



Steve Troxler
Commissioner

North Carolina Department of Agriculture
and Consumer Services

N. David Smith
Chief Deputy Commissioner

August 5, 2022

Elliot Swain, Director
Brunswick Soil and Water Conservation District
10 Referendum Dr NE
Bolivia, NC 28422

NOTIFICATION OF FUNDING OFFER

Dear Mr. Swain:

On behalf of Commissioner Steve Troxler and the North Carolina Department of Agriculture and Consumer Services - Farmland Preservation Division, I am pleased to inform you that **\$379,331.80** for your project, Bellamy Family Farms Conservation Easement +/- 67 Acres, was approved under the Agricultural Development and Farmland Preservation Trust Fund.

The original contract packet must be completed and returned to the NCDA&CS, making sure that the contracts and certain forms have been signed, dated, and witnessed. Since this is a witness contract, there are two (2) options to complete the contract. It is acceptable to have everyone sign the contract electronically or submit two (2) original signed contracts. Depending on the method you choose, please return as shown below:

Electronic Signed Contract:

Sarah Weavil
Document Specialist
sarah.weavil@ncagr.gov

Original signatures via FedEx or UPS (not USPS):

Veronica Jamison
NCDA&CS, Farmland Preservation Name
2 W Edenton Street
Raleigh, NC 27601

By completing these documents, you are agreeing to the specific stipulations, the general terms and conditions and specific reporting requirements. All authorized representative signatures must be in **blue or black** ink. Please use the Contract Check Off List to ensure all attachments are included and are in the correct order for each contract packet.

One fully-executed, an original contract will be returned to you for your records. If you have any questions about your contract or any of the forms contained in your offer packet, please call Sarah Weavil at 919-707-3072 or email at sarah.weavil@ncagr.gov.

I would like to take this opportunity to thank you for participating in the ADFP Trust Fund to conserve North Carolina's farmland and family farm operations.

Sincerely,

N. David Smith
Chief Deputy Commissioner

Enclosures



NORTH CAROLINA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

Steven W. Troxler, Commissioner

Contract Check Off List for Grantee (Government State Funded)

INSTRUCTIONS: Check the "Yes" boxes in the left column for the document titles that are being returned with the two signed, dated and witnessed copies of the contract, with signatures in blue ink. Be sure to include all the other documents specified in your contract package. If "No" has been checked off for you, that document is not required for this grant program or project.

GRANTEE ORGANIZATION NAME: _____

PROJECT TITLE/NAME: _____

CONTRACT #: _____

GO Entities Only Check One Box				Document Title	Department Use – Documents Attached or On File			Grants and Contracts- Documents Attached or On File		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contractual "Check Off List for Grantee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contract Cover (To be signed, dated & witnessed)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment A – General Terms and Conditions – Government/University	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment B – Scope of Work (includes Timeline and Line Item Budget)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment C – Certifications and Assurances Section	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment D – NC OpenBook Supplemental Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment E – Signature Card	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment F – W-9 Tax Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment G – Vendor Electronic Payment Form	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment H – FFATA Data Reporting Requirements (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attachment I – Federal Regulations (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Rev. 6/17, 4/22

Attachments A, C-G have all been signed prior to contract signing and are saved in ADFP's files.

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**



Departmental Use Only

CENTER: 6208 1012 2022
ACCOUNT: 536406
AMOUNT: \$379,331.80
TIME PERIOD: October 1, 2022 –
September 30, 2024
PO: 10ADFPN22 Line 0070

**North Carolina Department of Agriculture and Consumer Services
Farmland Preservation Division**

Agricultural Development and Farmland Preservation Trust Fund – Government

**CONTRACT # 22-086-4035
ADFP Tracking # ADM-ADFP-22-004**

This Contract is hereby entered into by and between the **North Carolina Department of Agriculture and Consumer Services, Farmland Preservation Division**, (the "Agency") and **Brunswick Soil and Water Conservation District**, ("Grantee"), and referred to collectively as the "Parties." The Grantee's federal tax identification number is 56-6000278 and is physically located in Brunswick County and is further located at 10 Referendum Dr. NE Building F Bolivia, NC 28422.

The purpose of this Contract is to encourage the preservation of qualifying farmland and to foster the growth, development, and sustainability of family farms. The Grantee's project title is **Bellamy Family Farms Conservation Easement +/- 64 Acres**. This Contract is funded by State appropriations. Funds awarded under this Contract must be used for the purposes for which they are intended.

The Grantee's fiscal year ends June 30.

Contract Documents:

This Contract consists of the Grant Contract and its attachments, all of which are identified by name as follows:

1. This Contract
2. Scope of Work, including Timeline, Line-Item Budget and Budget Narrative (Attachment B)

These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements.

I. Precedence Among Contract Documents:

In the event of a conflict between or among the terms of the Contract Documents, the terms in the Contract Document with the highest relative precedence shall prevail. The order of precedence shall be the order of documents as listed in Paragraph 1, above, with the first-listed document having the highest precedence and the last-listed document having the lowest precedence. If there are multiple Contract Amendments, the most recent amendment shall have the highest precedence and the oldest amendment shall have the lowest precedence.

II. Effective Period:

This Contract shall be effective on **October 1, 2022** and shall terminate on **September 30, 2024** with the option to extend, if mutually agreed upon, through a written amendment as provided for in the General Terms and Conditions as described in Attachment A. Per the *Conservation Easement Contract Grantee Duties and Reporting Requirements* in Attachment B, a request for an amendment must be submitted to the Farmland Preservation Director 60 days before the end of the contract.

III. Grantee's Duties:

The Grantee shall provide the services as described in Attachment B, Scope of Work.

IV. Agency's Duties:

The Agency shall pay the Grantee in the manner and in the amounts specified in the Contract Documents. The total amount paid by the Agency to the Grantee under this Contract shall not exceed \$379,331.80.

This amount consists of \$379,331.80 in State funds.

☐ a. There are no matching requirements from the Grantee.

☐ b. There are no matching requirements from the Grantee; however, the Grantee has committed the following match to this project:

	In Kind	\$
	Cash	\$
	Other/Specify:	\$

☒ c. The Grantee's matching requirement is \$56,899.77, which consists of:

	In Kind	\$56,899.77
	Cash	\$
	Other/Specify:	\$

☐ d. The Grantee has committed to an additional \$ _____ to complete the project as described in Attachment B.

The contributions from the Grantee shall be sourced from non-federal funds.

The total Contract amount with matching funds is \$436,231.57.

V. Conflict of Interest Policy:

The Agency has determined that the Grantee is a government agency and is not subject to N.C.G.S. § 143C-6-23(b). Therefore, the Grantee is not required to file a Conflict-of-Interest Policy with the Agency prior to disbursement of funds.

VI. Statement of No Overdue Tax Debts:

The Agency has determined that Grantee is a government agency and is not subject to N.C.G.S. § 143C-6-23(c). Therefore, the Grantee is not required to file a Statement of No Overdue Tax Debts with the Agency prior to disbursement of funds.

VII. Reversion of Unexpended Funds:

Any unexpended grant funds shall revert to the Agency upon termination of this Contract.

VIII. Reporting Requirements:

(1) Agency:

The grantee shall provide the Agency with progress reports, both financial and programmatic. The following is based upon the Agency contract with the grantee being two years in time.

For grant awards of less than \$250,000, reports are due semi-annually. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – March 31	April 10
Year 1	April 1 – September 30	October 10
Year 2	October 1 – March 31	April 10
Year 2	April 1 – September 30	October 10

For grant awards of \$250,000 or more, reports are due quarterly. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – December 31	January 10
Year 1	January 1 – March 31	April 10
Year 1	April 1 – June 30	July 10
Year 1	July 1 – September 30	October 10
Year 2	October 1 – December 31	January 10
Year 2	January 1 – March 31	April 10
Year 2	April 1 – June 30	July 10
Year 2	July 1 – September 30	October 10

IX. Payment Provisions:

The grantee shall provide the Agency with the appropriate reimbursement request (downloadable at www.ncadfp.org) and required documentation of performance and expenditures for associated grant reimbursement. Upon approval by the Agency, payment shall be made within 30 days. Ten percent (10%) of the total funds awarded under this Contract shall be retained by the Agency until both the final performance and financial reports are submitted by the Grantee and approved by the Agency. All payments are subject to the availability of funds.

The Grantee shall expend funds in accordance with G.S. 143C-6-23 (f1)(f2)(j). The Grantee shall account for any income earned, which may result from any funds awarded under this Contract, on the Agency “Request for Reimbursement” form. Eligible uses of income earned are:

- a) Expanding the project or program.
- b) Continuing the project or program after grant ends; or
- c) Supporting other projects or programs that further the broad objectives of the grant program.

If this Contract is terminated prior to the original end date, the Grantee may submit a final Request for Payment form. All unexpended funds shall be returned by the Grantee to the Agency within 60 days of the Contract termination date with a complete final financial report, accompanied by either a final invoice or a refund of any funds received but not expended. The Agency shall have no obligation to honor requests for payment based on expenditure reports submitted later than 60 days after termination or expiration of the Contract period.

Reimbursement requests shall be completed on a “Request for Reimbursement” form furnished to the Grantee by the Agency. All reimbursement forms must include support documentation, including but not limited to copies of invoices, individual time sheets and travel logs that have been signed by the employee and supervisor, salary registers or payrolls that include fringe benefits, hourly rates of pay, and signature of the Grantee’s responsible financial person, cancelled checks and lease agreements. See the *Conservation Easement Contract Grantee Duties and Reporting Requirements* document under Attachment B for more details on payment provisions.

Eligible expenditures for payment must be within the effective period noted in the Contract. Reimbursement may not be considered prior to the submission and final execution of the Contract.

All travel reimbursement shall be made in accordance with the current State rates, at the time of the expenditure, and shall be made in accordance with the “State Budget Manual” <https://www.osbm.nc.gov/budget/budget-manual>

All matching funds, including in-kind and cash, must be spent concurrently with funds provided by the Contract. Both types of matching funds expended shall be accounted for on the monthly certified invoices.

Indirect costs are not allowable expenditures under this Contract.

X. Fraud, Waste and Abuse

Grantee, including its employees, contractors, agents, interns, or any subrecipients, shall report suspected fraud, waste and abuse activities related to any state employee, vendor or sub recipient of state funds or state resources.

There are three methods for reporting suspected fraud, waste or abuse (FWA). Grantee can report suspected FWA directly to the Agency’s Audit Services Division, to any member of the Agency’s management team or through the FWA reporting website below.

N.C.G.S. 143-748 permits Audit Services to treat all information as confidential. However, if an individual wishes to remain anonymous, reports can be submitted through the FWA reporting website: <https://www.ncagr.gov/internalaudit/ReportForm.htm>

Under no circumstances should an individual attempt to personally conduct investigations or interviews /interrogations related to any suspected FWA act.

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct.

It is the Agency's policy that employees/contractors/sub recipients/interns will not suffer retaliation or harassment for reporting in good faith any FWA concerns. The Agency encourages openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be unsubstantiated.

XI. Contract Administrators:

All notices permitted or required to be given by one Party to the other and all questions about the Contract from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract Administrator are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Contract Administrator by giving timely written notice to the other Party.

For the Agency:

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Veronica Jamison, Office Manager 1001 Mail Service Center, Raleigh, NC 27699-1001 Telephone: 919-707-3071 Email: veronica.jamison@ncagr.gov Grants & Contracts General Email: agr.grants@ncagr.gov	Veronica Jamison, Office Manager 2 W Edenton Street, Raleigh, NC 27601

For the Grantee:

Grantee Contract Administrator- Mailing Address	Grantee Principal Investigator or Key Personnel
Elliot Swain, Director Brunswick Soil and Water Conservation District 10 Referendum Dr NE Bolivia, NC 28422 Telephone: 910-253-2830 Email: elliot.swain@brunswickcountync.gov	Name: _____ Title: _____ Company Name: _____ Street Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____ Email: _____

XII. Supplementation of Expenditure of Public Funds:

The Grantee assures that funds received pursuant to this Contract shall be used only to supplement, not to supplant, the total amount of federal, State, and local public funds that the Grantee otherwise expends for activities involved with specialty services and related programs. Funds received under this Contract shall be used to provide additional public funding for such services. The funds shall not be used to reduce the Grantee's total expenditure of other public funds for such services.

XIII. Disbursements:

As a condition of this Contract, the Grantee acknowledges and agrees to make disbursements in accordance with the following requirements:

- a. Will implement or already have implemented adequate internal controls over disbursements.
- b. Pre-audit all invoices presented for payment to determine:
 - i. Validity and accuracy of payment
 - ii. Payment due date
 - iii. Adequacy of documentation supporting payment
 - iv. Legality of disbursement
- b. Assure adequate control of signature stamps/plates.
- c. Assure adequate control of negotiable instruments; and
- d. Have procedures in place to ensure that account balance is solvent and to reconcile the account monthly.

XI. Outsourcing:

The Grantee certifies that it has identified to the Agency all jobs related to the Contract that have been outsourced to other countries, if any. Grantee further agrees that it will not outsource any such jobs during the term of this Contract without providing prior notice to the Agency.

XIV. N.C.G.S. § 133-32 and Executive Order 24:

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State employee of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement or Contract, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employee of your organization.

XV. Signature Warranty:

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Contract.

IN WITNESS WHEREOF, the Grantee and the Agency execute this Contract as an electronic original, each party will be provided a fully executed copy via electronic mail. It is required that each party retain a fully executed copy of this contract.

Grantee: Brunswick Soil and Water Conservation District

Signature of Authorized Representative

Date

Printed Name

Title

Witness:

Signature

Date

Printed Name

Title



North Carolina Department of Agriculture and Consumer Services

Signature of Authorized Representative

Date

N. David Smith, Chief Deputy Commissioner

Attachment B Contents for the Standard Conservation Easement Appraisal Program:

- a. Scope of Work and Map
- b. ADFP Trust Fund Conservation Easement Contract Grantee Duties and Reporting Requirements
- c. Line Item Budget with Narrative and Project Timeline
- d. Conservation Easement Transfer of Entity
- e. Survey Requirements and Checklist
- f. Baseline Documentation Report Requirements and Checklist
- g. Environmental Audit Requirements and Checklist
- h. Appraisal Checklist
- i. The Conservation Easement Content
- j. Closing Agent Requirements for Easement Programs
- k. ADFP Trust Fund Monitoring Policies
- l. Option to Purchase an ADFP Trust Fund Agricultural Easement

Scope of Work

The purpose of this contract is to place a perpetual agricultural conservation easement on +/- 64 acres of the Bellamy Family Farm in Brunswick County.

Landowner name(s): Milton Wade Bellamy, Arthur Martin Bellamy, Marsha Jane B. Benton

Physical address: 1330 Hickman Road NW Calabash, NC 28467

Latitude and Longitude: 33.93123213513438, -78.61850221638485

Parcel Identification Number (PIN): 101602581108

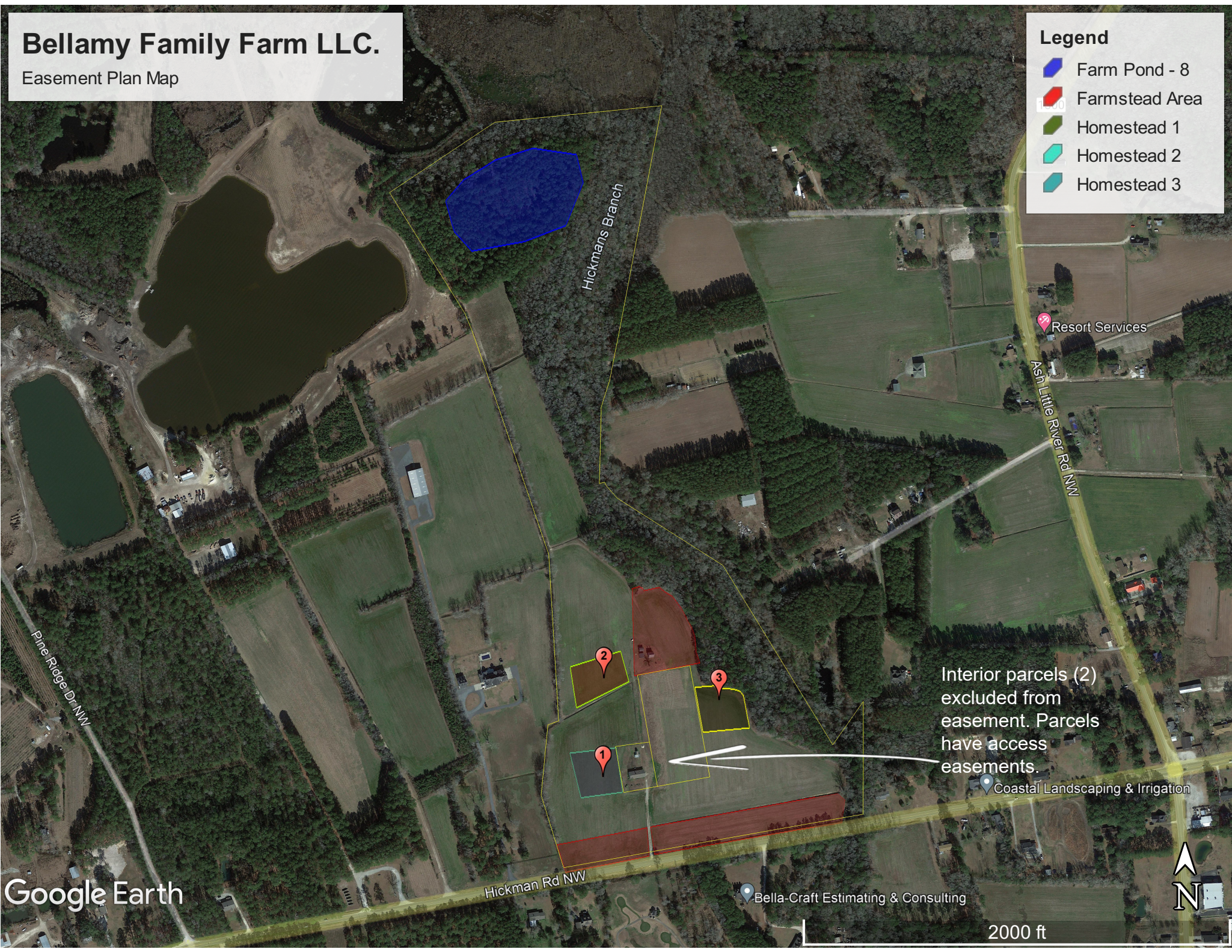
Attached is a map of the proposed conservation easement:

Bellamy Family Farm LLC.

Easement Plan Map

Legend

-  Farm Pond - 8
-  Farmstead Area
-  Homestead 1
-  Homestead 2
-  Homestead 3



Google Earth



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Conservation Easement Contract Grantee Duties and Reporting Requirements



1. The NCDA&CS ADFPTF conservation easement contract is a two-year contract. The first contract year is to complete the conservation easement project, including recording the conservation easement. The second contract year is reserved for the completion of the conservation easement project due to documented hardships. The Grantee agrees to record the conservation easement within the first year of the two-year contract following the timeline below. Failure to follow the deliverable timeline is a breach of the contract, and the Grantee must repay any grant funding received from the NCDA&CS ADFPTF. If the Grantee fails to record an approved conservation easement according to the terms and conditions of this contract within the contract period, the Grantee is responsible for repaying all funds expended.
2. If the conservation easement is not recorded within the first 365 days of the two-year contract, the Grantee must request a continuation of the project in writing to the Farmland Preservation Director 60 days before the end of the first year of the contract (Day 305). This request must provide proper documentation for the hardships that delayed completing the grant project and a revised timeline to complete the conservation easement project. All other required documents, including budget and progress reports, must be current. Eligible hardships include:
 - a. Death of a landowner;
 - b. Severe illness or incapacitation of a landowner;
 - c. The Grantee has applied for federal funding and has not yet received funding notification;
 - d. The Grantee has federal funds under contract and has not yet received approval to release federal funds.

All other requests for continuing the conservation easement project shall be determined on a case-by-case basis. If approved, the project may continue into the second year of the contract. If denied, the Grantee must repay any grant funding from the NCDA&CS ADFPTF. Note: Failure by the Grantee to initiate deliverables on the conservation easement project, Grantee staff shortages or changes, and Grantee time management issues are not acceptable hardships and will result in a breach of the contract, and the Grantee must repay any grant funding received from the NCDA&CS ADFPTF.

Required Grantee Deliverable Within the First Contractual Year

Deliverables (Documents) <i>Must be provided in the following order and submitted as a complete suite in Word or PDF electronic format for ADFPTF review and approval.</i>	Completion Date for Documents Provided to the Agency by the Grantee
Easement Parcel Identification Suite <ul style="list-style-type: none"> • Preliminary Conservation Easement Survey, including GIS, per the ADFPTF Survey Requirements and Checklist • Preliminary Title Policy • Preliminary Attorney's signed Title Opinion certifying title for a period of at least sixty years 	Within 180 days of the beginning date of the grant contract
Land Management Documents Suite <ul style="list-style-type: none"> • Environmental Audit, including Hazardous Materials Checklist and Landowner Interview, per the ADFPTF Environmental Audit Requirements and Checklist • Certified Development Rights Appraisal, per the ADFPTF Conservation Easement Appraisal Requirements and Checklist, dated within the contract period and dated less than 365 days prior to closing. Supplemental appraisals, updated opinion letters, or reaffirmation letters by the appraiser for the original appraisal are acceptable if a closing occurs 365 days after issuance of the Certified Development Rights Appraisal, provided the appraiser certifies the land value with an updated effective date of valuation. • Conservation Plan, if applicable • Forestry Plan, if applicable • Preliminary Baseline that includes applicable Conservation Plan and Forestry Plan, Environmental Audit, and Conservation Easement Survey, per the ADFPTF Baseline Documentation Report Requirements and Checklist 	Within 210 days of the beginning date of the grant contract and no less than 60 days before the scheduled conservation easement recording date
Legal Conservation Document Suite <ul style="list-style-type: none"> • Conservation Easement Survey in recordable format and approved by County Review Officers • Final Conservation Easement with applicable exhibits • Preliminary HUD Statement • Title Commitment • Signed Subordination Agreement, if applicable • Final Baseline that includes applicable Conservation Plan and Forestry Plan, Environmental Audit, and Conservation Easement Survey, per the ADFPTF Baseline Documentation Report Requirements and Checklist 	Within 240 days of the beginning date of the grant contract and no less than 30 days before the scheduled conservation easement recording date
Set Target Date for Easement Closing <ul style="list-style-type: none"> • NCDA&CS Legal Affairs must approve all Legal Conservation Document Suite documents • Approved Conservation Easement Closing Check Request form 	Within 270 days of the beginning date of the grant contract, and shall be no less than 30 days before the contract end date.
Final Legal Conservation Document Suite <ul style="list-style-type: none"> • Recorded Conservation Easement • Recorded Survey • Final Title Opinion signed by the closing attorney • Final Title Policy • Recorded Subordination Agreement, if applicable • Signed HUD Statement • Signed Baseline Documentation Report 	Due within 20 working days (28 calendar days) following the recording date of the conservation easement

3. The Grantee shall provide the Agency with progress reports, both financial and programmatic. The following is based upon the Agency contract with the Grantee being two years in time.

For grant awards of less than \$250,000, reports are due semi-annually. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – March 31	April 10
Year 1	April 1 – September 30	October 10
Year 2	October 1 – March 31	April 10
Year 2	April 1 – September 30	October 10

For grant awards of \$250,000 or more, reports are due quarterly. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – December 31	January 10
Year 1	January 1 – March 31	April 10
Year 1	April 1 – June 30	July 10
Year 1	July 1 – September 30	October 10
Year 2	October 1 – December 31	January 10
Year 2	January 1 – March 31	April 10
Year 2	April 1 – June 30	July 10
Year 2	July 1 – September 30	October 10

In-kind and cash match shall be a part of the required financial reports, and documentation of the reported match shall be included with the reports. Documents shall be in the form of individual timesheets that each employee has signed and approved by the appropriate supervisor, travel logs and invoices for in-kind match, copies of checks, bank deposits, and fund transfers for cash match. Other types of documents may be acceptable with the approval of the Agency Manager.

This grant contract is for the below-marked amount:

☐ Less than \$250,000

☒ \$250,000 or more

4. The Grantee will use the selected easement template unless the exception category has been designated and approved by the Agency. The selection of the appropriate template is based on partnership funding used to secure the conservation easement. Unless clearly delineated in the proposed conservation easement map, the landowner waives the rights of creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1); therefore, no lots shall be created in the easement area. The easement templates are downloadable at www.ncadfp.org:

- ☐ ADFPTF Perpetual Template Easement
- ☐ ADFPTF Term Template Easement
- ☒ ADFPTF-USDA Template Easement
- ☐ ADFPTF-USDA-USAF Template Easement
- ☐ ADFPTF-USDA-Navy Template Easement
- ☐ ADFPTF-USDA-Army Template Easement
- ☐ ADFPTF-USDA-County Template Easement
- ☐ ADFPTF-USAF Template Easement
- ☐ ADFPTF-Navy Template Easement
- ☐ ADFPTF-Army Template Easement
- ☐ ADFPTF-County Template Easement
- ☐ Exception, including the creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1). (Copy of the revised conservation easement language must be attached hereto as an amendment to the NCDA&CS ADFPTF contract at the time of approval)

The Agency legal counsel and Farmland Preservation Director must approve additions, omissions, or modifications of said template. The final "Conservation Easement" must meet with Agency approval to remain eligible for funding.

5. The Grantee shall provide the Agency with the appropriate reimbursement request (downloadable at www.ncadfp.org) and required documentation of performance and expenditures for associated grant reimbursement. The Agency shall make payments to the Grantee on the following guidance:
 - a. No more than \$25,000 if the grant award is \$27,778 or greater and up to 90% of the grant if the award is less than \$27,778 before the recording of the "Conservation Easement."
 - b. All payment requests must document the purpose of using grant funds and be within the approved amounts designated in the contract grant budget.
 - c. At the time of a properly recorded "Conservation Easement," the Agency shall pay the Grantee no more than 90% of the awarded grant amount.
 - d. The Agency shall decrease the contract award amount based on the current conservation easement appraisal, if applicable.
 - e. The Grantee shall ensure that 64 acres are placed under an agricultural easement with no more than a 5% variance in recorded easement acreage without the prior written approval of the Agency.
 - i. If the variance is greater than 5% of the contracted acres and is greater than the acres listed above, the additional acreage will be approved under one of the following scenarios:
 1. The additional acres are included in the original parcels, and the variance is due to the Conservation Easement Survey updates.

2. The additional acres are parcels or areas within the original parcels under the same ownership as the original parcels, are in working lands use, and are within, adjacent, or contiguous to the original parcels.
 - ii. If the variance is greater than 5% of the contracted acres and is less than the acres listed above, the grant funds for conservation easement purchase will be reduced proportionally based on the new acreage.
 - f. The division of the funds used to purchase the agricultural easement from matching resources and Agency resources must be maintained, as noted in the grant contract budget. The Grantee may request the Agency for an exception to the division of funds if the Agency is the only entity providing easement funding.
 - g. For the Standard Conservation Easement Appraisal Program, the Agency easement purchase shall not exceed 50% of the appraised easement value. If the Agency is the only grantor of funds used to secure the conservation easement recording, the Grantee may request in writing with sound reasoning for the Agency payment to exceed 50% of the appraised easement purchase value.
 - h. For the Present-Use Value (PUV) Conservation Easement Program, the Agency easement purchase shall not exceed 75% of the easement value as determined by the Conservation Easement Value Payout formula.
 - i. At no time shall the total payment of grant funding exceed the grant contract value.
 - j. All Grantee payments must have receipts of expenditures to verify the use of funding per contracted purposes.
 - k. The Agency shall make the payment within 60 days of any grant reimbursement request by the Grantee with approved documentation.
6. The Grantee will use the selected conservation easement purchase funding program:

☒ Standard Conservation Easement Appraisal Program:

The Certified Development Rights Appraisal must be completed per the ADFPTF Conservation Easement Appraisal Requirements and Checklist based on the funding sources for the easement purchase. Final conservation easement values must be determined by a Certified Development Rights Appraisal dated within the contract period and dated less than 365 days prior to closing. Supplemental appraisals, updated opinion letters, or reaffirmation letters by the appraiser for the original appraisal are acceptable if a closing occurs 365 days after issuance of the Certified Development Rights Appraisal, provided the appraiser certifies the land value with an updated effective date of valuation.

☐ Present-Use Value (PUV) Conservation Easement Program

Select one of the following:

☐ Perpetual Conservation Easement:

- 75% of the conservation easement value as determined by the Final Conservation Easement Value Payout formula in the PUV Conservation Easement Program Worksheet attached in this contract.

☐ 50-Year Term Conservation Easement:

- 60% of the conservation easement value as determined by the Final Conservation Easement Value Payout formula in the PUV Conservation Easement Program Worksheet attached in this contract.

7. The conservation easement closing payment request may be submitted in writing using the Easement Closing Check Request form by the Grantee 30 days before the set closing date, provided the following items have been achieved:
 - a. All closing documents (conservation easement, HUD statement, title commitment, and subordination agreement if required) have been reviewed and approved by ADFPTF and NCDA&CS legal staff.
 - b. The Grantee is in "Green" status based on the ADFP Trust Fund Grantee Eligibility Classification system. This status requires all progress/budget reports, monitoring reports, audit reports, and other reporting documents to be current with the Agency.
 - c. The Grantee has followed the contractually-obligated work schedule as detailed in the grant contract. If Grantee fails to maintain the contractual agreement between NCDA&CS and the Grantee, NCDA&CS ADFPTF shall consider additional measures to ensure Grantee follows department policies and contract procedures.
 - d. The proposed conservation easement closing date shall be no less than 30 days before the contract end date. This timeline eliminates the risk of losing grant funds due to the contract's expiration.
 - e. All involved parties, including ADFPTF, Grantee, landowners, and all funding partners with a financial interest in the conservation easement, will confirm the closing date.
 - f. The closing check will be submitted to the closing attorney named in the grant contract, provided all required information provided by the Grantee is complete approved by ADFPTF and NCDA&CS legal staff.
 - g. If a contract is at risk of not being completed, NCDA&CS may provide alternatives to reduce that risk, including revisions of the holdback provisions or the payment delivery options for services rendered by contractual arrangement.
8. The Grantee shall also submit a final grant report. In the final report, the Grantee shall provide all budget/progress reports, the final request for payment, and an accounting of the final match claimed by the Grantee to fulfill the match requirement mandated under

N.C.G.S. 106-744(c1)(1). Grant contract budgeting and payments shall hold-back 10% on all line items until ADFPTF receives all required reports and documentation. The full ADFPTF easement funding allocated for easement purchase may be submitted at closing, provided the closing attorney holds the 10% in escrow until all recorded documents and reports, including the recorded conservation easement, recorded survey, final title opinion signed by the closing attorney, final title policy, recorded subordination agreement (if applicable), signed HUD statement, and signed baseline documentation report, have been received and approved by NCDA&CS. The final report and all invoices are due within 20 working days (28 calendar days) following the closing and recording date of the conservation easement. If the Grantee fails to provide the final report and required supporting documentation within the required period, the Grantee may not receive reimbursement and shall be considered ineligible for reimbursement.

9. Grantees may request a lowering of the hold-back percentage provided the following criteria have been provided:
 - a. An official request to the Commissioner of Agriculture with reasoning why the 10% hold-back is an undue burden and a proposed revised hold-back percentage.
 - b. The Grantee has no record of infractions or late reports for ADFPTF within the last two years from the revised hold-back percentage request date.
 - c. If an infraction or late report occurs during the grant contract period, the hold-back percentage shall be reinstated at 10% or higher as a corrective measure.
10. If the Grantee has not provided all closing documents and progress/budget reports 60 days before the contract's end date, the Grantee may request a contract extension of the grant to the Farmland Preservation Director. This request must include reasons for not completing the grant and following the timetable of scheduled activities to complete the grant project. This request must provide proper documentation for the hardships that delayed completing the grant project and a revised timeline to complete the conservation easement project. All other required documents, including budget and progress reports, must be current. Eligible hardships include:
 - a. Death of a landowner;
 - b. Severe illness or incapacitation of a landowner;
 - c. The Grantee has applied for federal funding and has not yet received funding notification;
 - d. The Grantee has federal funds under contract and has not yet received approval to release federal funds.

All other requests for continuing the conservation easement project shall be determined on a case-by-case basis. If approved, the project may continue beyond the original contract end date. If denied, the Grantee must repay any grant funding from the NCDA&CS ADFPTF. Note: Failure by the Grantee to initiate deliverables on the conservation easement project, Grantee staff shortages or changes, and Grantee time management issues are not acceptable hardships and will result in a breach of the contract, and the Grantee must repay any grant funding received from the NCDA&CS

ADFPTF. All other grant contract extension requests shall follow the protocols outlined in the NCDA&CS ADFPTF grant contract.

11. If the Grantee has not provided all closing documents and progress/budget reports 30 days before the contract's end date, the Grantee may request an emergency contract extension of the grant to the Commissioner of Agriculture. This request must include reasons for not completing the grant and following the timetable of scheduled activities to complete the grant project. All other grant contract extension requests shall follow the protocols outlined in the NCDA&CS ADFPTF grant contract.
12. After recording the "Conservation Easement" in the Register of Deeds Office, the Grantee shall annually notify the landowner and conduct a monitoring visit to the property to ensure that the easement agreement is being upheld. If structures are permitted under the easement, the Grantee shall review plans and monitor construction for compliance with the plans. Grantee monitoring shall be completed in accordance with the Agency "Conservation Easement Monitoring Policy and Guidelines" and amendments thereto. The Grantee shall electronically complete and submit to the Agency the "Grantee Monitoring Report – Perpetual or Term Easement" to report its annual monitoring findings. The "Grantee Monitoring Report – Perpetual or Term Easement" is accessed through a portal at www.ncadfp.org. The first "Grantee Monitoring Report – Perpetual or Term Easement" is due by December 31 of the following calendar year after the "Conservation Easement" recording and annually thereafter.
13. The Grantee shall complete all reports in a prescribed format, which the Agency shall provide. Reports and required documentation must be up-to-date for the Grantee to receive payments.
14. All publicity and printed material regarding projects or activities supported in whole or in part by this shall contain the following language: "The project received support from the NCDA&CS ADFP Trust Fund." The NCDA&CS ADFP Trust Fund logo (digital versions of which can be downloaded from the Agency website at www.ncadfp.org) shall be displayed in all the Grantee's publicity and printed materials relating to this grant.
15. The Grantee will submit all reports and requested documents electronically unless instructed differently by Agency staff. Reports and documents may be submitted by email to ncadfp@ncagr.gov.
16. Noncompliance with Grantee duties will result in an immediate suspension of existing Agency grant funding. The Grantee shall be ineligible for further Agency grants until the noncompliance is corrected and the Agency has acknowledged the correction and is in good standing. The Agency shall use the following guidance in placing a Grantee in noncompliance:

Classification	Grant Contract / Monitoring Status	Eligibility Status
Green	All budget, progress, and monitoring reports are on file and up to date. No incidents noted in the Suspension of Funding List or other department or state grant tracking reports.	No restrictions.
Yellow	There is a late budget, progress, or monitoring report in the previous reporting period. No incidents noted in the Suspension of Funding List or other department or state grant tracking reports.	All grant payments and proposed grant contracts frozen until reports are filed and approved. Review of proposed grant applications and requests may continue, but no grant contract may be offered.
Red	There are late budget, progress, or monitoring reports for two reporting periods. No incidents noted in the Suspension of Funding List or other department or state grant tracking reports.	All grant payments and proposed grant contracts frozen until reports are filed and approved. Review of proposed grant applications and requests are discontinued, and no grant contract may be offered.
Black	There are late budget, progress, or monitoring reports for three or more reporting periods or the Grantee is found as noncompliant in the Suspension of Funding List or other department or state grant tracking reports.	All grant payments frozen. Grantee is not eligible for an ADFP Trust Fund grant application or contract.

17. The grant contract budget and project timeline are as attached:

Conservation Easement Budget Worksheet - Bellamy Family Farm

Line Item	ADFP Trust Fund	90 Percent Maximum	Projected USDA NRCS ALE/RCPP Match	Projected Military Match	Projected Nonprofit Match	Projected Landowner Donation	Projected County Match	Projected Other Match	Totals
Appraisal									\$ -
Attorney Fees	\$ 4,300.00	\$ 3,870.00							\$ 4,300.00
Baseline Documentation Report	\$ 2,900.00	\$ 2,610.00							\$ 2,900.00
Closing Costs (Recording Fee, Title Insurance)	\$ 1,300.00	\$ 1,170.00							\$ 1,300.00
Easement Purchase	\$ 358,531.80	\$ 322,678.62	\$ 717,063.60			\$ 358,531.80			\$ 1,434,127.20
Environmental Assessment / Audit	\$ 2,200.00	\$ 1,980.00							\$ 2,200.00
Personnel / Administrative							\$ 32,436.56		\$ 32,436.56
Stewardship Endowment		\$ -					\$ 22,563.44		\$ 22,563.44
Survey	\$ 10,100.00	\$ 9,090.00							\$ 10,100.00
Travel							\$ 20,000.00		\$ 20,000.00
Totals	\$ 379,331.80	\$ 341,398.62	\$ 717,063.60	\$ -	\$ -	\$ 358,531.80	\$ 75,000.00	\$ -	\$ 1,529,927.20

Easement Size (Acres)	64.000	Easement Size (Acres) 5 Percent Variance +/-	67.200	60.800

Line Item	ADFP Trust Fund Grant Expenditures	ADFP Trust Fund Grant Balance	Confirmed USDA NRCS ALE/RCPP Match	Confirmed Military Match	Confirmed Nonprofit Match	Confirmed Landowner Donation	Confirmed County Match	Confirmed Other Match	Totals
Appraisal									\$ -
Attorney Fees		\$ 4,300.00							\$ -
Baseline Documentation Report		\$ 2,900.00							\$ -
Closing Costs (Recording Fee, Title Insurance)		\$ 1,300.00							\$ -
Easement Purchase		\$ 358,531.80							\$ 358,531.80
Environmental Assessment / Audit		\$ 2,200.00							\$ -
Personnel / Administrative									\$ -
Stewardship Endowment		\$ -							\$ -
Survey		\$ 10,100.00							\$ -
Travel									\$ -
Totals	\$ -	\$ 379,331.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358,531.80

Project Timeline

Quarter (Grant Year 1)	Tasks/Goals	Grant Funding to be Used	Matching Funds (cash or in-kind) to be Used	Total Funding to be Used
October 1, 2022 - December 31, 2022	Personnel and Administrative Duties, Travel		\$ 52,436.56	\$ 52,436.56
January 1, 2023- March 31, 2023	Survey, Draft Easement Language, Baseline, Applicable Conservation and Forestry Plans, Environmental Audit, Preliminary Title Opinion and Policy	\$ 15,200.00		\$ 15,200.00
April 1, 2023 - June 30, 2023	Certified Appraisal, Set target date for easement closing			\$ -
July 1, 2023 - September 30, 2023	Request Funds for closing, Preliminary HUD, Record Easement, Record Survey, Final Title Opinion and Policy, Final Payment Request, Legal Fees, Closing Costs	\$ 364,131.80	\$ 1,098,158.84	\$ 1,462,290.64

Grant Year 1 Subtotals	\$ 379,331.80	\$ 1,150,595.40	\$ 1,529,927.20
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Quarter (Grant Year 2)	Tasks/Goals	Grant Funding to be Used	Matching Funds (cash or in-kind) to be Used	Total Funding to be Used
October 1, 2023 - December 31, 2023				\$ -
January 1, 2024- March 31, 2024				\$ -
April 1, 2024 - June 30, 2024				\$ -
July 1, 2024 - September 30, 2024				\$ -

Grant Year 2 Subtotals	\$ -	\$ -	\$ -
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Entire Grant Period Totals	\$ 379,331.80	\$ 1,150,595.40	\$ 1,529,927.20
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N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Conservation Easement Transfer of Entity



The Grantee will be the Easement Holder. In the event the Grantee desires to transfer the easement to a qualified entity herein below described, the ADFP Trust Fund must be notified in writing immediately. This transfer request must be approved by the Farmland Preservation Division Director no later than 60 days before the scheduled closing date.

Qualified entities include county governments, county soil and water conservation districts, or nonprofit conservation organizations as defined by [02 NCAC 58 .0103 \(8\)](#).

The Grantee will continue to fulfill the Grantee's duties and responsibilities subject to the terms and conditions of the contract. This includes, but is not limited to, submitting budget and progress reports, final closing documents, and requests for payment. Upon recording, the Grantee will give all investments and interests in the easement project to the Easement Holder. Upon transfer and recording the easement, the Easement Holder will assume all responsibilities for monitoring the easement and submitting annual monitoring reports as outlined in the monitoring policy in this contract.

If the Grantee intends to transfer the easement to another entity, please include the name of the entity and contact information:

Entity Name:

Entity Type: County government
 County soil and water conservation district
 Nonprofit conservation organization

Contact Name:

Contact Email:

Contact Phone:



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Conservation Easement Survey Requirements and Checklist



1. The total surveyed acres referenced in the survey title block must be the same in the conservation easement and all documents on the easement deliverables list, including, but not limited to, the title policy, title opinion, environmental audit, certified development rights appraisal, conservation plan, forestry plan, baseline documentation report, conservation easement language, HUD statement, title commitment, and subordination agreement.
2. The total survey acres contained in the survey title block must be at least to the hundredth decimal point.
3. The minimum standards of specification to be observed in the practice of Land Surveying for Rural and Farmland surveys (Class C) in the State of North Carolina are: The linear error of closure shall not exceed one (1) foot per 5,000 feet of the perimeter of the tract of land (1:5,000).

For special circumstances when a survey is needed that is not a Class C survey, the following minimum standards of specification are to be observed:

- a. Urban Land Surveys (Class A) – The linear error of closure shall not exceed one (1) foot per 10,000 feet of the perimeter of the tract of land (1:10,000).
 - b. Suburban Land Surveys (Class B) – The linear error of closure shall not exceed one (1) foot per 7,500 feet of the perimeter of the tract of land (1:7,500).
4. All surveys shall be tied to the North Carolina State Plane Coordinate System NAD83(2011) Feet per the Standards of Practice for Land Surveying in North Carolina, Title 21 NCAC 56.1602(g) and Title 21 NCAC 56.1607, regardless if the property is not within 2,000 feet of a geodetic monument.
5. The survey must meet all current N.C. recording standards, pursuant to G.S. 47-30, and, if applicable, any recording standards for the county where the property is located.
6. The stated linear error of closure shall be computed by latitudes and departures, and the closure shall be stated before balancing.
7. A map shall be prepared of the tracts surveyed and shall be properly and accurately drawn, revealing all the information developed by and during the survey. The size of the map shall be such that all details can be shown clearly.

8. The certification to be shown on the map shall be in accordance with the example as set forth in the “Manual of Practice for Land Surveying in North Carolina.”
9. The title block of each map shall contain the type of easement (ADFPTF, ALE, military, etc.), name of the landowner(s), location, date surveyed, a scale of the drawing, name, address, registration number and seal of the surveyor.
10. The North arrow shall be accurately positioned and designated as N.C. Grid north.
11. The total acres of land owned by the landowner(s) shall be indicated on the survey. The survey shall indicate where the easement area sits in relation to the entire tract owned by the landowner.
12. The total acres under the Conservation Easement shall be broken down as occurs for:
 - a. Full easement acres under restrictions.
 - b. Farmstead (area included in the easement for farm buildings, storage, shops, etc.)
 - c. Residential Lots (ADFP Only Easement) Landowner may elect up to three lots located in the easement area that include but are not limited to homesites and existing residences and are subject to limited restrictions regarding residential living.
13. Property corners shall be adequately identified, marked, and labeled.
14. Two corners of the survey shall have N.C. Grid coordinates (using the current N.C. Grid datum at the time of survey) and be shown on the survey plat.
15. Clear markings of easement boundaries shall be indicated with dark or thicker lines, shading, etc., and clear points of a boundary line change.
16. Courses and distances of boundary lines and other lines shall be lettered neatly thereupon in feet and hundredths of a foot and in degrees, minutes, and seconds, if available.
17. The names of all adjoining owners or utilities bordering on or crossing the premises or tract, the names of the principal and adjoining streams, the names and numbers of roads and highways, easements, ingress and egress, ponds, lake boundaries, and other pertinent details shall be indicated, defined and located on the map if they are visible and cross or form a boundary of the property being surveyed. All control corners, coordinated markers, and permanent markers or monuments on adjoining properties shall be identified and located on the map.

18. Where a boundary of a tract is formed by a curved line, the actual survey data from the point of curvature of the curve to the point of tangency shall be shown on the face of the map. Where a boundary of a tract is formed by a creek or river, offset traverse shall be run and offset points shown on map with reference to boundary points in center of stream as called for in the deed.
19. All easements and encroachments on the property being surveyed shall be accurately located and clearly indicated on the map.
20. The surveyor shall furnish to the ADFPTF a written description for each tract surveyed.
21. The surveyor agrees to fully complete all the surveys herein set out and to furnish the ADFPTF an original copy of each survey together with a written description.
Additionally, the surveyor agrees to provide, by e-mail, a DWG file or shapefile before payment is made. The digital file must be tied to the N.C. State Plane Coordinate System (NAD 83) Grid (georeferenced).
22. The AutoCAD or GIS shapefile should contain a polygon clearly identifying the Boundaries of the Conservation Easement. This requirement is an addition to any line work.
23. Legal access from the easement area to the state-maintained road must be shown on the survey.
24. The survey must show all access easements over and across the landowner's property to adjoining tracts. If the easement area is less than the landowner's entire tract of land, the survey must show access to the landowner's remaining parcel of land.
25. Legal access is required for areas of the parcel excluded from the conservation easement. Access easements for ingress, egress, and regress across the conservation easement must be clearly identified on the survey and included in the legal description. Access easements must be a minimum of 20 feet in width unless a larger width is required by the county zoning and planning office, local ordinances, or applicable regulations.



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Baseline Documentation Report Requirements and Checklist



Baseline documentation reports (BDRs) are important in establishing the condition and characteristics of the land parcel at the time of easement closing and serve as the basis for easement management and monitoring. BDRs also help document how the characteristics of the land support the purposes of the conservation easement and help to justify the expenditure of public funds.

BDRs include narrations, pictures, and maps to provide a complete understanding of a given parcel. It is recognized no two land parcels are the same, and there is an expected level of variation in the contents of BDRs. However, the following requirements, where applicable, are considered a minimum that should be found in all BDRs.

***Note:** *Maps required for each section are emphasized with italics.*

- I. Title Page:** Include the title of the easement as stated in the ADFP Trust Fund contract, (e.g., Rocky Ridge Farm Easement), ADFP Trust Fund tracking number, NCDA&CS contract number, date of the BDR and date of certification, and name, title, and affiliation of the BDR author(s).
- II. Table of Contents:** Include all section headers, maps, and photographic documentation, with page numbers.
- III. Purpose of the Conservation Easement:** Briefly summarize the purposes as found in the easement document.
- IV. Landowner Contact Information:** Names, addresses, email, and phone numbers, etc. of landowners. May also include names, email, and phone numbers of any land managers, gatekeepers, etc. as appropriate.
- V. Property Background:**
 - a. Include a paragraph summarizing the property, including the following information:
 - i. Total parcel acreage and easement acreage (if different).
 - ii. General location in the county.
 - iii. Inclusion in a Voluntary Agricultural District (VAD) or Enhanced Voluntary District (EVAD) (if applicable).
 - iv. History of the parcel, if available, including farming operation and land uses.
 - v. Current land uses.
 - vi. Environmental Audit (EA) or Environmental Site Assessment (ESA) in accordance with the N.C. ADFP Trust Fund Environmental Audit (EA)

Requirements and Checklist.

- vii. Any other significant features identified by the grantee or landowner.
- b. *Aerial or satellite imagery of the property with the easement boundary map overlay. Include callouts of significant features, including farmsteads and building envelopes, and legal access (ingress/egress) from a publicly maintained road. The features in the map must be tied to the N.C. State Plane Coordinate System (NAD 83) Grid (georeferenced).*
- c. Location and Physical Setting – General description of the landscape and farming operations in the general area, including adjacent land.
 - i. *Include imagery of area within 5 miles of the easement property, showing the specific location of the parcel. Include all other easements and protected lands in proximity (if applicable).*

VI. Impervious Surfaces and Existing Human Modifications: List each permanent structure and other impervious surfaces, showing length/width measurement. Include a calculation of the total extent of impervious structures, the maximum allowable impervious surface area within the easement (2% of total acreage) converted to square feet and acres, and remaining allowable surface area within the easement converted to square feet and acres.

- a. *Map with labels for all human modifications to the property with the following labeled:*
 - i. *structures, roads, trails, dikes and impoundments, wells, fences, utility lines and corridors, cemeteries, trash piles/dumps, etc. within the easement area.*

The following is an example of adequate documentation for impervious structures:

The farmstead envelope consists of several farm-related structures and the primary residence. The residence is a 1,970 square feet brick ranch. The creamery building has been restored from the original store building. Two open-sided barns are located within this area.

Photo points 1-7, 15-18, 33, 34. Modifications in this area include the following:

- Barns (2)
- Well (1)
- Creamery Building
- Residence
- Silage storage areas (2)
- Concrete Pad

The dimensions and approximate impervious surface for each of these areas are listed in the table below:

Impervious surface item	Photo point	Dimensions	Impervious surface (sq. ft.)	Impervious surface (acres)
Barn 1, storage shed	17	40' x 35'	1,400	0.032
Barn 2	18	12' x 24'	288	0.007
Well	1	10' x 6'	60	0.001
Creamer building	2	50' X 40'	2,000	0.046
Residence	34A		2,240	0.051
Silo storage areas	5	80' x 200'	16,000	0.367
Concrete pad	16	27' x 24'	648	0.015
Total			22,636	0.519

The easement allows for a maximum impervious surface area of 2% or 85,987.20 sq. ft. (1.97 acres). Based on the above approximations, a remaining 63,351.44 sq. ft. (1.45 acres) of impervious surface is allowed under the easement.

VII. Existing Land Use and Management:

- a. Include the landowner's objectives for the management of the parcel and current agricultural practices.
- b. Statements on the general condition and management of the following key areas:
 - i. Pasture and cropland – acreage and percent of land use in the easement (if applicable). Include a summary of the existing conservation plan and practices and the adequacy in achieving management goals.
 1. Include a copy of the current USDA-NRCS or local Soil and Water Conservation District conservation plan (required for crop or pasture land).
 - ii. Forest and woodlands – acreage and percent of land use in the easement (if applicable). Include current forestry management plan and practices (e.g., managed for maximum timber production or let stand as a natural area for wildlife habitat).

1. Include a copy of the current forestry management plan developed by the NC Forest Service or a registered private forester (required for 20 or more acres of forestry).
- iii. Other significant land uses – acreage and percent of land use in the easement of each (if applicable). Provide general descriptions of uses (e.g., irrigation pond, canals, etc.).

VIII. Land Parcel Topography and Soil Types:

- a. **Topography:** Short paragraph summarizing the general topography of the easement area, highlighting any extremes.
 - i. *Contour map (overlay of an aerial/satellite view, if possible) of the property, or the best available map showing the property's elevation profile.*
- b. **Soils:** The protection of the soil resource base and the sustainable production of food and fiber are essential purposes of conservation easements. Therefore, explaining the soil resources on the easement property is very important. The BDR should include a discussion of all soil types within the land parcel, including a description of each. All soil types and descriptions are available through USDA-NRCS. The following is provided as an example:

There are six soil units mapped on the parcel, as shown on the General Soils Map. Four of the six soils are classified as prime farmland or farmland of statewide importance.

The soil types are as follows: (Note: Only one soil type is shown as an example. All soils shown on the soils map should be listed.)

Georgeville silty clay loam, 2-6% slopes.

GeB2 — Georgeville silty clay loam, 2-6% slopes. Georgeville soils are very deep, well-drained, and moderately permeable. Parent material for the soil is weathered fine-grained metavolcanic rocks. It is a moderately eroded soil found on uplands with elevations ranging from 300-750 feet. It is a well-drained soil with moderate available water capacity. Georgeville is considered a prime farmland soil.

- c. Utilize the following table format to list all soils found within the easement area:

Soil Type	Name	Acreage	% of Total	Prime or Statewide Importance? Y/N

- i. Accompanying USDA-NRCS soils map (available through USDA Web Soil Survey) with appropriate labels.*

IX. Descriptions of the Property's Natural Features:

- a. **Forest/Woodland:** General description of forest types within the easement area (e.g., hardwood, pine, ornamental, etc.).
 - i. Accompanying stand map or reference map with labeled stands (if applicable).*
- b. **Aquatic Features:** List and description of all significant aquatic features (streams water bodies, wetlands, major waterways, etc.). Provide a brief narrative regarding how the easement positively impacts those features.
 - i. Accompanying labeled aquatic map (overlay of an aerial/satellite view, if possible).*
- c. **Wildlife and Natural Communities (Optional):** List and describe all wildlife habitat and natural communities of significance found within the easement area (e.g., common wildlife, rare and endangered species, etc.).
 - i. Accompanying map of wildlife and natural communities.*

X. Archeological and Historical Features: List and description of all historical features of significance, including cemeteries (if applicable).

- a. Labeled map of archeological and historical features on the property (if applicable).*

XI. Photographic Documentation: Provide a photographic record of the protected property. This section must include photos that are easily replicable from roads, permanent features, or using GPS waypoints. Photographs are recommended to include timestamps and latitude and longitude.

- a. Photographs must be taken at regular intervals along the property line that capture the property in its entirety, including photos from each property corner.
- b. Photographs of each permanent structure within each building envelope or farmstead area.
- c. If not included above, all other impervious surfaces in the easement.
- d. Photographs of any other human modifications to the property (including roads, ditches, dams, etc.).
- e. General landscape pictures that are representative of the easement area.
- f. Photographic index with descriptions of each photo (photos must have descriptions next to them).

- g. Photographic documentation map with photos numbered. Include a compass direction to note the direction the photo was taken.*

XII. Additional Maps: Accompanying descriptions are optional:

- a. U.S. Geological Survey (USGS) U.S. Topo or 7.5-minute quadrangle topo map.*
- b. General hydrology map.*

XIII. Signature Page (Acknowledgement of Property Condition Form): Signatures of acknowledgment that the landowner(s) agree with the BDR and the condition of the property at the time the easement is placed on the property. A final review, with any applicable updates, of the BDR must be approved 30 business days before closing. **No edits are permitted within five (5) business days before closing.** The BDR must be signed at closing by an authorized signatory of the grantee organization and all landowners listed in the easement.

Baseline Documentation Report Checklist

Introduction and Contacts

	Title Page: Include the title of the easement as stated in the ADFP Trust Fund contract, (e.g., Rocky Ridge Farm Easement), ADFP Trust Fund tracking number, NCDA&CS contract number, date of the BDR and date of certification, and name, title, and affiliation of the BDR author(s).
	Table of Contents: Include all section headers, maps, and photographic documentation, with page numbers.
	Purpose of the Conservation Easement: Briefly summarize the purposes as found in the easement document.
	Landowner Contact Information: Names, addresses, email, and phone numbers, etc. of landowners. May also include names, email, and phone numbers of any land managers, gatekeepers, etc. as appropriate.

Property Background

	Total parcel acreage and easement acreage (if different).
	General location in the county.
	Inclusion in a Voluntary Agricultural District (VAD) or Enhanced Voluntary District (EVAD) (if applicable).
	History of the parcel, if available, including farming operation and land uses.
	Current land uses.
	Environmental Audit (EA) or Environmental Site Assessment (ESA) in accordance with the N.C. ADFP Trust Fund Environmental Audit (EA) Requirements and Checklist.
	Any other significant features identified by the grantee or landowner.
	Map: Aerial or satellite imagery of the property with the easement boundary map overlay. Include callouts of significant features, including farmsteads and building envelopes, and legal access (ingress/egress) from a publicly maintained road. The features in the map must be tied to the N.C. State Plane Coordinate System (NAD 83) Grid (georeferenced).
	Location and Physical Setting – General description of the landscape and farming operations in the general area, including adjacent land.
	Map: Imagery of area within 5 miles of the easement property, showing the specific location of the parcel. Include all other easements and protected lands in proximity (if applicable).

Impervious Surfaces and Existing Human Modifications

	List of each permanent structure and other impervious surfaces, showing length/width measurement.
	Map: All human modifications to the property with the following labeled: structures, roads, trails, dikes and impoundments, wells, fences, utility lines and corridors, cemeteries, trash piles/dumps, etc. within the easement area.

	Calculation of the total extent of impervious structures.
	Calculation of the maximum allowable impervious surface area within the easement (2% of total acreage) converted to square feet and acres.
	Calculation of the remaining allowable surface area within the easement converted to square feet and acres.

Existing Land Use and Management

	Landowner's objectives for the management of the parcel and current agricultural practices.
	Statement on the general condition and management of pasture and cropland. Include acreage and percent of land use in the easement (if applicable). Include a summary of the existing conservation plan and practices and the adequacy in achieving management goals.
	Include a copy of the current USDA-NRCS or local Soil and Water Conservation District conservation plan (required for crop or pasture land).
	Statement on the general condition and management of forest and woodlands. Include acreage and percent of land use in the easement (if applicable). Include current forestry management plan and practices (e.g., managed for maximum timber production or let stand as a natural area for wildlife habitat).
	Include a copy of the current forestry management plan developed by the NC Forest Service or a registered private forester (required for 20 or more acres of forestry).
	Statement on the general condition and management of other significant land uses. Include acreage and percent of land use in the easement of each (if applicable). Provide general descriptions of uses (e.g., irrigation pond, canals, etc.).

Land Parcel Topography and Soil Types

	A short paragraph summarizing the general topography of the easement area, highlighting any extremes.
	Map: Contour map (overlay of an aerial/satellite view, if possible) of the property, or the best available map showing the property's elevation profile.
	Discussion of all soil types within the land parcel, including a description of each.
	Table of all soils found within the easement area. Include soil type, name, acreage, percent of total soils in the easement, and designation as prime or statewide importance.
	Map: USDA-NRCS soils map (available through USDA Web Soil Survey) with appropriate labels that match figures in the table.

Description of the Property's Natural Features

	<i>Optional:</i> List and describe all wildlife habitat and natural communities of significance found within the easement area (e.g., common wildlife, rare and endangered species, etc.).
	<i>Optional:</i> Map: Wildlife and natural communities.

	General description of forest types within the easement area (e.g., hardwood, pine, ornamental, etc.).
	Map: Stand or reference map with labeled stands.
	List and description of all significant aquatic features (streams water bodies, wetlands, major waterways, etc.). Provide a brief narrative regarding how the easement positively impacts those features.
	Map: Aquatic map (overlay of an aerial/satellite view, if possible).

Archeological and Historical Features

	List and description of all historical features of significance, including cemeteries (if applicable).
	Map: Archeological and historical features on the property (if applicable).

Photographic Documentation

	All photos are easily replicable from roads, permanent features, or GPS waypoints. Photographs are recommended to include timestamps and latitude and longitude.
	Photographs at regular intervals along the property line that capture the property in its entirety, including photos from each property corner.
	Photographs of each permanent structure within each building envelope or farmstead area.
	All other impervious surfaces in the easement if not included above.
	Photographs of any other human modifications to the property (including roads, ditches, dams, etc.).
	General landscape pictures that are representative of the easement area.
	Photographic index with descriptions of each photo (photos must have descriptions next to them).
	Map: Documentation map with photos numbered. Include a compass direction to note the direction the photo was taken.

Additional Maps

	Map: USGS US Topo or 7.5-minute quadrangle topo map.
	Map: General hydrology map.

Signature Page

	A final review, with any applicable updates, of the BDR must be approved 30 business days before closing.
	No edits are permitted within five (5) business days before closing.
	Signature of authorized signatory of grantee organization at closing.
	Signature(s) of all landowners listed in the easement at closing.



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Environmental Audit (EA) Requirements and Checklist



An Environmental Audit (EA) or Environmental Site Assessment (ESA) identifies potential or existing environmental contamination liabilities. The analysis addresses both the underlying land as well as physical improvements to the property.

An EA is a stand alone document, and some required documents included in the EA will match other submitted materials in the survey, baseline documentation report, and title work.

An EA can be conducted by USDA NRCS staff using the latest version of the NRCS Hazardous Materials Checklist and Landowner Interview, local soil and water conservation district staff using the latest version of the NRCS Hazardous Materials Checklist and Landowner Interview or equivalent, or with an environmental firm qualified to conduct Phase I Environmental Site Assessments.

For USDA NRCS Agricultural Land Easement (ALE) projects, only an EA conducted by USDA NRCS staff using the latest version of the NRCS Hazardous Materials Checklist and Landowner Interview will be accepted.

Below are the requirements for an EA for a conservation easement project with the N.C. ADFP Trust Fund (ADFPTF):

1. Map of the Conservation Area associated with the EA that includes any land improvements or special land use features.
 - a. Must match the map found in the baseline documentation report.
 - b. Acreage of the assessed site must match the surveyed acres of the Conservation Area.
2. Documentation of land ownership associated with the EA, such as a property tax card, land deed, etc.
 - a. Must match the preliminary title policy and preliminary attorney's signed title opinion.
3. Description of current land uses.
 - a. Must match the uses found in the baseline documentation report.
4. Pictures of land area defined in the EA with the location of pictures identified on a map or survey. Please submit at least one picture for each different land use or land improvement placed on the land parcel.
 - a. Must match the pictures found in the baseline documentation report.
5. Any implied and prevalent easement or ingress/egress use must be defined by picture and mapped.
 - a. Must match the preliminary conservation easement survey.
6. Any trash, chemical or non-natural land use must be defined by picture and mapped.
7. An environmental opinion review of the land by the agency performing the EA.

8. Date of land parcel visit and site evaluation.
9. Name, signature, and date of the land investigator/reviewer.
10. A completed, dated, and signed Hazardous Materials Checklist and Landowner Interview or equivalent. Approved formats include the latest USDA NRCS versions. Attached is an example.

If on-site or off-site reviews find recognized environmental conditions that negatively impact the property, such as the presence petroleum products or hazardous substances in the subsurface of the site, and these findings necessitate further investigation of environmental conditions with a Phase II ESA or equivalent, the Grantee is required to conduct these assessments.

HAZARDOUS MATERIALS FIELD INSPECTION CHECKLIST

A. BACKGROUND INFORMATION

Clear Form

NRCS PROGRAM	LANDOWNER NAME		
PROPERTY ADDRESS			NUMBER OF ACRES
NEST APPLICATION NUMBER		COUNTY	STATE
FIELD INSPECTOR'S NAME & TITLE			DATE INSPECTED

B. INSTRUCTIONS:

- For each question, indicate if you find any evidence of past or present hazardous materials.
- For any suspected evidence found, display the location on the parcel map and attach photographic evidence as an addendum to this document.
- If you need more room to explain your findings attach additional sheets.
- When complete, attest that a field inspection has been completed and that to the best of your knowledge the information included is accurate.

C. Field Conditions:

	Onsite	Nearby	None
1. Dumps or landfills (especially with drums/containers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Other debris: household or farm waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Fills (possible cover for dumps)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Unusual chemical odors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Above/below ground storage tanks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Buildings: chemical storage, equipment repair solvents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Structures: evidence of asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Vegetation different from surrounding area for no apparent reason (e.g., stressed or dead, bare ground)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. "Sterile" or modified water bodies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Oil seeps, stained ground, discolored stream banks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Unnatural characteristics of water: oil slicks, unusual color, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Spray operation base: air strip, equipment parking area chemical staging, storage, and mixing areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Machinery repair areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Pipelines, power lines, gas lines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Oiled or formerly oiled roads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Mounted transformers - evidence of leakage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Any mining activity or mining residue: past, present, or future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Wastewater treatment equipment, septic system, sewage lagoons	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. Treatment for vegetation or invasive species

☐
☐
☐

20. Spills or releases of pollution

☐
☐
☐

D. EVIDENCE OF PAST USE (check all that are applicable)

Manufacturing

☐

Scrap metal, auto, or battery recycling

☐

Service station

☐

Military

☐

Dry cleaning

☐

Laboratories

☐

Air Strip

☐

Wood preserving

☐

Pipeline

☐

Tanning

☐

Railroad line

☐

Monitoring wells

☐

Facilities with large electrical transformers

☐

Wells no longer providing water

☐

Petroleum production

☐

Piles of soil, rock, debris

☐

Landfills

☐

Any unnatural topographic features

☐

Other (describe) _____

E. PHYSICAL EVIDENCE OF EASEMENTS OR RIGHTS-OF-WAY (power lines, pipelines, railroads, roads)

F. NEARBY LAND USES: (describe all surrounding land uses – especially those upstream or upgradient)

G. CONTAMINATED SITES RECORD SEARCH:

List all known contaminant sites within a 1-mile radius of the site. Check with Federal or State environmental protection agencies and local authorities. Are there any known hazardous material problems on or near the site (National Priority List, State sites, etc.)? (*Attach additional sheets as necessary*)

H. INTERVIEWS:

(Interviewee Name)

(Title)

(Interview Date)

Present Owner(s) _____

Past Owner(s) _____

County Agent _____

Other Authorities _____

I. AGRICULTURAL HISTORY:

Type, Duration and Extent of Agricultural Activity:

--

Surface Drains Present ☐ PRESENT ☐ NOT PRESENT

Subsurface Drains Present ☐ PRESENT ☐ NOT PRESENT

J. RECOMMENDATION:

In my professional opinion and based on my inspection of the site this project should move forward:

☐ YES ☐ NO ☐ FURTHER INVESTIGATION NEEDED

K. CERTIFICATION:

I hereby certify that on _____, 20____ I made a personal examination and inspection of the tract or parcel of land identified above, and that I am fully informed as to the boundaries, lines and corners of said tract. Based upon a careful and thorough investigation and inquiry I hereby certify that the *Hazardous Materials Field Inspection Checklist* and the attachments are true to the best of my knowledge and belief.

EXAMINER (Name and Signature)	OFFICIAL TITLE

HAZARDOUS MATERIALS LANDOWNER INTERVIEW**A. Property Information**

NRCS PROGRAM	LANDOWNER NAME		
PROPERTY ADDRESS			NUMBER OF ACRES
NEST APPLICATION NUMBER	COUNTY	STATE	

Interview Information

INTERVIEWER NAME	INTERVIEW DATE
INTERVIEWEE NAME	INTERVIEWEE PHONE NO.
AFFILIATION WITH PROPERTY (e.g., Owner, Operator, Caretaker, Previous Owner, Tenant, Neighbor)	TIME FRAME OF AFFILIATION (YRs & MOs)

"To the Best of Your Knowledge..."

A. Property Uses

	Yes	No	Copy Attached	No Copy Available
1. Do you have or know of the existence of any of the following records related to the property? <i>(If yes, please provide copies or make them available.)</i>				
a. Radon, asbestos, or lead-based paint surveys				
b. Environmental compliance audit reports				
c. Environmental permits related to current or previous site activities (e.g., waste disposal permits, wastewater permits, NPDES permits)				
d. Registrations for underground and above-ground storage tanks.				
e. Hazardous materials management plans (Emergency Planning and Community Right-To-Know Act (EPCRA))				
f. Facility safety plans				
g. Preparedness and prevention plans				
h. Spill prevention, control, and countermeasure (SPCC) plans				
i. Hydrogeologic and geotechnical reports on the property or surrounding area				
j. Notices or other correspondence from any government agency relating to past or current violations of environmental laws with respect to the property				
k. Notices or other correspondence from any government agency relating to environmental liens encumbering the property				
l. Hazardous waste generator notices or reports				
m. Risk assessments				
n. Recorded deed or environmental land use restrictions				
o. Other environmental studies or investigations				

2. Has the property ever been used for an industrial or commercial use (e.g., official and unofficial shooting ranges; processing, handling, management, disposal, storage, manufacture, or transportation of hazardous substances or petroleum products, such as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photographic developing laboratory, methamphetamine laboratory, junkyard, bone yard, or landfill, or as a waste treatment, storage, disposal, processing, or recycling facility). If yes, describe the activities and provide the time frames, types, locations, and quantities of hazardous substance use and storage.

Yes ☐ No ☐ Unknown ☐

3. Has there ever been permitted or planned mining activity or oil and gas exploration or development on the property? If yes, describe the activities and provide the time frames, locations, and scope of operations.

Yes ☐ No ☐ Unknown ☐

4. Has the property ever been used for agricultural purposes, such as livestock or crops? If yes, describe the operations and indicate the locations and time frames involved.

Yes ☐ No ☐ Unknown ☐

- a. If yes, did the operation involve the use or storage of chemicals such as pesticides, fertilizers, and or solvents? If yes, describe and provide locations and the type, quantity, duration of use, and management practices.

Yes ☐ No ☐ Unknown ☐

5. Are there, or have there been, any improvements, such as buildings, water towers, smokestacks, smelters, and old building foundations on the property? If yes, describe each improvement, including construction date for each improvement; location on the property; square footage; past and current uses; dates of major renovations, additions, modifications; number of stories; type of construction; heating and cooling sources; water sources; sewage, solid and hazardous waste disposal; and removal date (if applicable).

Yes ☐ No ☐ Unknown ☐

B. Hazardous Materials and Substances

1. Do the **current** operations on the property involve the use and storage of chemicals? If yes, please describe the operations and indicate the locations, types, and quantities of materials used. Describe locations of chemical storage, mixing, and loading. Discuss any use, storage, mixing, or disposal of automotive or other batteries, pesticides (e.g., insecticides, herbicides, and fungicides), paints, solvents, or other chemicals on fence lines, rights-of-way, or other structures such as airstrips, heliports, or crop duster operations.

Yes ☐ No ☐ Unknown ☐

- a) If yes, has there been a spill or release of hazardous substances, petroleum products, or other potential environmental problems on the property associated with **current** operations? If yes, describe the nature and locations of the release and the quantities and types of hazardous substances. This

includes staining or soils and floors in areas utilized for the use and storage of hazardous materials.

Yes ☐ No ☐ Unknown ☐

- b) If there had been a spill or release of hazardous substances or petroleum products, did someone report the incident to the National Response Center or a local or State emergency response authority? If yes, identify the agency.

Yes ☐ No ☐ N/A ☐ Unknown ☐

- c) If a spill or release of hazardous substances or petroleum products has occurred, has the release been mitigated? If yes, describe the mitigation, identify the lead regulatory agency that oversaw the mitigation and indicate if the lead regulatory agency issued a no-further action (NFA) determination.

Yes ☐ No ☐ N/A ☐ Unknown ☐

- d) If remediation is completed, does the property have contamination or residual contamination? If yes, are there any institutional controls or land use restrictions in place or long-term monitoring and maintenance requirements?

Yes ☐ No ☐ N/A ☐ Unknown ☐

2. Are there any **past operations** at the property that involved the use or storage of hazardous materials and substances? If yes, describe the operations and the locations, types, and quantities of materials.

Yes ☐ No ☐ Unknown ☐

- a) If yes, has there been a spill or release of hazardous substances, petroleum products, or other potential environmental problems on the property associated with **past** operations or tenants? If yes, describe the nature and locations of the release and the quantities and types of hazardous substances.

Yes ☐ No ☐ N/A ☐ Unknown ☐

- b) If a spill or release of hazardous substances or petroleum products had occurred, was it reported to the National Response Center or a local or State emergency response authority? If yes, identify the agency.

Yes ☐ No ☐ N/A ☐ Unknown ☐

- c) If a release of hazardous substances or petroleum products had occurred, was the release mitigated? If yes, describe the mitigation, identify the regulatory agency that oversaw the mitigation and indicate if the lead regulatory agency issued a no-further action (NFA) determination.

Yes ☐ No ☐ N/A ☐ Unknown ☐

- d) If remediation is completed, does the property now have contamination or residual contamination present? If yes, are there any institutional controls or land use restrictions in place or long-term monitoring and maintenance requirements? Yes ☐ No ☐ N/A ☐ Unknown ☐

3. Have there ever been any easements, rights-of-way, pipelines, utility lines, railways, entry or exit ports and associated structures, either buried or overhead, crossing the property? If yes, please describe and indicate the locations, approximate construction date, and the owner's identity. Yes ☐ No ☐ Unknown ☐

- a) If yes, are you aware of any spills or releases associated with these features? If yes, please describe the spills and releases and indicate the date, type, and quantities of materials involved.

Yes ☐ No ☐ Unknown ☐

- b) If a spill or release has occurred, are you aware if the release has been mitigated? If yes, who did the mitigation and what regulatory agency oversaw the mitigation? If known, indicate whether the lead regulatory agency issued a no-further action (NFA) determination. Yes ☐ No ☐ N/A ☐ Unknown ☐

- c) If remediation is completed, are you aware if there the property still has contamination or residual contamination? If yes, are there any institutional controls or land use restrictions in place or long-term monitoring and maintenance requirements? Yes ☐ No ☐ N/A ☐ Unknown ☐

4. Are you aware if the property's topography has been altered or if the property has any unnatural topographic features present? If yes, please describe the topographic alterations or unnatural features. Indicate their locations on the property and, if known, when the alterations occurred and by whom.

Yes ☐ No ☐ Unknown ☐

5. Has fill material ever been brought onto the property that originated from a contaminated site or that was of an unknown origin? If yes, describe the date and quantity of material brought to the property, indicate the location where the material was placed. Yes ☐ No ☐ Unknown ☐

- a) If fill material came from a contaminated site, identify the fill's origin and describe the contamination.

- b) Is there any evidence that waste materials were dumped above grade, buried, or burned, either currently or previously, on the property? Examples include hazardous materials, petroleum products, labeled or unlabeled drums or containers, pesticide containers, household and farm debris, automotive

or industrial batteries, building demolition debris, or other waste materials. Yes ☐ No ☐ Unknown ☐

6. Are there any floor drains in the onsite structures or areas where chemicals (e.g., waste oil, antifreeze, solvents, and pesticides) were used or stored? If yes, indicate the locations of the structures and the types, quantities, and time frames related to the associated chemical use or storage. For each area or structure, also indicate the discharge location for the floor drains. Yes ☐ No ☐ Unknown ☐
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7. Do the walls, floors, or ceilings of the structures used to store hazardous materials have any chemical stains? If yes, indicate the areas in each structure that has chemical staining. Yes ☐ No ☐ Unknown ☐
-
-

8. Are there or have there been any floors, drains, walls, or ceilings stained by substances other than water or that are emitting foul or unnatural odors (e.g., mold, mildew, algae)? If yes, describe the locations and the nature of the past and current site operations. Yes ☐ No ☐ Unknown ☐
-
-

9. Are there electrical transmission lines, transformers, capacitors, lighting ballast, or hydraulic equipment (e.g., elevators, presses, lifts, or doors) on the property? If yes, identify the locations and approximate age of the equipment. Yes ☐ No ☐ Unknown ☐
-
-

- a) If the site has electrical transmission lines, transformers, capacitors, lighting ballast, or hydraulic equipment, has testing been done to determine the presence of polychlorinated biphenyls (PCBs) or has any onsite equipment contained PCBs? If yes, indicate the locations, type of equipment, and dates. Yes ☐ No ☐ Unknown ☐
-
-

- b) If the site has or had PCBs, are you aware of any release of PCBs that have occurred? If yes, describe the release and indicate the date, locations and whether the release was mitigated. Yes ☐ No ☐ N/A ☐ Unknown ☐
-
-

10. Has there ever been any mercury-containing equipment (e.g., switches, thermostats, thermometers, manometers, or sink traps) on the property? If yes, indicate the locations and type of equipment and dates. Yes ☐ No ☐ Unknown ☐
-
-

11. Are you aware of any radon, asbestos-containing materials, or lead-based paint on the property? If yes, indicate the type, locations and dates. Yes ☐ No ☐ Unknown ☐
-
-

- a) If yes, has anyone done any radon, asbestos-containing materials, or lead-based paint surveys on the property? If yes, indicate whether radon, asbestos-containing materials, or lead-based paint has been identified in any onsite buildings. Identify the dates of the surveys, the structures, the results, and condition of the materials. Yes ☐ No ☐ Unknown ☐

12. Is there current or past use of above-ground or underground storage tanks, including drums or other fuel containers, on the property? If yes, identify the tanks locations, installation dates, and the types and quantities of materials stored. If the tanks were removed, indicate the removal date and whether the lead regulatory agency issued a closure certification notice. Yes ☐ No ☐ Unknown ☐

- a) If above-ground or underground storage tanks are or were used on the property, was there ever a spill or release of hazardous substances associated with the tank system? If yes, indicate the date and nature of the spill or release. Yes ☐ No ☐ Unknown ☐

- b) If a spill or release has occurred related to an onsite tank system, was it mitigated to the satisfaction of the lead regulatory agency? If no, describe further actions that must be undertaken to address the spill or release. Yes ☐ No ☐ N/A ☐ Unknown ☐

13. Are you aware of any hazardous substance or pollutant or contaminant spill or release, or other potential environmental problems on any **adjacent or nearby properties**? If yes, please describe (if known) the locations of the release, the type and quantities of materials involved, and the approximate dates. If known, also indicate the owner of the property where the release occurred. Yes ☐ No ☐ Unknown ☐

- a) If there was a release of hazardous substances, petroleum products on any **adjacent or nearby properties** are you aware if the release was mitigated? Yes ☐ No ☐ N/A ☐ Unknown ☐

- b) Are you aware of contamination or residual contamination on **adjacent or nearby properties** that poses a threat or may pose a future threat to the property? If yes, describe the threat or potential threat. Yes ☐ No ☐ Unknown ☐

- c) Are you aware of any institutional controls, land use restrictions, long-term monitoring, or maintenance requirements in place on **adjacent or nearby properties** that affect the property? If yes, please describe and identify the adjacent or nearby property and the property owner. Yes ☐ No ☐ N/A ☐ Unknown ☐

C. Water and Wastewater

1. Does the property currently or has it ever been supplied by an onsite drinking water supply well? If yes, provide the well locations and construction dates. Yes ☐ No ☐ Unknown ☐

 - a) Have contaminants ever been identified in the onsite drinking water well or the water system that exceeded acceptable levels? If yes, describe the contamination and indicate the dates, contaminant levels and the source of the contamination, if known. Yes ☐ No ☐ N/A ☐ Unknown ☐

 - b) If an onsite drinking water well is no longer used, has it been properly abandoned according to applicable regulatory requirements? If yes, indicate the date the well was abandoned. Yes ☐ No ☐ N/A ☐ Unknown ☐

2. Has the property ever had an onsite wastewater treatment and disposal systems (e.g., septic systems or sewage lagoons). If yes, please describe of the system, including the locations, size, date constructed, and which buildings discharge to the system. Yes ☐ No ☐ Unknown ☐

 - a) If the onsite wastewater treatment and disposal system is no longer used, has it been closed? If yes, describe method of closure and date closed. Yes ☐ No ☐ N/A ☐ Unknown ☐

3. Does the property have any monitoring wells? If yes, explain the purpose of the wells and provide the locations, dates of construction, and any analytical results. Yes ☐ No ☐ Unknown ☐

 - a) If the monitoring wells are no longer used, were they properly abandoned according to applicable regulatory requirements? If yes, indicate the date the well was abandoned. Yes ☐ No ☐ N/A ☐ Unknown ☐

4. Does the property have surface water (e.g., pits, ponds, lagoons, rivers, creeks, or oceans)? If yes, describe the locations and type of surface water. Yes ☐ No ☐ Unknown ☐

 - a) If the property has surface water, are you aware of any unnatural characteristics such as color, sheens, odors, or sterility? If yes, please describe and indicate whether the situation is new or pre-existing. Yes ☐ No ☐ N/A ☐ Unknown ☐

5. Has the property ever discharged industrial or other wastewater (excluding storm water runoff or sanitary wastewater discharges from restrooms, kitchens, or other household-type uses) onto or adjacent to the property? If yes, describe the discharge and indicate the locations and dates. Yes ☐ No ☐ Unknown ☐
-
-

D. Compliance/Permits

1. Have there been any environmental permits or licenses issued for current or past operations associated with the property (e.g., air quality, water discharge, or landfills)? If yes, describe the permitted operations, indicate the permitting agency, date the permit was issued, and whether the permit is still effective. Yes ☐ No ☐ Unknown ☐
-
-
2. Are you aware of any environmental liens against the property that were filed or recorded under Federal, Tribal, State or local law? If yes, describe the lien and indicate the date and effect on the current and future use of the property. Yes ☐ No ☐ Unknown ☐
-
-
3. Are you aware of any activity and land use limitations that are in place on the property or that were filed or recorded under Federal, Tribal, State or local environmental laws? If yes, describe the land use restrictions, identify the party that issued the restrictions and the date. Yes ☐ No ☐ Unknown ☐
-
-
4. Are you aware of any compliance or enforcement notices relating to past or current violations of environmental laws with respect to the property or any facility on the property? If yes, describe the violations and the dates involved. Yes ☐ No ☐ Unknown ☐
-
-
5. Are you aware if any environmental site assessment, or other environmental investigations, of the property, or any other property or site records ever indicated the presence of hazardous substances, petroleum products, or other potential environmental problems on the property? If yes, describe the report and findings. Yes ☐ No ☐ Unknown ☐
-
-
6. Are you aware of any environmental site assessment, or other environmental investigations, of the property, or any other property or site records that recommended further assessment of the property? If yes, identify the report and indicate if the further assessment was done. Yes ☐ No ☐ Unknown ☐
-
-
7. Are you aware of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any hazardous substances or petroleum products on the real property? If yes, describe the action and identify the party that is initiating the action. Yes ☐ No ☐ Unknown ☐
-
-

E. Other

1. Are you aware any past or current occurrences of anomalous vegetation (e.g., stressed or dead) on the property? If yes, indicate the locations and approximate dates. Yes ☐ No ☐ Unknown ☐
-
2. Are you aware of the presence of invasive or non-native plants on the property? If yes, please indicate the locations and names (e.g., kudzu, *Phragmites*, cheatgrass), if known, and approximate area covered by the plants. Yes ☐ No ☐ Unknown ☐
-
- a) If yes, has there been any attempt to remove or eradicate the invasive species? If yes, explain what was attempted and if it was successful? Yes ☐ No ☐ Unknown ☐
-
- b) Have any vegetative control programs (e.g., along transmission lines, fence lines, rights-of-ways, or pipelines) been done on the property? If yes, describe the program and types of activities. Yes ☐ No ☐ Unknown ☐
-
3. If not mentioned above, is there anything else that could indicate the presence of hazardous substances, petroleum products or other environmental conditions that may affect the property? Yes ☐ No ☐ Unknown ☐
-
-
-

INTERVIEWEE SIGNATURE:

INTERVIEWEE SIGNATURE	
INTERVIEWEE NAME	DATE

INTERVIEWER SIGNATURE:

INTERVIEWER SIGNATURE	OFFICIAL TITLE
INTERVIEWER NAME	DATE



N.C. Department of Agriculture & Consumer Services

N.C. ADFPTF Trust Fund

Appraisal Checklist



Certified Development Rights Appraisals ("Appraisals") will only be accepted and approved by the Agricultural Development and Farmland Preservation Trust Fund (ADFPTF) if the following qualifications are met and documentation of such is provided in the appraisal.

1. The acres used to determine the easement value in the appraisal must be equal to the acres in the survey of the conservation easement area. A survey of the property must be included in the appraisal.
2. A qualified appraisal and appraiser must meet the definitions of such set forth in U.S. Public Law 109-280 (<https://www.govinfo.gov/content/pkg/PLAW-109publ280/html/PLAW-109publ280.htm>). In addition, the appraiser must provide documentation of completion of a valuation of conservation easements or eminent domain appraisal course and be familiar with conducting appraisals of rural and agricultural properties of the requested type.
3. The ADFPTF does not pay for property appraisals. The eligible entity (Grantee of the ADFPTF easement) must order the appraisal and be identified as the client. The landowner may not be the client but may be listed as an intended user.
4. Based on the funding partnerships, the following types of appraisals shall be used to determine the effect of the conservation easement on the subject property:
 - a. ADFPTF as the sole funding source:
 - i. Uniform Standards of Professional Appraisal Practice (USPAP)
 - ii. Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA or "Yellow Book") appraisal
 - b. USDA NRCS partnership projects:
 - i. Uniform Standards of Professional Appraisal Practice (USPAP)
 - ii. Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA or "Yellow Book") appraisal
 - c. Military partnership projects:
 - i. Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA or "Yellow Book") appraisal
5. Final conservation easement values must be determined by a Certified Development Rights Appraisal dated within the contract period and dated less than 365 days prior to closing. Supplemental appraisals, updated opinion letters, or reaffirmation letters by the appraiser for the original appraisal are acceptable if a closing occurs 365 days after issuance of the Certified Development Rights Appraisal, provided the appraiser certifies the land value with an updated effective date of valuation.
6. For the purposes of updating the values of the conservation easements for the federal permanent conservation easement tax incentive, supplemental appraisals, updated opinion letters, or reaffirmation letters by the appraiser for the original appraisal may be submitted within 60 to 32 days before a potential closing date pending the approval of all

funding partners. All other deliverables must be approved if submitting an update. No appraisals, supplemental appraisals, updated opinion letters, or reaffirmation letters by the appraiser for the original appraisal will be accepted 30 days before a potential closing date or end of a contract. ***Please note: the N.C. Department of Agriculture and Consumer Services does not provide tax or legal advice to entities or individuals. Before considering a supplemental appraisal, updated opinion letter, or reaffirmation letter by the appraiser for the original appraisal within 60 of the potential closing, consult with your appraiser and tax or legal advisors.***

7. The appraiser must prepare two opinions of the value of the subject property: one before placement of the conservation easement and the second after placement of the conservation easement. The after condition or second value will be based upon a hypothetical condition that the conservation easement is in place and the effects on the value that may be created. The difference in the two values is the proposed conservation easement's effect on the property's value.
8. The property rights, such as mineral, water, timber, and hunting, must be owned in fee simple terms by the current landowners. Surface rights, such as structures, barns, hay sheds, fencing, orchards, or other plantings, and any irrigation water rights, including but not limited to wells, ditches, ponds, and lakes that provide irrigation on the subject property and are legally permitted, may be appraised. Crop base and allotments, including other plantings on the subject property, may be appraised and included in any valuations.
9. The highest and best use conclusion must be supported by market evidence. A noneconomic highest and best use, such as "forever wild" or "natural lands," or any use that requires the property to be withheld from economic production in perpetuity, is not a valid use upon which to base an estimate of market value. Nearby transactions comparable to the land under appraisal and reasonably current may provide the best evidence of market value.
10. Every effort must be made to provide comparable conservation easement encumbered sales. A sales adjustment chart that summarizes the adjustments, shows the final adjusted sale price, and how the sales compare with the subject property is required. Market evidence and supporting narrative shall be provided for each adjustment used.
11. The contract appraiser must be aware that all appraisal reports completed for ADFPTF grants will be used by staff who will rely on the details in the report to understand the property and market characteristics. The appraisal report must include the level of detail necessary to thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process, and all conclusions so that all users have an adequate understanding of the statements, opinions, and conclusions offered within the report.

Conservation Easement Content

Please visit our website to view and download the current version of the appropriate conservation easement template for this project. Please ensure you use the most recent version of the appropriate template.

1. Go to www.ncadfp.org
2. Click on the Downloads tab
3. Click on the appropriate template to download the most recent version

The screenshot shows a web browser window with the address bar displaying "ncadfp.org/downloads.htm". The website has a navigation bar with links: Home, Programs, Services, Divisions, Newsroom, and Contact. The main content area is titled "ADFP Trust Fund Easement Templates and Approved Partnership Templates (Updated 12-14-2021):" and lists 13 downloadable templates. A sidebar on the right contains a menu with the following items: LINKS, NEWS, EVENTS, PRESERVATION, FAQ, CONTACT, DOWNLOADS (highlighted with a red box), FOR LANDOWNERS, FOR APPLICANTS, and FOR GRANTEES.

NC Agriculture Development & Forestry

ncadfp.org/downloads.htm

Home Programs Services Divisions Newsroom Contact

ADFP Trust Fund Easement Templates and Approved Partnership Templates (Updated 12-14-2021):

- [ADFP Trust Fund Perpetual Easement - County/Nonprofit with Building Envelope- Fillable](#)
- [ADFP Trust Fund Perpetual Easement - County/Nonprofit with No Building Envelope- Fillable](#)
- [ADFP Trust Fund and USDA-NRCS ALE Perpetual Easement \(2018 Farm Bill, Second Edition with IRS Considerations\) - Nonprofit/County Easement Holder with Building Envelope - Fillable](#)
- [ADFP Trust Fund and USDA-NRCS ALE Perpetual Easement \(2018 Farm Bill, Second Edition with IRS Considerations\) - Nonprofit/County Easement Holder without Building Envelope - Fillable](#)
- [ADFP Trust Fund and US Air Force Perpetual Easement - Fillable](#)
- [ADFP Trust Fund and US Navy Perpetual Easement - Fillable](#)
- [ADFP Trust Fund, USDA-NRCS ALE, and US Air Force Perpetual Easement - County Easement Holder with Building Envelope - Fillable](#)
- [ADFP Trust Fund, USDA-NRCS ALE, and US Air Force Perpetual Easement - County Easement Holder with No Building Envelope - Fillable](#)
- [ADFP Trust Fund, USDA-NRCS ALE, and US Air Force Perpetual Easement - Nonprofit Easement Holder with Building Envelope - Fillable](#)
- [ADFP Trust Fund, USDA-NRCS ALE, and US Air Force Perpetual Easement - Nonprofit Easement Holder with No Building Envelope - Fillable](#)
- [ADFP Trust Fund Perpetual Easement County Funding Partner \(With Building Envelope\) – Fillable](#)

LINKS
NEWS
EVENTS
PRESERVATION
FAQ
CONTACT
DOWNLOADS
FOR LANDOWNERS
FOR APPLICANTS
FOR GRANTEES



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Closing Agent Requirements for Easement Programs



Grantees: The Closing Agent **must** complete the Closing Agent Requirements for Easement Programs Form, State of North Carolina Substitute W-9 Form, and State of North Carolina Vendor Electronic Payment Form.

*If a Grantee does not have a Closing Agent at the time of grant award contract execution, the future Closing Agent **must** complete the Closing Agent Requirements for Easement Programs Form, State of North Carolina Substitute W-9 Form, and State of North Carolina Vendor Electronic Payment Form at least **60 days** prior to a tentative conservation easement closing date.*

Due to the vendor registration requirements of the Office of State Controller, there are no exceptions to this 60-day policy.

N.C. Agricultural Development and Farmland Preservation Trust Fund (NCADFPTF) Easement Program (check only one):

- ☐ NCADFPTF Easement
- ☐ NCADFPTF and USDA-NRCS ALE Easement
- ☐ NCADFPTF and US Air Force Easement
- ☐ NCADFPTF and US Navy Easement
- ☐ NCADFPTF, USDA-NRCS ALE, and US Air Force Easement

- For Agricultural Conservation Easement Program Agricultural Land Easements (ACEP-ALE) transactions, these requirements and instructions are in addition to any closing instructions provided by the United States Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS).

The Parties to this transaction are as follows:

State of North Carolina:
N.C. Dept. of Agriculture & Consumer Services
NC ADFP Trust Fund
2 West Edenton Street
Raleigh, NC 27601

Landowner/Grantor (name & address below):

_____, _____



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Closing Agent Requirements for Easement Programs



Eligible Entity/Grantee (name & address below):

The closing agent must:

1. Acknowledge that he or she has up-to-date knowledge of the General Statutes of North Carolina pertaining to conducting real estate transactions and obtaining title clearance.
2. Certify that he or she is an attorney duly licensed to practice law in the State of North Carolina.
3. Certify that the title insurance company issuing the title commitment and final policy of title insurance is approved by the North Carolina Insurance Commissioner.
4. Provide all Parties evidence of liability insurance coverage or indemnification in an amount equal to or greater than the easement purchase value paid from State Funds for each NCADFPTF easement. Further, closing agent agrees to provide reimbursement to NCAD&CS for any loss of State funds caused by errors, omissions, fraud, dishonest, negligence, or failure by the attorneys, agents or closing agent employees to comply with written closing instructions.
 - a. The American Land Title Association (ALTA) closing protection letter revised 4/2/2014 is satisfactory to meet this condition of responsibility.
5. Certify that he or she will not close on an easement purchase for his or her spouse, children, partners, or business associates, and that he or she does not have a financial interest in the real estate to be covered by the proposed easement.
6. Upon approval of the Grantee's submission of a Request for Payment form and an Easement Closing Check Request form, the NCADFPTF will submit the required documentation to the Grants and Contracts office to transmit the NCADFPTF portion of the purchase price for the acquisition (i.e.; State funds). The Request for Payment form, Easement Closing Check Request form, and all required documents must be submitted in one complete package to the NCADFPTF no later than 30 days before the proposed closing dates. The funds will be sent by electronic fund transfer (EFT) to closing agent's escrow account.
 - a. Errors in the Grantee's forms and documents, or outdated State of North Carolina Substitute W-9 Form and State of North Carolina Vendor Electronic Payment Form for the Grantee or Closing Agent may cause delays in the EFT.
7. Agree to close the easement transaction within 30 calendar days of receipt of the State funds.
8. Acknowledge that costs to clear title defects are the responsibility of the landowner.
9. Return the easement funds and any accrued interest in accordance with NCADFPTF instructions if the conservation easement is not closed within 30 calendar days of receipt of the State funds.



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Closing Agent Requirements for Easement Programs



10. Certify that he or she will:
 - a. Examine the real estate records and certify title for a period of at least sixty years.
 - b. Immediately prior to closing, examine the real estate records covering the time from the effective date of the title commitment to the date of closing to determine that no new encumbrances have been recorded against the subject property, no adverse change in title has occurred and that there are not intervening matters affecting the title that might result in a new title exception on the policy. Notify NCADFPTF of any such changes or matters that are discovered, and delay the closing, the recording of the deed, and the disbursement of funds pending consultation with NCADFPTF.
 - c. Obtain the property executed conservation easement deed from the landowner and any other required signatory parties.
 - d. Comply with any listed title commitment requirements.
 - e. Obtain and record as instructed the properly executed curative documents for any items required to be removed, released, subordinated, waived, or otherwise handled as required by the title commitment or proforma policy and closing instructions.
 - f. Secure the policy of title insurance referred to below.
 - g. Ensure all taxes, homeowners' assessments, etc. are current as of the date the conservation easement deed is recorded.
 - h. Record the conservation easement deed within 2 business days of execution.
 - i. Complete Internal Review Service (IRS) tax reporting Form 1099 for the full easement compensation amount, as identified in the conservation easement deed.
11. Immediately following closing, issue policies of title insurance free and clear of any and all encumbrances (exceptions) to the title except those that NCADFPTF, have determined to be acceptable. ***See attached NCADFPTF title requirements.***
12. Certify that the following package will be delivered within five (5) business days of receipt of recorded documents from the local land records office to NCADFPTF:
 - a. Policy of title insurance (original and one copy) on the appropriate form.
 - b. Recorder's certified copy of the recorded conservation easement deed and a recording receipt.
 - c. Recorder's certified copies of any curative documents, including subordination agreements.
 - d. Original and one copy of executed settlement statements.
 - e. Record of disbursement of funds to the landowner.
13. Acknowledge receipt and agree to comply with the terms of these requirements by promptly signing and returning a signed copy of these closing agent requirements to NCADFPTF.
14. Provide a complete State of North Carolina Substitute W-9 Form and State of North Carolina Vendor Electronic Payment Form with this document.
 - a. Per the Office of State Controller, the State of North Carolina Substitute W-9 Form and State of North Carolina Vendor Electronic Payment Form must be dated within one year prior to transmitting funds to the closing agent's escrow account. Updated forms must be submitted before requesting funds.



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Closing Agent Requirements for Easement Programs



By signing this “Closing Agent Requirements for Easement Programs”, I am certifying that I meet the requirements set forth herein, which ensure that the State funds received for the purchase of the subject easement are handled in a manner that protects the interest of the State of North Carolina.

Signature of Closing Agent

Date

Name of Closing Agent

By signing this “Closing Agent Requirements for Easement Programs”, I concur with the closing agent’s qualifications.

Signature of Grantee Representative

Date

Name and Title of Grantee Representative



N.C. Department of Agriculture & Consumer Services

N.C. ADFP Trust Fund

Closing Agent Requirements for Easement Programs



NCADFPTF Title Insurance Requirements

Landowner:

Contract No.:

Title Company:

Title Commitment No.:

Title Commitment Date:

1. All Requirements listed in Schedule B – Part I of the title commitment must be met.
2. All taxes, homeowner assessments, etc. must be paid to the date the Agricultural Land Easement is recorded.
3. Exception 6 must be revised “Terms and conditions of those restrictions, conditions and obligations as set forth in instrument recorded in Book _____, Page _____, _____ County Registry that limit and/or restrict the rights of the Grantee.”
4. All other Exceptions listed in Schedule B – Part II are acceptable.

STATE OF NORTH CAROLINA
SUBSTITUTE W-9 FORM
Request for Taxpayer Identification Number



NC Office of the
State Controller
(IRS Form W-9 will not be
accepted in lieu of this form)
***Denotes a Required Field**

Section 1 – Taxpayer Identification

<p>*1. Social Security Number (SSN), OR Employer Identification Number (EIN), OR Individual Taxpayer Identification Number (ITIN)</p> <p>*2.</p> <p style="color: red; text-align: center;">(PRESS THE TAB KEY TO ENTER EACH NUMBER)</p>	<p>Please select the appropriate Taxpayer Identification Number (EIN, SSN, or ITIN) type and enter your 9-digit ID number. The U.S. Taxpayer Identification Number is being requested per U.S. Tax Law. Failure to provide this information in a timely manner could prevent or delay payment to you or require The State of NC to withhold 24% for backup withholding tax.</p>
<p>*4. Legal Name (as shown on your income tax return):</p>	<p>3. Dunn & Bradstreet Universal Numbering System (DUNS) (see instructions)</p> <p style="color: red; text-align: center;">(PRESS THE TAB KEY TO ENTER EACH NUMBER)</p>
<p>5. Business Name/DBA/Disregarded Entity Name, if different from Legal Name:</p>	
Contact Information	
<p>*6. Legal Address (DO NOT TYPE OR WRITE IN THIS FIELD)</p>	<p>7. Remittance Address (Location specifically used for payment that is different from Legal Address, if applicable)</p>
<p>*Address Line 1:</p>	<p>Address Line 1:</p>
<p>Address Line 2:</p>	<p>Address Line 2:</p>
<p>*City *State *Zip (9 digit)</p>	<p>City State Zip (9 digit)</p>
<p>*County</p>	<p>County</p>
<p>*8. Contact Name:</p>	
<p>*9. Phone Number:</p>	
<p>10. Fax Number:</p>	
<p>11. Email Address:</p>	
<p style="text-align: center;">*12. Entity Type</p> <p>Individual/Sole Proprietor/Single-member LLC C-Corporation S-Corporation</p> <p>Partnership Trust/Estate Other _____</p> <p>Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p>	<p style="text-align: center;">*13. Entity Classification</p> <p>Medical Services</p> <p>Legal/Attorney Services</p> <p>NC Local Govt</p> <p>Federal Govt</p> <p>NC State Agency</p> <p>Other Govt</p> <p>Other (specify)</p>
	<p style="text-align: center;">14. Exemptions (see instructions)</p> <p>Exempt payee code (if any):</p> <p>Exemption from FATCA reporting code (if any):</p>

Section 2 - Certification

<p>Under penalties of perjury, I certify that:</p> <ol style="list-style-type: none"> The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding because of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and I am a U.S. citizen or other U.S. person (defined later in general instructions), and The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. <p>Certification instructions: Please refer to the IRS Form W-9 located on the IRS Website (https://www.irs.gov/):</p>		
<p>*Printed Name:</p>	<p>*Printed Title:</p>	
<p>*Authorized U.S. Signature:</p>	<p>* Date:</p>	

Please complete the "Modification to Existing Vendor Records" section below if there have been any changes to the following: Tax Identification Number (TIN), Legal Name, Business Name, Remittance Address

Return to the NC State Agency from which you are requesting payment.

NC Office of the
State Controller
***Denotes a Required Field**
This form is to be
completed by the vendor.

STATE OF NORTH CAROLINA
SUBSTITUTE W-9 FORM
Modification to Existing Vendor Records



This form is to be completed by the vendor if one or more of the following have changed:

1. Change of remittance address.
2. Change of Social Security Number (SSN), or Employer Identification Number (EIN), or Individual Taxpayer Identification Number (ITIN).
3. Change of Vendor Name.

Please complete the applicable sections below.

Section 1:

CHANGE FROM: Remittance Address	CHANGE TO: Remittance Address
*Address Line 1:	*Address Line 1:
Address Line 2:	Address Line 2:
*City *State *Zip (9 digit)	*City *State *Zip (9 digit)
*County	*County

NOTE: If you would like to receive your payments electronically, please complete the [Vendor Electronic Payment Form](#)

Section 2:

* CHANGE FROM: SSN, or EIN, or ITIN	* CHANGE TO: SSN, or EIN, or ITIN
-------------------------------------	-----------------------------------

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

Section 3:

CHANGE FROM: Vendor Name	CHANGE TO: Vendor Name
*Legal Name:	*Legal Name:
Business Name/DBA/Disregarded Entity Name, if different from Legal Name:	Business Name/DBA/Disregarded Entity Name, if different from Legal Name:

*Printed Name:		*Printed Title:	
*Authorized U.S. Signature:		*Date:	

General Instructions

For General Instructions, please refer to the IRS Form W-9 located on the IRS Website (<https://www.irs.gov/>).

Specific Instructions

Section 1 -Taxpayer Identification

1. Taxpayer Identification Type. Check the type of identification number provided in box 2.

2. Taxpayer Identification Number (TIN). Enter taxpayer's nine-digit Employer Identification Number (EIN), Social Security Number (SSN), or Individual Taxpayer Identification Number (ITIN) without dashes.

Note: If an LLC has one owner, the LLC's default tax status is "disregarded entity". If an LLC has two owners, the LLC's default tax status is "partnership". If an LLC has elected to be taxed as a corporation, it must file IRS Form 2553 (S Corporation) or IRS Form 8832 (C Corporation).

3. Dunn and Bradstreet Universal Numbering System (DUNS). Vendors are requested to enter their DUNS number, if applicable.

4. Legal Name. Enter the legal name as registered with the IRS or Social Security Administration. In general, enter the name shown on your income tax return. Do not enter a Disregarded Entity Name on this line.

5. Business Name. Business, Disregarded Entity, trade, or DBA ("doing business as") name.

Contact Information

6. Enter your **Legal Address**.

7. Enter your **Remittance Address, if applicable.** A **Remittance Address** is the location in which you or your entity receives business payments.

8. Enter the **Contact Name**.

9. Enter your **Business Phone Number**.

10. Enter your **Fax Number**, if applicable.

11. Enter your **Email Address**, if applicable.

For clarification on IRS Guidelines, see www.irs.gov.

12. Entity Type. Select the appropriate entity type.

13. Entity Classification. Select the appropriate classification type.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the Exemptions box, any code(s) that may apply to you. See Exempt payee code and Exemption from FATCA reporting code below.

14. Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1 - An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2 - The United States or any of its agencies or instrumentalities
- 3 - A state, the District of Columbia, a possession of the United States, or any of their political subdivisions, or instrumentalities
- 4 - A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5 - A corporation
- 6 - A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7 - A futures commission merchant registered with the Commodity Futures Trading Commission
- 8 - A real estate investment trust
- 9 - An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10- A common trust fund operated by a bank under section 584(a)
- 11 - A financial institution
- 12 - A middleman known in the investment community as a nominee or custodian
- 13 - A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

If the payment is for...	THEN the payment is exempt for...
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

A - An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B - The United States or any of its agencies or instrumentalities

C - A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

D - A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)

E - A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)

F - A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G - A real estate investment trust

H - A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I - A common trust fund as defined in section 584(a)

J - A bank as defined in section 581

K - A broker

L - A trust exempt from tax under section 664 or described in section 4947(a)(1)

M - A tax exempt trust under a section 403(b) plan or section 457(g) plan

Section 2 - Certification

To establish to the paying agency that your TIN is correct, you are not subject to backup withholding, or you are a U.S. person, or resident alien, sign the certification on NC Substitute Form W-9. You are being requested to sign by the State of North Carolina.

For additional information please refer to the IRS Form W-9 located on the IRS Website (<https://www.irs.gov/>).

Office of the State Controller
Return to: OSC Support Services Center
 Address: 1410 Mail Service Center
 Raleigh, NC 27699-1410
 Email: osc.support.services@osc.nc.gov
 Telephone: 919-707-0795



Vendor Electronic Payment Form
 New Add Request
 Change/Update Existing Account
 Inactivate Existing Account
***Denotes a required field**

The State of North Carolina offers payees the opportunity to receive payments electronically through U.S. based banks. In addition to having the funds deposited electronically, you will also receive remittance information by e-mail.

We require you to submit a copy of a voided check, bank statement, or a bank authorization letter on bank letterhead signed by a bank representative for account verification.

*TAX ID # or SSN																									
*PAYEE NAME																									
*REMITTANCE ADDRESS (AS PRINTED ON YOUR INVOICE)																									
	STREET															SUITE/ROOM #									
	CITY															STATE					ZIP CODE				
*CONTACT																									
	NAME & TITLE															PHONE NUMBER									

NEW FINANCIAL INFORMATION

*FINANCIAL INSTITUTION NAME:																				
*NAME ON ACCOUNT:																				
*NEW ROUTING NUMBER:																				
*NEW ACCOUNT NUMBER:																				
*ACCT TYPE:	Checking										Savings									
*REMIT E-MAIL ADDRESS																				

New add requests MUST include contact information for the state agency with which you are doing business.

*North Carolina Agency Name:																				
*North Carolina Agency Contact Name:																				
*North Carolina Agency Contact Email Address:																				
*North Carolina Agency Contact Phone Number:																				

PRIOR FINANCIAL INFORMATION (only required for updates)

FINANCIAL INSTITUTION NAME:																				
NAME ON ACCOUNT:																				
ROUTING NUMBER:																				
ACCOUNT NUMBER:																				
ACCT TYPE:	Checking										Savings									
REMIT E-MAIL ADDRESS																				

*	ALL BOXES BELOW MUST BE REVIEWED AND CHECKED																				
	I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, and the requirements of the Office of Foreign Assets Control (OFAC). I affirm the entire amount of the payment will not be transferred to a foreign bank account.																				
	I authorize the Office of the State Controller to initiate ACH payments, and if necessary, adjustments for any ACH payments in error, to the financial institution and account identified on the attached certification document. This authority will remain in effect until I, the vendor, cancel it in writing or the authority is terminated by the NC Office of the State Controller.																				
	I have attached a copy of a current voided check, current bank statement, or a bank authorization letter on bank letterhead signed by a bank representative.																				
*PRINT NAME:																*DATE:					
*SIGNATURE:																*PHONE NUMBER:					

Instructions

*** Denotes a required field on the form**

1. *Check the appropriate box at the top of the form:
 - New Add Request – Vendor would like to begin receiving payments via ACH.
 - Change/Update Existing Account – Vendor's account number, routing number, or remittance email address has changed.
 - Inactivate Existing Account – Vendor no longer wants to receive payments via ACH.
 2. *Enter the vendor's Tax Identification Number or Social Security Number.
 3. *Enter the Payee Name – The name of the person or business receiving payment.
 4. *Enter the vendor's remittance address. The remittance address is the address printed on your invoice where payments should be sent.
 5. *Enter the vendor's contact name, title, and phone number.
 6. *Enter the vendor's financial information:
 - Financial Institution Name – Name of the financial institution.
 - Name on Account – The account owner's name.
 - Routing Number – Nine-digit number identifying the financial institution.
 - Account Number – The bank account number where the funds should be deposited.
 - Account Type – Is this a checking or savings account? Check the appropriate box.
 - Remit E-mail address - Enter the email address to which the remittance advices should be sent.
 7. *For a **new add request only**, provide the following:
 - North Carolina State Agency Name – The state agency the vendor is doing business with.
 - North Carolina State Agency Contact Name – The vendor's contact person name at the state agency.
 - North Carolina State Agency Contact Email Address – The contact person's email address at the state agency.
 - North Carolina State Agency Contact Phone Number – The contact person's phone number at the state agency.
- NOTE: New add requests MUST include contact information for the state agency with which you are doing business.**
8. Prior Financial Information – this is required if the vendor's bank account, routing number, or remittance email address has changed.
 - Financial Institution Name – Name of the prior financial institution.
 - Name on Account – The account owner's name.
 - Routing Number – Nine-digit number identifying the prior financial institution.
 - Account Number – The bank account number where the funds were being deposited.
 - Account Type – Is this a checking or savings account? Check the appropriate box.
 - Remit E-mail address - Enter the email address to which the remittance advices were being sent.
 9. *Review all the information in the 3 attestation boxes located above the signature area. All 3 boxes must be checked – **otherwise the form will not be processed.**
 10. *Print Name – Print the name of the authorized signee on the form.
 - *Date – Date of signature.
 - *Signature – The authorized signee's signature.
 - *Phone Number – The authorized signee's phone number.

Return to: OSC Support Services Center

Address:

1410 Mail Service Center

Raleigh, NC 27699-1410

Email: osc.support.services@osc.nc.gov

Please allow up to 30 days for processing.



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Conservation Easement Monitoring Policy and Guidelines



I. Purpose

The N.C. Agricultural Development and Farmland Preservation (ADFP) Trust Fund, administered by the Farmland Preservation Division of the N.C. Department of Agriculture & Consumer Services, provides grants for agricultural conservation easements on family farms throughout the state of North Carolina.

The ADFP Trust Fund will “hold grantees accountable for the expenditure of State funds by performing monitoring and oversight functions,” in accordance with Administrative Code 09 NCAC 03M “Uniform Administration of State Grants” and Subsection .0400, pursuant to N.C.G.S. 143C-6-22 & 23. The ADFP Trust Fund will work with the grantee to ensure compliance with the terms and conditions of the easement. Monitoring is necessary to make certain the easements are maintained while ensuring a productive relationship between the funding source (ADFP Trust Fund), grantee (counties or private nonprofit conservation organizations, according to N.C.G.S. 106-744), and landowner.

II. Definition of Agricultural Conservation Easements

According to N.C.G.S. 106-744, an “agricultural conservation easement” means a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability. Agricultural conservation easements may be perpetual or term-limited in duration. The agricultural conservation easement may permit the creation of not more than three lots that meet applicable county zoning and subdivision regulations, provided it is allowed in the original recorded easement.

III. Involved Parties

The ADFP Trust Fund, administered by the Commissioner of Agriculture, is the funding source for purchasing conservation easements. The ADFP Trust Fund has full-time staff administratively located in Raleigh, North Carolina. Part-time field staff members are located remotely throughout the state. The ADFP Trust Fund Document Specialist is the monitoring program manager, unless otherwise designated by the Farmland Preservation Division Director. Field staff members will conduct on-site monitoring, unless otherwise directed by the Document Specialist.

The ADFP Trust Fund Advisory Committee is administratively located within the N.C. Department of Agriculture and Consumer Services. The Advisory Committee will advise the Commissioner on the prioritization and allocation of funds, the development of criteria for awarding funds, guidelines for monitoring easements and projects, program planning, and other areas where monies from the ADFP Trust Fund can be used to promote the growth and development of family farms in North Carolina.

Grantees are counties or private nonprofit conservation organizations. Grantees are the first point of contact for monitoring conservation easements and discussing potential violations of contracts and/or recorded easements. **Grantees are required to monitor the easement at least once a year and complete annual monitoring reports for the length of the term of the easement.**

Landowners will work with grantees to ensure compliance with the terms and conditions of conservation easements and will be notified of site visits by the grantee.

IV. ADFP Trust Fund Monitoring Roles and Responsibilities

The ADFP Trust Fund monitoring methods include but are not limited to:

- Site visit: ADFP Trust Fund staff will make every effort to coordinate site visits with the grantee's monitoring schedule. ADFP Trust Fund staff will physically visit the easement. ADFP Trust Fund staff will notify grantee and seek permission from landowner. The use of unmanned aerial vehicles (UAVs), or drones, can supplement, but not replace in-person site visits.
- In-office: ADFP Trust Fund staff will review grantee monitoring reports and verify information.

Site visit protocol for ADFP Trust Fund staff:

- Contact grantee about site visit. Site visits will be coordinated to the extent possible with the grantee's annual monitoring visit schedule.
- Review completed "Grantee Monitoring Report – Perpetual or Term Easement."
- Ensure landowner has been notified of site visit.
- Site visit can be conducted on foot or by vehicle.
- Compile documentation, including, but not limited to, photographs and data.
- Complete "ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement."
- Complete "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" if necessary.
- Site visit will occur every three (3) years, unless otherwise directed.

In-office monitoring protocol for ADFP Trust Fund staff:

- Review completed "Grantee Monitoring Report – Perpetual or Term Easement."
- Review the most current aerial photography data available (e.g. GIS via Multi-Hazard Threat Database (MHTD), Google Earth, etc.).
- Complete "ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement."
- Complete "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" if necessary.
- In-office monitoring will be completed in the years when site visits do not occur.

Incident report protocol for ADFP Trust Fund staff:

- The "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" must be filed if a grantee reports a violation or if ADFP Trust Fund staff discovers a violation during a site visit or in-office monitoring.
- The completed "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" will be submitted to the Program Director for review, investigation, and/or corrective action.
- If necessary, the Program Director will meet with funding partners to discuss the findings of the "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement."
- If corrective action is warranted by the grantee, a conference call or meeting will be scheduled to discuss the "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" and results of the initial review by the Program Director.
- If a violation has occurred, the grantee shall submit a Plan of Corrective Action to the ADFP Trust Fund Staff within 30 days of the conference call or meeting. The Plan of Corrective Action must be a comprehensive plan detailing the corrective action that will be taken to remedy all violations and bring the project back in compliance. The ADFP Trust Fund staff will work with grantee for correction.
- The appropriate NCD&CS staff will formally notify grantee in writing of violation or potential violation.
- If it is determined that a violation has occurred, a site visit will occur the subsequent year. The monitoring schedule (site visit, in-office, site visit) will be reset each time a violation occurs.

V. Grantee Monitoring Responsibilities and Expectations

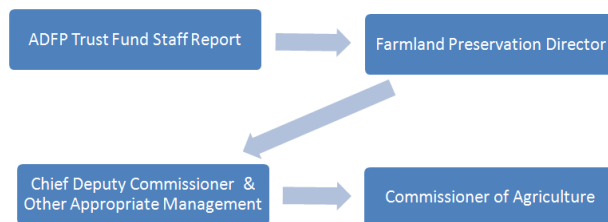
After the approval of final budget and progress reports and the closeout of the contract, Grantees will complete and submit the online “Grantee Monitoring Report – Perpetual or Term Easement” to ADFP Trust Fund office annually on or before December 31. The “Grantee Monitoring Report – Perpetual or Term Easement” is accessed through NC ADFP Trust Fund’s website. Grantees should navigate to <https://ncadfp.org/>, then click on the “Downloads” tab. The portal is at the bottom of the “Downloads” tab and is labeled “Grantees: Click Here to Access the ADFP Trust Fund Grantee Monitoring Report Submission Portal.” Grantees will be required to create a Formsite account to access the report portal. Grantees should follow the prompts in the online portal to complete and submit their report.

Failure to file annual monitoring reports on or before December 31 of each year shall constitute a violation of the easement and the grant contract.

In January, ADFP Trust Fund staff will coordinate to the extent possible with the grantee’s annual monitoring visit schedule for easements due for a site visit. Grantees are encouraged to submit tentative site visit schedule to ADFP Trust Fund office ninety (90) days prior to first scheduled site visit. As subsequent site visits are scheduled throughout the year by the grantee, the ADFP Trust Fund office will be notified in a timely manner of site visits due for that calendar year.

VI. Additional Guidance and Reference – Dispute Resolutions

For issues in dispute, the ADFP Trust Fund Staff will report such differences to the Farmland Preservation Director. If the Farmland Preservation Director is unable to find a resolution, the Director will review with the appropriate NCDA&CS management for assistance and instruction, e.g. Office of the General Counsel, Chief Deputy Commissioner, and Commissioner of Agriculture. See chart below.



ADFP Trust Fund Staff are to follow appropriate approved ADFP Trust Fund Policies and Guidelines as directed by the ADFP Trust Fund Advisory Committee and the Commissioner of Agriculture, i.e. ADFP Trust Fund Grantee Eligibility Classification.

VII. Monitoring Documents

The following documents will be used for the monitoring of conservation easements:

- Grantee Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement

VIII. Document Filing, Retention, and Disposal

All completed reports, including maps from GIS and supplemental documentation from grantees, will be scanned for electronic storage and printed for paper files. The North Carolina State Property Office, Land Asset Maintenance database (<http://www.ncspo.com/fis/dbLandAsset.aspx>) lists all ADFP Trust Fund funded easements. Electronic copies of monitoring documents will be stored on the ADFP Trust Fund server and SharePoint page.

All monitoring documents will be filed, retained, and disposed pursuant to the ADFP Trust Fund records retention schedule.

OPTION TO PURCHASE AN AGRICULTURAL CONSERVATION EASEMENT

THIS OPTION TO PURCHASE A CONSERVATION EASEMENT ("Option") is made this 6 day of December, 2021 by and between Bellamy Family Farm LLC, ("Seller"); and the Brunswick Soil and Water Conservation District ("Buyer").

RECITALS

A. For the purposes of notice, the addresses of the parties to this Option are:

SELLER:

BUYER:

950 Pea Landing Rd NW
Ash, NC 28420

10 Referendum Dr. Building F
Bolivia, NC 28422

B. Property legal description as described at Register of Deeds (County Deed Book and Page) and as shown on the proposed conservation easement map on page 6 of this Option.

County	Deed Book and Page	Parcel Identification Number (PIN)
Brunswick	01510, 0864	101602581108

C. It is the intention of both the Seller and Buyer that +/- 67.04 acres of the Property is preserved with conservation easements and maintained for the preservation of use as crop, horticulture or forestry as described in N.C. General Statute 106 Article 61.

D. Seller acknowledges that Buyer enters into this Option in its own right.

E. Buyer is a conservation organization having among its purposes the acquisition on behalf of the public of open space, scenic, and recreational lands.

F. Seller acknowledges that Buyer enters into this Option Agreement as an initial step in the purchase of a conservation easement on +/- 67.04 acres of the Property. The value of the conservation easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and other funding partner agencies such as USDA or military.

G. By entering into this Option, Seller acknowledges that it will obtain independent tax counsel and be solely responsible for compliance with any requirement of the Code to substantiate the value of the conservation easement if claiming an IRS charitable contribution.

NOW, THEREFORE, for the reasons given and other good and valuable consideration and in consideration of their mutual covenants, terms, conditions and restrictions contained herein, the receipt and legal sufficiency of which are hereby acknowledged, the Seller hereby voluntarily grants and conveys to the Buyer, and the Buyer hereby voluntarily accepts the exclusive and irrevocable option to Purchase a Conservation Easement on +/- 67.04 acres on the Property.

This option is given on the following terms and conditions:

1. **OPTION PERIOD.** This option shall remain in effect through four years from the date of the signatures in this contract.

2. **EXERCISE.** All rights granted by this Option shall be exercised upon posting, by certified mail, a written notice to the Seller at the first address stated in the Recitals above. Exercise shall be deemed timely if such written notice is mailed on or before the date set forth in Paragraph 1 above.

3. **CONSERVATION EASEMENTS.** The Conservation Easement on the Property to be conveyed by Seller

OPTION TO PURCHASE AN AGRICULTURAL CONSERVATION EASEMENT

to Buyer, should Buyer exercise the Option granted herein, shall be in a form similar to the form of the draft conservation easement of the **ADFP Trust Fund Model Conservation Easement** as described in this contract and at www.ncadfp.org with such additional changes or modifications requested by Seller or Buyer, and agreed to by both parties with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners.

4. **PURCHASE PRICE.** The total purchase price of the Conservation Easement +/- 67.04 acres shall be payable in cash at closing. The fair market value of the Conservation Easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners. The Conservation Easement shall be fixed as noted on the attached land map.

5. **CLOSING.** Closing will take place at the offices of the Buyer's closing attorney or at such other place as the parties may mutually agree when the conditions for closing set out in this Option have been met.

6. **TITLE.**

(a) At closing, the Seller will convey the Conservation Easements to the Buyer. At the time of conveyance, the Property shall be free and clear of all liens, encumbrances, restrictions, rights or exceptions except for exceptions of record approved by Buyer.

(b) During the period of time between execution of this Option and the recordation of the Conservation Easements, should Buyer exercise the Option granted herein, Seller shall not encumber the Property nor shall they grant any interest in the Property to a third party without the prior written consent of Buyer.

7. **TITLE DEFECTS.** Buyer, at its expense, will have the title to the Properties examined. If for any reason the Seller cannot deliver the Conservation Easements at closing with title to the Properties in the condition required by Section 6 of this Option, Buyer may elect to: (a) accept the Conservation Easements with title to the Property as it is; (b) refuse to accept the Conservation Easements in which case the consideration paid for this Option shall be refunded; or (c) allow the Seller additional time to pursue all reasonable efforts to correct the problem, including bringing any necessary quiet title actions or other lawsuits. If Buyer elects to refuse to accept the Conservation Easements, or Seller desires to not pursue reasonable efforts to correct the problem, the rights pursuant to the Option granted herein shall be null and void and the rights of the parties hereto shall terminate, with neither party hereto having any further right or obligation one against the other pursuant to the terms hereof.

8. **DOCUMENTS FOR CLOSING.** The Seller shall execute and deliver at closing the Conservation Easements, any owner's affidavits or documents required by the Buyer's title insurance company to remove the standard title policy exceptions, and any other documents necessary to close in accordance with the terms of this Option.

9. **ACCESS.** The Buyer's obligations under this Option (if exercised) are contingent upon the Property having recorded, appurtenant, insurable legal access to a public road sufficient to allow the Buyer access to the Property to monitor the Conservation Easements.

10. **CONDITION OF PROPERTY.** During the period of time between execution of this Option and exercise of this Option, Seller shall do nothing to or with regard to the Property that shall damage or degrade the property, significantly alter its present appearance and value, or otherwise violate the terms of the proposed Conservation Easements. In the event of any adverse change in the condition of the Property, the Buyer may refuse to accept the Conservation Easements, in which case the consideration paid for this Option shall be refunded.

11. **ENCUMBRANCES.** Seller shall not during the period of time this Option remains in effect sell or contract to sell the Property or do any other act which might hinder the property's ability to enter the Conservation Easements.

15. LIQUIDATED DAMAGES; DEFAULT; SPECIFIC PERFORMANCE.

- a. Default and Specific Performance. If Seller defaults under this Agreement and fails to cure the same within thirty (30) days of written notice thereof, BUYER may elect, at Buyer's sole option: (i) to terminate this Option and be released from its obligations hereunder, in which event the consideration paid shall be returned to Buyer; or, for all defaults other than failure to perform due to disagreement with the appraised value as determined in item 4 of this Option (ii) to proceed against Seller for specific performance of this Option. In either event, Buyer shall have the right to seek and recover from Seller all damages suffered by Buyer as a result of Seller's default in the performance of its obligations hereunder. Damages may include reasonable expenditures performed on behalf of Seller in good faith to fulfill the Option. These include but not limited to travel, administrative, surveying, legal and specialized service fees, appraisals, documentations and reports pertaining to conservation easement implementation associated with the Option.
- b. Other remedies. In addition to any other remedy specifically set forth in this Option, for all defaults other than failure to perform due to disagreement with the appraised value as determined in item 4 of this Option Buyer has the right to enforce the provisions of this Option through an action for injunctive relief or damages or through other proceedings in law or equity. The election of any one remedy available to Buyer under this Option shall not constitute a waiver of other available remedies.

16. BINDING EFFECT. This Option becomes effective when signed by parties hereto and shall then apply to and bind Seller and Buyer and their respective, heirs, executors, administrators, successors, and assigns.

17. COMPLETE AGREEMENT. This Option constitutes the sole and complete agreement between the parties and cannot be changed except by written amendment. No representation or promise not included in this Option or any written amendment shall be binding upon the parties.

18. NOTICE OF OPTION. Should this Option Agreement not be recorded, the parties agree to execute a Memorandum of Option for recording purposes if requested by either of the parties hereto, to be prepared and recorded at the expense of the requesting party.

19. MISCELLANEOUS.

- a. No waiver. No provision of the Option shall be deemed amended or waived unless such amendment or waiver is set forth in a writing signed by both parties. No act or failure to act by a party shall be deemed a waiver of its rights hereunder, and no waiver in any one circumstance or of any one provision shall be deemed a waiver in other circumstances or of other provisions.
- b. Holidays. If any date set forth in this Option or computed pursuant to this Option falls on a Saturday, Sunday, or national holiday, such date shall be deemed automatically amended to be the first business day following such weekend day or holiday.
- c. Attorneys' fees. In the event of any breach or default hereof by a party, the non-defaulting party shall be entitled to bring an action to recover its costs and expenses of litigation and settlement, including, without limitation, attorneys' fees and expenses, court costs, settlement costs, and experts' costs and fees.
- d. Survivability. The provisions of this Option shall survive the closing of the Conservation Easement donation to Buyer.
- e. Successors. This option and the contract resulting from the exercise thereof shall bind and inure to the benefit of the heirs, administrators, executors, successors and assigns of the respective parties.

IN TESTIMONY THEREOF, the parties have hereunto set their hands and seals, or if corporate have caused this instrument to be executed in their corporate names by their duly authorized representatives as of the dates indicated below.

12. RIGHT OF ENTRY AND INSPECTION. During the period of time this Option remains in effect, Buyer shall have the right, at its expense, to enter upon the Property at reasonable times to conduct an environmental inspection and assessment to detect hazardous or toxic substances, to have the title to the Property examined, and for other reasonable purposes related to this transaction. Buyer shall give notice in writing to Seller of any defects and objections to the title and Seller shall clear the title of defects and objections so specified within forty-five (45) days after notice thereof. In the event Seller cannot correct defects in or objections to the title so as to be able to deliver good and merchantable title free and clear of all liens, encumbrances, restrictions, and easements, Buyer may, at its election, cancel this Option, in which case the consideration paid for this Option shall be refunded. Based upon the results of the environmental inspection and assessment, the Buyer may elect to refuse to accept the conservation easement, in which case consideration paid for this Option shall be refunded.

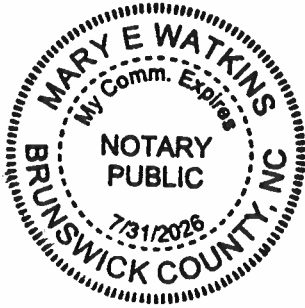
13. SELLER'S REPRESENTATIONS AND WARRANTIES. The Seller hereby warrants and represents to Buyer the following matters and agrees to indemnify, defend and hold Buyer harmless from any loss or liability relating to these matters, with the intent that these representations, warranties and indemnities shall survive closing.

- a. Title to the Property/Authority. Seller is the sole legal owner of the Property in fee simple. The Property is not now subject to any written option or agreement of sale. To the best of Seller's knowledge and belief, the Property is not now subject to any claim or legal proceeding except as set forth herein. Seller has the full power and authority to execute this Option and all agreements and documents referred to in this Option and to fully perform as required by this Option.
- b. Condition of Property. Seller is not aware of any facts that would have adverse effect on the efficacy of the Conservation Easements in protecting the conservation values set forth in the Conservation Easements.
- c. Hazardous Materials. The Property is not now nor, to the best of the knowledge and belief of the Seller, has it ever been used for the manufacture, use, storage or disposal of any hazardous or toxic substance, material or waste within the meaning of any applicable environmental statute, ordinance, or regulation. No hazardous or toxic substance, material or waste, including without limitation asbestos or material containing or producing polychlorinated biphenyls (PCBs), is presently stored or located on the Property at levels greater than natural background concentrations. The Property is not subject to any "superfund" or similar lien or any claim by any government regulatory agency or third party related to the release or threatened release of any hazardous or toxic substance, material, or waste.
- d. No Condemnation. There are no condemnation proceedings pending with regard to any portion of the Property and Seller does not know of or have reason to know of any proposed condemnation proceedings with regard to any portion of the Property.
- e. Non-foreign Status. To inform Buyer that withholding of tax is not required under Section 1445 of the Internal Revenue Code and under penalties of perjury, Seller hereby certifies that Seller is not a non-resident alien or a foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined for purposes of federal income tax law. Seller understands that this certification may be disclosed to the Internal Revenue Service and that any false statement made could be punished by fines, imprisonment, or both.
- f. No brokers. Seller represents that they have not engaged the services of a real estate broker in the sale or purchase, respectively, of any interest in this Property, and agree to indemnify Buyer from all such claims or liabilities resulting therefrom.

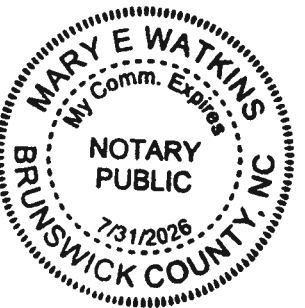
14. NOTICE. Any notice, consent or other communication permitted or required by this Option shall be in writing, and shall be given to the applicable party, at the address set forth below, in the following manner: (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested. Each such notice shall be deemed to have been given upon receipt or refusal to accept delivery. Unless and until changed by written notice to the other party hereto, the addresses for notices given pursuant to this Option shall be the addresses listed for each party in Paragraph A of the Recitals above.

OPTION TO PURCHASE AN AGRICULTURAL CONSERVATION EASEMENT

SELLER: Milton Wade Bellamy Marsha Jane B. Benton 12-6-2021
Printed Name: ARTHUR MARTIN BELLAMY Marsha Jane B. Benton
Signature: Arthur Martin Bellamy Milton Wade Bellamy **Date:** 12-6-2021

<p>SEAL-STAMP</p> 	<p>NORTH CAROLINA, <u>Brunswick</u> County</p> <p>The undersigned, a Notary Public for said County and State, does hereby certify that <u>Bellamy Family Farm</u> personally appeared before me this day and duly acknowledged the execution of the foregoing Option to Purchase Conservation Easement. Witness my hand and official stamp or seal on <u>December 06, 2021</u>.</p> <p style="text-align: right;"><u>Mary E. Watkins</u> Notary Public</p> <p>My commission expires: <u>7-31-2026</u></p>
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BUYER:
Printed Name: Brunswick Soil and Water Conservation District - Elliot Swain, Director
Signature: Elliot Swain **Date:** 12-6-2021

<p>SEAL-STAMP</p> 	<p>NORTH CAROLINA, <u>Brunswick</u> County</p> <p>The undersigned, a Notary Public for said County and State, does hereby certify that <u>Elliot Swain</u>, as <u>Director</u> (official title) of <u>Brunswick Soil + Water Conservation</u> personally appeared before me this day and duly acknowledged the execution of the foregoing Option to Purchase Conservation Easement. Witness my hand and official stamp or seal on <u>December 06, 2021</u>.</p> <p style="text-align: right;"><u>Mary E. Watkins</u> Notary Public</p> <p>My commission expires: <u>7-31-2026</u></p>
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Conservation Easement Option Map:

Map to provide total estimated acres to receive to agricultural conservation easement. Any areas not the receive the agricultural conservation easement such as farmsteads must also be defined.

