

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senators Smith and Hune

ENROLLED SENATE BILL No. 515

AN ACT to authorize the state administrative board to transfer or convey a certain parcel of state-owned property of approximately 157 acres in Wayne county; to prescribe conditions for the transfer or conveyance; to create a state fairgrounds sale advisory committee; to provide for certain powers and duties of certain state departments and agencies in regard to the property; to provide for disposition of revenue derived from the conveyance of the property; and to provide for the disposal of fixtures and equipment on the property.

The People of the State of Michigan enact:

Sec. 1. (1) The state administrative board, on behalf of this state, may convey by quitclaim deed or transfer, as provided in this act, all or portions of certain state-owned property under the jurisdiction of the department, which is part of the property commonly known as the Michigan state fairgrounds, is located in the city of Detroit, Wayne county, Michigan, and is further described as follows:

A parcel of land in the NE 1/4, NW 1/4 & SE 1/4 of Section 2 and the NE 1/4 of Section 3, T1S R11E, City of Detroit, Wayne County, Michigan and more particularly described as commencing at the Northwest corner of said Section 2; thence S01°59'26"E, 33.00 feet to the North line of Germans Montrose Park Subdivision and the south right of way of Eight Mile Road; thence N88°00'34"E, 1323.68 feet, on the north line of Germans Montrose Subdivision to the Northeast corner of said Subdivision and the Point of Beginning of this description; thence N88°00'34"E, on the South right of way line of Eight Mile Road, 1249.15 feet, to the Southwesterly right of way of the Grand Trunk Western Railroad; thence on said right of way on the next five calls; thence S31°13'25" E, 169.96 feet; thence S44°18'21"E, 110.43 feet; thence S31°13'25"E, 2503.17 feet; thence S01°15'10"E, 40.04 feet; thence S31°13'25"E, 226.77 feet to the centerline of State Fair Avenue and the E-W 1/4 line of said Section 2; thence N89°08'56"E, on said E-W 1/4 Line, 17.39 feet; thence S31°13'25"E, on the westerly line of the Grand Trunk Westerly Railroad, 317.18 feet; thence S88°52'19"W, 280.64 feet; thence N01°19'28"W, 275.02 feet to the E-W 1/4 line of said Section 2; thence S89°08'56"W, 1319.94 feet, on said E-W 1/4 line and centerline of State Fair Avenue to the center of said Section 2; thence S88°32'46"W, 1290.77 feet, on said E-W 1/4 line and centerline of State Fair Avenue; thence N01°32'55"W, 33.00 feet to the North line of State Fair Avenue; thence S88°32'46"W, 692.91 feet, on the North line of State Fair Avenue to the Northeast right of way line of Woodward Avenue; thence N26°34'10"W, on said Woodward Avenue right of way, 400.14 feet: thence along the boundary of the DNR Pocket Park the following five calls: thence N88°09'24"E, 291.51 feet; thence N00°25'49", 252.35 feet; thence S88°45'56"W, 169.82 feet; thence N01°14'04"W, 13.00 feet thence S88°25'45"W; 251.61 feet to the Northeast right of way line of Woodward Avenue; thence N26°34'10"W, 1033.60 feet, on said Woodward Avenue right of way to the Southwest corner of lot #24, Plat of State Fair Subdivision #2; thence N88°21'23"E, 1382.91 feet, on the south line of said State Fair Subdivision #2; thence N01°41'24"W, 1008.30 feet, on the East line of said State Fair Subdivision #2 & the East line of said Germans Montrose Park Subdivision to the point of beginning, containing 157.47 acres.

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

(3) The department shall attempt to dispose of surplus, salvage, and scrap fixtures and equipment on the property described in subsection (1) by donating or selling the fixtures and equipment to county or other local fairs. The department may dispose of as otherwise provided by law any surplus, salvage, or scrap fixture or equipment not donated or sold to a county or other local fair. The property described in subsection (1) includes all surplus, salvage, and scrap property or equipment remaining on the property as of the date of the conveyance or transfer.

Sec. 2. (1) The department shall take the necessary steps to prepare for the conveyance or transfer of the property at any time.

(2) The department may prepare for the conveyance of the property by any of the following means:

(a) Competitive bidding designed to realize the best value to this state, as determined by the department.

(b) A public auction designed to realize the best value to this state, as determined by the department.

(c) Real estate brokerage services designed to realize the best value to this state, as determined by the department.

(d) Offering the property for sale to a local unit or units of government for fair market value as determined by an appraisal prepared for the department by an independent appraiser.

(3) The department may prepare for the transfer of the property to the state land bank fast track authority.

(4) A conveyance under section 1 or described in section 4 shall provide for all of the following:

(a) The property conveyed shall not be used for a horse racing track, auto racing track, casino, railroad freight yard, jail, or prison.

(b) If the property conveyed is used in a manner inconsistent with subdivision (a), this state may reenter and repossess that property, terminating the grantee's or successor's estate in that property.

