



**North Carolina Department of Agriculture
and Consumer Services**
N.C. Forest Service



Steven W. Troxler
Commissioner

Scott Bissette
Assistant Commissioner

February 24, 2021

MEMORANDUM

To: All NCFS

From: Ron Myers – Forest Management Branch Head
Jaimee Cappelletti – FDP Program Administrator

CC: Sean Brogan – Asst. State Forester-Forest Management/Development

Subject: **Forest Development Program (FDP) Funding Information for FY 2021-2022**

FY 2021-2022 FDP Budget

This memo outlines how North Carolina’s Forest Development Program (FDP) will operate in Fiscal Year 2021-2022. We greatly appreciate the continued financial support by North Carolina’s wood products companies to the FDP program.

This table summarizes our anticipated FDP Budget for FY 2021-2022. These figures may be adjusted in the future based on actual timber assessment monies paid into the FDP fund and released funds from cancelled projects.

Anticipated Forest Development Program Budget for FY 2021-2022:	
Conservative Projection of <i>timber assessment</i> monies for FY 2021-2022:	\$1,833,222
Subtract max. of 5% for administrative costs (North Carolina Forest Service):	\$91,661
Subtract max. of 5% for administrative costs (North Carolina Department of Revenue):	\$91,661
Subtotal Forest Development Fund	\$1,649,900
Anticipated Reserve Funds from FDP Cash Assessment account (includes cancellations, reduced acres & project costs)	\$350,000
Projected Interest generated from the FDP Assessment account from FY 2021-22:	\$49,000
Anticipated FY 2021-22 FDP Funding	\$2,048,900

FDP Program Information for FY 2021-2022

Required Forms

- All new requests for funding must be submitted on the appropriate FDP Form (FDP Application Form 4910-1).
- The FDP program requires the State of North Carolina Substitute W-9 Form to be submitted annually with all applications for *payment*.
 - Tax ID/SSN appropriate for Entity Type
 - The applicant name on the W-9 Form must match up with the primary applicant name in Block 1 on the FDP Form 4910-1.
- A direct deposit form is available for landowners to submit if they wish to authorize an electronic deposit of their reimbursement funds.

FDP Program Enrollment Periods

- There will be two enrollment periods when applications can be accepted by local NCFS offices. They include the following starting and closing dates:
 - **Base Fund and Mountain Fund enrollment period will begin on March 1st, 2021 and will close on the last Friday in May, May 28th, 2021.** All applications must be received by the NCFS State Headquarters by close of business May 28th, to be considered for funding.
 - **Plant Only Fund enrollment period will begin on September 1st, 2021 and will close on the last Friday in October, October 29th, 2021.** All Plant Only applications must be received by the NCFS State Headquarters by close of business October 29th, to be considered for funding.

FDP Program Funding

- The FDP program will continue to utilize a “Random Draw” lottery to award funding.
- The FDP program is authorized to allocate funds into two special funds (Mountain, Plant Only). Base Funds will be allocated to NCFS Districts within the Piedmont and Coastal Plain regions. Allocations to these fund sources for FY 2021-2022 are as follows:
 - **“Base Fund” - \$1,248,900** available for funding new projects.
Projects will be randomly selected by the NCFS State Headquarters starting on June 1st, 2021. Projects will be funded Monday, June 7th, 2021, following a secondary review to ensure projects/landowners meet program requirements and do not exceed the 100 acres/\$10,000 max cap funding rule per State Fiscal Year.
 - \$437,118 available for projects within NCFS Region 1 - Coastal Plain
 - \$811,785 available for projects within NCFS Region 2 - Piedmont

- **“Mountain Fund” - \$300,000** available for funding new projects.
Projects will be randomly selected by the NCFS State Headquarters starting on June 1st, 2021. Projects will be funded Monday, June 7th, 2021, following a secondary review to ensure projects/landowners meet program requirements and do not exceed the 100 acres/\$10,000 max cap funding rule per State Fiscal Year.

- **“Plant Only” - \$500,000** available for funding new projects.
Projects will be randomly selected by the NCFS State Headquarters starting on November 1st, 2021. Projects will be funded Monday, November 8th, 2021, following a secondary review to ensure projects/landowners meet program requirements and do not exceed the 100 acres/\$10,000 max cap funding rule per State Fiscal Year.

FDP Application Funding Process

- Area funding pools will correspond with NCFS District boundaries that provide support to their respective counties (See NCFS Map).
- Plant Only funding will be allocated to only one “statewide” funding pool.
- All applications will be placed into their respective funding pool based on county & NCFS District location by FDP fund source. Each application will be assigned a unique request number within each area funding pool.
- Applicants will receive funding if their application number is drawn during the lottery process, until available funds remain.
- All applicants that are awarded funding will receive a formal approval letter from the NCFS State Headquarters to notify recipients of the award amount, project start date, and program funding requirements.
- Any unfunded applications will be returned to their respective NCFS District and a formal letter should be sent to the applicant from the corresponding NCFS District notifying them that their application was not awarded funding and future options available to them.

FDP \$10,000 Maximum Reimbursement Payment Cap

- A \$10,000 maximum annual reimbursement payment cap per landowner will be applied at the time of funding and may result in a decrease of requested acres for funding. Landowners are not guaranteed to receive a full \$10,000 reimbursement payment, especially for projects that are completed under budget.
- The FDP program will make reimbursement payments based on actual costs, up to a prevailing rate for approved practices, whichever is less. FDP applications will not be adjusted if work is completed for less than the approved rate at time of funding. This is still a cost savings to both the landowner and the FDP program.
- Options to help plan for this \$10,000 project cap include using a lower prevailing rate, reducing the number of practices applied for by conducting 1-2 practices “out-of-pocket”, and keeping total estimated project cost/acre at or under \$250 dollars/acre on 100-acre projects.

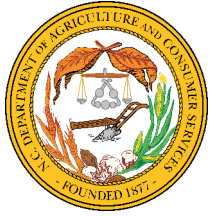
FDP Prevailing Rates

- The FY 2021-2022 FDP prevailing rates have been adjusted and will be posted on the NC Forest Service FDP webpage at http://ncforestservice.gov/Managing_your_forest/fdp.htm
- When new projects are funded, they will be associated with FY 2021-2022 program funding and corresponding prevailing rates.

FDP Program Contacts

- If you have specific questions about this memo, please contact Jaimee Cappelletti – FDP Administrator at 919-857-4832 (Jaimee.Cappelletti@ncagr.gov) or Ron Myers – Forest Management Branch Head at 919-857-4811 (Ron.Myers@ncagr.gov.)





Forest Development Program

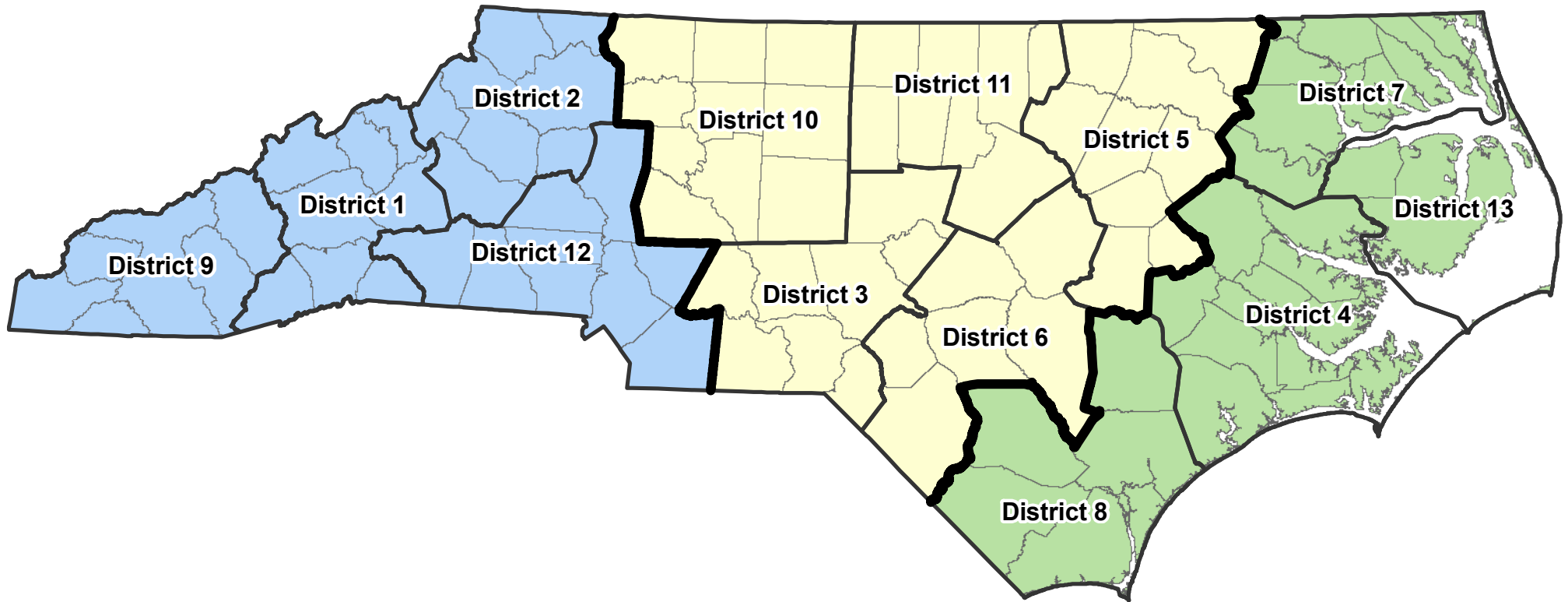


Fiscal Year 2021-2022

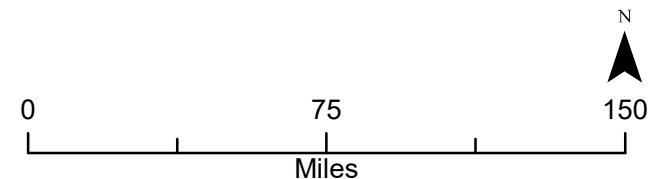
Region 3

Region 2

Region 1



FDP Fund Source	Funding Amount	NCFS Region
Coastal Plain Base Fund	\$437,115	1
Piedmont Base Fund	\$811,785	2
Mountain Fund	\$300,000	3
Plant Only	\$500,000	Statewide



Map author: C. Vose 2/19/2020