

# **PURCHASE OF DEVELOPMENT RIGHTS & RURAL LAND MANAGEMENT BOARD**

*Annual Update to the Mayor and Council*

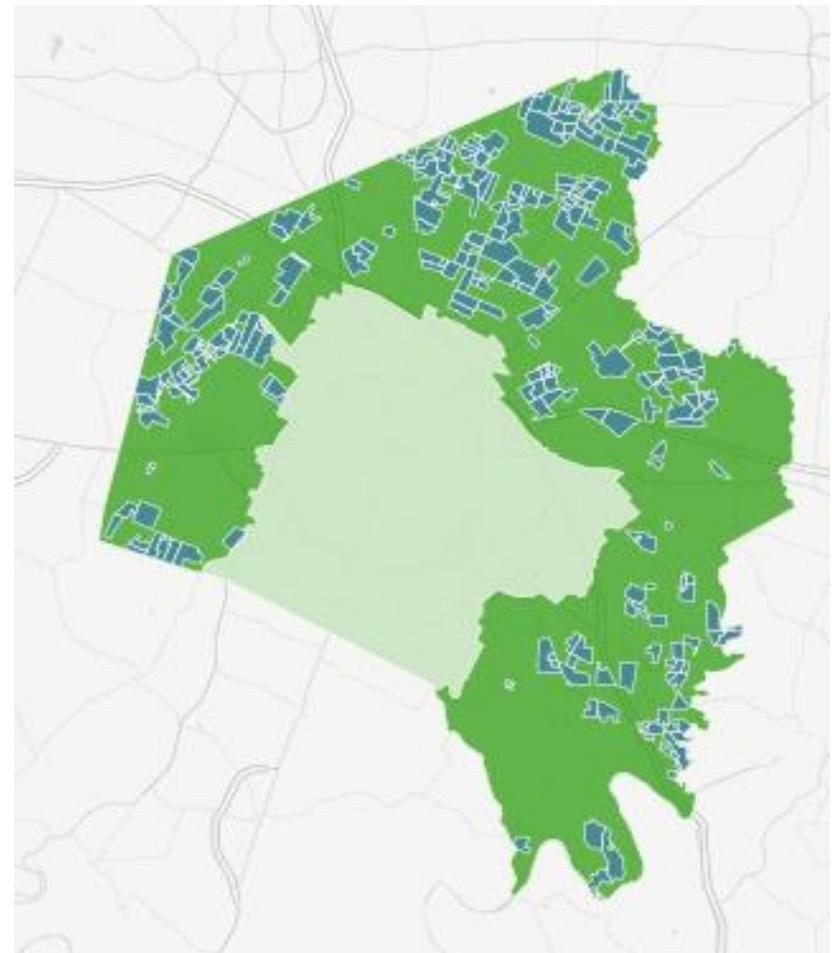
*October 27, 2020*



**LEXINGTON**

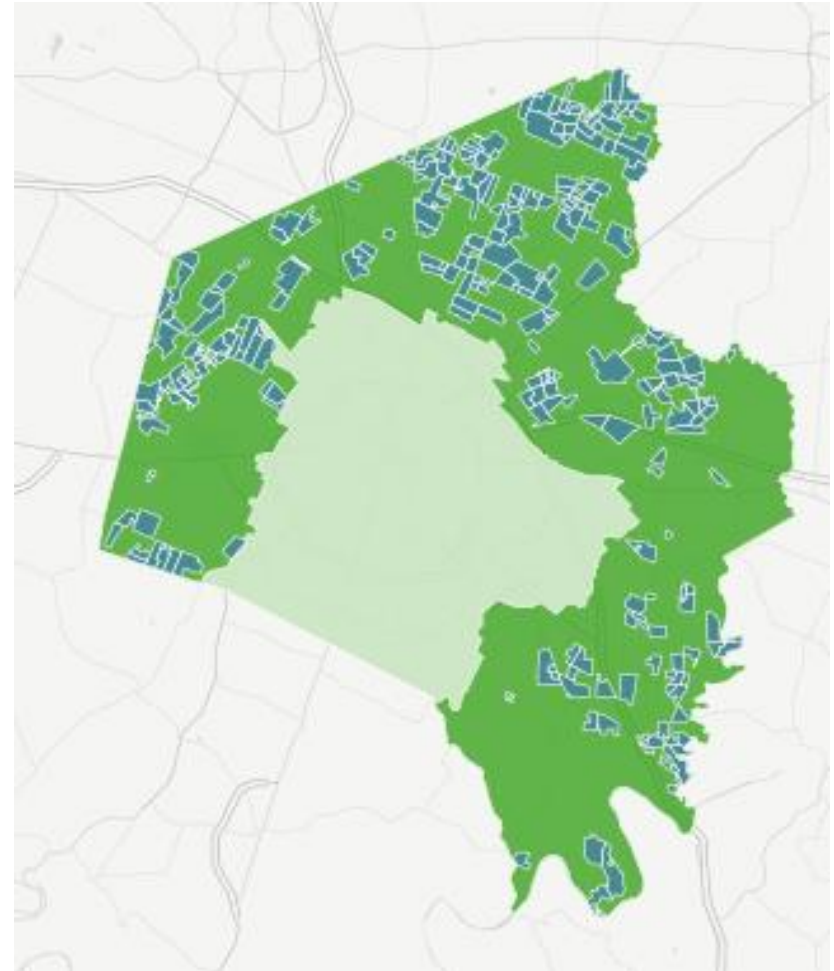
## PDR Program Background

- The PDR Program was created in the year 2000 to protect the general agriculture, equine, and tourism industries and the numerous businesses that support those industries, as well as the cultural Bluegrass landscape.
- The program was created in conjunction with the Comprehensive Plan Update, the Expansion Area Master Plan, and the Rural Land Management Plan, and included changing the minimum lot size in the Rural Service Area (RSA) from 10 to 40 acres.
- The established Program goal is to purchase easements on 50,000 acres of farmland in the Rural Service Area.



## PDR Program Background

- A group of 26 community members representing multiple facets of industry, government, and conservation met regularly for two years to develop the PDR Program, and were known as the “Implementation Committee”.
- The 16-member Rural Land Management Board was created to govern the program and is comprised of representatives from the groups who served on that Committee, as well as three Council-appointed seats newly added in 2019.





## Rural Land Management Board, Inc.

- **Gloria Martin, Chair**
- Robert James, Vice-Chair
- Philip Meyer, Treasurer
- Dennis Anderson
- Hannah Emig
- Margaret Graves
- Phil Hager
- Greg Harbut
- Elisabeth Jensen
- Will Mayer
- Thomas Owen
- Mary Quinn Ramer
- Christine Stanley
- Jennifer Mossotti
- Beau Neal
- Ian Young

### **Fayette County Neighborhood Council**

- Fayette County Farm Bureau
- Fayette County Farm Bureau
- Home Builders Association of Lexington
- Lexington Bluegrass Association of Realtors
- Land Conservation Group
- Kentucky Thoroughbred Association
- Council-Appointed Seat
- Council-Appointed Seat
- Kentucky Thoroughbred Association
- Commerce Lexington
- Lexington Visitors and Convention Bureau
