

By: Representative Weathersby

To: Public Property

HOUSE BILL NO. 412
(As Passed the House)

1 AN ACT TO AUTHORIZE THE DEPARTMENT OF FINANCE AND
2 ADMINISTRATION TO SELL AND CONVEY ALL OR ANY PORTION OF CERTAIN
3 STATE-OWNED REAL PROPERTY, AND ANY IMPROVEMENTS THEREON, LOCATED
4 IN THE CITY OF JACKSON, HINDS COUNTY, MISSISSIPPI, KNOWN AS THE
5 "OLD CAPITOL GREEN" UPON WHICH HAL AND MAL'S IS LOCATED; TO AMEND
6 SECTION 29-1-201, MISSISSIPPI CODE OF 1972, TO PROVIDE THE
7 PURPOSES FOR WHICH LEASE AND RENTAL MONIES DEPOSITED IN THE STATE
8 LAND ACQUISITION FUND MAY BE USED; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** (1) The Department of Finance and Administration
11 is authorized to sell and convey all or any portion of certain
12 state-owned real property, and any improvements thereon, located
13 in the City of Jackson, Hinds County, Mississippi, known as the
14 "Old Capitol Green" upon which Hal and Mal's is located and being
15 more particularly described as follows:

16 **TRACT 1**

17 A tract or parcel of land containing 3.457 acres
18 (150,581 Sq. Ft.), more or less, located in Lots 1, 2,
19 and 3, Block B per the H.C. Daniel Map of the City of
20 Jackson, Mississippi, dated 1875 and being the same as
21 the property as that shown on the A. Virden Subdivision



22 of Lots 1, 2, 4 and 5 of Square B, East Jackson as
23 recorded in Book A at Page 245 of the records of the
24 Chancery Clerk of Hinds County, Mississippi, all being
25 located in the Southeast Quarter (SE 1/4) of Section 3,
26 Township 5 North, Range 1 West, City of Jackson, Hinds
27 County, Mississippi and being more particularly
28 described as follows, to wit:

29 **COMMENCING** at an iron rod marking the intersection of
30 the Northern right-of-way line of Tombigbee Street and
31 the Eastern right-of-way line of Commerce Street as both
32 are now laid out and in use, said point also being the
33 Southwestern corner of Lot 18 of the aforesaid A. Virden
34 Subdivision of Lots 1, 2, 4 and 5 of Square B, East
35 Jackson; thence, following the aforesaid Eastern
36 right-of-way line of Commerce Street, run North 04
37 degrees 33 minutes 14 seconds West for a distance of
38 110.99 feet to an iron rod on the aforesaid Eastern
39 right-of-way line of Commerce Street; thence, continuing
40 along the aforesaid Eastern right-of-way line of
41 Commerce Street, run North 11 degrees 38 minutes 00
42 seconds West for a distance of 297.46 feet to a point on
43 the aforesaid Eastern right-of-way line of Commerce
44 Street; thence, continuing along the aforesaid Eastern
45 right-of-way line of Commerce Street, run North 01
46 degrees 37 minutes 16 seconds West for a distance of



47 13.63 feet to a chiseled "X" in the concrete marking the
48 intersection of the aforesaid Eastern right-of-way line
49 of Commerce Street and the Northern right-of-way of
50 Pascagoula Street as both are now laid out and in use
51 and the **POINT OF BEGINNING** of the tract or parcel of
52 land herein described; thence, continuing along the
53 aforesaid Eastern right-of-way line of Commerce Street,
54 run North 01 degrees 37 minutes 16 seconds West for a
55 distance of 312.49 feet to a P.K. nail at the
56 intersection of the Eastern right-of-way line of
57 Commerce Street and the Southern right-of-way line of
58 Pearl Street as both are now laid out and in use and the
59 Northwestern corner of Lot 1 of the aforesaid A. Virden
60 Subdivision of Lots 1, 2, 4 and 5 of Square B, East
61 Jackson; thence, following the aforesaid Southern
62 right-of-way line of Pearl Street, run South 80 degrees
63 31 minutes 15 seconds East for a distance of 520.10 feet
64 to an iron rod at the intersection of the aforesaid
65 Southern right-of-way line of Pearl Street and the
66 Western right-of-way line of Jefferson Street as both
67 are now laid out and in use and the Northeastern Corner
68 of Lot 12 of the aforesaid A. Virden Subdivision of Lots
69 1, 2, 4 and 5 of Square B, East Jackson; thence,
70 following the aforesaid Western right-of-way line of
71 Jefferson Street, run South 09 degrees 14 minutes 14



72 seconds West for a distance of 307.16 feet to an iron
73 rod at the intersection of the aforesaid Western
74 right-of-way line of Jefferson Street and the aforesaid
75 Northern right-of-way of Pascagoula Street; thence,
76 following the aforesaid Northern right-of-way of
77 Pascagoula Street, run North 80 degrees 27 minutes 27
78 seconds West for a distance of 461.24 feet back to the
79 **POINT OF BEGINNING.**

80 **TRACT 2**

81 A tract or parcel of land containing 2.734 acres
82 (119,075 Sq. Ft.), more or less, located in Lots 4 and
83 5, Block B per the H.C. Daniel Map of the City of
84 Jackson, Mississippi, dated 1875 and being the same as
85 the property as that shown on the A. Virden Subdivision
86 of Lots 1, 2, 4 and 5 of Square B, East Jackson as
87 recorded in Book A at Page 245 of the records of the
88 Chancery Clerk of Hinds County, Mississippi, all being
89 located in the Southeast Quarter (SE 1/4) of Section 3,
90 Township 5 North, Range 1 West, City of Jackson, Hinds
91 County, Mississippi, and being more particularly
92 described as follows, to wit:

93 **BEGINNING** at an iron rod marking the intersection of the
94 Northern right-of-way line of Tombigbee Street and the
95 Eastern right-of-way line of Commerce Street as both are
96 now laid out and in use, said point also being the



97 Southwestern corner of Lot 18 of the aforesaid A. Virden
98 Subdivision of Lots 1, 2, 4 and 5 of Square B, East
99 Jackson; thence, following the aforesaid Eastern
100 right-of-way line of Commerce Street, run North 04
101 degrees 33 minutes 14 seconds West for a distance of
102 110.99 feet to an iron rod on the aforesaid Eastern
103 right-of-way line of Commerce Street; thence, continuing
104 along the aforesaid Eastern right-of-way line of
105 Commerce Street, run North 11 degrees 38 minutes 00
106 seconds West for a distance of 226.01 feet to an iron
107 rod at the intersection of the aforesaid Eastern
108 right-of-way line of Commerce Street and the Southern
109 right-of-way line of Pascagoula Street as both are now
110 laid out and in use; thence, following the aforesaid
111 Southern right-of-way line of Pascagoula Street, run
112 South 80 degrees 27 minutes 27 seconds East for a
113 distance of 433.21 feet to an iron rod at the
114 intersection of the aforesaid Southern right-of-way line
115 of Pascagoula Street and the Western right-of-way line
116 of Jefferson Street as both are now laid out and in use;
117 thence, following the aforesaid Western right-of-way
118 line of Jefferson Street, run South 09 degrees 14
119 minutes 14 seconds West for a distance of 316.67 feet to
120 an iron rod at the intersection of the aforesaid Western
121 right-of-way line of Jefferson Street and the aforesaid



122 Northern right-of-way line of Tombigbee Street and the
123 Southeastern Corner of Lot 22 of the aforesaid A. Virden
124 Subdivision of Lots 1, 2, 4 and 5 of Square B, East
125 Jackson; thence, following the aforesaid Northern
126 right-of-way line of Tombigbee Street, run North 80
127 degrees 45 minutes 46 seconds West for a distance of
128 326.23 feet back to the **POINT OF BEGINNING**.

129 (2) In the event that any or all of the real property and
130 improvements described in subsection (1) of this section is sold,
131 the real property shall be sold for not less than the current fair
132 market value as determined by the average of two (2) appraisals by
133 qualified appraisers, one (1) of whom shall be selected by the
134 Department of Finance and Administration, and both of whom shall
135 be certified and licensed by the Mississippi Real Estate Appraiser
136 Licensing and Certification Board.

137 (3) Any proceeds from the sale of the land, and any
138 improvements thereon, listed in subsection (1) of this section,
139 shall be deposited into the state land acquisition fund.

140 (4) Before the sale and conveyance or lease of any or all of
141 the real property described in subsection (1) of this section, and
142 any improvements thereon, the Department of Finance and
143 Administration shall consult with the Chairmen of the House and
144 Senate Public Property Committees.



145 (5) The Department of Finance and Administration may correct
146 any discrepancies in the legal description of the property
147 provided in this section.

148 (6) The State shall retain all mineral rights in the
149 property.

150 (7) The Department of Finance and Administration, upon
151 entering into an agreement for the sale or lease of any portion or
152 all of the property described in subsection (1) of this section,
153 is authorized and directed to cancel any lease with any existing
154 tenant having a leasehold interest in the property for which the
155 agreement has been entered, if determined by the department that
156 such cancellation would be in the best interest of the state.
157 However, if the department determines it is in the best interest
158 of the state to enter into a lease-purchase agreement with an
159 existing tenant, the provisions of this subsection shall not be
160 applicable.

161 (8) The provisions of this section shall stand repealed from
162 and after July 1, 2018. However, any agreement for the sale or
163 lease entered into by the Department of Finance and Administration
164 under this section before June 30, 2018, shall remain in effect in
165 perpetuity if sold, or until the expiration of the lease
166 agreement.

167 **SECTION 2.** Section 29-1-201, Mississippi Code of 1972, is
168 amended as follows:



169 29-1-201. (1) The Governor's Office of General Services is
170 hereby authorized and empowered, in its discretion, to lease for a
171 period of not more than fifteen (15) years all or any part of
172 those lands originally leased for ninety-nine (99) years as
173 authorized by an act of the Legislature on March 2, 1875, the same
174 appearing as Chapter LXII, Laws of 1875; said lands lying and
175 being situated in the City of Jackson, First Judicial District,
176 State of Mississippi; or to lease such lands to a public service
177 corporation serving the general public of the State of Mississippi
178 in the City of Jackson, the lease not to exceed a period of
179 twenty-five (25) years; or to rent on a monthly basis the said
180 lands; said rental or lease to be subject to the following terms
181 and conditions applicable thereto:

182 (a) That the Governor's Office of General Services find
183 and determine that the said lands, or parts thereof, are neither
184 now needed nor are they programmed by the State of Mississippi for
185 governmental purposes within the period of the proposed term of
186 said lease or rental.

187 (b) That any lease period shall be computed from the
188 expiration of the present lease, if any, on said lands.

189 (c) That the annual amount paid for leased lands be in
190 an amount of not less than seven and one-half percent (7-1/2%) of
191 the current fair market value as determined by the averaging of at
192 least two (2) appraisals by members of the American Institute of
193 Real Estate Appraisers or the Society of Real Estate Appraisers.



194 The said appraisals shall be made not later than six (6) months
195 prior to the expiration of any existing lease, and the said
196 appraisals shall be made available to all interested parties.
197 Thereafter, appraisals on said property may be made every five (5)
198 years (computed from the date of the beginning of each such lease)
199 at the insistence of either party and at the cost of the party
200 demanding same, and the annual dollar rent shall be adjusted in
201 accordance with said appraisal. All such appraisals shall be
202 based on land value less any improvements that may have been
203 heretofore added by the leaseholder in possession, or that
204 hereafter be added by the leaseholder in possession; provided,
205 however, that all improvements permanently affixed to any of the
206 said lands under lease or rental as provided for herein shall
207 become the property of the State of Mississippi upon final
208 termination of such lease or rental.

209 (d) That the present holders under the unexpired terms
210 of the existing leases shall have the first right and option to
211 re-lease such lands, as they now may hold, provided that the
212 existing leaseholders agree to pay rent at an annual amount of not
213 less than seven and one-half percent (7-1/2%) of the fair market
214 value of the property as determined by the terms and conditions
215 stated in paragraph (c) of this subsection, and the re-leasing of
216 such lands shall be subject to the other terms and conditions
217 stated in this section. Consideration may be given to the present
218 leaseholders under the existing leases in determining the term of



219 the lease period to be granted under the first right and option as
220 herein provided.

221 (e) That in the case of monthly rental of said lands or
222 any part thereof, the Governor's Office of General Services is
223 authorized to make such terms and agreements as to the amount and
224 conditions thereof, and to follow such procedure as will insure
225 that a fair and equitable return to the state is effectuated
226 thereby.

227 (f) That in the event the Governor's Office of General
228 Services is unable to lease the said lands as hereinabove provided
229 or in the event the present leaseholders fail to exercise their
230 option to re-lease, then in that event the Governor's Office of
231 General Services shall, by public notice, offer the said lands to
232 the highest and best bidder therefor; with said notice being
233 published in one or more newspapers of general circulation in each
234 existing congressional district; provided, however, the Governor's
235 Office of General Services shall reserve unto itself the right to
236 reject any or all such bids.

237 (g) That any present leaseholder of said lands who
238 desires to exercise his right to first option to re-lease, as
239 provided for herein, shall notify the Governor's Office of General
240 Services in writing of his intent to exercise that right not later
241 than three (3) months after the said appraisals provided for in
242 subsection (c) are made available.



243 (h) That any lease or rental contract or agreement
244 entered into by virtue of this section shall be approved as to
245 form by the Public Procurement Review Board before the same is to
246 be effective.

247 (i) That all lease and rental monies from any such
248 leases or rentals be deposited in the state land acquisition fund,
249 which may be utilized for the purchase of additional state lands
250 where authorized by the Mississippi State Legislature or for
251 appraisals, studies and other consulting costs related to the
252 potential development, marketing, sale or long-term lease of such
253 land.

254 (j) Nothing in this section shall be construed to
255 authorize the sale or transfer of title to the said lands.

256 (2) It is the intent and purpose of this section to provide
257 a fair and equitable return for the lease or rental of the said
258 seat of government lands, and to afford lessees holding existing
259 leases the first right and option to lease the same lands that
260 they presently hold so as to continue any business or other
261 utilization of the said lands not to exceed the periods provided
262 for herein; and the Governor's Office of General Services is
263 hereby empowered and authorized to follow such procedure and to
264 make such arrangements, not inconsistent with the provisions here,
265 as may be reasonably necessary to effect such purpose and intent.

266 **SECTION 3.** This act shall take effect and be in force from
267 and after its passage.

