

Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507



Docket

Tuesday, August 30, 2022

1:00 PM

Council Chamber

**Budget and Finance and Economic Development
Committee**

Committee Agenda

0877-22

Approval of February 8, 2022, Committee Summary

Attachments: [Approval of February 8, 2022, Committee Summary](#)

0878-22

Monthly Financial Update - July 2022

Attachments: [Monthly Financial Update - July 2022](#)

0879-22

Adoption Assistance Program

Attachments: [Adoption Assistance Program](#)

0880-22

Price Contract Approval Process

Attachments: [Price Contract Approval Process 8-3-2022 Revised Mayors Report](#)
[Price Contract Approval Process](#)

0881-22

Exactions Program Update

Attachments: [Exactions update BFED 2022-08-30 final](#)

0882-22

Items Referred to Committee

Attachments: [Items Referred to Committee](#)

Adjournment



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

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Status: Agenda Ready

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Title

Approval of February 8, 2022, Committee Summary



Budget, Finance & Economic Development Committee

February 8, 2022

Summary and Motions

Committee chair, Council Member Amanda Bledsoe, called the meeting to order at 1:03 p.m. Committee members Vice Mayor Steve Kay and Council Members Richard Moloney, Chuck Ellinger, Josh McCurn, Susan Lamb, Fred Brown, and Kathy Plomin were present. Council Members James Brown and Preston Worley were absent. Council Members Jennifer Reynolds, Whitney Baxter, and Liz Sheehan attended as non-voting members.

I. Approval of January 25, 2022 Committee Summary

Motion by Ellinger to approve the January 25, 2022, Budget, Finance, and Economic Development Committee summary; seconded by Lamb. The motion passed without dissent (Kay and McCurn were absent for this vote).

II. Economic Development Partnerships Update

Euphrates International Investment Co.

Chair Bledsoe welcomed Erran Persley, President and CEO of Euphrates International Investment Co., for the annual economic development partnership update. Mr. Persley stated that Euphrates International Investment Co.'s goal is to use economic tools to help people live healthier and more productive lives by focusing on companies that provide good-paying jobs and who hold corporate goals that align with the values of our community. Mr. Persley shared Euphrates' 17 sustainable development goals developed as a strategic plan for 2022-2025. This tool is utilized to narrow the focus as they identify potential partners.

Euphrates announced an international grant, the Carbon Neutral Policy Grant, in partnership with Shanghai Global (China). Grants will be initiated for companies producing carbon neutral policies and products, and this funding will be held and administered out of Lexington. Mr. Persley highlighted JDL Environmental, a foreign client, recruited to Lexington – the Coldstream campus is being evaluated for their new US operations, a \$100 Million manufacturing project with 30-40 jobs for the city. Euphrates partnered with JDL for the Kentucky Clean Water Project to provide wastewater treatment systems to Eastern Kentucky and Appalachia. For the second year in a row, Euphrates has been named one of Goldman Sachs 10,000 Small Businesses.

Euphrates currently has \$1.25 Billion in new business in their pipeline, has identified \$3 Million of funding for small and minority businesses, and assisted 239 businesses. Mr. Persley highlighted a return on investment of 331.9% based on the initial investment by LFUCG of \$133,719.20. Mr. Persley noted businesses that have thrived in the pandemic including Beautiful You Medical Spa and startups which have succeeded.

Mr. Persley spoke about the dollar match program, GrowInLEX. This initiative has achieved approximately \$2.17 Million in contracts. Euphrates and partners have invested \$2.95 for every dollar invested by LFUCG. He noted that some of the biggest connections have been matches among local companies to do business together. They have extended this platform to be used for training and

webinars for the LFUCG Minority Business Enterprise Office, an event with AT&T for small and minority businesses, and to increase the number of live events on the GrowInLEX platform. Mr. Persley shared information on the city-wide essay contest, in partnership with Partners for Youth, on how to improve racial equality in Lexington.

CM Moloney asked where Euphrates' clients are coming from. Persley said the bulk of companies are local, home-grown companies. CM Ellinger referred to the Return on Investment (ROI) and asked about the calculation. Persley said this is an annualized return based on the two years. Persley sent the Committee the ROI calculation.

Commerce Lexington

Next, Chair Bledsoe welcomed Gina Greathouse and Tyrone Tyra of Commerce Lexington. Greathouse highlighted the core functions of Commerce Lexington: Business & Education Network, Community & Minority Business Development, and Economic Development. Commerce Lexington focuses on business retention and expansion, business recruitment, and entrepreneurial support to increase per capita income, increase the amount of income entering the community, and create greater capital investment in our region. They also support minority business development and workforce development.

Mr. Tyra shared about the scope of the Community & Minority Business Development survey. This survey asked how many businesses currently use minority contractors. The survey revealed that finding these contractors was difficult. As a result of the survey, Commerce Lexington has partnered with the University of Kentucky and Turner Construction for a set of sessions to share what is needed from minority contractors. This event will be held in March 2022. Commerce Lexington has also expanded the Minority Business Accelerator. Six members added \$10.2 Million to bottom-line sales in 2021.

Next, Betsy Dexter gave an update on the Business & Education Network. Some of her highlights include: a partnership with the UK Economic Development Collaborative to promote micro-internships, a federal work study program with UK, the FCPS Strategic Plan and the new Technology Center, and the Accelerate Lexington program to provide free training and job placement for certified nursing assistants at BCTC. Then, Ms. Greathouse provided an update on the scope of work for the Business Retention and Expansion program, including current challenges and opportunities. She provided a list of recent locations, expansions, and ribbon cuttings adding approximately 900 jobs. At the same time, she reported four closures that will result in 2,300 displaced jobs by the end of 2023. Finally, she provided results from Commerce Lexington's investments to date.

CM Moloney asked for more information about the Business Accelerator. Mr. Tyra said the Minority Business Accelerator targets companies with revenues of at least \$250,000 per year. In 2021, they worked with several businesses to help generate more than \$10.4 million in new business. CM Lamb inquired why some businesses didn't participate in the Business Retention and Expansion program. Greathouse clarified that this is primarily for those who indicated having a current need. They regularly contact businesses, members and non-members, to assist with creating jobs and reducing barriers to expansion. CM Plomin asked about the progress for a directory of minority-owned businesses. Tyra said this was not the responsibility of Commerce Lexington, but he was sure that Ms. Higgins-Hord is exploring it. CM Plomin asked what kind of outreach is being provided to diversity employment for those businesses who would like to diversity. Tyra said networking events will provide connection opportunities. CM Plomin noted that a job fair for minorities and businesses that want to diversify could provide an opportunity for connection.

CM Bledsoe noted that lack of available land is a barrier to building and expansion. Outside of land, she asked what the other barriers are that can help with expansion and recruitment. Ms. Greathouse said some companies don't want to build. Others find that available I-1 space is missing. She noted that Commerce Lexington likes to keep business in the region even if they decide not to locate in Lexington. CM Moloney asked how Lexington might take advantage of individuals relocating after the pandemic, similar to other cities. He asked if the development of Coldstream and the development of property along the interstate could help their efforts. Greathouse said she thought infrastructure funding for Coldstream would be helpful to show business prospects that Lexington has available land for growth.

