

State of Arizona
Senate
Fifty-first Legislature
Second Regular Session
2014

CHAPTER 80
SENATE BILL 1351

AN ACT

AMENDING SECTIONS 48-4202, 48-4203 AND 48-4204, ARIZONA REVISED STATUTES;
RELATING TO STADIUM DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-4202, Arizona Revised Statutes, is amended to
3 read:

4 48-4202. Formation of district

5 A. The board of supervisors of each county having a population of more
6 than one million five hundred thousand persons ~~according to the most recent~~
7 ~~United States decennial census~~ or any county in which a major league baseball
8 organization has established or seeks to establish a spring training
9 operation may organize a countywide district to include both the incorporated
10 and unincorporated areas of the county, if the board determines that the
11 public convenience, necessity or welfare will be promoted by establishing the
12 district.

13 B. Two or more municipalities in the same county may organize a
14 district for multipurpose facilities if the governing bodies of the
15 municipalities determine that the public convenience, necessity or welfare
16 will be promoted by establishing the district. The district shall be
17 ~~comprised~~ COMPOSED of the areas within the corporate boundaries of the
18 municipalities. After formation, the boundaries of the district shall not be
19 altered. A district may be established under this subsection in the same
20 county in which a district is established under subsection A of this section.
21 A district formed pursuant to this subsection shall be deemed a county
22 stadium district for THE purposes of this chapter. Notwithstanding any other
23 law, a district may not be organized under this subsection from and after
24 October 31, 1999, except that a district may be organized under this
25 subsection after October 31, 1999 if before that date the governing body of
26 two or more of the municipalities identified the location of a multipurpose
27 facility site and has voted with the purpose of forming a district for
28 multipurpose facilities under this subsection.

29 C. The board of supervisors of any county in which a state supported
30 university is established may organize a single university athletic
31 facilities district if the board determines that the public convenience,
32 necessity or welfare will be promoted by establishing the district. The
33 district shall include only the area in the county within the contiguous
34 exterior boundaries of real property owned by the Arizona board of regents
35 and shall exclude any such real property subject to an existing ground lease
36 or subject to an existing agreement granting a third party the right or
37 option to a ground lease. After formation, the boundaries of the district
38 shall be altered only as the Arizona board of regents acquires and disposes
39 of real property. A district may be established under this subsection in the
40 same county in which a district is established under subsection A of this
41 section. A district formed pursuant to this subsection is deemed a county
42 stadium district for the purposes of this chapter.

43 D. The county board of supervisors shall be the board of directors of
44 a countywide district established under subsection A of this section.

45 E. The board of directors of a district established under subsection B
46 of this section shall consist of PERSONS WHO ARE RESIDENTS OF THE COUNTY IN

1 WHICH THE DISTRICT IS LOCATED, AT LEAST FOUR OF WHOM MUST RESIDE IN THE
2 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED AND WHO ARE APPOINTED AS
3 FOLLOWS:

4 1. Five members who are appointed by the governor, ~~at least three of~~
5 ~~whom must reside in the municipality in which the district is located and~~
6 each of whom must have experience in commercial real estate, construction,
7 redevelopment, real estate law, architecture, economic development or
8 commercial or public finance. The governor may receive nominations for
9 appointment from any interested organization or person. Members appointed by
10 the governor serve at the pleasure of the governor.

11 2. Two members who are appointed by the president of the senate, ~~at~~
12 ~~least one of whom must reside in the municipality in which the district is~~
13 ~~located.~~ The members appointed by the president serve at the pleasure of the
14 president.

15 3. Two members who are appointed by the speaker of the house of
16 representatives, ~~at least one of whom must reside in the municipality in~~
17 ~~which the district is located.~~ The members appointed by the speaker serve at
18 the pleasure of the speaker.

19 F. The board of directors of a district established under subsection C
20 of this section shall be established pursuant to an intergovernmental
21 agreement between the county and the Arizona board of regents.

22 G. The directors of any district are not eligible for compensation for
23 their services but are eligible for reimbursement for their necessary
24 expenses in attending to and traveling on district business.

25 H. The board of supervisors may pay the necessary costs incurred in
26 connection with establishing a countywide district from any county monies
27 available for that purpose. The municipalities may pay their proportionate
28 share of the necessary costs incurred in establishing a district formed by
29 two or more municipalities under subsection B of this section from any monies
30 available for that purpose. The Arizona board of regents may pay the
31 necessary costs incurred in connection with establishing a district under
32 subsection C of this section from any monies available for that purpose.

