

Lexington- Fayette Urban County Government Council Meeting

State of the Merged Government Address

Lexington, Kentucky January 26, 2021

Due to the COVID-19 pandemic and State of Emergency, this meeting is being held via live video teleconference pursuant to 2020 Senate Bill 150, and in accordance with KRS 61.826, because it is not feasible to offer a primary physical location for the meeting.

The Council of the Lexington-Fayette Urban County Government, Kentucky convened in regular session on January 26, 2021 at 12:15 p.m. Present were Mayor Gorton in the chair presiding, and the following members of the council: LeGris, McCurn, Moloney, Plomin, Reynolds, Sheehan, Worley, Baxter, Bledsoe, F. Brown, J. Brown, Ellinger, Kay, Kloiber, and Lamb.

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The Mayor gave her State of the Merged Government address as follows:

Councilmembers and citizens of Lexington, because of COVID-19 safety measures, I'm here today in the Government Center, speaking to you through a live broadcast, rather than holding an in-person event. Thank you to the members of the Lexington Forum for continuing your tradition of sponsoring this speech, and congratulations to the winners of the Forum's awards that were presented earlier.

Normally at this time I would recognize our Councilmembers. This year they're here on Zoom. It has been a really challenging year to be a councilmember. Zoom meetings are a poor substitute for in-person meetings. We all know we have to meet virtually to be safe, but we sure don't have to like it. Although our Councilmembers could not attend in person today, I still want to recognize each of them, including four new members: Vice Mayor Steve Kay, Council member-at-Large Richard Moloney, Council member-at-Large Chuck Ellinger, First District Councilmember James Brown, Second District Josh McCurn, Third District Hannah LeGris - one of our new members, Fourth District Susan Lamb, a second new member - Fifth District Liz Sheehan, another new face - Sixth District Councilmember David Kloiber, Seventh District Preston Worley,

Eighth District Fred Brown, New Councilmember Number Four - the Ninth District's Whitney Baxter, Tenth District Amanda Mays Bledsoe, Eleventh District Jennifer Reynolds and Twelfth District Councilmember Kathy Plomin. Thank you, Council, for being great partners in progress for the city we all love.

And thank you to our city staff, led by my Chief of Staff, Tyler Scott, and our Chief Administrative Officer, Sally Hamilton. With their leadership, our government employees have continued to provide the services our citizens depend on, while juggling the many new demands brought on by COVID-19. And those demands even included learning a new language - let's face it, until this year, "flattening the curve" sounded more like a new diet plan; "herd immunity" would have made most of us think about cattle; and "social distancing" ... maybe a new APP for our cell phones?

Despite the challenges of the pandemic, the City employees have picked up the garbage, provided public safety, kept the sewers operating, protected the environment, paid the bills and maintained the streets, as our technology experts made it possible for many employees to work from home. That makes me very proud! This is a tribute to the 3000-plus city employees, who are dedicated to serving our community and our people, every day!

We are living in one of the most significant times in our city's, and in our nation's, history. That's the inescapable backdrop for this year's State of the City/County speech, an annual report to citizens required by the City Charter about the changes our city has experienced over the past year. And what a year it was!

Therefore, today, I must begin this speech by talking about COVID-19, which officially moved into Lexington in March, and frankly, has challenged our community every day since. Our city's 246 year history demonstrates that we are courageous people, who have faced many challenges. We're made of strong stuff; we're determined; we persevere until we clear the hurdle; until the challenge is met. While I have absolute faith that we will succeed once again in meeting the challenge we face in Coronavirus, I also know, in the often quoted words of Robert Frost, "We have promises to keep and miles to go before we sleep," in this case, put COVID behind us. We have promises to keep to ourselves, and to one another; promises to be safe, to be patient, and to have faith. There will be

miles to go before we can administer enough vaccines to put COVID in our history books, so we must persevere.

Perseverance means doing those things we've been talking about all year: wearing our masks, maintaining social distance and washing our hands, as we gradually get our population vaccinated. Yes, we're all tired of hearing about it, I'm even tired of saying it, but we still need to do it. We have already lost 189 citizens to this disease. In their memory we should commit ourselves to doing what we have to do to avoid losing even more.

Perseverance means continuing virtual education for our school children for as long as it's necessary to keep them safe. We all hope they will be back in the classroom soon.

Perseverance means continuing to ensure members of minority communities, which have been disproportionately affected by COVID, have access to testing and vaccines.

Perseverance means continuing to help those who have lost their jobs and are in danger of losing their homes - we have provided more than \$3.6 million in rent assistance to just under 1,300 families, and there is more to come.

Perseverance means continuing to support our businesses. We have spent \$2.5 million on a grant program for small businesses, concentrating on those owned by minorities and women. We have relaxed regulations allowing them to set up outdoor dining, and waived 2020 liquor license renewal fees to help our hard-hit restaurants. But more assistance may be needed.

Perseverance means continuing to make sure everyone has the food they need. We have provided over \$808,000 to food banks, including God's Pantry Food bank, FoodChain and others. Nourish Lexington, powered by FoodChain, is one of many agencies that has been feeding our community. They also employ local restaurants and caterers, and support Kentucky farmers as they provide over 200,000 made-from-scratch meals.

And perseverance means getting a vaccine. Our Vaccine Task Force is working with the state to help streamline distribution of the vaccine. We will do everything we can to get shots into the arms of Lexington citizens as soon as possible, so we are keeping the latest information on our vaccine website at lexingtonky.gov. Now that the vaccines

are being given to those over 70, I have gotten my first shot. And I want others to do the same when it's their turn. The vaccine distribution process isn't perfect, but it's improving. As we administer vaccines, perseverance and patience pave the road to get to the goals we all share: in-person schools, an open economy, an open society; life without COVID-19.

Despite the pandemic that has dominated our city, I'm very happy to say Lexington has made significant progress over the past year that we can all be proud of. Today, instead of focusing on Coronavirus, I'm going to spend most of my time talking about that progress.

Let's start by talking about progress we can all see: construction work that is bringing dramatic change to the heart of our city. Over the past year, I've learned that COVID-19 has one, and only one, positive side: it tends to speed up construction projects. That is true for the work on Central Bank Center, where we are reinventing Rupp Arena, and expanding our convention facilities by 50%. Work on the facility, which began in August 2018, is expected to be complete early next year, several months ahead of early projections. The project is on budget, overall.

On the convention side, work continues on exhibition halls. A new ballroom, with a 50% increase in space, is beginning to take shape. Work on Rupp started in 2016, with a new center-hung video board, new sound system and installation of wireless internet access. In 2019, we replaced bleachers with chair-back seats. And this year will bring a dramatic new entrance and lobby, and the Cat Walk, an exterior walkway designed to welcome students walking over from campus. At its heart, this is one of the largest publicly funded jobs projects in our history. The larger, improved facilities will enable Lexington to attract more conventions, creating new economic activity and new jobs downtown, and attracting thousands of people from the region and the nation, who visit Lexington to enjoy our quality of life.

Jobs will also follow the construction of trails downtown. Over the past year we began construction on Town Branch Commons Trail, which will run through our downtown, past Central Bank Center, and into a new, privately funded, Signature Park behind Rupp Arena. We got great news yesterday. Ann Bakhaus and the Town Branch Park Board of Advisors have raised more than \$25.4 million to build the world-class park.

That's more than 80% of the fundraising campaign goal. The project is moving on to the final design and engineering phase! Congratulations and thank you, Ann!

Town Branch Trail construction is now headed east along Vine Street, roughly following the path of Town Branch, Lexington's original water source. Later this year, limestone walls, benches, lights, trees, and plantings will be added on Vine. Those who use the trail to cycle or walk or rollerblade along Vine Street will be able to get an up-close look at "Stand," a sculpture commemorating the historical contributions of Central Kentucky women in the fight for voting rights. The sculpture was put in place in August in celebration of the 100th anniversary of the passage of the 19th Amendment to the U.S. Constitution. Congratulations and thank you to Jennifer Mossotti and Kathy Plomin!

After the trail work on Vine is finished, Town Branch will turn the corner onto Midland Avenue, and ultimately join the Legacy Trail at Third Street in 2022. The pandemic has shortened this timeline by several months.

2020 was a banner year for trails. We finished the last leg of the Legacy Trail this year, running from Isaac Murphy Memorial Art Garden to the Northside YMCA, and also completed a connector between the Legacy Trail and Town Branch Trail. The connector runs down Newtown Pike. When Town Branch Commons Trail is complete, we will have a 5-mile trail looping downtown, and 22 miles of unbroken trails that run from downtown into the beautiful Bluegrass beyond.

We have also continued to make steady progress on our EPA consent decree projects, a system wide overhaul of our sanitary sewers designed to protect our environment. We completed a challenging Consent Decree project a year ahead of schedule last year: replacing the 85-year-old Euclid Avenue sewer line. This work started at Broadway, followed Euclid Avenue through the University of Kentucky campus and Chevy Chase, and ended at Tates Creek. With careful planning and COVID easing congestion in the area, we finished the project in December, a year ahead of schedule.

We also completed a badly needed sewer replacement on Manchester Street in the Distillery District this year, allowing economic development to continue in the area.

The court-ordered Consent Decree went into effect in 2011, and requires the City to fix its sanitary sewers to be in compliance with the federal Clean Water Act.

Originally, the total cost was estimated at more than \$600 million. Currently the city has spent over \$281 million, and is more than \$83 million under original cost estimates.

While we're talking about efficiencies, let's talk about our city's financial health. Just like the budgets of many households, we projected that Lexington's city budget, which is highly dependent on the payroll tax and a fee on business net profits, would be crippled by losses from the pandemic's impact on our economy, and by the additional cost of fighting the virus. We estimated a \$36 million shortfall this year, and initially relied heavily on the city's reserve funds to balance the budget. A balanced budget is required by law for local government.

However, our Budget and Finance Team's strong fiscal management helped us tighten our belts, and we limited hiring. The economy performed better than expected. All of the facts aren't in yet, but so far we are doing better than we anticipated. Our steady performance is reflected in the fact that our AA bond rating has been affirmed by the nation's two bond rating agencies.

Since the beginning of the pandemic, the City has received federal assistance that has been used to cover COVID expenses and help citizens whose lives have been upended by the virus, providing rent, food and supporting shelters for those who are homeless. This funding also offset city costs in personal protective equipment and public safety. Just last week we received additional funds to provide emergency rent assistance. I have a project team already building a plan to distribute these critical funds.

Looking forward to our next budget, we expect money to be tight, but, with continued strong fiscal management, I anticipate we will be able to provide the services our citizens want, meet our responsibilities, and live within our means.

One reason for my optimism about our budget and economy next year, is the economic success we have had this year, despite the pandemic. Two local businesses have announced huge expansions:

- Baptist Health has started work on a new medical campus near Hamburg, bringing 600 new high paying jobs. The \$1 billion project also provides the city with three acres for a future additional fire station.

- Amazon is bringing over 600 jobs to the LexMark campus, an infill project that will provide job opportunities on the north side of town.

And there have been many other positive signs:

- Easter Seals Cardinal Hill completed its purchase of the Shriners facility on Richmond Road, bringing healthcare jobs back to the site;
- Summit Biosciences, a Lexington-based pharmaceutical business is adding 78 new good jobs, growing our tech sector;
- Georgia-Pacific is expanding its Dixie cup manufacturing facility, adding 50 jobs here. After 2021, all Dixie cups will be made in Lexington;
- Community Ventures opened the MET downtown, celebrating the east end with new affordable housing and retail space;
- Grey Line opened on North Limestone and Loudon, bringing new life to the Northside historic bus garage, and new opportunities for new businesses at Julietta Market, an extension of the Night Market and a stepping stone for entrepreneurs;
- The Child Neurology Foundation is moving its headquarters from Minneapolis to Lexington with assistance from our local JOBS Fund incentive program; and
- Our public private partnership that is focused on making Lexington a leader in the ag-tech sector continues. Working with UK, we have completed a study that confirms that Lexington has a rare combination of strengths that are attractive to Ag-Tech entrepreneurs. We have been working locally with College of Agriculture, Food and Environment Dean Nancy Cox, Dr. Mark Lyons of Alltech, and Agriculture Commissioner Dr. Ryan Quarles, and are now focused on not only attracting, but developing and growing existing businesses in the ag-tech sector.

Obviously, the door of economic opportunity must be open to all of our citizens.

We know that is not always the case.

Last summer, through 59 nights of mostly peaceful protest, our city took an unflinching look at itself in the mirror. And when it was over, the rose-colored glasses had come off, and a lot of us didn't like what we saw.

We realized this was a precious opportunity to right some wrongs; to root out systemic racism in our city. I appointed the Racial Justice and Equality Commission on July 1. This hard-working group of 70 citizens was chaired by Roszalyne Akins and Dr. Gerald L. Smith. After a summer of meetings they produced a 68-page report with 54 recommendations that touch all corners of the community, including schools, police, healthcare, courts, jobs, economic opportunity, housing, accountability, partnerships and more. Some require funding; others involve changes in state law.

We are working our way through these recommendations and have already put several into action, including programs to:

- Provide rental assistance to keep people in their homes and assist with utility costs.
- Use the Mayor's Mobile Testing Program to ensure access to coronavirus testing in areas disproportionately affected by the virus. Testing in Lexington is a national model, and soon we will apply what we have learned to vaccine distribution.
- In addition, as the commission recommended, we have renamed Cheapside Park. It's now Henry Tandy Centennial Park, and work continues on reimagining the park.
- We have expanded One Lexington's Safety NET violence intervention program by adding additional street outreach workers, who offer resources, such as social workers, to help families and provide youth with the resources they need to be safe and successful.
- And thanks to a partnership with UK HealthCare, this violence intervention can now begin at the hospital. Members of the trauma team describe the Safety Net program to the patient and offer to contact a street outreach worker.
- As the commission recommended, we are funding for a Disparity Study to determine whether minority companies are getting their fair share of government contracts.
- We are purchasing body-worn cameras for all police officers.
- I am proposing a new government department focusing on housing, which will be part of this year's budget proposal.

- And we have launched a program to provide access to mental health professionals through a 24-hour crisis outreach team. New Vista, Fayette County's Community Health Center, was awarded a \$2 million grant to create a Crisis Outreach Team. This team of mental health practitioners is available 24 hours a day, 7 days a week to respond to mental health crises. Our first responders have been working with this team in order to connect individuals in crises to the resources they need most.

We've made progress, but we have a long way to go. I want to move faster by placing prominence on this work, so today I am announcing that we are giving this effort a huge boost: The University of Kentucky values collaboration and recognizes a mutually beneficial opportunity, especially efforts pertaining to transformative community work. Lisa Higgins-Hord will oversee a City Hall team that has been working to implement the Task Force recommendations and other equity issues, and continue her work at UK.

Lisa recently served as 6th District Councilmember. She is Assistant Vice President for Community Engagement at UK, and has considerable talents and experience working with groups throughout the community. In other words, Lisa knows UK, she knows City government, she has the confidence of the Council, and she knows the community - she can pull together resources from all corners of our City.

Thank you to UK and President Eli Capilouto, who is clearly demonstrating UK's support for this work. Lisa is going to help us take action on these reforms. This is a critical moment to focus on an opportunity we cannot afford to waste.

Finally today, I want to provide you with quick updates from all over government:

In Fire:

- I appointed new chief, Jason Wells, and we have graduated 35 probationary firefighters.
- We have improved and expanded our Richmond Road station, and bought two new fire trucks.
- And, using grant funds, the Division has hired an opioid outreach coordinator to help citizens with substance use disorders and work with our successful Community Paramedicine Program. Also working on this issue is the

Substance Use Disorder Advisory Council, a group I appointed this year to manage Lexington's work on substance use disorder.

In Police:

- We welcomed 25 new officers to the streets after graduation from the Police Academy;
- For the ninth consecutive time, our Police Department won reaccreditation from the Commission on Accreditation for Law Enforcement Agencies. They achieved meritorious award status with advanced accreditation, the highest level recognized by this national organization, which is considered the gold standard in police accreditation agencies. Only three police departments in Kentucky are accredited.
- And our canine officers moved in to a new canine facility.

In Corrections:

- I appointed a new Division Director, Lisa Farmer, the first woman to lead our detention center, and the first woman in the state to earn a Certified Jail Manager Certificate.
- And we completed a massive security project, installing new wiring and about 600 cameras to ensure the safety of the staff and inmates, and coming in under budget.

In Engineering:

- We completed a number of trails including the Beaumont Y Trail, Citation Trail, and started work on the Brighton Rail Trail Bridge.

In a joint project involving Traffic Engineering, Engineering, Streets and Roads, and LexArts: We finished a \$2.1 million corridor project on Southland Drive. It's designed to improve pedestrian safety, and encourage economic activity. Southland now features wide sidewalks, 120 new trees, upgraded traffic signals, new pedestrian signals and mid-block crossings. And there are 11 roadside sculptures to enjoy as you drive along. Thank you to Traffic Engineering, Engineering, Streets and Roads, and LexArts

In the Department of Environmental Quality and Public Works it's all about public service, and that doesn't stop or even slow down because of a pandemic. To give you an idea, last year, employees in the Department:

- Patched 4,611 potholes
- Resurfaced approximately 51 miles of roads
- Cleaned 1,216,710 feet of sanitary sewer
- Installed 2,237 roadway signs
- Re-timed the traffic signals along 3 major roads
- And, in Waste Management, tracked a 99% success rates. The Division picks up 90,000 carts each week.

In LexCall:

- There was no slowing down for the holidays for LexCall-311, our customer call center. This team answers thousands of calls to help our citizens. In the 21 working days of December, LexCall answered 14,361 calls, and started 5,492 service requests.

In the Mayor's Office:

- We continue to work to promote fairness and equity. For the past two years, we have continued to increase our Human Rights Campaign Municipal Equality Index score. In 2020 we received our highest score yet: a 95 out of 100. We will continue to work to get to that perfect score as we focus on protecting and supporting the lesbian, gay, bisexual, and transgender communities.

In Parks:

- Despite the pandemic, or maybe because of it, we've had record attendance at Raven Run Nature Sanctuary and McConnell Springs.
- Cultural Arts provided numerous open-air performances at Moondance Amphitheater and Castlewood Park, and 5,000 community members safely enjoyed the productions.
- Over 600 carved pumpkins were donated by the public for the Jack O Lantern Trail at McConnell Springs. With over 2,000 people attending over 4 nights; and,
- A new basketball court was installed at Jacobson Park, a new playground at Veteran's Park, and playground improvements continued at Shillito and Masterson.

In Planning:

- A One-Stop Shop has been established in the Phoenix Building to consolidate information and streamline development permitting services. The One-Stop Shop is a single point of contact for overlapping questions involving Planning, Engineering, Traffic Engineering, Water Quality and Building Inspection.
- The Sustainable Growth Task Force started work on a study that will recommend new ways to make long-term land use decisions. The goal is to develop an objective regulatory framework to help guide decision-making by the Planning Commission related to the future alignment of the Urban Service Boundary.

COVID-19 has rocked our community. But we've maintained a laser focus on our people and the services they need. Our focus has not wavered, even when faced with plummeting revenues and rising infection rates and shuttered businesses and the rise of unemployment claims to historic levels and the loss of all of our favorite traditions, and, instead, we've moved forward calmly, one step at a time, in safety, and steady as we go.

But the minute COVID-19 is in our rearview mirror, I predict we will soar economically, culturally, educationally. Get ready, Lexington - the sun is setting on COVID-19; the future is on the horizon. Thank you.

The Council adjourned at 12:49 p.m.

Deputy Clerk of the Urban County Council