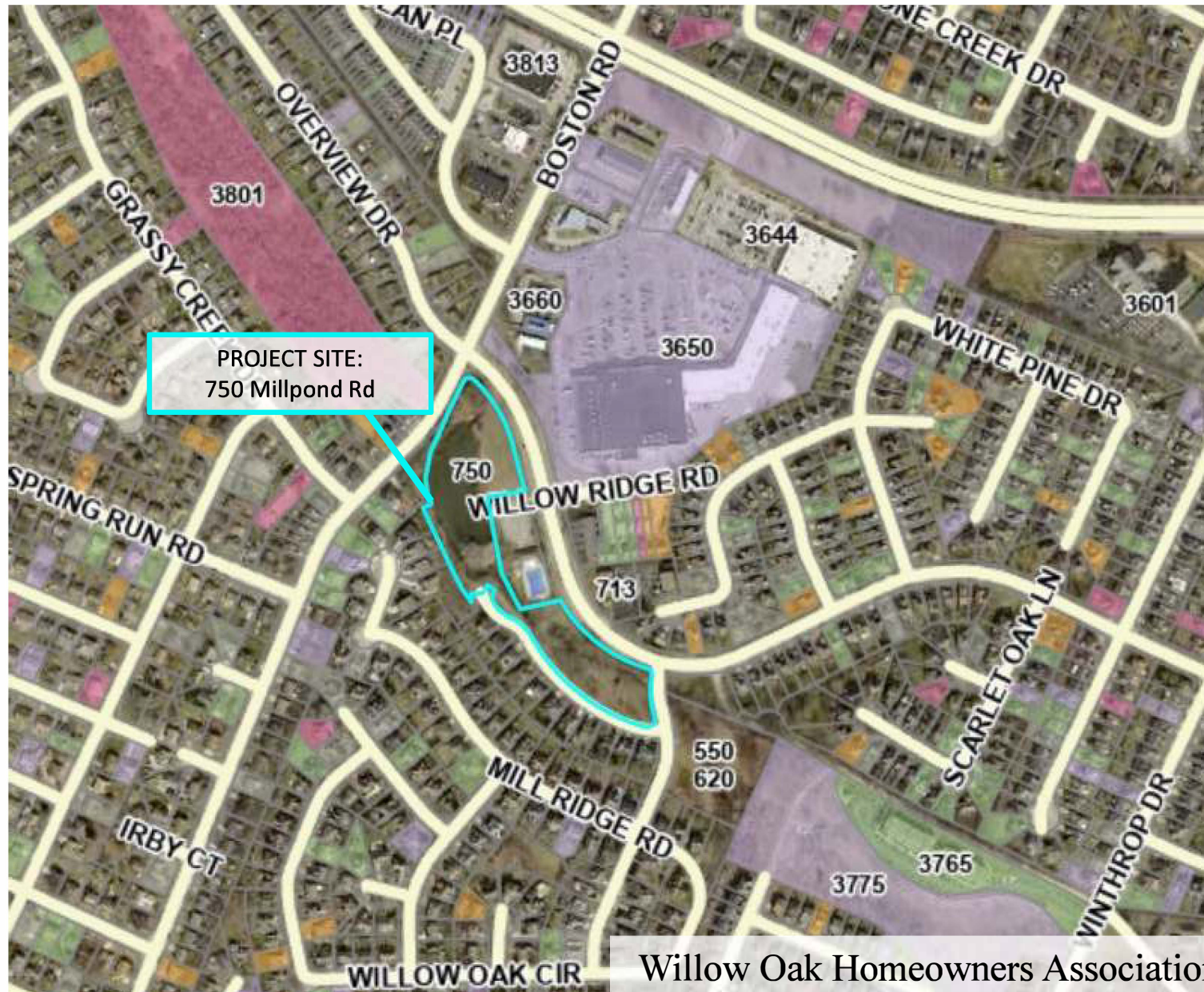
Are Funds Budgeted

Funds are budgeted in: 4052 – 303204 – 3373 – 78112 – WQINCENTIVE_26 – WQ_GRANT

Martin/Albright



Stormwater Quality Projects Incentive Grant Program



Willow Oak Homeowners Associations, Inc.

MAYOR LINDA GORTON



LEXINGTON

CHARLES MARTIN
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

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

DATE: August 29, 2025

SUBJECT: Recommendation for a FY26 (Class A Neighborhood) Stormwater Quality Projects
Incentive Grant for WaterwaysLex, Inc.

Request

The purpose of this memorandum is to request approval of an FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for WaterwaysLex, Inc., in the amount of \$20,836.25.

Purpose of Request

The objective of the project is to provide awareness and education, including site visits and hands-on volunteer efforts, stream restoration demonstration projects, and engaging property owners in installing and maintaining stream restoration projects on public and private property. Grant funds will be used to support the 2026 Watershed Summit, educational outreach opportunities (i.e., purchase items needed to “table” at local events, including those sponsored by partner agencies, at festivals, neighborhood/homeowner association meetings, etc.), and a WaterwaysLex Steering Committee (a multidisciplinary group serving as the policy-making arm of WaterwaysLex which will oversee the grant monitoring, reimbursement requests and reporting).

Project Cost in FY26 and in Future Budget Years

The grant has been approved for FY26 funding by the Water Quality Fees Board in the amount of \$20,836.25.

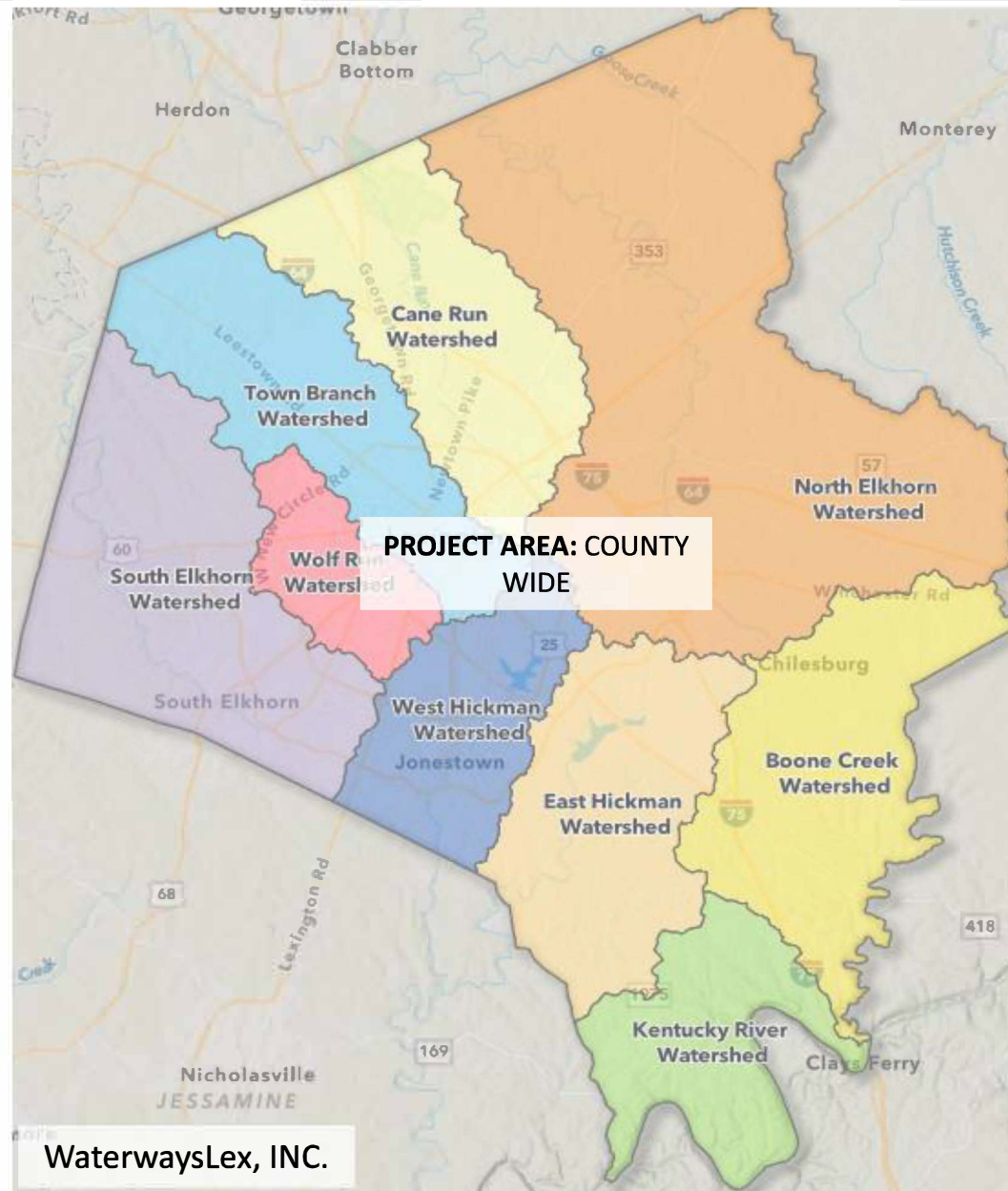
Are Funds Budgeted

Funds are budgeted in: 4052 – 303204 – 3373 – 78112 – WQINCENTIVE_26 – WQ_GRANT

Martin/Albright



Stormwater Quality Projects Incentive Grant Program



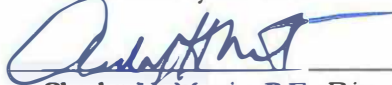
MAYOR LINDA GORTON



LEXINGTON

CHARLES MARTIN
DIRECTOR
WATER QUALITY

TO: Mayor Linda Gorton
Urban County Council

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

DATE: September 2, 2025

SUBJECT: Recommendation for a FY26 (Class A Neighborhood) Stormwater Quality
Projects Incentive Grant for Lake Crossing Homeowners Association, Inc.

Request

The purpose of this memorandum is to request approval of an FY26 (Class A Neighborhood) Stormwater Quality Projects Incentive Grant for Lake Crossing Homeowners Association, Inc., in the amount of \$18,920.00.

Purpose of Request

The goal of the project is to improve, preserve, and encourage the growth of vegetated canopy in the green spaces of Lake Crossing property. Grant funds will be used to replace invasive species with a variety of native trees and shrubs that are better suited to the local environment and will contribute to the restoration of the canopy and improvement of stormwater runoff. The project also incorporates a stormwater educational component in the form of permanent signage at the retention basin.

Project Cost in FY26 and in Future Budget Years

The grant has been approved for FY26 funding by the Water Quality Fees Board in the amount of \$18,920.00.

Are Funds Budgeted

Funds are budgeted in: 4052 – 303204 – 3373 – 78112 – WQINCENTIVE_26 – WQ_GRANT

Martin/Albright



Stormwater Quality Projects Incentive Grant Program

38
0872-25



PROJECT SITE:
271 Shoreside Drive

Lake Crossing Homeowner's Association, Inc.

