

As Introduced

**125th General Assembly
Regular Session
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H. B. No. 127

**Representatives Jolivette, Young, Price, S. Patton, Hartnett, Seitz,
Widowfield, Olman, Hagan, Carano, Hollister, Koziura, Hughes**

A B I L L

To amend sections 5722.01 and 5722.02 and to enact 1
section 5722.21 of the Revised Code to permit 2
municipal corporations to acquire tax-delinquent 3
land for redevelopment free from liens for the 4
unpaid taxes. 5

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

Section 1. That sections 5722.01 and 5722.02 be amended and 6
section 5722.21 of the Revised Code be enacted to read as follows: 7

Sec. 5722.01. As used in this chapter: 8

(A) "Electing subdivision" means a municipal corporation that 9
has enacted an ordinance or a township or county that has adopted 10
a resolution pursuant to section 5722.02 of the Revised Code for 11
purposes of adopting and implementing the procedures set forth in 12
~~this chapter~~ sections 5722.02 to 5722.15 of the Revised Code. 13

(B) "Delinquent lands" and "delinquent vacant lands" have the 14
same meanings as in section 5721.01 of the Revised Code. 15

(C) "Land reutilization program" means the procedures and 16
activities concerning the acquisition, management, and disposition 17
of affected delinquent lands set forth in ~~this chapter~~ sections 18

5722.02 to 5722.15 of the Revised Code. 19

(D) "Minimum bid," in the case of a sale of property 20
foreclosed pursuant to section 323.25 or 5721.18 or foreclosed and 21
forfeited pursuant to section 5721.14 of the Revised Code, means a 22
bid in an amount equal to the sum of the taxes, assessments, 23
charges, penalties, and interest due and payable on the parcel 24
subsequent to the delivery to the county prosecuting attorney of 25
the delinquent land or delinquent vacant land tax certificate or 26
master list of delinquent or delinquent vacant tracts containing 27
the parcel, and prior to the transfer of the deed of the parcel to 28
the purchaser following confirmation of sale, plus the costs of 29
foreclosure or foreclosure and forfeiture proceedings against the 30
property. 31

(E) "Nonproductive land" means any parcel of delinquent 32
vacant land with respect to which a foreclosure proceeding 33
pursuant to section 323.25, a foreclosure proceeding pursuant to 34
division (A) or (B) of section 5721.18, or a foreclosure and 35
forfeiture proceeding pursuant to section 5721.14 of the Revised 36
Code has been instituted; and any parcel of delinquent land with 37
respect to which a foreclosure proceeding pursuant to section 38
323.25 or division (A) or (B) of section 5721.18 of the Revised 39
Code has been instituted, and upon which there are no buildings or 40
other structures, or upon which there are either: 41

(1) Buildings or other structures that are not in the 42
occupancy of any person and as to which the township or municipal 43
corporation within whose boundaries the parcel is situated has 44
instituted proceedings under section 505.86 or 715.26 of the 45
Revised Code, or Section 3 of Article XVIII, Ohio Constitution, 46
for the removal or demolition of such buildings or other 47
structures by the township or municipal corporation because of 48
their insecure, unsafe, or structurally defective condition; 49

(2) Buildings or structures that are not in the occupancy of 50

any person at the time the foreclosure proceeding is initiated and 51
whose acquisition the municipal corporation, county, or township 52
determines to be necessary for the implementation of an effective 53
land reutilization program. 54

(F) "Occupancy" means the actual, continuous, and exclusive 55
use and possession of a parcel by a person having a lawful right 56
to such use and possession. 57

(G) "Land within an electing subdivision's boundaries" does 58
not include land within the boundaries of a municipal corporation 59
unless the electing subdivision is the municipal corporation. 60

Sec. 5722.02. Any municipal corporation, county, or township 61
may elect to adopt and implement the procedures set forth in ~~this~~ 62
~~chapter~~ sections 5722.02 to 5722.15 of the Revised Code to 63
facilitate the effective reutilization of nonproductive land 64
situated within its boundaries. Such election shall be made by 65
ordinance in the case of a municipal corporation, and by 66
resolution in the case of a county or township. The ordinance or 67
resolution shall state that the existence of nonproductive land 68
within its boundaries is such as to necessitate the implementation 69
of a land reutilization program to foster either the return of 70
such nonproductive land to tax revenue generating status or the 71
devotion thereof to public use. 72

An electing subdivision shall promptly deliver certified 73
copies of such ordinance or resolution to the auditor, treasurer, 74
and the prosecutor of each county in which the electing 75
subdivision is situated. On and after the effective date of such 76
ordinance or resolution, the foreclosure, sale, management, and 77
disposition of all nonproductive land situated within the electing 78
subdivision's boundaries shall be governed by the procedures set 79
forth in ~~this chapter~~ sections 5722.02 to 5722.15 of the Revised 80
Code. 81

<u>Sec. 5722.21. (A) As used in this section:</u>	82
<u>(1) "Eligible delinquent land" means delinquent land or delinquent vacant land, as defined in section 5721.01 of the Revised Code, included in a delinquent tax list or delinquent vacant land tax list that has been certified delinquent within the meaning of section 5721.03 of the Revised Code, excluding any certificate parcel as defined in section 5721.30 of the Revised Code.</u>	83 84 85 86 87 88 89
<u>(2) "Delinquent taxes" means the cumulative amount of unpaid taxes, assessments, recoupment charges, penalties, and interest charged against eligible delinquent land that become delinquent before transfer of title to a municipal corporation under this section.</u>	90 91 92 93 94
<u>(3) "Foreclosure costs" means the sum of all costs or other charges of publication, service of notice, prosecution, or other proceedings against the land under sections 323.25 to 323.28 or Chapter 5721. of the Revised Code as may pertain to delinquent land or be fairly apportioned to it by the county treasurer.</u>	95 96 97 98 99
<u>(4) "Tax foreclosure sale" means a sale of delinquent land pursuant to foreclosure proceedings under sections 323.25 to 323.28 or section 5721.14 or 5721.18 of the Revised Code.</u>	100 101 102
<u>(5) "Taxing authority" means the legislative authority of any taxing unit, as defined in section 5705.01 of the Revised Code, in which is located a parcel of eligible delinquent land acquired or to be acquired by a municipal corporation in which a declaration under division (B) of this section is in effect.</u>	103 104 105 106 107
<u>(B) The legislative authority of a municipal corporation may declare by ordinance or resolution that it is in the public interest for the municipal corporation to acquire tax-delinquent real property within the municipal corporation for the public</u>	108 109 110 111

purpose of redeveloping the property or otherwise rendering it 112
suitable for productive, tax-paying use. In any municipal 113
corporation in which such a declaration is in effect, the 114
municipal corporation may purchase or otherwise acquire title to 115
eligible delinquent land, other than by appropriation, and the 116
title shall pass free and clear of the lien for delinquent taxes 117
to the extent provided in division (D) of this section. The 118
authority granted by this section is supplemental to the authority 119
granted under sections 5722.01 to 5722.15 of the Revised Code. 120

(C) With respect to any parcel of eligible delinquent land 121
purchased or acquired by a municipal corporation in which a 122
declaration is in effect under this section, the municipal 123
corporation may obtain the consent of each taxing authority for 124
release of any claim on the delinquent taxes and associated costs 125
attaching to that property at the time of conveyance to the 126
municipal corporation. Consent shall be obtained in writing, and 127
shall be certified by the taxing authority granting consent or by 128
the fiscal officer or other person authorized by the taxing 129
authority to provide such consent. Consent may be obtained before 130
or after title to the eligible delinquent land is transferred to 131
the municipal corporation. 132

The taxing authority of a taxing unit and a municipal 133
corporation in which a declaration is in effect under this section 134
may enter into an agreement whereby the taxing authority consents 135
in advance to release of the taxing authority's claim on 136
delinquent taxes and associated costs with respect to all or 137
specified number of parcels of eligible delinquent land that may 138
be purchased or acquired by the municipal corporation for the 139
purposes of this section. The agreement shall provide for any 140
terms and conditions on the release of such claim as are mutually 141
agreeable to the taxing authority and municipal corporation, 142
including any notice to be provided by the municipal corporation 143

to the taxing authority of the purchase or acquisition of eligible delinquent land situated in the taxing unit; any option vesting in the taxing authority to revoke its release with respect to any parcel of eligible delinquent land before the release becomes effective; and the manner in which notice of such revocation shall be effected. Nothing in this section or in such an agreement shall be construed to bar a taxing authority from revoking its advance consent with respect to any parcels of eligible delinquent land purchased or acquired by the municipal corporation before the municipal corporation enters into a purchase or other agreement for acquisition of the parcels.

(D) The lien for so much of the delinquent taxes and associated costs for which taxing authorities have consented to release their claim under this section is hereby extinguished, and the transfer of title to such delinquent land to the municipal corporation shall be transferred free and clear of the lien for such taxes and costs to that extent. If a taxing authority does not consent to the release of its claim on delinquent taxes and associated costs, the lien for such taxes and costs shall continue as otherwise provided by law until paid or otherwise discharged according to law.

(E) All eligible delinquent land acquired by a municipal corporation under this section is real property held for a public purpose and is exempted from taxation until the municipal corporation sells or otherwise disposes of property.

(F) If a municipal corporation sells or otherwise disposes of delinquent land it purchased or acquired and for which all or a portion of a taxing authority's claim for delinquent taxes was released under this section, the net proceeds from such sale or disposition shall be used for such redevelopment purposes the legislative authority of the municipal corporation considers necessary or appropriate.

Section 2. That existing sections 5722.01 and 5722.02 of the Revised Code are hereby repealed.

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