
Mayor Linda Gorton's Commission on Racial Justice and Equality Education and Economic Opportunity Sub-committee

Education and Education Committee Members

Sharon Price (Community Action Council) • Anthony Wright (Harshaw Trane) •
Bishop Carter IV (Elaine Allen) • Kim Sweazy (Toyota Motor Manufacturing of Kentucky) •
Patrice Muhammad (Journalist and Media Professional) • Tyrone Tyra (Commerce Lexington) •
Salvador Sanchez (Small Business Owner) • Darryl Thompson (Fayette County Public Schools)
• Erin Howard (Bluegrass Community and Technical College) • Marcus Patrick (Urban Impact) •
Rachelle Dodson (Bankruptcy Attorney) • Honorable Reginald Thomas (State Senator) •
Honorable Mark Swanson (City Council Member)

Education Summary

Children, adults, families, and communities are more likely to thrive when they have their foundational needs met, as described by Maslow’s Hierarchy of Needs (physiological, safety, belonging, social/esteem, and self-actualization). These foundational needs are safe neighborhoods, affordable homes, access to nutritious food, access to high quality, affordable health care, and trusting relationships with parents, friends, neighbors, and a sense of belonging and pride in their communities. This foundation must also be rooted in a high-quality education that begins before birth and extends from cradle to career—ultimately ensuring the citizens of Lexington have stable, living wage employment, which will provide a viable and sustainable community that fosters forward progression for everyone.

Lexington is Central Kentucky’s urban, suburban, and rural center, and is the second-largest city in the Commonwealth. According to the U.S. Census Bureau, among similarly-sized towns, Lexington is 12th in the nation with residents who have attained a bachelor’s degree, and 11th among those with a graduate degree or higher. Lexington is home to the University of Kentucky, Transylvania University, Bluegrass Community and Technical College, and multiple other educational institutions, hospitals, as well as thriving businesses. While Lexington is a significant economic and educational center, it is also a “tale of two cities” marked by neighborhoods with high concentrations of both poverty and great wealth. These “two cities” are shielded by both visible and imaginary walls of perception and perspective—a tale of two different cities of isolated neighborhoods comprised of persistent socioeconomic challenges and persistent poverty.

Poverty and the conditions of poverty cannot and should not be ignored nor overlooked in this education and equality discussion as it ultimately is an obstacle to equitable educational

access, economic prosperity, and opportunity. For this purpose, poverty and its impacts, influences, and experiences vary considerably; it is not equally distributed to, nor mutually exclusive to, any particular individual or community. Therefore, the city of Lexington must identify and remove structural and institutional barriers that allow racism to persist in century-year-old laws, legal system processes, public policy, social programs, and intentional practices. The recommendations from the Education Committee will help the city of Lexington increase equality by courageously dismantling racism, discrimination, and both implicit and explicit bias. This begins by creating access to high quality and universal early childhood education, and by ensuring economic development opportunities are available for diverse individuals and small and large businesses—an ecosystem that works in tandem. More importantly, a city that fosters universal citizenship where everyone works for and not against each other; nevertheless, more work is needed.

According to the most recent Census Bureau data, the racial demographic makeup of the city of Lexington shows that Whites comprise approximately 74 percent of Lexington's population. In comparison, Blacks and Hispanics/Latinx comprise 14 percent and 7 percent, respectively, and all other ethnic groups include the remaining 5 percent. Prior to COVID-19, the poverty rate in Lexington was just under 18 percent, with nearly 25 percent of children under the age of five living in poverty.

In Lexington, according to the 2019 report from the Kentucky Center for Statistics, there were approximately 2,911 Kindergarten enrollments and 1,217 preschool enrollments, with about 18,550 child care service capacity. It is estimated that 5,642 children in Lexington meet Head Start and Pre-K eligibility requirements. The number of children enrolled in high-quality formalized early childhood educational structure is only a fraction of the number receiving

services. According to the Governor’s Office of Early Childhood, only 51.1 percent of children entering kindergarten in Kentucky did so with the designation of “school ready.”

Full-time high-quality early childhood education remains a persistent and uncompromised need in all of our neighborhoods and community. President Obama, in his State of the Union address in 2014, called for more focused and dedicated work to ensure that vulnerable children and families have access to high-quality care and education in their earliest years and prioritized funding to help support this need. Not only is this an educational priority for children, but it is also an economic priority for families—as education and economics coincide on every level. Children need high-quality learning experiences that prepare them to be successful in school and life. Parents need high quality, affordable early childhood education, and supports to meet individual progressive goals and go to work. In order to work or go to school or meet personal progression goals, families need high quality, affordable early childhood education.

All students should have access to a public school system that recognizes that family and community engagement is essential as we collaborate to educate our students and prepare them for life-long learning. This system must include a districtwide culture that promotes collaborative partnerships to support student learning, enrich educational experiences, and prepare students to excel as successful citizens in a global society. Once parents, teachers, and community members view one another as partners in education, then a caring community forms around students, helping to ensure their success.

It is paramount that Lexington strengthens learning opportunities for historically marginalized students who come from at-risk circumstances or for those who have limited access and options. We cannot wait for others to rank and classify our educational success by how they

view us. We have to define a standard beyond what state lawmakers set by establishing a shared commitment of local principles, standards, and high expectations that extends from the doorsteps of every home and business to every classroom in Fayette County. For the purpose of this report, while all educational systems were considered, the emphasis of this evaluation and proposal is to strengthen Lexington-Fayette County's early-childhood educational system.

RECOMMENDATION 1: Build an integrated system of early childhood education that addresses the needs of children, adults and families.

When it comes to early childhood education programs, quality is critical. High-quality preschool gives children a strong start on the path that leads to college or a career. Economists have shown the benefits of early education investments, which generate millions from every dollar invested. Research further indicates that all children benefit from high-quality preschool, with children from households with low-income and English language learners benefiting the most. The committee recognizes the potential of high-quality community-based preschool being realized by the transformation and organic growth of existing early childhood development services. Where a child lives should not limit or determine their trajectory. Children can live, learn, and grow from high-quality early education centers in their own neighborhoods.

Cognitive skills development occurs early and rapidly from birth to five years old—with over 85 percent of brain development occurring during that time. The science of early brain development in children emphasizes the importance of high-quality early childhood education and confirms the long-term advantages of investments in early childhood.

The debate surrounding the need and benefits of early childhood education is nothing new for providers and leaders in Lexington. Nor is the necessity for adequate funding or defining what quality early childhood looks like in its many different forms. In Lexington, there are multiple systems of early childhood education: the family, Health Access Nurturing Development Services (HANDS) Program, Fayette County Public School's Pre-K (Pre-K), Community Action Council's Head Start and Early Head Start (Head Start) programs, community-based child development programs, family child care homes, among others. Each of these plays a vital role in education and preparing children for success in life, which steered the

conversations, debates, and community comments during Commission meetings. Currently, there are collaborations taking place between several entities and organizations in this field. Imagine the collective impact if these entities functioned as a unified system of care versus focusing on capitalistic individualism.

The Subcommittee pledged to explore each of these individual educational entities and consider their strengths and opportunities as a unified system to serve/educate children and families holistically in Lexington Fayette County, through deliberate and collaborative partnerships. The stark reality is, regardless of which early childhood educational path a parent chooses for their child(ren) or whether a child attends preschool or not, each of these children will most likely attend kindergarten in Fayette County and/or Fayette County Public Schools—capable but not always prepared. This Subcommittee contends that a systematic collaborative partnership between families, community, and early-childhood education service providers would not only increase the instructional quality of teaching and learning for all children but would also increase the amount or number of hours that children receive intentional learning opportunities. Consequently, the number of children who enter kindergarten will be more prepared and “ready-to-learn,” ultimately reducing the achievement gap that is rooted in kindergarten readiness.

This high-quality early childhood learning and workforce development system includes increasing the economic empowerment of minority small business opportunities and cultivating more high-quality, community-based early learning service providers. The Subcommittee proposes to accomplish this by leveraging existing human capital and physical resources of the Fayette County Board of Education, City of Lexington, Community Action Council’s Head Start programs, United Way, and other organizations across the community.

Action Required by the Mayor: *Mayor Linda Gorton must engage in full collaboration with the Fayette County Board of Education to research and develop a plan to create a collective impact framework to offer full-day preschool and increase access to high-quality teaching and learning experiences within neighborhoods and communities with high asset needs and concentrated poverty.*

Action Steps:

- Construct a county-wide system of early childhood education that strengthens early learning by leveraging the efforts, expertise, and resources of organizations such as Fayette County Public Schools, Community Action Council’s Head Start Programs, and licensed child care centers. to teach children and strengthen families.
- Increase the number of children receiving full-day preschool in Fayette County Public Schools.
- Community Actions Council’s Early Head Start program must seek opportunities for expansion to serve additional children under three years old.
- The Health Access Nurturing Development Services (HANDS) program must expand the number of children served under two years old.
- Expand opportunities for job training and skill development for youth.

