

Legislative Analysis



PROPERTY CONVEYANCES: ISABELLA COUNTY (CITY OF MT. PLEASANT) AND MACOMB COUNTY

Phone: (517) 373-8080
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House Bill 5586 (proposed substitute H-1)

Sponsor: Rep. Roger Hauck

Committee: Appropriations

Complete to 2-22-22

SUMMARY:

House Bill 5586 would do both of the following:

- Authorize the State Administrative Board to accept from the City of Mt. Pleasant for the consideration of \$1.00 land previously conveyed to Mt. Pleasant in 2010 PA 208, a roughly 304-acre property (the former Mt. Pleasant Center, closed in 2009). The receipt of the property by the State Administrative Board would be subject to, and contingent upon, the reconveyance of the property to the City of Mt. Pleasant for \$1.00.
- Authorize the Department of Technology, Management, and Budget (DTMB) to transfer state-owned property located in Macomb County to the Department of Military and Veterans Affairs (DMVA), a roughly 102.7-acre property known as Seville Manor.

An approximate legal description of each property is set forth in the bill.

Isabella County reconveyance

The Mt. Pleasant property would be reconveyed by quitclaim deed or other instrument approved by the attorney general. The bill would revise the original deed restriction to specify that economic development is a public purpose. The original conveyance included a restriction that the property would be required to be used exclusively for public purposes if conveyed for less than fair market value and that any fees, terms, or conditions applied for use of the property, or waivers of those fees, terms, or conditions, would be required to be applied uniformly to all members of the public. All the other original deed restrictions made in 2010 PA 208 would still be in effect.

The state would not reserve oil, gas, or mineral rights to the conveyed property, but the purchaser or any grantee would have to pay one-half of any gross revenue generated from the development of oil, gas, or minerals. The state would reserve all rights in aboriginal antiquities, including the right to explore, excavate, and take them. Aboriginal antiquities include mounds, earthworks, forts, burial and village sites, mines, and other relics.

The state would be authorized to reenter and repossess the property if the conditions were not met and would not be liable for reimbursement to any party for improvements made on the property. The bill would specify that the state's right to reenter and take the property for a violation of the conveyance terms does not apply to a sale after the initial transfer by

the city of Mt. Pleasant, if the initial transfer by the city of Mt. Pleasant is for a public purpose.

Macomb County transfer

DMVA would be required to reimburse DTMB for all uncompensated costs incurred to study, evaluate, survey, inspect, appraise, and insure the Seville Manor property at the time of the property transfer. DMVA would be responsible for all property maintenance costs.

FISCAL IMPACT:

The Isabella County reconveyance would have no fiscal impact on state and local government, as DTMB would accept the property from the City of Mt. Pleasant for \$1.00 and subsequently reconvey the property for \$1.00.

The Seville Manor transfer would have no fiscal impact on state and local government, as it corrects an administrative error on the deed that would be addressed through the transfer process.

Fiscal Analyst: Perry Zielak

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