



Senate Fiscal Agency
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BILL



ANALYSIS

Telephone: (517) 373-5383
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Senate Bill 754 (as enrolled)
Sponsor: Senator Dave Honigman
Senate Committee: Local, Urban and State Affairs
House Committee: Regulatory Affairs

PUBLIC ACT 118 of 1996

Date Completed: 1-27-97

RATIONALE

Since 1979, Commerce Township in Oakland County had been managing a portion of what originally was one of the parks donated to the State in 1922 by the Dodge family. In 1983, the Department of Natural Resources (DNR) determined that the 48.84-acre property was "no longer economical to operate" as a State park because it was "separated from the remainder of the state park by the proposed I-275 right of way". The township sought to obtain the acreage in order to maintain the land as a township park. Public Act 248 of 1984 authorized the DNR to convey the 48.84 acres to the township for \$1, and specified that title to the land would revert to the State if the township used the land for purposes other than as a public park. Under this arrangement, the land still is used for public park purposes, as the Dodge family stipulated when it donated the land to the State. The property currently includes a soccer field, picnic shelter, hiking trail, and a covered walking bridge. While these facilities help provide outdoor recreational opportunities for township residents, there were no facilities in the area to provide indoor recreational activities. The township considered leasing 15 acres of the property to the YMCA for the construction of an indoor recreational facility, but could not do so without being released from the reverter clause.

CONTENT

The bill amended Public Act 248 of 1984 to require the DNR, with the agreement of Commerce Township, to amend the restriction and possibility of reverter in the Act to require that the property conveyed be used for a public township park and/or a recreational facility, subject to the bill's requirements. The conveyance also must provide that, upon termination of that use or those uses or upon use for any other purpose, title to the

property must revert immediately to the State, with the State assuming no liability for improvements made at the expense of any other party. In addition, the amended restriction and possibility of reverter must provide that the type of recreational facility that would meet the permitted use requirements would include, but not be limited to, a YMCA.

The amended restriction and possibility of reverter must provide that all members of the public using the township park or recreational facility are subject to the same annual or daily fees, terms, and conditions. A member of the public may not be required to join an organization on an annual basis, or accompany someone who has joined an organization on an annual basis, to use the township park or recreational facility. The conveyance also must provide that the grantee may waive daily fees or waive fees for the use of specific areas or facilities by specified groups or classes of persons. The waiver of fees, however, must apply to all members of that group or class regardless of their residence.

The instruments necessary to implement the bill must 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

Since the land was conveyed to Commerce Township in 1984, the township has used it for public park purposes, as stipulated by the Dodge family when it donated the land and as required under Public Act 248 as part of the land's

conveyance to the township. Although Commerce Township maintains the land as a public park and provides a number of outdoor recreational activities at the park, the township was not able to provide indoor recreational opportunities for its residents. The Huron Valley YMCA has served western Oakland County for approximately 15 years and considered building a facility in the Commerce Township area, if it could locate a suitable site. The bill amends the restriction and reverter provisions of the Act to expand the possible uses of the land, including the construction of a recreational facility such as a YMCA. By requiring that all persons pay the same fees to use the facility, providing that a person may not be required to join an organization in order to use the facility, and permitting the waiver of fees for specified persons regardless of their residence, the bill will ensure that the facility may be used by all people. This reflects the spirit of the stipulation in the Dodge family donation as well as Public Act 248 that the land be used for public purposes.

Opposing Argument

The land conveyance authorized under Public Act 248 of 1984 required that Commerce Township use the property for a public purpose, specifically as a public park. Permitting a private organization to construct a recreational facility on the property deviates from the original condition under which the Dodge family donated the land to the State and the condition under which the township received the property from the State--that it be used for public *park* purposes. Instead of conveying the land to the township for \$1, the State should have enforced the reverter clause; the State then could have sold the land to the township at fair market value. The township, then, could have permitted the YMCA to build its facility without concern about whether the intended use met the condition that the land be used for a public park.

Legislative Analyst: L. Arasim

FISCAL IMPACT

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

Fiscal Analyst: R. Abent

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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.