

RESOLUTION 2025-_____

**A RESOLUTION OF DAVIS COUNTY, UTAH, APPROVING THE LEASE PAYMENT OF LAND
UTILIZED BY THE TOURISM FUND TO THE GENERAL FUND**

WHEREAS, in April 1968, the Davis County Commission called a special election to submit to qualified tax-paying electors of Davis County a bond issuance for a county hospital facility to be paid with property tax revenues generated by a general obligation bond; and

WHEREAS, the general obligation bond passed, and funds were secured for a hospital facility; and

WHEREAS, the County did not utilize all proceeds from the general obligation bonds for building the hospital facility; and

WHEREAS, the remaining proceeds of the general obligation bonds were banked to pay off future debt service; and

WHEREAS, the proceeds from the general obligation bonds yielded excess funds above and beyond the required debt service payments; and

WHEREAS, on June 13, 1988, the Davis County Board of County Commissioners met and authorized certain funds to be transferred from the unappropriated hospital general obligation bond surplus for the purchase of additional property near the Public Safety Complex in Farmington, Utah; and

WHEREAS, in the same meeting, the commission explained “that the property [purchased with the authorized funds] would be available for further expansion of the Public Safety Complex in the future” and that “[i]n the meantime, this property could be used for various other purposes, such as horse arenas and possible fairground site”; and

WHEREAS Farmington City officials have expressed significant opposition to expanding the Public Safety Complex; and

WHEREAS, in 2022, Davis County issued \$50 million in sales tax revenue bonds to be repaid with monies generated from tourism tax dollars to build a regional tourism destination focused on youth sports tourism and recreation on the land purchased with the authorized funds in 1988; and

WHEREAS, in 2022, the County committed another \$20 million in tourism tax dollars to the development of a regional tourism destination focused on youth sports tourism and recreation on the land purchased with the authorized funds in 1988; and

WHEREAS, in 2023, the youth sports tourism project was named the Western Sports Park with completion of construction in the calendar year 2025; and

WHEREAS, the preceding three statements demonstrate Davis County’s current commitment and intent to use the land purchased with the authorized funds in 1988 for tourism-related activities; and

WHEREAS, Utah State Code Section 17-31-2 provides that a county legislative body may impose the transient room tax for the purpose of acquiring, leasing, constructing, furnishing, maintaining, or operating sports and recreation facilities, including practice fields, stadiums, and arenas; and

WHEREAS, Utah State Code Section 59-12-603 provides that a county legislative body may impose various sales taxes that may be used for the development, operation, and maintenance of recreational facilities; and

WHEREAS, Davis County has elected to impose some of the taxes authorized by Section 59-12-603, which are placed into a Tourism Fund, and pursuant to Section 3.04.150 of the Davis County Code, the Tourism Fund is directed to be used solely for the purposes allowed by Section 59-12-603, including the development, operation, and maintenance of recreational facilities; and

WHEREAS, the portion of the land purchased with the authorized funds from the general obligation bond surplus proceeds being utilized exclusively by the Tourism Fund for the Western Sports Park contains approximately 55.06 acres and is depicted on the map attached hereto as Exhibit 1 (the “Western Sports Park Property”); and

WHEREAS, Davis County has determined to make the Western Sports Park Property available exclusively for the development, operation, and maintenance of a recreational facility supported by the Tourism Fund and dedicated to tourism-promoting activities,

WHEREAS, the Western Sports Park Property, as an asset of Davis County's General Fund, should be managed and utilized in the best interest of the citizens of Davis County; and

WHEREAS, the Tourism Fund's use of the Western Sports Park Property promotes tourism-related activities in Davis County and excludes the use of the property for any other purpose by Davis County; and

WHEREAS, the estimated value in 2025 of the Western Sports Park Property used by the Tourism Fund by the Davis County Assessor is \$25,971,548.72 (See Exhibit 2); and

WHEREAS, pursuant to Section 59-12-603(2)(a) of the Utah Code and Section 3.04.150 of the Davis County Code, the Tourism Fund can be used for the development, operation, and maintenance of recreational facilities; and

WHEREAS, it is proposed that the Tourism Fund compensate the General Fund for allowing the use of the Western Sports Park Property exclusively for tourism-related activities and restricting its use for other General Fund purposes through annual lease payments as proposed below; and

WHEREAS, it is deemed to be in the best interest of the citizens of Davis County to adopt and approve this Resolution for leasing from the General Fund to the Western Sports Park Property utilized exclusively by the Tourism Fund.

NOW, THEREFORE, BE IT RESOLVED by the legislative body of Davis County, Utah, as follows:

1. It is reasonable, appropriate, and lawful that lease payments be made from the Tourism Fund to the General Fund for the land utilized exclusively for tourism-related activities associated with the Western Sport Park; and
2. Lease payments shall be directed to the General Fund Capital account (Fund 45) to compensate for the exclusive tourism-related use of the land purchased with authorized funds in 1988; and
3. Lease payments shall begin January 1, 2025, and shall commence annually for a minimum of 30 years or until the land is no longer utilized by the Tourism Fund; and
4. Lease payments shall be calculated using the 2024 estimated raw land value per acre of comparable land as assessed by the Davis County Assessor and multiplying it by 8% of fair market value with an annual escalator of 2% (Exhibit 2); and
5. This Resolution shall become effective immediately upon its adoption.

This Resolution was duly PASSED, ADOPTED, and/or APPROVED this _____ day of May, 2025, with

Commissioners Lorene Miner Kamalu _____, Bob J Stevenson _____, and John V Crofts _____, all voting as documented herein.

ATTEST:

DAVIS COUNTY

Brian McKenzie
Davis County Clerk
Davis County, Utah

Lorene Miner Kamalu
Chair, Board of County Commissioners of
Davis County, Utah

EXHIBIT 1



EXHIBIT 2

Annual Lease Payment for Parcels Utilized by the Tourism Fund

VALUE/ ACRE	\$ 471,695.40		
WSP Acres	\$ 55.06		
Total Value	\$ 25,971,548.72		
Annual % of FMV	8.00%		
Estimated Annual PMT:	\$ 2,077,723.90		
Annual Escalation	2.0%		
Year	Annual Lease PMT	Year	Annual Lease PMT
2025	\$ 2,077,723.90	2040	\$ 2,796,342.81
2026	\$ 2,119,278.38	2041	\$ 2,852,269.67
2027	\$ 2,161,663.94	2042	\$ 2,909,315.06
2028	\$ 2,204,897.22	2043	\$ 2,967,501.36
2029	\$ 2,248,995.17	2044	\$ 3,026,851.39
2030	\$ 2,293,975.07	2045	\$ 3,087,388.42
2031	\$ 2,339,854.57	2046	\$ 3,149,136.18
2032	\$ 2,386,651.66	2047	\$ 3,212,118.91
2033	\$ 2,434,384.70	2048	\$ 3,276,361.29
2034	\$ 2,483,072.39	2049	\$ 3,341,888.51
2035	\$ 2,532,733.84	2050	\$ 3,408,726.28
2036	\$ 2,583,388.51	2051	\$ 3,476,900.81
2037	\$ 2,635,056.28	2052	\$ 3,546,438.82
2038	\$ 2,687,757.41	2053	\$ 3,617,367.60
2039	\$ 2,741,512.56	2054	\$ 3,689,714.95