

Effective 5/1/2024

Part 2

Creation and Powers of Utah Fairpark Area Investment and Restoration District

11-70-201 Creation of Utah Fairpark Area Investment and Restoration District -- Status and purposes.

- (1) Under the authority of Utah Constitution, Article XI, Section 8, there is created the Utah Fairpark Area Investment and Restoration District.
- (2) The fairpark district is:
 - (a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;
 - (b) a political subdivision of the state; and
 - (c) a public corporation, as defined in Section 63E-1-102.
- (3)
 - (a) The purpose of the fairpark district is to fulfill the statewide public purpose of encouraging and facilitating development within the fairpark district boundary to provide economic and other benefits to the area within the fairpark district boundary, surrounding areas, the region, and the state, including:
 - (i) the development and construction of a qualified stadium and related facilities for a major league sports team;
 - (ii) the development and construction of infrastructure to support a qualified stadium, associated uses, and recreational uses on land within the fairpark district boundary;
 - (iii) the improvement and restoration of areas along the Jordan River within the fairpark district boundary for aesthetic and recreational purposes;
 - (iv) coordinating with and supporting the fair park authority in the fair park authority's use of fair park land; and
 - (v) other development on land within the fairpark district boundary.
 - (b) The duties and responsibilities of the fairpark district under this chapter are matters of regional and statewide concern, importance, interest, and impact.
 - (c) The fairpark district is the mechanism the state chooses to focus resources and efforts on behalf of the state, to oversee and manage development activities within the fairpark district boundary, and to ensure that the regional and statewide interests, concerns, and purposes described in this Subsection (3) are properly addressed from more of a statewide perspective than any municipality can provide.

Enacted by Chapter 419, 2024 General Session

11-70-202 Fairpark district powers and duties.

- (1) The fairpark district may:
 - (a) facilitate and bring about the development of land within the fairpark district boundary, including the development of a qualified stadium to house a major league sports team;
 - (b) enter into a lease agreement with a major league sports team to lease a qualified stadium to a major league sports team and receive lease payments on behalf of the state;
 - (c) facilitate and provide funding for the development of land in a project area, including the development of public infrastructure and improvements and other infrastructure and improvements on or related to land in a project area;
 - (d) engage in marketing and business recruitment activities and efforts to encourage and facilitate development of land within the fairpark district boundary;

- (e) as the fairpark district considers necessary or advisable to carry out any of the fairpark district's duties or responsibilities under this chapter:
 - (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal property;
 - (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property; or
 - (iii) enter into a lease agreement on real or personal property, as lessee or lessor;
 - (f) sue and be sued;
 - (g) enter into contracts generally;
 - (h) exercise powers and perform functions under a contract, as authorized in the contract;
 - (i) receive and spend enhanced property tax revenue, as provided in this chapter;
 - (j) accept financial or other assistance from any public or private source for the fairpark district's activities, powers, and duties, and expend any funds so received for any of the purposes of this chapter;
 - (k) borrow money, contract with, or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this chapter and comply with any conditions of the loan, contract, or assistance;
 - (l) issue bonds to finance the undertaking of any development objectives of the fairpark district, including bonds under Chapter 17, Utah Industrial Facilities and Development Act, bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial Property Assessed Clean Energy Act;
 - (m) hire employees, including independent contractors;
 - (n) transact other business and exercise all other powers provided for in this chapter;
 - (o) engage one or more consultants to advise or assist the fairpark district in the performance of the fairpark district's duties and responsibilities;
 - (p) enter into an agreement with a private contractor to provide a municipal service within a project area that is not being provided by a municipality or other governmental service provider;
 - (q) provide public safety services in the area within the fairpark district boundary, including under a contract, approved by the board, with an existing governmental provider of public safety services;
 - (r) finance, develop, own, lease, operate, or otherwise control public infrastructure and improvements in a project area; and
 - (s) exercise powers and perform functions that the fairpark district is authorized by statute to exercise or perform.
- (2)
- (a) The fairpark district is responsible for and has jurisdiction over any development that occurs on fair park land, including the funding of that development.
 - (b) The fairpark district shall consult and coordinate with the fair park authority with respect to any development activities anticipated for or that occur on fair park land.
 - (c) Any development of fair park land shall be:
 - (i) subject to and compatible with the use of fair park land for state fair purposes and related and other activities under the jurisdiction of the fair park authority; and
 - (ii) as far as practicable, consistent with the master plan for fair park land approved by the fair park authority.
- (3) With respect to state land other than fair park land, the fairpark district and the facilities division shall consult with each other and with agencies occupying the land with respect to any potential change of use or development of the land.
- (4) The total amount of the fairpark district's stadium contribution may not exceed \$900,000,000.

(5) Beginning April 1, 2025, the fairpark district shall:

(a) be the repository of the official delineation of the fairpark district boundary, identical to the fairpark district boundary as delineated in the shapefile that is the electronic component of H.B. 562, Utah Fairpark Area Investment and Restoration District, 2024 General Session, subject to:

- (i) any later changes to the boundary enacted by the Legislature; and
- (ii) any additions of land to the fairpark district boundary under Subsection (6); and

(b) maintain an accurate digital file of the boundary that is easily accessible by the public.

(6) The fairpark district boundary may be expanded to include land outside the fairpark district boundary if:

(a) the land is owned by a qualified owner;

(b) the qualified owner consents to including the land within the fairpark district boundary; and

(c) the land is:

- (i) contiguous to the fairpark district boundary; or
- (ii) within 200 feet of the fairpark district boundary.

Enacted by Chapter 419, 2024 General Session

11-70-203 Privilege tax on state-owned land.

(1)

(a) Subject to Subsection (1)(b), the possession or beneficial use of property on state-owned land is subject to Title 59, Chapter 4, Privilege Tax.

(b) Subsection (1)(a) does not apply to a qualified stadium during the construction of the qualified stadium and before title to the stadium is conveyed to the fairpark district as required in an agreement under Subsection 11-70-502(3).

(2)

(a) As provided in Subsection (2)(b):

(i) for revenue from a privilege tax under Subsection (1) on a designated parcel that is part of the fair park land:

(A) 75% of the revenue shall be paid to the fairpark district; and

(B) 25% of the revenue shall be paid to the fair park authority; and

(ii) for revenue from a privilege tax under Subsection (1) on a designated parcel that is part of other state land, 100% of the revenue shall be paid to the fairpark district.

(b) The treasurer of the county in which the fair park land is located shall, in the manner and at the time provided in Section 59-2-1365, pay and distribute to the fairpark district and the fair park authority, as applicable, the revenue described in Subsection (2)(a).

(3)

(a) The fairpark district shall use 20% of the money the fairpark district is paid under Subsection (2)(a)(ii) for moderate income housing, as defined in Section 10-9a-103, within the host municipality.

(b) The fairpark district and host municipality shall coordinate and work together to identify how, when, and where the money described in Subsection (3)(a) is spent.

Enacted by Chapter 419, 2024 General Session

11-70-204 Fairpark district accommodations tax.

(1) As used in this section:

(a)

- (i) "Accommodations and services" means an accommodation or service described in Subsection 59-12-103(1)(i).
- (ii) "Accommodations and services" does not include an accommodation or service for which amounts paid or charged are not part of a rental room rate.
- (b) "Accommodations tax" means a tax imposed as provided in this section.
- (2) By resolution, the fairpark district board may impose an accommodations tax on a provider for amounts paid or charged for accommodations and services, if the place of accommodation is located within the district sales tax area.
- (3) The maximum rate of an accommodations tax is 15% of the amounts paid to or charged by the provider for accommodations and services.
- (4) A provider may recover an amount equal to the accommodations tax from customers, if the provider includes the amount as a separate billing line item.
- (5) If the fairpark district imposes an accommodations tax, a public entity, including the fairpark district, may not impose, on the amounts paid or charged for accommodations and services within the district sales tax area, any other tax described in:
 - (a) Title 59, Chapter 12, Sales and Use Tax Act; or
 - (b) Title 59, Chapter 28, State Transient Room Tax Act.
- (6) Except as provided in Subsection (7) or (8), an accommodations tax shall be administered, collected, and enforced in accordance with:
 - (a) the same procedures used to administer, collect, and enforce the tax under:
 - (i) Title 59, Chapter 12, Part 1, Tax Collection; or
 - (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and
 - (b) Title 59, Chapter 1, General Taxation Policies.
- (7) The location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.
- (8)
 - (a) An accommodations tax is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) through (5).
 - (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do not apply to an accommodations tax.
- (9) The State Tax Commission shall:
 - (a) except as provided in Subsection (9)(b), distribute the revenue collected from an accommodations tax to the fairpark district; and
 - (b) retain and deposit an administrative charge in accordance with Section 59-1-306 from revenue the commission collects from an accommodations tax.
- (10)
 - (a) If the fairpark district imposes, repeals, or changes the rate of an accommodations tax, the implementation, repeal, or change takes effect:
 - (i) on the first day of a calendar quarter; and
 - (ii) after a 90-day period beginning on the date the State Tax Commission receives the notice described in Subsection (10)(b) from the fairpark district.
 - (b) The notice required in Subsection (10)(a)(ii) shall state:
 - (i) that the fairpark district will impose, repeal, or change the rate of an accommodations tax;
 - (ii) the effective date of the implementation, repeal, or change of the accommodations tax; and
 - (iii) the rate of the accommodations tax.
- (11) In addition to the uses permitted under Section 11-70-207, the fairpark district may allocate revenue from an accommodations tax to a county in which a place of accommodation that is subject to the accommodations tax is located, if:

- (a) the county had a transient room tax described in Section 59-12-301 in effect at the time the fairpark district board imposed an accommodations tax; and
- (b) the revenue replaces revenue that the county received from a county transient room tax described in Section 59-12-301 for the county's general operations and administrative expenses.

Enacted by Chapter 419, 2024 General Session

11-70-205 Energy sales and use tax.

- (1) As provided in Subsection 10-1-304(1)(d), the fairpark district may by resolution levy an energy sales and use tax, under Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, on an energy supplier, as defined in Section 10-1-303, that supplies energy to a facility on land within the district sales tax area.
- (2) An energy sales and use tax under this section is subject to the maximum rate under Subsection 10-1-304(1)(a)(ii), except that delivered value does not include the amount of a tax paid under this section.
- (3)
 - (a) An energy supplier may recover from the energy supplier's customers an amount equal to the energy sales and use tax, if the energy supplier includes the amount as a separate billing line item.
 - (b) An energy sales and use tax levied under this section is in addition to the rate approved by the Public Service Commission and charged to the customer.
- (4)
 - (a) An energy sales and use tax under this section is payable by the energy supplier to the fairpark district on a monthly basis as described by the resolution levying the tax.
 - (b) A resolution levying an energy sales and use tax shall allow the energy supplier to retain 1% of the tax remittance each month to offset the energy supplier's costs of collecting and remitting the tax.
- (5) Beginning October 1, 2024, a municipality may not levy an energy sales and use tax on an energy supplier for energy that the energy supplier supplies to a facility located on land within the district sales tax area.

Enacted by Chapter 419, 2024 General Session

11-70-206 Applicability of other law -- Cooperation of state and local governments -- Municipal services -- Services from state agencies -- Procurement policy.

- (1) With respect to the use or development of state-owned land, the fairpark district is not subject to:
 - (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or
 - (b) the jurisdiction of a special district under Title 17B, Limited Purpose Local Government Entities - Special Districts, or a special service district under Title 17D, Chapter 1, Special Service District Act, except to the extent that:
 - (i) some or all of the state land is, on January 1, 2024, included within the boundary of a special district or special service district; and
 - (ii) the fairpark district elects to receive service from the special district or special service district for the state land that is included within the boundary of the special district or special service district, respectively.

- (2) The fairpark district has and may exercise all powers relating to the regulation of land uses on state-owned land.
- (3)
 - (a) Subject to Subsection (3)(b), the fairpark district has and may exercise all powers relating to the regulation of land uses on privately owned land within the fairpark district boundary.
 - (b)
 - (i) Land owned by a qualified owner is subject to a host municipality's land use authority under Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act, if the qualified owner and the host municipality enter into an agreement, as provided in Subsection (3)(b)(ii), no later than December 31, 2024.
 - (ii)
 - (A) An agreement under Subsection (3)(b)(i) shall require the host municipality to provide an expedited process for the review and approval of a qualified owner's completed land use application that complies with adopted land use regulations.
 - (B) In an agreement under Subsection (3)(b)(i), the host municipality shall agree to vest the qualified owner in any approved land use for a qualified stadium and related uses.
 - (c) A host municipality may not prohibit or condition the use of a qualified owner's land for a qualified stadium.
 - (d) In making land use decisions affecting land within the fairpark district boundary that is subject to a host municipality's land use authority under this Subsection (3), the legislative body of the host municipality shall consider input from the board.
- (4) No later than December 31, 2024, the host municipality and the host municipality's community reinvestment agency shall take all necessary actions to withdraw from the fairpark district boundary any area that is within a project area of the community reinvestment agency.
- (5) A department, division, or other agency of the state and a political subdivision of the state shall cooperate with the fairpark district to the fullest extent possible to provide whatever support, information, or other assistance the board requests that is reasonably necessary to help the fairpark district fulfill its duties and responsibilities under this chapter.
- (6)
 - (a) A host municipality shall provide the same municipal services to the area of the municipality that is within the fairpark district boundary as the municipality provides to other areas of the municipality with similar zoning and a similar development level.
 - (b) The level and quality of municipal services that a host municipality provides within the fairpark district boundary shall be fairly and reasonably consistent with the level and quality of municipal services that the municipality provides to other areas of the municipality with similar zoning and a similar development level.
 - (c) No later than December 31, 2024, the fairpark district and host municipality shall enter into an agreement providing for the fairpark district to reimburse the host municipality for services the host municipality provides to a project area.
- (7)
 - (a) The fairpark district may request and, upon request, shall receive:
 - (i) fuel dispensing and motor pool services provided by the Division of Fleet Operations;
 - (ii) surplus property services provided by the Division of Purchasing and General Services;
 - (iii) information technology services provided by the Division of Technology Services;
 - (iv) archive services provided by the Division of Archives and Records Service;
 - (v) financial services provided by the Division of Finance;
 - (vi) human resources services provided by the Division of Human Resource Management;
 - (vii) legal services provided by the Office of the Attorney General; and

