N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Application Guidelines for
Agricultural Plans

Overview

Purpose

North Carolina faces one of the highest rates of farmland loss in the nation. The American Farmland Trust estimates that more than 732,000 acres were converted between 2001 and 2016 and projects the state will lose the second-most farmland in the country by 2040. The North Carolina Agricultural Development and Farmland Preservation (ADFP) Trust Fund provides competitive grants to preserve qualifying agricultural, horticultural, and forestlands and foster the growth, development, and sustainability of family farms.

Combating North Carolina's rapid farmland loss requires targeted, local solutions. The purpose of the Agricultural Plans application is to support county-level agricultural plans that promote farmland preservation and strengthen the agricultural economy through locally led farmland preservation efforts.

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

Eligibility

- Eligible applicants must be a nonprofit conservation organization or county government (G.S.106-744) and current grantees are subject to the Grantee Risk Assessment Guide.

NOTE: 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.

- Eligible applications must 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.

Application Format and Documentation Requirements

Application Summary

The Agricultural Plans application is an interview-driven proposal in which applicants demonstrate how the proposed eligible application type will address local needs and strengthen farmland preservation efforts.

Agricultural Plans must fall within one of the categories below. All categories compete for funding through a single ranking process.

- Voluntary Agricultural Districts

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

NOTE: Each Agricultural Plans application may serve only one county. Projects serving multiple counties require a separate application for each county.

Application Structure

The ADFP Trust Fund staff reviews each application. The Agricultural Plans application process consists of two parts, each with its own deadline. After all parts of the application have been received in full, the applicant will receive a request for an interview. Each eligible application must complete the interview process to be considered for a grant award. Presentations are required for the interview. Additional details or documentation may be requested during the interview. After the interview is conducted and all documentation is received, the application package will be ranked by ADFP staff across categories. Once an application form is submitted, it cannot be edited or resubmitted. Late submissions or failure to complete either part by its deadline will result in the application being deemed ineligible. All application documentation must be included at the time of submission. Emailed documentation will not be accepted, unless with prior approval from ADFP Trust Fund Grant Specialist.

Part 1

- Opens: First Business Day of August
- Closes: Last Business Day of August at 5PM ET
- Purpose: This short form confirms basic programmatic eligibility and relevant application category.

Part 2

- Opens: Second Monday of September
- Closes: Last Monday before Christmas at 5PM ET
- Purpose: This form captures details on the anticipated implementation of the plan.

Scoring

Agricultural Plans scores are based on two components: the budget (100 points) and the interview (125 points), for a total possible score of 225. The application is used to determine eligibility and essential information. The paneled interview portion of the application process is an opportunity for reviewers to assess the proposal and gather additional information related to plan implementation.

After scoring is 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 Request Maximum

Each Agricultural Plans type has a maximum grant request.

- The maximum grant request per Voluntary Agricultural District and/or Enhanced Voluntary Agricultural District application is $8,500.

- The maximum grant request per Farmland Protection Plan is $17,000.
- The maximum grant request per Cost of Community Services Study application is $17,000.

Budget Instructions

In the Agricultural Plans application, applicants must provide grant request budget information in both the Plan Budget Worksheet ***and*** the application fields. **Please complete a Plan Budget Worksheet for each project application. This worksheet is found in the Agricultural Plans section of the ADFP Trust Fund website.**

Grant Request Budget

On the Plan Budget Worksheet, complete the tab that corresponds to the appropriate application category by entering the line items for which grant funds are requested. The "Totals" row and column auto calculates the totals of each row and column. The requested budget line items and totals must be entered consistently in both the Plan Budget Worksheet and the Agricultural Plans application.

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. Below are additional details related to the plan categories of the budget request:

<u>Voluntary/Enhanced Agricultural Districts Grant (up to $8,500)</u>

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 the new sign
- Replacement VAD signs for existing members (up to $6,000)- provide NCDA&CS Farmland Preservation a copy of the 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)

If selecting VAD signs for new enrollees or existing members, the grant application must include at least one outreach activity.

<u>Farmland Protection Plan Grant (up to $17,000)</u>
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 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)

<u>Cost of Community Services Study Grant (up to $17,000)</u>
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)

Matching Funds

On the Plan Budget Worksheet, include secured (committed in writing) and unsecured matching funds from cash and in-kind sources. Each line item should include a total of secured and unsecured funds. If no match is available for a line item, enter “0” in the field.

- 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.

Below is an example of matching fund types and line item types:

- 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.

Cash and in-kind match carry equal weight, count toward match requirements, and, if secured, are eligible for budget scoring.

The secured and unsecured matching funds, including match types, amounts, and totals, must be entered consistently in both the Plan Budget Worksheet and the Agricultural Plans application. Applicants must also upload documentation in the Agricultural Plans application to support all secured funding.

- 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

Note: All match that does not have a signed letter of commitment uploaded in the appropriate matching funds narrative section will be considered unsecured.

Match Requirements

The match requirements are in accordance with N.C.G.S. 106-744. The current list of tiers is available on the ADFP website.

- 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.
- In the event no match is required by a county government applicant, the applicant can still provide matching funds.
- Grant requests with more secured match will result in higher scores in the budget category.
- Public funds from the State of North Carolina **will not be considered for any match** requirements.
- Documentation of match will be required in the reporting process.
- Statutory match requirements must be expended during the grant contract period. Match expended before the execution of the grant contract will not be considered.

Budget Scoring

Budget points are awarded as a percentage of the match provided. For example, a plan requesting $25,000 with a match of $10,000 will receive 40 points. The applicant will only be awarded points if they provide documentation to indicate the matching funds are secured. The budget score is capped at 100 points.

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.

Funding Periods and Extensions

Agricultural Plan grants awarded during Cycle 20 will expire on **September 30, 2029**. 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 and documentation requirements, please visit: https://www.ncagr.gov/divisions/farmland-preservation/applicants

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.