

W.H. GRADDY & ASSOCIATES

W. Henry Graddy, IV
Dorothy T. Rush

Attorneys at Law
137 North Main Street
Versailles, Kentucky 40383

Telephone: (859) 879-0020
Facsimile: (855) 398-4562
E-mail: hgraddy@graddylaw.com
E-mail: dtrush@graddylaw.com

Mailing Address
P.O. Box 4307
Midway, Kentucky 40347

October 14, 2021

Honorable Grayson Vandegrift, Mayor
Midway City Council
City of Midway
101 East Main Street
Midway, Kentucky 40347

Re: Kentucky Bluegrass Experience Resort – Request to Midway City Council for approval of sewer service for 395 Guest RV Sites and Cottages, and 26 Employee and Owner sites in Phase 1 and, in Phase 2, and not before October 30, 2023, approval of 77 Guest RV Sites, if KBER is not approved for 150 RV Sites in Scott County.

Dear Mayor Vandegrift and the Midway City Council:

On September 20, 2021, we appeared before the Midway City Council and we submitted our written request for the City to approve sewer service for the Kentucky Bluegrass Experience Resort – KBER – The Kentucky Resort for Phase 1 and a contingent request for Phase 2.

Mayor Grayson Vandegrift previously committed to conduct a public forum on the subject, Should the city provide city water and sewer to the proposed RV park?

We believe the City Council should answer that question, **YES**, for the following reasons.

LAND USE: The issue that is before the Midway City Council is not a land use decision. The Issue is a public utility decision – meaning that it is a public health and safety issue. As such, the City Council must not discriminate between lawful land uses.

The Land Use decision was made in two parts. First, in February 2013, when the Versailles-Midway-Woodford County Planning Commission recommended and the Woodford County Fiscal Court, and the Cities of Midway and Versailles amended the Zoning Ordinance in our community to authorize a small Tourist Destination as a principal permitted use in the Agricultural (A-1) Zoning District as a matter of right, and to authorize a larger Tourist Destination Expanded as a Conditional Use in the

Agriculture (A-1) Zoning District, with enumerated special allowances for overnight accommodations to guests, and for restaurants serving registered overnight guests and the public, and special events, as stipulated and approved by the Board of Adjustments after considering the recommendation of the Agricultural Advisory Review Board.

Second, on March 17, 2021, Andrew Hopewell and Joey Svec applied to the Board of Adjustments for a Conditional Use Permit for KY Bluegrass Experience Resort for the property known as Elkwood Farm to locate a luxury RV Resort with 472 overnight guest accommodations (390 RV sites and 82 “cottages”), 15 employee accommodations and 11 owner sites in Woodford County. The application sought approval for food services of up to 265 seats with table service and 135 self-service seats. The application sought approval of a list of amenities including an aquatic park.

Previously, in June 2020, Andrew and Joey reviewed their conceptual design with Planning Commission staff and City Officials, including Mayor Vandergrift. Based upon the positive responses, Andrew purchased Elkwood Farm from the Mitchell Family in November, 2020. In February 2021, Andrew and Joey met with the Agricultural Advisory Review Committee, which recommended approval to the BOA.

On May 3, 2021, the BOA held a public hearing and approved the conditional use application as submitted with 16 conditions by a unanimous vote. No appeal of that final action was taken.

On May 4, 2021, Mayor Vandergrift sent Andrew and Joey an email, stating, “I’m so happy to have heard last night that your plans were approved by the BOA. We are very excited about this opportunity to grow Midway’s tourism and local economic potential. Please let me know if I can help with anything. As you all get an idea of how much sewer capacity you’ll be using, let me know and we can start talking services. Cheers.”

The Mayor’s May 4, 2021, email is a recognition that the land use decision had been made and that the remaining issue for the City related to providing sewer (and water) service.

THE ADVANTAGE OF A CONDITIONAL USE VERSUS A ZONE CHANGE

The KBER luxury RV park will not have a negative impact on the City of Midway. One reason that it will not have a negative impact is that it does not require a Zone Change. Other possible land uses would require a zone change to Industrial or Commercial or Residential or Mobile Home Park.

Tourist Destination Expanded is a Conditional Land Use in the Agricultural (A-1) District. As a Conditional Use, the public and the City Council can have a say in what these conditions should be. Planning Commission will review conditional use compliance annually. The public and the Midway City Council can ask the BOA for new reasonable conditions to address impacts from this conditional use. This provides ongoing protection for Midway and Woodford County community throughout the life of this project.

