



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



February 9, 2024

Meeting of the
Kentucky Agricultural
Finance Corporation Board

February 16, 2024

Meeting of the
Kentucky Agricultural Development
Board



February Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Grayson	Grain	\$70,000.00	\$140,000.00	Magnolia Bank
Ag Infrastructure	Boyle	Grain	\$48,622.00	\$106,000.00	Magnolia Bank
Ag Infrastructure	Hardin	Poultry	\$250,000.00	\$1,492,500.00	Magnolia Bank
Ag Infrastructure	McLean	Poultry	\$133,880.00	\$271,760.00	Magnolia Bank
Ag Infrastructure	Daviess	Grain	\$206,000.00	\$412,000.00	Farm Credit Mid-America
Beginning Farmer	Union	Beef	\$250,000.00	\$500,000.00	United Community Bank of We
Beginning Farmer	Hancock	Grain	\$136,497.00	\$186,497.00	Independence Bank
Beginning Farmer	Fulton	Poultry	\$250,000.00	\$1,500,000.00	River Valley Ag Credit
Beginning Farmer	Nelson	Beef	\$32,900.00	\$87,810.00	Town & Country Bank and Tru
Beginning Farmer	Carlisle	Grain	\$250,000.00	\$450,000.00	Citizens Deposit Bank
Beginning Farmer	LaRue	Beef	\$250,000.00	\$900,000.00	Farm Credit Mid-America
Beginning Farmer	Breckinridge	Grain	\$135,000.00	\$270,000.00	Farm Credit Mid-America
Beginning Farmer	Nelson	Grain	\$150,000.00	\$800,000.00	Town & Country Bank and Tru
Beginning Farmer	Hardin	Beef	\$250,000.00	\$725,000.00	Magnolia Bank
Beginning Farmer	Webster	Poultry	\$250,000.00	\$1,750,000.00	Field & Main Bank
Beginning Farmer	Green	Grain	\$250,000.00	\$1,200,000.00	Farm Credit Mid-America
Beginning Farmer	Ohio	Beef	\$250,000.00	\$592,000.00	Bank of Columbia
Beginning Farmer	McLean	Grain	\$192,500.00	\$394,000.00	Farm Credit Mid-America

Beginning Farmer	McLean	Poultry	\$250,000.00	\$1,360,000.00	Farm Credit Mid-America
Beginning Farmer	Hart	Poultry	\$250,000.00	\$850,000.00	Farm Credit Mid-America
Beginning Farmer	Grayson	Beef	\$125,000.00	\$405,053.00	Magnolia Bank
Beginning Farmer	Green	Grain	\$250,000.00	\$1,300,000.00	Farm Credit Mid-America
Beginning Farmer	Hopkins	Poultry	\$250,000.00	\$1,871,000.00	Field & Main Bank
Total			\$4,480,399.00	\$17,563,620.00	

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For Immediate Release

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Kentucky Agricultural Finance Corp. approves \$4,480,399 in loans

*Financing bolsters beef, forage, poultry, and grain farmers across the
commonwealth*

FRANKFORT, Ky. (Feb. 9, 2024) – The Kentucky Agricultural Finance Corp. (KAFC) approved \$4,480,399 for 23 agricultural loans for projects across the commonwealth at its monthly board meeting.

Agricultural Infrastructure Loan Program (AILP)

Five Agricultural Infrastructure loans totaling \$708,502 were approved. Loan recipients were in Boyle (\$48,622), Daviess (\$206,000), Grayson (\$70,000), Hardin (\$250,000), and McLean (\$133,880) counties. KAFC participates with lenders to provide financing to producers making capital expenditures for agricultural projects through the AILP. Eligible projects include permanent farm structures with attached equipment that improves the profitability of farming operations. Producers may be eligible for up to \$150,000 not to exceed 50 percent of the project.

Beginning Farmer Loan Program (BFLP)

Eighteen Beginning Farmer loans totaling up to \$3,771,897 were approved. Loan recipients were in Breckinridge (\$135,000), Carlisle (\$250,000), Fulton (\$250,000), Grayson (\$125,000), Green (\$250,000 and \$250,000), Hancock (\$136,497), Hart (\$250,000), Henry (\$250,000), Hopkins (\$250,000), LaRue (\$250,000), McLean (\$192,500 and \$250,000), Nelson (\$32,900 and \$150,000), Ohio (\$250,000), Union (\$250,000), and Webster (\$250,000) counties. The BFLP is designed to assist individuals with some farming experience who desire to develop, expand, or buy into a farming operation. Beginning farmers may qualify for financing to purchase livestock, equipment, or agriculture facilities; to secure permanent working capital; for the purchase of farm real estate; or to invest in a partnership or LLC.

For more information on the programs offered by the KAFC, contact Bill McCloskey at Kentucky Office of Agricultural Policy at (502) 382-6093 or email kafc@ky.gov.

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Programs Recommended for Approval

CAIP			
<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0020	Wolfe County Conservation District	Wolfe	\$113,107.00
A2024-0022	Knott County Conservation District	Knott *	\$40,000.00
			\$153,107.00
Total County Funds Recommended for Approval in Programs:			\$153,107.00

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

Requested Program Amendments

App #	A2023-0077
Applicant Name	Green River Beef Improvement Group, Inc. (Daviness County)
Original Amount Approved	\$100,000
Execution Date	06/19/2023
Requested Change	<p>The applicant requests an <u>additional</u> \$82,330 in Daviness 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 \$182,330.</p>

Recommend Approval

App #	A2023-0193
Applicant Name	Cumberland County Conservation District
Original Amount Approved	\$136,866
Execution Date	09/13/2023
Requested Change	<p>The applicant requests an <u>additional</u> \$25,208 in Cumberland 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 \$161,074.</p>

Recommend Approval

Approved Project

Creation Gardens, Inc.**A2023-0272***Application County: Jefferson**Date Submitted: 11/10/2023**Total Funds Awarded: \$886,990***FUNDING REQUEST**

Creation Gardens is requesting \$886,990 in state funds to replace aging parts on an existing production line used to process ground products into patty, bulk, and link form for wholesale and retail distribution.

APPLICATION SUMMARY

Funding will be used to purchase meat stuffers and other processing equipment to upgrade the existing production line . Creation Gardens works with Beef Solutions to process Kentucky Cattlemen's beef products. The applicant also offers production capabilities and their distribution footprint to other local packers, producers, and programs.

The total cost of the project is estimated at \$1,773,980 with funding from the following sources:

\$ 886,990 KADF state funds

\$ 886,990 Cash on hand, Republic Bank and Trust

PROJECTED PRODUCER IMPACT

The applicant states that 364 farm families in 77 counties from the Beef Solutions project and an additional 10 -15 farms from the other programs will benefit from this project.

Board Decision:

2/16/2024:Creation Gardens was approved up to \$500,000 in state funds to support the upgrades to processing equipment.

Approved Project

Metcalfe County 4-H Council, Incorporated**A2023-0279***Application County: Metcalfe**Date Submitted: 12/07/2023**Total Funds Awarded: \$1,680***FUNDING REQUEST**

The Metcalfe Co. 4-H Council is requesting \$1,680 in Metcalfe County funds to purchase 24 hams for Metcalfe Co. 4-H members.

APPLICATION SUMMARY

Metcalfe Co. 4-H members who participate in the country ham project learn about the history behind curing hams, the science behind the curing process, food safety, meat production, and food preservation. After the curing process, members will pick their best ham and exhibit it at the KY State Fair where they will also give a speech about the process. KADB funds will be used to purchase 24 hams from Clifty Farms.

The total cost of the project is estimated at \$3,415 with the following funding sources:

\$1,680 KADB Metcalfe County Funds

\$1,735 Metcalfe Co. Extension District Board (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that 24 Metcalfe Co. farm families will directly benefit from this project.

Board Decision:

2/16/2024: Metcalfe County 4-H Council was approved up to \$1,680 in Metcalfe County funds for the local country ham project.

Approved Project

Owen County Tourism & Convention Commission**A2023-0283***Application County: Owen**Date Submitted: 12/14/2023**Total Funds Awarded: \$5,503***FUNDING REQUEST**

Owen County Tourism & Convention Commission is requesting \$5,503 in Owen County funds to purchase a cooler and freezer to provide another market opportunity to local producers.

APPLICATION SUMMARY

Owen County Tourism & Convention Commission plans to purchase and install a freezer and cooler to offer locally grown and KY Proud products from local producers and growers. The freezer and cooler will be located at the Owen County Tourism Welcome Center and Gift Shop in downtown Owenton and will be open 5 days a week, including Saturdays. They plan to partner with iLead to provide retail management opportunities to students in the community. KADB funds will be used to purchase and install the cooler, freezer, electric wiring, and lighting.

The total cost of the project is estimated at \$11,006 with the following funding sources:

\$5,503 KADB Owen County Funds

\$5,503 Tourism Funds (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that 12-15 farm families will directly benefit from this project which will reach 100+ consumers.

Board Decision:

2/16/2024:Owen County Tourism & Convention Commission was approved up to \$5,503 in Owen County funds for the purchase of equipment to help provide market opportunities for local producers.

Approved Project

Veterinary Medical Center of Murray, LLC

A2024-0002

Application County: Calloway

Date Submitted: 12/29/2023

Total Funds Awarded: \$63,208

FUNDING REQUEST

The Veterinary Medical Center of Murray is requesting \$63,208 in state funds and \$12,642 in Calloway County funds to add large animal services to the existing small animal practice.

APPLICATION SUMMARY

Funding will be used to purchase a truck, vet box, portable cattle chute, and equipment for BSE testing. The applicant purchased the small animal practice in March of 2023 and wants to add large animal services. The applicant has experience working with large animals as a mixed practice veterinarian in Western Kentucky . The goal is to offer on-farm large animal services by the summer of 2024. The applicant estimates that 100 farm families in Calloway County will be impacted and hopes to extend services to surrounding counties in the future.

The total cost of the project is estimated at \$101,132 with funding from the following sources:

- \$63,208 KADF state funds
- \$12,642 Calloway County funds
- \$25,282 Cash

PROJECTED PRODUCER IMPACT

The applicant estimates that 100 farm families in Calloway County will be directly impacted by this project and hopes to expand into surrounding counties in the future.

Board Decision:

2/16/2024:Calloway County was approved by the board totaling \$75,850 combined in county and state funds.



Kentucky Agricultural Development Board approves more than \$800,000 for projects across the commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (Feb. 16, 2024) – The Kentucky Agricultural Development Board approved \$812,040 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“Creating diversity is key for the growth of our agricultural community,” said Commissioner of Agriculture and board chair Jonathan Shell. “The Kentucky Agricultural Development Board's focus on innovative plans and sound business ideas keeps Kentucky and its agricultural producers headed in the right direction.”

County and State Funded Projects

- Creation Gardens was approved up to \$500,000 in state funds to support the upgrades to processing equipment. For more information, contact John Thomas at jthomas@whatchefswant.com.
- Metcalfe County 4-H Council was approved up to \$1,680 in Metcalfe County funds for the local country ham project. For more information, contact Marla Young at marla.young@uky.edu.
- Owen County Tourism & Convention Commission was approved up to \$5,503 in Owen County funds for the purchase of equipment to help provide market opportunities for local producers. For more information, contact Holly Bowling at tourismdirector@owencountyky.us.

State Program

Large and Food Animal Veterinary Incentives Program

The Large and Food Animal Veterinary Incentives Program provides funding for Kentucky veterinarians to increase service to large and food animals in the state. Applicants may receive up to 75 percent reimbursement for eligible expenditures not to exceed more than \$100,000 in state and county funds as a lifetime limit.

One Large and Food Animal Veterinary Incentives Program in Calloway County was approved by the board totaling \$75,850 combined in county and state funds.

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, beef and dairy cattle; farm infrastructure, fencing, and water enhancement; equine; forage; goats and sheep; horticulture; poultry; swine; bees and honey; timber and technology, as well as energy efficiency and production; marketing; and value-added production.

Four CAIPs were approved by the board in the following counties totaling \$229,007:

- Knott (\$40,000)
- Lyon (\$31,000)*
- McLean (\$44,900)*
- Wolfe (\$113,107)

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

*Existing programs receiving additional funding.

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