



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

March 10, 2023

Meeting of the
Kentucky Agricultural Finance
Corporation Board

March 17, 2023

Meeting of the
Kentucky Agricultural Development
Board



March Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Breckinridge	Poultry	\$141,695.00	\$524,327.50	Farm Credit Mid-America
Ag Infrastructure	Breckinridge	Poultry	\$130,312.00	\$1,250,000.00	Farm Credit Mid-America
Ag Infrastructure	Ohio	Poultry	\$250,000.00	\$1,130,000.00	Farm Credit Mid-America
Ag Infrastructure	Ohio	Grain	\$250,000.00	\$1,100,000.00	Farm Credit Mid-America
Ag Infrastructure	Graves	Grain	\$57,500.00	\$145,000.00	FNB Bank, Inc.
Ag Infrastructure	Adair	Grain	\$250,000.00	\$760,000.00	Farm Credit Mid-America
Ag Processing	Graves	Micro Processor	\$1,000,000.00	\$8,500,000.00	FNB Bank, Inc.
Ag Processing	Mercer	Micro Processor	\$500,000.00	\$1,995,400.00	Central KY Ag Credit
Beginning Farmer	Daviess	Grain	\$112,500.00	\$225,000.00	Independence Bank
Beginning Farmer	McLean	Grain	\$100,000.00	\$200,000.00	Independence Bank
Beginning Farmer	Green	Poultry	\$250,000.00	\$1,375,000.00	First & Farmers National Bank
Beginning Farmer	Daviess	Beef	\$250,000.00	\$642,570.00	Independence Bank
Beginning Farmer	Franklin	Beef	\$250,000.00	\$850,000.00	Central KY Ag Credit
Beginning Farmer	Anderson	Beef	\$172,500.00	\$345,000.00	Central KY Ag Credit
Beginning Farmer	Montgomery	Beef	\$100,000.00	\$260,000.00	Central KY Ag Credit
Beginning Farmer	Harrison	Beef	\$67,830.00	\$142,800.00	Central KY Ag Credit
Beginning Farmer	Clinton	Poultry	\$250,000.00	\$1,432,000.00	Farm Credit Mid-America
Beginning Farmer	Caldwell	Grain	\$142,252.00	\$885,033.00	Farm Credit Mid-America

Beginning Farmer	Daviess	Grain	\$157,000.00	\$314,000.00	Farm Credit Mid-America
Beginning Farmer	McLean	Poultry	\$165,232.00	\$1,000,000.00	Farm Credit Mid-America
Beginning Farmer	Daviess	Grain	\$150,000.00	\$300,000.00	Independence Bank
DEALP	Livingston	Micro Processor	\$250,000.00	\$350,000.00	River Valley Ag Credit
Total			\$4,996,821.00	\$23,726,130.50	

*DEALP -- Diversification Through Entrepreneurship in Agribusiness Loan Program

Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0031	Spencer County Conservation District	Spencer	\$135,500.00
A2023-0032	Montgomery County Conservation District	Montgomery	\$83,000.00
A2023-0033	Bell County Conservation District	Bell*	\$30,000.00
A2023-0034	Rowan County Conservation District	Rowan	\$93,639.00
A2023-0035	Owen County Farm Bureau, Inc.	Owen	\$150,000.00
A2023-0036	Madison County Conservation District	Madison	\$235,000.00
A2023-0039	Bath County Conservation District	Bath	\$284,900.00
			\$1,012,039.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0038	Bath County Conservation District	Bath	\$5,000.00
A2023-0045	Mercer County Fiscal Court	Mercer	\$13,375.00
			\$18,375.00

Shared-Use Equipment Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0041	Laurel County Cattlemen's Association, Inc.	Laurel	\$15,300.00
A2023-0043	Mercer County Conservation District	Mercer	\$16,750.00
			\$32,050.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0040	Bath County Cattleman Association, Inc.	Bath	\$35,000.00
A2023-0044	Mercer County 4-H Council, Incorporated	Mercer	\$15,000.00
			\$50,000.00

Total County Funds Recommended for Approval in Programs: **\$1,112,464.00**

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

App # A2022-0216
Applicant Name Mason County Conservation District
Original Amount Approved \$252,000
Execution Date 01/05/2023
Requested Change The applicant requests an additional \$66,150 in Mason 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 \$318,150.

Recommend Approval

App # A2022-0233
Applicant Name Northern Kentucky Cattle Association, Inc. (Boone County)
Original Amount Approved \$124,415
Execution Date 01/05/2023
Requested Change The applicant requests an additional \$13,507 in Boone 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 \$137,922.

Recommend Approval

Approved Project

Adair County Cattlemen's Association, Inc.**A2022-0235***Application County: Adair**Date Submitted: 12/12/2022**Total Funds Awarded: \$16,000***FUNDING REQUEST**

The Adair County Cattlemen's Association is requesting \$16,000 in Adair County funds to run a Youth Cost Share Program.

APPLICATION SUMMARY

Funding will be used to run a youth cost share program for Adair Co. youth ages 9-18. The cost share program will be cost reimbursement for youth focused on agriculture production practices set in the County Agriculture Investment Program (CAIP) guidelines. The maximum reimbursement amount per youth will be \$500. Typically, more than 32 youth apply for the program each year.

The total cost of the project is estimated at \$32,000 with funding from the following sources:

- \$ 16,000 KADF Adair County funds
- \$ 16,000 Youth portion of cost share

PROJECTED PRODUCER IMPACT

The applicant states that around 32 youth will be impacted by this project.

