

0110.01 Surplus Real Property

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PURPOSE

To provide guidelines on the disposition of surplus State-owned real property.

APPLICATION

Executive Branch Departments and Sub-units, excluding Department of Transportation, Department of Military Affairs' National Guard Armories and Department of Natural Resources' parks, forest and certain other lands.

CONTACT AGENCY

Department of Technology, Management and Budget (DTMB)
State Facilities Administration (SFA)
Real Estate Division (RED)
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Lansing, MI 48917

or

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SUMMARY

Except as otherwise provided by law, all Executive Branch Departments and sub-units shall use the services of DTMB Real Estate Division (RED) to dispose of real property surplus to their long-term needs. All disposals of real property must have prior legislative authorization.

APPLICABLE FORMS

None.

PROCEDURES

Agency

- Determines real property is surplus and if any buildings are to be demolished or sold with the land.

- Department Director submits letter to DTMB Director with copy to RED Director declaring the property surplus, providing a site sketch of the property and stating the Department will pay for the appraisal contract, survey and environmental studies as found necessary.

RED

- Reviews disposal request and checks with the State Historic Preservation Office (SHPO), Michigan State Housing Development Authority (MSHDA) to determine if the property is on the historical register.
- Requests environmental assessment, wetland study and survey, if needed.
- Notifies other state departments to determine if there is an alternative state-use of the property.
- Contacts local governmental units, public universities and community colleges to determine if they have an interest in the property.
- Obtains appraisal of property to determine fair market value.
- Advertises for interested bidders.
- Prepares Invitation to Bid package and posts on DTMB website.
- Receives and evaluates bids.
- Submits recommendation for approval of sale to the State Administrative Board (SAB).

SAB

- Approves or rejects sale of property.

RED

- Sends documents to Department of Attorney General, State Affairs Division for approval.

Attorney General

- Prepares quitclaim deed and returns to RED.

RED

- Conducts closing. Provides buyer with executed quitclaim deed for recording and requests copy of recorded document to be returned to RED.
- Deposits funds in appropriate account.
- Forwards copy of recorded deed to the Secretary of State, Office of the Great Seal, upon receipt.