TRAFFIC: Visit: www.KBER.info

Adam Kirk prepared a Traffic Impact Study for KBER, considering Phase 1, Phase 2 and Phase 3. He was asked to amend his TIS after Andrew and Joey modified the plans to eliminate Phase 3, reducing the sites in Woodford County to 395 and reducing the sites in Scott County to 150. Adam concluded that his capacity analysis indicates that the proposed access point will operate with minimum delay, and the generated traffic will have minimal impacts on adjacent intersections. Most traffic to the KBER will use I-64 eastbound and westbound (80%). Using current traffic flow, 16% is expected from BG Parkway through Midway. The peak hour at full occupancy after completion of Phase 2 would add 23 additional vehicles for that one hour. This number is “worst case” – 100% occupancy upon completion of Phase 2, which may happen on 2 or 3 days a year. Normal occupancy will likely average 60% or about 14 vehicles at the peak hour.

Vehicle traffic for the Kentucky Resort does not correspond to vehicle traffic related to industrial, commercial, residential and schools.

KBER will add a northbound left turn lane on HWY 341.

KBER will instruct all guests when they make their reservation if they are approaching from the Bluegrass Parkway to exit at US 127 and travel north to I-64 to avoid Versailles and Midway, which will reduce the above traffic projection

ECONOMIC BENEFIT TO MIDWAY/WOODFORD COUNTY/KENTUCKY.

Commonwealth Economics presented an Economic and Fiscal Impact Analysis for KBER that only considered the impact of Phase 1. They concluded: *Commonwealth Economics estimates that the Project’s private investment could generate a 10-year total impact that includes approximately \$341.0 million of economic output, 638 jobs, and \$88.7 million in wages. This activity is projected to generate a total fiscal impact of \$31.6 million in state and local tax revenues, approximately \$14.9 million of which would be local. Of the \$14.9 million in total local fiscal impact, \$11.6 million is estimated to be directly generated by the Project’s construction activity and operations.*

We have removed consideration of the Transient Room Tax to reach the following economic benefit to the City of Midway:

Midway Sewer only- \$171,862 per year.
Midway Direct and Indirect Tax Revenue- \$855,137 per year, water and annexation
Total City of Midway Impact- \$1,026,999 per year

OTHER BENEFITS TO MIDWAY/WOODFORD COUNTY: Visit: www.KBER.info

1. Cleaning up Elkhorn Creek
2. Support for the Midway 14 acre park upstream on the Elkhorn
3. Access to the Midway Community – Midway days – free access/ Day Passes/ Non-profit and Church group rates.

MODIFICATIONS IN RESPONSE TO COMMUNITY CONCERNS

1. Set back from HWY 341
2. Extensive tree planting along the Elkhorn – water and air quality, wildlife corridors
3. Reduction in size: Woodford (reduced 77 space) and Scott (reduced 350 spaces)
4. Instruction to guests to use US 127 and I-64 – NOT Versailles and Midway Pike.
5. Offer shuttles to Midway, Versailles and Georgetown if requested.

SIZE – COMPARABLES

1. Lake Rudolph, Santa Claus, Ind. 120 acres – 533 guest accommodations
2. Yogi Bear Jellystone Park, Mammoth Cave, Ky. 74 acres – 384 guest accommodations
3. Carolina Pines, Conway, S.C. – 110 acres – 840 guest accommodations

LOCATION AND SURROUNDING LAND USES.

1. South – Zoned Industrial – Bluegrass Distillers
2. East – Zoned Industrial and Commercial – Lakeshore
3. North – Elkhorn Creek – Scott County -KBER 150 acres – Agricultural and Residential
4. West – Mitchell Family Agricultural

THE BANK PROPERTY

1. NOT a part of The Kentucky Resort, Kentucky Bluegrass Experience Resort.
2. Will NOT be used for RV parking.
3. May be used for Shuttle location for Midway residents using day passes, for non-profit organizations and churches, and for Midway Days, and
4. May be used for Shuttle for Kentucky Resort Guests to travel from KBER to downtown Midway for shopping and dining if requested.
5. May be used as a Midway/Woodford County Tourism Center.

FAMILY ORIENTED

Central Kentucky Tourism logically features the Horse Industry and the Bourbon Industry. While both of these have been very successful attractions to this region, they are not a natural draw for the entire family if the family has young children. The Kentucky Resort will complement the draw of the Horse Industry and the Bourbon Industry by adding a destination that is oriented toward the entire family, with activities for youth of all ages.

GUESTS, NOT MORE RESIDENTS

The critics of The Kentucky Resort describe our project as “doubling” the size of Midway, suggesting that our guests should be counted as residents of Midway. They are not new residents – they are our guests. We hope that some of our guests will take advantage of our shuttle service to visit downtown Midway and Versailles and Georgetown to shop and dine – that they will “Meet Me In Midway.”

Sincerely,
Hank Graddy
Hank Graddy