

Legislative Analysis



GRAND RAPIDS-KENT COUNTY CONVENTION AUTHORITY

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Senate Bill 123

Sponsor: Sen. Dave Hildenbrand

House Committee: Commerce

Senate Committee: Economic Development

Complete to 3-18-13

A SUMMARY OF SENATE BILL 123 AS PASSED BY THE SENATE 3-6-13

The bill would amend the Convention Facility Authority Act, which applies only to Grand Rapids and Kent County, to do the following:

- Include a sports facility, market, or other facility in the definition of "convention facility."
- Allow an authority to "develop, acquire, or own" one or more convention facilities, rather than just to "develop" a convention facility.
- Amend the definition of "convention facility" to delete a requirement that a convention facility be available to the public for lease on a short-term basis for holding conventions, meetings, exhibits, and similar events, and require instead only that the facility be made available to the public for lease or use.
- Allow an authority to enter into management contracts and to hire service providers and consultants.
- Delete a 12-year term limit that applies to board members.
- Revise conditions for the reappointment of the two members of the authority's board of directors who are appointed by the other five members from a list of recommendations from the local convention and visitors bureau. It would allow (although not require) their reappointment if desired by the convention and visitors bureau but would not allow the reappointment of a member that the bureau does not want reappointed.

[The board is made up of seven members, with two appointed by the county board of commissioners, two by the mayor, one by the governor, and two by the other five.]

The act allows a qualified city and a qualified county jointly to establish a convention facility authority to develop a convention facility and issue negotiable revenue bonds.

According to testimony in the Senate, the Grand Rapids-Kent County Convention Arena Authority (CAA) oversees DeVos Place, DeVos Performance Hall, and Van Andel Arena.

"Convention facility" means all or any part of, or any combination of, a convention hall, auditorium, arena, meeting rooms, exhibition area, and related adjacent public areas that are generally available to the public for lease on a short-term basis for holding conventions, meetings, exhibits, and similar events. Under Senate Bill 123, the term "convention facility" would include a sports facility, market, or other facility.

(Under the act, the term "qualified city" means a city with a population of more than 170,000 that is the most populous city in a qualified county. "Qualified county" means a county with a population of more than 500,000 that contains a qualified city, and that is not a charter county or a county with an optional unified form of government. Grand Rapids and Kent County are the only Michigan municipalities meeting these criteria.)

FISCAL IMPACT:

The bill would have no direct state or local fiscal impact.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.