



**NCD&CS
ADFP Trust Fund**

Grant Application Guidelines

▪ **Overview**

▫ **Mission**

To preserve North Carolina's working family farms.

▫ **History**

Between the years of 2003 and 2006, North Carolina lost 5,500 farms and 300,000 acres of farmland; this is equivalent to the average size of one of our counties (USDA-2007). In addition, thousands of acres of forestlands have been converted to development. This has put a strain on our county budgets, our local and state economy, and our natural resources, and is a loss to our agricultural heritage. The foundation of North Carolina's #1 industry needs to be protected from unwise and unplanned conversions to other uses.

Today, approximately 90 percent of all North Carolina lands are privately owned. The U.S. Census Bureau predicts that our state's population will expand by 4 million people by 2030, and this growth threatens our farm and forestland. Preserving farmland also protects our natural resources, wildlife habitat, and water resources.

▪ **Eligible Applicants**

▫ All applicants must be non-profit conservation organizations or county agencies. (G.S.106-744)

▫ Farmers, landowners, and others interested in applying must partner with a non-profit conservation organization or county agency in order to participate in an ADFP Trust Fund grant proposal.

▫ Only North Carolina counties with a Voluntary Agricultural District or Enhanced Voluntary Agricultural District program are eligible for an Agricultural Development grant.

▪ **Funding Purposes**

▫ To secure agricultural conservation easements on agricultural, horticultural, and forestlands for active production of food, fiber, and other agricultural products. Easements include the following options:

- Perpetual
- 50 year term
- 40 year term
- 30 year term
- 20 year term
- 10 year term

▫ To support public and private enterprise programs that will promote profitable and sustainable agricultural, horticultural, and forestlands through assistance to farmers in developing plans for:

- production of food, fiber, and value-added products
- agritourism activities

- marketing and sales of agricultural products produced on the farm
 - agriculturally-related business activities
 - other programs approved by the NC ADFP Trust Fund
- **Funding Priorities**
 - Funding priority will be given to projects that involve the following affiliations:
 - Counties with *Farmland Protection Plans*
 - *Goodness Grows Farmers/ American Tree Farm/ Forest Stewardship*
 - *Program Members*
 - *Enhanced Voluntary Agricultural District Farmers*
 - *Voluntary Agricultural District Farmers*
 - Groups and Individuals with Farm or Forest Transition Plans
 - Groups and Individuals with Conservation Plans
 - Groups and Individuals with Forest Management Plans
 - *Limited Resource Farmers* (annual gross income of \$100,000 or less)
 - *Beginning Farmers*
 - *Century Farm Members*
- **Grant Amount Requests**
 - The maximum grant will be based on the potential beneficial impact of the project, the resources available to the Advisory Committee, and the needs of the project or the groups intended to be served by the grant programs.
 - Agricultural Development and Agricultural Plan grants are limited to \$50,000 per application.
 - Agricultural Plan grants are limited to the development and adoption of a county Voluntary Agricultural District, Enhanced Voluntary Agricultural District, or County Farmland Protection Plans.
 - Agricultural Development grants are restricted to public or private enterprise programs that will promote profitable and sustainable farms by assisting in developing and implementing plans for the production of food, fiber, and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculture-related business activities.
- **Match Requirements**
 - Non-profit 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.
 - A Tier Two or Tier Three Enterprise County (as defined in G.S. 143B-437.08)
 - **With** a NCDA&CS approved County Farmland Protection Plan (G.S. 106-744(e)), 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.
 - **Without** a NCDA&CS approved County Farmland Protection Plan (G.S. 106-744(e)), 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.
 - A Tier One Enterprise County (as defined in G.S. 143B-437.08)
 - **With** a NCDA&CS approved County Farmland Protection Plan (G.S. 106-744(e)), is **not required** to acquire matching funds. (G.S. 106-744(c2))
 - **Without** a NCDA&CS approved County Farmland Protection Plan (G.S. 106-744(e)), 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.
 - Documentation of match will be required in the reporting process.
- [**Note:** List of tiers is available at <http://www.nccommerce.com/finance/tiers/tiers/asp>]

- **Allowable Costs**
 - ADFP Trust Fund monies may not be used to reimburse for administrative or personnel costs unless specialized services are needed. Approval of necessary specialized services will be determined by ADFP Trust Fund staff when reviewing application.
 - Travel expenses and other acquisition costs are not reimbursable for easement applications.
 - Allowable and non-allowable costs for reimbursements:

Allowable Costs	Non-allowable Costs
Equipment	Travel
Consultant and Specialized Services	Personnel/Administrative Services
Office Supplies	Promotional Materials (unallowable costs include gifts, memorabilia, models, and souvenirs)
Printing and Binding	Stewardship endowment
Promotional Materials (<i>see exceptions listed in Non-allowable costs</i>)	Appraisal
Site Development	
Construction	
Special Program Supplies	
Survey	
Baseline Documentation Report	
Environmental Assessment/Audit	
Legal Fees	
Closing Costs	
Workshops and Conferences	

- **Number of Proposals Allowed**
 - Each organization or agency may submit up to 3 proposals per funding cycle.
- **Incomplete Applications**
 - All information requested in this application is required. Incomplete applications will be considered ineligible for funding.
- **Evaluation of Applications**
 - The ADFP Trust Fund staff evaluates each application. The evaluation includes a review, using a scoring system, of the application and all the documents submitted with it. On-site visits (interviews) will be conducted for those applications receiving the highest scores.
- **Selecting Recipients**
 - The ADFP Trust Fund Advisory Committee, a nineteen-member committee, selects the applicants who will receive an ADFP Trust Fund grant.
- **ADFP Trust Fund on the Web**
 - An electronic copy of the application is available through the ADFP Trust Fund website at www.ncadfp.org. You may also request a hard copy be sent to you.
- **Funding Period**
 - The funding period for enterprise programs begins July 1, 2009 and ends June 30, 2010. It is anticipated that funds will be available for disbursement beginning October 2009.
 - The funding period for agricultural conservation easements begins July 1, 2009 and ends June 30, 2011. It is anticipated that funds will be available for disbursement beginning October 2009.

- **Questions about Filling Out the Application**
 - If you have questions about filling out this application, please contact our office by telephone at 919-733-2018, ext. 251 or by email at ncadfp@ncmail.net.

- **Application Deadline**
 - **Two unbound complete applications suitable for photocopying must be delivered no later than 5:00 PM on December 5, 2008. All applications must be sent by Fedex, UPS, Certified Mail, or hand delivered to:**
 - **NCDA&CS**
 - **NC ADFP Trust Fund**
 - **2 W. Edenton Street**
 - **Raleigh, NC 27601**

▪ **Definitions**

- **Agricultural Conservation Easement** – a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability (G.S. 106-744(b)).
- **Beginning Farmer** – A farmer who has not operated a farm or who has operated a farm for not more than 10 years and who will materially and substantially participate in the operation of the farm (G.S. 143-215.74(b)(9)(a)).
- **Limited Resource Farmer** – A farmer with direct and indirect annual gross farm sales that do not exceed one hundred thousand dollars (\$100,000) and with an adjusted household income in each of the previous two years that is at or below the greater of the county median household income, as determined by the United States Department of Housing and Urban Development, or two times the national poverty level based on the federal poverty guidelines established by the United States Department of Health and Human Services and revised each April 1 (G.S. 143-215.74(b)(9)(b)).
- **Countywide Farmland Protection Plan** – A plan that satisfies all of 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)** – In order for farmland to qualify for inclusion in a voluntary agricultural district or an enhanced voluntary agricultural district under Article 61 of Chapter 106 of the North Carolina General Statutes, it must be real property that:
 - (1) Is participating in the farm present-use-value taxation program established by G.S. 105-277.2 through 105-277.7 or is otherwise determined by the county to meet all the qualifications of this program set forth in G.S. 105-277.3;
 - (2) Repealed by Session Laws 2005-390, s. 11 effective September 13, 2005.
 - (3) Is managed in accordance with the Soil Conservation Service defined erosion control practices that are addressed to highly erodible land; and
 - (4) Is the subject of a conservation agreement, as defined in G.S. 121-35, between the county and the owner of such land that prohibits nonfarm use or development of such land for a period of at least 10 years, except for the creation of not more than three lots that meet applicable county zoning and subdivision regulations. (1985 (Reg. Sess., 1986), c. 1025, s. 1; 2005-390, ss. 3, 11.) (G.S. 106-737)
- **Enhanced Voluntary Agricultural District (EVAD)** – A district established by a county or a city by ordinance under Part 3 of Article 61 of Chapter 106 of the General Statutes (G.S. 143-215.74(b)(9)(a1)).

For additional resources, go to <http://www.ncadfp.org>.