Urban County Council

Work Session

September 16, 2025

Mayor's Report

A. Boards and Commissions

- Airport Board
- Corridors Commission
- Environmental Commission
- Mayor's International Affairs Advisory Commission



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Linda Gorton
Mayor

To: Urban County Council

From: *Linda Gorton*

Linda Gorton, Mayor

Date: September 11, 2025

Re: Airport Board

I recommend the following actions be confirmed:

Appoint:

Anthony Bonner
Member
Replaces Daniel Mason

Term Expires:

12/31/2029

Reappoint:

Marc Mathews
Member

Term Expires:

12/31/2029

Council Confirmation

FOLLOW MAYOR GORTON:

www.facebook.com/MayorGorton www.twitter.com/MayorGorton



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Linda Gorton
Mayor

To: Urban County Council

From: *Linda Gorton*

Linda Gorton, Mayor

Date: September 11, 2025

Re: Corridors Commission

I recommend the following actions be confirmed:

Appoint:

Term Expires:

Councilmember Shayla Lynch
Council Member from District 1, 2, or 6
Fills the unexpired term of Denise Gray

08/01/2027

Kyle Ray
KYTC Representative Voting

08/01/2029

Council Confirmation

FOLLOW MAYOR GORTON:

www.facebook.com/MayorGorton www.twitter.com/MayorGorton



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Linda Gorton
Mayor

To: Urban County Council

From: *Linda Gorton*

Linda Gorton, Mayor

Date: September 11, 2025

Re: Environmental Commission

I recommend the following action be confirmed:

Appoint:

Martha DeReamer
District 12 Resident

Term Expires:

09/30/2029

Council Confirmation

FOLLOW! MAYOR GORTON:

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HORSE CAPITAL OF THE WORLD



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Linda Gorton
Mayor

To: Urban County Council

From: *Linda Gorton*

Linda Gorton, Mayor

Date: September 11, 2025

Re: Mayor's International Affairs Advisory Commission

I recommend the following actions be confirmed:

Reappoint:

Term Expires:

Deborah Alexander
At large

08/01/2029

Zachary Derbyshire
European Representative

08/01/2029

Appoint:

Term Expires:

Lisa Holland
At large
Fills the unexpired term of Charles Baesler

08/01/2027

Council Confirmation

FOLLOW MAYOR GORTON:

www.facebook.com/MayorGorton www.twitter.com/MayorGorton



Urban County Council Council Meeting September 18, 2025

The following procurement recommendations will be placed on the Mayor's Report for approval at the September 18, 2025 Council Meeting;

- (1) Accepting and approving the following bids and establishing price contracts for the following Departments or Divisions as to the specifications and amount set forth in the terms of the respective bids:
 - (a) Division of Family Services – Catering for Family Care Center – 101-2025 – Ordo, Inc.
 - (b) Division of Fire & Emergency Services – Hazardous Material Spill Clean Up – 95-2025 – Perdue Environmental Contracting Company Inc
 - (c) Division of Streets & Roads – Roadway Snow Removal under 26,000 GVWR – 99-2025 – Holt's Landscape Group LLC
 - (d) Division of Fleet Services – GM Repairs – 102-2025 – Sutherland Chevrolet



**Neighborhood Development Funds
September 16, 2025
Work Session**

Amount	Recipient	Purpose
\$ 600.00	LFUCG - Partners for Youth Philemon Johnson 1101-133005-0001-75101 Lexington, KY	To help with costs related to the Partners for Youth Spotlight on Youth talent show
\$ 1,000.00	Chenault Road Neighborhood Association Cullen Sheppard 203 Chenault Rd. Lexington, KY 40502	For the benefit of the Chenault Road triangle landscaping
\$ 1,000.00	YMCA of Central KY Stephanie Arnold 381 W. Loudon Ave. Lexington, KY 40508	For out of school time food bags fro families enrolled in the after school program from Mary Todd Elementary
\$ 240.00	LFUCG - Parks and Recreation Lily Robertson 1101-707603-7235-46720-775 Lexington, KY	For rental of the showmobile for Athens-Childsburg Elementary school fall festival hosted by the PTA
\$ 1,000.00	Beaumont Residential Association Syd Egenhauser PO Box 910098 Lexington, KY 40591	For the Beaumont Residential Association neighborhood-wide annual event for all residents that offers food and entertainment
\$ 500.00	Pearlz of Wisdom Inc. Martha Crumie 513 Dover Rd. Lexington, KY 40505	To assist with the youth service learning program
\$ 1,000.00	Hill N Dale Neighborhood Association Gail Lightner 279 Clearview Dr. Lexington, KY 40503	For the Fall festival in September to be used for food, arts and crafts supplies, inflatable rentals, chairs and tables
\$ 1,100.00	YMCA of Central KY 381 W. Loudon Ave. Lexington, KY 40508 Stephanie Arnold	Funds will be used for out of school time bags for families enrolled in their no cost after school program
\$ 2,400.00	Foundation for Latin American Culture and Arts 616 Wellington Way, Ste. D Lexington, KY 40503 Betty Abdmishani	For the annual Festival Latino and Community Health Fair
\$ 2,500.00	Lexington African-American Sports Hall of Fame 1588 Leestown Rd. Ste. 130-312 Lexington, KY 40511 Jennifer Jones	For one of three supplemental scholarships to a Lexington graduating high school student athlete



Budget, Finance & Economic Development Committee

August 19, 2025

Summary and Motions

Chair James Brown called the meeting to order at 1:01 p.m. Vice Mayor Dan Wu and Council Members Chuck Ellinger, Shayla Lynch, Hannah LeGris, Liz Sheehan, Whitney Baxter, Dave Sevigny, and Jennifer Reynolds were in attendance. Council Members Tyler Morton, Emma Curtis, and Amy Beasley were also present as non-voting members.

I. Approval of June 24, 2025 Committee Summary

A motion by Wu to approve the June 24, 2025, Committee Summary, seconded by LeGris, the motion passed without dissent.

II. Monthly Financial Update – July 2025

Commissioner Hensley and Directors Holbrook and Lueker presented on the monthly financials. Revenue collections are on budget throughout period 1. Some sources have not yet been reported due to manual journal entries, which are typical early in the fiscal year and will be resolved as the yet due to manual journal entries, which are typical early in the fiscal year and will resolve as FY25 closing processes are completed. Personnel variances continue to fluctuate due to end-of-year adjustments, especially with annual accruals and benefit entries. Any salary savings will be used to meet seasonal overtime demands, generally experienced during the fall, as well as Council-approved budget actions and priorities. The operating variance is typically experienced during the fall, as well as supporting Council-approved artificially inflated amounts due to delayed invoicing of the \$1.1 million medical contract in Community Corrections. No action was taken on this item.

III. Bluegrass Area Development District (BGADD)

Michael Buschmann, Chief Financial Officer of Bluegrass Area Development District (BGADD), presented an annual update to the Committee. The purpose and mission of BGADD is to enhance the economy of communities through planning to maximize resources, projects to promote development, and programs to improve the quality of life for the citizens of the region. Success is accomplished by not creating the best cities in the Bluegrass but by creating the best Bluegrass for our cities.

BGADD is the U.S. Economic Development Administration-designated economic development district for central Kentucky, which is a regionally driven plan for economic growth and resilience guided by public and private investments across the 17-county Bluegrass region. This designation helps prioritize projects in local and regional planning efforts, guides recovery, diversification, and innovation.

In addition to economic development, BGADD provides workforce and community planning services and houses the Area Agency on Aging and Independent Living. In the last program year from July 1, 2024, to June 30, 2025, BGADD had 112 workforce related clients with a total investment of \$224,207.85. The Kentucky Career Center - Bluegrass/ American Job Center is located at 2473 Fortune Drive and received its certification as a comprehensive site in November 2024. It is the only comprehensive center in Central Kentucky and houses: workforce services, career development office, assistance for veterans, office of vocational rehabilitation, and the childcare Council of Kentucky.

BGADD advocates for seniors on a state and federal level and served 196 seniors and caregivers from Fayette County in aging programs last year. In addition, they served 60 people for homecare services, 3,268 at the senior center, 349 for meals, 86 for caregivers, 43 for grandparents, and 13 for caregiver grandparents. BGADD community planning consists of working with partners on transportation planning and regional collaboration. In FY2025, BGADD administered over \$191,500,000 in grant and loan funding across the 17-county region. No action was taken on this item.

IV. Regional Business Park Authority Update

Lucas Witt, Co-Founder and Partner of MWM Consulting, presented an update on the regional business park authority. The Central Kentucky Business Park Authority (CKBPA) Board of Directors consists of members from Lexington-Fayette County, Scott County Fiscal Court, Madison County Fiscal Court, the City of Berea, and consultants.

The CKBPA has been working on establishing the Triple Crown Business Park in Berea, KY. The site has 200 to 300 developable acres, is a zone for heavy industrial business, is less than 2 miles from Interstate 75, and all utilities are on site or within proximity. Current actions of the Triple Crown Business Park include initiating an engineering RFP for engineering services in August 2025 and applying for Kentucky Product Development Initiative (KPDII) 2024 round 2 funds in September. The CKBPA has already applied for congressional funding to support site development and is actively meeting with national site selectors to share the opportunity and property details.

Another real estate project has been assigned to the CKBPA by the Madison County Fiscal Court and is under a purchase and sale agreement with a private owner. The northern Madison County Site is 810 acres, is in an agricultural business zone, and has direct access to US Highway 25 to Interstate 75. All utilities are at or near the site with a clear path established to help all utilities meet the needs of industrial-sized users. The CKBPA will apply for KPDII 2024 round 2 funds in September and is actively meeting with national site selectors to share the opportunity and property details.

Next steps for the CKBPA are to hold regular meetings with real estate brokers and site selectors to increase awareness of opportunities and create a strategic plan for the authority, including items like mission and vision, community and industry overview, site analysis, market analysis, strategies and initiatives, and implementation planning. No action was taken on this item.

V. Industrial Revenue Bond Policies and Procedures

Craig Bencz, Senior Administrative Officer, presented an update on Industrial Revenue Bond (IRB) Policies and Procedures. Industrial Revenue bonds are to be used to improve economic development, to relieve unemployment, and to encourage the increase of industry. LFUCG can issue bonds to finance the development or expansion of "industrial buildings" as defined by state law. These bonds are not the general obligation of LFUCG, an indebtedness of LFUCG, or backed by a pledge of LFUCG's credit. LFUCG typically sees requests for IRB in one of two forms: requests for bonds to assist with financing a project, typically at a lower interest rate, and a leaseback arrangement in which LFUCG also takes ownership of the property to provide certain ad valorem tax benefits.

The IRB policy review is to review policies to allow for housing under some circumstances, maintain requirements for job creation or evidence of strong economic development resulting directly from the project, and consider expanding the defined area of IRB applications to include the entire Urban Service Boundary. LFUCG has two types of bond types: traditional IRB, which is essentially a loan agreement, and a leaseback IRB, which shows property ownership of LFUCG and is not subject to property tax for the length of the IRB agreement.

Policy amendments for IRB are to update focuses on the leaseback model, and improvements are to require pre-application meetings, obtain input from LFUCG staff and taxing district representatives, negotiate with taxing district representatives, and a formal IRB application begins after payment in lieu of taxes (PILOT) agreements are in place with taxing districts. Leaseback IRBs with a housing component are required to be mixed-use with the creation of jobs onsite, 20% of proposed housing units must be affordable (80% of AMI) to receive a 15-year leaseback IRB incentive, and 20% of proposed housing units must be workforce housing (80.1 - 100% of AMI) to receive a 10-year leaseback IRB incentive. The area eligible for IRBs is amended to include the urban service area.

A motion by Baxter to approve the amended Industrial Revenue Bond Policies and Procedures ordinance, policy and resolution, seconded by Sevigny, the motion passed without dissent.

VI. Adjournment

A motion by Brown to adjourn at 2:45pm, seconded by Ellinger, the motion passed without dissent.

ORDINANCE NO. _____ - 2025

AN ORDINANCE AMENDING AND REPLACING ORDINANCE NO. 203-80, AS AMENDED BY ORDINANCE NO. 59-81; ORDINANCE NO. 103-86; ORDINANCE NO. 237-93; ORDINANCE NO. 52-94; ORDINANCE NO. 18-96; ORDINANCE NO. 180-2009; ORDINANCE NO. 152-2013; ORDINANCE NO. 160-2014, WHICH AMENDED ORDINANCE NO. 152-2013; ORDINANCE NO. 57-2017, WHICH AMENDED ORDINANCE NO. 160-2014; ORDINANCE NO. 26-2020; AND ORDINANCE NO. 142-2022, RELATING TO INDUSTRIAL REVENUE BONDS AND THE ECONOMIC DEVELOPMENT INVESTMENT BOARD. _____

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

Section 1 - Chapter 103 of the Kentucky Revised Statutes authorizes the Urban County Government to issue Industrial Building Revenue Bonds in order to promote local economic development through the introduction, retention and expansion of business and industry. The Urban County Government will issue Industrial Revenue Bonds only for projects located in Fayette County and encourages the use of local and Kentucky bond counsel, architects, engineers, contractors and the like in the development of the project.

Section 2 - The Urban County Government will issue said bonds only through the loan agreement format authorized in KRS Chapter 103, rather than by the lease or installment sale format; also authorized therein, unless the Urban County Government determines that special and compelling circumstances exist to justify the different format, including, without limitation, significant job creation or evidence of strong economic development resulting directly from the project.

Section 3 - The Urban County Government, as consideration for the issuance of such bonds and the use of the proceeds to finance a qualified project, will enter into a loan agreement with a successful applicant. The applicant will acknowledge its obligations under the agreement by a note which will require payments of principal and interest corresponding in time and amount to the principal and interest payments becoming due on bonds issued to finance such project. Lease arrangements may also be considered if the applicant provides evidence, sufficient

to the Urban County Government, that special and compelling circumstances exist as described in Section 2, above.

Section 4 - Although, pursuant to KRS Chapter 103, Industrial Revenue Bonds do not constitute an indebtedness of the Urban County Government, the merits of each application will be closely scrutinized as to whether any proposed project will benefit the entire community and whether other forms of financing are feasible or desirable.

Section 5 - The Urban County Government may require that applicants for the issuance of Industrial Revenue Bonds arrange for the private placement of the bonds with reputable financial institutions.

Section 6 - A board for review of applications and oversight over the issuance of certain funding related to economic development and related matters is hereby created which shall be known as the Economic Development Investment Board, ~~or in some instances related to this Ordinance, the Industrial Revenue/Housing Bond Committee ("the Board")~~. The ~~board~~ Board shall review matters and applications related to the following, with the recommendation of the ~~board~~ Board for any expenditure of funding subject to the final approval of the Urban County Council: (1) Industrial Revenue and Housing Bonds (pursuant to this Ordinance); (2) Lexington Job Fund Program funds (pursuant to Ordinance No. 153-2013); (3) funding from the administrative program currently known as the Lexington Economic Development Partner Agencies program, or its successor; (4) funding from the administrative program currently known as the Lexington Workforce Development Grant program, or its successor; and (5) Lexington Public Infrastructure Program funds (pursuant to Ordinance No. 141-2022).

Section 7 - The Economic Development Investment Board shall consist of thirteen (13) members. The government's Chief Development Officer or his or her designee shall serve as the chairperson of the ~~board~~ Board. The Councilmember, who serves as the chairperson of the Urban County Council's Budget, Finance, and Economic Development Committee, or his or her designee from that committee, shall automatically serve as member of the Board. The remaining eleven (11) members shall be appointed by the Mayor, subject to confirmation by a majority of

the Urban County Councilmembers, and shall consist of one additional member of the Urban County Council; one member from either the Lexington Chamber of Commerce or the Lexington-Fayette Urban County Industrial Authority; one from the housing industry; two from the financial investment or banking industry; one from the private equity/venture capital industry; and five shall be at-large members selected by the Mayor.

Section 8 ~~— Applicants shall follow the pre-application and application procedures described in the Policies and Guidelines, including, without limitation, the provision of a letter of inducement, any pre-application meetings required by the Urban County Government, and the completion of an application. Applicants seeking approval of a project for financing through the issuance of Industrial Revenue or Housing Bonds should initiate negotiations by correspondence with the Mayor or his designee. The applicant should submit a detailed proposal in the form of a letter of inducement addressed to the Mayor specifying the characteristics of the project, including an estimate of the benefits to the community, an itemized cost/benefit analysis and a description of the public service impact of the project.~~

Section 9 - Applicants must complete an Industrial Revenue or Housing Bond Application Form, ~~the contents of which shall be determined by the Mayor's Office of Economic Development,~~ —and submit same to the Urban County Government. An application deposit of \$2,500.00 must accompany the application. ~~The Economic Development Investment Board may review and increase this application deposit at any time if it determines that the amount provided above is not sufficient to compensate the Urban County Government for necessary expenses incurred during review of the application.~~ -Any amount of said application deposit not required to compensate the Urban County Govern-ment for necessary expenses incurred during review of the application will be refunded.-

Section 10 - Following preliminary ~~discussions-staff review~~ based on the letter of inducement and application, including consideration of ~~the economic benefits to be derived from the project, the credit worthiness of the applicant, the financial feasibility of the project and security for the bonds~~those factors described in the Policies and Guidelines, the Mayor's Office of Economic Development shall ~~may~~

refer the application to the ~~Industrial Revenue/Housing Bond Committee~~Economic Development Investment Board, if it determines the application and project meets the requirements of the Policies and Guidelines.

Section 11 - Upon its referral from the ~~Mayor~~Mayor's Office of Economic Development, the Economic Development Investment Board~~Industrial Revenue/Housing Bond Committee~~ is responsible for reviewing the proposed terms of the bond issuance ~~and requires the applicant to submit the following:~~

- ~~a. A completed Industrial Building Revenue Bond Application Form.~~
- ~~b. A copy of the letter of inducement addressed to the Mayor.~~
- ~~c. An independent audit and certified financial statement of the applicant or applicants for the most current completed year, prepared and certified by an independent certified public accounting firm. Audit statements prepared by an independent certified public accounting firm for the last three complete years are preferred, and may be requested by the Industrial Revenue/Housing Bond Committee or the Urban County Council.~~
- ~~d. A letter from the proposed purchaser of bonds confirming its intent and evidencing its ability to purchase the bonds.~~
- ~~e. Letters from at least two (2) institutional lenders stating whether or not conventional financing is available, and if available, upon what terms, including interest rates and other relevant data. The letters should also state the terms and conditions under which the lender evaluated the proposed project.~~

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An official representative of the applicant, assisted by counsel, is required to be present at ~~Industrial Revenue/Housing Bond Committee~~Board meetings where the applicant's application is considered.

The Economic Development Investment Board ~~Committee~~ may request additional information if necessary in order to adequately review any project. -

Following its review of a project, the ~~Industrial Revenue/Housing Bond~~

~~Committee~~Board shall vote either to recommend or not to recommend the issuance of Industrial Revenue or Housing Bonds to finance the project and may propose qualifications or reservations to the terms of the bond issuance.

Section 12 - Following receipt of the Economic Development Investment Board's Industrial Revenue/Housing Bond Committee's recommendation approval, the Mayor's Office of Economic Development shall respond to the applicant and may propose additional qualifications or reservations to the terms of the bond issuance.

Section 13 ~~— Following completion of the review process described in Sections 8 through 12 above,~~Following receipt of the Economic Development Investment Board's approval and any proposed qualifications or reservations provided by the Board or the Mayor's Office of Economic Development, an inducement resolution and memorandum of agreement, setting forth the general terms and conditions of the loan arrangement and other matters pertaining to the project shall be forwarded to the Urban County Council for consideration. The Council may request any additional information it deems necessary to adequately review the project.

Section 14 - If the inducement resolution is passed, such passage would constitute an expression of the intent of the Urban County Government to issue Industrial Building Revenue or Housing Bonds to finance the applicant's project. Passage of the inducement resolution must precede any expenditures by the applicant for the project in order for such expenditures to be eligible for reimbursement from the proceeds of the bonds issued to finance said project.

Section 15 - The final ~~legal~~ step prior to issuance of Industrial Building Revenue or Housing Bonds is the passage of a Bond Ordinance by the Urban County Council, the contents of which, if passed, shall include all requirements of relevant law, ~~which ordinance, if passed, shall include:~~

~~a. The loan agreement between the Urban County Government and the applicant.~~

~~b. The Mortgage Deed of Trust between the Urban County Government and the Trustee for the Bondholders.~~

~~Section 16 - If bonds are issued, the Urban County Government requires an issuing fee of one-fourth of one percent of the principal amount of the bond issue in consideration for the issuance of the bonds and to satisfy all costs, including attorney's fees, incurred by the Urban County Government in issuing the bonds. The Urban County Government shall not be responsible for any costs, fees, or expenses associated with the review or issuance of these bonds. All issuance fees, in the amounts provided in the Policies and Guidelines, as well as all costs and fees for Issuer's counsel, shall be the responsibility of the applicant/borrower.~~

~~Section 17 - The Commissioner of Housing and Community Development shall promulgate written policies and guidelines for the review of applications for the issuance of Industrial Building Revenue and Housing Bonds not inconsistent with the provisions of the Ordinance. That the revised "Industrial Revenue Bonds Policies and Guidelines of the Lexington-Fayette Urban County Government" (referred to throughout as "Policies and Guidelines"), which are attached hereto and incorporated herein by reference as if fully stated, be and hereby are approved and adopted, and shall replace those Policies and Guidelines previously adopted.~~

~~Section 18 – That this Ordinance shall amend and replace Ordinance No. 203-80, as amended by Ordinance No. 59-81; Ordinance No. 103-86; Ordinance No. 237-93; Ordinance No. 52-94; Ordinance No. 18-96; Ordinance No. 180-2009; Ordinance No. 152-2013; Ordinance No. 160-2014, which amended Ordinance No. 152-2013; Ordinance No. 57-2017, which amended Ordinance No. 160-2014; Ordinance No. 26-2020; and Ordinance No. 142-2022, in its entirety.~~

~~Section 19 – That this Ordinance shall become effective on the date of its passage.~~

PASSED URBAN COUNTY COUNCIL:

Mayor

ATTEST:

Clerk of the Urban County Government
Published:

| 4899-5905-9033, v. 1~~4923-6581-6582, v. 1~~

DRAFT ~~12-7-~~218/6/2025

**INDUSTRIAL REVENUE BONDS
POLICIES AND GUIDELINES OF
THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
(ADOPTED BY ORDINANCE NO. ~~-20251~~)**

Introduction

The Lexington-Fayette Urban County Government ("LFUCG") is authorized by provisions of Kentucky law (KRS Chapter 103.200, *et seq.*) to issue industrial building revenue bonds ("IRB") to finance the development or expansion of industrial facilities projects. An applicant should thoroughly review this statute in order to understand the types of projects that may qualify. A complete list of the types of projects that may qualify for this type of financing is found in KRS 103.200(1). The purpose of this law is to enable political subdivisions like LFUCG to promote local economic development through the introduction, retention, and expansion of new business and industry. In addition, state law allows LFUCG to issue bonds for facilitating the construction of new or existing housing, although federal regulations limit ~~certain such~~ housing projects to those ~~benefitting~~benefiting low-moderate income families/individuals. It is the policy of LFUCG to use these bonds to assist projects which will benefit the entire community, and for which other forms of financing are not feasible or desirable.¹ Absent special and compelling circumstances, including, without limitation, significant job creation or evidence of strong economic development resulting directly from the project, LFUCG will not issue an IRB ~~Bond~~ exceeding thirty fifteen (3015) years.

LFUCG requires that each project be located within Fayette County, and encourages the use of small, local and /or Kentucky bond counsel, architects, engineers, contractors, etc., ~~and minority and women-owned businesses~~ in the development of the project. LFUCG has created additional requirements pertaining the issuance of these bonds, and a commission, known as the Economic Development Investment Board ("IRB Committee" or "Committee"), to review applications for these bonds and make recommendations to the Urban County Council as to whether bonds should be issued for the project. ~~The IRB Committee consists of thirteen (13) members, with eleven (11) appointed by the Mayor and confirmed by the Urban County Council. Some of the members are required to be members of the Chamber of Commerce or the Industrial Authority, the housing industry, the financial investment or banking industry, and the private equity/venture capital industry.~~²⁻

IT SHALL BE THE POLICY OF THE URBAN COUNTY COUNCIL TO RESERVE THE RIGHT TO IMPOSE ADDITIONAL REQUIREMENTS TO THE TERMS OF THE BOND ISSUE, WHENEVER DEEMED NECESSARY FOR COMMUNITY BENEFIT OR TO FURTHER THE IMPLEMENTATION OF COMMUNITY GOALS AND POLICIES.

