

Chapter 16
2007 Bonding and Financing Authorizations

Part 1
2007 General Obligation Bond Authorizations

63B-16-101 Highway bonds -- Maximum amount -- Use of proceeds for highway projects.

- (1)
- (a) The total amount of bonds issued under this section may not exceed \$1,145,000,000.
 - (b) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-125(4)(e) have been met and certifies the amount of bond proceeds that it needs to provide funding for projects on the project list for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2)
- (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of state highway construction or reconstruction projects that are included in the project list established and prioritized in accordance with Subsection 72-2-125(4).
 - (b) The costs under Subsection (2)(a) may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (4) The Department of Transportation may enter into agreements related to projects before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 389, 2013 General Session

63B-16-102 Highway bonds -- Maximum amount -- Projects authorized.

- (1)
- (a) The total amount of bonds issued under this section may not exceed \$100,000,000.
 - (b) When the Department of Transportation certifies to the commission the amount of bond proceeds that it needs to provide funding for the highway construction project described in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.
- (2)
- (a) As used in this Subsection (2), "Mountain View Corridor" means the land area of Salt Lake County running from Interstate 80 south between SR-154 and SR-111 to 12600 South and then south and southeasterly to the northern portion of Utah County west of SR-15.
 - (b) Except as provided in Subsection (3), proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay for the costs of acquiring rights-of-way and constructing a highway construction project within the Mountain View Corridor.

- (c) The Department of Transportation shall use bond proceeds to pay for the portion of the highway construction project described in this Subsection (2) that is located in Salt Lake County.
 - (d) The costs under this Subsection (2) may include the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.
- (3)
- (a) Thirty million dollars of the bond proceeds issued under this section shall be provided to the Department of Transportation and funds under Subsection 72-2-121(4) shall be used by the Department of Transportation to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to highways described in Subsection (3)(b).
 - (b) Bond proceeds described under Subsection (3)(a) and funds under Subsection 72-2-121(4) shall be used to pay the amounts described in this Subsection (3)(b) for the following highways in Salt Lake County:
 - (i) \$6,500,000 to Taylorsville City for:
 - (A) 6200 South and Redwood Road intersection, interchange, and highway improvements; and
 - (B) an environmental study and preliminary engineering at 5400 South and Interstate 215;
 - (ii) \$2,000,000 to West Valley City for 7200 West;
 - (iii) \$4,000,000 to West Jordan City for 7800 South and Airport Road intersection and highway improvements;
 - (iv) \$6,250,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State Street to Interstate 15;
 - (v) \$1,500,000 to Riverton City for right-of-way acquisition between Mountain View Corridor and Bangerter Highway north of 13400 South;
 - (vi) \$3,500,000 for highway, access, and other improvements for the new commuter rail station in the south end of Salt Lake County;
 - (vii) \$11,000,000 to Draper City for the costs of highway improvements in the Salt Lake County portion of Draper City;
 - (viii) \$1,000,000 to Murray City for highway improvements between Cottonwood Street and 4500 South;
 - (ix) \$1,000,000 to Cottonwood Heights for Fort Union Boulevard between 1300 East and Highland Drive;
 - (x) \$1,000,000 to Midvale City for State Street between 7200 South and 9000 South; and
 - (xi) \$250,000 to Salt Lake County for 2300 East.
 - (c) Prior to a municipality or county receiving funds described in this Subsection (3), the municipality or county shall sign and file a written certification with the department certifying that it will use the funds provided under this Subsection (3) solely for the projects described in Subsection (3)(b).
- (4) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.
- (5) The Department of Transportation may enter into agreements related to the project before the receipt of proceeds of bonds issued under this chapter.

Amended by Chapter 389, 2013 General Session

Part 2

2007 Revenue Bond Authorizations

63B-16-201 Revenue bond authorizations -- State Building Ownership Authority.

- (1) It is the intent of the Legislature that:
- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$5,662,000 for the acquisition and construction of three stores for the Department of Alcoholic Beverage Control, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
 - (b) the stores to be addressed through this authorization are:
 - (i) expansion of the North Temple store in Salt Lake County;
 - (ii) expansion of the Taylorsville store in Salt Lake County; and
 - (iii) reconstruction of the Bountiful store in Davis County;
 - (c) increased sales revenues be used as the primary revenue source for repayment of any obligation created under authority of this section; and
 - (d) the Department of Alcoholic Beverage Control may request operation and maintenance funding from sales revenues.
- (2) It is the intent of the Legislature that:
- (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which participation interests may be created, to provide up to \$1,476,000 for the acquisition and construction of a production warehouse for Utah Correctional Industries, together with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
 - (b) Utah Correctional Industries' revenues be used as the primary revenue source for repayment of any obligation created under authority of this section;
 - (c) Utah Correctional Industries may plan, design, and construct the production warehouse subject to requirements in Section 63A-5-206; and
 - (d) Utah Correctional Industries may not request state funds for operation and maintenance costs or capital improvements.

Enacted by Chapter 174, 2007 General Session

63B-16-202 Revenue bond authorizations -- Board of Regents.

- (1) It is the intent of the Legislature that:
- (a) when the University of Utah certifies to the Board of Regents that the university has obtained reliable commitments, convertible to cash, of \$10,000,000 or more in nonstate funds to construct an on-campus student life center, the Board of Regents, on behalf of the University of Utah, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow money on the credit, revenues, and reserves of the University of

Utah, other than appropriations from the Legislature, to finance the cost of constructing an on-campus student life center;

- (b) student recreation fees and non-student fees be used as the primary revenue source for repayment of any obligation created under authority of this section;
 - (c) the University of Utah may increase student recreation fees to not more than \$60 per semester for not more than 20 years, and use those revenues, together with the \$15,000,000 collected under Subsection (1)(a), to service the student life center revenue bond debt;
 - (d) the bonds or other evidences of indebtedness authorized by this section may provide up to \$42,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
 - (e) the University of Utah may plan, design, and construct the on-campus student life center subject to requirements in Section 63A-5-206; and
 - (f) the university may not request state funds for operation and maintenance costs or capital improvements.
- (2) It is the intent of the Legislature that:
- (a) the Board of Regents, on behalf of Southern Utah University, may issue, sell, and deliver revenue bonds or other evidences of indebtedness of Southern Utah University to borrow money on the credit, revenues, and reserves of Southern Utah University, other than appropriations of the Legislature, to finance the cost of constructing on-campus student dormitories;
 - (b) student housing rental fees be used as the primary revenue source for repayment of any obligation created under authority of this section;
 - (c) the bonds or other evidences of indebtedness authorized by this section may provide up to \$17,500,000, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements;
 - (d) Southern Utah University may plan, design, and construct the on-campus student dormitories subject to requirements in Section 63A-5-206; and
 - (e) the university may not request state funds for operation and maintenance costs or capital improvements.

Amended by Chapter 393, 2012 General Session

Part 3

2007 Capital Facility Construction Authorizations

63B-16-301 Authorizations to construct capital facilities using institutional or agency funds.

- (1) It is the intent of the Legislature that:
- (a) Utah State University may, subject to requirements in Section 63A-5-206, plan, design, and construct a classroom building funded and owned by Tooele County on the university's Tooele campus;
 - (b) no state funds be used for any portion of this project, including for future purchase or otherwise acquiring the building from Tooele County;
 - (c) the university may not request state funds for operation and maintenance costs or capital improvements while the building is not owned by the university; and
 - (d) the university may request state funds for operations and maintenance costs and capital improvements if the building is donated to the university and if the university is able to

demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) Weber State University may, subject to requirements in Section 63A-5-206, use donations and other institutional funds to plan, design, and construct a Lifelong Learning Center;
- (b) no state funds be used for any portion of this project; and
- (c) the university may request state funds for operations and maintenance costs and capital improvements to the extent that the university is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(3) It is the intent of the Legislature that:

- (a) Salt Lake Community College may, subject to requirements in Section 63A-5-206, use institutional funds to plan, design, and construct a Facilities/Security/Parking Services Building;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance costs and capital improvements to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

Enacted by Chapter 174, 2007 General Session

Part 4

2007 Property Acquisition, Sale, Lease, and Exchange Authorizations

63B-16-401 Authorizations to acquire, sell, lease, or exchange property.

(1) It is the intent of the Legislature that:

- (a) the Southeast Applied Technology Campus of the Utah College of Applied Technology and Utah State University Eastern may cooperatively enter into negotiations with a nonstate entity and complete a real property exchange to acquire an applied technology facility in Price;
- (b) no state funds be used for any portion of this project; and
- (c) the college may request state funds for operations and maintenance costs and capital improvements to the extent that the college is able to demonstrate to the Board of Regents that the facility meets approved academic and training purposes under Board of Regents policy R710.

(2) It is the intent of the Legislature that:

- (a) the Mountainland Applied Technology Campus of the Utah College of Applied Technology may exercise its option to purchase additional property in northern Utah County adjacent to property purchased with the appropriation in Chapter 367, Item 41, Laws of Utah 2006;
- (b) the purchase be financed through donations, institutional funds, a land exchange involving Lehi City and the Utah Transit Authority, or some combination of donations, institutional funds, and a land exchange involving Lehi City and the Utah Transit Authority for future development of a commuter rail station;
- (c) the purchase be conducted under the direction of the director of the Division of Facilities Construction and Management; and
- (d) no state funds be used for any portion of this purchase.

- (3) It is the intent of the Legislature that:
- (a) the Department of Human Services Complex located at 120 North 200 West, Salt Lake City, Utah be sold for \$11,000,000;
 - (b) that the proceeds from the sale be used to:
 - (i) payoff the outstanding bond on the Human Services Complex;
 - (ii) purchase the Brigham Young University Salt Lake Center located at 3760 South Highland Drive, Salt Lake City, Utah for up to \$6,000,000 for occupancy by the Utah State Board of Education Schools for the Deaf and Blind; and
 - (iii) the remaining funds be used to remodel the Salt Lake Center; and
 - (c) the Division of Facilities, Construction and Management enter into a lease with the buyer of the Human Services Complex for and on behalf of the Department of Human Services that allows the Department of Human Services to continue to occupy the complex for the period of time needed for the state to purchase, construct, or lease a replacement facility for the Department of Human Services.

Amended by Chapter 465, 2013 General Session