

Act No. 320
Public Acts of 2004
Approved by the Governor
August 27, 2004
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August 27, 2004
EFFECTIVE DATE: August 27, 2004

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Senator Cropsey

ENROLLED SENATE BILL No. 1297

AN ACT to authorize the state administrative board to convey certain parcels of state owned property in various counties; to prescribe conditions for the conveyances; to provide for the disposal of certain buildings; to provide for certain powers and duties of certain state departments in regard to the parcels of property; to provide for disposition of revenue derived from the conveyances; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 1. (1) The state administrative board, on behalf of the state, may convey, for not less than fair market value, all or portions of state owned property now under the jurisdiction of the department of state police and located in the city of Mount Pleasant, Isabella county, Michigan, and further described as follows: Commencing at a point 445.85 feet North of the intersection of the North line of Pickard Street and the West line of Mission street thence Southerly along the West line of Mission Street one hundred feet (100 feet) thence West one hundred thirty two feet (132 feet) thence North one hundred feet (100 feet) thence East about one hundred thirty two feet (132 feet) to the place of beginning.

(2) Before offering the property described in subsection (1) for public sale, the director of the department of management and budget shall first offer the property for sale to the local units of government in which the property is located. An offer to a local unit of government may be for less than fair market value. In order to exercise its right to purchase the property under this subsection, a local government must enter into a purchase agreement within 60 days after the date of the offer and must complete the purchase within 120 days after the date of the offer. If a local unit of government purchases the property and, within 1 year after the date of that purchase, conveys the property for use other than for public purposes, the local unit of government shall pay to the state both of the following amounts:

(a) An amount equal to the fair market value of the property at the time it was sold to the local unit of government by the state, less the price the local unit of government paid to the state for the property.

(b) An amount equal to 50% of the price paid by the subsequent purchaser to the local unit of government for the property, less the fair market value of the property at the time it was sold to the local unit of government by the state.

(3) Any conveyance to a local unit of government authorized by subsection (2) shall provide that 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, resident and nonresident members of the public shall be subject to the same fees, terms, conditions, and waivers.

(4) The fair market value of the property described in subsection (1) shall be determined by an appraisal prepared by an independent appraiser.

(5) If the property described in subsection (1) is offered for sale at not less than fair market value, the sale shall be conducted in a manner designed to realize the highest price from the sale or the highest value to the state. The sale of this property shall be done in an open manner that utilizes 1 or more of the following:

- (a) A competitive sealed bid.
- (b) Real estate brokerage services.
- (c) A public auction.

(6) A notice of a sealed bid, public auction sale, or use of broker services regarding the property described in subsection (1) shall be published at least once in a newspaper as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10 business days before the sale. A notice shall describe the general location and size of the property to be offered, highlights of the general terms of the offer, and directions on how to get further information about the property, as available, prior to the sale. The notice shall also list the date, time, and place of the sale or bid opening.

(7) The description of the parcel 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.

(8) The net revenue received 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 department of management and budget associated with the sale of the property, including the cost of securing discharge of liens or encumbrances. If the revenue received under this section is insufficient to reimburse the department of management and budget for its costs of using outside vendors in surveying, appraising, and closing the sale of the property offered in this section, those costs shall be reimbursed by the department of state police within 30 days after being presented an itemized bill for those costs.

(9) The conveyance authorized by this section shall be by quitclaim deed prepared and approved by the attorney general, subject to easements and other encumbrances of record. The quitclaim deed shall provide that the state shall reserve all rights in aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, or other relics, including the right to explore and excavate for the aboriginal antiquity by the state or its authorized agents.

(10) The state shall not reserve the 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 minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay 1/2 of the gross revenue generated from the development of the minerals to the state, for deposit in the state general fund.

(11) If the property described in subsection (1) is not sold pursuant to subsection (2) and fails to sell at a public sale for fair market value, the director of the department of management and budget with the concurrence of the state administrative board may do any of the following:

- (a) Order a reappraisal of the property.
- (b) Withdraw the property from sale.
- (c) Offer the property for sale for less than fair market value in an open manner that utilizes 1 or more of the following:
 - (i) A competitive sealed bid.
 - (ii) Real estate brokerage services.
 - (iii) A public auction.