- (viii) banking services provided by the Office of the State Treasurer.
- (b) Nothing in Subsection (6)(a) may be construed to relieve the fairpark district of the obligation to pay the applicable fee for the service provided.
- (8)
 - (a) To govern fairpark district procurements, the board shall adopt a procurement policy that the board reasonably determines to substantially fulfill the purposes described in Section 63G-6a-102.
 - (b) The board may delegate to the executive director the responsibility to adopt a procurement policy.
 - (c) The board's determination under Subsection (7)(a) is final and conclusive.
- (9) No later than December 31, 2024, the board and the assessor of the county in which the fairpark district is located shall together determine the base taxable value of privately owned property within the fairpark district boundary.
- (10)
 - (a) As used in this Subsection (10):
 - (i) "District ZIP area" means a ZIP area a majority of which includes land within the fairpark district boundary.
 - (ii) "ZIP area" means an area defined by the ZIP Code, as defined in Section 59-12-102, plus the four-digit deliver route extension.
 - (b) No later than June 1, 2024, the State Tax Commission shall:
 - (i) define the area that consists of all district zip areas; and
 - (ii) provide a description of the area under Subsection (9)(b)(i) to the host municipality and the board.
 - (c) The State Tax Commission shall annually:
 - (i) update the definition of the area under Subsection (10)(b)(i); and
 - (ii) provide the updated description to the host municipality and the board.

Enacted by Chapter 419, 2024 General Session

11-70-207 Use of fairpark district funds.

- (1)
 - (a) Subject to Subsection (2), the fairpark district may use fairpark district funds for any purpose authorized under this chapter, including to pay for:
 - (i) the development and construction of a qualified stadium;
 - (ii) administrative, overhead, legal, consulting, and other operating expenses of the fairpark district;
 - (iii) all or part of the development of land within a project area, including:
 - (A) financing or refinancing; and
 - (B) assisting the ongoing operation of a development or facility within the project area;
 - (iv) the cost of the installation of public infrastructure and improvements outside a project area if the board determines by resolution that the infrastructure and improvements are of benefit to the project area;
 - (v) the principal and interest on bonds issued by the fairpark district;
 - (vi) the payment of an infrastructure loan, as defined in Section 11-70-104, according to the terms of the infrastructure loan; and
 - (vii) the costs of promoting, facilitating, and implementing other development of land within the fairpark district boundary.

- (b) The determination of the board under Subsection (1)(a)(iv) regarding benefit to the project area is final.
- (2)
- (a) The fairpark district may use money it receives under Subsection 59-12-1201(2)(a)(ii) and Subsection 59-12-103(16) only for the development and construction of a qualified stadium, including paying for bonds issued to pay for the development and construction of a qualified stadium.
 - (b) If the amount of money the fairpark district receives under Subsection (2)(a) exceeds the amount required to pay the annual debt service on bonds issued to pay for the development and construction of a qualified stadium, the fairpark district shall use the excess amount received to pay down the principal on those bonds.
- (3) The fairpark district may share enhanced property tax revenue with a taxing entity that levies a property tax on land within the project area from which the enhanced property tax revenue is generated.

Enacted by Chapter 419, 2024 General Session