



Ohio Legislative Service Commission

Tom Wert

Fiscal Note & Local Impact Statement

Bill: [Am. Sub. S.B. 275 of the 129th G.A.](#)

Date: May 24, 2012

Status: As Passed by the House

Sponsor: Sen. Hite

Local Impact Statement Procedure Required: No

Contents: Authorizes the conveyance of real estate owned by the state and declares an emergency

State and Local Fiscal Highlights

- The bill specifies the terms of various real estate transactions in which the state is to convey state-owned property either to designated parties for a specified amount, mutual benefit, or by auction to the highest bidder.
- Section 1 of the bill corrects a legal property description applying to state property that was to be conveyed to MetroHealth System in Cleveland under H.B. 153, the main operating budget act for the FY 2012-FY 2013 biennium. Section 18, involving a conveyance of state land to Winsong LLC, eliminates a right of reversion contained in the original transaction. The bill contains an emergency clause in order that these conveyances take effect immediately.

Detailed Fiscal Analysis

The table below identifies the section in the bill containing the proposed transaction, the state agency that uses or superintends the property currently, the grantee, a brief property description, the county where the property is located, the financial or other consideration related to the transaction, and, where applicable, the state fund that is to receive the proceeds of the various conveyances. Note that the conveyance of state property used by the Department of Mental Health (DMH) to MetroHealth under Section 1 of the bill is declared an emergency, and thus takes effect immediately. The emergency clause also applies to the conveyance under Section 18, which releases the grantee, Winsong LLC, from a reversionary clause that applied when the state conveyed the property under H.B. 840 of the 114th General Assembly. The bill also declares this section an emergency. Following the table are more detailed descriptions of each of the proposed transactions.

Summary of Land Conveyances Included in S.B. 275						
Bill Section	Agency	Grantee	Description	County	Consideration	Fund
1	DMH	Board of County Hospital Trustees of the MetroHealth System	Approximately 3.5 acres adjacent to MetroHealth facility near Southpoint Drive	Cuyahoga	\$10; \$3.4 million to be paid by DMH for demolition from Fund 7033	N/A
3	ADJ	One or more purchasers	Marion Armory, Eaton Armory, and Eaton MVSB	Marion & Preble	Appraised value or highest bidder	5340
4	ADJ	City of Defiance	Motor vehicle storage facility and 15.32 acres	Defiance	\$90,000 (\$70,000 credited to grantee)	5340
5	DAS	Spanish War Veterans Association	Approximately 1.5 acres Lake Erie waterfront	Erie	\$10	N/A
6	DDD	Buyer or buyers from auction	Out Lot 14 in Wayne County	Wayne	Auction	7033
7	DDD	Board of County Commissioners, Guernsey County	About an acre in Cambridge Township	Guernsey	\$5,000	N/A
8	UAK	One or more purchasers	Akron Rubber Bowl	Summit	Purchase price and any terms and conditions acceptable to the University of Akron	N/A
9	DDD	Board of Education of the Columbus City School District	0.719 acres more or less of nondedicated roadway on state property at the Columbus Developmental Center	Franklin	\$3,131.96	1520
10	DDD	City of Cambridge	Waterline easement	Guernsey	\$1	N/A
11	OHS	Robert and Nancy	.233 acres adjacent to	Hamilton	\$1,200	N/A

