



Kentucky Cooperator

Volume 10, Issue 1

KCARD launches Agribusiness Grant Facilitation Program

The Kentucky Center for Agriculture and Rural Development (KCARD) is launching a new service to farmers and rural businesses in 2012, the Agribusiness Grant Facilitation Program.

In working with Kentucky's entrepreneurs, KCARD staff identified a need for greater information about grant opportunities to be provided to their small business clients. Prospective applicants were finding out about funding opportunities too late in the process to be able to put together a competitive application, and the process for applying is complicated, deterring many. Funded by the Kentucky Ag Development Board, the new Agribusiness Grant Facilitation Program is designed to help agricultural producers and rural businesses in Kentucky learn about, apply for, and receive funding available through numerous programs.

KCARD has named Aleta Botts as coordinator for the new Agribusiness Grant Facilitation Program. Botts has almost ten years of experience working on agriculture issues at the federal level, most recently as a policy staffer for the US House of Representatives Committee on Agriculture.



KCARD worked with Kenny's Farmhouse Cheese to prepare the business plan for their 2011 VAPG application.

As the coordinator for the Agribusiness Grant Facilitation Program, Botts will be helping connect Kentucky producers and agricultural businesses with funding resources.

"Kentucky is blessed with so many great entrepreneurs doing innovative projects. Unfortunately, many deserving projects do not receive funds from rural development programs simply because a lot of prospective applicants do not know about the programs or do not think they have the time to navigate the process," explained Botts. "Through this Grant Facilitation Program, we can help people stay informed on funding opportunities and walk them through the maze for filling out good applications."

Botts will first be focusing on identifying available grant and loan resources, bringing these resources to the attention of applicants in

continued on page 3

The 2012 Grant Issue

Executive
Directors
Report.....2

Farmer
Incentives.....2

USDA Grants....3

KCARD Client
Update: 2011
USDA VAPG.....4

Board Spotlight:
Jeff Jones.....5

Save the Date

**KCARD Spring
Board Meeting**

Apr. 26, 2012

Value-Added Grants

This issue of the Kentucky Co-operator focuses on grant opportunities for Kentucky's agribusinesses. KCARD staff works daily with agricultural entrepreneurs, groups and agribusinesses that have some very promising business ideas to create new businesses or to improve or grow an existing business. Capital or funds to launch the new business or to expand their current business at some point enters the discussion and often becomes a key factor in going forward with the business idea. In the past KCARD could help clients identify funding opportunities such as grants, low interest loans, and other resources and give them information as to where they could learn more about them. Beyond initially supplying good information for the funding opportunity that might be available, KCARD did not have sufficient staff or resources to help clients through the process of taking full advantage of the opportunity.

Thanks to the funding support of the Kentucky Agricultural Development Board, KCARD is launching a new service to farmers and rural agribusinesses, the Agribusiness Grant Facilitation Program. The program is designed to help agricultural producers and rural businesses in

Kentucky learn about, apply for, and receive funding available through numerous grant and loan programs. KCARD has named Aleta Botts as coordinator for the new Agribusiness Grant Facilitation Program. Aleta grew up on a farm in Kentucky and has recently returned home after almost ten years of experience in working on agriculture issues at the federal level, most recently as a policy staffer for the U.S. House of Representatives committee on agriculture. KCARD has every confidence that it has chosen the right individual to lead the program and feels we were very fortunate to find a person with Aleta's abilities and experience. Aleta can be contacted by email at botts@growkentuckyag.com or by phone 859-951-8328.

KCARD has high hopes that the Agribusiness Grant Facilitation Program will benefit many agricultural entrepreneurs across Kentucky this year. It should show quantifiable benefits to Kentucky producers and make a real difference in our ability to together to grow Kentucky agriculture going forward.

We encourage you to contact Aleta Botts or any of the KCARD staff to learn how the Agribusiness Grant Facilitation Program might benefit you.

Farmer Incentives to Go Green

The Governor's Office of Agriculture Policy has announced the availability of \$2 million in Kentucky Agricultural Development Funds (KADF) for on-farm energy efficiency or production projects.

Guidelines for the KADB's new On-farm Energy Efficiency & Production Incentives Program are now available online at <http://ag-energy.ky.gov>.



Board

President

Dennis Cannon

KY Association of Rural Electric Cooperatives

Vice President

Bill Green

Aquaculture/Nursery Cooperatives

Secretary

Derrick Waggoner
CoBank

Treasurer

Mickey Miller

KY Council of Cooperatives

Debra Chaney

Chaney's Dairy Barn

Jeff Dabbelt

Lexington Farmers' Market

Mark Haney

Kentucky Farm Bureau

Bruce Harper

KY Department of Agriculture

Dave Maples

Kentucky Cattlemen's Association

Roger Thomas

KY Governor's Office of Agriculture Policy

Lionel Williamson

UK College of Agriculture

Ex-Officio Members

Jeff Jones

USDA Office of Community Development

Tim Woods

UK College of Ag

Grant Facilitation *cont...*

Kentucky, and helping applicants better understand the programs' requirements. She also looks forward to working with grant writers in the state to help them connect with interested applicants.

One of the first tasks undertaken for the program was the development of a website that would show up-to-date information about funding opportunities and help people understand for what programs they are eligible. Growkentuckyag.com will provide farmers and businesses facts about programs and serve as a central clearinghouse for information that might be helpful for entities looking for such funding opportunities.

"Helping Kentucky's agricultural and rural businesses enhance their economic opportunities

has always been a major part of KCARD's mission," explained Larry Snell, KCARD's Executive Director. "By expanding KCARD's services to include grant facilitation, we hope to see more agricultural and rural businesses leveraging additional resources to enhance their ability to be profitable."

As a statewide organization, KCARD works with rural businesses and agribusinesses across the Commonwealth to provide specialized assistance increasing the chances for success. Along with the new Agribusiness Grant Facilitation Program, KCARD provides a range of services to their clients including strategic planning, business management, operations analysis, record-keeping development, cost analysis, and on-site business consultations.

For more information visit www.growkentuckyag.com

USDA Grants to Consider for 2012

The deadlines for these programs have not been announced yet, but they are expected as early as late February 2012. Begin planning now.

USDA Value Added Producer Grant

For producers and producer cooperatives adding value to their agricultural product.

Eligible applicants include: Independent producers, farmer cooperatives, agricultural producer groups, and majority-controlled producer-based businesses.

Grants may fund planning activities or working capital for marketing value-added agricultural products and for farm-based renewable energy. Planning grants can be used for feasibility studies, business plans, marketing plans and legal evaluations. Working capital grants can be used to purchase inventory or office equipment, pay salaries, utilities and office rent; pay legal or accounting costs; conduct marketing campaigns; or pay for branding and packaging material.

The Farmers Market Promotion Program

For associations, producer cooperatives, non-profits, communities engaging in producer-to-consumer direct marketing. Individuals are not eligible to apply.

FMPP invests in direct marketing with support for: advertising & promotion; bringing local farm products into federal nutrition programs; consumer education; equipment purchase, transportation & delivery; agri-tourism; waste management & green technologies; training farmers in business planning, record keeping and rules & regulations; and market start-up, expansion & strategic planning.

Grant awards are limited to \$100,000, with a minimum award of \$5,000. Matching funds are not required. Projects must be completed within 24 months.

2011 USDA Value-Added Grants

USDA Deputy Secretary Kathleen Merrigan announced in early February that nine Kentucky agribusiness will receive business development assistance in the most recent round of Value-Added Producer Grants (VAPG).

The VAPG program provides competitive grants to individual independent agricultural producers, groups of independent producers, producer-controlled entities, and farmer or rancher cooperatives to create or develop value-added producer-owned businesses.

“Helping small businesses grow is vital to the economic success of rural communities,” said Tom Fern, Kentucky State Director for Rural Development. “The VAPG funds announced last week will offer Kentucky agribusiness owners the tools to create, expand and improve their business operations and provide them the means and opportunity to create and retain jobs.”

The Kentucky business re-



Stone Cross Farm owners Patrick and Leeta Kennedy began working with KCARD when they were developing their Cloverdale Creamery products in 2008.



Ann Karsner and her husband Bob of Horseshoe Bend Vineyard & Winery turned to KCARD for assistance with the VAPG planning.

ceiving grants include: Evans Orchard and Cider Mill in Georgetown; Freshwater Fish in Ledbetter; Horseshoe Bend Vineyards in Willisburg; Kendall Clark Farms in Crofton; Kenny’s Farmhouse Cheese in Austin; Ky Hydro Farms in Benton, KY Sheep and Goat Development Office; Meat Hook Butcher Shop in La-Grange; and Stone Cross Farm in Taylorsville.

“KCARD worked with six agribusinesses last year providing assistance in their application for VAPGs,” said Larry Snell, Executive Director of the Kentucky Center for Agriculture and Rural Development (KCARD). “I was pleased that all six of the clients that KCARD worked with to apply for VAPG funds were successful.”

VAPG grants may be used to fund business and marketing plans and feasibility studies or to acquire working capital to operate a value-added business venture or alliance.

Patrick and Leeta Kennedy of Stone Cross Farm will use the

funds to increase production and marketing efforts for their Cloverdale Creamery aged raw cow’s milk cheese. KCARD prepared a feasibility study and business plan for the business.

Evans Orchard and Cider Mill will use the funds to increase production and enter new markets with their Evans Orchard cider, apple pies, and jellies. KCARD prepared a business plan for Kevan and Jenny Evans, the father and daughter team that run the orchard.

Horseshoe Bend Vineyard and Winery owners Bob and Ann Karsner intend to utilize the grant funds to increase production and marketing of wine. KCARD consulted with the Karsner’s to answer questions and help them understand what is required for a competitive VAPG application.

Kenny’s Farmhouse Cheese will utilize the grant funds to increase production and marketing efforts for their farmstead cheese. KCARD assisted Kenny and Beverly Mattingly in drafting a business plan and identifying a grant writer for the project.

Kentucky Hydro in Benton will use the funds to increase production and marketing of their “Living Lettuce”. KCARD made Matt Wyatt and the team at Kentucky Hydro aware of the grant opportunity, worked with them to understand the

Jeff Jones

Jeff Jones, Program Director for the USDA Office of Commodity Development in Kentucky, has served as an ex-officio member of the KCARD board since the organization was formed in 2001.

"I remember the early discussions in the agriculture community on the need to create an entity that would provide the services KCARD does today," said Jones. "It was important to all those involved that we create an organization that would stand on its own."

After more than ten years of providing business planning and technical assistance to hundreds of farmers and rural businesses across the Commonwealth, Jones believes that KCARD has gone beyond the original goals of those that came together to create the organization.

"You never hear people say KCARD is a division of KDA, the Governor's Office, or USDA. No entity takes credit for KCARD either," explained Jones. "While individuals from these and other organizations came together to create the framework, it has been Larry and the team at KCARD that have made the organization what it is today."

Jones believes that the secret to KCARD's success is the diversity of the KCARD team and their ability to work with and provide assistance to a wide range of rural and agriculture businesses. He also commends the KCARD team for their ongoing efforts to help Kentucky farmers and business capture opportunities through USDA grant programs such as the Value-Added Producer Grants and the Energy grants.



Jeff Jones represents the USDA Office of Community Development on the board.

"It is great to have a partner in the field that can help us identify potential candidates for the programs, and also provide the guidance many farmers and small businesses need to complete their applications," said Jones. "KCARD's team has a tough job. The fact that they have been recognized as one of the best centers in the nation multiple years, I think that really goes to show the quality of the service they provide to Kentucky's rural community."

USDA VAPG *cont...*

requirements and matched them up with a grant writer.

"We are already working with Kentucky's USDA Rural Development team to identify applicants for the 2012 funding cycle," said Snell. "We encourage any agribusiness that is interested in

applying for a VAPG in 2012 to begin working now on the application."

To see the entire list of the 2011 VAPG recipients and to learn more about VAPG program visit the USDA Rural Development's web site at <http://www.rurdev.usda.gov>.

Grant News

Horticulture Ad Cost-share

The Horticulture Advertising Cost Share Program assists Kentucky producers of horticulture products to market their products through cost-share reimbursement on 50% of advertising costs that meet program criteria up to \$2,000.

The selling of Kentucky-grown horticultural products must be the focus of the advertising and promotional efforts. Participants must be members of the Kentucky Proud program.

For more information about the cost-share program, contact the KY Department of Agriculture at (502) 564-4983.

REAP

The Rural Energy for America Program (REAP) deadline for the producer and small business programs is coming up on March 30.

If you are considering making improvements to enhance energy efficiency or have been wanting to secure more of your operation's energy from renewable sources, this program may work well for you.

One of the steps for filling out a Rural Energy for America Program application for energy efficiency improvements is an energy audit or assessment. Find a couple of resources for energy audits at the REAP page <http://www.growkentuckyag.com/programs/reap.html>.

Go to www.growkentuckyag.com for more grant updates!

*Kentucky Center for
Agriculture and Rural
Development fosters
growth by developing and
delivering technical
assistance and by providing
Business Advisory services
for agricultural and
rural businesses seeking
to enhance their
economic opportunities
in and around the
Commonwealth of Kentucky.*



KCARD Staff

Larry Snell, Executive Director
Brent Lackey, Business Development Specialist
Nathan Routt, Business Development Specialist
Rich Laing, Business Development Specialist
Thelma Davis, Staff Assistant

To learn more about KCARD visit our web site at
www.kcard.info

The Kentucky Center for Agriculture and Rural Development does not discriminate on the basis of race, color, national origin, sex, religion, age, or disability in employment or the provision of services. Reasonable accommodations are provided upon request.



KY Center for Agriculture & Rural Development
411 Ring Road
Elizabethtown, KY 42701

