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*Bill Analysis*  
Legislative Service Commission

## **S.B. 87**

124th General Assembly  
(As Introduced)

**Sen. Coughlin**

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### **BILL SUMMARY**

- Authorizes the conveyance of state-owned real estate located in Summit County to Summit County contingent upon Summit County exercising an option to purchase within one year of the bill's effective date.
- Provides for the sale of the real estate to certain political subdivisions and then by auction if Summit County does not exercise its option to purchase.

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### **CONTENT AND OPERATION**

#### **The conveyance**

The bill authorizes the Governor to execute a deed in the name of the state conveying to Summit County and its successors and assigns all of the state's right, title, and interest in the Boston Mills Organizational Maintenance Shop and other related facilities, which is located in Summit County (Section 1).

#### **Consideration**

The consideration for the conveyance is one dollar (Section 2).

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

The bill gives Summit County the option to purchase the real estate described in Section 1 of the bill at any time within the one-year period after the effective date of the bill. If Summit County does not exercise this option, the real estate must be offered for sale in the following manner (Section 3):

(1) At the request of the Adjutant General, the Director of Administrative Services must, pursuant to the procedures described in (2) below, assist in the sale of the real estate described in Section 1 of the bill.

(2) The Adjutant General must appraise the real estate or have it appraised by one or more disinterested persons for a fee to be determined by the Adjutant General and must offer the real estate for sale as follows:

(a) 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 (all of the property appears to be located in Boston Township).

(b) 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 (as noted above, the real estate is located in Summit County).

(c) 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.

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. (Section 3(A) and (B).)

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

The Adjutant General's Department must pay the advertising costs, appraisal fees, and other costs of the sales (Section 3(C)).

#### **Preparation of the deed**

The bill specifies the procedure for preparation of a deed to the real estate upon the purchaser's payment of 10% of the purchase price at the public auction or upon the Adjutant General's notification 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 delivered to the purchaser. (See **COMMENT 1.**) (Section 3(D).)

**Net proceeds**

The net proceeds of the sale 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 (Section 3(E)).

**Condition**

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, 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. (Section 3(F).)

**Preparation of deed if Summit County purchases real estate**

The bill provides for following the procedure in codified law (R.C. 5301.13) for preparation, execution, and recording of a deed to the real estate upon the payment of the purchase price by the purchaser if Summit County exercises the option to purchase the real estate under Section 3 of the bill (Section 4).

**Expiration**

This bill expires one year after its effective date (see **COMMENT 2**) (Section 5).

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**COMMENT**

1. The bill does not specifically authorize the Governor to execute a deed to any village, city, township, or purchaser at an auction.
2. If Summit County does not exercise its option to purchase, the bill will expire before the other procedures for selling the real estate occur.

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**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced s0087-i/kl	04-03-01	p. 262

