

BUILDING AUTHORITIES (EXCERPT)
Act 31 of 1948 (1st Ex. Sess.)

123.961 Building authority bonds or building authority refunding bonds; purpose; conditions; issuance of negotiable bonds to make cash rental payments.

Sec. 11. (1) For the purpose of defraying all or part of the cost of acquiring, improving, and enlarging any building or buildings, automobile parking lots or structures, recreational facilities, stadiums, and the necessary site or sites for the property, together with appurtenant properties and facilities necessary or convenient for the effective use of the property, furnishing and equipping the same, or refunding outstanding bonds, the authority, after execution and delivery of a full faith and credit general obligation contract of lease, as provided in this act, and pursuant to ordinance or resolution duly adopted by a majority vote of the elected members of the commission, may issue its negotiable bonds in anticipation of the contract obligations of the incorporating unit or units to make cash rental payments to the authority and may pledge the receipts from the payments for payment of bonds and interest on the bonds. Bonds shall not be issued unless the property has been leased by the authority to its incorporating unit or units for a period extending beyond the last maturity of the bonds and until the contract of lease is fully effective. The bonds shall be called building authority bonds, or, in the case of bonds issued to refund outstanding bonds, the bonds shall be called building authority refunding bonds.

(2) For the purpose of defraying all or part of the cost of refunding capital appreciation bonds originally issued on May 17, 1990, or bonds issued to refund those bonds, the authority, pursuant to resolution duly adopted by a majority vote of the elected members of the commission, may issue its negotiable bonds in anticipation of the contract obligations of the incorporating unit to make cash rental payments to the authority under a full faith and credit general obligation contract of lease dated November 14, 1989, and may pledge the receipts from the contract of lease for payment of bonds and interest on the bonds. If issued before December 31, 2019, the refunding bonds are not subject to the requirements of section 305(2), (3), (5), or (6), 501, 503, or 611 of the revised municipal finance act, 2001 PA 34, MCL 141.2305, 141.2501, 141.2503, and 141.2611. Notwithstanding the bond maturity dates contained in the notice of intention of entering into the full faith and credit general obligation contract of lease published by the incorporating unit as required by section 8b(3), the refunding bonds may be payable through 2039.

History: 1948, 1st Ex. Sess., Act 31, Imd. Eff. May 10, 1948;—CL 1948, 123.961;—Am. 1965, Act 5, Imd. Eff. Mar. 30, 1965;—Am. 1968, Act 96, Imd. Eff. June 6, 1968;—Am. 1970, Act 47, Imd. Eff. July 2, 1970;—Am. 1973, Act 110, Imd. Eff. Aug. 19, 1973;—Am. 1980, Act 74, Imd. Eff. Apr. 3, 1980;—Am. 2008, Act 452, Imd. Eff. Jan. 9, 2009;—Am. 2014, Act 37, Imd. Eff. Mar. 20, 2014.