

## M E M O R A N D U M

TO: Orville Simpson II  
FROM: Christina E. Hassan  
DATE: February 2, 1999  
RE: Legislative Initiatives for Victory City

This memorandum provides you with legislative options to facilitate the creation of Victory City. I am aware of two major legislative goals that you have set:

1. To acquire land through eminent domain proceedings, and
2. To achieve tax-free status for Victory City common stock dividends.

A. Eminent Domain

The power of eminent domain is inherent in every sovereign government, namely the governments of the United States and the individual states, and to a limited extent, political subdivisions, agencies, corporations and individuals. This power allows the entity to appropriate private property for a necessary public use. Briefly, in Ohio, the "appropriation" process works as follows:

1. The appropriating entity may be required to adopt a resolution or ordinance declaring the necessity of appropriation, or to take other action prior to the commencement of a judicial proceeding. The enactment of legislation which authorizes the condemnation of property is not a taking of property, because it may be repealed or appropriations may fail.
2. An appropriation proceeding may be brought in the Court of Common Pleas or the Probate Division of the Court of Common Pleas.

While it is rare, a private corporation may be authorized to exercise the power of eminent domain, which must be expressly delegated by statute. Thus, in order for Victory