

**STATE OF MICHIGAN
THE MICHIGAN GAMING CONTROL BOARD**

RESOLUTION NO. 1998-06

**A Board Resolution Stating the Board's Policy
Regarding Issuance of Licenses to Conduct Casino
Gaming Operations in Temporary Casino Facilities
Pending Development and Completion of Agreed
Permanent Casino Facilities Under the Licensee's
Certified Development Agreement with the City of
Detroit.**

WHEREAS, the Michigan Gaming Control Board ("the Board") is empowered by the Michigan Gaming Control and Revenue Act, as amended, Public Act 69 of 1997; MCL 432.201 *et. seq.* ("the Act") to issue up to three casino licenses to eligible and suitable applicants to conduct casino gambling operations in building locations in the City of Detroit specified in certified casino development agreements between the City and the applicants; and,

WHEREAS, the City of Detroit has entered into certified casino development agreements with three casino developers who have applied to the Board for casino licenses; and,

WHEREAS, the applicants' certified casino development agreements with the City of Detroit give the applicants the option of conducting gaming operations in the City in temporary casino facilities pending the development and completion of certain agreed permanent casino hotel complexes, subject to approval by the City and the Board and other specified requirements and restrictions; and,

WHEREAS, each of the three casino license applicants has submitted a proposal to the City to conduct casino gaming operations in the City in specified temporary casino facilities pending development and completion of their agreed permanent casino hotel complexes under the terms of their respective certified casino development agreements; and,

WHEREAS, the City has approved the temporary casino proposals of the three pending casino license applicants; and,

WHEREAS, the City and the applicants have inquired whether the Board will issue casino licenses to conduct casino gambling operations in temporary casino facilities pending development and completion of the applicants' agreed permanent casino hotel

complexes, as provided in their respective development agreements; and, if so, what, if any, additional conditions may be placed on such licenses; and,

WHEREAS, the Board, accordingly, believes it is necessary and appropriate to clarify its policy regarding the issuance of casino licenses to conduct casino gaming operations in temporary casino facilities pending development and completion of agreed permanent casino hotel complexes under certified casino development agreements between the City of Detroit and applicants; **NOW, THEREFORE**,

IT IS HEREBY RESOLVED, as follows:

1. The Board will issue a casino license to conduct casino gaming operations in temporary casino facilities pending development and completion of the applicant's agreed permanent casino hotel complex under its certified casino development agreement with the City of Detroit, provided:

- The applicant is found by the Board to be eligible and suitable to be issued a casino license under the Act and the administrative rules of the Board after a thorough background investigation and public investigative hearing, as required in the Act and administrative rules;
- The proposed temporary casino facilities and gaming operations meet the requirements of the Act and administrative rules of the Board and the applicant's certified development agreement with the City; and,
- The applicant demonstrates to the Board by clear and convincing evidence during its public investigative licensing hearing that it will develop and complete its agreed permanent casino hotel complex as soon as reasonably possible and in accordance with the performance and completion requirements of its certified casino development agreement with the City.

2. A casino license issued to conduct casino gaming operations in a temporary casino facility will be valid for one (1) year from the date issued, unless suspended or revoked by the Board, and may be renewed by the Board annually in accordance with the Act and the administrative rules of the Board, provided:

- The licensee continues to be eligible and suitable to hold a casino license under the Act and administrative rules of the Board;
- The temporary casino facilities and gaming operations are in compliance with the requirements of the Act and administrative rules of the Board and the licensee's certified development agreement with the City; and,


- The licensee demonstrates to the Board's satisfaction that it is making reasonable progress developing and completing its agreed permanent casino hotel complex in accordance with the performance and completion requirements of its certified casino development agreement;

3. The Board may place certain additional conditions on a casino license to conduct casino gaming operations in temporary casino facilities that it determines are necessary and appropriate to reasonably ensure the following:

- That the licensee and its temporary casino facilities and gaming operations remain in compliance with the requirements for licensure under the Act and administrative rules of the Board during the term of the license;
- That the licensee's temporary casino facilities and gaming operations continue to meet the requirements of the licensee's certified casino development agreement with the City during the term of the license; and,
- That the licensee continues to make reasonable progress developing and completing its agreed permanent casino hotel complex during the term of the license, consistent with the performance and completion requirements of its certified development agreement with the City.

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ADOPTED, THIS THE 21st DAY OF JULY, 1998.


Thomas G. Denomme, Chair

Attest:

