

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4080

A bill to authorize the state administrative board to convey certain parcels of state-owned property in Chippewa and Schoolcraft counties; to prescribe conditions for the conveyances; and to provide for certain powers and duties of certain state departments in regard to the properties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The state administrative board, on behalf of this
2 state, may convey by quitclaim deed to the township of Kinross or
3 the county of Chippewa all or portions of certain state-owned
4 property under the jurisdiction of the department of corrections,
5 located in the township of Kinross, Chippewa county, Michigan, and
6 further described as follows:

7 Parcel A

8 Part of Lot 4, of "Chippewa County Industrial Air Park Plat"; Part
9 of Sections 31 & 32, T45N, R1W, Kinross Township, Chippewa County,

1 Michigan, more particularly described as, commencing at the
2 Northeast corner of Section 31; thence along the north line of said
3 Section, N 89° 59' 39" W 1075.01 feet; thence S 00° 16' 05" E 33.00
4 feet to the South Right-of-Way of Tone Road and the Point of
5 Beginning; thence along said Right-of-Way S 89° 59' 39" E 470.94
6 feet; thence S 05° 39' 59" E 240.61 feet; thence S 89° 43' 17" W
7 493.57 feet, thence N 00° 16' 05" W 241.88 feet to the South Right-
8 of-Way of Tone Road and the Point of Beginning containing 2.68
9 acres more or less and excepting all easements and restrictions of
10 record, if any.

11 Parcel B

12 Part of Lot 4, of "Chippewa County Industrial Air Park Plat"; Part
13 of Sections 31 & 32, T45N, R1W, Kinross Township, Chippewa County,
14 Michigan, more particularly described as, commencing at the
15 Northeast corner of Section 31; thence along the north line of said
16 Section, N 89° 59' 39" W 1075.01 feet; thence S 00° 16' 05" E 33.00
17 feet to the South Right-of-Way of Tone Road and the Point of
18 Beginning; thence continuing S 00° 16' 05" E 241.88 feet; thence S
19 89° 43' 17" W 57.32 feet; thence N 05° 35' 43" W 243.33 feet to the
20 South Right-of-Way of Tone Road; thence along said Right-of-Way S
21 89° 59' 39" E 79.92 feet to the Point of Beginning containing 0.38
22 acres more or less and excepting all easements and restrictions of
23 record, if any.

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

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

4 (4) The director of the department of technology, management,
5 and budget shall first offer the property for sale for \$1.00 to the
6 township of Kinross. If all of the property is not sold to the
7 township of Kinross as provided in subsection (5), the director of
8 the department shall offer the remaining property for sale for
9 \$1.00 to the county of Chippewa.

10 (5) To purchase the property under subsection (4), a local
11 unit of government shall enter into a purchase agreement within 60
12 days after the date of the offer to that local unit of government
13 and complete the purchase within 120 days after the date of the
14 offer. Conveyance of any portion of the property under subsection
15 (4) is subject to the conditions prescribed in subsections (7) and
16 (8).

17 (6) If the property described in subsection (1) or any portion
18 thereof is not conveyed pursuant to subsection (4), the department
19 of technology, management, and budget shall take the necessary
20 steps to prepare to convey the remaining property using any of the
21 following at any time:

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

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

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

1 (d) Offering the property for sale for fair market value to a
2 local unit or units of government.

3 (e) Offering the property for sale for less than fair market
4 value to a local unit or units of government subject to subsections
5 (7) and (8).

6 (7) A conveyance authorized by subsection (4) or (6)(e) shall
7 provide for all of the following:

8 (a) The property shall be used exclusively for public purposes
9 and if any fee, term, or condition for the use of the property is
10 imposed on members of the public, or if any of those fees, terms,
11 or conditions are waived for use of the property, all members of
12 the public shall be subject to the same fees, terms, conditions,
13 and waivers.

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

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

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

25 (8) If the property is conveyed pursuant to subsection (4) or
26 (6)(e) and if the local unit of government intends to convey the
27 property within 10 years after the conveyance under subsection (4)

1 or (6) (e), the local unit shall provide notice to the department of
2 technology, management, and budget of its intent to offer the
3 property for sale. The department shall retain a right to first
4 purchase the property at the original sale price within 90 days
5 after the notice is received. If this state repurchases the
6 property, this state is not liable to any party for improvements
7 to, or liens placed on, the property. If this state waives its
8 right to first purchase the property, the local unit of government
9 shall pay to this state 40% of the difference between the sale
10 price of the conveyance from this state under subsection (4) or
11 (6) (e) and the sale price of the local unit's subsequent sale or
12 sales to a third party.

13 (9) The fair market value of the property described in
14 subsection (1) shall be determined by an appraisal prepared for the
15 department of technology, management, and budget by an independent
16 appraiser.

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

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

22 (12) This state shall not reserve oil, gas, or mineral rights
23 to property conveyed under this section. However, a conveyance
24 authorized under this section shall provide that, if the purchaser
25 or any grantee develops any oil, gas, or minerals found on, within,
26 or under the conveyed property, the purchaser or grantee shall pay
27 this state 1/2 of the gross revenue generated from the development

1 of the oil, gas, or minerals. This payment shall be deposited in
2 the general fund.

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

9 Sec. 2. (1) The state administrative board, on behalf of the
10 state, may convey by quitclaim deed all or portions of certain
11 state-owned property now under the jurisdiction of the department
12 of corrections, commonly known as Camp Manistique, and located in
13 the city of Manistique, Schoolcraft county, Michigan, and further
14 described as follows:

15 A parcel of land being part of the NE 1/4 of the NE 1/4 of Section
16 12, T41N-R16W, and part of the NW 1/4 of the NW 1/4 of Section 7,
17 T41N-R15W, City of Manistique, Schoolcraft County, Michigan
18 described as:

19 Commencing at the Northwest corner of Section 7; thence
20 S00°22'09"W, 15.58 feet to the South Right-of-Way line of the
21 Wisconsin Central Railroad; thence S88° 22'52"E, 547.40 feet along
22 the South Railroad Right-of-Way line; thence S00° 22'09"W, 894.43
23 feet; thence N89°36'54"W, 547.27 feet to a found concrete monument
24 on the West line of Section 7; thence N89°05'11"W, 449.78 feet to a
25 found concrete monument; thence S02°29'48"W, 60.01 feet to a found
26 concrete monument; thence N89°03'52"W, 422.66 feet to the East
27 Right-of-Way line of Maple Avenue; thence N02°24'01"E, 104.30 feet

1 along the East Right-of-Way line of Maple Avenue to the North
2 Right-of-Way line of Pine Street; thence N78°15'15"W, 31.60 feet
3 along the North Right-of-Way line of Pine Street; thence
4 N03°17'44"E, 867.11 feet to the South Right-of-Way line of the
5 Wisconsin Central Railroad; thence S88°22'52"E, 857.85 feet along
6 the South Railroad Right-of-Way line to the Point of Beginning
7 containing 30.297 acres and subject to restrictions, reservations,
8 rights-of-way and easements of record.

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

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

16 (4) The department of technology, management, and budget shall
17 take the necessary steps to prepare to convey the property using
18 any of the following at any time:

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

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

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

25 (d) Offering the property for sale for fair market value to a
26 local unit or units of government.

27 (5) The fair market value of the property described in

1 subsection (1) shall be determined by an appraisal prepared for the
2 department of technology, management, and budget by an independent
3 appraiser.

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

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

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

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

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

1 with the sale of property, including, but not limited to,
2 administrative costs, including employee wages, salaries, and
3 benefits; costs of reports and studies and other materials
4 necessary to prepare for the sale; environmental remediation costs;
5 legal fees; and costs of any litigation related to the conveyance
6 of the property.