

17-12-4 Bond issue for auditoriums, etc., and "convention complex" facilities -- Board of directors -- Use of revenues from facilities -- Rights of bondholders.

- (1)
- (a) A county legislative body adopting proceedings authorizing the issuance of county bonds for the purpose of acquiring, improving, extending, furnishing, and equipping auditoriums, sports arenas, stadiums, convention centers, and all properties and facilities ordinarily forming part of a so-called "convention complex," or for any part or combination of the foregoing may, by resolution, provide for the creation of a board of directors which, so long as any of the bonds remain outstanding either in original or refunded form may:
 - (i) have complete management and control of the facilities acquired with the proceeds of the bonds; or
 - (ii) act as an advisory board to the county executive and legislative body regarding the management and operation of a property or facility described in Subsection (1)(a).
 - (b)
 - (i) The board of directors described in Subsection (1)(a) shall have the number of members, possessing such qualifications and selected for such terms, and shall operate pursuant to such rules and regulations as adopted by the county legislative body.
 - (ii) The members of the board of directors described in Subsection (1)(a) shall serve without compensation except for reimbursement of expenses actually incurred in the performance of their duties.
 - (iii) After the appointment and organization of the board of directors, all vacancies thereafter occurring, whether by expiration of term or otherwise, shall be filled by majority vote of the remaining members of the board.
 - (iv) Subject to provisions adopted by the county legislative body, the members of the board of directors may have the powers and duties ordinarily enjoyed by the directors of a private corporation operating similar facilities.
- (2) A county legislative body that adopts proceedings for the purpose of and as described in Subsection (1)(a) shall provide that all revenues of every nature derived from the operation of the facilities so acquired with bond proceeds and not expended in the reasonable and proper costs of maintaining and operating the facilities, including the making of necessary repairs and replacements, be pledged to and utilized for the payment of principal of and interest on the bonds and, if so provided, the creation of a reserve for such purpose.
- (3) This act is adopted for the purpose of eliminating or reducing so far as possible the ad valorem taxes necessary to be levied for the payment of such bonds and for the purpose of improving the security of such bonds, and accordingly the holders of the bonds from time to time shall have a vested and enforceable contract right in the provisions of this act and in the provisions of the bond proceedings adopted pursuant hereto.

Amended by Chapter 41, 2011 General Session