

HOUSE BILL No. 5187

October 21, 2003, Introduced by Reps. Phillips, Lipsey, Brown, Adamini, Whitmer, Woodward, McConico, Hunter, Jamnick, Minore, Kolb, Dennis, Smith, Accavitti, Paletko, Cheeks, Zelenko, Vagnozzi, Pappageorge, Garfield, Wenke, Richardville, Mortimer, Ehardt, Pumford, Byrum, Hart, Gillard, Drolet, Brandenburg, Gaffney, Nofs, Stahl, Sheltrown and Hardman and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 492, entitled

"An act to authorize the state administrative board to convey certain parcels of state owned property in Oakland county and Genesee county; to provide for certain powers and duties of the department of management and budget and certain municipalities in regard to that property; to prescribe conditions for the conveyances; and to provide for disposition of the revenue derived from the conveyances; and to alter certain use restrictions,"

by amending section 3.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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1 Sec. 3. (1) The state administrative board, on behalf of
2 the state, may convey for consideration of not less than fair
3 market value as determined pursuant to subsection (2), or for
4 less than fair market value subject to **subsection (4)(a) or**
5 **subsections ~~-(5)-and-~~ (6) and (7)**, all or a portion of property
6 now under the jurisdiction of the department of community health
7 and located in the city of Pontiac, Oakland county, Michigan,
8 commonly known as the Clinton Valley Center, Fairlawn center

1 campus, and further described as follows:

2 A parcel of land in the NW 1/4 of section 30, T3N, R10E, City of
3 Pontiac, Oakland County, Michigan and more particularly described
4 as commencing at the northwest corner of said section 30; thence
5 S00°00'00"W 2482.90 feet; thence S90°00'00"E 1396.89 feet, to the
6 point of beginning of this description on the northerly right of
7 way line of Elizabeth Lake Road; thence N00°13'24"W 1264.98 feet;
8 thence N89°15'33"W 887.40 feet; thence N00°13'24"W 1200.00 feet;
9 thence S89°15'33"E 953.02 feet; thence S00°13'24"E 2451.81 feet,
10 to the northerly right of way line of Elizabeth Lake Road; thence
11 S79°21'30"W 66.71 feet, on said right of way to the point of
12 beginning, containing 28.15 acres.

13 (2) The fair market value of the property described in
14 subsection (1) shall be determined by an appraisal prepared by
15 the state tax commission or an independent fee appraiser.

16 (3) The description of the property in subsection (1) is
17 approximate and for purposes of the conveyance is subject to
18 adjustments as the state administrative board or the attorney
19 general considers necessary by survey or other legal
20 description.

21 (4) The director of management and budget **first** shall offer
22 the property described in this section for sale **to the school**
23 **district of the city of Pontiac for consideration determined as**
24 **follows:**

25 (a) **If the school district of the city of Pontiac agrees to**
26 **use the property for a new high school, the purchase price may be**
27 **less than fair market value, subject to both of the following:**

1 (i) The property shall be used exclusively for the
2 construction and operation of a public high school operated by
3 the school district of the city of Pontiac, and that upon
4 termination of that use or use for any other purpose, the state
5 may reenter and repossess the property, terminating the grantee's
6 estate in the property.

7 (ii) If the grantee disputes the state's exercise of its
8 rights of reentry and fails to promptly deliver possession of the
9 property to the state, the attorney general, on behalf of the
10 state, may bring an action to quiet title to, and regain
11 possession of, the property.

12 (b) If subdivision (a) does not apply, the purchase price
13 shall be not less than fair market value as determined under
14 subsection (2).

15 (5) If the school district of the city of Pontiac declines to
16 purchase the property under subsection (4), the director of
17 management and budget shall offer the property for sale on the
18 open market for fair market value or by broker contract.

19 (6) ~~-(5)-~~ If the property described in subsection (1) is not
20 sold pursuant to subsection (4) **or (5)** and fails to sell at a
21 public sale for fair market value, the director of management and
22 budget with the concurrence of the state administrative board may
23 do any of the following:

24 (a) Order a reappraisal of the property.

25 (b) Withdraw the property from sale.

26 (c) Offer the property for sale for less than fair market
27 value pursuant to subsection (7).

1 (7) ~~—(6) Any—~~ A conveyance of the property described in this
2 section for less than fair market value **pursuant to subsection**
3 **(6)(c)** shall provide for both of the following:

4 (a) That the property shall be used exclusively for public
5 purposes and if any fee, term, or condition is imposed on members
6 of the public for recreational use of the conveyed property, all
7 resident and nonresident members of the public shall be subject
8 to the same fees, terms, and conditions, except that the grantee
9 may waive daily fees or waive fees for the use of specific areas
10 or facilities; and that upon termination of that use or use for
11 any other purpose, the state may reenter and repossess the
12 property, terminating the grantee's estate in 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
17 possession of, the property.

18 (8) ~~—(7)—~~ The conveyance authorized by this section shall be
19 by quitclaim deed approved by the attorney general. The
20 conveyance shall not reserve the mineral rights to the state;
21 however, the conveyance shall provide that if the grantee derives
22 any revenue from the development of any minerals found on,
23 within, or under the conveyed property, the grantee shall pay 1/2
24 of that revenue to the state, for deposit in the state general
25 fund.