Sec. 2. (1) The state administrative board, on behalf of the state, may convey to the township of Calumet, in Houghton county, for consideration of \$1.00, property now under the jurisdiction of the department of state police and located in the township of Calumet, Houghton county, Michigan, and further described as follows:

Lots thirty-two (32), thirty-three (33), and forty-two (42) Plat of Calumet Avenue Estates, Calumet Township, Houghton County, Michigan as recorded in Liber I, pages 94 and 95.

Excepting and reserving, however, to a previous Grantor (UOP Inc., City of Des Plaines, Cook County, Illinois), its successors and assigns forever, all ores, metals, and minerals in, on, or under the said described parcels of land and the right to mine the same to within fifteen (15) feet of the surface of the rock, and the right at all times to carry on mining operations of all kinds under and beneath the said parcels of land and to within fifteen (15) feet of the surface of the rock; and further expressly saving, reserving, and excepting to the said Grantor, its successors and assigns, the right to cause subsidence of the said premises by the withdrawal of lateral or subjacent support, whether through the conduct of mining operations, or otherwise.

(2) The conveyance authorized by this section 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 the property, resident and nonresident members of the public shall be subject to the same fees, terms, conditions, and waivers.

(b) Upon termination of the public purpose use described in subdivision (a) or in the event of use for any nonpublic purpose, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(c) If the grantee 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.

(3) If the property described in subsection (1) is not sold to the township of Calumet under subsection (1), the director of management and budget may offer the property for sale, for a public purpose, to the government of the United States or its subdivisions, under the same conditions. If the property described in subsection (1) is not sold to either the township of Calumet or the government of the United States or its subdivisions, the property may be offered for not less than fair market value pursuant to subsections (4) to (6).

(4) The fair market value of the property described in subsection (1) shall be determined by an appraisal prepared by an independent appraiser.

(5) If the property is offered for sale at not less than fair market value, the sale shall be conducted in a manner designed to realize the highest price from the sale or the highest value to the state. The sale of this property shall be done in an open manner that utilizes 1 or more of the following:

(a) A competitive sealed bid.

(b) Real estate brokerage services.

(c) A public auction.

(6) A notice of a sealed bid, public auction sale, or use of broker services regarding the property described in this section shall be published at least once in a newspaper as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10 business days before the sale. A notice shall describe the general location and size of the property to be offered, highlights of the general terms of the offer, and directions on how to get further information about the property, as available, prior to the sale. The notice shall also list the date, time, and place of the sale or bid opening.

(7) The description of the parcel 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.

(8) The net revenue received 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 department of management and budget associated with the sale of the property, including the cost of securing discharge of liens or encumbrances. If the revenue received under this section is insufficient to reimburse the department of management and budget for its costs of using outside vendors in surveying, appraising, and closing the sale of the property offered in this section, those costs shall be reimbursed by the department of state police within 30 days of being presented an itemized bill for those costs.

(9) The conveyance authorized by this section shall be by quitclaim deed prepared and approved by the attorney general, subject to easements and other encumbrances of record. The quitclaim deed shall provide for both of the following:

(a) If the property is reentered and repossessed by the state, the state shall have no liability for any improvements made on the property.

(b) The state shall reserve all rights in aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, or other relics, including the right to explore and excavate for the aboriginal antiquity by the state or its authorized agents.

(10) The state shall not reserve the 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 minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay 1/2 of the gross revenue generated from the development of the minerals to the state, for deposit in the state general fund.

(11) If the property described in subsection (1) is not sold pursuant to subsection (2) or (3) and fails to sell at a public sale for fair market value, the director of the department of management and budget with the concurrence of the state administrative board may do any of the following:

(a) Order a reappraisal of the property.

(b) Withdraw the property from sale.

(c) Offer the property for sale for less than fair market value in an open manner that utilizes 1 or more of the following:

- (i) A competitive sealed bid.
- (ii) Real estate brokerage services.
- (iii) A public auction.

Sec. 3. (1) The state administrative board, on behalf of the state and subject to the terms stated in this section, may convey for not less than fair market value all or portions of certain state owned property now under the jurisdiction of the department of management and budget and located in the city of Detroit, Wayne county, Michigan, commonly known as the Michigan labor building and land, and more particularly described as:

PARCEL A:

All of Lots 1 through 9, inclusive, the strip of land twenty (20) feet in width lying between the east line of said Lots 1 and 2 and the west line of said Lot 3, being the alley vacated by the Common Council of the City of Detroit by resolution adopted October 22, 1912, and the West 11.80 feet of Lot 10, Atkinson's Subdivision of the South Part of Lot One of the Subdivision of Quarter Section Fifty Seven, Ten Thousand Acre Tract, Township of Hamtramck (now City of Detroit), Wayne County, Michigan, as recorded in Plat Liber 7, Page 33, Wayne County Records, and the Southerly 27-1/2 feet and the Easterly 155 feet of the North 80 feet of Lot 1, Bagg's Subdivision of part of Lot 1 in Quarter Section 57, Ten Thousand Acre Tract, Town 1 South, Range 12 East, as recorded in Plat Liber 7, Page 33, Wayne County Records, said parcel of land being more particularly described as:

BEGINNING at the northeast corner of Woodward Avenue and East Grand Boulevard at the southwest corner of said Lot 1 of said Atkinson's Subdivision; thence N25 degrees 59 minutes 43 seconds W 145.04 feet along the northeasterly line of said Woodward Avenue to the southerly line of said Southerly 27-1/2 feet of said Lot 1 of said Bagg's Subdivision; thence N63 degrees 57 minutes 05 seconds E 65.00 feet along said southerly line; thence N25 degrees 59 minutes 43 seconds W 80.03 feet to the southeasterly line of Horton Avenue; thence N63 degrees 57 minutes 39 seconds E 155.00 feet along said southeasterly line to the easterly line of said Lot 1 of said Bagg's Subdivision and the west line of a 20 foot wide public alley; thence S25 degrees 59 minutes 43 seconds E 107.5 feet to the southeasterly line of a 15 foot wide public alley; thence N63 degrees 57 minutes 05 seconds E 361.41 feet along said southeasterly line and northwesterly line of said Lots 3 through 10 to the southwesterly line of John R Street; thence S25 degrees 46 minutes 52 seconds E 109.95 feet along said southwesterly line to the northwest corner of said John R Street and East Grand Boulevard; thence S63 degrees 56 minutes 30 seconds W 581.00 feet along the northwesterly line of East Grand Boulevard to the Point of Beginning, containing 1.928 acres and being subject to easements and restrictions of record.

PARCEL B:

The East 10 feet of Lot 2, all of Lots 3 through 13, inclusive, and the West 1.80 feet of Lot 14, Bagg's Subdivision of Part of Lot 1 in Quarter Section 57, Ten Thousand Acre Tract, Town 1 South, Range 12 East, as recorded in Plat Liber 7, Page 33, Wayne County Records; said parcel of land being more particularly described as:

BEGINNING at the southwest corner of Horton Avenue and John R Street at the northeast corner of said West 1.80 feet of Lot 14 of said Bagg's Subdivision; thence S25 degrees 46 minutes 52 seconds E 99.95 feet along the southwesterly line of said John R Street to the northwesterly line of a 15 foot wide public alley; thence S63 degrees 57 minutes 05 seconds W 341.47 feet along said northwesterly line and southeasterly line of said Lots 3 through 13 to the northeasterly line of a 20 foot wide public alley; thence N25 degrees 59 minutes 43 seconds W 100.00 feet to the southeasterly line of Horton Avenue; thence N63 degrees 57 minutes 39 seconds E 341.80 feet along said southeasterly line to the Point of Beginning, containing 0.784 of an acre and being subject to easements and restrictions of record.

PARCEL C:

All of Lots 88, 89, and the Northerly 53 feet of Lot 90, Hibbard Baker's Subdivision of Lot No. 2 of the Subdivision of 1/4 Section 57, Ten Thousand Acre Tract, Hamtramck (now City of Detroit), Town 1 South, Range 12 East, as recorded in Plat Liber 7, Page 90, Wayne County Records, said parcel of land being more particularly described as:

BEGINNING at the southeast corner of said Lot 89 on the northwesterly line of Horton Avenue which is S63 degrees 57 minutes 39 seconds W 31.82 feet from the southeast corner of Horton Avenue and John R Street at the northwest corner of said Lot 90 of said Hibbard Baker's Subdivision; thence continuing along said northwesterly line of Horton Avenue S63 degrees 57 minutes 39 seconds E 60.03 feet to the southwest corner of said Lot 88; thence N25 degrees 48 minutes 16 seconds W 124.95 feet to the southeasterly line of a 20 foot wide public alley; thence N63 degrees 56 minutes 35 seconds E 91.90 feet along said line to the northeast corner of said Lot 90; thence S25 degrees 46 minutes 52 seconds E 53.00 feet to the southerly line of said Northerly 53 feet of Lot 90; thence S63 degrees 56 minutes 35 seconds W 31.83 feet along said line to the southwesterly line of said Lot 90; thence S63 degrees 47 minutes 36 seconds E 71.97 feet along the northeasterly line of said Lot 89 to the Point of Beginning, containing 0.211 of an acre and being subject to easements and restrictions of record.

PARCEL D:

All of Lots 61 and 62, Hibbard Baker's Subdivision of Lot No. 2 of the Subdivision of 1/4 Section 57, Ten Thousand Acre Tract, Hamtramck (now City of Detroit), Town 1 South, Range 12 East, as recorded in Plat Liber 7, Page 90, Wayne County Records, said parcel of land being more particularly described as:

BEGINNING at the southwest corner of Custer Avenue and John R Street at the northeast corner of said Lot 61 of said Hibbard Baker's Subdivision; thence S25 degrees 46 minutes 52 seconds E 124.98 feet to the southeasterly line of a 20 foot wide public alley; thence S63 degrees 56 minutes 35 seconds W 61.89 feet along said line to the southwest corner of said Lot 62; thence N25 degrees 48 minutes 16 seconds W 124.96 feet along the southeasterly line of said Lot 62 to the southeasterly line of said Horton Avenue; thence N63 degrees 55 minutes 31 seconds E 61.94 feet along said line to the Point of Beginning, containing .0178 of an acre and being subject to easements and restrictions of record.

PARCEL E:

The West 10 feet of Lot 287 and all of Lots 288 and 289, except that part taken for East Grand Boulevard, Frisbie and Foxen's Subdivision of Part of Fractional Section 31 and Lot 18 of Theodore J. and Denis J. Campau's Subdivision of Fractional Sections 29 and 32, T 1 S, R. 12 E, Detroit, Wayne County, Michigan, as recorded in Plat Liber 6, Page 78, Wayne County Records, said parcel of land being more particularly described as:

BEGINNING at the northwest corner of said Lot 289 of said Frisbie and Foxen's Subdivision; thence N63 degrees 59 minutes 51 seconds E 70.00 feet to the northeast corner of said West 10 feet of said Lot 287; thence S25 degrees 44 minutes 45 seconds E 175.32 feet to the southeast corner of said West 10 feet of said Lot 287; thence S63 degrees 59 minutes 51 seconds W 70.00 feet along the southeasterly line of said Lots 287 to 289 to the southwest corner of said Lot 289; thence N25 degrees 44 minutes 45 seconds W 175.32 feet along the southwesterly line of said Lot 289 to the Point of Beginning, containing 0.282 of an acre and being subject to easements and restrictions of record.

(2) The fair market value of the parcels of property described in subsection (1) shall be determined by an appraisal prepared by an independent appraiser.

(3) If the property is offered for sale at not less than fair market value, the sale shall be conducted in a manner designed to realize the highest price from the sale or the highest value to the state. The sale of this property shall be done in an open manner that utilizes 1 or more of the following:

- (a) A competitive sealed bid.
- (b) Real estate brokerage services.
- (c) A public auction.

(4) A notice of a sealed bid, public auction sale, or use of broker services regarding the property described in this section shall be published at least once in a newspaper as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461, not less than 10 business days before the sale. A notice shall describe the general location and size of the property to be offered, highlights of the general terms of the offer, and directions on how to get further information about the property, as available, prior to the sale. The notice shall also list the date, time, and place of the sale or bid opening.

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

(6) The net revenue received 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 department of management and budget associated with the sale of the property, including the cost of securing discharge of liens or encumbrances.

(7) The conveyance authorized by this section shall be by quitclaim deed prepared and approved by the attorney general, subject to easements and other encumbrances of record. The quitclaim deed shall not reserve mineral rights to the state.

(8) If the property described in subsection (1) fails to sell at a public sale for fair market value, the director of the department of management and budget with the concurrence of the state administrative board may do any of the following:

- (a) Order a reappraisal of the property.
- (b) Withdraw the property from sale.
- (c) Offer the property for sale for less than fair market value in an open manner that utilizes 1 or more of the following:
 - (i) A competitive sealed bid.
 - (ii) Real estate brokerage services.
 - (iii) A public auction.

