

Act No. 85
Public Acts of 2012
Approved by the Governor
April 11, 2012
Filed with the Secretary of State
April 11, 2012
EFFECTIVE DATE: April 11, 2012

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

Introduced by Rep. Heise

ENROLLED HOUSE BILL No. 4689

AN ACT to authorize the state administrative board to convey certain parcels of state-owned property in Wayne county; to prescribe conditions for the conveyance; to provide for certain powers and duties of certain state departments and local units of government in regard to the property; and to provide for disposition of revenue derived from the conveyance.

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 all or portions of certain state-owned property under the jurisdiction of the department of corrections, commonly known as the Scott correctional facility, and located in the township of Northville, Wayne county, Michigan, and further described as follows: Commencing at the southeast corner of Section 17, T1S,R8E, Wayne County, Michigan; thence N00°16'01"E 60.00 feet, on the east line of said Section 17; thence N89°45'00"W 60.00 feet to the point of beginning, said point being the right-of-way intersection of the west line of Beck Road and the north line of 5 Mile Road; thence N00°16'01"E 1561.18 feet on said westerly right-of-way; thence N89°58'59"W 1445.69 feet; thence S03°42'55"W 1558.15 feet, to the northerly right-of-way of 5 Mile Road; thence S89°45'00"E 1539.40 feet on said northerly right-of-way to the point of beginning, containing 53.16 acres, more or less. All bearings are relative and referenced to a previous survey of this section and a survey by McNeely & Lincoln, Job #7360. The above described parcel is subject to any easements or rights of record that pertain to this parcel.

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

(3) The property includes all surplus, salvage, and scrap property or equipment remaining on the property as of the date of the conveyance.

(4) The director of the department shall first offer the property described in subsection (1) for sale for \$1.00 to the local units of government in which the property is located. To purchase the property under this subsection, a local unit of government shall enter into a purchase agreement within 60 days after the date of the offer and complete the purchase within 120 days after the date of the offer. Conveyance of the property or any portion thereof for \$1.00 is subject to subsections (6) and (7).

(5) If the property described in subsection (1) or any portion thereof is not conveyed pursuant to subsection (4), the department shall take the necessary steps to prepare to convey the remaining property by any of the following means at any time:

(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.

(e) Offering the property for sale for less than fair market value to a local unit or units of government subject to subsections (6) and (7).

(f) Conveying the property to the land bank fast track authority established under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(6) A conveyance for less than fair market value authorized by subsection (4) or (5)(e) shall provide for all of the following:

(a) The property shall be used exclusively for public 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 the property, all members of the public shall be subject to the same fees, terms, conditions, and waivers.

(b) If a provision of the conveyance described in subdivision (a) is violated, this state may reenter and repossess the property, terminating the grantee's or successor's estate in the property.

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

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

(e) If requested by this state, the grantee shall reimburse this state for costs necessary to prepare the property for conveyance.

(7) If property is conveyed pursuant to subsection (4) or (5)(e) and if the local unit of government intends to convey the property within 10 years after the conveyance under subsection (4) or (5)(e), the local unit shall provide notice to the department of its intent to convey the property. The department shall retain a right to first purchase the property at the original sale price within 90 days after the notice is received. If this state repurchases the property, this state is not liable to any party for improvements to, or liens placed on, the property. If this state waives its right to first purchase the property, the local unit of government shall pay to this state 40% of the difference between the sale price of the conveyance from this state under subsection (4) or (5)(e) and the sale price of the local unit's subsequent conveyance to a third party.

(8) The quitclaim deed authorized by this section shall be approved as to legal form by the department of attorney general.

(9) This state shall not reserve oil, gas, or mineral rights to property conveyed under this section. However, a conveyance authorized under this section 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.

(10) 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.

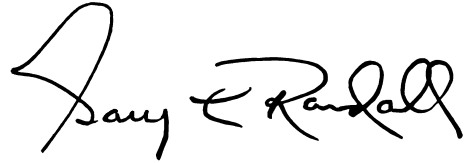
(11) The net revenue received by this state from the sale of property under this section shall be deposited in the state treasury and credited to the general fund.

(12) As used in this section:

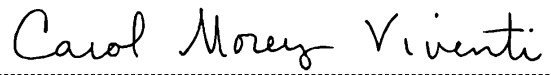
(a) "Department" means the department of technology, management, and budget.

(b) "Net revenue" means the proceeds from the sale of the property less reimbursement for any costs to this state associated with the 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; and any litigation related to the conveyance of the property.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor