LEGISLATIVE GENERAL COUNSEL

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  ♣ 02-02-99 11:35 AM ♣

1	UTAH STATE FAIRPARK LEASE
2	1999 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Bill Wright
5	AN ACT RELATING TO STATE AFFAIRS; CLARIFYING THE LEASE; PROVIDING FOR
6	EXTENSION OF TERM OF LEASE; AND MAKING TECHNICAL CHANGES.
7	This act affects sections of Utah Code Annotated 1953 as follows:
8	AMENDS:
9	63A-5-306, as last amended by Chapter 214, Laws of Utah 1997
10	Be it enacted by the Legislature of the state of Utah:
11	Section 1. Section <b>63A-5-306</b> is amended to read:
12	63A-5-306. Leasing of State Fair Park Lease Terms.
13	(1) As used in this section:
14	(a) "Corporation" means the Utah State Fair Corporation created in Section 9-4-1103.
15	(b) "Division" means the Division of Facilities Construction and Management.
16	(c) "State fair park" means the property and buildings owned by the state located at 155
17	North 1000 West, Salt Lake City, Utah.
18	(2) The division shall:
19	(a) [beginning July 1, 1997,] lease the state fair park to the corporation for a period [of 20
20	years] beginning July 1, 1997, and ending June 30, 2017, at which time the lease may be renewed:
21	(i) at the discretion of the division; and
22	(ii) for any time-period negotiated with the corporation[ <del>-</del> <del>-</del> <del>]; and</del>
23	(b) ensure that the lease:
24	(i) defines which party is responsible for repairs and maintenance to the grounds and
25	buildings;
26	(ii) defines any restrictions on the use of the property or buildings, including the
27	construction of any new buildings or facilities at the state fair park;

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28	(iii) requires that for each year under the lease the corporation holds a state fair meeting
29	the requirements of Subsection 9-4-1103(5)(a)(vi); and
30	(iv) provides for the renegotiation or termination of the lease if the corporation:
31	(A) no longer operates as an independent public nonprofit corporation as provided in Title
32	9, Chapter 4, Part 11, Utah State Fair Corporation Act[-]; or
33	(B) engages in any activity inconsistent with Title 9, Chapter 4, Part 11, Utah State Fair
34	Corporation Act.
35	(3) (a) Notwithstanding Subsection (2), the division may review and adjust the amount of
36	any payments made by the corporation under the lease every three years beginning July 1, 2000.
37	(b) Notwithstanding Subsection (2)(a), the division may lease the state fair park to the
38	corporation for a period beginning July 1, 1997, and ending no later than June 30, 2037, if:
39	(i) the corporation demonstrates to the satisfaction of the division that the extension of the
40	lease period will result in significant capital improvements at the state fair park by a private entity;
41	and
42	(ii) the division notifies the speaker of the House of Representatives and the president of
43	the Senate of its intention to extend the lease period in accordance with this Subsection (3)(b) at
44	least 30 calendar days before the date the division executes any agreement to extend the lease
45	period.
46	(4) The state shall assume the responsibilities of the corporation under any contract that
47	is in effect on the day a lease between the division and the corporation terminates if:
48	(a) the contract is for the lease or construction of a building or facility at the state park; and
49	(b) the lease between the division and the corporation is terminated in accordance with [the
50	renegotiation provided for under] Subsection (2)(b)(iv).
51	(5) (a) Payments made by the corporation under a lease with the division shall be deposited
52	into the Capital Project Fund.
53	(b) If in accordance with Subsection (3), the payments made by the corporation under a
54	lease with the division are increased from the amount paid on July 1, 1997, the lease payments
55	made by the division shall be dedicated to capital improvements at the state fair park unless, as part
56	of the capital budget, the Legislature directs that the monies be used for other capitol
57	improvements.

## Legislative Review Note as of 2-1-99 9:00 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel