ORDINANCE NO. 015 - 2026

AN ORDINANCE AMENDING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT CODE OF ORDINANCES AS FOLLOWS: AMENDING CHAPTER 20, CREATING SECTION A, RELATING TO PRESERVATION AND URBAN GROWTH MANAGEMENT, ADOPTING SECTIONS RELATING TO INTENT; DEFINITIONS; APPLICABILITY; AND GENERAL REQUIREMENTS APPLICABLE TO THE PRESERVATION AND GROWTH MANAGEMENT PLAN, ALL EFFECTIVE UPON PASSAGE OF COUNCIL. (URBAN COUNTY PLANNING COUNCIL).

WHEREAS, the Lexington-Fayette Urban County established the nation's first urban service area in 1958; and

WHEREAS, balancing rural preservation and urban growth is vital to the unique character of Lexington-Fayette County Kentucky; and

WHEREAS, in order to ensure that balance, a data and needs driven process mandated as a goal and objective in both the 2018 and 2023 Comprehensive Plans for Lexington-Fayette County, is necessary to guide future preservation and growth;

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

Section 1 – That the Lexington-Fayette Urban County Government Code of Ordinances be and hereby amends Article 20, creating Section A, adopting sections relating to Intent; Definitions; Applicability; and General Requirements Applicable to the Preservation and Growth Management Plan, to read as follows:

ARTICLE 20 (A)

Section 1 –Growth Trends Report

1) One year from the date of the adoption of Lexington's Comprehensive Plan update, the Division of Planning staff shall generate a Growth Trends Report.
2) Required Growth Trends Report Contents - The Growth Trends Report shall provide guidance on Lexington's long term growth needs and identify the total land need (in acres) to accommodate Lexington's population growth for a period of 20 years.
    a) Community Trends Update
        i) Community Demographics, including but not limited to:
            (1) Housing Data
            (2) Demographic Change
        ii) Housing Activity, including but not limited to;
            (1) Housing Construction
            (2) Housing Affordability
            (3) Neighborhood Stability
        iii) Employment Activity, including but not limited to:
            (1) Job and Wage Growth
            (2) Commercial and Industrial Land Utilization
        iv) Vacant Land Review
    b) Projected Land Need: The formula for projecting the amount of land needed for 20 years shall be as follows:

i) $(20\ Year\ Projected\ Population - Current\ Population) = Net\ New\ Population$

ii) $\left(\frac{Net\ New\ Population}{Average\ Household\ Size}\right) = Total\ Dwelling\ Units(DUs)\ Needed$

iii) $\left(\frac{Total\ DUs\ Needed}{Five\text{-}Year\ Average\ DUs\ Per\ Acre}\right) = Total\ Acres\ Needed$

c) Review of Policy and Regulatory Recommendations:

i) Funding Options

ii) Governance Strategies

iii) Land Use and Zoning Reform

iv) Homeowner and Renter Support

v) Neighborhood Stabilization and Investment

3) Growth Trends Report Data Sources and Formulas

a) 20-Year Projected Population

i) The 20-year projected population shall be from the most recent update from the Kentucky State Data Center or similar state institution.

ii) The calculation shall exclude the Kentucky State Data Center's projected number of persons residing in group quarters.

b) Current Population

i) The population estimate shall be taken from the most recent census or update from the American Community Survey (ACS)

ii) The calculation shall exclude the Census or ACS calculation of persons residing in group quarters.

c) Average Household Size shall be from the most recent census or update from the American Community Survey (ACS).

d) Vacant Land Review

i) Requirements for Vacant Land:

(1) Property must be located within the Urban Service Area and meet the following criteria:

(a) The property is zoned agricultural or has an ongoing agricultural principal land use; or

(b) There is no principal land use or conditional land use located on any urbanized zoning category; and

(c) There is not a certificate of occupancy for the subject property that has a current building permit.

