



	Ky. Agricultural Development Fund
	<p>Background/Overview:</p> <ul style="list-style-type: none">▪ Est. April 26, 2000 with 50% of Kentucky's Master Settlement Agreement (MSA) Funds▪ Administered by the Kentucky Agricultural Development Board (KADB)▪ Staffed by the Governor's Office of Agricultural Policy (GOAP)▪ Investment funds to an array of county, regional & state projects designed to increase net farm income & create sustainable business enterprises <p>County Agricultural Development Council Orientation 2012-2014</p> <p>2</p>



Ky. Agricultural Development Fund

One Voice, One Accord

- Tells the story of the creation of the Kentucky Agricultural Development Fund
- Shows why the KADF is important to Kentucky's farmers & rural communities
- *Marks the 10-year anniversary of the KADF*
- To view video:
<http://agpolicy.ky.gov/news-center.shtml>

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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 4,500 projects

Totaling more than

\$400,000,000

Invested in state, regional and county projects across the Commonwealth



*Total as of March 2013

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County Agricultural Development Councils

Legislation

Each county shall establish an agricultural development council

- to evaluate the needs of the local agricultural economy;
- to devise a plan for the county that would identify programs best suited for the agricultural development of the county; and
- to assist prospective applicants in the council's county in obtaining monies from the agricultural development fund.

KRS 248.701 to KRS 248.727



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County Agricultural Development Councils

County Council Membership:

- 2 farmers representing Farm Service Agency
- 2 members representing Soil Conservation District
- 2 members representing county extension council
- 3 at-large members (*elected by the above 6*)
- At least 2 young farmers (aged 21-40) and a minority (race or gender) must be represented on the nine member council

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County Agricultural Development Councils

Responsibilities:

- Maintain the “County Comprehensive Plan for Agriculture” that outlines the needs of the local agricultural community including the current strengths and deficiencies
- Hold formal meetings as needed with a quorum (at least 5 of the 9 members)
- Notify public of council meetings
- Evaluate ALL applications submitted to the council, requesting county funds
This does not include individual applications for CAIP.

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County Agricultural Development Councils

Responsibilities (cont.):

- Hold a council meeting within 60-days of receiving an application for county funds to act upon and assign a priority (high/low)
- Include reason for low priority
- Forward priority sheet with a minimum of 5 signatures to GOAP
- Rank investment areas for CAIP
- Consider additional question(s) for CAIP
- Attach conflict of interest letter(s)
- Include meeting minutes with priority sheet

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County Administrative Funds

- Counties with \$20,000 or more in annual allocation may request up to 4% of the county's annual allocation for costs incurred in the administration of the Council – maximum of \$15,000.

Eligible uses of administrative funds for the council:

- General office supplies/postage for related correspondence
- Travel /registration fees to attend workshops, KADF conference, etc.
- Costs incurred in seeking out innovative projects
- Costs for holding public forums for revision of county plan

These funds are not for the administration of county programs or other non-KADF related activities.

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Role of County Extension Agent

- Facilitate with county council members – assist with gathering information for county councils
- Lead in the development & update of the “County’s Comprehensive Plan for Agriculture”
- Leadership development
- Community engagement
- Promotion & media
- Accountability
- Communication
- Program Development

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Role of Area Contact

- Is the primary contact and resource for designated area
- Works closely with Program Coordinator & Project Manager
- Maintains communication on behalf of GOAP and follows up promptly on inquiries from the area
- Attends county council and other meetings in area, as needed
- Attends county and regional events to represent GOAP

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Area Contacts

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



<p> Bill McCloskey BillB.McCloskey@ky.gov</p>	<p> Joel Neaveill, Joel.Neaveill@ky.gov</p> <p> Angela Blank, AngelaG.Blank@ky.gov</p> <p> Sandy Gardner, Sandra.Gardner@ky.gov</p> <p> Bryan Thomas, Bryan.Thomas@ky.gov</p>
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Role of Program Coordinator

- Manages all program applications submitted
- Evaluates program applications and verifies that state guidelines are met
- Follows-up with applicants if documentation missing or unclear
- Is the point-of-contact for program specific questions
- Coordinates with Area Contacts on any issues in their areas
- Assists compliance department in resolving issues with county programs

Program Coordinator: Tammy Brookshier
(502) 782-1762
tammy.brookshier@ky.gov

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Role of Project Manager

- Evaluates all project applications for completeness, viability and sustainability
- Works with applicants to gather information to help the board in their funding decisions
- Follows-up with applicants if documentation missing or unclear
- Point-of-contact for project specific questions
- Coordinates with Area Contacts on any area issues
- Assists compliance department in resolving issues with projects

Project Manager: Biff Baker
(502) 782-1760
biff.baker@ky.gov

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DEVELOPMENT FUND

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KADF Opportunities

- Kentucky Agricultural Finance Corporation low-interest loans
- On-Farm Energy Incentives
- KADF project grants, loans
- Farmers' Market Competitive Program
- Deceased Farm Animal Removal Program (DAR)
- Shared-use Equipment program
- County Agricultural Investment Program (CAIP)

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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 (AILP)
 Beginning Farmer (BFLP)
 Diversification through Entrepreneurship in Agribusiness (DEAL)
 Large/Food Animal Veterinarian (VET)
 New Agricultural Enterprise (NAEL)

Agricultural Processing
 Coordinated Value-added

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



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KAFC Programs

Agricultural Infrastructure Loans (AILP)

- 2% interest, requires bank participation
- \$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

New Agriculture Enterprise Loans (NAEL)

to provide loans for Kentucky farming operations as they enter into a new enterprise to supply market opportunity created by an Agribusiness expansion

- 2% interest, requires bank participation
- \$250,000 maximum award / up to 50% of project*
- 20% of gross income must come from farming
- Submit documentation from expanding business showing the plans for growth & the need for Kentucky product
- Refinancing of existing debt ineligible

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KAFC Programs

Contacts:

Bill McCloskey
 Director of Financial Services
BillB.McCloskey@ky.gov
 (502) 782-1766

Cyndi Hall
 Loan Programs Manager
CyndiL.Hall@ky.gov
 (502) 782-1764

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KADF Investments

On-Farm Energy Efficiency & Production Program

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

Award Type: grant

Guidelines: 50% of project, up to \$15,000
 Complete an “On-Farm Energy Application”
 For energy efficiency upgrades and renewable energy production
 Third-party energy audit or assessment required
 Eligible investments included in guidelines
 Quarterly deadlines (next deadline: April 26)

Contact: Angie Justice, (502) 782-1765
 Bill McCloskey, (502) 782-1766

*Complete guidelines and program application are available at <http://ag-energy.ky.gov/>.




KADF Investments

Project Applications



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

Award Types: grants, loans

Guidelines: Complete a Project Application
 County fund requests - must be prioritized by all counties from where funds have been requested
 Requests for state funds are encouraged to seek county contributions
 Reporting, as outlined in legal agreement

*Complete guidelines and project application are available at <http://agpolicy.ky.gov/application>.

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KADF Investments

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 Programs

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 Programs

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 Investments

Farmers' Market Competitive Grant Program

Purpose: to provide an opportunity for local farmers' markets to access state ADF for the construction of permanent facilities for their markets or the expansion of existing markets, as well as market resources

Award Type: competitive grant (May 31 and Oct. 25 deadlines)

Guidelines: Complete a "Farmers' Market Competitive Grant" app. 50/50 match (State & county funds cannot exceed 50%)
Applications scored, ranked
Construction of permanent facility or expansion
Marketing, community outreach, vendor development and training (excluding personnel) added for 2013
Eligible investments included in guidelines
Semi-annual reporting required

*Complete guidelines and program application are available at http://agpolicy.ky.gov/funds/award_programs_farmersmarkets.shtml.

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KADF Investments

Deceased Farm Animal Removal Program (DAR)

Purpose: to serve as a measure that facilitates the coordination of environmentally sound and cost effective disposal of deceased livestock for Kentucky producers

Award Type: grant

Guidelines: Complete a “DAR Guidelines & Application” form
 Local government agency or the like, serves as administrator
 Only one request per county considered
 Maximum award - \$7,500
 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>.

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KADF Investments

Shared-use Equipment Program

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: Local agency or organization serves as administrator
 Complete a “Shared-Use Equipment Application”
 50/50 match or 75/25 match (KADF/Applicant)
 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.

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KADF 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 2013 CAIP Application
 Local agency or organization serves as administrator
 50/50 match or 75/25 match (CAIP funds/Producer)
 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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Reorganization of Investment Areas

County Agricultural Investment Program (CAIP) 2013 Investment Areas

1. Agricultural Diversification (horticulture, aquaculture, timber)
2. Large Animal (beef, dairy, equine)
3. Small Animal (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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* Document available showing the movement of specific enterprises within the new investment areas

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GOAP Services

Upcoming Events in Agriculture

- Weekly Distribution: media outlets, state public information officers, extension, legislators, commodity organizations and others with ag interest
- Events needed no later than the Thursday, one week before the event
- Agriculture-related events listed, as space allows
- Projects receiving KADF take preference
- Information needed
 - Date, time
 - Location
 - Title of Event
 - Contact info
 - Brief description (reserve right to edit for length)

Web Resource Listing

- Currently under revision – partner orgs., KADF fund recipients
- Send web address (URL) to sandra.gardner@ky.gov

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Save the Date!



**Registration Available
Summer 2013**

agpolicy.ky.gov

Conference Contact:
Angela Blank
angelag.blank@ky.gov
502-564-4627

Governor's Office of Agricultural Policy

2013 Conference

October 30

Sloan Convention Center
Bowling Green

This is an opportunity for county council members, extension agents, program administrators, agricultural leaders, legislators and others to share ideas, learn about new policies, discuss programs and share their support for the Kentucky Agricultural Development Fund.

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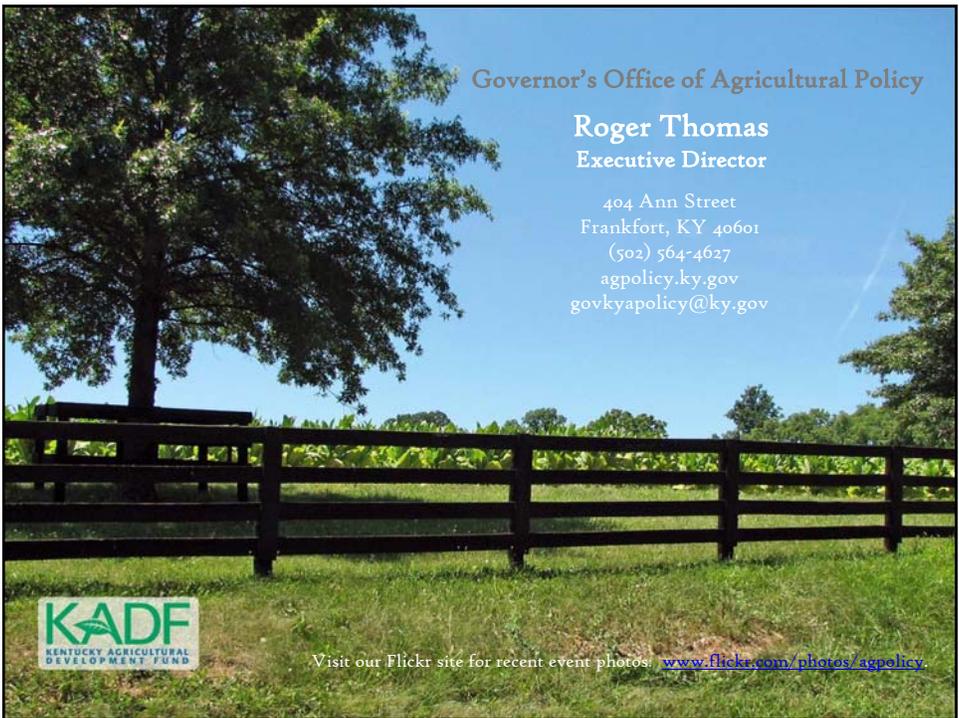
Thank you!

The County Council serves a vital role in the Agricultural Development Fund process.

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Governor's Office of Agricultural Policy

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