Ohio Legislative Service Commission

Bill Analysis

Alyssa Bethel

Am. H.B. 477*

130th General Assembly
(As Reported by S. State Government Oversight and Reform)

Reps. Brown, Anielski, Barnes, Brenner, Buchy, Grossman, Hackett, Huffman, Johnson, Letson, Phillips, Rosenberger, Sears, Smith, Stebelton, Young, Batchelder

BILL SUMMARY

- Authorizes 19 conveyances of state-owned real estate to various persons, by various methods, including by deed, sealed bid auction, or public auction.
- Declares an emergency.

CONTENT AND OPERATION

Real estate conveyances

The bill authorizes 19 public land conveyances. The legal descriptions of the parcels of land are in the bill.[1] The legal descriptions may be adjusted to accommodate any corrections necessary to facilitate recordation of the deeds. Information about each conveyance is attached to this analysis in a document entitled "State-Owned Real Estate Conveyances."

To convey a parcel of land under the bill, the Auditor of State, with the assistance of the Attorney General, prepares each deed. Deeds are executed by the Governor in the name of the state, countersigned by the Secretary of State, sealed with the Great Seal of the State, presented in the Office of the Auditor of State for recording, and delivered to the grantee, except for the conveyance of a perpetual easement in Section 18 of the bill, which requires the deed to be executed by the Director of Administrative Services.

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* This analysis was prepared before the report of the Senate State Government Oversight and Reform Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

[1] Sections 1 through 20.

Cost of the conveyances

For most of the conveyances, the grantee pays all costs associated with the purchase and conveyance, including recording costs and fees.[2] For many of the conveyances, the grantee also must pay other costs, for example, real estate taxes and assessments, the costs of surveys, title reports and opinions, property descriptions, appraisals, environmental studies, or remediation.[3]

For the Section 7 conveyance, the Department of Developmental Disabilities pays advertising costs, additional fees, and other costs incident to the sale of the property. The Section 9 conveyance requires the grantee and the University of Cincinnati to share equally all costs associated with the purchase and conveyance. The Sections 10, 11, and 12 conveyances involving the Department of Mental Health and Addiction Services have the Department paying advertising and other costs incident to the sale. Likewise, the Department of Youth Services,[4] the Superintendent of the State Highway Patrol,[5] and the Department of Rehabilitation and Corrections[6] must pay advertising and incidental costs involved in their conveyances. Lastly, the grantee and the Ohio State University must reach an agreement regarding payment of the costs associated with their purchase agreement under Section 17 of the bill.

Expiration date for the conveyances

The authorization for a conveyance under Sections 1, 2, 4, 5, 6, and 18 of the bill expires one year after the bill's effective date. The Sections 3 and 16 conveyance authorizations expire two years after the bill's effective date, and the Sections 7, 9, 10, 11, 12, 13, 14, 15, 17, 19, and 20 conveyance authorizations expire three years after the bill's effective date.

Emergency clause

The entire bill takes immediate effect. The reason for the emergency is that the conveyance in Section 2 needs immediate action to put the real estate to productive use for the economic benefit of all Ohioans.[7]

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[2] Sections 1, 2, 4, 5, 6, 19, and 20.

[3] Sections 3, 7, 10, 11, 12, 13, 14, 15, and 16.

[4] Section 13.

[5] Sections 14 and 15.

[6] Section 16.

[7] Section 21.

HISTORY

ACTION	DATE
Introduced	03-13-14
Reported, H State & Local Gov't	03-19-14
Passed House (92-1)	03-19-14
Reported, S. Gov't Oversight & Reform	----

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State-Owned Real Estate Conveyances

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This table summarizes the 19 conveyances of state-owned real estate authorized by H.B. 477.

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
Harold L. Snyder and his heirs and assigns *(Section 1)*	Pickaway County, Darby Township	$16,260, to be deposited to the credit of the Ohio Department of Rehabilitation and Correction Fund (Fund 2000), appropriation item 501607, Ohio Penal Industries.	5.420 acres	Grantee cannot use, develop, or sell the real estate in such a manner that the use, development, or sale will interfere with the quiet enjoyment of the neighboring state-owned land.
Brian McLaughlin and Jennifer McLaughlin, and their heirs and assigns *(Section 2)*	Franklin County, City of Columbus	$750,000, to be deposited to the credit of the Ohio University Endowment Fund.	Not stated in the legal description.	Sale must be conducted in accordance with the terms of an existing real estate purchase contract dated August 6, 2013, between Ohio University and the grantees.
Venture 5 Family Limited Partnership and its successors and assigns *(Section 3)*	Muskingum County, Perry Township	This is a land swap. The grantee simultaneously must convey 2 acres to the state.	2 acres	The deed must state the consideration in general terms.

