



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



March 8, 2024

Meeting of the
Kentucky Agricultural
Finance Corporation Board

March 15, 2024

Meeting of the
Kentucky Agricultural Development
Board



March Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Breckinridge	Grain	\$250,000.00	\$655,000.00	Farm Credit Mid-America
Ag Infrastructure	Owen	Poultry	\$250,000.00	\$2,600,000.00	Wilson & Muir Bank & Trust Co.
Ag Infrastructure	McCracken	Grain	\$250,000.00	\$629,540.00	FNB Bank
Beginning Farmer	Barren	Beef	\$142,500.00	\$300,000.00	Farm Credit Mid-America
Beginning Farmer	Franklin	Grain	\$162,500.00	\$653,128.00	Central KY Ag Credit
Beginning Farmer	Wayne	Poultry	\$175,000.00	\$700,000.00	Farm Credit Mid-America
Beginning Farmer	Harrison	Beef	\$154,375.00	\$325,000.00	Central KY Ag Credit
Beginning Farmer	Anderson	Beef	\$47,500.00	\$100,000.00	Central KY Ag Credit
Beginning Farmer	Shelby	Forage	\$195,000.00	\$410,000.00	Wilson & Muir Bank & Trust Co.
Beginning Farmer	Russell	Beef	\$117,500.00	\$235,000.00	Bank of Columbia
Beginning Farmer	Pendleton	Beef	\$92,625.00	\$195,000.00	Central KY Ag Credit
Beginning Farmer	Adair	Forage	\$75,000.00	\$150,000.00	Bank of Columbia
Beginning Farmer	Madison	Beef	\$152,500.00	\$420,000.00	Central KY Ag Credit
Beginning Farmer	Green	Grain	\$120,938.00	\$322,500.00	Farm Credit Mid-America
Beginning Farmer	Woodford	Forage	\$250,000.00	\$1,350,000.00	Farmers National Bank
DEAL*	Bath	Ag Retail	\$250,000.00	\$500,000.00	Citizens Bank
Total			\$2,685,438.00	\$9,545,168.00	

**DEAL- Diversification through Entrepreneurship in Agribusiness Loan Program

[View as Webpage](#)
For Immediate Release

Madison Pergrem
MadisonP.Pergrem@ky.gov
502-782-9253



Kentucky Agricultural Finance Corp. approves \$2,772,938 in loans

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

FRANKFORT, Ky. (March 8, 2024) – The Kentucky Agricultural Finance Corp. (KAFC) approved \$2,772,938 for 16 agricultural loans for projects across the commonwealth at its monthly board meeting.

Agricultural Infrastructure Loan Program (AILP)

Three Agricultural Infrastructure loans totaling \$750,000 were approved. Loan recipients were in Breckinridge (\$250,000), McCracken (\$250,000), and Owen (\$250,000) 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)

Twelve Beginning Farmer loans totaling up to \$1,772,938 were approved. Loan recipients were in Adair (\$75,000), Anderson (\$47,500), Barren (\$142,500), Franklin (\$250,000), Green (\$120,938), Harrison (\$154,375), Madison (\$152,500), Pendleton (\$92,625), Russell (\$117,500), Shelby (\$195,000), Wayne (\$175,000), and Woodford (\$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.

Diversification through Entrepreneurship in Agribusiness Program (DEALP)

A Diversification through Entrepreneurship in Agribusiness loan totaling \$250,000 was approved for a recipient in Bath County. DEALP is designed to assist agri-entrepreneurs with the purchase, establishment or expansion of a business that sells agricultural products or services to farmers or consumers.

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.

###

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.

KY Department of Agriculture | 105 Corporate Dr, Frankfort, KY 40601

[Unsubscribe hannah.johnson@ky.gov](mailto:hannah.johnson@ky.gov)

[Update Profile](#) | [Constant Contact Data Notice](#)

Sent by agr@kentuckydepartmentofagriculture.ccsend.com powered by



[Try email marketing for free today!](#)

Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0026	Montgomery County Conservation District	Montgomery	\$75,000.00
A2024-0027	Bullitt County Conservation District	Bullitt	\$61,400.00
A2024-0028	Owen County Farm Bureau, Inc.	Owen	\$10,000.00
A2024-0031	Madison County Conservation District	Madison	\$235,000.00
A2024-0038	Estill County Conservation District	Estill	\$80,000.00
A2024-0041	Ohio County Cattlemen's Association, Inc.	Ohio	\$130,000.00
A2024-0044	Bath County Conservation District	Bath	\$253,900.00
			\$845,300.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0032	Madison County Conservation District	Madison	\$10,000.00
A2024-0045	Shelby County Fiscal Court	Shelby	\$15,000.00
			\$25,000.00

Shared-Use Equipment Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0033	Madison County Farm Bureau, Inc. of Madison County, Kentucky	Madison	\$21,225.00
A2024-0034	Madison County Farm Bureau, Inc. of Madison County, Kentucky	Madison	\$4,350.00
A2024-0035	Monroe County Conservation District	Monroe	\$25,013.00
A2024-0061	Monroe County Conservation District	Monroe	\$25,013.00
			\$75,601.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0029	Owen County 4-H Club Council, Incorporated	Owen	\$15,000.00
			\$15,000.00

Total County Funds Recommended for Approval in Programs: **\$960,901.00**

Requested Program Amendments

App #	A2023-0098
Applicant Name	Green River Area Beef Improvement Group, Inc. (McLean County)
Original Amount Approved	\$45,265
Execution Date	06/19/2023
Requested Change	<p>The applicant requests an <u>additional</u> \$44,900 in McLean 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 \$90,165.</p>

Recommend Approval

App #	A2023-0152
Applicant Name	Lyon County Conservation District
Original Amount Approved	\$38,000
Execution Date	07/24/2023
Requested Change	<p>The applicant requests an <u>additional</u> \$31,000 in Lyon 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 \$69,000.</p>

Recommend Approval

On-Farm Energy Programs Recommended for Approval

APP #	APPLICANT	COUNTY	Funds Requested
A2023-0209	Parkway Farms, LLC <i>On-Farm Energy Poultry</i>	Webster	\$10,150.00
A2023-0250	Evan Tate <i>On-Farm Energy Livestock</i>	Breckinridge	\$10,150.00
A2023-0280	Double Oak Poultry <i>On-Farm Energy Poultry</i>	Wayne	\$5,450.00
A2023-0285	Green Meadow Farm <i>On-Farm Energy Poultry</i>	Barren	\$10,150.00
A2023-0287	Henpecked Farms, Inc. <i>On-Farm Energy Poultry</i>	Wayne	\$10,150.00
A2023-0288	MXC Farms <i>On-Farm Energy Poultry</i>	Metcalfe	\$6,150.00
Total State Funds Recommended for Approval in Program			\$52,200.00

**On-Farm Energy Program
Summaries**

A2023-0209 Parkway Farms, LLC

Application County: Webster

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$10,150

TOTAL PROJECT COST
\$28,889

SUMMARY
Upgrade fans for a poultry operation.

A2023-0250 Evan Tate

Application County: Breckinridge

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$10,150

TOTAL PROJECT COST
\$48,500

SUMMARY
Install solar panel system for a livestock operation.

**On-Farm Energy Program
Summaries**

A2023-0280 Double Oak Poultry

Application County: Wayne

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$5,450

TOTAL PROJECT COST
\$10,600

SUMMARY
Install fans for a poultry operation.

A2023-0285 Green Meadow Farm

Application County: Barren

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$10,150

TOTAL PROJECT COST
\$26,400

SUMMARY
Install heaters for a poultry operation.

**On-Farm Energy Program
Summaries**

A2023-0287 Henpecked Farms, Inc.

Application County: Wayne

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$10,150

TOTAL PROJECT COST
\$23,571

SUMMARY
Install fans for a poultry operation.

A2023-0288 MXC Farms

Application County: Metcalfe

Project Summary:

PROJECT SUMMARY
FUNDING REQUEST \$6,150

TOTAL PROJECT COST
\$12,000

SUMMARY
Install fans for a poultry operation.

Approved Project

Mayfield Downtown Farmers Market with the City of Mayfield**A2023-0281***Application County: Graves**Date Submitted: 12/11/2023**Total Funds Awarded: \$255,000***FUNDING REQUEST**

The City of Mayfield is requesting \$255,000 in state and Graves County funds to construct a new farmers' market pavilion in the downtown Mayfield area.

APPLICATION SUMMARY

The applicant plans to build a permanent structure that will include a pavilion, restroom facilities that will also function as an F-2 rated storm shelter, vendor storage, and green space for community gatherings. The City of Mayfield's Public Works Division will assist with ground maintenance and trash removal. Any KADF awarded would be used for the construction of the pavilion, with additional project costs being covered by donations provided from Pilgrims Corporation, Graves County Fiscal Court, and the City of Mayfield. KADB funds will be used strictly for the construction of the new farmers' market pavilion.

The total cost of the project is estimated at \$787,852 with the following funding sources:

\$250,000 KADF state funds (Unsecured)

\$5,000 Graves County funds (Secured)

\$309,000 Pilgrims Global (Secured)

\$80,000 Mayfield Tornado Relief Fund (Secured)

\$143,852 Mayfield TIF District Funding (Pending)

PROJECTED PRODUCER IMPACT

The applicant states that over 10-12 local farm families will be potentially affected by this project with the potential to grow.

