

# Southern Ohio Agricultural and Community Development Foundation

## Fiscal Year 2010 Annual Report



*“Our Mission is to help create and enhance economic opportunities for Ohio's tobacco farm families and rural communities.”*

Don Branson  
Executive Director

# Southern Ohio Agricultural and Community Development Foundation

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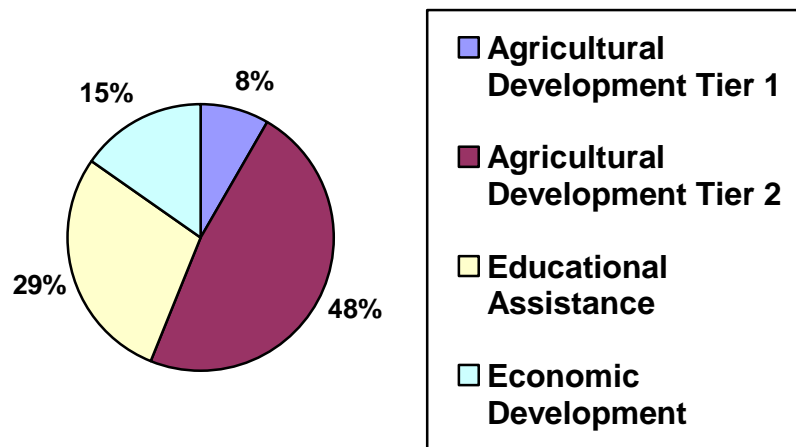
The Southern Ohio Agricultural and Community Development Foundation (SOACDF) is an organization created by the 123rd Ohio General Assembly under the Amended Sub. S.B. 192. The Foundation is charged by the Ohio Legislature with providing agricultural and economic assistance to southern Ohio's tobacco counties. The emphasis of these efforts is to replace the production of tobacco in southern Ohio with other agricultural products as well as to mitigate the adverse economic impact of reduced tobacco production in the region.

***In fiscal year 2010, the Southern Ohio Agricultural and Community Development Foundation's efforts have resulted in total direct investments that exceed \$9.85 million for the twenty-two traditional tobacco producing counties of Southern Ohio.***

Three primary programs have been implemented to improve farming profitability, strengthen local economic development efforts, and provide educational assistance within the twenty-two counties of Southern Ohio where the Foundation operates. These program investments are designed as follows:

- **Educational Assistance** – To provide education and training assistance to tobacco growers and their eligible dependents to help them make the transition out of tobacco production.
- **Economic Development** – To make strategic investments in communities that have been affected by the reduction in tobacco quota.
- **Agricultural Development** – To increase the variety, quantity, and value of agricultural products other than tobacco.
  - **Tier 1** – Projects requesting up to \$5000 reimbursement
  - **Tier 2** – Projects requesting between \$5001 - \$25,000 reimbursement

***The SOACDF directly invested \$4.1 million into the state's economy*** through these four programs. These investments were matched by over \$5.7 million of cost-share investments by recipients of these awards by the SOACDF. The following chart shows how these investments were made.



## Educational Assistance Program

*Nearly \$1.25 million invested in educational assistance for 419 applicants.*

For the academic year 2009-10 the SOACDF administered the \$1.25 million invested into the Educational Assistance Program for tobacco growers and quota owners, their spouses and immediate dependents.

The Educational Assistance Program assists tobacco farmers who have suffered the economic impact of reductions in quota. Through the educational assistance, these farmers and their dependents are able to acquire the skills necessary to transition to new or supplemental income generating occupations. The funds also help put their dependents through college with financial support that can no longer be solely derived from the growing of tobacco. *This program provides up to \$3,250 in educational assistance per person* for eligible tobacco growers, their spouses and immediate family dependents.



New for the 2009 – 2010 school year the Southern Ohio Agricultural and Community Development Foundation offered the Educational Excellence Competitive Grant Program. This program for undergraduate students pursuing an associate's or bachelor's degree awarded a one-time amount of up to \$7,500 towards the cost of tuition, on campus room and board and books. Four of these grants were designated to go to a student majoring in agriculture. From more than 70 exceptional applicants, the committee awarded 11 Educational Excellence grants to students attending 6 different schools.

*“The Educational Excellence Program, made possible by SOADCF, has made the stressful responsibility of funding college almost non-existent. I for the first time during my four year undergraduate career, have been able to shift my complete focus to academic and college opportunities, such as a research assistant position I was able to acquire, focusing on agricultural economics. Without this generous program I would've never been able to fully take advantage of all the possibilities that college has to offer. With that being said, the Educational Excellence Program has changed my life and instilled a principle of generosity, which I hope to pass to the upcoming generations, as my elder generation has done for me.”*

Roger Hauke  
Brown County

## Economic Development Program

*Total investments exceeding \$3 million supported thirteen economic development program awards. These projects created 37 new jobs.*



*Actual economic development project investments*

The economic development program provides grants for projects that will create, retain or expand jobs opportunities for residents in the Burley tobacco producing counties of Southern Ohio. The SOACDF invested over \$600,000 that was cost-shared up to 35% of the total project cost. In fact, an additional \$2.5 million dollars were invested by applicants as their cost share component for the economic development projects. These investments are used for capital improvements and technology infrastructure that foster job creation and retention.

*“The overall response of the customers has been nothing but positive. With the improvements we have made in the grain facility, it has given the farmer a “new place to sell their grain.” Trupointe (formerly Southwest Landmark) will be able to continue its contribution to the vitality of the area through agriculture, and will inevitably have a positive impact on the agricultural community and regional economy.”*

Steve Johnson  
Branch Manager  
Trupointe Cooperative  
Brown County



*Actual economic development project investments*

*“In 2010, I realized a long-time dream of expansion, thanks in large part to SOACDF’s grant dollars. With my business “bursting at the seams”, growth was not optional, it was mandatory. This program allowed me to begin and complete my project several years ahead of schedule. The investment that SOACDF has made into both Gallia County and my own business only strengthens my already deep interest in the economic growth of rural Ohio.”*

Tammi E. Brabham  
Owner  
Brabham Family Enterprises, Inc.  
Gallia County

## Agricultural Development Tier 1 Program

*In fiscal year 2010 total investments exceeding \$700,000 supported 81 Agricultural Development Tier 1 program awards.*

The agricultural development tier 1 program assists burley tobacco farmers by increasing the variety, quantity, and value of agricultural products other than tobacco. This cost share program provides up to \$5,000 matching funds for capital investments necessary for diversification and development. The tier 1 program provides smaller farming operations and producers with smaller development projects an opportunity to leverage several dollars.



*Actual agricultural development tier 1 project investments*

*“With the approval of my tier 1 project I was able to purchase a used round hay baler. This baler has helped my farming operation by speeding up the hay making process. It has reduced my hay loss by about 35%. This was accomplished by having a tighter and more uniform roll therefore not allowing water to deteriorate the hay rolls. By having more quality hay to feed, I was also able to reduce my supplementary feed bill. With these cost savings actions, I can pursue my goal of increasing my beef cattle herd and making my farming operation more profitable and very manageable.”*

**Rachel Faye Mefford**  
Adams County



*Actual agricultural development tier 1 project investments*

*“I was awarded funding for 2000 feet of woven wire fence and two replacement heifers. After expanding my Limousin herd to 18, I quickly need a bull/weaning pen. I feel fortunate to have been awarded cost share to resolve this problem. It has allowed me to secure the bull, increase the size of my pasture, decrease vet costs and maintain a highly productive herd.”*

Don Burroughs  
Clermont County



*“The Foundation grants have allowed us to diversify into more berry production thus allowing us to have different, more non traditional, types of farm income.”*

Jeff Fowler  
Gallia County

## Agricultural Development Tier 2 Program

*In fiscal year 2010, total investments exceeding \$4 million supported 90 Agricultural Development Tier 2 program awards.*



*Actual Agricultural Development Tier 2 project investments*

The agricultural development tier 2 program assists burley tobacco farmers by increasing the variety, quantity, and value of agricultural products other than tobacco. This cost share program provides up to \$25,000 matching funds for capital investments necessary for diversification and development.

The SOACDF invested over \$1.9 million that were cost-shared up to a maximum of 50% for the total investment into the twenty-two tobacco producing counties of Ohio. These investments occur in four general categories:

- Expansion and revitalization of an existing agriculture enterprise.
- Diversification into a new agricultural enterprise.
- Commercial agribusiness.
- Marketing/ processing of value added agriculture.

Because the agricultural development program is such a highly competitive process only 47 percent of the applications were funded. Project applications are reviewed and ranked by a committee based on a formula of cost-share funds committed and the quality of the business plan for the proposed diversification project.

The SOACDF collaborates with the Ohio State University South Centers Business Development Network to provide confidential one-on-one business planning assistance as well as training events to assist applicants in their efforts related to diversification. In 2009-2010 the Ohio State University staff provided one-on-one assistance to 54 farmers in the development of their business plan, marketing feasibility, and financial analysis related to their application for this program. Several collaborations have been integral to program success. The County Farm Service Agencies certify participant eligibility, while the Natural Resources Conservation Service ensures applicable projects meet environmental and conservation specifications.



*Actual agricultural development tier 2 project investments*

*“After being awarded the agricultural development grant, our farming operation has been transformed into a more productive business. With assistance from the grant we have remodeled the existing feed bunk and silo system. Another silo has been converted to grain storage and has given the operation more flexibility using different marketing strategies. The original corral system was completely dilapidated and now has been re-designed and repaired to smooth operational condition. Throughout all of these advancements, we have created a facility that is more accommodating for backgrounding cattle. We have created more space for equipment and greater cattle capacities. This grant has opened up new avenues for marketing products that were never possible before. Our farm has been renewed to maximize profits and diversify our operation.”*

Luke Rhonemus  
Adams County

*“The four wheel drive tractor and rotary mower were used to mow more than 300 acres of hill pasture, some twice, this past summer. An improved forage program (drilling and clipping) is important to the success of our livestock operation. The larger four wheel drive tractor will allow us to get this done in a timelier and safer fashion.”*

George Fuller  
Lawrence County



*Actual agricultural development tier 2 project investments*

*“The new hay equipment helped us make more than 1000 round bales of hay during the summer of 2010. The net wrap process is much faster than our former twine system. Extra bales, not needed for our cows, will be easier to sell and move with net wrap. Overall we are very pleased with the project!”*

Tom Jones  
Jackson County

*“With the help of the SOACDF Agricultural Development funds, I was able to purchase a newer JD 9560 combine. My goals, when considering this project, included improved fuel efficiency, reduced field time during harvest, less soil compaction, improved grain quality and the ability to increase the scope of my operation. I am pleased to report that all of my goals were met or exceeded. Fuel consumption for my enterprise has been reduced by 40%, harvest time has been cut by one-third and there is virtually no dock damage or “dirty” grain at the elevator. In addition, repairs for the newer combine have been very minimal, resulting in significant savings. The overall improvement in operating efficiency has enabled me to increase my net farm income as a result, I have increased the scope of my enterprise by 15% the first year alone.”*

Jerry Crum  
Highland County



*Actual agricultural development project investments*

*“I was able to store 80 bales of hay in the completed hay storage building constructed with the assistance of the SOACDF program. The tractor with 4 wheel drive and enclosed cab has enabled me to move the hay with more efficiency and ease even in frigid conditions.”*

Sam Shirey  
Scioto County

The following quote from a Clermont County farmer captures the magnitude of the Foundation's impact on Southern Ohio.

*"Several years ago the first "pilot projects" for the General Agricultural Program were announced. I almost did not apply, since I thought they would go only to a few farmers who were skilled grant writers or could hire it done. Wrong! Each year, several hundred farmers from most of Ohio's southern counties and I have received partial cost share reimbursements for approved projects to help improve, maintain, and expand our farming operations.*

*Instead of buying fertilizer, lime and chemicals for growing tobacco, we were able to buy similar materials from the same local businesses to increase pasture, hay and crop production, as well as purchase fence building supplies and livestock handling equipment. This program has enabled us to expand our beef cattle operations and also to improve the genetics of our beef herds.*

*SOACDF programs for tuition grants in my area have helped farm kids go to college, a teacher's aide to get her teaching credentials, a full-time farmer to learn embryo transfer skills, several other farmers to learn welding skills, computer skills and artificial insemination techniques.*

*Where farmers do not have the skills, equipment or time to build fence, pour concrete, convert tobacco barns to hay storage or livestock barns, other farmers have expanded their part-time construction work to help out. All of this helps to keep dollars flowing in southern Ohio's former tobacco counties. Much of southern Ohio land is more suited for small acreage specialty crops and livestock.*

*I have been on Boards of Education and on a county Board of Health for 24 years; I have seen millions of dollars of "Public Money" spent. I have not seen money used as efficiently, wisely and productively as money spent through the SOACDF. It should be a model for how to get the most cents per dollar to the people and businesses and purposes the program was intended to help.*

*How can anyone who claims to believe in the small family farm miss this unique opportunity to support continued funding for SOACDF? I think it is by far the best community development program. It seems only fitting, proper and economically sound that SOACDF continue to be funded at levels that would maintain or improve the rural economies of southern Ohio."*

Carlos Hamilton  
40+ year resident and farm owner/operator  
Clermont County, Ohio

For additional information, contact the Southern Ohio Agricultural and Community Development Foundation at 937-393-2700 or on the web at [www.soacdf.net](http://www.soacdf.net).