



**House
Legislative
Analysis
Section**

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ADDISON TWP CONVEYANCE

**House Bill 6016 as enrolled
Public Act 424 of 1996
Second Analysis (11-25-96)**

**Sponsor: Rep. Penny Crissman
House Committee: Regulatory Affairs
Senate Committee: Local, Urban and State
Affairs**

THE APPARENT PROBLEM:

In December of 1995, the Department of State Police purchased 3.77 acres in Addison Township, Oakland County, with the intention of constructing a radio tower as part of the Michigan State Police 800 MHZ Radio Tower Project. However, the property, located on the west side of Townsend Road and north of Romeo Road, is in a residential area and zoned for suburban farm use. Since the radio tower did not meet with local zoning ordinances, Addison Township sued the department and Motorola Communications and Electronics, Inc. (the contractor for the radio project) in June of 1996 and received an injunction against building the tower on the site. The matter is currently pending review before the Michigan Court of Appeals.

According to a representative of the Department of Management and Budget, the state and township have progressed in finding an alternative site that would be mutually acceptable. However, since the department does not have the authority to sell surplus land, legislation has been proposed to permit the sale of the property and to reimburse the radio tower project. The funds could then be used to purchase an alternate site in Addison Township for the radio tower.

THE CONTENT OF THE BILL:

The bill would permit the state to sell to the highest bidder at no less than fair market value a parcel of land containing approximately 3.77 acres in Addison Township, Oakland County, currently under the jurisdiction of the Department of State Police. The fair market value would be determined by an appraisal based on the property's highest and best use as prepared by the state tax commission or an independent fee appraiser. The bill's description of the land would be considered approximate and subject to adjustment by survey or other legal description. The conveyance would be by quitclaim deed approved by the attorney general. Mineral rights would be included in the deed and so would go to the buyer.

Revenue received by the sale of the land would be deposited in a restricted fund within the state treasury. The money could then be appropriated only to the Department of Management and Budget for the purpose of reimbursing the Michigan State Police 800 MHZ radio tower project.

FISCAL IMPLICATIONS:

The Department of Management and Budget reports in a memorandum dated 9-11-96 that the land was purchased in December, 1995, for \$57,000; closing and processing costs brought the total cost to the state to \$67,308.62. According to the Senate Fiscal Agency (SFA), there would be no direct fiscal impact on the state if the property is sold for at least fair market value. However, the SFA reports a fair market value of \$54,000 plus an additional \$3,000 financed by Motorola Communications and Electronic, Inc., the project developer; if the property was sold at fair market value but for less than the total acquisition costs, the state would realize a net loss in the conveyance. In addition, a House floor amendment that included the mineral rights in the sale could result in an indeterminate revenue loss to the state if substantial mineral deposits should be found on the site. (9-26-96)

ARGUMENTS:

For:

Though Addison Township has brought a suit against the state and the contractor of the radio project in order to block the construction of the tower, the township and the state have continued to work together to resolve the zoning problem and to be sensitive to the concerns of township residents. Reportedly, a mutually acceptable site within the township has been identified and is in the process of being verified as to suitability. The bill would simply allow the state to sell the current property and reimburse the radio tower project. Then, a site that

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would be better suited for construction of the radio tower could be purchased. In addition, resolving the dispute quickly would enable this phase of the radio tower project to be completed in a timely manner and would save the state further litigation costs.

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.