

Purchase of Development Rights Program (PDR) Executive Summary

PDR is now in its 14th successful year of conservation easement acquisition and has become an award winning and nationally recognized farmland preservation program. Lexington-Fayette County's Purchase of Development Rights (PDR) Program was the first agricultural conservation easement program by a local government in the Commonwealth of Kentucky. Protecting our world famous rural landscape from urban sprawl has been a community goal in Fayette County for over 50 years. Three major actions are accomplishing this goal. One, in 1958, an Urban Services Boundary was implemented as a planning tool to limit development to urban areas served by sanitary sewers. Two, in 1999, the minimum lot size in rural Fayette County was raised from 10 acres to 40 acres. Three, in 2000, an ordinance was passed by the Urban County Council creating the Purchase of Development Rights Program and the Fayette County Rural Land Management Board, Inc.

There are six main goals of PDR: (1) In accordance with the Urban County Government Charter and the Rural Service Area Land Management Plan (adopted in 1999), the PDR program supports the integrity of the Full Urban Services District. Concentrating growth in an urban center reduces the cost of public services to local government. (2) To support the purpose of the Urban Services Boundary (adopted in 1958) as described in the Rural Service Area Land Management Plan. (3) To protect the agricultural, equine and tourism economies of Fayette County by conserving large areas of rural farmland. (4) To conserve and protect the natural, scenic, open space, historic and agricultural resources of rural Fayette County. (5) To use conservation easements to protect 50,000 acres of rural Fayette County by the year 2020. (6) To provide funding of \$140 million (local, state and federal funding).

50,000 acres of farmland is required in order for Fayette County to support the existing agricultural infrastructure and to protect our global brand identity as the 'Horse Capital of the World'. 50,000 acres is only 27% of all of the land in Fayette County. According to a 2013 University of Kentucky College of Agriculture economic impact study, this finite resource supports an agricultural cluster that generates \$2.4 billion in annual output and provides 1 out of every 9 jobs. It also provides \$1.3 billion in additional income, profits, and dividends. Fayette County leads the nation in equine sales. Fayette is second in the nation in specialty animal products sales at \$71 million. In addition, there is \$24 million in non-animal and crop sales. Total farm sales are \$505 million.

The PDR Director administers the program and is an LFUCG employee. The Fayette County Rural Land Management Board, Inc. is appointed by the Mayor and confirmed by the Council. Applications to the PDR program are evaluated and ranked by the Director, and approved by the Board. Subject to available local funding and available federal matching funds, the farms are appraised in rank order. The Board makes offers to land owners to purchase the development rights on the farm. If the land owner accepts the offer, a contract is signed. A closing is scheduled and a conservation easement is placed on the land. The farms are visited annually for conservation easement compliance. The farms may be sold or bequeathed, but the conservation easement runs with the title of the land in perpetuity.

244 farms with over 28,169 acres are protected by conservation easements, 56% of the 50,000 acre goal. The types of farms in the program include 98 general agriculture, 133 equine and 13 other (landscaping materials, etc.). The total also includes 39 farms with donated conservation easements totaling 1,732 acres.