

Versailles City Council enacts moratorium on data centers

Owner of Highbramble defaults on bond payment

By SCOTT WHITE
WOODFORD SUN STAFF

The Versailles City Council followed the recommendation of Versailles Mayor Laura Dake and passed a resolution enacting a moratorium on the approval or construction of data centers within the urban service boundary of Versailles at its Tuesday, June 16, meeting.

The City Council has no jurisdiction over unincorporated areas of Woodford County, which is within the jurisdiction of the Fiscal Court, or the City of Midway, which is in the jurisdiction of its City Council.

The emergence of data centers in various parts of Kentucky has carried a significant amount of controversy about their operations and their impact on local utilities and services, notably electric and water.

Lexington, Cave City, Ashland and Daviess County (Owensboro) have recently enacted moratoriums, with many more counties considering following suit based on the attendance of community leaders at a joint Kentucky Association of Counties and Kentucky League of Cities seminar held June 10, which Dake attended, according to reporting by the *Kentucky Lantern*.

Dake passed out a handout only to council members that she had received at the seminar, which she said provided a good explanation of data centers, the risks they posed to communities and why Kentucky is considered a good location to build them.

According to the Data Center Coalition, a trade association of the industry, data centers are “physical locations that organizations use to house their critical applications and data. Anything that takes place online “in the cloud” is powered by a data center.”

They are typically large and are massive users of electric and water resources, creating significant environmental impacts according to the Environmental and Energy Study Institute, which was founded by a bipartisan group of members of Congress to provide science-based educational resources to policymakers and the public.

Currently, local governments are being forced to react to what appears to be a move towards the construction of data centers in Kentucky. This is in part due to the failure of the Kentucky Legislature to take any action during the 2026 session. Already, a data center was recently approved by the Louisville Planning Commission, with other requests pending in several Kentucky municipalities.

The Legislature, however, is studying the issue and has recently received a report from the Energy Planning and Inventory Commission (EPIC), which it created in 2024. The May 2026 report said utility ratepayer concerns could be accommodated with large-scale data centers and the decision to allow them was essentially a matter for local governments. The report added that data centers could be a part of economic development due to the reasonable cost of land needs, particularly in rural areas, and Kentucky’s low-cost energy.

The issue has become more acute in Woodford County since the announcement of TKC Distilling Inc. to sell the 151 acres it owns on Lexington Road/U.S. 60, which is zoned I-1 (light industrial). Since the city no longer controls the large tract, it can only regulate potential uses via zoning ordinances and other land use laws.

This is the backdrop to the City Council’s action on Tuesday.

The resolution passed by the council prohibits, until De-

ember 31, 2026, the acceptance and review of development plans for data centers in any zone within Versailles, including the issuing of any permits, approvals and authorizations to the operation of any data center by the Midway-Versailles-Woodford County Planning Commission.

The resolution, for support of its action, says it is “necessary and appropriate so that the Planning Commission may consider and weigh the risks and benefits in allowing data centers . . . given the recent uptick in demand for same, with the burdens they may impose on local resources, as identified by residents and appointed officials (including their) environmental impact . . . nuisances created by (them), and residential energy costs related to their operation . . .”

Dake informed the City Council that she had spoken with Planning Director Steve Hunter, and was told he was already working on the issue at the request of Planning Commission Chair Whitney Stepp.

Highbramble Park standardbred horse training center

Dake told the City Council that the owner of Highbramble Park, Versailles Standardbred Group, LLC (VSG), the training center for harness racing and at which the Woodford County Fair plans to hold its harness racing meet in early July, defaulted on the \$307,293.36 June lease payment. Highbramble is located on part of the former Edgewood Farm property on Paynes Mill Road.

Dake told the council that the debt reserve account, created at the time bonds funding the lease-purchase were issued by the city as part of the transaction with Highbramble in 2024, will cover the past-due payment.

The city sent a letter informing VSG it was in breach of the terms of the agreement, and had until July 9, 2026, to cure the default by getting current on the payment terms. If the owner remains in breach, Dake told the *Sun* in a text following the meeting that “. . . This should not affect the (city’s) bond rating (which just recently was heralded to have tied an all-time high). If (the default) is not cured by July 9, (the city) will take next steps. We can’t do anything during the cure period.”

Following the meeting, VSG told the *Sun* in a statement, “Highbramble is facing a short-term cash flow challenge due to delays in construction. We are actively pursuing several solutions that we believe will allow us to move forward.” The statement went on to say, “The (horse) stalls we have are full and exceed availability, so as we cure the default, we also are working to get five new barns up as soon as possible.”

VSG also confirmed that the Woodford County Fair harness races set for July 3 and 4 are on schedule.

Wallick Development

A developer proposing to build an “affordable housing” project on five acres of land currently owned by developer Trey Schott at 2101 Lexington Road, approximately across the road from the Frontier Nursing University, requested the city to provide a “letter of support” as part of its application to the Federal Home Loan Bank, which it intends to send next week.

Sarah Ford, the vice president of development for Wallick Communities who focuses on Kentucky, provided a Power-Point presentation on Wallick, its development and financing plans and the type of residents the development targets.

Ford said the development will be called Saddlebred Village, and consist of three three-story apartment buildings and one large community center. There will be a total of 72 units in the project. If the financing process is completed, Ford said construction is likely to begin in October 2027 and be completed by June 2029.

The units will offer two (860 sq. feet) or three (1,160 sq. feet) bedrooms. Though there will be no government subsidies, the additional access to capital from the Kentucky Housing Corporation, which is competitive, means, as Ford told the *Sun* following the meeting, the “subsidy is built-in. A renter will need to meet income requirements in four income bands of adjusted median income.” As an example, Ford told the council there are four income bands: 50 percent of AMI, or \$51,000 a year, up to 80% of AMI, \$82,000 a year. To qualify, the renter’s income would need to be no more than \$51,000 for a particular unit. . . . a 50 percent AMI two-bedroom unit would see rent of \$1,148/month and a three-bedroom of \$1,264/month. Ford said the rates at this time are only estimates.

In her presentation, Ford said this is one component of addressing affordable housing concerns. Councilmember Gary Jones, who has participated in the discussions on affordable housing in the council, pointed out the estimated rentals “are pretty good for this county.”

Councilmember Chantel Bingham asked several questions about how Wallick defined “affordable housing,” and whether utility costs had been factored in to the “real cost of the apartments,” and also pointed out that Wallick could increase rents over time, to which Ford agreed, but said based on the targeted renters, this was a “workforce, or affordable housing development so we wouldn’t expect rates to increase significantly.”

North declined to disclose the sale price of the five-acre tract with Schott. North did say that there are ongoing discussions to develop the rest of the property owned by Schott by other developers, which will be housing at market rate, as opposed to workforce (or affordable housing) rates and is expected to include some commercial development facing Lexington Road.

After several questions about what needed to be contained in the letter and confirmation from Ford that the city is not obligating itself to approve or agree to anything beyond the proposed letter and the City Council retains all ability and power to take any action it feels is warranted on the proposed development as it proceeds through the Planning Commission and the City of Versailles land use processes. The City Council approved the request 4-2 (given it was a voice vote, the “nays” could not be definitively determined).

Dake will prepare a letter stating the city supports the request of Wallick in its request for approval of this stage of the process of an affordable housing development by Wallick, which requires acceptance by the Federal Home Loan Bank.

Juneteenth celebration

Councilmember Chantel Bingham reminded everyone that the annual Juneteenth Celebration will be held from 6 to 10 p.m. at the Entertainment District on Friday, June 19. There will be kids’ activities with prizes and giveaways and live music, as well as 45 vendors and eight food trucks. Bingham warned that attendance last year was 3,300, so folks needed to arrive early to find parking.

