



**N.C. Department of Agriculture & Consumer Services**  
**N.C. ADFP Trust Fund**  
*Requests for Proposal Guidelines for Agricultural Development Projects*



## **Overview**

### ***Purpose***

According to the American Farmland Trust, North Carolina is the second-most threatened state for farmland loss in the United States. According to a 2020 American Farmland Trust study, 732,000 acres of agricultural land in North Carolina were converted from 2001 to 2016. This conversion was the second-most of all the states in the country. In an American Farmland Trust study from 2022, North Carolina was projected to lose the second-most acres of farmland in the United States by the year 2040.

Addressing this critical loss of farmland requires innovative projects that strengthen farming communities. The NC Agricultural Development and Farmland Preservation (ADFP) Trust Fund advances this mission by using competitive grants to promote profitable and sustainable family farms through assistance to farmers in developing and implementing plans to produce food, fiber, and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculturally related business activities. The Agricultural Development Projects application process is how the ADFP Trust Fund evaluates a diverse set of farmer-focused enterprise programs, ranking them by priority in alignment with its mission.

Examples of Agricultural Development Projects include:

- Marketing plans and marketing studies
- Livestock facilities
- Farmers markets
- Shared-use equipment and low-cost rentals
- Slaughter and meat-processing facilities
- Processing and value-added facilities
- Vocational-agricultural education and outreach
- Farm-to-table, local foods, and agritourism initiatives
- Training and certification programs for farmers
- Pilot programs for farmland preservation, cost-effective on-farm practices, new products or markets, or improved yield and productivity
- Agricultural economic development studies and programs
- On-farm and value-added studies to increase yields, profitability, or sustainability
- Alternative fuels and sustainable energy for farming practices
- Climate-resilient farming practices, pilot programs, and demonstrations

**For additional resources, go to**  
**<https://www.ncagr.gov/divisions/farmland-preservation/applicants>**

## ***Eligibility***

- All applicants must be nonprofit conservation organizations or county governments. (G.S.106-744)
  - Farmers, landowners, and others interested in applying must partner with a nonprofit conservation organization or county government to participate in an ADFP Trust Fund grant proposal.
- Agricultural Development Projects are limited to public or public-private enterprise programs that will promote profitable and sustainable family farms through assistance to farmers in developing and implementing plans to produce food, fiber, and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculturally related business activities. ***No grants that will provide an individual benefit will be allowed.***
- Each organization or agency may submit an unlimited number of proposals per funding cycle, regardless of category (perpetual easements, term easements, agricultural development projects, agricultural plans, agricultural growth zones, additional easement purchase funds).
- Contract awards are based on funding availability.
  - If total grant requests exceed the funding allocation for the grant cycle, the ADFP Trust Fund will fund a maximum of four (4) applications per category (perpetual easements, term easements, agricultural development projects, agricultural plans, agricultural growth zones, additional easement purchase funds) per applicant.
  - Applications for donated easement proposals requesting only transaction cost assistance are not considered in this contract limit.
  - If the funding allocation for the grant cycle is greater than the total grant requests, the contract maximum per applicant is waived for the grant cycle.
- Current grantees are subject to the Grantee Risk Assessment Guide. High-risk grantees will have the review of proposed grant requests discontinued, and no grant contract may be offered.

## **Application Format and Documentation Requirements**

### ***Application Summary***

The Agricultural Development Projects application is a narrative-driven proposal in which applicants identify specific local needs and demonstrate how their project builds upon existing efforts to engage farming communities and address those identified needs.

### ***Application Structure***

The ADFP Trust Fund staff reviews each application. The Agricultural Development Projects review process consists of two parts, each with its own deadline.

Once a form is submitted, it cannot be edited or resubmitted. Late submissions, or failure to complete either part by its deadline, may result in the application being deemed ineligible.

After all parts of the application have been received in full, the applicant will be contacted to schedule an interview.

#### **Part 1: Intent to Apply**

- Opens: First Business Day of August
- Closes: Last Business Day of August

- Purpose: This short form confirms basic programmatic eligibility as well as mission alignment.

#### Part 2: Eligibility, Background, and Purpose

- Opens: Second Monday of September
- Closes: Last Monday before Christmas
- Purpose: This form captures details on the strategy, planning, and budget behind the proposed project.

#### ***Scoring***

Agricultural Development Projects scoring is derived from three components: the application, the budget, and the interview. The paneled interview portion of the application process is an opportunity for reviewers to gather additional information related to the project and verify mission alignment.

Each eligible application must complete the interview process to be considered for a grant award.

After scores are finalized, the Commissioner of Agriculture, in consultation with the ADFP Trust Fund Advisory Committee, determines which applicants will receive ADFP Trust Fund grants.

#### **Budget**

##### ***Grant Amount Requests***

The maximum grant request per agricultural development project application is capped at \$500,000.

##### ***Agricultural Development Project Budget Instructions***

The budget portion of the application is 100 points of the Agricultural Project application's total score. Points are awarded as a percentage of the match provided. For example, a project requesting \$250,000 with a match of \$100,000 will receive 40 points. This portion of the application is capped at 100 points.

In the event no match is required by a county government applicant, the applicant can still provide matching funds. The applicant will only be awarded points in this portion of the application if they provide secured matching funds.

##### ***ADFP Trust Fund Grant Request Budget***

- This section is where the applicant enters the requested ADFP Trust Fund grant funds for each eligible line item.
- For the Equipment line item, individual items must cost \$5,000 or more.
- For the Special Program Supplies line item, items may include specialized supplies or equipment designed to implement the project, including equipment less than \$5,000.
- Site development and construction line items are eligible for development projects only.
- Select the line items for which there are grant fund requests.
- **Please complete a Project Budget Worksheet for each project application. This worksheet is found in the Agricultural Development Project section of the ADFP Trust Fund website.**
- For an explanation of each budget line item category, see the section titled "Budget Line Item Categories" on page 3.

### ***Minimum Matching Funds Information***

- In accordance with N.C.G.S. 106-744, there are match requirements for eligible ADFP Trust Fund applicants:
  - “To a private nonprofit conservation organization that matches thirty percent (30%) of the Trust Fund monies it receives with funds from sources other than the Trust Fund.”
  - “A county that is a development tier two or three county, as these tiers are defined in G.S. 143B-437.08, and that has prepared a countywide farmland protection plan shall match fifteen percent (15%) of the Trust Fund monies it receives with county funds. A county that has not prepared a countywide farmland protection plan shall match thirty percent (30%) of the Trust Fund monies it receives with county funds. A county that is a development tier one county, as defined in G.S. 143B-437.08, and that has prepared a countywide farmland protection plan shall not be required to match any of the Trust Fund monies it receives with county funds.”
- For private nonprofit conservation organizations, select “Private Nonprofit Conservation Organization” from the list.
- For a county, select your county from the list.
  - *The calculation will determine the minimum required match figure based on the match percentage and the total amount of grant funds requested from the ADFP Trust Fund. At this time, match percentages will be listed on the ADFP Trust Fund website; however, this information will be updated before the application goes live.*

### ***Matching Funds Budget and Narratives***

- This section will include all sources of matching funds from cash and in-kind sources.
- Cash match is a cash purchase for the project that is not reimbursed by the ADFP Trust Fund.
- In-kind match is a non-cash donation made to the project.
- There is an upload section to add Matching Funds Narratives and any secured funding documents. This budget section should include secured (committed in writing) and unsecured matching funds. Each line item should be a total of secured and unsecured funds. The “Total Matching Funds Budget” column on the “Project Budget Worksheet” can be used to determine inputs in this section.
- Each source of secured matching funds must have a letter of commitment from the matching fund’s source.
- Letters of commitment must have the following information:
  - Name of Source of Matching Funds Entity (agency or organization)
  - Contact Name and Information for Matching Funds Entity
  - Dollar Amount/Value of Match
  - Identification of Match as a Cash or In-Kind Source
  - Brief Description of Match
  - Signature of Authorized Matching Funds Source Contact
- *All match that does not have a signed letter of commitment uploaded in the appropriate matching funds narrative section will be considered unsecured.*
- If no match is available for a line item, enter “0” in the field.

### ***Match Requirements***

- Documentation of match will be required in the reporting process.

- Public funds from the State of North Carolina will not be considered for any match requirements.
- Statutory match requirements must be expended during the grant contract period. Match expended before the execution of the grant contract will not be considered.
- For ADFP Trust Fund general appropriations grants:
  - Nonprofit conservation organizations must match a minimum of **30%** of ADFP Trust Fund monies received. These monies must be from sources other than the ADFP Trust Fund or the State of North Carolina.
  - A Tier Two or Tier Three Enterprise County (as defined in G.S. 143B-437.08)
    - **With** an NCDA&CS-approved County Farmland Protection Plan (G.S. 106-744(e)), the county must match a minimum of **15%** of ADFP Trust Fund monies received. (G.S. 106-744(c2)) These monies must be from sources other than the ADFP Trust Fund or the State of North Carolina.
    - **Without** an NCDA&CS-approved County Farmland Protection Plan (G.S. 106-744(e)), the county must match a minimum of **30%** of ADFP Trust Fund monies received. (G.S. 106-744(c2)) These monies must be from sources other than the ADFP Trust Fund or the State of North Carolina.
  - A Tier One Enterprise County (as defined in G.S. 143B-437.08)
    - **With** an NCDA&CS-approved County Farmland Protection Plan (G.S. 106-744(e)), it is **not required** to acquire matching funds. (G.S. 106-744(c2))
    - **Without** an NCDA&CS-approved County Farmland Protection Plan (G.S. 106-744(e)), the county must match a minimum of **30%** of ADFP Trust Fund monies received. (G.S. 106-744(c2)) These monies must be from sources other than the ADFP Trust Fund or the State of North Carolina.
    - Note: List of tiers is available on the application website.
  - Grant requests with more secured match will result in higher scores in the budget category.

After entering each line of matching funds, click the checkbox to calculate your total matching funds. **This total must match what is entered on the Project Budget Worksheet.**

An example of matching funds using the Project Budget Worksheet is below:

- If the entity is providing matching funds in the form of technical assistance for GAP Certification, that will be included on the “Consultant and Specialized Services” line item. This match is considered in-kind.
- If the entity receives funding from a different organization to purchase hand-washing stations at \$500 each, that will be included on the “Special Program Supplies” line item. This match is considered cash.

### ***Budget Line Item Categories***

- **Equipment:** This refers to any equipment used to implement the project that costs \$5,000 or more.
- **Travel:** Applicable state rates apply. View <https://www.osbm.nc.gov/budget/budget-manual#5-travel-policies> for more information.
- **Special Program Supplies:** This refers to specialized supplies or equipment designed to implement the project, including equipment less than \$5,000.

- **Consultant and Specialized Services:** This refers to the contracting of consultants or other workers who have highly specialized skills. **This does not include general laborers, general office, or clerical work.**
- **Personnel and Administrative:** This refers to general laborers, general office, or clerical work provided as match by matching funds source.
- **Office Supplies:** This refers to general office supplies that will be used exclusively for the implementation of the project.
- **Printing and Binding:** This refers to printing and binding services and supplies that will be used to as an output of the project.
- **Promotional Materials:** This refers to general types of self-advertisement of the project. May include flyers, banners, posters, signs, or electronic promotional materials.
- **Site Development:** For development projects only. This refers to applications, permits, fees, environmental site assessments, environmental audit, soil evaluation, sample collection, field measurements, water and air quality, well and septic tank siting, or consideration for the layout of a surface irrigation system.
- **Construction:** For development projects only. This refers to construction costs, including water well, septic tank, electrical, or plumbing.
- **Workshops and Conferences:** A conference is defined as a meeting, seminar, symposium, workshop, or event whose primary purpose is the dissemination of technical information and is necessary and reasonable for successful performance under the grant award. Allowable conference costs may include rental of facilities, costs of meals and refreshments, and other rental costs.

#### ***Non-allowable Costs***

- Personnel/Administrative Services
- Appraisals
- Alcoholic beverages
- Bad debts
- Contingency provisions
- Contributions and donations
- Entertainment costs
- Fines, penalties, damages, and other settlements
- Fundraising and investment management costs
- General costs of government
- Goods or services for personal use
- Lobbying
- Losses on other awards or contracts
- Organization costs
- Selling and marketing costs
- Student activity costs
- Telecommunication costs

*Expenditures of State financial assistance by any recipient or sub-recipient shall be in accordance with the cost principles outlined in the Code of Federal Regulations, 2 CFR, Part 200. Please see <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200> for more information.*

If there are questions about allowable costs or match, please email Allison Rodriguez at [Allison.rodriguez@ncagr.gov](mailto:Allison.rodriguez@ncagr.gov).

***Funding Periods and Extensions***

- Sole-funded general appropriation grants awarded during Cycle 19 will expire on **September 30, 2028**.
  - Any request for a contract extension must be submitted **no fewer than 60 days** prior to the contract's expiration date to be considered for approval.
- For more information on application deadlines, documentation requirements, conservation easement prescreens, and scoring criteria, please visit:  
<https://www.ncagr.gov/divisions/farmland-preservation/applicants>

## **Required Outputs**

The following are the requirements for a grant awarded through the Agricultural Development Project application. Outputs are sorted by project category.

- For marketing plans, market studies, and feasibility studies, the Grantee shall provide a report with the marketing plan with an economic impact report, or market, supply, demand, financial, environmental impact report, and other applicable analyses, including an overall recommendation for future action.
- For pilot programs, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, including an overall recommendation for future action.
- For training, demonstrations, certification, professional education, and vocational-agricultural education programs, the Grantee shall provide a report with program activities, number of participants, participant demographic information, geographic regions served, and other applicable information, including an overall recommendation for future action.
- For shared-use equipment and low-cost equipment rentals, the Grantee shall provide a report with equipment model numbers, serial numbers, storage locations, rental agreements, maintenance schedules, and other applicable information. The Grantee must complete the Owner/Maintenance Agreement in this attachment.
- For livestock facilities and farmers markets, the Grantee shall provide conceptual drawings, blueprints, project reports, equipment model numbers, serial numbers, rental fees, and other applicable information. If purchasing equipment, the Grantee must complete the Owner/Maintenance Agreement in this attachment.
- For slaughter and meat-processing facilities and processing and value-added facilities, the Grantee shall provide conceptual drawings, blueprints, project reports, equipment model numbers, serial numbers, rental fees, and other applicable information. If purchasing equipment, the Grantee must complete the Owner/Maintenance Agreement in this attachment. For public-private partnerships, a final report must be submitted that includes information on how the services increased yields, profitability, and/or sustainability of farmers and agribusinesses.
- For farm-to-table, local foods, and agritourism initiatives, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, or an economic impact report, or market, supply, demand, financial, environmental impact report, and other applicable analyses. These reports shall include an overall recommendation for future action.
- For agricultural economic development studies and programs, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, including an overall recommendation for future action. For public-private partnerships, a final report must be submitted that includes information on how the services increased yields, profitability, and/or sustainability of farmers and agribusinesses.
- For agricultural economic development studies and programs, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, including an overall recommendation for future action. For public-



private partnerships, a final report must be submitted that includes information on how the services increased yields, profitability, and/or sustainability of farmers and agribusinesses.

- For on-farm and value-added studies, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, including an overall recommendation for future action.
- For alternative fuels and sustainable energy for farming practices, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information, including an overall recommendation for future action.
- For climate-resilient farming practices, pilot programs, and demonstrations, the Grantee shall provide a report with program activities, cost-benefit analysis, return on investment, or other applicable information. For demonstrations, the Grantee shall provide a report with program activities, number of participants, participant demographic information, geographic regions served, and other applicable information. These reports shall include an overall recommendation for future action.