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KALAMAZOO COUNTY CONVEYANCE

House Bill 5102

Sponsor: Rep. Donald Gilmer Committee: Regulatory Affairs

Complete to 1-24-96

A SUMMARY OF HOUSE BILL 5102 AS INTRODUCED 9-21-95

The bill would permit the state administrative board to sell property under the jurisdiction of the Department of Mental Health (DMH), convey other property under the jurisdiction of DMH to the Department of Corrections (DOC), and to demolish buildings that are currently under the jurisdiction of the DMH, DOC, and Department of Military Affairs (DMA). In particular, the bill would do the following:

- -- Allow for the conveyance of property known as the Northwest Unit in Kalamazoo at fair market value, or for less than fair market if used for public purposes. The fair market value would be determined by the state tax commission or an independent fee appraiser and would be based on the property's highest and best use. If the property was conveyed at less than fair market price, the state could repossess the property if used for anything other than public purposes. In case of a dispute between the state and the grantee as to the state's right to repossess the property, the bill would permit the state to bring an action to regain the title and possession of the property. The conveyance would be by quitclaim deed approved by the attorney general and would retain the mineral rights to coal, oil, gas, and other materials but not to sand, gravel, clay, or nonmetallic minerals. Revenue generated by the bill would be deposited in the state treasury and credited to the general fund. The bill would specify that the description in the bill of the property is approximate and would be subject to any adjustments deemed necessary by the state administrative board or attorney general based on surveys or other legal descriptions. (Reportedly, the Northwest Unit, formerly part of the Kalamazoo Regional Psychiatric Hospital, has stood vacant for about 10 years and was declared as surplus by the DMH in 1992. The property is located approximately three miles from the hospital.)
- -- Allow for the transfer of property from the DMH to the Department of Corrections upon the approval of a resolution of the state administrative board. In addition, the attorney general would have to approve all documents relating to the transfer. (The property in question is known as Noble Lodge in Kalamazoo, was also part of the Kalamazoo Regional Psychiatric Hospital, and is located near the Northwest Unit. Currently, the DOC operates a program at Noble Lodge through a lease agreement with the DMH.)
- -- Allow the Department of Management and Budget (DMB) to demolish the following buildings:
- * Building 50 located at the Michigan Reformatory in Ionia -- Department of Corrections. (Reportedly, the building was previously used as a staff residence, has been vacant for many years, and is in poor condition.)

- * Buildings 81 and 84 at the Northville Regional Psychiatric Hospital -- Department of Mental Health. (Both buildings were former staff residences and have stood empty for over 15 years. Reportedly, they both are lacking roofs, have been vandalized, and are in very poor condition.)
- * Building 44 at the Grand Rapids Veteran's Facility -- Department of Military Affairs. (Built in 1895, the two-story building reportedly has generated historical interest. A former residence for the adjutant, the house was last utilized in 1988 but is reported to be in reasonably good shape.)

(Note: Public Act 128 of 1995 previously allowed for the demolition of these and other buildings.)

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.