

Act No. 671
Public Acts of 2002
Approved by the Governor
December 25, 2002
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December 26, 2002
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**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senators Hoffman, North and Hammerstrom

ENROLLED SENATE BILL No. 616

AN ACT to authorize the state administrative board to convey, exchange, or purchase certain parcels of property in Jackson county; to authorize the department of natural resources to convey certain property in Ottawa county; to authorize the state administrative board to convey certain parcels of property in Washtenaw county; to authorize the state administrative board to convey certain property in Calhoun county; to prescribe conditions for the conveyances; to provide for disposition of the revenue from the conveyances; to provide for the disposal of certain buildings; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 1. The state administrative board, on behalf of the state, may convey for consideration of not less than fair market value as determined under section 3 certain state owned property in Leoni charter township, Jackson county, Michigan, consisting of 354.08 acres, of which 31.11 acres will be placed in a wetland bank, and which is more particularly described as follows:

Leoni Township - Parcel # 000-09-07-201-001-00

W 1/2 OF NE 1/4 EXC THEREFROM THAT PART THEREOF LYING N AND W OF CEN OF PORTAGE RIVER ALSO S 1/2 OF NWFRL 1/4 EXC THEREFROM THAT PART THEREOF LYING N AND W OF CEN OF PORTAGE RIVER ALSO SWFRL 1/4 EXC THEREFROM THE R/W OF GRAND TRUNK RAILWAY ALSO W 1/2 OF SE 1/4 EXC THEREFROM THE R/W OF GRAND TRUNK RAILWAY ALSO SE 1/4 OF SE 1/4 SEC 7 T2S R1E.

Sec. 2. The description of the property in section 1 is approximate and for purposes of conveyance is subject to adjustment, by a state survey or other legal description, as the state administrative board or attorney general considers necessary.

Sec. 3. The fair market value of the property described in section 1 shall be determined by an appraisal prepared by the state tax commission or an independent fee appraiser.

Sec. 4. Any conveyance authorized under section 1 shall provide that the property is to be used by the grantee for an industrial park with adjacent wetlands, in conjunction with the enterprise park proposed industrial development plan as presented to the department of management and budget, the department of corrections, Blackman charter township, and Leoni charter township, for review and comment, and with the resolutions of support for that plan from Blackman charter township and Leoni charter township.

Sec. 5. (1) Any sale of property authorized under section 1 shall be conducted in a manner to realize the highest price for the sale and the highest return to the state. The sale shall be done in an open manner that uses 1 or more of the following:

- (a) A competitive sealed bid.
- (b) Oral bid.
- (c) Public auction.
- (d) Use of broker services.

(2) Broker services for the sale shall only be used if there are 3 or more bidders for this property. The minimum selling price for the property shall be the higher value of either its fair market value or the result of a professional concept plan value as determined by a real estate professional qualified to make such valuations. This real estate professional shall be selected through a request for proposal and competitive bid process.

(3) A notice of a sealed or oral bid, public auction sale, or use of broker negotiation services, regarding the sale of property under this act shall be published at least once in a newspaper as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10 days before the sale. The newspaper shall be one that is published in the county where the property is located. If a newspaper is not published in the county where the property is located, the notice shall be published in a newspaper in a county nearest to the county in which the property is located. The notice shall describe the general location of the property and the date, time, and place of the sale.

Sec. 6. A conveyance authorized by section 1 shall be by quitclaim deed approved by the attorney general. To ensure the security and operations of the department of corrections and the state of Michigan, all final sales under section 1 shall be approved by the department of corrections and the department of management and budget.

Sec. 7. The net revenue received under section 1 shall be deposited in the state treasury and credited to the general fund. As used in this section, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the state associated with the sale of the property.

Sec. 8. The department of natural resources, on behalf of the state, may convey to Ottawa county, for consideration of \$1.00, certain property with improvements under the jurisdiction of the department of natural resources and located in Grand Haven township, Ottawa county, Michigan, commonly referred to as rosy mound, and further described as follows:

Part of the SW 1/4 of Section 4, Town 7 North, Range 16 West, and part of Section 5, Town 7 North, Range 16 West, Grand Haven Township, Ottawa County, Michigan, described as beginning at a point on the East Line of Section 5 that is 790.00 feet North 00 degrees 07 minutes 54 seconds West of the SE corner of Section 5, thence South 89 degrees 07 minutes 23 seconds West 960.60 feet, thence South 00 degrees 07 minutes 54 seconds East 125.00 feet, thence South 89 degrees 07 minutes 23 seconds West 1,053.06 feet along the South line of the North fractional 1/2 of the South fractional 1/2 of the SE fractional 1/4, thence North 12 degrees 33 minutes 15 seconds West 3,410.00 feet along an intermediate traverse line along Lake Michigan to the North line of Government Lot 2, thence North 89 degrees 25 minutes 48 seconds East 1,364.84 feet, thence South 12 degrees 33 minutes 15 seconds East 2,477.45 feet, thence North 89 degrees 51 minutes 59 seconds East 800.00 feet, thence North 35 degrees 56 minutes 40 seconds East 682.68 feet, thence North 89 degrees 51 minutes 59 seconds East 960.00 feet to the centerline of Lakeshore Drive, thence, South 00 degrees 45 minutes 10 seconds West 183.84 feet, thence along a 17,188.178 foot radius curve to the left 522.67 feet (chord bears South 00 degrees 07 minutes 06 seconds East 522.65 feet), thence South 00 degrees 59 minutes 22 seconds East 73.47 feet, the preceding 3 courses along the centerline of Lakeshore Drive, thence, South 89 degrees 51 minutes 59 seconds West 225.00 feet along the North line of the SW 1/4 of the SW 1/4 of Section 4, thence South 00 degrees 59 minutes 22 seconds East 407.50 feet, thence North 88 degrees 28 minutes 27 seconds East 225.00 feet to the centerline of Lakeshore Drive, thence South 00 degrees 59 minutes 22 seconds East 81.02 feet along the centerline of Lakeshore Drive, thence South 89 degrees 51 minutes 59 seconds West 1,318.07 feet to the West line of Section 4, thence South 00 degrees 07 minutes 54 seconds East 57.00 feet to the point of beginning. Together with all land lying between the intermediate traverse line and the waters edge of Lake Michigan. Containing 160 acres of land more or less except that part taken, used or deeded for Lakeshore Drive.

Sec. 9. The conveyance authorized by section 8 shall provide for all of the following:

(a) The property shall be used exclusively for public park purposes and if any fee, term, or condition for the use of the property is imposed on members of the public, or if any of those fees, terms, or conditions are waived for use of this property, resident and nonresident members of the public shall be subject to the same fees, terms, conditions, and waivers.

(b) Upon termination of the use described in subdivision (a) or use for any other purpose, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(c) If the grantee disputes the state's exercise of its right of reentry and fails to promptly deliver possession of the property to the state, the attorney general, on behalf of the state, may bring an action to quiet title to, and regain possession of, the property.

Sec. 10. (1) The revenue received from the conveyance under sections 8 and 9 shall be deposited in the state treasury and credited to the general fund.

(2) The conveyance authorized by sections 8 and 9 shall be by quitclaim deed approved by the attorney general.

(3) The state shall convey the mineral rights to the property conveyed under sections 8 and 9. However, the state shall retain a nonparticipating 1/6 minimum royalty interest. Any revenue derived from the royalty interest shall be deposited in the natural resources trust fund.

Sec. 11. (1) The department of management and budget may demolish, dismantle, or otherwise dispose of the following surplus building: department of management and budget building M109 "Central Chiller" located at 615 W. Allegan.

(2) The department of management and budget may use unexpended funds appropriated in 2002 PA 518, the capital outlay budget for fiscal year 2002-2003, for demolition of the facility described in this section.

Sec. 12. (1) The state administrative board, on behalf of the state, may convey, exchange, or purchase certain state owned property under the jurisdiction of the department of corrections and privately owned property located in Blackman township, Jackson county, Michigan, and described as those lands separated from the main campus of southern Michigan prison or from the private owner's main parcel of land by the man-made course change from the old Grand river and old Portage river to the new Grand river drain and the Portage river drain respectively, for consideration as determined pursuant to subsection (3).

(2) The property to be conveyed, exchanged, or purchased shall be properties that contribute to cleaning up the property lines along the Grand river drain and the Portage river drain, located in Blackman township, Jackson county, and lying adjacent to the southern Michigan prison campus and shall be more particularly described based on the 2001-2002 survey by the polaris surveying company.

(3) If the parties mutually determine based on tax records or a market study of recent sales that 2 properties are approximately of equal value, an exchange under this section may proceed subject to approval by the state administrative board. If the parties either do not agree, or agree that the properties are not of equal value, or the transaction is solely a conveyance or purchase, then the parties shall select a qualified appraiser who shall determine the value of the properties, with the determination being binding on the parties. If the values for the exchange parcels, as determined by a qualified appraiser, are within 10% of each other, the exchange shall proceed without any further consideration. If the values of the properties are 11% or more apart, the parties may agree that further consideration be given to the owner of the higher valued property or that more or less land may be exchanged. The parties to the exchange shall pay for any survey, environmental studies, and actions required to clear title, and title commitment fees, if any, for the parcel they are receiving in exchange or by purchase.

(4) A conveyance authorized by this section shall be by quitclaim deed approved by the attorney general. The conveyance shall reserve the mineral rights to the grantors.

(5) The authority to convey property under this section expires 5 years after the date on which this act takes effect.

Sec. 13. (1) The state administrative board, on behalf of the state and subject to the terms stated in this section, may convey for not less than fair market value, except for a parcel of approximately 10.667 acres to be conveyed under section 14, all or portions of certain state owned property now under the jurisdiction of the department of community health, known as the Ypsilanti regional psychiatric hospital, located in the city of Ypsilanti, Washtenaw county, Michigan, and more particular described as follows:

(a) Parcel #1: All of section 2, t4s, r6e, Washtenaw county, Michigan, lying westerly of interstate highway us-23 except the north 1,200 feet thereof. The above-described parcel contains approximately 342 acres, subject to survey, and to all easements and restrictions of record, if any.

(b) Parcel #2: the east 1/2 of section 3, t4s, r6e, Washtenaw county, Michigan, except the north 1/2 of the northeast 1/4 of said section 3, containing approximately 302 acres, subject to survey, and to all easements and restrictions of record, if any.

(c) Parcel #3: the northwest 1/4 of section 3, t4n, r6e, Washtenaw county, Michigan, lying easterly of the Conrail railroad, containing approximately 53 acres, subject to survey, and to all easements and restrictions of record, if any.

(d) Parcel #4: beginning at the north 1/4 corner of section 11, t4s, r6e, Washtenaw county, Michigan, thence south 89 degrees 49' 45" west 1,485.77 feet, on the north line of said section 11; thence south 01 degrees 32' 29" east 948.23 feet; thence north 89 degrees 49' 45" east 490.01 feet; thence north 01 degrees 32' 29" west 239.65 feet; thence north 89 degrees 49' 45" east 998.63 feet, to the north-south 1/4 line of said section 11; thence north 01 degrees 46' 23" west

708.65 feet, on said north-south 1/4 line to the point of beginning; containing 26.88 acres, more or less, subject to survey, and to all easements and restrictions of record, if any.

(2) The fair market value of the property described in subsection (1) shall be determined by an appraisal as prepared by the state tax commission or an independent fee appraiser.

(3) Any sale of property described in subsection (1) shall be conducted in a manner to realize the highest price for the sale and the highest return to the state. The sale shall be done in an open manner that uses 1 or more of the following:

- (a) A competitive sealed bid.
- (b) Oral bid.
- (c) Public auction.
- (d) Use of broker services.

(4) Broker services for the sale under this section shall only be used if there are 3 or more bidders for this property. The minimum selling price for the property shall be the higher value of either its fair market value or the result of a professional concept plan value as determined by a real estate professional qualified to make such valuations. This real estate professional shall be selected through a request for proposal and competitive bid process.

(5) A notice of a sealed or oral bid, public auction sale, or use of broker negotiation services, regarding the sale of property under this section, shall be published at least once in a newspaper as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10 days before the sale. The newspaper shall be one that is published in the county where the property is located. If a newspaper is not published in the county where the property is located, the notice shall be published in a newspaper in a county nearest to the county in which the property is located. The notice shall describe the general location of the property and the date, time, and place of the sale.

(6) The conveyance authorized under this section shall be by quitclaim deed approved by the attorney general and shall reserve oil, gas, and mineral rights to the state.

(7) The descriptions of the parcels in subsection (1) are approximate and for purposes of the conveyance are subject to adjustments as the state administrative board or the attorney general considers necessary by survey or other legal description.

(8) The net revenue received from the sale under this section shall be deposited in the state treasury and credited to the general fund. As used in this subsection, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the state associated with the sale of the property.

(9) Residents of the Ypsilanti regional psychiatric hospital shall not be relocated or housed in facilities of lesser security as a result of any conveyance authorized under this section.

Sec. 14. (1) The state administrative board, on behalf of the state, may convey to York township, for \$1.00, certain property now under the jurisdiction of the department of community health and located in York township, Washtenaw county, and more specifically described as follows:

A parcel of land in the Northwest 1/4 of section 11, T4S, R6E, York Township, Washtenaw County, Michigan and more particularly described as follows: Commencing at the northwest corner of said section 11; thence N89°49'45"E 1015.98 feet, on the north line of said section 11 to the point of beginning of this description; thence N89°49'45"E 490.01 feet, on the north line of said section 11; thence S01°32'29"E 948.23 feet; thence S89°49'45"W 490.01 feet; thence N01°32'29"W 948.23 feet, to the north line of said section 11 and the point of beginning. The above described parcel contains 10.667 acres, more or less. All bearings are relative and referenced to an adjacent survey as recorded in Liber 1875, Page 575, Washtenaw County records. The above described parcel is subject to any easements and/or rights of record as they may pertain to this parcel.

(2) The conveyance authorized by this section shall provide for all of the following:

(a) The property shall be used exclusively for public recreational purposes and if any fee, term, or condition for the use of the property is imposed on members of the public, or if any of those fees, terms, or conditions are waived for use of this property, resident and nonresident members of the public shall be subject to the same fees, terms, conditions, and waivers.

(b) Upon termination of the use described in subdivision (a) or use for any other purpose, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(c) If the grantee disputes the state's exercise of its right of reentry and fails to promptly deliver possession of the property to the state, the attorney general, on behalf of the state, may bring an action to quiet title to, and regain possession of, the property.

(3) The conveyance authorized by this section shall be by quitclaim deed approved by the attorney general, and shall reserve to the state all rights to oil, coal, gas, or other materials, excluding sand, gravel, clay, or other nonmetallic minerals found on, within, or under the conveyed land.

(4) The revenue received from the conveyance under this section shall be deposited in the state treasury and credited to the general fund.

Sec. 15. (1) The state administrative board, on behalf of the state, may convey to the city of Springfield, in Calhoun county, for not less than fair market value, certain state owned property located in Calhoun county, Michigan, and more particularly described as:

Lots 183 and 184 of Orchard Acres No. 3, according to the plat thereof recorded in Liber 10 of Plats, Page 40, Calhoun County records.

(2) The description of the parcel in subsection (1) is approximate and for purposes of the conveyance is subject to adjustment as the state administrative board or attorney general considers necessary by survey or other legal description.

(3) The fair market value of the property described in subsection (1) shall be determined by an appraisal as prepared by the state tax commission or an independent fee appraiser.

(4) The conveyance authorized by this section shall be by quitclaim deed approved by the attorney general and shall not reserve mineral rights to the state.

(5) The revenue received under this section shall be deposited in the state treasury and credited to the general fund.

Sec. 16. 1996 PA 294 is repealed.

Sec. 17. This act does not take effect unless all of the following bills of the 91st Legislature are enacted into law:

- (a) House Bill No. 5456.
- (b) House Bill No. 5465.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Jay E. Randall

Clerk of the House of Representatives.

Approved

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Governor.