

**Applicant Webinar – Round 15-B FPIG RFA
Transaction Costs for Donated Agricultural Conservation Easements**



**Agriculture
and Markets**

Round 15-B Farmland Protection Implementation Grants (FPIG)

REQUEST FOR APPLICATIONS (RFA)

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Welcome!

- For audio, please call ... **1-844-633-8697**
- Cisco Unified MeetingPlace ID:
 - **Tuesday morning, April 24, 2018 = 645 632 511** (followed by #)
 - **Wednesday afternoon, April 25, 2018 = 644 648 614** (followed by #)
- Webinar begins promptly at 10am on Tuesday **OR** at 1pm on Wednesday. We'll be getting underway shortly.
- When the webinar starts, **please mute (*6) your phone until the Q&A period.** Thank you for your cooperation!

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WELCOME

(~5 minutes)

Eligible Applicants for this RFA

(~15 minutes)

Eligible Projects for this RFA

- Donation of full value of development rights
- Region-specific eligibility criteria

(~5 minutes)

Match Contribution Requirements & Associated Stipulations

(~20 minutes)

Overview of Project Deliverables ~ Disbursements

(~30 minutes)

Intended Accommodations

ADJOURN

NOTE: Questions must be submitted in writing and you may do so at any time with no deadline. Answers will be periodically posted to all questions received.

Please send your questions via email to: david.behm@agriculture.ny.gov

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Eligible Applicants for this RFA

- (1) any county agricultural and farmland protection board in a county with an approved county agricultural and farmland protection plan

OR

- (2) any municipality which has in place a “local farmland protection plan”
(refer to pages 4-5 of the RFA for more info about “local plan”)

OR

- (3) any not-for-profit conservation organization that will assist a county or municipality to implement a county or municipal agricultural and farmland protection plan approved by the commissioner

OR

- (4) any soil and water conservation district that will assist a county or municipality to implement a county or municipal agricultural and farmland protection plan approved by the commissioner

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Eligible Projects for this RFA

Donation of Full Value of Development Rights

This grant opportunity will help cover eligible transaction costs for Conservation Easement Projects with owners of viable agricultural lands that are at risk of conversion to non-farm uses.

Each Conservation Easement Project must result in a perpetual agricultural conservation easement for which the participating landowner has donated the full value of development rights (i.e, the landowner receives no financial consideration for the sale of the perpetual agricultural conservation easement).

Viable agricultural land means land highly suitable for a Farm Operation as that term is defined in Section 301 of Article 25-AA of the Agriculture and Markets Law.

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Eligible Projects for this RFA *(continued)*

Region-specific Eligibility Criteria:

- (1) minimum acreage (i.e., size of Option Agreement Project)
- (2) minimum percentage (%) for Extent of Active Agricultural Production
- (3) minimum percentage (%) for Sum of Prime Soils (not “Prime if drained”) plus Soils of Statewide Importance (not “Prime if drained” and not “Unique”)

NOTE:

Each minimum amount (acres or %) is the smallest amount associated with farmland protection implementation activities that have been awarded in each region since October 2014. Those awarded projects arose from:

- *Round 13 Farmland Protection Implementation Grants (FPIG) Request For Proposals (RFP),*
- *Hudson Valley Agricultural Enhancement Program (HVAEP) RFP,*
- *Round 14 FPIG-RFP, and*
- *Legislative appropriations for the U.S. Army Compatible Use Buffer (ACUB) program associated with Ft. Drum.*

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Match Contribution Requirements and Associated Stipulations for Conservation Easement Projects					
Maximum State Award	Maximum State Contribution	Other "Caps" on State Contribution	Minimum Local Match		Other State Requirements
			%	Cash	
\$50,000	75.0% of total project costs	\$10,000 per easement toward easement stewardship	25.0% of total project costs	None	Use of Department conservation easement OR Use of Department-required conservation easement provisions provided remainder of conservation easement – (a) “shall not unreasonably restrict or regulate Farm Operations in contravention of the purposes of Article 25-AA of the AML,” AND (b) contains no reference to §247 of New York State General Municipal Law

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Project Deliverables – Option Agreement Projects

Preliminary Review

The project deliverable required for a preliminary review is a **title report *plus* title curatives letter¹** from Grantee attorney explaining how proposed title curatives (if any) conform to Department guidance. This project deliverable must be submitted within six (6) months of state approval of the funding agreement.

¹ Applicant shall submit to the **Department** a title report issued by a New York State licensed title insurance company which proves that the Owner owns fee title to the subject property and that such ownership is insurable. The title report must include at least a 40-year search for all liens and encumbrances which may affect the property. The applicant does not need to provide a title insurance commitment showing clear title to the property, free of all liens and encumbrances. The **Department** will review the title report to ensure that the Owner owns fee title to the property which is insurable; and provide comments to the applicant. The **Department** may request, and the Applicant shall provide, further information about any liens and encumbrances which are identified in the title report.

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Project Deliverables – Option Agreement Projects *(continued)*

Final Report

All Conservation Easement Projects must receive the **Department’s** preliminary approval **before proceeding to compile a complete final report**. After the **Department** has given its preliminary approval of the proposed Conservation Easement Project, a complete final report must be submitted by the local project manager to the **Department** no later than sixty (60) calendar days prior to the expiration of the funding agreement. The project deliverables required for a final report review are as follows:

1. **Appraisal report** (one per conservation easement to be submitted as one (1) digital file (PDF) plus two (2) paper copies of each appraisal report);
2. **Conservation Easement (recorded version** submitted as one digital file (PDF)); and
3. [Closing Statement](#) **spreadsheet** for Conservation Easement Project (submitted as one digital file (PDF)).

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TIMING	MILESTONES / DELIVERABLES ²	SCHEDULED PAYMENT ³ (State Contribution)
Contract Approval Date	Department notification to successful applicant of approval of funding agreement by New York State.	Advance Payment includes: <ul style="list-style-type: none"> • Title report stipend (\$1,500) • Project partners' staff time (1/2 of state contribution) • Project partners' legal fees (1/2 of state contribution)
Month 1 to 6 (After Department notification of State approval of funding agreement)	Submission for Preliminary Review: <ul style="list-style-type: none"> • Title report and title curatives letter 	
- -	Department Preliminary Approval of project.	Interim Payment includes: <ul style="list-style-type: none"> • Balance of contract award, less Final Payment.
60 Calendar Days (Prior to expiration of the funding agreement)	Submission of Final Report for Review: <ul style="list-style-type: none"> • Appraisal • Copy of recorded version of Conservation Easement • Closing Statement spreadsheet 	
- -	Department approval of Final Report.	Final Payment includes: <ul style="list-style-type: none"> • Easement stewardship (@ \$10,000 per easement) • Conservation easement defense liability insurance

² Successful applicant must adhere to the anticipated dates for the specified milestones and project deliverables to ensure prompt completion of the projects associated with funding agreements awarded through this RFA; doing so will enable efficient and predictable State disbursements. Failure to achieve the noted milestone may result in termination of that funding agreement upon the **Department's** examination of the circumstances surrounding the delay.

³ All payments are disbursed on a first approved, first paid basis. All disbursements to successful applicants are as authorized by the NYS Division of the Budget and the NYS Office of State Comptroller.

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Intended Accommodations

- Awards limited to \$50,000 because resulting “T” contracts can be approved more quickly than a typical “C” contract (those exceeding \$50,000)
 - Therefore, if you wish to request more than \$50,000 toward transaction costs for a donated agricultural conservation easement, you must apply during a typical FPIG RFP application period (offered every two years).
***NOTE:** While we do not anticipate any, if an applicant requests \$10,000 or less, the resulting funding agreement is called a Letter of Agreement, which can be approved even more quickly than a “T” contract.*
- 4-year duration of contract affords participating landowner(s) ample time to ascertain the “tax year” in which they will convey the conservation easement(s), including if they choose to file an extension to file their tax return
 - Therefore, Department encourages you to submit an application as early as possible for an anticipated donated agricultural conservation easement project to afford you and the landowner(s) the most time to work through such timing and sequencing issues.
- Use award as source of contribution toward easement stewardship fund when donor unwilling to do so or when donor has been delaying transaction because of that cash commitment
 - Therefore, acceptable to apply most/all of award toward easement stewardship for a multi-easement project.
- For municipalities offering landowners with property tax credits (in lieu of cash payment) for the donation of a perpetual agricultural conservation easement, use award to cover transaction costs as an added incentive for landowners to participate

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- Please remember to submit any questions in writing at any time.
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Good luck!

Cheers!