Summary of Land Conveyances Included in S.B. 275						
Bill Section	Agency	Grantee	Description	County	Consideration	Fund
		Olson	Harrison Tomb			
12	OHS	United States National Park Service	Seip Mound Property totaling 122 acres	Ross	Mutual benefit of the state and United States	N/A
13	OSU	City of Columbus	.002 acres of land at Northwood Avenue in Columbus	Franklin	\$3,070	N/A
14	OSU	One or more purchasers	Nine real estate properties in three counties	Brown, Franklin, and Wayne	Purchase price and any terms and conditions acceptable to OSU	N/A
15	SFC	Brunswick City School District	17 acres of land along Laurel Road	Medina	\$10	GRF
16	DYS	One or more purchasers	Approximately 30 acres in Concord Township	Delaware	Purchase price set forth in purchase agreement	7028
17	SFC	Ripley Union Lewis Huntington School District	Parcel One: 48.9 acres along U.S. Route 52; Parcel Two: 3.4 acres along U.S. Route 52	Brown	\$10	GRF
18	DMH	Winsong Investments, LLC.	Property formerly owned by DMH, adjacent to the Hospice of Dayton	Montgomery	Release of Right of Reversion	N/A
19	ODE	City of Columbus	Permanent easement	Franklin	Mutual benefit	N/A
20	DRC	Lebanon Trotting Club Inc., and Miami Valley Trotting, Inc.	128 acres on the NE corner of SR. 63 and Union Road.	Warren	\$4.5 million	2000

Section 1 – Property adjacent to MetroHealth Facilities to MetroHealth System

The bill corrects the legal property description of a land conveyance authorized in the main operating budget bill (H.B. 153). The property to have been conveyed under H.B. 153 is approximately 3.5 acres adjacent to MetroHealth Medical Center near the intersection of Southpoint Drive and Scranton Road in Cleveland. Under H.B. 153, the consideration for the conveyance is \$10, with the grantee required to pay all costs of conveyance including surveys and recordation. The conveyance under H.B. 153 also specifies that the Department of Mental Health provide \$3,400,000 from the Mental Health facilities Improvement Fund (Fund 7033) for demolition of an existing building. The bill contains an emergency clause that provides for this conveyance to have immediate effect.

Section 3 – Adjutant General property in Marion and Preble Counties

The bill authorizes the sale of certain parcels of real estate associated with the Marion Armory, located in Marion County, and the Eaton Armory and Eaton MVS

located in Preble County. The bill requires the Adjutant General to appraise the parcels and offer them, at the appraised value, to the respective municipal corporation or township and county in which they are located. If neither public entity acquires the property, each parcel would be sold at public auction to the highest bidder. The bill requires the Adjutant General to pay all advertising costs, appraisal fees, and other sale costs. These properties are no longer needed by the Adjutant General and are deemed surplus. The bill specifies that the net proceeds of the sale of the parcels be deposited into the state treasury to the credit of the Armory Improvements Fund (Fund 5340).

Section 4 – Adjutant General property to City of Defiance

The bill authorizes the Department of Administrative Services (DAS) to convey approximately 15.32 acres, including a motor vehicle storage facility, in Defiance County to the City of Defiance and its successors. The city of Defiance has leased this property from the state for more than 30 years. Conveyance is offered in consideration of \$90,000 with the grantee to pay all costs of conveyance including fees for recordation. The city will be credited \$70,000 for certain improvements made to the facility during the lease term at closing. The bill specifies that net proceeds of the sale be deposited in the state treasury to the credit of the Armory Improvements Fund (Fund 5340).

Section 5 – Spanish War Veterans Association in Erie County

The bill authorizes DAS to convey approximately 1.5 acres along Lake Erie, in Erie County to the Spanish War Veterans Association and its successors. The property was originally conveyed to the state in 1934 to qualify for a federal Works Project Administration erosion and tidal wave mediation project. Originally the title for this property was to have been returned to the Spanish War Veteran Association once the project was completed. This conveyance is to correct the oversight. Conveyance is offered in consideration of \$10. The bill requires the grantee to pay all costs of the conveyance, including fees for recordation.

Section 6 – Out Lot 14, Village of Apple Creek in Wayne County

The bill authorizes the Governor to convey to a buyer or buyers to be determined certain real estate located in Wayne County known as part of Out Lot 14. The bill requires that the real estate be sold in its present condition through a public auction conducted by DAS to the highest bidder at a price acceptable to both DAS and the Ohio Department of Developmental Disabilities (ODODD). (The bill also specifies that DAS may reject any and all bids from the auction.) The bill specifies the terms of sale as 10% of the purchase price in cash, bank draft, or certified check on the date of sale, with the balance payable within 60 days after the date of sale. The net proceeds of the sale of the real estate are required to be deposited in the Mental Health Improvement Fund (Fund 7033) to be used to offset bond indebtedness for Gallipolis Developmental Center capital projects. ODODD is responsible to pay for the costs associated with advertising, appraisal, and other issues related to the conveyance.

Section 7 – Cambridge Township in Guernsey County

The bill authorizes the Governor to convey to the Board of County Commissioners of Guernsey County approximately one acre of real estate in Cambridge Township. The bill specifies the consideration for the conveyance is the purchase price of \$5,000 paid to the state at closing according to a mutual agreement reached between the state and the grantee. The bill requires the Board of County Commissioners of Guernsey County to pay the costs of the conveyance, including recordation costs of the deed.

Section 8 – Akron Rubber Bowl

The bill authorizes the Governor to convey to a buyer or buyers to be determined the real property and facility known as the Akron Rubber Bowl. The conveyance is offered in consideration of a purchase price and any terms and conditions acceptable to the Board of Trustees of The University of Akron. The bill requires the purchaser or purchasers to pay all the costs of conveyance, including recordation costs of the deed or deeds.

Section 9 – Columbus City School District in Franklin County

The bill authorizes the Governor to convey approximately 0.7 acres of nondedicated roadway on state property located at the Columbus Developmental Center to the Board of Education of the Columbus City School District. Conveyance is offered in consideration of \$3,131.96, which is to be paid by the Board. The bill specifies that the net proceeds of the sale of the real estate be deposited into the State Treasury to the credit of Fund 1520 used by the Department of Developmental Disabilities.

Section 10 – Perpetual easement of water supply line to the City of Cambridge

The bill authorizes DAS to execute a perpetual easement to grant the City of Cambridge a perpetual interest in an existing water supply line at the Cambridge Developmental Center in Guernsey County. The bill requires the City of Cambridge, upon full execution of the easement, to assume perpetual responsibility to make general improvements to the easement area. The bill specifies the consideration for granting the easement is \$1.

Section 11 – Hamilton County Property to Robert and Nancy Olson

The bill authorizes the Governor to convey a .223 acre orphaned tract created when Cliff Road adjacent to Harrison Tomb in Hamilton County was relocated. The property is currently held by the Ohio Historical Society. The orphaned parcel denied the owners of a neighboring home from having direct access to Cliff Road. Conveyance is offered to Robert and Nancy Olson (the neighboring homeowners) in consideration of \$1,200. The bill requires grantee to pay all costs of conveyance, including fees for recordation.

Section 12 – Seip Mound property to National Park Service

The bill authorizes the Governor to convey the approximately 122 acre Seip Mound property overseen by the Ohio Historical Society in Ross County to the United States National Park Service. The property is to be made part of the Hopewell Culture National Historical Park. Conveyance is offered in consideration of the mutual benefit to both the state of Ohio and the United States National Park Service. The bill requires the grantee to pay all costs of conveyance, including fees for recordation.

Section 13 – Ohio State University property to City of Columbus

The bill authorizes the Governor to convey a small parcel of land located at Northwood Avenue to the City of Columbus to permit the installation of a traffic signal. Conveyance is offered in consideration of \$3,070, as derived by mutual agreement reached between the state and Columbus through an executed Offer to Purchase. The costs of the conveyance are to be paid by the city.

Section 14 – Ohio State University properties to one or more purchasers

The bill authorizes the Governor to convey nine real estate properties located in Brown, Franklin, and Wayne counties to one or more purchasers. Conveyance is offered in consideration of the purchase price and any terms and conditions acceptable to the Board of Trustees of the Ohio State University. The costs of the conveyance are to be paid by the purchaser or purchasers. The bill specifies that the net proceeds of the sale of the real estate are to be paid to the Ohio State University and deposited in university accounts for purposes determined by the Board of Trustees.

Section 15 – Brunswick City School District in Medina County

The bill authorizes the Governor to convey approximately 17 acres of land along Laurel Road in Medina County to the Brunswick City School District. This conveyance is to correct an oversight, whereby the state, which had been holding the parcels of land as collateral for bond requirements under Brunswick's school facilities project, was to have returned the land to Brunswick upon completion of the project. Conveyance is offered in consideration of \$10, which is to be paid by Brunswick. The bill specifies that the net proceeds of the sale of the real estate be deposited into the State Treasury to the credit of the GRF.

Section 16 – Department of Youth Services property in Delaware County

The bill authorizes the sale of approximately 30 acres of real estate, all or in part, improved with a building formerly used for training purposes located in Delaware County. The bill requires the purchaser or purchasers to pay the costs of the conveyance and specifies that the net proceeds from the sale be deposited in the state treasury to the credit of the Juvenile Correctional Building Fund (Fund 7028). The site is no longer needed by the Department and is deemed surplus. The sale of this real estate will result in a onetime revenue gain for Fund 7028.

Section 17 – Ripley Union School District in Brown County

The bill authorizes the Governor to convey two parcels of land totaling approximately 52 acres along U.S. Route 52 in Brown County to the Ripley Union Lewis Huntington School District. This conveyance is to correct an oversight, whereby the state, which had been holding the parcels of land as collateral for bond requirements under Ripley's school facilities project, was to have returned the land to Ripley upon completion of the project. Conveyance is offered in consideration of \$10, which is to be paid by Ripley. The bill specifies that the net proceeds of the sale of the real estate be deposited into the State Treasury to the credit of the GRF.

Section 18 – Former Department of Mental Health Property in Montgomery County

The bill authorizes the Governor to execute a deed which shall expressly release any and all rights of reversion for a property formerly owned by the Department of Mental Health. The property in Montgomery County is adjacent to the Hospice of Dayton and currently owned by Winsong LLC. It was originally conveyed as authorized in Sub. H.B. 840 of the 114th General Assembly. The release of right of reversion will allow the property to be purchased and used by the Hospice of Dayton. This provision does not convey any property, thus there is no consideration for the execution of the deed. The bill contains an emergency clause that provides for the release of rights of reversion to have immediate effect.

Section 19 – Permanent easement on Ohio School for the Deaf property in Franklin County

Section 19 is remedial, its purpose to alter a legal description of a permanent easement to the City of Columbus under H.B. 552 of the 122nd General Assembly. The easement is on the Ohio School for the Deaf property in Franklin County. The conveyance is made in consideration of the mutual benefit to the city and state. The bill requires the city to pay all costs of the conveyance.

Section 20 – Warren County Property to Lebanon Trotting Club, Inc. and Miami Valley Trotting, Inc.

The bill authorizes the Governor to convey 128 acres at the Northeast corner of State Route 63 and Union Road in Warren County to Lebanon Trotting Club, Inc. and Miami Valley Trotting, Inc. The bill requires that the state be granted perpetual ingress and egress rights to a culvert and roadway forming the eastern boundary of the real estate. The state uses this roadway to access the Lebanon Correctional Institution dairy barn. Additionally, the bill requires the grantees to create and maintain, at the grantees' sole cost, a landscape buffer zone around the perimeter of the property. The bill also requires the grantees to coordinate with the appropriate state and local authorities to improve State Route 63 with new signage and adequate turning lanes and restricts the grantees from using or developing the property in a manner that will interfere with the quiet enjoyment of the neighboring state owned land. The bill requires the grantee to

pay all costs associated with the purchase and conveyance. Consideration for the conveyance is \$4.5 million. Net proceeds of the sale are to be credited to the Ohio Penal Industries Fund (Fund 2000), used by the Department of Rehabilitation and Correction (DRC).

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