

Manual 10f

Washington Wildlife and Recreation Program

Farmland Preservation Category

February 2024

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At a Glance

Washington Wildlife and Recreation Program's Farmland Preservation Category	
Purpose	The program provides money to acquire development rights on farmland in Washington to ensure the land remains available for agricultural practices.
Who may apply?	<ul style="list-style-type: none"> • Cities and towns • Counties • Nonprofit nature conservancies • Washington State Conservation Commission
Is a plan required?	No
What types of projects are eligible?	<ul style="list-style-type: none"> • Acquisition of property rights through a conservation easement • Combination of acquisition with either restoration or enhancement
What are the grant limits?	None
What must the project sponsor contribute?	<ul style="list-style-type: none"> • 50 percent for local agencies and nonprofits • No match required for the state agency
How is the project evaluated?	An advisory committee evaluates a written application and scores the project.
When are applications due	May 1, 2024
When are grants awarded?	June 2025 estimate
What's new this year?	<ul style="list-style-type: none"> • Added Waiver of Retroactivity options for farmland purchases. • Added guidance for purchasing property, protecting it with an easement, then selling the underlying land to an interested farmer. • Added a remedy clause to the policy for Project Area Stewardship and Ongoing Obligations. • Included in this manual existing rules for time limits, extensions, and acknowledgments.

Section 1: Introduction

This section covers the following:

- ✓ The Washington Wildlife and Recreation Program
- ✓ The Recreation and Conservation Funding Board
- ✓ Who makes decisions
- ✓ Where to get information
- ✓ Grant process and timeline
- ✓ Time limits and extensions

The Washington Wildlife and Recreation Program

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

In 2005, the Legislature expanded WWRP by adding the Farmland Preservation Category 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.

¹Enabling legislation is in Revised Code of Washington 79A.15.

Accounts and Categories

State law² divides WWRP funding into three accounts, which are further divided into categories with unique funding priorities, shown below.

Farm and Forest Account 10 percent

- Farmland Preservation Category 90 percent
- Forestland Preservation Category 10 percent

Habitat Conservation Account 45 percent

- Critical Habitat Category 35 percent
- Natural Areas Category 25 percent
- Riparian Protection Category 15 percent
- State Lands Restoration and Enhancement Category 10 percent³
- Urban Wildlife Habitat Category 15 percent⁴

Outdoor Recreation Account 45 percent

- Local Parks Category 30 percent⁵
- State Lands Development and Renovation Category 10 percent⁶
- State Parks Category 30 percent⁷
- Trails Category 20 percent
- Water Access Category 10 percent⁸

²Revised Code of Washington 79A.15

³or \$3 million, whichever is less

⁴Recreation and Conservation Funding Board Resolution 2019-27: 45 percent to local agencies, Native American tribes, and nonprofit organizations; 45 percent to state agencies; 10 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.

⁵Recreation and Conservation Funding Board Resolution 2016-52: 40 percent for acquisition costs and 60 percent for development costs.

⁶or \$3 million, whichever is less

⁷Recreation and Conservation Funding Board Resolution 2016-52: 50 percent for acquisition costs and 50 percent for development costs.

⁸75 percent must be acquisition costs. Revised Code of Washington 79A.15.050 (2)(d)

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.

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 website 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 and orca from near extinction.

Diversity, Equity, and Inclusion

The Recreation and Conservation Funding Board recognizes its obligation to ensure its programs and policies are equitable and inclusive and has taken steps to address disparities. The board has resolved to continue to examine its policies and reach out to diverse partners to ensure that Washington's investments are not only for a few but reflect the board's values of diversity, equity, and inclusion. Read the board's [Resolution 2020-35](#) in full online.

Manual Authority

This manual is created under the authority granted to the Recreation and Conservation Funding Board in WWRP's enabling legislation and Revised Code of Washington 79A.15 and 79A.25. It reflects the specific statutory requirements of Revised Code of Washington 79A.15, Title 286 of the Washington Administrative Code, and Recreation and Conservation Funding Board policies adopted in public meetings.

Who Makes Decisions

Staff Decisions

Staff will review grant applications to ensure they are complete, the projects are eligible to compete, the grant applicants are eligible to apply, and the match is certified. Staff also score objective evaluation criteria, such as those relating to match. Finally, staff make routine grant management decisions about billings, reports, minor scope changes, short time extensions, and more.

Advisory Committee Decisions

An advisory committee evaluates grant applications and scores them to create a ranked list of projects for the funding board to consider. Advisory committees also review proposed program policies and criteria changes, and in some cases make recommendations to the funding board or director about scope changes or how funding should be distributed.

Director Decisions

The RCO director or designee makes many project decisions based on rules and board policies. The decisions range from 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 sixty 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.

Board 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.

Not a Public Hearings Board⁹

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

More detailed information about board and director decisions is available *in Manual 3: Acquisition Projects* and *Manual 5: Restoration Projects*.

Where to Get Information

Recreation and Conservation Office
Natural Resources Building
1111 Washington Street
Olympia, WA 98501
Email: info@rco.wa.gov

Telephone: (360) 902-3000
FAX: (360) 902-3026
Hearing Impaired Relay Service: Call 711
[Website](#)

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. In addition, manuals, forms, and most other materials referenced in this manual are available on RCO's website on the [farmland preservation grant page](#).

Other Grant Manuals Needed

The manuals below provide additional information and are available on the [grant manual page](#) of RCO website. 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*

⁹Recreation and Conservation Funding Board Resolution 2006-13b

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 eighteen months and is outlined below. While the order of the steps in this process remains consistent, visit the RCO website [for precise dates](#).

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.

To enter an applications, the applicant must sign up for a [SecureAccess Washington](#) account and submit a [PRISM account form](#). When using either of these databases for the first time, the applicant must complete a double sign-in.

1. Using SecureAccess Washington credentials, login to PRISM.
2. When redirected to the SecureAccess login page, enter the SecureAccess credentials.
3. When redirected to a one-time PRISM sign-in page, enter the PRISM login credentials.
4. The applicant will be directed back to the PRSM home page.

This double sign-in will happen only once. After completing the double sign-in, the applicant will use SecureAccess Washington credentials to log into PRISM.

To begin an application, log into PRISM Online and select the *+New Application* button to enter grant application information. RCO uses this information to assign an outdoor grants manager. This manager guides the applicant through the process, reviews application materials, helps determine whether the proposal is eligible, and may visit the project site to discuss site-specific details. Visit the RCO website to learn more about [PRISM's components and technical requirements](#).

Applications Due. Applications are due in early May of even-numbered years.¹⁰ The application includes the data entered into PRISM and all required attachments. The applicant should *submit* the application before the deadline. The *Check Application for*

¹⁰Applications are due at least four months before the Recreation and Conservation Funding Board approves funding (Washington Administrative Code 286-13-040).

Errors button on the *Submit Application* screen will indicate which pages are incomplete. An incomplete application and an application 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. The advisory committee reviews the project, including the written responses to the evaluation criteria, to identify any issues of concern and provide feedback on the strengths and weaknesses of the proposal. The grants manager reviews the application to ensure it is eligible and will send comments to the applicant. The applicant then may make changes to improve the project, if needed. The applicant must complete all changes and resubmit the application by the technical completion deadline.

Technical Completion Deadline. RCO establishes a technical completion deadline by which the application must be in its final form. After this date, the applicant 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 sends the Governor a recommended funding amount for WWRP for the next biennium.

Project Evaluation–Written Process.¹¹ The advisory committee reviews the grant application and the applicant's written responses to the evaluation questions and scores the proposal against a set of questions 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 website. 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 and staff, written public comments submitted before the meeting, and public testimony at the 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 funding and project evaluation results to determine the length of the list. This list

¹¹Recreation and Conservation Funding Board Resolution 2022-05

normally will exceed anticipated funding and will include alternate projects that could be funded if higher ranked projects fail or use less money than requested. Applicants are cautioned that the board's recommendation of project lists to the Governor is not the same as funding approval.

The funding board submits alternate projects 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.

The project list approved by the Legislature in any one biennium is to be completed, to the fullest extent possible, within that biennium. A biennial project list is 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. An applicant with match included in the application must provide proof of the availability of matching funds by the match certification deadline, which is at least one calendar month before board approval of funding.¹²

Board Awards Grants. After the Legislature and Governor approve the capital budget, the board makes the final grant awards, again in a public meeting. The applicant is encouraged, but not required, to attend.

Grant Agreements Issued. After grant awards, the applicant has two calendar months¹³ to submit pre-agreement documents (checklist provided by grants managers.) RCO staff then prepare and issue the grant agreement. The applicant must return the signed agreement within three calendar months.¹⁴ Once the agreement is signed, the applicant, now referred to as a project sponsor, may begin the project, according to the terms of the grant agreement. Each agreement will be written and monitored for compliance by RCO staff. See *Manual 7: Long-Term Obligations* for more information.

¹²Washington Administrative Code 286-13-040(3)

¹³Washington Administrative Code 286-13-040(4)

¹⁴Washington Administrative Code 286-13-040(5)

Successful Applicant Webinar. After the board approves funding, RCO publishes online a recorded webinar for successful grant applicants. This webinar covers sponsors' responsibilities to comply with the grant agreements, issues that might come up when implementing projects, billing procedures, amendments for changes and time extensions, closing project procedures, and long-term compliance.

Time Limits and Extensions

The sponsor must complete the funded project promptly. For this reason, RCO staff, with applicant assistance, establishes a timetable for project completion, including enforceable milestones and a project completion date. To avoid the risk of the Recreation and Conservation Funding Board or director withdrawing the grant, the board adopted the following guidance for each project phase.

Application Phase

An applicant must provide reasonable assurance that the project can be completed on time and meet milestones. Reasonable assurance may include such evidence as the following:

- Appraisals and review are completed.
- Designs are completed.
- Bid documents are prepared.
- Environmental assessment is completed.
- Hazardous substances review is completed.
- Option agreements are signed.
- Permits are in-hand.
- Property is in escrow.
- Waiver of Retroactivity is in-hand and signed.

