



**TO: MAYOR LINDA GORTON
URBAN COUNTY COUNCIL**

**FROM: KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER**

DATE: MAY 11, 2023

**SUBJECT: ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH BLUEGRASS AGTECH
DEVELOPMENT CORP**

REQUEST:

Authorization to execute a Grant Agreement with Bluegrass Agtech Development Corp, in the amount of \$1,000,000, for a public private partnership to help establish Lexington-Fayette County as an innovation hub for agriculture technology. Funding will be for start-up costs as well as challenge grants for businesses to improve agriculture technology.

REASON FOR REQUEST:

The Bluegrass Agtech Development Corp was founded as non-profit corporation in 2022. The founding partners of the organization were Lexington-Fayette Urban County Government, Kentucky Department of Agriculture, University of Kentucky, and Alltech. The corporation was formed to help further build the innovation ecosystem for entrepreneurs and startups within the ag-tech sector.

The \$1,000,000 grant from Lexington-Fayette Urban County Government was approved as part of the FY2023 budget and will go toward operational and startup expenses and business challenge grants. Up to fifty percent of the funds may be use toward startup and operational expenses, with the remaining funds being used for challenge grants for businesses and/or organizations based in Lexington-Fayette County to encourage increased development of the ag-tech sector economy in Lexington-Fayette County.

The Kentucky Ag Development Board (KADB) has also approved \$1,000,000 in funding for the Bluegrass Agtech Development Corp. The funding from KADB is required to provide challenge grants on a



statewide basis for businesses and/or organizations for the development of the ag-tech economy across the Commonwealth of Kentucky.

WHAT IS THE COST IN THIS BUDGET YEAR AND FUTURE BUDGET YEARS?

The cost for this FY is: \$1,000,000

The cost for future FY is: N/A

ARE THE FUNDS BUDGETED?

The funds are budgeted.

Account Number: 1101-900116-0001-71101

DIRECTOR/COMMISSIONER: Kevin Atkins