Board Decision:

3/17/2023 Approved • Adair County Cattlemen's Association, Inc. was approved \$16,000 in Adair County funds to run a Youth Cost Share Program.

Approved Project

Green Terrace Market (John Harralson)**A2023-0016***Application County: Daviess**Date Submitted: 01/03/2023**Total Funds Awarded: \$33,050***FUNDING REQUEST**

The Green Terrace Market is requesting \$33,050 in Daviess County funds to purchase refrigeration equipment.

APPLICATION SUMMARY

The applicant indicates that the funds will be used to purchase refrigeration equipment for his local food retail business, Green Terrace Market. This business will target consumers on the West side of Davies County and has six listed farms that the applicant would source the produce and meat from.

The total cost of the project is estimated at \$66,100 with funding from the following sources:

\$32,050 KADF Daviess County funds (secured)

\$32,050 Independence Bank loan (secured)

PROJECTED PRODUCER IMPACT

The applicant indicates that Green Terrace Market would specifically benefit six farm families from Daviess County with this project.

Board Decision:

3/17/2023 Approved • Green Terrace Market was approved \$33,050 in Daviess County funds to purchase refrigeration equipment.

Approved Project

Kenton County Fiscal Court**A2023-0020***Application County: Kenton**Date Submitted: 01/18/2023**Total Funds Awarded: \$250,000***A2023-0020 Kenton County Fiscal Court
FUNDING REQUEST**

Kenton County Fiscal Court is requesting \$250,000 in state and Kenton County funds to build a farmers' market pavilion in downtown Independence, KY.

APPLICATION SUMMARY

The Independence Farmers Market has been in existence since 2008. Currently, these producers set up on Saturdays in the parking lot of the Senior Citizens Building, using tents and temporary structures. Because of this setup, the weather is the most limiting factor.

By constructing this covered pavilion, the market season can be extended; allowing vendors to sell for at least 6 additional weeks.

The total cost of the project is estimated at \$741,750 with the following funding sources:

\$245,000 KADB State Funds

\$5,000 Kenton County Funds (Pending)

\$125,000 Durr Foundation Grant (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that during 2021 and 2022, 11 farmers and producers sold at the Independence Farmers Market.

They estimate that this facility will allow an additional 6-8 more producers to sell their products.

Board Decision:

3/17/2023 Approved • Kenton County Fiscal Court was approved \$250,000 in state and Kenton County funds to build a farmers' market pavilion in downtown Independence, Ky.

Approved Project

Kentucky Department of Agriculture**A2023-0029***Application County: Franklin**Date Submitted: 01/27/2023**Total Funds Awarded: \$210,000***FUNDING REQUEST**

The Kentucky Department of Agriculture is requesting \$210,000 in state funds over a two-year period (2023-2024) to continue to support the Kentucky Grape and Wine Council (KGWC).

APPLICATION SUMMARY

The applicant indicates that these funds will help the KY Grape and Wine Council with branding and advertising operating costs.

These costs include: Web/App Updates and Promotional Materials, Winery Guide Design/Printing, and Media/Advertising.

The total cost of the project is estimated at \$263,221 with the following funding sources:

\$210,000 KADB State Funds

\$210,000 Branding & Advertising (Pending)

\$53,221 KDA Staff Supported for KY Proud Program (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that more than 200 farm families will benefit directly from this project.

Board Decision:

3/17/2023 Approved • Kentucky Department of Agriculture was approved \$210,000 in state funds over a two-year period (2023-2024) to continue to support the Kentucky Grape and Wine Council (KGWC).



Kentucky Agricultural Development Board approves more than \$1.7 million for projects across the commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (March 17, 2023) – The Kentucky Agricultural Development Board approved \$1,701,171 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“The changing landscape of agriculture is dependent upon communities being able to diversify their agricultural outputs,” said Commissioner of Agriculture and board chair Dr. Ryan Quarles. “The grants awarded by the Kentucky Agricultural Development Board goes a long way in helping make that a realization for the state’s farming future.”

County and State Funded Projects

- Adair County Cattlemen’s Association, Inc. was approved \$16,000 in Adair County funds to run a Youth Cost Share Program. For more information, contact tbright@uky.edu.
- Green Terrace Market was approved \$33,050 in Daviess County funds to purchase refrigeration equipment. For more information, contact Johnkharralson@gmail.com.
- Kenton County Fiscal Court was approved \$250,000 in state and Kenton County funds to build a farmers’ market pavilion in downtown Independence, Ky. For more information, contact scott.gunning@kentoncounty.org.
- Kentucky Department of Agriculture was approved \$210,000 in state funds over a two-year period (2023-2024) to continue to support the Kentucky Grape and Wine Council (KGWC). For more information, contact tyler.madison@ky.gov.

County Programs

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.

Nine CAIPs were approved by the board totaling \$1,091,696:

- Bath (\$284,900)
- Bell (\$30,000)
- Boone (\$13,507)*
- Madison (\$235,000)
- Mason (\$66,150)*
- Montgomery (\$83,000)

- Owen (\$150,000)
- Rowan (\$93,639)
- Spencer (\$135,500)

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 DAR programs were approved by the board totaling \$18,375:

- Bath (\$5,000)
- Mercer (\$13,375)

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 \$32,050:

- Laurel (\$15,300)
- Mercer (\$16,750)

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

Two YAIPs were approved by the board totaling \$50,000:

- Bath (\$35,000)
- Mercer (\$15,000)

All application periods and deadlines for CAIP 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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