



Report for the  
**Tobacco Settlement Agreement Fund  
Oversight Committee**

**June 15, 2018**

Meeting of the  
Kentucky Agricultural Development Board



Commonwealth of Kentucky  
Governor's Office of Agricultural Policy

For Immediate Release

Contact:

Marielle Manning

(502) 782-1731

(502) 229-6348

[marielle.manning@ky.gov](mailto:marielle.manning@ky.gov)



**Commercial Kitchen, Farmers Market Improvements, Community Gardens  
Among Twenty-Eight Agricultural Investments Approved**  
*More than \$2 million invested in Kentucky Agricultural Development Funds*

**FRANKFORT, Ky. (June 15, 2018)** –The Kentucky Agricultural Development Board approved \$2,034,628 in 28 agricultural diversification and rural development projects across the Commonwealth at its monthly board meeting.

**State Investments:**

**Sale Ring**

Casey County Cattlemen's Association, Inc. was approved for up to \$8,000 in Casey County funds, as well as additional county funds matched with state funds not to exceed one half of the project costs, to purchase panels and a sale ring. For more information on this project, contact Bryan Carman at (606) 379-0020 or [bryan.carman@windstream.net](mailto:bryan.carman@windstream.net).

**County Investments:**

**Commercial Kitchen**

Warren County Extension District Board was approved for up to \$75,000 in Warren County funds to build a commercial kitchen. For more information on this project, contact Joe Duncan at (270) 842-1681.

**Farmers Market Improvements**

Lincoln County Fiscal Court was approved for up to \$7,500 in Lincoln County funds to enhance the existing farmers market facility. For more information on this project, contact Susan Miller at (606) 669-3374.

### **Community Garden**

Seadleaf, Inc. was approved for up to \$2,500 in Fayette County funds for a community garden. For more information on this project, contact Ryan Koch at (859) 967-8865 or [seadleafinfo@gmail.com](mailto:seadleafinfo@gmail.com).

### **Community Garden**

Asbury Theological Seminary was approved for up to \$2,500 in Jessamine County funds for a community garden. For more information on this project, contact Deb Adams at (859) 858-2309 or [deb.adams@asburyseminary.edu](mailto:deb.adams@asburyseminary.edu).

### **Community Garden**

Warren County Conservation District was approved for up to \$2,500 in Warren County funds for a community garden. For more information on this project, contact Steven Anderson at (270) 784-2705 or [warrencountyconservation@hotmail.com](mailto:warrencountyconservation@hotmail.com).

### **On-Farm Investments**

The County Agricultural Investment Program (CAIP) offers 11 investment areas that give Kentucky agricultural producers the ability to increase net farm income, add value to their products and diversify their operation. CAIP benefits and enhances agriculture across the state by stimulating markets for Kentucky agricultural products. Twelve CAIPs were approved by the board totaling \$1,659,378 for Adair (\$151,000), Anderson (\$106,000), Carlisle (\$93,450), Carroll (\$101,462), Grant (\$155,000), Grayson (\$120,000), Hancock (\$79,908), Harrison (\$243,005), Laurel (\$157,850), Mercer (\$168,053), Nelson (\$107,650) and Russell (\$176,000) counties.

In addition to these new approvals, an additional \$221,500 was approved to enhance an existing CAIP in Lee (\$32,900), Owsley (\$107,900), Powell (\$7,000) and Wayne (\$102,700) counties.

### **Environmental Stewardship**

The Deceased Farm Animal Removal Program serves as a measure to facilitate the coordination of environmentally sound and cost effective disposal of deceased livestock for Kentucky producers. Four Deceased Farm Animal Removal Programs totaling \$26,875 were approved for Madison (\$7,500), Mercer (\$7,500), Nelson (\$7,500) and Russell (\$4,375) counties.

### **Shared-use Equipment Program**

The Shared-use Equipment Program assists broad-based community organizations with the purchase of farm equipment. The equipment purchased is made available for producer use in a specific county on a leased basis. One Shared-use Equipment Program totaling \$2,625 was approved for Marion County.

### **Youth Agricultural Incentives Program**

The Youth Agricultural Incentives Program serves as a measure to facilitate the growing need for a specialized program that benefits youth actively engaged in agriculture. One Youth Agricultural Incentives Program totaling \$26,250 was approved for Adair County.

## KADF Programs

### *Approved at the June 2018 KADB Meetings*

<b>CAIP</b>			
<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Adair	Adair County Cattlemen's Association, Inc.	5/24/2018	\$151,000
Anderson	Anderson County Farm Bureau, Inc.	5/9/2018	\$106,000
Carlisle	Carlisle County Conservation District	5/21/2018	\$93,450
Carroll	Carroll County Conservation District	5/25/2018	\$101,462
Grant	Grant County Cattlemens Association, Inc.	5/21/2018	\$155,000
Grayson	Grayson County Cattlemens Association Inc.	5/15/2018	\$120,000
Hancock	Hancock County Conservation District	5/25/2018	\$79,908
Harrison	Harrison County Beef Cattle Association, Inc.	5/15/2018	\$243,005
Laurel	Laurel County Cattlemen's Association, Inc.	5/25/2018	\$157,850
Mercer	Mercer County Conservation District	5/25/2018	\$168,053
Nelson	Nelson County Conservation District	5/23/2018	\$107,650
Russell	County Agriculture Investment Program Council, Inc.	5/7/2018	\$176,000
<b>12</b>			<b>\$ 1,659,378</b>

<b>Deceased Farm Animal Removal Program</b>			
<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Madison	Madison County Conservation District	5/8/2018	\$7,500
Mercer	Mercer County Fiscal Court	5/25/2018	\$7,500
Nelson	Nelson County Fiscal Court	5/15/2018	\$7,500
Russell	Russell County Conservation District	5/7/2018	\$4,375
<b>4</b>			<b>\$ 26,875</b>

<b>Shared-use Equipment</b>			
<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Marion	Marion County Conservation District	5/15/2018	\$2,625
<b>1</b>			<b>\$ 2,625</b>

<b>Youth Ag Incentives Program</b>			
<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Adair	Adair County Cattlemen's Association, Inc.	5/24/2018	\$26,250
<b>1</b>			<b>\$ 26,250</b>

**App #** **A2018-0005**  
**Applicant Name** **Wayne County Agriculture Development Council Inc.**  
Original Amount Approved \$70,600  
Execution Date 2/22/2018  
Requested Change The applicant requests an additional \$102,700 in Wayne County funds for the *CAIP Program*. The request received a high priority from the Wayne County Council.  
This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
Approval of this request would bring the program total to \$173,300.  
**Recommend Approval**

**App#** **A2018-0016**  
**Applicant Name** **Powell County Livestock Producers Association Inc.**  
Original Amount Approved \$38,955  
Execution Date 2/27/2018  
Requested Change The applicant requests an additional \$7,000 in Powell County funds for the *CAIP Program*. The request received a high priority from the Powell County Council.  
This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
Approval of this request would bring the program total to \$45,955.  
**Recommend Approval**

**App#** **A2018-0021**  
**Applicant Name** **Lee County Conservation District**  
Original Amount Approved \$80,000  
Execution Date 3/5/2018  
Requested Change The applicant requests an additional \$32,900 in Lee County funds for the *CAIP Program*. The request received a high priority from the Lee County Council.  
This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
Approval of this request would bring the program total to \$112,900.  
**Recommend Approval**

<b>App#</b>	<b>A2018-0034</b>
<b>Applicant Name</b>	<b>Owsley County Conservation District</b>
Original Amount Approved	\$105,000
Execution Date	4/2/2018
Requested Change	<p>The applicant requests an <u>additional</u> \$107,900 in Owsley County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the Owsley County Council.</p> <p>This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.</p> <p>Approval of this request would bring the program total to \$212,900.</p> <p><b>Recommend Approval</b></p>

## Approved Project

**Seedleaf, Inc.****A2018-0091****Application County: Fayette****County Priority: High****Date Application Submitted: 4/17/2018****FUNDING REQUEST**

Seedleaf, Inc. is requesting \$2,500 in Fayette County funds for a community garden.

**APPLICATION SUMMARY**

The applicant's community farm is located on two acres of land and will serve as a space to educate, empower and inspire those wanting to grow food in north Lexington. The garden is located where residents are at a higher risk of hunger and have limited access to fresh, nutritious food.

