

# Manual 10f

## Washington Wildlife and Recreation Program

Farmland Preservation

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March 2018

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# At a Glance

| Washington Wildlife and Recreation Program's Farmland Preservation Category |  |
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| <b>Purpose</b>  | The program provides money to acquire development rights on farmland in Washington to ensure the land remains available for agricultural practices.  |
| <b>Who may apply?</b>   | <ul style="list-style-type: none"><li>• Cities and towns</li><li>• Counties</li><li>• Nonprofit nature conservancies</li><li>• Washington State Conservation Commission</li></ul>  |
| <b>Is a plan required?</b>  | No   |
| <b>What types of projects are eligible?</b>                                 | <ul style="list-style-type: none"><li>• Acquisition of property rights through a conservation easement</li><li>• Combination of acquisition with either restoration or enhancement</li></ul>                             |
| <b>What are the grant limits?</b>   | None   |
| <b>What must I contribute?</b>  | <ul style="list-style-type: none"><li>• 50 percent for local agencies and nonprofits</li><li>• No match required for the state agency.</li></ul>   |
| <b>How is my project evaluated?</b>   | An advisory committee hears your in-person presentation and scores your project.   |
| <b>When are applications due</b>  | May 1, 2018  |
| <b>When are grants awarded?</b>   | July 2019  |
| <b>What's new this year?</b>  | <ul style="list-style-type: none"><li>• Applicants must review <u>and confer</u> with local jurisdictions on all acquisitions.</li><li>• Farmland category is now merged into the new Farm and Forest Account.</li></ul> |

# Section 1: Introduction

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## In this section, you'll learn about:

- ✓ The Washington Wildlife and Recreation Program
- ✓ The Recreation and Conservation Funding Board
- ✓ Where to get information
- ✓ Grant process and timeline

## The Washington Wildlife and Recreation Program

The Washington State Legislature created the Washington Wildlife and Recreation Program (WWRP)<sup>1</sup> in 1990 to accomplish two goals: acquire valuable recreation and habitat lands before they were developed, and develop recreation areas for a growing population.

In 2005, the Legislature expanded the land protection goal by creating the Farmland Preservation Category within the larger WWRP to protect the state's valuable agricultural land for future farming.

Today, WWRP provides funding for a broad range of projects that conserve wildlife habitat, forestland, and farmland; buy land for parks and trails; and develop outdoor recreational facilities. This landmark legislation and subsequent funding have come about through the support of the Governor, Legislature, and groups such as the many organizations comprising the Washington Wildlife and Recreation Coalition.

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<sup>1</sup>Enabling legislation is in Revised Code of Washington 79A.15.

## Accounts and Categories

State law<sup>2</sup> divides WWRP funding into three accounts. Appendix A illustrates the distribution of funding into those accounts. The accounts are divided further into categories with unique funding priorities. The accounts and categories are listed below.

### Farm and Forest Account

- Farmland Preservation Category
- Forestland Preservation Category

### Habitat Conservation Account

- Critical Habitat Category
- Natural Areas Category
- Riparian Protection Category
- State Lands Restoration and Enhancement Category
- Urban Wildlife Habitat Category

### Outdoor Recreation Account

- Local Parks Category
- State Lands Development and Renovation Category
- State Parks Category
- Trails Category
- Water Access Category

Each WWRP account and category receives a specified percentage of the money appropriated by the Legislature. While state law requires that these minimum percentages be met over the life of the program, it is the Recreation and Conservation Funding Board's intent generally to meet them, by category, each biennium. The board may forego the statutory minimums in any one biennium should circumstances warrant. The board's intent is to award grants to projects meeting the greatest need and with the potential to achieve the greatest benefit.

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<sup>2</sup>Revised Code of Washington 79A.15

## Choosing a Grant Category

A grant applicant submits a proposal to a specific WWRP category. An applicant should attempt to find a grant category that best fits the project, considering the goals and evaluation criteria. RCO staff reviews the applicant's choice and recommends any changes. An applicant may appeal staff's decision to change categories to RCO's director and, if necessary, the Recreation and Conservation Funding Board.

A WWRP project will be evaluated only in one category. At the applicant's discretion, a project appropriate to more than one category may be divided into stand-alone projects and submitted separately. An applicant must determine the best category for the project by the technical completion deadline, unless otherwise authorized by the director. See RCO Web site for WWRP [manuals about other accounts and grant categories](#).

## Recreation and Conservation Funding Board

WWRP is administered by the Recreation and Conservation Funding Board, which is a governor-appointed board composed of five citizens and the directors (or designees) of three state agencies—Department of Fish and Wildlife, Department of Natural Resources, and Washington State Parks and Recreation Commission.

The Recreation and Conservation Office (RCO) supports the board. RCO is a small state agency that manages multiple grant programs to create outdoor recreation opportunities, protect the best of the state's wildlife habitat and working farms and forests, and help return salmon from near extinction.

## Manual Authority

This manual is created under the authority granted to Recreation and Conservation Funding Board in WWRP's enabling legislation and Revised Code of Washington 79A.15.130(1) and (5) and 79A.25.005, and Title 286 of the Washington Administrative Code. The Recreation and Conservation Funding Board adopted these policies in a public meeting.

## Who Makes Decisions

The Recreation and Conservation Funding Board makes the final decisions for funding, policies, and project changes, although some decisions it has delegated to the agency director.

## Board Decisions

The following list summarizes many project decisions that are made by the Recreation and Conservation Funding Board in public meetings or by subcommittees of the board. Each is in accord with statutes, rules, and board policies.

- Initial grant approval.
- A "conversion" that changes the project site or how the site is used from that described in the project agreement and Deed of Right or Assignment of Rights. See RCO's *Manual 7, Long-term Obligations*.
- A significant reduction in the project's scope after receiving a grant. Typically, the board will make decisions about scope reductions if the RCO director thinks the project's evaluation score would have been different with the reduced scope. Not included are changes that do not modify significantly the way the public uses a facility, the intended opportunity, or restoration objective funded.
- Changes in policy; for example, establishing new grant limits or eligible expenditures.
- Time extensions beyond 4 years of the initial board or director grant approval date.

## Director Decisions

The RCO director or designee makes many project decisions based on rules and board policies. The range of decisions includes authorizing payments, to approving cost increases, to approving payment of charges in excess of lower bids, to terminating projects.

A project sponsor may request that the Recreation and Conservation Funding Board reconsider a decision made by the director. To request reconsideration, the project sponsor must send a letter to the board chair at least 60 calendar days before a board meeting. The request is added to the board's meeting agenda and the project sponsor then may address the board at the meeting. The board's decision is final.

## Where to Get Information

Recreation and Conservation Office  
Natural Resources Building  
1111 Washington Street  
Olympia, WA 98501  
E-mail: [info@rco.wa.gov](mailto:info@rco.wa.gov)

Telephone: (360) 902-3000  
FAX: (360) 902-3026  
TTD: (360) 902-1996  
[Web site](#)

*Mailing Address*

PO Box 40917

Olympia, WA 98504-0917

RCO grants managers are available to answer questions about this manual and grant program. Please feel free to call.

## Other Grant Manuals You May Need

The manuals below provide additional information for your grant and are available on the RCO Web site. Each can be made available in an alternative format.

- [Manual 3, Acquisition Projects](#)
- [Manual 5, Restoration Projects](#)
- [Manual 7, Long-term Obligations](#)
- [Manual 8, Reimbursements](#)

## Grant Process and Timeline

RCO offers grants in even-numbered years in conjunction with the state budget. The grant process, from application to grant award, spans 18 months and is outlined below. While the order of the steps in this process remains consistent, for precise dates, visit the RCO Web site.

## Even-numbered Years

**Webinars.** RCO conducts a Webinar (an online meeting) in the winter or early spring to provide information about the grant programs offered that year.

**Entering Applications.** RCO strongly encourages applicants to start the online application early. PRISM Online is usually open by March 1. Applicants log into PRISM Online and select the "Get Started/Start a New Application" button to enter grant application information. RCO uses this information to assign an outdoor grants manager. This manager guides applicants through the process, reviews application materials, helps determine whether proposals are eligible, and may visit the project sites to discuss site-specific details. Click here to [learn more about PRISM's components and technical requirements](#).

**Applications Due.** Applications are due in early May of even-numbered years.<sup>3</sup> The application includes the data entered into PRISM and all required attachments. Applicants should “submit” the application before the deadline. The “Check Application for Errors” button on the “Submit Application” screen will indicate which pages are incomplete. Incomplete applications and applications received after the deadline will be rejected unless RCO’s director has approved a late submission in advance. Follow the requirements in the “[Applicant’s To Do List](#)” online.

