

# HOUSE BILL No. 5119

June 17, 2009, Introduced by Rep. Johnson and referred to the Committee on Regulatory Reform.

A bill to amend 2008 PA 554, entitled  
"Regional convention facility authority act,"  
by amending section 7 (MCL 141.1357).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7. (1) For an area of this state that is a qualified  
2 metropolitan area on ~~the effective date of this act~~ **JANUARY 20,**  
3 **2009**, an authority is created for the qualified metropolitan area  
4 on ~~the effective date of this act~~ **JANUARY 20, 2009**. For an area of  
5 this state that becomes a qualified metropolitan area after ~~the~~  
6 ~~effective date of this act~~ **JANUARY 20, 2009**, an authority is  
7 created for the qualified metropolitan area on the date the area  
8 became a qualified metropolitan area. An authority created under  
9 this section shall be a municipal public body corporate and politic

1 and a metropolitan authority authorized by section 27 of article  
2 VII of the state constitution of 1963 and shall possess the powers,  
3 duties, and jurisdictions vested in the authority under this act  
4 and other laws. The authority shall not be an authority or agency  
5 of this state. The name of an authority created under this section  
6 shall include the name of the qualified city located within the  
7 qualified metropolitan area and the phrase "regional convention  
8 facility authority".

9 (2) Before the transfer date, an authority may organize and  
10 exercise all powers, duties, and jurisdictions granted under this  
11 act, except the powers, duties, and jurisdictions related to the  
12 management, operation, and development of a qualified convention  
13 facility. On the transfer date, an authority is vested with the  
14 additional powers, duties, and jurisdictions under this act related  
15 to the management, operation, and development of a qualified  
16 convention facility.

17 (3) It is the intent of the legislature that the transfer of a  
18 qualified convention facility from a qualified city to an authority  
19 under this act and any payment required under section 19(9)  
20 represents at least a fair exchange of value for value for the  
21 qualified city considering, without limitation, all of the  
22 following:

23 (a) The net value of the qualified convention facility prior  
24 to the transfer date after deducting deferred maintenance  
25 obligations, operational deficits, repair or expansion needs, and  
26 other liabilities related to the qualified convention facility that  
27 are obligations of the qualified city.

1           (b) The benefits to the qualified city resulting from the  
2 transfer of the qualified convention facility to the authority,  
3 including, but not limited to, assumption or payment of debt  
4 obligations of the qualified city by the authority, reductions in  
5 costs, liabilities or other obligations of the qualified city,  
6 additional revenues or other money not otherwise available for the  
7 qualified convention facility, and the positive economic impact to  
8 the qualified city likely to be generated by the operation of the  
9 qualified convention facility by the authority or any expansion or  
10 improvement of the qualified convention facility by the authority,  
11 especially economic impact resulting in the creation or retention  
12 of jobs and capital investment.

13           (c) Any bond proceeds, debt service payments, or other money  
14 payable directly or indirectly to the qualified city after the  
15 transfer date under this act, the state convention facility  
16 development act, 1985 PA 106, MCL 207.621 to 207.640, or the health  
17 and safety fund act, 1987 PA 264, MCL 141.471 to 141.479.

18           (4) The property of an authority created under this act is  
19 public property devoted to an essential public and governmental  
20 purpose. Income of the authority is for a public and governmental  
21 purpose.

22           (5) Except as otherwise provided in this subsection, the  
23 property of the authority created under this act and its income,  
24 activities, and operations are exempt from all taxes and special  
25 assessments of this state or a political subdivision of this state.  
26 Property of an authority and its income, activities, and operations  
27 that are leased to private persons are not exempt from any tax or

1 special assessment of this state or a political subdivision of this  
2 state. Property of an authority is exempt from any ad valorem  
3 property taxes levied under the general property tax act, 1893 PA  
4 206, MCL 211.1 to 211.155, or other law of this state authorizing  
5 the taxation of real or personal property. An authority is an  
6 entity of government for purposes of section 4a(1)(a) of the  
7 general sales tax act, 1933 PA 167, MCL 205.54a, and section 4h of  
8 the use tax act, 1937 PA 94, MCL 205.94h.

9 (6) The validity of the creation of an authority **OR THE**  
10 **TRANSFER OF A QUALIFIED CONVENTION FACILITY** shall be conclusively  
11 presumed unless questioned in an original action filed in the court  
12 of appeals within ~~60~~90 days after the creation of the authority  
13 under this section **OR THE TRANSFER OF THE QUALIFIED CONVENTION**  
14 **FACILITY TO THE AUTHORITY**. The court of appeals has original  
15 jurisdiction to hear an action under this subsection. The court  
16 shall hear the action in an expedited manner.