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
Board of Education of East Clinton Local School District and its successors and assigns *(Section 4)*	Clinton County, Green Township	$1, to be deposited to the credit of the GRF.	15.00 acres	The real estate was originally conveyed to the state as collateral for school construction facility bonds, and the intent was to convey title of the real estate to the school district once the construction project was completed.
Twin Valley Community Local School District and its successors and assigns *(Section 5)*	Preble County, Twin Township; Preble County, Village of West Alexandria	"	2 tracts, one approx. 28.344 acres, and the other not stated in the legal description.	"
West Clermont Local School District and its successors and assigns *(Section 6)*	Clermont County, Union Township	"	Approx. 12 acres	"
Gallia County Rural Water Association and it successors and assigns, or to an alternative grantee and its heirs and assigns or successors and assigns *(Section 7)*	Gallia County, Addison Township	At a price acceptable to the directors of Administrative Services and of Developmental Disabilities. Net proceeds must be deposited to the credit of the Mental Health Facilities Improvement Fund (Fund 7033) (R.C. 154.20) and must be used to offset bond indebtedness for Gallipolis Developmental Center capital projects.	13.240 acres	Deed may contain restrictions, exceptions, reservations, reversionary interests, and other conditions the Director of DAS determines to be in the state's best interest. The real estate must be offered to the Gallia County Rural Water Association through a real estate purchase agreement. If the purchase is not completed within the time period specified in the agreement, the Director of DAS may use any reasonable method of sale to determine an alternate grantee.

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
UC Health and its successors and assigns, or to an alternative grantee and its heirs and assigns or successors and assigns *(Section 9)*	Hamilton County, City of Cincinnati	$15 million, to be paid to the University of Cincinnati and deposited into the appropriate university accounts.	1.5392 acres	Deed may contain restrictions, exceptions, reservations, reversionary interests, and other conditions the state or the University of Cincinnati determines to be in the state's best interest, including restrictions that protect the state's interest in neighboring state-owned land. Subsequent to the conveyance, all of these conditions may be released by the state or the University without the need for further legislation. If UC Health does not complete the purchase within one year after the bill's effective date, the University may use any reasonable method of sale to determine an alternate grantee.
A grantee, to be determined by sealed bid auction, and the grantee's heirs and assigns or successors and assigns *(Section 10)*	Montgomery County, City of Dayton	Real estate to be sold by sealed bid auction to the highest bidder, in the manner set forth in the bill and at a price acceptable to the directors of Administrative Services and of Mental Health and Addiction Services. Net proceeds must be deposited to the credit of the Department of Mental Health and Addiction Services Trust Fund (R.C. 5119.46).	Not stated in the legal description.	Director of DAS and purchaser must enter into a real estate purchase agreement. Deed may contain restrictions, exceptions, reservations, reversionary interests, and other conditions the directors of DAS and of MHAS may determine to be in the state's best interest.

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
A grantee, to be determined by sealed bid auction, and the grantee's heirs and assigns or successors and assigns *(Section 11)*	Guernsey County, Cambridge Township	Real estate to be sold by sealed bid auction to the highest bidder, in the manner set forth in the bill and at a price acceptable to the directors of Administrative Services and of Mental Health and Addiction Services. Net proceeds must be deposited to the credit of the Department of Mental Health and Addiction Services Trust Fund (R.C. 5119.46).	3 tracts, one 24.544 acres, one 5.000 acres, and one 73.000 acres	Director of DAS and purchaser must enter into a real estate purchase agreement. The deed or deeds may contain restrictions, covenants, and other conditions the directors of DAS and of MHAS determine to be in the state's best interest and are necessary to protect the state's interest in neighboring state-owned land. The deed or deeds also may contain restrictions prohibiting a grantee from occupying, using, or developing, or from selling, the real estate such that the use or alienation will interfere with the quiet enjoyment of neighboring state-owned land.
A grantee, to be determined by sealed bid auction, and the grantee's heirs and assigns or successors and assigns *(Section 12)*	Franklin County, City of Columbus	"	Approx. 6.030 acres	Director of DAS and purchaser must enter into a real estate purchase agreement. Deed may contain restrictions, covenants, and other conditions the directors of DAS and of MHAS may determine to be in the state's best interest.
A grantee, either the City of Columbus through a real estate purchase agreement, or to be determined by	Delaware County, Concord Township	If sold to the City of Columbus, the consideration must be a price considered appropriate to the Director of Administrative Services and the Director of	2 parcels, one approx. 39.059 acres and one approx. 60.0265 acres	Director of DAS and purchaser must enter into a real estate purchase agreement. Deed may contain restrictions, covenants, and other conditions the directors of DAS and

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
sealed bid auction, and the grantee's heirs and assigns or successors and assigns *(Section 13)*		Youth Services. Real estate to be sold by sealed bid auction to the highest bidder, in the manner set forth in the bill and at a price acceptable to the directors of Administrative Services and of Youth Services. Net proceeds must be deposited to the credit of the Juvenile Correctional Building Fund (Fund 7028) (R.C. 154.24).		of YS determine to be in the state's best interest.
A grantee, to be determined by auction, and the grantee's heirs and assigns or successors and assigns *(Section 14)*	Trumbull County, Howland Township and City of Warren	The Superintendent of the State Highway Patrol may request the Director of Administrative Services, on behalf of the Department of Public Safety, Division of State Highway Patrol to sell the real estate by sealed bid auction or by public auction to the highest bidder, in the manner set forth in the bill and at a price acceptable to the Director and the Superintendent. Net proceeds must be deposited to the credit of the Highway Patrol Justice Contraband Fund (R.C. 2981.14).	0.94 acre	Director of DAS and purchaser must enter into a real estate purchase agreement.
A grantee, to be determined by auction, and the	Stark County, Tuscarawas Township and City	Superintendent of the State Highway Patrol may request the Director of Administrative	Approx. 10 acres	"

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
grantee's heirs and assigns or successors and assigns *(Section 15)*	of Massillon	Services, on behalf of the Department of Public Safety, Division of State Highway Patrol, to sell real estate by sealed bid auction or by public auction to the highest bidder, in the manner set forth in the bill and at a price acceptable to the Director and the Superintendent. Net proceeds must be deposited to the credit of the State Highway Safety Fund (R.C. 4501.06).		
A grantee and the grantee's heirs and assigns or successors and assigns *(Section 16)*	Allen County, City of Lima; Lorain County, City of Grafton; Hocking County, City of Nelsonville; Warren County, City of Lebanon; Madison County, City of London; Richland County, City of Mansfield; Marion County, City of Marion; Union County, City of Marysville; Mahoning County, City of Youngstown;	Directors of Administrative Services and of Rehabilitation and Correction must determine whether to convey parcels by sealed bid, public auction, a negotiated real estate sale agreement, or other lawful means. If sold by sealed bid or public auction, which must be conducted in the manner set forth in the bill, a parcel must be sold to the highest bidder at a price acceptable to those directors. Net proceeds of the sale must be deposited to the credit of the Property Receipts Fund (R.C. 5120.22).	Not stated in the legal description, but consisting of numerous parcels, all of which are identified by their addresses and are located on property under the jurisdiction of a state correctional institution or facility, a reformatory, or a penitentiary.	A parcel may not be conveyed until the directors of Administrative Services and of Rehabilitation and Correction have determined the parcel is surplus real property no longer needed by the state and that the conveyance is in the state's best interest. The deed or deeds must contain restrictions prohibiting the grantee from occupying, using, or developing, or from selling, the real estate such that the use or alienation will interfere with the quiet enjoyment of neighboring state-owned land.

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
	Pickaway County, City of Orient; Ross County, City of Chillicothe, Fairfield County, City of Lancaster; Scioto County, City of Lucasville			
A grantee and the grantee's heirs and assigns or successors and assigns *(Section 17)*	Franklin County, City of Worthington	The Ohio State University must determine whether to convey the real estate by sealed bid, public auction, or a negotiated real estate sale agreement. Net proceeds must be paid to the University and deposited into the appropriate university accounts for the benefit of The Ohio State University Wexner Medical Center.	Not stated in the legal description; the conveyance consists of 2 parcels.	The deed or deeds may contain restrictions, exceptions, reservations, reversionary interests, and other conditions the state or the Ohio State University determine to be in the state's best interest, including restrictions necessary to protect the state's interest in neighboring state-owned land. Subsequent to the conveyance, any of these conditions may be released by the state or the University without the need for further legislation.
City of Columbus and its successors and assigns *(Section 18)*	Franklin County, City of Columbus	$1	A 0.685 acre sanitary sewer perpetual easement	Perpetual easement must require Columbus to assume perpetual responsibility for operating, maintaining, repairing, renewing,

Grantee	Location of property	Consideration	Acreage	Conveyance conditions
				reconstructing, and replacing the sanitary sewer pipeline currently located on the property.
Scripps Media, Inc. and its heirs and assigns or successors and assigns *(Section 19)*	Cuyahoga County, City of Cleveland	This is a land swap. The grantee simultaneously must convey approximately .504 acres to the state.	Approximately .0594 acres	As consideration for the conveyance of the state's real estate to the grantee, the grantee must convey its designated parcel, by warranty deed, fee simple title to the state.
A grantee and the grantee's heirs and assigns or successors and assigns *(Section 20)*	Cuyahoga County, City of Shaker Heights	Cleveland State University must determine whether to convey the real estate by sealed bid, public auction, negotiated real estate sale agreement, or any available legal means.	Not stated in the legal description.	The deed may contain restrictions, covenants, and other conditions the state or Cleveland State University determine to be in the state's best interest.

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