STRUCTURE OF BOND FINANCING

Industrial revenue bonds (“IRB’s”) and housing bonds (“HB’s”) do not constitute an indebtedness of the Urban County Government, as these bonds are payable solely from the revenues derived from the project.² IRB’s may qualify as tax-exempt municipal securities issued for the purpose of financing the building and equipping of industrial facilities and HB’s may qualify as tax-exempt municipal securities issued for the purpose of facilitating new and existing housing. Proceeds from these bonds are loaned to responsible parties.³ LFUCG, as consideration for issuance of the bonds and the use of the proceeds to finance the project, will enter into a loan agreement with the successful applicant, which will acknowledge its obligations under the agreement by a note. The note would generally require payments of principal and interest corresponding in time and amount to the principal and interest payments becoming due on the bonds.⁴ The applicant shall be solely responsible for all fees and costs related to the bond.

Although KRS Chapter 103 also authorizes the use of a lease or installment sale arrangement in the issuance of industrial revenue bonds, LFUCG will only use the loan agreement format authorized in that Chapter, in order to ensure that the property will remain subject to ad valorem property taxation, unless special and compelling circumstances exist.

~~Although KRS Chapter 103 also authorizes the use of a lease or installment sale arrangement in the issuance of industrial revenue bonds, LFUCG will only use the loan agreement format authorized in that Chapter, in order to ensure that the property will remain subject to ad valorem property taxation, unless special and compelling circumstances exist. The applicant should note that any such determination will ultimately be made by LFUCG’s Council and that the applicant would be responsible prior to Council approval for reaching payment in lieu of taxes or other agreements with the other ad valorem taxing entities in Fayette County such as the School Board, Lextran, the Health Department, the Public Library and others.~~

Special Considerations if Seeking Leaseback Arrangements

As stated previously, LFUCG will only use the loan agreement format authorized in KRS Chapter 103, to ensure that the property will remain subject to ad valorem property taxation, unless special and compelling circumstances exist, including, without limitation, significant job creation or evidence of strong economic development resulting directly from the project.

If the applicant seeks a leaseback arrangement, the applicant must provide evidence that special and compelling circumstances exist to justify the deviation. Additionally, the applicant must execute Payment in Lieu of Taxes Agreements with LFUCG, prior to Urban County Council consideration of the application as well as, with all other taxing districts (such as, without limitation, the School Board, Lextran, and the Health Department) and the Lexington Public Library, prior to Economic Development Investment Board consideration of the application. Ad valorem taxes paid into the urban services district

fund (for refuse collection, streetlights, and street cleaning) and the parks fund will not be reduced.

For proposals seeking a leaseback arrangement that includes, at least in part, a residential use, the following must be included in the project:

(a) The project must be a mixed-use development generally compliant with the Intent (Sec. 28-1) language for mixed-use zoning categories contained in the Zoning Ordinance; and

(1) At least twenty percent (20%) of residential units must be dedicated in perpetuity to affordable housing. "Affordable housing" is defined as residential units with monthly rents no greater than thirty percent (30%) of the monthly income of a household earning eighty percent (80%) of the area median income. The maximum term of an IRB that complies with this subsection shall be fifteen (15) years; or

(2) At least twenty percent (20%) of residential units must be dedicated in perpetuity to workforce housing "Workforce housing" is defined as residential units with monthly rents no greater than thirty percent (30%) of the monthly income of a household earning between 80.01% and 100% of the area median income. The maximum term of an IRB that complies with this subsection shall be ten (10) years.

The applicant should note that any final determination will ultimately be made by LFUCG's Council and that the applicant would be responsible for completing all requirements contained in either these policies and guidelines or the inducement resolution prior to Council approval.

Salvage of Bonds

~~If the bonds are to be sold through private placements, a copy of the placement letter and financial commitment letter must be submitted with the application. The commitment letter must indicate the firm(s) with which the transaction will be placed. The commitment letter will serve as evidence that the lender has performed adequate due diligence and considers the bonds a sound investment. In case of a public offering, a copy of the purchase contract must be provided. This serves as evidence that the underwriter has performed adequate due diligence.~~

Issuing Fees⁵

Issuance Fee:	Amount
Issuance Fee to be paid by the by the conduit borrower to the Lexington-Fayette Urban County Government for the issuance of revenue bonds issued pursuant to KRS 103.200 to 103.285 (the "Act"), payable to the Lexington-Fayette Urban County Government upon issuance of the bonds or as soon thereafter as practicable.	Issuance fee .10 basis points with a minimum of \$10,000.00 and a maximum issuance cost of \$50,000.00. By way of example For a \$5,000,000 bond issuance the fee minimum is \$10,000.00. For a \$10,000,000 bond issuance the fee is \$10,000.00. For a \$25,000,000 bond issuance the fee is \$25,000.00 For a \$50,000,000 bond issuance fee is \$50,000.00. For a \$100,000,000 bond issuance the fee is capped at \$50,000.00.

Issuer's Bond Counsel Fees	Amount
<u>Issuer's Bond Counsel costs and fees associated with its work on behalf of the Lexington-Fayette Urban County Government to be paid by the conduit borrower/applicant and payable to Issuer's Bond Counsel within thirty (30) days of receiving a bill.</u>	<u>Actual fee or rate billed by Issuer Counsel.</u>

The Urban County Government shall not be responsible for any costs, fees, or expenses associated with the review or issuance of these bonds.

All required deposits and fees shall be waived for projects undertaken by the Urban County Government as applicant.

Bond Counsel

Because the issuance of these bonds is a legal process, and includes questions of local, state and federal law, the involvement of legal bond counsel for the applicant is required in all phases of discussion and approval. Due to the level of professional expertise required in the preparation of IRB/HB documentation, this process requires the use of experienced bond counsel. Selection of applicant's Bond Counsel shall be at the discretion and expense of the applicant. LFUCG's bond counsel shall be selected by LFUCG and shall be paid by applicant as provided above.

APPLICATION PROCEDURE AND ISSUANCE PROCESS

Anyone interested in exploring the feasibility of this type of bond financing for a project in Fayette County should first contact the Mayor's Office of Economic Development as further provided on LFUCG's website. Information on policies and procedures, with a standard application form, will be provided upon request.

Prospective applicants should submit a detailed proposal in the form of a letter of inducement addressed to the Mayor's Office of Economic Development specifying the characteristics of the project, including an estimate of the benefits to the community, an itemized cost/benefit analysis and a description of the public service impact of the project.

It is recommended that this initial contact be established. A pre-application meeting between the Mayor's Office of Economic Development and the applicant must occur at least ~~forty-fivesixty~~ (6045) calendar days in advance of ~~the formal~~ submission of the application, so that proper procedure and scheduling may be assured. No applications may be submitted prior to both this pre-application meeting as well as any internal meeting with taxing districts described below. -In particular, adequate time for staff review of all application material is required prior to sending the complete application through the formal review process.

For proposed leaseback arrangements, Mayor's Office of Economic Development shall also meet with other taxing districts (such as, without limitation, the School Board, Lextran, and the Health Department) and the Lexington Public Library to discuss the proposed project. This meeting must occur before the prospective applicant may meet with the other taxing districts/Lexington Public Library to begin negotiating Payment in Lieu of Taxes Agreements.

Applications shall not be considered for requests in an existing TIF zone.

Application Documents

Applicants ~~for financing~~ must complete and submit the number of paper and electronic copies specified by the Mayor's Office of Economic Development, with ~~the all~~ materials required in the application form.

An application deposit of \$2,500.00 must accompany the application.⁶ This is in addition to the bond issuance fee provided below; however, any amount of said application deposit not required to compensate LFUCG for necessary expenses incurred during review of the application will be credited or refunded to the applicant.

Along with the application, the Applicant shall provide the following:

- a. An independent audit and certified financial statement of the applicant or applicants for the most current completed year, prepared and certified by an independent certified public accounting firm. Audit statements prepared by an independent certified public accounting firm for the last three complete years are preferred.
- b. A letter from the proposed purchaser of bonds confirming its intent and evidencing its ability to purchase the bonds.
- c. Letters from at least two (2) institutional lenders stating whether conventional financing is available, and if available, upon what terms, including interest rates and other relevant data. The letters should also state the terms and conditions under which the lender evaluated the proposed project.
- d. Negotiated Payment in Lieu of Taxes ("PILOT") Agreements with LFUCG, as well as with all other taxing districts (such as, without limitation, the School Board, Lextran, and the Health Department) and the Lexington Public Library, if applicable. Failure to successfully negotiate a PILOT agreement with LFUCG, the other taxing districts, or the Lexington Public Library shall require the applicant to agree to pay the entity the entire ad valorem rate of the property which would be due if the property was not owned by the LFUCG (as determined utilizing the then existing ad valorem tax rate and the fair market value determined annually by the Fayette County Property Value Administrator), if issuance of the bonds is ultimately approved by the Board and the Urban County Council.

Sale of Bonds

- e. If the bonds are to be sold through private placements, a copy of the placement letter and financial commitment letter must be submitted with the application. The commitment letter must indicate the firm(s) with which the transaction will be placed. The commitment letter will serve as evidence that the lender has performed adequate due diligence and considers the bonds a sound investment. In case of a public offering, a copy of the purchase contract must be provided. This serves as evidence that the underwriter has performed adequate due diligence.

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Preliminary Staff Review

Staff review of the application includes, but is not limited to, completeness of the application, consideration of the associated economic benefits from the project, the credit worthiness of the applicant, the financial feasibility of the project, including but not limited to review of developer funding, the financing gap of the project, the project's feasibility, the developer's equity investment, the developer's management fee, the entire project capital stack, and the security for the bond.⁷ Upon completion of this review and staff's preliminary recommendation for approval, the application, and staff's comments and recommendations, shall be referred to the ~~IRB Committee~~ Economic Development Investment Board, ~~along with comments and a preliminary recommendation from staff.~~

IRB-Committee Economic Development Investment Board Review

Once the application is complete and has been reviewed by the staff, the Economic Development Investment Board ("Committee" or "EDIB")~~a Committee meeting will be scheduled meet~~ to consider the application. At least one week prior to each such meeting, public notice will be provided by LFUCG with additional notice sent to anyone that LFUCG staff believes also has a direct interest in the project. An official representative of the applicant, assisted by bond counsel, is required to be present at any Committee meeting where the applicant's application is considered.

The Committee shall establish its own procedures for reviewing the applications and for its meetings. In the evaluation of each project, the Committee will examine any factors relevant to the project, including, but not limited to, those same factors considered by LFUCG staff during its preliminary review as well as any state policies or guidelines related to such bond issuances.

The Committee will ultimately determine (by vote) whether to give the project a favorable or unfavorable recommendation. If the recommendation is favorable, the matter will be forwarded to the Urban County Council for review with the original application materials.

Inducement Resolution

If the ~~IRB-Committee~~EDIB recommends approval, LFUCG normally requires that an inducement resolution be prepared for consideration by the Urban County Council prior to its consideration of a bond ordinance related to the project. The applicant's bond counsel must timely prepare and submit the number of paper and electronic copies specified by LFUCG staff of the draft inducement resolution and memorandum of agreement. The inducement resolution and memorandum of agreement are an expression of intent by the Urban County Government to issue industrial revenue or housing bonds to finance the project in order to induce the company to develop its project within Fayette County. The inducement resolution and memorandum of agreement also set forth general terms and conditions of the loan arrangement and other matters pertaining to the project. An inducement resolution and memorandum of agreement may also be required before any expenditures are made for the project which may be reimbursed from the proceeds of the sale of the bonds.

LFUCG staff will place the resolution on the Council's agenda for discussion and, if approved, the resolution must normally receive readings at two separate formal meetings of the Urban County Council, with a reasonable opportunity for the public to comment on the project.

Bond Ordinance⁸

The final ~~legal~~ step prior to issuance of bonds is the passage of a Bond Ordinance by the Urban County Council, which ordinance, if passed, shall include: the loan agreement between LFUCG, the applicant, and any other necessary party(s), ~~and~~ a Mortgage Deed of Trust between LFUCG and the Trustee for the Bondholders (or similar equivalent security), and all legal requirements.⁸

The process for Bond Ordinance approval repeats the steps for the Inducement Resolution. The applicant must timely prepare and submit the number of paper and electronic copies of each document specified by LFUCG staff. LFUCG staff will place the ordinance on the Council's agenda for discussion and, if approved, the ordinance must normally receive readings at two separate formal meetings of the Urban County Council. The occasion of the second reading of the bond ordinance may also serve as the public hearing on revenue bond projects, if required by Federal law.

Approval by the Commonwealth of Kentucky

Certain specific projects are also required to be reviewed and approved by the Commonwealth of Kentucky through the Kentucky Private Activity Bond Allocation Committee pursuant to KRS 103.2101. An applicant is responsible for determining whether such review is required and for obtaining the necessary approval.

Alternate Issuer of Bonds

LFUCG has the authority to issue industrial revenue and housing bonds for all eligible projects located within Fayette County. Current state law provides that the Kentucky Economic Development Finance Authority may also issue such bonds at the request of the Urban County Government. No such request will be made without approval ~~of an Inducement Resolution~~ by the Urban County Council. ~~Therefore, all applicants for industrial revenue or housing bonds for projects in Fayette County must adhere to the procedures outlined herein.~~

ANNOTATIONS

4918-2759-2998, v. 5

¹ Ordinance No. ~~XX-2025~~, 203-80, as amended by Ordinance No.'s 59-81, 103-86, 237-93, 52-94, and 18-96; 180-2009; 152-2013; 160-2014, which amended Ordinance No. 152-2013; Ordinance No. 57-2017, which amended Ordinance No. 16-2014; and 26-2020.

² ~~Id.~~

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² The bonds are issued using the alternative procedures in KRS 103.215 which provide: "In the event of use of such alternative financing procedure, such bonds shall not constitute an indebtedness of such city or county within the meaning of the Constitution of Kentucky, but shall be payable as to principal and interest solely from the revenues derived from the revenues derived from payments, repayments, or sublease payments made by such person to such city or county in respect of such loan, sale or sublease." KRS 103.230(2) provides that "it shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city or county within the meaning of the Constitution."

³ KRS 103.215 authorizes alternative procedures for the purpose of financing the acquisition of an "industrial building." The government may issue bonds using a loan, lease, or installment sale in addition to obtaining fee simple ownership. KRS 103.215(2)(a) specifically authorizes a loan of the proceeds from the sale of the bonds to any person for the acquisition of an industrial building.

⁴ KRS 103.215(2)(b) provides that the loan and "any agreement or contract with respect thereto may include such provisions as such city or county shall deem appropriate to effect the securing of the financing undertaken in respect of such industrial building."

⁵ Ordinance No. 21-2021.

⁶ Id.

⁷ KRS 103.210 specifies certain items which must be included in the ordinance, including "the proposed undertaking, the maximum amount of bonds to be outstanding at any one (1) time, and the maximum rate of interest the bonds are to bear." The ordinance must also provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.285. The bond ordinance is effective only after publication of information about the transaction in an authorized newspaper.

⁸ ~~Ordinance No. XX-2025, Ordinance No. 203-80, as amended by Ordinance No.'s 59-81, 103-86, 237-93, 52-94, and 18-96; 180-2009; 152-2013; 160-2014, which amended Ordinance No. 152-2013; Ordinance No. 57-2017, which amended Ordinance No. 16-2014; and 26-2020.~~

8

⁸ ~~KRS 103.210 specifies certain items which must be included in the ordinance: "the proposed undertaking, the maximum amount of bonds to be outstanding at any one (1) time, and the maximum rate of interest the bonds are to bear." The ordinance must also provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.285. The bond ordinance is effective only after publication of information about the transaction in an authorized newspaper.~~

RESOLUTION NO. _____ - 2025

A RESOLUTION AMENDING RESOLUTION NO. 100-83 TO DESIGNATE THE ENTIRETY OF LEXINGTON-FAYETTE COUNTY'S URBAN SERVICE BOUNDARY, AS IT MAY BE AMENDED FROM TIME TO TIME, AS A "DOWNTOWN BUSINESS DISTRICT" PURSUANT TO KRS 103.200 ET SEQ. RELATING TO INDUSTRIAL REVENUE BONDS, SOLELY FOR THE PURPOSE OF PROVIDING FOR THE ISSUANCE OF SUCH BONDS WHERE PROJECTS WOULD AID IN THE AREA'S REVITALIZATION OR DEVELOPMENT.

WHEREAS, the Lexington-Fayette Urban County Government is authorized, pursuant to KRS 103.200 et seq. to issue industrial revenue bonds for projects which meet the criteria contained therein; and

WHEREAS, one category of activities for which KRS 103.200 et seq. provides for issuance of such bonds is any activity, including new construction, designed for revitalization or redevelopment of downtown business districts as designated by the issuer; and

WHEREAS, it is the intent of the Lexington-Fayette Urban County Government to provide for issuance of industrial revenue bonds where a proposed project would aid in the revitalization or redevelopment within Lexington-Fayette County's Urban Service Boundary.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the area of Lexington-Fayette County inside Lexington-Fayette County's Urban Service Boundary, as it may be amended from time to time, the current Urban Service Boundary being shown on the attached map, which map is incorporated herein by reference, shall be and hereby is designated pursuant to KRS 103.200 et seq.

as a “Downtown Business District” for Lexington-Fayette Urban County Government solely relative to the issuance of industrial revenue bonds.

Section 2 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

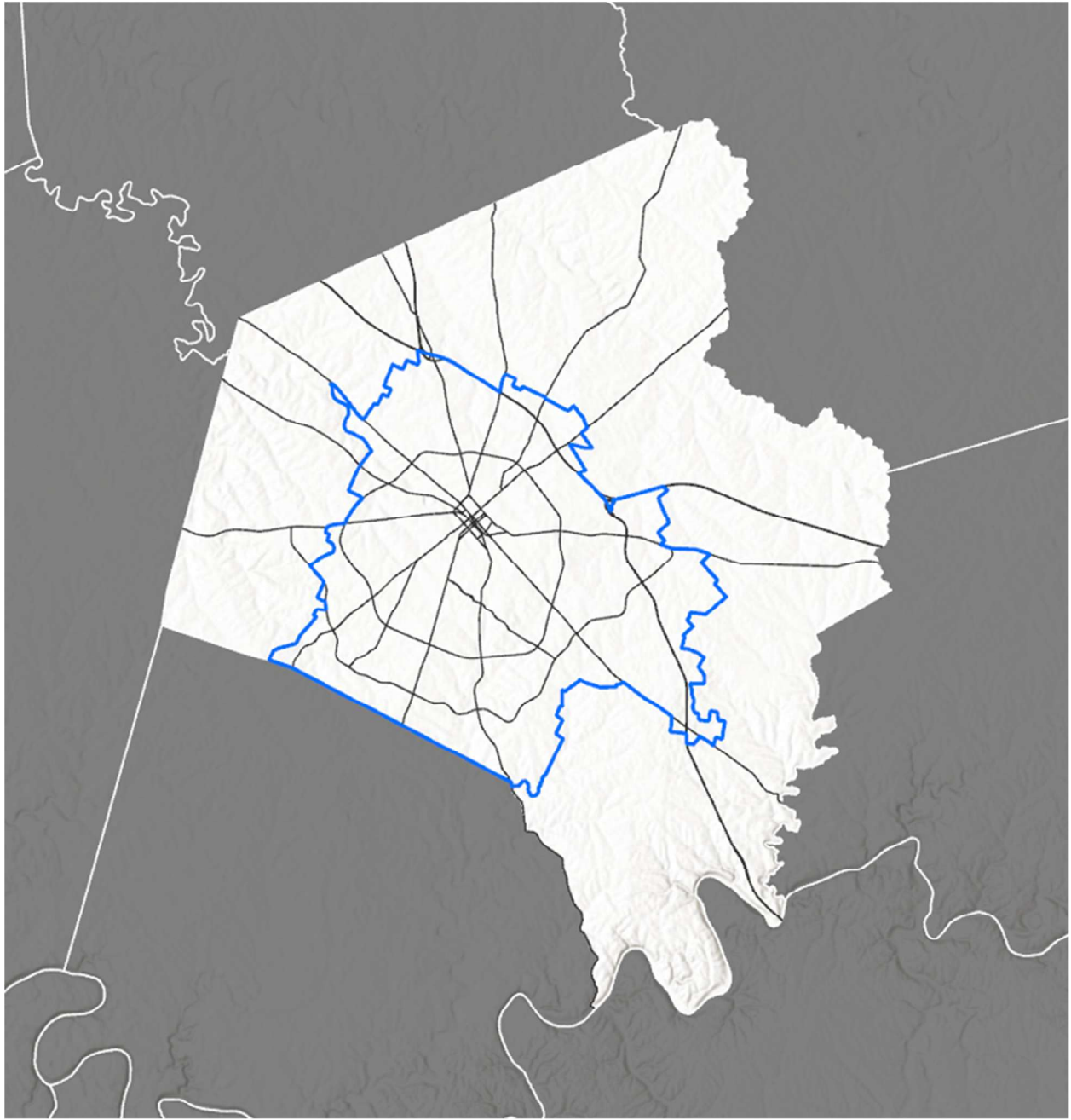
ATTEST:

Mayor

Clerk of the Urban County Council

4914-6271-0361, v. 1

EXHIBIT
LEXINGTON-FAYETTE COUNTY URBAN SERVICE BOUNDARY



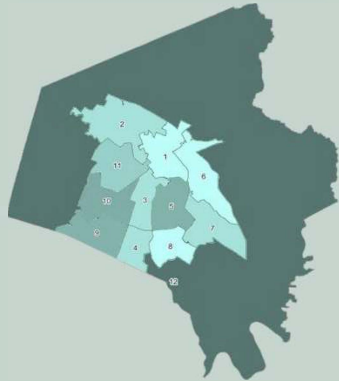


Annual Report 2024

Presented by: Aaron Clark
Chair, Fayette County Conservation District

Performance Highlights of 2025

Executive Summary



Program Support

1,323 individual projects across all 12 council districts were installed and completed through FCCD program assistance.

Outreach

62%

62% First -Time Applicants

The majority of program applicants were utilizing FCCD financial assistance for the first time.



Urban Impact

889 conservation projects took place inside the Urban Service Boundary.

Breakdown of Revenue

\$362,682.72 Millage and Delinquent Tax

.001% of Fayette County property taxes ad valorem.

58%

3%

\$16,001.19 Other Revenue

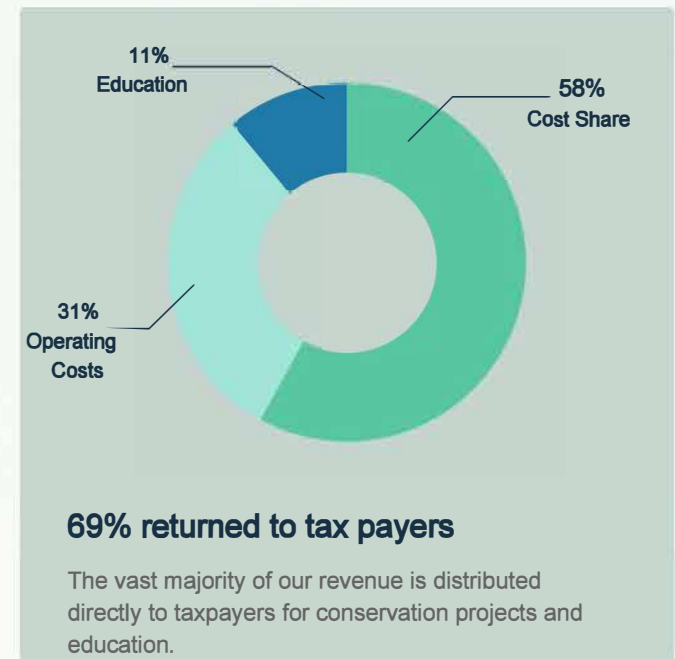
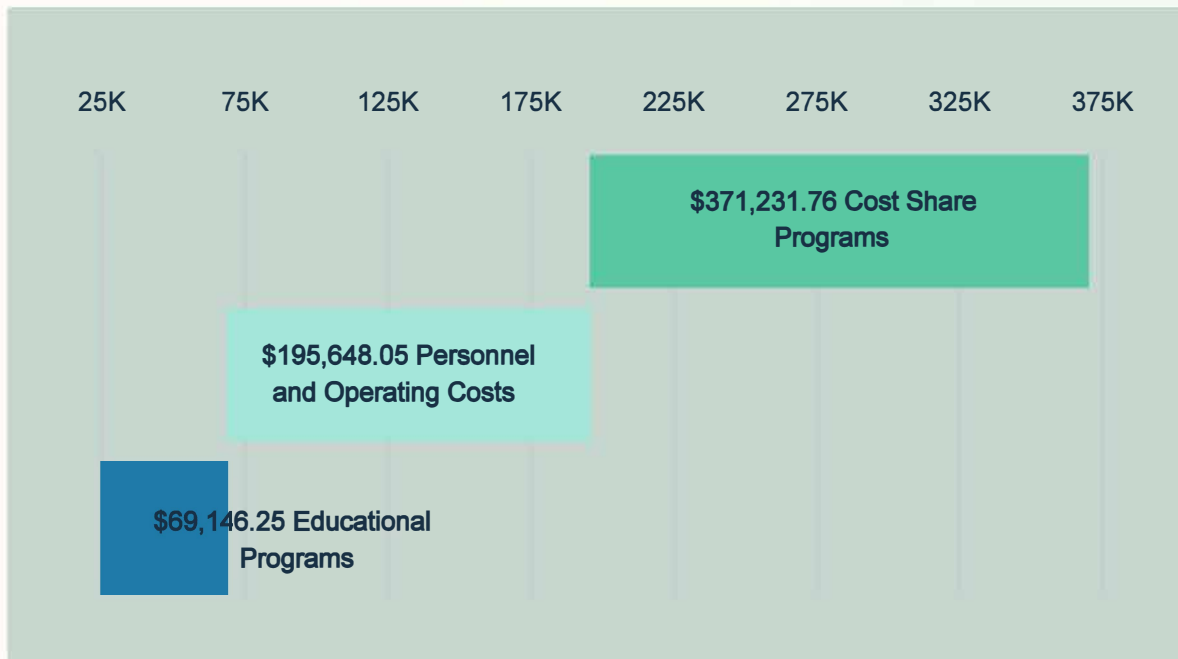
Revenue from renting FCCD-owned farm equipment, donations, and earned interest.

39%

\$237,237.05 Intergovernmental Revenues

Tobacco Settlement funding from the Kentucky Agricultural Development Board and Division of Conservation.

Analyzing Expenses



795

soil samples
analyzed



714

acres of cover
crop planted

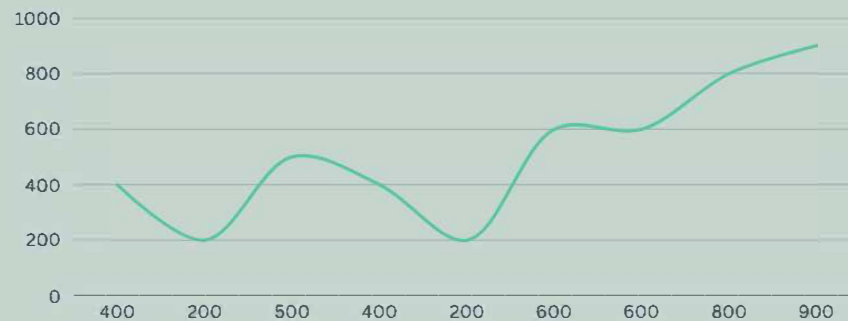


7.2k

square feet of
heavy -use
area installed



Agricultural Investment

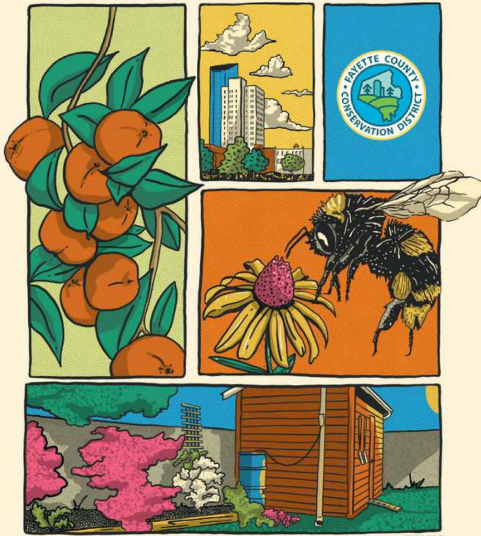


County Agricultural Investment Program

63 Agricultural producers completed 89 diversification projects in 12 different investment categories, spending \$934,797.89 and receiving \$227,894.89, all thanks to the Kentucky Agricultural Development Fund.

Impacts to the Urban Environment

FAYETTE COUNTY CONSERVATION DISTRICT'S



2025 BACKYARD CONSERVATION PROGRAM

212 Food Production Projects

30% of all Backyard Conservation Projects were related to food production, including 13 apiaries augmented and 10 poultry operations being added or enhanced.



Backyard Conservation Program

\$47,423.95

288 individuals participated in the Backyard Conservation Program and completed 627 individual projects that cost a total of **\$132,390.09.**

- 178 Raised bed vegetable gardens installed
- 161 Soil amendments applied
- 93 Pollinator gardens planted
- 62 Native trees or shrubs planted
- 32 Rain barrels installed
- 32 Rain gardens planted
- 24 Composters established
- 16 Lawns diversified
- 15 Wildlife habitats established
- 6 Container vegetable gardens planted
- 5 Greenhouses constructed or repaired
- 3 Permeable areas established



of soil samples were analyzed in urban areas

55%

Education and Outreach



Conservation & Education Grant

\$36,455 was awarded to 21 applications based on a ranking criteria that prioritized new applicants.



Seasonal Scholarship Program

\$12,500 was awarded to 10 students who are permanent residents of Fayette County based on a conservation essay graded by a scoring rubric.

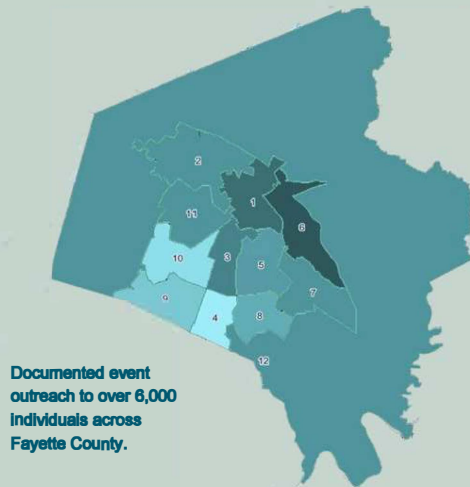


Jim Claypool Art & Writing Contest

\$1,000 awarded to the top three winners in both the art and essay contests and the teachers of the winning students.

Future Prospects

Build following, program participation, and attend events across all council districts.



Plan of Work

FCCD is committed to ongoing objectives aimed at enhancing public relations, broadening outreach efforts, and refining programs. fields.



Agroforestry Initiative

FCCD plans to highlight the local need for financial and technical support in agroforestry, request federal funding assistance, and establish a network for local farmers to share best practices and innovations in agroforestry.

Final Thoughts



Contact Us
support@kyfccd.com



Follow our Progress
www.kyfccd.org

THANK YOU to Our Stakeholders!



LEXINGTON

The Plan for Lexington's New Government Center

Council Work Session
September 16, 2025

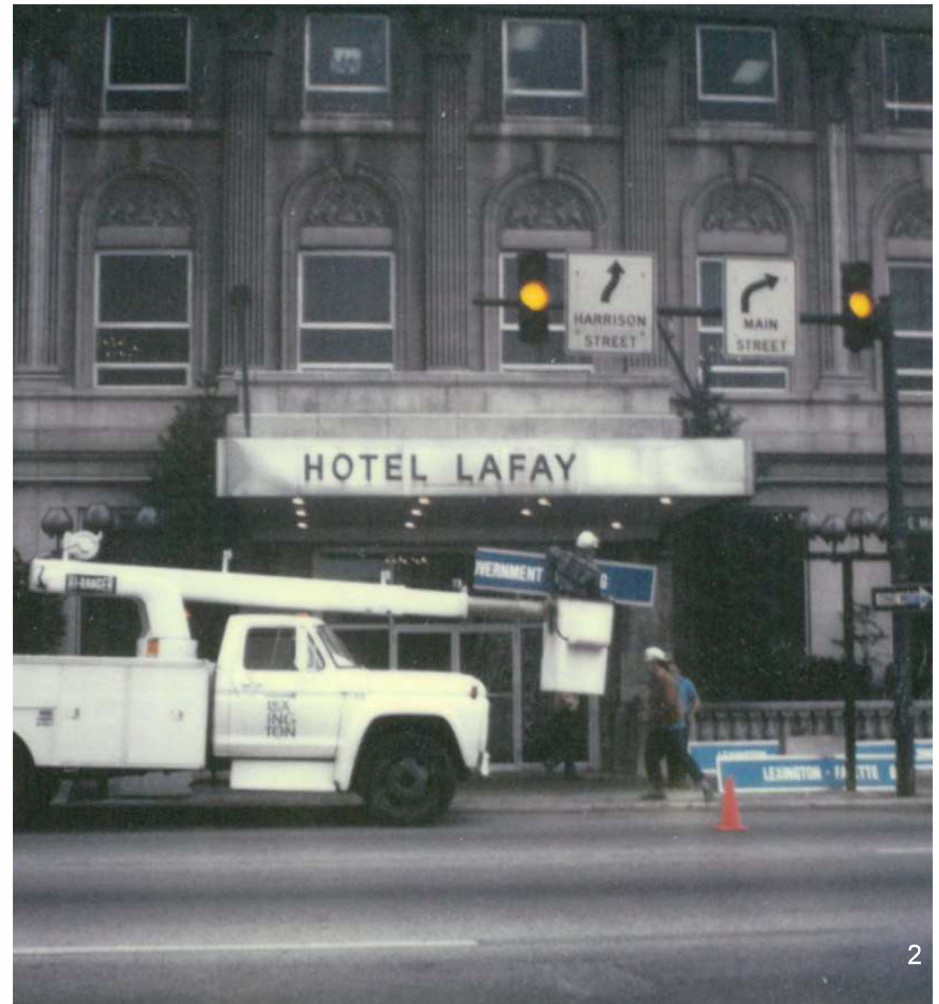




Legacy of 200 E. Main Street

- Lafayette Hotel opened in 1920
- City-County Merger vote in 1972
- Purchased by Lexington-Fayette Urban County Government in 1982
- LFUCG move-in 1984

This space has served us continuously for 40 years as the local government's headquarters, but it was never intended to be permanent.





