As Passed by the Senate

124th General Assembly Regular Session 2001-2002

Am. Sub. H. B. No. 426

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REPRESENTATIVES Young, Brinkman, Britton, Carey, Carmichael, DeWine, Fessler, Flowers, Hagan, Lendrum, Schaffer, Schmidt, Seaver, Webster, Willamowski, Trakas, Patton, Damschroder, Williams, Buehrer, Coates, Hollister, Carano, Sulzer, Sferra, Setzer, Niehaus, Reidelbach, Salerno, Otterman, Kearns, Roman, Perry, Brown **SENATORS** Robert Gardner, Amstutz

ABILL

То	amend sections 163.52 and 163.59 of the Revised	1
	Code to require acquiring state agencies to make	2
	every reasonable effort to provide a copy of the	3
	appraisal to the owner of real property appraised	4
	at more than \$10,000, to require those agencies to	5
	update or obtain new appraisals under certain	б
	circumstances, and to specify that their	7
	acquisition of property must be for a defined	8
	public purpose that is to be achieved in a defined	9
	and reasonable period of time.	10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 163.52 and 163.59 of the Revised

Code be amended to read as follows:	12
Sec. 163.52. (A) Section The failure of an acquiring agency	13
to satisfy a requirement of section 163.59 of the Revised Code	14
creates no rights or liabilities and shall <u>does</u> not affect the	15

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validity of any property acquisitions acquisition by purchase or 16 condemnation.

(B) Nothing in sections 163.51 to 163.62, inclusive, of the
Revised Code, shall be construed as creating, in any condemnation
proceeding brought under the power of eminent domain, any element
of value or damage not in existence immediately prior to the
effective date of such sections June 11, 1971.

Sec. 163.59. In order to encourage and expedite the 23 acquisition of real property by agreements with owners, to avoid 24 25 litigation and relieve congestion in the courts, to assure consistent treatment for owners in the many state and federally 26 assisted programs, and to promote public confidence in public land 27 acquisition practices, heads of acquiring agencies shall, to the 28 greatest extent practicable, be guided by do or ensure the 29 acquisition satisfies all of the following policies: 30

(A) The head of an acquiring agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(B) <u>In order for an acquiring agency to acquire real</u> property, the acquisition shall be for a defined public purpose that is to be achieved in a defined and reasonable period of time. An acquisition of real property that complies with section 5501.31 of the Revised Code satisfies the defined public purpose requirement of this division.

(C) Real property to be acquired shall be appraised before40the initiation of negotiations, and the owner or his the owner's41designated representative shall be given an a reasonable42opportunity to accompany the appraiser during his the appraiser's43inspection of the property, except that the head of the lead44agency may prescribe a procedure to waive the appraisal in cases45involving the acquisition by sale or donation of property with a46

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low fair market value. If the appraisal values the property to be 47 acquired at more than ten thousand dollars, the head of the 48 acquiring agency concerned shall make every reasonable effort to 49 provide a copy of the appraisal to the owner. As used in this 50 section, "appraisal" means a written statement independently and 51 impartially prepared by a qualified appraiser, or a written 52 statement prepared by an employee of the acquiring agency who is a 53 qualified appraiser, setting forth an opinion of defined value of 54 an adequately described property as of a specified date, supported 55 by the presentation and analysis of relevant market information. 56

(C) (D) Before the initiation of negotiations for real 57 property, the head of the acquiring agency concerned shall 58 establish an amount which he that the head of the acquiring agency 59 believes to be just compensation therefor for the property and 60 shall make a prompt offer to acquire the property for no less than 61 the full amount so established. In no event shall such that amount 62 be less than the agency's approved appraisal of the fair market 63 value of such the property. Any decrease or increase in the fair 64 market value of real property prior to the date of valuation 65 caused by the public improvement for which such the property is 66 acquired, or by the likelihood that the property would be acquired 67 for such that improvement, other than that due to physical 68 deterioration within the reasonable control of the owner, will be 69 disregarded in determining the compensation for the property. The 70

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The head of the acquiring agency concerned shall provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount he that the head of the acquiring agency established as just compensation. Where appropriate, the just compensation for the real property acquired and for damages to remaining real property shall be separately stated.

(D) The owner shall be given a reasonable opportunity to 79 consider the offer of the acquiring agency for the real property, 80 to present material that the owner believes is relevant to 81 determining the fair market value of the property, and to suggest 82 modification in the proposed terms and conditions of the 83 acquisition. The acquiring agency shall consider the owner's 84 presentation and suggestions. 85 (E) If information presented by the owner or a material 86 change in the character or condition of the real property 87 indicates the need for new appraisal information, or if a period 88 of more than two years has elapsed since the time of the appraisal 89 of the property, the head of the acquiring agency concerned shall 90 have the appraisal updated or obtain a new appraisal. If updated 91 appraisal information or a new appraisal indicates that a change 92 in the acquisition offer is warranted, the head of the acquiring 93 agency shall promptly reestablish the amount of the just 94 compensation for the property and offer that amount to the owner 95 in writing. 96

(F) No owner shall be required to surrender possession of97real property before the acquiring agency concerned pays the98agreed purchase price, or deposits with the court for the benefit99of the owner, an amount not less than the agency's approved100appraisal of the fair market value of such the property, or the101amount of the award of compensation in the condemnation proceeding102for such the property.103

(E)(G) The construction or development of a public 104 improvement shall be so scheduled that no person lawfully 105 occupying real property shall be required to move from a dwelling, 106 or to move his the person's business or farm operation, without at 107 least ninety days' written notice from the head of the acquiring 108 agency concerned, of the date by which such the move is required. 109

(F)(H) If the head of an acquiring agency permits an owner or 110

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tenant to occupy the real property acquired on a rental basis for 111 a short term or for a period subject to termination on short 112 notice, the amount of rent required shall not exceed the fair 113 rental value of the property to a short-term occupier. 114

(G)(I) In no event shall the head of an acquiring agency 115 either advance the time of condemnation, or defer negotiations or 116 condemnation and the deposit of funds in court for the use of the 117 owner, or take any other action coercive in nature, in order to 118 compel an agreement on the price to be paid for the <u>real</u> property. 119

(H) If (J) When any interest in real property is to be 120 acquired by exercise of the power of eminent domain, the head of 121 the acquiring agency concerned shall institute the formal 122 condemnation proceedings. No head of an acquiring agency head 123 shall intentionally make it necessary for an owner to institute 124 legal proceedings to prove the fact of the taking of his the 125 owner's real property. 126

 $\frac{(I)}{(K)}$ If the acquisition of only part of a property would 127 leave its owner with an uneconomic remnant, the head of the 128 acquiring agency concerned shall offer to acquire that remnant. 129 For the purposes of this division, an uneconomic remnant is a 130 parcel of real property in which the owner is left with an 131 interest after the partial acquisition of the owner's property and 132 which the head of the agency concerned has determined has little 133 or no value or utility to the owner. 134

An acquisition of real property may continue while an135acquiring agency carries out the requirements of divisions (A) to136(K) of this section.137

This section applies only when the acquisition of real138property may result in an exercise of the power of eminent domain.139

Section 2. That existing sections 163.52 and 163.59 of the140Revised Code are hereby repealed.141