Progress: Members of the Subcommittee have already begun to take actions, where applicable, on implementing the strategies and action items in this report:

1. Fayette County Public Schools continues to promote, explore, and engage in feasibility discussions regarding the expansion and implementation of a universal early childhood education system in Lexington-Fayette County. First 5 Lex is an essential component in these discussions. *First 5 Lex: From Cradle to Kindergarten* gives families and

caregivers access to information about early learning and connects them to fun, stimulating, and age-appropriate activities that will support their young child's development and learning. As mentioned previously and further reiterated throughout this document, children's early experiences—from birth to age five—are critical to their brain development and lifelong learning. Parent/caregiver interactions with young children are the key to this development. The goal of First 5 Lex is to work directly with families to communicate how crucial these early years are to building children's brains, language, and vocabulary—all of which are necessary for success in school and life.

Our focus on underserved and underrepresented families to help strengthen the community continues to be our primary objective. By collaborating and partnering with local health care providers, mental health providers, the public library, the University of Kentucky, and other local agencies, First 5 Lex brings together our community to support children and families, from quality prenatal care through early childhood education.

2. Community Action Council has submitted a grant application to expand its Early Head Start program to increase the number of three-year-old children it serves who miss the compulsory school age in the William Wells Brown school district. If awarded, these additional slots will be located in the William Wells Brown district, and will, in essence, provide children with a full year of classroom experience, early developmental screenings, dental and health services, nutritious meals and routine prior to entering preschool. While the children are receiving a high-quality, comprehensive education, parents will also have the opportunity to develop and set goals for themselves—focusing on education, skill development, job training and obtainment, financial literacy, parenting

skills, mental health supports, or other areas—and will receive the supports they need to meet and/or exceed these goals. This is an example of the “Whole Family Approach.”

RECOMMENDATION 2: Institute a “Whole Family Approach” to education and economic family progression.

Strong families are essential to the overall well-being of children, families, individuals, and the community at large. Children’s development is better promoted with direct investments and supportive indirect policies and programs that strengthen families and the community. Be it nature, nurture, or the environment—everything influences a child and contributes to his or her health and development. Children are a part of families; families are a part of neighborhoods, and neighborhoods a part of the greater community ecosystem. Ensuring equitable access to high-quality early childhood education is only one part of the equation. To build strong families and a vibrant economy, we must provide a dual generational approach that supports the family and the child simultaneously so that for families living in poverty to escape the social conditions of impoverishment. According to an article published in 2018 in the National Academy of Medicine, “Policies and programs investing in family and community are often more cost-effective than services provided to only to children, because they affect a broader population of children and the adults in their lives, and are more likely to have longer-term effects.”

The Whole Family Approach, also referred to as a two-generational or multi-generational approach, is a family-led strategy that supports families with setting goals and developing a solid plan to achieve those goals. This approach addresses the needs of the child and parents concurrently, thus strengthening the entire family by allowing the forward progression of the entire *family* to occur simultaneously. Dr. James Heckman, a Nobel Prize-winning economist, affirms two elements that are true contributors to long-term impacts for

children and families: (1) the social and emotional development that is cultivated by a high-quality early childhood educational environment, and (2) the true motivator behind a child's success through their school career is very likely the parents. The child and the family cannot be viewed in isolation. The Whole Family Approach supports families, many underserved or affected by the challenges of living in poverty or other social or economic challenges, and helps them to set and achieve their individual goals, including, but not limited to, education, financial literacy, employment, job training, food security, and housing.

Action Required by the Mayor: *Allocate a minimum of \$1 million, annually, to support local non-profits in implementing Whole Family Approach programs focusing on family and financial literacy, workforce development and job training, and continuing education opportunities, including access to adult and continuing education programming. Utilize the position created in Recommendation #3 to ensure ongoing investments in the Whole Family Approach are successfully implemented.*

Action Steps:

- Ensure a community consortium of non-profits working together to enhance community-level innovation and impact by developing a system of job training, skill development, job placement, and financial literacy. This consortium will strengthen the collaborative system and provide critical support for each consortium member.

RECOMMENDATION 3: Codify and ensure a collaborative system of educating children and strengthening families, fully utilizing current partnerships, programs, and other community resources.

The Subcommittee is concerned that without dedicated and effective oversight, the recommendations within will either diminish over time or will develop into additional initial meetings that do not materialize into substantial change. The Subcommittee identified that although substantial contributions toward youth and young adult education are made by the city,

a system of coordination could lead to greater outcomes. The establishment of effective oversight is one of the most important indicators of Mayor Linda Gorton's commitment to implementing systems that strengthen the community for all citizens and lends itself to an effective long-term solution at dismantling racism, systematic racism, and injustice in Lexington.

The Subcommittee is recommending that the Lexington-Fayette Urban County Government: (1) invest in and commit to supporting early childhood entities working together to educate children; (2) strengthen and support families with educational advancement, job training supports, financial literacy, parenting classes, among other supports; and (3) provide workforce development and economic empowerment for small minority businesses within the community. The Lexington Fayette Urban County's budget for FY21 reflects an investment of more than \$8 million towards activities that include, but are not limited to, art education, physical activities, tutoring, afterschool, dance/ballet, and child care. Providing dedicated oversight to each of the top three priorities, including the city's educational investment, is critical in ensuring that effective community collaborations, adequate and equitable funding, and meaningful community-level impacts that strengthen the entire city are being achieved. Therefore, a dedicated position must be created and staffed with a culturally competent (aware and responsive) and multilingual professional who will be responsible for managing the city's investment in education and leading the collaborative educational objectives as recommended by the Commission.

Action Required by the Mayor: *Create a position that is responsible for managing the city's investment in education and leading the collaborative educational objectives as recommended by the Commission.*

Action Steps:

- Create a position that is responsible for managing the city’s investment in educational programs.
- This position will lead, facilitate, and monitor the integrated system of early childhood education in Recommendation #1.
- This position will lead, facilitate, and monitor the community consortium of non-profits in Recommendation #2.

RECOMMENDATION 4: Create an educational community that is culturally and linguistically inclusive.

Creating learning environments that are culturally and linguistically inclusive has several significant benefits on a child’s learning. Currently, classrooms are overwhelmingly represented by white women. By intentionally recruiting a diverse workforce of early childhood educators that is representative of the gender, racial, and ethnic makeup of the students, early learning programs have the opportunity to foster inclusive learning environments that allow children to see themselves reflected in the adults charged with their education.

There is no reason to belabor the idea that children need role models that look like them in different professions, including our local school district. Fayette County Public School Superintendent Emmanuel Caulk’s *2016 Superintendent for Fayette County Public School’s Blueprint for Student Success: Achieving Educational Excellence and Equity for All* confirmed the need to recruit and hire highly effective and diverse teachers in order to prepare students to excel in a global society. The importance of diversity inclusion was reiterated by Erin Howard, Director of Latino/Hispanic Outreach and Student Services at Bluegrass Community and Technical College, when she asked, “If a student of color doesn’t see themselves in the

curriculum, you know, where can they attach to and how can they create a vision for themselves within our community?”

According to research conducted in 2004 by Tom Dee, an education professor at Stanford University, Black students who were taught by Black teachers for at least one year between the first and third grade experienced a 3-5 percentile point increase in math scores and a 3-6 percentile point increase in reading scores. White students also experienced advantages from instruction by same-race teachers, with boys being affected more than girls. It is believed that simply seeing another person that looks like them in a professional setting could influence students to obtain higher levels of education. Research also reveals other disparities in educational systems with regard to race. In many instances, harsher punishments have been documented for Black students committing the same infractions as White students. The same was also true for students who have more ethnic or “black-sounding” names. These same realities may impact children as early as preschool and kindergarten and may be linked to overt racism, unconscious racial bias, and implicit bias. Providing content area expertise during the July 31, 2020 committee meeting, Lieutenant Governor Jacqueline Coleman confirmed that kids need to see leaders in their classrooms that look like them, later commenting that some teachers have lower expectations for Black students.

If research and such anecdotal affirmations are true, creating an educational community that is culturally and linguistically diverse is essential. Every member of the Subcommittee agrees that there is a need to increase the number of Black and other minority teachers and school leaders in the school district. “Fayette County Public Schools has a detailed recruitment and hiring plan. We cannot hire Black or minority teachers if the colleges aren’t producing them,” says Darryl Thompson, Equity Officer, Fayette County Public Schools.

When questioned about barriers for Black students in the education field, Dr. Jennifer Grisham-Brown, University of Kentucky Professor, points to the Praxis as a barrier to admittance to the College of Education. “That test right there has prevented countless numbers of minority students from being able to be teachers, and it’s abhorrent to me,” said Grisham-Brown. The Praxis Core Academic Skills (Core) for Educators is used as a precursor for admittance into the teacher education program, which eliminates students from entering the education field before they even get started. The test is “biased” and a “gatekeeper” that keeps minority students from pursuing careers in education, according to Grisham-Brown. “If they can’t pass the test at the end, I don’t think they should be teachers, but that’s not the problem with our folks, It’s the problems of getting in in the first place,” said Grisham-Brown.

The committee, along with public comments, supports the need to increase the number of Black and minority teachers—including men—hired in Fayette County Public Schools, including multilingual educators. As well, the district should implement a curriculum and practices that are culturally inclusive and rooted in ethnic studies practices and provide training and retraining opportunities to increase staff exposure to culturally inclusive content, implicit biases, and opportunities to learn best practices on how to engage diverse students in the classrooms.

Action Required by the Mayor: *(1) Meet with post-secondary education leaders, including Dr. Eli Capilouto, University of Kentucky President; Brien Lewis, Transylvania University President; Dr. M. Christopher Brown II, Kentucky State University President, Dr. David McFaddin, Eastern Kentucky University President; and Dr. Jennifer Grisham-Brown, University of Kentucky Professor to discuss eliminating the Praxis as a pre-qualifier for students to enter the College of Education. Afterward, lead a concerted effort with the assistance of this team, if necessary, to remove the Praxis as a pre-qualifier to enter the College of Education.*

RECOMMENDATION 5: Create meaningful afterschool opportunities for youth.

Effective afterschool programming can be highly beneficial to youth, families, and the community. Not only do quality afterschool programs provide a safe, structured environment for children of working families, they also: enhance academic performance, reduce high-risk behaviors, improve classroom behavior, reduce illicit drug use, promote physical health, provide early job and skills training, instill positive work ethics and values, encourage goal setting and future educational planning, and can also help to provide a sense of individual value and purpose.

During this process, there has been one major recurring discussion point amongst multiple committees and committee members: the significance of the now-closed Mayor's Training Center that was defunded in 2007. P.G. Peoples, Urban League President, believes that the city lost a valuable tool with the closing of the Mayor's Training Center, and has reiterated this sentiment in multiple arenas. Bishop Carter IV, the owner of Elaine Allen, a construction management firm, lends credit for his success to the Mayor's Training Center. Outside of these commentaries, there have been countless anecdotal community benefits that point back to the effectiveness of this specific program. A portion of this program has morphed into the Summer Youth Job Training Program that provides workforce training opportunities for youth in the 10th, 11th, and 12th grades. In the Summer Youth Training program, youth learn the importance of soft skills that include punctuality, professionalism, teamwork, and ethics. There is no doubt that youth can benefit from effective afterschool programming that supports their current abilities that lead to successful independent living after graduation.

The Mayor's Training Center was also instrumental in small business development and training for entrepreneurs. A major program component included the training and retraining of

unemployed and underemployed workers for dedicated positions committed by employers for those enrolled at the Mayor's Training Center. No other city program has filled the void in training left after the defunding of the Mayor's Training Center.

Action Required by the Mayor: *Utilize the position in Recommendations #3 to explore, expand, and institute partnerships between community organizations and institutions and Fayette County Public Schools to create meaningful afterschool opportunities for youth that prepares them for life after high school.*

Action Steps:

- Create paid apprenticeship opportunities for youth in the private and public sectors.
- Explore, create, and implement opportunities that lead to an increase in work ethics, life skills training, and successful independent living after graduation.
- Explore the financial and in-kind contributions that support education in Lexington.
- Explore the equity of shared-use agreements, tutoring, and after school programs.

NOTES: Community and committee observations

During the course of dialogue within the Subcommittee, and from feedback received from the broader community, the following additional notes are made as a matter of record:

Fayette County Public Schools.

1. More Black and minority students must be better prepared and granted access into the Gifted and Talented program and Advanced Placement (AP)/rigorous courses across all Fayette County Public Schools.
2. Expand Experience-Based Career Education (EBCE) opportunities for students with diversified community-based business partners that include mechanisms that remove barriers of access to participation, such as lack of transportation.

3. There must be an equitable distribution of funding for schools located in high asset neighborhoods or containing a higher percentage of students receiving free or reduced meals.
4. There is an imbalance between the student learning expectations and the correlation of race/ethnicity when it comes to expected outcomes. Increase the number of Black and minority teachers—including men—hired in Fayette County Public Schools, including teachers who speak multiple languages.
5. Create and reserve a seat on the Fayette County School Board for one non-voting student to represent the voice of all students.
6. Ensure that the curriculum adopted by schools is viable and that instructional strategies and practices are culturally responsive, inclusive, and rooted in ethnic studies and evidence-based research.
7. Provide training and retraining opportunities to expose staff to culturally-inclusive content, implicit biases, and opportunities to learn best practices on how to engage students and families as partners in teaching and learning both inside and outside the classrooms.

Action Required by the Mayor: *Acknowledge and refer to the Fayette County Board of Education.*

**University of Kentucky, Transylvania, Bluegrass Community and Technical College,
Kentucky State University and Eastern Kentucky University**

1. Investigate the data on the attrition rate of minority college students who drop-out or leave college/trade school after their first semester.

Action Required by the Mayor: *Acknowledge and charge the Presidents of all technical schools, colleges, and universities in Lexington and surrounding communities with providing data to determine the root cause of student attrition. Develop and enforce effective strategies to reduce the attrition rate of students, particularly minority students.*

COVID-19.

The Education and Economic Subcommittee members wish to express their concern for the unpredictable, yet assumed, increase in the educational gap that will occur with historically marginalized students of poverty and paralleled by race, that has been exacerbated by the COVID-19 Global Pandemic. In an effort to keep all students, staff, and families safe, this national pandemic has shined a spotlight on the socioeconomic status of families and how the impacts of poverty can affect a child's access to an equitable education due to the digital divide during normal conditions, and more so during a global pandemic when students and families have been required to adapt to a virtual teaching and learning platform from within the home. The digital divide and lack of citywide broadband access underscore the role city infrastructure plays in mitigating and bridging the socioeconomic divide between poverty and wealth and the outcomes this dynamic plays in creating equitable educational experiences for all students.

Education Subcommittee Recommendation Summary

RECOMMENDATION 1: Build an integrated system of early childhood education that addresses the needs of children, adults and families.

Action Required by the Mayor: *Mayor Linda Gorton must engage in full collaboration with the Fayette County Board of Education to research and develop a plan to create a collective impact framework to offer full-day preschool and increase access to high-quality teaching and learning experiences within neighborhoods and communities with high asset needs and concentrated poverty.*

RECOMMENDATION 2: Institute a “Whole Family Approach” to education and economic family progression.

Action Required by the Mayor: *Allocate a minimum of \$1 million, annually, to support local non-profits in implementing Whole Family Approach programs focusing on family and financial literacy, workforce development and job training, and continuing education opportunities, including access to adult and continuing education programming. Utilize the position created in Recommendation #3 to ensure ongoing investments in the Whole Family Approach are successfully implemented.*

RECOMMENDATION 3: Codify and ensure a collaborative system of educating children and strengthening families, fully utilizing current partnerships, programs, and other community resources.

Action Required by the Mayor: *Create a position that is responsible for managing the city’s investment in education and leading the collaborative educational objectives as recommended by the Commission.*

RECOMMENDATION 4: Create an educational community that is culturally and linguistically inclusive.

Action Required by the Mayor: *(1) Meet with post-secondary education leaders, including Dr. Eli Capilouto, University of Kentucky President; Brien Lewis, Transylvania University President; Dr. M. Christopher Brown II, Kentucky State University President, Dr. David McFaddin, Eastern Kentucky University President; and Dr. Jennifer Grisham-Brown, University of Kentucky Professor to discuss eliminating the Praxis as a pre-qualifier for*

students to enter the College of Education. Afterward, lead a concerted effort with the assistance of this team, if necessary, to remove the Praxis as a pre-qualifier to enter the College of Education.

RECOMMENDATION 5: Create meaningful afterschool opportunities for youth.

Action Required by the Mayor: *Utilize the position in Recommendations #3 to explore, expand, and institute partnerships between community organizations and institutions and Fayette County Public Schools to create meaningful afterschool opportunities for youth that prepares them for life after high school.*

NOTES: Fayette County Public Schools Comments

Action Required by the Mayor: *Acknowledge and refer to the Fayette County Board of Education.*

NOTES: Attrition Rate of Minority Students

Action Required by the Mayor: *Acknowledge and charge the Presidents of all technical schools, colleges, and universities in Lexington and surrounding communities with providing data to determine the root cause of student attrition. Develop and enforce effective strategies to reduce the attrition rate of students, particularly minority students.*

Resources:

704 KAR 7:130. Minority teacher recruitment. <https://casetext.com/regulation/kentucky-administrative-regulations/title-704-education-and-workforce-development-cabinet-kentucky-board-of-education-department-of-education-office-of-learning-programs-development/chapter-7-office-of-learning-support-services/section-704-kar-7130-minority-teacher-recruitment>

KRS 161.165 Recruitment of minority teachers.

<https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=3883>

KRS 160.345 Definitions—Required adoption of school councils for school-based decision—Composition—Responsibilities—Professional development—Exemption—Formula for allocation of school district funds—Intentionally engaging in conduct detrimental to school-based decision making by board member, superintendent, district employee, or school council member—Complaint procedure—Disciplinary action—Rescission of right to establish and powers of council—Wellness policy,

<https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=45623>

KRS 160.380. School employees-Legislative Research Commission,

<https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=47244>

Diversity Plan Report 2018-19, Bluegrass Community and Technical College.

How Can White Teachers Do Right by Students of Color? Education Week Teacher, August 15, 2018, <https://www.edweek.org/tm/articles/2018/08/15/white-teachers-do-right-by-students-of-color.html>

Kentucky Academy for Equity in Teaching, Kentucky Department of Education,

[https://education.ky.gov/Pages/Agency404.aspx?oldUrl=https percent3a percent2f percent2feducation.ky.gov percent2fteachers percent2fdiv percent2fDocuments percent2fKAET+Informational+Packet.pdf](https://education.ky.gov/Pages/Agency404.aspx?oldUrl=https%3a%2f%2feducation.ky.gov%2fteachers%2fdiv%2fDocuments%2fKAET+Informational+Packet.pdf)

Kentucky Education Facts, Superintendent Ethnic-Gender Count Report, Kentucky Department of Education, August 18, 2020,

<https://education.ky.gov/comm/edfacts/Pages/default.aspx>

Kentucky First to Second Year Retention Rates, Fall 2017 to Fall 2018.

Lexington Fayette County Urban County Government, Funds allocated to various Programs and Organizations, Budget FY21.

Minority Recruitment and Retention, Educator Diversity Five-Year Plan, 2020-25, Fayette County Public Schools.

Ozturk, Ilhan (2001) The Role of Education in Economic Development: A Theoretical Perspective, Journal of Rural Development and Administration, Volume XXXIII, No. 1, Winter 2001, pp. 39-47.

Progress Report, Kentucky's Progress toward Post-secondary Strategic Agenda Goals, April 2019, <http://cpe.ky.gov/data/reports/2019progressreport.pdf>

Snapshot, BCTC English Language Learner Snapshot, Office of Institutional Planning, Research, and Effectiveness, DSS/KCTCS Unofficial Data.

Statement on Expectations and Responsibilities Code of Conduct Student Guide 2020-2021, Fayette County Public Schools. <https://www.fcps.net/conduct>

Teacher Diversity Revisited, A New State-by-State Analysis, Ulrich Boser, May 2014,

<https://cdn.americanprogress.org/wp-content/uploads/2014/05/TeacherDiversity.pdf>

Teacher Ethnic Gender Count, Fayette County Public Schools, 2019-20.

The Interdependence of Families, Communities, Children’s Health: Public Investments That

Strengthen Families and Communities, and Promote Children’s Healthy Development

and Societal Prosperity, National Academy of Medicine, May 2019, [https://nam.edu/the-](https://nam.edu/the-interdependence-of-families-communities-and-childrens-health-public-investments-that-strengthen-families-and-communities-and-promote-childrens-healthy-development-and-societal-prosperity/)

[interdependence-of-families-communities-and-childrens-health-public-investments-that-](https://nam.edu/the-interdependence-of-families-communities-and-childrens-health-public-investments-that-strengthen-families-and-communities-and-promote-childrens-healthy-development-and-societal-prosperity/)

[strengthen-families-and-communities-and-promote-childrens-healthy-development-and-](https://nam.edu/the-interdependence-of-families-communities-and-childrens-health-public-investments-that-strengthen-families-and-communities-and-promote-childrens-healthy-development-and-societal-prosperity/)

[societal-prosperity/](https://nam.edu/the-interdependence-of-families-communities-and-childrens-health-public-investments-that-strengthen-families-and-communities-and-promote-childrens-healthy-development-and-societal-prosperity/)

The State of Teacher Diversity in American Education, Albert Shanker Institute,

<https://www.shankerinstitute.org/resource/teacherdiversity>

Transylvania University: Retention Rates by Race/Ethnicity, 2014-18.

Economic Outlook Summary

Economic Development is the creation of wealth within—and on behalf of—a community. It involves internal and external investments in employment and infrastructure to expand the economic wellbeing of the community as a whole. As we look at the Economic Outlook for African Americans in Lexington-Fayette County, it is essential to acknowledge the importance of involving this demographic in the decision-making process. This will ensure that African Americans will share in the benefits of economic investments and employment opportunities that may be created. The Sub-committee focused on the following aspects of economic development:

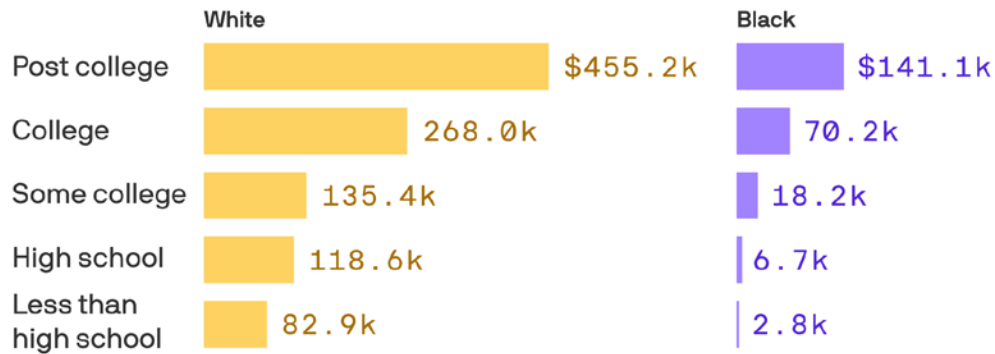
- Recruitment and Relocation – businesses/companies moving to Lexington to provide jobs and investment in our community
- Expansion – jobs and investment realized by the expansion of companies already in Lexington
- Workforce Development – obtaining the skills and training necessary to fill the current jobs in Lexington
- Commercialization & Innovation – the process of turning great ideas into businesses

Each of these aspects of economic development can be leveraged to increase wealth and investment in Lexington, and more specifically, to increase wealth and investment in Lexington’s African American community. Mike Allen, co-founder of Axios, and Dion Rabouin, a contributing writer for Axios, wrote a very compelling piece entitled “10 Myths about the Racial Wealth Gap.” This piece illustrates that, regardless of the topic, there is a glaring disparity between the wealth of African American and White Americans. African Americans have been taught for generations that if they would only: get a good education, buy their own home, start their own business, maintain a strong family structure, and focus on individual achievement, they could close the wealth gap. But the reality is that there continues to be a persistent and pronounced wealth gap for Black Americans when compared to White Americans that

cannot be solved by doing one or all of these things. For example, the data below shows that regardless of the level of education attained, African American wealth lags behind White Americans.

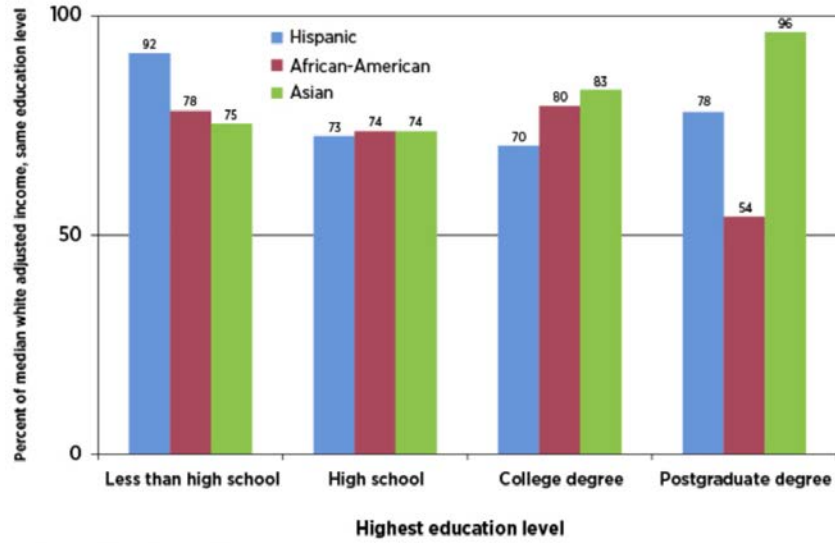
U.S. median household net worth by race and education

2014 Survey of Income and Program Participation



The writer concludes, “The fact of the matter — evidenced by decades of reporting from the Federal Reserve System, Department of Labor, Department of Commerce, and academic and professional studies — is that the wealth gap is the product of centuries of inequality and racism that has grown too large to be impacted significantly by individual actions, achievements or choices.” Dr. Davis from the University of Kentucky’s presentation to the Committee detailed some of the same trends in Fayette County. It is worth noting that the Income and Net Worth gap between Whites and African Americans actually widens with educational attainment.

Median Adjusted Family Income (2013)

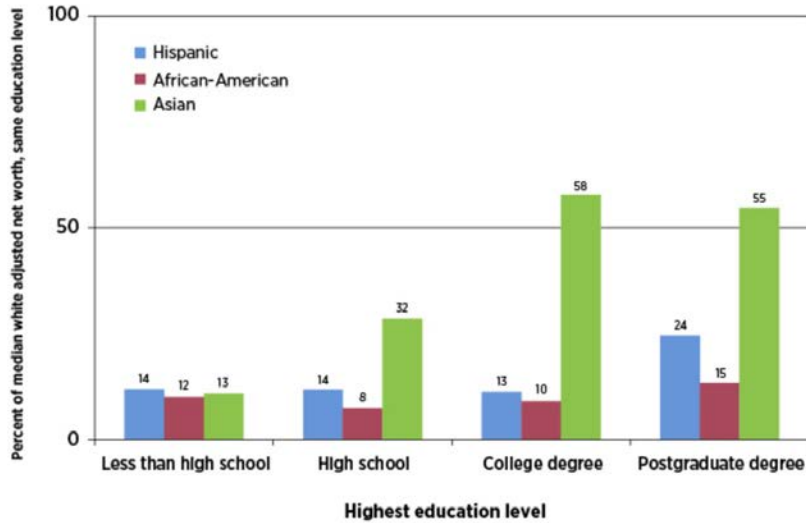


■ FEDERAL RESERVE BANK OF ST. LOUIS

SOURCE: Board of Governors of the Federal Reserve System, Survey of Consumer Finances

NOTE: Adjusted family income is total family income divided by two if the family includes two married adults or two unmarried adults living as partners; otherwise, it is simply total family income.

Median Adjusted Family Net Worth (2013)



■ FEDERAL RESERVE BANK OF ST. LOUIS

SOURCE: Board of Governors of the Federal Reserve System, Survey of Consumer Finances

NOTE: Adjusted family net worth is total family net worth divided by the square root of the number of family members. The family does not include people who do not usually live in the household and are financially independent.

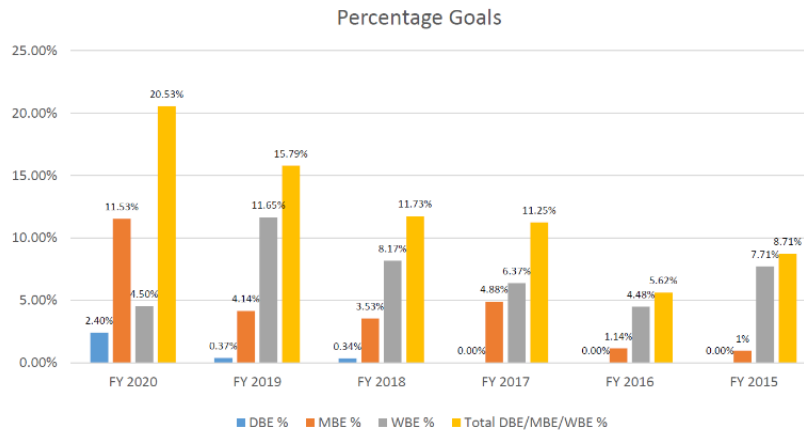
This disparity further illustrates the need for the Mayor and Council to act on the work and recommendations of this Commission to combat and counteract “Systemic and Systematic” racism. It is a

fact that the United States will soon have a majority minority population. Our country—and our workforce—is becoming more ethnically and racially diverse. Fayette County Public School (FCPS) data from 2019-2020 show less than half of all FCPS students identified as white and a total of 94 different languages are spoken in the homes of students. Lexington must have opportunities for all citizens in order to maintain a healthy and diverse economy. The Economic Outlook for people of color, including Latinx and African Americans, must improve. To that end, we submit the following recommendations:

RECOMMENDATION #1: Increase spending with Minority Business Enterprises (MBE’s) and clarify how the LFUCG will measure MBE program overall goal achievement across individual departments and divisions.

The most effective strategy to implement this recommendation would be to review the 1991 Disadvantaged Business Enterprise (DBE) Resolution that established a goal of 10% and increase the goal from 10% to 15% for Minority Business Enterprises (MBEs). The greatest opportunity to demonstrate that the City of Lexington (LFUCG & Lexington Community) is supportive of Economic Inclusion would be to track and publish the MBE purchasing data of each department and division. Cities that have excelled in Economic Inclusion, such as Baltimore and Cincinnati, report that when the Minority Business Community thrives, the quality of life for Minorities in those communities improved.

DBE/MBE/WBE Spend Percentage



Total MBE spending in City government has ranged from 1% to a high of 11.5% over the last five years. However, this is primarily for construction contracting. There are currently no employee recognitions or incentives to seek out MBE's for supplies, products or services. Without a solid implementation strategy, raising the goal will not produce a better outcome. Therefore, the following actions steps should be employed in order to achieve the goal:

Action Required by the Mayor: *Mayor Linda Gorton and City Council must revise the current Disadvantage Business Enterprise (DBE) Resolution to disaggregate DBEs into their subgroups of Minority Business Enterprise (MBE), Women Business Enterprise (WBE) and Disabled Veteran Business Enterprise (DVBE) and increase the MBE goal from 10% to 15%.*

Action Steps:

- Review language in the current resolution to include both reward and penalty for compliance and non-compliance with the stated goal.
- Establish spending goals for racial/ethnic Minority Business Enterprises separately from DBE goals to increase transparency and focus on the MBE spend. During this time of racial unrest, community leaders are stressing the need to improve economic opportunity for MBEs in Lexington. In response, we recommend only increasing the MBE goal to 15%, and the others can remain at their current levels.
- Analyze and publish LFUCG departmental & divisional spending data, including totals spent with MBEs. This analysis must be performed on the total spending for all purchases made within LFUCG in order to bring about the systematic, cultural, and behavioral changes that need to occur. With the adoption of a decentralized purchasing system, there is presently more than 300 LFUCG staff who have the ability to procure goods and services using debit type "Pro-Cards" and no "bid" purchases. Through the work of the Sub-committee, it was discovered that the Division of Purchasing does not track this data, which would provide greater transparency for monitoring and evaluating the success of each department and division.

- Specific data on the details of these purchases was requested during this process, and it was determined that LFUCG would need to begin tracking this information to provide greater visibility of these purchases. Equity Solutions Group, a local MBE, already assists several private organizations like Toyota, Humana, Kroger, and the Commerce Lexington Accelerator to diversify their spend in Fayette County. This company has presented to the Purchasing Division and will begin identifying punchout opportunities in LFUCG to increase MBE spend. The deliberate analysis of the spending in each division, coupled with the intentional partnership with companies like Equity Solutions Group, will ensure that overall MBE spend will see a significant increase.
- The structure of Divisional Liaisons to assist the Minority Business Enterprise Liaison (MBEL), is imperative. Constant focus and reporting of the activity and results from each division are required to successfully reach the 15% goal. As such, the MBEL should be given more support, not only in tracking, reporting and facilitating the increase in MBE spend in contracting but in all LFUCG procurement. As an office of one, it is increasingly difficult for the MBEL to efficiently and effectively influence the use of MBEs in all procurement matters with LFUCG. Our Committee recommends that a separate budget within Purchasing be created for this Enterprise activity and that there be additional resources invested to increase systematic success of this goal. We believe an increase in personnel of two to four persons would permit better coverage and assist LFUCG in reaching the 15% goal. This increase in staffing would likewise provide the MBEL with opportunities to attend conferences, engage in recruitment trips and become an active member of other supplier diversity organizations such as TSMSSDC, ORV-WBC, NMSDC, and others. While the MBEL is trying to recruit other MBEs to work with LFUCG, the additional staff could continue to drive compliance and success of MBE utilization within each division.

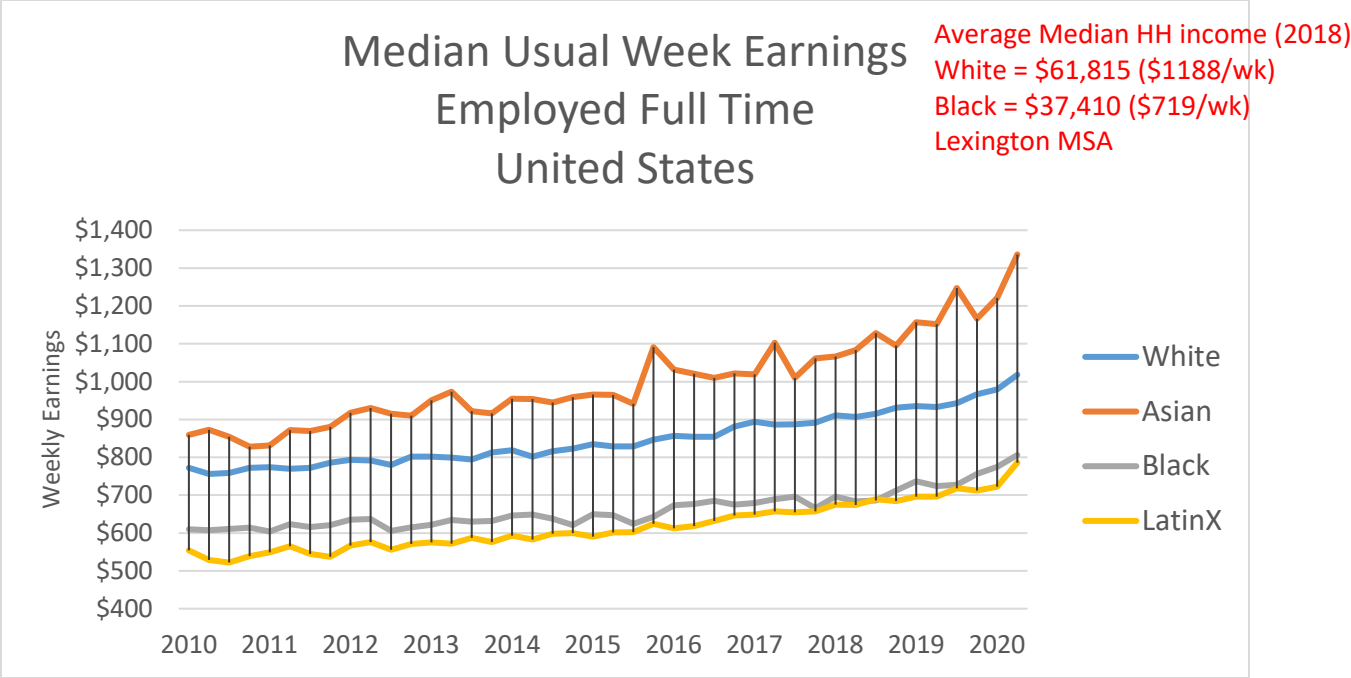
It is understood that the ability to spend money with MBEs is a function of MBEs existing in the marketplace. Therefore, the **2nd strategy to achieve the 15% goal would be to increase the number of**

MBEs in Fayette County. This will require a sufficient number of MBEs with the size, scale, capacity and capability to secure the projects that the City procures. The following activities will aid in the effort to increase the number of MBEs in Fayette County:

- Intentional and facilitated development of joint ventures and strategic partnerships that amplify combined core competencies is one way to address some of these concerns; however, there should also be a focus on recruiting those businesses to this area.
- Economic Development partners of LFUCG frequently take recruitment trips and offer incentives to companies to relocate or expand their business in Fayette County. Including intentional recruitment of MBEs that fill a void of core competency and/or capacity in our community should be a targeted and measured activity resulting in greater Economic Inclusion. Careful attention must be given to those MBEs that perform the work that LFUCG often solicits through the RFP and procurement process. An added benefit would be to recruit those that have a track record of supporting and developing minority subcontractors to participate in their projects to realize a greater economic impact within the minority community.

The events of the day and the many recommendations identified through the Mayor’s Commission on Racial Justice & Equality give the Mayor and Council a unique opportunity to champion Economic Inclusion and demonstrate that Lexington is truly a “special place.” Our government can play a crucial role in creating an environment and climate where Economic Inclusion is a way of life in Fayette County. To that end, the **3rd strategy to increase spend with MBEs would come from the Mayor and Council encouraging Public and Private sector organizations to join LFUCG in the 15% goal of MBE Spend.** In 2010 the Urban League of Lexington-Fayette County commissioned a report entitled the “Economic Inclusion Plan for Central Kentucky.” The document outlines the financial benefit of the three large pillars of our community, Government, Education & Private Business (Chamber of Commerce), all establishing a Minority Spend Goal of 10%. This is a perfect time to not only ask for a recommitment to this plan but also to increase the goal to 15%.

- Public Sector organizations would include educational institutions (FCPS, University of Kentucky, Transylvania University, BCTC), local non-profit organizations and LFUCG Partner Agencies funded by the government. Many organizations are engaged in developing housing and affordable housing, and those organizations should also be encouraged to reach 15% MBE spend. There is no question that the development of housing is a necessary component of economic development as it leverages millions of dollars into our community and hires many contractors to perform the work.
- Private Sector organizations and businesses from the community would include Hospitals, large and small businesses/corporations, and utilities. To encourage participation, LFUCG could develop an incentive, such as a tax incentive, for those private-sector Prime Contractors that meet/exceed the 15% goal. The tax incentive could also be offered to private sector companies that diversify their spend and meet/exceed the 15% MBE spend in their procurement and business partnerships.
- At a time when many people are unemployed due to the pandemic, public and private sector organizations should use this opportunity to increase the diversity of their respective staffs by achieving a 15% minority representation. Data shows that the wage gap between Whites and people of color has persisted for decades, and much of that is attributed to reduced access to good-paying jobs. As we look to improve the Economic Outlook of Fayette County, let the community take bold steps to provide more employment opportunities and discontinue pay inequity.



Occupational tax is the primary driver for funds within LFUCG. Reducing unemployment and getting citizens gainfully employed would increase occupational tax revenue collected by the City. The pre-pandemic unemployment rate in Fayette County dropped to approximately 3.4%. As a result of COVID-19, the unemployment rate in Lexington is much higher and higher still for people of color. To reduce the unemployment rate, the City should connect with various job posting sources in the community that compile all of the vacancies currently in Fayette County. A “Job Portal” could be established on the www.lexingtonky.gov website to create a “one-stop-shop” for those seeking employment opportunities in Lexington.

It is estimated that 10% of all businesses in the United States are Black-Owned businesses. The demographic data is also clear that people of color are the growth demographic, and if Lexington is going to continue to grow and have a healthy and diverse economy, there must be more people of color employed in Lexington. The pandemic has proven that business can be done from anywhere, and if Lexington is to be the choice of place to live and work, Lexington must be considered a great place for people of color and MBEs. If we fail at this, persons of color and MBEs will go elsewhere and provide

jobs and investment in other communities. We must make Lexington, Kentucky, a community in which MBEs CAN and WANT to do business.

RECOMMENDATION #2: Issue a Disparity Study to determine if there is a disparity between the availability and utilization of MBE firms.

Several communities, including neighboring communities such as Louisville and Cincinnati, have issued Disparity Studies in an effort to remove intentional and unintentional issues of bias that result in a lower percentage of business being done by MBEs within those respective cities. When the challenges have been glaring, those communities often use mandates to correct the uneven playing field that the MBEs were experiencing when trying to do business with the City. For decades, there have been repeated requests to conduct a Disparity Study, and for varying reasons, all efforts to do so have been unsuccessful. This Sub-committee feels strongly that this time the request will be granted. It is clear that we live in very different times due to a global pandemic that has significantly impacted the economy and businesses in our country and across the globe. As a result, this Sub-committee believes that it would be wise and prudent to keep the following issues at the forefront when developing a Disparity Study:

- The pandemic has undoubtedly reduced the number of businesses, MBE and non-MBE, currently operating in Fayette County. The Powerpoint presented by Dr. Alison Davis provides evidence that very few MBEs received Payroll Protection Plan (PPP) funds legislated by the Federal Government. Those funds were intended to assist companies to stay in business despite the pandemic. Only five MBE firms have been identified as recipients of PPP funds. Therefore, to have a fair representation of what the condition and situations were over the last ten years, it would be wise to keep this fact in mind when establishing the parameters of the study.
- The participation of stakeholders and business owners is crucial to the Disparity Study's success. Regardless of which firm is hired to conduct the study, it should hold a kickoff/informational session to inform the community of the study and recruit participants to take part. The firm should conduct stakeholder meetings, MBE interviews, hold focus groups, send surveys, use

social media, and other mediums to gather input and information necessary for the study. As noted, since the pandemic has likely reduced the number of MBEs presently operating, those previously in business should be contacted to gather their perspective.

- Based on Disparity Studies from other communities, LFUCG should be prepared to gather and examine:
 - The City’s contracting activity during a specific time frame. As mentioned above, as a result of the pandemic, data should be collected to reflect a particular timeframe (such as FY2015 to FY2019) to examine how the City performed pre-pandemic;
 - Anecdotal evidence from focus groups, public hearings, surveys, social media and interviews;
 - Current and past City policies, procedures, organizational structure and programs that govern the procurement of contracts; and
 - In addition to a focus on MBE procurement, it may be helpful also to examine Women-owned Business Enterprises (WBE), Veteran Business Enterprises (VBE) and other Disadvantaged Business Enterprises (DBE). It may of interest to see how other firms fared with the procurement of contracts compared to MBEs.
- Based on other studies, Disparity is calculated in the form of an index. The index is a ratio of the percentage of utilization and the percentage of availability of MBE firms. A disparity index of 100 indicates that the utilization of MBEs is leveled with the availability of MBEs in the community. An index of 75 or 80 would indicate that MBEs are significantly underutilized based on availability.

Disparity studies typically take one to two years to complete. Therefore, the results of the study and any remedial actions taken will likely not occur for at least two years. We encourage the City to work as if already under remedial changes to meet minority spend goals and begin trying to achieve 15% MBE spend as soon as possible.

Action Required by the Mayor: *Mayor Linda Gorton and Council must fund and issue a Disparity Study to determine if there is a disparity between the availability and the utilization of MBE firms in Lexington. The Mayor and Council will encourage and lead full collaboration with the Business Community and the LFUCG staff to research and develop a plan to create a fair and collective framework to analyze the disparity.*

Over the years, MBEs have come and gone in the City of Lexington. There have been efforts in the past to collect, categorize and communicate pertinent information regarding the various MBEs in operation through the distribution of the Minority Business Directory. This Directory was largely compiled by the Chamber of Commerce and represented only those MBEs that were members. This left out many MBEs that were not members, and others that were included were no longer in business by the time the Directory was published.

RECOMMENDATION #3: Commission a comprehensive minority-owned business listing to increase public awareness of minority businesses and to establish relationships between minority business owners and LFUCG Division of Licensing and taxes.

With the intentional policy of increasing the amount of spend with MBEs as a goal of LFUCG, it is critical to have a complete listing of the MBEs operating within the community that includes the type of business they are engaged in to procure services from them. In order to accomplish the creation of an all-encompassing listing of MBEs in and around Lexington, the following actions will be executed:

Action required by the Mayor: *The Mayor should issue a Request for Proposal (RFP) for a minority publisher to create and maintain a city-wide directory of ethnic minority-owned businesses, including construction, products, and services.*

Action Steps:

- The City of Lexington will issue a periodic (biannually or annually) Request for Proposal (RFP) for a minority publisher to create and maintain a city-wide directory of ethnic minority-owned businesses, including those engaged in construction, products, and services. The successful respondent will create a limited print edition available in the Minority Business Enterprise

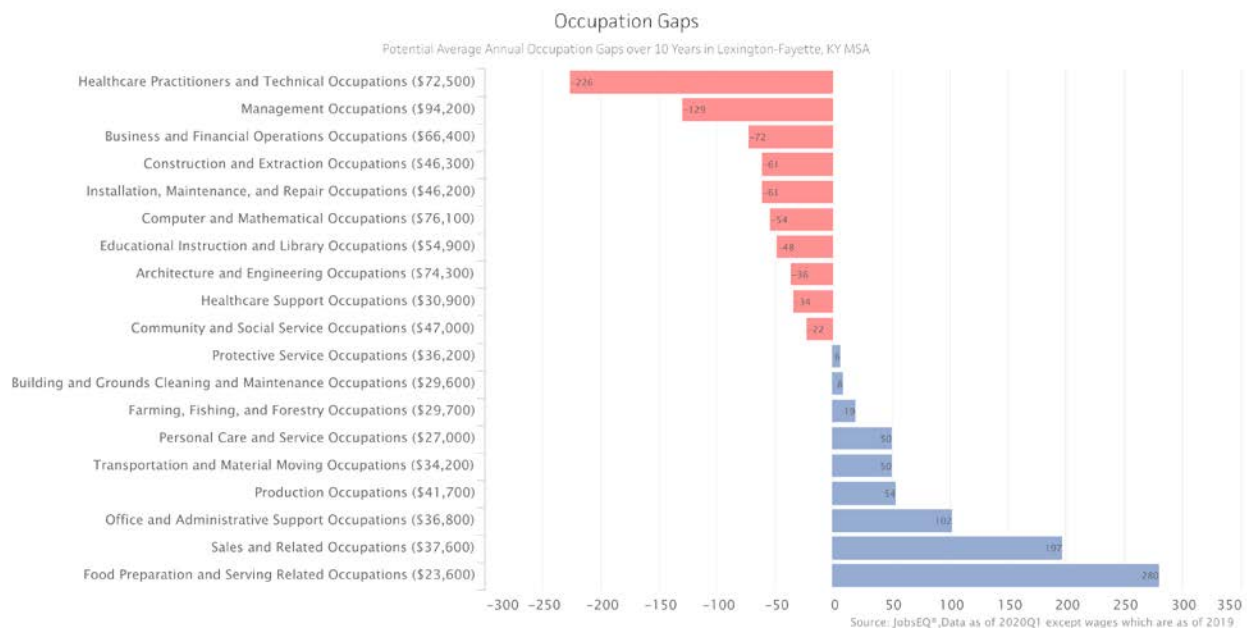
Program office. Although a printed Directory of Minority Businesses is very difficult to keep current (which is why it should be done periodically), it is likely that some citizens who may wish to do business with an MBE may not have access to a computer.

- The successful respondent will also create an online version to be updated monthly with business closings and openings. This online version of the directory will be housed on the Minority Business Enterprise webpage of the LFUCG website (www.lexingtonky.gov). This is where other communities that take economic inclusion seriously house their online directories and, those organizations looking to do business with MBEs would likely start their search on this page. This online directory will provide search and filtering capabilities.
- Include applicable identification codes such as Black-Owned, Latinx-Owned, Certified MBE, MVBE and MWBE for each business listing. This will allow those not certified to find information about obtaining appropriate certification (i.e., MBE, MVBE, MWBE, 8A Contractor.)
- Ensure every interested MBE registers with the City for occupational license fees to be paid to the City. In order to have their organization listed on the webpage or in the print directory, they must be registered with the City. Anecdotally, some MBEs have not and do not register for occupational license fees to be paid to the City, and in many cases, this is due to lack of knowledge. This made them ineligible to apply for the Federal SBA loans for COVID pandemic expenses. Their registration to be in this annual Directory publication will also provide the revenue necessary to create and publish the Directory. It is not recommended that this be added to the responsibilities of the MBEL, for reasons mentioned previously. A minority supplier should be considered.
- Require that information regarding “How to Start a Business in Fayette County” be included in the Directory and on the webpage. Information regarding the annual city-sponsored Minority Business Expo would also be required in the Directory.

- Secure a booth at the Annual Minority Business Expo and have available the necessary forms and information regarding business registration and taxes.
- Provide RFP applicants with information on how to secure business with the City. Include a description of the process in the RFP so that MBEs understand the process and how to seek further information.

RECOMMENDATION: Encourage MBE development and employment in the growing areas of our local economy

Dr. Alison Davis from the University of Kentucky (see below) gave a compelling presentation regarding the local economy. One of the data sets presented gives the occupation gaps Lexington is currently experiencing. As we look to improve the Economic Outlook of African Americans in our local economy, we examined the gaps we have in occupations as an area of opportunity for either MBE development, recruitment or Workforce development (training) to gain skills to fill job openings.



