



CITY OF NORTH SALT LAKE

LOCAL BUILDING AUTHORITY

NOTICE & AGENDA

October 19, 2021

6:00 p.m.

Posted October 14, 2021

Notice is given that the Local Building Authority of the City of North Salt Lake will hold a meeting on **OCTOBER 19, 2021** at 6:00 p.m. at the North Salt Lake City Hall. Some members may participate electronically. The following items of business will be discussed; the order of business may be changed as time permits.

1. Introduction and Consider Motion to move into Closed Session to Discuss the Purchase, Exchange, or Sale of Real Property
2. Reconvene into Local Building Authority Regular Session
3. Consideration of **Resolution LBA 2021-01R**: A Resolution of the Board of Trustees of the Local Building Authority of the City of North Salt Lake, Utah, Authorizing the Issuance and Sale of Lease Revenue Bonds, Series 2022
4. Adjourn to City Council Meeting

The public is invited to attend all City Council meetings. If you need special accommodations to participate in the City Council meeting, please call the City office at 801-335-8709. Please provide at least 24 hours notice for adequate arrangements to be made.

Notice of Posting:

I, the duly appointed City Recorder for the City of North Salt Lake, hereby certify that the foregoing agenda was posted on the Utah Public Notice website, at city hall, and sent to the required newspapers this 14th day of October, 2021.

Dated this 14th day of October, 2021.

Linda Horrocks





CITY OF NORTH SALT LAKE

10 East Center Street
North Salt Lake, Utah 84054
(801) 335-8700
(801) 335-8719 Fax

Len Arave
Mayor

Ken Leetham
City Manager

MEMORANDUM

TO: Honorable Members of the NSL Local Building Authority

FROM: Ken Leetham, City Manager

DATE: October 19, 2021

SUBJECT: Consideration of Resolution No LBA 2021-01R: A Resolution of the Board of Trustees of the Local Building Authority of the City of North Salt Lake, Utah, Authorizing the Issuance and Sale of Lease Revenue Bonds, Series 2022.

RECOMMENDATION

I recommend approval of the Resolution No LBA 2021-01R: A Resolution of the Board of Trustees of the Local Building Authority of the City of North Salt Lake, Utah, Authorizing the Issuance and Sale of Lease Revenue Bonds, Series 2022.

BACKGROUND

Several meetings ago, the City Council asked the staff to investigate and pursue the possibilities of relocating and building a new public works facility. This is a needed project and though it is a large and long-range project, now is an excellent time to seek funding for this initiative. The attached resolution is the first step in issuing debt for this purpose. You may recall that a parameters resolution only allows for the Local Building Authority (LBA) to declare its intent to issue debt, schedule a public hearing and put a plan together for the LBA to consider in the future for the project. Adoption of this resolution does not obligate the City or LBA to issue this debt in any way, but does allow us to carefully consider doing so if we believe that is in the best interest of the City in the future.

Very preliminary estimates for the project are as follows:

Land cost: \$6.5 million
Improvement costs: \$6 million
Credit for existing property: \$3 million

The proposed resolution includes bonding up to \$10 million for this purpose. Following approval of the parameters resolution, staff will embark on a process of trying to determine with more accuracy a plan

to move forward, together with associated costs. In addition, during a closed meeting, we will share the proposed location and status of negotiations thus far in our discussion with the landowner.

PROPOSED MOTION

I move that the Board of Trustees approve Resolution No LBA 2021-01R: A Resolution of the Board of Trustees of the Local Building Authority of the City of North Salt Lake, Utah, Authorizing the Issuance and Sale of Lease Revenue Bonds, Series 2022.

RESOLUTION NO. LBA-2021-01R

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE LOCAL BUILDING AUTHORITY OF THE CITY OF NORTH SALT LAKE, UTAH, AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS, SERIES 2022.

WHEREAS, the Local Building Authority of the City of North Salt Lake, Utah (the “*Issuer*”) has been duly organized as a Utah nonprofit corporation by the City of North Salt Lake, Utah (the “*City*”) solely for the purpose of (a) accomplishing the public purposes for which the City exist by acquiring, improving or extending any improvements, facilities or properties (whether real or personal) and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, and (b) financing the costs of such projects on behalf of the City in accordance with the procedures and subject to the limitations of the Local Building Authority Act, Title 17D, Chapter 2 of the Utah Code Annotated 1953, as amended (the “*Act*”) and other applicable Utah law; and

WHEREAS, the Act provides that the Issuer may issue and sell its bonds for the purpose of paying the costs of acquiring, improving or extending a project (as such term is defined in the Act), and such bonds shall be secured by a pledge and assignment of the revenues received by the Issuer under the leasing contract (as such term is defined in the Act) with respect to the project financed or refinanced with the proceeds of the sale of such bonds and may be secured by (a) a mortgage (as such term is defined in the Act) covering all or any part of such project, (b) a pledge and assignment of the leasing contract for that project, (c) amounts held in reserve funds or (d) such other security devices with respect to the project as may be deemed most advantageous by the Issuer; and

WHEREAS, pursuant to the provisions of Act, the Issuer has authority to accomplish the public purposes for which the City exist by acquiring, improving or extending any improvements, facilities or properties and appurtenances to them which the City are authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, and financing the costs of such projects on behalf of the City in accordance with the procedures and subject to the limitations of the Act; and

WHEREAS, the City desires the Issuer, on behalf of the City, to (A) undertake the construction of a certain project pursuant to the Act consisting of the acquisition, construction and improvement of a public works facility (the “*Project*”) on certain real property described in *Exhibit A* hereto (the “*Property*”) and (B) pay costs relating to the issuance and sale of the Series 2022 Bonds; and

WHEREAS, the Issuer and the City will enter into that certain Master Lease Agreement (the “*Lease*”), the form of which is attached hereto as *Exhibit B*, pursuant to which the Issuer has agreed (a) to Acquire or to cause the Acquisition (as such terms are defined in the Lease) of the

Project and (b) to lease the Project to the City, all on the terms and conditions set forth therein; and

WHEREAS, pursuant to and in accordance with the provisions of the Act and the Indenture, the Issuer has determined that it is in the best interest of the Issuer and the City (a) to issue its Lease Revenue Bonds, Series 2022 (the “*Series 2022 Bonds*”) pursuant to this Resolution and an Indenture of Trust (the “*Indenture*”), between the Issuer and U.S. Bank National Association, as trustee (the “*Trustee*”), the form of which is attached hereto as *Exhibit C*, to provide funds for the purpose of (i) paying a portion of the costs of constructing the Project as provided in the Lease and (ii) paying costs of issuance relating to the issuance, sale and delivery of the Series 2022 Bonds, (b) to lease the Leased Property (as defined in the Lease) to the City in consideration of certain Base Rentals (as defined in the Lease) and Additional Rentals (as defined in the Lease) to be paid as provided in the Lease, which will be sufficient (so long as the City extends the term of the Lease for each successive one-year renewal term) to pay the principal of, and premium, if any, and interest on, the Series 2022 Bonds and certain other costs and expenses as provided in the Lease; and

WHEREAS, the Issuer desires to secure its payment obligations under the Indenture by executing and delivering one or more Leasehold Deed of Trust, Assignment of Rents and Security Agreement (the “*Deed of Trust*”), attached hereto as *Exhibit D*, for the benefit of the holders of the Series 2022 Bonds; and

WHEREAS, in the opinion of the Issuer, it is in the best interest of the Issuer to negotiate for the sale of the Series 2022 Bonds to a purchaser (the “*Purchaser*”) and to enter into a Bond Purchase Agreement (the “*Bond Purchase Agreement*”), a form of which is attached hereto as *Exhibit E*; and

WHEREAS, the Secretary of the Issuer has presented to the Board of Trustees of the Issuer (the “*Board*”) at this meeting the proposed form of each of the following agreements: (a) the Indenture; (b) the Lease, (c) the Deed of Trust, (d) the Official Statement, (e) the Continuing Disclosure Undertaking and (f) the Series 2022 Bond Purchase Agreement (collectively the “*Operative Agreements*”), in connection with the issuance of the Series 2022 Bonds and the financing of the construction of the Project; and

WHEREAS, it is in the best interest of the City and the Issuer that (a) the Designated Officer be authorized to (i) determine whether to pursue a competitive sale or negotiated sale for the sale of the Series 2022 Bonds, (ii) if a competitive sale is pursued, accept or reject the bids received for the Series 2022 Bonds pursuant to the PARITY[®] electronic bid submission system and determine the best bid received that conforms to the parameters, deadlines and procedures set forth in the notice of sale prepared in connection with the advertisement for sale of the Series 2022 Bonds, (iii) if a negotiated sale is pursued, select an underwriter for the Series 2022 Bonds and (iv) approve the final principal amount, maturity amounts, interest rates, dates of maturity and other terms and provisions relating to the Series 2022 Bonds and to execute the Certificate of Determination containing such terms and provisions and (b) the Mayor be authorized to execute the Official Statement with respect to the Series 2022 Bonds;

WHEREAS, in the opinion of the Issuer, it is in the best interest of the Issuer that (a) the Designated Officer (defined below) be authorized to (i) negotiate with and accept the offer of the Purchaser pursuant to terms that conform to the parameters, requirements and procedures set forth herein and (ii) approve the final principal amount, maturity amounts, interest rates, dates of maturity and other terms and provisions relating to the Series 2022 Bonds hereunder and to execute the Certificate of Determination and Bond Purchase Agreement containing such terms and provisions *provided* that such terms and provisions shall not exceed the limitations set forth in Section 1 herein;

WHEREAS, pursuant to Sections 17D-2-502 and 17D-2-601 of the Utah Code, the Issuer desires to provide for the publication of a Notice of Bonds to be Issued in the form attached hereto as *Exhibit F*; and

WHEREAS, the City Council of the City by resolution previously adopted on the date hereof has approved the issuance of the Series 2022 Bonds and the terms thereof for purposes of the Act;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Local Building Authority of the City of North Salt Lake, as follows:

Section 1. Issuance of the Series 2022 Bonds; Deposit of Proceeds. (a) For the purposes set forth in the recitals hereto, a series of lease revenue bonds of the Issuer is hereby authorized to be issued pursuant to the Act and in accordance with and subject to the terms, conditions and limitations established in the Indenture and herein in the aggregate principal amount of \$10,000,000. If the Designated Officer determines that the principal amount to be issued shall be less than \$10,000,000, then the principal amount of such series of bonds shall be limited to the amount so determined by the Designated Officer.

(b) The proceeds of sale of the Series 2022 Bonds shall be deposited as provided in the Indenture and the Lease.

Section 2. Terms of the Series 2022 Bonds. (a) The Series 2022 Bonds shall be dated as of their date of original issuance and delivery (the “*Dated Date*”), shall mature on the dates and in the principal amounts, and shall bear interest from the Dated Date, payable at the interest rates provided in the Certificate of Determination, a form of which is attached hereto as *Exhibit G* (the “*Certificate of Determination*”). The Series 2022 Bonds shall be issued in authorized denominations and shall be executed and payable as provided in the Indenture.

(b) There is hereby delegated to the Designated Officer, subject to the limitations contained in this Resolution, the power to determine and effectuate the following with respect to the Series 2022 Bonds and the Designated Officer is hereby authorized to make such determinations and effectuations:

(i) the aggregate principal amount of the Series 2022 Bonds; *provided* that the aggregate principal amount of the Series 2022 Bonds shall not exceed \$10,000,000;

(ii) the maturity date or dates and principal amount of each maturity of the Series 2022 Bonds to be issued; *provided, however*, that the final maturity of all Bonds shall not be later than 31 years from their date or dates;

(iii) the interest rate or rates of the Series 2022 Bonds, *provided, however*, that the interest rate or rates to be borne by any Bond shall not exceed five percent (5.00%) per annum;

(iv) the sale of the Series 2022 Bonds to the Purchaser of the Series 2022 Bonds and the purchase price to be paid by the Purchaser for the Series 2022 Bonds; *provided, however*, that the discount from par of the Series 2022 Bonds shall not exceed two percent (2.00%) (expressed as a percentage of the principal amount);

(v) the Series 2022 Bonds, if any, to be retired from mandatory sinking fund redemption payments and the dates and the amounts thereof;

(vi) the optional redemption date of the Series 2022 Bonds, if any;

(vii) the use and deposit of the proceeds of the Series 2022 Bonds; and

(viii) any other provisions deemed advisable by the Designated Officer not materially in conflict with the provisions of this Resolution.

The Board delegates to the Designated Officer the authority to determine whether to pursue a competitive sale or negotiated sale for the sale of the Series 2022 Bonds. If a negotiated sale is pursued, the Designated Officer is authorized to select an underwriter to sale the Series 2022 Bonds and to obtain such information from potential underwriters as he or she deems necessary to make such determination. If a competitive sale is pursued, immediately following the date and time specified in the Official Notice of Bond Sale attached to the Official Statement for the receipt of bids for the purchase of the Series 2022 Bonds, the Designated Officer shall obtain such information as he or she deems necessary to make such determinations as provided above and to determine the bid of the responsible bidder that results in the lowest effective interest rate to the Issuer.

The Designated Officer shall make such determinations as provided above and shall execute the Certificate of Determination containing such terms and provisions of the Series 2022 Bonds, which execution shall be conclusive evidence of the actions or determinations of the Designated Officer as to the matters stated therein. The provisions of the Certificate of Determination shall be deemed to be incorporated in Article II hereof and shall be deemed to be a part of this Resolution.

(c) The Series 2022 Bonds shall be subject to redemption prior to maturity as provided in the Indenture.

