

- Certain parcels will be transferred to local governments under reversionary clauses in their deeds. The local governments affected may incur costs associated with the maintenance and upkeep of these properties. (The Adjutant General currently estimates that it spends an average of \$83,000 per year to maintain an armory.) Potential revenue gains could result from selling or renting these properties.

Detailed Fiscal Analysis

The bill authorizes the Adjutant General to sell or transfer certain closed armories that are no longer needed for military purposes. (Armories are buildings and land used by the National Guard for meetings, training, and equipment storage.) In all, there are 11 properties included in this legislation. The deeds of three armories contain reversionary language that requires the state to revert the title back to the original grantor when the property is no longer used for military purposes. The following table describes these three properties and the recipients.

Properties Subject to Reversionary Clause		
Location	Facility	Reverts to:
Willoughby	Armory	City of Willoughby
Lorain	Land	City of Lorain
Napoleon	Land	City of Napoleon

The reversionary clauses in these deeds require an active statement by the local entities to avoid receiving the property. The local governments will assume the cost of basic maintenance for these properties. It is for this reason that the potential to negatively impact the budgets of the local governments exists.

Costs for maintaining the Lorain and Napoleon properties should be minimal as these properties are only land. The maintenance costs for the Willoughby Armory will be the greatest. The Adjutant General has estimated that annual maintenance costs average \$83,000 per armory. This figure includes maintenance, operations, utilities, and basic capital expenditures and merely represents an average. Costs may vary drastically based on the individual armory. The Willoughby Armory was built in 1953 and is in fairly good condition. Because of this, maintenance costs should be less than the average for this facility.

Properties Being Offered for Sale				
Parcel #	Location	County	Description	Estimated Value
1	Toledo Secor Road	Lucas	Armory	\$65,000
2	Ravenna	Portage	Armory	\$200,000
3	Portsmouth	Scioto	Armory	\$235,000
4	Shreve	Wayne	Armory	\$118,000
5	Fremont	Sandusky	Armory	\$115,000
6	Boston Mills	Summit	Maintenance Shop	\$595,000
7	Westerville	Franklin	Land -- 0.07 acre parcel	\$9,000
Additional Parcel	Don Scott Field	Franklin	Helicopter Landing Pads (10 acres)	\$1.575 million

The parcel located at Don Scott Field is currently part of Beightler Armory, which is the Adjutant General's main office. Lands owned by the Ohio State University and the Ohio Department of Public Safety surround this parcel.

After the sale or transfer, the Adjutant General will no longer have to pay maintenance costs on these properties. Annual maintenance costs average at \$83,000 per armory; however, many of the properties that are being offered for sale have been closed for a couple of years and the Department is no longer paying significant maintenance costs on these properties. Because of this, cost savings as a result of closure, for the most part, have already been realized.

The Adjutant General will be responsible for costs related to the disposal of these properties, such as advertising if a public auction is needed. These costs will be subtracted from the proceeds of the sales. These costs will be minimal.

All profits from the sale of the properties listed in this bill will be deposited in the Armory Improvements Fund. Moneys from this fund will be used to make much-needed repairs and updates to various armories and other buildings maintained by the Adjutant General.

*LSC fiscal staff: Sara Doddy, Budget Analyst
Susan Ackerman Murray, Budget Analyst*

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