

The Commonwealth Grows



Volume 13, Special Issue
State Fair 2013



Did you know...?

- There are 85,500 farms in Kentucky with 14 million acres of land.
- Average farm size in Ky. is 164 acres.
- Kentucky ag exports are valued at nearly \$2.5 billion, ranking 20th in the nation
- Kentucky is the largest cattle state east of the Mississippi.

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The Kentucky's Agricultural Development Fund: Helping the Commonwealth Beyond the Farm Gate

Many Kentuckians are aware of tobacco's legacy in the Commonwealth and the landmark settlement in 1998 between the four major tobacco companies and 46 states (commonly referred to as the tobacco settlement or MSA).

However, many do not know about the Kentucky Agricultural Development Fund (KADF), which was born out of the desire to diversify Kentucky's agricultural base, which had been dominated by a single cash crop for nearly a century.

Since its inception in 2001, the KADF has been invested in more than 4,000 projects throughout the Commonwealth, in excess of \$375 million, designed to increase net farm income and create sustainable new farm-based enterprises.

Improving Kentucky's farm economy is all well and good, but you may be asking: *Why should I care about the KADF? It just benefits agriculture doesn't it?*



Project Manager Biff Baker (left) joins KADB members (l to r) Roy Collins, Sam Lawson, Dr. Betty Bailey and Wayne Mattingly for a presentation from Kentucky State University, during the KADB's June meeting.

Actually, many investments made from the KADF benefit all Kentuckians. Here are just a few:

Do you like clean, accessible drinking water?

\$326,000,000 for rural water infrastructure projects

Do you value the environment?

\$105,000,000+ for environmental cost-share through the Division of Conservation

Do you enjoy Kentucky's scenic farmscapes?

\$25,000,000+ for farmland preservation

Do you value education and leadership opportunities for Kentucky's youth?

\$8,400,000 for Kentucky's FFA and 4-H programs and facilities

Are you concerned about having a secure food supply?

\$24,300,000 for improvements to the two animal diagnostic labs in Kentucky

Do you enjoy locally grown foods?

\$10,000,000+ for Kentucky Proud, Kentucky's official farm marketing program

Other facts about the Fund...

The KADF has also supported long-term investments to provide Kentucky farmers access to capital through the Kentucky Agricultural Finance Corporation.

The KADF is comprised of 50% of the state's Tobacco Settlement Funds. Keep reading for more information about KADF programs and investments. ☪

The Boards

Established in 2000, the **Kentucky Agricultural Development Board (KADB)** is charged by statute with administering the Kentucky Agricultural Development Fund.

The Kentucky Agricultural Development Board (KADB) is chaired by Governor Steve Beshear and consists of five statutory members or their designees and 11 appointed members.

Statutory members include the Governor, Commissioner of Agriculture, Economic Development Cabinet Secretary, head of the University of Kentucky Cooperative Extension Service and the president of Kentucky State University.

Appointed members are geographically distributed throughout the Commonwealth and are subject to confirmation by the General Assembly.

Seven of the appointments represent active farmers, of which, at least four are from substantially tobacco-impacted counties and two have experience in agricultural diversification.

The remaining four appointments represent the Kentucky Chamber of Commerce, Kentucky Farm Bureau, an attorney with farm experience and an agricultural lender. ☞

KADB

Steve Beshear, Chair <i>Governor</i>	Pat Henderson <i>Farmer</i>
James Comer, Vice-chair <i>Agriculture Commissioner</i>	Wayne Hunt <i>Farmer, Agribusiness</i>
Sec. Larry Hayes <i>Economic Development</i>	Sam Lawson <i>Chamber of Commerce</i>
Dr. M. Scott Smith <i>Cooperative Extension</i>	Jim Mahan <i>Farmer</i>
Dr. Mary Evans Sias <i>President, KSU</i>	Wayne Mattingly <i>Ag. Lender</i>
Dr. Betty Bailey <i>Farmer</i>	Sam Moore <i>Kentucky Farm Bureau</i>
Roy Collins <i>Attorney</i>	Troy Rankin <i>Farmer</i>
Karen Curtis <i>Farmer</i>	Jim Sidebottom <i>Farmer</i>

KAFC

James Comer Chair <i>Agriculture Commissioner</i>	Lori H. Flanery <i>Finance Secretary</i>
Westy Adams <i>Horticulture</i>	Doug Lawson <i>Lender</i>
George Begley <i>Livestock</i>	Frank McAninch <i>Tobacco</i>
Dr. Kenny Burdine <i>Ag. Economics</i>	Joel Oney <i>Farm Credit</i>
Wayne Hunt <i>Grain Farmer KADB Liaison</i>	Frank A. Penn <i>Equine</i>
	Larry Jagers <i>Dairy</i>



The Kentucky Agricultural Finance Corporation

(KAFC) is chaired by Agriculture Commissioner James Comer and consists of the Secretary of the Finance & Administration Cabinet and 10 members appointed by the Governor.

For the appointed members, two may be officers from a commercial lending institution, one may be an officer from a farm credit association, one may be an agricultural economist and one each shall be a tobacco farmer, a cash grain farmer, a livestock farmer, a dairy farmer, a horticultural farmer and a representative from the equine industry. ☞



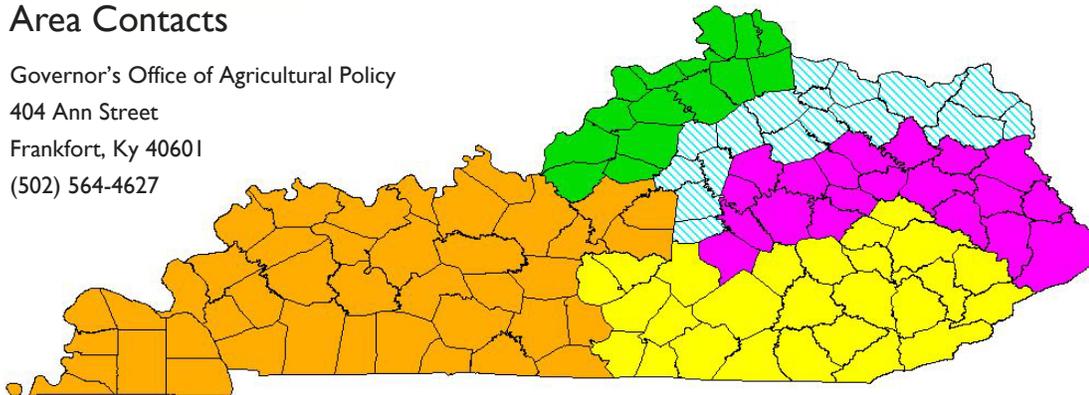
Members of the KAFC bid farewell to retiring board member **Peggy Peterson** at its June meeting.

(Top) The KADB and KAFC hold joint meetings twice a year to discuss topics and issues impacting both groups. July's joint meeting was held at Carter Caves State Park.

The Staff

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PUBLIC NOTICE

The **Application Review Committee** of the Kentucky Agricultural Development Board will convene on the following dates to review applications and pre-applications submitted for funding through the Kentucky Agricultural Development Fund:

Sept. 20 Oct. (TBD)

Nov. 15 Dec. 20

Meetings are at 1 p.m. in the same location as that day's KADB meeting. Check the GOAP calendar at agpolicy.ky.gov 24-hours in advance or call (502) 564-4627 to confirm meeting information.

Upcoming Events

Aug. 29
Field Day & Arboretum Tour
Murray State Arboretum
Contact: (270) 365-7541 ext. 279
carey.grable@uky.edu

Sept. 20-21
Kentucky Wood Expo
Masterson Station Park, Lexington
www.kywoodexpo.com

Oct. 26
KY Proud Incredible Food Show
Lexington Convention Center
(859) 233-3535 or Ticketmaster

Oct. 30
2013 GOAP Conference
Sloan Convention Center
Bowling Green
<http://go.usa.gov/bSPd>

Nov. 4-6
Kentucky Women in Agriculture 14th Annual Conference
Campbell House-Crowne Plaza
Lexington
www.kywomeninag.com/conference.php

Nov. 14-15
Ky. Agricultural Summit: Farming-Stewardship of Our Resources
Marriott East, Louisville
www.kyagcouncil.net/summit/

Recurring Meetings

Tobacco Settlement Legislative Oversight Committee
First Wednesday of the month
www.lrc.ky.gov

Kentucky Agricultural Finance Corporation
First Friday of the month
kafc.ky.gov

Kentucky Agricultural Development Board
Third Friday of the month
agpolicy.ky.gov

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CONFERENCE**HOTEL INFO**

**Holiday Inn
University Plaza**

(270) 745-0088

Code: GOV

To guarantee that you receive the special rate of \$99 plus tax, make your reservations by **Sept. 28, 2013.**



For more information about CCK, visit www.thecenterforcourageouskids.org.

For more information about the Governor's Garden initiative, visit governorsgarden.ky.gov.

Follow the First Lady on Facebook at <http://on.fb.me/17B7g6e>.

