

Wisconsin Dept. of Agriculture Trade and Consumer Protection Agricultural Resource Management Division PO Box 8911 Madison, WI 53708-8911 (608)-224-4632



INSTRUCTIONS FOR PERPETUAL EASEMENTS Sec 93.70, Wis. Stats.

These instructions are intended to aid with filling out the Conservation Reserve Enhancement Program (CREP) Perpetual Easement Application form (ARM-LWR-209). CREP is a joint effort between federal, state, and county governments. Obtain the necessary supporting materials from these partner agencies prior to filling out the LWR-209.

SECTION 1. COUNTY, LANDOWNER & CONTRACT INFORMATION

1A. COUNTY INFORMATION

Authorized county representatives include the County Conservationist, County Executive, Land Conservation Committee Chair, and County Board Chair. If the county wishes to add an authorized representative, the county must send documentation to DATCP identifying who the representative is and signed by a current authorized representative.

The easement holder is typically DATCP. However, some counties and other entities also hold the CREP easements.

1B. LANDOWNER & FEDERAL CONTRACT INFORMATION

All landowners must be listed on the application form, with the primary landowner listed first. If additional lines are needed, submit a second page 1 of the application.

The primary landowner is generally the first person or entity listed on the tax bill or deed. In this section, indicate whether the primary landowner is an individual or an organized entity such as a corporation, partnership, or trust.

Multiple landowners should be listed separately, however, a married couple may be listed together in a single box (e.g. Joe and Patty Smith).

All landowners will be required to sign the final easement document prior to recording. For trusts, partnerships and other entities, documentation such as a Certificate of Trust will be required to determine the proper signing authority. Individuals with signing authority such as trustees, managing member, presidents, or partners should also be listed in Section 1B.

Payments can be made to up to three different landowners. Indicate the percent of incentive and cost-share payment that each landowner should receive.

Landowners must work with USDA-FSA to complete forms CRP-1 and CRP-2C in order to enroll their land on the Federal side of WI CREP. Both CRP-1 and CRP-2C contain information needed for completing the CREP application. Reference these forms for completing the contract number, farm number, effective date, and expiration date boxes.

Indicate if the agreement is a reenrollment of a previous CREP agreement. If applicable, include the original stateissued Agreement ID number(s) of reenrolled land. This only applies to CREP-to-CREP reenrolls.

SECTION 2. NOTICE TO MORTGAGE HOLDER & LAND CONTRACT VENDOR

A mortgage holder, land contract vendor, mineral rights holder, and certain easement holders will be required to sign the final CREP easement.

Applicants are required to provide the contact information and notify all mortgage holders and/or land contract vendors to obtain their signature on the application. The mortgagee and/or the land contract purchaser may need to record a satisfaction to prove that these interests have been fully satisfied.

The appropriate parties associated with a mineral rights claim may need to record a document terminating or subordinating the interest.

SECTION 3. LOCATION & PAYMENT ESTIMATE

This section is used to identify the acres being enrolled and an estimate of the incentive provided once the CREP easement is completed. If additional space is needed for Section 3, copy this page and number it as the next page of the application. Make sure to manually update the total agreement acres and total estimated incentive payment in the boxes labeled "Total Agreement Acres" and "Total Estimated Incentive Payment." To complete the table see the below instructions:

- The following information can be found on both the federal CRP-1 and CRP-2C:
 - CP (Conservation Practice) refers to the practice listed in box 11C on the CRP-1 or the CRP-2C
 - **Farm** # can be found in box 5 on the CRP-1 and box 4A on the CRP-2C
 - Tract # is identified in box 6 on the CRP-1 and box 1 on the CRP-2C
 - **CRP-1**# is the "Contract Number" listed in box 3 on the CRP-1 or box 6 on the CRP-2C.
- For each Conservation Practice, Tract #, and CRP-1 #, use a separate table. If, for example, CP21 will be installed on 2 different tracts, list CP21 and the first tract number along with the corresponding fields, location information, rates and acres in Table I and the second tract number with the appropriate information in Table II.
- Each practice type should be identified as either a Riparian or Grassland practice type. **Grassland** conservation practices are CP1, CP2, CP10 and CP25. All other practices are **Riparian** practice types.
- Each parcel where a practice will occur should be listed on a separate line within a table. Identify the municipality, number of acres, ¹/₄ ¹/₄, ¹/₄, section, township, range, and ID number for the parcel. Multiple Field #s can be associated with each Parcel Tax ID. To determine whether the acres are **TILLABLE** or **NON-TILLABLE**, look at boxes 13 and 14C on the CRP-2C. If box 13 lists acreage greater than 0 next to "Marginal Pastureland" and the box 14C includes "MPLALL" next to (1) Primary, (2) Secondary, or (3) Tertiary, then the **NON-TILLABLE** box should be checked. Otherwise mark the acreage as **TILLABLE**. The sum of all acres from the table should be entered next to acreage in the tillable and/or non-tillable rows as appropriate.
- Box D for each table should show the total number of acres for that table.
- Total Acres, Incentive Payment, Total Easement Acres and Total Estimated Incentive Payment boxes are all auto calculated. Tabbing out of an associated fillable box will refresh the calculated amounts.
- Estimated Practice Payment, box F, is based on CRP-1 box 11E. In each table, multiply the amount in block 11E by 0.4 to estimate the State 20% practice payment.

SECTION 4. SIGNATURES

The following forms, materials and files must be submitted with the application.

• <u>W-9</u>

A W-9 tax form is required for all landowners requesting a percentage of the incentive payment. Use the most recent form and ensure that it is signed. If LLC, be sure the tax classification is checked.

• <u>Map</u>

The aerial photo should clearly delineate the CREP area enrolled under the agreement along with other natural or man-made features including waterbodies. It should include the following: the date created, the Farm and Tract #, township and range boundary lines, CRP boundary lines, field numbers, and a scale bar.

• <u>CRP-1</u>

This is the Conservation Reserve Program Contract between the USDA-FSA and the landowners. Be sure that it is signed by a representative of the Commodity Credit Corporation (CCC) and that all information is consistent with the CREP easement application form LWR-209.

• <u>CRP-2C</u>

Be sure that the Conservation Reserve Program Worksheet is consistent with all other application materials.

• CRP-23/24 Letter (Notice of Contract Approval)

This letter sent by the USDA provides approval to place the designated land into CREP. The letter must identify the landowners and the qualified land.

• Property Tax Bills

Include the most recent tax statements for each Parcel ID listed in Section 3. The address, landowner name, and legal description must match the application. All owners listed on tax bills are required to sign the agreement.

• GPS Data of Monument Locations with supporting GIS Files

A GIS layer indicating the GPS points of all monument locations proposed for the easement. The data should be projected in the WI County Coordinate System (WCCS).

• Environmental Benefit Report (ARM-LWR-284)

This form is available on the <u>DATCP website</u> and includes a Calculation Sheet to aid in calculating average annual pollution reduction. To determine "length buffered": if only one side of a waterbody is being buffered, divide the length in half. If both sides are being buffered, then enter the full length for "length buffered".

• Title Search

To request a title search, use form LWR-209 "TS Attachment – CREP Title Search Contracting Request Form". The title search should be requested after the applicant has been provided the CRP-2C, signed CRP-1 and CRP-23/24 letter from the USDA-FSA. The title search may be either:

1) A title opinion by an attorney on an updated abstract.

2) A full title search by a title company. A full title search is one that is unrestricted as to the time covered by the search. The applicant should specifically request and confirm that a full title search back to the 1st entry will be performed. A 60-year search of the title records is not sufficient. The industry recognizes a full title search as a request for a "Minimum Title Insurance Commitment of \$15,000". This is not a title insurance policy and does not create any obligation to purchase a title insurance policy. This type of search provides a convenient statement of vital title search findings such as: who has title, and what "exceptions" limit clear title. Upon delivery of this form to the title-company you should receive an estimate for the cost of services.

The applicant must pay the title company for the title search. DATCP will reimburse the applicant for the title search after the easement has been recorded.

• Signing Authority Documents *as needed*

Signing authority documents are required in order to identify the signature authority for trusts, corporations, partnerships, and other entities. Acceptable documentation may include but is not limited to a Certificate of Trust, an Operating Agreement, or a Designation of Successor.

TAX INFORMATION

Consult your accountant on any potential implications of a permanent easement on income or property tax issues. CREP payments that do not meet the \$600 reporting threshold for the calendar year will not be reported to the landowner by the state. Therefore, you will not receive a 1099 form from this agency for that year.

SUBMITTAL

Electronically submit the CREP easement application (LWR-209) along with the supporting materials listed in Section 4 to DATCP via the secure FTP site. Follow the specific instructions below:

• Scan the application to a single .pdf file with the documents in the following order: CREP Perpetual Easement Application (LWR-209), W-9(s), Map, CRP-1, CRP-2C, CRP-23/24 Letter (Notice of Contract Approval), Property Tax Bills, Environmental Benefit Report (LWR-284), and additional supporting documents as needed. Name the file in the following format:

[County]_[OwnerLastName][OwnerFirstName]_Easement_[Submital YearMonthDate].pdf

Example: "Sauk SmithBob Easement 2017may24.pdf"

• Prepare GIS files. Include applicant name in file names. Compress GIS layers to a single .zip file. Name the file in the following format:

[County]_[OwnerLastName][OwnerFirstName]_EasementGIS_[Submital YearMonthDate].zip

• Obtain full title search. Scan as .pdf. Name the file in the following format:

[County]_[OwnerLastName][OwnerFirstName]_EasementTitleSearch_[Submital YearMonthDate].pdf

- Follow one of two options:
 - Open a SFTP client software program and enter the following information:
 a) Host name: secureftp.wi.gov. b) Username: crepcountysftp. The password is provided from DATCP. Note: If you don't have SFTP client software on your computer, download and install a program such as <u>WinSCP</u>. Choose the most recent "Installation Package".
 - Open a web browser such as Internet Explorer and enter <u>https://secureftp.wi.gov</u> into the search bar of the browser. You should see the "Globalscape" logo on the webpage that displays. Enter the username crepcountysftp and the password provided from DATCP.
- Drag and drop the .pdf file(s) into the empty folder. Press and hold the control key to select multiple files, then drag/drop to upload several at once. File names will appear on SFTP directory and will upload automatically to the DATCP CREP server. File names shown in the SFTP server will refresh if further submissions are made. Previously submitted files on the server will be replaced by new files submitted with the same name.
- Notify DATCP via email, including names of applicants, to <u>datcpcrep@wisconsin.gov</u>.