Sec. 4. The department of management and budget may demolish, dismantle, or otherwise dispose of the surplus building known as "The Grounds Shop", which is under the jurisdiction of the department of management and budget and is located due west of, and directly behind, the Lewis Cass building, in the city of Lansing, Michigan.

Sec. 5. (1) The state administrative board may accept from the county of Marquette a parcel of real property described in subsection (3), which the state conveyed to the county of Marquette on or about December 31, 1982, pursuant to section 36 of 1982 PA 280.

(2) The state administrative board may quitclaim the property described in subsection (3) to teaching family homes of upper Michigan, a nonprofit organization, for fair market value.

(3) The property is described as follows:

All that part of the Southwest Quarter of the Southeast Quarter (SW1/4-SE1/4), Excepting the East Five-hundred and thirty feet (530.00); and the East Five-hundred and forty-one feet (541.00) of the Southeast Quarter of the Southwest Quarter (SE1/4-SW1/4) of Section Eleven (11), in T.47 N., R.25 W, in Sands Township, Marquette Co., Michigan. Said parcel subject to a One Hundred-fifty feet (150') wide right of way which crosses said parcel whose centerline is described as follows: Commencing at the SW Corner of said Section 11; thence S 89°40'05"E 659.77 feet (along the South Section Line); thence N 0°13'05"E 945.51 feet, (along the East Line of W1/2-SW1/4-SW1/4 and a point of curvature) and the Point of Beginning of said C/L; thence 526.29 feet along a curve to the right (D=21°03'06", R=1432.39 feet, L.C. bears S 70°47'08"E 523.33 feet); thence S 60°15'35"E 208.34 feet; thence 323.65 feet on a curve to the left (D=37°51'14", R=489.87 feet), L.C. bears S 79°11'12"E 317.79 feet); thence N 81°53'11"E 193.51 feet; thence 599.14 feet on a curve to the right (D=53°33'30", R=640.94 feet, L.C. bears S 71°20'04"E 577.56 feet); thence 352.49 feet on a curve to the left (D=12°58'17", R=1556.98 feet, L.C. bears S 51°02'27"E 351.73 feet); thence S 57°31'35"E 590.74 feet; thence 299.01 feet on a curve to the left (D=52°21'08", R=327.25 feet, L.C. bears S 83°42'09"E 288.72 feet); thence 155.80 feet on a curve to the right (D=10°51'13", R=822.48 feet, L.C. bears N 75°32'53"E 155.57 feet), to the West end of Silver Creek Road, and Point of Ending. Also subject to all conditions and reservations contained in the recorded chain of title to said land. Said parcel contains 40.0± acres including right of ways.

(4) The state shall retain and reserve all mineral, coal, oil, and gas on, within, or beneath the property.

(5) The state shall reserve all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics, including the right to explore and excavate for the aboriginal antiquity of the state or its authorized agents.

(6) The conveyance authorized by subsection (2) shall be by quitclaim deed, prepared and approved by the department of attorney general.

(7) Any revenue received pursuant to the conveyance authorized by subsection (2) shall be deposited in the state treasury and credited to the general fund.

Sec. 6. (1) The department of natural resources, on behalf of the state, may convey to Osceola county, for consideration of \$1.00, certain property under the jurisdiction of the department of natural resources and located in Rose Lake township, Osceola county, Michigan, commonly known as Sunrise Lake park, and further described as follows:

A parcel of land located in Section 24, T19N, R9W, Rose Lake Township, Osceola county, containing 72.4 acres, more or less.

(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 conveyance authorized by this section shall provide for all of the following:

(a) The property shall be used exclusively for public recreational 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, resident and nonresident members of the public shall be subject to the same fees, terms, conditions, and waivers.

(b) Upon termination of the use described in subdivision (a) or use for any other purpose, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(c) If the grantee 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.

(4) The conveyance authorized by this section shall be by quitclaim deed approved by the attorney general and shall reserve mineral rights to the state.

(5) The revenue received under this section shall be deposited in the state treasury and credited to the general fund.

Enacting section 1. Sections 1 to 7 of 2003 PA 166 are repealed.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor