

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

October 16, 2020

Meeting of the Kentucky Agricultural Development Board

KADF Programs

CAIP

Approved at the October 2020 KADB Meeting

<u>County</u> Hardin	Program Administrator Hardin County Extension District Reard	Date Submitted	Funds Approved
пагин	Hardin County Extension District Board	08/31/2020	\$ 91,443.00
Fleming	Fleming County Conservation District	09/09/2020	\$ 208,613.00
Mason	Buffalo Trace Area Development District, Inc.	09/09/2020	\$ 273,000.00
Menifee	Menifee County Beef Producers, Inc.	09/09/2020	\$ 88,138.00
Hart	Hart County Cattlemen's Association, Inc.	09/15/2020	\$ 260,000.00
Taylor	Taylor County Cattlemen's Association, Inc.	09/16/2020	\$ 126,334.00
Robertson	Robertson County Soil Conservation District	09/21/2020	\$ 262,000.00
Edmonson	Edmonson Co Cattleman Association Inc.	09/23/2020	\$ 80,000.00
Christian	Christian County Conservation District	09/24/2020	\$ 200,000.00
Henderson	Green River Area Beef Improvement Group, Inc.	09/25/2020	\$ 28,763.00
Martin	Martin County Conservation District	09/24/2020	\$ 1,535.00
Martin	Martin County Conservation District	09/24/2020 S	State \$ 29,944.00
11			\$ 1,649,770.00
Deceased Farm A	Animal Removal (DAR)		
County	Program Administrator	Date Submitted	Funds Approved
Mason	Mason County Conservation District	09/09/2020	\$ 6,375.00
1			
ı			\$ 6,375.00
Next Generation	Farmer (NextGen)		
County	Program Administrator	Date Submitted	Funds Approved
Fleming	Fleming County Conservation District	09/16/2020	\$ 40,000.00

Shared-Use Equipment Program			
<u>County</u> Madison	<u>Program Administrator</u> Madison County Farm Bureau, Inc. of Madison County, Ke	Date Submitted 09/16/2020	Funds Approved \$ 22,500.00
Henderson	Henderson Farmers Market, Inc	09/16/2020	\$ 5,112.00
Henderson	Henderson Farmers Market, Inc	09/16/2020	\$ 2,747.00

\$ 40,000.00

KADF Programs

3 **\$ 30,359.00**

Youth Ag Ince	ntives Program (Youth)		
<u>County</u> Carroll	Program Administrator Carroll County Conservation District	Date Submitted 08/31/2020	Funds Approved \$ 15,000.00
Taylor	Taylor County Cattlemen's Association, Inc.	09/16/2020	\$ 8,000.00
Fleming	Fleming County Conservation District	09/16/2020	\$ 25,000.00
3			\$ 48,000.00
	Total Cou	nty* KADF Approved for Programs:	\$1,774,504.00

App # A2020-0052

Applicant Name Carroll County Conservation District

Original Amount Approved \$120,798 Execution Date 06/12/2020

Requested Change The applicant requests an additional \$5,826 in Carroll 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 \$126,624.

Recommend Approval

App# A2020-0133

Applicant Name Nicholas County Conservation District

Original Amount Approved \$252,000 Execution Date 08/04/2020

Requested Change The applicant requests an <u>additional</u> \$24,000 in Nicholas 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 \$276,000

Recommend Approval

App# A2020-0102

Applicant Name Henry County Cattlemen Association

Amount Approved \$230,000 Execution Date 6/1/2020

Requested Change The applicant requests an additional \$28,000 in Henry County funds

for the *CAIP Program*. The request received a <u>low</u> priority from the

County Council.

This is the first request for an amendment to this application number. Staff recommends No Funding this application due to low priority by

the Henry County Council.

Recommend No Funding

KADF On-Farm Energy Incentives

Approved at the October 2020 KADB Meeting

On-Farm	Energy	Program

<u>County</u> Adair	Program Administrator B and B Dairy On-Farm Energy Dairy	<u>Date Submitted</u> 08/25/2020	Funds Approved \$2,596
Adair	Gregory Burton dba Milky Way Dairy On-Farm Energy Dairy	08/25/2020	\$1,295
Floyd	Four Petal Farm, LLC On-Farm Energy Horticulture	08/28/2020	\$10,030
Grayson	Edward Harper dba South Poultry On-Farm Energy Poultry	08/25/2020	\$6,150
Ohio	Nathaniel Daugherty On-Farm Energy Poultry	08/25/2020	\$10,150
Russell	Brently West dba Brently West Dairy On-Farm Energy Dairy	08/25/2020	\$8,770
Russell	Ross E Russell dba Russell Way Holsteins On-Farm Energy Dairy	08/25/2020	\$5,301
Warren	Sumner Dairy, LLC On-Farm Energy Dairy	08/27/2020	\$1,763
Webster	Sebree Poultry, LLC On-Farm Energy Poultry	04/30/2020	\$10,150
9			\$56,205

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Meat Processing: Level 1 Incentives Approved

APP#	APPLICANT	COUNTY	FUNDS APPROVED
A2020-0167	Central KY Custom Meats, Inc. Meat Processing Investment Program - Level 1	Casey	\$20,000.00
	Total State Funds I	Recommended for Approval:	\$20,000.00

Awards: 1 # Counties: 1

Meat Processing: Level 2 Expansion Approved

APP#	APPLICANT	COUNTY	FUNDS APPROVED
A2020-0219	Fleming Meat Packers/ J Trester Enterprises, LLC Meat Processing Investment Program - Level 2	Fleming	\$37,500.00
	Total State Funds Rec	ommended for Approval:	\$37,500.00

Awards: 1 # Counties: 1

Level 1 Incentives are for a USDA-inspected processing facilities or USDA-exempt poultry processing facilities needing assistance in operating costs related to increasing the number of head of Kentuky animals. Incentives are paid on a per head basis above the applicant's established baseline up to \$20,000.

Level 2 Simplified Processor Capacity Expansion is for processors interested in making small or modest facility improvements. Awards are 75% cost-reimbursement up to \$37,500.

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^{*}The Meat Processing Investment Program provides funding to incentivies economical expansion of Kentucky meat processors to process Kentucky livestock and poultry.

Approved Project

Summit Holdings LLC d.b.a. Summit Meat Processing

A2020-0145

Application County: Pulaski Date Submitted: 06/26/2020

Total Funds Awarded: \$249,922

FUNDING REQUEST

Summit Holdings LLC, d/b/a Summit Meat Processing is requesting \$249,922 in State funds to expand the freezer, build a new holding pen area, relocate the office area, and to purchase additional processing equipment.

APPLICATION SUMMARY

The applicant would like expand several areas of the processing facilities to increase processing capacity by adding additional freezer space, building additional holding pen area, purchasing additional processing equipment and relocating the office.

Summit Meat Processing (A2015-0098) received \$165,000 in State and multiple county funds in the form of a cost-reimbursement forgivable loan. The funds were used to buy equipment and construct a meat processing facility located in Pulaski County.

Summit Meat Processing (A2020-0093) received \$149,700 in State funds in the form of a cost reimbursement forgivable loan. The funds were used to obtain a Global Food Safety Initiative (GFSI) certification, purchase the equipment required to obtain the GFSI certification, upgrade their equipment to increase capacity as well as processing speed. Total KADF funding Summit Meats Processing has received is \$314,700.

The total cost of the project is estimated at \$333,232 with funding from the following sources: \$249,922 State funds (Unsecured) \$83,310 Loan from Cumberland Security Bank (Pending)

PRODUCER IMPACT

The total cost of the project is estimated at \$333,232 with funding from the following sources: \$249,922 State funds (Unsecured) \$83,310 Loan from Cumberland Security Bank (Pending)

PRODUCER IMPACT

The applicant indicates that 150 farm families will be directly impacted by this project.

Board Decision:

Summit Holdings LLC, d/b/a Summit Meat Processing is requesting \$249,922 in State funds to expand the freezer, build a new holding pen area, relocate the office area, and to purchase additional processing equipment.

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Approved Project

Bourbon County Board of Education

A2020-0198

Application County: Bourbon Date Submitted: 07/31/2020

Total Funds Awarded: \$18,000

FUNDING REQUEST

Bourbon County Board of Education is requesting \$18,000 in Bourbon County funds for a high school greenhouse.

APPLICATION SUMMARY

The applicant proposes to use funding to update and replace the greenhouse built on Bourbon County Public Schools property in the early 1990's. Allocated funds will be used to pour concrete, build adequate drainage and replace the current structure with an educational series greenhouse kit. The applicant will provide opportunities for students to engage in experiential learning while working in the greenhouse to prepare them for college and career readiness. The applicant will use this new space to reallocate students' time spent maintaining the old structure to gaining real world experience growing produce.