At least one calendar month before the funding meeting, when requested by RCO, the applicant must provide written certification of matching fund availability.¹⁵

Applicants may only submit projects that are likely to be completed within four years.

¹⁵Washington Administrative Code 286-13-040(3)

Pre-Agreement Phase

- An applicant must submit the pre-agreement materials requested by RCO within two calendar months of funding approval.¹⁶
- With RCO staff assistance, the applicant must develop milestones, to be included in the grant agreement and a timeline that does not exceed two to three years.

Implementation Phase

To help ensure reasonable and timely project completion, accountability, and the proper use of funds, sponsor must do the following:

- Develop milestones for project implementation that ensure timely completion s as follows:
 - Acquisition projects: 1-2 years
 - Combination projects: 2-3½ years
(The acquisition portion must be completed in ninety days. See "Combination Projects" below for more information)
 - Exceptionally complex projects: 3½ years.

RCO staff monitors critical project milestones (for example, ordering appraisals and reviews, starting construction). Unsatisfactory progress may be cause for project termination or other remedies (See the grant agreement section on termination and other remedies). Any RCO director decision may be appealed to the Recreation and Conservation Funding Board.

- Begin project implementation quickly and aggressively to show measurable progress towards meeting the milestones.
- Submit a reimbursement request at least once a year.¹⁷
- Submit progress reports at intervals designated by the RCO grant agreement.

By June 1 of each year, RCO reviews the status of a project that is incomplete three or more years from the date of funding approval. RCO will ask sponsors to provide assurances that their projects will be completed on time, such as the following:

- Executed purchase and sale agreements

¹⁶Washington Administrative Code 286-13-040(4)

¹⁷Washington Administrative Code 286-13-040

- Proof of permitting approvals
- Awarded construction contracts
- Progress on other significant milestones listed in the grant agreement

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

Extensions

The director may approve a project up to four years. When one Recreation and Conservation Funding Board grant is used to match another, RCO staff will use the earliest grant to determine the four-year window.

Requests for extensions that would exceed four years may be referred to the Recreation and Conservation Funding Board for action.

Extension requests must be in writing and provided to RCO not less than sixty days before expiration of the project's completion date.¹⁸ The request must justify the need and commit to a new set of specified milestones.

Project Completion

The grant agreement end date will be written into the grant agreement. It is the date that is the end of the period of performance and all project work must be complete and may be extended only when authorized by the board or director.

When a project is completed, the sponsor must submit the final bill, final report, and supporting documents needed to close the project as specified in the agreement.¹⁹ If the bill and documentation are not submitted within six months of the end date in the agreement, the Recreation and Conservation Funding Board may terminate the agreement without payment.

¹⁸Washington Administrative Code 286-13-040(8)

¹⁹Washington Administrative Code 286-13-040(7)

Section 2: Policies

This section covers the following:

- ✓ 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 Farms²⁰

The purpose of the Farmland Preservation Category is to acquire and preserve opportunities for agricultural activity on farmland.²¹

State law defines “Farmland” in WWRP²² the same as “Farm and Agricultural Land” or “Farm and Agricultural Conservation Land” in the Open Space Tax Act.²³

The applicant 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.

²⁰Recreation and Conservation Funding Board Resolution 2016-14

²¹Revised Code of Washington 79A.15.130

²²Revised Code of Washington 79A.15.010

²³Revised 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 is 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 applicants²⁴ are shown below.

- Cities
- Counties
- Nonprofit nature conservancies
- State Conservation Commission

Applicant Requirements

Nonprofit Nature Conservancies²⁵

A nonprofit nature conservancy must meet all 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.

²⁴Revised Code of Washington 79A.15.130(4)

²⁵Revised Code of Washington 79A.15.010(10) and Recreation and Conservation Funding Board Resolution 2010-08

- Demonstrate at least three years of activity in managing projects relevant to the types of projects eligible for funding in this 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.
- Provide a copy of articles of incorporation and bylaws including any amendments.

Other Requirements

The applicant 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 Applicants²⁶

The Recreation and Conservation Funding Board requires an organization wishing to apply for a grant for the first time to submit a legal opinion that the applicant is eligible to do the activities below. The legal opinion is required only once to establish eligibility.

- Contract with the State of Washington and/or the United States of America.
- Meet any statutory definitions required for Recreation and Conservation Funding Board grant programs.
- Receive and spend public funds including funds from the Recreation and Conservation Funding Board.
- 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.

²⁶Recreation and Conservation Funding Board Resolution 2010-08

Eligible Project Types

Acquisition Projects

An 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 and trail easements, covenants, water rights, leases, and mineral rights.

Incidental and administrative costs related to an acquisition 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. A proposal that includes acquisition of development rights in perpetuity will receive preference during evaluation. A less than perpetual acquisition (term easements) must be for at least twenty-five 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, a lease must be for at least twenty-five 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 Tool Kit](#) on RCO's website.

Multiple Parcels²⁷

An application 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.²⁸ 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

²⁷Recreation and Conservation Funding Board Resolution 2015-23

²⁸Revised 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

A sponsor 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.²⁹

Before applying for a grant, an applicant is 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. The sponsor should direct the 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:** The sponsor 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 a funded project to ineligible uses. Therefore, property rights acquired with a farmland preservation grant 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. A Recreation and Conservation Funding Board grant cannot be used to remedy a conversion.
- **Documents:** Because appraisals must reflect the property rights as conveyed, the sponsor 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 the sponsor chooses not to use this model easement, or to use only portions of it, the sponsor must demonstrate that the easement language addresses each

²⁹Recreation 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. The sponsor must send draft easements to RCO for review.

Ineligible Acquisition Projects and Costs

The following elements are ineligible:

- Acquisition of rights for a term of less than twenty-five years.
- Farms producing cultivated marine or freshwater aquatic products or marijuana.
- 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 a RCO grants manager.
- Lands that primarily serve as a commercial feedlot.
- Multi-site projects.
- Organizational operating expenses or overhead
- Properties acquired by a condemnation action of any kind.³⁰ The value of parcels acquired by condemnation may not be used as part of the matching share.
- Transfer of development rights. Development rights acquired under this program may not be transferred to other property.

Combination Projects³¹

Combination projects involve land acquisition and restoration or enhancement. To help ensure timely completion of a combination project, the applicant must secure the property at least one 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*.
- Have property in escrow pending board grant award. Closing must occur within ninety days after the funding meeting.

³⁰Revised of Code of Washington 79A.15.090

³¹Recreation and Conservation Funding Board Resolution 2004-08

- Obtain an option or purchase and sale agreement on the property that extends past the board funding meeting. Execution of the option or agreement must occur within ninety days after the board funding meeting.

If property rights were not acquired already via a Waiver of Retroactivity, then the applicant also must provide draft copies of all leases or easements to RCO staff for review. Execution of the leases or easements must occur within ninety days after the funding meeting.

For the acquisition to remain eligible, the sponsor must follow all the requirements and procedures outlined in *Manual 3: Acquisition Projects*.

Other Considerations

Phased Projects

The Recreation and Conservation Funding Board recommends that the applicant discuss phasing a very expensive and large-scale project with RCO staff. A phased project is 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 and not be dependent on the completion of future phases or work.
- Each phase must be submitted as a separate application.

The Recreation and Conservation Funding Board may consider progress and sponsor performance on previous grants when making decisions on a current project proposal.

If two or more projects are ranked equally through the evaluation process, the Recreation and Conservation Funding Board will give preference to the project that has had a previous phase funded by the board.³²

Waivers of Retroactivity: Buying Property Rights Without a Signed RCO Grant Agreement

An applicant may request approval from RCO to purchase property rights and preserve the eligibility of that purchase before the grant agreement is signed. This approval is called a Waiver of Retroactivity and is more fully described in *Manual 3: Acquisition Projects*. All rules associated with a Waiver of Retroactivity apply. Listed here are two

³²Recreation and Conservation Funding Board Resolution 2007-27

options for requesting and securing a waiver for farmland preservation projects. The exceptions to RCO's traditional waiver policy are described here.

- **Option 1:** In a situation where the applicant needs to acquire farmland in-fee, it is understood that the purchase of the land includes property rights that may be protected with a farmland easement in the future. It is important to note, however, that the valuation of the easement will be based on the appraised value of the easement at the time the property was acquired in-fee under the waiver, and not the value at the time that the easement is placed on the property.
- **Option 2:** In a situation where the applicant needs to acquire a farmland easement, the applicant must work with RCO staff to develop an easement that meets grant program requirements. RCO will sign the final easement before closing. The easement will include a statement giving RCO third-party rights and rights for enforcement if RCO provides funding by a certain date, as agreed to by both RCO and the applicant. If RCO does not provide funds as specified in the easement, then RCO will not be a third party to the easement and will not have rights of enforcement. After it is determined that RCO is or is not a third party to the easement, the applicant must immediately record a statement with the appropriate county assessor's office clarifying RCO's role.

There may be an instance where the applicant needs to secure a waiver that covers both options, such as in the case of the Buy-Protect-Sell scenario described below. RCO staff will work with the applicant to determine if either or both options are necessary.

A farmland easement must include a No Merger clause as described in RCO's farmland easement template. This further protects RCO's rights as a third party to the easement if at any time the applicant owns both the underlying land and a recorded easement.

Buy-Protect-Sell

The Recreation and Conservation Funding Board recognizes that there are times when it is necessary for an applicant to purchase farmland in-fee to hold the property until an easement can be placed on the property and the underlying land then sold to an interested landowner. This is a Buy-Protect-Sell scenario. An applicant must request a Waiver of Retroactivity for this scenario. If grants are used to acquire a farmland easement, then RCO will be a third party to the easement with interests in the easement including rights of enforcement. RCO's third-party interest in the property then prevents any Merger of Title should the applicant at any time hold both the easement and underlying fee ownership of the property.

Eligible Project Activities

Incurring Pre-Agreement Costs³³

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

For an acquisition project, most incidental costs incurred before a RCO grant 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 a combination acquisition and restoration project, 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.

Acquiring Easements

Acquiring property includes purchasing or receiving a donation of less-than-fee interest in real property. Incidental and administrative costs related to acquisition are eligible. Additional rules for land acquisition are in *Manual 3: Acquisition Projects*.

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.

³³Washington Administrative Code 286-13-085

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

- 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

Enhancing and Restoring Activities³⁴

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.

³⁴Revised Code of Washington RCW 79A.15.130(11)

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 Enhancing and Restoring Activities and Costs

Several sources are used to determine eligibility including Revised Code of Washington 79A.15. The following elements are not eligible:

- Animal species introduction or propagation, other than biological controls for invasive species, etc.
- Consumable supplies such as fuel, fertilizers, pesticides, or herbicides, except as one-time applications if they are necessary parts of eligible restoration activities.
- Costs associated with preparing this or any other grant application.
- Costs not directly related to implementing the project such as indirect and overhead charges.
- Crop plantings.
- Elements that cannot be defined as fixtures or capital items.
- Environmental cleanup of illegal activities (i.e., meth labs).
- Indoor facilities.
- Multi-site projects.
- Organizational operating expenses or overhead costs.
- Purchase of maintenance equipment, tools, or supplies.
- Restoration work done before a grant 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.

Environmental Requirements

Invasive Species

The Washington Invasive Species Council developed [protocols](#) for preventing the spread of invasive species while working in the field. The Recreation and Conservation Funding Board encourages sponsors 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 are examples of 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.
- Moving water or sediment infested with invasive plants, animals, or pathogens from one stream to another via boots, nets, sampling equipment, or boats.
- 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 is twofold: Use materials that are known to be free of invasive plants or animals in the project and clean equipment both before and after the job. Equipment to clean should include, but not be limited to, footwear, gloves, angling equipment, sampling equipment, boats and their trailers, and vehicles and tires.

Sustainability³⁵

The Recreation and Conservation Funding Board encourages grant sponsors to design and build sustainable projects to maximize the useful life of what they build and do the least amount of damage to the environment.

The board encourages sponsors to use 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.

³⁵Recreation and Conservation Funding Board Resolution 2011-22

Property Requirements

Reviewing the Project with the Local Jurisdiction³⁶

Before applying for a grant to acquire property, an applicant must review the proposed project with the county or city with jurisdiction over the project area. The applicant then must provide documentation that the applicant has 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 of, or opposition to, 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. The applicant must complete this local review for each new application even if resubmitting a project from a previous grant cycle.

To meet this requirement, the applicant must demonstrate that the conferral³⁷ process has begun by providing each member of the county commission or city council with a packet including all 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 available in the [Acquisition Tool Kit](#) for grant sponsors on the RCO website.
- 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 the following:

- Conferral dates

³⁶Revised Code of Washington 79A.15.110

³⁷"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.

- Name and title of each person participating in the conferral process and that person's relevant organization
- 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 Tool Kit](#) for grant sponsors on the RCO website.

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 for Acquisition Projects

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. The applicant may meet this requirement by completing one of four options detailed in RCO's *Manual 3: Acquisition Projects*.

Preference for Community Priorities³⁸

The Recreation and Conservation Funding Board recognizes that interest and commitment to preserve farmlands will vary by community. Communities may exhibit their commitments 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

³⁸Recreation and Conservation Funding Board Resolution 2006-06

- 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 Surfaces³⁹

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. The sponsor should work closely with the landowner 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 will encourage estate-type development thereby creating a property value reflective of an estate rather than a farm. In general, the Recreation and Conservation 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.

The sponsor must identify in the agricultural conservation easement the locations of building envelopes and allowed improvements. The sponsor should identify general locations by the time the project is evaluated so evaluators can consider their impacts 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.

³⁹Recreation and Conservation Funding Board Resolution 2015-23

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:

- Easement Area of 50 acres or less allows 6 percent or more of land as impervious surface
- Easement Area of 51-100 acres allows 6 percent of land as impervious surface
- Easement Area of 101-200 acres allows 5 percent of land as impervious surface
- Easement Area of 201-500 acres allows 4 percent of land as impervious surface
- Easement Area of 501-1,000 acres allows 3 percent of land as impervious surface
- Easement Area of 1,001 acres or more allows 2 percent of land as impervious surface

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

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

Other Requirements and Things to Know

Carbon and Ecosystem Service Credits⁴⁰

Land acquired or encumbered with a RCO grant may be enrolled in carbon credit and other payments for ecosystem service programs. These programs issue credits or direct payments to landowners for activities such as protecting land, planting trees, or improving management practices that reduce, sequester, or prevent future carbon and other greenhouse gas emissions. Read more information in *RCO Manual 3: Acquisition Projects*.

⁴⁰Recreation and Conservation Funding Board Resolution 2021-02

Number of Grant Proposals 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. Each application must stand alone on its own merits as a viable farm and not be dependent on other projects or future phases 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. RCO recommends the applicant contact staff to discuss options for phasing costly, interrelated, or complex project proposals.

Public Access in a Farmland Conservation Easement⁴¹

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.⁴²

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 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.⁴³ 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 Parcel⁴⁴

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

⁴¹Recreation and Conservation Funding Board Resolution 2015-23

⁴²Revised Code of Washington 79A.15.130(6)

⁴³Revised Code of Washington 79A.15.130(10(d))

⁴⁴Recreation and Conservation Funding Board Resolution 2015-23

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*.

Grant Program Acknowledgement

The sponsor must acknowledge Recreation and Conservation Funding Board funding assistance, by program if possible, in all projects. This includes the following:

- Written acknowledgement in any news release or publication developed or modified for the funded project.
- Verbal acknowledgement during all ground-breaking and dedication ceremonies.

A sponsor should notify RCO at least two weeks before any project dedication ceremony and thirty days in advance if an RCO representative or speaker is requested at the ceremony.

Additional Rules and Instructions

The Recreation and Conservation Funding Board may issue additional or modified rules, instructions, interpretations, and guides from time to time as it believes necessary for the effective conduct of the grant program. Such changes may apply to all projects. Whenever possible, sufficient lead time will be given between the announcement and the effective date to minimize impacts to projects already in process at the time of announcement.

Public Disclosure Rules

RCO records and files are public records that are subject to the Public Records Act.⁴⁵ More information about the [RCO's disclosure practices](#) is available on the website.

Administrative Rule Exceptions⁴⁶

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

- Washington Administrative Code 286-13-110 Income, use of income.

⁴⁵Revised Code of Washington 42.56

⁴⁶Recreation and Conservation Funding Board Resolution 2006-06

- Washington Administrative Code 286-13-120 Permanent project signs.
- Washington Administrative Code 286-13-035 Planning requirement.

Project Area Stewardship and Ongoing Obligations

A RCO grant comes with long-term obligations to maintain and protect the project area⁴⁷ after a project is complete. The long-term obligations are in state law⁴⁸ and the RCO grant agreement. A [sample grant agreement](#) may be found on RCO's website.

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 the grant sponsor replaces the lost value when changes or conversions of use take place.

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

A conversion occurs when the project area acquired, developed, or restored with an RCO grant 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 for replacement of the public investment. Check the easement to see if repayment is an option and contact a grants manager if that is a possibility. The sponsor must obtain RCO approval to replace the converted property or repay the grant. Other RCO grants may not be used to resolve a conversion.

Non-compliance with the long-term obligations for a 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 the sponsor to resolve the issue. Unresolved, identified issues could result in restrictions on applying for or receiving future grants.

⁴⁷Washington Administrative Code 286-04-010(19). "Project area" is the geographic area that delineates a grant-assisted site which is subject to application and grant agreement requirements.

⁴⁸Revised Code of Washington 79A.15.030(9) and Washington Administrative Code 286-13-160

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.⁴⁹

Due to the complexity of the agricultural conservation easement and the long-term implications for the landowner, RCO advises the sponsor to strongly encourage the landowner to consult with an attorney 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.

⁴⁹Recreation and Conservation Funding Board Resolution 2010-34

Section 3: Money Matters

This section covers the following:

- ✓ Grant limits
- ✓ Matching share
- ✓ Types of match
- ✓ Federal rules
- ✓ Records and reimbursements

Grant Limits

Recreation and Conservation Funding Board grants are intended to expand the sponsor's existing capacity, not to replace funding that would have been used for a project without the grant.⁵⁰

The board establishes grant limits for its programs. Grant limits for farmland projects are as follows:

- There is no minimum or maximum grant amount.⁵¹
- 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.

⁵⁰Washington Administrative Code 286-13-045(6)

⁵¹Recreation and Conservation Funding Board Resolution 2007-22

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.

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 Increases⁵²

Cost increases for approved projects may be granted by the board or director if financial resources are available. Each cost increase request will be considered on its merits. The director may approve a cost increase request as long as it does not exceed 10 percent of the total project cost. The director's approval of an acquisition project cost increase is limited to a parcel-by-parcel appraised and reviewed value. See *Manual 3: Acquisition Projects* and *Manual 5: Restoration Projects* for more details on cost increases.

Matching Share

Match is the project sponsor'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.⁵³

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.⁵⁴ 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 or one-to-one matching share.

The applicant 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

⁵²Recreation and Conservation Funding Board Resolution 2022-05

⁵³Washington Administrative Code 286-13-045(2)

⁵⁴Revised Code of Washington 79A.15.130(9)

local source such as local government appropriation, cash, grants, or in-kind donations. **This 10 percent policy was waived for 2022 and 2024 applications.**⁵⁵

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.

Eligible Match

Applicant resources used to match board funds must be eligible in the grant category, and may include any one or more of the following:

- Appropriations and cash (see “Types of Match” section below)
- Bonds—council or voter
- Conservation futures
- Corrections labor
- Donations—the value of using donated cash, equipment, materials, labor, real property, and services (see “Types of Match” section below)
- Force account—the value of using the sponsor’s labor, materials, and equipment (see “Types of Match” section below)
- Grants, except those from the same grant program administered by the board⁵⁶ (see “Types of Match section” below)

Not Allowed as Match

- Costs associated with meeting a mitigation requirement unrelated to the funded project.
- 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.)

⁵⁵Recreation and Conservation Funding Board Resolution 2022-05

⁵⁶Washington Administrative Code 286-13-045(3)(d)

- Costs that are not eligible for grant assistance.
- Costs that are not an integral part of the project scope.
- Existing sponsor assets such as real property or developments.

Match Requirements

Before the board awards the grant, the required match must be secured so the project can move forward.

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 grant 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 a grant application 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.

The board may require the applicant to provide a portion of its matching resources in local resources.⁵⁷

Match Availability and Certification

To help ensure the project is ready for implementation when approved, the applicant must have matching funds available for expenditure before the Recreation and Conservation Funding Board approves funding. The applicant must sign and submit a Certification of Match Form to ensure the project is included in the funding recommendations. The applicant is advised to plan ahead for a project with match dependent on a citizen vote or ballot measure. This certification is due at least one calendar month before Recreation and Conservation Funding Board action.⁵⁸ The form and deadlines for certifying match are on the RCO website.

⁵⁷Washington Administrative Code 286-13-045(4)

⁵⁸Washington Administrative Code 286-13-040(3)

RCO may declare a project ineligible if there is no guarantee that matching funds are available. That project may be passed over in favor of a project 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.

Types of Match

Donations

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 discussed in *Manual 8: Reimbursements*. RCO strongly encourages the applicant to secure written confirmation of all donations planned for use as match and attach the donation letters to the 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

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

Other Grants

In some cases, a sponsor may use funds awarded from another grant program as its match. For example, federal Agricultural Conservation Easement Program grants might be used to match farmland preservation grants. Other grants are eligible as long as the purposes are similar and grant sources do not restrict or diminish the use, availability, or value of the project area. These grants are eligible only as matching funds and are not reimbursable.

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.

The applicant must clearly identify in the application all grants to be used as match. RCO will help the applicant 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 Match⁵⁹

Cash spent on restoration by a third party may be used as match if the value of the labor, equipment, and materials applied toward the activity are donations to the sponsor. The value would be based on the 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 restoration, it becomes an expenditure and is eligible as in-kind match. A sponsor may not use the value of development rights granted to a party other than the sponsor as a donation.

Federal Rules

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

Records and Reimbursements

Sponsors Must Pay First⁶⁰

RCO pays grants through reimbursement. A sponsor may request reimbursement only after paying employees and vendors. RCO does not provide money before vendors are paid. Except as otherwise provided below, RCO will pay only at the percentage identified in the grant agreement after the sponsor has presented an invoice documenting cost incurred and compliance with the provisions of the grant agreement.

RCO will not pay more than the sponsor's out-of-pocket costs.

Reimbursement shall not be approved for any donations, including donated land.

⁵⁹Recreation and Conservation Funding Board Resolution 2006-06

⁶⁰Recreation and Conservation Funding Board Resolution 2006-06

RCO may pay an escrow account directly for RCO's share of the approved cost of land and related costs if the sponsor indicates a temporary lack of money to buy the land on a reimbursement basis. Before release of RCO grants into escrow, the sponsor must provide RCO with a copy of a binding agreement between the sponsor and the seller, all required documentation, and evidence of deposit of the sponsor's share, identified in the grant agreement, into an escrow account. See *Manual 3: Acquisition Projects* for more information on escrow payments.

Billing procedures are explained further in *Manual 8: Reimbursements*.

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.

Audits

All records relevant to a project funded by the Recreation and Conservation Funding Board must be on file with the grant sponsor and are subject to audit by the State and inspection by RCO. If the auditor's inspection of the records discloses any charges incorrectly claimed and reimbursed, cash restitution of the incorrect amount must be made to the board.

Section 4: Evaluation Process

This section covers the following:

- ✓ How project evaluation works
- ✓ Evaluation criteria

How Project Evaluation Works

The evaluation process begins when the Recreation and Conservation Funding Board adopts the evaluation process⁶¹ and evaluation criteria during public meetings.

The RCO director appoints people to serve on an advisory committee to evaluate each grant proposal. In recruiting members for the committee, RCO seeks to appoint people who possess a statewide perspective and are recognized for their experiences and knowledge of farming and ranching in Washington. The director may appoint *ex officio* members to the advisory committee to provide additional representation and expertise. Visit RCO's website for [membership and other details](#).

An applicant prepares written responses to address the evaluation criteria. Advisory committee members individually review the written responses, graphics included in the applications, and summary application materials, and score the projects. Scoring is confidential.

Letters and other documented expressions of project support provided to RCO by the technical completion deadline will be provided to the advisory committee as part of the evaluation materials packet. An applicant also should summarize this support when responding to evaluation question 9.

⁶¹Washington Administrative Code 286-13-020

At the same time, RCO staff score the objective sections of the application, such as the amount of matching share an applicant is providing. Staff scores are based on information submitted by the applicant.

The advisory committee and staff scores are combined for an application’s total evaluation score. The resulting ranked list is the basis for funding recommendations that the RCO director submits to the Recreation and Conservation Funding Board, which makes the final decision about funding in public meetings.⁶² The public is given an opportunity to comment on the grant proposals before the board makes its decision.

Farmland Preservation Evaluation Criteria

Evaluation Criteria Summary

Criteria	Evaluation Element	Possible Points
Scored by the Advisory Committee		
1	Viability of the Site	16 points
2	Threat to the Land	10 points
3	Access to Markets	4 points
4	On-site Infrastructure	4 points
5	Building Envelope	4 points
6	Farmland Stewardship	6 points
7	Stewardship Practices	2 points
8	Benefits to the Community	6 points
9	Community Support	2 points
Scored by RCO Staff		
10	Match	2 points
11	Easement Duration	0 points
Total Possible Points		56

⁶²Washington Administrative Code 286-13-050

Farmland Preservation Category Detailed Scoring Criteria

1. Viability of the Site. What is the viability of the site for agricultural production?⁶³ Viability of the site includes the following:

- Soil types
- Suitability for producing different types or varieties of crops
- Water availability

▲ Point Range: zero to sixteen 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. The applicant 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. The applicant 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?⁶⁴

▲ Point Range: zero to ten 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 five years.

zero points Low likelihood it will be converted to another use

One to five points Medium likelihood it will be converted to another use

Six to ten points High likelihood it will be converted to another use

⁶³The 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))

⁶⁴The likelihood of the conversion of the site to nonagricultural or more highly developed usage. (Revised Code of Washington 79A.15.130(10)(c))

3. Access to Markets. How is the land’s agricultural productivity supported by access to markets?⁶⁵

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

▲ Point Range: zero to four points

Zero points	There are little to no market opportunities that support agricultural productivity of the land.
One to two points	There are adequate market opportunities that support agricultural productivity of the land.
Three to four 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?⁶⁶

▲ Point Range: zero to four points. Evaluators score points based on how well the land’s agricultural productivity is supported.

Zero points	There are no on-site production and support facilities, even though they are needed, to support the agricultural productivity of the land.
One to two points	The agricultural productivity of the land is supported by production and support facilities off-site.
Three to four points	There are on-site production and support facilities to support the agricultural productivity of the land.

⁶⁵Farm-to-market access. (Revised Code of Washington 79A.15.130(10)(h)(iv))

⁶⁶The 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))

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

▲ Point Range: zero to four points

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

One to four 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.⁶⁷

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

- 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.

⁶⁷Benefits 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, 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).

▲ Point Range: zero to six points

- | | |
|---------------------|---|
| Zero points | There are no specific stewardship practices in place. |
| One to three points | There are one or more stewardship practices planned for the future. |
| Four to six points | There are one or more stewardship practices in place. |

7. Stewardship Practices. What stewardship practices (described in question 6) will be included in the terms of the conservation easement as required stewardship practices for the duration of the easement?

▲ Point Range: zero to two points

8. Benefits to the Community. How will protecting the land for agricultural purposes provide other benefits to the community? Do the community and area Native American tribes support the project?⁶⁸

Benefits to the community include the following:

- 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 plan⁶⁹
- The project is consistent with one of the following:
 - Local land-use plan
 - Regional or statewide recreational or resource plan⁷⁰
- 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

⁶⁸Revised Code of Washington 79A.15.130(10)(a)

⁶⁹Revised Code of Washington 79A.15.130(10)(b)

⁷⁰Revised Code of Washington 79A.15.130(10)(d)

- o A local comprehensive plan updated according to Revised Code of Washington 36.70A.130⁷¹
 - The project provides protection of a view or an aquifer recharge.⁷²
 - The project will provide occasional collection of stormwater runoff.⁷³
 - The project will create agricultural jobs.⁷⁴
 - The project will provide some educational opportunities.⁷⁵
 - The project is identified in an annual or long-range plan of the local conservation district.
- ▲ Point Range: zero to six points
- Zero to three points The project will provide few additional benefits to the community.
- Four to six points The project will provide many additional benefits to the community.

9. Community Support. Are there one or more letters in the application that demonstrate community support for the project?

- ▲ Point Range: zero or two points
- Zero points There are no letters of support in the application.
- Two points There are one or more letters of support in the application that demonstrate community support for the project.

10. Match (Applicant does not answer this question). Is the applicant providing additional match above the minimum requirement?

- ▲ Point Range: zero or two points
- Zero points The applicant is not providing additional match above the minimum requirements.

⁷¹Revised Code of Washington 79A.15.130(10)(d)
⁷²Revised Code of Washington 79A.15.130(10)(i)(ii)
⁷³Revised Code of Washington 79A.15.130(10)(i)(iii)
⁷⁴Revised Code of Washington 79A.15.130(10)(i)(iv)
⁷⁵Revised Code of Washington 79A.15.130(10)(i)(vi)

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

11. Easement Duration (applicant does not answer). What is the duration of the conservation easement?

▲ Point Range: -ten or zero points

Zero points The duration of the conservation easement is forever.

Minus ten points The duration of the conservation easement is not forever.

Appendix A: Definition of "Farmlands"

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.