



**Testimony before the Michigan House Commerce and
Tourism Committee on HB 6185
By Doug Luciani Chairman of the Great Lakes Sports Commission
Wednesday, September 16, 2020**

Good afternoon. Thank you, Chairman Marino and members of the Committee.

My name is Doug Luciani, Vice President of Strategy and Community Impact for Cunningham-LIP and Chairman of the Great Lakes Sports Commission. I am delighted to submit written comments in support the legislation before you, House Bill 6185. Thank you Representative Cambensy and Senator Schmidt for bringing this important issue to the forefront.

The Great Lakes Sports Commission's mission is to promote northern Michigan as a premier destination for recreation, sport, and tourism. Those activities take place in many forms - from youth, to amateur, to collegiate, and professional competition – and include soccer, skiing, hockey, mountain biking, fishing, kayaking, running, and hiking just to name a few. The sporting industry is a big business and the heartbeat of northern Michigan.

Sports and recreation bring much needed energy, vitality, and economic activity to our communities. They also translate to healthier lifestyles, talent retention, and attraction. With our four year-round seasons, natural beauty and lakes, Michigan is the preferred location for events of all sizes and has the potential to bring in thousands of competitors, visitors, and new revenue to communities.

We need HB 6185 now more than ever to rebuild Michigan's sports, and tourism industry. Northern Michigan's tourism economy is expected to lose \$2 billion this year alone, due to the impact of Covid-19. Events are cancelled, 59% of total hotel-supported jobs in Michigan have been lost, and several (6) counties in northern Michigan had the highest reported unemployment rate in the nation.

We believe HB 6185 is an important step in Michigan's economic resilience and recovery. This legislation enables the Michigan Department of Treasury to invest \$30 million in a loan to the Great Lakes Sports Commission's sustainable revolving grant and loan fund. This would allow the repayment of loans and for the sports commission to pay it forward in support of new projects in future years. The loan from the Treasury will allow the sports commission to immediately support public projects by providing much needed public infrastructure improvements, recreation trails, and venues. This money would be an investment, not a mandate, subsidy, or a grant.

Furthermore, there is a strong precedent for enabling the Treasury to invest in this manner, and the legislation provides needed flexibility. There is a great need for

additional investment in rural Michigan, far greater than the \$30 million contained in the bill. Currently, investing in common cash funds makes sense to restore the lost jobs, wages and business income that normally generates over \$26.6 billion in consumer spending per year in Michigan. This legislation would revitalize communities, attract visitors, and build Michigan's global brand.

There is a strong track record of success to build upon since the sports commission's inception in 2019. The Great Lakes Sports Commission has already supported several projects in this short timeframe including a matching grant project to Traverse City Horse Shows, and a loan to the Kiwanis Ski Club. Traverse City Horse Shows – the organizer of the Great Lakes Equestrian Festival – secured a bid to bring the American Gold Cup (the longest running equestrian grand prix) to Michigan. The now annual event held in Traverse City has the potential to bring \$124 million to the region and the state of Michigan. The Kiwanis Ski Club's renovation of Pine Mountain ski hill was another success. The commission approved a \$3 million loan to complete much needed safety infrastructure improvements enabling Pine Mountain to host a ski-jumping world cup in 2022, an event that is expected to contribute over \$16 million to Michigan's economy.

Thank you for the opportunity to comment this afternoon. We look forward working with you to make Michigan a premier destination for world-class recreation, sports, and tourism.