

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

Introduced by Rep. Albert

ENROLLED HOUSE BILL No. 6358

AN ACT 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

Sec. 1. As used in this part, “net revenue” means the proceeds from the sale of the property less reimbursement for any costs to the department of technology, management, and budget associated with the sale, 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 for sale; environmental remediation; legal fees; and any litigation costs related to the conveyance.

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

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

Parcel A: Part of Lot 66 of the recorded plat of “John Grant Park” as recorded in Liber 2 Page 28 Ionia County Records and part of the South 1/2 of Section 25, T7N-R7W, City of Ionia, County of Ionia, Michigan, more particularly described as: Beginning at the South 1/4 corner of said Section 25, Town 7 North, Range 7 West; thence South 89°37'45" East, along the South line of said Section 25, 652.86 feet to the Southeast corner of the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 25 as monumented; thence N00°07'53"E, along the East line of the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 25 as monumented, 1154.81 feet to an existing cemetery; thence, along the cemetery boundary for the following four (4) courses: North 89°45'15" West 90.52 feet; thence North 00°07'53" East 207.85 feet; thence South 89°45'15" East 121.07 feet; thence South 00°07'53" West 46.18 feet to the South line of Lot 66 of the recorded plat of “John Grant

Park” as recorded in Liber 2 Page 28 Ionia County Records; thence South 89°45'15" East, along the South line of said Lot 66, 637.83 feet to the Southwest corner of Lot 67 of said plat; thence North 00°16'28" West, along the West line of said Lot, 539.51 feet to the Northwest Corner of said Lot 67 as monumented; thence North 00°44'26" East, along the East line of said Lot 66 and the West line of said plat as monumented, 243.42 feet; thence North 03°24'01" West, along the West line of said plat as monumented, 451.14 feet; thence South 75°23'03" West 828.95 feet; thence North 03°39'04" East 179.04 feet; thence North 14°10'50" West 36.32 feet to the centerline of Riverside Drive; thence South 75°49'10" West, along said centerline, 1312.76 feet; thence South 74°46'10" West, along said centerline, 544.08 feet to the East line of a parcel recorded in Liber 221 Page 522, Ionia County Records, also being the West line of the East 1/2 of the Southwest 1/4 of said Section 25 as monumented; thence South 00°34'03" West, along the East line of said parcel, 450.07 feet to the Southeast corner of said parcel; thence South 82°41'16" West, along the South line of said parcel, 405.06 feet to the East line of the former Deerfield Correctional facility; thence South 24°29'14" East, along the East line of the former Deerfield Correctional facility, 947.46 feet to the West line of the East 1/2 of the Southwest 1/4 of said Section 25 as monumented; thence South 00°34'03" West, along the East line of the former Deerfield Correctional facility and said West line of East 1/2, 711.67 feet to the South line of said Section 25; thence South 89°40'53" East, along said South section line, 1319.91 feet to the Point of Beginning. Parcel A contains 125.84 acres of land, more or less. Subject to the right-of-way of Riverside Drive over the Northerly 33 feet thereof.

Parcel B: described as follows to-wit: Part of the recorded plat of “John Grant Park” as recorded in Liber 2 Page 28 Ionia County Records, and that part of the Southeast 1/4 of Section 25, T7N-R7W, City of Ionia, County of Ionia, Michigan, more particularly described as: Commencing at the South 1/4 corner of said Section 25, Town 7 North, Range 7 West; thence South 89°37'45" East, along the South line of said Section 25, 652.86 feet to the Southeast corner of the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 25 as monumented; thence N00°07'53"E, along the East line of the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 25 as monumented, 1154.81 feet to the place of beginning; thence North 89°45'15" West 90.52 feet; thence North 00°07'53" East, parallel with said West line, 207.85 feet; thence South 89°45'15" East, parallel with the South line of Lot 66 of the recorded plat of “John Grant Park” as Recorded in Liber 2 Page 28 Ionia County Records, 121.07 feet; thence South 00°07'53" West 46.18 feet to the South line of said Lot 66; thence North 89°45'15" West, along the South line of said Lot 66, 30.54 feet to the Southwest corner of said plat; thence South 00°07'53" West, along said West line, 161.67 feet to the place of beginning. Parcel B contains 0.46 acres of land, more or less.

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

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

(4) The descriptions of the property in subsection (2) are approximate and, for purposes of the transfer, 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 this part includes all surplus, salvage, and personal property or equipment remaining on the property on the date of the conveyance or transfer.

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

(7) After transfer of property under this part, the state land bank 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. Conveyance of Parcels A and B of the property must be by quitclaim deed. The conveyance of Parcel B must be subject to a covenant requiring the buyer and all subsequent owners to maintain and care for the cemetery in accordance with all applicable state and local laws and keep the cemetery open to the public without charge for as long as Parcel B is used as a cemetery. Parcel A must be conveyed subject to a covenant requiring the buyer and all subsequent owners to provide effective access for ingress and egress over Parcel A to Parcel B, as described by the 30-foot easement for ingress and egress in subsection (2), or as may be reasonably relocated elsewhere on Parcel A by the buyer or any subsequent owners of Parcel A for as long as Parcel B is used as a cemetery. If the easement is relocated, the then-current owner of Parcel A shall grant and duly record a grant of easement benefitting Parcel B to that effect. This subsection does not, and must not be construed to, preclude the buyer or any subsequent owners from operating the cemetery in Parcel B, and the easement for ingress and egress to Parcel B over Parcel A, with reasonable regulations for appropriate public conduct and safety, for site maintenance, for security, and to ensure the dignity and repose of the deceased persons interred there.

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

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

(9) 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 this part 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.

(10) This state shall not reserve oil, gas, or mineral rights to the property conveyed under this part. However, a conveyance authorized under this part 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 must 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.

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

(12) If property conveyed under this part is used for any purpose that is inconsistent with any restrictions required under this part 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.

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

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

PART 2 – KENT COUNTY

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

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

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

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

Sec. 24. If Kent County fails to purchase the property described in section 21 within 2 years after the effective date of this act, the department of technology, management, and budget may take the necessary steps to convey the property to another purchaser using any of the following methods:

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

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

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

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

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

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

(g) Transferring jurisdiction of the property to the state land bank authority created under section 15 of the land bank fast track act, 2003 PA 258, MCL 124.765, and renamed under Executive Reorganization Order No. 2019-3, MCL 125.1998. If the property is transferred under this subdivision, the state land bank authority is responsible after the transfer for the proper care, maintenance, and security of the property.

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

(a) The property must be used exclusively for public purposes and 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. On termination of the property's exclusive use for public purposes, this state may reenter and repossess the property, terminating the grantee's estate in the property.

(b) If the grantee or 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.

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

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

(e) If the local unit of government intends to convey the property within 30 years after the conveyance from this state, the local unit shall provide notice to the department of technology, management, and budget of its intent to offer the property for sale. The department of technology, management, and budget shall retain a right to first purchase of the property at the original sale price within 180 days after the notice. If this state waives its first refusal right, the local unit of government shall pay to this state 100% of the difference between the sale price of the conveyance from this state and the sale price of the local unit's subsequent sale to a third party.

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

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

Sec. 28. This state shall not reserve oil, gas, or mineral rights to the property conveyed under this part. However, a conveyance authorized under this part 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 of this state.

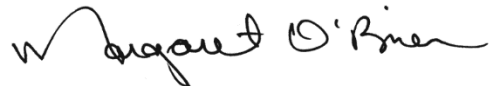
Sec. 29. This state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property with power to this state and all others acting under its authority to enter the property for any purpose related to exploring,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

Sec. 30. The net revenue received from the sale of property under this part must be deposited in the state treasury and credited to the general fund. As used in this section, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs associated with the sale of the 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 related to the conveyance of the property.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor