



Ohio Legislative Service Commission

Bill Analysis

Amber Hardesty

H.B. 313

128th General Assembly
(As Introduced)

Reps. Ujvagi and Winburn, Domenick, Patten, Murray, Hagan, Driehaus, B. Williams, Foley, Skindell, S. Williams, Letson, Stewart, Lehner

BILL SUMMARY

- Authorizes a county with a population greater than 100,000, or with a population between 78,000 and 81,000, to organize a county land reutilization corporation (CLRC).
- Authorizes a county treasurer of a county with a CLRC to utilize the alternative redemption period in actions to foreclose abandoned lands.
- Exempts a CLRC from being subject to equitable remedies in connection with a parcel of land the CLRC acquires.
- Immunizes a CLRC from liability for breach of a common law duty in connection with a parcel of land the CLRC acquires.

CONTENT AND OPERATION

County land reutilization corporations

Creation of county land reutilization corporations

(R.C. 1724.04)

Current law authorizes the board of county commissioners of a county having a population exceeding 1.2 million, and that has elected to implement land reutilization powers, to create a county land reutilization corporation (CLRC). A CLRC is a nonprofit corporation created for the purposes of promoting development and managing and facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, or tax-foreclosed real property.

The bill authorizes counties having a population of more than 100,000, or a population between 78,000 and 81,000, as of the most recent federal decennial census, to create a CLRC.

Board of CLRC

(R.C. 1724.03)

Under current law the board of directors of a CLRC must be composed of at least five members, including the county treasurer, at least two of the members of the board of county commissioners, and two members selected by the treasurer and the county commissioners who are members of the corporation's board and approved by a majority of the chief executive officers of all municipal corporations the majority of the territory of which is located in the county. The treasurer and county commissioners who are members of the board of directors must establish the process by which this approval is obtained. The failure, refusal, or inability of any chief executive officer to respond in writing to any request for approval of the members selected by the treasurer and county commissioners within 14 days is deemed to be an approval by that chief executive officer. Any such failure, refusal, or inability to respond does not prevent the corporation from exercising its powers and authority under the CLRC Law.

Under the bill, the board of directors of a CLRC must be composed of five, seven, or nine members, including the county treasurer, at least two of the members of the board of county commissioners, and the remaining members selected by the treasurer and the county commissioners who are members of the corporation's board. The bill also removes the approval process described above.

CLRC liabilities

(R.C. 5722.22)

Under current law, a CLRC that acquires property is not subject to liability for damages arising from damage caused by leaking underground storage tanks, air pollution, sewage waste, and hazardous wastes and chemicals under R.C. Chapters 3704., 3734., 3737., 3745., 3746., 3750., 3751., 3752., 6101., and 6111., or for violation of any rule adopted, or order, permit, license, variance, or plan approval issued, under those chapters that is or was committed by another person in connection with a parcel of land the CLRC acquires.

The bill adds that a CLRC is not liable for damages or subject to equitable remedies for breach of a common law duty or for violation of the chapters listed above or any rule adopted or order, permit, license, variance, or plan approval issued under any of those chapters in connection with a parcel of land the CLRC acquires.

Nonjudicial foreclosure proceedings for abandoned lands

(R.C. 323.78)

Current law creates an alternative redemption period¹ that potentially shortens the time within which an owner or other interested party can redeem abandoned tax-foreclosed property. Under current law, if the county treasurer of a county having a population of more than 1.2 million as of the most recent decennial census (currently Cuyahoga County), in any petition for foreclosure of abandoned lands,² elects to invoke the alternative redemption period, then upon any adjudication of foreclosure by any court or the board of revision in any proceeding enforcing a tax lien, for a foreclosure on unoccupied lands, or a foreclosure on lien of the state, the following apply:

(1) Unless otherwise ordered by a motion of the court or board of revision, the petition must assert, and any notice of final hearing must include, that upon foreclosure of the parcel, the equity of redemption in any parcel by its owner is forever terminated after the expiration of the alternative redemption period, that the parcel thereafter can be sold at sheriff's sale either by itself or together with other parcels as permitted by law; or that the parcel can, by order of the court or board of revision, be transferred directly to a municipal corporation, township, county, school district, or county land reutilization corporation without appraisal and without a sale, free and clear of all impositions and any other liens on the property, which are deemed forever satisfied and discharged.

(2) After the expiration of the alternative redemption period following an adjudication of foreclosure, by order of the court or board of revision, any equity of redemption is forever extinguished, and the parcel can be transferred individually or in lots with other tax-foreclosed properties to a municipal corporation, township, county, school district, or county land reutilization corporation without appraisal and without a sale, upon which all impositions and any other liens subordinate to liens for impositions due at the time the deed to the property is conveyed to a purchaser or transferred to a community development organization, county land reutilization corporation, municipal

¹ "Alternative redemption period," is the 45-day period after an adjudication of foreclosure of the parcel is journalized by a court or county board of revision having jurisdiction over the foreclosure proceedings (R.C. 323.65, not in the bill).

² "Abandoned land" means delinquent lands or delinquent vacant lands, including any improvements on the lands, that are unoccupied and that first appeared on the list of parcels of abandoned land, or the delinquent tax list or delinquent vacant land tax list, at whichever of the following times is applicable: (1) in the case of lands other than agricultural lands, at any time after the county auditor makes the certification of the delinquent land list, or (2) in the case of agricultural lands, at any time after two years after the county auditor makes the certification of the delinquent land list (R.C. 323.65, not in the bill).

corporation, county, township, or school district, are deemed satisfied and discharged. Other than the order of the court or board of revision so ordering the transfer of the parcel, no further act of confirmation or other order is required for the transfer, or for the extinguishment of any right of redemption.

(3) Upon the expiration of the alternative redemption period in cases to which the alternative redemption period has been ordered, if no community development organization, county land reutilization corporation, municipal corporation, county, township, or school district has requested title to the parcel, the court or board of revision can order the property sold as otherwise provided in Ohio law, and, failing any bid at that sale, the parcel is forfeited to the state and must be otherwise disposed of pursuant to Ohio law regarding the sale of forfeited property.

The bill makes these provisions also applicable to counties in which a county land reutilization corporation operates (see above).

HISTORY

ACTION	DATE
Introduced	10-14-09

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