

HOUSE BILL NO. 6358

August 17, 2022, Introduced by Rep. Albert and referred to the Committee on Appropriations.

A bill to authorize the department of technology, management, and budget to transfer state-owned property in Ionia County; to authorize the state administrative board to convey a parcel of state-owned property in Kent County; to prescribe conditions for the transfer or conveyance; to provide for the powers and duties of state departments and agencies in regard to the property; and to provide for the disposition of revenue.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1 - IONIA COUNTY

1
2 Sec. 1. As used in this part, "net revenue" means the proceeds
3 from the sale of the property less reimbursement for any costs to
4 the department of technology, management, and budget associated
5 with the sale, including, but not limited to, administrative costs,
6 including employee wages, salaries, and benefits; costs of reports
7 and studies and other materials necessary to the preparation for
8 sale; environmental remediation; legal fees; and any litigation
9 costs related to the conveyance.

10 Sec. 2. (1) The department of technology, management, and
11 budget, on behalf of this state, may transfer by affidavit of
12 jurisdictional transfer all or portions of real property described
13 in subsection (2) that is owned by this state and under the
14 jurisdiction of the department of corrections to the state land
15 bank authority created under section 15 of the land bank fast track
16 act, 2003 PA 258, MCL 124.765, and renamed under Executive
17 Reorganization Order No. 2019-3, MCL 125.1998. The transfer of the
18 real property described in subsection (2) must be without
19 consideration except that specifically provided in subsection (6).

20 (2) The real property that may be transferred under this part
21 consists of 2 parcels, described as follows:

22 Parcel A: Part of Lot 66 of the recorded plat of "John Grant
23 Park" as recorded in Liber 2 Page 28 Ionia County Records and part
24 of the South 1/2 of Section 25, T7N-R7W, City of Ionia, County of
25 Ionia, Michigan, more particularly described as: Beginning at the
26 South 1/4 corner of said Section 25, Town 7 North, Range 7 West;
27 thence South 89°37'45" East, along the South line of said Section
28 25, 652.86 feet to the Southeast corner of the West 1/2 of the
29 Southwest 1/4 of the Southeast 1/4 of said Section 25 as

1 monumented; thence $N00^{\circ}07'53''E$, along the East line of the West 1/2
2 of the Southwest 1/4 of the Southeast 1/4 of said Section 25 as
3 monumented, 1154.81 feet to an existing cemetery; thence, along the
4 cemetery boundary for the following four (4) courses: North
5 $89^{\circ}45'15''$ West 90.52 feet; thence North $00^{\circ}07'53''$ East 207.85 feet;
6 thence South $89^{\circ}45'15''$ East 121.07 feet; thence South $00^{\circ}07'53''$
7 West 46.18 feet to the South line of Lot 66 of the recorded plat of
8 "John Grant Park" as recorded in Liber 2 Page 28 Ionia County
9 Records; thence South $89^{\circ}45'15''$ East, along the South line of said
10 Lot 66, 637.83 feet to the Southwest corner of Lot 67 of said plat;
11 thence North $00^{\circ}16'28''$ West, along the West line of said Lot,
12 539.51 feet to the Northwest Corner of said Lot 67 as monumented;
13 thence North $00^{\circ}44'26''$ East, along the East line of said Lot 66 and
14 the West line of said plat as monumented, 243.42 feet; thence North
15 $03^{\circ}24'01''$ West, along the West line of said plat as monumented,
16 451.14 feet; thence South $75^{\circ}23'03''$ West 828.95 feet; thence North
17 $03^{\circ}39'04''$ East 179.04 feet; thence North $14^{\circ}10'50''$ West 36.32 feet
18 to the centerline of Riverside Drive; thence South $75^{\circ}49'10''$ West,
19 along said centerline, 1312.76 feet; thence South $74^{\circ}46'10''$ West,
20 along said centerline, 544.08 feet to the East line of a parcel
21 recorded in Liber 221 Page 522, Ionia County Records, also being
22 the West line of the East 1/2 of the Southwest 1/4 of said Section
23 25 as monumented; thence South $00^{\circ}34'03''$ West, along the East line
24 of said parcel, 450.07 feet to the Southeast corner of said parcel;
25 thence South $82^{\circ}41'16''$ West, along the South line of said parcel,
26 405.06 feet to the East line of the former Deerfield Correctional
27 facility; thence South $24^{\circ}29'14''$ East, along the East line of the
28 former Deerfield Correctional facility, 947.46 feet to the West
29 line of the East 1/2 of the Southwest 1/4 of said Section 25 as

1 monumented; thence South 00°34'03" West, along the East line of the
 2 former Deerfield Correctional facility and said West line of East
 3 1/2, 711.67 feet to the South line of said Section 25; thence South
 4 89°40'53" East, along said South section line, 1319.91 feet to the
 5 Point of Beginning. Parcel A contains 125.84 acres of land, more or
 6 less. Subject to the right-of way of Riverside Drive over the
 7 Northerly 33 feet thereof.

8 Parcel B: described as follows to-wit: Part of the recorded
 9 plat of "John Grant Park" as recorded in Liber 2 page 28 Ionia
 10 County Records, and that part of the Southeast 1/4 of Section 25,
 11 T7N-R7W, City of Ionia, County of Ionia, Michigan, more
 12 particularly described as: Commencing at the South 1/4 corner of
 13 said Section 25, Town 7 North, Range 7 West; thence South 89°37'45"
 14 East, along the South line of said Section 25, 652.86 feet to the
 15 Southeast corner of the West 1/2 of the Southwest 1/4 of the
 16 Southeast 1/4 said Section 25 as monumented; thence N00°07'53"E,
 17 along the east line of the West 1/2 of the Southwest 1/4 of the
 18 Southeast 1/4 said Section 25 as monumented, 1154.81 feet to the
 19 place of beginning; thence North 89°45'15" West 90.52 feet; thence
 20 North 00°07'53" East, parallel with said west line, 207.85 feet;
 21 thence South 89°45'15" East, parallel with the south line of Lot 66
 22 of the recorded plat of "John Grant Park" as Recorded in Liber 2
 23 page 28 Ionia County records, 121.07 feet; thence South 00°07'53"
 24 West 46.18 feet to the south line of said Lot 66; thence North
 25 89°45'15" West, along the south line of said Lot 66, 30.54 feet to
 26 the southwest corner of said plat; thence South 00°07'53" West,
 27 along said west line, 161.67 feet to the place of beginning. Parcel
 28 B contains 0.46 acres of land, more or less.

29 Together with a 30 foot wide easement for ingress and egress

1 over Parcel A to Parcel B lying 15 feet each side of the following
 2 described centerline: Part of the South 1/2 of Section 25, T7N-R7W,
 3 City of Ionia, Ionia County, Michigan, more particularly described
 4 as: Commencing at the South 1/4 corner of said Section 25, Town 7
 5 North, Range 7 West; thence South 89°37'45" East, along the South
 6 line of said Section 25, 652.86 feet to the Southeast corner of the
 7 West 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section
 8 25 as monumented; thence N00°07'53"E, along the East line of the
 9 West 1/2 of the Southwest 1/4 of the Southeast 1/4 said Section 25
 10 as monumented, 1139.81 feet to the place of beginning of the
 11 centerline of this 30 foot wide easement; thence North 89°45'15"
 12 West 105.49 feet; thence North 00°07'53" East 195.57 feet to "Point
 13 'A'"; thence South 88°52'14" West 527.12 feet; thence North
 14 61°10'57" West 109.02 feet; thence North 74°53'24" West 95.55 feet;
 15 thence North 66°11'01" West 78.48 feet; thence North 15°21'13" West
 16 170.02 feet; thence North 59°04'00" East 161.30 feet; thence North
 17 52°14'11" East 108.53 feet; thence North 36°46'16" East 163.05
 18 feet; thence North 48°42'50" East 266.08 feet; thence North
 19 26°53'54" East 384.52 feet; thence North 14°18'01" East 109.55 feet
 20 more or less to the Southerly right of way of Riverside Drive and
 21 the place of ending. Also, beginning at previously described "Point
 22 'A'"; thence North 00°07'53" East 27.28 feet to the place of
 23 ending. Sidelines of easement are lengthened or shortened to
 24 intersect the South right-of-way line of Riverside Drive.

25 (3) The department of technology, management, and budget shall
 26 coordinate and implement the transfer of property authorized under
 27 this part, but the transfer and the terms of the transfer must be
 28 approved by the state administrative board.

29 (4) The descriptions of the property in subsection (2) are

1 approximate and, for purposes of the transfer, are subject to
2 adjustment as the department of technology, management, and budget
3 or the attorney general considers necessary by survey or other
4 legal description.

5 (5) Surplus real property conveyed or transferred under this
6 part includes all surplus, salvage, and personal property or
7 equipment remaining on the property on the date of the conveyance
8 or transfer.

9 (6) At the time of a transfer under this part, the state land
10 bank authority shall reimburse the department of technology,
11 management, and budget for all otherwise uncompensated costs
12 incurred by the department to study, evaluate, survey, inspect,
13 appraise, and insure the property described in subsection (2) and
14 acquire title to the property on behalf of this state. The
15 reimbursement must be in the form of a 1-time lump sum inter-agency
16 financial transfer of money.

17 (7) After transfer of property under this part, the state land
18 bank authority shall do both of the following:

19 (a) Convey the property in accordance with the land bank fast
20 track act, 2003 PA 258, MCL 124.751 to 124.774. Conveyance of
21 parcels A and B of the property must be by quitclaim deed. The
22 conveyance of parcel B must be subject to a covenant requiring the
23 buyer and all subsequent owners to maintain and care for the
24 cemetery in accordance with all applicable state and local laws and
25 keep the cemetery open to the public without charge for as long as
26 parcel B is used as a cemetery. Parcel A must be conveyed subject
27 to a covenant requiring the buyer and all subsequent owners to
28 provide effective access for ingress and egress over parcel A to
29 parcel B, as described by the 30-foot easement for ingress and

1 egress in subsection (2), or as may be reasonably relocated
2 elsewhere on parcel A by the buyer or any subsequent owners of
3 parcel A for as long as parcel B is used as a cemetery. If the
4 easement is relocated, the then-current owner of parcel A shall
5 grant and duly record a grant of easement benefitting parcel B to
6 that effect. This subsection does not, and must not be construed
7 to, preclude the buyer or any subsequent owners from operating the
8 cemetery in parcel B, and the easement for ingress and egress to
9 parcel B over parcel A, with reasonable regulations for appropriate
10 public conduct and safety, for site maintenance, for security, and
11 to ensure the dignity and repose of the deceased persons interred
12 there.

13 (b) Deposit the net revenue received by this state or the
14 state land bank authority from the conveyance of property under
15 this section into the land bank fast track fund created in section
16 18 of the land bank fast track act, 2003 PA 258, MCL 124.768.

17 (8) The department of corrections remains responsible for all
18 expenses of maintaining the property described in subsection (2) in
19 good order and in compliance with all applicable state laws and
20 local ordinances until the time of transfer under this part.

21 (9) This state reserves all aboriginal antiquities, including
22 mounds, earthworks, forts, burial and village sites, mines, or
23 other relics lying on, within, or under the property conveyed under
24 this part with power to this state and all others acting under its
25 authority to enter the property for any purpose related to
26 exploring, excavating, and taking away the aboriginal antiquities.

27 (10) This state shall not reserve oil, gas, or mineral rights
28 to the property conveyed under this part. However, a conveyance
29 authorized under this part must provide that, if the purchaser or

1 any grantee develops any oil, gas, or minerals found on, within, or
2 under the conveyed property, the purchaser or any grantee must pay
3 this state 1/2 of the gross revenue generated from the development
4 of the oil, gas, or minerals. This payment must be deposited in the
5 general fund.

6 (11) If property conveyed under this part was used by this
7 state as a historical monument, memorial, public park, burial
8 grounds, or protected wildlife habitat area, it must be maintained
9 and protected for that purpose in perpetuity in accordance with
10 applicable law.

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

20 (13) On request by the department of technology, management,
21 and budget, the department of attorney general shall approve as to
22 legal form the affidavit of jurisdictional transfer authorized by
23 this part in recordable form.

24 (14) The department of technology, management, and budget may
25 require the state land bank authority to record the instrument of
26 jurisdictional transfer with the applicable register of deeds and
27 provide the department of technology, management, and budget with a
28 complete and faithful copy of the recorded instrument as a
29 condition of closing.

PART 2 - KENT COUNTY

1
2 Sec. 21. Before 2 years after the effective date of this act,
3 the state administrative board, on behalf of this state, may convey
4 to Kent County, for not less than fair market value as determined
5 under section 23, or for less than fair market value subject to the
6 restrictions under section 25, all or any portion of property now
7 under the jurisdiction of the department of state police and
8 located in the township of Grand Rapids in Kent County, described
9 as:

10 All that part of the West 1/2 of the Southeast 1/4, Section
11 20, Town 7 North, Range 11 West, Grand Rapids Township, now City of
12 Grand Rapids, Kent County, Michigan, more particularly described
13 as: Commencing South 1° 30' West 1030.85 feet and South 87° 55'
14 East 40.0 feet from the center of said Section 20, thence North 1°
15 30' East along the East line of Fuller Avenue 175.0 feet; thence
16 North 54° 05' East 305.0 feet; thence South 87° 09' East 240.0
17 feet; thence South 1° 7' West 360.0 feet; thence North 87° 55' West
18 485.0 feet to the Point of Beginning, containing 3.49 acres of
19 land, more or less.

20 Sec. 22. The description of the property in section 21 is
21 approximate and for purposes of the conveyance is subject to
22 adjustments as the state administrative board or the attorney
23 general considers necessary by survey or other legal description.

24 Sec. 23. The fair market value of the property described in
25 this part must be determined by an appraisal based on the
26 property's highest and best use, as prepared by an independent fee
27 appraiser.