EHI Consultants

Next, Ed Holmes and Annissa Franklin of EHI Consultants presented. They provided an update on Lexington Opportunity Zones. Opportunity Zones were created by the Tax Cuts and Jobs Act of 2017. Each governor nominated census tracts for eligibility. Census tracts had to have at least a 20% poverty rate and a median family income of no more than 80% of the statewide median family income. Lexington identified seven zones that met the criteria. Each zone was broken down with a vacant zoning analysis and demographic summary. He provided an overview of each census tract.

Ms. Franklin shared about community benefits agreements, agreements between developers and community members to partner to provide what community members would like to see in opportunity zone areas. Affordable childcare, groceries, healthy food options, access to mental health providers, jobs with living wages, the ability to provide input on multi-use facilities, affordable housing, and support for Kindergarten preparedness were areas of need identified from community members. Developers and investors were concerned about how to access funding. Further reports will be shared with the Economic Development Investment Board.

Vice Mayor Kay inquired whether the City would know if someone purchased a property or had plans to do so. Mr. Holmes said this was one of his biggest concerns about the Opportunity Zone fund. Since it is a private investment with capital gains write-off, this is difficult to track. He noted engagement with the community has to be developer-initiated. VM Kay asked if there was a precedent for any locality to add regulations to require notification of the developer's intention. Mr. Holmes said he is not aware of any. CM Plomin asked about the total acreage of the seven zones; Holmes said he would get that information. CM Plomin asked about next steps. Holmes said marketing and communication about the availability of lands and zones is important. He also cautioned being careful in order not to displace anyone in the process. CM McCurn asked how we can get true community input moving forward? Mr. Holmes said they have to reach out to a variety of stakeholders impacted in each Opportunity Zone and the potential impact. CM McCurn reiterated the importance of facilitating community conversations to increase awareness and educate people. CM Moloney asked if there is a big difference in today's findings compared to a study from several years ago. Holmes said that some of these indicators have gotten worse – median income, unemployment. However, the Housing Authority and Urban League are positive developments. CM Moloney asked if anyone looked at other cities to see what kinds of programs they are utilizing to buy homes and sell them to non-profits. Mr. Holmes said this was not part of the scope of this work. Chair Bledsoe thanked Mr. Holmes and Ms. Franklin for their work in Lexington.

No action was taken on this item.

III. Division & Program Review – 2022 Evaluations Selection

On behalf of the committee, Chair Bledsoe selected an overview of the Arts for review. The committee will be looking at how the city has used and spent money on arts investment, holistically, not just in one area.

No action was taken on this item.

IV. Items Referred to Committee – Annual Status Report of Referrals.

A motion was made by Lamb to remove Item 7, relating to Legislation Impacting the Budget, Item 13, relating to one-time salary supplemental pay for non-ARPA qualified personnel and Item 18, Central Kentucky Job Club. The motion was seconded by Plomin. Motion passed without dissent.

CM Bledsoe noted that the January financials were not available in time for this meeting. They will be shared by the Finance Team once they are available mid-February. (Updated financials are included below.)

Motion by Kay to adjourn at 2:41 p.m. Seconded by Plomin. Motion passed without dissent.

January 2022 Financial Information Provided for Summary Only

January 2022 YTD Actual Compared to Adopted YTD Budget

Revenue Category	Actual	Budget	Variance	% Var
OLT- Employee Withholding	129,797,007	122,260,000	7,477,007	6.1%
OLT - Net Profit	20,272,669	14,570,000	5,702,669	69.1%
Insurance	18,746,662	19,970,000	(1,223,338)	-6.1%
Franchise Fees	15,216,649	14,650,000	566,649	3.9%
TOTALS	183,972,987	171,450,000	12,522,987	7.3%

January 2022 YTD/January 2021 YTD Current Year Compared to Prior Year

Revenue Category	Dec '21 YTD	Dec '20 YTD	Variance	% Var
OLT- Employee Withholding	129,737,007	118,387,928	11,349,079	9.6%
OLT - Net Profit	20,272,669	19,345,497	927,172	4.8%
Insurance	18,746,662	18,961,832	(215,170)	-1.1%
Franchise Fees	15,216,649	14,396,229	820,420	5.7%
TOTALS	183,972,987	170,921,486	12,881,501	7.5%

FY2022 – Cash Flow Variance Revenue (Actual to Budget)

For the seven months ended January 31, 2022				
	Actuals	Budget	Variance	% Var
Revenue	-	-	-	-
Payroll Withholding	129,737,007	122,260,000	7,477,007	6.1%
Net Profit	20,272,669	14,570,000	5,702,669	39.1%
Insurance	18,746,662	19,970,000	(1,223,338)	-6.1%
Franchise Fees	15,216,649	14,650,000	566,649	3.9%
Other Licenses & Permits	4,661,555	4,569,410	92,145	2.0%
Property Tax Accounts	24,973,896	25,524,639	(550,743)	-2.2%
Services	15,933,259	16,662,011	(728,752)	-4.4%
Fines and Forfeitures	163,835	147,833	16,002	10.8%
Intergovernmental Revenue	218,255	310,511	(92,256)	-29.7%
Property Sales	139,933	58,333	81,600	139.9%
Investment Income	(84,359)	122,689	(207,048)	-168.8%
Other Financing Sources	40,000	40,000	0	-
Other Income	1,944,491	1,464,031	480,460	32.8%

Total Revenues	\$231,963,852	\$220,349,457	\$11,614,395	5.3%
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FY2022 – Cash Flow Variance Expense (Actual to Budget)

<i>For the seven months ended January 31, 2022</i>				
	Actuals	Budget	Variance	% Var
Expense				
Personnel	134,390,941	140,640,143	6,249,202	4.4%
Operating	27,417,108	36,913,679	9,496,571	26.2%
Insurance Expense	1,265,324	1,236,923	(28,401)	-2.3%
Debt Service	31,755,962	33,399,718	1,643,756	4.9%
Partner Agencies	12,936,422	12,896,358	(40,064)	-0.3%
Capital	913,007	1,403,091	490,084	45.7%
Total Expenses	\$208,678,764	\$226,489,912	\$ 17,811,148	7.9%
Transfers	\$ 6,694,874	\$ 6,432,214	(\$262,660)	-2.8%
Change in Fund Balance	16,590,214	(\$12,572,669)	\$ 29,162,883	

Materials for the meeting:

<https://lexington.legistar.com/MeetingDetail.aspx?ID=909881&GUID=BED8F5B3-879D-4605-9CD5-23402EFFF04&Options=&Search=>

Video recording of the meeting: https://lfucg.granicus.com/player/clip/5516?view_id=4&redirect=true

SD 6/6/22



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

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Notes:

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Attachments: Monthly Financial Update - July 2022

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Text of Legislative File 0878-22

Title

Monthly Financial Update - July 2022

BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

Financial Update

August 30, 2022

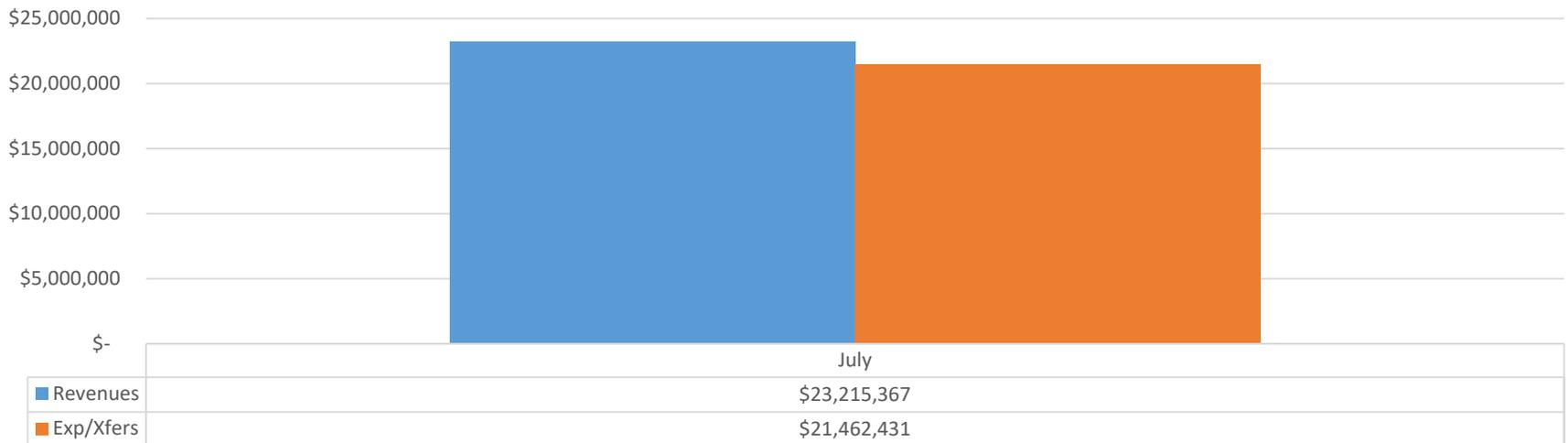


LEXINGTON



1 Month Performance Review (Actuals)

FY23 One Month Actual



July FY23	
Revenues	23,215,367
Expenses	(20,967,046)
Transfers	<u>(495,385)</u>
Surplus/(Deficit)	1,752,936

Factors to Consider

- FY23 personnel budget changes increased attrition based on actual staffing history. This budget works toward minimizing personnel surpluses in FY23.
- Budgets are being released quarterly for operations accounts.
- Supply chain issues continue to delay expenditure of funds. Projects rolled from FY22 may not be spent in the first quarter as budgeted.
- Adjustment for Ad Valorem will increase partner agencies by \$1,008,530 and reduce \$252,530 from budgeted fund balance.



July 2022 YTD Actual Compared to Adopted Budget

<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	13,130,008	14,000,000	(869,992)	-6.2%
OLT - Net Profit	1,442,380	750,000	692,380	92.3%
Insurance	1,854,383	2,550,000	(695,617)	-27.3%
Franchise Fees	2,376,097	2,400,000	(23,903)	-1.0%
TOTALS	18,802,868	19,700,000	(897,132)	-4.6%



July 2022 YTD/July 2021 YTD Current Year Compared to Prior Year

<u>Revenue Category</u>	<u>Jul-22</u>	<u>Jul-21</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	13,130,008	14,376,233	(1,246,225)	-8.7%
OLT - Net Profit	1,442,380	1,468,398	(26,018)	-1.8%
Insurance	1,854,383	2,450,488	(596,105)	-24.3%
Franchise Fees	2,376,097	2,376,097	0	0.0%
TOTALS	18,802,868	20,671,216	(1,868,348)	-9.0%



2023 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

<i>For the one month ended July 31, 2022</i>				
	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	13,130,008	14,000,000	(869,992)	-6.2%
Net Profit	1,442,380	750,000	692,380	92.3%
Insurance	1,854,383	2,550,000	(695,617)	-27.3%
Franchise Fees	2,376,097	2,400,000	(23,903)	-1.0%
Other Licenses & Permits	474,799	325,810	148,989	45.7%
Property Tax Accounts	43,193	167,333	(124,140)	-74.2%
Services	2,296,333	2,239,291	57,042	2.5%
Fines and Forfeitures	11,380	16,000	(4,620)	-28.9%
Intergovernmental Revenue	18,591	38,668	(20,077)	-51.9%
Property Sales	14,276	8,333	5,943	71.3%
Investment Income	18,841	8,659	10,182	117.6%
Other Financing Sources	-	40,000	(40,000)	-100.0%
Other Income	1,535,086	191,215	1,343,871	702.8%
Total Revenues	\$23,215,367	\$22,735,309	\$480,058	2.1%



2023 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

<i>For the one month ended July 31, 2022</i>				
	FY 2023	FY 2022	Variance	% Var
Revenue				
Payroll Withholding	13,130,008	14,376,233	(1,246,225)	-8.7%
Net Profit	1,442,380	1,468,398	(26,018)	-1.8%
Insurance	1,854,383	2,450,488	(596,105)	-24.3%
Franchise Fees	2,376,097	2,376,097	0	0.0%
Other Licenses & Permits	474,799	43,693	431,106	986.7%
Property Tax Accounts	43,193	-	43,193	-
Services	2,296,333	2,076,122	220,211	10.6%
Fines and Forfeitures	11,380	10,315	1,065	10.3%
Intergovernmental Revenue	18,591	68,334	(49,743)	-72.8%
Property Sales	14,276	35,115	(20,839)	-59.3%
Investment Income	18,841	-	18,841	-
Other Income	1,535,086	161,394	1,373,692	851.1%
Total Revenues	\$23,215,367	\$23,066,189	\$149,178	0.6%



2023 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the one month ended July 31, 2022</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	10,597,479	10,384,556	(212,923)	-2.1%
Operating	4,660,591	6,630,521	1,969,930	29.7%
Insurance Expense	226	226	0	0.0%
Debt Service	3,486,416	3,486,416	0	0.0%
Partner Agencies	2,186,198	2,100,254	(85,944)	-4.1%
Capital	36,136	237,746	201,610	84.8%
Total Expenses	\$20,967,046	\$22,839,719	\$1,872,673	8.2%
Transfers	495,385	544,044	48,659	8.9%
Change in Fund Balance	\$1,752,936	(\$648,454)	\$2,401,390	



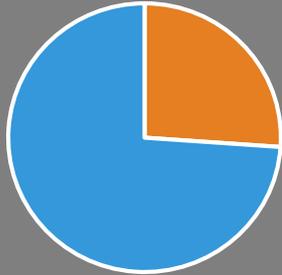
2023 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the one month ended July 31, 2022</i>				
	FY 2023	FY 2022	Variance	% Var
<u>Expense</u>				
Personnel	10,597,479	11,860,276	1,262,797	10.6%
Operating	4,660,591	4,419,915	(240,676)	-5.4%
Insurance Expense	226	226	0	0.0%
Debt Service	3,486,416	4,538,622	1,052,206	23.2%
Partner Agencies	2,186,198	1,498,394	(687,804)	-45.9%
Capital	36,136	5,832	(30,304)	-519.6%
Total Expenses	\$20,967,046	\$22,323,265	\$1,356,219	6.1%
Transfers	495,385	463,087	(32,298)	-7.0%
Change in Fund Balance	\$1,752,936	\$279,837	\$1,473,099	

Questions?



ARPA DASHBOARD



■ Obligated/Expended
 ■ Remaining Budget

Total ARPA Received
\$121.2 Million

Total ARPA Expected
\$121.2 Million

Total ARPA Budgeted
\$119.8 Million

Total ARPA Obligated
\$31.6 Million

Funding Overview by ARPA Expenditure Category

1. Public Health

\$ 1,325,000

- Eligible projects include services and programs to contain and mitigate COVID-19 spread and services to address behavioral healthcare needs exacerbated by the pandemic.

2. Negative Economic Impacts

\$ 28,437,346

- Eligible projects include those that address the negative impacts caused by the public health emergency including assistance to workers; small business support; speeding the recovery of tourism, travel, and hospitality sectors; and rebuilding public sector and non-profit capacity. This category also includes programs and projects that support long-term housing security and promote strong, healthy communities.

3. Economic Impact: Public Sector/Health Capacity

\$ 6,000,000

- Eligible projects include expenses for payroll, rehiring, enhanced service delivery, and administrative needs for public sector health, safety, or human services workers.

4. Premium Pay

\$12,954,007

- ARPA funding provides resources to local government to recognize the heroic contributions of essential workers. Eligible workers include a broad range of essential workers who must be physically present at their job.

5. Infrastructure

\$ -

- Eligible projects include necessary improvements in water, sewer, and broadband infrastructure

6. Revenue Replacement for General Government

\$ 63,371,322

- Local governments facing budget shortfalls are permitted to use funding to replace lost revenue for the purpose of providing governmental services. These services may include recreation, transportation, economic development, and other general government services.

7. Administration

\$ 7,713,605

- Local governments are permitted to use funding for administering ARPA funds, including costs of in-house staff or consultants to support effective oversight and ensuring compliance with legal, regulatory, and other requirements. A project contingency is also held in this Expenditure Category.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

	Actuals	Budget	Variance
Revenue			
LFUCG Allocation	\$ 121,178,058	\$ 121,178,058	\$ -
Total Revenues	\$ 121,178,058	\$ 121,178,058	\$ -

For the period through July 31, 2022

	Obligated	Budget	Variance
Expense			
EC 1: Public Health	\$ 528,222	\$ 1,325,000	\$ (1,134,100)
1.05 Personal Protective Equipment	\$ 4,972	\$ 225,000	\$ (220,028)
1.11 Community Violence Interventions	\$ 350,000	\$ 350,000	\$ -
1.11 Community Violence Interventions	\$ 3,250	\$ 240,000	\$ (236,750)
1.12 Mental Health Services	\$ 170,000	\$ 170,000	\$ -
1.12 Mental Health Services	\$ -	\$ 170,000	\$ (170,000)
1.12 Mental Health Services	\$ -	\$ 170,000	\$ (170,000)

Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
Expense (Continued)					
EC 2: Negative Economic Impacts			\$ 6,973,159	\$ 28,437,346	\$ (24,203,727)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY22)	\$ 211,404	\$ 240,846	\$ (29,442)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY23)	\$ 40,564	\$ 200,000	\$ (159,436)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY22)	\$ 198,600	\$ 200,000	\$ (1,400)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY23)	\$ 43,200	\$ 200,000	\$ (156,800)
2.10	Assistance to Unemployed or Underemployed Workers	Workforce Development (Other)	\$ -	\$ 150,000	\$ (150,000)
2.10	Assistance to Unemployed or Underemployed Workers	Summer Youth Work Readiness Program	\$ 92,522	\$ 960,000	\$ (867,479)
2.15	Long-Term Housing Security: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	\$ -	\$ 750,000	\$ (750,000)
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing	\$ 1,013,017	\$ 10,000,000	\$ (8,986,983)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY22)	\$ 624,836	\$ 750,000	\$ (125,164)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY23)	\$ 590,922	\$ 750,000	\$ (159,078)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY24)	\$ -	\$ 750,000	\$ (750,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	Homelessness Contracts via Department of Housing and Community	\$ -	\$ 4,000,000	\$ (4,000,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	Homelessness Contracts - Non-Shelter Eligible Families/Individuals	\$ -	\$ 1,000,000	\$ (1,000,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	COVID-19 Alternate Shelter for Winter Warming	\$ 1,400,000	\$ 1,400,000	\$ -
2.16	Long-Term Housing Security: Services for Unhoused Per	Domestic Violence Sheltering: Greenhouse 17	\$ -	\$ 400,000	\$ (400,000)
2.22	Strong Healthy Communities: Neighborhood Features the	Village Branch Library Construction	\$ -	\$ 1,000,000	\$ (1,000,000)
2.22	Strong Healthy Communities: Neighborhood Features the	Black and Williams Center Improvements - Gymnasium	\$ 111,594	\$ 1,040,000	\$ (928,406)
2.22	Strong Healthy Communities: Neighborhood Features the	BCTC Dental Hygiene Clinic	\$ -	\$ 2,000,000	\$ (2,000,000)
2.30	Technical Assistance, Counseling, or Business Planning	Minority Business Accelerator - Commerce Lex	\$ 991,000	\$ 991,000	\$ -
2.34	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	\$ 125,000	\$ 125,000	\$ -
2.34	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract (FY22)	\$ 325,000	\$ 325,000	\$ -
2.34	Aid to Nonprofit Organizations	Lyric Theater Assistance	\$ 127,500	\$ 127,500	\$ -
2.34	Aid to Nonprofit Organizations	Radio Lex	\$ 78,000	\$ 78,000	\$ -
2.35	Aid to Tourism, Travel, or Hospitality	Visit LEX/Hospitality Industry Recovery	\$ 1,000,000	\$ 1,000,000	\$ -

Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
Expense (Continued)					
EC 3: Public Health - Negative Economic Impact: Public Sector Capacity			\$ -	\$ 6,000,000	\$ (6,000,000)
3.01	Public Sector Workforce	Social Services Department Personnel Expenses	\$ -	\$ 6,000,000	\$ (6,000,000)
EC 4: Premium Pay			\$ 12,954,007	\$ 12,954,007	\$ (0)
4.01	Premium Pay	Premium Pay for High Exposure LFUCG Staff	\$ 12,592,084	\$ 12,592,084	\$ (0)
4.01	Premium Pay	Premium Pay for Fayette County Sheriff's Office	\$ 361,923	\$ 361,923	\$ 0
EC 5: Infrastructure			\$ -	\$ -	\$ -

Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
Expense (Continued)					
EC 6: Revenue Replacement/Government Services			\$ 11,020,273	\$ 63,371,322	\$ (56,276,102)
6.01	Provision of Government Services	Economic Development Grants to Service Partners	\$ 298,745	\$ 300,000	\$ (1,255)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court	\$ 19,637	\$ 175,000	\$ (155,363)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Buckhorn Park - Phase II Improvements	\$ 44,999	\$ 45,000	\$ (1)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court	\$ 11,808	\$ 95,000	\$ (83,192)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground	\$ 148,040	\$ 150,000	\$ (1,960)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Ecton Park Restrooms and Concessions	\$ 33,000	\$ 457,400	\$ (424,400)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Lakeside Irrigation Replacement	\$ 1,420,408	\$ 1,421,000	\$ (592)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground	\$ 147,478	\$ 150,000	\$ (2,522)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair	\$ 78,585	\$ 80,000	\$ (1,415)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roof Rep	\$ -	\$ 50,000	\$ (50,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shilito Park - Access Imprvmnt Parking Lot	\$ 43,984	\$ 400,000	\$ (356,016)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Parking	\$ 14,144	\$ 100,000	\$ (85,856)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities	\$ 526,988	\$ 529,259	\$ (2,271)
6.01	Provision of Government Services	Access to Quality Green Space for Disadvantaged Pop - ADA Imprvm	\$ -	\$ 125,000	\$ (125,000)
6.01	Provision of Government Services	Cardinal Run North Park Development	\$ 700,000	\$ 10,100,000	\$ (9,400,000)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Douglass Park - Pool Imprv	\$ 5,800	\$ 175,000	\$ (169,200)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Mary Todd Park - Basketba	\$ 16,892	\$ 118,000	\$ (101,108)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Northeastern Park - Playgrc	\$ 9,484	\$ 250,000	\$ (240,516)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Phoenix Park - Inclusive Use	\$ 148,800	\$ 150,000	\$ (1,200)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Pine Meadows Park - Playgr	\$ 153,480	\$ 153,735	\$ (255)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - River Hill Park - Sports Cou	\$ 11,183	\$ 165,000	\$ (153,817)
6.01	Provision of Government Services	General Neighborhood Parks and Recreation Improvements	\$ 454,205	\$ 3,935,000	\$ (3,480,795)
6.01	Provision of Government Services	Parks Master Plan - QCT Areas	\$ 219,584	\$ 3,345,000	\$ (3,125,416)
6.01	Provision of Government Services	Parks Master Plan - Maintenance	\$ 523,093	\$ 1,000,000	\$ (476,907)
6.01	Provision of Government Services	Parks Master Plan - Aquatics	\$ 92,900	\$ 1,870,000	\$ (1,777,100)

Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
Expense (Continued)					
EC 6: Revenue Replacement/Government Services (Continued)					
6.01	Provision of Government Services	Pam Miller Downtown Arts Center Renovation	\$ -	\$ 2,500,000	\$ (2,500,000)
6.01	Provision of Government Services	Government Employee Pay Supplements	\$ 4,436,928	\$ 4,436,928	\$ 0
6.01	Provision of Government Services	Critical Government Needs - Broadband Study with Scott County	\$ 24,909	\$ 30,000	\$ (5,091)
6.01	Provision of Government Services	Coldstream Industrial Park Campus Infrastructure	\$ -	\$ 9,500,000	\$ (9,500,000)
6.01	Provision of Government Services	Bike/Ped Planning and Design	\$ -	\$ -	\$ -
6.01	Provision of Government Services	Bike/Ped - Brighton	\$ -	\$ 132,500	\$ (132,500)
6.01	Provision of Government Services	Bike/Ped - Harrodsburg	\$ -	\$ 1,040,000	\$ (1,040,000)
6.01	Provision of Government Services	Bike/Ped - Town Branch Trail (Manchester)	\$ 67,500	\$ 67,500	\$ -
6.01	Provision of Government Services	Fire SCBA	\$ -	\$ 3,100,000	\$ (3,100,000)
6.01	Provision of Government Services	Public Safety Fleet	\$ 1,367,698	\$ 1,500,000	\$ (132,302)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY22)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY23)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY24)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY22)	\$ -	\$ 400,000	\$ (400,000)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY23)	\$ -	\$ 400,000	\$ (400,000)
6.01	Provision of Government Services	LexArts (FY24)	\$ -	\$ 325,000	\$ (325,000)
6.01	Provision of Government Services	Non-Profit Capital Grants	\$ -	\$ 6,000,000	\$ (6,000,000)
6.01	Provision of Government Services	Farmers Market Construction (Match)	\$ -	\$ 4,000,000	\$ (4,000,000)
6.01	Provision of Government Services	Housing Stabilization - Salvation Army Pledge	\$ -	\$ 2,000,000	\$ (2,000,000)
6.01	Provision of Government Services	Housing Stabilization - Hope Center Roof	\$ -	\$ 2,000,000	\$ (2,000,000)
EC 7: Administrative			\$ 158,024	\$ 7,713,605	\$ (7,555,581)
7.01	Administrative Expenses	ARPA Administrative Services	\$ 158,024	\$ 5,000,000	\$ (4,841,976)
7.01	Administrative Expenses	Hold for Construction Contingency	\$ -	\$ 2,713,605	\$ (2,713,605)
Total Expenses			\$ 31,633,686	\$ 119,801,280	\$ (95,170,627)
TOTAL - ARPA SLFRF			\$ 89,544,372	\$ 1,376,778	\$ 95,170,125

Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0879-22

File ID: 0879-22

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and Finance and Economic Development Committee

File Created: 08/25/2022

File Name: Adoption Assistance Program

Final Action:

Title: Adoption Assistance Program

Notes:

Sponsors:

Enactment Date:

Attachments: Adoption Assistance Program

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0879-22

Title

Adoption Assistance Program

ADOPTION ASSISTANCE PROGRAM

*Human Resources presentation to
Budget, Finance & Economic Development Committee Meeting
August 30, 2022*



LEXINGTON



Background

- Program established in 2009
 - Last revised in 2012

- Annual fiscal year budget: \$6,000
 - Up to \$2,000 per qualifying adoption

- In FY2022, Human Resources received five (5) requests for this benefit.
 - One (1) was denied due to lack of funds

- State Executive Order October 22, 2019 to enhance the state employee adoption benefit program
 - Reimburse or provide stipend of up to \$7,000 for children with special needs and \$5,000 for any other children

Fiscal Year	Adoptions that Received Benefit
2015	2
2016	2
2017	2
2018	1
2019	1
2020	2
2021	1
2022	4*

*At least one of the first three adopters received less than \$2,000



CAO Policy 60: Adoption Benefit Program

- Increase reimbursement for the adoption of an eligible child from \$2,000 to \$5,000.
 - *Eligible child* means an individual who is under the age of eighteen (18). An eligible child does not include the child of an employee's spouse or qualified adult as defined by CAO Policy 46.
- Provide a total reimbursement of up to \$7,000 for the adoption of an eligible child with special needs.
 - *Eligible child with special needs* means a child that requires special accommodations that other children do not.



CAO Policy 60: Adoption Benefit Program

- Increase total amount budgeted from \$6,000 per fiscal year through FY2022 to \$8,000 for FY2023.
- LFUCG may allocate additional funds in the event funds are insufficient for reimbursement, and applicant can apply for reimbursement within six (6) months of the date the adoption was finalized.



CAO Policy 60: Adoption Benefit Program

Eligible employee (no change)

- Classified civil service employees and full-time unclassified civil service employees, officers and appointees who have been employed by LFUCG for twelve (12) continuous months and have worked a minimum of 1,250 hours during those twelve (12) months.



CAO Policy 60: Adoption Benefit Program

Eligible expenses (no change)

- Licensed adoption agency fees
- Legal fees
- Travel expenses
- Medical costs not paid by insurance, Medicaid, or other available resources
- Court costs
- Other fees or costs associated with child adoption in accordance with state and federal law



CAO Policy 60: Adoption Benefit Program

Process

- Employee submits completed application to HR and documentary evidence of:
 - Finalization of the adoption;
 - Affidavit of unreimbursed expenses with supporting documentation for payments made; and,
 - If seeking the higher reimbursement amount, an indication that the child has special needs.
- Division of Accounting will dispense funds in the amount authorized by the Director of Human Resources.

Questions?





Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0880-22

File ID: 0880-22

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and Finance and Economic Development Committee

File Created: 08/25/2022

File Name: Price Contract Approval Process

Final Action:

Title: Price Contract Approval Process

Notes:

Sponsors:

Enactment Date:

Attachments: Price Contract Approval Process 8-3-2022 Revised Mayors Report, Price Contract Approval Process

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0880-22

Title

Price Contract Approval Process

PRICE CONTRACT APPROVAL PROCESS

Budget, Finance, and Economic Development Committee
August 30th, 2022



LEXINGTON



Price Contract Bid Overview

- Bids to establish price contracts are typically issued for items or repetitive services
- Examples are janitorial supplies, office supplies, water pumps, fire turnout gear, mowing services, cleaning services
- Contracts may be awarded to one or multiple vendors or contractors
- Most contracts are established for one to two years
- Contracts are based on unit prices, are unilateral and there are no obligations to spend a specific amount
- Total amount spent will fluctuate depending on a Division's available budget – dollar amount not included in the resolution



Price Contract Bid vs. Fixed Bid

- Fixed bids are typically used for a project (construction) or large ticket specialty items (large generator, audio visual equipment, bomb disposal equipment)
- Fixed bid items or projects are often listed as separate line items in the annual budget
- Fixed bids are awarded to one vendor/contractor
- Fixed bids are based on lump sums or totals and a dollar amount is included in the resolution



Current Price Contract Approval Process

- Individual price contract bids are entered into Legistar and placed on the docket under Resolutions (Fixed bids and price contract bids currently follow the same process)
- Requires two readings
- Resolutions are created for each bid
- Central Purchasing processes approximately 80 to 120 price contract bids annually

Proposed Price Contract Approval Process

- Remove price contract approvals from the resolution section
- Place the acceptance, approval and establishment of each price contract on the Mayor's Report for Council approval
- Include the name of the Department or Division for which the procurement is being made, a description of the goods or services being procured and the name(s) of the successful bidder(s)



Reasons for the New Process

- Eliminate readings (saves time at Council Meetings)
- Shortens the overall bid process by one to two weeks
- All information included in a resolution will be included on the Mayor's Report
- Contracts are still approved by Council as part of the Mayor's Report
- Does not impact the bid appeal process
- Price contracts do not include dollar amounts and all budgets associated with price contract purchases are approved during the annual budgeting process



Sample Mayor's Report

Sisters of the Bluegrass (\$1,400), for the Office of the Urban County Council, at a cost not to exceed the sums stated. [Council Office, Maynard]

VIII. Communications From the Mayor

0352-22

- (1) Recommending the appointment of Michele Hill, filling the unexpired term of Ricky Pierce, to the Alarm Advisory Board, with term expiring July 1, 2023;
- (2) Recommending the appointments of Patricia Alcorn, filling the unexpired term of Ben Turpin, Stephen Overstreet, filling the unexpired term of Sharonda Steel, and Priscilla Willis, filling the unexpired term of Lewis Brown, to the Black & Williams Neighborhood Community Center Board, all with terms expiring January 1, 2025;

IX. Communications From the Mayor - Price Contracts

0356-22

- (1) Accepting and approving the following bids and establishing price contracts for the following Departments or Divisions as to the specifications and amounts set forth in the terms of the respective bids:
 - (a) Division of Water Quality - Odor Control Chemicals - Aulick Chemical Solutions, Inc.;
 - (b) Division of Parks and Recreation - Outdoor Playground Equipment - BCI Burke Co., LLC; Bluegrass Recreational Sales, LLC; Weber Group

X. Communications From the Mayor (For Information Only)

0357-22

- (1) Probationary Classified Civil Service Appointment of Debora Kyle, Customer Service Specialist, Grade 510N, \$17.111 hourly in the Div. of LexCall, effective April 4, 2022;



Draft Ordinance

DRAFT 05-31-22

ORDINANCE NO. ____ - 2022

AN ORDINANCE CREATING SECTION 7-6 OF THE CODE OF ORDINANCES PROVIDING FOR AN ALTERNATIVE PROCESS FOR THE ACCEPTANCE, APPROVAL, AND ESTABLISHMENT OF PRICE CONTRACTS FOR PURCHASES FOR WHICH FUNDS HAVE BEEN BUDGETED THAT REQUIRES IDENTIFICATION OF THE DEPARTMENT OR DIVISION FOR WHICH THE PROCUREMENT IS BEING MADE AND A DESCRIPTION OF THE GOODS OR SERVICES BEING PROCURED, FOR INCLUSION ON THE MAYOR'S REPORT FOR COUNCIL APPROVAL, EFFECTIVE UPON PASSAGE OF COUNCIL.

WHEREAS, it is more efficient and timely to have the option of using an approval process for budgeted price contracts that does not necessitate a separate resolution for each such procurement but still requires the approval of the Urban County Council; and

WHEREAS, including sufficient information on the Mayor's report for approval by Council ensures transparency with such procurement.

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

Section 1 - That Section 7-6 of the Lexington-Fayette Urban County Government Code of Ordinances be and hereby is created to read as follows:



Draft Ordinance Continued

Sec. 7-6. Alternative Approval Process for Price Contracts.

- (a) For all purchases utilizing price contracts for which the funds have been budgeted, the administration may choose to place the acceptance, approval, and establishment of each price contract on the Mayor's Report for Council approval in lieu of creating a separate legislative matter for each procurement.
- (b) At a minimum, the following information must be provided for each procurement: the name of the department or division for which the procurement is being made, a description of the goods or services being procured, and the name(s) of the successful bidder(s).
- (c) The Urban County Council may take any appropriate action with respect to a price contract procurement item that is included in the Mayor's Report.

Section 2 - To the extent any ordinance or resolution is in conflict with the provision of this ordinance, the provisions of this ordinance shall take precedence.

Section 3 - If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unlawful by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 4 - That this Ordinance shall become effective on the date of its passage.

Questions?



ORDINANCE NO. _____ - 2022

AN ORDINANCE CREATING SECTION 7-6 OF THE CODE OF ORDINANCES PROVIDING FOR AN ALTERNATIVE PROCESS FOR THE ACCEPTANCE, APPROVAL, AND ESTABLISHMENT OF PRICE CONTRACTS FOR PURCHASES FOR WHICH FUNDS HAVE BEEN BUDGETED THAT REQUIRES IDENTIFICATION OF THE DEPARTMENT OR DIVISION FOR WHICH THE PROCUREMENT IS BEING MADE AND A DESCRIPTION OF THE GOODS OR SERVICES BEING PROCURED, FOR INCLUSION ON THE MAYOR'S REPORT FOR COUNCIL APPROVAL, EFFECTIVE UPON PASSAGE OF COUNCIL.

WHEREAS, it is more efficient and timely to have the option of using an approval process for budgeted price contracts that does not necessitate a separate resolution for each such procurement but still requires the approval of the Urban County Council; and

WHEREAS, including sufficient information on the Mayor's report for approval by Council ensures transparency with such procurement.

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

Section 1 - That Section 7-6 of the Lexington-Fayette Urban County Government Code of Ordinances be and hereby is created to read as follows:

Sec. 7-6. Alternative Approval Process for Price Contracts.

- (a) For purchases utilizing price contracts for which the funds have been budgeted the administration may place a summary of the acceptance, approval, and establishment of each price contract on the Mayor's Report for Council approval in lieu of a resolution for each procurement.
- (b) At a minimum, the following information must be provided for each procurement: the name of the department or division for which the procurement is being made, a description of the goods or services being procured, and the name(s) of the successful bidder(s).
- (c) The Urban County Council may take any appropriate action with respect to a price contract procurement item that is included in the Mayor's Report.

Section 2 - To the extent any ordinance or resolution is in conflict with the provision of this ordinance, the provisions of this ordinance shall take precedence.

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Section 4 - That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL
PUBLISHED:

_____-22:DJB:X:\Cases\PURCHASE\22-CC0195\LEG\0075921.DOCX



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0881-22

File ID: 0881-22

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and Finance and Economic Development Committee

File Created: 08/25/2022

File Name: Exactions Program Update

Final Action:

Title: Exactions Program Update

Notes:

Sponsors:

Enactment Date:

Attachments: Exactions update BFED 2022-08-30 final

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0881-22

Title

Exactions Program Update

EXACTIONS PROGRAM UPDATE

Budget, Finance, & Economic Development Committee
August 30, 2022



LEXINGTON

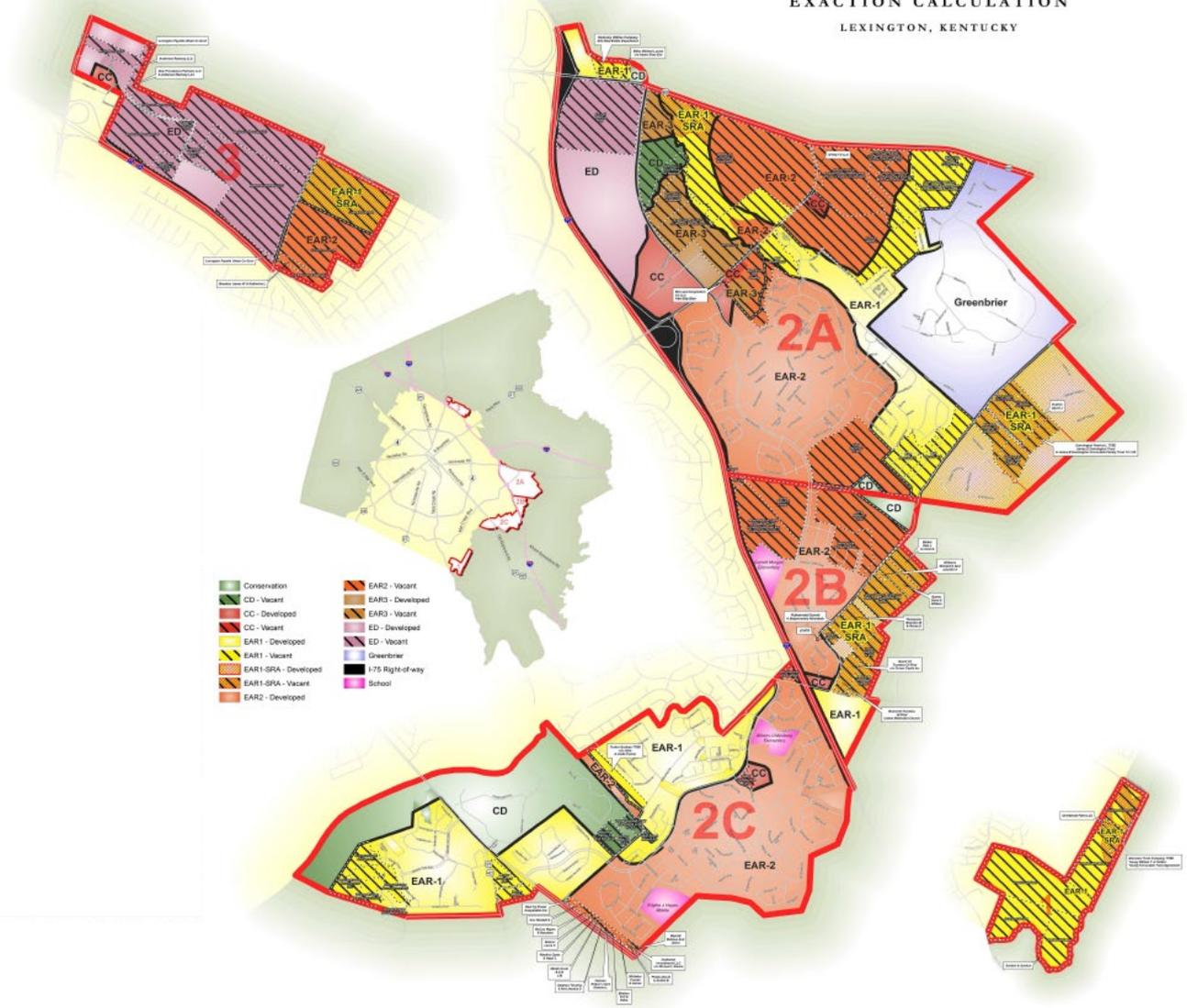


Presentation Overview

- Background Information – Expansion Areas & Exactions
- Program Dissolution Update
- Next Steps



URBAN SERVICE AREA EXPANSION EXACTION CALCULATION LEXINGTON, KENTUCKY





Expansion Areas (“EAs”) in 2020

Expansion Area	Acres (Developable)	Recorded Plat Acres	Remaining Acres	% Remaining
1	565	0	565	100%
2-A	1,885	1,013	871	46%
2-B	414	171	243	59%
2-C	976	882	95	10%
3	474	68	406	86%
TOTAL	4,273	2,094	2,179	51%



Overview of Exactions Program

- Goal: Provide an equitable means to allocate a fair share of the cost of infrastructure (“system improvements”) needed to serve new growth and development in the expansion areas
- Exactions must be roughly proportional to the cost for capital facilities
- Assessed at time of plat or development plan on a per-acre basis
- Rates are set by the Urban County Council and updated to reflect actual project costs



Overview of Exactions Program

- Exactable Infrastructure (depending on expansion area):
 - Sanitary Sewer Capacity
 - Sanitary Sewer Transmission
 - Collector Roads
 - Multi-Neighborhood Parks / Non-Floodplain Greenways
 - Rural Open Space
 - Stormwater Management Facilities



System Improvement Costs and Collections

- Total Program Costs: \$108.75 million
- Total Collections on Platted Land: \$55.82 million (51%)
 - Collections = Calculated on plat, to be paid at time of building permit
- Total Remaining Exactions: \$54.27 million (49%)



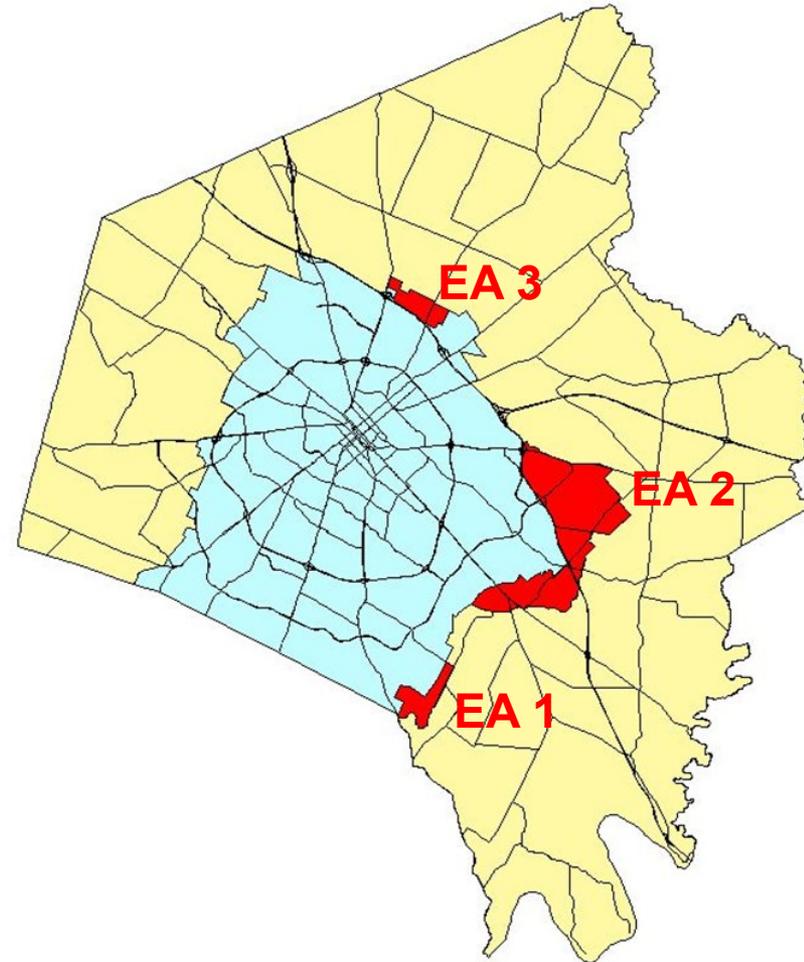
Can we do this a different way?

- Goals of the Expansion Area Master Plan:
 - New development in expansion areas should be served by adequate facilities
 - New development in expansion areas should bear a proportionate share of the infrastructure costs
 - Allocation of a fair share of the capital costs of infrastructure needed to serve new growth and development between and amongst stakeholders in the expansion areas

In lieu of comprehensive development exactions, stakeholder infrastructure agreements could be used to accomplish these objectives

Program Dissolution

- Goal: Dissolve Exactions Program
- Negotiations with Expansion Area Stakeholders
- Moving forward with dissolution of exactions in Expansion Areas 1 and 3
 - Least complex
 - EA1: Undeveloped
 - EA3: Relatively few system improvements
- EA 2 is more complex due to development activity





Roadmap to Dissolution of Exactions

- Gather information necessary for stakeholder infrastructure agreements
- Negotiate stakeholder infrastructure agreements
- Execution of stakeholder infrastructure agreements (including Council approval of agreements)
- Clean Up: Zoning Ordinance Text Amendment
- Clean Up: Amendments to the Code of Ordinances (if necessary)
- Clean Up: Administrative (LFUCG records, e.g., exactions database, accounting, etc)



Tasks In Progress

- Information Gathering: Finance, Engineering, Planning, Water Quality

- Checklist:
 - Confirm remaining system improvements and costs
 - Updating property ownership information
 - Calculating credits by Expansion Area
 - Reviewing status of infrastructure development agreements
 - Reviewing tap-on fees as viable cost recovery replacement for sewer exactions
 - Identify necessary amendments in Code of Ordinances, Comprehensive Plan, etc.
 - Identify existing plat note language to be addressed
 - Determine how to reconcile the Exactions Database



Timeline

Expansion Areas 1 and 3:

- August 2022: Information gathering for EAs 1 and 3
- Sept./Oct. 2022: Meetings/negotiations with stakeholders
- Nov./Dec. 2022: Finalize stakeholder infrastructure agreements for EAs 1 and 3
 - Includes Council approval of agreements
 - Estimated timeline depends upon progress of negotiations

Expansion Area 2

- 4th quarter 2022: Information gathering (checklist)
- 1st quarter 2023: Meetings/negotiations with stakeholders
- 2nd quarter 2023: Finalize stakeholder infrastructure agreements for EA 2

Goal is program dissolution by Fall 2023

Questions?





Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0882-22

File ID: 0882-22

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 08/25/2022

File Name: Items Referred to Committee

Final Action:

Title: Items Referred to Committee

Notes:

Sponsors:

Enactment Date:

Attachments: Items Referred to Committee

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0882-22

Title

Items Referred to Committee

ITEMS REFERRED TO COMMITTEE

Budget, Finance & Economic Development Committee

Referral Item	Referred By	Date Referred	Last Heard	Status	File ID
Creation of Lexington Film Commission	Bledsoe	August 30, 2016		(pending review)	
Efforts to Reduce Barriers for Second-Chance and Reentry Employees	Bledsoe	January 29, 2019	February 26, 2019	(pending review)	0217-19
Review of the Exaction Program	Ellinger	August 28, 2018	March 17, 2020	On current agenda	0357-20
Consideration of 2-year budget cycle	Bledsoe	April 30, 2019		(pending review)	
Review of the Current Civil Service Pay Scale; Exploration of Annual Compensation Increases for City Employees	J. Brown	August 13, 2019	October 28, 2021	(pending review)	0359-20
Revenue Sources	Kay	August 11, 2020	December 1, 2020	(pending review)	1184-20
Franchise Fees and Street Light Funds	McCurn	August 13, 2019		(pending review)	
Review of Current Tax District Change Policy	Plomin	March 13, 2018 / March 9, 2021			
Cryptocurrencies	Bledsoe	May 4, 2021		(pending review)	
Downtown Projects Update	Bledsoe	August 27, 2019	June 29, 2021		0677-21
Local Small Business Economic Recovery Program 2021	Worley / FY21 Budget COW	June 2, 2020	June 29, 2021		0680-21
Attracting Remote Workers to Relocate to Lexington-Fayette County	Kloiber	August 24, 2021	September 28, 2021		0975-21
Use of Additional FY21 Economic Development Funding (\$300,000)	Bledsoe	September 21, 2021	September 28, 2021		0976-21
Use of MAP Funds for Salaries	Ellinger / FY20 Budget COW	May 28, 2019	September 28, 2021		0977-21
Budgeting Models and LFUCG Budgeting	Bledsoe	May 18, 2021	September 28, 2021	item original identified as zero-based budgeting	0978-21
Review of Financing Options for Coldstream	Kloiber	1/25/2022		(pending review)	
Review of Adoption Assistance Program	Bledsoe	5/31/2022		On current agenda	
Annual/Periodic Updates					
Monthly/Quarterly Financial Update (monthly is for information only)	na	na		quarterly presentations, monthly reports	1228-21
Annual Comprehensive Financial Report	na	na	January 25, 2022	Annually in January	0099-22
Lexington Economic Outlook & Occupational Tax Forecast	Bledsoe	December 3, 2019	January 25, 2022	Annually in January	0100-22
Fund Balance	na	na	October 26, 2021	Annually in October	1087-21
Council Budget Review Process	Bledsoe	December 3, 2019	December 1, 2020	Work Session, Jan. 25, 2021	1085-20
Lexington Jobs Fund Update	Bledsoe	January 29, 2019	January 28, 2020		0134-20

Referral Item	Referred By	Date Referred	Last Heard	Status	File ID
Bluegrass Farm To Table Update	Bledsoe	February 25, 2020	October 26, 2021		1088-21
Economic Development Grant Update	Bledsoe	January 29, 2019	October 26, 2021		1089-21
Industrial Development Authority Update	Bledsoe	February 25, 2020	June 29, 2021		0679-21
Change Orders Report (per Resolution 620-2020)	na	December 3, 2020	November 30, 2021		1230-21
Economic Development Partnerships Update	Bledsoe	March 16, 2021	February 8, 2022		0152-22
Subcommittees					
Division & Program Review Process Subcommittee	Bledsoe	December 3, 2019	November 30, 2021	reconvene in fall of 2022	1231-21
LFUCG Property Assessment Subcommittee	Bledsoe	September 22, 2020	January 26, 2021		0104-21

Updated 8/24/22 SD