

Act No. 578  
Public Acts of 2018  
Approved by the Governor  
December 28, 2018  
Filed with the Secretary of State  
December 28, 2018  
EFFECTIVE DATE: December 28, 2018

**STATE OF MICHIGAN  
99TH LEGISLATURE  
REGULAR SESSION OF 2018**

Introduced by Senator Hansen

# **ENROLLED SENATE BILL No. 1118**

AN ACT to authorize the department of technology, management, and budget to convey or transfer state-owned property in Muskegon and Tuscola Counties; to prescribe conditions for the conveyances; to provide for the powers and duties of certain state departments in regard to the property; and to provide for the disposition of revenue derived from the conveyances.

*The People of the State of Michigan enact:*

Sec. 1. (1) The department of technology, management, and budget, on behalf of this state, may convey by quitclaim deed or transfer by affidavit of jurisdictional transfer all or portions of state-owned property now under the jurisdiction of the department of corrections located in Muskegon County. The property to be conveyed under this subsection is described as follows:

Parcels of land situated in the City of Muskegon, Muskegon County, State of Michigan, and described as follows to-wit:

PARCEL 2:

Part of the South 1/2 of Section 35, T10N-R16W, City of Muskegon, Muskegon County, Michigan and more fully described as: Beginning at the South 1/4 corner of Section 35, Town 10 North, Range 16 West, said point also being the Southeast corner of Lot 69 of the recorded plat of "Port City Industrial Center No. 6" as recorded in Liber 22, pages 5-8, Muskegon County records; thence South 89°56'51" West, along the South line of said Lot 69, 633.77 feet to the Southwest Corner of said Lot 69; thence North 00°40'22" East 890.06 feet to the Northwest Corner of said Lot; thence South 89°56'00" East 632.90 feet to the Northwest Corner of Lot 68 of said plat; thence South 00°37'04" West 100.00 feet; thence South 89°56'00" East 1289.87 feet to the East line of Lot 67 of said plat; thence, along the East line of said Lot 67 the following three (3) courses; along a 303.18 foot curve to the right with a radius of 642.00 feet and a chord bearing and distance of South 22°50'42" West 300.37 feet; thence on a 371.00 foot curve to the left with a radius of 303.00 feet and a chord bearing and distance of South 01°33'47" West 348.26 feet; thence South 33°11'07" East 192.07 feet to the Southeast Corner of Lot 67 of said plat; thence South 89°55'56" West, along the South line of Lots 67 and 68 of said plat, 1277.39 feet to the Point of Beginning. Parcel contains 34.49 acres of land, more or less.

PARCEL 3A:

Part of the Northwest ¼ of the Northeast ¼ of Section 2, Town 9 North, Range 16 West, City of Muskegon, Muskegon County, Michigan, described as: beginning at the Northeast corner of the Northwest ¼ of the Northeast ¼ of Section 2; thence South 2 degrees 39 minutes West, 1133.35 feet along the East 1/8th line of said Section 2; thence North 70 degrees 46 minutes West, 1378.4 feet along the Northerly line of land that was conveyed to Consolidated Rail Corporation; thence North 2 degrees 01 minute East, 674.89 feet along the North and South quarter line of said Section 2; thence North 89 degrees 53 minutes East along the North line of said Northwest ¼ of Northeast ¼ to the place of beginning. Parcel contains 27.47 acres of land, more or less.

SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

(2) The department of technology, management, and budget, on behalf of this state, may convey property under the jurisdiction of the department of health and human services by quitclaim deed to the Tuscola Area Airport Authority, or by quitclaim deed or affidavit of jurisdictional transfer as otherwise provided in this section. The property to be conveyed under this subsection is described as follows:

A parcel of land situated in Section 18, Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Beginning at the Southeast corner of Section 12, Town 12 North, Range 8 East, said point also being on the centerline of State Highway M-81; thence, along said centerline, on a 250.06 foot curve to the left, having a radius 34379.29 feet and a chord bearing and distance of South 89°35'59" East 250.06 feet; thence, continuing on said centerline, South 89°35'59" East 566.52 feet; thence North 01°58'02" West 1348.13 feet; thence South 89°39'42" East 1324.28 feet to the North and South one-quarter line of said Section 18; thence North 01°54'51" West, along said North and South one-quarter line, 1210.97 feet to the East and West one-quarter line of said Section 18; thence South 88°02'38" West, along the East and West one-quarter line of said Section 18, 2094.39 feet to the West line of said Section 18; thence South 00°54'19" East, along the West line of said Section 18, 2472.91 feet to the Southeast Corner of Section 12, Town 12 North, Range 9 East and the Point of Beginning. Parcel contains 81.32 acres of land, more or less.

This description constitutes the remainder of land in the Southwest one-quarter of Section 18, T12N-R9E from deed Liber 156 Page 562 granted from Martha Gamble to the State of Michigan after the recording of deed Liber 922 pages 868-870 selling land from State of Michigan to the Tuscola County Airport Authority.

SUBJECT TO a 66 foot wide highway easement for M-81 over the southerly 33 foot thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

(3) The department of technology, management, and budget shall not convey property under subsection (1) or (2) unless the conveyance and the terms of the conveyance have been approved by the state administrative board.

(4) The descriptions of the property in subsections (1) and (2) are approximate and, for purposes of the conveyances, are subject to adjustment as the department of technology, management, and budget or the attorney general considers necessary by survey or other legal description.

(5) Surplus real property conveyed or transferred under subsection (1) or (2) includes all surplus, salvage, and personal property or equipment remaining on the property on the date of the conveyance or transfer.

(6) If surplus real property is to be sold for fair market value under subsection (1) or (2), the property must first be appraised by an independent fee appraisal prepared for the department of technology, management, and budget, or by an appraiser who is an employee or contractor of this state.

(7) The department of corrections, for the property described in subsection (1), and the department of health and human services, for the property described in subsection (2), are responsible for all expenses of maintaining the property described in subsections (1) and (2) until the time of conveyance or transfer.

(8) The department of attorney general shall approve as to legal form all deeds or affidavits of jurisdictional transfer authorized by subsection (1) or (2).

(9) The department of technology, management, and budget may transfer the property described in subsection (1), with or without consideration, through jurisdictional transfer to another state agency. If the property described in subsection (2) is not conveyed to the Tuscola Area Airport Authority as described in subsection (2), the department of technology, management, and budget may transfer that property, with or without consideration, through jurisdictional transfer to another state agency. If property is transferred under this subsection, the transfer must be made by an affidavit of jurisdictional transfer in recordable form rather than a quitclaim deed.

(10) The department of technology, management, and budget may transfer the property described in subsection (1) and, if the property described in subsection (2) is not conveyed to the Tuscola Area Airport Authority as described in subsection (2), may transfer the property described in subsection (2) or portions of that property to the Michigan land bank fast track authority established under section 15 of the land bank fast track act, 2003 PA 258, MCL 124.765. For properties or portions of properties conveyed to the Michigan land bank fast track authority, the Michigan land bank fast track authority shall do both of the following:

(a) Convey the property in accordance with the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(b) Deposit the net revenue received by this state or the Michigan land bank fast track authority from the sale of property under this subsection into the land bank fast track fund.

(11) The department of technology, management, and budget shall offer the property described in subsection (2) for sale to the Tuscola Area Airport Authority for \$1.00. A conveyance under this subsection must be subject to the conditions required for a conveyance under subsection (12)(d).

(12) If the property described in subsection (2) is not transferred to the Tuscola Area Airport Authority as described in subsection (2), the department of technology, management, and budget may transfer the property under subsection (9) or (10) or take the necessary steps to convey that property using any of the following means:

(a) Any publicly disclosed competitive method of sale, selected to realize the fair market value to the state, as determined by the department of technology, management, and budget.

(b) Offering the property for sale for fair market value to a local unit or units of government.

(c) Exchanging some or all of the property for other real property if the other real property is determined by the department of technology, management, and budget to be of reasonably equal value to this state.

(d) Offering the property for sale for less than fair market value to the local units of government in which the property is located, subject to the following conditions:

(i) If a local unit of government makes an offer to purchase the property that is accepted by the department of technology, management, and budget, the local unit of government will enter into a purchase agreement within 60 days after the date of the offer and complete the conveyance within 180 days after the date of the offer. The department of technology, management, and budget may extend the period to complete the conveyance as needed.

(ii) The property must be used exclusively for public use for 30 years following the conveyance, subject to restrictions imposed under subsection (16). 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, all members of the public must be subject to the same fees, terms, conditions, and waivers. The public use restriction must be included in the deed.

(iii) Within 30 years after the conveyance, the unit may offer the property for sale, in writing, to this state, which may purchase the property at the original sale price. This state will be provided 120 days to consider reacquiring the property. If this state agrees to reacquire the property, this state is not liable to any person for improvements to or liens placed on the property. If this state declines to reacquire the property, the public use restrictions described in subparagraph (ii) will remain in effect.

(iv) If the local unit of government retains the property for 30 years after the date of the conveyance from this state, the public use restrictions under subparagraphs (ii) and (iii) will automatically terminate, subject to the restrictions imposed under subsection (16).

