

## **IC 8-24-15**

### Chapter 15. Leases and Agreements With Public Transportation Agencies

#### **IC 8-24-15-1**

##### **Service board finding that leases are fair and reasonable; terms**

Sec. 1. (a) Before a lease may be entered into by a service division, the service board for the service division must find that the lease rental provided for is fair and reasonable.

(b) A lease of land or a project by a service division:

- (1) may not have a term exceeding twenty-five (25) years;
- (2) may not require payment of lease rentals for a newly constructed project or for improvements to an existing project until the project or improvements to the project have been completed and are ready for occupancy or use;
- (3) may contain provisions:
  - (A) allowing the service division to continue to operate an existing project until completion of the acquisition, improvements, reconstruction, or renovation of that project or any other project; and
  - (B) requiring payment of lease rentals for land, for an existing project being used, reconstructed, or renovated, or for any other existing project;
- (4) may contain an option to renew the lease for the same or a shorter term on the conditions provided in the lease;
- (5) must contain an option for the service division to purchase the project upon the terms stated in the lease during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the project, including indebtedness incurred for the refunding of that indebtedness;
- (6) may be entered into before acquisition or construction of a project;
- (7) may provide that the service division shall agree to:
  - (A) pay any taxes and assessments on the project;
  - (B) maintain insurance on the project for the benefit of the district;
  - (C) assume responsibility for utilities, repairs, alterations, and any costs of operation; and
  - (D) pay a deposit or series of deposits to the lessor from any funds available to the service division before the commencement of the lease to secure the performance of the service division's obligations under the lease; and
- (8) must provide that the lease rental payments by the service division shall be made from:
  - (A) net revenues of the project;
  - (B) any other funds available to the service division; or
  - (C) both sources described in clauses (A) and (B).

*As added by P.L.182-2009(ss), SEC.282.*

#### **IC 8-24-15-2**

**Applicable authority to enter leases**

Sec. 2. This article contains full and complete authority for leases by a service division. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the service division or any other officer, department, agency, or instrumentality of the state or any political subdivision is required to enter into any lease, except as prescribed in this article.

*As added by P.L.182-2009(ss), SEC.282.*

**IC 8-24-15-3**

**Approval of plans and specifications**

Sec. 3. If a lease provides for a project or improvements to a project to be constructed by a service division, the plans and specifications shall be submitted to and approved by all state agencies designated by law to pass on plans and specifications for public buildings.

*As added by P.L.182-2009(ss), SEC.282.*

**IC 8-24-15-4**

**Common wall agreements; other agreements**

Sec. 4. The service divisions may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county in which the project is located.

*As added by P.L.182-2009(ss), SEC.282.*

**IC 8-24-15-5**

**Transactions between service divisions**

Sec. 5. A service division may lease for a nominal lease rental, or sell to the other service division, one (1) or more projects or parts of a project or land on which a project is located or is to be constructed.

*As added by P.L.182-2009(ss), SEC.282.*