

**Minutes of the Agricultural Advisory Review Committee  
October 14, 2020**

**Chair Phillips called the Special AARC meeting via ZOOM to order at 8:05 AM**

**Present**

Committee members: Lori Garkovich, Skip Phillips, John Wilhoit

Planning Director: Pattie Wilson

Applicants: Sam Rock, Ben Franzini, Nathan Brown, DBA as Bluegrass Distillers, LLC.

Others: Al Cross, Midway Musings and Institute for Rural Journalism, and Taylor Beavers, UK journalism student.

**Approval of Minutes of July 2020 – Motion made by John with 2<sup>nd</sup> by Lori with all approving as submitted.**

**Director Wilson reported that the Fiscal Court approved Robert Richardson (Steele Rd farmer) to AARC on Oct 13, 2020 to fill the unexpired term of Lindy Huber.**

**Review of Application**

10-002-2020 – Bluegrass Distillers, LLC, 158 Leestown Road – A-1 and I-1 Districts – Article VII, Section 701.4(M) and 701.8(A)(B)(C)(D)(F)(G) – Applicants are seeking a review and recommendations for *a Tourism Destination Expanded that would include agricultural production on the A-1 land as well as a Distillery Visitors Center, a production and processing facility, a snack bar, and several event venues in retrofitted existing farm structures.*

**Summary of the presentation by Sam Rock on behalf of Bluegrass Distillers:**

The applicants have submitted an amended decision tree and explanation for why they feel the application for a Tourism Destination Expanded (701.4 (M)) is appropriate. They do not plan to increase the number of events beyond the 7 permitted but want to increase the number of attendees at events up to 300, the space available in the converted farm structures.

Applicants do not intend to operate a destination restaurant but a snack bar for visitors open only from 11 to 2 or 3.

Applicants want to tell the story of the farm itself and the general relationship between agriculture (particularly corn) and the development of the bourbon industry. The farm had distillers living there in the past and once raised bluegrass seed, which ironically is the name of their distillery.

The intent is to put the distillery in a field adjacent to the main house because this will allow the visitor to see, in place, the actual relationship between corn **production and distillation as the corn moves toward the final value-added agricultural product.**

**Locating the distillery here is better than placing it on the nearest Industrial zone (which is 350 ft away from the house) because this distance visually and spatially broke the connections they are emphasizing in the story they are telling to visitors. The distance to the nearest industrial zoned land would also make it more difficult for older as well as physically challenged visitors to move between the distillery and other components of the tourist experience on this property.**

**They will likely relocate all the barrel storage buildings to be exclusively on the industrial zoned land.**

**The eastern storage barn (@ 5000 sq ft) would be used for storage purposes.**

**Applicants want to make this a place that addresses community needs and contributes to the tourism value of Midway by creating another destination that “fits” with the overall attractiveness of the community.**

**May eventually request to convert silos into Bed & Breakfast opportunities but this would be in the future so not included in this application.**

#### **Discussion by the AARC**

**What are the regulations re the retrofitting of existing farm structure for agri-tourism purposes? They will have to meet all building requirements at either county/state level.**

**When the property was rezoned, it was the Planning Commission that carved out the retention of the A-1 land in order to protect the historic structures and this is why the farm has these two designations on it.**

**The Committee then reviewed the recommendations that have emerged from their discussions after the site visit.**

**On the south and west sides of the A-1 acreage, they probably don't need to have farm fencing and not having it will make it easier to mow and maintain. But need about 250-300 ft of some type of fencing to mark end of the applicants property and the start of the neighbors' land.**

**Then discussed the points gained on the decision tree which focuses on the impact of the proposed activity on adjacent properties. Very useful application because it highlights a diversity of issues those beginning a tourism activity should consider.**

## Summary of Site Visit and Application

On Oct 7, 2020 the members of the AARC (Lori Garkovich, Skip Phillips, John Wilhoit) and Pattie Wilson visited the applicant's site. Sam Rock, Nathan Brown, and Ben Franzini were present to give the Site Visit.

The site is a total of 61 acres with 45.5 acres located in I-1 and 20.5 acres within A-1, at 158 W Leestown Rd (Firegate 123) and adjacent to the Midway Sewage Treatment Plant as well as I-64. The Kentucky Department of Transportation has required access to the proposed site to be the current entrance to the I-1 acreage which comprises a portion of the entire farm. This is the entrance that also serves the Midway Sewage Treatment Plant. *This summary describes only the proposed activities and improvement on the 20.5 acres within A-1.*

### ***Description of the Property***

The A-1 portion of the property includes a mansion and multiple barns. The house, known as The Elkwood, is on the National Register of Historic Place (#93001527).

- Construct a distillery building in a meadow adjacent to the house. Distillation is a fundamental value-added process for corn that is historically significant in Woodford County. Distillation and fermentation of corn are reported monthly on a Tax Tobacco and Trade Bureau (TTB) production and process reports affirming that a distillery can be categorized as an agricultural processing facility in the context of 701.8 (F) and (G).
- *Construct a barrel warehouse (may be re-sited to only be in I-1)*
- Make improvements to the existing buildings to enable them to be used as event venues for weddings, conferences and festivals
- Renovate the house so it can be used for offices, as the tasting room, retail space, and for a small snack bar on a new patio to be installed at the rear of the house. The house will also offer a bridal preparation suite on the second floor.

All of these existing structures (and therefore the proposed activities associated with them) are on the side of the house bordered by the I-1 property which is more than 2100 ft from the nearest residence.

The proposed distilling operation will require:

| <b>Bushels of corn to be purchased</b> | <b>Acres required for production</b> | <b>Purchase year of operation</b> |
|--|--------------------------------------|-----------------------------------|
| 30,498                                 | 226                                  | 1                                 |
| 60,996                                 | 452                                  | 2                                 |
| 81,328                                 | 602                                  | 3                                 |
| 101,660                                | 753                                  | 4                                 |

Furthermore, the applicant will contract with a local farmer to grow approximately 20-25 acres of blue corn on the property from blue corn seeds developed in Kentucky. Most of

this production will occur on the farm land between the main house and the adjacent property farm residence, increasing the buffering of this neighbor from the tourism destination events and visitors.

The plan for the ELKWOOD PROPERTY includes the fit-up of existing structures so they can be repurposed as event spaces for private events and Distillery hosted festivals and concerts. The event spaces will include the Distillery Building Tasting Room, The Hay Barn, The Summer Shed, and The “Idle Wild” Venue.

- **DISTILLERY BUILDING TASTING ROOM** – An event space suitable **for 30-50 people**. This room is attached to the distillery building and is used during peak months during the days for tour tasting as overflow space for the tasting room at the main house. It will also be available for rentals for corporate meetings, birthday parties, retirement dinners, rehearsal dinners, baby showers, or other intimate events.
- **THE HAY BARN** – A event space suitable **for 100-150 people**. The Hay Barn is a barn which is open on one side. It will be used as part of the distillery’s outdoor concerts or other distillery hosted events but can be rented for larger, casual private events.
- **THE SUMMER SHED** – An event space suitable for **up to 300 people**. This will be a roofed pavilion with market lighting which could host receptions, weddings, or festivals. It shares bathrooms with the Idle Wild Venue.
- **THE “IDLE WILD” VENUE** – A climate controlled event space suitable for up to 300 people. The Idle Wild Venue is named after the most famous race horse that was trained at The Elkwood. It is a climate controlled space with bathrooms, and rustic chic decor.

#### *Highlights of the Tourism Destination Expanded request*

Elkwood, the main house, is an existing landmark that is listed on the National Register of Historic Places. The 20.5 acres in the A-1 zone and the barns and ancillary building represent the cultural heritage of this historic farm, that since it was built, has been connected to both the distillery and equine history of Woodford County.

Under the permitted conditional uses in A-1 701.4 (M b, c), Tourist Destinations as defined by 701.2E can be used for restaurant seating more than 75 people and have food catered. Section 701.4 (M)(c) allows Tourist Destinations to host more than 7 events per week. The applicants do not intend to host more than 7 events per week, preferring to offer the event spaces only Thursday through Monday, with a primary focus on Friday through Sunday. Furthermore, they will not be operating a destination restaurant, rather a snack bar for visitors serving sandwiches and snacks for a couple of hours around lunch time.

The distillery will be one of the few farm-to-glass distilleries in Kentucky as all the specialty blue corn and some of the yellow corn required for the distillery operation will be grown on this farm. This means that visitor will be able to see the process of making bourbon from seed to the glass. The applicants emphasize the science of bourbon distilling – how corn and other secondary grains are converted into alcohol, and then distilled into a spirit that will become bourbon. Into this science story, the applicants explain the importance of the Kentucky soil, limestone water, the Kentucky white oak and even livestock in the process of transforming corn and grains into the finest bourbon in the world.

## **Decision Tree**

The AARC member went over their scoring of the Decision Tree with the results as follows:

Skip -- @ 715

Lori -- @ 700

John -- @ 615 based on original application decision tree but would be at least 50 pts higher now with the applicants statement that they will have an agent living on site – not owner but manager – who will be observing and supervising activities during the evening events.

## **AARC Recommendation:**

### **A motion was made by Lori with a second by John as follows:**

The AARC recommends approval of Application 10-002-2020 – Bluegrass Distillers, LLC, 158 Leestown Road – A-1 and I-1 Districts for a Tourism Destination Expanded (Article VII, Section 701.4 (M) and 701.8(A)(B)(C)(D)(F)(G)) to the Board of Adjustment as a Conditional Use Permit with the following conditions:

- ✓ Amplified music must end by 10 PM.
- ✓ All events must end by 11 PM.
- ✓ Outdoor lighting must be directed downward and shielded
- ✓ Any new structures built keep with the character of the existing buildings.
- ✓ Need to have a plan to manage water runoff from any paved areas.
- ✓ Given the size of the agri-tourism parcel and the layout of the different existing barns and sheds that will be integrated into the experience, applicants will likely face visitor management issues (e.g., safety, trespass). Therefore, boundary “no trespassing,” signs must be posted on the east side of the property which borders the nearest private residence/farm.

We also recommend the following:

- Recommend you place a fence to separate the 3-sided machine shed on the east side of the house which is going to become a “play area” from the acreage that is going to be in crop production. This is because there are no site lines from the house to this area.
- Recommend you have an insurance representative familiar with farms do a liability walk through to identify “attractive nuisances” that may become visitor hazards, especially for younger children.
- Recommend that visitors receive a “walking map” of permitted area and that visually attractive informative trail signs be designed and placed throughout the property.

**All voted in favor.**