



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

May 17, 2019

Meeting of the
Kentucky Agricultural Development Board



Commonwealth of Kentucky
Governor's Office of Agricultural Policy

For Immediate Release

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**Agricultural Supply Store, Farmers Market and Retail Store
Among Fifty Agricultural Investments Approved**
More than \$4.2 million invested in Kentucky Agricultural Development Funds

FRANKFORT, Ky. (May 17, 2019) –The Kentucky Agricultural Development Board approved \$4,221,131 in 50 agricultural diversification and rural development projects across the Commonwealth at its monthly board meeting.

State Investments:

Agricultural Supply Store

519 Farm Center was approved for up to \$225,000 in State funds, as a loan, to purchase a building, commodity shed, scale and equipment in Morgan County. For more information on this project, contact Jennifer Meadows at (606) 798-3276 or jennifer@ripsfarmcenter.com.

Farmers Market and Retail Store

Jericho Farmhouse was approved for up to \$129,890 in State and multiple county funds to construct a farmers market and retail store in Henry County. For more information about this project, contact Carilynn Coombs at (270) 562-0890 or jerichoacresdairy@gmail.com.

Cold Storage Equipment

Local Food Connection, Inc. was approved for up to \$52,255 in State and multiple county funds to purchase cold storage equipment and 12-month rental of a forklift in Campbell County. For more information on this project, contact Alice Chalmers at (859) 412-2199 or support@localfoodconnection.net.

Farmers Market Structure

The City of Mt. Sterling was approved for an additional \$42,528 in State funds for the construction of a farmers market structure in Montgomery County. For more information on this project, contact Matthew Cooper at matthew.cooper@ky.gov or (859) 498-8725.

County Investments:

Youth Cost-Share Project

Green River Area Beef Improvement Group, Inc. was approved for up to \$20,000 in Daviess County funds to continue the Daviess County Youth Agriculture Production Cost-Share Program. For more information on this project, contact Stacy Marksberry at (270) 929-0194.

Youth Cost-Share Project

Jessamine County FFA Alumni Association, Inc. was approved for up to \$8,000 in Jessamine County funds to continue the Jessamine County 4-H and FFA Cost-Share Program. For more information on this project, contact Carl Waits at (859) 948-5527 or carl.waits@twc.com.

Small Animal Livestock Gates and Pens

Meade County Fair, Inc. was approved for up to \$7,500 in Meade County funds to build pens for small livestock for use during the Meade County Fair and other agriculture education events. For more information on this project, contact David Pace at (270) 422-3818 or visit www.meadekyfair.com.

Beef Summit Program

Grain Day, Inc. was approved for up to \$4,500 in Daviess, Hancock, Henderson, McLean, Ohio and Webster County funds to support the Midwest Beef Summit. For more information on this project, contact Evan Tate at (270) 668-3167 or evan.tate@uky.edu.

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. Two Deceased Farm Animal Removal Programs totaling \$15,000 were approved for Henry (\$7,500) and Nelson (\$7,500) counties.

Next Generation Farmer Program

The Next Generation Farmer Program was developed to facilitate the growing need for a specialized program that would benefit producers engaged in an agricultural operation from three to seven years. One Next Generation Beginning Farmer Program was approved by the board totaling \$45,000 in Henry County.

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. Twenty-seven CAIPs were approved by the board totaling \$3,430,121 for Butler (\$93,504), Carroll (\$138,081), Daviess (\$50,000), Garrard (\$234,540), Graves (\$50,361), Harlan (\$2,293), Harrison (\$332,479), Henry (\$275,000), Jessamine (\$100,000), Johnson (\$64,000), Laurel (\$228,644), Magoffin (\$98,444), Marion (\$188,863), Marshall (\$62,239), McLean (\$50,000), Meade (\$68,438), Mercer (\$200,000), Montgomery (\$280,000), Morgan (\$195,600), Muhlenberg (\$44,423), Nelson (\$130,133), Nicholas (\$275,000), Oldham (\$31,079), Powell (\$75,000), Trimble (\$140,000), Webster (\$18,500) and Whitley (\$3,500) counties.

