



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

July 16, 2021

Meeting of the
Kentucky Agricultural Development Board

KADF Programs

Approved at the July 2020 KADB Meeting

CAIP

| <u>County</u> | <u>Program Administrator</u> | <u>Date Submitted</u> | | <u>Funds Approved</u> |
|---------------|--------------------------------------------------------|-----------------------|-------|------------------------|
| Magoffin | Magoffin County Agriculture Investment Program Incorpo | 06/10/2021 | | \$ 106,000.00 |
| Nelson | Nelson County Conservation District | 06/15/2021 | | \$ 125,881.00 |
| Jefferson | Jefferson County Soil & Water Conservation District | 06/17/2021 | State | \$ 10,525.00 |
| Jefferson | Jefferson County Soil & Water Conservation District | 06/17/2021 | | \$ 41,475.00 |
| Laurel | Laurel County Cattlemen's Association, Inc. | 06/21/2021 | | \$ 160,157.00 |
| McLean | Green River Area Beef Improvement Group, Inc. | 06/25/2021 | | \$ 40,000.00 |
| Elliott | Elliott County Conservation District | 06/23/2021 | | \$ 180,785.00 |
| Cumberland | Clinton/Cumberland Cattlemen's Assoc., Inc. | 06/25/2021 | | \$ 165,294.00 |
| Whitley | Whitley County Cattlemen's Association, Inc. | 06/23/2021 | | \$ 32,726.00 |
| Barren | Barren County Conservation District | 06/25/2021 | | \$ 350,000.00 |
| 9 | | | | \$ 1,212,843.00 |

Deceased Farm Animal Removal (DAR)

| <u>County</u> | <u>Program Administrator</u> | <u>Date Submitted</u> | | <u>Funds Approved</u> |
|---------------|-------------------------------------|-----------------------|--|-----------------------|
| Taylor | Taylor County Conservation District | 06/15/2021 | | \$ 14,500.00 |
| Nelson | Nelson County Fiscal Court | 06/15/2021 | | \$ 7,500.00 |
| 2 | | | | \$ 22,000.00 |

Next Generation Farmer (NextGen)

| <u>County</u> | <u>Program Administrator</u> | <u>Date Submitted</u> | | <u>Funds Approved</u> |
|---------------|-------------------------------------|-----------------------|--|-----------------------|
| Nelson | Nelson County Conservation District | 06/15/2021 | | \$ 25,000.00 |
| 1 | | | | \$ 25,000.00 |

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. | 06/25/2021 | | \$ 5,000.00 |
| Clark | Clark County Conservation District | 06/25/2021 | | \$ 40,000.00 |
| 2 | | | | \$ 45,000.00 |

Total County* KADF Approved for Programs: \$1,304,843.00

APPENDIX C: Requested Program Amendments

App # A2020-0112
Applicant Name Caldwell/Lyon Cattleman's Association
Original Amount Approved \$93,790
Execution Date 12/03/2020
Requested Change The applicant requests an additional \$29,888 in Caldwell County funds for the *CAIP Program*. The request received a high priority from the County Council.
This is the second 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 \$123,678.
Recommend Approval

App# A2020-0237
Applicant Name Taylor County Cattlemen's Association
Original Amount Approved \$126,334
Execution Date 11/04/2020
Requested Change The applicant requests an additional \$104,000 in Taylor 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 \$230,334.
Recommend Approval

App # A2021-0008
Applicant Name Kenton County Farm Bureau
Original Amount Approved \$65,000
Execution Date 03/09/2021
Requested Change The applicant requests an additional \$59,797 in Kenton 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 \$124,797.
Recommend Approval

APPENDIX C: Requested Program Amendments

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|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| App# | A2021-0079 |
| Applicant Name | Clark County Conservation District |
| Original Amount Approved | \$150,000 |
| Execution Date | 06/03/2021 |
| Requested Change | <p>The applicant requests an <u>additional</u> \$25,000 in Clark 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 \$175,000</p> <p>Recommend Approval</p> |

| | |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| App# | A2021-0098 |
| Applicant Name | Meade County Cattlemen's Association |
| Original Amount Approved | \$68,881 |
| Execution Date | 06/22/2021 |
| Requested Change | <p>The applicant requests an <u>additional</u> \$13,620 in Meade 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 \$82,501</p> <p>Recommend Approval</p> |

Approved Project

Dowdy's Custom Meat Processing LLC**A2020-0354***Application County: Graves**Date Submitted: 12/28/2020**Total Funds Awarded: \$250,000***FUNDING REQUEST**

Dowdy Customer Meat Processing is requesting \$250,000 in State funds to renovate his current processing facilities to become USDA Certified and to purchase processing equipment.

APPLICATION SUMMARY

The applicant plans to build a new USDA processing facility. This is due to the increase in demand of his custom processing during COVID-19. He has developed good relationships with the local farmers and believes this is the right time to take this step. The addition will be a 60 by 80 foot facility that will include a new kill floor, a processing room, holding pens, and retail space. The current facility will be used for taxidermy only moving forward. The new facility will allow the owner to offer both custom and USDA processing.

The total cost of the project is estimated at \$529,559 with funding from the following sources:

\$250,000 State funds

\$249,559 Loan with River Valley Ag credit (Secured)

\$30,000 Owner Investment (Secured)

PRODUCER IMPACT

The applicant estimates that more than 130 producers have the potential to benefit from this project.

Board Decision:

Dowdy's Custom Meat Processing LLC was approved for up to \$250,000 in State funds, as a forgivable loan, to renovate its existing processing facilities to become USDA Certified and to purchase processing equipment. This project is a Meat Processing Investment Program (MPIP) Level 3.

Approved Project

RedLeaf Biologics, Inc**A2021-0059***Application County: Fayette**Date Submitted: 03/26/2021**Total Funds Awarded: \$485,020***FUNDING REQUEST**

RedLeaf Biologics, Inc., is requesting \$485,020 in State funds to help with the construction of a commercial pilot processing facility and to purchase a harvester for red sorghum.

APPLICATION SUMMARY

The applicant manufactures a unique botanical extract with high value applications in several industries. This product is produced in Kentucky with its red sorghum variant, which produces valuable nutraceutical and pigments at higher levels than existing strains. To commercialize its product this year, they must complete two critical milestones: 1) build its first pilot-scale facility and 2) purchase equipment to mechanically harvest its crop at scale. This funding request is to help bridge the last mile.

The total cost of the project is estimated at \$970,040 with funding from the following sources:

\$485,020 State funds

\$485,020 Capital Raised Through the Scale of Equity in the Company (Pending)

PRODUCER IMPACT

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

Board Decision:

RedLeaf Biologics, Inc., was approved for up to \$485,020 in State funds, as a direct loan, for the construction of a commercial pilot processing facility and to purchase a harvester for red sorghum used to produce unique botanical extracts.

Approved Project

David Fair**A2021-0103***Application County: Grant**Date Submitted: 04/21/2021**Total Funds Awarded: \$2,494***FUNDING REQUEST**

Dave Fair (Fair Custom Meat Processing) is requesting \$2,494 in State funds to purchase a dual chamber vacuum. This will be a Meat Processing Investment Program Level 2 Project in Grant County.

APPLICATION SUMMARY

Dave Fair (Fair Custom Meat Processing) estimates that if funded their facility will be able to increase up to 10 beef equivalents per week.

The total cost of the project is estimated at \$4,989 with the following funding sources:

\$2,494 State funds

\$2,494 Personal funds (Secure)

Board Decision:

Dave Fair (Fair Custom Meat Processing) was approved for up to \$2,494 in State funds to purchase a dual chamber vacuum. This will be a Meat Processing Investment Program Level 2 Project in Grant County.

Approved Project

J Anderson Farms**A2021-0124***Application County: Pulaski**Date Submitted: 05/05/2021**Total Funds Awarded: \$12,335***FUNDING REQUEST**

J Anderson Farm is requesting \$12,335 in Pulaski County funds for a feasibility study to see the potential impact of a cull cow processing plant in southern Kentucky.

APPLICATION SUMMARY

The applicant plans to have KCARD perform a feasibility study to see the potential impact of a cull cow processing plant in southern Kentucky. The applicant hopes the feasibility study will help them find a location that can have the highest impact on the cattle industry across the state.

The total cost of the project is estimated at \$24,670 with funding from the following sources:

\$12,335 Pulaski County funds (Secure)

\$12,335 USDA Value Added Producer Grant (Unsecure)

PRODUCER IMPACT

The applicant indicates that all of Kentucky beef producers could potential benefit from this project.

Board Decision:

J Anderson Farm was approved for up to \$12,335 in Pulaski County funds for a feasibility study to look at the potential impact of a cull cow processing plant in southern Kentucky.

Approved Project

Lincoln County Fiscal Court**A2021-0130***Application County: Lincoln**Date Submitted: 05/13/2021**Total Funds Awarded: \$32,441***FUNDING REQUEST**

Lincoln County Fiscal Court is requesting \$32,441 in County funds for a 5500 diesel truck with hydraulic PTO bed for their DAR service.

APPLICATION SUMMARY

Funding will be used to purchase the truck and install the hydraulic PTO bed. Lincoln County Fiscal Court recognizes the need for a replacement vehicle for their dead animal disposal program. The Lincoln County Fiscal Court has had a dead animal disposal program in place since 2003 and incurs \$130,000 in annual costs to run the program. Their goal through replacing this truck is to provide a reliable method of transportation for livestock to be disposed of through their program.

The total cost of the project is estimated at \$64,883 with funding from the following sources:

\$ 32,441 KADF funds

\$ 32,442 Lincoln County Fiscal Court

PROJECTED PRODUCER IMPACT

The applicant states that the project has countywide impact.

Board Decision:

Lincoln County Fiscal Court was approved for up to \$32,441 in County funds for a 5500 diesel truck with hydraulic PTO bed for the county's deceased animal removal service.

Approved Project

Christian County Agricultural Extension Foundation, Inc.**A2021-0136***Application County: Christian**Date Submitted: 05/21/2021**Total Funds Awarded: \$15,000***FUNDING REQUEST**

Christian County Agricultural Extension Foundation, Inc. is requesting \$30,000 in Christian County funds for a commercial kitchen.

APPLICATION SUMMARY

The applicant plans to use the kitchen in the Christian County Agriculture Arena Expo for several functions , such as space for startup businesses, non-profit groups, and education classes. In the future their goal is to host the Pennyrile Beekeepers and they plan to host extraction and processing clinics in the kitchen as well.

The total cost of the project is estimated at \$1,565,000 with funding from the following sources:

\$ 15,000 Christian County funds (Secure)

\$ 500,000 Christian County Extension Foundation (Secure)

\$1,000,000 County Government (Secure)

PRODUCER IMPACT

The applicant indicates that around 500 farm families would benefit could potential benefit from this project.

Board Decision:

Christian County Agricultural Extension Foundation, Inc. was approved for up to \$15,000 in Christian County funds for a commercial kitchen.

Approved Project

Hindman Settlement School**A2021-0137***Application County: Knott**Date Submitted: 05/24/2021**Total Funds Awarded: \$5,445***FUNDING REQUEST**

Hindman Settlement School is requesting \$5,445 in Knott County funds to expand the Knott County Farmers Market.

APPLICATION SUMMARY

The applicant plans to expand the farmers Market by utilizing tents to expand upon the pavilion that on the campus of Hindman Settlement School. This allows for more vendors and farmers to set up and market their goods, which in turn provides greater access to fresh products to consumers. Additionally, the Farmers Market wishes to expand their marketing techniques in an effort to reach more consumers and farmers in the Knott County area .

The total cost of the project is estimated at \$10,890 with funding from the following sources:

\$5,445 Knott County funds (Secure)

\$1,900 Texas Society of Daughters of the American Revolution (Secure)

\$ 3,545 Organizational Dollars/ Private Philanthropic Support (Secure)

PRODUCER IMPACT

The applicant indicates that they will provide greater access for local producers to market their goods so that local consumers will purchase from numerous local vendors.

Board Decision:

Hindman Settlement School was approved for up to \$5,445 in Knott County funds to expand the Knott County Farmers Market.



Kentucky Agricultural Development Board approves more than \$2.3 million for projects across the commonwealth

Funded projects focus on agricultural diversification, rural development

BOWLING GREEN (July 16, 2021) – The Kentucky Agricultural Development Board approved \$2,339,883 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

State and County Funded Projects

- Christian County Agricultural Extension Foundation, Inc. was approved for \$15,000 in Christian County funds for a commercial kitchen to provide a space for startup businesses, non-profit groups, and education classes. For more information, contact James Stone at jstone@uky.edu or 270-886-6328.
- Hindman Settlement School was approved for \$5,445 in Knott County funds to expand the Knott County Farmers' Market. For more information, contact Kelsey Cloonan at kelsey@hindman.org or 606-785-5457.
- J Anderson Farm in Pulaski County was approved for \$12,335 in Pulaski County funds for a feasibility study to see the potential impact of a medium scale beef processing plant in southern Kentucky. For more information, contact John Anderson at jandersonfarms@hotmail.com or 606-423-0004.
- Lincoln County Fiscal Court was approved for \$32,441 in Lincoln County funds for a 5500 diesel truck with hydraulic PTO bed for the county's deceased animal removal service. For more information, contact Judge Jim Adams at jadams@lincolnky.com or 606-365-2534.
- RedLeaf Biologics, Inc. in Fayette County was approved for \$485,020 in State funds as a 2.75 percent direct loan to help with the construction of a commercial pilot processing facility and to purchase a harvester for red sorghum. For more information, contact Robert Wood at jordan@redleafbiologics.com or 205-910-0641.

Meat Processing Investment Program (MPIP)

MPIP provides funding for meat processors who are currently or plan to become USDA certified to financially incentivize economical expansion of businesses to

process Kentucky beef, dairy, pork, lamb, goat, and poultry products.

- David Fair (Fair Custom Meat Processing) in Grant County was approved for \$2,494 in State funds as a MPIP Level 2 project to purchase a dual chamber vacuum. For more information, contact Dave Fair at faircustommeat@gmail.com or 859-824-4160.
- Dowdy's Custom Meat Processing LLC in Graves County was approved for \$250,000 in State funds as a MPIP Level 3 project to renovate the current processing facilities to become USDA Certified and to purchase processing equipment. For more information, contact Jeffery Dowdy at dowdystaxidermy@gmail.com or 270-376-5270.

County Agricultural Investment Program (CAIP)

CAIP provides Kentucky agricultural producers with cost-share assistance on practices to allow them to improve and diversify their current farm operations. 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.

Fourteen CAIPs were approved by the board totaling \$1,445,148:

- Barren (\$350,000)
- Caldwell (\$29,888)*
- Clark (\$25,000)*
- Cumberland (\$165,294)
- Elliott (\$180,785)
- Jefferson (\$52,000)
- Kenton (\$59,797)*
- Laurel (\$160,157)
- Magoffin (\$106,000)
- McLean (\$40,000)
- Meade (\$13,620)*
- Nelson (\$125,881)
- Taylor (\$104,000)*
- Whitley (\$32,726)

*Existing programs receiving additional funding.

Deceased Farm Animal Removal (DAR)

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 were approved by the board totaling \$22,000:

- Nelson (\$7,500)
- Taylor (\$14,500)

Next Generation Farmer Program (NextGen)

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.

One NextGen Program was approved by the board totaling \$25,000:

- Nelson (\$25,000)

Youth Agricultural Incentives Program (Youth)

The Youth program encourages youth to engage in and explore agricultural opportunities.

Two Youth programs were approved by the board totaling \$45,000:

- Clark (\$40,000)
- McLean (\$5,000)

All application periods and deadlines for CAIP, NextGen and Youth and leasing information for Shared-Use programs will be advertised locally.

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