

House Engrossed Senate Bill

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
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CHAPTER 297

SENATE BILL 1450

AN ACT

AMENDING SECTION 11-251.06, ARIZONA REVISED STATUTES; AMENDING TITLE 48, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 38; RELATING TO REGIONAL ATTRACTION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 11-251.06, Arizona Revised Statutes, is amended to
3 read:
4 11-251.06. Reimbursement for county services to special
5 districts
6 A. Notwithstanding any other statute, the board of supervisors may
7 require the following special districts to reimburse the county for the cost
8 of services provided to the special districts:
9 1. Antioxious weed districts formed pursuant to title 48, chapter 2.
10 2. Pest control districts formed pursuant to title 48, chapter 3.
11 3. County improvement districts formed pursuant to title 48,
12 chapter 6.
13 4. County improvement districts for lighting formed pursuant to
14 sections 48-960 and 48-961.
15 5. Domestic water improvement districts formed pursuant to title 48,
16 chapter 6, article 4.
17 6. County television improvement districts formed pursuant to title
18 48, chapter 7.
19 7. Community park maintenance districts formed pursuant to title 48,
20 chapter 8.
21 8. Special road districts formed pursuant to title 48, chapter 10.
22 9. Power districts formed pursuant to title 48, chapter 11.
23 10. Electrical districts formed pursuant to title 48, chapter 12.
24 11. Hospital districts formed pursuant to title 48, chapter 13.
25 12. Sanitary districts formed pursuant to title 48, chapter 14.
26 13. Pest abatement districts formed pursuant to title 48, chapter 15.
27 14. Health service districts formed pursuant to title 48, chapter 16.
28 15. Agricultural improvement districts formed pursuant to title 48,
29 chapter 17.
30 16. Drainage and flood protection districts formed pursuant to title
31 48, chapter 18.
32 17. Irrigation and water conservation districts formed pursuant to
33 title 48, chapter 19.
34 18. Irrigation water delivery districts formed pursuant to title 48,
35 chapter 20.
36 19. County flood control districts formed pursuant to title 48,
37 chapter 21.
38 20. Multi-county water conservation districts formed pursuant to title
39 48, chapter 22.
40 21. County jail districts formed pursuant to title 48, chapter 25.
41 22. REGIONAL ATTRACTION DISTRICTS FORMED PURSUANT TO TITLE 48,
42 CHAPTER 38.
43 B. Fire districts formed pursuant to title 48, chapter 5 shall
44 reimburse the county for the actual costs of organization, reorganization,
45 boundary changes, election services, use of the county attorney and other

1 services provided by the assessor and treasurer directly associated with
2 county services provided to fire districts.

3 C. The board of supervisors shall establish a schedule for
4 reimbursement of county services and shall distribute this schedule to the
5 special districts prior to providing any service named in the schedule. The
6 schedule may include charges to newly organized special taxing districts for
7 county services rendered to these districts before and during organization.
8 The reimbursement schedule shall not exceed the actual costs for the services
9 provided by the county.

10 D. If the board of supervisors requires reimbursement for county
11 services pursuant to subsections A and C of this section, the governing body
12 of a special district listed in subsection A of this section may elect to
13 perform for itself any of the services provided by the county in lieu of
14 reimbursement, except election and financial services provided by the county.

15 E. Subsection D of this section does not authorize the governing body
16 of any of the named special districts to levy any additional taxes not
17 otherwise specified by statute.

18 Sec. 2. Title 48, Arizona Revised Statutes, is amended by adding
19 chapter 38, to read:

20 CHAPTER 38

21 REGIONAL ATTRACTION DISTRICTS

22 ARTICLE 1. ORGANIZATION AND ADMINISTRATION

23 48-6601. Definitions

24 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

25 1. "BOARD" MEANS THE BOARD OF DIRECTORS OF A DISTRICT.

26 2. "DISTRICT" MEANS A REGIONAL ATTRACTION DISTRICT ESTABLISHED
27 PURSUANT TO THIS CHAPTER.

28 3. "INFRASTRUCTURE" MEANS ANY LAND, BUILDING OR OTHER IMPROVEMENT AND
29 EQUIPMENT OR OTHER PERSONAL PROPERTY, LOCATED IN AND OWNED BY THE DISTRICT,
30 THAT WILL MAKE UP PART OF OR SUPPORT THE REGIONAL ATTRACTION VENUE.

31 4. "REGIONAL ATTRACTION VENUE" OR "VENUE" MEANS A PERMANENT
32 COMMERCIALY OPERATED COLLECTION OF RIDES AND OTHER ENTERTAINMENT EQUIPMENT
33 AND ATTRACTIONS AND RELATED SUPPORT FACILITIES THAT ARE BASED ON A CENTRAL
34 THEME AND WHICH MAY INCLUDE INFRASTRUCTURE.

35 48-6602. Formation of district

36 A. ON THE PETITION OF OWNERS OF AT LEAST TWO HUNDRED ACRES OF REAL
37 PROPERTY IN THE PROPOSED DISTRICT, THE GOVERNING BODY OF A CITY WITH A
38 POPULATION OF MORE THAN TEN THOUSAND BUT LESS THAN TWENTY THOUSAND PERSONS
39 THAT IS LOCATED IN A COUNTY WITH A POPULATION OF MORE THAN THREE HUNDRED
40 THOUSAND PERSONS BUT LESS THAN FOUR HUNDRED THOUSAND PERSONS MAY ESTABLISH A
41 REGIONAL ATTRACTION DISTRICT LOCATED IN THE CITY AS PROVIDED BY THIS
42 CHAPTER. FOR THE PURPOSES OF THIS SUBSECTION, THE POPULATION SHALL BE
43 DETERMINED ACCORDING TO THE MOST RECENT POPULATION ESTIMATE DATA PRODUCED BY
44 THE DEPARTMENT OF ECONOMIC SECURITY AT THE TIME THE DISTRICT IS ESTABLISHED.

1 B. THE PROPONENTS OF THE DISTRICT MUST SUBMIT A PETITION TO THE
2 GOVERNING BODY OF THE CITY. THE PETITION MUST BE ACCOMPANIED BY A REFUNDABLE
3 BOND OF FIFTY THOUSAND DOLLARS IN CASH. THE PETITION SHALL INCLUDE THE
4 GEOGRAPHICAL BOUNDARIES OF THE DISTRICT, WHICH SHALL:

5 1. INCLUDE THE SITE OF THE REGIONAL ATTRACTION VENUE UNDER SECTION
6 48-6631.

7 2. INCLUDE AT LEAST TWO HUNDRED ACRES BUT NOT EXCEED NINE HUNDRED
8 FIFTY ACRES.

9 C. ON RECEIVING THE PETITION, THE GOVERNING BODY OF THE CITY SHALL
10 SCHEDULE A PUBLIC HEARING ON THE PROPOSED DISTRICT TO BE HELD AT LEAST SIXTY
11 BUT NOT MORE THAN NINETY DAYS AFTER RECEIVING THE PETITION. THE CITY CLERK
12 SHALL PUBLISH A NOTICE OF THE HEARING STATING THE PURPOSE OF THE PETITION,
13 THE DESCRIPTION OF THE AREA OF THE PROPOSED DISTRICT AND THE DATE, TIME AND
14 PLACE OF THE HEARING TWICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE CITY.
15 AT LEAST ONE OF THE NOTICES MUST BE PUBLISHED AT LEAST TWENTY DAYS BEFORE THE
16 DATE OF THE HEARING. AT THE HEARING THE GOVERNING BODY SHALL HEAR THOSE WHO
17 APPEAR FOR AND AGAINST THE PROPOSED DISTRICT AND SHALL DETERMINE WHETHER THE
18 DISTRICT WOULD SERVE THE PUBLIC INTEREST, AND IF SO, ADOPT A RESOLUTION
19 ESTABLISHING THE DISTRICT. THE MINUTES OF THE HEARING MUST INCLUDE THE
20 FINDINGS SUPPORTING THE ESTABLISHMENT OF THE DISTRICT.

21 D. A CITY MAY NOT ESTABLISH MORE THAN ONE DISTRICT UNDER THIS CHAPTER.

22 E. THE DISTRICT IS A CORPORATE AND POLITICAL BODY AND, EXCEPT AS
23 OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS CHAPTER, HAS ALL OF THE
24 RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS.

