

For Immediate Release

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Kentucky Agricultural Development Board Announces Application Process, Farmland Preservation Effort

The Kentucky Agricultural Development Board, chaired by Governor Paul Patton, today took significant steps toward the development of a new farm economy for the Commonwealth. The board approved the initial version of its Near-Term Plan for Kentucky Agricultural Development. The Board also voted to utilize the Rural Development Bond Fund to support farmland preservation efforts across the Commonwealth.

The Board was created during the 2000 legislative session to oversee the use of half of Kentucky's receipts from the tobacco settlement for the purpose of agricultural development. Over \$180 million was set aside in the Kentucky Agricultural Development Fund for investment in various programs and projects designed to further diversify and develop Kentucky's tobacco-dependent farm economy. Over \$50 million is earmarked to individual counties on the basis of their tobacco dependence. The state board will have discretion on the use of approximately \$70 million over the course of the biennium.

In today's action, the Board approved the initial version of its plan for using these resources. The plan included the Board's initial priority areas for investment and a request for proposals to address those priority areas. The application packet was also approved and will be made available through the Governor's Office of Agricultural Policy beginning December 6 at www.kyagpolicy.com. Application packets will also be made available to the County Agricultural Development Councils who are charged with overseeing the use of funds set aside for counties.

The Board's other significant action was its approval of a plan to invest \$25 million from the Rural Development Bond Fund in statewide and local farmland preservation efforts. \$10 million was set aside for use by the Purchase of Agricultural Conservation Easements Board to continue their statewide purchases of conservation easements. These easements pay farmland owners the difference between the agricultural value and the development value of their lands in exchange for an easement keeping the land in agricultural production into perpetuity. \$15 million was set aside for Fayette County's Purchase of Development Rights program, a locally run effort designed to preserve farmland in the same methods as the PACE program.

The Fayette County decision accomplished two critically important tasks. First, the investment will supplement \$25 million from the Fayette County government to provide an adequate foundation for an effective farmland preservation program. Fayette County, revered around the world for its uniquely blended urban and rural landscapes, represents an asset enjoyed by the entire Commonwealth. Today's board action will help to ensure that this landscape survives threats from urban and suburban sprawl. Secondly, the Fayette County plan represents a viable model for locally administered farmland preservation programs that could be applied to any county in the state with prime farmland under threat from development.

The Agricultural Development Board will meet again on December 15 in the Kentucky History Center.