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OFFICE WEST VIRGINIA SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 2008

ENROLLED

House Bill No. 4567

(By Delegates Stalnaker, Cann, Fragale, Caputo and DeLong)

Passed March 8, 2008

In Effect Ninety Days from Passage



H. B. 456 SECRETARY OF STATE

(By Delegates Stalnaker, Cann, Fragale, Caputo and Delong)

[Passed March 8, 2008; in effect ninety days from passage.]

AN ACT to amend and reenact §20-5-16 of the Code of West Virginia, 1931, as amended, relating to allowing the Director of the Division of Natural Resources to enter into contracts granting long-term usage and related rights and privileges to third parties sufficient to attract private investment for the financing, construction and operation of additional lodging units at Stonewall Jackson Lake State Park; establishing requirements and restrictions regarding the development, operation and maintenance of additional lodging units and all contracts related to the additional lodging units; requiring the development of a lodging unit development plan that is to be presented to the Joint Committee on Government and Finance prior to development; and protecting the state from any liabilities or obligations associated with the development of the additional lodging units.

Be it enacted by the Legislature of West Virginia:

That §20-5-16 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 5. PARKS AND RECREATION.

§20-5-16. Authority to enter into contracts with third parties to construct recreational facilities and cabins; public comment.

- 1 (a) Notwithstanding any other provision of this code to 2 the contrary, in addition to all other powers and authority 3 vested in the director, he or she is hereby authorized and 4 empowered to:
- 5 (1) Enter into contracts with third parties for the 6 financing, construction and operation of recreational, lodging 7 and ancillary facilities at Chief Logan State Park, Beech Fork State Park, Tomlinson Run State Park, Stonewall Jackson 8 9 Lake State Park, Lost River State Park and Canaan Valley 10 Resort State Park. The contracts may allow and recognize both direct and subsidiary investment arrangements. The 11 12 term of the contracts may not exceed a period of twenty-five 13 years, at which time the full title to the recreational facilities 14 shall vest in the state, except as otherwise provided in this 15 section;
- (2) Enter into contracts with third parties for the construction, but not the operation, of cabins at any state park or forest. Upon completion of the construction of the cabins, full title to the cabins shall immediately vest in the state and the cabins shall be operated by the parks and recreation section;
- 22 (3) Authorize the construction of at least five cabins by 23 any single third party in state parks and state forests which do 24 not offer the facilities on the effective date of this subsection; 25 and
- 26 (4) Propose emergency and legislative rules, in 27 accordance with the provisions of article three, chapter 28 twenty-nine-a of this code, that set the conditions upon which

- the director may enter into a contract with a single third party proposing to construct cabins.
- 31 (b) All contracts shall be presented to the Joint
- 32 Committee on Government and Finance for review and
- 33 comment prior to execution.

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- (c) A contract may provide for renewal for the purpose of
 permitting continued operation of the facilities at the option
 of the director for a term or terms not to exceed ten years.
- 37 (d) Except as otherwise authorized by this section, no 38 extension or renewal beyond the original twenty-five year 39 term may be executed by the director absent the approval of 40 the Joint Committee on Government and Finance.

(e) Stonewall Jackson Lake State Park. --

- 42 (1) With respect to the financing, construction and 43 operation of lodging at Stonewall Jackson Lake State Park, 44 in addition to the lodging in existence as of the first day of 45 July, two thousand eight, contracts entered into pursuant to 46 this section may grant, convey or provide for commercially 47 reasonable lodging usage and related rights and privileges all 48 on terms and conditions as the director may deem 49 appropriate, desirable or necessary to attract private investment for the construction of additional lodging units. 50
- (2) No contracts may be entered into prior to the preparation of lodging unit development plans and standard lodging unit contract documents in a form and at a level of detail acceptable to the United States Army Corps of Engineers and the director, and subsequent to the presentation of the lodging unit development plans and standard lodging unit contract documents to the Joint

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- 58 Committee on Government and Finance for review and 59 comment.
- 60 (3) At a minimum, the lodging unit development plans 61 and standard lodging unit contracts shall comply with the 62 following requirements:
 - (A) That no more than one hundred additional lodging units may be constructed, in addition to the lodging in existence as of the first day of July, two thousand eight;
 - (B) That lodging unit contracts, with respect to any additional lodging units that may be financed, constructed or operated pursuant to the provision of this section, shall generally conform to the contracts entered into by federal agencies or the National Park Service with private parties regarding privately financed property that is constructed, developed or operated on public lands administered by federal agencies or the National Park Service, subject to modification and adaptation by the director as the director deems appropriate, suitable and relevant to any lodging units to be constructed at Stonewall Jackson Lake State Park.
- 77 (C) That a party granted rights and privileges under 78 lodging unit contracts awarded under the provisions of this 79 subsection shall have the right to renew his, her or its lodging 80 unit contract for successive terms not to extend beyond the 81 termination date of the state's lease with the United States 82 Army Corps of Engineers; or, in the event that the state's 83 lease with the United States Army Corps of Engineers is 84 extended beyond the termination date of the lease as of the 85 first day of July, two thousand seven, not to exceed five ten-86 year extensions or renewals beyond the termination date of 87 the lease between the state and the United States Army Corps 88 of Engineers in effect as of the first day of July, two thousand

89 seven: *Provided*, That the party extended the renewal rights 90 is in compliance with all material rights, duties and 91 obligations arising under his, her or its contract and all 92 relevant and applicable provisions of federal, state and local 93 laws, rules, regulations, contracts or agreements at the time 94 of renewal: Provided, however, That if and in the event the 95 director makes an affirmative determination that further 96 renewals beyond the time periods set forth in this subsection 97 are in the best interest of the state and Stonewall Jackson 98 Lake State Park, giving due consideration to financial, 99 operational and other considerations deemed relevant and 100 material by the director, that the director may authorize 101 further renewals;

(D) That all rights and privileges arising under a lodging unit contract shall be transferred to the state or the state's designee upon the expiration or termination of the contract, upon the terms and conditions as each contract may provide or as may otherwise be agreed upon between the parties;

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- (E) That the state is not, and cannot be, obligated for any costs, expenses, fees or other charges associated with the development of the additional lodging units under this subsection or the operation and maintenance of the additional lodging units over time, including, but not limited to, costs associated with infrastructure improvements associated with development or operation of the additional lodging units. In his or her discretion, the director may engage professionals to assist the state in connection with its review and oversight of development of the additional lodging units;
- (F) That at any time following the initial term and first renewal period of any lodging unit contract entered into with a private party with respect to an additional lodging unit that is constructed under this section, the state shall have the right and option, in its sole discretion, to purchase a lodging unit

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122 or lodging units in accordance with the provisions of this 123 subsection and any and all contracts that may be entered into 124 from time to time under this section:

125 (G) That at its sole option and discretion, the state may 126 elect to purchase a lodging unit from a private party. In that event, the private party shall be paid the fair value of the private party's residual rights and privileges under the lodging unit contract, the residual rights and privileges to be valued generally in accordance with the valuation standards set forth in the National Park Service's standard contract provisions, or other relevant federal agency standards applicable to similar or like contract rights and provisions as may be in existence at the time of transfer, all as the same may be deemed relevant and appropriate by the director, and all in the exercise of the director's reasonable discretion. Nothing in this section is intended or shall be construed to impose an obligation on the state to purchase, purchase, buy, buy out or otherwise acquire or pay for any lodging unit under this section, or to limit the right and ability of a private party to donate or contribute his, her or its interest in and to any lodging unit constructed under this section to the state or any charitable foundation that may be established and operating from time to time to support the continued operation and development of Stonewall Jackson Lake State Park:

(H) That the state shall have no obligation whatsoever to purchase, buy, buy out or otherwise acquire or pay for any lodging unit that is developed or constructed under this section; and

(1) The director shall have the right to review and approve 151 152 the form and content of all contracts that may be entered into pursuant to this subsection in connection with the 153 development, operation and maintenance of additional 154 155 lodging units at Stonewall Jackson Lake State Park.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Mila
Chairman Senate Committee
Chairman House Committee
Originating in the House.
In effect ninety days from passage.
Clerk of the Senate
Sugar h. Su
Clerk of the House of Delegates
al Kay Tomble
President of the Senate
Sp éaker of the House of Delegàtes
The within Lapper Aller this the 3/4
day of, 2008.
flef/puchuits
Governor

PRESENTED TO THE GOVERNOR

MAR **2 6** 2008

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