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|  | <b>Ky. Agricultural Development Fund</b>  |
|   | <p><b>Background/Overview:</b></p> <ul style="list-style-type: none"><li>▪ Est. April 26, 2000 with 50% of Kentucky’s Master Settlement Agreement (MSA) Funds</li><li>▪ Administered by the Kentucky Agricultural Development Board (KADB)</li><li>▪ Staffed by the Governor’s Office of Agricultural Policy (GOAP)</li></ul> |
|  | <p>Grant and Loan Programs 2015<br/>2</p>   |



**Ky. Agricultural Development Fund**

**Investment Philosophy:**

The KADB will make investments 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; and
- Explore new opportunities for Kentucky farms.



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**Ky. Agricultural Development Fund**

More than 4,900 projects

Totaling more than

**\$425,000,000**



Invested in state, regional and county projects across the Commonwealth



\*Total as of November 2014  
Grant and Loan Programs 2015  
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## Area Contacts

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### GOAP Area Contacts

Governor's Office of Agricultural Policy  
404 Ann Street  
Frankfort, KY 40601  
(502) 564-4627  
(502) 564-8990 [fax]  
agpolicy.ky.gov



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|--|---|--|--|
|  Bill McCloskey<br>BillB.McCloskey@ky.gov |  Joel Neaveill, Joel.Neaveill@ky.gov |  Angela Blank, AngelaG.Blank@ky.gov |  Sandy Gardner, Sandra.Gardner@ky.gov |
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## Contact Information

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County Programs Manager:

Tammy Miller  
(502) 782-1762  
[tammysue.miller@ky.gov](mailto:tammysue.miller@ky.gov)  
*CAIP, Shared-Use Equipment,  
Deceased Farm Animal Removal*

Project Managers:

Biff Baker  
(502) 782-1760  
[biff.baker@ky.gov](mailto:biff.baker@ky.gov)

Luther Hughes  
(502) 782-1763  
[luther.hughes@ky.gov](mailto:luther.hughes@ky.gov)

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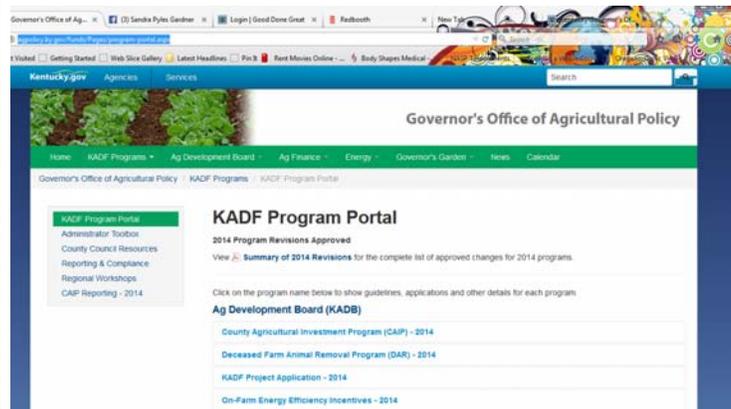


## KADF Opportunities

- KADF project grants, loans
- On-Farm Energy Incentives
- Kentucky Agricultural Finance Corporation low-interest loans
- County Agricultural Investment Program
- Deceased Farm Animal Removal Program (DAR)
- Shared-Use Equipment Program



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## KADF Opportunities

### KADF Program Portal

<http://agpolicy.ky.gov/funds/Pages/program-portal.aspx>



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## KADF Investments

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*Project Applications*



**Kentucky Proud**  
More than \$13 million invested



**Agritourism**  
More than \$2.5 million in state and local investments






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## KADF Investments

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*Project Applications*

**Leadership Development**  
More than \$5.4 million invested




4-H: \$2.2 million      FFA: \$2.2 million



Ky. Agriculture Leadership Program: \$1 million



**Farmers' Market Development**  
More than \$2.4 million invested



**Kentucky Center for Agriculture & Rural Development**  
More than \$2.6 million for technical assistance, since 2001



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## KADF Investments

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### *Project Applications*



**Kentucky Wine/Grape Industry**  
More than \$2.4 million invested in state & local projects



**Beef Cattle**  
Nearly \$60 million state and county invested



**Kentucky Wool Society**  
patented felting machine development

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## KADF Opportunities

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### On-Farm Energy Efficiency & Production Program

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

**Award Type:** grant (<http://ag-energy.ky.gov>)

**Guidelines:** **For 2015 - 50% of project, up to \$10,000**  
 Complete an "On-Farm Energy Application"  
 Energy efficiency upgrades, renewable energy production  
 Third-party energy audit or assessment required  
 Eligible investments included in guidelines  
 Lifetime maximum is \$25,000  
**2015 Deadlines:** March 27; July 31

**Contact:** Angie Justice, (502) 564-4627  
 Bill McCloskey, (502) 782-1766

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## KAFC Programs



### *Kentucky Agricultural Finance Corporation (KAFC)*

**Purpose:** to provide low-interest access to capital for agricultural diversification and infrastructure projects

**Award Type:** loan (participation, direct)

**Programs:** Agricultural Infrastructure  
 Beginning Farmer  
 Diversification through Entrepreneurship in Agribusiness  
 Large/Food Animal Veterinarian  
  
 Agricultural Processing



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## KAFC Programs



### Agricultural Infrastructure Loans (AILP)

- 2% interest
- \$100,000 / \$150,000 max. award, based on tobacco dependency
- Variety of commodity facilities, equipment storage, fencing, etc.
- Up to 15-year term
- 20% of gross income must come from farming

*Building the future of Kentucky agriculture.*



Tim Turney,  
Woodford Co.



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## KAFC Programs



### Beginning Farmer Loans (BFLP)

- 2% interest, requires bank participation
- \$250,000 maximum award / no more than 50% of project\*
- Livestock, equipment, agricultural facilities, working capital, real estate, farm business buy-in
- Three-year business plan required
- Mentor

*\*Additionally, not to exceed 50% of the outstanding debt held by the participating lender for the applicant at loan closing*



Caleb Ragland, LaRue Co.

*Helping beginning farmers achieve their dreams.*



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## KAFC Programs



### Diversification through Entrepreneurship in Agribusiness Loans (DEAL)

to assist entry level agri-entrepreneurs with the establishment or purchase into a business that provides agricultural products or services to other producers

- 2% interest, requires bank participation
- \$100,000 maximum award / up to 50% of project\*
- Start up ventures may require feasibility study
- Three-year business plan required
- Mentor
- Refinancing of existing debt ineligible

*\*Additionally, not to exceed 50% of the outstanding debt held by the participating lender for the applicant at loan closing*



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## KAFC Programs



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**Agricultural Processing Loan Program**

to provide loan opportunities to companies and individuals in Kentucky interested in Agricultural Processing

- 2% interest, projects under \$1 million require bank participation
- \$150,000 maximum award / up to 50% of project
- Start up ventures may require feasibility study
- Three-year business plan required
- Project must be located on property in Kentucky
- Operating or refinancing of existing debt are ineligible



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## KAFC Programs

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**Contacts:**

Bill McCloskey  
 Director of Financial Services  
[BillB.McCloskey@ky.gov](mailto:BillB.McCloskey@ky.gov)  
 (502) 564-4627

Beth Herbert  
 Loan Programs Coordinator  
[Beth.Herbert@ky.gov](mailto:Beth.Herbert@ky.gov)  
 (502) 782-1764



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## KADF Programs

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### *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 CAIP Application  
 Local agency or organization serves as administrator  
 50/50 match  
 10 Investment Areas to choose from  
 County Council sets primary, secondary areas  
 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>.



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## KADF Programs

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### *County Agricultural Investment Program (CAIP)*

#### 2015 Investment Areas

1. Agricultural Diversification (horticulture, aquaculture, timber)
2. Animal, Large (beef, dairy, equine)
3. Animal, Small (goats, sheep, swine, bees, rabbits)
4. Farm Infrastructure (hay, straw & commodity storage; greenhouses; livestock, equine & poultry facilities; on-farm composting)
5. Fencing & On-Farm Water
6. Forage & Grain Improvement
7. On-farm Energy
8. Poultry & Other Fowl
9. Technology & Leadership Development
10. Value-Added & Marketing





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|  | <h2>KADF Programs</h2>  |
|   | <p><b><i>Deceased Farm Animal Removal Program (DAR)</i></b></p> <p><b>Purpose:</b> to serve as an interim measure that facilitates the coordination of environmentally sound and cost effective disposal of deceased livestock for Kentucky producers</p> <p><b>Award Type:</b> grant</p> <p><b>Guidelines:</b> Complete a “DAR Guidelines &amp; Application” form<br/>                     Local government agency or the like, serves as administrator<br/>                     Only one request per county considered<br/>                     Maximum award - \$7,500<br/>                     Producer contribution encouraged<br/>                     Regional programs of two or more counties encouraged</p> |
| <p>Grant and Loan Programs 2015<br/>23</p>  |   |

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|  | <h2>KADF Programs</h2>   |
|   | <p><b><i>Shared-use Equipment Program</i></b></p> <p><b>Purpose:</b> 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.</p> <p><b>Award Type:</b> grant</p> <p><b>Guidelines:</b> Local agency or organization serves as administrator<br/>                     Complete a “Shared-Use Equipment Application”<br/>                     50/50 match<br/>                     Rental fees for maintenance, repair and future replacement<br/>                     Equipment must be maintained for five (5) years<br/>                     Eligible equipment included in guidelines<br/>                     Semi-annual reporting required</p> |
| <p>Grant and Loan Programs 2015<br/>24</p>  |  |



## Coming Soon!

# Online Application Submission Portal

Spring  
2015





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## Governor's Garden Program

### *Commonwealth Garden Initiative*

**Purpose:** to encourage Kentucky businesses, schools, organizations and communities to cultivate and maintain their own gardens

**Award Type:** designation & support (non-monetary)

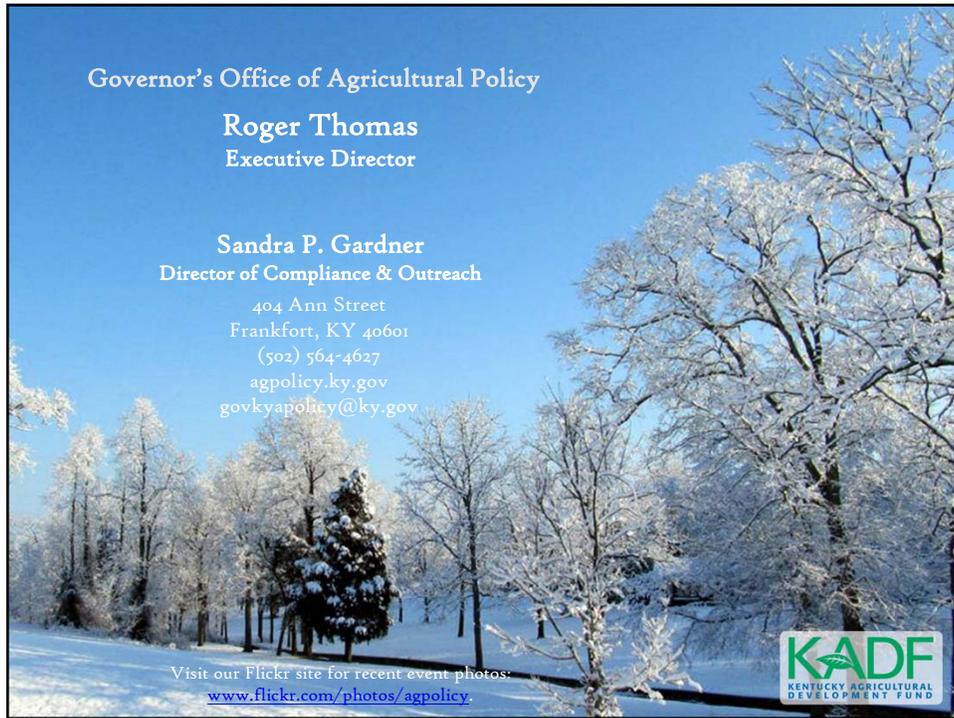
- variety of seeds for up to 1500 sq. ft. space
- site visits from garden project manager
- signage

**Guidelines:** Agree to engage the local cooperative extension service for at least one consultation to review garden site  
Have one active volunteer obtain GAP training;  
Have specific plan for donating a portion of the produce

Complete guidelines and applications will be available soon for 2015







Governor's Office of Agricultural Policy

**Roger Thomas**  
Executive Director

**Sandra P. Gardner**  
Director of Compliance & Outreach

404 Ann Street  
Frankfort, KY 40601  
(502) 564-4627  
agpolicy.ky.gov  
govkyapolicy@ky.gov

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