



**House
Legislative
Analysis
Section**

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SCHOOL FOR DEAF CONVEYANCE

**House Bill 5169 (Substitute H-2)
First Analysis (11-29-93)**

**Sponsor: Rep. Bob Emerson
Committee: State Affairs**

THE APPARENT PROBLEM:

The Valley School, a private school in Flint, currently is housed in a school building leased from the city but is seeking a larger facility. Reportedly, it has been negotiating with the state to lease facilities on the campus of the Michigan School for the Deaf in Flint. Apparently negotiations have bogged down, and Valley School wishes to buy, instead of lease, the facilities. Legislation has been introduced to allow this.

THE CONTENT OF THE BILL:

The bill would convey to the Valley School, at fair market value, two parcels of land containing two buildings (Fay Hall and Stewart Gymnasium) on the campus of the Michigan School for the Deaf in the city of Flint. One parcel is 3.60 acres ("more or less"), the other 2.64 acres ("more or less"). If the Valley School reconveyed the property, the state would have first right to buy. The land's fair market value would be determined by an appraisal ("based on the property's highest and best use") prepared by the state tax commission or an independent fee appraiser. The conveyance would be by quitclaim deed approved by the attorney general and would reserve all mineral rights to the state (except for nonmetallic minerals, including sand, gravel, and clay). Money from the sale of the property would be deposited in a restricted fund in the state treasury and appropriated only to the Department of Education for capital improvements to the Michigan School for the Deaf.

FISCAL IMPLICATIONS:

Fiscal information is not available.

ARGUMENTS:

For:

The Valley School, a private school now located in an unused school building in the city of Flint,

apparently needs larger facilities. Although the school owns land in the suburbs, it prefers to stay within the city and has been negotiating for over two years with the state to lease buildings on the campus of the Michigan School for the Deaf in Flint. At this time, the school would like to buy some land and two unused buildings on the campus of the School for the Deaf, and reportedly is prepared to spend \$2.5 million to renovate one of the buildings, Fay Hall, which currently is deteriorating. In addition, the school is prepared to offer services to students on the campus of the School for the Deaf as part of the Valley School's community service mission. There is some urgency about the timing of the conveyance because Fay Hall reportedly is deteriorating and will not survive the upcoming winter with its roof intact (at which point, of course, it would be much more costly to renovate). Since neither of the buildings in question have been used by the School for the Deaf for a number of years, the sale would not adversely affect the operation of the School for the Deaf. At the same time, the sale of this land and the two buildings would benefit the Valley School, the School for the Deaf, and the city of Flint, keeping a valuable educational resource in the city and providing an additional resource for the School for the Deaf.

For:

The bill would specify that money from the sale of the land would have to be appropriated to the Department of Education, to be used for capital improvements to the Michigan School for the Deaf. Thus, even though the sale would involve selling a building of great sentimental value to the School for the Deaf (Fay Hall apparently was the first building built for the school), it also would directly benefit the school.

Response:

A conveyance bill cannot bind future appropriations by the state legislature.

Against:

The state has been contemplating combining the two state handicapper schools (the School for the Blind, currently in Lansing, and the School for the Deaf) on the Flint campus of the School for the Deaf. It doesn't seem to make sense to sell part of the Flint campus.

Response:

Although the Department of Education hasn't yet declared the land in question to be surplus, the land (and building) aren't now being used and would not be used even if the two handicapper schools are combined on the Flint campus. In addition, Fay Hall wouldn't be suitable for multiply-handicapped people, since it is an old, multi-storied building.

POSITIONS:

The Department of Management and Budget supports the sale of state land at fair market value.
(11-19-93)