

# SENATE BILL No. 525

September 27, 1991, Introduced by Senators MC MANUS,  
KOIVISTO, PRIDNIA and CISKY and referred to the  
Committee on Transportation and Tourism.

A bill to amend the title of Act No. 214 of the Public Acts  
of 1952, entitled

"An act authorizing the Mackinac bridge authority to acquire a bridge connecting the upper and lower peninsulas of Michigan, including causeways, tunnels, roads and all useful related equipment and facilities, including park, parking, recreation, lighting and terminal facilities; extending the corporate existence of the authority; authorizing such authority to enjoy and carry out all powers incident to its corporate objects; authorizing the appropriation and use of state funds for the preliminary purposes of the authority; providing for the payment of the cost of such bridge and in that connection authorizing the authority to issue revenue bonds payable solely from the revenues of the bridge; granting the right of condemnation to the authority; granting the use of state land and property to the authority; making provisions for the payment and security of such bonds and granting certain rights and remedies to the holders thereof; authorizing banks and trust companies to perform certain acts in connection therewith; authorizing the imposition of tolls and charges; authorizing the authority to secure the consent of the United States government to the construction of the bridge and to secure approval of plans, specifications and location of same; authorizing employment of engineers irrespective of whether such engineers have been previously employed to make preliminary inspections or reports with respect to the bridge; authorizing the state highway department to operate and maintain such bridge or to contribute thereto and enter into leases and agreements in

as amended, being sections 254.311 to 254.331 of the Michigan  
Compiled Laws; and to add section 22.

1       Section 1. The title of Act No. 214 of the Public Acts of  
2 1952, as amended, being sections 254.311 to 254.331 of the  
3 Michigan Compiled Laws, is amended and section 22 is added to  
4 read as follows:

6 An act authorizing the Mackinac bridge authority to acquire  
7 a bridge connecting the upper and lower peninsulas of Michigan,  
8 including causeways, tunnels, roads and all useful related equip-  
9 ment and facilities, including park, parking, recreation, light-  
10 ing and terminal facilities; extending the corporate existence of  
11 the authority; authorizing such authority to enjoy and carry out  
12 all powers incident to its corporate objects; authorizing the  
13 appropriation and use of state funds for the preliminary purposes  
14 of the authority; providing for the payment of the cost of such  
15 bridge and in that connection authorizing the authority to issue  
16 revenue bonds payable solely from the revenues of the bridge;  
17 granting the right of condemnation to the authority; granting the  
18 use of state land and property to the authority; making provi-  
19 sions for the payment and security of such bonds and granting  
20 certain rights and remedies to the holders thereof; authorizing  
21 banks and trust companies to perform certain acts in connection

1 therewith; authorizing the imposition of tolls and charges;  
2 authorizing the authority to secure the consent of the United  
3 States government to the construction of the bridge and to secure  
4 approval of plans, specifications and location of same; authoriz-  
5 ing employment of engineers irrespective of whether such engi-  
6 neers have been previously employed to make preliminary inspec-  
7 tions or reports with respect to the bridge; authorizing the  
8 state highway department to operate and maintain such bridge or  
9 to contribute thereto and enter into leases and agreements in  
10 connection therewith; exempting such bonds and the property of  
11 the authority from taxation; prohibiting competing traffic facil-  
12 ities; authorizing the operation of ferries by the authority;  
13 PROVIDING FOR THE CONSTRUCTION AND USE OF OR SALE OF CERTAIN  
14 BUILDINGS; and making an appropriation.

15       SEC. 22. (1) THE AUTHORITY MAY EXPEND NOT MORE THAN  
16 \$1,000,000.00 FROM FUNDS UNDER ITS JURISDICTION TO CONSTRUCT A  
17 BUILDING FOR USE AS A REGIONAL STATE POLICE POST. THE BUILDING  
18 SHALL BE LOCATED ON AUTHORITY OWNED PROPERTY ADJACENT TO THE  
19 NORTH TERMINAL OF THE BRIDGE. THE AUTHORITY MAY LEASE OR SELL  
20 THE BUILDING AS PROVIDED IN THIS SECTION.

21       (2) THE AUTHORITY SHALL NOT CONSTRUCT A BUILDING PURSUANT TO  
22 THIS SECTION UNTIL 1 OR BOTH OF THE FOLLOWING OCCUR:

23       (A) THE AUTHORITY AND THE DEPARTMENT OF STATE POLICE ENTER  
24 INTO A LEASE AGREEMENT FOR THE BUILDING. THE LEASE AGREEMENT  
25 SHALL CONTAIN ALL OF THE FOLLOWING TERMS:

26       (i) A PROVISION THAT THE BUILDING BE USED FOR A REGIONAL  
27 STATE POLICE POST.

1       (ii) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH, A  
2 PROVISION THAT THE INITIAL TERM OF THE LEASE SHALL BE 10 YEARS,  
3 WITH RENEWALS AS AGREED TO BY THE AUTHORITY AND DEPARTMENT OF  
4 STATE POLICE. THE INITIAL TERM OF THE LEASE MAY BE SHORTER THAN  
5 10 YEARS IF THE BUILDING IS PURCHASED BY THE STATE PURSUANT TO  
6 SUBDIVISION (B).

7       (iii) A PROVISION THAT THE LEASE AMOUNT BE EQUIVALENT TO THE  
8 FAIR MARKET LEASE VALUE OF THE LEASED BUILDING. HOWEVER, THE  
9 LEASE MAY PROVIDE FOR A REDUCTION IN THE LEASE AMOUNT EQUIVALENT  
10 TO THE REASONABLE COST INCURRED BY THE DEPARTMENT OF STATE POLICE  
11 TO PROVIDE A CERTAIN LEVEL OF LAW ENFORCEMENT SERVICES INCIDENT  
12 TO THE OPERATION OF THE BRIDGE.

13       (iv) EXCEPT AS OTHERWISE AGREED BY THE AUTHORITY AND DEPART-  
14 MENT OF STATE POLICE, A REQUIREMENT THAT THE DEPARTMENT OF STATE  
15 POLICE PAY THE COSTS OF MAINTAINING THE BUILDING IN REASONABLE  
16 REPAIR.

17       (v) ANY OTHER TERMS THAT MAY BE AGREED TO BY THE AUTHORITY  
18 AND THE DEPARTMENT OF STATE POLICE REGARDING THE USE OF THE  
19 BUILDING.

20       (B) THE STATE ADMINISTRATIVE BOARD, AS AUTHORIZED BY THE  
21 LEGISLATURE TO PURCHASE ON BEHALF OF THE STATE, AND THE AUTHORITY  
22 ENTER INTO AN AGREEMENT FOR THE SALE TO THE STATE OF THE BUILDING  
23 AND REAL PROPERTY ON WHICH THE BUILDING IS LOCATED FOR NOT LESS  
24 THAN FAIR MARKET VALUE. THE SALE AGREEMENT SHALL CONTAIN ALL OF  
25 THE FOLLOWING TERMS:

26       (i) A PROVISION THAT THE PROPERTY BE USED FOR A REGIONAL  
27 STATE POLICE POST.

1       (ii) A PROVISION THAT THE PREMISES WILL BE KEPT IN GOOD  
2 REPAIR.

3       (iii) ANY OTHER TERMS THAT MAY BE AGREED TO REGARDING THE  
4 USE OF THE PREMISES.

5       (3) LEASE PAYMENTS THAT ARE RECEIVED BY THE AUTHORITY UNDER  
6 A LEASE AGREEMENT ENTERED INTO PURSUANT TO SUBSECTION (2) (A) OR  
7 REVENUE RECEIVED BY THE AUTHORITY UNDER A SALE AGREEMENT ENTERED  
8 INTO PURSUANT TO SUBSECTION (2) (B) SHALL BE REGARDED AND TREATED  
9 AS REVENUES OF THE BRIDGE FOR ALL PURPOSES UNDER THIS ACT.

10       (4) UPON THE EXPIRATION OR TERMINATION OF A LEASE AGREEMENT  
11 ENTERED INTO PURSUANT TO SUBSECTION (2) (A) , THE AUTHORITY MAY USE  
12 THE BUILDING FOR ANY REASONABLE PURPOSE IN CARRYING OUT ITS  
13 DUTIES UNDER THIS ACT.