Healthcare is a robust and growing sector of our economy, and from the data above, there is still a substantial need to have more Lexingtonians in Healthcare-related occupations. There is also a substantial need for more people in the Construction, Installation, and repair-related fields. Lexington has a fairly

high concentration of technology-related companies, and yet there remains a significant need for more individuals in technical occupations such as Information Technology, Engineering, Architecture and actuarial sciences/mathematics. Fayette County Public Schools recognizes the need for additional educators in our community and has recently prioritized hiring persons of color within the district, including six African American principals.

Lexington is surrounded by acres of beautiful farmland, and agriculture remains a multi-billion dollar industry in Central Kentucky, with 1 out of every 12 jobs associated with agriculture. Organizations such as Black Soil, which emphasizes Black Farmers Markets, and training programs like Locust Trace and Legacy Ball, help raise awareness and increase opportunities for African Americans in our local economy's agricultural sector. Biosciences and Agricultural Technology are natural indices that should be considered as assets in our local economy. All of these are areas of opportunity to improve the Economic Outlook for the African American community. However, there are systemic and institutional barriers preventing the participation of Black farmers and the preservation of Black farmland within several LFUCG initiatives related to local food production and agribusiness. The following is a list of recommendations/actions that need consideration:

- Conduct an equity analysis of the current city sponsored Community Supported Agriculture (CSA) program, Bluegrass Farm to Table, to confirm racial equality and identify any racial inequity and lack of access by Minority farms.
- Increase transparency of the Bluegrass Farm to Table Program by incorporating the program on the city website and publically listing members of the Advisory Board.
- Conduct an equity audit of the Purchase of Development Rights (PDR) program and the governing body, the Rural Land Management Board. PDR is an Agricultural Conservation Easement program facilitated by the city. Through PDR the city purchases farm owners' development rights (their right to ever develop the farm commercially), thereby preserving it as

farmland forever. The audit should make public the racial data related to preserved acres owned by African Americans and the number of Black board members.

The following examines the potential Workforce and Economic Development activities to increase African American participation in the growing sectors of our economy:

Information Technology. There are several programs underway in Lexington that are designed to increase skills in Information Technology. The University of Kentucky, Transylvania University, and BCTC are all institutions of higher learning currently offering degrees/courses in IT. Community organizations such as the Urban League of Lexington-Fayette County are offering programs such as IT basics for Adult Learners. Hijro, an African American Technology Company in Lexington, has received Venture Capital funding from Silicon Valley and offers training on coding for young people. While these programs are currently functioning in Lexington, we need to increase their capacity and visibility so African Americans will know where to go to improve their skills in IT.

Action required by the Mayor: *The Mayor should convene a meeting with workforce development organizations, educators and community leaders to develop programs, targets, and metrics aimed at increasing skills and training for the growing sectors of Lexington Economy: Healthcare, Information Technology, Agricultural Technology, Equine/Farming, and Professional Services/Finance. Attention should be given to creating and supporting opportunities in these areas where more persons of color could participate.*

RECOMMENDATION #4: Develop Funding sources designed to assist MBEs to increase their ability to take their business to the next level

Access to capital is one of the most fundamental needs of every entrepreneur. There are a number of MBEs operating in Fayette County that would benefit by receiving additional funding to grow and expand their business. This funding could come in the form of a loan, grant, equity investment, or other mechanism and would be used to either invest back into the business or in training so that they have the necessary skills to scale up the businesses. This Committee recommends that LFUCG take an active role in identifying new sources of funds that can be used for this purpose. Providing the funding necessary to

increase skills and scale leads to more stable businesses and reduced unemployment. Some examples of funding sources that LFUCG already uses include:

- **Economic Development Investment Board (EDIB):** The EDIB occasionally receives grant funds and determines where and how much funding can be made available for MBEs. The EDIB gathers and discusses catalytic uses of these funds, when available. This can often come from the refinancing of tax-exempt debt, where the LFUCG is a conduit issuer. For example, funds from EDIB were used to create the Contractor Certification program that began in 2009. The EDIB recently voted to make \$250,000 available for MBE utilization.
- **Small and Minority Business funding:** LFUCG received \$2,500,000 to be allocated to small businesses in Lexington/Fayette County. Tyrone Tyra, SVP of Community & Minority Business Development at Commerce Lexington, was contracted to assist the City in making these funds available for small and minority-owned businesses. Tyrone is a member of the Education & Economic Outlook Sub-committee, and even as we met, was quite successful in assisting businesses to receive funding. To date, all of these funds have been allocated to 167 applicants. Of those, 51 MBEs and 61 WBEs were funded – which is a far cry from the Payroll Protection Plan funds received by Kentucky (See Payroll Protection Plan slide in The Lexington Economy presentation). This disbursement of funds was critical as many local MBEs did not receive PPP funds, although those funds were intended to keep small businesses operational during the COVID-19 pandemic.
- **Bluegrass Stakes Skills Corporation:** The Bluegrass Stakes Skills Corporation provides funding for businesses to utilize to improve the skills of their teams. Many MBEs work hard to deliver their product or services, often neglecting their professional development. Funding for MBE participation in various training programs can be instrumental in assisting them in taking their business to the next level. MBEs should know how to utilize their funds to take courses that will improve their professional development. It could mean the difference between staying open or

closing, growing or staying stagnant, scaling to enter a larger market or been passed up by a competitor that does take the time for training.

- Increase opportunities to improve personal & professional financial literacy/strategies for MBEs. Profitable businesses are more likely to remain in business. Many entrepreneurs use their retirement funds from previous employment to capitalize their business. This often leads to a significant amount of their savings being put to work in their business, with no investment in their retirement. Many small business owners fail to include retirement in their business plan and may not have a strategy that defines what happens to the business when they retire. LFUCG should provide opportunities for MBE-owners to learn strategies to address these concerns. LFUCG should also continue to invest in the Minority Business Expo and potentially sponsor programming to teach business leaders financial literacy designed to increase profitability, reduce tax exposure and generate wealth.

RECOMMENDATION: Create/enhance programs in the community to meet the demand of Skilled Tradespeople

Data from Alison Davis' presentation shows a need for Skilled Trade workers in Fayette County. The Lexington Association of Homebuilders has expressed similar sentiments. As we look to encourage MBE development in areas of need for our community and economy, LFUCG could lead the way in encouraging that development. In 2009, there was some attention given to creating an ordinance that would give a 3% preference to the Building Trades organization. This effort received much criticism because the Building Trades are typically Union Organizations. In order to avoid the Union vs. Non-Union debate, consideration should be given to any skilled trade organization that provides a living wage and benefits to those receiving journeyman training, regardless of union-affiliation or lack thereof. The emphasis should be placed on creating opportunities for Lexingtonians, with particular attention to African Americans, to gain the skills necessary to satisfy the need for skilled tradespersons. It is highly likely, once obtaining the skills and experience, that several of those tradespersons will enter the world of

entrepreneurship. This is an added benefit as it allows someone else to enter the program, creating more opportunities for others to receive training in a skilled trade while also increasing the number of MBEs in our community.

Resources:

RESOLUTION NO. 484-2017 - A RESOLUTION AMENDING AND RESTATING RESOLUTION
NO. 167-91 AND RESOLUTION NO. 319-2015

Review data titled “**Minority Business Enterprise Program (MBEP) Update**”

Review Urban League of Lexington-Fayette County & Commerce Lexington document titled “**Economic
Inclusion in the Central Kentucky Region**”

PowerPoint presentation entitled: “**The Lexington Economy**” by Alison Davis, Ph.D, University of
Kentucky, Department of Agricultural Economics

Review article titled “**1 Big Thing: 10 Myths About the Racial Wealth Gap**”

Review “**The City of Cincinnati Disparity Study**” [https://www.cincinnati-
oh.gov/manager/assets/File/City%20of%20Cincinnati%20Disparity%20Study%20Final%20Repo
rt%209-27-2015.pdf](https://www.cincinnati-oh.gov/manager/assets/File/City%20of%20Cincinnati%20Disparity%20Study%20Final%20Report%209-27-2015.pdf)

Review “**The City of Houston Disparity Study**” https://www.houstontx.gov/obo/disparity_study.html

Review “**The State of Minority & Women Owned Enterprise: Evidence from Baltimore**”
[http://mwbd.baltimorecity.gov/sites/default/files/City%20of%20Baltimore%202014%20Disparity
%20Study%20Final%20Report%20NERA.pdf](http://mwbd.baltimorecity.gov/sites/default/files/City%20of%20Baltimore%202014%20Disparity%20Study%20Final%20Report%20NERA.pdf)

Review Purchase of Development Rights <https://www.lexingtonky.gov/pdr>

Review Bluegrass Farm to Table Page <https://www.lexingtonky.gov/bluegrass-farm-table>