In addition to these new approvals, an additional \$129,662 was approved to enhance an existing CAIPs in Campbell (\$30,962) and Rockcastle (\$98,700) 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. Two Shared-Use Equipment Programs were approved totaling \$14,675 for Hart (\$1,550) and Jessamine (\$13,125) counties.

Youth Agricultural Incentives Program

The Youth Agricultural Incentives Program (Youth) serves as a measure to facilitate the growing need for a specialized program that benefits youth actively engaged in agriculture. Eight Youth Programs were approved by the board totaling \$97,000 for Bracken (\$30,000), Harlan (\$500), Henderson (\$7,500), Henry (\$20,000), McLean (\$5,000), Ohio (\$10,000), Oldham (\$4,000) and Trimble (\$20,000) counties.

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Great strides continue being made toward lessening Kentucky's dependence on tobacco production while revitalizing the farm economy by investing a portion of Kentucky's Master Settlement Agreement Funds into the Kentucky Agricultural Development Fund.

To date, Kentucky has invested more than \$600 million in an array of county, regional and state projects designed to increase net farm income and create sustainable new farm-based business enterprises. These funding approvals, made possible by the Kentucky Agricultural Development Fund, represent just a few of the more than 6,100 projects approved, since the inception of the program in January 2001.

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KADF Programs

Approved at the May 2019 KADB Meetings

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0048	Muhlenberg County Cattlemen's Association, Inc.	Muhlenberg	\$44,423.00
A2019-0050	Jessamine County FFA Alumni Association, Inc.	Jessamine	\$100,000.00
A2019-0053	Meade County Cattleman Association Corporation	Meade	\$68,438.00
A2019-0057	Morgan County Fiscal Court	Morgan	\$195,600.00
A2019-0062	Carroll County Conservation District	Carroll	\$138,081.00
A2019-0065	Magoffin County Agriculture Investment Program Incorporated	Magoffin	\$98,444.00
A2019-0066	Graves County Agricultural Development Fund LLC	Graves	\$50,361.00
A2019-0073	Green River Area Beef Improvement Group, Inc.	Daviess	\$50,000.00
A2019-0078	Mercer County Conservation District	Mercer	\$200,000.00
A2019-0080	Nelson County Conservation District	Nelson	\$130,133.00
A2019-0081	Montgomery County Conservation District	Montgomery	\$280,000.00
A2019-0083	Henry County Cattlemen's Association, Inc.	Henry	\$275,000.00
A2019-0090	Trimble County Cattlemen's Association, Inc.	Trimble	\$140,000.00
A2019-0092	Marion County Conservation District	Marion	\$188,863.00
A2019-0096	Marshall County Soil & Water Conservation	Marshall	\$62,239.00
A2019-0102	Butler County Conservation District	Butler	\$93,504.00
A2019-0106	Oldham County Farm Bureau of Oldham County, Kentucky	Oldham	\$31,079.00
A2019-0108	Green River Area Beef Improvement Group, Inc.	Webster	\$18,500.00
A2019-0110	Laurel County Cattlemen's Association, Inc.	Laurel	\$228,644.00
A2019-0111	Whitley County Cattlemen's Association, Inc.	Whitley	\$3,500.00
A2019-0118	Garrard County Farm Bureau, Inc.	Garrard	\$234,540.00
A2019-0122	Powell County Livestock Producers Association, Inc.	Powell	\$75,000.00
A2019-0123	Green River Area Beef Improvement Group, Inc.	McLean	\$50,000.00
A2019-0125	Harrison County Beef Cattle Association, Inc.	Harrison	\$332,479.00
A2019-0126	Johnson County Agricultural Advancement Council, Inc.	Johnson	\$64,000.00
A2019-0129	Nicholas County Conservation District	Nicholas	\$275,000.00
A2019-0131	Harlan County Soil Conservation District	Harlan	\$2,293.00

