

**SUBSTITUTE FOR
SENATE BILL NO. 540**

A bill to authorize the state administrative board to convey certain state owned property in Macomb county; to prescribe conditions for the conveyance; and to provide for disposition of the revenue from the conveyance.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. The state administrative board, on behalf of the
2 state, may convey for consideration of not less than fair market
3 value as determined pursuant to section 3, all or any portion of
4 property now under the jurisdiction of the department of commu-
5 nity health and located in the township of Clinton, Macomb
6 county, Michigan, and more particularly described as:
7 A parcel of land in the NE 1/4 of section 7, T2N, R13E, Clinton
8 Township, Macomb County, Michigan, consisting of the north
9 1354.27 of the following described parcel; commencing at the N
10 1/4 corner of said section 7; thence N 88 16'00"E 432.03 feet, on

S04404'01 * (S-1)

DRM

SB 540, As Passed Senate, April 25, 2002

Senate Bill No. 540

2

1 the north line of said section 7 to the point of beginning of
2 this description; thence N88 16'00" 887.77 feet, on the north
3 line of said section 7, thence S01 26'00"E 2303.13 feet, on the
4 West line of St. Joseph subdivision (and its extension) to the
5 center of Canal Road; thence N71 21'30"W 762.85 feet, on the
6 center of Canal Road; thence N01 18'30"E 377.58 feet; thence
7 S88 50'00"W 196.94 feet; thence N01 10'00"W(computed as
8 N01 10'12"W) 1658.58 feet, to the point of beginning. The above
9 described parcel contains 26 acres, more or less. Reference to
10 deed recorded in Liber2086, Pages 879 and 880, Macomb County
11 Records.

12 Sec. 2. The parcel in section 1 comprises a total of
13 approximately 26 acres. The description of the parcel in section
14 1 is approximate, and for the purposes of conveyance is subject
15 to adjustments as the state administrative board or the attorney
16 general considers necessary by survey or other legal
17 description. The conveyance of the parcel in section 1 is
18 subject to any easements, rights-of-way, or restrictions, if any,
19 and restrictions and easements determined by the director of the
20 department of management and budget and approved by the state
21 administrative board as necessary for development of the
22 property.

23 Sec. 3. The fair market value of the property described in
24 section 1 shall be determined by an appraisal based on using the
25 property for providing services to the mentally ill or develop-
26 mentally disabled citizens.

S04404'01 * (S-1)

1 Sec. 4. The property described in section 1 shall be
2 conveyed for the purpose of providing outpatient services to indigent
3 persons requiring community health services due to mental illness, aging,
4 substance abuse, or developmental disability, and the deed conveying
the property shall provide for both of the following:

5 (a) That the property shall be used exclusively for provid-
6 ing outpatient services to indigent persons requiring community
7 health services due to mental illness, aging, substance abuse, or
8 developmental disability, for a period of 50 years after the date
9 of the conveyance and that upon termination of that use or use
10 for any other purpose during that period, the state may reenter
11 and repossess the property, terminating the grantee's estate in
12 the property.

13 (b) That if the grantee disputes the state's exercise of its
14 rights of reentry and fails to promptly deliver possession of the
15 property to the state, the attorney general, on behalf of the
16 state, may bring an action to quiet title to, and regain posses-
17 sion of, the property.

18 Sec. 5. The conveyance authorized by this act shall be by
19 quitclaim deed approved by the attorney general.

20 Sec. 6. The state shall not reserve the mineral rights to
21 the property conveyed under this act. However, the conveyance
22 authorized under this act shall provide that if the purchaser or
23 any grantee develops any minerals found on, within, or under the
24 conveyed property, the purchaser or any grantee shall pay 1/2 of
25 that revenue to the state, for deposit in the state general
26 fund.

SB 540, As Passed Senate, April 25, 2002

Senate Bill No. 540

4

1 Sec. 7. (1) The net revenue received under this act shall
2 be deposited in the state treasury and credited to the general
3 fund.

4 (2) For the purposes of this section, "net revenues" means
5 the proceeds from the sale of the property described in section 1
6 less reimbursement for any costs to the state associated with the
7 sale of that property.