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CLEARWATER TOWNSHIP CONVEYANCE

House Bill 5088 with committee amendment First Analysis (10-23-01)

Sponsor: Rep. Ken Bradstreet
Committee: Regulatory Reform

THE APPARENT PROBLEM:

Since 1976, Clearwater Township in Kalkaska County has leased 20 acres of state-owned parkland along the banks of the Rapid River. During this time, the township has maintained the land as a public park known as Freedom Park. The township has also made many improvements to the property, such as developing hiking trails, picnic areas, pavilions, and other facilities for public use. However, the lease expired earlier this year. Instead of renewing the lease, the township is interested in assuming full ownership of the land. Legislation has been offered to convey the property to Clearwater Township.

THE CONTENT OF THE BILL:

The bill would allow the Department of Natural Resources (DNR) to convey property under its jurisdiction to Clearwater Township in Kalkaska County for \$1. The property would have to be used exclusively for the purpose of public recreational and boating and fishing accesses or it would revert to state ownership. If the township disputed the state's right to reclaim the property, the attorney general could bring an action to quiet title to, and regain possession of, the property. Any fees, terms, conditions, and waivers imposed for the public use of the property would have to apply to both residents and nonresidents. The conveyance would be by quitclaim deed and would not reserve mineral rights to the state. Any revenue received under the bill would go to the general fund.

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, there would be no fiscal implications to the state. However, if the property were to be sold at fair market value, an appraisal would be required to determine the fair market value, and then additional one-time revenues would accrue to the state. (10-19-01)

ARGUMENTS:

For:

For 25 years, Clearwater Township has maintained and improved the 20 acres of state land that it has been leasing. Hiking trails and picnic areas have been developed, along with two pavilions built on either side of Rapid City Road, which runs through the park. Freedom Park, as it is known, affords residents and tourists alike many opportunities to enjoy nature. In addition, activities such as the annual Heritage Festival and family reunions are held there. Since the township has already assumed responsibility for maintaining and improving the park, and owns the outdoor facilities, it makes sense that the property should be conveyed to the township now that the lease has expired.

POSITIONS:

Clearwater Township supports the bill. (10-18-01)

The Department of Natural Resources supports the bill. (10-18-01)

Analyst: S. Stutzky

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

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