(v) If the local unit of government or its successor disputes this state's exercise of its right of reentry and fails to promptly deliver possession of the property to this state, the attorney general, on behalf of this state, may bring an action to quiet title to, and regain possession of, the property.

(vi) If this state reenters and repossesses the property, this state is not liable to reimburse any party for any improvements made on the property nor to compensate any party for any part of an unfulfilled contract or license issued for the provision of goods or services on or for the property.

(vii) The department of technology, management, and budget may require the local unit of government to reimburse this state at closing for this state's demonstrably incurred costs as were necessary to prepare the property for conveyance.

(13) The net revenue received from the sale of property under subsection (1) or (2) must be deposited in the state treasury and credited to the general fund, except as provided otherwise under subsection (10).

(14) This state shall not reserve oil, gas, or mineral rights to the property conveyed under subsection (1) or (2). However, the conveyance authorized under subsection (1) or (2) must provide that, if the purchaser or any grantee develops any oil, gas, or minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay this state 1/2 of the gross revenue generated from the development of the oil, gas, or minerals. This payment must be deposited in the general fund.

(15) This state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property conveyed under subsection (1) or (2) with power to this state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

(16) If property conveyed under subsection (1) or (2) was used by this state as a historical monument, memorial, burial ground, park, or protected wildlife habitat area, it must be maintained and protected for that purpose in perpetuity in accordance with applicable law.

(17) If property conveyed under subsection (1) or (2) is used for any purpose that is inconsistent with any restrictions under subsection (11), (12), (14), (15), or (16), as applicable, this state may reenter and repossess the property, terminating the grantee's or successor's estate in the property. If this state reenters and repossesses property under this subsection, this state is not liable to reimburse any person for any improvements made on the property or to compensate any person for any part of an unfulfilled contract or license issued to provide goods or services on or for the property.

(18) The department of technology, management, and budget may require a grantee of a property conveyed under subsection (1) or (2) to record the instrument of conveyance or jurisdictional transfer with the applicable register of deeds and provide the department with a recorded copy of the recorded instrument as a condition of closing.

(19) The department of technology, management, and budget, on behalf of this state, may convey by quitclaim deed or transfer by affidavit of jurisdictional transfer all or portions of state-owned properties now under the jurisdiction of the department of health and human services located in Tuscola County. The property to be conveyed or transferred under this subsection is described as follows:

PARCEL 2:

DESCRIPTION: A parcel of land situated in Sections 18 and 19, Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Beginning at the Southeast Corner of Section 12, Town 12 North, Range 8 East; said point being on the centerline of Michigan State Highway M-81; thence, along said centerline of highway for the following two (2) courses, along a 250.06 foot curve to the left, having a radius of 34379.29 feet and a chord bearing and distance of South 89°35'59" East 250.06 feet; thence South 89°35'59" East 566.52 feet; thence North 01°58'02" West 33.03 feet to a point on the northerly easement line of Michigan State Highway M-81; thence South 89°35'59" East 1323.35 feet to the intersection of said northerly easement line and the North-South one-quarter line of Section 18, T12N-R9E; thence South 01°55'28" East, along said North and South one-quarter line, 33.03 feet to the centerline of said highway; thence, along said centerline the following two (2) courses: thence South 89°35'59" East 141.21 feet; thence on a 480.79 foot curve to the left having a radius of 2858.85 feet, with a chord bearing and distance of North 85°34'57" East 480.23 feet to the centerline of Center Street; thence, along the centerline of said Center Street the following two (2) courses, South 55°25'18" East 96.30 feet; thence on a 45.80 foot curve to the left having a radius of 580.47 feet, with a chord bearing and distance of South 60°18'22" East 45.79 feet to the north line of the Michigan Central Railroad Company; thence along the north line of said railroad, South 70°52'47" West 3023.54 feet to the West line of said section 19; thence North 01°12'54" West, along said west line, 1046.88 feet to the Point of Beginning. Parcel contains 36.92 acres of land, more or less.

SUBJECT TO the 66' wide right of way of Center Street over the easterly 33' thereof.

ALSO SUBJECT TO a variable easement for M-81 highway as shown on survey.

ALSO SUBJECT TO the right-of-way of Handy Road over the westerly 33 feet thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

PARCEL 3:

DESCRIPTION: A parcel of land situated in Sections 18, 19 and 20 Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Beginning at the Southeast corner of Section 13, Town 12 North, Range 8 East; thence South 01°07'31" East 239.06 feet to the South line of Section 19, Town 12 North, Range 9 East; thence North 88°06'37" East, along the South line of said Section 19, 2131.37 feet to a traverse line along the westerly side of the Cass River; thence, along said traverse line for the following seven (7) courses, North 17°28'36" East 2264.16 feet; thence South 81°29'07" East 477.45 feet; thence North 89°52'03" East 1187.63 feet; thence North 44°09'05" East 777.64 feet; thence North 25°00'34" East 536.20 feet; thence North 14°21'42" West 436.72 feet; thence North 07°22'58" East 247.90 feet to the end of said traverse line; thence South 87°55'11" West, parallel with the North line of said section 19, 719.89 feet; thence North 01°58'18" West, parallel with the East line of said section 19, 1202.91 feet; thence South 87°55'11" West, parallel with the North line of said section 19, 397.51; thence North 01°28'17" West 714.99 feet, to the south line of the Michigan Central Railroad; thence South 70°52'47" West, along said south line of railroad and its extension, 1107.57 feet to the North line of said section 19 and the centerline of Center Street; thence South 87°55'11" West, along said North line, 56.55 feet; thence, continuing along said centerline of Center street, on a 10.97 foot curve to the right having a radius of 268.88 feet and a chord bearing and distance of South 89°05'19" West 10.97 feet to said southerly line of said railroad; thence South 70°52'47" West 3140.25 feet to the West line of said section 19; thence South 01°12'54" East, along said West line, 1512.21 feet to the East one-quarter Corner of Section 13, Town 12 North Range 8 East; thence, continuing along said West line, South 01°17'28" East 2607.34 feet to the Point of Beginning. Parcel contains 443.13 acres of land, more or less.

Including all land between the described traverse line and the centerline of the Cass River.

SUBJECT to the 66 foot wide right-of-way of Center Street as shown on survey.

ALSO SUBJECT TO the right-of-way of Handy Road over the westerly 33 feet thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

PARCEL 5:

DESCRIPTION: A parcel of land situated in Sections 17 and 20, Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Commencing at the East one-quarter corner of Section 17, Town 12 North, Range 9 East; thence South 88°06'51" West, along the East and West one-quarter line of said Section 17, 99.90 feet to the point of beginning of this description;



thence South 88°06'51" West, along said East-West one-quarter line of said Section, 2177.27 feet to the southeasterly line of the Michigan Central Railroad; thence, along the southeasterly line of said railroad for the following two (2) courses: thence South 44°22'03" West 1803.14 feet; thence on a 539.24 foot curve to the right with a radius of 3298.74 with a chord bearing and distance of South 49°01'08" West 538.64 feet to the centerline of Chambers Road as previously defined in an unrecorded survey by Spicer Group drawing CA-1617 dated March 26, 2007; thence, along said centerline the following three (3) courses, on a 218.66 foot curve to the right, having a radius of 230.00 feet and chord bearing and distance of South 05°00'58" East 210.52 feet; thence South 22°12'00" West 1028.69 feet; thence on a 478.05 foot curve to the left, having a radius of 327.41 feet with a chord bearing and distance of South 19°37'52" East 436.70 feet to the end of said centerline and to a traverse line along the westerly side to the Cass River; thence, along said traverse line for the following six (6) courses: North 42°53'13" East 492.67 feet; thence North 60°36'19" East 1325.94 feet; thence North 31°42'55" East 865.51 feet; thence North 59°26'32" East 572.95 feet; thence North 79°23'58" East 751.00 feet; thence North 38°43'38" East 1422.68 feet to the Point of Beginning. Parcel contains 113.18 acres of land, more or less.

Including all land between the described traverse line and the centerline of the Cass River.

SUBJECT TO the right of way for Chambers Road over the westerly 33 foot, thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

#### PARCEL 6:

DESCRIPTION: A parcel of land situated in Section 17, Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Commencing at the West one quarter corner of Section 17, Town 12 North, Range 9 East; thence North 87°57'00" East, along the east and west one-quarter line, 2623.97 feet to the Center one-quarter corner of said Section 17, Town 12 North, Range 9 East; thence North 88°06'51" East, along the East and West one quarter line of said section 17, 115.46 feet to the centerline of the 66 foot wide easement for State Highway M-81 and the point of beginning of this description: thence, along said centerline for the following two (2) courses; thence South 44°23'17" West 1720.92 feet; thence on a 438.90 foot curve to the right with a radius of 2866.60 feet with a chord bearing and distance of South 48°46'28" West 438.47 feet to the centerline of Chambers Road; thence South 36°50'22" East, along said centerline, 44.70 feet to the northwesterly line of the Michigan Central Railroad Company; thence, along said northwesterly line for the following two (2) courses: thence on a 523.10 foot curve to the left, having a radius of 3198.74 feet with a chord bearing and distance of North 49°01'14" East 522.52 feet; thence North 44°22'01" East 1698.70 feet to the East and West one-quarter line of said Section; thence South 88°06'51" West, along said one-quarter line, 75.54 feet to the point of beginning. Intending to describe the area bounded by the northwesterly line of the Michigan Central Railroad on the south, the centerline of State Highway M-81 on the west, the centerline of Chambers Road on the south and the East and West one-quarter line of section 17, T12N-R9E on the north. Parcel contains 2.59 acres of land, more or less.