(2) The following property shall be exempt from consideration as vacant land:

(a) Property zoned agricultural but which has an active and constructed conditional use that is substantially similar to those land uses that are also principal or conditional uses for the urbanized zoning categories (church, school, athletic facility).

(b) Property that is unbuildable due to floodplain or special hazard area

(c) Common area property that is part of a surrounding residential subdivision or commercial development, or

(d) National, State, or Local owned property are not considered vacant if they are part of a contiguous development (example: UKY campus, BCTC Campus, LFUCG Parks, LFUCG Greenways).

ii) Calculation of Vacant Parcels

(1) The total vacant parcels shall be calculated through an annual review that includes the following permit activity:

(a) Demolition permitting

(b) New construction permitting

(c) Recorded Subdivision Plans

iii) Calculation of Vacant Acres: Total vacant acres shall be derived from the total vacant parcels removing all floodplains and special hazard areas that are readily available to the Urban County Government.

e) Five-year residential density average

i) The residential density calculation shall be updated and provided to the public annually.

ii) The five-year residential density shall be calculated as follows:

(1) Review of Residential New Construction Building Permits

(a) All Residential New Construction permits shall be included in this calculation upon issuance of the Certificate of Occupancy.

(b) Parcel location acreage shall be calculated by removing floodplains or identified special hazard areas

(2) Review of Commercial New Construction Building Permits

(a) All Commercial New Construction permits that are residential and are located within a residential zoning category shall be included in this calculation upon receipt of the Certificate of Occupancy.

(b) Parcel location acreage shall be calculated, removing floodplains or identified special hazard areas

(3) Five-Year Dwelling Units per Acre

(a) The total dwelling units for the five-year calculation shall be the sum of all dwelling units as described in Sections 1.3.e.ii.1.a and 1.3.e.ii.2.a for the defined five-year period.

(b) The total acreage for the five-year calculation shall be the sum of the acreage as described in Sections 1.3.e.ii.1.b and 1.3.e.ii.2.b for the defined five-year period.

(c) Dwelling units per acre shall be the result of Section 1.3.e.ii.3.a divided by 1.3.e.ii.3.b.

Section 2 – Planning Commission Review and Recommendation

1) Should the Growth Trends Report indicate that the inventory of vacant land meets the 20-year supply as described in Section 1, the Planning Commission shall provide recommendations to the Urban County Council to improve the efficiency of land use and promote sustainable development within the existing Urban Service Area. Additionally, agricultural land preservation is best achieved when growth policies and regulations direct and enable growth to occur within the existing Urban Service Area. Recommendations shall include one or a combination of the following:

a) Policy recommendations

b) Regulatory changes

2) Should the Growth Trends Report indicate that the inventory of vacant land does not meet the 20-year supply as described in Section 1, the Planning Commission shall provide recommendations to the Urban County Council as to how to meet the need. Priority should be given to strategies that create highly efficient growth and development outcomes through policy and regulation implementation. These strategies should be considered prior to expanding the Urban Service Area. To ensure fiscal and environmentally sustainable growth, the location of conserved agricultural properties, which are not eligible for development, should be carefully considered and avoided in any discussion about the future expansion of the Urban Service Area. Recommendations shall include one or a combination of the following

a) Policy recommendations

b) Regulatory changes
c) Additional acreage to be added to the Urban Service Area

3) All recommendations by the Planning Commission shall be forwarded to the Urban County Council within 90 days of the Planning staff's presentation to the Planning Commission regarding the findings of the Growth Trends Report.

Section 3 – Urban County Council Review

1) Should the Growth Trends Report indicate that the inventory of vacant land meets the 20-year supply as described in Section 1, the Urban County Council shall consider the recommendations of the Planning Commission regarding policy and regulatory changes within 90 days.
2) Should the Growth Trends Report indicate that the inventory of vacant land does not meet the 20-year supply as described in Section 1, the following shall be reviewed by the Urban County Council
    a) The Urban County Council shall first consider the policy and regulation recommendations of the Planning Commission within 90 days of receipt of the Planning Commission's recommendation.
        i) For any regulatory changes to the Zoning Ordinance, the Urban County Council shall initiate a Zoning Ordinance text amendment, to follow the procedures outlined in Article 6 of the Zoning Ordinance.
        ii) For all policy changes, the Urban County Council shall put into the appropriate committee or establish a task force to establish the stated recommendation.
    b) Following the Council's action regarding the policy and regulation recommendations, the Urban County Council may consider the inclusion of additional acreage to be added to the Urban Service Area
        i) No expansion of the Urban Service Area may establish a vacant land total, as defined in Section 1, that exceeds 30 years supply based on the current Growth Trends Report calculations.
        ii) An action to include additional acreage shall come in the form of a resolution to the Planning Commission indicating the total vacant acreage to be added to the Urban Service Area.

Section 4 – Urban County Planning Commission Vacant Land Review

1) If it is determined by the Urban County Council that there is a need for additional acreage within the Urban Service Area, the resolution adopted by the Urban County Council shall be forwarded to the Planning Commission for review of applications.
2) The Planning Commission shall organize a subcommittee of residents of the Urban County to include representatives from the following stakeholders:
    a) The Mayor shall appoint 3 members within 21 days of the adoption of the Resolution by the Urban County Council that identifies a need for additional acreage.
        i) Any members not appointed within the allotted time shall be appointed by the Urban County Council within 28 days of adoption of the resolution by the Urban County Council.
    b) The Urban County Council shall appoint 3 members by a majority vote of the full body within 21 days of the adoption of the Resolution adopted by the Urban County Council that identifies a need for additional acreage.
        i) Any members not appointed within the allotted time shall be appointed by the Urban Planning Commission within 35 days of adoption of the resolution by the Urban County Council.
    c) The Planning Commission shall appoint 3 members by a majority vote of the full body within 21 days of the adoption of the resolution by the Urban County Council that identifies a need for additional acreage.
        i) Any members not appointed within the allotted time shall be appointed by the Urban County Council within 42 days of adoption of the resolution by the Urban County Council.

d) Membership of the Subcommittee shall not include elected officials of the Urban County Government or appointed members of the Urban County Planning Commission.
e) The appointing bodies should seek to balance the professional expertise of the subcommittee members across the following areas: agriculture and farmland; economic development; environmental sciences pertaining to soil, water and ecology; housing and real-estate; infrastructure, utilities, and construction; or other relevant expertise.

3) The Subcommittee shall examine the findings of the Vacant Land Review, per the Growth Trends Report, and provide recommendations regarding any removal of acreage within the Urban Service Area.
   a) Recommendations shall be submitted to the Planning Commission within 30 days of the formulation of the Subcommittee.
4) The Urban County Planning Commission shall either affirm or amend the recommendations of the Subcommittee at the next public hearing.
5) Should property be recommended for removal, the Urban County Planning Commission shall hold a public hearing to modify the Urban Service Area.
   a) Any vacant acreage that is removed from the Urban Service Area shall be added to the vacant acreage identified in Section 3 to satisfy the Urban County Council's action per Section 3.
   b) The new total vacant acreage shall be utilized for Section 5

Section 5 – Urban County Planning Commission Land Application Review

1) Within 14 days of the findings of the Vacant Land and Acreage Analysis, the Planning Commission shall begin accepting proposals from property owner(s), or those with permission from property owner(s), to meet the needs identified by the Urban County Council plus, if found, the additional acreage identified by the Planning Commission in Section 4.
   a) Such proposals shall be submitted to the Division of Planning within 60 days.
   b) Such proposals shall meet all of the following eligible parcel locational criteria:
      i) Parcel or group of parcels constituting a contiguous area adjacent to the existing Urban Service Area.
      ii) Adjacent to an Arterial or Major Collector roadway as designated by the Metropolitan Planning Organization
      iii) Access to sanitary sewer connections or would have access as part of a contiguous area per Section 1.b.i.
2) The chair of the Planning Commission shall reconvene the Subcommittee identified in Section 4 to review proposed locations for additional acreage.
   a) When evaluating parcels for inclusion the following land preservation factors shall be considered:
      i) Proximity to Purchase Development Rights properties
      ii) Environmentally sensitive areas
      iii) Rural Land Management Plan recommendations
      iv) Properties or structures identified in the National Register of Historic Places
      v) Properties along adopted nation or state scenic or historic byways
3) Twenty-one days following close of proposal submissions, the Subcommittee shall hold a public meeting to receive input regarding expansion locations and make a prioritized recommendation to the Planning Commission regarding the preferred vacant parcels for inclusion to the Urban Service Area.
4) The Planning Commission shall hold a public meeting to recommend areas for Master Planning from the Subcommittee's prioritized recommendation to meet the identified vacant acreage need within 30 days of the Subcommittee's recommendation to the Planning Commission.

Section 6 – Urban County Planning Commission Master Plan

1) Provided funding has been allocated by the Urban County Council, the Division of Planning shall commence with a master planning process for the areas identified by the Planning Commission.
2) The master plan shall be adopted as an element of the comprehensive plan in accordance with the requirements in KRS 100.197
3) Final amendment of the Urban Service Area occurs with the adoption of the master plan.
4) Following adoption of the Master Plan, the Planning Commission shall consider initiating a zone map amendment request to implement the adopted Master Plan.

Section 7 – Special Economic Development Need Identification

1) A Special Economic Development Need of no more than 250 acres may be identified by the Mayor or Urban County Council at any time.
2) A Special Economic Development Need is defined as a proposal for additional acreage, which meets the criteria defined in Section 5, to be included in the Urban Service Area on behalf of a specific employer (or affiliated group of employers) or an economic development focused organization seeking to locate new significant employment opportunities or facilitate growth of existing employers in Lexington-Fayette County.
3) The identification of a Special Economic Development Need must include:
    a) Economic Assessment, which should include the following information:
        i) Proposed location and defined acreage total
        ii) Proposed user or initial user for portion of the area
        iii) Economic Impact Statement, including proposed number of jobs, wages, and future growth opportunities.
    b) Economic Expansion Plan
        i) Preliminary Development Plan, including all elements required for the submission of a preliminary development plan as outlined in Article 21 of the Zoning Ordinance.
        ii) Proposed conditional zoning restrictions to require long-term agreement with the Economic Assessment
        iii) Justification Statement documenting agreement with the adopted Comprehensive Plan.
4) There shall be a required two-thirds vote of the total membership to approve the Economic Assessment and initiate an expansion of the Urban Service Area.
    a) Findings for initiation by Council shall include, but are not limited to, the following:
        i) The unique economic opportunity
        ii) The significant economic impact for Lexington
        iii) The appropriate location for proposed development
        iv) The necessary acreage for the proposed development
        v) Availability or access to required infrastructure
    b) Should an expansion be affirmed by the Urban County Council, there shall be a resolution initiating the Planning Commission to review and adopt the identified areas.
    c) At such time that the Urban County Council forwards the resolution to the Planning Commission, the Urban County Council shall also initiate a map amendment request for the identified parcel(s) to either the Light Industrial (I-1) or Heavy Industrial (I-2) zone. This initiation shall include:
        i) The findings for approval of the Economic Assessment, and
        ii) The Economic Expansion Plan, which will serve as the required submission for the Urban County Planning Commission's review of the amendment of the Comprehensive Plan and the map amendment request.

(5) The Planning Commission shall have 90 days from the date of the Urban County Council's action to review both the amendment to the Comprehensive Plan and the initiated zone map amendment request, in that order.

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

PASSED URBAN COUNTY COUNCIL: February 12,2026

Linda Gorton

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

PUBLISHED: February 20,2026-1t

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