The total cost of the project is estimated at \$28,150 with funding from the following sources:

\$ 2,500 KADF Fayette County (unsecure)  
 \$10,000 CarMax Grant (secure)  
 \$ 3,500 Fiskars Project Orange Thumb Grant (secure)  
 \$ 7,300 Thomas R Bryant Jr & Betty R Bryant (secure)  
 \$ 4,000 Patagonia Gift (secure)  
 \$ 850 Cash on Hand (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that the garden will serve more than 200 people and provide up to 500 pounds of harvest.

**Committee Recommendation:**

The White Application Review Committee recommends funding the request for \$2,500 in Fayette County funds subject to the terms and conditions below:

1. Funds up to \$2,500 shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a copy of a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. The Recipient may request reimbursement for expenses up to 12 months from the date of the executed Legal Agreement and shall be returned to the Agricultural Development Fund. The reimbursement rate shall be \$.50 per dollar of approved documented expenses.
3. The Recipient shall submit an annual report detailing the number of participants and the types and amount of produce grown. For educational programs, the Recipient shall include the number of workshops/events held and the number of attendees.

**Board Decision:**

Community Garden: Seedleaf Inc. was approved for \$2,500 in Fayette County funds for a community garden in north Lexington.

## Approved Project

**Lincoln County Fiscal Court****A2018-0095****Application County: Lincoln****County Priority: High****Date Application Submitted: 4/19/2018****FUNDING REQUEST**

The Lincoln County Fiscal Court is requesting \$12,350 in Lincoln County funds to enhance the existing farmers market facility.

**APPLICATION SUMMARY**

The applicant indicates that the funding will enhance its existing facility by paving and striping the parking lot and driveway along with increasing signage leading into the facility.

The total cost of the project is estimated at \$24,700 with funding from the following sources:

\$ 7,500 KADF Lincoln County funds (secure)

\$17,200 Lincoln County Fiscal Court (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that more than 500 people attend the farmers market from June to October.

**Committee Recommendation:**

The White Application Review Committee recommends funding in the reduced amount based on the county council commitment of \$7,500 in Lincoln County funds subject to the terms and conditions below:

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. Funds may be drawn on the account for up to 12 months from the execution date of the Legal Agreement. Remaining funds shall expire 12 months from the date of the executed Legal Agreement. The reimbursement rate shall be \$.50 per dollar of approved documented expenses. Approved documented expenses may come from categories listed in the budget as an exhibit to the Legal Agreement.
3. The Recipient shall own and maintain the facility for at least 5 years from the execution date of the Legal Agreement.
4. The Recipient shall submit annual reports detailing number and types of vendors, market sales and other events held at the market.

**Board Decision:**

Farmers Market Improvements: The Lincoln County Fiscal Court was approved for \$7,500 in Lincoln County funds to enhance the Lincoln County Farmers Market facility.



## Approved Project

**Casey County Cattlemen's Association, Inc.****A2018-0096****Application County: Casey****County Priority: High****Date Application Submitted: 4/19/2018****FUNDING REQUEST**

The Casey County Cattlemen's Association Inc. is requesting \$12,500 in Casey County funds and \$12,500 in State funds to purchase panels and a sale ring.

**APPLICATION SUMMARY**

The applicant indicates they are seeking money through a USDA grant to purchase panels and a sale ring to sponsor an annual bred and open heifer sale that will be held at the Casey County Ag Center. At this time, there are no panels or a sale ring at the facility for handling cattle. They are planning to use the equipment and sale ring to do host the inaugural sale and make available for future sales.

The total cost of the project is estimated at \$140,000 with funding from the following sources:

\$ 8,000 KADF Casey County funds (secure)

\$12,500 KADF State funds (unsecure)

\$90,000 USDA Rural Business Development Grant (pending)

\$22,500 EDA Grant (secure)

\$ 7,000 Contributions from local farmers (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that the initial sale will host approximately 150 head of cattle.

