



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

June 21, 2019

Meeting of the
Kentucky Agricultural Development Board



Commonwealth of Kentucky
Governor's Office of Agricultural Policy

For Immediate Release

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**School Greenhouse Project, Farmers Market
Among Fifty-One Agricultural Investments Approved**
More than \$4.8 million invested in Kentucky Agricultural Development Funds

FRANKFORT, Ky. (June 21, 2019) –The Kentucky Agricultural Development Board approved \$4,878,923 in 51 agricultural diversification and rural development projects across the Commonwealth at its monthly board meeting.

State Investments:

Traffic Engineering Study and Make-Up Ring

Kentucky State Fair Board was approved for up to \$1,500,000 in State funds to reconstruct the Freedom Hall make-up ring and a traffic engineering study for Gate One improvements. For more information on this project, contact Kevin McCoy at (502) 367-5339 or kevin.mccoy@kyvenues.com.

Farmers Market and Kitchen

Metcalf County Extension District Board was approved for up to \$190,000 in State and \$10,000 in Metcalf County funds to construct a farmers market and to enclose the pavilion for use as a value-added kitchen. For more information on this project, contact Lynn Blankenship at (270) 432-3561 or lynn.blankenship@uky.edu.

Farmers Market

Pendleton County Extension District Foundation, Inc. was approved for up to \$90,000 in State and \$10,000 in Pendleton County Funds to construct an open air pavilion farmers market with access to refrigeration. For more information on this project, contact Lindie Huffman at (859) 654-3395 or lindiehuffman@uky.edu.

County Investments:

Agriculture Exposition Facility

Christian County Agricultural Extension Foundation, Inc. was approved for up to \$250,000 in Christian County funds for the construction of an exposition facility. For more information on this project, contact James Stone at (270) 886-6328 or jstone@uky.edu.

Fairground Infrastructure Upgrade

Western Kentucky State Fair, Inc. was approved for up to \$60,975 in multiple county funds to upgrade the fairground facilities. For more information on this project, contact Ashley Johnson at (270) 839-4400 or ashley.johnson@ky.gov.

Meat Processing Equipment

Wise Meat Packing was approved for up to \$50,248 in multiple county funds to purchase filling and clipping equipment. For more information on this project, contact Nathan Wise at (270) 466-8464.

School Greenhouse Project

Christian Fellowship, Inc. was approved for up to \$17,045 in Marshall County funds for the construction of a school greenhouse. For more information on this project, contact Bill Rowley at (270) 527-8377 or browley@cfsky.us.

Youth Livestock Equipment

McLean County 4-H Council was approved for up to \$7,680 in McLean County funds to purchase small animal holding pens. For more information on this project, contact Steve Hatfield at (270) 499-0519 or stevel.hatfield@ky.gov.

4-H County Ham Project

Metcalf County 4-H Council, Inc. was approved for \$1,350 in Metcalf County Funds to purchase 18 hams for meat production education. For more information on this project, contact Marla Young at (270) 432-3561 or marla.young@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. Six Deceased Farm Animal Removal Programs totaling \$38,547 were approved for Boyle (\$7,500), Clark (\$7,500), Oldham (\$2,500), Spencer (\$6,047), Warren (\$7,500), and Washington (\$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 Farmer Program was approved by the board totaling \$21,679 in Nelson 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. Thirteen CAIPs were approved by the board totaling \$1,977,859 for Adair (\$187,000), Anderson (\$118,500), Boyle (\$158,903), Christian (\$200,000), Clark (\$250,000), Cumberland (\$170,134), Elliott (\$155,969), Grant (\$210,000), Henderson (\$30,000), LaRue (\$75,000), Simpson (\$89,300), Warren (\$182,453), and Wayne (\$150,600) counties.

In addition to these new approvals, an additional \$462,233 was approved to enhance existing CAIPs in Graves (\$63,520), Owen (\$325,000), and Trigg (\$73,713) 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. Two Youth Programs were approved by the board totaling \$50,000 for Adair (\$30,000) and Owen (\$20,000) counties.

On-Farm Energy Efficiency Program

The On-Farm Energy Efficiency Program provides incentives for Kentucky farm families to increase energy efficiency of existing equipment or facilities. Seventeen On-Farm Energy Efficiency Programs were approved totaling \$141,307 for recipients in Adair (\$14,357), Barren (\$10,150), Butler (\$10,150), Campbell (\$1,800), Daviess (\$20,300), Hopkins (\$10,150), McLean (\$20,300), Mercer (\$1,805), Metcalfe (\$10,025), Warren (\$26,611), Wayne (\$5,509) and Webster (\$10,150) 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 \$605 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 June 2019 KADB Meetings

CAIP

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Henderson	Green River Area Beef Improvement Group, Inc.	03/29/2019	\$30,000
LaRue	LaRue County Beef Cattle Association, Inc.	05/29/2019	\$75,000
Cumberland	Clinton/Cumberland Cattlemen's Assoc., Inc.	05/29/2019	\$170,134
Anderson	Anderson County Farm Bureau, Inc.	05/29/2019	\$118,500
Adair	Adair County Cattlemen's Association, Inc.	05/29/2019	\$187,000
Grant	Grant County Cattlemens Association, Inc.	05/31/2019	\$210,000
Wayne	Wayne County Agriculture Development Council, Inc.	05/31/2019	\$150,600
Simpson	Simpson County Conservation District	05/31/2019	\$89,300
Elliott	Elliott County Conservation District	05/31/2019	\$155,969
Christian	Christian County Conservation District	05/31/2019	\$200,000
Warren	Warren County Conservation District	05/31/2019	\$182,453
Clark	Clark County Conservation District	05/31/2019	\$250,000
Boyle	Boyle County Farm Bureau	05/31/2019	\$158,903
13			\$1,977,859

Deceased Farm Animal Removal (DAR)

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Boyle	Boyle County Conservation District	03/25/2019	\$7,500
Oldham	Oldham County Fiscal Court	05/07/2019	\$2,500
Washington	Washington County Fiscal Court	05/31/2019	\$7,500
Spencer	Spencer County Fiscal Court	05/31/2019	\$6,047
Warren	Warren County Conservation District	05/31/2019	\$7,500
Clark	Clark County Conservation District	05/31/2019	\$7,500
6			\$38,547

Next Generation Farmer (NextGen)

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Nelson	Nelson County Conservation District	05/31/2019	\$21,679
1			\$21,679

KADF Programs

Youth Ag Incentives Program (Youth)

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Owen	Owen County 4-H Club Council, Incorporated	05/29/2019	\$20,000
Adair	Adair County Cattlemen's Association, Inc.	05/29/2019	\$30,000
2			<hr/> \$50,000

Total County Funds Approved in Programs: **\$2,088,085**

KADF On-Farm Energy Incentives

Approved at the June 2019 KADB Meeting

On-Farm Energy Program

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>	<u>Funds Approved</u>
Webster	Lancaster Poultry <i>Poultry</i>	12/20/2018	\$10,150
Mercer	Goodlett Dairy <i>Dairy</i>	02/06/2019	\$1,805
Warren	Perry Michael Smith <i>Poultry</i>	02/27/2019	\$6,311
Barren	L & T Poultry, LLC <i>Poultry</i>	03/05/2019	\$10,150
Warren	Over Easy Acres <i>Poultry</i>	04/03/2019	\$10,150
Adair	B and B Dairy <i>Dairy</i>	04/05/2019	\$7,807
Campbell	Stonebrook Winery LLC <i>Winery</i>	04/11/2019	\$1,800
Daviess	Hamilton Grain Farms, L.L.C. <i>Grain</i>	04/23/2019	\$10,150
McLean	Gross Farms Incorporated <i>Poultry</i>	04/23/2019	\$10,150
McLean	Bryant Gross <i>Poultry</i>	04/23/2019	\$10,150
Adair	Mark Redman Dairy <i>Dairy</i>	04/23/2019	\$6,550
Daviess	John B. Warren <i>Poultry</i>	04/23/2019	\$10,150
Metcalfe	Justin Tudor <i>Dairy</i>	04/25/2019	\$10,025
Warren	David & Sara Hunt <i>Grain</i>	04/25/2019	\$10,150
Hopkins	Pleasant View Greenhouse, Inc. <i>Greenhouse</i>	04/25/2019	\$10,150
Butler	Melvin and Mary Bowles, LLC <i>Grain</i>	04/25/2019	\$10,150
Wayne	Bells Broilers <i>Poultry</i>	04/26/2019	\$5,509
17			\$141,307

Requested Program Amendments

App # A2019-0032
Applicant Name Owen County Farm Bureau
Original Amount Approved \$5,500
Execution Date 03/27/2019
Requested Change The applicant requests an additional \$325,000 in Owen County funds for the *CAIP Program*. The request received a high priority from the 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 \$330,500.
Recommend Approval

App# A2019-0066
Applicant Name Graves County Agricultural Development Fund LLC
Original Amount Approved \$50,363
Execution Date Agreement not yet executed.**
Requested Change The applicant requests an additional \$63,520 in Graves County funds for the *CAIP Program*. The request received a high priority from the 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 \$113,883.
Recommend Approval

App# A2018-0173
Applicant Name Simpson County Conservation District
Original Amount Approved \$65,287
Execution Date 11/16/2018
Requested Change The applicant requests to change its CAIP from “pro-rate only ties” to “pro-rate among all producers” in Simpson County. The applicant would also like to increase the maximum limit to \$5,000 per producer. The request received a high priority from the 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 does not change the program total.
Recommend Approval

Requested Program Amendments

App #	A2019-0033
Applicant Name	Spencer County Conservation District
Original Amount Approved	\$97,670
Execution Date	05/11/2019
Requested Change	<p>The applicant requests to change to pro-rate among all producers in Spencer 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 \$97,670.</p> <p>Recommend Approval</p>
App#	A2018-0170
Applicant Name	Trigg County Soil Conservation District
Original Amount Approved	\$60,350
Execution Date	10/18/2018
Requested Change	<p>The applicant requests an <u>additional</u> \$73,713 in Trigg 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 \$134,063.</p> <p>Recommend Approval</p>

Approved Project

Christian Fellowship, Inc.

A2019-0095

Application County: Marshall

County Priority: High

Danielle Milbern

Project Summary:

FUNDING REQUEST

Christian Fellowship School is requesting \$17,045 in Marshall County funds for construction of a school greenhouse.

APPLICATION SUMMARY

The applicant indicates that the greenhouse will be used to help educate the students about agro-science, marketing, and customer's service. Christian Fellowship School is a private K-12 school.

The total cost of the project is \$34,090 with funding from the following sources:

\$17,045 KADF Marshall County funds

\$7,500 Environment grant from Kentucky Division of Conservation

\$9,545 Ron and Heather Davis

PRODUCER IMPACT

The applicant indicates that over 20 families will benefit directly from this project.

Committee Recommendation:

The White Application Review Committee recommends funding \$17,045 Marshall County Funds to Christian Fellowship School, subject to the terms and conditions below:

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. 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.
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 the number of classes and students using the greenhouse and total greenhouse sales.

Board Decision:

School Greenhouse Project: Christian Fellowship, Inc. was approved for up to \$17,045 in Marshall County funds for the construction of a school greenhouse.

Approved Project

Metcalfe County Extension District Board

A2019-0103

Application County: Metcalfe

County Priority: High

Danielle Milbern

Project Summary:

FUNDING REQUEST

The Applicant is requesting \$190,000 in State funds and \$10,000 in Metcalfe County funds for the construction of a larger farmers market structure and to enclose and equip the pavilion, which holds the current farmers market that they have outgrown.

APPLICATION SUMMARY

The proposed project is for the construction an opened pavilion with fans and electric. The applicant would like to enclose the current structure and use that as a commercial kitchen and value-added teaching kitchen. The commercial kitchen would be used for food and preparation programs by farmers, to market value-added.

The cost of the total project is anticipated to be \$400,000 with funding from the following sources:

\$190,000	KADF State Funds
\$10,000	KADF Metcalfe County funds (secured)
\$200,000	Metcalfe County Extension Board

PROJECTED PRODUCER IMPACT

The applicant states that of 25 farm families will be impacted by this project.

Committee Recommendation:

The White Application Review Committee recommends funding \$10,000 in Metcalfe County funds and \$190,000 in State funds subject to the terms and conditions below:

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient may request reimbursement for expenses incurred in completing the project for up to 18 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.
3. The Recipient shall own and maintain the facility for at least 10 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 and Kitchen: Metcalfe County Extension District Board was approved for up to \$190,000 in State and \$10,000 in Metcalfe County funds to construct a farmers market and to enclose the pavilion for use as a value-added kitchen.

Approved Project

Metcalfe County 4-H Council, Incorporated

A2019-0104

Application County: Metcalfe

County Priority: High

Danielle Milbern

Project Summary:

FUNDING REQUEST

The Metcalfe County 4-H Council, Inc. is requesting \$1,350 in Metcalfe County funds to purchase 18 hams for the Metcalfe County 4-H.

APPLICATION SUMMARY

Metcalfe County 4-H members that participate in the county ham project learn about; the history behind curing hams, science behind the curing process, food safety, meat production, and food preservation.

The total cost of the project is estimated at \$3,080.75 with the following funding sources:

- \$1,350 18 Hams KADB Funds (Unsecure)
- \$1730.75 Metcalfe County 4-H Council (Secure)

PROJECTED PRODUCER IMPACT

The applicant states that approximately 18 farm families will benefit from this project.

Committee Recommendation:

The White Application Review Committee recommends funding the request for \$1,350 in Metcalfe County funds subject to the following terms and conditions:

TERMS & CONDITIONS

1. Funds will be available upon the execution of the legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient may request reimbursement for expenses incurred in completing the project for up to 18 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.
3. The Recipient shall provide the Governor's Office of Agricultural Policy with a copy of the 2018/19 UK Country Ham Project contract form and any other documents that the Recipient will require youth or their parents to sign.
4. On the anniversary of the execution of the Legal Agreement, the Recipient shall provide the Board with documentation of the number of participants in the program and a statement verifying that all participants complied with the terms and conditions of the program.

Board Decision:

4-H County Ham Project: Metcalfe County 4-H Council, Inc. was approved for \$1,350 in Metcalfe County Funds to purchase 18 hams for meat production education.

Approved Project

Pendleton County Extension District Foundation, Incorporated

A2019-0107

Application County: Pendleton

County Priority: High

Danielle Milbern

Project Summary:

FUNDING REQUEST

Pendleton County Extension District Foundation, Inc. is requesting \$90,000 in State funds and \$10,000 in Pendleton County funds as part of the \$200,000 Pendleton County farmers market project for the construction of a permanent open air farmer market pavilion structure.

APPLICATION SUMMARY

The proposed project is for the construction of a 56' X 75' open pavilion with fans, electricity, storage and access to refrigeration.

The cost of the total project is anticipated to be \$200,000 with funding from the following sources:

\$90,000	KADF State Funds (unsecured)
\$10,000	KADF Pendleton County funds (secured)
\$100,000	Rural Development Grant from USDA (unsecured)

PROJECTED PRODUCER IMPACT

The applicant states that 18 farm families will be impacted by this project.

Committee Recommendation:

The White Application Review Committee recommends funding \$10,000 in Pendleton County funds and \$90,000 in State funds subject to the terms and conditions below:

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient may request reimbursement for expenses incurred in completing the project for up to 18 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.
3. The Recipient shall own and maintain the facility for at least 10 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: Metcalfe County Extension District Board was approved for up to \$190,000 in State and \$10,000 in Metcalfe County funds to construct a farmers market and to enclose the pavilion for use as a value-added kitchen.

Approved Project

Christian County Agricultural Extension Foundation, Inc.

A2019-0109

Application County: *Christian*

County Priority: *High*

Renee Laurent

Project Summary:

FUNDING REQUEST

Christian County Agricultural Extension Foundation, LLC. is requesting \$250,000 in Christian County funds to construct an exposition facility.

APPLICATION SUMMARY

The applicant will be constructing a 150' X 300' arena (with 30' X 240' support areas) exposition facility that will provide a venue for agriculture demonstrations not currently offered in Christian County. The open arena will allow for livestock, equestrian and farm demonstration events. Project has been in discussion within the county for many years and after a 2017 feasibility study, the need for this size facility, managed by the Cooperative Extension Service, was justified.

The total cost of the project is estimated at \$1,746,150 with funding from the following sources:

\$250,000 KADF Christian County funds

\$1,000,000 Christian County contribution (secured)

\$396,500 Christian County Agricultural Extension Foundation (secured)

\$100,000 Farm Credit Mid America (secured)

PROJECTED PRODUCER IMPACT

The applicant states that Christian County has approximately 1179 farms and the goal is to impact 500 farm families in the first year and an additional 100 each year thereafter.

Committee Recommendation:

The White Application Review Committee recommends funding the request of \$250,000 in Christian County funds, subject to terms and conditions.

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient may request reimbursement for expenses incurred in completing the project for up to 12 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.
3. If Recipient sells its facility within 10 years of the execution of the Legal Agreement, the grant shall be refunded on a prorated basis.
4. 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:

Agriculture Exposition Facility: Christian County Agricultural Extension Foundation, Inc. was approved for up to \$250,000 in Christian County funds for the construction of an exposition facility.

Approved Project

Wise Meat Packing

A2019-0119

Application County: Taylor

County Priority: High

Danielle Milbern

Project Summary:

FUNDING REQUEST

The applicant is requesting \$25,124 in State funds and \$25,124 in Taylor County funds to purchase new filling and clipping equipment.

APPLICATION SUMMARY

Wise Meat Packing has been in business for over 55 years. The Wises currently service over 200 farm families in Taylor, Green, Casey, Clinton and LaRue Counties. Wise purchases hogs from Marion County. The applicant is requesting funds to purchase new filling and clipping equipment. This equipment will increase their efficiency and decrease the wait time for farmers which is usually six to eight months.

The cost for the total project is estimated at \$100,523 with funding from the following sources:

\$ 25,124 KADF State funds (unsecured)

\$ 25,124 Taylor County funds (secured)

\$ 50,275 Dennis Wise (secured)

PRODUCER IMPACT

The applicant indicates that 200 farm families would benefit from the purchase of new filling and clipping equipment.

Committee Recommendation:

The White Application Review Committee recommends funding up to \$50,248 of the total budget in multiple county funds and denying the state funds requested, subject to the following terms and conditions:

TERMS & 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 December 21, 2019 to secure county funds.
3. The Recipient may request reimbursement for expenses incurred in completing the project for up to 18 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 5 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 amounts and types of animals processed, number of hogs purchased, including farmers names and county.

Board Decision:

Meat Processing Equipment: Wise Meat Packing was approved for up to \$50,248 in multiple county funds to purchase filling and clipping equipment.

Approved Project

Western Kentucky State Fair, Inc.

A2019-0120

Application County: *Christian*

County Priority: *High*

Renee Laurent

Project Summary:

FUNDING REQUEST

Western Kentucky State Fair, Inc. (WKSF) is requesting \$30,488 in Christian County funds and \$30,487 in State funds to upgrade infrastructure at the fairgrounds.

APPLICATION SUMMARY

WKSF hosts numerous local, regional and state events ranging from livestock shows and tractor pulls to carnivals and motocross racing. The applicant will be constructing new public restrooms and an announcer stand. Restrooms will be upgraded to be ADA compliant. The goal is to provide a safe, secure and adequate accommodation during events. Currently, the facilities present a severe safety threat to spectators with the only option being to demolish and reconstruct.

The total cost of the project is estimated at \$121,950 with funding from the following sources:

\$30,488 KADF Christian County funds

\$30,487 KADF State funds

\$60,975 Local Fair Board (secured)

PROJECTED PRODUCER IMPACT

The applicant states that Christian County has approximately 1179 farms. It is estimated that WKSF directly benefited at least 500 farm families in the last year.

Committee Recommendation:

The White Application Review Committee recommends funding up to \$60,975 of the total budget in county funds, no state funds recommended, subject to terms and conditions.

TERMS & 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 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 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:

Fairground Infrastructure Upgrade: Western Kentucky State Fair, Inc. was approved for up to \$60,975 in multiple county funds to upgrade the fairground facilities.

Approved Project

Kentucky State Fair Board

A2019-0121

Application County: Jefferson

County Priority: Not Applicable

Renee Laurent

Project Summary:

FUNDING REQUEST

The Kentucky State Fair Board is requesting \$1,500,000 in State funds for design work and traffic engineering study of Gate One and construction of Freedom Hall make-up ring at the Kentucky Fair & Exposition Center.

APPLICATION SUMMARY

One of the provisions in 2018 Regular Session House Bill 200 authorized the allocation of \$7,000,000 in fiscal year 2018-19 for capital improvements to the agricultural events space and other facilities located at the Kentucky Fair & Exposition Center. The authorization specifically stated that funds could be used for projects related to deferred maintenance, renovation, and remodeling of event space primarily used for animal and other agricultural-related events or the demolition of unusable facilities.

This project will involve the construction of the Freedom Hall Make-up ring that was removed during the demolition of Cardinal Stadium, and the design work and traffic study for Gate One improvements at the Kentucky Fair & Exposition Center so that the Kentucky State Fair Board can continue to produce its three agricultural-related expositions (Kentucky State Fair, North American International Livestock Exposition, National Farm Machinery Show and Championship Tractor Pull) in a first class manner.

The total cost of the project is estimated at \$1,500,000 with the following funding sources:
\$1,500,000 KADF State funds

PROJECTED PRODUCER IMPACT

The applicant states that the public in general, including farm families, will benefit directly from this project.

Committee Recommendation:

The White Application Review Committee recommends funding the request of \$1,500,000 in KADF State funds, subject to terms and conditions.

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a grant.
2. The Recipient shall provide quarterly reports to GOAP showing approved documented payments in accordance with the budget, which shall be attached as an exhibit to the Legal Agreement, in the form of itemized receipts/invoices and either a cancelled check or copy of the relevant credit card statement. The Board shall not reimburse the Recipient for purchases made with cash.
3. 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).
4. The Recipient shall own and maintain the property facilities for at least 10 years from the effective date of the Legal Agreement. In the event the Recipient sells part or all of the property facilities prior to the expiration of the moratorium period, the Recipient shall refund the grant amount to the KADF on a pro-rated basis.

Board Decision:

Traffic Engineering Study and Make-Up Ring: Kentucky State Fair Board was approved for up to \$1,500,000 in State funds to reconstruct the Freedom Hall make-up ring and a traffic engineering study for Gate One improvements.

Approved Project

McLean County 4-H Council

A2019-0127

Application County: McLean

County Priority: High

Renee Laurent

Project Summary:

FUNDING REQUEST

McLean County 4-H Council is requesting \$7,680 in McLean County funds to purchase small animal holding pens.

APPLICATION SUMMARY

The applicant will be purchasing 40 small animal holding pens (5' X 5') to be used at the Myer Creek Park to house small animals for livestock shows throughout the year. These pens will enable McLean County to not only grow their county's livestock shows but also host larger shows in the future increasing use of the fairgrounds.

The total cost of the project is estimated at \$15,359 with funding from the following sources:

\$7,680 KADF McLean County funds

\$2,000 McLean County 4-H Council (secured)

\$5,680 McLean County District Board (secured)

PROJECTED PRODUCER IMPACT

The applicant states that the McLean County Fair will have 100 families involved during the show. The Livestock Committee is considering hosting jackpot shows as well, which could increase the impact to 150-200 farm families.

Committee Recommendation:

The White Application Review Committee recommends funding the request of \$7,680 in McLean County funds, subject to terms and conditions.

TERMS & CONDITIONS

1. Funds shall be available upon the execution of the Legal Agreement in the form of a cost-reimbursement grant.
2. The Recipient may request reimbursement for expenses incurred in completing the project for up to 12 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.
3. If Recipient sells its equipment within 5 years of the execution of the Legal Agreement, the grant shall be refunded on a prorated basis.
4. 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:

Youth Livestock Equipment: McLean County 4-H Council was approved for up to \$7,680 in McLean County funds to purchase small animal holding pens.

Denied Project

Bluegrass Organic Hemp LLC

A2019-0114

Application County: *Marion*

County Priority: *Not Applicable*

Stefanie Osterman

Project Summary:

On-Farm Energy

Request
\$10,150

Total Budget
\$64,765

Project
Install curtains for insulation

Committee Recommendation:

The On-Farm Energy committee recommends no funding for this project due to the KADB's policy on hemp dated January 18, 2019 (See attached). The board will consider funding hemp applications related to education and certified seed for 2019. This project relates to energy improvement.

Board Decision:

Bluegrass Organic Hemp LLC was denied due to the KADB's policy on hemp dated January 18, 2019.



Governor's Office of Agricultural Policy

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Governor

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Warren Beeler
Executive Director

Memo

TO: Kentucky Agricultural Development Board

FROM: Joint KADB, KAFC Committee on Hemp

DATE: January 18, 2019

RE: Joint KADB, KAFC Committee on Hemp Recommendation

On January 11, 2019, members from the Kentucky Agricultural Development Board and Kentucky Agricultural Finance Corporation met to consider the position both Boards should adopt regarding hemp projects. A copy of the meeting minutes are attached hereto.

The Committee recommends the KADB and KAFC consider applications for funding now that hemp has been removed from the list of schedule I narcotics, and made legal by the Farm Bill. The KADB will consider funding hemp applications related to education and certified seed for 2019. The KADC and KAFC will consider applications for loans on a participation basis. Hemp shall be and eligible crop for CAIP and Next Generation Farmer Programs.

Warren Beeler 7/3/2019 - 8/14/2019

7/3/2019 Oversight	10:00 AM
7/6/2019 Speak: Nelson Co. Ag Breakfast	9:00 AM
7/8/2019 IJC Ag Meeting	10:00 AM
Speak: KACD Annual Meeting	3:00 PM
7/9/2019 KY Dairy Value-Added Conference	9:00 AM
7/10/2019 Clinton Co. Junior Fair Swine Showmanship	10:00 AM
7/11/2019 K-VIP Site Visit	
7/12/2019 KAFC	10:00 AM
KY Dairy Processing Pilot June Meeting	1:00 PM
7/14-7/16/19 Judge in New York	
7/18/2019 WAVE Conference	
7/19/2019 KADB	10:00 AM
7/20/2019 Judge Spencer Co. 4-H/FFA Swine Show	
Speak: Greenup Co. Farm to Table	5:00 PM
7/23/2019 Judge American Junioer Simmental Assoc. Contest	1:00 PM
7/26/2019 KY Junior Livestock Event; Bowling Green	
7/27/2019 Gilkison Farm to Table Dinner	
8/1/2019 LAND Meeting; Muhlenberg Co.	10:30 AM
8/2/2019 Speak: Crittenden Co. Fair Breakfast	7:00 AM
8/3/2019 Speak: McLean Co. Farm Bureau Dinner	5:00 PM
8/7/2019 Staff Compliance Meeting	1:30 PM
8/9/2019 KAFC	10:00 AM
8/10/2019 Speak: Muhlenberg Farm to Fork Dinner	5:30 PM
8/14/2019 Oversight	10:00 AM