



Ohio Revised Code

Section 1513.33 Grant constitutes loan by state to community improvement or nonprofit corporation.

Effective: January 30, 2014

Legislation: House Bill 72 - 130th General Assembly

The amount of any grant to a community improvement corporation or nonprofit corporation made under section 1513.31 of the Revised Code or the state's expenses incurred in reclaiming unreclaimed land owned by a community improvement corporation or nonprofit corporation under section 1513.32 of the Revised Code shall constitute a loan by the state to the corporation. Entry into a grant contract under section 1513.31 of the Revised Code or into a reclamation agreement under section 1513.32 of the Revised Code by the chief of the division of mineral resources management constitutes the designation of the community improvement corporation or nonprofit corporation as the state's agent for the commercial or industrial development of the land named in the contract or agreement.

Each grant contract under section 1513.31 of the Revised Code or reclamation agreement under section 1513.32 of the Revised Code shall include terms for repayment of the grant or reimbursement of the state for its reclamation expenses, which shall require repayment of the loan in full upon the first sale, lease, or rental of the land reclaimed under the contract or agreement if the entire parcel of reclaimed land is sold, leased, or rented. If the corporation establishes a business enterprise on the entire parcel of reclaimed land, the contract shall require repayment of the loan in full upon the commencement of operation of the business enterprise. If the reclaimed land is sold, leased, or rented in portions or the corporation establishes a business enterprise on any portion of the reclaimed land, the contract or agreement shall require repayment of that portion of the loan that corresponds to the portion of the reclaimed land sold, leased, or rented upon the first sale, lease, or rental of that portion, or upon commencement of operation of the business enterprise on that portion, by the corporation in the proportion that the acreage of the reclaimed land sold, leased, rented, or used in business by the corporation bears to the total acreage of land reclaimed under the contract or agreement.

To secure repayment of the moneys granted under section 1513.31 of the Revised Code or of the state's reclamation expenses under section 1513.32 of the Revised Code to or on behalf of a



community improvement corporation or nonprofit corporation, the state shall have a lien on the land owned by the corporation that is land reclaimed under section 1513.31 or 1513.32 of the Revised Code equal to the amount of the grant made under section 1513.31 of the Revised Code or to the state's expenses incurred in reclaiming the land under section 1513.32 of the Revised Code. Within thirty days after the final grant payment is made under section 1513.31 of the Revised Code or after the completion of the reclamation work under section 1513.32 of the Revised Code, the chief shall cause to be recorded in the office of the county recorder of the county in which the reclaimed land is located a statement that shall contain an itemized accounting of the grant paid under section 1513.31 of the Revised Code or an itemized record of the state's expenses incurred in reclaiming the land under section 1513.32 of the Revised Code. The statement shall constitute a notice of lien and operate as of the date of delivery as a lien on the land reclaimed in the amount of the grant moneys paid out or the reclamation expenses incurred by the state and shall have priority as a lien second only to the lien of real property taxes imposed upon the land. The notice of lien and the lien shall not be valid as against any mortgagee, pledgee, purchaser, or judgment creditor whose rights have attached prior to the date of filing of the statement by the chief or to any prior or subsequent lien for real property taxes imposed pursuant to section 5719.04 of the Revised Code.

The county recorder shall record and index the chief's statement, under the name of the state and the corporation, in the official records maintained by the county recorder's office. The county recorder shall impose no charge for the recording or indexing of the statement. If the land is registered, the county recorder shall make a notation and enter a memorial of the lien upon the page of the register in which the last certificate of title to the land is registered, stating the name of the claimant, amount claimed, volume and page of the record where recorded, and exact time the memorial was entered.

The lien shall continue in force so long as any portion of the amount granted under section 1513.31 of the Revised Code or the state's reclamation expenses incurred under section 1513.32 of the Revised Code remains unpaid. Upon repayment in full of those moneys or expenses, the chief promptly shall issue a certificate of release of the lien. Upon presentation of the certificate of release, the county recorder of the county where the lien is recorded shall record the lien as having been discharged.

A lien imposed under this section shall be foreclosed upon the substantial failure of a corporation to



repay any portion of the amount granted under section 1513.31 of the Revised Code or the state's reclamation expenses incurred under section 1513.32 of the Revised Code in accordance with the terms of the grant contract or reclamation agreement. Before foreclosing any lien under this section, the chief shall make a written demand upon the corporation to comply with the repayment terms of the contract or agreement. If the corporation does not pay the amount due within sixty days, the chief shall refer the matter to the attorney general, who shall institute a civil action to foreclose the lien of the state.

All moneys collected from loan repayments and lien foreclosures under this section shall be credited to the unreclaimed lands fund created by section 1513.30 of the Revised Code.