

STATE OF MICHIGAN

THE MICHIGAN GAMING CONTROL BOARD

RESOLUTION AND ORDER NO. 2003-05

**A Board Resolution and Order Granting Field of Commerce Supplier Licensing Exemptions to Third Party Retail Tenants Who Have a Strictly and Purely Landlord-Tenant Relationship With Licensed Casinos and Are Not Physically or Functionally Connected to the Gaming Areas of the Licensed Casino.**

WHEREAS, the Michigan Gaming Control and Revenue Act, as amended, 1997 PA 69 ("the Act"), was designed and enacted, in part, to promote economic growth and development and increased business activity and employment in the Detroit Metropolitan Area through the licensure of up to three casino gambling operations in the City of Detroit; and,

WHEREAS, at least one licensed casino wants to have third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos and could make goods and services available to the general public in proximity to the casino gambling operations in its permanent casino; and,

WHEREAS the third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos would not have direct access to the gaming areas and would be accessible to the general public without having to enter the gaming areas; and,

WHEREAS, the third party retail tenants addressed in this resolution are also those that will have no financial or commercial interaction with licensed casinos (including any type of arrangements for the provision of complimentary goods or services for casino patrons), except for customary and traditional landlord-tenant relationships; and,

WHEREAS, the availability of such facilities may make the Detroit casinos more attractive and more competitive, and may, therefore, positively impact casino revenues and overall economic growth and development and business activity in the Detroit Metropolitan Area, and, as a result, increase related state and local tax revenues; and,

WHEREAS, the Board may exempt any person or field of commerce from the supplier licensing requirements of the Act and Board Rules, pursuant to Section 4a(1)(e) of the Act, MCL 432.204a(1)(e), and Rule 322(4)(d), MR 432.1322(4)(d), if licensing of the person or field of commerce is not deemed necessary to protect the public interest or accomplish the policies and purposes of the Act; and,

WHEREAS, the Board will retain full authority, in its discretion, to require individual third party retailers who have a strictly and purely landlord-tenant relationship with licensed casinos to undergo background investigations regarding the criteria set forth in the Act and Rules for supplier licensing; and,

WHEREAS, the Board will retain full authority, in its discretion, to require individual third party retailers who have a strictly and purely landlord-tenant relationship with licensed casinos to meet all supplier licensing requirements, if it deems licensure necessary to protect the public interest or accomplish the policies and purposes of the Act, even if the third party retailer is in an otherwise exempt field of commerce; and,

WHEREAS, the Board has carefully reviewed and considered this matter and determined that supplier licensing of third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos may not be necessary to protect the public interest or accomplish the policies and purposes of the Act, at this time; and,

WHEREAS, the Board has further determined that granting general field of commerce supplier licensing exemptions to third party retailers who have a strictly and purely landlord-tenant relationship with licensed casinos may help promote the financial stability of the licensed casinos in Detroit and stimulate greater economic growth and development and increased business activity in the Detroit Metropolitan Area;

NOW THEREFORE,

IT IS RESOLVED AND ORDERED that third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos may be exempt from the supplier licensing requirements of the Act and Rules of the Board, pursuant to Rule 322(4)(d) if they meet the following criteria:

1. The third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos will not have direct access to the gaming areas and customers will be able to access their facilities without entering the gaming areas.
2. The third party retail tenants who have a strictly and purely landlord-tenant relationship with licensed casinos will have no financial or commercial interaction with licensed casinos (including any type of arrangements for the provision of complimentary goods or services for casino patrons), except for customary and traditional landlord-tenant relationships.

IT IS FURTHER RESOLVED AND ORDERED as follows:

1. Any person that desires to be exempted from the supplier licensing requirement of the Act and Rules under the foregoing field of commerce exemption, must file a written field of commerce exemption request and related disclosure forms with the Board in the manner and form prescribed by the Executive Director.
2. The Board reserves the right to evaluate each individual field of commerce exemption request on a case-by-case basis and deny such requests whenever it deems such action necessary to protect the public interest or accomplish the policies and purposes of the Act and Rules of the Board.
3. The Executive Director shall make the initial decision on a request for a field of commerce exemption as provided for in Board Resolution 1998-09.
4. A person whose request for an exemption has been denied by the Executive Director may appeal to the full Board for review as provided for in Board Resolution 1998-09 and Part 7 of the Board Rules.

**ADOPTED AND ISSUED THIS 9<sup>TH</sup> DAY OF SEPTEMBER 2003**

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Roman S. Gribbs, Chair

Attest:

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Received and Filed:

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Patricia S. James  
Board Secretary