



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 314 (as passed by the Senate)  
Sponsor: Senator Mike Prusi  
Committee: Local Government, Urban and State Affairs

Date Completed: 5-21-03

### **RATIONALE**

Public Act 280 of 1982 authorized the State Administrative Board to convey to Marquette County, for \$1, a parcel of approximately 460 acres in Sands Township. The property is the site of the former Honor Camp State Correctional Facility on Silver Creek Road. It has been suggested that a 40-acre portion of the 460-acre property could be used by Teaching Family Homes of Upper Michigan, a private nonprofit organization, for residential group homes and a regional treatment center for troubled youths. Public Act 280, however, required that the deed to the 460-acre parcel contain a clause providing that the property will revert to the State if it is not used for public purposes.

### **CONTENT**

The bill would authorize the State Administrative Board to enter into an agreement with Marquette County amending the deed entered into by the State and the county dated December 31, 1982, which conveyed to the county a parcel of approximately 460 acres in Sands Township. The agreement amending the deed would have to provide that the restriction and possibility of reverter would be modified as to a portion of the 460-acre parcel (described in the bill), so that the county could sell that portion of the property to a nonprofit organization for \$1. The sale would be subject to the following conditions:

- The nonprofit organization would have to use all or part of the property for purposes that would benefit the public interest in Marquette County, which could include establishing hiking and bicycling trails and providing residential rehabilitative services for minors.

- If the nonprofit organization ceased to use the property in the manner required, or offered the property for sale, title to the property would revert immediately to Marquette County.

According to the bill, the parcel described in it contains 40-plus acres, including rights of way. That portion of the 460-acre parcel not described in the bill would remain subject to the terms of the deed dated December 31, 1982.

The instruments necessary to implement the bill would have to be approved by the Attorney General.

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

Teaching Family Homes of Upper Michigan (TFH) operates five group homes for youths in the Upper Peninsula, including two in Marquette County. The homes provide long-term residential care for youths, aged five to 17, who are sent there due to abuse or neglect, delinquency, or other concerns. If it acquired the 40-acre parcel, TFH would use the land and the building on it for a regional treatment center and new group homes. The organization's Marquette County group homes would be relocated to the Honor Camp site. The regional treatment center would provide facilities for the organization's administrative offices, conference areas, and classrooms. It also would provide a counseling center and a family education and support center that could be used by the community.

Considering the use that Teaching Family Homes would make of the 40-acre parcel, it would be reasonable to allow Marquette County to sell the property to the organization. Since TFH is a private entity, however, amending the 1982 deed would be necessary to prevent the 460-acre property from reverting to the State. According to an article in *The Mining Journal* (5-22-02), the county formally requested legislation to lift the deed restrictions on the 40 acres.

### **Supporting Argument**

According to Teaching Family Homes of Upper Michigan, its proposed project has the support of the Marquette County Planning Committee, the county commission, the county road commission, Sands and Chocolay Townships, and the Marquette and Gwinn Public Schools. Teaching Family Homes also reports that the project has been adopted by the District 10 Lions Clubs of the Upper Peninsula, and received a Lions Club International Foundation grant for \$100,000, and that a U.S. Department of Agriculture low interest loan of \$814,000 has received preliminary approval. This funding will be used to renovate an existing building and build a regional treatment facility on the property; TFH also plans to build new group homes over the next three to five years. This construction and renovation will be contracted through local businesses, and will employ local plumbers, carpenters, electricians, and others.

In addition, TFH will employ administrative staff, support staff, and professionals; provide internship opportunities for university students; do business with local supermarkets, department stores, pharmacies, and office suppliers; and send most of its students to Marquette or Gwinn Public Schools. Clearly, this endeavor will provide significant benefits to the surrounding community.

### **Opposing Argument**

Some neighboring residents evidently oppose the development of a residential group home for troubled youths on the Honor Camp property. Many county residents use the trails on the property for public recreational purposes such as biking and cross-country skiing. The property should be preserved for its natural setting and seclusion.

**Response:** Teaching Family Homes

encourages the continued use of the cross-country and biking trails in the area, and would be interested in incorporating the trails as part of a learning program, such as a trail upkeep project. Also, unlike similar legislation that passed the Senate last year (Senate Bill 1375), this proposal specifies the purposes of which the property could be used, and identifies hiking and biking trails as permitted uses.

Legislative Analyst: George Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Mike Hansen

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.