

2013 Local Agricultural Easement Purchase Program (LAEPP) Process Steps

A) Application for Local Sponsor Certification

The Ohio Department of Agriculture (ODA) opens the Application for Local Sponsor Certification. Local Sponsors (LS) can be cities, counties, townships, soil and water conservation districts, or non-profit organizations such as land trusts. LS must be certified to later submit landowner applications.

Timeline: *February 1, 2013 – March 15, 2013*

B) Ohio Farmland Advisory Board reviews and recommends LS for Certification

The Board reviews Applications for Local Sponsor Certification and makes recommendations to the Director of ODA.

Timeline: *April 9, 2013*

C) Announcement of Certified Local Sponsors and funding allocations

The Director announces those LS certified to conduct landowner application periods and the amount of funding each LS has been awarded for purchasing agricultural easements.

Timeline: *April 11, 2013*

D) LS promotes upcoming landowner application period

LS holds local meetings to promote the upcoming landowner application period.

Timeline: *April 11, 2013 – May 1, 2013*

E) Cooperative Agreement

ODA and LS sign a Cooperative Agreement (CA) laying out the roles and responsibilities of the parties for the LAEPP landowner application and easement acquisition process.

Timeline: *April 11, 2013 – April 30, 2013*

F) LS submission of localized Step 14 (if applicable)

If the LS is utilizing a non-standard landowner application and localizing Step 14, they are to submit Step 14 questions to ODA for approval.

Timeline: *April 11, 2013 – April 30, 2013*

G) Local Sponsor training

All Certified LS attend mandatory training at ODA.

Timeline: *April 17, 2013*

H) Landowner Application period

All LS open their landowner application periods and run for 30-60-90 days.

Timeline: *May 1, 2013 – July 30, 2013*

I) Hardcopy Landowner Application Submission Deadline

Regardless of landowner application deadline, this is the final day a LS can submit a hardcopy application (with attachments) to ODA for approval for funding. LS who desire ODA review of landowner application completeness may submit their applications earlier.

Timeline: *May 1, 2013 – August 14, 2013*

J) Advisory Board Meeting and recommendations to the Director

The Ohio Farmland Preservation Advisory Board will meet 1-2 times to recommend applications to the Director for funding.

Timeline: *August 1, 2013 and August 29, 2013*

K) Director announces Landowner Applications approved for funding

The Director announces those landowner applications approved for funding.

Timeline: *September 6, 2013*

L) LS sends Notices of Selection to landowners

LS prepare (on their organization's letterhead) and send Notices of Selection (standard and contingent) to landowners selected for funding. Completed originals are forwarded to ODA.

Timeline: *Notice to be mailed to landowners: September 9, 2013 – October 28, 2013*
Original Notice back to ODA: September 9, 2013 – November 27, 2013 (deadline extended until February 17, 2014 for Contingent Notices of Selection)

M) LS orders title search and Title Commitment and forwards to ODA for Legal review

Per the CA, LS orders title search and title commitment. LS sends title commitment and source documents to ODA for review along with contact information for title agent.

Timeline: *Notice of Selection signed by landowner – January 27, 2014*

N) ODA issues Title Opinion and preliminary Closing Instructions to LS

ODA issues Title Opinion to LS, which will detail all items on the title commitment that the landowner and/or LS must have subordinated, extinguished or acknowledged prior to closing. Documents such as mortgage subordinations or oil and gas affidavits may be needed and templates are available on the LAEPP webpage.

Timeline: *This step is a prerequisite to requesting an ODA Purchase Agreement (see below)*

O) LS completes Present Condition Report

LS can begin work on the Present Condition Report (PCR), also known as Exhibit B to the Deed of Agricultural Easement, at any time. The PCR needs to be submitted to ODA for approval and a template can be found on the ODA forms page.

Timeline: *This step is a prerequisite to requesting an ODA Purchase Agreement (see below)*

P) Purchase Agreement and Draft Deed of Agricultural Easement

LS requests ODA to prepare and send a Purchase Agreement (formerly the Option to Purchase) and Draft Deed of Agricultural Easement to the landowner. ODA will send the Purchase Agreement within 30 days of request by LS provided the prerequisite steps above have been completed. In order to remain in the program, the landowner must return a signed Purchase Agreement to ODA within thirty (30) calendar days of postmark.

Note: There may be circumstances wherein a Draft Deed of Agricultural Easement is needed before a Purchase Agreement is issued (federal appraisal, mortgage subordination, etc.). Contact the Office of Farmland Preservation for these special circumstances.

Timeline: *Minimum 120 days before desired Closing date*

Q) LS provides Escrow Agreement to ODA for review

LS provides Escrow Agreement with their contracted title/closing agent to ODA for review. Per the CA, this agreement shall provide that ODA is a third party beneficiary of the escrow agreement and that funds shall be returned to ODA if not disbursed to the landowner within 90 calendar days of receipt by the title agent.

Timeline: *January 27, 2014 – no less than 90 days prior to Closing*

R) LS requests ODA initiate release of LAEPP Funds

ODA begins State Controlling Board process with finalized Purchase Agreement. ODA notifies LS of State Controlling Board meeting date. Note: Prior to this step, LS must have completed appropriate paperwork to be set up as a vendor in the State of Ohio's accounting system.

Timeline: *Completed Purchase Agreement is a prerequisite to this step
Minimum 90 days before desired Closing date*

S) LS fulfills ODA preliminary Closing Instructions

LS fulfills requirements of ODA's preliminary Closing Instructions and any subsequent requirements prior to Closing.

Timeline: *This step is a prerequisite to Final Deed of Agricultural Easement (see below)*

T) LS forwards signed Escrow Agreement to ODA

LS forwards previously-approved original signed Escrow Agreement to ODA.

Timeline: *This step is a prerequisite to initiating Closing process (see below)*
Minimum 45 days before desired Closing date

U) LS requests ODA prepare the Final Deed of Agricultural Easement and final Closing Instructions

LS requests ODA prepare the Final Deed of Agricultural Easement and final Closing Instructions. ODA prints the Final Deed of Agricultural Easement, obtains the Director's signature, and mails the Final Deed to the LS.

Timeline: *This step is a prerequisite to preparing the Escrow package (see below)*

V) LS prepares Escrow Package

LS prepares the final Escrow Package per ODA's final Closing Instructions. LS coordinates the Closing Conference, and executes ODA's Closing Instructions. If LS is participating in the Federal Farm and Ranch Lands Protection Program (FRPP), LS also coordinates those requirements with FRPP.

Timeline: *This step is a prerequisite to initiating the Closing process (see below)*

W) LS initiates Closing process

LS has title agent provide ODA with the Closing Protection Coverage documents and requests ODA have a check prepared and sent to the title agent to be held in escrow until Closing. Per the escrow agreement, LS will endorse the check so that it may be deposited in escrow by the title agent until the Closing Conference.

Timeline: *Minimum 30 days before desired Closing date*

X) LS forwards original recorded documents to ODA

Per the CA, LS forwards final Recorded Deed of Agricultural Easement, ODA Title Policy, and other documents to ODA as outlined in ODA's Closing Instructions.

Timeline: *No later than 90 days after Closing*

Y) LS monitors the Agricultural Easement

LS monitors the Protected Property annually to ensure compliance with the Deed of Agricultural Easement.

Timeline: *Annually*

3-21-2014