



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

November 18, 2022

Meeting of the
Kentucky Agricultural Finance
Corporation Board

November 18, 2022

Meeting of the
Kentucky Agricultural Development
Board



November Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Wayne	Poultry	\$250,000.00	\$2,419,438.00	Farm Credit Mid-America
Ag Processing	Jefferson	Micro Processor	\$250,000.00	\$772,316.00	METCO
Beginning Farmer	Washington	Beef	\$215,825.00	\$445,000.00	Central KY Ag Credit
Beginning Farmer	Garrard	Beef	\$250,000.00	\$839,000.00	Central KY Ag Credit
Beginning Farmer	Marion	Beef	\$250,000.00	\$1,004,627.00	Lincoln National Bank
Beginning Farmer	Madison	Beef	\$200,000.00	\$400,000.00	Central KY Ag Credit
Beginning Farmer	Owen	Beef	\$94,000.00	\$188,000.00	Central KY Ag Credit
Beginning Farmer	Anderson	Beef	\$246,250.00	\$294,870.00	Central KY Ag Credit
Beginning Farmer	Hart	Grain	\$225,000.00	\$450,000.00	South Central Bank
Beginning Farmer	Graves	Poultry	\$250,000.00	\$1,100,000.00	River Valley Ag Credit
Total			\$2,231,075.00	\$7,913,251.00	

Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0212	Fleming County Conservation District	Fleming	\$300,000.00
A2022-0216	Mason County Conservation District	Mason	\$252,000.00
A2022-0218	Robertson County Soil Conservation District	Robertson	\$320,000.00
A2022-0223	Caldwell-Lyon Cattlemen's Association Inc.	Caldwell	\$97,918.00
			\$969,918.00

Next Generation Farmer (NextGen)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0214	Fleming County Conservation District	Fleming	\$40,000.00
			\$40,000.00

Shared-Use Equipment Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0219	LaRue County Conservation District	LaRue	\$23,625.00
A2022-0221	LaRue County Conservation District	LaRue	\$15,675.00
			\$39,300.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2022-0211	Casey County Cooperative Extension Service	Casey	\$36,750.00
A2022-0213	Fleming County Conservation District	Fleming	\$25,000.00
A2022-0215	Mason County Conservation District	Mason	\$26,500.00
A2022-0220	LaRue County Farm Bureau of LaRue County Kentucky	LaRue	\$30,000.00
A2022-0222	Caldwell-Lyon Cattlemen's Association Inc.	Caldwell	\$10,000.00
			\$128,250.00

Total County Funds Recommended for Approval in Programs:	\$1,177,468.00
--	-----------------------

Approved Project

Kentucky Horticulture Council**A2022-0161***Application County: _ALL**Date Submitted: 07/28/2022**Total Funds Awarded: \$7,393,580***FUNDING REQUEST**

Kentucky Horticulture Council, Inc. (KHC) is requesting \$1,848,395 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 and promote use of Kentucky grown products. This project will strengthen value chains in a growing industry. Activities include: direct technical assistance; educational resource development and 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 \$

\$1,848,395 State funds (Unsecure)

\$782,096 Shared Contributions (?)

\$662,399 Other Grants (Secure)

\$498,517 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 \$1,848,395 in state funds across two years to expand technical assistance, education, research, and market analysis plus market access for Kentucky's growing horticulture industry.

11/18/2022 • Kentucky Horticulture Council was approved \$1,848,395 in state funds to expand technical assistance, education, research, and market analysis for Kentucky's horticulture industry. \$908,384 in state funds for calendar year 2023 and \$940,011 in state funds for calendar year 2024 totaling \$1,848,395

Approved Project

Hampton Premier Meats

A2022-0197

Application County: Christian

Date Submitted: 09/12/2022

Total Funds Awarded: \$3,750

FUNDING REQUEST

Hampton Premium Meats is requesting \$3,750 in state funds for funding consultation fees for a GFSI audit, shelf life consultation for ground beef, and consultation on smoked meats.

APPLICATION SUMMARY

Funding will be used to fund RDP Consulting, LLC. to assist the applicant get their facility certified to the BRC Standard. This affords three days' worth of consultation fees and related travel expenses.

