

Act No. 208  
Public Acts of 2010  
Approved by the Governor  
October 25, 2010  
Filed with the Secretary of State  
October 25, 2010  
EFFECTIVE DATE: October 25, 2010

**STATE OF MICHIGAN**  
**95TH LEGISLATURE**  
**REGULAR SESSION OF 2010**

Introduced by Rep. Caul

# ENROLLED HOUSE BILL No. 5779

AN ACT to authorize the state administrative board to convey certain parcels of state-owned property in Isabella county; to prescribe conditions for the conveyances; to provide for certain powers and duties of certain state departments in regard to the property; and to provide for disposition of revenue derived from the conveyances.

*The People of the State of Michigan enact:*

Sec. 1. (1) The state administrative board, on behalf of the state, may convey to the city of Mt. Pleasant, for consideration of \$1.00, all or portions of certain state-owned property now under the jurisdiction of the department of community health, commonly known as the Mt. Pleasant center, located in the city of Mt. Pleasant, Isabella county, Michigan, and more particularly described as follows:

**Mt. Pleasant Center Main Campus:**

A PARCEL OF LAND SITUATED IN THE TOWNSHIP OF UNION, COUNTY OF ISABELLA, STATE OF MICHIGAN, AND DESCRIBED AS FOLLOWS TO-WIT:

A PARCEL OF LAND BEING PART OF THE EAST ½ OF SECTION 9, T14N, R4W, MORE PARTICULARLY DESCRIBED AS: BEGINNING AT THE SOUTH ¼ CORNER OF SAID SECTION 9; THENCE N00°15'30"W 1446.74 FEET ALONG THE NORTH-SOUTH ¼ LINE OF SAID SECTION 9; THENCE N89°42'45"E 274.82 FEET; THENCE N00°15'29"W 1182.23 FEET; THENCE N89°00'51"E 72.74 FEET; THENCE N07°42'29"W 103.33 FEET; THENCE N71°34'42"W 352.72 FEET TO THE NORTH-SOUTH 1/4 LINE; THENCE N00°15'17"W ALONG SAID NORTH-SOUTH 1/4 LINE, 2417.88 FEET TO THE NORTH SECTION LINE; THENCE N88°50'08"E ALONG SAID NORTH LINE, 2647.57 FEET TO THE EAST SECTION LINE; THENCE S00°17'11"E ALONG SAID EAST LINE, 2645.95 FEET TO THE EAST-WEST 1/4 LINE; THENCE S00°16'36"E ALONG SAID EAST LINE, 1255.42 FEET; THENCE N89°57'07"W 367.31 FEET; THENCE S32°02'10"W 380.92 FEET; THENCE S60°57'30"E 219.17 FEET; THENCE S04°24'33"E 238.08 FEET; THENCE S57°56'51"E 429.20 FEET TO THE EAST SECTION LINE; THENCE S00°16'36"E ALONG SAID EAST LINE, 497.72 FEET TO THE SOUTH SECTION LINE; THENCE S89°28'59"W ALONG SAID SOUTH LINE, 2649.58 FEET TO THE POINT OF BEGINNING. PARCEL CONTAINS 304.62 ACRES OF LAND, MORE OR LESS.

SUBJECT TO THE PUBLIC RIGHT-OF-WAY OF PICKARD ROAD OVER THE SOUTHERLY 58 FEET THEREOF, THE RIGHT-OF-WAY OF BAMBER ROAD OVER THE WESTERLY 33 FEET THEREOF, THE RIGHT-OF-WAY OF RIVER ROAD OVER THE NORTHERLY 33 FEET THEREOF AND THE RIGHT-OF-WAY OF CRAWFORD ROAD OVER THE EASTERLY 33 FEET THEREOF.

ALSO SUBJECT TO AND TOGETHER WITH ANY RESTRICTIONS, RIGHT-OF-WAYS OR EASEMENTS OF RECORD, IF ANY.

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

(3) The property described in subsection (1) shall include all surplus, salvage, and scrap property or equipment remaining on the property as of the date of the conveyance.

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

(5) If any portion of the property described in subsection (1) is not conveyed to the city of Mt. Pleasant within 180 days after the effective date of this act, the director of the department of technology, management, and budget shall take the necessary steps to prepare to convey the remaining portions of the property using any of the following at any time:

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

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

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

(d) A value for value conveyance negotiated by the department of technology, management, and budget designed to realize the best value to the state. In determining whether value for value consideration for the property represents the best value, the department may consider the fair market value, or an amount equal to the actual costs to maintain the property, or the total value based on any positive economic impact to the state likely to be generated by the proposed use of the property, especially economic impact resulting in the creation of jobs or increased capital investment in the state.

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

(f) Offering the property for sale for less than fair market value to a local unit or units of government, subject to subsections (6) and (7).

(g) Conveying the property to the land bank fast track authority established under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(6) Any conveyance for less than fair market value authorized by subsection (1) or (5)(f) shall provide for all of the following:

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

(b) In the event of an activity inconsistent with subdivision (a), the state may reenter and repossess the property, terminating the grantee's or successor's estate in the property.

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

(d) If the state reenters and repossesses the property, the state shall not be liable to reimburse any party for any improvements made on the property.

(e) The grantee shall reimburse the state for all costs necessary to prepare the property for conveyance, including, but not limited to, surveys, title work, appraisals, and environmental assessments.

(7) For property conveyed pursuant to subsection (1) or (5)(f), if the local unit of government grantee intends to convey the property within 10 years after the conveyance from the state, the grantee shall provide notice to the department of technology, management, and budget of its intent to offer the property for sale. The department of technology, management, and budget shall retain a right to first purchase the property at the original sale price within 90 days after the notice at the original sale price plus the costs of any physical improvements made to the property, as determined by an auditor chosen by the state. If the state waives its right to first purchase the property, the local unit of government shall pay to the state 50% of the amount by which the sale price of the local unit's subsequent sale or sales of the property to a third party exceeds the sum of the original sale price and the costs of any physical improvements made by the local unit to the property, as determined by an auditor chosen by the state. As used in this subsection, "physical improvements" shall include, but not be limited to, the cost of environmental remediation, demolition, and infrastructure improvements.

(8) The conveyance authorized by this section shall be by quitclaim deed approved by the department of attorney general.

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

(10) The state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property with power to the state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

(11) The net revenue received from the sale of property under this section shall be deposited in the state treasury and credited to the general fund. As used in this subsection, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the state associated with the sale of property, including, but not limited to, administrative costs, including employee wages, salaries, and benefits; costs of reports and studies and other materials necessary to the preparation of sale; environmental remediation; legal fees; and any litigation related to any conveyance under this section.

Sec. 2. (1) The state administrative board, on behalf of the state, may convey to the Saginaw Chippewa Indian tribe of Michigan, for consideration of \$1.00, certain state-owned property now under the jurisdiction of the department of community health, commonly known as the Mt. Pleasant center, and located in the city of Mt. Pleasant, County of Isabella, Michigan, described as follows:

**Parcel 1: Cemetery and Gravesites**

A PARCEL OF LAND SITUATED IN THE TOWNSHIP OF UNION, COUNTY OF ISABELLA, STATE OF MICHIGAN, AND DESCRIBED AS FOLLOWS TO-WIT:

A PARCEL OF LAND BEING IN THE NORTHEAST 1/4 OF SECTION 9, T14N, R4W, MORE PARTICULARLY DESCRIBED AS COMMENCING AT THE NORTH 1/4 THENCE S00°15'17"E 2417.88 FEET ALONG THE N-S 1/4 LINE TO THE POINT OF BEGINNING; THENCE CONTINUING S00°15'17"E ALONG SAID N-S 1/4 LINE, 219.84 FEET TO THE E-W 1/4 LINE; THENCE N89°00'51"E ALONG SAID E-W 1/4 LINE, 347.58 FEET; THENCE N07°42'29"W 103.33 FEET; THENCE N71°34'42"W 352.72 FEET TO THE POINT OF BEGINNING. PARCEL CONTAINS 1.25 ACRES OF LAND, MORE OR LESS.

SUBJECT TO THE PUBLIC RIGHT-OF-WAY FOR BAMBER ROAD OVER THE WESTERLY 33-FEET THEREOF.

SUBJECT TO ALL RESTRICTIONS, RIGHT-OF-WAYS, EASEMENTS, COVENANTS AND AGREEMENTS OF RECORD, IF ANY.

