

# N.C. Department of Agriculture & Consumer Services

N.C. ADFP Trust Fund

Requests for Proposal Guidelines for Agricultural Plans



# **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.

Combating North Carolina's rapid farmland loss requires targeted, local solutions. The N.C. Agricultural Development and Farmland Preservation (ADFP) Trust Fund advances this mission by using competitive grants to support county-level agricultural plans that promote farmland preservation and the agricultural economy. The Agricultural Plans application process is how the ADFP Trust Fund evaluates funding opportunities for locally-led farmland preservation efforts, ranking them by priority in alignment with its mission.

Agricultural Plans are limited to requests that develop:

- Voluntary Agricultural Districts
- Enhanced Voluntary Agricultural Districts
- Farmland Protection Plans
- Cost of Community Services Studies

# 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)
  - o 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 Plan grants are limited to requests that develop a Voluntary Agricultural District (VAD) or Enhanced Voluntary Agricultural District (EVAD) program, a County Farmland Protection Plan, or a County Cost of Community Services Study.
- 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.
  - o 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.
- o Applications for donated easement proposals requesting only transaction cost assistance are not considered in this contract limit.
- o 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 Plans application is a narrative-driven proposal where applicants outline specific local needs and demonstrate how creating, updating, or implementing a Voluntary Agricultural District (VAD) or Enhanced Voluntary Agricultural District (EVAD) program, a County Farmland Protection Plan, or a County Cost of Community Services Study would provide a strong foundation for preventing further farmland loss.

#### Application Structure

The ADFP Trust Fund staff reviews each application. The Agricultural Plans application 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 documents the anticipated outcomes of the plan.

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

- Opens: Second Monday of September
- Closes: Last Monday before Christmas
- Purpose: This form captures details on the implementation behind the proposed plan.

#### Scoring

Agricultural Plan 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 plan implementation.

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**

To streamline the application process and standardize allowable costs, each Agricultural Plan type has a maximum grant request.

- The maximum grant request per Voluntary Agricultural District and/or Enhanced Voluntary Agricultural District application is capped at \$8,500.
- The maximum grant request per Farmland Protection Plan or Cost of Community Services Study application is capped at \$17,000.

Allowable costs and requests are detailed below.

#### Agricultural Plan Budget Instructions

The budget portion of the application is 100 points of the Agricultural Plan application's total score. Points are awarded as a percentage of the match provided. For example, a project requesting \$25,000 with a match of \$10,000 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.

Each grant request must include the required item and any combination of grant options. The applicant may request any funding amount up to the maximum for each option.

#### Minimum Matching Funds Information

- In accordance with N.C.G.S. 106-744, there are match requirements for eligible ADFP Trust Fund applicants:
  - o "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."
  - O "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 "Plan Budget Worksheet" can be used to determine inputs in this section.
- Each source of secured matching funds <u>must</u> have a letter of commitment from the matching fund's source.
- Letters of commitment must have the following information:
  - o Name of Source of Matching Funds Entity (agency or organization)
  - o Contact Name and Information for Matching Funds Entity
  - o Dollar Amount/Value of Match
  - o Identification of Match as a Cash or In-Kind Source
  - o Brief Description of Match
  - o 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.
  - o 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.
  - o 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))

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- 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.
- o 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 Plan Budget Worksheet.

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

- If the entity is providing matching funds in the form of personnel time to conduct direct mail outreach, that will be included on the "Direct mail outreach..." line. This match is considered in-kind.
- If the entity receives funding from a different organization to purchase signposts to accompany new VAD signs, that will be included on the "VAD signs for new enrollees or replacement signs for existing members" line. This match is considered cash.

#### **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

If there are questions about allowable costs or match, please email Allison Rodriguez at Allison.rodriguez@ncagr.gov.

Please note: Each Agricultural Plan application must be submitted for a single county. If seeking funds for more than one county, please submit a separate application for each county.

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#### Voluntary/Enhanced Agricultural Districts Grant (up to \$8,500)

#### Requirements (select one):

- Creation of an ordinance that complies with N.C.G.S. 106-737-743 (up to \$600)
- Update ordinance to comply with N.C.G.S. 106-737-743 (up to \$600)
- Addition of Enhanced VAD and update ordinance to comply with N.C.G.S. 106-737-743 (up to \$600)
- Addition of Enhanced VAD to existing ordnance that complies with N.C.G.S. 106-737-743 (up to \$300)
- Submission of an active ordinance that complies with N.C.G.S. 106-737-743

### Other Grant Options:

- Creation or update ordinance to add Enhanced VAD that complies with N.C.G.S. 106-743.1-5 (up to \$600)
- VAD signs for new enrollees in the program (up to \$6,000)-provide NCDA&CS Farmland Preservation a copy of new sign
- Replacement VAD signs for existing members (up to \$6,000)- provide NCDA&CS Farmland Preservation a copy of new sign
- VAD member and prospective VAD member education and outreach event (up to \$850)
- Creation or update to VAD website (up to \$1,150)
- Creation or update to VAD GIS layer that must be shared with NC OneMap (up to \$6,000)
- Direct mail outreach to eligible VAD parcels to encourage enrollment (up to \$600)
- Creation and distribution of VAD brochures and publicity items (up to \$600)
- Conference or workshop for farmers, agricultural entities, county commissioners, county government, and other stakeholders to explain and promote the VAD program (up to \$1,150)

#### Farmland Protection Plan Grant (up to \$17,000)

## Requirements:

- Creation of a plan that complies with N.C.G.S. 106-737-744(e) (up to \$14,000) OR
- Update a plan older than 10 years old that complies with N.C.G.S. 106-737-744(e) (up to \$14,000)

#### Other Grant Options:

- Focus groups, listening sessions, or other related events with farmers, agricultural entities, county commissioners, county government, and other stakeholders that will contribute to the plan (up to \$850)
- Creation or update to a Farmland Protection Plan website (up to \$1,150)
- Direct mail outreach to farmers, agricultural entities, and other stakeholders for surveys or input for the plan (up to \$600)
- Creation and distribution of Farmland Protection Plan printed items and publicity items (up to \$2,300)
- Conference or workshop for farmers, agricultural entities, county commissioners, county government, and other stakeholders to explain and promote the Farmland Protection Plan (up to \$1,150)

# Cost of Community Services Study Grant (up to \$17,000)

#### Requirements:

- Creation of a study that determines the fiscal contribution of existing local land uses and evaluates working and open lands on equal ground with residential, commercial, and industrial land uses (up to \$14,000)
  OR
- Update a study older than 10 years old that determines the fiscal contribution of existing local land uses and evaluates working and open lands on equal ground with residential, commercial, and industrial land uses (up to \$14,000)

#### Other Grant Options:

- Focus groups, listening sessions, or other related events with farmers, agricultural entities, county commissioners, county government, and other stakeholders that will contribute to the study (up to \$850)
- Creation or update to a Cost of Community Services Study website (up to \$1,150)
- Direct mail outreach to farmers, agricultural entities, and other stakeholders for surveys or input for the study (up to \$600)
- Creation and distribution of Cost of Community Services Study printed items and publicity items (up to \$2,300)
- Conference or workshop for farmers, agricultural entities, county commissioners, county government, and other stakeholders to explain and promote the Cost of Community Services Study (up to \$1,150)

# 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:
   <a href="https://www.ncagr.gov/divisions/farmland-preservation/applicants">https://www.ncagr.gov/divisions/farmland-preservation/applicants</a>

## **Definitions**

- Cost of Community Services Study: A case study approach used to determine the fiscal contribution of existing local land uses. Their niche is to evaluate working and open lands on an equal footing with residential, commercial, and industrial land uses. Cost of Community Services Studies are a snapshot in time of costs versus revenues for each type of land use. The studies provide a baseline of current information to help local officials and citizens make informed land use and policy decisions
- Countywide Farmland Protection Plan: A plan that satisfies all the following requirements:
  - (1) The countywide farmland protection plan shall contain a list and description of existing agricultural activity in the county.
  - (2) The countywide farmland protection plan shall contain a list of existing challenges to continued family farming in the county.
  - (3) The countywide farmland protection plan shall contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.
  - (4) The countywide farmland protection plan shall describe how the county plans to maintain a viable agricultural community and shall address farmland preservation tools, such as agricultural economic development, including farm diversification and marketing assistance; other kinds of agricultural technical assistance, such as farm infrastructure financing, farmland purchasing, linking with younger farmers, and estate planning; the desirability and feasibility of donating agricultural conservation easements, and entering into voluntary agricultural districts.
  - (5) The countywide farmland protection plan shall contain a schedule for implementing the plan and an identification of possible funding sources for the long-term support of the plan. (G.S. 106-744(e))
- Voluntary Agricultural District (VAD): Farmland as defined voluntary agricultural district or an enhanced voluntary agricultural district as noted under Article 61 of Chapter 106 of the North Carolina General Statutes.