KADF Programs

Approved at the May 2019 KADB Meetings

\$3,430,121.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0060	Nelson County Fiscal Court	Nelson	\$7,500.00
A2019-0085	Henry County Fiscal Court	Henry	\$7,500.00
			\$15,000.00

Next Generation Farmer (NextGen)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0082	Henry County Cattlemen's Association, Inc.	Henry	\$45,000.00
			\$45,000.00

Shared-Use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0087	Jessamine County Extension District Board	Jessamine	\$13,125.00
A2019-0093	Hart County Cattlemen's Association, Inc.	Hart	\$1,550.00
			\$14,675.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2019-0041	Ohio County 4-H Council, Inc.	Ohio	\$10,000.00
A2019-0072	Green River Area Beef Improvement Group, Inc.	Henderson	\$7,500.00
A2019-0084	Henry County Cattlemen's Association, Inc.	Henry	\$20,000.00
A2019-0089	Trimble County Cattleman's Association, Inc.	Trimble	\$20,000.00
A2019-0094	Buffalo Trace Area Development District, Inc.	Bracken	\$30,000.00
A2019-0105	Oldham County Farm Bureau of Oldham County, Kentucky	Oldham	\$4,000.00
A2019-0124	Green River Area Beef Improvement Group, Inc.	McLean	\$5,000.00
A2019-0130	Harlan County Soil Conservation District	Harlan	\$500.00
			\$97,000.00

Total County Funds Recommended for Approval in Programs: **\$3,601,796.00**

Program Amendments

App #	A2018-0207
Applicant Name	Rockcastle County Conservation District
Original Amount Approved	\$105,550
Execution Date	10/12/2018
Requested Change	<p>The applicant requests an <u>additional</u> \$98,700 in Rockcastle County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the 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 \$204,250.</p> <p>Recommend Approval</p>

App#	A2019-0021
Applicant Name	Campbell County Conservation District
Original Amount Approved	\$30,328
Execution Date	3/4/2019
Requested Change	<p>The applicant requests an <u>additional</u> \$30,962 in Campbell County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the 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 \$61,290.</p> <p>Recommend Approval</p>

Approved Project

Jessamine County FFA Alumni Association, Inc.**A2019-0051****Application County:** Jessamine**County Priority:** High**Date Application Submitted:** 3/7/2019

Project Summary:**FUNDING REQUESTED**

Jessamine County FFA Alumni Association is requesting \$8,000 in Jessamine County funds for a Jessamine County 4-H and FFA cost-share program.

APPLICATION SUMMARY

Jessamine County FFA Alumni Association would like to do a cost-share program on a 50-50 basis on agriculture projects for Jessamine County 4-H and FFA students. Students will submit their applications along with a brief essay on their projects and their future goals. Students can participate for two years in the program, with the hope of being self-sustaining by the third year. Jessamine County FFA Alumni Association believes this allows more students to participate in the program. Students that reapply are asked to reinvest in their previous projects to improve and expand each year.

Jessamine County has participated in YAIP the past two years. This year, the guidelines changed and each child who applies will receive a prorated amount. There is no limit as to how many times a student can receive funds. Jessamine County FFA Alumni Association would like to limit the time a child can receive funds. In the past Jessamine County FFA Alumni Association approved \$500 the first year and \$250 the second year.

The total cost of the project is estimated at \$16,000 with funding from the following sources:

\$8,000 from Jessamine County students, parents, grandparents (secure)

\$8,000 Jessamine County KADF (secure)

PRODUCER IMPACT

Fourteen Jessamine County students will directly benefit from this project.

