



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

**January 13, 2023**

Meeting of the  
Kentucky Agricultural Finance  
Corporation Board

**January 20, 2023**

Meeting of the  
Kentucky Agricultural Development  
Board



## January Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Shelby	Grain	\$218,805.00	\$437,609.00	Farm Credit Mid-America
Ag Infrastructure	Hardin	Grain	\$250,000.00	\$800,000.00	Farm Credit Mid-America
Ag Infrastructure	Lincoln	Grain	\$97,500.00	\$495,000.00	First Southern National Bank
Beginning Farmer	Henry	Vegetable	\$86,467.00	\$210,000.00	Independence Bank
Beginning Farmer	Christian	Dairy	\$250,000.00	\$900,000.00	Farm Credit Mid-America
Beginning Farmer	Franklin	Beef	\$250,000.00	\$749,000.00	Magnolia Bank
Beginning Farmer	Union	Grain	\$250,000.00	\$701,730.00	Farm Credit Mid-America
Beginning Farmer	Wayne	Poultry	\$185,000.00	\$720,000.00	Farm Credit Mid-America
Beginning Farmer	Wayne	Horticulture	\$191,250.00	\$456,200.00	Farm Credit Mid-America
Beginning Farmer	Clark	Lamb/Goat	\$134,000.00	\$268,000.00	Farm Credit Mid-America
Beginning Farmer	Calloway	Poultry	\$250,000.00	\$1,800,000.00	River Valley Ag Credit
<b>Total</b>			<b>\$2,029,022.00</b>	<b>\$7,537,539.00</b>	

## Programs Recommended for Approval

### CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0001	Pulaski County Conservation District	Pulaski	\$200,000.00
A2023-0002	Bracken County Soil Conservation District	Bracken	\$312,375.00
A2023-0005	Green County Cattlemen's Association, Inc.	Green	\$300,000.00
A2023-0007	Fayette County Conservation District	Fayette	\$225,000.00
A2023-0008	Lewis County Conservation District	Lewis	\$244,004.00
A2023-0009	Knott County Conservation District	Knott*	\$25,000.00
A2023-0010	Simpson County Conservation District	Simpson	\$97,854.00
A2023-0011	Whitley County Cattlemen's Association, Inc.	Whitley	\$57,900.00
A2023-0012	Breckinridge County Conservation District	Breckinridge	\$300,000.00
A2023-0013	Estill County Conservation District	Estill	\$80,000.00
			<b>\$1,842,133.00</b>

### Next Generation Farmer (NextGen)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0003	Bracken County Soil Conservation District	Bracken	\$29,400.00
			<b>\$29,400.00</b>

### Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0004	Bracken County Soil Conservation District	Bracken	\$26,250.00
A2023-0006	Carroll County Conservation District	Carroll	\$15,000.00
			<b>\$41,250.00</b>

Total County Funds Recommended for Approval in Programs: **\$1,912,783.00**

\*Indicates a portion of the project is funded from the "State Funds To Support to Counties with Limited Allocation initiative."

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**Approved Project**

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**Bluegrass AgTech Development Corp****A2022-0190***Application County: Fayette**Date Submitted: 08/26/2022**Total Funds Awarded: \$1,000,000***FUNDING REQUEST**

The Bluegrass AgTech Development Corp (BATDC) is requesting \$1,000,000 in state funds over a two-year period to support the state's innovation and improvement of current agriculture technology on and off the farm .

**APPLICATION SUMMARY**

The applicant indicates that BATDC will operate as a nonprofit corporation that will shape the future of agriculture and food innovation in Kentucky. It will create an ecosystem to benefit farmers, entrepreneurs, and investors by expanding economic opportunities in the state. Initial efforts will focus on building a pipeline of opportunities focused on agriculture and food tech innovation, brand and promote Kentucky as the place to build AgTech business and attract long-term support for the initiative. The majority of the requested KADB funds requested would be used to support the implementation of challenge programs and the investment fund.

The total cost of the project is estimated at \$2,080,000 with funding from the following sources:

\$1,000,000 KADF state funds (unsecure)

\$1,000,000 Cash- City of Lexington (secured)

\$30,000 Intern Support- UK, partner donations (pending)

\$50,000 Event Sponsorships- partner donations (pending)

**PROJECTED PRODUCER IMPACT**

The applicant indicates that their goal is to provide service across the Commonwealth of Kentucky.

***Board Decision:***

1/20/2023 - Approved • Bluegrass AgTech Development Corp was approved \$1,000,000 in state funds over a 2-year period to support the innovation and improvement of current agriculture technology.

**Denied Project****Kentucky Cattlemen's Foundation, Inc.****A2022-0115***Application County: Fayette**Date Submitted: 05/27/2022**Total Funds Awarded: \$0***FUNDING REQUEST**

Kentucky Cattlemen's Foundation is requesting \$10,083,333 in state funds to construct an Agriculture Education Center focused on fostering collaboration in research, education and marketing.

**APPLICATION SUMMARY**

Funding will be used specifically for construction of the Agriculture Education Center, improvements, personnel, equipment, fencing, and septic work. The Agriculture Education Center will contain approximately 34,000 sq. ft. of educational and office space. The educational space will be able to accommodate groups of up to 350 people. Permanent and alternating agriculture exhibits can be displayed at this facility. A professional demonstration kitchen will be on-site, along with a large board room that will allow seating for approximately 150 people. This will be the corporate headquarters for the Kentucky Cattlemen's Association and Kentucky Pork Producers Association with potential to expand for additional agriculture organizations.

Initial Request: The total cost of the project is estimated at \$90,000,000 with funding from the following sources:

- \$ 10,083,333 State funds
- \$ 150,000 Private Contribution (Secured)
- \$ 1,000,000 Current KCF Building Assets (Secured)
- \$ 100,000 Ag Tag Funding (Requested)
- \$ 75,000,000 ARPA Funding (Requested)
- \$ 3,666,667 Industry Fundraising (Ongoing)

Amended Request: The total cost of the project is estimated at \$15,000,000 with funding from the following sources:

- \$ 7,500,000 State funds
- \$ 150,000 Private Contribution (Secured)
- \$ 685,000 Fair Cash Value of Current Buildings (Committed)
- \$ 315,000 Kentucky Cattlemen's Foundation (Committed)
- \$ 50,000 Kentucky Beef State Checkoff (Committed)
- \$ 100,000 Ag Tag Funding (Committed)
- \$ 6,200,000 Fundraising (Ongoing)

**PROJECTED PRODUCER IMPACT**

The applicant states once the center is operational, virtually any farm family engaged in animal agriculture in Kentucky would benefit from this project.

**Committee Recommendation:**

The White Application Review Committee recommends funding applicant for the Agriculture Education Center in the amount of \$7.5 million based on the total project cost of \$15 million for the development and construction of the Center, subject to the terms and conditions listed below:

**Board Decision:**

The KADB recommended pending the application until the applicant could respond to the written questions from the KADB.



## Kentucky Agricultural Development Board approves more than \$3 million for projects across the commonwealth

*Funded projects focus on agricultural diversification, rural development*

**FRANKFORT (Jan. 20, 2023)** – The Kentucky Agricultural Development Board approved \$3,339,014 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“Applications awarded today will contribute to the long-term vision and achievement for Kentucky agriculture,” said Commissioner of Agriculture and board chair Dr. Ryan Quarles. “One project, specifically, that I’ve worked to secure includes improving agriculture technology development. This project will set Kentucky up for future agriculture success.”

### State Funded Project

- Bluegrass AgTech Development Corp was approved \$1,000,000 in state funds over a 2-year period to support the innovation and improvement of current agriculture technology. For more information, contact Dr. Mark Lyons at [press@alltech.com](mailto:press@alltech.com).

### 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.

Sixteen CAIPs were approved by the board totaling \$2,268,364:

- Adair (\$110,000)\*
- Ballard (\$86,000)\*
- Bracken (\$312,375)
- Breckinridge (\$300,000)
- Carter (\$28,776)\*
- Daviess (\$145,810)\*
- Estill (\$80,000)
- Fayette (\$225,000)
- Green (\$300,000)
- Hancock (\$4,634)\*
- Knott (\$25,000)
- Lewis (\$244,004)
- McLean (\$51,011)\*
- Pulaski (\$200,000)
- Simpson (\$97,854)
- Whitley (\$57,900)

### 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 was approved by the board totaling \$29,400:

- Bracken (\$29,400)

### **Youth Agricultural Incentives Program (YAIP)**

YAIP encourages youth to engage in and explore agricultural opportunities.

Two YAIPs were approved by the board totaling \$41,250:

- Bracken (\$26,250)
- Carroll (\$15,000)

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

\*Existing programs receiving additional funding.

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*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.*



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