- Historic Preservation Group
- Non-Voting, Urban County Council Member
- Non-Voting, Fayette Cooperative Extension
- Non-Voting, USDA-NRCS



## Parcel Ranking Process

- Any parcel in the A-R Zone that is at least 20 acres qualifies for easement purchase
- Parcels are ranked using a Land Evaluation & Site Assessment (LESA) provided in Section 26-10 of the Code of Ordinances that includes:
  - Size of parcel
  - Quality of Soils
  - Length of Public Road Frontage
  - Proximity to other PDR farms which builds critical mass
  - Farming Activities & Production
  - Agricultural Improvements
  - Environmentally Sensitive Areas
  - Designated Rural Greenways
  - Designated Focus Areas
  - Natural Protection Areas & Wildlife Habitats
- Links to Parks nature preserves, nature sanctuaries, etc.
- Historic and Cultural Resources including those designated for National Historic Register
- Designated scenic view sheds and other scenic resources such as tree canopies
- Designated state and local scenic byways and historic turnpikes
- Elimination of Undeveloped Non-conforming Tracts
- In addition, negative points are awarded for parcels in Sewerability Categories 1-4 and close proximity to the Urban Services Area
- Also, any farm 1-19 acres in the A-R Zone may apply for donation to the PDR Program



## Program Funding

- The PDR Program was granted a one-time matching gift of **\$15,550,000** from the Kentucky Tobacco Settlement Funds that was provided incrementally during the first 10 years of the Program.
- The federal government has provided **\$26,039,740** in matching funds to protect the high quality of soils and the economic and security benefits of conserved farmland.
- The total provided by our farmland conservation partners is **\$41,589,740**, thereby surpassing the LFUCG investment of **\$38,443,744** by **\$3 million**
- Leveraging local funding has enabled the Rural Land Management Board to purchase easements on **29,386 acres**, in addition to holding easements on **1,166 acres** that were donated.



## Benefits of Farmland Conservation

- A 2017 UK College of Ag study showed the ag cluster in Fayette County had an annual impact of **\$2.3 billion** and provided **1 in 12 jobs**, having contributed **\$8.5 million** to the local tax base and an additional **\$1.3 billion** in income, profits and dividends.
- In addition, the University of Kentucky also stated that the Kentucky Equine Industry had an annual **\$3 billion** impact to our state. Lexington is the **“Horse Capital of the World”** and home to the Kentucky Horse Park, Red Mile, Keeneland, and Fasig-Tipton, in addition to numerous working farms.
- We are also home to the **Bluegrass Stockyards** which is the largest stockyard east of the Mississippi River, and the state of Kentucky is the largest beef producer east of the Mississippi and home to **1.02 million beef cows** per the USDA. In addition, the Bluegrass Stockyards has been a tourist destination with its beautiful new facility.



## New Farm Easements in 2020

- The Rural Land Management Board purchased three new easements totaling **190.484 acres**
- Each farm is adjacent to another conserved farm, thereby increasing areas of critical mass
- Of these three farms, 2 are used for general ag and/or cattle, and 1 is used for equine
- The total cost of these easements was **\$637,245.60**
- The federal USDA Natural Resources Conservation Service share was **\$318,363.60**, which was provided through the 2014 Farm Bill
- The Rural Land Management Board's share was **\$318,882.00**, thereby allowing them to acquire 190.484 acres at a local cost of only **\$1,674.06** per acre



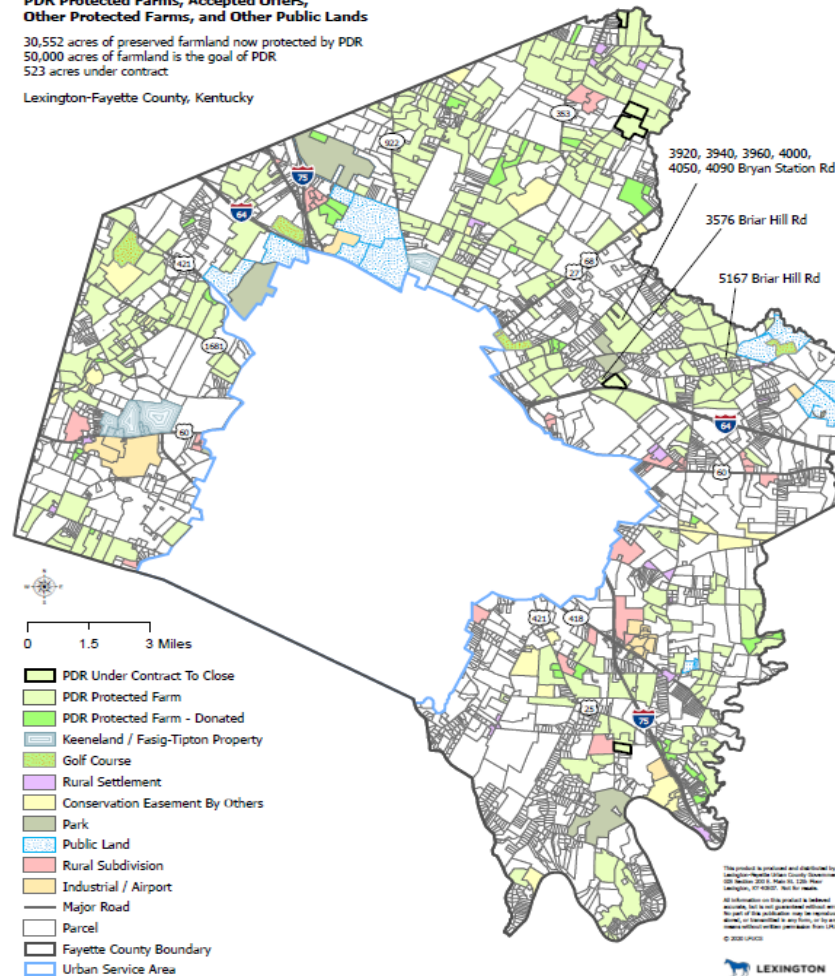


# Map of PDR Farms

## PDR Protected Farms, Accepted Offers, Other Protected Farms, and Other Public Lands

30,552 acres of preserved farmland now protected by PDR  
 50,000 acres of farmland is the goal of PDR  
 523 acres under contract

Lexington-Fayette County, Kentucky



# Farm 3-2017

## 4000 Bryan Station Road

- ▶ This 141.9 acre farm known as Loman Hill Farm is owned by Susan Wagers Weisenberger and David Wagers
- ▶ The farm has been in their family for multiple generations and their Mother died approximately 4 years ago, and it was her wish the farm be conserved by PDR
- ▶ They consolidated 7 adjacent tracts for PDR, 5 of which were less than 20 acres
- ▶ This farm has over 2000' frontage on a designated Scenic Byway
- ▶ This farm contributes to over 650 acres of contiguous PDR farmland







# Farm 8-2013

## 3576 Briar Hill Road

- ▶ This is a 28.58 acre farm owned by Chris Kopitzke and Sarah Donaldson
- ▶ They currently have a 19 cow/calf operation and 4 bulls
- ▶ They also have wildlife onsite and will be working with NRCS to establish a 2-acre wildlife habitat
- ▶ The farm has a soil score of 99.52%, including 53.49% of Prime Farmland Soils
- ▶ It is adjacent to an 85-acre farm under contract with PDR, in addition to backing up to Hisle Farm Park







# Farm 4-2017

## 5167 Briar Hill Road

- ▶ This is a 20.004 acre farm owned by Chad Walker and connects to his 83-acre farm he conserved via PDR in 2004
- ▶ The farm has a soil score of 100%, including 96.1% of Prime Farmland Soils
- ▶ The farm is used for general ag and contributes to a critical mass of over 1,000 acres of PDR conserved farms











## One Application Withdrawn

Application Number	Acreage	Status
7-2012	40	Withdrew PDR contract due to farm sale. Reimbursed the Rural Land Management Board for expenses including appraisals and legal fees.
<b>Total Acreage =</b>	<b>40</b>	

## Cumulative Conserved Farms and Acreage

- With the addition of these three farms, there are now **280 Farms** totaling **30,552 acres** permanently conserved by the Rural Land Management Board
- Of those farms, **37** have been donated and their acreage totals **1,166**





## New Farms Under Contract & Federal Program Changes

- The 2018 Farm Bill was signed into law on December 20, 2018 after being passed by both Houses of Congress
- This Farm Bill authorized \$450 million annually for the matching program utilized by PDR, an increase over the 2014 Farm Bill funding
- Though the Bill was passed in 2018, the updated Minimum Terms for easements were issued in 2020 and require the submission of a new easement template
- The Rural Land Management Board and PDR staff worked diligently with their attorneys to draft a template that incorporates the new Minimum Terms, and have submitted it to the USDA Natural Resources Conservation Service (NRCS) for approval
- Upon approval, the template will be used for the federally funded farms under contract and those newly funded

## 5 Federally Matched Farms Under Contract to Close upon Approval of Easement Template

Application Number	Acreage	Status
2-2018	<b>207</b>	Under Contract to Close
5-2018	<b>107</b>	Under Contract to Close
4-2018	<b>60</b>	Under Contract to Close
6-2018	<b>86</b>	Under Contract to Close
3-2018	<b>63</b>	Under Contract to Close
<b><i>Total Acres =</i></b>	<b><i>523</i></b>	



## 2020 PDR Applications & Federal Grant Application

- The PDR Program held its annual application cycle in February 2020 and received **13 applications totaling over 2,000 acres**, the largest number of applicants in over ten years
- Much of this success can be attributed to the leadership of Board Chair, Gloria Martin, who formed an Applications and Donations Committee in 2019 to focus on recruitment and the application process. She also leveraged relationships to recruit new applicants and encouraged other board members and PDR farm owners to do the same
- Upon receipt of these 13 applications, the PDR staff and Chair Martin worked swiftly with the new applicants to complete and submit all required documents for the federal application, which was due in early April
- In late September of this year, we received the great news that 8 of the 13 farms have been funded by NRCS
- The remaining 5 farms are pending approval by NRCS upon the verification of compliance with Farm Services Agency and IRS guidelines, the latter of which must be done at the national level



## 8 New Federally Matched Farms

Application Number	Acreage	Status
4-2020	<b>1,172</b>	Appraisal in Progress
11-2020	<b>55</b>	Appraisal in Progress
8-2020	<b>67</b>	Appraisal in Progress
9-2020	<b>140</b>	Appraisal in Progress
5-2020	<b>21</b>	Federal Match Awarded
13-2020	<b>40</b>	Federal Match Awarded
6-2020	<b>30</b>	Federal Match Awarded
1-2020	<b>164</b>	Federal Match Awarded
<b><i>Total Acres =</i></b>	<b><i>1,689</i></b>	





## 5 Farms Pending on Federal Match Application

Application Number	Acreage	Status
10-2020	<b>95</b>	Active Application
12-2020	<b>41</b>	Active Application
3-2020	<b>102</b>	Active Application
2-2020	<b>129</b>	Active Application
7-2020	<b>32</b>	Active Application
<b><i>Total Acres =</i></b>	<b>399</b>	



## Six Applications in the Que

*These farms qualify for purchase but are not yet funded or matched due to the landowner's desire to postpone action, life estates, inability to qualify for federal match, etc.*

Application No	Acreage
4-2015	346
5-2015	309
6-2015	362
7-2015	51
2-2017	40
1-2018	40
<b>Total Acres =</b>	<b>1,148</b>



## Summary of Pending Farm Easement Acquisitions

- The Rural Land Management Board and PDR Director are currently working with **24 Farms totaling 3,759 acres**.
- **13** of these farms applied during the 2020 application cycle; the largest group of applicants received in over 10 years
- **5 farms totaling 523 acres** are slated to close
- **8 farms totaling 1,689 acres** were recently federally funded
- **5 farms totaling 399 acres** are pending a federal match
- **6 farms totaling 1,148 acres** are not yet funded



## Stewardship of Existing Farm Easements

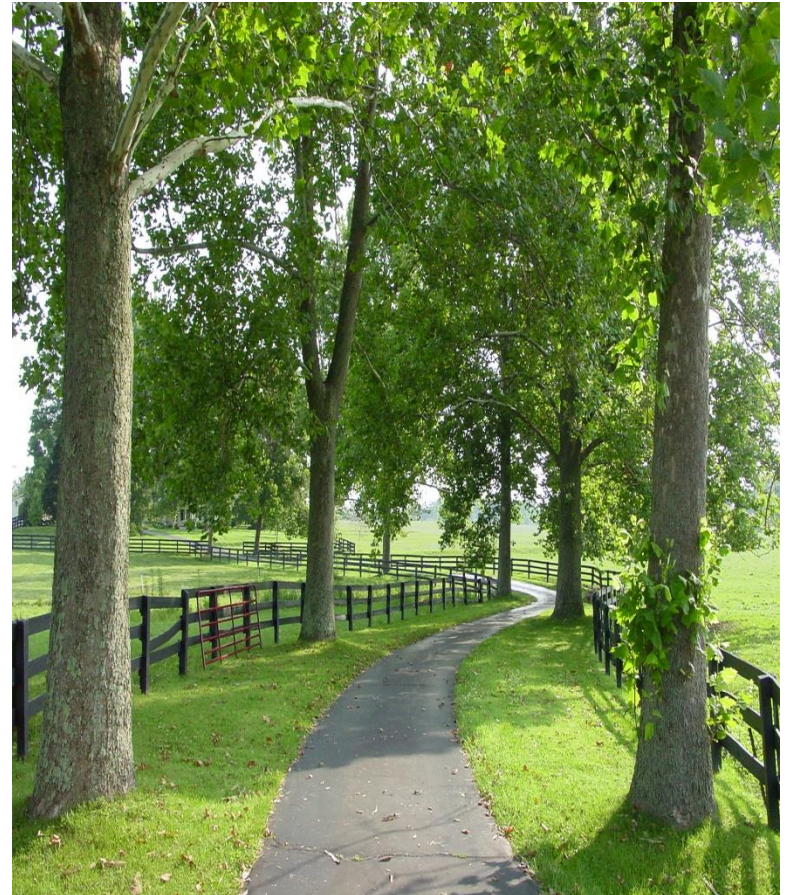
- Since providing the 2019 annual report, the Rural Land Management Board has heard requests from landowners for 4 primary residences, 4 tenant homes, 1 Historic Home renovation, and 2 farm buildings.
- The Board has been holding their monthly meetings via Zoom since June and has successfully interacted with farm owners at each meeting.
- The 277 farm easements acquired prior to 2020 were monitored for compliance and only 3 issues were noted, all of which were environmental and are being addressed





## Coordinated Efforts with the Planning Commission

- The Rural Land Management Board and PDR staff worked with the Planning Commission and staff to update the definition of tenant house. The updated language was adopted unanimously (10-0) by the Planning Commission.
- The text amendment is scheduled for first reading on October 22<sup>nd</sup> and second reading on November 12<sup>th</sup>.
- The updated language was reflected in the new PDR easement template that has been submitted to NRCS for approval.





**Questions?**



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## Contact Information

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Purchase of Development Rights Director

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