

THIS RESOLUTION IS OFFERED TO COMPLY WITH MCL §§ 830.415 and 830.417 AND REQUIRES A RECORD ROLL CALL VOTE

Rep. Shackleton offered the following concurrent resolution:

House Concurrent Resolution No. 70.

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to Constitution Hall.

Whereas, The State of Michigan (the "State") has entered into a Lease with 525 Redevo, Inc., as Lessor (State Lease No. 10533) for office building construction to State specifications known as Constitution Hall (the "Facility"); and

Whereas, The State has the option anytime after substantial completion to acquire fee title to the Facility by prepaying rent in an amount equal to the Pay Off Balance as defined in said Lease; and

Whereas, The State, acting by and through the Director of the Department of Management and Budget, has given notice of the State's option to acquire the Facility; and

Whereas, The State will transfer title of the Facility to the State Building Authority (the "Authority") and enter into a new lease with the Authority as hereinafter described; and

Whereas, Section 5 of 1964 PA 183, as amended, being MCL § 830.415, requires the approval of the State Administrative Board, the Attorney General, and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before land owned by the State may be conveyed to the State Building Authority; and

Whereas, The site of Constitution Hall located in Ingham County is currently owned by the State; and

Whereas, Section 7 of 1964 PA 183, as amended, being MCL § 830.417, requires the approval of the State Administrative Board and the Michigan Legislature by concurrent resolution concurred in by a majority of the members elected to and serving in each house, with the votes and names of the members voting thereon entered in the journal, before the State may enter into a lease with the Authority upon a showing of a public purpose; and

Whereas, Providing additional space to be used by the State pursuant to the lease for the Facility is a recognized public purpose; and

Whereas, A lease between the Authority and the State has been prepared providing for the leasing of the Facility by the Authority to the State (the "Lease"); and

Whereas, The Executive Director of the Authority has furnished the Joint Capital Outlay Subcommittee of the Legislature with information and documents relative to the Lease; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Total Facility Cost for Constitution Hall shall not exceed \$135,000,000 (the Authority share is \$135,000,000 and the State General Fund/General Purpose share is \$0), plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, of which not more than \$135,000,000, plus interest charges on monies advanced by the State to meet the construction cash flow requirements of the Facility, if any, shall be financed from bonds issued by the Authority, exclusive of amounts necessary for reserves, interest, or other nonconstruction costs; and be it further

Resolved, That the Legislature hereby approves the necessary conveyances of property to the Authority as more particularly described in the Lease and attachments thereto; and be it further

Resolved, That the Legislature hereby approves the Authority acquiring the Facility and leasing it to the State and hereby determines that the leasing of the Facility from the Authority is for a public purpose as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the annual amounts of "True Rental" for the Facility shall be as specified in Exhibit C of the Lease, which amounts have been certified by the appraiser and approved by the Authority and shall hereafter be approved by the State Administrative Board, all as authorized by 1964 PA 183, as amended; and be it further

Resolved, That the Lease is hereby approved by this concurrent resolution, and the Governor and the Secretary of State are authorized and directed to execute the Lease for and on behalf of the State; and be it further

Resolved, That, by hereby approving the Lease between the State and the Authority, the Legislature agrees to appropriate annually sufficient amounts to pay the rent as obligated pursuant to the Lease; and be it further

Resolved, That a copy of this concurrent resolution be transmitted to the Governor, the Secretary of State, the Authority, and the State Budget Director.