



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



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.

Addressing this critical loss of farmland requires innovative projects that strengthen farming communities. The purpose of the Agricultural Development Projects application is to enhance local and regional food systems, improve yields and on-farm diversification, and support innovative farmland preservation programs.

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 propose a public or public-private Agricultural Development Project that aligns with one of the following categories (see Application Summary): Enhancing Local and Regional Food Systems, Improving Yields and On-Farm Diversification, or Supporting Innovative Farmland Preservation Programs. Projects providing an individual benefit are ineligible.

Application Format and Documentation Requirements

Application Summary

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

Agricultural Development Projects must now fall into one of three categories listed below. Projects in each category will be compared, and funding for Agricultural Development Projects will be split among the categories.

- **Enhancing Local and Regional Food Systems**
 - Projects Accepted: Livestock Facilities, Farmers Markets, Slaughterhouses, Value Added/Processing, and Shared Use Equipment
- **Improving Yields and On-Farm Diversification**
 - Projects Accepted: Feasibility Studies, Market Analyses, On-farm Pilot Programs
- **Supporting Innovative Farmland Preservation Programs**
 - Projects Accepted: Development of County Programs, New Tools for Farmland Preservation

Application Structure

The ADFP Trust Fund staff reviews each application. The Agricultural Development Projects 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 in accordance with their 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 5 PM ET
- Purpose: This form captures details on the strategy, planning, and budget behind the proposed project.

Scoring

Agricultural Development Project scores are based on two components: the budget (100 points) and the interview (125 points), for a total possible score of 225 points. 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 project 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

The maximum grant request per Agricultural Development Project application is \$250,000.

In the event there are not sufficient funds to cover all the requests, ADFP Trust Fund staff reserve the right to award additional funds up to a certain percentage of the request.

Budget Instructions

In the Agricultural Development Project application, applicants must provide grant request budget information in both the Project Budget Worksheet *and* the application fields. **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.**

Grant Request Budget

On the Project Budget Worksheet, fill out the line items for which there are grant fund requests. The “Totals” row and column auto calculates the totals of each row and column. Below are additional details related to the budget request:

- For an explanation of each budget line item category, see the section below titled “Budget Line Item Categories”.
- 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.

The requested budget line items and totals must be entered consistently in both the Project Budget Worksheet and the Agricultural Development Project application form.

Matching Funds

On the Project 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 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.

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 Project Budget Worksheet and the Agricultural Development Project application. Applicants must also upload documentation in the Agricultural Development Project application to support all secured funding.

- Each source of matching funds must have a letter of commitment from the matching fund's source to be considered secured.
- 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.

Required Matching Funds

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 project requesting \$250,000 with a match of \$100,000 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.

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.

Funding Periods and Extensions

Agricultural Development Project 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>