Board Decision:

3/15/2024: Mayfield Downtown Farmers Market with the City of Mayfield was approved up to \$5,000 in Graves County funds and \$250,000 in state funds for the construction of a farmers' market.

Approved Project

Alexander Glenn Hagan**A2024-0015***Application County: Shelby**Date Submitted: 01/05/2024**Total Funds Awarded: \$27,521***FUNDING REQUEST**

Dr. Hagan is requesting \$22,934 in state funds and \$4,587 in multi-county funds to purchase a truck and decked drawer organizer system.

APPLICATION SUMMARY

Funding will be used to purchase a truck and a decked drawer system for veterinary supplies. Dr. Hagan will be joining the Heritage Veterinary Partners team to provide food animal medicine, surgery, emergency, and consultation services. Dr. Hagan has 13 years of mixed animal veterinary experience with a focus in food animal medicine. The applicant states producers in Shelby, Spencer, Henry, Oldham, Franklin, Scott, Anderson, Nelson, Bullitt, Washington, Marion, and Jefferson will benefit from the project.

The total cost of the project is estimated at \$36,695 with funding from the following sources:

\$22,934 KADF state funds (Unsecured)
\$2,500 Shelby County funds (Secured)
\$2,087 Spencer County funds (Secured)
\$9,174 Cash (Secured)

PROJECTED PRODUCER IMPACT

The applicant estimates that 156 farm families in 12 counties will be impacted. Additional families will benefit from consultation services.

Board Decision:

3/15/2024: Alexander Glenn Hagan was approved up to \$27,521 combined in county and state funds on behalf of the Large and Food Animal Veterinary Incentives Program.

Approved Project

Kentucky River Lamb Co, LLC**A2024-0016***Application County: Trimble**Date Submitted: 01/09/2024**Total Funds Awarded: \$37,254***FUNDING REQUEST**

Kentucky River Lamb Co, LLC is requesting a total of \$18,627 in state funds and \$18,627 in multi county funds for a contract for social and digital marketing consulting services.

APPLICATION SUMMARY

In October of 2023 a study was conducted to provide guidance to continue with a marketing plan. Currently developing a digital ads strategy, social media strategy, with Taste Profit Marketing and should have a website ready to launch and take orders by the end of January. With a feasible study, a business plan was completed with detailed projections for the next three years. Sale levels are projected at \$159k, \$523k, and \$1.08M in the first three years.

KADB funds will be used to purchase a contract for social and digital marketing and to run Ads consulted on by the TPM .

The total cost of the project is estimated at \$74,508 with the following funding sources:

\$18,627 KADB State Funds

\$18,627 Multi County Funds

\$37,254 Value Added Producer Grant (VAPG)

PROJECTED PRODUCER IMPACT

The applicant states that numerous farm families will benefit from this project in multiple different ways .

Board Decision:

3/15/2024: Kentucky River Lamb Co. was approved up to \$37,254 in matching multi-county and state funds for the expense of digital marketing.

Approved Project

Calloway County Board of Education**A2024-0017***Application County: Calloway**Date Submitted: 01/09/2024**Total Funds Awarded: \$30,000***FUNDING REQUEST**

Calloway County High school is requesting \$30,000 in Calloway County funds to build a new 36' x 36' barn or permanent structure for students to complete their greenhouse laboratory work and house other agriculture meetings and materials.

APPLICATION SUMMARY

In 2016 the 40-year old Calloway County High School Greenhouse was destroyed by a fire and reconstruction of the new facility began. Funding was not present at the time to add a headhouse to the new structure without sacrificing growing space in the new greenhouse. The decision was made to build the largest greenhouse money would build in hopes of later adding a headhouse to the front or side of the new structure. That time has come with this new opportunity. Federal funds were generously given to the agriculture department by the school district, and \$30,000 was used to prepare the site to build, pour a concrete pad, prepare driveway access, and pour a sidewalk.

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

\$30,000 KADB Calloway County Funds (Committed)

\$30,000 Federal ESSER Funds (Secured)

\$30,000 Greenhouse Plant Sales (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that up to 40 farm families in Calloway County will be directly affected by this project in the first year .

Board Decision:

3/15/2024: The Calloway County Board of Education was approved up to \$30,000 in Calloway County funds for the construction of a greenhouse at the local high school.

Approved Project

P.H.A.R.M., LLC**A2024-0019***Application County: Trimble**Date Submitted: 01/25/2024**Total Funds Awarded: \$118,500***FUNDING REQUEST**

P.H.A.R.M LLC is requesting \$112,500 from multiple county funds and \$112,500.00 in state funds to expand and update their existing roadside market and produce processing facilities.

APPLICATION SUMMARY

The applicant is seeking funds to expand their certified organic processing capacity to include cleaning, packing, and canning/ bottling areas for: fruits, vegetables and finished products derived from them. They plan to further renovate the facility to expand the produce processing area, purchase efficiency driven equipment, and acquire refrigerated trucks and trailers for the distribution of fruits and vegetables. Also, the plan for the funding is to renovate the current market building to fix the interior ceiling and paint the exterior siding and roof. Plans to fix the barn and build two storage sheds that are temperature controlled and each side of the barn for fruits and vegetables. Also, would like to add an outdoor entertainment area that is beneficial to children and families to use. In addition to the outside space, an additional restaurant and larger kitchen as well a drive through window to increase the ability to serve farm to table goods at a much higher rate.

This company has received funds from the KADF prior the project number was A2019 – 0157. The total was \$18,000 in KADF funds.

The total cost of the project is estimated at \$450,000 with the following sources \$112,500.00 in multiple county funds and \$112,500.00 in matched state funds for a total of \$225,000.00 in total KADF funds.

\$112,500 KADB State Funds

\$105,295 KADB Multi – County Funds

\$ 2,000 Spencer Co Funds

\$ 2,205 Boone Co Funds

\$3,000 Scott Co Funds

\$45,000 PHARM Contribution (Secured)

\$180,000 Laon Local Bank (pending)

PROJECTED PRODUCER IMPACT

The applicant states that several families and farms (across multiple counties) are currently benefiting from selling their goods and produce at their market. With this renovation and expansion plan there will be a projected increase in sales and an increase in total venders and farm partners.

Board Decision:

3/15/2024: P.H.A.R.M., LLC was approved up to \$225,000 in matching multi-county and state funds to expand the existing roadside market and produce processing facilities.



Kentucky Agricultural Development Board approves more than \$1.6 million for projects across the Commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (March 15, 2024) – The Kentucky Agricultural Development Board approved \$1,624,376 for agricultural diversification and rural development projects across the Commonwealth at its monthly board meeting.

“Growing our agricultural products is essential for a healthy economy,” said Commissioner of Agriculture and board chair Jonathan Shell. “The funds approved by the Kentucky Agricultural Development Board allows that growth by focusing on innovative plans and sound businesses. These projects continue to move Kentucky forward.”

County and State Funded Projects

- Calloway County Board of Education was approved up to \$30,000 in Calloway County funds for the construction of a greenhouse at the local high school. For more information, contact Jacob Falwell at jacob.falwell@calloway.kyschools.us.
- Kentucky River Lamb Co. was approved up to \$37,254 in matching multi-county and state funds for the expense of digital marketing. For more information, contact David Jarboe at david.jarboe@kyriverlamb.com.
- Mayfield Downtown Farmers Market with the City of Mayfield was approved up to \$5,000 in Graves County funds and \$250,000 in state funds for the construction of a farmers' market. For more information, contact Kathy O'Nan at konan@mayfieldky.gov.
- P.H.A.R.M., LLC was approved up to \$225,000 in matching multi-county and state funds to expand the existing roadside market and produce processing facilities. For more information, contact Evan Ogburn at eogburn@pharm-cbd.com.

State Programs

On-Farm Energy Efficiency Incentives Program

The On-Farm Energy Efficiency Incentives Program provides incentives for Kentucky farm families to increase the energy efficiency of existing equipment or facilities on the farm.

Six On-Farm Energy Efficiency Incentives Programs were approved by the board in the following counties totaling \$52,200:

- Barren (\$10,150)
- Breckinridge (\$10,150)
- Metcalfe (\$6,150)
- Wayne (\$5,450)
- Wayne (\$10,150)
- Webster (\$10,150)

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 Shelby County was approved by the board totaling \$27,521 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.

Eight CAIPs were approved by the board in the following counties totaling \$881,800:

- Bath (\$253,900)
- Bullitt (\$61,400)
- Estill (\$80,000)
- Madison (\$235,000)
- Montgomery (\$75,000)
- Ohio (\$130,000)
- Owen (\$10,000)
- Taylor (\$36,500)*

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 DARs were approved by the board in the following counties totaling \$25,000:

- Madison (\$10,000)
- Shelby (\$15,000)

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.

Four Shared-Use Equipment Programs were approved by the board in the following counties totaling \$75,601:

- Madison (\$4,350)
- Madison (\$21,225)
- Monroe (\$25,013)
- Monroe (\$25,013)

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

One YAIP in Owen County was approved by the board totaling \$15,000.

All application periods and deadlines for CAIP 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.