These guidelines represent one of 11 investment areas within the County Agricultural Investment Program (CAIP) to provide Kentucky agricultural producers cost-share assistance on practices that increase net farm income and opportunities to try new/innovative technologies or systems that improve farm efficiency and productivity.

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

Investment Area Prerequisites:

- Recipients of Kentucky 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.
- Personal or family labor is not eligible for reimbursement

A. Farm Storage Facilities

Eligible Cost-Share Items:

1. Materials and construction of permanent structures, such as a shed, pole barn or Quonset hut (hoop structure) for storage of hay, straw, whole grain, farm animal feed, or farm equipment
2. Materials necessary to convert/retrofit existing structures, including barn additions, for storage of hay, straw, whole grain, farm animal feed, or farm equipment
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 see also Investment Area Limitations
7. Contracted site preparation and equipment rental
8. Tarps, ropes and tie downs for hay storage
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. Water storage tanks, gutters for water collection & diversion
4. Benches, tables, rails
5. Hydroponic growing systems and components
6. Greenhouse materials (plastic, glass, wood or metal)
7. Documented, hired labor see also Investment Area Limitations
8. 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 see also Investment Area Limitations
4. Contracted site preparation and equipment rental

**Exclusions / Limitations:**
- Poultry producers applying for litter storage/composting buildings – Producers receiving ‘State Cost-Share Program’\(^1\) fundsthrough the Conservation District for litter facilities are not eligible to receive cost-share through this program for the same.

D. On-Farm Composting

**Prerequisites:**
- All composting sites shall be in compliance with KAR 302 20:052 before funds are 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 and equipment rental
3. Documented, hired labor see also Investment Area Limitations

**Exclusions / Limitations:**
- Producers that have been approved for funding by the Kentucky Division of Conservation through the Conservation District 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.

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\(^1\) ‘State Cost-Share Program’ – common name for the Kentucky Soil Erosion and Water Quality Cost-Share Program