**Parcel 2: Six Indian School Buildings**

A PARCEL OF LAND SITUATED IN THE TOWNSHIP OF UNION, COUNTY OF ISABELLA, STATE OF MICHIGAN, AND DESCRIBED AS FOLLOWS TO-WIT:

A PARCEL OF LAND BEING PART OF THE EAST 1/2 OF SECTION 9, T14N, R4W, MORE PARTICULARLY DESCRIBED AS COMMENCING AT THE SOUTHEAST CORNER OF SECTION 9; THENCE N00°16'36"W ALONG THE EAST SECTION LINE, 497.72 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING N00°16'36"W ALONG SAID EAST LINE, 894.16 FEET; THENCE N89°57'07"W 367.31 FEET; THENCE S32°02'10"W 380.92 FEET; THENCE S60°57'30"E 219.17 FEET; THENCE S04°24'33"E 238.08 FEET; THENCE S57°56'51"E 429.20 FEET TO THE POINT OF BEGINNING; PARCEL CONTAINS 7.61 ACRES OF LAND, MORE OR LESS.

SUBJECT TO THE PUBLIC RIGHT-OF-WAY OF CRAWFORD ROAD OVER THE EASTERLY 33 FEET THEREOF.

ALSO SUBJECT TO AND TOGETHER WITH ANY RESTRICTIONS, RIGHT-OF-WAYS OR EASEMENTS OF RECORD, IF ANY.

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

(3) The property described in subsection (1) shall include all surplus, salvage, and scrap property or equipment remaining on the property as of the date of the conveyance.

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

(5) If any portion of the property described in subsection (1) is not conveyed to the Saginaw Chippewa Indian tribe of Michigan within 180 days after the effective date of this act, the director of the department of technology, management,

and budget shall take the necessary steps to prepare to convey the remaining portions of the property using any of the following at any time:

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

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

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

(d) A value for value conveyance negotiated by the department of technology, management, and budget designed to realize the best value to the state. In determining whether value for value consideration for the property represents the best value, the department may consider the fair market value, or an amount equal to the actual costs to maintain the property, or the total value based on any positive economic impact to the state likely to be generated by the proposed use of the property, especially economic impact resulting in the creation of jobs or increased capital investment in the state.

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

(f) Offering the property for sale for less than fair market value to a local unit or units of government, subject to subsections (6) and (7).

(g) Conveying the property to the land bank fast track authority established under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(6) Any conveyance for less than fair market value authorized by subsection (1) or (5)(f) shall provide for all of the following:

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

(b) In the event of an activity inconsistent with subdivision (a), the state may reenter and repossess the property, terminating the grantee's or successor's estate in the property.

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

(d) If the state reenters and repossesses the property, the state shall not be liable to reimburse any party for any improvements made on the property.

(e) The grantee shall reimburse the state for all costs necessary to prepare the property for conveyance, including, but not limited to, surveys, title work, appraisals, and environmental assessments.

(7) For property conveyed pursuant to subsection (1) or (5)(f), if the local unit of government grantee intends to convey the property within 3 years after the conveyance from the state, the grantee shall provide notice to the department of technology, management, and budget of its intent to offer the property for sale. The department of technology, management, and budget shall retain a right to first purchase the property at the original sale price within 90 days after the notice at the original sale price plus the costs of any physical improvements made to the property, as determined by an auditor chosen by the state. If the state waives its right to first purchase the property, the local unit of government shall pay to the state 40% of the amount by which the sale price of the local unit's subsequent sale or sales of the property to a third party exceeds the sum of the original sale price and the costs of any physical improvements made by the local unit to the property, as determined by an auditor chosen by the state.

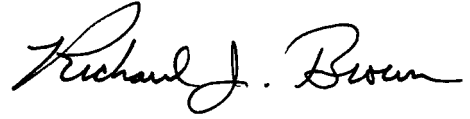
(8) The conveyance authorized by this section shall be by quitclaim deed approved by the department of attorney general.

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

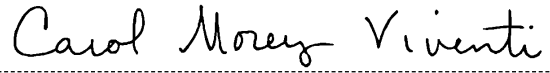
(10) The state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property with power to the state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

(11) The net revenue received from the sale of property under this section shall be deposited in the state treasury and credited to the general fund. As used in this subsection, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the state associated with the sale of property, including, but not limited to, administrative costs, including employee wages, salaries, and benefits; costs of reports and studies and other materials necessary to the preparation of sale; environmental remediation; legal fees; and any litigation related to any conveyance under this section.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor