

LANSING CONVEYANCE

**House Bill 5222 as enrolled
Public Act 241 of 2000
Second Analysis (7-14-00)**

**Sponsor: Rep. Lynne Martinez
House Committee: Conservation and
Outdoor Recreation
Senate Committee: Local, Urban and State
Affairs**

THE APPARENT PROBLEM:

Public Act 363 of 1998 conveyed a parcel of land that once encompassed the site of the former Boys Training School in the City of Lansing to the city. The act specified that, if the property were not sold to the City of Lansing within one year of the act's effective date, the Department of Management and Budget would have to offer it for sale on the open market. The City of Lansing still intends to use the property, about 24.67 acres, for residential development. Reportedly, however, the initial call for proposals by developers brought an inadequate response, and the city had to go back to the drawing board, so to speak. Further, though the city signed an agreement to acquire the land, the time limit contained in Public Act 363 expired before the state could complete its portion of the arrangement. According to staff at City Hall, there now are several developers interested in the project and the city would like to send out another request for proposals (RFP). Since the time limit placed in the original conveyance has expired, legislation has been offered to extend the time limit for the conveyance to give the city adequate time to request proposals, review the proposals, and complete the necessary legal arrangements for the close of the sale.

In a separate matter, about 200 acres located in Vevay Township in Ingham County that had been used by the Department of Natural Resources has become surplus to the department. The property, formerly the Mason Game Farm, is no longer being used by the state. Currently, the Ingham Conservation District is leasing the property for public purposes under a special use permit. However, the Ingham Conservation District has expressed an interest in further developing the area for use by the public, including developing nature trails, habitat demonstration sites, and possibly incorporating the property into the natural areas program. Legislation is being offered to convey the property to the conservation district.

THE CONTENT OF THE BILL:

House Bill 5222 would amend Public Act 363 of 1998 to specify that the city would have until one year after the bill's effective date, or until March 31, 2001, whichever occurred sooner, to purchase the property specified in the act. Further, if any fee or condition were imposed on members of the public for use of any of the conveyed land used for public purposes, residents and nonresidents would have to be subject to the same fees or conditions.

In addition, a portion of land previously known as the Mason Game Farm would be conveyed to the Ingham Conservation District for \$1. The property would have to be used exclusively for the development of a nature area, which would be used to educate both adults and students about natural resources. The Ingham Conservation District would have to develop outdoor classroom activities, nature trails, habitat demonstration sites, and possibly incorporate the property into the Natural Areas program. Members of the public, whether residents or nonresidents, would be subject to the same fees, terms, or conditions (if any) for use of the property. The property could revert to the state if used for any other purpose than that described in the bill.

Conveyance of the property would be by quitclaim deed approved by the attorney general, and any revenue received would be deposited into the general fund. According to the provisions of Part 761 of the Natural Resources and Environmental Protection Act, entitled "Aboriginal Records and Antiquities", the state would retain the rights to all aboriginal antiquities such as mounds, earthworks, forts, burial grounds, and so forth, including the right to explore and excavate the antiquities. Further, the bill would specify that the description of the property contained in the bill was approximate, and could be adjusted as necessary by a revised legal description.

BACKGROUND INFORMATION:

The state Boys Training School (BTS) in Lansing was closed in 1972, a major portion of the land and buildings were sold to the Lansing School District in 1975, and the remaining land and buildings were declared surplus to the state in September of 1986. In 1992, the City of Lansing adopted a community redevelopment plan for the development of a vacant parcel of the former BTS property. The parcel is bounded by residential neighborhoods to the west and north, Lansing Catholic Central High School to the east, and the Lansing School District (Eastern High School) to the south. Public Act 363 of 1998 allowed for the conveyance of this land to the City of Lansing. According to staff at the Department of Management and Budget, about 10.38 acres of the land was sold to the city for \$1 for public use purposes. It is reported that the city resold the land to the Lansing School District to use for athletic fields. Also, about five acres of land are covered with lowlands, which, according to City Hall staff, will most likely remain with the city and be used for storm drainage. Possible use of the remaining land has focused on residential development.

The land for the Mason Game Farm was acquired by the state in 1917. The property consists of about 200 acres and has six buildings on it, including a house that had been used as a residence for the game farm manager. In recent years, the land was used for raising pheasants for release into the wild. Since the mid-1990s, the buildings have been used for meetings and equipment storage. Currently, the Ingham County Soil Conservation Agency, part of the Ingham Conservation District, has been renting the property for public purposes.

FISCAL IMPLICATIONS:

The House Fiscal Agency reports in a fiscal note dated 3-28-00 that House Bill 5222 would have no fiscal impact on state or local government.

Though House Bill 5222 primarily extends the deadline for a conveyance authorized in previous legislation, according to information supplied by a representative of the Department of Management and Budget on March 20, 2000, any part of the remaining land referenced in Public Act 363 of 1998 located in Lansing that is not used for public purposes would have to be bought by the City of Lansing for fair market value. A current appraisal of the land's value was not available.

ARGUMENTS:***For:***

The original legislation to convey the land in question from the state to the City of Lansing contained a one-year time limit to complete the transaction. This time period has proved insufficient in order to meet all legal requirements. The bill would give the city an additional year from now in which to complete all necessary stages of the conveyance. The end result would be in the best interests of both state government and Lansing citizens.

For:

A part of the Lansing parcel already conveyed under Public Act 363 of 1998 will be used for athletic fields for the Lansing School District. Though a final decision on the use of the remaining land has not been reached, it most likely would include market-rate housing and could possibly include some low-cost housing. Any portion of this land that was not used for public purposes would have to be bought by the city at fair market value. Extending the time limit to allow the city to select a developer and complete the negotiation process would benefit area residents and would relieve the state of the costs to maintain the property.

For:

The bill would also convey land once used by the Department of Natural Resources to raise pheasants to the Ingham Conservation District for use as a park. Located close to the Mason airport, the approximately 200 acres would be developed with hiking trails and facilities in which students and adults alike can learn more about area natural resources. The Ingham Conservation District, a county agency with a conservation orientation, has been leasing the property and has already made some improvements; for instance, renovating the former game manager's house with the help of high school building trades classes. The plans for the property, as proposed by the Conservation District and as specified in the bill, will not only provide for natural resources education, but also provide much needed recreation opportunities.

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.