

2021 CAIP Investment Area Guidelines: FARM INFRASTRUCTURE



*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 for any construction or renovations listed above
see also Investment Area Limitations
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. 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)

B. Greenhouse Construction / Conversion (cont.)

7. Documented, hired labor for any construction or renovations listed above
see also Investment Area Limitations
8. Contracted site preparation and equipment rental

Note: See *Value-Added & Marketing Investment Area* section “E. Food Safety” for construction/renovation related to Food Safety Modernization Act (FSMA) Compliance.

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 for any construction or renovations listed above
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 funds through the Conservation District for litter facilities are not eligible to receive cost-share through this program for the same.

D. On-Farm Animal Disposal

Prerequisites:

- All composting sites shall be in compliance with KAR 302 20:052 before funds are disbursed.
- All incinerator sites shall follow environmental performance standards, as specified in KAR 401 47:30 Section 10, and must register with the Division for Air Quality. Contact the Division of Compliance Assistance for help with this: Dereck Bozzell, branch manager, 502-782-6324.
- Producers shall provide a picture of the site or incinerator 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 for any construction or renovations listed above
see also Investment Area Limitations
4. Incinerator for on-farm disposal of livestock or poultry

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/incineration of dead farm animals. It is not intended for personal or garden composting/incineration sites. It is also not for commercial waste operations.

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