



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

**December 18, 2020**

Meeting of the  
Kentucky Agricultural Development Board

## KADF Programs

*Approved at the December 2020 KADB Meeting*

### CAIP

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>		<u>Funds Approved</u>
Grayson	Grayson County Cattlemens Association Inc.	11/16/2020		\$ 120,000.00
Letcher	Letcher County Conservation District	11/16/2020		\$ 1,779.00
Letcher	Letcher County Conservation District	11/16/2020	State	\$ 27,906.00
Grant	Grant County Cattlemens Association, Inc.	11/23/2020		\$ 180,000.00
Leslie	Leslie County Conservation District	11/23/2020		\$ 31,207.00
Leslie	Leslie County Conservation District	11/23/2020	State	\$ 24,998.00
Marshall	Marshall County Conservation District	11/20/2020		\$ 54,000.00
Green	Green County Cattlemen's Association, Inc.	11/25/2020		\$ 242,500.00
Simpson	Simpson County Conservation District	11/30/2020		\$ 79,103.00
7				<b>\$ 761,493.00</b>

### Deceased Farm Animal Removal (DAR)

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>		<u>Funds Approved</u>
Harrison	Harrison County Fiscal Court	11/06/2020		\$ 7,500.00
1				<b>\$ 7,500.00</b>

### Shared-Use Equipment Program

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>		<u>Funds Approved</u>
Daviess	Daviess County Conservation District	09/21/2020		\$ 5,000.00
1				<b>\$ 5,000.00</b>

### Youth Ag Incentives Program (Youth)

<u>County</u>	<u>Program Administrator</u>	<u>Date Submitted</u>		<u>Funds Approved</u>
McLean	Green River Area Beef Improvement Group, Inc.	11/30/2020		\$ 5,000.00
Wolfe	Wolfe County Farm Bureau Federation	11/30/2020		\$ 20,000.00
2				<b>\$ 25,000.00</b>

**Total County\* KADF Approved for Programs: \$798,993.00**

**App #** **A2020-0138**  
**Applicant Name** **Carter County Conservation District**  
Original Amount Approved \$129,472  
Execution Date 09/17/2020  
Requested Change The applicant requests an additional \$50,564 in Carter 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 \$180,036.

**Recommend Approval**

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**App#** **A2020-0169**  
**Applicant Name** **Green River Area Beef Improvement Group, Inc**  
Original Amount Approved \$36,480  
Execution Date 09/10/2020  
Requested Change The applicant requests an additional \$15,033 in McLean 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 \$51,513

**Recommend Approval**

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## Meat Processing: Level 2 Expansion Approved

APP #	APPLICANT	COUNTY	FUNDS APPROVED
A2020-0270	Kunkle Farm <i>Meat Processing Investment Program - Level 2</i>	Boone	\$37,500.00
A2020-0277	Yoder's Custom Processing, Inc <i>Meat Processing Investment Program - Level 2</i>	Garrard	\$37,500.00
A2020-0286	Spencer County Butcher Block <i>Meat Processing Investment Program - Level 2</i>	Spencer	\$37,500.00
Total State Funds Recommended for Approval:			<b>\$112,500.00</b>
# Awards: 3		# Counties: 3	

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

*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 Kentucky 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.*

### On-Farm Water SSG Projects Approved

APP #	APPLICANT	COUNTY	FUNDS REQUESTED
A2020-0233	Andrew Ellison d/b/a Southern Sweet Berry Farm	Graves	\$2,000.00
A2020-0234	Barton D Rudolph	McCracken	\$1,500.00
A2020-0269	Conyea Farms, LLC	Graves	\$5,644.00
A2020-0272	Sustainable Harvest Farm LLC	Laurel	\$9,695.00
A2020-0288	Lazy Eight Stock Farm, LLC	Madison	\$8,984.00
Total State Funds Recommended for Approval:			<b>\$27,823.00</b>
# Awards: 5		# Counties: 4	

*\*The On-Farm Water Management Program provides funding to promote water resillience on farms. The Small Scale Grant (SSG) is for a private farm that wishes to implement bestmanagement practices for water management on the farm.*

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**Approved Project**

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**City of Fulton****A2020-0245***Application County: Fulton**Date Submitted: 09/17/2020**Total Funds Awarded: \$88,150***FUNDING REQUEST**

The City of Fulton is requesting \$88,150 in State funds for the construction of a farmers market pavilion.

**APPLICATION SUMMARY**

The applicant states the old farmers market structure is no longer safe to use. Currently, there are no other markets available for Fulton County farmers to use. The market will provide a great benefit to the vendors and patron families. It will also encourage healthy eating and establish a connection between the producers and consumers. The applicant plans to build a new farmers market structure downtown. This project is part of a two phase project. Phase one is building the farmers market, phase two is building an Artisan Village.

The cost of the total project is anticipated to be \$176,300 with funding from the following sources:

\$ 88,150 State funds

\$ 88,150 Multiple Donors (Secured)

\$150 Fulton County 2021 Allocated funds

**PROJECTED PRODUCER IMPACT**

The applicant states that 10 to 15 farm families will be impacted by this project.

***Board Decision:***

The City of Fulton was approved for \$88,150 in state funds to construct a farmers market pavilion for the Fulton County farmers market.

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**Approved Project**


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**Kentucky Horticulture Council****A2020-0251***Application County: \_ALL**Date Submitted: 09/24/2020**Total Funds Awarded: \$500,000***FUNDING REQUEST**

Kentucky Horticulture Council Inc. (KHC) is requesting \$803,404 in State funds over a two years, for Kentucky Small Fruit Crops program expansion.

**APPLICATION SUMMARY**

The applicant will support the Kentucky Small Fruit Crops expansion by increasing production capacity and farm revenue for specialty crop growers in a high demand and profitable segment of the growing industry. Project activities include:

- Direct Grower Payments & Products Development  
Year One: \$65,000 Year Two: \$65,000
- On Farm Sampling, Training and Lab Testing  
Year One and Two : \$0 KADF
- Small Fruit On Farm- Research Grant Initiative  
Year One: \$150,000 Year Two:\$150,000
- Small Fruit Advancement Student Stipends  
Year One: \$35,000 Year Two: \$35,000
- Grower Cost-Share for Third Party Audits  
Year One and Two: \$0

The project will support existing prospective small fruit crop growers, students, and processors through direct technical and final assistance programs, research initiatives, and market expansion.

The total cost of the project is estimated at \$1,745,877

\$803,404 State funds (Unsecured)

\$942,473 Other Grants (Secured)

**PROJECTED PRODUCER IMPACT**

The applicant states that more than 1,300 producers-growers will benefit from this project.

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***Board Decision:***


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The Kentucky Horticulture Council Inc. (KHC) was approved for \$500,000 in state funds over two years to expand the Kentucky Small Fruit Crops Program. This program supports the expansion of the small fruits industry in Kentucky by increasing production capacity and farm revenue for specialty crop growers.

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**Approved Project**

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**Caitlin Edwards d/b/a Edwards Woolworks****A2020-0260***Application County: Scott**Date Submitted: 09/25/2020**Total Funds Awarded: \$49,676***FUNDING REQUEST**

Edwards Woolworks is requesting \$24,838 in multiple County funds and \$24,838 in State funds to establish a wool mill.

**APPLICATION SUMMARY**

Edwards Woolworks seeks to establish a wool mill for Kentucky sheep producers to have an economical outlet to sell their wool. Currently, the cost of shearing, driving/shipping and the 18-month turnaround on out of state wool processing leaves many farmers without a viable market for their wool. By establishing a wool mill in Kentucky, not only will farmers have an outlet for their product, they will also have opportunity to expand into value added products. This mill would also allow local dyers, spinners, and weavers the ability to use locally sourced fleeces and yarns to showcase at their shops and festivals. KADF funds will be utilized to purchase specialty pin drafters, spinning plying frame, picker/carder, wool storage containers, building and wool from wool pool.

The total cost of the project is estimated at \$99,352 with funding from the following sources:

\$24,838 State funds

\$ 5,000 Scott County funds (secured)

\$19,838 Multiple County funds (unsecured)

\$ 8,762 Personal funds (secured)

\$40,914 Innovation Funds loan (pending)

**PROJECTED PRODUCER IMPACT**

The applicant states that there are 2,000 wool sheep farmers in Kentucky that would directly benefit from a local mill.

***Board Decision:***

Edwards Woolworks was approved for up to \$49,676 in multiple county and state funds to establish a wool mill for Kentucky sheep producers to have an economical outlet to process and sell wool.



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**Approved Project**

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**Nochelinda Farms, L.L.C.****A2020-0263***Application County: Bourbon**Date Submitted: 10/05/2020**Total Funds Awarded: \$4,722***FUNDING REQUEST**

Nochelinda Farms, L.L.C. is requesting \$4,722 in Bourbon County funds to build a walk-in freezer to support marketing farm raised beef.

**APPLICATION SUMMARY**

The applicant plans to build a walk-in freezer to market farm raised beef directly to Central Kentucky consumers. The applicant's goal is to affiliate with farms in Bourbon County that are working to establish or expand direct consumer marketing programs. The walk-in freezer will allow Nochelinda and affiliates inventory flexibility and allow for customer fulfillments throughout the year.

The total cost of the project is estimated at \$39,717 with funding from the following sources:

\$4,722 Bourbon County funds (secured)

\$34,995 Personal funds (secured)

**PRODUCER IMPACT**

The applicant indicates four to five Bourbon county farmers will benefit for this project.

***Board Decision:***

Nochelinda Farms LLC was approved for \$4,722 in Bourbon County funds to build a walk-in freezer to support marketing farm raised beef.

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**Approved Project**

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**Metcalfe County 4-H Council, Incorporated****A2020-0276***Application County: Metcalfe**Date Submitted: 10/28/2020**Total Funds Awarded: \$1,521***FUNDING REQUEST**

The Metcalfe County 4-H Council, Inc. is requesting \$1,521 in Metcalfe County funds to purchase 18 hams for Metcalfe County 4-H members.

**APPLICATION SUMMARY**

Metcalfe County 4-H members that participate in the country ham project learn about: the history behind curing hams, science behind the curing process, food safety, meat production and food preservation. In order for the 4-H members to successfully complete the project, they must come to at least two of the three meetings to choose and prepare their hams. In order for the 4-H members to receive their hams at the State Fair, they must attend Country Ham Day to give their speech, otherwise they forfeit their second ham.

The total cost of the project is estimated at \$3,081 with the following funding sources:

\$1,521 Metcalfe County Funds (secured)

\$1,710 Metcalfe County 4-H Council (secured)

**PROJECTED PRODUCER IMPACT**

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

***Board Decision:***

Metcalfe County 4-H Council Inc. was approved for \$1,521 in Metcalfe County funds to purchase hams for Metcalfe County 4-H members. The country ham project teaches members about the history and science of curing hams, food safety, meat production and food presentation.

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**Approved Project**

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**River Farm Nursery, LLC****A2020-0287***Application County: Oldham**Date Submitted: 10/30/2020**Total Funds Awarded: \$45,443***FUNDING REQUEST**

River Farm Nursery, LLC is requesting \$45,443 in State funds to implement pot-in-pot tree production and microirrigation system. This will be a Producer Implemented Project in Oldham County.

**APPLICATION SUMMARY**

River Farm Nursery, LLC is a field production nursery where the plants are produced in true soil. In this method, the plants can only be harvested during periods of dormancy, limiting sales to six months of the year. To obtain the ability to harvest and sell during the other half of the year, the farm has determined that a system of pot-in-pot production should be utilized. This is a containerized system that gives producers an opportunity to better manage nutrient and water inputs, expand sales in to other times of the year, and expand land use to hillsides not suited for traditional production methods. KADF funds will be utilized for purchasing the materials for irrigation, permanent pots buried in the ground and site preparation to make the area acceptable for tree production.

The total cost of the project is estimated at \$90,885 with the following funding sources:

\$45,443 State funds

\$45,442 Business Funds (secured)

***Board Decision:***

River Farm Nursery LLC, located in Oldham County, was approved for \$45,443 in state funds as a Producer Implemented Project (PIP) to implement pot-in-pot tree production and a micro-irrigation system. This project is part of the On-Farm Water Management Program.

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**Denied Project**

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**Barr Farms Organic Produce, LLC****A2020-0271***Application County: Breckinridge**Date Submitted: 10/21/2020**Total Funds Awarded: \$0***FUNDING REQUEST**

Barr Farms Organic Produce, LLC. is requesting \$2,814 in State funds for a pond renovation and pump house construction for its beef cattle operation. This will be a Small Scale Grant project in Breckinridge County.

**APPLICATION SUMMARY**

Barr Farms Organic Produce, LLC. has marketed grass-finished beef for the last 13 years. Although acreage on one side of the farm has an adequate water source, the other side does not. Funds would be utilized to renovate a pond and install a concrete pump house with pumps, pipe and tanks to maintain a separate location for cattle to drink.

The total cost of the project is estimated at \$5,628 with the following funding sources:

\$2,814 KADF State funds

\$2,814 Personal Funds (secured)

***Committee Recommendation:***

The On-Farm Water Management Committee recommends denying the request due to lack of an established water source.

***Board Decision:***

The Board denied this request, based on the Committee's recommendation.



**Governor Andy Beshear's Office of Agricultural Policy**

**For Immediate Release**

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**Gov. Beshear and Kentucky Agricultural Development Board Approve  
More Than \$1.7 Million for Projects Across Commonwealth**  
*Projects and programs approved span the diverse array of Kentucky agriculture*

**FRANKFORT, Ky. (Dec. 18, 2020)** – The Kentucky Agricultural Development Board approved \$1,713,425 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“As we cap off 2020, the December approvals from the Kentucky Agricultural Development Board show the full spectrum of agricultural activity in across our commonwealth,” said Gov. Andy Beshear. “These approvals will provide funding for county programs, statewide horticulture support, meat processing, on-farm water management and more. This funding will help Kentucky’s agriculturalists lead us into a prosperous future as we beat the coronavirus and sprint out of the pandemic in 2021.”

**State Investments:**

**Statewide Small Fruit Crops Program**

The Kentucky Horticulture Council Inc. (KHC) was approved for \$500,000 in state funds over two years to expand the Kentucky Small Fruit Crops Program. This program supports the expansion of the small fruits industry in Kentucky by increasing production capacity and farm revenue for specialty crop growers.

**Meat Processing Investment Program – Level 2**

Kunkle Farm, located in Boone County, was approved for \$37,500 in state funds to purchase and install a walk-in cooler, freezer and various equipment for its custom processing facility.

Yoder’s Custom Processing Inc., located in Garrard County, was approved for \$37,500 in state funds to purchase and install a freezer box and unit, and build an addition for its custom processing facility.

Spencer County Butcher Block, located in Spencer County, was approved for \$37,500 in state funds to purchase and install a band saw, meat saw, vacuum sealer and various kill floor equipment for its custom processing facility.

### **On-Farm Water Management Program**

Andrew Ellison d/b/a Southern Sweet Berry Farm, located in Graves County, was approved for \$2,000 in state funds as a Small Scale Grant (SSG) project to install a micro-irrigation system to increase water efficiency on its strawberry operation.

Conyea Farms LLC, located in Graves County, was approved for \$5,644 in state funds as a SSG project to install an irrigation pipeline and micro-irrigation system on its strawberry operation.

Barton D. Rudolph, located in McCracken County, was approved for \$1,500 in state funds as a SSG project to install a micro-irrigation system for their strawberry operation.

Sustainable Harvest Farm LLC, located in Laurel County, was approved for \$9,695 in state funds as a SSG project to purchase and install subsurface and drip irrigation systems for its horticulture operation.

Lazy Eight Stock Farm LLC, located in Madison County, was approved for \$8,984 in state funds as a SSG project to install pump, pipeline and drip irrigation systems for its organic vegetable operation.

River Farm Nursery LLC, located in Oldham County, was approved for \$45,443 in state funds as a Producer Implemented Project (PIP) to implement pot-in-pot tree production and a micro-irrigation system.

### **County Investments:**

#### **Bourbon County**

Nochelinda Farms LLC was approved for \$4,722 in Bourbon County funds to build a walk-in freezer to support marketing farm raised beef. For more information, contact Steve Grissom at [nochelinda@roadrunner.com](mailto:nochelinda@roadrunner.com) or 859-362-4694.

#### **Carter County**

Carter County Conservation District was approved for an additional \$50,564 in Carter County funds to support its 2020 CAIP. For more information, contact Melodie Bush at [melodie.bush@ky.nacdnet.net](mailto:melodie.bush@ky.nacdnet.net) or 606-474-5184.

#### **Daviess County**

Daviess County Conservation District was approved for \$5,000 in Daviess County funds to administer a Shared-Use Equipment Program for the 2020 program year. A no-till drill will be available for producers to lease. For more information, contact Connie Mills at [connie.mills@ky.nacdnet.net](mailto:connie.mills@ky.nacdnet.net) or 270-685-1707.

#### **Fulton County**

The City of Fulton was approved for \$88,150 in state funds to construct a farmers market pavilion for the Fulton County farmers market. For more information, contact Mike Gunn at [fultoncmgr@live.com](mailto:fultoncmgr@live.com) or 270-472-1320.

#### **Grant County**

Grant County Cattlemen's Association Inc. was approved for \$180,000 in Grant County funds to administer CAIP with a maximum producer limit of \$3,000 for the 2020 program year. For more information, contact Chris Ammerman at [chris.ammerman@uky.edu](mailto:chris.ammerman@uky.edu) or 859-824-3355.

### **Grayson County**

Grayson County Cattlemen's Association Inc. was approved for \$120,000 in Grayson County funds to administer CAIP with a maximum producer limit of \$2,000 for the 2020 program year. For more information, contact Ronald Horn at [rhorn@wrightimp.com](mailto:rhorn@wrightimp.com) or 270-769-2341.

### **Green County**

Green County Cattlemen's Association Inc. was approved for \$242,500 in Green County funds to administer CAIP with a maximum producer limit of \$4,000 for the 2020 program year. For more information, contact Seth Hedgespeth at [sethhedgespeth@gmail.com](mailto:sethhedgespeth@gmail.com) or 270-932-5311.

### **Harrison County**

Harrison County Fiscal Court was approved for \$7,500 in Harrison County funds to administer DAR for the 2020 program year. For more information, contact Judge Alex Barnett at [hcjudge@harrisoncountyfiscalcourt.com](mailto:hcjudge@harrisoncountyfiscalcourt.com) or 859-234-7136.

### **Leslie County**

Leslie County Conservation District was approved for \$24,998 in state and \$31,207 in Leslie County funds to administer CAIP with a maximum producer limit of \$2,500 for the 2020 program year. For more information, contact Ronnie Gay at [leslieconservation@yahoo.com](mailto:leslieconservation@yahoo.com) or 606-672-2357.

### **Letcher County**

Letcher County Conservation District was approved for \$27,906 in state and \$1,779 in Letcher County funds to administer CAIP with a maximum producer limit of \$3,000 for the 2020 program year. For more information, contact Ron Brunty at [cosmiccowboyz@yahoo.com](mailto:cosmiccowboyz@yahoo.com) or 606-633-4448.

### **Marshall County**

Marshall County Conservation District was approved for \$54,000 in Marshall County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Kyle O'Dell at [odellkyle42025@gmail.com](mailto:odellkyle42025@gmail.com) or 270-994-8220.

### **McLean County**

Green River Area Beef Improvement Group Inc. (GRABIG) was approved for \$5,000 in McLean County funds to administer a Youth program with a maximum youth limit of \$1,500 for the 2020 program year. GRABIG also was approved for an additional \$15,033 in McLean County funds to support its 2020 CAIP. For more information, contact Stacy Marksberry at [grabig@bellsouth.net](mailto:grabig@bellsouth.net) or 270-929-0194.

### **Metcalf County**

Metcalf County 4-H Council Inc. was approved for \$1,521 in Metcalf County funds to purchase hams for Metcalf County 4-H members. The country ham project teaches members about the history and science of curing hams, food safety, meat production and food presentation. For more information, contact Marla Young at [marla.young@uky.edu](mailto:marla.young@uky.edu) or 270-432-3561.

### **Perry County**

The City of Hazard was approved for an additional \$19,000 in state funds to be used for a hand washing station and other COVID-19 sanitation expenses at the farmers market pavilion. For more information, contact Derrick Hall at [derrick.hall@hazardky.gov](mailto:derrick.hall@hazardky.gov) or 606-436-3171.

### **Scott County**

Edwards Woolworks was approved for up to \$49,676 in multiple county and state funds to establish a wool mill for Kentucky sheep producers to have an economical outlet to process and sell wool. For more information, contact Caitlin Edwards at [thewoolworksKY@gmail.com](mailto:thewoolworksKY@gmail.com).

### **Simpson County**

Simpson County Conservation District was approved for \$79,103 in Simpson County funds to administer CAIP with a maximum producer limit of \$5,000 for the 2020 program year. For more information, contact Michelle Estes at [sccd2015@yahoo.com](mailto:sccd2015@yahoo.com) or 270-850-3122.

### **Wolfe County**

Wolfe County Farm Bureau Federation was approved for \$20,000 in Wolfe County funds to administer a Youth program with a maximum youth limit of \$1,500 for the 2020 program year. For more information, contact Jessica Morris at [Jessica.morris@uky.edu](mailto:Jessica.morris@uky.edu) or 606-668-3712.

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 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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*Read about other key updates, actions and information from Gov. Beshear and his administration at [governor.ky.gov](http://governor.ky.gov), [kycovid19.ky.gov](http://kycovid19.ky.gov) and the Governor's official social media accounts [Facebook](#), [Twitter](#) and [YouTube](#).*

*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).*