

SUBSTITUTE FOR  
HOUSE BILL NO. 6457

A bill to amend 2007 PA 43, entitled

"An act to authorize the state administrative board to convey certain parcels of state owned property in Ingham county, Wayne county, and Tuscola county; to prescribe conditions for the conveyances; to provide for certain powers and duties of certain state departments and agencies in relation to the conveyances; to provide for disposition of revenue derived from the conveyances; and to provide for the release of certain property rights held by the state,"

by amending section 4.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 4. (1) The state administrative board, on behalf of the  
2 state, may convey to ~~Indianfields township~~ **TUSCOLA AREA AIRPORT**  
3 **AUTHORITY**, in Tuscola county, for consideration of \$1.00 plus the  
4 cost necessary to prepare the real property for sale, all of  
5 certain real property now under the jurisdiction of the department  
6 of community health and located in Tuscola county, Michigan, and  
7 more particularly described as:

1 Part of the Southeast 1/4 and Southwest 1/4 of Section 17, and part  
2 of the Northwest 1/4 of Section 20, T12N, R9E, Indianfields  
3 Township, Tuscola County, Michigan, described as commencing at the  
4 Center of said Section 17; thence along the East-West 1/4 line of  
5 said Section 17, S. 88° 41' 50" E., 335.38 feet to the Point of  
6 Beginning; thence continuing along said East-West 1/4 line of  
7 Section 17, S. 88° 41' 50" E., 2177.53 feet to a traverse line on  
8 the top of bank of the Cass River; thence along said traverse line,  
9 S. 41° 54' 49" W., 1422.68 feet and S. 82° 35' 09" W., 751.00 feet  
10 and S. 62° 37' 43" W., 572.95 feet and S. 34° 54' 06" W., 865.51  
11 feet and S. 63° 47' 30" W., 1325.94 feet and S. 46° 04' 24" W.,  
12 492.67 feet to the centerline of Chambers Road; thence along said  
13 centerline of Chambers Road on a curve to the right having a radius  
14 of 327.40 feet, central angle of 83° 39' 40", and long chord  
15 bearing and distance of N. 16° 26' 39" W., 436.71 feet; thence  
16 continuing along said centerline of Chambers Road, N. 25° 23' 11"  
17 E., 1028.69 feet to a point on a curve; thence on said curve to the  
18 left having a radius of 230.00 feet, central angle of 52° 44' 42",  
19 and long chord bearing and distance of N. 00° 57' 57" W., 204.33  
20 feet to the Southeasterly line of railroad right-of-way; thence on  
21 a non-tangent curve to the left having a radius of 3447.47 feet,  
22 central angle of 10° 18' 35", and long chord bearing and distance  
23 of N. 50° 54' 56" E., 619.50 feet; thence continuing along said  
24 Southeasterly line of railroad right-of-way, N. 47° 34' 00" E.,  
25 1723.14 feet to the Point of Beginning; containing 116.54 acres to  
26 the water's edge, more or less; subject to riparian rights  
27 pertaining to the Cass River and other rights-of-way, easements and

1 restrictions of record.

2 (2) The description of the real property in subsection (1) is  
3 approximate and for purposes of the conveyance is subject to  
4 adjustment as the state administrative board or the attorney  
5 general considers necessary by survey or other legal description.

6 (3) The property described in subsection (1) includes all  
7 surplus, salvage, and scrap property and equipment.

8 (4) The department of management and budget shall take the  
9 steps necessary to convey the property described in subsection (1).

10 (5) The conveyance authorized by subsection (1) shall provide  
11 for all of the following:

12 (a) The property shall be used exclusively for **PUBLIC**  
13 **PURPOSES, INCLUDING, BUT NOT LIMITED TO,** the purpose of a public  
14 ~~park and if~~ **AIRPORT OR PUBLIC RECREATION. IF** any fee, term, or  
15 condition for the use of the property is imposed on members of the  
16 public, or if any of those fees, terms, or conditions are waived  
17 for use of this property, resident and nonresident members of the  
18 public shall be subject to the same fees, terms, conditions, and  
19 waivers.

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

23 (c) If the grantee disputes the state's exercise of its right  
24 of reentry and fails to promptly deliver possession of the property  
25 to the state, the attorney general, on behalf of the state, may  
26 bring an action to quiet title to, and regain possession of, the  
27 property.

1           (6) IF THE GRANTEE DESCRIBED IN SUBSECTION (1) DOES NOT  
2 PURCHASE THE PROPERTY WITHIN 180 DAYS AFTER THE EFFECTIVE DATE OF  
3 THE 2008 AMENDATORY ACT THAT AMENDED THIS SECTION, THE DIRECTOR OF  
4 THE DEPARTMENT OF MANAGEMENT AND BUDGET SHALL TAKE THE NECESSARY  
5 STEPS TO PREPARE TO CONVEY THE PROPERTY USING ANY OF THE FOLLOWING  
6 AT ANY TIME:

7           (A) COMPETITIVE BIDDING DESIGNED TO REALIZE THE BEST VALUE TO  
8 THE STATE, AS DETERMINED BY THE DEPARTMENT OF MANAGEMENT AND  
9 BUDGET.

10          (B) A PUBLIC AUCTION DESIGNED TO REALIZE THE BEST VALUE TO THE  
11 STATE, AS DETERMINED BY THE DEPARTMENT OF MANAGEMENT AND BUDGET.

12          (C) USE OF REAL ESTATE BROKERAGE SERVICES DESIGNED TO REALIZE  
13 THE BEST VALUE TO THE STATE, AS DETERMINED BY THE DEPARTMENT OF  
14 MANAGEMENT AND BUDGET.

15          (D) OFFERING THE PROPERTY FOR SALE FOR FAIR MARKET VALUE TO A  
16 LOCAL UNIT OR UNITS OF GOVERNMENT.

17          (E) OFFERING THE PROPERTY FOR SALE FOR LESS THAN FAIR MARKET  
18 VALUE TO A LOCAL UNIT OR UNITS OF GOVERNMENT, WITH STANDARD RIGHTS  
19 OF REVERSIONARY INTEREST.

20          (7) ~~(6)~~—The conveyance authorized by this section shall be by  
21 quitclaim deed. The department of attorney general shall approve as  
22 to legal form the quitclaim deed authorized under this section.

23          (8) ~~(7)~~—The conveyance authorized under this section shall  
24 provide for the exercise of the state's ongoing property interests  
25 in and regulatory jurisdiction over any historic artifacts and  
26 antiquities subsequently found on the site.

27          (9) ~~(8)~~—The state shall not reserve oil, gas, or mineral

1 rights to the parcels of property conveyed under this section.  
2 However, the conveyance authorized under this section shall provide  
3 that, if the purchaser or any grantee develops any oil, gas, or  
4 minerals found on, within, or under the conveyed property, the  
5 purchaser or any grantee shall pay the state 1/2 of the gross  
6 revenue generated from the development of the oil, gas, or  
7 minerals. This payment shall be deposited in the general fund.

8 (10) ~~(9)~~—The revenue received from the conveyance authorized  
9 by this section shall be deposited in the state treasury and  
10 credited to the general fund.