2013 GOAP Conference

The 2013 GOAP Conference is an opportunity for agricultural leaders and others to gather and exchange ideas, while learning about opportunities created by the Kentucky Agricultural Development Fund programs and the Kentucky Agricultural Finance loan programs.

This year's conference will incorporate the Tobacco Settlement Fund Legislative Oversight Committee, so the agriculture community can witness a legislative committee meeting first hand. We will also welcome USDA Deputy Secretary Michael Scuse, as our featured speaker.

Additionally, the conference will include a tradeshow; Kentucky product samples; policy and program updates; and an awards luncheon recognizing those who have exemplified outstanding leadership through the Kentucky Agricultural Development Fund and its programs.

For information about registration, contact Sandra Gardner at 502-782-1759. For more event information, contact Angela Blank at 502-782-1769.

When: Wednesday, October 30, 2013

Where: Sloan Convention Center, Bowling Green

Cost: \$40, on or before September 6; \$55, afterwards

Governor's Garden Initiative Is Growing

In 2009, First Lady Jane Beshear partnered with several government, education and agricultural organizations to launch Kentucky's first Governor's Garden on the grounds of Berry Hill Mansion, just a short distance from the Kentucky State Capitol. Mrs. Beshear launched the Governor's Garden initiative to promote awareness about the benefits of locally grown produce and reducing Kentucky's carbon footprint.

Since that time the Governor's Garden initiative has grown to include six locations across the Commonwealth. The most recent location was dedicated by Mrs. Beshear at the Center for Courageous Kids (CCK) in Scottsville.

"Gardening is an exceptional way to teach children math, agriculture, healthy eating and the importance of environmental responsibility," said Mrs. Beshear. "Maintaining a garden also gives young people a strong sense of responsibility and the satisfaction growing and cultivating their own food from start to finish. I'm so thrilled that the children at CCK have their own Governor's Garden and hope they will enjoy it for many years to come."



CCK is a world class medical camp that serves children and families from across the country that are living with a variety of medical challenges, free of charge. The camp is open year round and can host up to 120 children at a time. CCK's hematology, oncology and rheumatology campers were on-site for today's dedication.

"We are tremendously honored that the First Lady designated the Center for Courageous Kids' campus as one of only six locations across the state for the prestigious Governor's Garden," said CCK's Executive Director Roger Murtie. ☺



GOVERNOR'S OFFICE OF AGRICULTURAL POLICY

2013 GOAP Conference

Wednesday, October 30

Sloan Convention Center, Bowling Green



Please mark all that apply:

- County Council Member
- Extension Agent
- Lender
- Univ./Govt. Employee
- Program Administrator
- Farmer
- Legislator
- ADB/KAFC Fund Recipient

Please fill out the following information:

(For event use only, this information will not be distributed to others.)

(Circle one) Mr. / Mrs. / Ms. / Miss / Dr.

Name: _____ **Organization:** _____
(If applicable)

Street Address: _____

City: _____ **State:** _____ **Zip Code:** _____ **County:** _____

Phone: (____) _____ **Fax:** (____) _____ **Email:** _____ @ _____

Web Address: _____
(If applicable)

Awards Luncheon:

To recognize those who have been important to the agricultural development process, there will be an awards luncheon, during the conference. The Awards Luncheon is included in your registration fee.

Registration Fee:

Early Registration - \$ 40.00 <i>(by Sept.6, 2013)</i>		Mail Registration & Payment to: Sandy Gardner, Registration Coordinator Governor's Office of Agricultural Policy 404 Ann Street Frankfort, Kentucky 40601 Or register on-line at agpolicy.ky.gov.
Late Registration - \$ 55.00 <i>(after Sept. 6, 2013)</i>		
Total Due: <i>No Refunds</i>		

Method of Payment:

Please make checks/money orders payable to "Kentucky State Treasurer." To pay with a credit card see *on-line registration form at agpolicy.ky.gov.*

Early Registration Due by Friday, Sept. 6

Late Registration Due Wednesday, Oct. 23 to guarantee materials and Awards Luncheon ticket

Registration will be accepted at the door, but we cannot guarantee a space for lunch for those who register on-site. Even if lunch is not available registrants are still responsible for the late registration fee.



Beef Industry
More than \$60 million in state, county funds invested



Kentucky Proud
More than \$10 million in state funds invested



Farmers' Markets
More than \$2.4 million in state, county funds invested

Funding Opportunities

The mission of the KADB is to invest the KADF in innovative proposals that increase net farm income and effect tobacco farmers, tobacco-impacted communities and agriculture across the state by stimulating markets for Kentucky agricultural products, finding new ways to add value to Kentucky agricultural products, and exploring new opportunities for Kentucky farms.

County Agricultural Investment Program (CAIP)

Purpose: To provide farmers with incentives to allow them to improve and diversify their farm operations through a local agency or organization that serves as administrator

Award Types: Cost-share (up to \$5,000)

Funds Committed: \$75,993,255

Counties Participating: 107

Deceased Farm Animal Removal Program (DAR)

Purpose: To facilitate environmentally sound and cost-effective disposal of deceased livestock for Kentucky producers through a local organization that serves as administrator

Award Types: Grant (up to \$7,500)

Funds Committed: \$554,001

Counties Participating: 48

Farmers' Market Competitive Grant Program

Purpose: To provide local farmers' markets access to state funds for the construction or expansion of permanent market facilities, as well as additional resources that may be needed

Award Types: Grant (50% of project)

Funds Committed: \$181,383

Counties Participating: 9

On-Farm Energy Efficiency & Production Incentives Program

Purpose: To provide incentives to increase energy efficiency or renewable fuel production on Kentucky farms

Award Types: Grant (50% of project; up to \$15,000)

Funds Committed: \$2,106,857
237 farmers in 46 counties

Shared-Use Equipment Program

Purpose: To help farmers access technology necessary to improve their operations through a local agency or organization that serves as administrator

Award Types: Grant

Funds Committed: \$2,106,857

Counties Participating: 69

Project Applications

Purpose: To provide access to state and county funds for statewide, regional and county projects that fit outside the standardized programs

Award Types: Grants, loans

Funds committed: \$194,000,708

Projects Approved: 984

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

Agriculture Loans

The following are five participation loan programs available where KAFC partners with a local lender to provide financing. The annual interest rate for all four loan programs is **2%**. Maximum loan amounts cannot exceed 50 percent of the total project cost. Information about other programs and complete guidelines for these programs are available at kafc.ky.gov.

Agricultural Infrastructure Loan Program (AILP)

Max. Loan: \$150,000 with tobacco dependence \$100,000 without

Eligible Loans: Limited to structural improvements that enhance the farm's profitability

Commitments: \$19,687,670
Loans Approved: 296

Beginning Farmer Loan Program (BFLP)

Max. Loan: \$250,000

Eligible Loans: Livestock, equipment, facilities, permanent working capital, farm real estate, partnership investment

Commitments: \$14,609,907
Loans Approved: 116

Diversification through Entrepreneurship in Agribusiness Loan Program (DEAL)

Max Loan: \$100,000

Eligible Loans: Equipment, facilities, permanent working capital, partnership investment

Commitments: \$347,500
Loans Approved: 4

Large/Food Animal Veterinary Loan Program (Vet)

Max. Loan: \$100,000

Eligible Loans: Capital assets, large animal equipment, partnership investment, permanent working capital

Commitments: \$879,253
Loans Approved: 10

New Agricultural Enterprise Loan Program (NAEL)

Purpose: To provide loans for Kentucky farming operations as they enter into a new agriculture enterprise to supply a market opportunity created by an agribusiness expansion

Max. Loan: \$250,000

Eligible Loans: Equipment, facilities, livestock, permanent working capital, partnership investment, farm real estate

Commitments: \$250,000
Loans Approved: 1



Capital Access

More than \$54 million in state funds and interest earned committed through KAFC loan programs



The Kentucky Agricultural Finance Corporation is supported in part by the Kentucky Agricultural Development Fund.

*Complete guidelines and loan applications are available at <http://kafc.ky.gov/programs.shtml>.

**Amounts are as of end of fiscal year 2013 (June 30, 2013).





Growing Kentucky Agriculture



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Spare a Tree



E-mail sandra.gardner@ky.gov to receive this newsletter by e-mail.

Photo (left, cover): Kentucky Office of Creative Services, Franklin County Farmers' Market

CWG Spotlight Update...Since August 2012, television and radio commercials have been sharing stories of Kentucky Farm Families: Feeding Kentucky; Feeding the World. In the last 12 months, more than 46,000 commercials ran on airways across the Commonwealth, including prime viewing hours.

This excellent coverage for Kentucky agriculture was made possible through the Kentucky Broadcasters Association's Public Education Program. With a more than 600% return on investment, this program has allowed us, along with our partner organizations, to stretch our investment and provide consumers a first-hand look at Kentucky farm families and how they care about what they do and the products they create.

Kentucky Farm Families

Feeding Kentucky, Feeding the World

Thank you to all who have made Kentucky's historic agricultural diversification effort possible through the Kentucky Agricultural Development Fund.

Since 2001, more than \$400 million has been invested in projects and programs across the Commonwealth to increase net farm income and strengthen Kentucky's agricultural and rural economies.

