



**Am. H.B. 479**

123rd General Assembly

(As Reported by H. Housing & Public Lands)

**Reps. Damschroder, Vesper, Ford, Hoops, Ogg, Womer Benjamin, Brading, Willamowski, Grendell, Clancy, Taylor, Thomas, Terwilleger, Evans, Mead, Gooding**

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**BILL SUMMARY**

- Authorizes the Governor and Adjutant General to convey three parcels no longer used for armory or military purposes to the grantor of each parcel, pursuant to the reversionary clause in each parcel's deed.
- Authorizes the Governor to convey state-owned properties that the Adjutant General has determined are no longer required for military or armory purposes to a buyer or buyers to be determined under procedures established by the bill.
- Corrects an error in the description of the Blanchester Armory in Am. Sub. H.B. 376 of the 121st General Assembly and authorizes the conveyance of the Blanchester Armory to Thomas H. Lagos.

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**CONTENT AND OPERATION**

**Authority of the Governor and Adjutant General to convey real estate pursuant to reversionary clause**

(Section 1)

When the parcels described in this section of the bill were conveyed to the state, reversionary language was placed in the deeds that provided that each property would revert back to the grantor if the property was no longer used for military purposes. The bill states that the Adjutant General has determined that these parcels are no longer needed by the Ohio National Guard for armory or military purposes. The bill expressly states that the Adjutant General is authorized to give proper effect to the reversionary language in the original deeds. The bill provides for following the procedures in codified law (sec. 5301.13) for the

preparation, execution, and recording of the deeds to the real estate. In addition, the bill specifically authorizes the Governor to execute deeds in the name of the state, granting all of the state's right, title, and interest in the parcels, which are described in the bill. The locations of the parcels being conveyed are:

Parcel 1. In the City (formerly Village) of Willoughby, Lake County, to revert to the City of Willoughby.

Parcel 2. In the City of Lorain, Lorain County, to revert to the City of Lorain.

Parcel 3. In the City (formerly Village) of Napoleon, Henry County, to revert to the City of Napoleon.

**Authority of Governor to convey real estate after determination by Adjutant General**

(Section 2)

**The parcels**

The bill authorizes the Governor to convey seven parcels of real estate that the Adjutant General has determined are no longer needed for military or armory purposes. The conveyance is to be pursuant to section 5911.10 of the Revised Code, which authorizes the Governor and the Adjutant General, when authorized by an act of the General Assembly, to sell vacant armories. The bill describes the parcels of real estate the Adjutant General is authorized to convey. The locations of the parcels of real estate are:

Parcel 1. In Washington Township, in Lucas County.

Parcel 2. In Ravenna Township, in Portage County.

Parcel 3. In the City of Portsmouth, in Scioto County.

Parcel 4. In the Village of Shreve, in Wayne County.

Parcel 5. In the City of Fremont, in Sandusky County.

Parcel 6. In the Township of Boston, in Summit County.

Parcel 7. In the City of Westerville, in Franklin County.

### **The sale of the real estate**

The bill requires the Adjutant General, with the requested assistance of the Director of Administrative Services, to appraise each parcel or have the parcel appraised by one or more disinterested persons, for a fee to be determined by the Adjutant General, and to offer the real estate for sale as follows:

(1) The Adjutant General must first offer the real estate at the appraised value to the village, township, or city in which the property is located;

(2) If, after 60 days, the village, township, or city has not accepted the offer to purchase the real estate at the appraised value or if the village, township, or city has accepted the offer but has failed to complete the purchase, the Adjutant General must offer the real estate at the appraised value to the county in which the real estate is located;

(3) If, after 60 days, the county has not accepted the offer to purchase the real estate at the appraised value or if the county has accepted the offer but has failed to complete the purchase, a public auction must be held and the real estate must be sold to the highest bidder at a price acceptable to the Adjutant General. The Adjutant General may reject any and all bids for any reason whatsoever.

The Adjutant General must advertise each auction in a newspaper of general circulation within the county in which the real estate is located, once a week for two consecutive weeks prior to the date of the auction. The terms of sale must be payment of 10% of the purchase price, as bid by the highest bidder, in cash, bank draft, or certified check on the date of sale, with the balance payable within 60 days after the date of sale. If the purchaser does not complete the conditions of the sale as specified in the bill's public auction provisions, the purchaser must forfeit the 10% of the purchase price to the state as liquidated damages.

### **Costs of the public auction**

Advertising costs, appraisal fees, and other costs of the sales must be paid by the Adjutant General's Department.

### **Preparation of the deed**

The bill specifies the procedure for preparation of a deed to the real estate upon the payment of 10% of the purchase price by the purchaser at the public auction or upon notification from the Adjutant General's Department that a parcel of real estate has been sold in accordance with the bill. The bill requires the

purchaser to pay the balance of the purchase price before the deed is executed by the Governor and delivered to the purchaser.

**Net proceeds**

The bill specifies that the net proceeds of the sales must be deposited in the State Treasury to the credit of the Armory Improvements Fund within the Adjutant General's Department, pursuant to the law on the sale of vacant armories in section 5911.10 of the Revised Code.

**Condition**

The bill specifies that if a parcel of real estate is sold to a village, city, township, or county, and if that political subdivision sells the parcel within two years after its purchase, the political subdivision must pay to the state, to the credit of the Armory Improvements Fund within the Adjutant General's Department pursuant to section 5911.10 of the Revised Code, an amount representing one-half of any net profit. The net profit must be computed by subtracting the price at which the political subdivision bought the real estate from the price at which the political subdivision sold the real estate, then subtracting from that remainder the amount of any expenditures the political subdivision made for improvements to the real estate.

**Expiration date**

This section of the bill expires five years after its effective date.

**Correction of an error in the legal description of real estate in Am. Sub. H.B. 376 of the 121st General Assembly; conveyance of armory property**

(Section 3)

**Correction of error**

The bill corrects an error in the description of the Blanchester Armory in Am. Sub. H.B. 376 of the 121st General Assembly and authorizes the conveyance of the Blanchester Armory. Am. Sub. H.B. 376 approved the conveyance of the Blanchester Armory, located in Clinton County. The description of the armory in that act was inadequate as it included only one of the two parcels of real estate that comprise the Blanchester Armory property. Section 2 of that act contained a description for a parcel of real estate designated as "Parcel No. 15," which is the same parcel as "Parcel No. 1" described in division (B) of this section of the bill. The act did not contain a description of an adjacent parcel that is owned by the state and is also part of the Blanchester Armory property. Because of the

omission, the Governor's deed to convey the Blanchester Armory property could not be recorded. The adjacent parcel is described in division (B) of this section of the bill as "Parcel 2."

The terms of the conveyance authorized in this section were established by the Director of Administrative Services pursuant to division (B) of Section 2 of Am. Sub. H.B. 376 of the 121st General Assembly.

**Conveyance of armory property to Thomas H. Lagos**

The bill authorizes the Governor to execute a deed in the name of the state conveying to Thomas H. Lagos, and his heirs and assigns, all of the state's right, title, and interest in two parcels of state-owned real estate located in Clinton County and known as the Blanchester Armory. The conveyance is to be pursuant to the law on the sale of vacant armories in section 5911.10 of the Revised Code.

The consideration for the conveyance is the purchase price of \$30,000.

Thomas H. Lagos must pay the costs of the conveyance.

The net proceeds of the conveyance must be deposited in the State Treasury to the credit of the Armory Improvements Fund in the Adjutant General's Department pursuant to section 5911.10 of the Revised Code.

The bill provides for following the procedures in codified law (sec. 5301.13) for the preparation, execution, and recording of a deed to the real estate.

This section of the bill expires two years after its effective date.

**Authority of Governor to convey real estate after determination by the Adjutant General**

(Section 4)

**The real estate**

The bill authorizes the Governor to convey real estate that the Adjutant General has determined is no longer needed for military or armory purposes. The real estate consists of woods and helicopter pads located behind the headquarters of the Ohio National Guard in Columbus, Ohio, and is further described in this section. The conveyance is to be pursuant to the law on the sale of vacant armories in section 5911.10 of the Revised Code.

### *The sale of the real estate*

The bill requires the Adjutant General's Department, with the requested assistance of the Director of Administrative Services, to appraise the parcel or have it appraised by one or more disinterested persons for a fee to be determined by the Adjutant General, and offer the real estate for sale as follows:

(1) The Adjutant General must notify the Director of Administrative Services of the appraised value of the real estate and the Director must, within 30 days, provide notice to the Adjutant General of any interest by any state entity in acquiring the real estate at the appraised value, which state entity must then be afforded the first opportunity to purchase the real estate.

(2) If, after 30 days, the Director has not provided the Adjutant General with notice of any state entity interest in acquiring the real estate at the appraised value or if the state entity has accepted the offer but has failed to complete the purchase, the Adjutant General must offer the real estate at the appraised value to the City of Columbus;

(3) If, after 60 days, the City of Columbus has not accepted the offer to purchase the real estate at the appraised value or if the City of Columbus has accepted the offer but has failed to complete the purchase, the Adjutant General must offer the real estate at the appraised value to the Board of County Commissioners of Franklin County;

(4) If, after 60 days, the Board of County Commissioners of Franklin County has not accepted the offer to purchase the real estate at the appraised value or if the Board of County Commissioners of Franklin County has accepted the offer but has failed to complete the purchase, a public auction must be held and the real estate must be sold to the highest bidder at a price acceptable to the Adjutant General. The Adjutant General may reject any and all bids for any reason whatsoever.

The Adjutant General must advertise the auction in a newspaper of general circulation in Franklin County once a week for two consecutive weeks prior to the date of auction. The terms of sale must be payment of 10% of the purchase price, as bid by the highest bidder, in cash, bank draft, or certified check on the date of sale with the balance payable within 60 days after the date of sale. If the purchaser does not complete the conditions of sale as specified in this section of the bill, the purchaser must forfeit the 10% of the purchase price to the state as liquidated damages.

### **Costs of the public auction**

Advertising costs, appraisal fees, and other costs incident to the sale must be paid by the Adjutant General's Department.

### **Preparation of the deed**

The bill specifies the procedure for preparation of a deed to the real estate upon the payment of 10% of the purchase price by the purchaser at the public auction or upon notification from the Adjutant General's Department that the parcel of real estate has been sold in accordance with the bill. The bill requires the purchaser to pay the balance of the purchase price, before the deed is executed by the Governor and delivered to the purchaser.

### **Condition**

The bill specifies that if the real estate is sold to a state entity, the City of Columbus, or Franklin County, and if the state entity, the City of Columbus, or Franklin County sells the parcel within two years after purchasing it, the state entity, the City of Columbus, or Franklin County must pay the state, to the credit of the Armory Improvements Fund within the Adjutant General's Department pursuant to section 5911.10 of the Revised Code, an amount representing one-half of any net profit. The net profit must be computed by subtracting from the selling price of the real estate the original purchase price paid by the state entity, the City of Columbus, or Franklin County and subtracting from that remainder any expenditures by the state entity, the City of Columbus, or Franklin County for public improvements on the real estate.

The bill specifies that a state entity includes any department, agency, or university of the State of Ohio.

### **Net proceeds**

The net proceeds of the sale of the real estate at public auction, must be deposited in the State Treasury to the credit of the Armory Improvements Fund within the Adjutant General's Department pursuant to section 5911.10 of the Revised Code.

### **Expiration**

This section of the bill expires five years after its effective date.

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## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	10-12-99	p. 1257
Reported, H. Housing & Public Lands	01-12-00	pp. 1503-1506

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