

**Governor's Office of Agricultural Policy**

**Kentucky Agricultural Development Fund**

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***Kentucky*** ™

# KY Agricultural Development Fund

## *Overview:*

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- Kentucky Agricultural Development Board and County Agricultural Development Councils (created in 2000 under KRS 248.701-.727)
- KADB oversees distribution of 50% Kentucky's Master Settlement Agreement (MSA) funds (Phase I)
- Investment funds to an array of county, regional, and state projects designed to increase net farm income and create sustainable new farm-based business enterprises

# KY Agricultural Development Fund

More than 3,760 projects

Totaling more than

**\$345,600,000**

Invested in state, regional and county  
projects across the Commonwealth

\*Total as of February 11, 2011



# KY Agricultural Development Fund

## *Board's Investment Philosophy:*

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**The Kentucky Agricultural Development Board (KADB) will invest funds in innovative proposals that:**

- Increase net farm income
- Impact tobacco farmers, tobacco-impacted communities and agriculture across the state
- Stimulate markets for Kentucky's agricultural products
- Find new ways to add value to Kentucky's agricultural products
- Explore new opportunities for Kentucky farms



# KADF Brand & Logo Usage



- Acknowledgement of the Fund
- (Recipient) receives funding from the Kentucky Agricultural Development Fund (KADF) which provides grants to diversify and modernize Kentucky's farm economy
- The Kentucky Agricultural Development Fund, growing Kentucky Agriculture



# Governor's Office of Agricultural Policy

## *Staff*

**15 Staff members**

**Compliance Department:**

Diane Schuler Fleming, General Counsel

Kylee Palmer, Senior Compliance Coordinator



**Project Analysts:**

Christi Marksbury, [ChristiL.Marksbury@ky.gov](mailto:ChristiL.Marksbury@ky.gov)

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# County Agricultural Development Councils

## ***Role of County Council Members:***

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### ***Legislation-***

- Each county shall establish an agricultural development council to:
  - o evaluate the needs of the local agricultural economy
  - o devise a plan for the county that would identify programs best suited for the agricultural development of the county
  - o assist prospective applicants in the council's county in obtaining monies from the agricultural development fund

**KRS 248.701 to KRS 248.727**

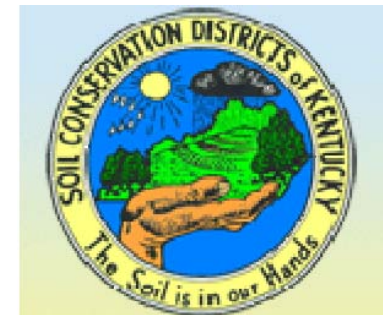


# County Agricultural Development Councils

- Comprised of the following 9 members:
  - 2 members from Farm Service Agency (FSA)
  - 2 members from Soil Conservation District
  - 2 members from County Extension Council
  - 3 at-large members
  - At least 2 young farmers (aged 21-40) and a minority (race or gender) must be represented on the 9 member council



COOPERATIVE EXTENSION



\* Term Limit - members may serve 2 consecutive 2 year terms



# County Agricultural Extension Agent

## *Role of County Extension Agents:*

**Legislation-** “Each council shall be attached to the county cooperative extension service for administrative support” KRS 248.721(3)



COOPERATIVE EXTENSION



# County Agricultural Extension Agent

## *Role of County Extension Agents:*

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- Leadership Development
- Community Engagement
- Promotion and Media
- Accountability
- Communication
- Program Development
- Lead in the development of the county comprehensive plan for agriculture
- Facilitate with County Council Members - Assist with gathering membership information on County Agricultural Development Council
- Link between the GOAP/KADB and the county

COOPERATIVE EXTENSION



# Governor's Office of Agricultural Policy

## *Funding Opportunities*

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- Kentucky Agricultural Finance Corporation
  - Loan programs
- Projects (county &/or state funds)
- Programs (county funds)
- County Agricultural Investment Program (CAIP) (county funds)

## *Other Initiatives*

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- American Recovery & Reinvestment Act of 2009 (ARRA)



# Funding Programs

## *Kentucky Agricultural Finance Corporation*

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### KAFC Staff:

Bill McCloskey, Director of Financial Services  
Cyndi Hall, Financial Records Specialist



### Participation Loan Programs:

- Agricultural Infrastructure Program
- Beginning Farmer Program
- Large/Food Animal Veterinary Program
- Diversification through Entrepreneurship in Agribusiness Program

*Guidelines and eligibility requirements for all KAFC loan programs are available on-line at <http://kafc.ky.gov/>*

### Direct Loan Programs:

- Agricultural Processing Program
- Coordinated Value-added Assistance Program



# KADF Projects

## Project Applications

*Cultivating rural prosperity*



### Kentucky Beef Network

More than \$13.8 million invested

### Kentucky Wine/Grape

#### Industry

More than \$2.4 million invested in state & local projects



**Funds committed:**

**\$164,662,252**

**Projects approved: 851**



### Lan Mark Farm

\$50,000 Agritourism Award

### Kentucky Wool Society

More \$54,000 for development of a patented felting machine



\*Total as of February 11, 2011

**Kentucky** 

# KADF Projects

## Project Applications

*Cultivating rural prosperity*



### Agritourism

More than  
\$2.5 million  
in state and local  
investments



### Kentucky Proud

More than \$10 million invested

**Funds committed:**

**\$164,662,252**

**Projects approved: 851**

**Farmers' Market Development**

More than \$2.4 million invested



\*Total as of February 11, 2011

**Kentucky**

# Funding Opportunities

## *Projects*

- ***2011 Project Application*** (12-month expiration)
- Available in Word document
- Deadline: Last Friday of every month
- KADB makes final decision
- Types: grant & loan (combination of county and state funds)
- Reporting: varies - a detailed letter sent out to all approved project applicants



# GOAP Initiatives

## American Recovery & Reinvestment Act of 2009 (ARRA):

### ➤ On-farm Energy Efficiency & Production Program

- To date, 90 farmers approved for \$739,869 in funding
- 2011 Application Period
  - Postmark deadline - March 11, 2011
  - Applications available on <http://www.agpolicy.ky.gov>
- Approved applicants are eligible for 25% of the total project cost (not to exceed \$10,000)



# GOAP Initiatives

## American Recovery & Reinvestment Act of 2009 (ARRA):

### ➤ On-farm Energy Efficiency & Production Program

- Upgrades to all Applicable Farms
- Energy Efficient Building Components & Renewable Energy Projects
- Professional Fees & Training
- Biomass Energy Crop Production
- Equipment & Infrastructure for On-farm Energy Production

Questions? - Contact Bill McCloskey @ 502.382.6093,  
502.782.1766, or [Billb.McCloskey@ky.gov](mailto:Billb.McCloskey@ky.gov).



# KADF County Programs

- **Farmers' Market Infrastructure Competitive Grant Program**
- Producer Education/Training Program
- Deceased Farm Animal Disposal Assistance Program (DAP)
- Shared-use Equipment Program
- County Agricultural Investment Program (CAIP)



*Kentucky*

# KADF County Programs

## Farmers' Market Infrastructure Competitive Grant Program

*Program created to make \$250,000 in state funds available on a competitive basis to support construction of **new** permanent farmers' market facilities.*

*Funding will be limited to no more than \$25,000 in state funds and KADF (state & county) cannot be more than 50% of the of the project.*

*All applications must be postmarked/returned to GOAP no later than **June 24, 2011**.*

*The KADB will announce recipients of these competitive grants the day of the September 2011 board meeting.*



# KADF County Programs

- Farmers' Market Infrastructure Competitive Grant Program
- **Producer Education/Training Program**
- Deceased Farm Animal Disposal Assistance Program (DAP)
- Shared-use Equipment Program
- County Agricultural Investment Program (CAIP)



*Kentucky* 

# KADF County Programs

## Producer Education/Training Program

Program created to provide up to \$5,000 in county funds, not to exceed half the cost of approved expenditures to provide an education/training program for county producers.

### *Eligible Program Types:*

- o *Farm Safety*
- o *Demonstrations*
- o *Producer Training*
- o *Health Days*



# KADF County Programs

## **Producer Education/Training Program**

**Purpose:** To provide an education/training program for county producers in areas of welding, farm safety or producer health.

**Award Type:** Grant - reimbursement rate of \$1 for \$1 of approved expenses

### **Guidelines:**

- ✓ Complete a 2011 Producer Education/Training Program Application
- ✓ Award shall not exceed \$5,000 (county funds) & impact a minimum of 10 producers within the county

### **Approved Expenses:**

- ✓ Printed Advertisements & Printed Informational Materials
- ✓ Facility Rental
- ✓ Demonstration/Equipment Rental
- ✓ \$20/hour for Certified Teacher/Instructor Fees, not to exceed 50% of their hourly rate
- ✓ Safety/Protective Accessories



# KADF County Programs

- Farmers' Market Infrastructure Competitive Grant Program
- Producer Education/Training Program
- **Deceased Farm Animal Disposal Assistance Program (DAP)**
- Shared-use Equipment Program
- County Agricultural Investment Program (CAIP)



# KADF County Programs

## **Deceased Farm Animal Disposal Assistance Program (DAP)**

*Cultivating environmental stewardship.*

**Purpose:** To serve as an interim measure that facilitates the coordination of environmentally sound and cost effective disposal of deceased livestock for Kentucky producers

**Award Type:** Grant (available July 1, 2010 thru June 30, 2011)

### **Guidelines:**

- ✓ Complete a 2010 DAP Guidelines & Application form
- ✓ Local government agency or the like, serves as administrator
- ✓ Only one request per county considered
- ✓ Award shall not exceed \$7,500 (county funds)
- ✓ No more than 25% of project
- ✓ Producer contribution encouraged
- ✓ Regional programs of two or more counties encouraged

*\*Complete guidelines and program application are available at  
<http://agpolicy.ky.gov/funds/removal.shtml>.*



# KADF County Programs

## Deceased Farm Animal Disposal Assistance Program (DAP)

*Cultivating environmental stewardship.*

**Funds committed:** \$301,361

**County participation:** 40



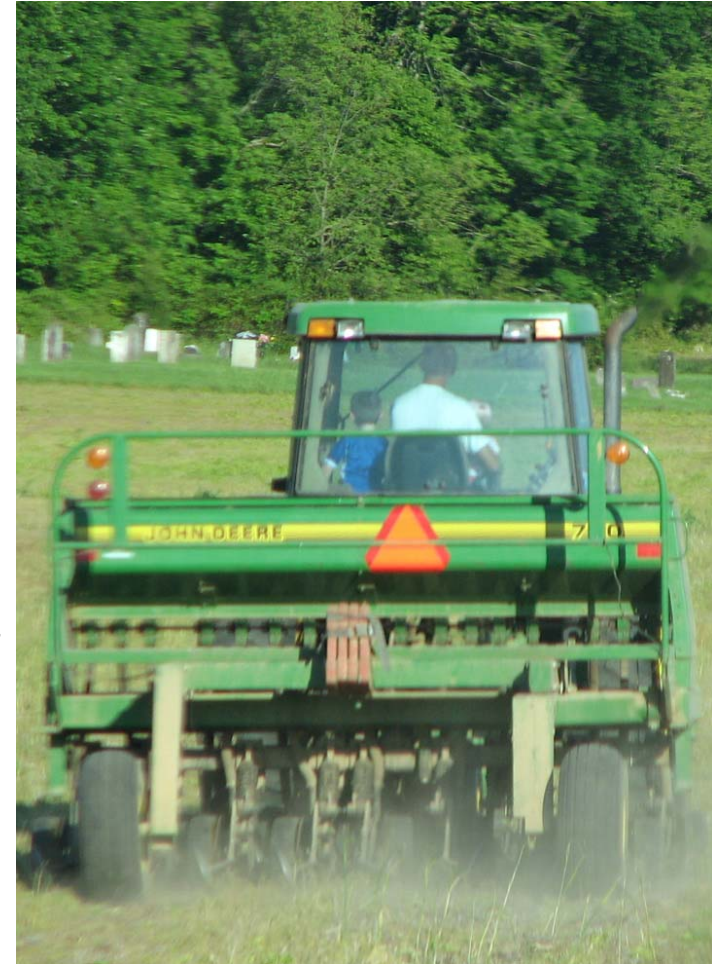
### Composting Demonstration Woodford County

Whole carcass composting project at  
the UK Beef Unit off US 60.

*\*Not a KADF project.*

# KADF County Programs

- Farmers' Market Infrastructure Competitive Grant Program
- Producer Education/Training Program
- Deceased Farm Animal Disposal Assistance Program (DAP)
- **Shared-use Equipment Program**
- County Agricultural Investment Program (CAIP)



# KADF County Programs

## Shared-use Equipment Program

**Funds committed:**

\$1,523,081

**County participation:** 64

**Purpose:** To impact a high number of producers who cannot justify ownership expenses associated with certain equipment by helping them access technology necessary to improve their operations economically.

**Award Type:** Grant

### Guidelines:

- ✓ Complete a 2011 Shared-use Equipment Application
- ✓ Local agency or organization serves as administrator
- ✓ 50/50 match or 75/25 match
- ✓ Rental fees for maintenance, repair and future replacement
- ✓ Equipment must be maintained for five (5) years
- ✓ Eligible equipment included in guidelines
- ✓ Semi-annual reporting required

*\*Complete guidelines and program application are available at  
[http://agpolicy.ky.gov/funds/shared\\_use.shtml](http://agpolicy.ky.gov/funds/shared_use.shtml).*



# KADF County Programs

- Farmers' Market Infrastructure Competitive Grant Program
- Producer Education/Training Program
- Deceased Farm Animal Disposal Assistance Program (DAP)
- Shared-use Equipment Program
- **County Agricultural Investment Program (CAIP)**



# KADF County Programs

## County Agricultural Investment Program (CAIP)

### Investment Areas

- Agricultural Diversification
- Cattle Genetics Improvement
- Cattle Handling
- Commercial Poultry, Dairy, Swine
- Farm Fencing
- Farm Structure & Commodity Handling
- Farmland Improvement & Utilization
- Goat & Sheep Diversification
- On-farm Energy Efficiency & Production
- On-farm Water Enhancement
- Technology [& Leadership Development](#)

**Funds committed:**

**\$36,022,658**

**County participation: 105**



# KADF County Programs

## County Agricultural Investment Program (CAIP)

**Purpose:** To provide farmers with incentives to allow them to improve and diversify their current production practices.

**Award Type:** Cost-share

### Guidelines:

- ✓ Complete a 2011 CAIP Application
- ✓ Local agency or organization serves as administrator
- ✓ 50/50 match or 75/25 match
- ✓ 11 Investment Areas for producers to choose from
- ✓ County Council sets primary, secondary areas – must offer ALL
- ✓ Maximum cost-share \$5,000
- ✓ Producer universal application, producer report
- ✓ Semi-annual reporting required by administrator

*\*Complete guidelines and program application are available at  
<http://agpolicy.ky.gov/funds/caip.shtml>.*



# Governor's Office of Agricultural Policy

Roger Thomas  
Executive Director

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