

STATE FAIR PARK AMENDMENTS

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James R. Gowans

Senate Sponsor: Dennis E. Stowell

LONG TITLE

General Description:

This bill amends Title 63A, Chapter 5, Part 3, Division of Facilities Construction and Management Leasing, regarding the leasing of the state fair park by the division to the Utah State Fair Corporation.

Highlighted Provisions:

This bill:

▶ provides that the division shall lease the state fair park to the Utah State Fair Corporation for a period of 50 years beginning July 1, 2010, premised on significant capital improvements to the fair park during the lease term; and

▶ provides that the White Ball Field portion of the state fair park lease shall lapse back to the division on June 30, 2017.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2010.

Utah Code Sections Affected:

AMENDS:

63A-5-306, as last amended by Laws of Utah 2004, Chapter 170

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



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

29 **63A-5-306. Leasing of state fair park -- Lease -- Terms -- Demolition of facilities**
30 **-- Limits on debt or obligations.**

31 (1) As used in this section:

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

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

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

36 (2) The division shall:

37 (a) lease the state fair park to the corporation for a period beginning July 1, [1997]
38 2010, and ending June 30, [2017, ~~at which time the lease may be renewed;~~] 2060:

39 [~~i) at the discretion of the division; and~~]

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

41 (i) subject to the corporation satisfying the requirements of Subsection (5)(b)(i); and

42 (ii) except that on June 30, 2017, that portion of the state fair park known as the White

43 Ball Field located on the south side of North Temple Street shall revert to the division and not

44 be a part of the continuing lease agreement between the division and the corporation;

45 (b) ensure that the lease:

46 (i) defines which party is responsible for repairs and maintenance to the grounds and
47 buildings;

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

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

52 (iv) provides for the renegotiation or termination of the lease if the corporation:

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

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

57 (c) if the lease described in Subsection (2)(a) is amended or renewed after the effective
58 date of this act and except as provided in Subsection (3), requires the corporation under the

59 lease to:

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

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

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

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

70 (4) The State Building Board shall notify the state historic preservation office of any
71 State Building Board meeting at which consideration will be given to a proposal to demolish
72 facilities at the state fair park.

73 (5) (a) Notwithstanding Subsection (2), the division may review and adjust the amount
74 of any payments made by the corporation under the lease every three years beginning July 1,
75 2000.

76 (b) (i) [~~Beginning July 1, 2004, and notwithstanding Subsection (2)(a), the~~] The
77 division [~~may~~] shall lease the state fair park to the corporation for a period of [~~up to~~] 50 years,
78 if the corporation demonstrates to the satisfaction of the division that the [~~extension of the~~]
79 lease period will result in significant capital improvements at the state fair park by a private or
80 public entity.

81 (ii) The corporation may enter into a sublease of up to 50 years, subject to satisfying
82 the requirements of Subsections (2)(c)(i) and (5)(b)(i).

83 (6) The state shall assume the responsibilities of the corporation under any contract that
84 is in effect on the day a lease between the division and the corporation terminates if:

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

87 (b) the lease between the division and the corporation is terminated in accordance with
88 Subsection (2)(b)(iv).

89 (7) (a) Payments made by the corporation under a lease with the division shall be

90 deposited into the Capital Project Fund.

91 (b) If, in accordance with Subsection [~~(3)~~] (5), the payments made by the corporation
92 under a lease with the division are increased from the amount paid on July 1, 1997, the lease
93 payments made by the division shall be dedicated to capital improvements at the state fair park
94 unless, as part of the capital budget, the Legislature directs that the monies be used for other
95 capital improvements.

96 (8) (a) A debt or obligation contracted by the corporation is a debt or obligation of the
97 corporation.

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

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

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

103 **Section 2. Effective date.**

104 This bill takes effect on July 1, 2010.

Legislative Review Note
as of 2-15-10 9:02 AM

Office of Legislative Research and General Counsel

H.B. 406 - State Fair Park Amendments

Fiscal Note

2010 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
