



Ohio Legislative Service Commission

Bill Analysis

Maura McClelland

S.B. 197

129th General Assembly
(As Introduced)

Sens. Wagoner, Beagle, Seitz

BILL SUMMARY

- Permits a county to enter into a sale and leaseback agreement for any county-owned building under which the purchaser must lease the building back to the county and also make improvements to the building.
- Specifies that existing limitations on county lease and sale agreements, including restrictions on the type of building to be leased or sold and competitive-bidding requirements, do not apply to a sale and leaseback agreement authorized by the bill.

CONTENT AND OPERATION

Permits county sale and leasebacks

The bill permits a board of county commissioners to enter into a sale and leaseback agreement under which the board may convey any county-owned building to a purchaser. The purchaser would be obligated, immediately upon closing, to lease the building back to the board. The only limitation that the bill imposes on the agreement is that it must obligate the purchaser to make improvements to the building, including renovations, energy conservation measures, and other measures necessary to improve functionality and reduce the building's operating costs.¹

Current limitations on county leases and sales do not apply

The bill specifies that existing limitations on county leases and sales do not apply to the sale and leaseback authorized by the bill. These limitations include the following:

¹ R.C. 307.093.

- the type of building that a county may lease (e.g. courthouse, jail, public stadium);
- a maximum county-lease term of 40 years for certain contracts;
- the requirement to competitively bid a county-lease agreement;²
- the requirement that county real property be unnecessary for public use in order for the property to be sold; and
- provisions regarding the use of funds from the sale of county real property not used for county purposes.³

HISTORY

ACTION	DATE
Introduced	07-12-11

S0197-I-129.docx/jc

² R.C. 307.02.

³ R.C. 307.09.

