

SENATE BILL No. 306

March 15, 2005, Introduced by Senator BIRKHOLZ and referred to the Committee on Appropriations.

A bill to authorize the department of management and budget to convey certain parcels of state owned property in Eaton county; to prescribe conditions for the conveyances; to provide for certain powers and duties of the department of management and budget in implementing those conveyances; to provide for disposition of revenue derived from the conveyances; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. The department of management and budget, on behalf of
2 the state, may convey to the Grand Ledge school district, for
3 consideration of \$1.00, 2 parcels of real property now under the
4 jurisdiction of the department of management and budget and located
5 in Eaton county, Michigan, and more particularly described as:

1 Parcel A

2 Beginning at a point 16 rods North from the
3 Southeast corner of the North 1/2 of the Southwest 1/4 of
4 Section 11, T4N, R4W; thence West 80 rods; thence North
5 8 rods; thence East 80 rods; thence South 8 rods to the point
6 of beginning.

7 Parcel B

8 Beginning at the Southeast corner of the North 1/2 of the
9 Southwest 1/4 of Section 11, T4N, R4W; thence West 80 rods;
10 thence North on the eighth line 16 rods; thence East 80 rods;
11 thence South on the quarter line 16 rods to the point of
12 beginning.

13 Sec. 2. The department of management and budget, on behalf of
14 the state, may convey to the Grand Ledge school district in
15 exchange for a lump sum cash payment of not less than the fair
16 market value, a certain parcel of real property now under the
17 jurisdiction of the department of management and budget and located
18 in Eaton county, Michigan, and more particularly described as:

19 Parcel C

20 That part of the Southwest 1/4 of Section 11, T4N,
21 R4W, City of Grand Ledge, Eaton County, Michigan, beginning at
22 the Northwest corner of Lot 180, SUPERVISOR'S PLAT NO. 2, City
23 of Grand Ledge, Eaton County, Michigan, recorded in Liber 2 of
24 Plats, Page 42, Eaton County Records; thence along the
25 Northerly projection of the West line of said lot 180, 20.00
26 feet; thence parallel with the North line of said Lot 180
27 Easterly 150.00 feet; thence parallel with said West line of

1 Lot 180 Southerly 20.00 feet to said North line of Lot 180;
2 thence Westerly 150.00 feet to the point of beginning.

3 Sec. 3. The descriptions of the parcels in this act are
4 approximate and for purposes of the conveyance are subject to
5 adjustment as the state administrative board or the attorney
6 general considers necessary by survey or other legal description.

7 Sec. 4. The conveyance authorized by section 1 shall provide
8 for all of the following:

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

15 (b) Upon termination of the use described in subdivision (a)
16 or use for any other purpose, the state may reenter and repossess
17 the property, terminating the grantee's estate in the property.

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

23 Sec. 5. The fair market value of the property described in
24 section 2 shall be determined by an appraisal commissioned by the
25 department of management and budget and prepared by an independent
26 professional appraiser.

27 Sec. 6. If the properties described in section 1 or 2 are not

1 sold to the Grand Ledge school district within 1 calendar year
2 after the effective date of this act, the director of the
3 department of management and budget may offer the property for sale
4 on the open market for not less than fair market value as
5 determined by an appraisal prepared by an independent professional
6 fee appraiser.

7 Sec. 7. (1) If the property described in section 1 or 2 is
8 offered on the open market at not less than fair market value in
9 accordance with section 6, the sale shall be conducted so as to
10 realize the highest and best price and/or value for the state as
11 determined by the director of the department of management and
12 budget. The sale shall be done in an open manner that uses 1 or
13 more of the following:

14 (a) A competitive sealed bid.

15 (b) A public auction.

16 (c) Broker services.

17 (2) A notice of a sealed bid, a public auction, or use of
18 broker services under subsection (1) shall be published at least
19 once in a newspaper as defined in section 1461 of the revised
20 judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10
21 days before the sale. The notice shall describe the general
22 location of the property and the date, time, and place of the sale.

23 Sec. 8. Each conveyance authorized by this act shall be by
24 quitclaim deed designed or otherwise approved by the attorney
25 general and shall not reserve to the state any gas, oil, or mineral
26 rights found on, within, or under the conveyed property, but shall
27 provide for the exercise of the state's ongoing property interests

1 in and regulatory jurisdiction over any historic artifacts and
2 antiquities subsequently found on the site.

3 Sec. 9. The state forgives any rent and interest that might
4 otherwise be due from the Grand Ledge school district's use and
5 occupancy of the state's properties described in sections 1 and 2
6 prior to closing, if the use and occupancy is otherwise governed by
7 a formal lease or rental agreement binding the parties to commonly
8 accepted norms of leasing state property and that affords the state
9 adequate liability coverage under the lessee's own insurance policy
10 or policies. The lease or rental agreement shall be designed and
11 interpreted by the department of management and budget in
12 consultation with the attorney general.

13 Sec. 10. In addition to the sale revenue provided in this act,
14 the department of management and budget may also charge the buyer
15 for reimbursement of all administrative costs associated with the
16 department's implementation of this act, including, but not limited
17 to, the costs of appraising and surveying the property and those
18 associated with brokering and managing the sale of the property.
19 Reimbursement for those administrative costs shall be deposited
20 with and credited to the department of management and budget. All
21 other revenue received under this act shall be deposited in the
22 state treasury and credited to the general fund.

23 Sec. 11. The following acts are repealed:

24 (a) 1973 PA 194.

25 (b) 1980 PA 39.

26 (c) 1981 PA 179.