

Farm and Ranch Lands Protection Program

USDA - Natural Resources Conservation Service

Montana Application Guidelines.

Submit applications, **including** the signed *Montana FRPP Application Checklist* and other documentation to:

Joyce Swartzendruber
USDA, NRCS
Federal Building, Room 443
10 East Babcock Street
Bozeman, MT 59715

Refer to the Montana FRPP web site at:

<http://www.mt.nrcs.usda.gov/programs/frpp/index.html> for Montana information. A completed application must include the **required** ranking form, the **required** Montana FRPP Application Checklist, and the **required** Certification of NRCS Conservation Cooperator form. An application can be submitted at any time.

Before submitting your application: Please contact the Montana Program Manager or Program Specialist to discuss your application and proposed parcels. This is especially important if you are a first-time applicant. Communication early in the application process will help you understand current FRPP rules and efficiently develop a complete and competitive application.

Carrie Mosley, Program Manager
USDA, NRCS
Federal Building, Room 443
Bozeman MT 59715
(406) 587-6967
carrie.mosley@mt.usda.gov

Dennis Dellwo, Program Specialist
USDA, NRCS
Federal Building, Room 443
Bozeman, MT 59715
(406) 587-6748
dennis.dellwo@mt.usda.gov

To ensure your application is competitive for FRPP funding, please be as thorough and complete as you can in providing the requested information. Provide supplemental information if you feel this will help provide a more accurate or complete application.

The State Conservationist will make awards to eligible entities based on fund availability. While applications by entities will be accepted by continuous signup, all applicants will be notified 60 days prior to ranking and applications selected will be notified of funding decisions via letter. NRCS will work with those applicants funded to develop a Cooperative Agreement. As soon as the Cooperative Agreement is signed, funds are obligated and are available for approved easements.

Application Information

Use the Montana FRPP Application Checklist to assist in completing the required application materials. Format your application based on the following order and headings.

1) **ORGANIZATION AND PROGRAMS.**

a. Demonstrate a commitment to long-term conversion of agricultural lands.

Provide a copy of the entities program plan to protect agricultural resources or other open space. Include history, objectives, accomplishments and plans. Brochures, newsletters, and other informational handouts are helpful. Include the person to communicate with regarding the FRPP application. Include name, title, address, phone, email, and fax. **NGO's must submit a copy of your Certificate of Incorporation in the State of Montana.**

b. Demonstrate a commitment to acquire, manage, and enforce easements.

Please discuss your staff and expertise within your organization. Include the number of easements held, the average number of easements acquired per year. What is the organizations approach to easement management? How many and what types of violations have you dealt with in the last 3 years?

c. Demonstrate the number and ability of staff that will be dedicated to monitoring.

Annual written monitoring reports to NRCS are required. Please include a copy of the monitoring form you will use. Outline your policy for monitoring including time of year and amount of staff on hand to effectively monitor and enforce the easement.

d. Demonstrate the availability of funds for purchasing the easement AND that will be dedicated to easement management.

Provide details on funding that the entity will use specifically for the purpose of managing, monitoring, and enforcing a conservation easement.

Provide detailed information on funding available for each proposed parcel. The expected federal contribution can not be more than 50 percent of the appraised fair market value of the land. The entity must have available funds equal to at least 50% of the estimated fair market value of the conservation easement (including land owner donation. **Matching funds must be available before FRPP funds can be obligated.**

e. Include a copy of the pending offer.

A written pending offer is **required** for FRPP eligibility. The pending offer must include documentation illustrating the landowner's interest in selling an easement and intent to complete the transaction. The following are examples of qualifying pending offers:

- An option to purchase the easement, signed by the landowner.
- An appraisal and a signed letter of intent from the landowner.
- A signed copy of the landowner application to the entities program.
- A copy of an offer or written agreement with the landowner to acquire the easement, signed by both the landowner and an entity representative.

f. Appraisal and title policy; please provide a copy of your appraisal and title policy.

2) LANDS TO BE ACQUIRED.

a. Aerial photography: Include a recent, dated, aerial photograph of the easement area. An aerial photo of the area surrounding the easement, up to about a 3 mile radius, is also helpful in completing the parcel ranking.

b. Criteria used to set acquisitions: When submitting parcels, describe the method you used to rank and prioritize your offered parcels for acquisition. Provide a copy of your completed ranking for each proposed parcel, including the score and associated notes for each specific ranking criterion. This will let us know your priority for funding.

c. Detailed description of each parcel:

- i. Names of the land owners, address of the land owners and parcel if different, location, and sizes of parcels.
- ii. Parcels must have at least 50% Prime, Unique, Statewide, or Locally important soils to qualify for FRPP funding. Include a USDA-NRCS soil map of the parcel. List total acres of Prime, Unique, Statewide, or Locally Important Farmland soils within the easement area. List acres for each category separately. Prime farmland lists are also posted in section II of the eFOTG at: <http://www.nrcs.usda.gov/technical/efotg/>. Any acres listed under a TDR can not be used as eligible soils and is not eligible for FRPP.
- iii. **Provide** a map or aerial photo which shows current land use on the easement area. Specifically identify acres, in tabature form, of each area used for:
 - Cropland, pasture, hayland, rangeland, or specialty crops.
 - Forest, forested wetlands, non-wetland forest, and wetlands.
 - Farmstead buildings and agricultural support buildings, including home sites or other building sites.
 - Other incidental land uses.
- iv. Historical or archaeological resources:
 - Provide documentation that the farm includes historical or archaeological sites listed in the National Register of Historic Places, i.e. provide the site or building number from the NRHP web site located at

<http://www.nationalregisterofhistoricplaces.com> or provide a written declaration or letter; **or**

- Provide documentation that the farm includes historical or archaeological sites determined eligible for listing in the National Register of Historic Places by the state or tribal Historic Preservation Officer; **or**

Provide documentation that the farm includes historical or archaeological sites formally designated by the state or tribal Historic Preservation Officer.

v. Protected Parcels: Provide a map showing other farmland, within 3 miles, protected by permanent easement. Show easements on working farms separately from other protected open-space areas such as parks, public lands, wildlife areas, natural areas, forests, or wetlands. For each easement within 3 miles, indicate:

- Organization holding the easement.
- Acres of the easement.
- Easement term.
- Purpose of the easement.
- CRP, CREP, WRP, buffers, or other conservation measures.

vi. Estimated value of the easement: Submit the fair market value as appraised; the purchase price as negotiated with land owner; the dollar amount requested through FRPP; the entities contribution and the percent of the purchase price this will be. Also indicate the cooperating entities expected stewardship fee to be paid by the landowner

vii. Easement: Include a copy of the draft easement, or include a detailed description of the proposed easement terms. For each parcel, provide information on major issues remaining to be negotiated. Also, provide information on proposed terms and status (e.g. agreed or still in negotiation) for each of the specific items below:

- Easement duration (only permanent easements are eligible for FRPP funding in Montana).
- Easement purpose.
- Size & location of farmstead area, if included in the easement.
- Size, number, purpose, & location of reserved home sites.
- Percent of impervious surface. NO more than 2% of the easement area can be impervious without an approved waiver.
- Construction allowed in the easement area.
- Details of possible/suggested splits. Desire of landowners to subdivide each parcel. Subdivision in FRPP is generally prohibited. Parcels for which landowners know the exact locations and dimensions of the subdivided parcels should submit the parcels as separate parcels to be ranked at their subdivided size. If a landowner wants the option to subdivide at a date after the application is submitted, permission must be written into the conservation easement deed. The size of the subdivided parcels must be an economically viable size for a farm or ranch in the county in which the parcel is located. Lot sizes less than the size of the average farm in the county at the time of deed approval will not be permitted.
- Allowable and prohibited land uses.

- Encumbrances on the title such as mortgages, liens, rights-of-way, or mineral rights, and status of plans to subordinate any outstanding interests to the terms of the easement.
- Ownership of subsurface mineral rights for each parcel. Mining is prohibited on FRPP easements. Subsurface mineral rights owned by third parties must be subordinated or a mineral remoteness test conducted to assess the chance of the minerals being extracted by the third party. Parcels that have a high potential of being mined will not be accepted into FRPP. Exploration and extraction of oil and gas is negotiable and deeds must be written to minimize the disturbance caused by the exploration and extraction.
- Baseline documentation: This documentation needs to be complete at or prior to easement closing. Submit a narrative on how this will be accomplished and in what timeframe. Please describe the status of plans to include the farmstead, or other existing homesite(s) in the easement area. Provide a brief description of buildings and agricultural support structures on the farmstead such as dwellings; livestock management facilities; or processing, sales, and storage facilities. If inclusion of the farmstead in the easement is undecided, describe the status of negotiations, and the major issues remaining to be resolved.

viii. Accessibility to markets existing infrastructure, and the level of threat; Please describe any site factors or easement conditions that may affect the viability of the farm for long-term agricultural use, such as:

- Existing rights-of-way, access rights, mineral rights, or other easement rights.
- Plans to develop or protect adjacent properties.
- Farm equipment access issues.
- Reserved home sites or other land owned by the Grantor and adjacent to the proposed easement, but not included in the proposed easement area.
- Desire of the landowner to construct additional residences on the easement parcel. Construction of new residences is generally prohibited on FRPP easements. If a landowner wants the option to construct additional residences for children returning to the farm or ranch or full time farm or ranch employees after the application is submitted, permission must be written into the conservation easement deed. The size and location of the residences must also be specified in the conservation easement deed. The deed must state that occupant of each residence must be a full time farm or ranch employee.
- Describe agricultural infrastructure not within the easement that supports continued agricultural use of the parcel.
- Include a brief description of agricultural markets and support services in the area. This information is requested to provide some evidence that FRPP funds are targeted to farms with good support infrastructure and to areas with farm support businesses and markets that can support continued agricultural use for the foreseeable future.

- If a formal farm succession or transfer plan has been prepared, please include a copy or summary of the plan and the most current date of plan update or review.

ix. Certificate of Natural Resources Conservation Service Conservation Cooperator.

This form must be signed to verify that the entity is authorized to access data to deliver the FRPP. It also outlines agency and entity duties and responsibilities in regard to Personally Identifiable Information (PII).

x. Adjusted Gross Income: Parcels are generally not eligible for FRPP if the landowner's average adjusted gross income exceeds \$1 million per year for the last 3 tax years. An exemption is provided in cases where 66.66 percent or more of the AGI is derived from most farming, ranching, or forestry operations. There may be other exceptions and rules. Contact the local Farm Service Agency (FSA) office to have determination made.

Landowners must complete and sign form CCC-926 (Average Adjusted Gross Income Certification) and return this form to the FSA office in the local USDA Service Center so they can make a determination. Please notify all landowners of proposed parcels that the USDA will require AGI documentation from them prior to releasing FRPP funds. For FRPP AGI will be determined in the year the BEFORE THE COOPERATIVE AGREEMENT IS SIGNED.

xi. Conservation plan; **provide** a copy of the Conservation Plan approved by the NRCS and Conservation District (CD). This is required on Highly Erodible Lands.

- A current plan prepared, revised, or reviewed within the last 5 years.
- A conservation plan map.

xii. AD-1026 form(s) for all land owned or managed by the landowner.

Farms in Montana receiving government payments will have a completed AD-1026 form on file at the FSA office, annually. The landowner completes the AD-1026 form to certify conservation compliance under the 1985 Food Security Act. A signed copy of the AD-1026 must be received by NRCS prior to obligation of funds. Parcels without a signed AD-1026 form are not eligible for FRPP funding.