33 I. Subject to limitations imposed by this chapter, by
34 intergovernmental agreement and by the ordinance or resolution authorizing
35 the formation of the district, the district is a tax levying public
36 improvement district and a political taxing subdivision of this state and has
37 all the powers, privileges and immunities granted generally to municipal
38 corporations for the purposes of implementing this chapter, including eminent
39 domain, as provided by section 48-4203, subsection A, paragraph 7, and
40 immunity of its property, bonds and interest on and transfer of its bonds
41 from taxation.

42 Sec. 2. Section 48-4203, Arizona Revised Statutes, is amended to read:
43 48-4203. Powers and duties of board of directors; report;
44 conflict of interest

45 A. The board of directors, on behalf of the district, may:

46 1. Adopt and use a corporate seal.

1 2. Sue and be sued.

2 3. Enter into contracts, including intergovernmental agreements under
3 title 11, chapter 7, article 3, as necessary to carry out the purposes and
4 requirements of this chapter. The district may contract with a county sports
5 authority established under title 11, chapter 5 to carry out any power of the
6 district.

7 4. Adopt administrative rules as necessary to administer and operate
8 the district and any property under its jurisdiction.

9 5. Adopt rules that allow weighted voting by board members and
10 establish conditions for terminating the district.

11 6. Employ an executive director and administrative and clerical
12 employees, or contract for other management personnel, and prescribe the
13 terms and conditions of their employment as necessary to carry out the
14 purposes of the district.

15 7. Acquire by any lawful means and operate, maintain, encumber and
16 dispose of real and personal property and interests in property. A district
17 established under section 48-4202, subsection A may acquire real property by
18 eminent domain. A district established under section 48-4202, subsection B
19 shall not acquire real property by eminent domain. A district established
20 under section 48-4202, subsection C shall not acquire or own real property or
21 interests in real property.

22 8. Administer trusts declared or established for the district, receive
23 and hold in trust or otherwise property located in or out of this state and,
24 if not otherwise provided, dispose of the property for the benefit of the
25 district.

26 9. Retain legal counsel and other consultants as necessary to carry
27 out the purposes of the district.

28 B. The board of directors, on behalf of a district established
29 pursuant to section 48-4202, subsection B, may:

30 1. Use revenues paid to the district pursuant to section 42-5031 and
31 other revenues the district may receive from other sources, for the purposes
32 set forth in section 48-4204, subsection B.

33 2. Enter into agreements with developers, contractors, tenants and
34 other users of all or part of a multipurpose facility as determined
35 appropriate.

36 3. Pledge all or part of the revenues described in section 42-5031,
37 subsection B to secure the district's bonds or other financial obligations
38 issued or incurred under this chapter for the construction of all or part of
39 a multipurpose facility.

40 C. The board of directors of a district established pursuant to
41 section 48-4202, subsection B shall provide public outreach and education on
42 the purpose and activities of the district, including:

43 1. Presentations to the governing bodies of the municipalities in the
44 county in which the district is located.

45 2. Presentations to community, civic and business organizations.

1 A. From the taxes and surcharges levied pursuant to article 2 of this
2 chapter for use with respect to major league baseball spring training, the
3 district may acquire land and construct, finance, furnish, maintain, improve,
4 operate, market and promote the use of existing or proposed major league
5 baseball spring training facilities or stadiums and other structures,
6 utilities, roads, parking areas or buildings necessary for full use of the
7 training facilities or stadiums for sports and other purposes and do all
8 things necessary or convenient to accomplish those purposes. The board shall
9 require that any project undertaken by the district include financial
10 participation from the county or municipality in which the project is
11 located, from a private party or from any combination of these entities which
12 equals or exceeds one-half of the amount to be expended or distributed by the
13 district. Capital improvement funds expended at any time after June 1, 1991
14 by a county, municipality or private party for a purpose authorized by this
15 section may be deemed financial participation with respect to any project the
16 district may undertake.

17 B. From the taxes and charges levied or identified pursuant to section
18 48-4237 for use with respect to multipurpose facilities and from other monies
19 lawfully available to the district, the district may acquire land and
20 construct, finance, furnish, maintain, improve, operate, market and promote
21 the use of multipurpose facilities and other structures, utilities, roads,
22 parking areas or buildings necessary for full use of the multipurpose
23 facilities and do all things necessary or convenient to accomplish those
24 purposes. Public funds identified in section 48-4237, including funds
25 distributed pursuant to section 42-5031, may only be used for the components
26 for a multipurpose facility ~~which THAT~~ are owned by the district or ~~which~~
27 ~~THAT~~ are publicly owned, ~~except that monies paid to the district pursuant to~~
28 ~~section 42-5031 may only be used for the following purposes until a notice to~~
29 ~~proceed is issued for a hotel and convention center located on the~~
30 ~~multipurpose facility site~~ OR FOR THE FOLLOWING PURPOSES:

- 31 1. Debt service for bonds issued by the district before January 1,
32 2009.
- 33 2. Contractual obligations incurred by the district before June 1,
34 2009.
- 35 3. Fiduciary, reasonable legal and administrative expenses of the
36 district.
- 37 4. The design and construction of the hotel and convention center
38 located on the multipurpose facility site.

39
40 C. FOR THE PUBLIC FUNDS IDENTIFIED IN SECTION 48-4237, INCLUDING FUNDS
41 DISTRIBUTED PURSUANT TO SECTION 42-5031, AND FROM WHICH THE DISTRICT BOARD
42 HAS PLANNED AN EXPENDITURE OF FIVE HUNDRED THOUSAND DOLLARS OR MORE, THE
43 FOLLOWING APPLY:

- 44 1. EACH DISTRICT BOARD MEMBER SHALL PROVIDE ADVANCE NOTICE OF THE
45 CONSIDERATION OF THE EXPENDITURE BY THE BOARD TO THE PERSON WHO HOLDS THE
46 OFFICE THAT IS RESPONSIBLE FOR THAT BOARD MEMBER'S APPOINTMENT.

1 2. THE NOTICE PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION MUST BE
2 PROVIDED BY REGULAR MAIL DELIVERED TO THE OFFICE THAT IS RESPONSIBLE FOR THAT
3 BOARD MEMBER'S APPOINTMENT AND MAY BE PRECEDED BY ANY OTHER FORM OF NOTICE.
4 THE NOTICE MUST BE PROVIDED AT LEAST TWO WEEKS BEFORE THE DATE OF THE MEETING
5 AND MUST BE POSTED TO THE DISTRICT'S WEBSITE ON THE DAY THE NOTICE IS MAILED.

6 3. THE NOTICE PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION MUST BE
7 ACCOMPANIED BY THE BOARD MEMBER'S WRITTEN STATEMENT AS TO WHETHER THE BOARD
8 MEMBER HAS ANY FINANCIAL INTEREST IN THE SUBJECT OF THE PROPOSED EXPENDITURE
9 BY THE BOARD. THE BOARD MEMBERS' WRITTEN STATEMENTS MAY BE PROVIDED IN A
10 SINGLE DOCUMENT THAT IS PREPARED BY THE BOARD'S ADMINISTRATIVE PERSONNEL BUT
11 MUST BE SIGNED BY THE BOARD MEMBERS AND MUST BE POSTED TO THE DISTRICT'S
12 WEBSITE WITH THE NOTICE PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION.

13 4. THE DISTRICT BOARD MAY NOT ARTIFICIALLY DIVIDE OR FRAGMENT PLANNED
14 EXPENDITURES SO AS TO CIRCUMVENT THE REQUIREMENTS OF THIS SUBSECTION.

15 ~~C.~~ D. A district established pursuant to section 48-4202, subsection
16 B may not use monies distributed pursuant to section 42-5031 for the salaries
17 or compensation of any employee of the municipality in which the district is
18 located.

19 ~~D.~~ E. Pursuant to AN intergovernmental agreement with the Arizona
20 board of regents, from the revenues collected from assessments pursuant to
21 section 48-4235 for use with respect to Arizona board of regents owned
22 intercollegiate athletic facilities, the district may construct, reconstruct,
23 finance, furnish, maintain and improve existing intercollegiate athletic
24 facilities located on Arizona board of regents' property, including
25 utilities, roads, parking areas or buildings necessary for full use of the
26 athletic facilities.

27 ~~E.~~ F. Title 34 applies to the district, except that regardless of the
28 funding source for design and construction of facilities and structures the
29 district may establish alternative systems and procedures, including the use
30 of the design-build method of construction or the use of qualifications-based
31 selection of contractors with experience in stadium design or construction,
32 to expedite the design and construction or reconstruction of any of its
33 facilities or structures or any facilities or structures leased to it or used
34 by it pursuant to an intergovernmental agreement. For the purposes of this
35 subsection:

36 1. "Design-build" means a process of entering into and managing a
37 contract between the district and another party in which the other party
38 agrees to both design and build a structure, a facility or other items
39 specified in the contract.

40 2. "Qualifications-based selection" means a process of entering into
41 and managing a contract between the district and another party in which the
42 other party is selected by the district on the basis of the party's
43 qualifications and experience in designing or constructing facilities,
44 structures or other items similar to those the district is authorized to
45 construct or lease. The other party may be selected by direct selection or
46 by public competition.

