



CAIP Investment Area Guidelines: FARM INFRASTRUCTURE (2017)

The **County Agricultural Investment Program (CAIP)** offers 10 investment areas that give Kentucky agricultural producers the ability to increase net farm income, add value to their products, and diversify their operation.

Questions concerning these guidelines should be directed to the Governor's Office of Agricultural Policy at (502) 564-4627. Applications to administer CAIP must be directed through the local County Agricultural Development Council(s).

Funded participants shall adhere to all local, state, and federal rules and regulations.

Investment Area Prerequisites:

- Recipients of Agricultural Development Funds are required to retain ownership of facilities and equipment for at least five years.
- Producers shall retain adequate insurance coverage to replace any and all capital improvement/equipment projects funded with Kentucky Agricultural Development Funds.

Investment Area Limitations:

- Eligible equipment does not include purchase of construction or drilling equipment.

A. Farm Storage Facilities

Eligible Cost-Share Items:

1. Materials and construction of permanent shed, pole barn or Quonset hut (hoop structure) type storage facility for hay, straw, whole grain, farm animal feed, or farm equipment
2. Materials necessary to convert/retrofit existing structures for the sole purpose of hay, straw, whole grain, farm animal feed, or farm equipment storage
3. Purchase of new or used grain or feed bin
4. Repair, upgrade or modernization of existing grain or feed bins
5. Repair, upgrade or modernization of drying and handling equipment to increase efficiency, improve quality and/or add value to the grain
6. Documented, hired labor
7. Contracted site preparation and equipment rental

B. Greenhouse Construction / Conversion

Eligible Cost-Share Items:

1. Cooling and heating systems (fans, vents, heaters, motors, shade cloth, cooling pads, etc.)
2. Automatic irrigation systems
3. Benches, tables, rails
4. Hydroponic growing systems and components
5. Greenhouse materials (plastic, glass, wood or metal)
6. Documented, hired labor
7. Contracted site preparation and equipment rental

C. Livestock, Equine & Poultry Facilities

Eligible Cost-Share Items:

1. Renovation of existing barns into appropriate facilities for either livestock, equine or poultry production
2. Construction, including site preparation, of new facilities appropriate for either livestock, equine or poultry production
3. Documented, hired labor
4. Contracted site preparation and equipment rental

Exclusions / Limitations:

- Poultry producers applying for litter storage/composting buildings – Producers receiving funds through the Conservation District for litter facilities are not eligible to receive cost-share for the same.

D. On-Farm Composting

Prerequisites:

- All composting sites shall be in compliance with KAR 302 20:052 before funds will be disbursed.
- Producers shall provide a picture of the site for documentation prior to receiving funds.

Eligible Cost-Share Items:

1. Materials to create impermeable surface (e.g. concrete, soil-cement)
2. Contracted site preparation
3. Documented, hired labor
4. Equipment rental

Exclusions / Limitations:

- Producers that have been approved for cost-share assistance by the Kentucky Division of Conservation for “KWP8 - On-Farm Fallen Animal Composting” are not eligible.
- This section is for the on-farm composting of dead farm animals. It is not intended for personal or garden composting sites.