

## REPORT OF CONFERENCE COMMITTEE

# 2

**MADAM PRESIDENT AND MR. SPEAKER:**

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 2745: MS Veterans Memorial Stadium Commission; revise maximum term of leases on its property.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

19           **SECTION 1.** Section 55-23-8, Mississippi Code of 1972, is  
20 amended as follows:  
21           55-23-8. (1) The Department of Finance and Administration  
22 is authorized to renegotiate any lease agreements entered into  
23 before the effective date of Senate Bill No. 2745, 2007 Regular  
24 Session, with one or more public or private entities in regard to  
25 the granting of a property interest to such public or private  
26 entities in all or any part of the real property located in Hinds  
27 County, Mississippi, generally known as the "Mississippi Veterans  
28 Memorial Stadium Property", being any property under the  
29 jurisdiction of the Department of Finance and Administration and  
30 any other state-owned property located in the area bounded on the  
31 North by Taylor Street, on the West by North West Street, on the  
32 South by Woodrow Wilson Avenue and on the East by North State  
33 Street used as part of or in connection with Mississippi Veterans  
34 Memorial Stadium, for the purpose of the construction of  
35 improvements thereon. The Department of Finance and  
36 Administration is authorized to cancel lease agreements on parcels  
37 of stadium property entered into before the effective date of  
38 Senate Bill No. 2745, 2007 Regular Session, and to execute a new

39 lease on such parcels for a term not to exceed forty (40) years  
40 and renew for a term not to exceed ten (10) years.

41 \* \* \*

42 (2) In and for the consideration to be provided under any  
43 lease, the Department of Finance and Administration, in its  
44 discretion, is authorized to, on such terms and conditions  
45 determined to be appropriate by the Department of Finance and  
46 Administration: (a) enter into agreements with any such lessee or  
47 lessees (or any designee of any such lessee or lessees), which  
48 agreements may extend over any period of time not exceeding the  
49 term of such lease (including renewals and extensions) permitting  
50 use of any property referred to in subsection (1) of this section  
51 for parking, access and other uses in connection with events in  
52 facilities constructed on property leased from the Department of  
53 Finance and Administration; (b) grant, as part of and for the term  
54 of any lease, to any lessee or lessees (or any designee of any  
55 such lessee or lessees), one or more easements with respect to all  
56 or any part of the property referred to in subsection (1) of this  
57 section for vehicle and pedestrian ingress and egress, for vehicle  
58 parking and for such other purposes necessary and appropriate for  
59 the construction, operation and use of the improvements; (c) enter  
60 into agreements with any such lessee or lessees (or any designee  
61 of any such lessee or lessees), which agreements may extend over  
62 any period of time not exceeding the term of such lease (including  
63 renewals and extensions), permitting use by such lessee or lessees  
64 (or any designee of any such lessee or lessees) of Mississippi  
65 Veterans Memorial Stadium for events; (d) enter into agreements  
66 with any such lessee or lessees (or any designee of any such  
67 lessee or lessees), which agreements may extend over any period of  
68 time not exceeding the term of such lease (including renewals and  
69 extensions), pursuant to which the state shall be obligated to  
70 purchase improvements constructed on such property and/or any

71 residual rights in connection with such improvements upon terms  
72 and for a purchase price, not to exceed Ten Million Dollars  
73 (\$10,000,000.00), as set forth in or determined in accordance with  
74 such agreement; (e) enter into agreements with any such lessee or  
75 lessees (or any designee of any such lessee or lessees) providing  
76 that such lessee or lessees (or any designee of any such lessee or  
77 lessees) shall indemnify and hold harmless the Department of  
78 Finance and Administration for any personal injury or property  
79 damage related to events conducted on property leased from the  
80 Department of Finance and Administration; and/or (f) enter into  
81 such other agreements with any such lessee or lessees (or any  
82 designee of any such lessee or lessees) or any other public or  
83 private entities, which agreements may extend over any period of  
84 time not exceeding the term of such lease (including renewals and  
85 extensions), relating to any such lease and any improvements to be  
86 constructed on property leased from the Department of Finance and  
87 Administration as the Department of Finance and Administration  
88 shall determine to be appropriate. However, the State of  
89 Mississippi shall not be obligated to purchase any improvements  
90 constructed on property leased under this section and/or any  
91 residual rights in connection with such improvements unless the  
92 construction of all such improvements on the property is complete.  
93 The Department of Finance and Administration, acting through the  
94 Bureau of Building, Grounds and Real Property Management shall  
95 make the determination regarding whether the construction of the  
96 improvements is complete.

