

1 **REVENUE BOND AND CAPITAL FACILITIES**

2 **AMENDMENTS**

3 2015 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne A. Harper**

6 House Sponsor: Gage Froerer

8 **LONG TITLE**

9 **General Description:**

10 This bill authorizes certain state agencies and institutions to issue revenue bonds, and
11 authorizes the construction or renovation of capital facilities using agency, institutional,
12 or donated funds.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ modifies an authorization to use institutional or agency funds to plan, design, and
16 construct a capital facilities project;
- 17 ▶ authorizes the State Building Ownership Authority to issue revenue bonds as
18 follows:
 - 19 • \$86,936,000 for expanding the Fourth District Provo Courthouse; and
 - 20 • \$4,447,900 for constructing a West Valley Liquor Store; and
- 21 ▶ authorizes the Board of Regents to issue revenue bonds as follows:
 - 22 • up to \$45,000,000 for redeveloping Orson Spencer Hall at the University of
23 Utah;
 - 24 • up to \$23,100,000 for replacing the Valley View Residence Hall at Utah State
25 University;
 - 26 • up to \$23,000,000 for renovating Romney Stadium at Utah State University; and
 - 27 • up to \$20,000,000 for constructing a student housing project at Dixie State
28 University.

29 **Money Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **63B-23-201**, as enacted by Laws of Utah 2014, Chapter 113

36 ENACTS:

37 **63B-24-101**, Utah Code Annotated 1953

38 **63B-24-102**, Utah Code Annotated 1953

39 **63B-24-201**, Utah Code Annotated 1953



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

42 Section 1. Section **63B-23-201** is amended to read:

43 **63B-23-201. Authorizations to design and construct capital facilities using**
44 **institutional or agency funds.**

45 (1) The Legislature intends that:

46 (a) the University of Utah may, subject to requirements in Title 63A, Chapter 5, State
47 Building Board - Division of Facilities Construction and Management, use up to \$10,000,000
48 in donations and institutional funds to plan, design, and construct an expansion and renovation
49 of the Alumni House at the University of Utah with up to an additional 17,000 new square feet;

50 (b) the university may not use state funds for any portion of this project; and

51 (c) the university may not use state funds for operation and maintenance costs or
52 capital improvements.

53 (2) The Legislature intends that:

54 (a) the Department of Public Safety may, subject to requirements in Title 63A, Chapter
55 5, State Building Board - Division of Facilities Construction and Management, use up to
56 \$875,000 in nonlapsing balances and an additional \$400,000 appropriated from the Department
57 of Public Safety Restricted Account to plan, design, and construct a Communications and

58 Drivers License Building in Vernal with up to 3,500 square feet;

59 (b) the department may not use state funds for any portion of this project; and

60 (c) the department may use state funds for operation and maintenance costs or capital
61 improvements.

62 Section 2. Section **63B-24-101** is enacted to read:

63 **CHAPTER 24. BONDING AND FINANCING AUTHORIZATIONS**

64 **Part 1. 2015 Revenue Bond Authorizations**

65 **63B-24-101. Revenue bond authorizations -- State Building Ownership Authority.**

66 (1) The Legislature intends that:

67 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
68 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
69 enter into or arrange for a lease-purchase agreement in which participation interests may be
70 created, to provide up to \$86,936,000 for the Fourth District Provo Courthouse Expansion,
71 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,
72 and fund any existing debt service reserve requirements;

73 (b) the judicial branch use court fees and existing lease budgets as the primary revenue
74 sources for repayment of any obligation created under authority of this Subsection (1); and

75 (c) the judicial branch may use state funds for operation and maintenance costs or
76 capital improvements.

77 (2) The Legislature intends that:

78 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter
79 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may
80 enter into or arrange for a lease-purchase agreement in which participation interests may be
81 created, to provide up to \$4,447,900 for a West Valley Liquor Store, together with additional
82 amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt
83 service reserve requirements;

84 (b) the Department of Alcoholic Beverage Control use increased sales revenues as the
85 primary revenue source for repayment of any obligation created under authority of this

86 Subsection (2); and

87 (c) the Department of Alcoholic Beverage Control may request operation and
88 maintenance funding from sales revenues.

89 Section 3. Section **63B-24-102** is enacted to read:

90 **63B-24-102. Revenue bond authorizations -- Board of Regents.**

91 (1) The Legislature intends that:

92 (a) the Board of Regents, on behalf of the University of Utah, may issue, sell, and
93 deliver revenue bonds or other evidences of indebtedness of the University of Utah to borrow
94 money on the credit, revenues, and reserves of the university, other than appropriations of the
95 Legislature, to finance the cost of constructing the Orson Spencer Hall Redevelopment;

96 (b) the University of Utah use student fees and donations as the primary revenue
97 sources for repayment of any obligation created under authority of this Subsection (1);

98 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
99 this Subsection (1) is \$45,000,000, together with other amounts necessary to pay costs of
100 issuance, pay capitalized interest, and fund any debt service reserve requirements;

101 (d) the university shall plan, design, and construct the Orson Spencer Hall
102 Redevelopment subject to the requirements of Title 63A, Chapter 5, State Building Board -
103 Division of Facilities Construction and Management; and

104 (e) the university may use state funds for operation and maintenance costs or capital
105 improvements.

106 (2) The Legislature intends that:

107 (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and
108 deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow
109 money on the credit, revenues, and reserves of the university, other than appropriations of the
110 Legislature, to finance the cost of constructing the Valley View Residence Hall Replacement;

111 (b) Utah State University use revenues from housing operations as the primary revenue
112 source for repayment of any obligation created under authority of this Subsection (2);

113 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by

114 this Subsection (2) is \$23,100,000, together with other amounts necessary to pay costs of
115 issuance, pay capitalized interest, and fund any debt service reserve requirements;

116 (d) the university shall plan, design, and construct the Valley View Residence Hall
117 Replacement subject to the requirements of Title 63A, Chapter 5, State Building Board -
118 Division of Facilities Construction and Management; and

119 (e) the university may not request state funds for operation and maintenance costs or
120 capital improvements.

121 (3) The Legislature intends that:

122 (a) the Board of Regents, on behalf of Utah State University, may issue, sell, and
123 deliver revenue bonds or other evidences of indebtedness of Utah State University to borrow
124 money on the credit, revenues, and reserves of the university, other than appropriations of the
125 Legislature, to finance the cost of constructing the Romney Stadium Westside Renovation;

126 (b) Utah State University use gate receipts and donations as the primary revenue
127 sources for repayment of any obligation created under authority of this Subsection (3);

128 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
129 this Subsection (3) is \$23,000,000, together with other amounts necessary to pay costs of
130 issuance, pay capitalized interest, and fund any debt service reserve requirements;

131 (d) the university shall plan, design, and construct the Romney Stadium Westside
132 Renovation subject to the requirements of Title 63A, Chapter 5, State Building Board -
133 Division of Facilities Construction and Management; and

134 (e) the university may not request state funds for operation and maintenance costs or
135 capital improvements.

136 (4) The Legislature intends that:

137 (a) the Board of Regents, on behalf of Dixie State University, may issue, sell, and
138 deliver revenue bonds or other evidences of indebtedness of Dixie State University to borrow
139 money on the credit, revenues, and reserves of the university, other than appropriations of the
140 Legislature, to finance the cost of constructing a Student Housing Project;

141 (b) Dixie State University use rental fees and other auxiliary income as the primary

142 revenue sources for repayment of any obligation created under authority of this Subsection (4);

143 (c) the maximum amount of revenue bonds or evidences of indebtedness authorized by
144 this Subsection (4) is \$20,000,000, together with other amounts necessary to pay costs of
145 issuance, pay capitalized interest, and fund any debt service reserve requirements;

146 (d) the university shall plan, design, and construct the Student Housing Project subject
147 to the requirements of Title 63A, Chapter 5, State Building Board - Division of Facilities
148 Construction and Management; and

149 (e) the university may not request state funds for operation and maintenance costs or
150 capital improvements.

151 Section 4. Section **63B-24-201** is enacted to read:

152 **Part 2. 2015 Capital Facility Design and Construction Authorizations**

153 **63B-24-201. Authorizations to design and construct capital facilities using**
154 **institutional or agency funds.**

155 (1) The Legislature intends that:

156 (a) the University of Utah may, subject to the requirements of Title 63A, Chapter 5,
157 State Building Board - Division of Facilities Construction and Management, use up to
158 \$8,200,000 in institutional funds to plan, design, and construct the William C. Browning
159 Building Addition with up to 24,000 square feet;

160 (b) the university may not use state funds for any portion of this project; and

161 (c) the university may use state funds for operation and maintenance costs or capital
162 improvements.

163 (2) The Legislature intends that:

164 (a) Utah State University may, subject to the requirements of Title 63A, Chapter 5,
165 State Building Board - Division of Facilities Construction and Management, use up to
166 \$10,000,000 in institutional funds to plan, design, and construct the Fine Arts Complex
167 Addition/Renovation with up to 17,000 square feet;

168 (b) the university may not use state funds for any portion of this project; and

169 (c) the university may use state funds for operation and maintenance costs or capital

170 improvements.

171 (3) The Legislature intends that:

172 (a) Salt Lake Community College may, subject to the requirements of Title 63A,

173 Chapter 5, State Building Board - Division of Facilities Construction and Management, use up

174 to \$3,900,000 in institutional funds to plan, design, and construct a Strength and Conditioning

175 Center with up to 11,575 square feet;

176 (b) the college may not use state funds for any portion of this project; and

177 (c) the college may not request state funds for operation and maintenance costs or

178 capital improvements.

179 (4) The Legislature intends that:

180 (a) the Governor's Office of Economic Development may, subject to the requirements

181 of Title 63A, Chapter 5, State Building Board - Division of Facilities Construction and

182 Management, use up to \$1,800,000 in nonlapsing balances and donations to plan, design, and

183 construct a Southern Utah Welcome Center with up to 5,000 square feet;

184 (b) the office may request additional state funds for the project, unless the office

185 receives donations and begins design or construction of the project; and

186 (c) the office may use state funds for operation and maintenance costs or capital

187 improvements.