**Committee Recommendation:**

The White Application Review Committee recommends funding the request in the reduced amount of \$8,000 in Casey County funds and no more than half the project costs in county and state funds subject to the terms and conditions below:

1. The Recipient shall have until October 31, 2018 to secure additional county commitments. Should the recipient secure additional county funds those funds should be matched by state funds, not to exceed half of the project cost.
2. Funds up to 50% of the project shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
3. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a copy of a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. The Recipient may request reimbursement for expenses up to 16 months from the date of the executed Legal Agreement and shall be returned to the Agricultural Development Fund. The reimbursement rate shall be \$.50 per dollar of approved documented expenses.
4. The Recipient shall own and maintain the equipment for at least 5 years from the effective date of the Legal Agreement. In the event the Recipient sells the equipment prior to the expiration of the moratorium period, the Recipient shall refund the grant amount to the Kentucky Agricultural Development Fund on a pro-rated basis.
5. The Recipient shall submit annual reports detailing the usage of the equipment including the number and type of animals sold/show and number of participants at each event. For educational programs, the Recipient shall include the number of workshops/events held and the number of attendees.

Approved Project

---

**Casey County Cattlemen's Association, Inc.**

**A2018-0096**

*Application County: Casey*

*County Priority: High*

*Date Application Submitted: 4/19/2018*

**Board Decision:**

Livestock Marketing Equipment: The Casey County Cattlemen's Association Inc. was approved for \$8,000 in Casey County funds, as well as additional county funds matched with state funds not to exceed one half the project costs, for panels and a sale ring for handling cattle.

## Approved Project

**Asbury Theological Seminary****A2018-0097****Application County: Jessamine****County Priority: High****Date Application Submitted: 4/19/2018****FUNDING REQUEST**

Asbury Theological Seminary is requesting \$2,500 in Jessamine County funds for its community garden.

**APPLICATION SUMMARY**

The applicant indicates that its community garden, "Garden of the Nations", will aid in starting peppers, tomatoes and long season plants in the early spring and house ethnic produce that may be overwintered such as ginger, taro, cassava, etc.

The total cost of the project is estimated at \$11,695 with funding from the following sources:

\$2,500 KADF Jessamine County funds (unsecure)

\$1,216 2016 Martha Jones Foundation (secure)

\$8,479 2018 Martha Jones Foundation (pending)

\$1,000 Sovereign Insurance (secure)

\$1,000 Kerr Foundation funds (pending)

\*If all funds are secure, project is overmatch by \$2,500

**PROJECTED PRODUCER IMPACT**

The applicant indicates the garden will host between 30-50 families.

**Committee Recommendation:**

The White Application Review Committee recommends funding the request for \$2,500 in Jessamine County funds subject to the terms and conditions below:

1. Funds up to \$2,500 shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a copy of a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. The Recipient may request reimbursement for expenses up to 12 months from the date of the executed Legal Agreement and shall be returned to the Agricultural Development Fund. The reimbursement rate shall be \$.50 per dollar of approved documented expenses.
3. The Recipient shall submit an annual report detailing the number of participants and the types and amount of produce grown. For educational programs, the Recipient shall include the number of workshops/events held and the number of attendees.

**Board Decision:**

Community Garden: The Asbury Theological Seminary was approved for \$2,500 in Jessamine County funds for its community garden - "Garden of Nations."

## Approved Project

**Warren County Conservation District****A2018-0098****Application County: Warren****County Priority: High****Date Application Submitted: 4/24/2018****FUNDING REQUEST**

The Warren County Conservation District is requesting \$2,500 in Warren County funds for its community garden.

**APPLICATION SUMMARY**

The applicant indicates that this program will be developed in conjunction with the Warren County Housing Authority. The applicant will provide garden plots, workshops on planting and cooking classes and conservation education classes to residents of the housing authority.

The total cost of the project is estimated at \$8,500 with funding from the following sources:

\$2,500 KADF Warren County funds (secure)

\$6,000 Warren County Conservation District (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that 45 families will be taking care of individual garden plots.

**Committee Recommendation:**

The White Application Review Committee recommends funding the request for \$2,500 in Warren County funds subject to the terms and conditions below:

1. Funds up to \$2,500 shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a copy of a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. The Recipient may request reimbursement for expenses up to 12 months from the date of the executed Legal Agreement and shall be returned to the Agricultural Development Fund. The reimbursement rate shall be \$.50 per dollar of approved documented expenses.
3. The Recipient shall submit an annual report detailing the number of participants and the types and amount of produce grown. For educational programs, the Recipient shall include the number of workshops/events held and the number of attendees.

**Board Decision:**

Community Garden: The Warren County Conservation District was approved for \$2,500 in Warren County funds for a community garden to be developed in conjunction with the Warren County Housing Authority.