Approved Project

Jessamine County FFA Alumni Association, Inc.**A2019-0051****Application County:** Jessamine**County Priority:** High**Date Application Submitted:** 3/7/2019**Committee Recommendation:**

The Red Application Review Committee recommends funding \$8,000 in Jessamine County funds, subject to the following terms and conditions:

TERMS & CONDITIONS

1. Funds shall be available upon execution of the Legal Agreement in the form of a grant.
2. Before disbursing grant funds, the Recipient shall provide the Board with a copy of the 2019 Jessamine County 4-H and FFA Cost Share Program application describing the criteria that will be used to determine the Recipient's basis for selecting eligible participants.
3. The Recipient shall use the funds to reimburse participants on a 50% cost-share basis for the eligible items as described by the Jessamine County 4-H and FFA Cost Share Program.
4. The Recipient shall submit a list of approved sub-grantees prior to grant disbursement. Compliance staff will review the list to ensure the sub-grantees are compliant with any existing KADB agreements and have not been blocked from receiving KADF for non-compliance with prior agreements. Compliance staff will notify the Recipient within three business days if there are any issues or if all sub-grantees are eligible.
5. On or before the one year anniversary of the execution of the Legal Agreement, the Recipient shall provide the Board with a list of participants approved for the cost-share reimbursement, the amount each participant received, and the type of project carried out by the participant.
6. Any unused funds shall expire one year from the execution date of the Legal Agreement and shall be returned to the Kentucky Agricultural Development Fund (KADF).

Board Decision:

Youth Cost-Share Program: Jessamine County FFA Alumni Association, Inc. was approved for up to \$8,000 in Jessamine County funds to continue the Jessamine County 4-H and FFA Cost-Share Program.

Approved Project

Meade County Fair, Inc.**A2019-0052****Application County:** Meade**County Priority:** High**Date Application Submitted:** 3/15/2019**Project Summary:****FUNDING REQUEST**

Meade County Fair Inc. is requesting \$42,882.90 in Meade County funds to purchase gates to build pens for small livestock.

APPLICATION SUMMARY

The applicant has a new facility and needs to purchase pens and gates for the livestock show and crowd control. These pens will be used during the Meade County Fair and other agriculture education events.

The total cost of the project is estimated at \$42,882.90 with funding from the following sources:

\$7,500 Meade County Funds (secured)

\$12,864.87 down Payment (secured)

\$10,450 Gene Hardesty & Auction Farms (secured)

\$12,068.83 Line of Credit (secured)

PROJECTED PRODUCER IMPACT

Seventy to eighty farm families will be directly impacted by this project during the county fair.

Committee Recommendation:

The Red Application Review Committee recommends funding the request for \$7,500 in Meade 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 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. The reimbursement rate shall be \$.50 per dollar of approved documented expenses.
3. The Recipient may request reimbursement for expenses incurred in completing the project for up to 12 months. The Board shall reimburse the Recipient \$0.50 per \$1.00 of approved documented payments, in accordance with the budget, which shall be attached as an exhibit to the Legal Agreement. The Recipient shall submit itemized receipts/invoices and either a cancelled check or copy of the relevant credit card statement as documentation of payment. The Board shall not reimburse the Recipient for purchases made with cash.
4. The Recipient shall submit annual reports detailing the usage of the panels/gates including the number and type of animals shown 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.

Board Decision:

Small Animal Livestock Gates & Pens: Meade County Fair, Inc. was approved for up to \$7,500 in Meade County funds to build pens for small livestock for use during the Meade County Fair and other agriculture education events.

Approved Project

Jericho Farmhouse**A2019-0068****Application County:** Henry**County Priority:** Multiple**Date Application Submitted:** 3/28/2019**Project Summary:****FUNDING REQUEST**

Jericho Farmhouse is requesting \$129,890 in State and multiple county funds to construct a farmers market and retail store.

Project Summary:**APPLICATION SUMMARY**

Jericho Farmhouse is a family-based farm and future farmers market and retail store. Jericho Farmhouse is a family partnership owned by Guy, Ginger, Curtis and Carilynn Coombs, multi-generational dairy farmers. Jericho Farmhouse plans to sell many other farmer's products from around the region. The applicant plans to offer beef, pork, goat, sheep, fresh vegetables, eggs, pumpkins, poinsettias, Christmas trees, cut flowers, and value-added products from local farmers. The applicant hopes this will become the premier farmers market shop for local products in the region.

