

HOUSE BILL NO. 4702

June 26, 2025, Introduced by Rep. Alexander and referred to Committee on Appropriations.

A bill to authorize the state administrative board to convey or transfer state-owned property in Sanilac County; to prescribe conditions for the conveyance or transfer; to provide for the powers and duties of state departments, agencies, and officers regarding the property; and to provide for disposition of revenue derived from the conveyance or transfer.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. As used in this act:
- 2 (a) "Fair market value" means the highest estimated price that
- 3 the property will bring if offered for sale on the open market,

1 allowing a reasonable time to find a purchaser who would buy with
2 knowledge of the property's possible uses.

3 (b) "Net revenue" means the proceeds from the sale of the
4 property less reimbursement for any costs to the department of
5 technology, management, and budget associated with the sale,
6 including, but not limited to, administrative costs, including
7 employee wages, salaries, and benefits; costs of reports and
8 studies and other materials necessary to the preparation of sale;
9 environmental remediation; legal fees; and any litigation costs
10 related to the conveyance or transfer.

11 (c) "Public use" means, subject to subdivision (d), actual use
12 of the property by members of the public or actual use by the unit
13 of local government for any of the following:

14 (i) General government administration.

15 (ii) Publicly owned and operated correctional facilities.

16 (iii) Law enforcement purposes.

17 (iv) Emergency management response purposes.

18 (v) Public educational use.

19 (vi) Public transportation.

20 (vii) Public parks and recreational areas.

21 (viii) Public health uses.

22 (ix) Wildlife conservation or restoration.

23 (d) "Public use" does not include use by a for-profit
24 enterprise or any use that is closed to the public.

25 (e) "Unit of local government" means a township, village,
26 county, school district, intermediate school district, or community
27 college district in which the property is located.

28 Sec. 2. (1) The state administrative board, on behalf of this
29 state, may convey by quitclaim deed or transfer by affidavit of

1 jurisdictional transfer all or portions of real property described
2 in subsection (2) owned by this state and under the jurisdiction of
3 the department of technology, management, and budget.

4 (2) The real property that may be conveyed or transferred
5 under this act is located in the village of Peck, Sanilac County,
6 and more particularly described as follows:

7 Commencing at the Northeast corner of Lot 12, Block 5, Plat of
8 Dawson's Addition to the Village of Peck, according to the plat
9 thereof as recorded in Liber 1 of Plats, page 29, Sanilac County
10 Records, the point of beginning; RUNNING THENCE South 01 degree 07
11 minutes 15 seconds West 66.00 feet along the East line of said Lot
12 12 to the Southeast corner of said Lot 12, thence North 87 degrees
13 48 minutes West 36.50 feet along the South line of said Lot 12,
14 thence North 01 degree 07 minutes 15 seconds East 66.00 feet,
15 thence South 87 degrees 48 minutes East 36.50 feet along the North
16 line of said Lot 12 to the point of beginning.

17 (3) The description of the property in subsection (2) is
18 approximate and, for purposes of a conveyance or transfer under
19 this act, may be adjusted as the state administrative board or the
20 department of attorney general considers necessary because of a
21 survey or another legal description.

22 Sec. 3. The director of the department of technology,
23 management, and budget shall first offer the property described in
24 section 2 to the village of Peck, which has the first right to
25 purchase the property for 2 years after the effective date of this
26 act. The village of Peck may acquire the property for fair market
27 value.

28 Sec. 4. Except as provided in section 3, the department of
29 technology, management, and budget may take the necessary steps for

1 the conveyance or transfer of the property described in section 2
2 by the state administrative board using any of the following means:

3 (a) Competitive bidding designed to realize the best value to
4 this state, as determined by the department of technology,
5 management, and budget.

6 (b) A public auction designed to realize the best value to
7 this state, as determined by the department of technology,
8 management, and budget.

9 (c) Real estate brokerage services designed to realize the
10 best value to this state, as determined by the department of
11 technology, management, and budget.

12 (d) A value-for-value conveyance negotiated by the department
13 of technology, management, and budget designed to realize the best
14 value to this state. In determining whether value-for-value
15 consideration for the property represents the best value, the
16 department may consider the fair market value, or the total value
17 based on any positive economic impact to this state likely to be
18 generated by the proposed use of the property, especially economic
19 impact resulting in the creation of jobs or increased capital
20 investment in this state.

21 (e) Offering the property for sale for fair market value to a
22 unit of local government other than the village of Peck.