28 Sec. 24. If Kent County fails to purchase the property
29 described in section 21 within 2 years after the effective date of

1 this act, the department of technology, management, and budget may
2 take the necessary steps to convey the property to another
3 purchaser using any of the following methods:

4 (a) Competitive bidding designed to realize the best value to
5 this state, as determined by the department of technology,
6 management, and budget.

7 (b) A public auction designed to realize the best value to
8 this state, as determined by the department of technology,
9 management, and budget.

10 (c) Use of real estate brokerage services designed to realize
11 the best value to this state, as determined by the department of
12 technology, management, and budget.

13 (d) A value for value conveyance negotiated by the department
14 of technology, management, and budget designed to realize the best
15 value to this state. In determining whether value for value
16 consideration for the property represents the best value, the
17 department may consider the fair market value, or the total value
18 based on any positive economic impact to this state likely to be
19 generated by the proposed use of the property, especially economic
20 impact resulting in the creation of jobs or increased capital
21 investment in this state.

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

24 (f) Offering the property for sale for less than fair market
25 value to a local unit or units of government subject to the terms
26 set forth in section 25.

27 (g) Transferring jurisdiction of the property to the state
28 land bank authority created under section 15 of the land bank fast
29 track act, 2003 PA 258, MCL 124.765, and renamed under Executive

1 Reorganization Order No. 2019-3, MCL 125.1998. If the property is
2 transferred under this subdivision, the state land bank authority
3 is responsible after the transfer for the proper care, maintenance,
4 and security of the property.

5 Sec. 25. Any conveyance of the property described in this part
6 for less than fair market value must provide for all of the
7 following:

8 (a) The property must be used exclusively for public purposes
9 and if any fee, term, or condition for the use of the property is
10 imposed on members of the public, or if any of those fees, terms,
11 or conditions are waived for use of the property, all members of
12 the public must be subject to the same fees, terms, conditions, and
13 waivers. On termination of the property's exclusive use for public
14 purposes, this state may reenter and repossess the property,
15 terminating the grantee's estate in the property.

16 (b) If the grantee or successor disputes this state's exercise
17 of its right of reentry and fails to promptly deliver possession of
18 the property to this state, the attorney general, on behalf of this
19 state, may bring an action to quiet title to, and regain possession
20 of, the property.

21 (c) If this state reenters and repossesses the property, the
22 state is not liable to reimburse any party for any improvements
23 made on the property.

24 (d) The local unit of government shall reimburse this state
25 for requested costs necessary to prepare the property for
26 conveyance.

27 (e) If the local unit of government intends to convey the
28 property within 30 years after the conveyance from this state, the
29 local unit shall provide notice to the department of technology,

1 management, and budget of its intent to offer the property for
2 sale. The department of technology, management, and budget shall
3 retain a right to first purchase of the property at the original
4 sale price within 180 days after the notice. If this state waives
5 its first refusal right, the local unit of government shall pay to
6 this state 100% of the difference between the sale price of the
7 conveyance from this state and the sale price of the local unit's
8 subsequent sale to a third party.

9 Sec. 26. A conveyance or jurisdictional transfer of the
10 property described in this part must include all surplus, salvage,
11 and scrap property or equipment remaining on the property on the
12 date of the conveyance or jurisdictional transfer.

13 Sec. 27. Any conveyance authorized by this part must be by
14 quitclaim deed, or in the case of transfer to the state land bank
15 authority, by affidavit of jurisdictional transfer as approved by
16 the department of attorney general.

17 Sec. 28. This state shall not reserve oil, gas, or mineral
18 rights to the property conveyed under this part. However, a
19 conveyance authorized under this part must provide that, if the
20 purchaser or any grantee develops any oil, gas, or minerals found
21 on, within, or under the conveyed property, the purchaser or any
22 grantee shall pay this state 1/2 of the gross revenue generated
23 from the development of the oil, gas, or minerals. This payment
24 must be deposited in the general fund of this state.

25 Sec. 29. This state reserves all aboriginal antiquities
26 including mounds, earthworks, forts, burial and village sites,
27 mines, or other relics lying on, within, or under the property with
28 power to this state and all others acting under its authority to
29 enter the property for any purpose related to exploring,

1 excavating, and taking away the aboriginal antiquities.

2 Sec. 30. The net revenue received from the sale of property
3 under this part must be deposited in the state treasury and
4 credited to the general fund. As used in this section, "net
5 revenue" means the proceeds from the sale of the property less
6 reimbursement for any costs associated with the sale of the
7 property, including, but not limited to, administrative costs,
8 including employee wages, salaries, and benefits; costs of reports
9 and studies and other materials necessary to the preparation of
10 sale; environmental remediation; legal fees; and any litigation
11 related to the conveyance of the property.