



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 141 (as reported without amendment)
Sponsor: Senator John Moolenaar
Committee: Natural Resources, Environment and Great Lakes

(as enrolled)

Date Completed: 2-24-11

RATIONALE

In 1930, the City of Gladwin sold a parcel of park land to the State. Under Public Act 100 of 1983, the land was sold back to the city, which eventually began using a vacant ranger station in the park as its police headquarters. The city recently has made plans and secured funding to expand the building. Public Act 100, however, includes a requirement that the land conveyed under it be used exclusively for "city park purposes". To allow the police department's continued use of the building, as well as the proposed expansion, it has been suggested that the land should be dedicated instead to "public purposes".

CONTENT

The bill would create a new act to authorize the Department of Natural Resources (DNR) to accept a parcel of real property from the City of Gladwin and reconvey it to the city. The bill also would repeal a section of a 1983 Act that authorized the DNR to convey this property to the city, subject to a requirement that the land be used for city park purposes.

Specifically, the DNR, on behalf of the State, subject to and contingent upon the conveyance of the property to the City of Gladwin as provided in the bill, could accept from the city, for consideration of \$1, certain real property that was conveyed to the city originally in an August 15, 1983, quitclaim deed to the city.

The bill describes the parcel of land, and provides that the description is approximate

and for the purposes of the conveyances would be subject to adjustment as the DNR or Attorney General considered necessary by survey or other legal description.

After receiving the conveyance, the DNR, on behalf of the State, would have to convey to the property to the City of Gladwin for \$1. The property would have to be used exclusively for public purposes. If any fee, term, or condition for the use of the property were imposed on members of the public, or any of those fees, terms, or conditions were waived, resident and nonresident members of the public would have to be subject to the same fees, terms, conditions, and waivers.

In the event of activity inconsistent with the public purpose requirement, the State could reenter and repossess the property, terminating the grantee's estate in it. If the grantee disputed the State's exercise of its right of reentry and failed to deliver possession promptly to the State, the Attorney General could bring an action to quiet title to, and regain possession of, the property. If the State reentered and repossessed the property, the State would not be liable to reimburse any party for any improvements made on the property.

The State would reserve oil, gas, and mineral rights to the property. In addition, the conveyance would have to provide that the State would reserve all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, and other relics, on, within, or under the property, with power to the State, and all

others acting under its authority, to enter the property for any purpose related to exploring, excavating, and taking away aboriginal antiquities.

The conveyance would have to be by quitclaim deed or other instrument approved by the Attorney General.

The bill would repeal Section 1 of Public Act 100 of 1983, which allowed the DNR to convey the parcel to the City of Gladwin. (Under Section 3 of that Act, which authorized another conveyance as well, each conveyance had to require that the land be used exclusively for city park purposes, and upon termination of that use or upon use for any other purpose, the property will revert to the State.)

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The City of Gladwin has a significant need to expand its police headquarters, which is housed in a ranger station on city park property. Public Act 100 of 1983, however, requires reversion of the property to the State upon any use other than park purposes. Evidently, the city has secured approximately \$250,000 from several sources to fund the proposed expansion, and several local contractors would like to submit bids for the project. By requiring that the land be used for "public purposes" rather than "city park purposes", the bill would allow the expansion while maintaining the community's ability to use the park.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have a minimal fiscal impact on State and local government. The property would be conveyed to the State and then back to the City of Gladwin for the nominal amount of \$1.

Fiscal Analyst: Bill Bowerman

A1112\S141a

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.