

**Senator Lyle W. Hillyard** proposes to substitute the following bill:

**UTAH STATE FAIRPARK LEASE**

1999 GENERAL SESSION

STATE OF UTAH

**Sponsor: Bill Wright**

AN ACT RELATING TO STATE AFFAIRS; CLARIFYING THE LEASE; PROVIDING FOR  
EXTENSION OF TERM OF LEASE; MAKING TECHNICAL CHANGES; AND PROVIDING  
AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**63A-5-306**, as last amended by Chapter 214, Laws of Utah 1997

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **63A-5-306** is amended to read:

**63A-5-306. Leasing of State Fair Park -- Lease -- Terms.**

(1) As used in this section:

(a) "Corporation" means the Utah State Fair Corporation created in Section 9-4-1103.

(b) "Division" means the Division of Facilities Construction and Management.

(c) "State fair park" means the property and buildings owned by the state located at 155  
North 1000 West, Salt Lake City, Utah.

(2) The division shall:

(a) [~~beginning July 1, 1997,~~] lease the state fair park to the corporation for a period [~~of 20~~  
~~years~~] beginning July 1, 1997, and ending June 30, 2017, at which time the lease may be renewed:

(i) at the discretion of the division; and

(ii) for any time-period negotiated with the corporation[~~;~~];

(b) ensure that the lease:

(i) defines which party is responsible for repairs and maintenance to the grounds and

26 buildings;

27 (ii) defines any restrictions on the use of the property or buildings, including the  
28 construction of any new buildings or facilities at the state fair park;

29 (iii) requires that for each year under the lease the corporation holds a state fair meeting  
30 the requirements of Subsection 9-4-1103(5)(a)(vi); and

31 (iv) provides for the renegotiation or termination of the lease if the corporation;

32 (A) no longer operates as an independent public nonprofit corporation as provided in Title  
33 9, Chapter 4, Part 11, Utah State Fair Corporation Act[-]; or

34 (B) engages in any activity inconsistent with Title 9, Chapter 4, Part 11, Utah State Fair  
35 Corporation Act; and

36 (c) if the lease described in Subsection (2)(a) is amended or renewed after the effective  
37 date of this act and except as provided in Subsection (3), require the corporation under the lease  
38 to:

39 (i) obtain the approval of the State Building Board before demolishing a facility at the state  
40 fair park; and

41 (ii) include the approval requirement described in Subsection (2)(c)(i) in any sublease  
42 entered into, renewed, or amended after the effective date of this act.

43 (3) (a) The approval required under Subsection (2)(c)(ii) does not apply to a facility  
44 demolished in accordance with a contract entered into but not amended before the effective date  
45 of this act.

46 (b) Notwithstanding Subsection (3)(a), before a facility described in Subsection (3)(a) is  
47 demolished, the corporation shall notify the division concerning any demolishing of the facility.

48 (4) The State Building Board shall notify the state historic preservation office of any State  
49 Building Board meeting at which consideration will be given to a proposal to demolishing facilities  
50 at the fair park.

51 [(3)] (5) (a) Notwithstanding Subsection (2), the division may review and adjust the  
52 amount of any payments made by the corporation under the lease every three years beginning July  
53 1, 2000.

54 (b) Notwithstanding Subsection (2)(a), the division may lease the state fair park to the  
55 corporation for a period beginning July 1, 1997, and ending no later than June 30, 2039, if the  
56 corporation demonstrates to the satisfaction of the division that the extension of the lease period

57 will result in significant capital improvements at the state fair park by a private entity.

58 [~~(4)~~] (6) The state shall assume the responsibilities of the corporation under any contract  
59 that is in effect on the day a lease between the division and the corporation terminates if:

60 (a) the contract is for the lease or construction of a building or facility at the state park; and

61 (b) the lease between the division and the corporation is terminated in accordance with [~~the~~  
62 ~~renegotiation provided for under~~] Subsection (2)(b)(iv).

63 [~~(5)~~] (7) (a) Payments made by the corporation under a lease with the division shall be  
64 deposited into the Capital Project Fund.

65 (b) If in accordance with Subsection (3), the payments made by the corporation under a  
66 lease with the division are increased from the amount paid on July 1, 1997, the lease payments  
67 made by the division shall be dedicated to capital improvements at the state fair park unless, as part  
68 of the capital budget, the Legislature directs that the monies be used for other [~~capitol~~] capital  
69 improvements.

70 (8) (a) A debt or obligation contracted by the corporation is a debt or obligation of the  
71 corporation.

72 (b) The state is not liable for and assumes no legal or moral responsibility for any debt or  
73 obligation described in Subsection (8)(a), unless the Legislature through statute or an appropriation  
74 act specifically:

75 (i) authorizes the corporation to contract for that debt or obligation; and

76 (ii) accepts liability for or assumes responsibility for the debt or obligation.

77 Section 2. **Effective date.**

78 If approved by two-thirds of all the members elected to each house, this act takes effect  
79 upon approval by the governor, or the day following the constitutional time limit of Utah  
80 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the  
81 date of veto override.