The cost for the total project is estimated at \$309,780 with funding from the following sources:

\$129,890 KADF State and County funds

\$179,890 Bank Loan

PRODUCER IMPACT

Fourteen farmers will directly benefit from this project by selling their products at the farmers market and retail store.

Approved Project

Jericho Farmhouse**A2019-0068****Application County:** Henry**County Priority:** Multiple**Date Application Submitted:** 3/28/2019**Committee Recommendation:**

The Red Application Review Committee recommends matching county funds to state funds up to \$129,890, subject to the following terms and conditions:

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient shall have until November 31, 2019 to secure county funds.
3. The Recipient may request reimbursement for expenses incurred in completing the project for up to 12 months. The Board shall reimburse the Recipient \$0.50 per \$1.00 of approved documented payments, in accordance with the budget, which shall be attached as an exhibit to the Legal Agreement. The Recipient shall submit itemized receipts/invoices and either a cancelled check or copy of the relevant credit card statement as documentation of payment. The Board shall not reimburse the Recipient for purchases made with cash.
4. If Recipient sells its business or 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 annual reports detailing the number of farmers produce they sale, number of school groups.

Board Decision:

Famers Market & Retail Store: Jericho Farmhouse was approved for up to \$129,890 in State and multiple county funds to construct a farmers market and retail store in Henry County.

Approved Project

Green River Area Beef Improvement Group, Inc.

A2019-0074

Application County: Daviess

County Priority: High

Date Application Submitted: 3/28/2019

Project Summary:

FUNDING REQUEST

Green River Area Beef Improvement Group Inc. is requesting \$20,000 in Daviess County funds for a Daviess County Youth Agriculture Production Cost-Share program.

APPLICATION SUMMARY

The applicant plans to implement a cost-share program on a reimbursement basis for agricultural projects for Daviess County youth. Youth will submit their applications along with a farm business plan describing how items and supplies they will purchase will be utilized in their projects. Youth applicants are also asked to submit a marketing plan.

The total cost of the project is estimated at \$40,000 with funding from the following sources:

\$20,000 Daviess County KADF Funds (secure)

\$20,000 Applicant Cash (secure)

PRODUCER IMPACT

Sixteen Daviess County youth will directly benefit from this project.

Approved Project

Green River Area Beef Improvement Group, Inc.**A2019-0074****Application County:** Daviess**County Priority:** High**Date Application Submitted:** 3/28/2019**Committee Recommendation:**

The Red Application Review Committee recommends funding \$20,000 in Daviess County funds, subject to the following terms and conditions:

TERMS & CONDITIONS

1. Funds shall be available upon execution of the Legal Agreement in the form of a grant.
2. Before disbursing grant funds, the Recipient shall provide the Board with a copy of the 2019 Daviess County Youth Agriculture Production Cost-Share program application describing the criteria that will be used to determine the Recipient's basis for selecting eligible participants.
3. The Recipient shall use the funds to reimburse participants on a 50% cost-share basis for the eligible items as described by the 2019 Daviess County Youth Agriculture Production Cost-Share program.
4. The Recipient shall submit a list of approved sub-grantees prior to grant disbursement. Compliance staff will review the list to ensure the sub-grantees are compliant with any existing KADB agreements and have not been blocked from receiving KADF for non-compliance with prior agreements. Compliance staff will notify the Recipient within three business days if there are any issues or if all sub-grantees are eligible.
5. On or before the one year anniversary of the execution of the Legal Agreement, the Recipient shall provide the Board with a list of participants approved for the cost-share reimbursement, the amount each participant received, and the type of project carried out by the participant.
6. Any unused funds shall expire one year from the execution date of the Legal Agreement and shall be returned to the Kentucky Agricultural Development Fund (KADF).

Board Decision:

Youth Cost-Share Project: Green River Area Beef Improvement Group, Inc. was approved for up to \$20,000 in Daviess County funds to continue the Daviess County Youth Agriculture Production Cost-Share Program.

Approved Project

519 Farm Center**A2019-0075****Application County:** Lewis**County Priority:** Not Applicable**Date Application Submitted:** 3/29/2019**FUNDING REQUEST**

519 Farm Center, is requesting \$340,000 in State funds to purchase a building, commodity shed, scale and equipment.

Project Summary:**APPLICATION SUMMARY**

The applicant will establish a farm center that sells feed, seed, fertilizer and general agriculture supplies. 519 Farm Center will offer to buy corn from local farmers which will help create a corn market. The farm center will sell local products and Kentucky Proud products. The store will reach out to local extension agents and the Kentucky Beef Network to collaborate on any projects.

The total cost for the project is estimated at \$ 698,600 with funding from the following sources:

KADF Funds \$340,000 (pending)

Applicant \$233,600 (secure)

Gateway ADD Loan \$125,000 (unsecure)

PRODUCER IMPACT

519 Farm Center will service, but is not limited to, the counties of Morgan, Rowan, Elliott, Menifee, and Magoffin.

Committee Recommendation:

The Red Application Review Committee recommends approval of up to a total of \$225,000 in State funds for half of the appraised value of the building or purchase price, whichever is lower, and half of the cost of construction of the commodity shed, subject to the following terms and conditions:

1. The Kentucky Agricultural Development Board (KADB) funds for \$225,000 will be lent at a fixed rate of two percent (2%) for a term of fifteen (15) years. It is understood that three-quarters of a percent (0.75%) included in the above stated interest rate will be retained by a lender as a fee to service the KADB loan. The Lender will remit to KADB its portion of the proceeds as received.
2. The Kentucky Agricultural Development Board shall transfer the loan to the Kentucky Agricultural Finance Corporation (KAFC) for disbursement and servicing purposes.
3. Before remittance is made, the following must be provided:
 - a. Documentation of expenses, as described in application, are completed and verified.
 - b. The combined loan-to-value shall be no more than 85% of the actual acquisition/construction cost or the appraised market value, whichever is less.

Approved Project

519 Farm Center**A2019-0075****Application County:** Lewis**County Priority:** Not Applicable**Date Application Submitted:** 3/29/2019**Committee Recommendation:**

4. Loan Disbursement: KAFC funds will be disbursed once the project, as described in the application, has been completed and permanent financing in place. KAFC funds will be disbursed to the participating lender when the following items are provided to KAFC:
 - a. Copy of Promissory Note up to \$225,000 to cover the KAFC financing and any other documents required between Farm Center 519 and KAFC;
 - b. Copy of the Promissory Note to cover the Lender financing;
 - c. Copy of a Certificate of Participation between KAFC and the lender (to be obtained from KAFC);
 - d. Copy of a certified appraisal on collateral securing the KAFC and lender financing;
 - e. Copy of mortgage with property description of the 3 acres with improvements that is security for KAFC and Lender financing;
 - f. Copy of Final Title certifying lien positions of KAFC and lender on collateral; lender will be in a 1st position. KAFC will be in a 2nd position to Lender.
 - g. Completion of a payment processing form by Lender (to be obtained from KAFC).
5. The loan shall be closed and disbursed no later than 11/17/2019. This loan commitment shall otherwise expire unless a written request for an extension is approved by the KADB, at its option.
6. In the event a significant change in the Recipient's financial circumstances occurs between the approval of this project and the closing of the loan, Farm Center 519 is required to notify KADB in writing within three (3) business days; this matter shall be sent to the Compliance Committee for review and action.
7. The Recipient shall submit annual reports detailing sales to Kentucky producers, including number of farmers/farms. Recipient shall also submit financial statements (balance sheet and P&L)

Board Decision:

Agricultural Supply Store: 519 Farm Center was approved for up to \$225,000 in State funds, as a loan, to purchase a building, commodity shed, scale and equipment in Morgan County.

Approved Project

Grain Day, Inc.**A2019-0076****Application County:** Daviess**County Priority:** High**Date Application Submitted:** 3/29/2019

Project Summary:**FUNDING REQUEST**

Grain Day, Inc. is requesting \$1,000 in Daviess County funds, \$1,000 in McLean County funds, \$1,000 in Ohio County funds, \$500 in Hancock County funds, \$500 in Henderson County funds and \$500 in Webster County funds for the Midwest Beef Summit.

APPLICATION SUMMARY

The applicant plans to have a Beef Summit program focused on providing updated research that allows producers to make better on-farm decisions when selecting profitable cattle. Midwest Beef Summit provides programming to allow farmers to meet the challenges of less tobacco income and lower revenue margins in commodity grain production. Program attendance averages 200 participants representing 150 families.

The total cost of the project is estimated at \$13,970 with funding from the following sources:

- \$1,000 KADF Daviess County funds (secure)
- \$500 KADF Henderson County funds (secure)
- \$2,000 University Of Kentucky Agricultural Programming (secure)
- \$2,490 University Of Kentucky Agricultural Programming (unsecure)
- \$1,000 KADF McLean County funds (secure)
- \$1,000 KADF Ohio County funds (unsecure)
- \$500 KADF Hancock County funds (unsecure)
- \$500 KADF Webster County funds (secure)
- \$4,985 Participant Registration Fees (unsecure)

PROJECTED PRODUCER IMPACT

The Beef Summit program services 14 counties surrounding Daviess, as well as a few counties in Indiana and Illinois.

Approved Project

Grain Day, Inc.**A2019-0076****Application County:** Daviess**County Priority:** High**Date Application Submitted:** 3/29/2019**Committee Recommendation:**

The Red Application Review Committee recommends funding the request for up to \$1,000 in Daviess County funds, \$1,000 in McLean County funds, \$1,000 in Ohio County funds, \$500 in Hancock County funds, \$500 in Henderson County funds and \$500 in Webster County funds for the Midwest Beef Summit subject to the terms and conditions below:

1. Funds shall be available upon the execution of the Legal Agreement in the form of a sponsorship grant.
2. The Recipient shall acknowledge in any awards, publications, brochures, websites, articles, advertising, correspondence, or promotional projects and activities that a portion of the funding for this project was provided by the KADF. The Recipient shall utilize, where possible, the KADF logo.
3. The Recipient shall submit copies of publications, brochures, etc. utilizing the KADB Logo.
4. The Recipient shall submit a report no later than 90 days after the event detailing expenses (including invoices), number and type of vendors and number of attendees at Grain Day.

Board Decision:

Beef Summit Program: Grain Day, Inc. was approved for up to \$4,500 in Daviess, Hancock, Henderson, McLean, Ohio and Webster County funds to support the Midwest Beef Summit.

Approved Project

Local Food Connection, Inc.**A2019-0079****Application County:** Campbell**County Priority:** Not Applicable**Date Application Submitted:** 3/29/2019

Project Summary:**FUNDING REQUEST**

Local Food Connection, Inc. is requesting \$52,255 in State funds to purchase cold storage equipment and 12-month rental of a forklift.

APPLICATION SUMMARY

Local Food Connection, Inc. (previously Ohio Valley Food Connection and Bluegrass Food Connection) is an online marketplace and delivery system that connects farmers and buyers of local food in the tri-state area. The applicant will increase cold storage capacity in Newport, KY for marketing Kentucky agricultural products in the region. Local Food Connection (LFC) lists institutional clients, restaurants and private cafeterias as expansion opportunities if additional cold storage is available. Funds will be used to purchase and a three zone cooler and the 12-month rental of a forklift to aggregate and distribute LFC Products.

The total cost of the project is estimated at \$104,510 with funding from the following sources:

\$52,255 KADF State funds

\$52,255 Cash (secured) or potential bank financing

PROJECTED PRODUCER IMPACT

The applicant works with farms across the state. Currently, farmers from 22 counties are represented through LFC partners with additional opportunities to partner with operations in the Eastern and Western parts of the state.

Approved Project

Local Food Connection, Inc.**A2019-0079****Application County:** Campbell**County Priority:** Not Applicable**Date Application Submitted:** 3/29/2019**Committee Recommendation:**

The Red Application Review Committee recommends funding the request of up to \$52,255 in KADF State and County funds subject to the following terms and conditions:

1. KADB will match State funds to County funds up to \$26,128 in the form of a cost-reimbursement grant. Combined State and County funds shall not exceed \$52,255.
2. The Recipient shall have 6 months after the execution of the Legal Agreement to secure County funds.
3. The Recipient may request reimbursement for expenses incurred in completing the project for up to 18 months from the execution date of the Legal Agreement. The Board shall reimburse the Recipient \$0.50 per \$1.00 of approved documented payments, in accordance with the budget, which shall be attached as an exhibit to the Legal Agreement. The Recipient shall submit itemized receipts/invoices and either a cancelled check or copy of the relevant credit card statement as documentation of payment. The Board shall not reimburse the Recipient for purchases made with cash.
4. If Recipient sells its business or equipment within 5 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 for 5 years detailing the number of farmers, names of farmers, products sold and other economic indicators.

Board Decision:

Cold Storage Equipment: Local Food Connection, Inc. was approved for up to \$52,255 in State and multiple county funds to purchase cold storage equipment and 12-month rental of a forklift in Campbell County.

Denied Project**Sweet And Savory Blessings Catering By Kathy Pennington, LLC****A2019-0063****Application County:** Carroll**County Priority:** Low**Date Application Submitted:** 3/26/2019

Project Summary:**FUNDING REQUEST**

Sweet and Savory Blessing Catering by Kathy Pennington, LLC is requesting \$10,000 in Carroll County funds and \$10,000 in State funds for equipment, a building and advertising expenses.

APPLICATION SUMMARY

The applicant intends to purchase equipment, a building and use the funds for advertising expenses for Sweet and Savory Blessing. The business will be utilizing food grown by local farmers, including beef, poultry, and Kentucky Pound Producers. Sweet and Savory Blessing is a startup catering business.

The total cost for the project is estimated at \$ 20,084.94 with funding from the following sources:

\$10,000 KADF State funds

\$10,000 Carroll County Funds (Denied March 22, 2019)

\$125,000 US Bank Loan

\$60,000 Personal Savings

PRODUCER IMPACT

Sweet and Savory Blessing will have a producer impact on Carroll, Gallatin, Henry, Trimble and Oldham Counties.

Committee Recommendation:

The Red Application Review Committee recommends no funding Sweet and Savory Blessing Catering due to lack of producer impact.

Board Decision:

Sweet And Savory Blessings Catering By Kathy Pennington, LLC was denied due to lack of producer impact.

Warren Beeler 6/12/2019 - 7/3/2019

6/12/2019 Oversight	10:00 AM
Ky Ag Council Meeting	1:00 PM
Speak: State FFA Convention	5:30 PM
6/13/2019 Judge Fayette Co. Lamb Show	
6/14/2019 KAFC	10:00 AM
6/18/2019 Judge 4-H Livestock Show; Richmond	
6/19/2019 4-H Livestock Judging Banquet; Richmond	
6/20/2019 LAND Meeting; Taylor Co.	
6/21/2019 KADB	10:00 AM
Speak: Pulaski Co. Farm Bureau Dinner	5:00 PM
6/25/2019 OAK Filed Day; Crofton, KY	9:30 AM
KACAA Conference Dinner	
6/26/2019 Speak: UK IFAL	11:30 AM
6/27/2019 Speak: Opening Ceremony Black Hereford Junior National	9:00 AM
6/29/2019 Judge Bourbon Co. Round Robin	7:00 PM
7/1/2019 Judge Marion Co. Goat Show	11:00 AM
7/2/2019 KASMC Meeting	9:30 AM
7/3/2019 Oversight	10:00 AM