SUBJECT TO a 66 foot wide easement for state Highway M-81 over the northerly 33 foot, thereof.

ALSO SUBJECT TO the right of way of Chambers Road over the westerly 33 foot, thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

#### PARCEL 7:

DESCRIPTION: A parcel of land situated in Sections 17 and 18, Town 12 North, Range 9 East, Township of Indianfields, County of Tuscola, State of Michigan, and described as follows to-wit:

Commencing at the Southeast corner of Section 18, Town 12 North, Range 9 East; thence North 02°01'40" West, along the East line of said section 18, 640.60 feet to the northerly line of the Michigan Central Railroad Company and the point of beginning of this description; thence, along said northerly line the following (2) courses North 70°52'47" East 332.37 feet; thence on a 958.81 foot curve to the left with a radius of 3198.74 feet and a chord bearing and distance of North 62°17'34" East 955.23 feet to the centerline of Chambers Road; thence North 36°50'22" West, along said centerline, 44.70 feet to the centerline of a 66 foot wide easement for State highway M-81; thence along said M-81 centerline the following three (3) courses: thence on a 887.12 foot curve to the right with a radius of 2866.60 feet and a chord bearing and distance of South 62°01'34" West 883.58 feet; thence South 70°53'30" West 2009.12 feet; thence on a 492.62 foot curve to the right having a radius of 2858.88 feet and a chord bearing and distance of South 75°49'41" West 492.01 feet to the centerline of Center Street; thence, along said centerline of Center Street the following (2) courses; thence South 55°25'18" East 96.30 feet; thence on a 45.85 foot curve to the left with a radius of 268.83 feet and a chord bearing and distance of South 60°18'22" East 45.79 feet to the northerly line of said railroad; thence along said northerly line the following three (3) courses: thence North 70°52'47" East 314.39 feet; thence North 00°23'42" West 21.12 feet; thence North 70°52'47" East 1700.72 feet to the Point of Beginning. Parcel contains 3.99 acres of land, more or less.

SUBJECT TO a 66 foot wide easement of State Highway M-81 over the northerly 33 foot, thereof.

SUBJECT to the 66 foot wide right-of-way of Center Street as shown on survey.

ALSO SUBJECT TO a 66 foot wide right of way for Chambers Road over the easterly 33 foot, thereof.

ALSO SUBJECT TO all agreements, covenants, easements, right-of-ways, reservations and restrictions of record, if any.

(20) The property legally described in subsection (19) was described generally in 2018 PA 334 as the "CARO PROPERTY". If the department of technology, management, and budget conveys or transfers the property under subsection (19), the department shall do so as required by 2018 PA 334.

(21) As used in this section:

(a) "Fair market value" means the highest estimated price that the real property would bring if offered for sale on the open market, allowing a reasonable time to find a purchaser that would buy with knowledge of the property's possible uses.

(b) "Local unit of government" means the township, village, city, county, school district, intermediate school district, or community college district in which the property is located.

(c) "Net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the department of technology, management, and budget or to the Michigan land bank fast track authority associated with the sale of property, including, but not limited to, administrative costs, including employee wages, salaries, and benefits; costs of reports and studies and other materials necessary to the preparation of sale; environmental remediation; legal fees; and any litigation costs related to the conveyance of the property.

(d) "Public use" means, subject to subdivision (e), actual use of the property by members of the public or actual use by the unit of local government for any of the following:

(i) Publicly owned and operated correctional facilities.

(ii) Law enforcement purposes.

(iii) Emergency management response purposes.

(iv) Public educational use.

(v) Public transportation.

(vi) Public parks and recreational areas.

(vii) Public health uses.

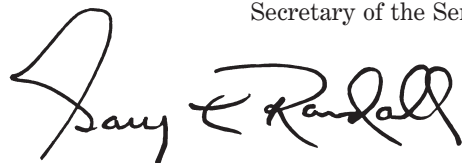
(viii) Wildlife conservation or restoration.

(e) "Public use" does not include use by a for-profit enterprise or any use that is closed to the public.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved .....

.....  
Governor