

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and Section 147(f) of the Internal Revenue Code of 1986, as amended, that on January 19, 2021 the City Council (the “Council”) of Salt Lake City, Utah (the “City”), adopted a resolution (the “Resolution”) in which it authorized the plan of financing involving the establishment of a short-term borrowing program for the benefit of the Department of Airports of the City, which program shall be implemented through the issuance and/or incurrence, from time to time, of the City’s Subordinate Airport Revenue Short-Term Revolving Obligations (the “Subordinate Revolving Obligations”) and called a public hearing to receive input from the public.

PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

The City shall hold a public hearing on February 16, 2021, at the hour of 7:00 p.m. via electronic means pursuant to the Council Chair determination that conducting a City Council meeting at a physical location presents a substantial risk to the health and safety of those who may attend in person. This hearing will not have a physical location at the City and County Building. All attendees will connect remotely. The purpose of the hearing is to receive input from the public with respect to (a) the establishment of the short-term borrowing program through the issuance and/or incurrence, from time to time, of the Subordinate Revolving Obligations, and (b) the potential economic impact that the Projects (as hereinafter defined) to be financed with the proceeds of the Subordinate Revolving Obligations will have on the private sector. Members of the public are encouraged to participate in the hearing and may visit www.slc.gov/council/ or call 801-535-7654 to learn how to participate by phone or on the Webex platform. The public may also watch the meeting using the following platforms:

Facebook Live: www.facebook.com/slccouncil/

YouTube: www.youtube.com/slclivemeetings

Web Agenda: www.slc.gov/council/agendas/

SLCtv Channel 17 Live: www.slctv.com/livestream/SLCtv-Live/2

Please visit the website council.comments@slcgov.com or call 801-535-7654 to learn how you can share your comments live during the hearing. Persons wishing to make comments in writing about the Subordinate Revolving Obligations, the proposed plan of financing and the Projects shall do so within fourteen (14) days following the publication hereof to Attention: Executive Director of Airports, P.O. Box 145550, Salt Lake City, Utah, 84114-5550. This Notice also is the notice required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

PURPOSE FOR ISSUING/INCURRING THE SUBORDINATE REVOLVING OBLIGATIONS

The Subordinate Revolving Obligations will be issued and/or incurred, from time to time, pursuant to a plan of finance to provide proceeds to (a) finance and refinance the Projects (as described in the following paragraph), (b) finance certain costs of issuance, and (c) finance any other needs of the Department of Airports of the City permitted under the Act and the Master Subordinate Trust Indenture (including, but not limited to, the refunding and restructuring of indebtedness of the City issued for the benefit of the Department of Airports of the City).

The “Projects” to be financed or refinanced include the acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of various capital improvement projects at the Salt Lake City International Airport, including: (a) runway, taxiway, apron and other airfield improvements, (b) utility, roadway and ground access infrastructure improvements, (c) replacement of substantially all of the Salt Lake City International Airport’s landside and terminal complex facilities, including, but not limited to, parking facilities, terminal buildings and concourses, and (d) other related improvements at the Salt Lake City International Airport.

The Projects will be located at the Salt Lake City International Airport. The City will be the owner of the Projects to be financed or refinanced and will also be the initial operator, except to the extent the use thereof is permitted by leases and other agreements with air carriers and other tenants utilizing the Projects. The proposed Subordinate Revolving Obligations will be paid solely from revenues and other moneys derived by the City from or with respect to the Salt Lake City International Airport and the other facilities of the Salt Lake City Airport System (as defined in the Master Subordinate Trust Indenture).

PARAMETERS OF THE SUBORDINATE REVOLVING OBLIGATIONS

The City intends to establish a short-term borrowing program for the benefit of the Department of Airports of the City which shall be implemented through the issuance and/or incurrence, from time to time, by the City of the Subordinate Revolving Obligations (which shall be designated as the “Salt Lake City, Utah Subordinate Airport Revenue Short-Term Revolving Obligations”) provided that the aggregate principal amount of all Subordinate Revolving Obligations outstanding at any one time shall not exceed \$300,000,000. The Subordinate Revolving Obligations will be issued and/or incurred pursuant to a Master Subordinate Trust Indenture, a First Supplemental Subordinate Trust Indenture and a Revolving Credit Agreement (which such Master Subordinate Trust Indenture, First Supplemental Subordinate Trust Indenture and Revolving Credit Agreement were before the Council in substantially final forms at the time of the adoption of the Resolution). Pursuant to the terms of the Revolving Credit Agreement, (i) the City will be authorized to request Revolving Loans from JPMorgan Chase Bank, National Association, the lender under the Revolving Credit Agreement (the “Lender”), with a term not exceeding three (3) years from the effective date of the Revolving Credit Agreement, unless such date is earlier terminated pursuant to the terms of the Revolving Credit Agreement or extended, reduced or rescinded by a subsequent resolution of the City Council (and approved by the Lender), and (ii) the City will be authorized to request a Term Loan from the Lender with a term not exceeding three (3) years following the date of conversion of the Revolving Loans to a Term Loan in accordance with the terms of the Revolving Credit Agreement. The outstanding principal amount of each Revolving Loan and the Term Loan shall bear interest at variable rates, which rates will be calculated pursuant to the methods set forth in the Revolving Credit Agreement. Notwithstanding anything to the contrary in the previous sentence or the provisions of the Resolution, interest payable by the City on any Revolving Loan or Term Loan shall not exceed the lesser of eighteen percent (18%) per annum and the maximum rate permitted by applicable law (the “Highest Lawful Rate”); provided, however, if the rate of interest calculated in accordance with the terms of the Revolving Credit Agreement exceeds the Highest Lawful Rate, interest at the rate equal to the difference between the rate of interest calculated in accordance with the terms of the Revolving Credit Agreement and the Highest Lawful Rate shall be deferred until such date as the rate of interest calculated in accordance with the terms of the Revolving Credit Agreement ceases to exceed the Highest Lawful Rate, at which time the City shall pay the Lender the deferred interest as provided in the Revolving Credit Agreement. The Subordinate Revolving Obligations, the Revolving Loans and the Term Loan, if any, will be issued and/or incurred at a price of 100%. There will be no maximum discount from par, as that concept is not applicable with respect to the transactions mentioned in this notice.

SUBORDINATE REVENUES PROPOSED TO BE PLEDGED

The City proposes to pledge Subordinate Revenues (as defined in the Master Subordinate Trust Indenture) derived by the City from the operations of the Salt Lake City Airport System, and certain funds and accounts established under the Master Subordinate Trust Indenture and the First Supplemental Subordinate Trust Indenture.

The Subordinate Revolving Obligations (and the related Obligations (as defined in the Revolving Credit Agreement)) will be limited obligations of the City, payable solely from and secured by a pledge of Subordinate Revenues derived by the City from the operations of the Salt Lake City Airport System and certain funds and accounts. None of the properties of the Salt Lake City Airport System will be subject to any mortgage or other lien for the benefit of the owners (including the Lender) of the Subordinate Revolving Obligations, and neither the full faith and credit nor the taxing power of the City, the State of Utah (the "State") or any political subdivision or agency of the State will be pledged to the payment of the principal of, premium, if any, interest on or other amounts payable on the Subordinate Revolving Obligations (and the related Obligations).

OUTSTANDING BONDS SECURED BY NET REVENUES AND SUBORDINATE REVENUES

The following airport revenue bonds of the City secured by Net Revenues are currently outstanding (a) Salt Lake City, Utah Airport Revenue Bonds, Series 2017A (AMT) outstanding in the aggregate principal amount of \$826,210,000, (b) Salt Lake City, Utah Airport Revenue Bonds, Series 2017B (Non-AMT) outstanding in the aggregate principal amount of \$173,790,000, (c) Salt Lake City, Utah Airport Revenue Bonds, Series 2018A (AMT) outstanding in the aggregate principal amount of \$753,855,000, and (d) Salt Lake City, Utah Airport Revenue Bonds, Series 2018B (Non-AMT) outstanding in the aggregate principal amount of \$96,695,000.

Other than the proposed Subordinate Revolving Obligations (and the related Obligations), the City has no other bonds or obligations secured by the Subordinate Revenues.

OTHER OUTSTANDING BONDS OF THE CITY

Additional information regarding the City's outstanding bonds may be found in the City's financial report (the "Financial Report") at: <http://auditor.utah.gov/accountability/financial-reports-of-local-governments>. For additional information, including any information more recent than as of the date of the Financial Report, please contact the office of the Salt Lake City Treasurer at (801) 535-7946.

Dated this January 19, 2021.

By /s/ Cindy Lou Trishman
City Recorder