

**Washington
State
Conservation
Commission**

**Office of
Farmland
Preservation**



This document is intended to assist landowners interested in pursuing funding through the Federal Farm and Ranch land Protection Program.

This guide does not replace the official application process. For the full application, go to:

[www.wa.nrcs.usda.gov/
programs/frpp.html](http://www.wa.nrcs.usda.gov/programs/frpp.html)

Landowner's guide to applying for an agricultural conservation easement through the federal Farm and Ranch Land Protection Program

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1 Introduction

The Farm and Ranch Land Protection Program (FRPP), managed by the Natural Resource Conservation Service (NRCS), provides matching funds to help purchase development rights to keep productive farm and rangeland in agricultural uses. Working through existing programs, USDA partners with State, tribal, or local governments and non-governmental organizations to acquire conservation easements or other interests in land from landowners. USDA provides up to 50 percent of the fair market value of the conservation easement.

This brief and simple guide will help you decide if an agricultural easement could help keep your farm or ranch in the family or save it from development. If you decide to sell or give an easement in exchange for federal grant funds, then this guide will help you fill out the necessary paperwork as well as provide you with contact information for further assistance.

2 Why sell or give a conservation easement?

If you own a farm or ranch and would like to have it remain in your family, or remain as farmland or rangeland, then one option is to sell or give an agricultural conservation easement (“ACE”). The existence of such an easement will keep your land in agricultural use permanently. The buyer of the easement would be a local or regional land trust or other third-party partner, such as your local conservation district. If you qualify for the federal Farm and Ranchland Protection Program (“FRPP”), then half of the fair market value of the easement could be paid by the federal government through the Farm Bill conservation funding. For some farm and rangeland properties, this could be a considerable amount. Local and regional land trusts also raise local, state, and private funds to purchase conservation easements directly, without federal matching funds.

3 How much is an agricultural conservation easement worth?

If you sell or donate an ACE, the value is the difference between the fair market value of the property and the agricultural value of the land. For example, an acre of farmland on the border of Walla Walla’s city limits might have a market value of \$50,000 and an agricultural value of \$1,000.

FMV for residential development:	\$50,000
Agricultural value for growing onions:	\$1,000
FMV of conservation easement:	\$49,000

Another way of saying this is that the acre of onion-growing ground adjacent to the city of Walla Walla could have a “development right” separate from the land itself, that is worth \$49,000. The onion farmer can sell this development “right” to a local land trust without having to sell the farm itself. The FRPP would pay 50%,

or \$24,500, and the partner entity would pay at least 25%, or \$12,500. The landowner would have the option of making an in-kind donation of up to 25% to assist the partner entity in making the full 50% match for FRPP funds.

If a landowner chooses to give an ACE rather than sell one, there is a federal tax credit program that allows for deduction of the full value of the ACE from federal tax bills for up to 16 years. For example, if the ACE is appraised at \$200,000, then the landowner will have a tax credit of \$200,000 to use over a period of 16 years, or an average credit of \$12,500 per year.

4 How would selling or giving an easement affect me or my family?

An ACE allows the farm owner and future family farmers (or other farmers) to continue to own, farm, and manage their land as before. The only change is that the land must remain as working agricultural land, subject to the terms of the conservation easement. The terms are set by the landowner and the partner entity, with some federal limitations if federal funding is used. It must be actively farmed or available for farming in perpetuity. The land can still be sold, but the ACE goes with the land. This means that whoever owns it must follow the terms of the conservation easement.

One acre of onions (\$1k) + Development Value (\$49k) = \$50k

One acre of onions (\$1k) + Cash (\$49k) = \$50k

As the equations above demonstrate, the landowner does not lose any economic value at the time of sale of a conservation easement. The landowner converts a potential “development right” to cash. Development rights are created by county zoning and can change quickly through local ordinance changes. The appraisal process fixes a value for development rights at a certain point in time, allowing the landowner to “cash in” that value.

The landowner selling an ACE through the federal FRPP can use the sales proceeds for anything. The money could be used to fund a retirement account, to buy new equipment, or to sail around the world. If invested with a set rate of return, for example, in a certificate of deposit or annuity, it could provide a more stable rate of return than real estate values which can fluctuate unpredictably.

5 What is the first step in considering an ACE?

To find out the approximate value of an ACE for your land, ask a local realtor for a fair market estimate. What price would the realtor ask for your farm today, if it were on the open market? If you subtract your current assessed value as agricultural land (the county valuation by your county assessor) from the FMV

estimate by a local realtor, you will get an estimate of the value of an agricultural conservation easement on your farm or ranch. If your current valuation includes development rights (i.e., for “highest and best use”), then you will need to find out the agricultural value based on the average yield in your area for comparable agricultural land.

6 How do you apply for FRPP?

You can get this estimate for any individual parcel that you own if it has an individual tax parcel number and an assessed value in your county. Your assessed value should reflect the zoning for your land. A local realtor will know how many “development rights” you might have as well as their approximate value. You might ask about the development patterns or trends in your area. In your application, you may need a statement describing the development threat, if any, in your general area. If your partner entity applies for the FRPP, and the application is accepted, then you and your partner entity (a land trust or conservation district) will obtain an appraisal from a certified appraiser. You do not have to complete this before applying for FRPP. The value of your ACE will be determined by a certified appraisal after your application has been accepted. If you disagree with the appraisal, you will not have to continue with the sale or donation.

The rest of this guide is an outline of steps to take and information to gather. Don't let it discourage you. It is not as hard or as time-consuming as it might look. It will take some time, however, including some waiting time for a few items. As a rule of thumb, you should expect to spend a few hours over a period of a few weeks to complete the application process. The exact time it will take depends on the partner entity you choose because the application will ultimately come from it.

6.1 How to apply for FRPP step 1

First, you register with the Farm Service Agency to get a farm number.

Each owner listed on the deed to the parcel to be protected will need to give the FSA information relating to the parcel's eligibility, such as the Adjusted Gross Income for each owner. While you are there, you might get an aerial map with an outline of your farm or ranch and the acreage of each type of ground (crops, hay, forest, etc.). You will need this information.

Here is the contact information for Washington's FSA: (509) 323-3000.

6.2 How to apply for FRPP step 2

Second, you must choose a partner who will hold the easement. This partner will be the applicant and will complete your application.

The partners that normally do this are local or regional land trusts, although conservation districts, counties, and other entities can do this.

See **Appendix A** for a listing of land trusts and conservation districts that serve Washington. Not all land trusts work on farmland preservation projects and may also be limited in geography. Conservation districts can be a resource for more information or may even be able to hold the easement.

6.3 How to apply for FRPP step 3

Third, with the help of your partner entity, complete the USDA Farm and Ranchlands Protection Program application for the current year. The partner you have chosen will fill out part of it, which you cannot do for them, and will send it to NRCS. Your part is outlined below. These applications are accepted at any time during the year, but the annual cutoff for the federal fiscal year funding is usually early in March.

7 What you will need to complete the FRPP application

Here is a list of the information and documents that you will need to complete the FRPP application.

1. A map of the parcel to be protected, with an aerial photo with boundaries marked.
2. A legal description of the parcel or a county parcel number and address.
3. Contact information for all parcel owners, as shown on the deed.
4. A copy of Form CCC-1200 Conservation Program Application.
5. A copy of a pending offer to buy the easement. This will be a letter or offer from your partner entity.
6. Proof of eligibility through one of three criteria:
 - a. Proof that 50% of the parcel has prime, unique, or state or locally important soils. Even if this is not the criteria you use to establish your parcel's eligibility, you must provide this soils information; or
 - b. Proof that historical or archeological resources are to be protected, including (i) a brief description of the site's significance, (ii) a listing, if any, on a federal or state register, or (iii) document showing your partner entity's ability to manage the historic features and stating the significance of the site.
 - c. Evidence that the parcel supports local or state agricultural protection program policies
7. Acreage of each of the following types of land: cropland; pastureland; haylands; wetland forest; upland forest or non-wetland forest; non-forested wetland; and acres of incidental land (including farmhouses).
8. Map showing location of other protected parcels in relation to yours. Include other conservation easements in the area, parks of all kinds, military reservations, or other federal or state-owned land, such as DNR land.

9. Estimated value of the easement. This should be the value of the development rights that are being sold. In our Walla Walla example, the value would be \$49,000.
 - a. State the amount the partner entity will provide
 - b. State the amount the landowner will donate, if any
 - c. State the amount of federal funds requested
 - d. State the stewardship fee to be charged by the partner entity, if any.
10. Describe the existing agricultural infrastructure on and off of the farm. See Attachment F.
11. Statement of development threat to the general area. This could be provided by your local realtor or your partner land trust.
12. Percent of current paved or roofed surface (all impervious surfaces).
13. Percent of impervious surface wanted. This is limited to 2% of the Easement, without a waiver from NRCS.
14. Identify ownership of subsurface mineral rights, if any.
15. Identify any parcels that owner wishes to use for farmworker housing or accessory farm buildings. No subdivision is permitted under FRPP. Identify any additional residences you might wish to build, for example, children or for full-time farm employees. These must be in the ACE or such additional residential structures will be prohibited.
16. If you will be signing the application for an entity, other than yourself, such as an LLC or a corporation or partnership, you will need a document showing your authority to sign. You will also need the tax I.D.number for the entity.
17. A copy of the deed or other ownership document.

8 Key Contact Information

As referenced earlier, NRCS manages the FRPP program and should be consulted if there are process and application questions. OFP, WALT, and WACD may be able to assist in determining an entity to partner with through this process.

- NRCS FRPP Program Liaison
Monica Hoover 360-704-7784 or monica.hoover@wa.usda.gov
- Washington State Office of Farmland Preservation (OFP)
Josh Giuntoli 360-407-7474 or jgiuntoli@scc.wa.gov
- Washington Association of Land Trusts (WALT)
walandtrusts@gmail.com
- Washington Association of Conservation Districts (WACD)
Deb Gregory, (360) 754-3588 x121 or dgregory@wadistricts.org

Appendix A: Land Trust Contact Information

The below list represents land trusts in Washington and may not be complete. Some of these land trusts do not do farmland preservation projects, but rather habitat and environmental projects. If you need assistance in locating a land trust, contact the Office of Farmland Preservation at 360-407-7474.

Land Trust	Location	Contact Information	Service Area (See Webpage)
Bainbridge Island Land Trust	Bainbridge Island	(206) 842-1216	www.bi-landtrust.org
Blue Mountain Land Trust	Walla Walla	(509) 525-3136	www.bmlt.org
Capitol Land Trust	Olympia	(360) 943-3012	www.capitollandtrust.org
Cascade Land Conservancy	Seattle	(206) 292-5907	www.cascadeland.org
Chehalis River Basin Land Trust	Centralia	(360) 807-0764	www.chehalislandtrust.org
Chelan-Douglas Land Trust	Wenatchee	(509) 667-9708	www.cdlandtrust.org
Columbia Land Trust	Vancouver	(360) 696-0131	www.columbialandtrust.org
Cowiche Canyon Conservancy	Yakima	(509) 577-9585	www.cowichecanyon.org
Great Peninsula Conservancy	Bremerton	(360) 373-3500	www.greatpeninsula.org
Inland Northwest Land Trust	Spokane	(509) 328-2939	www.inlandnwlandtrust.org
Jefferson Land Trust	Port Townsend	(360) 379-9501	www.saveland.org
Lummi Island Heritage Trust	Lummi Island	(360) 758-7001	www.liht.org
Methow Conservancy	Winthrop	(509) 996-2870	www.methowconservancy.org
Mountains to Sound Greenway Trust	Seattle	(206) 382-5565	www.mtsgreenway.org
Nisqually Land Trust	Yelm	(360) 458-1111	www.nisquallylandtrust.org
North Olympic Land Trust	Port Angeles	(360) 417-1815	www.northolympiclandtrust.org
Pacific Forest Trust	San Francisco	(206) 682-0677	www.pacificforest.org
Palouse Land Trust	Moscow	(208) 882-5248	www.palouselandtrust.org
PCC Farmland Trust	Seattle	(206) 547-9855	www.pccnaturalmarkets.com
San Juan Preservation Trust	Lopez Island	(360) 468-3202	www.sjpt.org
Skagit Land Trust	Mt Vernon	(360) 428-7878	www.skagitlandtrust.org
Skagitonians to Preserve Farmland	Mt Vernon	(360) 336-3974	www.skagitonians.org
South of Sound Community Land Trust	Olympia	(360) 292-9842	http://communityfarmlandtrust.org/

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Tapteal Greenway Association	Richland	(509) 946-8966	www.tapteal.org
The Nature Conservancy	Seattle	(206) 343-4344	www.nature.org
Trust for Public Land	Seattle	(206) 587-2447	www.tpl.org
Vashon-Maury Island Land Trust	Vashon	(206) 463-2644	http://www.vashonlandtrust.org
Whatcom Land Trust	Bellingham	(360) 650-9470	http://www.whatcomlandtrust.org
Whidbey-Camano Land Trust	Greenbank	(360) 222-3310	http://www.wclt.org/
Yakima Greenway Foundation	Yakima	(509) 453-8280	http://www.yakimagreenway.org

Appendix B: Conservation District Contact Information

Conservation districts were formed on a national level following the Dust Bowl of the 1930's, which brought attention to the need to conserve natural resources, particularly soil. Districts provide technical, educational and financial assistance to foster a healthy, sustainable relationship between people and the environment. Districts are a unique form of non-regulatory government, matching local needs with technical and financial resources to help landowners solve on-the-ground conservation issues.

The map below details the service area of the states conservation districts. Contact information is provided below and sorted east and west of the cascades.

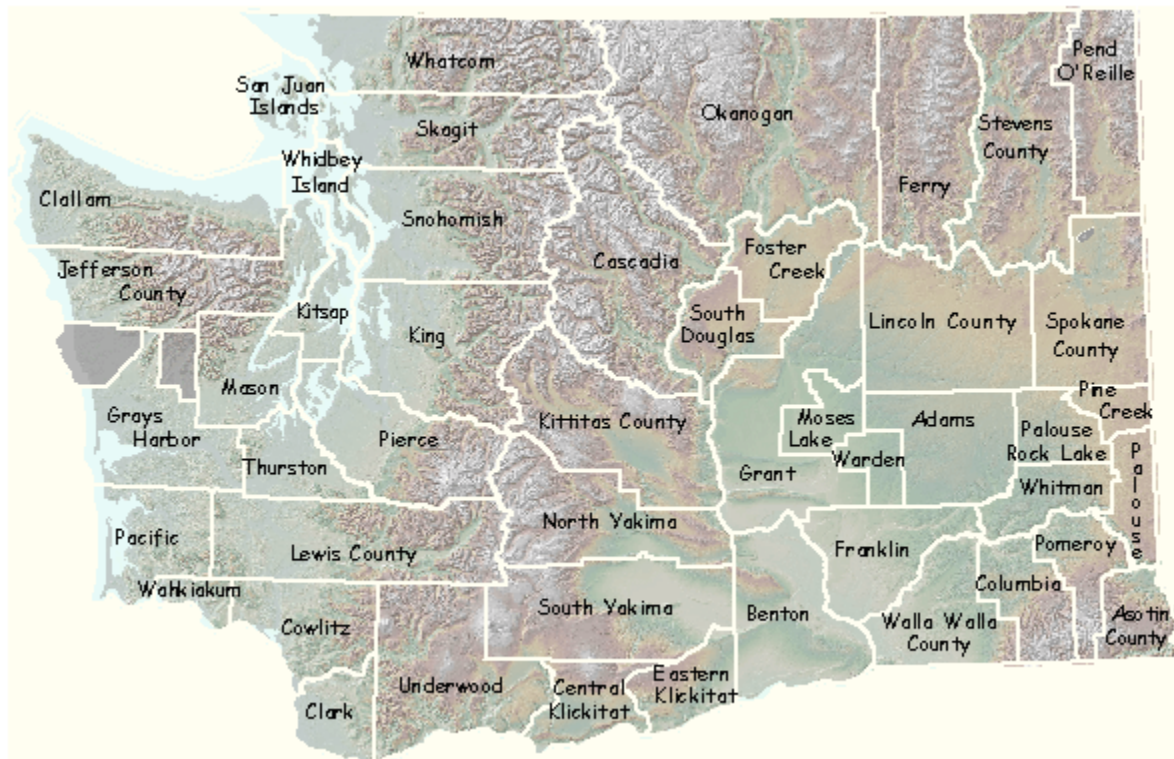


Figure 1. WA State Conservation Districts Coverage

Eastern Washington Conservation Districts

Conservation District	Location	Contact
Adams	Ritzville	509-627-0175
Asotin	Clarkston	509-758-8012
Benton	Prosser	509-786-1923
Cascadia	Wenatchee	509-664-9318

Central Klickitat	Goldendale	509-773-5823
Clallam	Port Angeles	360-452-1912
Columbia	Dayton	509-382-4773
Eastern Klickitat	Goldendale	509-773-5823
Ferry	Republic	509-775-3473
Foster Creek	Waterville	509-745-8362
Franklin	Pasco	509-545-8546
Grant	Othello	509-488-2802
Kittitas	Ellensburg	509-925-8585
Lincoln	Davenport	509-725-4181
Moses Lake	Moses Lake	509-855-5629
North Yakima	Yakima	509-454-5736
Okanogan	Okanogan	509-422-0855
Palouse	Pullman	509-332-4101
Palouse Rock Lake	St. John	509-648-3680
Pend Oreille	Newport	509-447-4217
Pine Creek	Oakesdale	509-285-5122
Pomeroy	Pomeroy	509-843-1998
South Douglas	Waterville	509-745-8362
South Yakima	Sunnyside	509-837-7911
Spokane	Spokane	509-535-7274
Stevens	Colville	509-685-0937
Walla Walla	Walla Walla	509-522-6340
Warden	Warden	509-349-7539
Whitman	Colfax	509-397-4636

Western Washington Conservation Districts

Conservation District	Location	Contact
Clallam	Port Angeles	360-452-1912
Clark	Brush Prairie	360-883-1987
Grays Harbor	Montesano	360-249-5900

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Jefferson County	Port Hadlock	360-385-4105
King	Renton	425-282-1935
Kitsap	Silverdale	360-337-7171
Lewis	Chehalis	360-748-0083
Mason	Shelton	360-427-9436
Pacific	South Bend	360-875-9424
Pierce	Puyallup	253-845-9787
San Juan County	Friday Harbor	360-378-6621
Skagit	Mt. Vernon	360-428-4313
Snohomish	Lake Stevens	425-334-8164
Thurston	Tumwater	360-754-3588
Underwood	White Salmon	509-493-1936
Wahkiakum	Cathlamet	360-795-8240
Whatcom	Lynden	360-354-2035
Whidbey Island	Coupeville	360-678-4708