Contracts

The council approved the following contracts: \$345,479 to Weiser Industrial Coatings, Inc., for repairs and an interior coating system to the “horse mural” water tower off Hunt-ertown Road; a price of \$128.53 per ton for road salt from Morton Salt, Inc.; and \$21,175 to Buchanan Contracting for groundwater surfacing at the intersection of the U.S. 60 Bypass and Lexington Road.

Church Street hearing spurs affordable housing discussion

By BOB VLACH
WOODFORD SUN STAFF

A public hearing on a request to rezone 271 Church Street to high-density residential in order to open a short-term rental led to another discussion during the June 11 meeting of the Versailles-Midway-Woodford County Planning Commission about the need for affordable housing in Versailles.

After closing the hearing and listening to concerns about parking issues on Church Street from the members of the family who owns the house next door, commission Chair Whitney Stepp said parking will remain an issue on Church Street no matter what action is taken on this short-term rental application. She then raised concern about approving another short-term rental in a Versailles neighborhood that serves middle-class families.

Commissioner Karen Isberg agreed, pointing out short-term rentals reduce the housing stock and “tend to drive up housing prices . . . and that’s not necessarily a positive for what we’re looking to do in the future in Versailles.”

While voicing concerns about parking, the members of the family who own the neighboring residence said a renter of 271 Church Street parked in their yard.

“So I have an issue with the parking and with the way that her guests abuse my property,” said Katherine Ann Chase Irby.

Her sister Gwendolyn Chase Howard agreed, adding, “It’s just a problem period with people not respecting our property . . .”

Linda Ann Weiss, who owns 271 Church Street, told the commission that she wants to have a short-term rental because past renters of her property have broken leases and destroyed the house “costing me thousands of dollars . . .” She described operating a short-term rental as a better situation for her because it “allows me to vet guests,” while also supporting tourism in Woodford County.

Because a conditional use permit (CUP) is required for a short-term rental, Planning Director Steve Hunter pointed out conditions could be imposed to address parking issues raised. Currently, it’s an issue for the police department if someone parks illegally, he said.

The commission voted 6-1 to recommend Versailles City Council deny the zone change from R-1C single-family residential to R-4 high-density residential. Commissioner Chad Wells voted no. Doug Curl and Tim Middleton were absent.

Because the commission did not recommend the approval of the zone change, no action was taken on the CUP application to operate a short-term rental, which is not a permitted or conditional use in single-family zoning districts.

Development plans

The commission unanimously approved a site development plan for 250 Crossfield Drive (Elk Horn Farm, LLC). The plan proposes a 5,413 square-foot addition to the building, which was owned by Kentucky Utilities. The .797-acre lot is zoned I-1 light industrial.

The commission unanimously approved an amended site development plan for 1150 Georgetown Road in Midway (JEP Warehouse, LLC) in order to build a 17,000 square-foot barrel storage warehouse. It will be the second warehouse on the 7-acre lot, which is zoned I-1 light industrial.

Plats approved

The commission unanimously approved a subdivision plat showing an exchange of land parcels for properties at 530 and 790 Buck Run Road (Thomas Brown, Jeff Alexander and Teri Faragher).

The commission unanimously approved an amended record plat that relocates the rear property line at 341 North Winter Street in Midway (Antony and Natalee Bays).

Midway council approves 2026-2027 budget

By SCOTT WHITE
WOODFORD SUN STAFF

The Midway City Council approved the city’s budget for fiscal year 2026-2027 at its regular meeting on Monday night, after a unanimous vote to hear the second reading of the ordinance.

This is the result of several budget meetings, all open to the public, with most streamed on Facebook. Mayor Grayson Vandegrift gave particular thanks to City Clerk Liz Waterfill for her tireless work on the budget and numbers.

The overall budget involves five parts: general fund, streets, cemetery and perpetual funds, sewer and water.

The general fund appropriates \$1,830,267 from revenues and carryover of \$2,361,400, leaving a surplus of \$531,133. The total revenue side of the budget for all five parts is \$4,245,340, which appropriates \$3,482,967, leaving a surplus of \$1,070,273 (though much of that figure is restricted in its use).

“I’m very proud of this budget; it’s more than a policy document. It represents and reflects our efforts and our intentionality in keeping things as affordable as possible while continuing to make important investments in water, sewer, stormwater, roads, sidewalks and services,” Vandegrift told the *Sun* in a text after the meeting. “In a time when things are as unaffordable as ever, and when federal and state governments aren’t helping cities like they used to, we are well-positioned to keep making things better in Midway.”

Juneteenth

Midway will celebrate Juneteenth on Saturday, June 20, at Blue Jay Park from 5 p.m. to dusk. The event will include gospel singing, other music, speakers and writers. There will also be a community kickball game for all ages on the ball field.

“Juneteenth is a big deal in Midway, since we were the first city in Kentucky to officially declare it a holiday,” said Vandegrift.

Economic Development consultant

The city approved the contract with MWM Consulting and Lucas Witt as the economic development consultant for the Woodford County Economic Development Authority. The two-year contract sees payment to MWM of \$155,000 a year, of which Midway’s share is about \$15,000, with the City of Versailles and Woodford County government each paying a share.

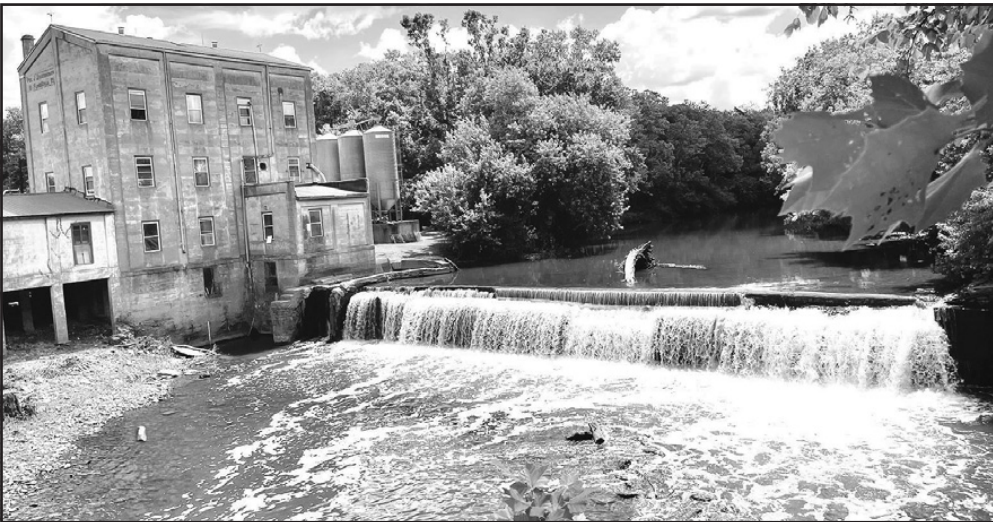
Vandegrift said this is a 10 percent increase over the last contract, which represents a reasonable annual increase. He also pointed out that a new term in the contract calls for a performance bonus for MWM in situations involving significant grants MWM sources for EDA. However, Vandegrift said this will not likely impact Midway, since those types and levels of grants are not on the horizon for Midway in the next two years and will possibly only impact Versailles and the county.

Stormwater

Midway resident Pauline Farler spoke during the public comment portion of the meeting about ongoing issues with stormwater flow, and the flooding and standing water issues on her street. Farler went through a detailed explanation of the need for curbs on certain streets to mitigate the problem.

Vandegrift agreed with the issues she discussed, and pointed out that the city was following a plan to address the problem.

He said work has been budgeted for 2026-2027 on Stephens Street, noting that the process had to begin from the higher points of the city and work down. He added that the stormwater projects are entirely city-funded, with no help from the county, state or federal funding sources.



A WET JUNE has South Elkhorn Creek running full, including deadfall, at Weisenberger Mill in Midway. (Photo by Al Cross)



THE MERRY-GO-ROUND is always a popular ride at the Woodford County Fair, which continues through June 20 at the fairgrounds. See more photos on page 12. (Photo by Bill Caine)