97 (3) Any public body shall be authorized to enter into: (a)  
98 agreements (which may extend over any period of time) with the  
99 Department of Finance and Administration, any public body, any  
100 party leasing property from the Department of Finance and  
101 Administration (or any designee or designees of any such lessee),  
102 and/or any other party to provide or contribute funds in

103 connection with the construction, financing and/or operation of  
104 any improvements constructed on property leased from the  
105 Department of Finance and Administration, and any such agreement  
106 or agreements and the obligations of any public body thereunder  
107 shall not be included in computing amounts subject to any debt  
108 limitations applicable to any such public body; and/or (b)  
109 agreements (which may extend over any period of time) to lease  
110 property from the Department of Finance and Administration and to  
111 provide or contribute funds in connection with the construction,  
112 financing and/or operation of any improvements constructed on such  
113 property and to lease or sublease any such property or  
114 improvements to public or private entities, and any such agreement  
115 or agreements shall not be included in computing amounts subject  
116 to any debt limitations applicable to any such public body.

117 (4) The Department of Finance and Administration, in its  
118 discretion, is authorized to enter into all other agreements as  
119 may be necessary or appropriate in connection with any financing  
120 by any lessee or lessees (or any designee of any such lessee or  
121 lessees) of any improvements to be constructed on property leased  
122 from the Department of Finance and Administration.

123 (5) The provisions of any statutes establishing a role for  
124 the Department of Finance and Administration and the State Bond  
125 Commission in financing, construction and improvement of buildings  
126 on the Veterans Memorial Stadium property shall not apply to the  
127 financing, refinancing, construction, repair or improvement of any  
128 improvements on any property leased pursuant to this section.

129 (6) Before entering into any lease or other agreement with  
130 any private entity under this section, the Department of Finance  
131 and Administration shall require such entity to enter into a  
132 binding commitment providing that if the private entity fails to  
133 complete the construction of all improvements commenced by the  
134 entity on property leased under this section, such entity shall

135 reimburse the State of Mississippi for costs incurred by the state  
136 relating to the improvements. The Department of Finance and  
137 Administration, acting through the Bureau of Building, Grounds and  
138 Real Property Management shall make the determination regarding  
139 whether the construction of the improvements is complete.

140 (7) Any lease, renewal thereof, or other agreement entered  
141 into by the Department of Finance and Administration under this  
142 section shall not be valid unless approved by the \* \* \* Public  
143 Procurement Review Board and the Attorney General, upon the active  
144 involvement and consultation with the University of Mississippi  
145 Medical Center, Jackson State University and the Department of  
146 Health.

147 (8) Except as otherwise provided in subsection (1), the  
148 Department of Finance and Administration may not enter into any  
149 lease or other agreement under this section \* \* \*.

150 (9) Any lessee or lessees (or any designee of any such  
151 lessee or lessees) of property leased from the Department of  
152 Finance and Administration under this section shall not be  
153 considered as being the state, any political subdivision of the  
154 state or any officer or servant of the state for the purposes of  
155 any liability that may be waived under Section 11-46-1 et seq.

156 (11) It is the intent of the Legislature that from and after  
157 the effective date of Senate Bill No. 2745, 2007 Regular Session,  
158 the Mississippi Veterans Memorial Stadium Commission shall have no  
159 authority to lease the property described in subsection (1), and  
160 all authority previously provided to the commission in this  
161 section shall be transferred to the Department of Finance and  
162 Administration.

163 **SECTION 2.** It is the intent of the Legislature in Section 1  
164 of this act that the Department of Finance and Administration may  
165 cancel the leases of Mississippi Veterans Memorial Stadium  
166 Property consisting of approximately five (5) acres with Madison

167 Communities and approximately one (1) acre with Bridgeforth  
168 Rutledge. The Department of Finance and Administration is  
169 authorized to negotiate and execute a new lease on the combined  
170 properties for a term not to exceed forty (40) years and may renew  
171 for a term not to exceed ten (10) years. The combined properties  
172 will be developed as a mixed-use development consisting of  
173 commercial, residential and retail space, with an investment of  
174 not less than Fifty Million Dollars (\$50,000,000.00). The  
175 development shall not in any manner detract from the operations of  
176 the University Medical Center, the Mississippi Veterans Memorial  
177 Stadium and the State Department of Health. The new lease shall  
178 contain a provision which provides the State of Mississippi the  
179 right to terminate the lease if development of the property has  
180 not commenced within three (3) years after execution date of the  
181 lease. The Department of Finance and Administration's authority  
182 to execute the new lease shall be contingent upon the  
183 renegotiation of the existing development agreement with the  
184 developer, whereby the developer agrees to a commission not to  
185 exceed forty percent (40%) of the lease income per year from the  
186 combined properties for the first twelve (12) years of the lease  
187 and not to exceed ten percent (10%) of the lease income per year  
188 from the combined properties thereafter through the end of the  
189 lease, and whereby the developer agrees to relinquish all of his  
190 rights to the remaining undeveloped property, approximately four  
191 (4) acres, bounded on the West by North West Street.

192 **SECTION 3.** (1) From and after July 1, 2008:

193 (a) The Mississippi Veterans Memorial Stadium  
194 Commission shall be abolished and all powers and duties of the  
195 commission shall be transferred to, and exercised by, the  
196 Department of Finance and Administration;

197 (b) The Office of the Executive Director of the  
198 Mississippi Veterans Memorial Stadium Commission shall be

199 abolished and all powers and duties of the executive director  
200 shall be transferred to, and exercised by, the Executive Director  
201 of the Department of Finance and Administration;

202 (c) All records, property, funds and other assets and  
203 personnel of the Mississippi Veterans Memorial Stadium Commission  
204 shall be transferred to the Department of Finance and  
205 Administration; and

206 (d) Any personal service, management or other contracts  
207 of like nature entered into by the Mississippi Veterans Memorial  
208 Stadium Commission shall be cancelled.

209 (2) The Department of Finance and Administration shall grant  
210 Jackson State University the right to hold any of its sports,  
211 ceremonial and concert events at the Mississippi Veterans Memorial  
212 Stadium without any rental payment, and shall allow the proper  
213 signage designating the stadium as the home stadium of Jackson  
214 State University. All profits realized by the Department of  
215 Finance and Administration after paying all expenses and costs,  
216 including management fees, from any event held on stadium property  
217 shall be deposited to the credit of a special fund and authorized  
218 for expenditure by the Board of Trustees of State Institutions of  
219 Higher Learning exclusively for Jackson State University.

220 (3) From and after July 1, 2008, wherever the term  
221 "Mississippi Veterans Memorial Stadium Commission", or the term  
222 "commission" when referring to the Mississippi Veterans Memorial  
223 Stadium Commission, appears in the laws of the state, the terms  
224 shall mean the "Department of Finance and Administration".

225 **SECTION 4.** (1) There is created a special committee for the  
226 purpose of consulting with the Department of Finance and  
227 Administration on the lease of the property authorized in Section  
228 55-23-8, Mississippi Code of 1972, and for the purpose of studying  
229 the Mississippi Veterans Memorial Stadium to make recommendations  
230 regarding its management and operations. The committee shall also

231 study the disbursement of revenue generated from the lease of  
232 stadium property. The committee shall be composed of the  
233 following members:

234 (a) The Chairmen of the Senate and House Public  
235 Property Committees, who shall serve as co-chairmen;

236 (b) The Chairmen of the Senate Finance Committee and  
237 the House Ways and Means Committee, or their designee;

238 (c) One (1) member of the House of Representatives, to  
239 be appointed by the Speaker of the House; and

240 (d) One (1) member of the Senate, to be appointed by  
241 the Lieutenant Governor;

242 (e) The President of Jackson State University, or his  
243 designee;

244 (f) The Vice-Chancellor of Health Affairs at the  
245 University of Mississippi Medical Center, or his designee;

246 . (g) The State Health Officer, or his designee; and

247 (h) The President of Jackson State University National  
248 Alumni Association, or his designee.

249 (2) Members of the committee who are not legislators shall  
250 not receive any compensation or per diem, but may receive travel  
251 reimbursement provided under Section 25-3-41. Legislative members  
252 of the committee shall receive per diem, travel or other expenses,  
253 if authorized by the Management Committees of the Senate and the  
254 House of Representatives, from the contingent expense funds of  
255 their respective houses in the same amounts as provided for  
256 committee meetings when the Legislature is not in session; provide  
257 that no per diem or expense for attending meetings of the  
258 committee shall be paid while the Legislature is in session.

259 (3) Upon submitting its recommendations to the Legislature,  
260 the committee shall be dissolved.

261 (4) The Department of Finance and Administration, in  
262 consultation with Jackson State University, shall enter into a



263 contract with a consultant to study the Mississippi Veterans  
264 Memorial Stadium and make suggestions regarding its management,  
265 repair, renovation, parking and future use. The cost of such  
266 contract, not to exceed Five Hundred Thousand Dollars  
267 (\$500,000.00), shall be paid out of the Mississippi Veterans  
268 Memorial Stadium Operating Fund or from any funds available to the  
269 Department of Finance and Administration. The Department of  
270 Finance and Administration is authorized to escalate funds and  
271 positions to defray the cost of such contract. The Department of  
272 Finance and Administration may solicit RFP's, but shall not be  
273 authorized to contract for the management and operations of the  
274 stadium without further legislative action.

275 **SECTION 5.** This act shall take effect and be in force from  
276 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 55-23-8, MISSISSIPPI CODE OF 1972, TO  
2 AUTHORIZE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO CANCEL  
3 CERTAIN LEASE AGREEMENTS ON PARCELS OF MISSISSIPPI VETERANS  
4 MEMORIAL STADIUM PROPERTY AND EXECUTE NEW LEASE ON THE PARCELS FOR  
5 A TERM NOT TO EXCEED 40 YEARS PLUS RENEWAL OF 10 YEARS; TO  
6 TRANSFER ALL LEASING AUTHORITY OF STADIUM PROPERTY FROM THE  
7 VETERANS MEMORIAL STADIUM COMMISSION TO THE DEPARTMENT OF FINANCE  
8 AND ADMINISTRATION; TO AUTHORIZE THE DEPARTMENT OF FINANCE AND  
9 ADMINISTRATION TO CONTRACT WITH A CONSULTANT TO STUDY THE  
10 MANAGEMENT OF THE MISSISSIPPI VETERANS MEMORIAL STADIUM; TO  
11 PROVIDE, FROM AND AFTER JULY 1, 2008, THE MISSISSIPPI VETERANS  
12 MEMORIAL STADIUM COMMISSION SHALL BE ABOLISHED AND ALL POWERS  
13 TRANSFERRED TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO  
14 CREATE A SPECIAL COMMITTEE FOR THE PURPOSE OF CONSULTING WITH THE  
15 DEPARTMENT OF FINANCE AND ADMINISTRATION ON THE LEASE OF STADIUM  
16 PROPERTY AND FOR THE PURPOSE OF STUDYING THE MANAGEMENT AND  
17 OPERATIONS OF THE STADIUM; AND FOR RELATED PURPOSES.

CONFEREES FOR THE SENATE

CONFEREES FOR THE HOUSE

X (SIGNED)  
Jackson (32nd)

X (SIGNED)  
Weathersby

X (SIGNED)  
Mettetal

(NOT SIGNED)  
Gadd

X (SIGNED)  
Carmichael

X (SIGNED)  
Sullivan