The total cost of the project is \$50,400 with funding from the following sources:

\$18,000 Bourbon County funds (Secured)

\$10,000 Agricultural Education Horticulture funds (Secured)

\$15,000 Bourbon County Farm Bureau Federation (Secured)

\$3,000 Kentucky FFA Association (Secured)

\$1,000 Farm Credit (Secured)

\$1,500 Ag Credit (Secured)

\$ 750 Ron Dryden (Secured)

\$ 500 Hinkle Construction (Secured)

\$ 500 Dan Cummins (Secured)

\$ 100 The Jacobs Family (Secured)

\$ 50 CMWA (Secured)

PRODUCER IMPACT

The applicant indicates that 300 students will benefit directly from this project in the agriculture education program.

Board Decision:

Bourbon County Board of Education is requesting \$18,000 in Bourbon County funds for a high school greenhouse.

Approved Project

Kentucky Horticulture Council

A2020-0202

Application County: _ALL Date Submitted: 08/06/2020

Total Funds Awarded: \$980,768

FUNDING REQUEST

Kentucky Horticulture Council Inc. (KHC) is requesting \$980,768 in State funds across two years to continue technical assistance, education, research, and market analysis plus market access for Kentucky's growing horticulture industry.

APPLICATION SUMMARY

The applicant supports the horticulture industry state wide, focusing on thousands of farmers who produce and market horticulture crops as well as agribusiness that provides horticulture services, promote use of Kentucky grown products. This project will strengthen the value chain in a growing industry. Activities include: direct technical assistant; educational resource development and knowledge transfer; innovative, science-based production research; market research and analysis; and market development strategies.

The total cost of the project is estimated at \$1,429,266 \$982,768 State funds (Unsecure) \$367,217 Other Grants (Secure) \$79,281 Other Grants (Pending)

PROJECTED PRODUCER IMPACT

The applicant states that more than 3,500 producers-growers will benefit from this project.

Board Decision:

Kentucky Horticulture Council Inc. (KHC) is requesting \$980,768 in State funds across two years to continue technical assistance, education, research, and market analysis plus market access for Kentucky's growing horticulture industry.

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Governor Andy Beshear's Office of Agricultural Policy

For Immediate Release Contact: Marielle McElmurray

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Gov. Beshear and Kentucky Agricultural Development Board Approve More Than \$3 Million for Projects Across Commonwealth Agriculture education and processing expansion among projects approved

FRANKFORT, Ky. (Oct. 16, 2020) – The Kentucky Agricultural Development Board (KADB), chaired by Gov. Andy Beshear, approved \$3,110,520 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

"County programs continue to be a great strength for Kentuckians involved in agriculture," said Gov. Beshear. "These programs allow for counties to provide funding for producers to grow their operation and empower those producers who make a large impact on their community."

Of the total grant funding announced, \$2,129,762 was approved in both state and county funds to support projects and programs in 17 counties. \$1,679,770 in funding will go to support County Agricultural Investment Programs (CAIP) in 11 counties. Additionally, more than \$30,000 in funding will be used to support meat processing expansion projects in Casey, Fleming and Pulaski counties.

"Today's approvals represent the KADB's continued efforts in making for a better Kentucky across all facets of our agricultural industry," said Dorsey Ridley, Executive Director.

State Investments:

Statewide Horticulture Technical Assistance, Education, Research and Marketing The Kentucky Horticulture Council Inc. (KHC) was approved for \$980,768 in state funds over a two-year period. This funding will allow the KHC to continue to provide technical assistance, conduct education, research and market analysis for Kentucky's growing horticulture industry.

Meat Processing Investment Program – Level 1

Central KY Custom Meats Inc., located in Casey County, was approved for incentives of up to \$20,000 in state funds for processing above an established baseline for its operation and working to fulfill extreme demand.

Meat Processing Investment Program – Level 2

Fleming Meat Packers/J Trester Enterprises LLC, located in Fleming County, was approved for \$37,500 in state funds to purchase and install processing equipment for its custom processing facility.

Meat Processing Investment Program – Level 3

Summit Holdings LLC d.b.a Summit Meat Processing, located in Pulaski County, was approved for up to \$249,922 in state funds as a forgivable loan to expand the freezer, build a new holding pen area, relocate the office area and purchase additional processing equipment. An estimated 150 farm families will be directly impacted by this project.

County Investments:

Bourbon County

The Bourbon County Board of Education was approved for \$18,000 in Bourbon County funds to aid in the construction of a high school greenhouse. This greenhouse will provide opportunities for students to engage in experiential learning while working in the greenhouse to prepare them for college and career readiness.

Carroll County

Carroll County Conservation District was approved for an additional \$5,826 in Carroll County funds to administer CAIP. In addition, \$15,000 was approved to administer Youth with a maximum youth investment of \$1,500 for the 2020 program year. For more information, contact Crystal Willis at crystal.willis@ky.nacdnet.net or 502-732-6098.

Christian County

Christian County Conservation District was approved for \$200,000 in Christian County funds to administer CAIP with a maximum producer limit of \$2,500 for the 2020 program year. For more information, contact Leslie Fourqurean at leslie.fourqurean@ky.nacdnet.net or 270-987-3500.

Edmonson County

Edmonson County Cattleman Association Inc. was approved for \$80,000 in Edmonson County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Michael Skaggs at slskaggs@windstream.net or 270-535-3523.

Fleming County

Fleming County Conservation District was approved for \$208,613 in Fleming County funds to administer CAIP with a maximum producer limit of \$2,000 for the 2020 program year. In addition, \$40,000 in Fleming County funds was approved to administer NextGen and \$25,000 in Fleming County funds was approved to administer Youth for the 2020 program year. For more information, contact Tracy Ratliff at tracy.ratliff@ky.nacdnet.net or 606-834-6291.

Hardin County

Hardin County Extension District Board was approved for \$91,443 in Hardin County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Doug Shepherd at dshepherd@uky.edu or 270-765-4121.

"On behalf of the residents, businesses, officials and community leaders, we are pleased see the Hardin County Extension District Board approved for \$91,443 in funds to administer County Agricultural Investment Programs," said Sen. Dennis Parrett (D-Elizabethtown). "These funds and programs will greatly benefit agriculture and farmers in Hardin County."

Hart County

Hart County Cattlemen's Association Inc. was approved for \$260,000 in Hart County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Arvell Bunnell, III at butch.bunnell@gmail.com or 270-524-7271.

Henderson County

Green River Area Beef Improvement Group Inc. was approved for \$28,763 in Henderson County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Stacy Marksberry at grabig@bellsouth.net or 270-929-0194.

Henderson Farmers Market Inc. was approved for \$7,859 in Henderson County funds to administer the Shared-Use Equipment program. A portable chute scale and plastic layer will be available for producers to lease. For more information, contact Brandi Boucherie at hendersonkyfarmersmarket@gmail.com or 270-860-0161.

Madison County

Madison County Farm Bureau Inc. was approved for \$22,500 in Madison County funds to administer the Shared-Use Equipment Program. An in-line bale wrapper will be available for producers to lease. For more information, contact Eddie Warren at eddie.warren85@gmail.com or 859-625-2252.

Martin County

Martin County Conservation District was approved for \$29,944 in State funds and \$1,535 in Martin County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Penny Runyon at district@suddenlinkmail.com or 606-298-3595.

Mason County

Buffalo Trace Area Development District Inc. was approved for \$273,000 in Mason County funds to administer CAIP with a maximum producer limit of \$3,000 for the 2020 program year. For more information, contact Cindy Ring at cring@btadd.com or 606-564-6894.

Mason County Conservation District was approved for \$6,375 in Mason County funds to administer DAR with a \$25 per animal fee to producers. For more information, contact Lloyd Schiltz at lloyd.mccd@gmail.com or 606-759-5570.

"I want to thank our local and state agricultural leaders for making these funds available for our farmers and for helping them improve their land and overall operations," said Rep. John Sims (D-Flemingsburg). "I'm proud to support these and other programs funded by our tobacco settlement dollars, which have helped Kentucky in so many ways over the past 20 years."

Menifee County

Menifee County Beef Producers Inc. was approved for \$88,138 in Menifee County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Evelyn Crouch at crouch.evelyn@gmail.com or 606-768-2549.

Nicholas County

Nicholas County Conservation District was approved for an additional \$24,000 in Nicholas County funds to administer CAIP for the 2020 program year. For more information, contact Erica Brierly at nicholasconservation@hotmail.com or 859-405-4018.

Robertson County

Robertson County Soil Conservation District was approved for \$262,000 in Robertson County funds to administer CAIP with a maximum producer limit of \$3,500 for the 2020 program year. For more information, contact Danny Case at robertsonconservation@yahoo.com or 606-724-5472.

Taylor County

Taylor County Cattlemen's Association Inc. was approved for \$126,334 in Taylor County funds to administer CAIP with a maximum producer limit of \$2,000 for the 2020 program year. In addition, \$8,000 in Taylor County funds was approved to administer Youth with a maximum youth investment of \$1,500 for the 2020 program year. For more information, contact Jeff Clark at sherryclark081959@gmail.com or 270-405-1725.

The County Agricultural Investment Program (CAIP) provides farmers with incentives to allow them to improve and diversify their current production practices. CAIP covers a wide variety of agricultural enterprises in its 11 investment areas, including, but not limited to, bees and honey; equine; forage; beef and dairy cattle; goats and sheep; horticulture; poultry; swine; timber and technology, as well as energy efficiency and production; farm infrastructure and water enhancement; marketing; and value-added production.

The Deceased Farm Animal Removal Program (DAR) serves as a measure to facilitate the coordination of environmentally sound and cost-effective disposal of deceased livestock for Kentucky producers.

The Next Generation Farmer Program (NextGen) addresses the growing need for a specialized program that would benefit producers ages 18 to 40 that have been engaged in an agricultural operation for a minimum of three years.

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.

The Youth Agricultural Incentives Program (Youth) encourages youth to engage in and explore agricultural opportunities.

All application periods and deadlines for CAIP, NextGen and Youth programs will be advertised locally. For more information about application dates and guidelines in each county, please call or email the contact list above under the appropriate county.

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Governor Andy Beshear's Office of Agricultural Policy

For Immediate Release

ENERGIZING KENTUCKY **Contact:** Marielle McElmurray

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Gov. Beshear, Kentucky Agricultural Development Board Approve More than \$55,000 in On-Farm Energy Grants

Nine Grants Will Improve Poultry, Dairy and Horticultural Operations

FRANKFORT, Ky. (Oct. 16, 2020) –The Kentucky Agricultural Development Board (KADB), chaired by Gov. Andy Beshear, approved \$56,205 in nine on-farm energy efficiency projects across seven counties in the commonwealth at its monthly board meeting.

"Kentucky farmers continue to improve their operations, pushing to become more sustainable, more efficient and more cost-effective, which is especially important during COVID-19," Gov. Beshear said. "Our hard-working farmers and producers are key to building a better Kentucky, with healthy citizens and a robust economy."

"COVID-19 has resulted in additional stress on Kentucky's farmers and producers," said Dorsey Ridley, Executive Director. "These energy grants will help to lower energy costs and hopefully allow for some the opportunity to invest those savings back into their operations."

The On-Farm Energy Efficiency Incentives Program provides funds that allow Kentucky farm families to increase energy efficiency of existing equipment or facilities. The program provides 50% reimbursement of the actual cost of a qualified energy project, up to \$10,000 in state funds, plus \$150 for a third-party energy audit. Permissible items include, but are not limited to, energy audits, energy efficient farm building components and on-farm energy upgrades.

Adair County

Two Adair County dairy operations were approved for a total of \$3,891 in state funds. B and B Dairy was approved for \$2,596 in state funds to install energy efficient fans in its barns. Gregory Burton of Milky Way Dairy was approved for \$1,295 in state funds to replace two fans on his operation.

Floyd County

Four Petal Farm LLC, a horticulture operation, was approved for \$10,030 in state funds to install a solar array.

Grayson County

Edward Harper of South Poultry was approved for \$6,150 in state funds to install tunnel fans for his barns.

Ohio County

Nathaniel Daugherty, owner of a poultry operation, was approved for \$10,150 in state funds to replace tunnel ventilation fans and sidewall fans in his barns.

Russell County

Two Russell County dairy farms were approved for a total of \$14,071 in state funds. Brently West of Brently West Dairy was approved for \$8,770 in state funds to install a variable speed controlled vacuum pump. Ross E. Russell of Russell Way Holsteins was approved for \$5,301 in state funds to install a new plate cooler on his operation.

Warren County

Sumner Dairy LLC was approved for \$1,763 in state funds to install energy efficient LED lighting in its barn.

Webster County

Seebree Poultry LLC was approved for \$10,150 in state funds to add insulation to the barn ceiling and replace air heaters with a radiant tube system.

The On-Farm Energy Efficiency Incentives Program is a competitive program. All applications are reviewed on a triannual basis and scored by a committee comprised of representatives from the KADB, the University of Kentucky College of Agriculture, Food and the Environment, USDA Rural Development and USDA Natural Resources Conservation Service. Application and guidelines for the KADB's On-Farm Energy Efficiency Incentives Program are available online at ag-energy.ky.gov. The final 2020 deadline to apply for energy grants is Dec. 18.

For more information, contact Stefanie Osterman, County Programs Manager, at (502) 782-1763 or Stefanie.Osterman@ky.gov.

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Gov. Beshear and the General Assembly continue to make great strides toward lessening Kentucky's dependence on tobacco production while revitalizing the farm economy by investing a portion of Kentucky's Master Tobacco Settlement Agreement Funds into the Kentucky Agricultural Development Fund (KADF).

To date, the KADF investments total 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 KADF, 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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