



# Ohio Legislative Service Commission

## Bill Analysis

Amber Hardesty

### H.B. 86

128th General Assembly  
(As Introduced)

Reps. Hagan, Gerberry, Okey

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## BILL SUMMARY

- Authorizes, in counties having a population between 250,000 and 275,000, expedited, nonjudicial foreclosure procedures for abandoned lands.
- Permits those counties to create a county land reutilization corporation.

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## CONTENT AND OPERATION

### Nonjudicial foreclosure procedures for abandoned lands

(R.C. 323.78)

Current law creates an alternative redemption period<sup>1</sup> 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,<sup>2</sup> elects to invoke the alternative redemption period, then upon any adjudication of foreclosure by any

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<sup>1</sup> "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).

<sup>2</sup> "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, (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).

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 must be 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 must be 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 corporation, county, township, or school district, must be 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. A parcel must not be transferred to a county land reutilization corporation after two years following the filing of its articles of incorporation by the Secretary of State.

(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 must be forfeited to the state and otherwise disposed of pursuant to Ohio law regarding the sale of forfeited property.

The bill makes these provisions also applicable to counties having a population of more than 250,000 but less than 275,000 as of the most recent decennial census (currently Mahoning County).

## 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. A CLRC must be created (i.e., its articles of incorporation must be filed with the Secretary of State) by April 7, 2010. (R.C. 1724.04.)

The bill authorizes counties having a population of more than 250,000 but less than 275,000 as of the most recent federal census to create a CLRC.

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### HISTORY

ACTION	DATE
Introduced	03-18-09

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