# SUBSTITUTE FOR

#### HOUSE BILL NO. 5069

A bill to authorize the state administrative board to convey certain state owned property in Ingham county; to prescribe conditions for the conveyance; to provide for certain powers and duties of the department of management and budget and certain municipalities in regard to that property; and to provide for disposition of the revenue derived from the conveyance.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. The state administrative board, on behalf of the state, may convey to the city of Lansing, for consideration of not less than fair market value as determined pursuant to section 2, or for less than fair market value subject to sections 5 and 5, all or a portion of certain real property under the jurisdic-6 tion of the department of management and budget located in the 7 city of Lansing, Ingham county, Michigan, and further described 8 as follows:

04021'97 (H-2)

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House Bill No. 5069

1 East parcel description:

2 That part of the Northwest 1/4 of the Northeast 1/4 and that 3 part of the Northeast 1/4 of the Northwest 1/4 of Section 15, 4 Town 4 North, Range 2 West, City of Lansing, Ingham County 5 Michigan, bounded on the North by Saginaw Street (M-43); being 6 more particularly described as follows:

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Commencing at the North 1/4 Corner of Section 15, Town 4 7 8 North, Range 2 West, City of Lansing, Ingham County Michigan; 9 thence S 01 degree 21 minutes 25 seconds W, 40.00 feet along a 10 line to the point of beginning of the following described parcel, 11 said point also being an angle point in the Southerly 12 right-of-way of Saginaw Street (M-43); thence S 88 degrees 44 13 minutes 10 seconds E, 816.53 feet along the said Southerly 14 right-of-way line of Saginaw Street to a point at the Northwest 15 Corner of the land owned by the Catholic Diocese of Lansing, said 16 right-of-way line being 40 feet Southerly of and parallel with 17 the North line of the Northeast 1/4 of said Section 15; thence S 18 01 degree 42 minutes 50 seconds W, 938.68 feet along the West 19 property line of the land owned by the Catholic Diocese of 20 Lansing; thence N 89 degrees 00 minutes 10 seconds W, 1055.47 21 feet to a point; thence N 01 degree 52 minutes 00 seconds E, 22 115.77 feet along a line parallel with the Easterly right-of-way 23 line of Pennsylvania Avenue; thence N 88 degrees 08 minutes 00 24 seconds W, 99.59 feet to a point; thence N 01 degree 52 minutes 25 30 seconds E, 827.89 feet along the Easterly line, and its exten-26 sion, of Fairview Subdivision; as recorded in Liber 3 of Plats, 27 page 46 and the plat of Jones and Porter's addition, as recorded

House Bill No. 5069

1 in Liber 2 of Plats, page 20 all in the Ingham County Records, to 2 a point on the right-of-way line of Saginaw Street, said point 3 being 7.00 feet Southerly of the Northeast Corner of the plat of 4 Jones and Porter's addition; thence S 88 degrees 29 minutes 30 5 seconds E, 3.86 feet along said right-of-way line of Saginaw 6 Street to an angle point; thence S 88 degrees 33 minutes 00 sec-7 onds E, 331.99 feet along said right-of-way line of Saginaw 8 Street to the point of beginning, containing 24.670 acres, more 9 or less. Subject to all easements and restrictions of record, if 10 any.

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11 West parcel description:

12 That part of the Northwest 1/4 of the Northeast 1/4 and that 13 part of the Northeast 1/4 of the Northwest 1/4 of Section 15, 14 Town 4 North, Range 2 West, city of Lansing, Ingham County 15 Michigan, bounded on the North by Orchard Street and on the West 16 by Pennsylvania Avenue; being more particularly described as 17 follows:

18 Commencing at the North 1/4 Corner of Section 15, Town 4
19 North, Range 2 West, City of Lansing, Ingham County Michigan;
20 thence S 01 degree 21 minutes 25 seconds W, 40.00 feet along a
21 line to an angle point in the Southerly right-of-way of Saginaw
22 Street (M-43); thence N 88 degrees 33 minutes 00 seconds W,
23 331.99 feet along said Southerly right-of-way line of Saginaw
24 Street to a point; thence N 88 degrees 29 minutes 30 seconds W,
25 3.86 feet continuing along said Southerly right-of-way line of
26 Saginaw Street to a point on the Easterly line of the plat of
27 Jones and Porter's addition, as recorded in Liber 2 of Plats,

House Bill No. 5069

1 page 20 in the Ingham County Records, said point being 7.00 feet 2 Southerly of the Northeast Corner of the Plats of Jones and 3 Porter's addition; thence S 01 degree 52 minutes 30 seconds W, **4** 395.00 feet along the Easterly line of said plat of Jones and 5 Porter's addition, and the plat of Fairview Subdivision, as 6 recorded in Liber 3 of Plats page 46 of the Ingham County 7 Records, to the point of beginning of the following described 8 parcel, said point being the Southeast Corner of said Fairview 9 Subdivision; thence S 01 degree 52 minutes 30 seconds W, 432.89 10 feet along the extension of the Easterly line of said Fairview 11 Subdivision and Jones and Porter's addition to a point; thence N 12 88 degrees 08 minutes 00 seconds W, 130.41 feet to a point; 13 thence S 01 degree 52 minutes 00 seconds W, 60.00 feet along a 14 line parallel with the Easterly right-of-way line of Pennsylvania 15 Avenue; thence N 88 degrees 05 minutes 06 seconds W, 810.00 feet 16 to a point on the Easterly right-of-way line of said Pennsylvania 17 Avenue, said point being N 01 degree 52 minutes 00 seconds E, 18 1288.00 feet along the right-of-way line of Pennsylvania Avenue 19 from the Northeasterly intersection of Pennsylvania Avenue and 20 Jerome Street; thence N 01 degree 52 minutes 00 seconds E, 485.60 21 feet along the Easterly right-of-way line of said Pennsylvania 22 Avenue to the Southwest Corner of said Fairview Subdivision; 23 thence S 88 degrees 32 minutes 10 seconds E, 940.50 feet along 24 the Southerly right-of-way line of Orchard Street to the 25 Southeast Corner of said Fairview Subdivision, and the point of 26 beginning, containing 10.384 acres, more or less. Subject to all 27 easements and restrictions of record, if any.

4

House Bill No. 5069

Sec. 2. The fair market value of the property described in
 section 1 shall 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.

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5 Sec. 3. The description of the parcel in section 1 is
6 approximate and for purposes of the conveyance is subject to
7 adjustments as the state administrative board or the attorney
8 general considers necessary by survey or other legal
9 description.

Sec. 4. If the property described in section 1 is not sold pursuant to section 1 within 12 months after the effective date of this act, the director shall offer the property for sale on the open market for fair market value or by broker contract.

14 Sec. 5. If the property described in section 1 is not sold 15 pursuant to section 4, the director of the department of manage-16 ment and budget with the concurrence of the state administrative 17 board may do any of the following:

18 (a) Order a reappraisal of the property.

19 (b) Withdraw the property from sale.

20 (c) Determine that the property should be sold for less than
21 fair market value because it is not in the best interest of the
22 state to continue to hold and maintain the property.

Sec. 6. Any conveyance of the property described in section
24 1 for less than fair market value shall provide for both of the
25 following:

26 (a) That the property shall be used exclusively for public27 purposes and if any fee, term, or condition is imposed on members

House Bill No. 5069

1 of the public for recreational use of the conveyed property, all 2 resident and nonresident members of the public shall be subject 3 to the same fees, terms, and conditions, except that the grantee 4 may waive daily fees or waive fees for the use of specific areas 5 or facilities; and that upon termination of that use or use for 6 any other purpose, the state may reenter and repossess the prop-7 erty, terminating the grantee's estate in the property.

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8 (b) That if the grantee disputes the state's exercise of its 9 rights of reentry and fails to promptly deliver possession of the 10 property to the state, the attorney general, on behalf of the 11 state, may bring an action to quiet title to, and regain posses-12 sion of, the property.

13 Sec. 7. The conveyance authorized by this act shall be by 14 quitclaim deed approved by the attorney general. The conveyance 15 shall not reserve the mineral rights to the state; however, the 16 conveyance shall provide that if the grantee derives any revenue 17 from the development of any minerals found on, within, or under 18 the conveyed property, the grantee shall pay 1/2 of that revenue 19 to the state, for deposit in the state general fund.

20 Sec. 8. (1) The net revenue received under this act shall 21 be deposited in the state treasury and credited to the general 22 fund.

(2) For the purposes of this act, "net revenue" means the
proceeds from the sale of the property described in section 1
less reimbursement for any costs to the state associated with the
sale of that property.

04021'97 (H-2) Final page. DRM