Our Building's Current Condition

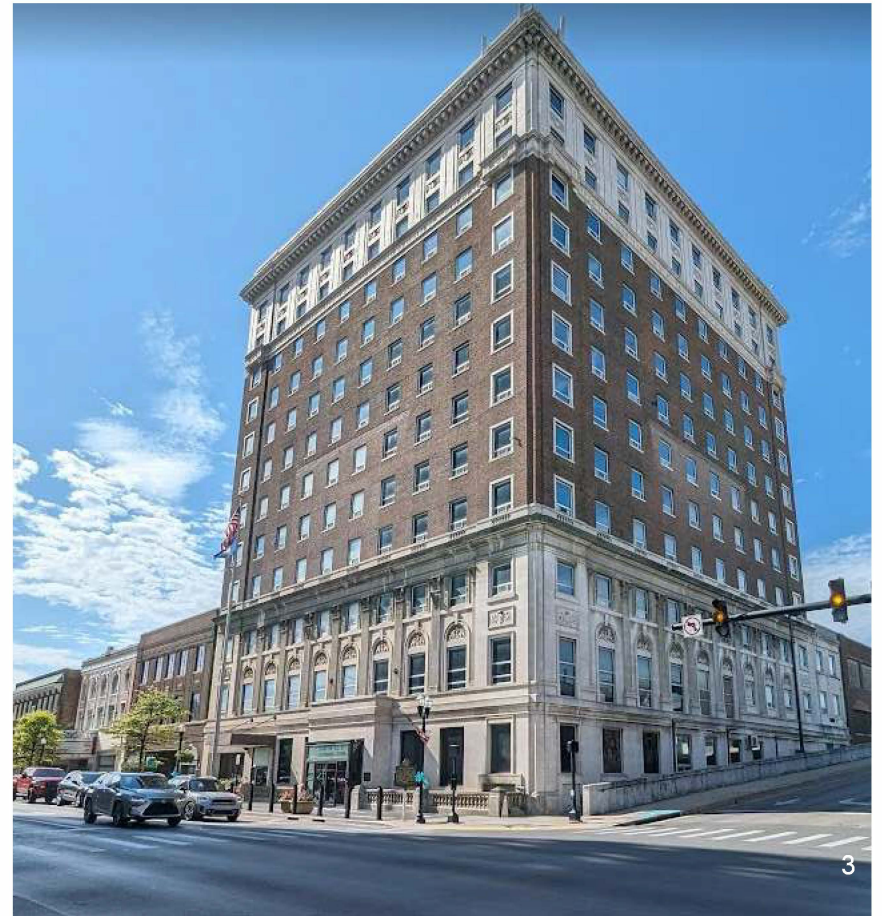
The historic building has accessibility challenges, costly capital improvement forecasts, lacks modern systems and amenities, and has space limitations for public meetings

Estimated Deferred Maintenance Costs: \$55M

Recent Major Capital Improvements Total: \$4.35M

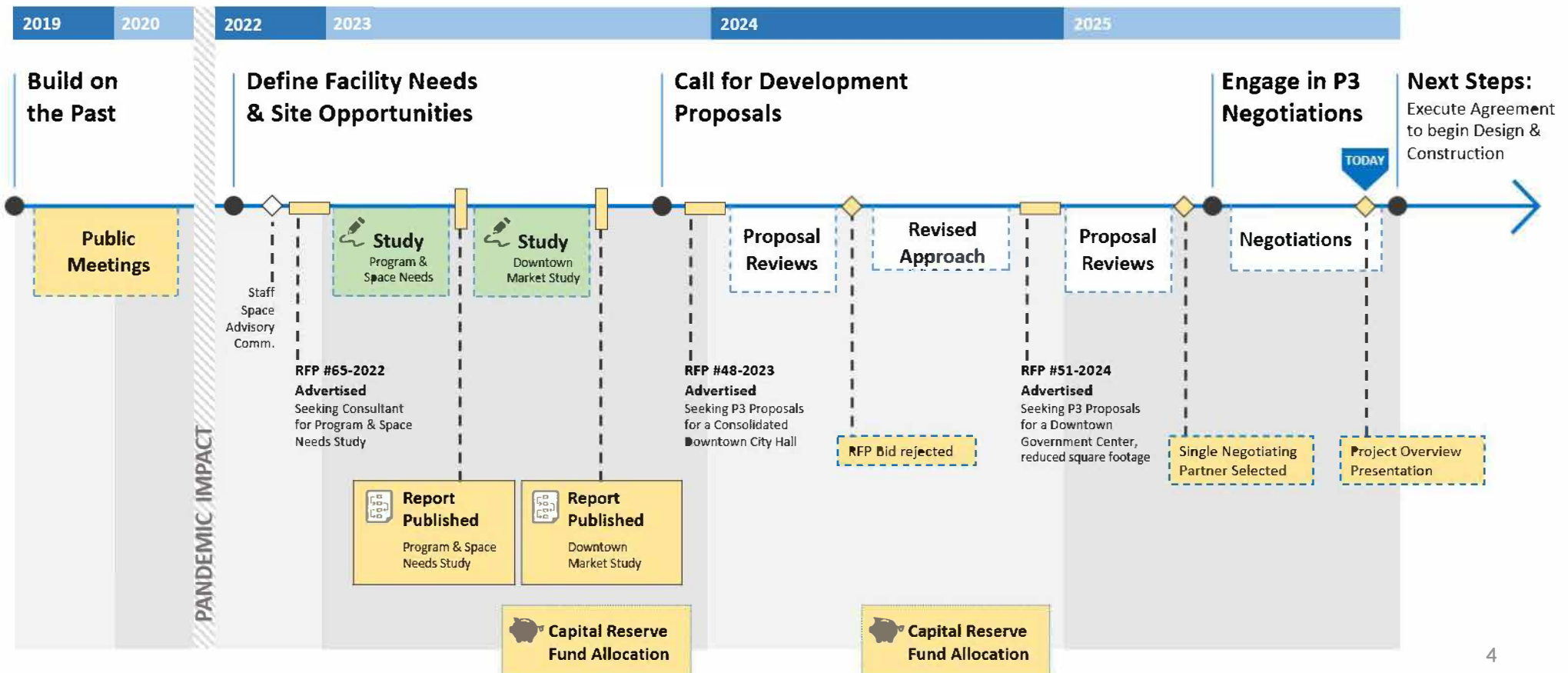
FY18- FY24

- Generator Replacement
- Envelope Repairs
- Elevators
- Parking Garage
- HVAC





LFUCG's More Recent Pathway to a New Government Center





A New Approach- Lessons Learned & Progress Made

Revision

- ✓ Reduced building footprint to minimum 100,000 sf
- ✓ Fiscal priority to contain project development costs
- ✓ Keep Phoenix Building; leverage to support new Govt Center.

Research

- ✓ Programming & Space Needs Study (2023)
- ✓ Downtown Market Study (2023)
- ✓ Retained
 - P3 Legal Counsel: Frost Brown Todd
 - Financial Advisors: Baird

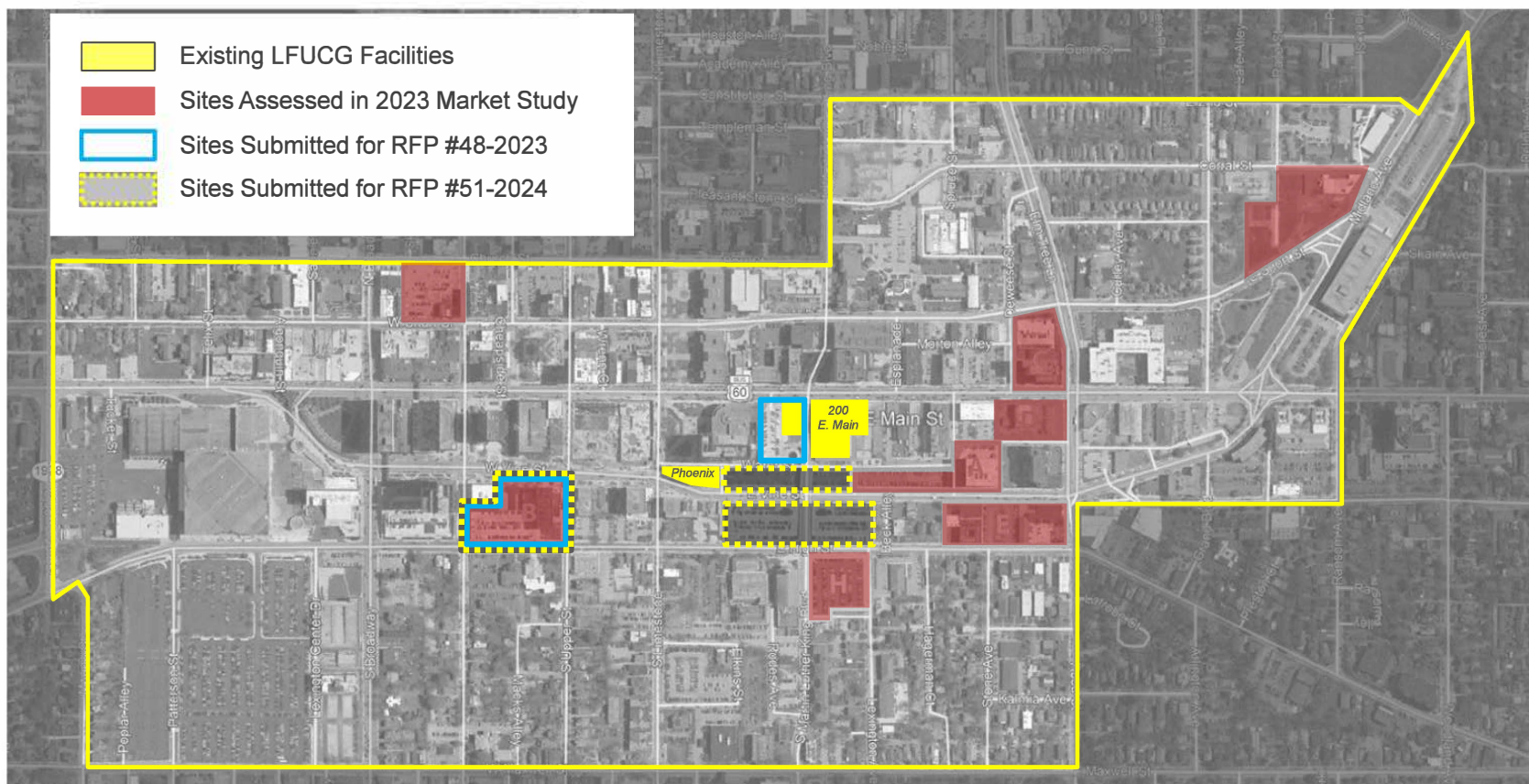
Resources

- ✓ Project Development: Cash Reserves
- ✓ Real Estate Holdings (potential disposable)
- ✓ Leadership: Administration & Council





Downtown: The Heart of Lexington, The Home of Government





Request for Proposals: Open & Transparent Procurement Process

RFP #51-2024

Advertised September 27 – December 4, 2024

- 3 proposals received
- 10 selection committee meetings held
- 2 presentations & site visits with each proposer

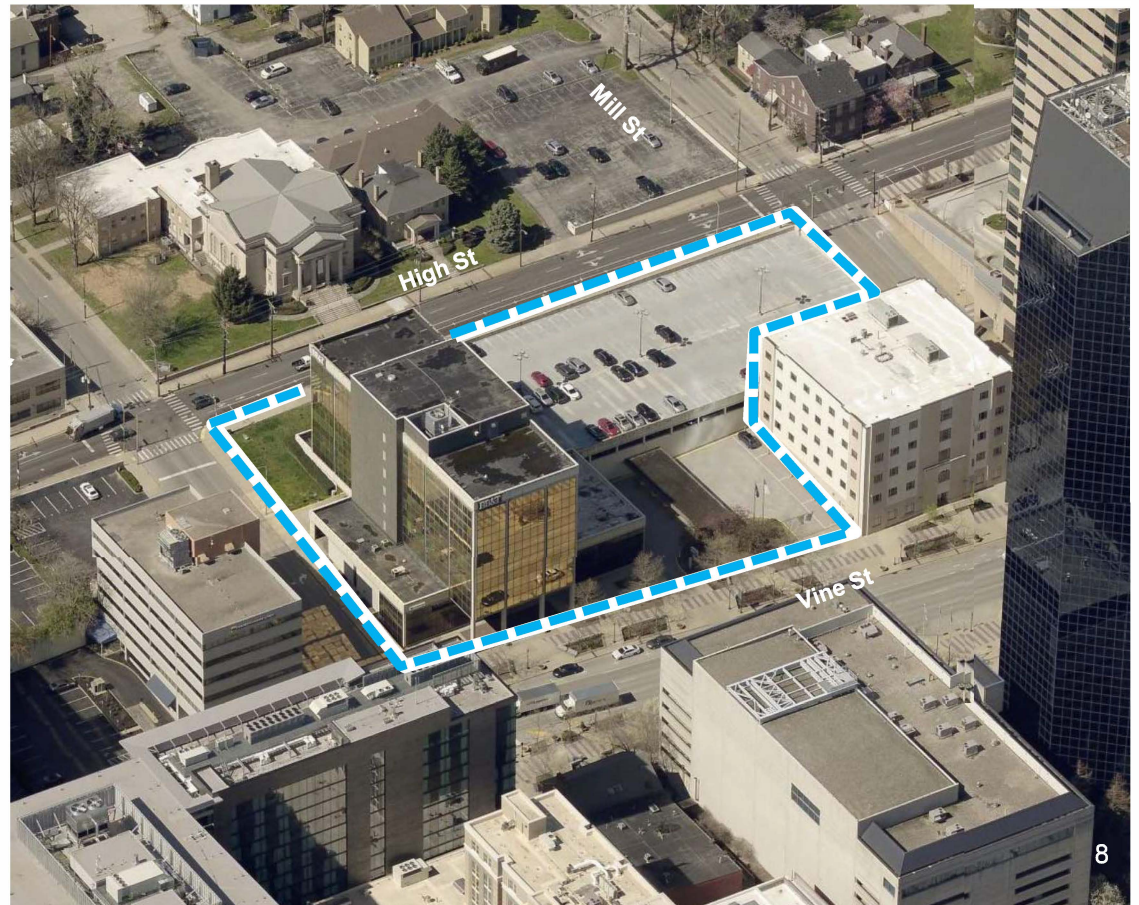
April 2025: selected a Single Negotiating Partner that reflected the strongest, most shovel-ready option

- Lexington Opportunity Fund
- 200 W. Vine Street
(building & parking garage)



Our Vision: A Civic Home for the Future at 200 W. Vine Street

- **Inclusive & Safe:** Open to all, with well-being at the core
- **Efficient & Functional:** Designed for productivity and seamless service
- **Community Hub:** Welcoming spaces for dialogue, service, and connection
- **Downtown Anchor:** Connecting government and community
- **Trusted Landmark:** A symbol of Lexington's pride and transparent government



A Center for the Community

Goal: Make public spaces the heart of the building, creating a civic front door that invites community gatherings, meetings, and civic participation.

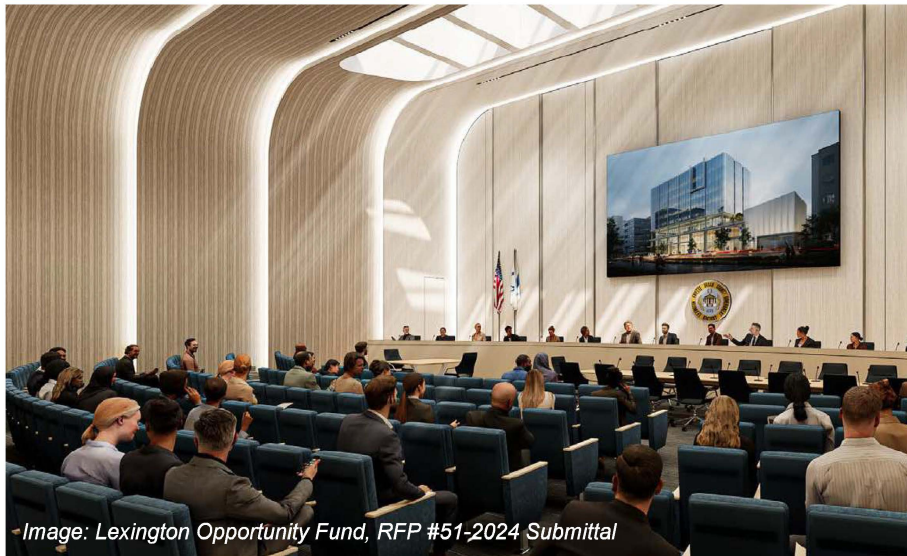


Image: Lexington Opportunity Fund, RFP #51-2024 Submittal

The first two floors will include:

- **Welcoming Lobby:** A gallery and event space that reflects our city and invites residents in
- **Community Rooms:** Flexible spaces for groups of all sizes to meet and gather
- **Council Chamber:** Accessible, modern, and big enough so everyone has a seat



Welcoming & Accessible to All

Goal: Ensure every employee and visitor, regardless of ability or background, can easily navigate, participate in, and feel at home in their government center.

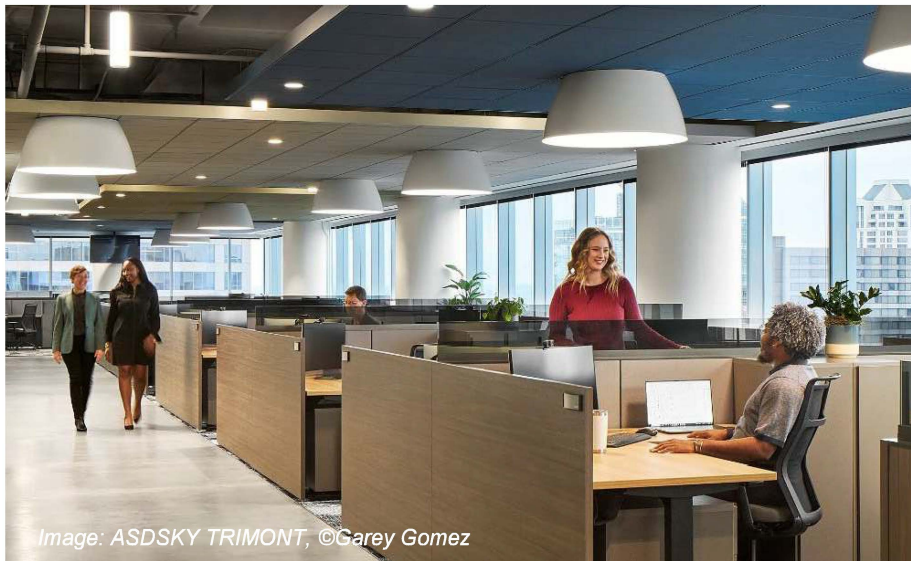


- **Universal Design:** Going beyond ADA to make the building usable for everyone
- **Easy-to-Navigate:** Clear layout so people can move through without confusion
- **On-site Parking:** Convenient access for all visitors



Healthy, Safe, Productive Workplace

Goal: Provide LFUCG employees with a safe, modern, and collaborative environment that supports their well-being and improves service to residents.



- **Healthy Spaces:** Natural light, clean air, and safe design boost well-being
- **Collaboration:** Shared hubs and meeting rooms build teamwork across departments
- **Safe Design:** Controlled access and modern offices keep staff and visitors secure
- **Service:** Investing in staff means better service for Lexington residents



Sustainability & Environmental Stewardship

Goal: Build a government center that lowers costs, reduces environmental impact, and sets a visible example of sustainability for our community.



- **Efficient:** Smart systems cut energy costs and save taxpayer dollars
- **Healthy:** Natural light and clean air benefit employees and visitors
- **Built to Last:** Durable materials reduce maintenance and extend the life of the building





The Time is Now for a new Government Center

One that is safe, inviting, accessible and functional

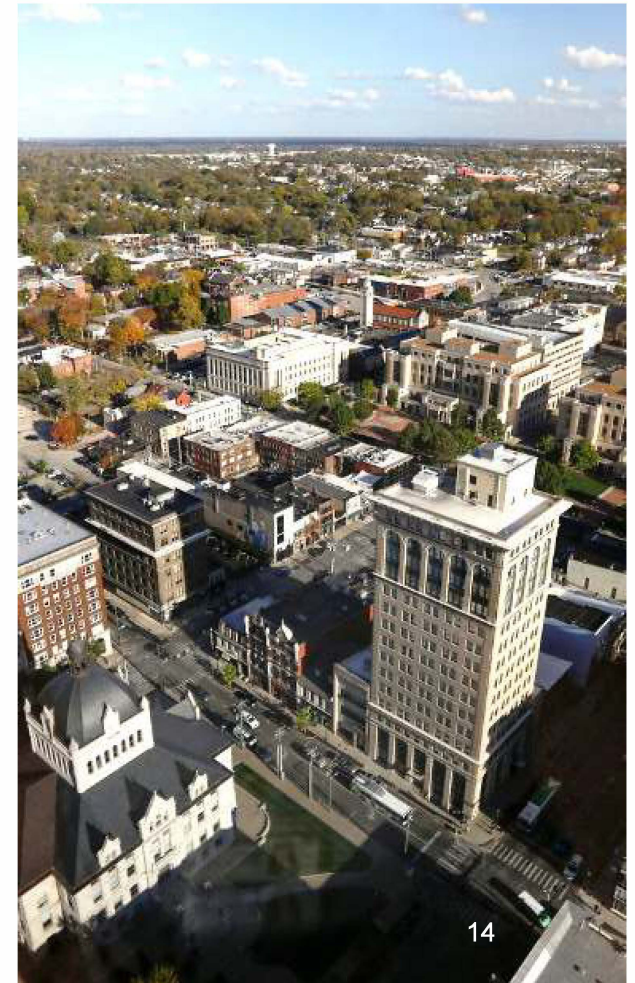
- **Past Efforts:** Previous attempts laid the groundwork for current success
- **Thoughtful & Methodical:** We continue to be committed to a careful, step-by-step process
- **Shovel-Ready:** The project is ready to move forward now
- **Responsible:** Investment does not take away from other local priorities
- **Future-Focused:** Solves a decades-old problem and delivers a civic home for residents, community, and employees for generations to come



Public-Private Partnership (P3)

Goal: Leverage private expertise and investment to deliver Lexington a modern Government Center efficiently and responsibly.

- **Shared Risk:** Public and private partners share risks and responsibilities
- **Cost Savings:** Lowers LFUCG's total life-cycle costs and spreads investment over time
- **Faster Delivery:** Private expertise and a design-build, phased approach delivers the project more quickly
- **Higher Quality:** Best value selection and private expertise provides higher quality facilities
- **Focused Government:** Allows LFUCG to focus on serving residents while partners manage development





Key Next Steps & Opportunity

- Continue & finalize negotiations with our single negotiating partner
- Request Council authorization to execute a P3 agreement
- Ensure the design phase will be shaped by engagement with the public, staff, & Council
- Goal to break ground and begin project in 2026



**LEXINGTON**

Lexington's New Government Center

*This is more than a building, this is a lasting investment in
our people, our employees, and our future*

Stay up to date on the project by visiting
Lexingtonky.gov/GovernmentCenter



Thank You

Questions?

