

Act No. 310
Public Acts of 2004
Approved by the Governor
August 27, 2004
Filed with the Secretary of State
August 27, 2004
EFFECTIVE DATE: January 1, 2005

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Senator Bishop

ENROLLED SENATE BILL No. 874

AN ACT 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:

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

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

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

(3) The description of the property in subsection (1) 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.

(4) The director of management and budget shall offer the property described in this section for sale as follows:

(a) The property first shall be offered to the school district of the city of Pontiac for consideration of not less than 75% of fair market value, for the purpose of constructing and operating a new school operated by the school district. The school district of the city of Pontiac has the first right to purchase the property for a period of 120 days after the effective date of the 2004 amendatory act that amended this section. If the school district of the city of Pontiac

purchases the property and subsequently conveys the property for any purpose other than public education, the school district of the city of Pontiac shall pay to the state both of the following amounts:

(i) An amount equal to the fair market value of the property at the time it was sold to the school district by the state, less the price the school district paid to the state for the property.

(ii) An amount equal to 50% of the price paid by the subsequent purchaser to the school district for the property, less the fair market value of the property at the time it was sold to the school district by the state.

(b) If the school district of the city of Pontiac does not purchase the property, the director of management and budget shall offer the property for sale on the open market for fair market value or by broker contract.

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

- (a) Order a reappraisal of the property.
- (b) Withdraw the property from sale.
- (c) Offer the property for sale for less than fair market value.

(6) A conveyance of the property described in subsection (1) for less than fair market value pursuant to subsection (5)(c) shall provide for both of the following:

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

(b) That if the grantee disputes the state's exercise of its rights of reentry and fails to promptly deliver possession of the property to the state, the attorney general, on behalf of the state, may bring an action to quiet title to, and regain possession of, the property.

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

Enacting section 1. This amendatory act takes effect January 1, 2005.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor