The Conservation Reserve Enhancement Program

PARTNERSHIPS THAT BENEFIT OREGON'S WATERSHEDS AND AGRICULTURE April 2005

Introduction

The Oregon Conservation Reserve Enhancement Program (CREP) was established in 1998 by a unique partnership between the U.S. Department of Agriculture (USDA) and the State of Oregon. Its purpose is to establish riparian* vegetation on agricultural land along streams, protecting water quality and restoring fish and wildlife habitat.



Agricultural landowners can enroll eligible riparian lands into a 10 to 15-year CREP contract and receive an annual conservation payment for the contract period, reimbursement for 75% of the eligible costs of riparian restoration practices, and other financial incentives. Oregon's CREP program includes a variety of options that recognize the different agricultural areas of the state.

Are You Eligible?

Is your property eligible for CREP? You need to contact your local USDA Service Center to find out for sure (see page 8). The criteria listed below will give you some idea if you qualify.

Land must be within an area covered by an approved Agricultural Water Quality Management Plan (most of Oregon), along a stream where threatened or endangered fish are or were historically present, or on reservation or tribal trust lands.

Land must have been annually cropped 4 of the last 6 years or be pasture or rangeland that can be planted to a riparian buffer along the stream. Riparian area must be in a condition that would benefit from improvement.

*An area near a stream or lake containing vegetation that is dependent upon water. Riparian areas are valuable because they provide a variety of functions for fish, wildlife, and water quality.

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Practices

The most common CREP practices include: Riparian forest buffer (usually includes a mixture of trees and shrubs*); Wetland restoration; Filter strip; Livestock watering facility; Stream crossing; Fencing; Wildlife buffer; Wetland buffer.



Riparian forest buffer



Nosepump-offstream watering



Livestock Watering



Newly planted shade tree

Expectations of Landowners

Landowners enrolled in CREP pay at least 25% of the cost of the initial conservation practices. The landowner contribution may include an in-kind match such as time and equipment use. Costs of doing the projects are paid by the landowner up-front, and are then reimbursed by the Farm Service Agency and the Oregon Watershed Enhancement Board.

*For a complete list of appropriate practices for your area, contact your local Farm Service Agency.

Financial Incentives

Annual Payments

- Landowners enrolled in CREP receive annual conservation rental payments for the enrolled acreage.
- Rental payments include a base rental rate, bonus rate, and maintenance rate.
- For cropland, the base rental rate is calculated by the cash agricultural rental value of the three predominant soil types at the site.
- For pasture, the base rental rate has been established for perennial and intermittent streams in each county in the state.
- Qualified CREP enrollment can include an additional "irrigated" rate if the land has a valid surface water right. Landowners must also in-stream lease their water right for the enrolled area for the length of the contract.

Cost-Share Payments

♦ Landowners receive cost-share payments for restoration practices once the practices are completed. Landowners are reimbursed 75% (50% from USDA, 25% from the State of Oregon), as long as they don't exceed cost estimates. Wetland restorations are reimbursed at 100%.

One-Time Payments

- Landowners receive a Signing Incentive Payment (SIP) for contracts that include a filter strip or riparian forest buffer.
 SIP = number of years enrolled x \$10.00 x number of acres. This is paid when the contract is signed.
- Landowners receive a Practice Incentive Payment (PIP) for contracts that include a filter strip or riparian forest buffer.
 PIP = total eligible practices cost x 40%. This is paid when the project is completed.
- BONUS! If a landowner or landowners enroll over 50% of the streambank in a 5-mile segment of a stream into CREP, they receive a Cumulative Impact Incentive Bonus (CIIB). CIIB = base rental rate x 4 x number of acres.

Example 1

Grant County landowner enrolled 15 acres and 2.75 miles of streambank of marginal pasture into a 15-year CREP contract:

Annual Rental Payments: 15 acres x 42/acre base rental rate + 21/acre bonus rate + 10.00/acre maintenance rate = 1095 per year.

 $1095 \text{ x } 15 \text{ years} = \frac{16,425}{1095}$

Cost-Share Payments:

| Fencing: | Total cost $25,000 \times .75 = 18,750$ |
|----------------------|---|
| Riparian Planting: | Total cost $12,000 \text{ x}.75 = 9,000$ |
| Off-stream watering: | Total cost \$ 4,000 x $.75 = $ <u>3,000</u> |
| | \$ 30,750 |

One-Time Payments:

- Signing Incentive Payment (SIP):
 15 acres x 15 years in contract x \$10 = \$2,250
- Practice Incentive Payment (PIP):
 \$41,000 (total cost of restoration practice) x 40% = \$16,400
- ◆ Landowner, plus neighbors have enrolled enough streambank in CREP so that 50% of the streambank in a 5-mile stream segment is enrolled, the landowner receives a Cumulative Impact Incentive Bonus (CIIB): Base rental rate \$42/acre (15) x 4 = \$2,520

TOTAL PAYMENTS FOR LIFE OF CONTRACT

<u>\$68,345</u>



Planting a riparian buffer

Newly planted tree

Example 2

Polk County landowner enrolls 6 acres of irrigated cropland into a 15-year CREP contract and instream leases their water right.

Annual Rental Payments:

6 acres x \$150/acre IRRIGATED rental rate (NON-Irrigated, \$87) + \$75/acre bonus rate + \$7/acre maintenance rate = \$1392 per year

 $1392 \times 15 \text{ years} = 20,880$

Cost-Share Payments:

Riparian Planting: Total cost = $4,800 \times .75 = 3,600$

One-Time Payments:

- Signing Incentive Payment (SIP):
 6 acres x 15 years in contract x \$10.00 = <u>\$900</u>
- Practice Incentive Payment (PIP):
 \$4,800 (total cost of restoration practice) x .40 = \$1,920
- Landowner plus neighbors have enrolled enough streambank in CREP so that 50% of the streambank in a 5-mile stream segment is enrolled, the landowner receives a Cumulative Impact Incentive Bonus (CIIB): Base rental rate \$95/acre (6) x 4 = \$2,280

TOTAL PAYMENTS FOR LIFE OF CONTRACT

<u>\$29,580</u>

Questions and Answers

Q. How do I know if I am eligible for CREP?

A. Talk to your local Farm Service Agency office. They will work with other agencies to determine if you are eligible.

Q. What if my neighbor enrolls in CREP a few years after I do and together we have enrolled over 50% of a 5-mile stream segment - do I still get the bonus payment?

A. Yes.

Questions and Answers cont.

Q. How will I know what to plant in the riparian zones? What are the requirements?

A. You will receive technical assistance from the USDA, the Oregon Department of Forestry, Soil and Water Conservation Districts, or other professionals who will help you select appropriate, native tree and shrub species for your area, and your riparian buffer.

Q. How wide does the buffer have to be?

A. The width can be a minimum of 35 feet to a maximum average of 180 feet. The landowner works with the technical assistance provider to select the appropriate width within those limits.

Q. What if I want to do conservation projects on other areas of my property beyond the riparian area?

A. There are several other programs available to address natural resource issues on your property beyond the riparian area. Talk to your local Farm Service Agency, Natural Resources Conservation Service, Soil and Water Conservation District office, or local Watershed Council.

Q. What will happen when the CREP contract expires?

- A. CREP lands *might* be eligible for re-enrollment, if the program is extended.
- A. Enroll your CREP land into a permanent easement.
- A. Retain your buffer and continue the good stewardship of your land.
- **A.** Commercially harvest portions of the enrolled area (following proper Forest Practices Act requirements).
- **A.** Convert portions of the area back to agricultural use (following proper regulations such as the Endangered Species Act and Senate Bill 1010).

Information

- Farm Service Agency (Tualatin, state office) - (503) 692-6830 http://offices.usda.gov
- Natural Resources Conservation Service (Portland, state office) - (503) 414-3200 http://offices.usda.gov
- Oregon Watershed Enhancement Board (Salem) - (503) 986-0178 http://oregon.gov/OWEB
- Soil and Water Conservation Districts (local yellow pages) http://www.oacd.org; or call the Oregon Department of Agriculture (Salem) - (503) 986-4700
- Oregon Water Resources Department (Salem) - (503) 986-0900 http://oregon.gov/OWRD
- Oregon Department of Agriculture Natural Resources Division (Salem) - (503) 986-4700 http://oregon.gov/ODA 635 Capitol St. NE Salem, OR 97301-2532 (503) 986-4700 TTY (503) 986-4762

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