25 F. THE DISTRICT IS CONSIDERED TO BE A TAX LEVYING PUBLIC IMPROVEMENT
26 DISTRICT FOR THE PURPOSES OF ARTICLE XIII, SECTION 7, CONSTITUTION OF
27 ARIZONA.

28 48-6603. Board of directors

29 A. THE DISTRICT IS GOVERNED BY A BOARD OF DIRECTORS CONSISTING OF THE
30 FOLLOWING MEMBERS:

31 1. TWO MEMBERS OF THE GOVERNING BODY OF THE CITY ESTABLISHING THE
32 DISTRICT.

33 2. THREE MEMBERS OF THE GENERAL PUBLIC WHO RESIDE IN THIS STATE, ONE
34 OF WHOM MUST RESIDE IN THE COUNTY IN WHICH THE DISTRICT IS LOCATED, ONE EACH
35 APPOINTED BY THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE
36 HOUSE OF REPRESENTATIVES. THESE MEMBERS MUST HAVE EXPERIENCE OR PROFESSIONAL
37 BACKGROUND IN PUBLIC OR PRIVATE FINANCE, REAL ESTATE MANAGEMENT, TOURISM OR
38 ENTERTAINMENT MARKETING OR PROMOTION.

39 B. MEMBERS OF THE BOARD OF DIRECTORS WHO ALSO SERVE ON THE GOVERNING
40 BODY OF THE CITY SERVE DURING THEIR TERMS OF OFFICE ON THE GOVERNING BODY,
41 UNLESS A SUCCESSOR IS EARLIER ELECTED BY THE GOVERNING BODY TO REPLACE THE
42 MEMBER FOR ANY REASON. OTHER MEMBERS OF THE BOARD OF DIRECTORS SERVE
43 SIX-YEAR TERMS OF OFFICE.

44 C. MEMBERS ARE NOT ELIGIBLE FOR COMPENSATION FOR SERVICE ON THE BOARD
45 OF DIRECTORS.

- 1 48-6604. Administrative powers and duties
- 2 A. THE BOARD OF DIRECTORS, ON BEHALF OF THE DISTRICT, MAY:
- 3 1. ADOPT AND USE A CORPORATE SEAL.
- 4 2. SUE AND BE SUED.
- 5 3. ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS UNDER
- 6 TITLE 11, CHAPTER 7, ARTICLE 3, AS NECESSARY TO CARRY OUT THE PURPOSES AND
- 7 REQUIREMENTS OF THIS CHAPTER.
- 8 4. ACQUIRE BY ANY LAWFUL MEANS, EXCEPT THE POWER OF EMINENT DOMAIN,
- 9 AND OPERATE, MAINTAIN, ENCUMBER AND DISPOSE OF REAL AND PERSONAL PROPERTY AND
- 10 INTERESTS IN PROPERTY.
- 11 5. RETAIN LEGAL COUNSEL AND OTHER CONSULTANTS AS NECESSARY TO CARRY
- 12 OUT THE PURPOSES OF THE DISTRICT.
- 13 6. ENTER INTO INTERGOVERNMENTAL AGREEMENTS, PURSUANT TO TITLE 11,
- 14 CHAPTER 7, ARTICLE 3, FOR ADMINISTRATIVE AND STAFF SUPPORT AND MEETING
- 15 ACCOMMODATIONS FOR ACCOMPLISHING THE PURPOSES OF THE DISTRICT.
- 16 7. ENTER INTO CONTRACTS AND OTHER AGREEMENTS IN THE INTEREST OF THE
- 17 DISTRICT OR TO CARRY OUT AND ACCOMPLISH THE PURPOSES OF THIS CHAPTER,
- 18 INCLUDING CONSTRUCTION CONTRACTS AND AGREEMENTS WITH USERS OF THE FACILITIES
- 19 AT THE REGIONAL ATTRACTION VENUE.
- 20 B. THE BOARD OF DIRECTORS SHALL:
- 21 1. APPOINT A CHAIRPERSON FROM AMONG ITS MEMBERS.
- 22 2. DESIGNATE A FISCAL AGENT TO DEPOSIT, HOLD, INVEST AND DISBURSE THE
- 23 DISTRICT'S MONIES.
- 24 3. PROVIDE FOR THE ACQUISITION, CONSTRUCTION, FINANCING, USE,
- 25 FURNISHING, OPERATION, MARKETING, PROMOTION, MAINTENANCE AND IMPROVEMENT OF
- 26 THE PROPERTIES, INFRASTRUCTURE AND INTERESTS OWNED OR CONTROLLED BY THE
- 27 DISTRICT AS PROVIDED BY THIS CHAPTER.
- 28 4. KEEP AND MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL OF ITS
- 29 PROCEEDINGS. THE BOARD IS A PUBLIC BODY FOR THE PURPOSES OF TITLE 38,
- 30 CHAPTER 3, ARTICLE 3.1, RELATING TO PUBLIC MEETINGS, AND TITLE 39, CHAPTER 1,
- 31 RELATING TO PUBLIC RECORDS.
- 32 5. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE
- 33 THE DISTRICT AND PROPERTY UNDER ITS JURISDICTION. THE RULES SHALL INCLUDE A
- 34 COMPETITIVE SOURCE SELECTION AND PROCUREMENT PROCESS, BASED ON THE PROVISIONS
- 35 OF TITLE 41, CHAPTER 23, FOR THE PURPOSES OF THE DISTRICT, EXCEPT AS PROVIDED
- 36 BY SECTION 48-6631, SUBSECTION B.
- 37 6. CONTRACT FOR CONSULTING, LEGAL, ACCOUNTING AND OTHER OUTSIDE
- 38 PROFESSIONAL SERVICES, INCLUDING A PROFESSIONAL FACILITY MANAGEMENT COMPANY.
- 39 THE SELECTION OF THE FACILITY MANAGEMENT COMPANY SHALL BE PURSUANT TO A
- 40 COMPETITIVE SEALED PROPOSAL AND BIDDING PROCESS ADOPTED BY THE DISTRICT BY
- 41 RULE.
- 42 48-6605. Conflicts of interest
- 43 A. THE DIRECTORS OF THE DISTRICT ARE SUBJECT TO TITLE 38, CHAPTER 3,
- 44 ARTICLE 8, RELATING TO CONFLICTS OF INTEREST, INCLUDING THE PENALTIES
- 45 PRESCRIBED BY SECTION 38-510.

1 B. A MEMBER OF THE BOARD OF DIRECTORS SHALL NOT HAVE ANY DIRECT OR
2 INDIRECT FINANCIAL INTEREST IN ANY:

- 3 1. PROPERTY OWNED, PURCHASED OR CONSTRUCTED BY THE DISTRICT.
4 2. CONTRACT ENTERED INTO BY THE DISTRICT.
5 3. PRIVATE CORPORATION OR OTHER ENTITY WITH WHICH THE DISTRICT
6 CONTRACTS.

7 48-6606. Performance audit; termination of district; delayed
8 repeal

9 A. THE AUDITOR GENERAL SHALL CONDUCT A PERFORMANCE AUDIT, AS DEFINED
10 IN SECTION 41-1278, OF THE DISTRICT AND ITS OPERATIONS. THE AUDITOR GENERAL
11 MUST CONDUCT AND COMPLETE AND SUBMIT THE AUDIT TO THE BOARD AND TO THE JOINT
12 LEGISLATIVE AUDIT COMMITTEE FOUR HUNDRED TWENTY MONTHS AFTER THE DATE OF THE
13 INITIAL ISSUE OF BONDS AUTHORIZED BY SECTION 48-6673. THE AUDITOR GENERAL
14 SHALL PROVIDE COPIES OF THE AUDIT TO THE SECRETARY OF STATE, THE ARIZONA
15 STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS AND THE DIRECTOR OF THE
16 LEGISLATIVE COUNCIL.

17 B. SIXTY MONTHS AFTER THE DATE THE PERFORMANCE AUDIT IS DELIVERED TO
18 THE JOINT LEGISLATIVE AUDIT COMMITTEE UNDER SUBSECTION A OF THIS SECTION:

19 1. THE DISTRICT TERMINATES FOR ALL PURPOSES. BEFORE THE TERMINATION,
20 THE BOARD OF DIRECTORS SHALL:

21 (a) WIND UP AND LIQUIDATE THE BUSINESS AND AFFAIRS OF THE DISTRICT.

22 (b) SELL ALL DISTRICT PROPERTY AND OTHER ASSETS TO THE HIGHEST AND
23 BEST BIDDER OR BIDDERS AT PUBLIC AUCTION. THE PROCEEDS OF THE AUCTION SHALL
24 BE USED TO RETIRE ALL OUTSTANDING DISTRICT OBLIGATIONS, AND ANY REMAINING
25 PROCEEDS SHALL BE TRANSFERRED TO THE STATE TREASURER FOR CREDIT TO THE STATE
26 GENERAL FUND.

27 2. THIS CHAPTER IS REPEALED. THE BOARD OF DIRECTORS SHALL NOTIFY THE
28 DIRECTOR OF THE LEGISLATIVE COUNCIL OF THE DATE OF THE REPEAL.

29 ARTICLE 2. OPERATIONS

30 48-6631. Constructing and maintaining regional attraction venue

31 A. THE DISTRICT SHALL PROVIDE FOR THE CONSTRUCTION, FINANCING, USE,
32 FURNISHING, IMPROVEMENT, OPERATION, MARKETING, PROMOTION AND MAINTENANCE OF A
33 REGIONAL ATTRACTION VENUE IN THE CITY PARTICIPATING IN ESTABLISHING THE
34 DISTRICT. THE DISTRICT SHALL OWN ALL INFRASTRUCTURE IT CONSTRUCTS, SUBJECT
35 ONLY TO LIENS AND OTHER SECURITY INTERESTS OF RECORD. THE DISTRICT MAY
36 CONSTRUCT THE PORTIONS OF THE REGIONAL ATTRACTION VENUE OWNED BY THE DISTRICT
37 ON REAL PROPERTY OWNED OR LEASED BY THE DISTRICT.

38 B. TITLE 34 APPLIES TO THE DISTRICT, EXCEPT THAT NOTWITHSTANDING TITLE
39 41, CHAPTER 23, THE DISTRICT MAY USE ALTERNATIVE SYSTEMS AND PROCEDURES,
40 INCLUDING DESIGN-BUILD CONSTRUCTION AND QUALIFICATIONS-BASED SELECTION OF
41 CONTRACTORS, EITHER BY DIRECT SELECTION OR BY PUBLIC COMPETITION, TO EXPEDITE
42 THE DESIGN AND CONSTRUCTION OF ANY OF ITS FACILITIES OR STRUCTURES OR ANY
43 FACILITIES OR STRUCTURES LEASED TO IT OR USED BY IT PURSUANT TO AN
44 INTERGOVERNMENTAL AGREEMENT. FOR THE PURPOSES OF THIS SUBSECTION:

1 1. "DESIGN-BUILD" MEANS A PROCESS OF ENTERING INTO AND MANAGING A
2 CONTRACT BETWEEN THE DISTRICT AND ANOTHER PARTY IN WHICH THE OTHER PARTY
3 AGREES TO BOTH DESIGN AND BUILD ANY STRUCTURE, FACILITY OR OTHER ITEMS
4 SPECIFIED IN THE CONTRACT.

5 2. "QUALIFICATIONS-BASED SELECTION" MEANS A PROCESS OF ENTERING INTO
6 AND MANAGING A CONTRACT BETWEEN THE DISTRICT AND ANOTHER PARTY IN WHICH THE
7 OTHER PARTY IS SELECTED BY THE DISTRICT ON THE BASIS OF THE PARTY'S
8 QUALIFICATIONS AND EXPERIENCE IN DESIGNING OR CONSTRUCTING FACILITIES,
9 STRUCTURES OR OTHER ITEMS SIMILAR TO THOSE THE DISTRICT IS AUTHORIZED TO
10 CONSTRUCT OR LEASE.

11 48-6632. Operational powers and duties of district

12 A. THE DISTRICT, THROUGH THE BOARD OF DIRECTORS, SHALL:

13 1. NEGOTIATE AND ENTER INTO AGREEMENTS WITH DEVELOPERS, CONTRACTORS
14 AND ARCHITECTS FOR THE CONSTRUCTION OF ANY PORTION OF THE REGIONAL ATTRACTION
15 VENUE, UNLESS AN ARCHITECT WILL BE EMPLOYED DIRECTLY BY A CONTRACTOR.

16 2. REVIEW CONSTRUCTION CHANGE ORDER REQUESTS.

17 3. ARRANGE FOR CAPITAL FINANCING, AS NEEDED.

18 4. WORK WITH THE USERS, CONTRACTORS AND ARCHITECTS TO PREPARE AND
19 MAINTAIN A THEMED DESIGN FOR THE REGIONAL ATTRACTION VENUE.

20 5. PREPARE CONSTRUCTION BUDGETS AND SCHEDULES.

21 6. NEGOTIATE AND ENTER INTO USE AGREEMENTS WITH PARTIES THAT OCCUPY
22 AND USE THE REGIONAL ATTRACTION VENUE.

23 7. PREPARE THE ANNUAL OPERATING BUDGET FOR THE DISTRICT PURSUANT TO
24 SECTION 48-6651.

25 8. USE EXCISE TAX REVENUES PAID TO THE DISTRICT PURSUANT TO SECTION
26 48-6654 AND OTHER REVENUES THE DISTRICT MAY RECEIVE FROM OTHER SOURCES FOR
27 THE PURPOSES SET FORTH IN SECTION 48-6631, SUBSECTION A.

28 9. PLEDGE ALL OR PART OF EXCISE TAX REVENUES PAID TO THE DISTRICT
29 PURSUANT TO SECTION 48-6654 AND OTHER REVENUES THE DISTRICT MAY RECEIVE FROM
30 OTHER SOURCES TO SECURE THE DISTRICT'S BONDS OR OTHER FINANCIAL OBLIGATIONS
31 UNDER ARTICLE 4 OF THIS CHAPTER.

32 10. ENTER INTO CONTRACTS FOR THE USE, MANAGEMENT, OPERATION,
33 MAINTENANCE, RECONSTRUCTION AND IMPROVEMENT OF THE DISTRICT'S FACILITIES.

34 11. TAKE ANY OTHER ACTIONS THAT ARE NECESSARY TO ENSURE THAT THE
35 DISTRICT'S FACILITIES ARE:

36 (a) CONSTRUCTED, MANAGED, OPERATED, MAINTAINED AND IMPROVED ACCORDING
37 TO SCHEDULE AND BUDGET.

38 (b) OCCUPIED AND USED ACCORDING TO THE USE AGREEMENTS.

39 B. THE DISTRICT, THROUGH THE BOARD OF DIRECTORS, MAY:

40 1. LEASE ANY OF ITS FACILITIES TO USERS, CHARGE AND COLLECT RENT FROM
41 LESSEES AND TERMINATE ANY LEASE ON THE FAILURE OF THE LESSEE TO COMPLY WITH
42 THE OBLIGATIONS OF THE LEASE.

43 2. EMPLOY OR CONTRACT FOR PROFESSIONAL AND OTHER SERVICES AS NECESSARY
44 FOR FINANCING, CONSTRUCTING AND OPERATING THE REGIONAL ATTRACTION VENUE AND

1 ANY ON-SITE OR OFF-SITE IMPROVEMENTS AND FACILITIES USED IN CONNECTION WITH
2 THE VENUE.

3 3. ENTER INTO CAPITAL AND OPERATING FINANCING AGREEMENTS.

4 4. DO ANY OTHER ACT THAT IS NECESSARY OR APPROPRIATE TO CARRY OUT ITS
5 PURPOSES.

6 C. THE DISTRICT SHALL NOT OPERATE THE REGIONAL ATTRACTION VENUE OR ANY
7 IMPROVEMENT OR FACILITY LOCATED IN THE DISTRICT AS A BUSINESS, OTHER THAN AS
8 A LESSOR.

9 48-6633. Relations with owners of real property

10 A. THE DISTRICT MAY LOCATE ANY OF ITS FACILITIES ON REAL PROPERTY
11 LEASED FROM ONE OR MORE PUBLIC OR PRIVATE OWNERS.

12 B. THE DISTRICT MAY NEGOTIATE AGREEMENTS, INCLUDING INTERGOVERNMENTAL
13 AGREEMENTS PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3, WITH THE OWNER
14 CONCERNING THE REAL PROPERTY, INFRASTRUCTURE AND PARKING TO BE PROVIDED BY
15 THE OWNER. THE DISTRICT SHALL REQUIRE ASSURANCE THAT THE OWNER HAS THE
16 FINANCIAL CAPABILITY TO PERFORM ITS OBLIGATIONS UNDER ANY AGREEMENT WITH THE
17 DISTRICT. IN ADDITION, THE OWNER MUST AGREE IN WRITING TO:

18 1. INDEMNIFY AND HOLD THE DISTRICT HARMLESS FROM ANY LIABILITY TO THE
19 EXTENT RESULTING FROM THE NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OF THE
20 OWNER OR ITS REPRESENTATIVES, AGENTS OR EMPLOYEES RESULTING FROM ANY ACCESS
21 WAYS PROVIDED BY THE OWNER AND REASONABLY USED BY THE PUBLIC FOR INGRESS AND
22 EGRESS TO THE LAND, INFRASTRUCTURE AND PARKING FACILITIES PROVIDED BY THE
23 OWNER FOR USE IN CONNECTION WITH THE REGIONAL ATTRACTION VENUE.

24 2. MAINTAIN INSURANCE OR AN ADEQUATE SELF-INSURANCE PLAN FOR ANY
25 LIABILITY OF THE OWNER.

26 48-6634. Quarterly report; appearance before joint legislative
27 budget committee

28 A. WITHIN THREE WEEKS AFTER THE END OF EACH CALENDAR QUARTER, THE
29 DISTRICT SHALL PREPARE A REPORT SIGNED BY THE CHAIRPERSON OF THE BOARD OF
30 DIRECTORS AND TRANSMIT THE REPORT TO THE GOVERNOR, THE LEGISLATURE, AS
31 PROVIDED BY SECTION 41-1178, AND THE JOINT LEGISLATIVE BUDGET COMMITTEE. THE
32 REPORT SHALL INCLUDE A PROGRESS REPORT OF THE ACTIVITIES OF THE DISTRICT
33 DURING THE PREVIOUS QUARTER.

34 B. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT LEGISLATIVE BUDGET
35 COMMITTEE, THE CHAIRPERSON OF THE DISTRICT BOARD OF DIRECTORS, OR THE
36 CHAIRPERSON'S DESIGNEE, SHALL APPEAR BEFORE THE JOINT LEGISLATIVE BUDGET
37 COMMITTEE ANNUALLY TO REPORT ON THE ACTIVITIES AND FINANCIAL PERFORMANCE OF
38 THE DISTRICT DURING THE PREVIOUS YEAR.

39 48-6635. Regulating sale, use and consumption of alcoholic
40 beverages

41 SUBJECT TO THE REQUIREMENTS OF TITLE 4, THE BOARD MAY PERMIT, PROHIBIT
42 OR REGULATE THE SALE, USE AND CONSUMPTION OF ALCOHOLIC BEVERAGES ON PROPERTY
43 OWNED, LEASED OR SUBLEASED BY THE DISTRICT UNDER THIS CHAPTER.

1 48-6636. Gambling prohibited in district
2 GAMBLING PURSUANT TO TITLE 5, CHAPTERS 4, 5 AND 6 SHALL NOT BE ALLOWED
3 WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT.

4 ARTICLE 3. FINANCIAL PROVISIONS

5 48-6651. Annual budget

6 A. ON OR BEFORE JUNE 30 OF EACH YEAR, THE BOARD SHALL HOLD A PUBLIC
7 HEARING TO ADOPT A BUDGET FOR THE FOLLOWING FISCAL YEAR THAT INCLUDES:

- 8 1. DISTRICT RECEIPTS DURING THE PRECEDING FISCAL YEAR.
9 2. DISTRICT EXPENDITURES DURING THE PRECEDING FISCAL YEAR.
10 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
11 FISCAL YEAR, INCLUDING AMOUNTS PROPOSED FOR:

12 (a) COSTS OF PLANNING, CONSTRUCTING, FINANCING AND MAINTAINING THE
13 DISTRICT'S FACILITIES.

14 (b) ADMINISTRATIVE COSTS OF THE DISTRICT.

15 4. ANTICIPATED REVENUE TO THE DISTRICT FROM EACH SOURCE IN THE
16 FOLLOWING FISCAL YEAR.

17 5. A COMPLETE ASSET AND LIABILITY STATEMENT.

18 6. A STATEMENT OF PROFIT OR LOSS.

19 7. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE
20 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.

21 8. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED
22 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.

23 9. A DESCRIPTION OF THE AMOUNT AND NATURE OF PRIVATE FUNDING AND
24 FINANCING COMMITTED TO REGIONAL ATTRACTION VENUE PURPOSES AS REQUIRED BY
25 SECTION 48-6673, SUBSECTION F.

26 B. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

27 48-6652. General fund; investments

28 A. THE DISTRICT SHALL MAINTAIN A GENERAL FUND AND MAY ESTABLISH
29 ACCOUNTS AND SUBACCOUNTS WITHIN THE GENERAL FUND AS NECESSARY AND CONVENIENT.
30 ALL REVENUES AND MONIES RECEIVED BY THE DISTRICT SHALL BE DEPOSITED IN THE
31 GENERAL FUND.

32 B. THE DISTRICT MAY INVEST ANY UNEXPENDED MONIES IN THE FUND AS
33 PROVIDED IN TITLE 35, CHAPTER 2. INTEREST AND OTHER INCOME FROM INVESTMENTS
34 OF MONIES IN ANY ACCOUNT SHALL BE CREDITED TO THAT ACCOUNT EXCEPT AS
35 OTHERWISE PROVIDED BY LAW.

36 C. THE DISTRICT'S INVESTMENTS MUST MATURE WHEN THE FUND ASSETS WILL BE
37 REQUIRED FOR THE PURPOSES OF THIS CHAPTER. IF THE LIQUID ASSETS IN THE FUND
38 BECOME INSUFFICIENT TO MEET THE DISTRICT'S OBLIGATIONS, THE BOARD SHALL
39 DIRECT THE FISCAL AGENT TO LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL OF THE
40 CURRENT OBLIGATIONS AND IMMEDIATELY NOTIFY THE AUDITOR GENERAL OF THE
41 INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE
42 CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND AND REPORT THE FINDINGS
43 TO THE BOARD.

1 48-6653. Construction account
2 A. THE DISTRICT SHALL MAINTAIN A CONSTRUCTION ACCOUNT IN THE GENERAL
3 FUND CONSISTING OF:
4 1. MONIES RECEIVED BY THE DISTRICT FROM ANY SOURCE FOR THE PURPOSE OF
5 ACQUIRING LAND FOR AND FUNDING THE COST OF CONSTRUCTING THE REGIONAL
6 ATTRACTION VENUE.
7 2. PROCEEDS OF BONDS ISSUED BY THE DISTRICT PURSUANT TO ARTICLE 4 OF
8 THIS CHAPTER, WHICH MUST BE HELD IN A SEGREGATED BOND PROCEEDS SUBACCOUNT IN
9 THE CONSTRUCTION ACCOUNT.
10 B. THE DISTRICT MAY SPEND MONIES IN THE CONSTRUCTION ACCOUNT FOR COSTS
11 OF ANY REGIONAL ATTRACTION VENUE PURPOSE AS DEFINED IN SECTION 48-6671.
12 48-6654. Excise tax; administration; expiration
13 A. THE DISTRICT MAY LEVY AN EXCISE TAX ON BUSINESS ACTIVITY IN THE
14 DISTRICT THAT IS SUBJECT TO TAXATION UNDER TITLE 42, CHAPTER 5. THE TAX
15 SHALL BE LEVIED AT A RATE OF NO MORE THAN TEN PER CENT OF THE GROSS PROCEEDS
16 OF SALES OR GROSS INCOME DERIVED FROM THE BUSINESS, INCLUDING ADMISSION AND
17 USER FEES.
18 B. A TAX IMPOSED PURSUANT TO THIS SECTION IS IN ADDITION TO
19 TRANSACTION PRIVILEGE AND USE TAXES IMPOSED BY THIS STATE PURSUANT TO TITLE
20 42, CHAPTER 5 AND ANY COUNTY, CITY, TOWN OR OTHER LOCAL TRANSACTION PRIVILEGE
21 TAX.
22 C. UNLESS THE CONTEXT OTHERWISE REQUIRES, SECTION 42-6102 GOVERNS THE
23 ADMINISTRATION OF THE TAX IMPOSED UNDER THIS SECTION.
24 D. EACH MONTH THE STATE TREASURER SHALL REMIT TO THE DISTRICT THE NET
25 REVENUES COLLECTED UNDER THIS SECTION DURING THE PRECEDING MONTH. THE
26 DISTRICT SHALL DEPOSIT THE MONIES IN THE DISTRICT'S GENERAL FUND.
27 E. THE TAX IMPOSED PURSUANT TO THIS SECTION EXPIRES WHEN ALL BONDS,
28 INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER ARTICLE 4 OF THIS
29 CHAPTER HAVE BEEN PAID. THE DISTRICT SHALL IMMEDIATELY NOTIFY THE DEPARTMENT
30 OF REVENUE WHEN THOSE EXPENSES HAVE BEEN SATISFIED. ANY AMOUNTS COLLECTED
31 AFTER PAYMENT OF THE BONDS, INTEREST AND RELATED CHARGES, AFTER AUDIT BY THE
32 AUDITOR GENERAL, SHALL BE RETAINED BY THE STATE TREASURER AND CREDITED TO THE
33 STATE GENERAL FUND.
34 48-6655. Payments in lieu of property taxes
35 A. THE PROPERTY OF THE DISTRICT IS EXEMPT FROM AD VALOREM PROPERTY
36 TAXES PURSUANT TO ARTICLE IX, SECTION 2, CONSTITUTION OF ARIZONA.
37 B. IN LIEU OF PROPERTY TAXES, THE BOARD:
38 1. MAY PROVIDE FOR VOLUNTARY PAYMENTS OF MONEY TO TAXING JURISDICTIONS
39 IN WHICH THE REGIONAL ATTRACTION VENUE IS LOCATED, BASED ON THE VALUATION OF
40 THE DISTRICT'S PROPERTY IN THE VENUE AS DETERMINED BY THE COUNTY ASSESSOR.
41 2. SHALL PROVIDE FOR PAYMENTS OF MONEY TO TAXING JURISDICTIONS IN
42 WHICH THE DISTRICT IS LOCATED, BASED ON THE VALUATION OF THE DISTRICT'S
43 PROPERTY LOCATED OUTSIDE THE VENUE AS DETERMINED BY THE COUNTY ASSESSOR.
44 C. ON OR BEFORE APRIL 1, THE BOARD SHALL NOTIFY THE COUNTY ASSESSOR OF
45 THE COUNTY IN WHICH THE PROPERTY IS LOCATED OF ITS ELECTION RESPECTING

1 PAYMENTS UNDER SUBSECTION B. THE ASSESSOR SHALL DETERMINE THE ASSESSED
2 VALUATIONS ACCORDING TO THE CLASSIFICATIONS AND STANDARD APPRAISAL METHODS
3 AND TECHNIQUES PRESCRIBED FOR THE PURPOSES OF TITLE 42, CHAPTERS 12 AND 13.

4 D. THE BOARD SHALL MAKE ALL PAYMENTS UNDER THIS SECTION BASED ON THE
5 LEVIES OF THE RESPECTIVE TAXING JURISDICTIONS IN WHICH THE PROPERTY IS
6 LOCATED AS SHOWN ON THE TAX ROLL. THE BOARD SHALL PAY TO THE COUNTY
7 TREASURER ONE-HALF OF THE AMOUNT NOT LATER THAN THE FIRST MONDAY IN NOVEMBER
8 AND THE OTHER ONE-HALF NOT LATER THAN THE FIRST MONDAY IN MAY OF THE NEXT
9 YEAR.

10 E. THE BOARD SHALL MAKE ANY PAYMENTS UNDER THIS SECTION FROM ANY
11 UNRESTRICTED AND UNENCUMBERED MONIES IN THE GENERAL FUND. THE PAYMENTS ARE
12 CONSIDERED TO BE AN OPERATING EXPENSE OF THE DISTRICT.

13 48-6656. Development fees prohibited

14 THE BOARD SHALL NOT LEVY OR ASSESS IMPACT OR DEVELOPMENT FEES OR ANY
15 OTHER ASSESSMENT, HOWEVER DENOMINATED AND FOR ANY PURPOSE, ON THE DEVELOPMENT
16 OF REAL PROPERTY IN THE DISTRICT.

17 48-6657. Reimbursement for county services

18 THE ACTUAL COSTS OF SERVICES PROVIDED BY THE COUNTY TO THE DISTRICT ARE
19 SUBJECT TO REIMBURSEMENT PURSUANT TO SECTION 11-251.06. THE COUNTY SHALL
20 PUBLISH THE PROPOSED REIMBURSEMENT ASSESSMENTS FOR THE FOLLOWING FISCAL YEAR
21 BY JUNE 1 OF THE PRECEDING YEAR.

22 48-6658. Audit

23 A. THE BOARD SHALL CAUSE AN ANNUAL AUDIT TO BE CONDUCTED OF THE
24 DISTRICT'S FUNDS, ACCOUNTS AND SUBACCOUNTS BY AN INDEPENDENT CERTIFIED PUBLIC
25 ACCOUNTANT WITHIN ONE HUNDRED TWENTY DAYS AFTER THE END OF THE FISCAL YEAR.

26 B. THE BOARD SHALL IMMEDIATELY FILE A CERTIFIED COPY OF THE AUDIT WITH
27 THE AUDITOR GENERAL. THE AUDITOR GENERAL MAY MAKE SUCH FURTHER AUDITS AND
28 EXAMINATIONS AS NECESSARY AND MAY TAKE APPROPRIATE ACTION RELATING TO THE
29 AUDIT OR EXAMINATION PURSUANT TO TITLE 41, CHAPTER 7, ARTICLE 10.1. IF THE
30 AUDITOR GENERAL TAKES NO FURTHER ACTION WITHIN THIRTY DAYS AFTER THE AUDIT IS
31 FILED, THE AUDIT IS CONSIDERED TO BE SUFFICIENT.

32 C. THE BOARD SHALL PAY NEGOTIATED AND APPROVED FEES AND COSTS OF THE
33 CERTIFIED PUBLIC ACCOUNTANT AND AUDITOR GENERAL UNDER THIS SECTION.

34 ARTICLE 4. REVENUE BONDS

35 48-6671. Definitions

36 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

37 1. "BOND" MEANS ANY OBLIGATION AUTHORIZED AND ISSUED PURSUANT TO THIS
38 ARTICLE, INCLUDING:

39 (a) BONDS, LEASE-PURCHASE AND INSTALLMENT PURCHASE AGREEMENTS.

40 (b) CERTIFICATES OF PARTICIPATION IN A LEASE-PURCHASE OR INSTALLMENT
41 PURCHASE AGREEMENT.

42 (c) OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED TO REFUND OR REFINANCE
43 OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED PURSUANT TO THIS ARTICLE.

44 2. "BOND RELATED EXPENSES" MEANS ANY EXPENSES INCURRED BY THE DISTRICT
45 FOR ISSUING AND ADMINISTERING ITS BONDS, INCLUDING UNDERWRITING FEES AND

1 COSTS, TRUSTEE FEES, FINANCIAL CONSULTANT FEES, PRINTING AND ADVERTISING
2 COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL, ACCOUNTING, FEASIBILITY
3 CONSULTANT AND OTHER PROFESSIONAL FEES AND EXPENSES, CREDIT ENHANCEMENT FEES,
4 ATTORNEY AND ACCOUNTING FEES AND EXPENSES RELATED TO CREDIT ENHANCEMENT, BOND
5 INSURANCE OR LIQUIDITY ENHANCEMENT, REMARKETING FEES, RATING AGENCY FEES AND
6 COSTS, TRAVEL AND TELEPHONE EXPENSES AND ALL OTHER FEES CONSIDERED NECESSARY
7 BY THE DISTRICT IN ORDER TO MARKET AND ADMINISTER THE BONDS.

8 3. "REGIONAL ATTRACTION VENUE PURPOSE" INCLUDES:

9 (a) THE CAPITAL COSTS OF ACQUIRING, DESIGNING, DEVELOPING,
10 CONSTRUCTING, RECONSTRUCTING, EQUIPPING, FURNISHING, REPAIRING, MAINTAINING
11 AND IMPROVING REGIONAL ATTRACTION VENUE FACILITIES, DIRECTLY RELATED
12 IMPROVEMENTS AND PUBLIC INFRASTRUCTURE, EXCEPT AS OTHERWISE LIMITED BY THIS
13 ARTICLE. FOR THE PURPOSES OF THIS SUBDIVISION, "PUBLIC INFRASTRUCTURE" MEANS
14 CAPITAL IMPROVEMENTS THAT WILL DIRECTLY AND PRINCIPALLY BENEFIT THE DISTRICT
15 AND INCLUDES:

16 (i) SANITARY SEWAGE SYSTEMS.

17 (ii) DRAINAGE AND FLOOD CONTROL SYSTEMS.

18 (iii) WATER SYSTEMS.

19 (iv) HIGHWAYS, STREETS, ROADWAYS AND PARKING FACILITIES, INCLUDING
20 ACCESS, INGRESS, EGRESS AND PARKING.

21 (v) PEDESTRIAN AND OTHER NONMOTORIZED FACILITIES FOR ACCESS, INGRESS,
22 EGRESS AND PARKING.

23 (vi) LANDSCAPING.

24 (vii) PUBLIC BUILDINGS AND PUBLIC SAFETY AND FIRE PROTECTION
25 FACILITIES.

26 (viii) LIGHTING SYSTEMS.

27 (ix) TRAFFIC CONTROL SYSTEMS, SIGNALS, CONTROLS, MARKINGS AND SIGNAGE.

28 (b) THE PAYMENT OF BONDS.

29 (c) BOND RELATED EXPENSES.

30 48-6672. Obligation for the bonds

31 BONDS ISSUED UNDER THIS ARTICLE:

32 1. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.

33 2. ARE OBLIGATIONS OF THE DISTRICT.

34 3. ARE NOT GENERAL, SPECIAL OR OTHER OBLIGATIONS OF THIS STATE, OR OF
35 THE CITY OR COUNTY IN WHICH THE DISTRICT IS LOCATED. THE MEMBERS OF THE
36 BOARD AND PERSONS WHO EXECUTE THE BONDS ARE NOT PERSONALLY LIABLE FOR PAYMENT
37 OF THE BONDS.

38 4. DO NOT CONSTITUTE A DEBT OF THIS STATE OR OF THE CITY OR COUNTY IN
39 WHICH THE DISTRICT IS LOCATED.

40 5. ARE NOT ENFORCEABLE AGAINST THIS STATE. PAYMENT OF THE BONDS IS
41 ENFORCEABLE ONLY OUT OF ANY MONIES OR ASSETS OF THE DISTRICT SPECIFICALLY
42 PLEDGED AND ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS
43 OF THE BONDS.

1 48-6673. Authorization of bonds

2 A. SUBJECT TO SUBSECTIONS F AND G OF THIS SECTION, THE DISTRICT MAY
3 ISSUE BONDS PURSUANT TO THIS ARTICLE IN A PRINCIPAL AMOUNT THAT IS NECESSARY
4 TO:

5 1. PROVIDE SUFFICIENT MONIES FOR ANY REGIONAL ATTRACTION VENUE
6 PURPOSES, EXCEPT THAT NOT MORE THAN ONE-FOURTH OF THE CAPITAL FACILITIES THAT
7 ARE FINANCED WITH BOND PROCEEDS, MEASURED BY SQUARE FOOTAGE, MAY BE USED FOR
8 RETAIL SALES OF TANGIBLE PERSONAL PROPERTY. FOR THE PURPOSES OF THIS
9 PARAGRAPH, "RETAIL SALES" MEANS THE SALE OF TANGIBLE PERSONAL PROPERTY TO AN
10 ULTIMATE CONSUMER AS PROVIDED BY SECTION 42-5061. RETAIL SALES DO NOT
11 INCLUDE:

12 (a) SALES OF FOOD AND BEVERAGES FOR CONSUMPTION ON THE PREMISES OF THE
13 VENUE.

14 (b) THE DISTRIBUTION WITHOUT CHARGE OF PROMOTIONAL PRODUCTS THAT
15 DISPLAY LOGOS OR TRADEMARKS USED AT THE VENUE.

16 (c) SALES SOLELY TO EMPLOYEES OF THE REGIONAL ATTRACTION VENUE.

17 2. ESTABLISH AND FULLY OR PARTIALLY FUND ANY REQUIRED RESERVES OR
18 SINKING ACCOUNTS.

19 3. ISSUE REFUNDING BONDS TO REFUND BONDS ISSUED BY THE DISTRICT IF THE
20 BOARD CONSIDERS REFUNDING TO BE EXPEDIENT. THE BOARD MAY PROVIDE FOR
21 INVESTING AND HOLDING THE PROCEEDS OF THE REFUNDING BONDS IN TRUST FOR THE
22 BENEFIT OF THE HOLDERS OF THE BONDS BEING REFUNDED.

23 B. BONDS ISSUED BY ALL DISTRICTS ESTABLISHED PURSUANT TO THIS ARTICLE
24 SHALL NOT EXCEED A CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT OF SEVEN HUNDRED
25 FIFTY MILLION DOLLARS, EXCEPT FOR REFUNDING BONDS AND OTHER BONDS ISSUED TO
26 REFUND OUTSTANDING BONDS OF THE DISTRICT.

27 C. THE BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE RESOLUTION
28 SHALL PRESCRIBE:

29 1. THE DISTRICT'S REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED TO
30 SECURE THE BONDS.

31 2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE, THE
32 DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF THE
33 BONDS.

34 3. THE DATE OR DATES OF THE BONDS AND MATURITY, WHICH SHALL BE WITHIN
35 THIRTY YEARS AFTER THE DATE OF ISSUANCE.

36 4. THE MANNER OF EXECUTING THE BONDS.

37 5. THE MEDIUM AND PLACE OF PAYMENT.

38 6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR EARLY
39 REDEMPTION.

40 D. ALL BONDS ISSUED BY THE DISTRICT, INCLUDING ANY REFUNDING BONDS OR
41 OTHER REFINANCING OBLIGATIONS OF THE DISTRICT, MUST MATURE AND BE PAYABLE
42 WITHIN FOUR HUNDRED EIGHTY MONTHS AFTER THE DATE OF THE INITIAL ISSUE OF
43 BONDS UNDER THIS ARTICLE.

1 E. ANY PUBLICLY OFFERED BONDS MUST BE FULLY INSURED OR GUARANTEED AS
2 TO TIMELY PAYMENT OF PRINCIPAL AND INTEREST BY A FINANCIAL INSTITUTION RATED
3 "AA" OR BETTER BY A NATIONALLY RECOGNIZED RATING AGENCY.

4 F. THE BOARD SHALL NOT ISSUE BONDS UNDER THIS ARTICLE UNLESS IT
5 RECEIVES LEGALLY ENFORCEABLE FINANCIAL PARTICIPATION COMMITMENTS FROM PRIVATE
6 NONGOVERNMENTAL ENTITIES FOR REGIONAL ATTRACTION VENUE PURPOSES IN THE AMOUNT
7 OF AT LEAST ONE HUNDRED MILLION DOLLARS. REPAYMENT OF THE PRIVATE FINANCIAL
8 PARTICIPATION RECEIVED UNDER THIS SUBSECTION IS NOT A REGIONAL ATTRACTION
9 VENUE PURPOSE FOR WHICH BOND REVENUES MAY BE EXPENDED. BOND REVENUES SHALL
10 NOT BE USED DIRECTLY OR INDIRECTLY TO REPAY OR OTHERWISE REFUND IN ANY MANNER
11 PRIVATE FINANCIAL PARTICIPATION AMOUNTS RECEIVED BY THE DISTRICT UNDER THIS
12 SUBSECTION.

13 48-6674. Issuance and sale of bonds

14 A. THE BOARD SHALL ISSUE THE BONDS IN THE NUMBER AND AMOUNT PROVIDED
15 IN THE RESOLUTION. THE BOARD SHALL PROVIDE NOTICE OF ITS INTENTION TO ISSUE
16 BONDS IN A MANNER CONSISTENT WITH MARKET PRACTICE.

17 B. THE BONDS MAY BE SOLD BY COMPETITIVE PUBLIC SALE, THROUGH AN ONLINE
18 BIDDING PROCESS OR AT NEGOTIATED SALE FOR PUBLIC OR PRIVATE OFFERING AT THE
19 PRICE AND ON THE TERMS PRESCRIBED IN THE RESOLUTION. FOR THE PURPOSES OF
20 THIS SUBSECTION, "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT PROCESS IN
21 WHICH THE BOARD RECEIVES BIDS ELECTRONICALLY OVER THE INTERNET IN A
22 REAL-TIME, COMPETITIVE BIDDING EVENT.

23 C. THE PROCEEDS FROM THE SALE OF THE BONDS SHALL BE DEPOSITED IN THE
24 BOND PROCEEDS ACCOUNT ESTABLISHED PURSUANT TO SECTION 48-6675.

25 D. TITLE 35, CHAPTER 3, ARTICLE 7 APPLIES TO THE BOARD AND TO BONDS
26 ISSUED UNDER THIS ARTICLE.

27 48-6675. Bond proceeds account

28 A. IF THE DISTRICT ISSUES BONDS UNDER THIS ARTICLE, THE BOARD SHALL
29 ESTABLISH A BOND PROCEEDS ACCOUNT WITHIN THE GENERAL FUND CONSISTING OF
30 MONIES RECEIVED FROM THE SALE OF THE BONDS.

31 B. THE DISTRICT MAY USE MONIES IN THE BOND PROCEEDS ACCOUNT ONLY FOR
32 REGIONAL ATTRACTION VENUE PURPOSES IN THE MANNER PRESCRIBED BY THIS CHAPTER.

33 C. THE FISCAL AGENT OF THE DISTRICT SHALL ADMINISTER AND ACCOUNT FOR
34 THE BOND PROCEEDS ACCOUNT.

35 48-6676. Debt service account

36 A. IF THE DISTRICT ISSUES BONDS UNDER THIS ARTICLE, THE BOARD SHALL
37 ESTABLISH A DEBT SERVICE ACCOUNT WITHIN THE GENERAL FUND CONSISTING OF MONIES
38 DESIGNATED AND DEDICATED BY THE BOARD FOR REPAYMENT OF THE BONDS AND PAYMENT
39 OF COSTS AND RELATED EXPENSES ASSOCIATED WITH REDEEMING THE BONDS.

40 B. MONIES IN THE DEBT SERVICE ACCOUNT MAY BE USED ONLY FOR THE
41 PURPOSES AUTHORIZED BY THIS ARTICLE.

42 C. THE FISCAL AGENT OF THE DISTRICT SHALL ADMINISTER AND ACCOUNT FOR
43 THE DEBT SERVICE ACCOUNT.

1 48-6677. Securing principal and interest
2 IN CONNECTION WITH ISSUING BONDS AUTHORIZED BY THIS ARTICLE AND TO
3 SECURE THE PRINCIPAL AND INTEREST ON THE BONDS, THE BOARD BY RESOLUTION MAY:
4 1. PLEDGE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS ALL
5 OR PART OF THE REVENUES AND OTHER MONIES RECEIVED BY THE DISTRICT AND
6 DEPOSITED IN THE GENERAL FUND OR ANY ACCOUNT OR SUBACCOUNT OF THE GENERAL
7 FUND.
8 2. PLEDGE AND ASSIGN TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR
9 HOLDERS OF THE BONDS ALL OR PART OF THE MONIES IN THE DEBT SERVICE ACCOUNT OR
10 ANY OTHER ACCOUNT OR SUBACCOUNT AS NECESSARY TO SECURE AND PAY THE PRINCIPAL,
11 THE INTEREST AND ANY PREMIUM ON THE BONDS AS THEY COME DUE.
12 3. SEGREGATE THE DEBT SERVICE ACCOUNT INTO ONE OR MORE SUBACCOUNTS AND
13 PROVIDE THAT BONDS ISSUED UNDER THIS ARTICLE MAY BE SECURED BY A LIEN ON ALL
14 OR PART OF THE MONIES PAID INTO THE DEBT SERVICE ACCOUNT OR INTO ANY
15 SUBACCOUNT IN THE DEBT SERVICE ACCOUNT.
16 4. ESTABLISH PRIORITIES AMONG BONDHOLDERS BASED ON CRITERIA ADOPTED BY
17 THE BOARD.
18 5. SET ASIDE, REGULATE AND DISPOSE OF RESERVES AND SINKING ACCOUNTS.
19 6. PRESCRIBE THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT
20 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS THE HOLDERS
21 OF WHICH MUST CONSENT TO AND THE MANNER IN WHICH THE CONSENT MAY BE GIVEN.
22 7. PROVIDE FOR PAYMENT OF BOND RELATED EXPENSES FROM THE PROCEEDS OF
23 THE SALE OF THE BONDS OR OTHER REVENUES AVAILABLE TO THE BOARD.
24 8. PROVIDE FOR THE SERVICES OF TRUSTEES, COTRUSTEES, AGENTS AND
25 CONSULTANTS AND OTHER SPECIALIZED SERVICES WITH RESPECT TO THE BONDS.
26 9. TAKE ANY OTHER ACTION THAT IN ANY WAY MAY ENHANCE THE SECURITY AND
27 PROTECTION OF THE BONDS OR INTEREST ON THE BONDS.
28 48-6678. Lien of pledge
29 A. ANY PLEDGE MADE UNDER THIS ARTICLE IS VALID AND BINDING FROM THE
30 TIME WHEN THE PLEDGE IS MADE.
31 B. THE MONIES PLEDGED TO THE HOLDERS OF THE BONDS AND RECEIVED BY THE
32 DISTRICT FOR PLACEMENT IN THE DEBT SERVICE ACCOUNT ARE IMMEDIATELY SUBJECT TO
33 THE LIEN OF THE PLEDGE WITHOUT ANY FURTHER ACT. ANY LIEN OF ANY PLEDGE IS
34 VALID AND BINDING AGAINST ALL PARTIES WHO HAVE CLAIMS OF ANY KIND AGAINST THE
35 DISTRICT, REGARDLESS OF WHETHER THE PARTIES HAVE NOTICE OF THE LIEN. THE
36 OFFICIAL RESOLUTION OR ANY INSTRUMENT BY WHICH THIS PLEDGE IS CREATED, WHEN
37 ADOPTED BY THE BOARD, IS NOTICE TO ALL CONCERNED OF THE CREATION OF THE
38 PLEDGE, AND THOSE INSTRUMENTS NEED NOT BE RECORDED IN ANY OTHER PLACE TO
39 PERFECT THE PLEDGE.
40 48-6679. Bond purchase for cancellation
41 THE BOARD MAY PURCHASE BONDS FOR CANCELLATION, USING ANY AVAILABLE
42 MONIES, AT A PRICE NOT EXCEEDING THE FOLLOWING:
43 1. IF THE BONDS ARE REDEEMABLE AT THE TIME OF PURCHASE, THE APPLICABLE
44 REDEMPTION PRICE PLUS ACCRUED INTEREST TO THE NEXT INTEREST PAYMENT DATE.

1 2. IF THE BONDS ARE NOT REDEEMABLE AT THE TIME OF PURCHASE, THE
2 APPLICABLE REDEMPTION PRICE ON THE FIRST DATE AFTER PURCHASE ON WHICH THE
3 BONDS BECOME SUBJECT TO REDEMPTION PLUS ACCRUED INTEREST TO THAT DATE.

4 48-6680. Payment of bonds

5 A. THE BONDS SHALL BE PAID SOLELY FROM MONIES IN THE DEBT SERVICE
6 ACCOUNT.

7 B. THE MEMBERS OF THE BOARD AND ANY PERSONS WHO EXECUTE THE BONDS ARE
8 NOT PERSONALLY LIABLE FOR THE PAYMENT OF THE BONDS.

9 C. THE FISCAL AGENT OF THE DISTRICT SHALL CANCEL ALL BONDS WHEN PAID.

10 48-6681. Use of surplus monies

11 A. IF A BALANCE REMAINS IN THE BOND PROCEEDS ACCOUNT AFTER ALL
12 ACQUISITION, CONSTRUCTION AND RELATED COSTS HAVE BEEN PAID:

13 1. THE BOARD SHALL CREDIT THE BALANCE TO REPAY ANY OTHER OUTSTANDING
14 INDEBTEDNESS OF THE DISTRICT.

15 2. IF THE DISTRICT HAS NO OUTSTANDING INDEBTEDNESS, THE BOARD SHALL
16 CREDIT THE REMAINING BALANCE TO THE DISTRICT'S GENERAL FUND.

17 B. IF A BALANCE REMAINS IN THE DEBT SERVICE ACCOUNT AFTER PAYMENT OF
18 ALL BONDS, INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER THIS
19 ARTICLE, THE BOARD SHALL CREDIT THE BALANCE TO THE GENERAL FUND.

20 48-6682. Investment of monies in the bond proceeds account

21 A. THE BOARD MAY AUTHORIZE THE DISTRICT FISCAL AGENT TO INVEST MONIES
22 IN THE BOND PROCEEDS ACCOUNT IN THE MANNER PRESCRIBED BY SECTION 48-6684.

23 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
24 PROCEEDS FROM THE SALE OF THE BONDS WILL BE NEEDED FOR USE, AND THE FISCAL
25 AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO MATURE ON OR BEFORE THE
26 SPECIFIED DATE.

27 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
28 INVESTMENT OF THE MONIES IN THE BOND PROCEEDS ACCOUNT SHALL BE CREDITED TO
29 THE BOND PROCEEDS ACCOUNT.

30 48-6683. Investment of monies in the debt service account

31 A. THE BOARD MAY AUTHORIZE THE DISTRICT FISCAL AGENT TO INVEST AND
32 REINVEST ANY MONIES IN THE DEBT SERVICE ACCOUNT AS PROVIDED BY SECTION
33 48-6684.

34 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
35 MONIES AND OTHER RESOURCES IN THE DEBT SERVICE ACCOUNT WILL BE NEEDED FOR
36 USE, AND THE FISCAL AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO
37 MATURE ON OR BEFORE THE SPECIFIED DATE.

38 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
39 INVESTMENT OF THE MONIES IN THE DEBT SERVICE ACCOUNT SHALL BE CREDITED TO THE
40 DISTRICT'S GENERAL FUND.

41 48-6684. Authorized investments of monies

42 A. THE MONIES IN EITHER THE BOND PROCEEDS ACCOUNT OR THE DEBT SERVICE
43 ACCOUNT MAY BE INVESTED AND REINVESTED AT THE DIRECTION OF THE BOARD IN ANY
44 OF THE FOLLOWING:

1 ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING
2 ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER PERSONS WHO ARE
3 AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY PROPERLY AND LEGALLY
4 INVEST.

5 2. ARE SECURITIES THAT MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES
6 OF THIS STATE AND MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE FOR
7 PURPOSES THAT REQUIRE THE DEPOSIT OF GOVERNMENT BONDS OR OBLIGATIONS.

8 48-6687. Effect of changing circumstances on bonds; agreement
9 of state

10 A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING
11 OBLIGATIONS OF THE DISTRICT NOTWITHSTANDING THAT BEFORE THE DELIVERY OF THE
12 BONDS ANY PERSON WHOSE SIGNATURE APPEARS ON THE BONDS CEASES TO BE AN OFFICER
13 OF THE DISTRICT.

14 B. AN AMENDMENT OF ANY PROVISION IN THIS CHAPTER DOES NOT DIMINISH OR
15 IMPAIR THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE OR THE REMEDIES AND
16 RIGHTS OF BONDHOLDERS.

17 C. THIS STATE PLEDGES TO AND AGREES WITH THE HOLDERS OF THE BONDS
18 AUTHORIZED BY THIS ARTICLE THAT THIS STATE WILL NOT LIMIT, ALTER OR IMPAIR
19 THE RIGHTS VESTED IN THE DISTRICT TO RECEIVE THE MONIES NECESSARY TO FULFILL
20 THE TERMS OF ANY AGREEMENTS MADE WITH THE HOLDERS OF THE BONDS, OR IN ANY WAY
21 IMPAIR THE RIGHTS AND REMEDIES OF THE BONDHOLDERS, UNTIL ALL BONDS ISSUED
22 UNDER THIS ARTICLE, TOGETHER WITH INTEREST ON THE BONDS, INTEREST ON ANY
23 UNPAID INSTALLMENTS OF PRINCIPAL OR INTEREST AND ALL COSTS AND EXPENSES IN
24 CONNECTION WITH ANY ACTION OR PROCEEDINGS BY OR ON BEHALF OF THE BONDHOLDERS,
25 ARE FULLY MET AND DISCHARGED. THE BOARD, AS AGENT FOR THIS STATE, MAY INCLUDE
26 THIS PLEDGE AND UNDERTAKING IN ITS RESOLUTIONS AND INDENTURES AUTHORIZING AND
27 SECURING ITS BONDS.

28 48-6688. Validity of bonds; legal opinion

29 A. THIS ARTICLE CONSTITUTES FULL AUTHORITY FOR AUTHORIZING AND ISSUING
30 BONDS WITHOUT REFERENCE TO ANY OTHER LAW OF THIS STATE. NO OTHER LAW WITH
31 REGARD TO AUTHORIZING OR ISSUING OBLIGATIONS OR THAT IN ANY WAY IMPEDES OR
32 RESTRICTS PERFORMING THE ACTS AUTHORIZED BY THIS ARTICLE MAY BE CONSTRUED TO
33 APPLY TO ANY PROCEEDINGS TAKEN OR ACTS DONE PURSUANT TO THIS ARTICLE.

34 B. THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE DOES NOT DEPEND ON
35 AND IS NOT AFFECTED BY THE LEGALITY OF ANY PROCEEDING RELATING TO THE
36 ACQUISITION, CONSTRUCTION, IMPROVEMENT, OPERATION OR MAINTENANCE OF A
37 REGIONAL ATTRACTION VENUE FOR WHICH THE BONDS ARE ISSUED.

38 C. THE BOARD MAY SUBMIT ANY BONDS TO BE ISSUED UNDER THIS ARTICLE TO
39 LEGAL COUNSEL AFTER ALL PROCEEDINGS FOR AUTHORIZING THE BONDS HAVE BEEN
40 COMPLETED. ON SUBMISSION THE COUNSEL SHALL EXAMINE AND PASS ON THE VALIDITY
41 OF THE BONDS AND THE REGULARITY OF THE PROCEEDINGS. IF THE PROCEEDINGS
42 COMPLY WITH THIS ARTICLE, AND IF THE BONDS WHEN DELIVERED AND PAID FOR WILL
43 CONSTITUTE BINDING AND LEGAL OBLIGATIONS OF THE DISTRICT, THE COUNSEL SHALL
44 CERTIFY ON THE BACK OF EACH BOND, IN SUBSTANCE, THAT IT IS ISSUED ACCORDING

1 TO THE CONSTITUTION AND LAWS OF THIS STATE AND THAT THE INTEREST ON THE BONDS
2 WILL BE EXEMPT FROM STATE TAXES AS PROVIDED BY LAW.

3 D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT TO
4 THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER SUBSECTION
5 C, CONSTITUTES PRIMA FACIE EVIDENCE OF THE LEGALITY AND VALIDITY OF THE
6 BONDS. FROM AND AFTER THE SALE AND DELIVERY OF THE BONDS, THEY ARE
7 INCONTESTABLE BY THIS STATE OR THE DISTRICT.

8 48-6689. Conditional termination of district; repeal

9 THE DISTRICT TERMINATES FOR ALL PURPOSES AS PROVIDED BY SECTION
10 48-6606, AND THIS CHAPTER IS REPEALED IF THE BOARD FAILS TO ISSUE ANY BONDS
11 UNDER THIS ARTICLE ON OR BEFORE DECEMBER 31, 2015.

APPROVED BY THE GOVERNOR JUNE 27, 2008.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 27, 2008.