**Technical Reviews.** Applicants will be invited to a technical review meeting, where they present their projects to the WWRP advisory committee and RCO staff, who review projects to ensure they are eligible, identify any issues of concern, and provide feedback on the strengths and weaknesses of each proposal. Applicants make oral presentations, illustrated with maps, graphics, and photographs using PowerPoint.<sup>®</sup> Grants managers will review the applications also and send comments to applicants. Applicants then can make changes to improve the projects, if needed. Applicants must complete all changes and resubmit their applications by the technical completion deadline.

**Technical Completion Deadline.** RCO establishes a technical completion deadline by which applications must be in their final form. After this date, applicants will not be able to make any more changes. RCO will score applicable evaluation criteria as of this date.

**Board Submits Biennial Budget Request.** The Recreation and Conservation Funding Board submits to the Governor a recommended funding amount for the next biennium for the WWRP.

**Project Evaluation.** Applicants make oral presentations, illustrated with maps, graphics, and photographs in PowerPoint<sup>®</sup> to the advisory committee, which scores each proposal against a set of criteria approved by the Recreation and Conservation Funding Board.

**Post-Evaluation Conference.** After project evaluations, RCO staff tabulate the scores and share the results with the advisory committee. The committee discusses the preliminary ranked list and the application and evaluation processes. The public may join this advisory committee conference call; however, to ensure a fair and equitable process; guests may not testify. Shortly after the conference call, staff post the preliminary ranked lists on RCO’s Web site. The resulting ranked list of projects is the basis for the funding recommendation to the board.

**Board Approves Project List.** In an open public meeting, the Recreation and Conservation Funding Board considers the recommendations of the advisory committee, written public comments submitted before the meeting, and public testimony at the

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<sup>3</sup>Applications are due at least 4 months before the Recreation and Conservation Funding Board approves funding (Washington Administrative Code 286-13-040).

meeting. The board then approves the list of projects for submittal to the Governor by November 1.

When considering a list of projects for submittal, the board will use both anticipated available funding and project evaluation results to determine the length of the list. This list normally will exceed anticipated funding and will include alternate projects. Applicants are cautioned that the board's recommendation of project lists to the Governor is not the same as funding approval.

More projects are recommended than requested funding so that alternate projects can be ready if projects higher on the list fail or use less money than requested.

Projects that, because of their relative ranking, are beyond available funding levels are known as "alternate projects." Alternate projects are submitted in an amount equal to 50 percent of the dollar amount requested for each category. When possible, no fewer than six alternate projects are submitted.

**Governor Approves Projects.** Typically, the Governor's capital budget request to the Legislature includes funding for WWRP. The Governor may remove projects from the list recommended by the board, but may not re-rank or add projects to the list.

## Odd-numbered Years

**Legislature Approves Projects.** When it develops the state capital budget, the Legislature generally considers the project list submitted by the Governor. The Legislature may remove projects from the list submitted by the Governor, but may not re-rank or add projects to the list.

Project lists approved by the Legislature in any one biennium are to be completed, to the fullest extent possible within that biennium. Biennial project lists are active until all the funding is used or no feasible projects remain. If a biennial list is completed and money remains, it may be awarded to projects in future years.

**Proof of Matching Funds.** Local agencies, nonprofit organizations, and Native American tribes must provide proof of the availability of matching funds by the match certification deadline, which is at least 1 calendar month before board approval of funding.<sup>4</sup> If a state agency has shown a match of some kind in its application, it must provide proof of the availability of matching funds by the certification deadline.

**Board Approves Funding.** After the Legislature and Governor approve the capital budget, the board makes the final grant awards, again in a public meeting. Applicants are encouraged, but not required, to attend.

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<sup>4</sup>Washington Administrative Code 286-13-040(3)

**Pre-agreement Materials.** After grant awards, applicants have 2 calendar months<sup>5</sup> to submit pre-agreement documents (checklist provided by grants managers.) RCO staff then prepare and issue the grant contracts, called project agreements. Applicant must return the signed agreements within 3 calendar months.<sup>6</sup> Once the agreements are signed, the applicants, now referred to as project sponsors, may begin their projects, per the terms of the project agreements. Each agreement will be written and monitored for compliance by RCO staff. See *Manual 7, Long-term Obligations* for more information.

**Successful Applicants' Webinar.** After the board approves funding, RCO hosts an online workshop for successful grant applicants. This workshop covers sponsors' responsibilities to comply with the contract, issues that might come up when implementing the project, billing procedures, contract amendments for changes and time extensions, closing project procedures, and long-term compliance.

## Ongoing

**Project Implementation.** Grant recipients must complete projects promptly. To help ensure reasonable and timely project completion, accountability, and the proper use of funds, applicants will do the following:

- Develop milestones for project implementation and complete projects within 4 years of the grant award.
- Begin project implementation quickly and aggressively to show measurable progress towards meeting project milestones.
- Submit progress reports at intervals designated by the RCO project agreement.

RCO may terminate projects that do not meet critical milestones established in the project agreement.

By June 1 of each year, RCO will review projects and will ask sponsors to provide assurances that their projects will be completed on time, such as the following:

- Executed purchase and sale agreements.
- Proof of permitting approvals.
- Awarded construction contracts.
- Progress on other significant milestones listed in the grant agreements.

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<sup>5</sup>Washington Administrative Code 286-13-040(4)

<sup>6</sup>Washington Administrative Code 286-13-040(5)

If satisfactory assurances are not provided, the director may terminate the projects.

**Project Completion.** When a project is completed, sponsors must submit the final bill, final report, and supporting documents needed to close the project as specified in the agreement.<sup>7</sup> If the bill and documentation are not submitted within 6 months of the end date within the agreement, the Recreation and Conservation Funding Board may terminate the agreement without payment.

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<sup>7</sup>Washington Administrative Code 286.13.040(7)

# Section 2: Policies

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## In this section, you'll learn about:

- ✓ Eligible farms
- ✓ Eligible applicants
- ✓ Eligible project types and activities
- ✓ Environmental requirements
- ✓ Property requirements
- ✓ Other requirements and things to know
- ✓ Project area stewardship and ongoing obligations

## Eligible Farms<sup>8</sup>

The purpose of the Farmland Preservation Category is to acquire and preserve opportunities for agricultural activity on farmland.<sup>9</sup>

State law defines "Farmland" in WWRP<sup>10</sup> the same as "Farm and Agricultural Land" or "Farm and Agricultural Conservation Land" in the Open Space Tax Act.<sup>11</sup>

Applicants must provide documentation that each parcel in a grant application is classified as farm and agricultural land or farm and agricultural conservation land in the Open Space Tax Act by the application due date. Acceptable forms of documentation are a written document from the county assessor, a current property tax notice, or a recent title report that shows the classification as an encumbrance on the property. The RCO director relies on documentation provided by the applicant to make a determination of eligibility.

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<sup>8</sup>[Recreation and Conservation Funding Board Resolution 2016-14](#)

<sup>9</sup>Revised Code of Washington 79A.15.130

<sup>10</sup>Revised Code of Washington 79A.15.010

<sup>11</sup>Revised Code of Washington 84.34.020(2) and (8)

If a parcel is not classified as farm and agricultural land or farm and agricultural conservation land, an applicant may seek an informal or preliminary determination from the county assessor that the parcel could be classified as farm and agricultural land or farm and agricultural conservation land in the Open Space Tax Act. Acceptable documentation are a letter from the county assessor or the county assessor's approval of an application for farm and agricultural land classification.

The landowner is not required to participate in the Open Space Tax Act. However, meeting the definition of farm and agricultural land or farm and agricultural conservation land is required for the life of the conservation easement.

The RCO director may extend the deadline for demonstrating that the land meets the definition of farm and agricultural land or farm and agricultural conservation land up until the date of the Recreation and Conservation Funding Board meeting when it approves the ranked list of projects.

## Eligible Applicants

### Eligible Applicants<sup>12</sup>

- Cities, counties
- Nonprofit nature conservancies
- State Conservation Commission

### Applicant Requirements

#### Nonprofit Nature Conservancies<sup>13</sup>

Nonprofit nature conservancies must meet all of the following eligibility requirements:

- Be registered in the State of Washington as a nonprofit as defined by Revised Code of Washington 84.34.250.
- Consistent with Revised Codes of Washington 24.03.220, 24.03.225, and 24.03.230, identify a successor organization fully qualified to ensure management continuity of any WWRP grants received by the corporation or association.

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<sup>12</sup>Revised Code of Washington 79A.15.130(4)

<sup>13</sup>Revised Code of Washington 79A.15.010(10) and [Recreation and Conservation Funding Board Resolution 2010-08](#)

- Demonstrate at least 3 years' activity in managing projects relevant to the types of projects eligible for funding in the applicable WWRP category. "Activity in managing projects" means the tasks necessary to manage an on-the-ground riparian or farmland project, such as negotiating for acquisition of property rights, closing on an acquisition, developing and implementing management plans, designing and implementing projects, securing and managing the necessary funds regardless of fund source, and other tasks.

### Other Requirements

Farmland category applicants also must demonstrate the following:

- The preservation of agricultural lands is a priority of the organization.
- A proven ability to draft, acquire, monitor, and enforce conservation easements.

### Legal Opinion for First Time Applicants<sup>14</sup>

The Recreation and Conservation Funding Board requires all organizations wishing to apply for a grant for the first time to submit a legal opinion that the applicant is eligible to accomplish all of the following:

- Receive and expend public funds including funds from the Recreation and Conservation Funding Board.
- Contract with the State of Washington and the United States of America.
- Meet any statutory definitions required for board grant programs.
- Acquire and manage interests in real property for conservation or outdoor recreation purposes.
- Develop and/or provide stewardship for structures or facilities eligible under board rules or policies.
- Undertake planning activities incidental thereto.
- Commit the applicant to statements made in any grant proposal.

**Note:** The legal opinion is required only once to establish eligibility.

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<sup>14</sup>Recreation and Conservation Funding Board Resolution 2010-08

## Eligible Project Types

### Acquisition Projects

A farmland category acquisition project purchases or receives a donation of less than fee interests in real property. These interests include, but are not limited to, conservation easements, access/trail easements, covenants, water rights, leases, and mineral rights.

Incidental and administrative costs related to acquisitions are eligible including a baseline inventory and a farm stewardship plan as described below. Additional policies for property acquisition are in *Manual 3, Acquisition Projects*.

The following projects are eligible:

- **Acquisition of development rights** via an agricultural conservation easement. Proposals that include acquisition of development rights in perpetuity will receive preference during evaluation. Less than perpetual acquisitions (term easements) must be for at least 25 years.
- **Acquisition of a lease.** Leases are contracts with limited duration between a landowner and a sponsor. Leases provide a way for a sponsor to buy a possessory interest in a parcel's development rights. To be eligible, leases must be for at least 25 years and be recorded at the county auditor's office where the land is located. Leases may not be revocable at will.

Agricultural easement templates may be found in the "[Acquisition Project Tool Kit](#)" on RCO's Web site.

### Multiple Parcels<sup>15</sup>

Applications may include one or more parcels in the Farmland Preservation Category.

- All parcels proposed for acquisition must be identified in the grant application by the technical completion deadline.
- Each parcel must be identified on a map in the application and with a county parcel number.
- All parcels must be contiguous or within the same ownership.<sup>16</sup> For purposes of this policy, ownership means the individual, individuals, or businesses that hold title to a parcel of land. Contiguous means two or more parcels that physically

<sup>15</sup>[Recreation and Conservation Funding Board Resolution 2015-23](#)

<sup>16</sup>Revised Code of Washington 84.34.020(6)(b)(i) and (ii)

touch one another along a boundary or a point. Land divided by a public road, but otherwise an integral part of a farming operation, is considered contiguous.

## Value of Acquisitions

Sponsors may seek reimbursement from RCO for the value of the easement or lease based on the appraised value of the easement or lease, not including the underlying ownership of the land.<sup>17</sup>

Before applying for a grant, applicants are strongly encouraged to review *Manual 3, Acquisition Projects*, which provides details on acquisition procedures and requirements. Some important highlights are listed below.

- **Appraisals:** Must be performed by licensed appraisers, must value the exact property rights being acquired, and must be reviewed by a second licensed appraiser. Sponsors should direct their appraisers to follow the requirements in Manual 3 to ensure the resulting report (and easement value) is acceptable for the purpose of RCO reimbursement. If the match for the project is coming from a federal source, RCO's Manual 3 requirements still apply, including the requirement to obtain an appraisal review. However, if the federal funding source requires the applicant to follow the Uniform Appraisal Standards for Federal Land Acquisitions (aka Yellow Book), RCO will accept appraisals prepared to these standards in place of the Manual 3 appraisal requirements.
- **Procedures:** Sponsors must follow the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970. See Manual 3 for details.
- **Conversions:** To protect the investment of public funds, the Recreation and Conservation Funding Board prohibits the conversion of funded projects to ineligible uses. Therefore, property rights acquired with farmland preservation grants must be protected by language in the lease or easement that describes how property value will be recovered if the property is converted from farmland during the term of the easement or lease. The RCO farmland easement template includes this language. Recreation and Conservation Funding Board grants cannot be used to remedy a conversion.
- **Documents:** Because appraisals must reflect the property rights as conveyed, sponsors should provide copies of any proposed easements or leases to the appraisers as part of the appraisal instructions. The board has developed a model farmland conservation easement that is recommended but not required for use. If sponsors choose not to use this model easement, or to use only portions of it, sponsors must demonstrate that their easement language addresses each

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<sup>17</sup>Recreation and Conservation Funding Board Resolution 2008-027

applicable element of the model easement and is consistent with the intent of each element, with this manual, and with Washington State laws. Sponsors must send draft easements to RCO for review.

## Ineligible Acquisition Projects

The following projects are ineligible:

- Acquisition of rights for a term of less than 25 years.
- Land already owned by an applicant or sponsor described in Revised Code of Washington 79A.15.130(4) except as allowed by other board policy.
- Land already owned by a government agency. Limited exceptions may apply so check with your RCO grants manager.
- Properties acquired by a condemnation action of any kind.<sup>18</sup> The value of parcels acquired by condemnation may not be used as part of the required local agency matching share.
- Transfer of development rights. Development rights acquired under this program may not be transferred to other property.
- Farms producing cultivated marine or freshwater aquatic products or marijuana.
- Lands that primarily serve as a commercial feedlot.
- Organizational operating expenses or overhead are not eligible for reimbursement or as match. However, the value of staff time to perform or oversee the eligible acquisition activity is eligible. For example, the monthly fee for telephone service is not an allowable expense, but the long distance charge for a specific telephone call related to the project is.

## Combination Projects

Combination projects involve land acquisition and restoration or enhancement. To help ensure timely completion of projects, applicants must secure the property at least 1 month before the Recreation and Conservation Funding Board considers funding by using one of the methods listed below.

- Acquisition under “Waiver of Retroactivity” policies outlined in *Manual 3, Acquisition Projects*.

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<sup>18</sup>Revised of Code of Washington 79A.15.090

- Have property in escrow pending board grant award.
- Obtain an option on the property that extends past the board funding meeting. Execution of the option must occur within 90 days after the board funding meeting.

Provide draft copies of all leases or easements to RCO staff for review. Execution of the leases or easements must occur within 90 days after the funding meeting.

For the acquisitions to remain eligible, sponsors must follow all of the requirements and procedures outlined in *Manual 3, Acquisition Projects*.

## Phased Projects

The Recreation and Conservation Funding Board recommends that applicants discuss phasing very expensive and large scale projects with RCO staff. Phased projects are subject to the following conditions:

- Approval of any single phase is limited to that phase. No approval or endorsement is given or implied toward future phases.
- Each phase must stand on its merits as a viable project.
- Each phase must be submitted as a separate application.

Progress and sponsor performance on previous grants may be considered by the Recreation and Conservation Funding Board when making decisions on current project proposals.

If two or more projects are ranked equally through the evaluation process, the Recreation and Conservation Funding Board will give preference to a project that has had a previous phase funded by the board.<sup>19</sup>

## Eligible Project Activities

### Acquiring Easements

Purchasing or receiving a donation of less than fee interest in real property. Incidental and administrative costs related to acquisitions are eligible. Additional rules for land acquisition are in *Manual 3, Acquisition Projects*.

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<sup>19</sup>Recreation and Conservation Funding Board Resolution 2007-27

## **Acquiring and Restoring Property (Combination Projects)**

For combination projects, in addition to the costs for acquiring property, preliminary costs necessary to get a project ready for the construction phase (i.e. architecture and engineering, permits) are allowable for reimbursement. The sponsor may not incur any construction cost before the period of performance in the agreement, unless approved by the Recreation and Conservation Funding Board.

## **Preparing a Baseline Inventory**

A baseline inventory is required. A baseline inventory records and characterizes the condition of the property at the time of the easement acquisition. The inventory provides the basis for future easement monitoring and, if necessary, enforcement. See Manual 3, Appendix F for baseline inventory requirements.

The baseline inventory must be prepared before closing and signed by the landowner and easement holder at closing. In the event of poor seasonal conditions for documenting all conservation values, an interim baseline with a completion schedule must be signed at closing. If the baseline has been completed and a significant amount of time has elapsed before the easement is transferred, it should be reviewed and possibly updated before closing.

## **Preparing a Farm Stewardship Plan**

A farm stewardship plan is an eligible cost activity. The maximum allowable cost for development of a site stewardship plan is \$10,000.

An outline of the proposed stewardship plan must be submitted with the grant application and at a minimum contain the following elements:

- Long-term stewardship goals and objectives.
- Monitoring goals and objectives.
- Restoration goals and objectives (if applicable).
- Short-term, land management goals and objectives.
- Description of the project site, to include the following (the first four of which may be incorporated by reference to the baseline documentation that outlines current site conditions):
  - U.S. Geological Survey quad map and county assessor's parcel map.
  - Map showing all human-made and natural features.

- Narrative description of the property.
- Photographs taken at permanent photograph points.
- A detailed stewardship plan implementation budget that identifies the source of funding.

## **Enhancement and Restoration Activities<sup>20</sup>**

Enhancement or restoration activities within a project must further the ecological functions of the farmland. Examples of eligible activities include fencing livestock out of riparian areas, replanting native vegetation on erosion-prone land or along streams, restoring historic water runoff patterns, improving irrigation efficiency, and removing fish passage barriers. Drilled wells are allowed when the purpose is to enhance ecological functions or agricultural values, such as to reduce diversions from streams or to facilitate fencing livestock out of streams. Wells may not be drilled for additional domestic hook-up or urban use.

Enhancement or restoration activities must be less than 50 percent of the acquisition cost of the project including any in-kind contribution by any party. For example, if the total acquisition cost is \$200,000, restoration costs may not exceed \$100,000, for a total project cost of \$300,000. Total project cost includes the grant amount and sponsor's matching share.

Restoration activities should be based on accepted methods of achieving beneficial enhancement or restoration results. Proposed activities based on experimental or unproven methods will receive fewer points in the evaluation.

## **Ineligible Enhancement and Restoration Activities**

The following items are not eligible:

- "Consumable" supplies such as fuel, fertilizers, pesticides, or herbicides, except as one-time applications if they are necessary parts of eligible restoration activities.
- Elements that cannot be defined as fixtures or capital items.
- Environmental cleanup of illegal activities (i.e. meth labs).
- Indoor facilities.
- Organizational operating expenses or overhead are not eligible for reimbursement or as match. However, the value of staff time to perform or

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<sup>20</sup>Revised Code of Washington RCW 79A.15.130(11)

oversee the eligible restoration activity is eligible. For example, the monthly fee for telephone service is not an allowable expense, but the long distance charge for a specific telephone call related to the project is.

- Purchase of maintenance equipment, tools, or supplies.
- Restoration work done before a project agreement is signed between the applicant and the Recreation and Conservation Funding Board. This work also cannot be used as match.
- Routine operation and maintenance costs.
- Utility payments such as monthly water or electric bills.

### Pre-agreement Costs<sup>21</sup>

RCO may reimburse sponsors for certain allowable expenses incurred before the start date of a project agreement. However, any costs associated with the preparation or presentation of the application are ineligible.

For acquisition projects, most incidental costs incurred before an RCO project agreement may be reimbursed. Land costs are not allowable as a pre-agreement cost unless a "Waiver of Retroactivity" has been approved. See *Manual 3, Acquisition Projects*.

For restoration projects, preliminary costs necessary to get a project ready for construction (i.e. architecture and engineering, permits) may be reimbursed. No construction costs may be incurred before the period of performance in the agreement, unless approved by the Recreation and Conservation Funding Board. See *Manual 5, Restoration Projects* for further information

## Environmental Requirements

### Cultural Resources Review

Governor's Executive Order 05-05, Archaeological and Cultural Resources,<sup>22</sup> directs state agencies to review all capital construction projects and land acquisition projects carried out for the purpose of capital construction. Such projects must be reviewed for potential impacts to cultural resources<sup>23</sup> to ensure that reasonable action is taken to avoid,

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<sup>21</sup>Washington Administrative Code 286-13-085

<sup>22</sup>[www.governor.wa.gov/sites/default/files/exe\\_order/eo\\_05-05.pdf](http://www.governor.wa.gov/sites/default/files/exe_order/eo_05-05.pdf)

<sup>23</sup>Cultural resources means archeological and historical sites and artifacts, and traditional areas or items of religious, ceremonial, and social uses to affected tribes.

minimize, or mitigate impacts to these resources. This applies to all farmland preservation combination projects that involve restoration.

## Review Process

- RCO initiates the review process. Using materials submitted as part of the application, including the cultural resource reporting forms, RCO consults with the Department of Archaeology and Historic Preservation and affected Native American tribes for a determination of possible impacts to archaeological and cultural resources.
- The outcome of the consultation may require an applicant to complete a cultural resources survey and/or continuation of the consultation process to determine next steps. The consultation must be completed, and a "Notice to Proceed issued," before any ground disturbing activities may occur. Construction started without a "Notice to Proceed" will be considered a breach of contract.

See RCO Manual 5 for additional details.

## Invasive Species

The Washington Invasive Species Council developed protocols for preventing the spread of invasive species while working in the field. The [protocols](#) are on the council's Web site. The Recreation and Conservation Funding Board encourages grant recipients to consider how their projects may spread invasive species, and work to reduce that possibility. Invasive species can be spread unintentionally during construction, maintenance, and restoration activities. Here is how it could happen:

- Driving a car or truck to a field site and moving soil embedded with seeds or fragments of invasive plants in the vehicle's tires to another site. New infestations can begin miles away as the seeds and fragments drop off the tires and the undercarriage of the vehicle.
- Sampling streams and moving water or sediment infested with invasive plants, animals, or pathogens via your boots, nets, sampling equipment, or boats from one stream to another.
- Moving weed-infested hay, gravel or dirt to a new site, carrying the weed seeds along with it, during restoration and construction activities. Before long, the seeds germinate and infest the new site.

The key to preventing the introduction and spread of invasive species on a restoration project is twofold: Use materials that are known to be free of invasive plants or animals in the restoration project and ensure equipment is cleaned both before and after construction and restoration. Equipment to clean should include, but not be limited to,

footwear, gloves, angling equipment, sampling equipment, boats and their trailers, and vehicles and tires.

## **Sustainability<sup>24</sup>**

The Recreation and Conservation Funding Board encourages greater use of sustainable design, practices, and elements in grant-funded projects. To the board, “sustainability” means to help fund a recreation or conservation project that minimizes impact to the natural environment while maximizing the project’s service life.

Sponsors are encouraged to incorporate sustainable design, practices, and elements in their projects. Examples may include use of recycled materials; native plants in landscaping; pervious surfacing material for circulation paths and access routes, trails, and parking areas; energy efficient fixtures; onsite recycling stations; and composting.

## **Property Requirements**

### **Reviewing Your Project with the Local Jurisdiction<sup>25</sup>**

Before applying for a grant to acquire property in WWRP, applicants must review the proposed project with the county or city with jurisdiction over the project area. The applicant must then provide documentation that they have conferred with the local county or city officials. The jurisdiction’s legislative authority may submit a letter to the Recreation and Conservation Funding Board stating its support or opposition of the project. The board shall make the letter available to the Governor and the Legislature when submitting its prioritized project list as part of RCO’s biennial capital budget request.

To meet this requirement, the applicant must demonstrate that the conferral<sup>26</sup> process has begun by providing each member of the county commission or city council with a packet including all of the following information:

- A cover letter referencing Revised Code of Washington 79A.15.110 along with a request to confer with city or county officials about the project. The letter must state the option for the county or city to send a letter to the Recreation and Conservation Funding Board stating its position on the project. A sample letter is

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<sup>24</sup>Recreation and Conservation Funding Board Resolution 2011-22

<sup>25</sup>Revised Code of Washington 79A.15.110

<sup>26</sup>Confer is defined as a dialogue between project sponsors and local county or city officials with the purpose of early review of potential projects. The dialogue may include any matter relevant to a particular project, which may include but need not be limited to: project purpose and scope; project elements; estimated project cost; costs and benefits to the community; plans for project management and maintenance; and public access.

available in the [Acquisition Project Toolkit for Grant Sponsors](#) on the RCO Web site.

- The project description as it will be submitted in the grant application.
- A location map.
- A parcel map of the proposed acquisition properties.

A copy of the packet must be attached to the project application in PRISM before the application deadline.

The applicant also must document that the conferral process took place. The documentation must be attached to the project application in PRISM before the technical completion deadline and must include all of the following:

- Conferral dates.
- Name and title of each person participating in the conferral process and their relevant organizations.
- A list or map of acquisition properties under consideration.
- A list of the county or city official's key questions or concerns.
- A description of any project revisions resulting from the conferral process.
- A summary of any relevant follow-up actions.

A sample documentation form is available in the [Acquisition Project Toolkit for Grant Sponsors](#) on the RCO Web site.

A local government proposing to acquire property within its own political boundaries meets this requirement by submitting the adopted resolution that is required with the RCO grant application before the application deadline. A local government proposing to purchase property outside its jurisdiction (e.g. a city acquiring land outside its city limits or a county acquiring land within a city's limits) must comply with the conferral requirement.

## **Landowner Acknowledgement of Application**

As part of any grant application for acquisition of real property, the project sponsor must demonstrate that the landowner is aware of the project sponsor's interest in purchasing an easement.

This requirement must be accomplished by completing one of four options as detailed in RCO's *Manual 3, Acquisition Projects*.

## **Preference for Community Priorities<sup>27</sup>**

The Recreation and Conservation Funding Board recognizes that interest and commitment to preserve farmlands will vary by community. Communities may exhibit their commitment to farmland preservation through a variety of mechanisms including agricultural zoning, right-to-farm ordinances, adopted strategies for farmland preservation, and dedicated funds to purchase development rights on land in agricultural zones.

Consistency with community priorities is one element within the evaluation criteria. To assist evaluators, applicants may submit any combination of the following to RCO:

- Letters of endorsement or support from local governments, chambers of commerce, and other organizations.
- A copy of the applicant's current capital facilities plan or capital improvement program in which the project is listed by name or by type.
- A copy of results of a needs assessment or community survey.
- A copy of a survey or plan for preserving farmlands with a resulting priority list of acquisitions.
- Documented results of a series of community meetings that may have resulted in consensus for farmland preservation.

## **Buildings and Impervious Surfaces<sup>28</sup>**

### **Building Envelopes**

The concept of a building envelope is common in agricultural conservation easements. Building envelopes identify the footprint within which buildings are located or may be constructed in the future. Sponsors should work closely with landowners to identify appropriate locations for these envelopes to minimize disruption to the farm's agricultural values. For example, if a building envelope is in the middle of a cultivated field to take greatest advantage of a view, this not only will constrain agricultural practices, but also encourage estate-type development thereby creating a property value reflective of an estate rather than a farm. In general, the Recreation and Conservation

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<sup>27</sup>Recreation and Conservation Funding Board Resolution 2006-06

<sup>28</sup>Recreation and Conservation Funding Board Resolution 2015-23

Funding Board encourages building envelopes to be near property edges and roads, where they won't degrade long-term viability of the farm.

If there are no buildings, the sponsor should consider whether or not reserving the right to develop a future home site or agricultural buildings would increase the long-term viability of the farm and reserve the rights needed to allow such development. The appraisal must reflect the number and type of reserved rights. If there is an existing home site that will remain, at least one development right must be retained to allow the home site to continue to exist.

Locations of building envelopes and allowed improvements must be identified in the agricultural conservation easement. The sponsor should identify general locations by the time the project is evaluated so evaluators can consider their impact to the long-term viability of the farm. It also will be important for the appraiser to be made aware of building envelopes to factor that into the market value analysis. Building envelopes must be identified, preferably by survey, on a site map that will become an exhibit to the easement.

### Impervious Surfaces

Impervious surface is defined as all hard surface areas that either prevent or retard water absorption into the soil and have the effect of removing soil from cultivation. The maximum percent of land in the farmland conservation easement area allowed to be impervious surface is as follows:

| Size of the Easement Area | Percent of Land Allowed to be Impervious Surface |
|---------------------------|--|
| 50 acres or less          | 6 percent or more                                |
| 51-100 acres              | 6 percent  |
| 101-200 acres             | 5 percent  |
| 201-500 acres             | 4 percent  |
| 501-1,000 acres           | 3 percent  |
| 1,001+ acres              | 2 percent  |

EXCEPTION: When the Natural Resources Conservation Service provides matching funds to a WWRP Farmland Preservation Category easement, the director may use the definition of impervious surface used by the Natural Resources Conservation Service as long as it does not exceed the maximum amount as described in the table above.

EXCEPTION: The director may approve a higher percentage of land as impervious surface on an individual project basis.

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## Other Requirements and Things to Know

### Not a Public Hearings Board

The Recreation and Conservation Funding Board is not a public hearings board and does not decide land use issues. To the extent possible, all project proposals should demonstrate adequate public notification and review and have the support of the public body applying for the grant.

### Number of Grant Proposal Allowed

In general, RCO does not limit the number of grant proposals from a single applicant during the biennial grant cycle. However, each proposal must be for a different scope of work.

A grant proposal for the same project or scope of work may be submitted to another RCO grant program only if it is being used as match. Each proposal must identify the other RCO matching grant proposal. We recommend applicants contact RCO staff to discuss options for phasing costly, interrelated, or complex project proposals.

### Federal Rules

For all projects funded with federal funds or other grants that are used by RCO as match to a federal source, grant recipients must comply with [Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) and RCO may require additional information.

### Public Access in a Farmland Conservation Easement<sup>29</sup>

This policy applies to each farmland conservation easement in the WWRP Farmland Preservation Category.

By state law, the acquisition of property does not provide a right of access to the property unless it is stated explicitly as a permitted use by the landowner in the farmland conservation easement.<sup>30</sup>

If a property owner, or future property owner, of the farmland conservation easement and the sponsor agree to allow public access in the conservation easement area, such use shall be identified as a permitted use and included in the farmland conservation easement or amended into the easement at a later date. Examples of public access may

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<sup>29</sup>Recreation and Conservation Funding Board Resolution 2015-23

<sup>30</sup>Revised Code of Washington 79A.15.130(6)

include walking, public trails, water access sites, and areas for wildlife viewing, hunting, and fishing.

By state law, acquisition priorities for the WWRP Farmland Preservation Category shall consider whether a farmland conservation easement is consistent with a regional or statewide recreation plan.<sup>31</sup> Evaluators shall give consideration to applications that are consistent with such plans when scoring the other benefits in the “Benefits to the Community” evaluation question.

### **Advisory Committee Reviews All Requests to Change a Parcel<sup>32</sup>**

This policy applies during the project agreement period of performance when a sponsor requests to add or remove parcels from the project agreement.

The WWRP Farmland Advisory Committee will review all requests to add or remove a parcel to the scope of a project. The committee will determine whether the change would result in less, more, or similar farmland conservation values as those presented in the application, and inform the RCO director of its assessment.

Any request to change a parcel must comply with the board’s policy on scope changes as described in *Manual 3, Acquisition Projects*.

### **You Have to Pay First<sup>33</sup>**

RCO pays grants through reimbursement, and the amount is based on percentages in the project agreement. You may request reimbursement only after you have paid your employees and vendors. RCO does not provide money before vendors are paid. Complete reimbursement procedures are found in *Manual 8, Reimbursements*. Other rules to note include the following:

- When the value of donations exceeds the value of expenditures, grant reimbursement cannot exceed the total out-of-pocket expenses.
- Costs associated with preparing this, or any other grant application, cannot be submitted for reimbursement.

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<sup>31</sup>Revised Code of Washington 79A.15.130(10(d))

<sup>32</sup>Recreation and Conservation Funding Board Resolution 2015-23

<sup>33</sup>Recreation and Conservation Funding Board Resolution 2006-06

## Public Disclosure Rules

RCO records and files are public records that are subject to the Public Records Act.<sup>34</sup> More information about the [RCO's disclosure practices](#) is available on the Web site.

## Administrative Rule Exceptions<sup>35</sup>

The following Washington Administrative Codes do not apply to projects funded in the Forestland Preservation Category:

- Washington Administrative Code 286-13-110      Income, use of income.
- Washington Administrative Code 286-13-120      Permanent project signs.
- Washington Administrative Code 286-13-035      Planning requirement.

## Project Area Stewardship and Ongoing Obligations

An RCO grant comes with long-term obligations to maintain and protect the project area<sup>36</sup> after a project is complete. The long-term obligations for the Farmland Preservation Category are in state law,<sup>37</sup> the project agreement, and *Manual 7, Long-term Obligations*. A [template of the project agreement](#) can be found on RCO's Web site.

RCO recognizes that changes occur over time and that some facilities may become obsolete or the land needed for something else. The law discourages casual discards of land and facilities by ensuring that grant recipients replace the lost value when changes or conversions of use take place.

In general, the project area funded with an RCO grant must remain dedicated to the use as originally funded, such as farmland preservation, for as long as defined in the project agreement. For acquisition projects, the period is determined by the rights that are acquired.

A conversion occurs when the project area acquired, developed, or restored with RCO grant funding is used for purposes other than what it was funded for originally. See RCO *Manual 7, Long-Term Obligations* for a discussion of conversions and the process required for replacement of the public investment. Non-compliance with the long-term

<sup>34</sup>Revised Code of Washington 42.56

<sup>35</sup>Recreation and Conservation Funding Board Resolution 2006-06

<sup>36</sup>Washington Administrative Code 286-04-010(19). Project area is the geographic area that delineates a grant-assisted site which is subject to application and project agreement requirements.

<sup>37</sup>Revised Code of Washington 79A.15.030(9) and Washington Administrative Code 286-13-160

obligations for an RCO grant may jeopardize an organization's ability to obtain future RCO grants.

After a project is complete (that is, after RCO's final reimbursement and acceptance of the project), RCO documents that were signed by the sponsor continue to govern the project area described in the boundary map for which funds have been granted.

Changes may be made only with the prior approval of the board. If a compliance issue arises, RCO staff works with sponsors to resolve the issue. Unresolved, identified issues could result in restrictions on applying for or receiving future grants.

## **Easement Compliance**

The model agricultural conservation easement template requires that each easement include a provision to provide access to the project sponsor and RCO to conduct a general inspection of the easement area and to monitor compliance with the easement terms. Project sponsors must develop and implement a plan to monitor RCO funded conservation easements.<sup>38</sup>

Due to the complexity of the agricultural conservation easement, and the long-term implications for the landowner, RCO advises sponsors to strongly encourage landowners to consult with attorneys before granting an easement.

Easements and leases must be recorded through the assessor's office in the county where the land lies. The easement or lease will be between the landowner and the sponsor. Partners, such as the Natural Resources Conservation Service, or another eligible co-grantee also may be named as parties to the easement. RCO must be named as a third party beneficiary, and its director must sign the easement before closing.

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<sup>38</sup>[Recreation and Conservation Funding Board Resolution 2010-34](#)

# Section 3: Money Matters

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## In this section, you'll learn about:

- ✓ Grant limits
- ✓ Match
- ✓ Eligible match
- ✓ Types of match
- ✓ Records
- ✓ Pre-agreement costs

### Grant Limits

Grant limits for farmland projects are as follows:

- There is no minimum or maximum grant amount.<sup>39</sup>
- The restoration total shall not exceed more than half of the total acquisition costs, including match toward acquisition.
- WWRP funds will not exceed 50 percent of a project's total cost, except for grants to the State Conservation Commission.

### Administration, Architecture, Engineering Costs

- Direct administrative costs for acquisition of real property are limited to no more than 5 percent of the total acquisition cost.
- Architecture and engineering costs for restoration are limited to 20 percent of the total restoration costs.

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<sup>39</sup>[www.rco.wa.gov/documents/rcfb/BoardMaterials/Minutes/2007/2007\\_11\\_1-2.pdf](http://www.rco.wa.gov/documents/rcfb/BoardMaterials/Minutes/2007/2007_11_1-2.pdf)

Additional information about eligibility and reimbursement maximums for these elements is contained in *Manual 3, Acquisition Projects* (administration costs) and *Manual 5, Restoration Projects*, (architectural and engineering costs).

## Cost Increases

Cost increases are not allowed. This means the grant amount will not be increased once the project has been evaluated. Project cost overruns become the responsibility of the sponsor.

## Match

### Matching Share

Match is the applicant's contribution to a project. By requiring a match for grants, the Recreation and Conservation Funding Board intends to foster and demonstrate local commitment to the projects and to spread the money from the grant program to a greater number of projects.<sup>40</sup>

Recreation and Conservation Funding Board grants are intended to be the last source of funding for a project. In other words, the required match must be secured so the project can move forward. Board grants also are intended to supplement the existing capacity of a sponsor, not to replace existing funding that would have been used for a project without grant funding.

All matching resources must meet the following criteria:

- Be an integral and necessary part of the approved project.
- Be part of the work identified in the application and project agreement.
- Be for eligible work types or elements.
- Be committed to the project.

RCO rules governing projects apply to the grant applicant's match. For example, if a grant applicant uses donated land as a match, RCO rules requiring the land to remain in conservation use forever apply to the donated land as well.

Except for grant applications submitted within the same biennium, matching resources or board grants committed in one board-funded project must not be used as match in another board-funded project.

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<sup>40</sup>Washington Administrative Code 286-13-045(2)

The board may require the applicant to provide a portion of its matching resources in local resources.<sup>41</sup>

## Cities, Counties, and Nonprofit Conservancies

By statute, cities, counties, and nonprofit nature conservancies must contribute matching resources at least equal to the amount of the grant requested.<sup>42</sup> For example, if an applicant requests a \$250,000 grant, the applicant must contribute \$250,000 for a total project cost of \$500,000. This is called providing a 50 percent matching share.

Applicants must provide a minimum of 10 percent of the total cost of a project in the form of a local contribution, not from a state or federal source. For example, if a total project cost is \$500,000, the applicant must provide \$50,000 in matching share from a local source such as local government appropriation, cash, grants, or in-kind donations.

Matching shares of more than 50 percent are encouraged. Applications that include a higher match than the required minimum receive additional points in the evaluation.

## State Conservation Commission

The State Conservation Commission is not required to provide a matching share. However, all applicants are encouraged to contribute matching shares and reduce government cost. If the commission partners with another eligible applicant the match requirement does apply.

## Match Availability and Certification

To help ensure Recreation and Conservation Funding Board projects are ready for implementation upon approval, applicants must have matching funds available for expenditure before the board approves funding. All applicants are required to sign and submit a "Certification of Match" form to ensure their projects are included in the funding recommendations. Applicants are advised to plan ahead for projects whose match depends on citizen votes or passage of ballot measures. This certification is due at least 1 calendar month before Recreation and Conservation Funding Board action.<sup>43</sup> The forms and deadlines for certifying match are on the RCO Web site.

RCO may declare projects ineligible if there is no guarantee that matching funds are available and those projects may be passed over in favor of projects with the match in place. Such decisions are based on the Recreation and Conservation Funding Board's confidence in the applicant's ability to have the match in place when required.

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<sup>41</sup>Washington Administrative Code 286-13-045(4)

<sup>42</sup>Revised Code of Washington 79A.15.130(9)

<sup>43</sup>Washington Administrative Code 286-13-040(3)

## Eligible Match

Applicant resources used to match board funds must be eligible in the grant program. Sources of matching resources include, but are not limited to the following:

- Appropriations and cash. See below for details.
- Bonds—council or voter
- Conservation futures
- Corrections labor
- Value of the sponsor's expenses for labor, materials, and equipment. See below for details.
- Value of donated cash, equipment use, materials, labor, real property, and services. See below for details.
- Grants, except those from the same grant program administered by the board.<sup>44</sup> See below for details.

## Not Allowed as Match

- Existing sponsor assets such as real property or developments.
- Costs that are double counted. (A cost incurred by a sponsor in a project that has been reimbursed by RCO shall not be used as a match on another RCO project.)
- Cost that are not eligible for grant assistance.
- Cost that are not an integral part of the project scope.
- Cost associated with meeting a mitigation requirement unrelated to the funded project.

## Types of Match

### Donations and Force Account

Donations are eligible only as matching funds and are not reimbursable. This means RCO will not pay more than the sponsor's out-of-pocket expenses. Valuing donations of equipment, labor (including inmate or community service labor), and material is

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<sup>44</sup>Washington Administrative Code 286-13-045(3)(d)

discussed in *Manual 8, Reimbursements*. RCO strongly encourages applicants to secure written confirmation of all donations they plan to use as match and attach the donation letters to the PRISM Online application.

Donated property rights must expand existing farmland or stand on their own as a viable farm. Review *Manual 3, Acquisition Projects* before taking title to property that will be donated and used as match. Manual 3 outlines the requirements for valuing the property and for securing a donation statement from the seller.

Force account refers to use of a sponsor's staff (labor), equipment, or materials. These contributions are treated as expenditures.

### **Federal, State, Local, or Private Grants**

In some cases, a sponsor may use funds awarded from a separate grant program as its match. For example, federal Agricultural Conservation Easement Program grants might be used to match farmland preservation grants.

The eligibility of federal funds to be used as a match may be governed by federal and state requirements and thus will vary with individual program policies.

Applicants must clearly identify in the grant application all grants to be used as match. RCO will help you determine if the source is compatible with Recreation and Conservation Funding Board grants.

### **Mitigation Funds as Match**

The Recreation and Conservation Funding Board allows use of impact fees and mitigation cash payments, such as money from a fund established as a mitigation requirement, as match if the money has been passed from the mitigating entity to an eligible applicant, and the board's grant does not replace mitigation money, repay the mitigation fund, or in any way supplant the obligation of the mitigating entity.

### **Third Party Match<sup>45</sup>**

Cash spent on renovation by a third party may be used as match, if the value of the labor, equipment, and materials applied toward the activity is a donation to the sponsor. The value would be based on Recreation and Conservation Funding Board's existing donation policy, not necessarily on the amount the activity originally cost the third party. If the sponsor pays the third party for the value of the renovation, it becomes an expenditure and is eligible as in-kind match.

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<sup>45</sup>Recreation and Conservation Funding Board Resolution 2006-06

A sponsor may not use the value of development rights granted to a party other than the sponsor as a donation.

## **Records**

Applicants must keep detailed records of all funded project costs including force account values and donated contributions. Refer to *Manual 8, Reimbursements* for details and instructions regarding audits, record retention, and documents required for reimbursement.

# Section 4: Evaluation Process

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## In this section, you'll learn about:

- ✓ Advisory committee
- ✓ Choosing proposals to fund
- ✓ Evaluation criteria

### Advisory Committee

RCO manages the Farmland Preservation Category with the assistance of a standing advisory committee. The advisory committee's role is to recommend policies and procedures to RCO for administering grants and to review, evaluate, and score grant applications. The resulting ranked list is the basis for funding recommendations to the Recreation and Conservation Funding Board. The Recreation and Conservation Funding Board makes the final funding decision in an open public meeting.

In recruiting members for the committee, RCO seeks to appoint people who possess a statewide perspective and are recognized for their experience, expertise, and knowledge of farming and ranching operations, conservation easements and leases, ecology, and land use planning in Washington.

Check RCO's Web site for [membership and other details](#).

RCO's director may appoint *ex officio* members to the committees to provide additional representation and expertise.

### Choosing Proposals to Fund

A formal evaluation of each project is a key step in the funding process. The evaluation questions, or criteria, are adopted by the Recreation and Conservation Funding Board, and are based on the law and other criteria.

The Washington Wildlife and Recreation Program Farmland Preservation Advisory Committee will use the board-adopted criteria to score each project. Scores are based on each applicant's oral response to evaluation questions, graphic presentation, and summary application material.

While evaluation meetings are open to anyone, they are not public hearings. Only the applicant designated spokespersons may address the evaluation team. Scoring is by confidential ballot. Following the meeting, RCO tabulates all scores, resulting in a ranked list of proposals, which serves as the foundation for staff's funding recommendation to the board.

### Farmland Preservation Evaluation Criteria

| Scored By           | Number | Evaluation Criteria       | Maximum Score | Percent of Total |
|---------------------|--------|---------------------------|---------------|------------------|
| Advisory Committee  | 1      | Viability of the Site     | 16            | 29%              |
| Advisory Committee  | 2      | Threat to the Land        | 10            | 18%              |
| Advisory Committee  | 3      | Access to Markets         | 4             | 7%               |
| Advisory Committee  | 4      | On-site Infrastructure    | 4             | 7%               |
| Advisory Committee  | 5      | Building Envelope         | 4             | 7%               |
| Advisory Committee  | 6      | Farmland Stewardship      | 8             | 14%              |
| Advisory Committee  | 7      | Benefits to the Community | 8             | 14%              |
| RCO Staff           | 8      | Match                     | 2             | 4%               |
| RCO Staff           | 9      | Easement Duration         | 0             | 0%               |
| <b>Total Points</b> |        |                           | <b>56</b>     | <b>100%</b>      |

### Farmland Preservation Category Detailed Scoring Criteria

#### Scored by Advisory Committee

- 1. Viability of the Site.** What is the viability of the site for agricultural production?<sup>46</sup>  
Viability of the site includes:

- Soil types.
- Suitability for producing different types or varieties of crops.

<sup>46</sup>The viability of the site for continued agricultural production, including, but not limited to: soil types; suitability for producing different types or varieties of crops; and water availability. (Revised Code of Washington 79A.15.130(10)(h))

- Water availability.

- ▲ Point Range=0-16 points. Evaluators score points based on the viability of the site for agricultural production.

When considering the viability of the site as cropland and pastureland, consider whether the site has suitable soils and enough water to produce a variety of crops. Applicants should provide information about the types of crops that could be grown on the site now and in the future and the potential bushel yield.

When considering the viability of the site as rangeland, consider whether the site has suitable soils and enough water to produce stock. Applicants should provide a specific number of animals that the land could produce such as “animal management units” (AMUs) or the “carrying capacity.”

- 2. Threat to the Land.** What is the likelihood the land will not stay in agricultural use if it is not protected?<sup>47</sup>

- ▲ Point Range=0-10 points. Evaluators score points based on the severity of the threat that the property will be converted to some use other than agriculture within the next 5 years.

0 points      Low likelihood it will be converted to another use

1-5 points      Medium likelihood it will be converted to another use

6-10 points      High likelihood it will be converted to another use

- 3. Access to Markets.** How is the land’s agricultural productivity supported by access to markets?<sup>48</sup>

Available markets may include formal private markets, commodity exchanges and auctions, and public markets.

- ▲ Point Range=0-4 points

0 points      There are little to no market opportunities that support agricultural productivity of the land.

1-2 points      There are adequate market opportunities that support agricultural productivity of the land.

<sup>47</sup>The likelihood of the conversion of the site to nonagricultural or more highly developed usage. (Revised Code of Washington 79A.15.130(10)(c))

<sup>48</sup>Farm-to-market access. (Revised Code of Washington 79A.15.130(10)(h)(iv))

3-4 points      There are superior market opportunities that support agricultural productivity of the land.

**4. On-site Infrastructure.** How well is the land’s agricultural productivity supported by on-site production and support facilities such as barns, irrigation systems, crop processing and storage facilities, wells, houses, livestock sheds, and other farming infrastructure?<sup>49</sup>

▲ Point Range=0-4 points. Evaluators score points based on how well the land’s agricultural productivity is supported.

0 points      There are no on-site production and support facilities, even though they are needed, to support the agricultural productivity of the land.

1–2 points      The agricultural productivity of the land is supported by production and support facilities off-site.

3–4 points      There are on-site production and support facilities to support the agricultural productivity of the land.

**5. Building Envelope.** How much of the property is included in the building envelope?

▲ Point Range=0-4 points

0 points      The size of the building envelope is not appropriate for the size of the farm.

1-4 points      The size of the building envelope is appropriate for the size of the farm.

**6. Farmland Stewardship.** What stewardship practices are in place to benefit fish and other wildlife habitat?

The focus of the stewardship practices is on providing habitat for salmon, fish, migratory birds, other wildlife species, and endangered, threatened, or sensitive species.<sup>50</sup>

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<sup>49</sup>The viability of the site for continued agricultural production, including, but not limited to: on-site production and support facilities such as barns, irrigation systems, crop processing and storage facilities, wells, housing, livestock sheds, and other farming infrastructure. (Revised Code of Washington 79A.15.130(10)(h))

<sup>50</sup>Benefits to salmonids (Revised Code of Washington 79A.15.130(10)(e)), benefits to other fish and wildlife habitat (Revised Code of Washington 79A.15.130(10)(f)), integration with recovery efforts for endangered,

Types of stewardship practices must include practices from a recognized program or published guidelines. Examples are:

- Habitat land is set aside that meets minimum guidelines for endangered species recovery as described by the National Oceanic and Atmospheric Administration or the U. S. Fish and Wildlife Service. The land set aside may not exceed the maximum thresholds set in the Open Space Tax Act.
- Enrollment in one or more conservation incentive programs through the Natural Resources Conservation Service.
- Participation in the voluntary stewardship program administered by the Washington State Conservation Commission.
- Participation in Washington Department of Fish and Wildlife’s habitat programs.
- Participation in habitat improvements funded by the Salmon Recovery Funding Board.
- Agreements or voluntary commitments made to support habitat for specific species.

▲ Point Range=0-8 points, including bonus points

- |            |   |
|------------|---|
| 0 points   | There are no specific stewardship practices in place.               |
| 1-3 points | There are one or more stewardship practices planned for the future. |
| 4-6 points | There are one or more stewardship practices in place.               |

**Bonus Points**

- |            |  |
|------------|--|
| 1-2 points | The stewardship practices will be included in the terms of the conservation easement as required stewardship practices for the duration of the easement. |
|------------|--|

**7. Benefits to the Community.** How will protecting the land for agricultural purposes provide other benefits to the community? Does the community and area Native American tribes support the project?<sup>51</sup>

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threatened, or sensitive species (Revised Code of Washington 79A.15.130(10)(g), and migratory bird habitat and forage area (Revised Code of Washington 79A.15.130(10)(i)(v).

<sup>51</sup>Revised Code of Washington 79A.15.130(10)(a)

Benefits to the community include:

- The project is identified as a recommendation in one of the following:
  - Coordinated region-wide prioritization effort.
  - Critical pathways analysis.
  - Habitat conservation plan.
  - Limiting factors analysis.
  - Watershed plan<sup>52</sup>
- The project is consistent with one of the following:
  - Local land use plan.
  - Regional or statewide recreational or resource plan.<sup>53</sup>
- The project assists in the implementation of one of the following:
  - A local shoreline master plan updated according to Revised Code of Washington 90.58.080.
  - A local comprehensive plan updated according to Revised Code of Washington 36.70A.130.<sup>54</sup>
- The project provides protection of a view or an aquifer recharge.<sup>55</sup>
- The project will provide occasional collection of storm water runoff.<sup>56</sup>
- The project will create agricultural jobs.<sup>57</sup>
- The project will provide some educational opportunities.<sup>58</sup>
- The project is identified in an annual or long-range plan of the local conservation district.

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<sup>52</sup>Revised Code of Washington 79A.15.130(10)(b)

<sup>53</sup>Revised Code of Washington 79A.15.130(10)(d)

<sup>54</sup>Revised Code of Washington 79A.15.130(10)(d)

<sup>55</sup>Revised Code of Washington 79A.15.130(10)(i)(ii)

<sup>56</sup>Revised Code of Washington 79A.15.130(10)(i)(iii)

<sup>57</sup>Revised Code of Washington 79A.15.130(10)(i)(iv)

<sup>58</sup>Revised Code of Washington 79A.15.130(10)(i)(vi)

▲ Point Range=0-8 points, including 2 bonus points

0-3 points      The project will provide few additional benefits to the community.

4-6 points      The project will provide many additional benefits to the community.

**Bonus Points**

2 points      There are one or more letters of support in the application that demonstrate community support for the project.

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**8. Match.** Is the applicant providing additional match above the minimum requirement?

▲ Point Range=0-2 points

0 points      The applicant is not providing additional match above the minimum requirements.

2 points      The applicant is providing 5 percent or more additional match above the minimum requirements

**9. Easement Duration.** What is the duration of the conservation easement?

▲ Point Range=-10-0 points

0 points      The duration of the conservation easement is forever.

-10 points      The duration of the conservation easement is not forever.

# Appendix A: Definition of "Farmlands"

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Revised Code of Washington 84.34.020

(2) "Farm and agricultural land" means:

- (a) Any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres:
  - (i) Devoted primarily to the production of livestock or agricultural commodities for commercial purposes;
  - (ii) Enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or
  - (iii) Other similar commercial activities as may be established by rule
- (b) (i) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which has produced a gross income from agricultural uses equivalent to, as of January 1, 1993:
  - (A) One hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
  - (B) On or after January 1, 1993, two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;

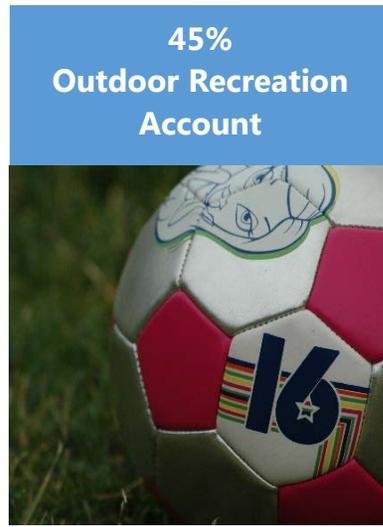
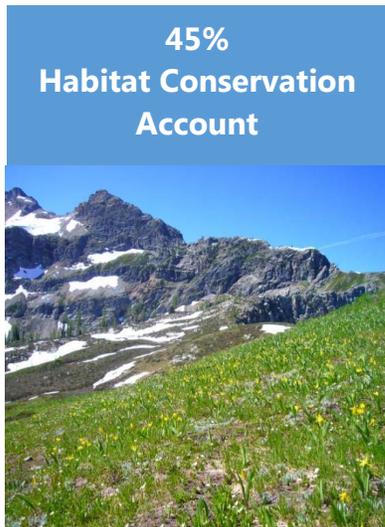
- (ii) For the purposes of (b)(i) of this subsection, "gross income from agricultural uses" includes, but is not limited to, the wholesale value of agricultural products donated to nonprofit food banks or feeding programs
- (c) Any parcel of land of less than five acres devoted primarily to agricultural uses which has produced a gross income as of January 1, 1993, of:
  - (iii) One thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
  - (iv) On or after January 1, 1993, fifteen hundred dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter. Parcels of land described in (b)(i)(A) and (c)(i) of this subsection will, upon any transfer of the property excluding a transfer to a surviving spouse or surviving state registered domestic partner, be subject to the limits of (b)(i)(B) and (c)(ii) of this subsection;
- (c) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which meet one of the following criteria:
  - (i) Has produced a gross income from agricultural uses equivalent to two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;
  - (ii) Has standing crops with an expectation of harvest within seven years, except as provided in (d)(iii) of this subsection, and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year. For the purposes of this subsection (2)(d)(ii), "standing crop" means Christmas trees, vineyards, fruit trees, or other perennial crops that: (A) Are planted using agricultural methods normally used in the commercial production of that particular crop; and (B) typically do not produce harvestable quantities in the initial years after planting; or
  - (iii) Has a standing crop of short rotation hardwoods with an expectation of harvest within fifteen years and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year;

- (d) Any lands including incidental uses as are compatible with agricultural purposes, including wetlands preservation, provided such incidental use does not exceed twenty percent of the classified land and the land on which appurtenances necessary to the production, preparation, or sale of the agricultural products exist in conjunction with the lands producing such products. Agricultural lands also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands;"
- (e) The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (a) of this subsection is sited if: The housing or residence is on or contiguous to the classified parcel; and the use of the housing or the residence is integral to the use of the classified land for agricultural purposes;
- (f) Any land that is used primarily for equestrian related activities for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed and that otherwise meet the requirements of (a), (b), or (c) of this subsection; or
- (g) Any land primarily used for commercial horticultural purposes, including growing seedlings, trees, shrubs, vines, fruits, vegetables, flowers, herbs, and other plants in containers, whether under a structure or not, subject to the following:
  - (i) The land is not primarily used for the storage, care, or selling of plants purchased from other growers for retail sale;
  - (ii) If the land is less than five acres and used primarily to grow plants in containers, such land does not qualify as "farm and agricultural land" if more than twenty-five percent of the land used primarily to grow plants in containers is open to the general public for on-site retail sales;
  - (iii) If more than twenty percent of the land used for growing plants in containers qualifying under this subsection (2)(h) is covered by pavement, none of the paved area is eligible for classification as "farm and agricultural land" under this subsection (2)(h). The eligibility limitations described in this subsection (2)(h)(iii) do not affect the land's eligibility to qualify under (e) of this subsection; and
  - (iv) If the land classified under this subsection (2)(h), in addition to any contiguous land classified under this subsection, is less than twenty acres, it must meet the applicable income or investment requirements in (b), (c), or (d) of this subsection.

(8) "Farm and agricultural conservation land" means either:

- (a) Land that was previously classified under subsection (2) of this section, that no longer meets the criteria of subsection (2) of this section, and that is reclassified under subsection (1) of this section; or
- (b) Land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.

# Appendix B: Allocation of WWRP Funds



| Categories       |   |                  |  |     |                         |
|------------------|---|------------------|--|-----|-------------------------|
| 35%              | Critical Habitat                        | 30%              | Local Parks <sup>3</sup>               | 90% | Farmland Preservation   |
| 25%              | Natural Areas                           | 10% <sup>1</sup> | State Lands Development and Renovation | 10% | Forestland Preservation |
| 15%              | Riparian Protection                     | 30%              | State Parks <sup>4</sup>               |     |                         |
| 10% <sup>1</sup> | State Lands Restoration and Enhancement | 20%              | Trails                                 |     |                         |
| 15%              | Urban Wildlife Habitat <sup>2</sup>     | 10%              | Water Access <sup>5</sup>              |     |                         |

<sup>1</sup>or \$3 million, whichever is less

<sup>2</sup>Recreation and Conservation Funding Board Resolution 2016-36: 40 percent to local agencies, Native American tribes, and nonprofit organizations; 40 percent to state agencies; 20 percent to fully fund partially funded local agency, Native American tribe, and nonprofit organizations; then fully fund partially funded state agency projects, and apply any remaining amount to the next highest ranked project(s), regardless of sponsor.

<sup>3</sup>Recreation and Conservation Funding Board Resolution 2016-52: 40 percent for acquisition costs and 60 percent for development costs.

<sup>4</sup>Recreation and Conservation Funding Board Resolution 2016-52: 50 percent for acquisition costs and 50 percent for development costs.

<sup>5</sup>75 percent must be acquisition costs. Revised Code of Washington 79A.15.050 (2)(d)