The total cost of the project is estimated at \$5,000 with funding from the following sources:

\$ 3,570 KADF State Funds

\$ 1,250 Personal Funds

Board Decision:

11/18/2022 • Hampton Premier Meats was approved \$3,750 in state funds for funding consultation fees for a Global Food Safety Initiative audit, shelf-life consultation for ground beef, and consultation on smoked meats.

Approved Project

Kentucky State Beekeepers Association**A2022-0204***Application County: _ALL**Date Submitted: 09/28/2022**Total Funds Awarded: \$106,000***FUNDING REQUEST**

The Kentucky State Beekeepers Association is requesting \$106,000 in state and county funds for Part time Program Manager's salary, travel, promotional and educational materials, financial & accounting support, events, supplies, and equipment and services to support the Certified Kentucky Honey Program operation.

APPLICATION SUMMARY

The Certified Kentucky Honey Program (CKHP) is the marketing program of the Kentucky State Beekeepers Association (KSBA), which started in 2019 with the support of the Kentucky Agricultural Development Fund. This program was implemented to address the issues with adulterated and/or mislabeling of honey in Kentucky. Honey is currently the 3rd most adulterated commodity in the US (behind milk and olive oil) and there is no national quality standard. To address this, KSBA has three goals of this program: first, to educate consumers and promote the sale of local honey that is produced by the beekeepers of the KSBA and is a certified product of the state; second, to connect the CKHP beekeepers with consumers who desire to purchase certified local honey; and third, provide Kentucky beekeepers with education and support to grow their apiaries to supply more CKHP honey.

The total cost of the project is estimated at \$161,000 with funding from the following sources:

- \$ 80,500 KADF State funds
- \$ 12,750 KADF Multiple County funds (Pending)
- \$ 12,750 KADF State funds (Pending)
- \$ 96,000 Various KY State Beekeepers Association Sources (Secured)

PROJECTED PRODUCER IMPACT

The applicant estimates that over 2,200 beekeepers across Kentucky will benefit from this project.

Board Decision:

11/18/2022 • Kentucky State Beekeepers Association was approved up to \$106,000 in state and county funds to support Kentucky beekeepers

Approved Project

Kentucky Department of Agriculture**A2022-0208***Application County: Franklin**Date Submitted: 09/30/2022**Total Funds Awarded: \$2,876,000***FUNDING REQUEST**

The Kentucky Department of Agriculture (KDA) is requesting \$2,876,000 in state funds for calendar years 2023 and 2024 to fund the Kentucky Proud program.

APPLICATION SUMMARY

Kentucky Proud is Kentucky's official agriculture marketing and promotional program that serves as the brand for Kentucky's agriculture products, and its membership spans the entire agriculture spectrum.

KDA proposes to fund and implement the following five projects in this 2-year proposal:

	Year 1	Year 2
Point of Purchase	\$395,000	\$395,000
Branding & Advertising	\$740,500	\$638,795
Buy Local	\$245,000	\$260,000
Retail	\$ 30,000	\$ 30,000
Farm to Fork	\$ 20,000	\$ 20,000

Point of Purchase- Provides a match on eligible promotional expenses for advertising, marketing, and reaching consumers at the point of purchase.

Branding & Advertising- Provides funding to be used in event sponsorships where Kentucky Proud food and products can be promoted.

Buy Local- Provides a reimbursement incentive for food service providers that seek Kentucky Proud food products for their menus.

Retail - Support promotional and networking efforts to work with larger distributors and retail chains to develop market opportunities for selling KY Proud farm impact products.

Farm to Fork- Provides funding to organizations to host family-style meals using fresh, local, Kentucky farm food.

The total cost of the project is estimated at \$2,876,000 with the following funding sources:

- \$ 2,876,000 KADF State funds
- \$ 790,000 Point of Purchase recipients
- \$ 3,366,667 Buy Local recipients
- \$ 30,000 Farm to Fork cost-share
- \$ 1,012,879 KDA Staff Supported

PROJECTED PRODUCER IMPACT

The applicant states that over 9,700 farms and agribusinesses are directly benefiting from their membership in Kentucky Proud.

Board Decision:

11/18/2022 • Kentucky Department of Agriculture was approved \$2,876,000 in state funds to fund the Kentucky Proud Program.

Approved Project

Marion County Public Schools**A2022-0210***Application County: Marion**Date Submitted: 09/30/2022**Total Funds Awarded: \$8,592***FUNDING REQUEST**

Marion County Public Schools is requesting \$8,592 in Marion County funds to update the greenhouse at Marion County High School.

APPLICATION SUMMARY

Marion County High School's greenhouse, built in the mid-1970s, has the original framework and polycarbonate that was replaced in the 1990s. The polycarbonate is brittle and there is damage to the roof, both leading to reduced productivity. The applicant plans to replace the siding with a double walled polycarbonate and the doors, shutters, and heater with newer models.

The total cost of the project is estimated at \$17,258 with funding from the following sources:

\$ 8,592 Marion County funds (Committed)

\$ 8,858 Marion County Public Schools (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that all of the students in the program, their families, and more in the community will be impacted.

Board Decision:

11/18/2022 • Marion County Public Schools was approved \$8,592 in Marion County funds to update the greenhouse at Marion County High School.



Kentucky Agricultural Development Board approves more than \$6 million for projects across the commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (Nov. 18, 2022) – The Kentucky Agricultural Development Board approved \$6,020,205 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“The Kentucky Agricultural Development Board strives to assist Kentucky’s farmers achieve greater diversity in our agricultural landscape,” said Commissioner of Agriculture and board chair Dr. Ryan Quarles. “The projects awarded will help reach this goal as the board and the Kentucky Department of Agriculture continues to put the best interest of the commonwealth’s farmers in the forefront.”

State and County Funded Projects

- Hampton Premier Meats was approved \$3,750 in state funds for funding consultation fees for a Global Food Safety Initiative audit, shelf-life consultation for ground beef, and consultation on smoked meats. For more information, contact Chris Milam at cmilam@hamptonpremiummeats.com.
- Kentucky Department of Agriculture was approved \$2,876,000 in state funds to fund the Kentucky Proud Program. For more information, contact Melanie McPartlin at melanie.mcpartlin@ky.gov.
- Kentucky Horticulture Council was approved \$1,848,395 in state funds to expand technical assistance, education, research, and market analysis for Kentucky's horticulture industry. For more information, contact Dr. Cindy Finneseth at cindy@kyhortcouncil.org.
- Kentucky State Beekeepers Association was approved up to \$106,000 in state and county funds to support Kentucky beekeepers. For more information, contact Scott Moore at manager@ckyhp.com.
- Marion County Public Schools was approved \$8,592 in Marion County funds to update the greenhouse at Marion County High School. For more information, contact Trevor Sweet at trevor.sweet@marion.kyschools.us.

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.

Four CAIPs were approved by the board totaling \$969,918:

- Caldwell (\$97,918)
- Fleming (\$300,000)
- Mason (\$252,000)
- Robertson (\$320,000)

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 \$40,000:

- Fleming (\$40,000)

Shared-Use Equipment Program

The Shared-Use Equipment Program assists broad-based community organizations with the purchase of farm equipment. The equipment purchased is made available for producer use in a specific county on a leased basis.

Two Shared-Use Equipment programs were approved by the board totaling \$39,300:

- LaRue (\$23,625 and \$15,675)

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

Five YAIPs were approved by the board totaling \$128,250:

- Caldwell (\$10,000)
- Casey (\$36,750)
- Fleming (\$25,000)
- LaRue (\$30,000)
- Mason (\$26,500)

All application periods and deadlines for CAIP, NextGen, and YAIP will be advertised locally.

*Existing programs receiving additional funding.

###

The Kentucky Office of Agricultural Policy (KOAP), a division within the Kentucky Department of Agriculture, provides staff support to the Kentucky Agricultural Finance Corporation (KAFC) and the Kentucky Agricultural Development Fund (KADF). The KADF is administered by the Kentucky Agricultural Development Board. KOAP ensures Kentucky is being good stewards of dollars from the 1998 Tobacco Settlement Agreement by overseeing the boards' investments into diversifying and supporting Kentucky agriculture.



Follow the Kentucky Department of Agriculture on social media.