Utah Fairpark Area Investment and Restoration (“UFAIR”) District

Overview of Statutory Provisions

Enacted by H.B. 562 (2024 General Session)

For the meeting of the Utah Fairpark Area Investment and Restoration District board

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What is the UFAIR District?

- A separate and independent governmental entity
- A political subdivision of the state

What are the purposes of the UFAIR District?

- Encourage and facilitate development within the District to provide economic and other benefits to the area, the region, and the state
- Facilitate the development and construction of a stadium and related facilities;
- Facilitate the development and construction of infrastructure to support a stadium and recreational uses;
- Improve areas along the Jordan River; and
- Coordinate with and support the State Fair Park Authority

UFAIR District powers include:

- facilitate and bring about the development of land within the District, including the development of a stadium to house a major league sports team
- enter into contracts
- borrow money and issue bonds
- hire employees, including contract employees and consultants
- provide public safety services within the District
- exercise jurisdiction over development of fair park land, in consultation and cooperation with the State Fair Park Authority
- exercise land use authority on state-owned land within the District

UFAIR District board

- Manages and conducts business of UFAIR District
- Consists of 5 voting members
- Six-year term (except some of initial members)
- Majority of voting members constitutes a quorum
- Majority of voting members may:
  - Appoint a chair and other officers
  - Appoint 2 nonvoting members
- May hire executive director to manage and oversee day-to-day operations

Revenue Sources

Board action required

- 6% energy sales and use tax (Utah Code 10-1-304)
- 3.5% telecommunications license tax (Utah Code 10-1-403)
- 15% accommodations tax (Utah Code 11-70-204)
- 1% transient room tax (Utah Code 59-12-352)
- 1.1% resort communities sales tax (Utah Code 59-12-401)
- .5% additional resort communities sales tax (Utah Code 59-12-402)

Board action not required*

- The state's 4.7% sales tax on transactions within the UFAIR District (Utah Code 59-12-103) (may be used only for stadium development)
- Enhanced property tax revenue (tax increment) from privately owned land (Utah Code 11-70-401) (*board action required for designation resolution)
- Privilege tax (property tax equivalent) on state-owned land (Utah Code 11-70-203)
  - Some of this revenue is divided between the UFAIR District and the State Fair Park Authority
- 1.5% statewide tax on rental vehicles, if major league franchise agreement is secured (Utah Code 59-12-1201) (may be used only for stadium development)

Other funding sources

- Proceeds from UFAIR District bonds
- Proceeds from public infrastructure district (“PID”) bonds, if the District creates a PID
- Loans from fairpark district development fund

Host Municipality (SLC)

- Qualified owner's land subject to municipality's land use authority if the owner and the municipality enter into an agreement by Dec 31, 2024
- Municipality required to provide municipal services to area within the UFAIR District boundary
  - By Dec 31, 2024, the UFAIR District and the host municipality are required to enter into an agreement providing for the District to reimburse the municipality for services provided by the municipality