APPENDIX F - USDA PROGRAMS THAT MAY BE APPLICABLE TO URBAN OR URBANIZING AREAS

INTRODUCTION

This appendix contains information on the United States Department of Agriculture (USDA) programs approved under the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) regarding the bill's conservation provisions. Although tailored for agricultural lands, these programs may complement local initiatives in urban or urbanizing areas regarding environmentally-sensitive areas and storm water management, floodplain preservation, ground water recharge, wildlife habitat, open space, recreation, and the preservation of rural character. Opportunities may exist for utilizing these programs as land is converted from agricultural to urban land uses. These programs could also be useful in meeting requirements of the Non-point Source Discharge Elimination System (NPDES) phase II. Developers and municipal planners can conceivably take advantage of USDA programs and become a program participant as long as the land associated with the program continues to meet USDA criteria. Crucial issues affecting USDA criteria includes having the land registered with a valid farm tract number and insuring that participation in the USDA program(s) is initiated prior to changes in agricultural land use.

The following is a summary of programs that could possibly assist conservation activities in an urban or urbanizing areas:

<u>Conservation Reserve Program (CRP)</u> The CRP is a voluntary program for eligible producers that offers incentive and maintenance payments for specified conservation activities on eligible crop or pasture lands. The program's purpose is to encourage the planting of ground covers that improve soil, water and wildlife resources. CRP makes available federal cost-share assistance of up to 50% of the participant's cost in installing approved conservation practices. Contract duration may last from ten to fifteen years. CRP could potentially be used in steep-sloped areas that would otherwise prohibit development. CRP could also be utilized for tree or native grass plantings in conjunction with required buffers between development and sensitive water bodies.

Environmental Quality Incentives Program (EQIP) EQIP is a voluntary program for eligible producers, on eligible land, that offers incentive payments of up to 90% of the costs on eligible conservation practices. Soon to be available under the EQIP program are Conservation Innovation Grants. These grants, after their draft provisions have been finalized, are anticipated to be available for use by the broader public to leverage federal investment, stimulate innovative approaches, and accelerate technology transfer. Any development proposal that could incorporate conservation best management practices could potentially be eligible under this program. Developers who need to meet local development requirements mandating groundwater protection, buffers and storm water detention, could utilize this program to help offset implementation costs. Some types of practices that could qualify under EQIP include riparian forest buffers, rock chutes, wetland enhancement, filter strips, diversions, water and sediment control basins, and grassed waterways. One example in Illinois of the use of EQIP funds in an urbanizing area includes a site near East Peoria, where EQIP funds were used prior to site development for the construction of two ponds to include spillway construction, seeding, and mulching.

Farmland Protection Program/Farm and Ranch Lands Protection Program (FPP/FRPP) The purpose of the FPP/FRPP is to encourage topsoil protection by limiting nonagricultural uses of the land. Under the program, the federal government may contribute up to 50% of the cost for the purchase of development rights regarding a qualifying parcel. At the time of this writing, the FRPP rules were in draft form and open for public comment. The FRPP is anticipated to be similar in many ways to the FPP program, which has been repealed. The FRPP program could potentially be used in conjunction with community development or agricultural land subdivision. The FRPP could be useful for development requirements that encourage open space set-asides which maximizes land remaining on the tax rolls. FRPP would also be useful for planned unit developments or conservation subdivision designs that permit the agreedupon density, yet allow larger areas of contiguous open space. Land under FRPP could also be used for other than row-crop production. Tree farms, specialty crops, gardens, and nurseries are all potential land uses under the program that could continue to generate revenues for both the land owner and the community while providing open space, aesthetic features, and passive storm water management.

<u>Wildlife Habitat Incentives Program (WHIP)</u> Through this program, NRCS provides technical expertise and funding needed for practices that enhance wildlife habitat on private land. Landowners may enter into five to ten year agreements to implement an approved habitat enhancement plan. Longer agreements may be available for landowners that are willing to create long-lasting habitat for especially vulnerable species. This program is unique in that a farm tract number is not a requirement for enrollment. Any privately owned land can be eligible under WHIP as long as it enhances wildlife habitat. Examples of where this program could be utilized in site planning and development include odd lots or land contiguous to streams, lakes, or storm water detention/retention areas where native plantings that enhance wildlife habitat are desirable.

<u>Wetlands Reserve Program (WRP)</u> WRP is a voluntary program that provides technical and financial assistance to eligible landowners to address wetlands, wildlife habitat, and other soil and water natural resource concerns. Through this program, eligible landowners must file an application for either a permanent conservation easement, a 30-year easement, or a minimum 10-year restoration agreement. The federal government may pay up to 100% for wetland restoration and permanent easement costs; 75% of restoration and 75% of the permanent easement costs on a 30-year easement; and 75% of restoration costs for a restoration cost-share agreement.

One example of a development that has taken advantage of the wetland reserve program has been the Hidden Creek development in Ohio, where 232 acres were set aside in perpetuity to protect wildlife habitat along a nearby creek. The developer, working in cooperation with the NRCS and the local soil and water conservation district, desired to maintain the environmentally-sensitive areas of the property in a natural state and made the decision to qualify and participate. Prior to development, the environmentally-sensitive lands were set aside and the USDA-NRCS, in accordance with WRP program criteria, designed the wetlands and were awarded a permanent conservation easement. The developer was eligible for cost-share money and technical assistance and the wetlands thereafter will provide wetland functions that can be used in conjunction with development: passive storm water detention, ground water filtering, and natural open space.

Included as part of this appendix are fact sheets regarding each of the above mentioned programs.

The intent here is to provide the reader with examples of concepts, incentives and resources from the USDA that could potentially be incorporated into community-based conservation projects. While an effort has been made to provide an accurate listing of program information, this information is constantly changing to better meet the public's needs. For the most up-to-date information regarding programs, please contact your local USDA service center or visit the national USDA-NRCS website at http://www.nrcs.usda.gov

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