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

(d) If this state reenters and repossesses that property, this state is not liable to reimburse any party for any improvements made on that property.

Sec. 3. (1) If all or a portion of the property is transferred to the state land bank fast track authority pursuant to section 2(3), the state fairgrounds sale advisory committee is created within the department.

(2) The committee does not have the power to authorize or prohibit any action by the state land bank fast track authority and is advisory only.

(3) The committee shall consist of 1 representative, appointed by the governor, from each of the following neighborhood organizations from the vicinity of the state fairgrounds:

(a) Sherwood Forest neighborhood association.

(b) University district neighborhood association.

(c) Detroit golf club homeowners association.

(d) Palmer Woods neighborhood association.

(e) Greenacres neighborhood association.

(4) The members first appointed to the committee shall be appointed within 60 days after the property is transferred to the state land bank fast track authority.

(5) Members of the committee shall serve for terms of 3 years or until a successor is appointed, whichever is later, except that of the members first appointed under subsection (3), 3 shall serve for 3 years and 2 shall serve for 2 years.

(6) If a vacancy occurs on the committee, the unexpired term shall be filled in the same manner as the original appointment.

(7) The first meeting of the committee shall be called by the executive director of the state land bank fast track authority. At the first meeting, the committee shall elect from among its members a chairperson and other officers as it considers necessary or appropriate. After the first meeting, the committee shall meet at least quarterly, or more frequently at the call of the chairperson or if requested by 2 or more members.

(8) A majority of the members of the committee constitute a quorum for the transaction of business at a meeting of the committee. A majority of the members present and serving are required for official action of the committee.

(9) The business that the committee may perform shall be conducted at a public meeting of the committee held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(10) A writing prepared, owned, used, in the possession of, or retained by the committee in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(11) Members of the committee shall serve without compensation.

(12) Subject to subsection (2), the committee shall provide input and make recommendations to the state land bank fast track authority on the sale and use of the property transferred to the state land bank fast track authority pursuant to section 2(3).

(13) The state land bank fast track authority shall provide necessary staffing for the committee and cooperate with the committee in the fulfillment of the committee's duties.

(14) The committee is dissolved 60 days after all property transferred to the state land bank fast track authority pursuant to section 2(3) of this act and section 2(3) of House Bill No. 4803 of the 96th Legislature is conveyed by the state land bank fast track authority.

(15) This act and House Bill No. 4803 of the 96th Legislature together create only 1 state fairgrounds sale advisory committee.

Sec. 4. If all or a portion of the property is transferred to the state land bank fast track authority pursuant to section 2(3), and the state land bank fast track authority subsequently conveys the property to a third party, the state land bank fast track authority shall establish performance requirements and penalty provisions within the purchase agreement or other agreements related to the subsequent conveyance. Not more than 30 days after conveying property under this subsection, the state land bank fast track authority shall submit a report to the legislature describing the terms of the conveyance and providing a full accounting of all revenue from and costs associated with the conveyance. The state land bank fast track authority shall not convey the property to a county authority or local authority.

Sec. 5. (1) A quitclaim deed or transfer document authorized by this act shall be approved as to legal form by the department of attorney general.

(2) This state shall not reserve oil, gas, or mineral rights to property conveyed under this act. However, a conveyance authorized under this act shall provide that, if the purchaser or any grantee develops any oil, gas, or minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay this state 1/2 of the gross revenue generated from the development of the oil, gas, or minerals. This payment shall be deposited in the general fund.

(3) This state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property with power to this state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

(4) The net revenue received by this state from the conveyance of property under this act, including conveyance by the state land bank fast track authority, shall be deposited in the state treasury and credited to the general fund.

Sec. 6. As used in this act:

(a) "Committee" means the state fairgrounds sale advisory committee established pursuant to section 3(1).

(b) "County authority" means that term as defined in section 3 of the land bank fast track act, 2003 PA 258, MCL 124.753.

(c) "Department" means the department of technology, management, and budget.

(d) "Local authority" means that term as defined in section 3 of the land bank fast track act, 2003 PA 258, MCL 124.753.

(e) "Net revenue" means the proceeds from the conveyance of the property less reimbursement for any costs to the department, land bank fast track authority, or other state department or agency associated with the maintenance, preparation for sale, or sale of property, including, but not limited to, administrative costs, including employee wages, salaries, and benefits; costs of reports and studies and other materials necessary to the preparation of sale; environmental remediation; legal fees; any litigation related to the conveyance of the property; and costs to the land bank fast track authority to provide necessary staffing for the committee and cooperate with the committee in the fulfillment of the committee's duties.

(f) "State land bank fast track authority" means the land bank fast track authority established under section 15 of the land bank fast track act, 2003 PA 258, MCL 124.765.

Enacting section 1. This act does not take effect unless House Bill No. 4803 of the 96th Legislature is enacted into law.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Sam E. Randall

Clerk of the House of Representatives

Approved

.....
Governor