23 (f) Offering the property for sale for less than fair market
24 value to a unit of local government, including, but not limited to,
25 the village of Peck, subject to the following conditions:

26 (i) The department may provide notice to each unit of local
27 government of the property's availability. The department shall
28 give the first opportunity to purchase the property to the first
29 unit of local government to make an offer by registered mail to

1 purchase the property. If there are competing offers from units of
2 local government, the department of technology, management, and
3 budget shall determine what is in the best interests of this state
4 in deciding to which unit of local government to convey the
5 property.

6 (ii) If a unit of local government makes an offer to purchase
7 the property that is accepted by the department of technology,
8 management, and budget, the unit of local government shall enter
9 into a purchase agreement within 60 days after making the offer and
10 complete the conveyance within 180 days after making the offer. The
11 department of technology, management, and budget may extend the
12 time to complete the conveyance as needed.

13 (iii) The property must be used exclusively for public use. If a
14 fee, term, or condition is imposed on members of the public for use
15 of the property, or if such a fee, term, or condition is waived,
16 all members of the public must be subject to the same fees, terms,
17 conditions, and waivers. The public use restriction must be
18 included in the deed.

19 (iv) If the unit of local government intends to convey the
20 property within 30 years after the conveyance under this act, the
21 unit of local government must first offer the property for sale, in
22 writing, to this state, which may purchase the property at the
23 original sale price. The unit of local government shall provide
24 this state 120 days to consider reacquiring the property. If this
25 state agrees to reacquire the property, this state is not liable to
26 any person for improvements to or liens placed on the property. If
27 this state declines to reacquire the property, the public use
28 restrictions described in subparagraph (iii) remain in effect.

29 (g) Transferring the property to the state land bank authority

1 created under section 15 of the land bank fast track act, 2003 PA
2 258, MCL 124.765.

3 Sec. 5. If real property is to be sold for fair market value
4 under section 3 or 4, the fair market value must be determined by
5 the director of the department of technology, management, and
6 budget or the director's designee in the department, as based on a
7 fee appraisal prepared for the department of technology,
8 management, and budget by an independent appraiser.

9 Sec. 6. (1) A deed or affidavit of jurisdictional transfer
10 authorized by this act must be approved as to legal form by the
11 department of attorney general.

12 (2) Real property conveyed under this act includes all
13 surplus, salvage, and scrap property or equipment remaining on the
14 property on the date of the conveyance.

15 (3) This state shall not reserve oil, gas, or mineral rights
16 to property conveyed under this act. However, the conveyance
17 authorized under this act must provide that, if the grantee or any
18 successor develops any oil, gas, or minerals found on, within, or
19 under the conveyed property, the grantee or any successor must pay
20 this state 1/2 of the gross revenue generated from the development
21 of the oil, gas, or minerals. A payment under this subsection must
22 be deposited in the general fund.

23 (4) A conveyance under this act must reserve to this state all
24 aboriginal antiquities, including mounds, earthworks, forts, burial
25 and village sites, mines, or other relics lying on, within, or
26 under the property, with power to this state and all others acting
27 under its authority to enter the property for any purpose related
28 to exploring, excavating, and taking away the aboriginal
29 antiquities.

1 (5) If property conveyed under this act was used by this state
2 as a historical monument, memorial, burial ground, park, or
3 protected wildlife habitat area, the grantee or any successor shall
4 maintain and protect the property for that purpose in perpetuity in
5 accordance with applicable law.

6 (6) If property conveyed under this act is used in a manner
7 that violates any of the restrictions imposed under section 4(f) or
8 subsection (3), (4), or (5), this state may reenter and take the
9 property, terminating the grantee's or any successor's estate in
10 the property. If the original grantor or any successor disputes
11 this state's right to reenter and take the property and fails to
12 promptly deliver possession of the property to this state, the
13 attorney general may bring an action on behalf of this state to
14 quiet title to and regain possession of the property.

15 (7) If this state reenters and repossesses property under
16 subsection (6), this state is not liable to reimburse any person
17 for any improvements made on the property or to compensate any
18 person for any part of an unfulfilled contract or license issued to
19 provide goods or services on or for the property.

20 Sec. 7. (1) The department of technology, management, and
21 budget may require a grantee of property conveyed under this act or
22 recipient under an affidavit of jurisdictional transfer to record
23 the instrument of conveyance or transfer with the appropriate
24 register of deeds and provide the department of technology,
25 management, and budget with a recorded copy of the recorded
26 instrument.

27 (2) The state administrative board shall deposit the net
28 revenue received from the sale of property under this section in
29 the state treasury. The state treasurer shall credit the money

1 deposited to the general fund.