## Approved Project

**Warren County Extension District Board****A2018-0099****Application County: Warren****County Priority: High****Date Application Submitted: 4/24/2018****FUNDING REQUEST**

Warren County Extension District Board is requesting \$75,000 in Warren County funds to build a commercial kitchen.

**APPLICATION SUMMARY**

The applicant indicates that the community kitchen will be constructed to offer hands on culinary education and business support to food entrepreneurs. The kitchen will also serve as a life skills development center for kids and limited families resources.

The total cost of the project is estimated at \$151,284 with funding from the following sources:

\$75,000 KADF Warren County funds (secure)

\$76,284 Warren County Extension District Board (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that 30-50 families will benefit from the kitchen in the first year of programming. Families will participate in the food entrepreneur class, youth culinary classes or value added production classes.

**Committee Recommendation:**

The White Application Review Committee recommends funding \$75,000 in Warren County funds subject to the terms and conditions below:

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. Funds shall be disbursed upon the Recipient submitting itemized receipts/invoices and either a cancelled check or a copy of the relevant credit card statement as proof of payment. Cash purchases shall not be eligible for cost-reimbursement. Funds may be drawn on the account for up to 12 months from the date of executed Legal Agreement. The reimbursement rate shall be \$0.50 per dollar of approved documented expenses. Approved documented expenses may come from categories listed in the budget as an exhibit to the Legal Agreement.
3. The Recipient shall provide documentation of matching funds before KADF funds are disbursed.
4. If the Recipient sells its equipment within 10 years of the execution of the Legal Agreement, the grant shall be refunded on a prorated basis.
5. The Recipient shall submit an annual report detailing number of people using the kitchen, number and type of demonstrations of educational sessions and other details of the kitchen's use.

**Board Decision:**

Commercial Kitchen: The Warren County Extension District was approved for \$75,000 in Warren County funds to build a commercial kitchen.

## Denied Project

**Baesler Farms****A2018-0090****Application County: Fayette****County Priority: Not Applicable****Date Application Submitted: 4/17/2018****FUNDING REQUEST**

Baesler Farms is requesting \$47,500 in State funds to purchase hemp processing equipment.

**APPLICATION SUMMARY**

The applicant states they are currently processing hemp into oil for four different producers. The applicant has over 4,000 pounds of hemp to be processed. The additional processing equipment and 20' x 20' building will allow the applicant to expand and process quicker to serve more farmers.

The total cost of the project is estimated at \$95,000 with funding from the following sources:

\$47,500 KADF State funds (unsecure)

\$47,500 Cash on Hand (secure)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that the 4 farm families that contract with them would benefit.

**Committee Recommendation:**

The White Application Review Committee recommends not funding this project due to limited producer impact and the uncertainty of the hemp status related to the Farm Bill making the longevity of the project difficult to justify KADF investment.

**Board Decision:**

CBD Oil Processing: Baesler Farms was denied its funding request, based on the committee's recommendation.

**Warren Beeler** 7/11/18- 8/3/18

7/11/2018 Oversight	10:00 AM
Judge Clinton Co. OH Junior Fair Swine Competition	10:00 AM
7/13/2018 KAFC	10:00 AM
7/14/2018 Speak at McLean Co. Ag Breakfast	8:00 AM
Speak at KY Goat Producers Field Day	11:00 AM
Judge McLean Co. Hog Show	5:00 PM
7/15 -7/17/18 Judge Chantaqua Co., NY	
7/18/2018 Speak at Governor's Scholar Convocation	5:30 PM
7/19/2018 Speak at WAVE	8:00 AM
Grayson Co. Foundation	5:00 PM
7/20/2018 KADB	10:00 AM
7/21/2018 B.G. Jr. Livestock Expo Award Presentation	
7/23/2018 Judge Meade Co. Fair	8:00 AM
KCARD Board Meeting	10:00 AM
7/24/2018 KASMC Board Meeting	9:00 AM
Lawrence Alumni Event	6:00 PM
7/26/2018 Daniel Hayden Poultry Barn Ribbon Cutting Ceremony	11:00 AM
7/27/2018 Judge Pendleton Co. 4-H/FFA Swine Show	8:00 PM
8/1/2018 LAND Meeting - Cave City	10:00 AM
8/2/2018 LAND Meeting - Murray State	10:00 AM
8/3/2018 Oversight	10:00 AM