(d) The Series 2022 Bonds and the Trustee's certificate of authentication to be endorsed thereon shall be in substantially the forms set forth in the Indenture, which forms are hereby

incorporated herein by this reference, and the provisions for the signatures, authentication, payment, places of payment, medium of payment, transfer, exchange, registration, number and other provisions thereof, to the extent not provided herein, shall be as set forth in the Indenture as finally executed and are hereby approved and hereby incorporated herein by this reference. The form of the Series 2022 Bonds, submitted to this meeting as part of the recitals to the Indenture be, and the same hereby is, approved, and when the same shall be executed on behalf of the Issuer in the manner contemplated by the Indenture and this Resolution in the aggregate principal amount herein provided, they shall represent the approved form of the Series 2022 Bonds of the Issuer.

(e) Upon the occurrence of an Event of Nonappropriation (as such term is defined in the Lease) or an Event of Default under the Lease or the Indenture, the Trustee shall be entitled to exercise such rights and remedies (including but not limited to the appointment of a receiver) as are provided in the Indenture or as are otherwise provided to the Issuer under the Act or other applicable law; *provided, however*, that no deficiency judgment upon foreclosure of the lien of the Indenture may be entered against the Issuer, the City, the State of Utah or any political subdivision of the State of Utah, except as otherwise expressly provided in the Indenture and as permitted by the Act.

Section 3. Execution of Series 2022 Bonds. The Mayor is hereby authorized and directed to execute, and the Secretary of the Issuer (the “*Secretary*”) is hereby authorized and directed to attest, the Series 2022 Bonds and each is hereby authorized and directed to deliver them to the Trustee for authentication pursuant to the Indenture.

Section 4. Redemption Provisions. The Series 2022 Bonds shall be subject to redemption as provided therein and in the Indenture.

Section 5. Limited Obligations. The Series 2022 Bonds, together with the interest and premium, if any, thereon, are not general obligations of the Issuer but are limited obligations and, except for the security provided by the Indenture, pursuant to Section 17A-3-911 of the Act, are payable solely out of Base Rentals received by the Trustee under the Lease and certain other amounts received under the Indenture. Nothing in this Resolution, the Indenture or the Series 2022 Bonds shall be construed as requiring the State of Utah or any political subdivision of the State of Utah to pay any of the Series 2022 Bonds or to pay any of the premium (if any) or interest thereon or to appropriate any money to pay the same. Pursuant to Section 17A-3-911 of the Act and the Indenture, the Series 2022 Bonds shall be secured by the Trust Estate, which is specifically pledged, mortgaged, hypothecated, assigned and otherwise secured in the Indenture, subject to Permitted Encumbrances, for the equal and ratable payment of the Series 2022 Bonds and any bonds hereafter issued on a parity with the Series 2022 Bonds under the Indenture and shall be used for no other purpose than to pay the principal of, and premium, if any, and interest on, the Series 2022 Bonds and such additional parity bonds, except as may be otherwise expressly authorized in the Indenture. Neither the full faith and credit nor the taxing powers of the State of Utah or any political subdivision of such State is pledged to the payment of the principal of, or premium, if any, or interest on, the Series 2022 Bonds or other costs appertaining thereto. The Series 2022 Bonds and the interest and premium, if any, thereon do not now and shall never constitute an indebtedness of the Issuer, the City, the State of Utah or any political subdivision of such State within the meaning of any State constitutional provision or limitation nor give rise to

or be a general obligation or liability of nor a charge against the general credit or taxing powers of the State of Utah or any political subdivision of the State of Utah. No breach of any covenant or agreement in the Indenture or the Lease shall impose any general obligation or liability upon, nor a charge against, the City or the general credit or taxing power of the State of Utah or any of its political subdivisions. THE OBLIGATION OF THE CITY TO PAY BASE RENTALS AND OTHER AMOUNTS UNDER THE LEASE IS ANNUALLY RENEWABLE AS PROVIDED THEREIN. THE OBLIGATION OF THE CITY TO MAKE SUCH PAYMENTS WILL NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE ISSUANCE OF THE SERIES 2022 BONDS NOR THE EXECUTION AND DELIVERY OF THE LEASE DIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO APPROPRIATE ANY MONEY TO PAY ANY RENTALS UNDER THE LEASE OR TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE CITY'S THEN CURRENT FISCAL YEAR OR OBLIGATE THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE CITY TO THE EXTENT PROVIDED IN THE LEASE) TO PAY ANY RENTALS DUE TO THE ISSUER UNDER THE TERMS OF THE LEASE. NO PERSON EXECUTING THE SERIES 2022 BONDS OR THE LEASE SHALL BE SUBJECT TO PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2022 BONDS OR THE EXECUTION OF THE LEASE.

Section 6. Sale of the Series 2022 Bonds. Approval of Bond Purchase Agreement and Sale of the Series 2022 Bonds. (a) The Series 2022 Bonds are hereby authorized to be sold to the Purchaser, on the terms and conditions set forth in the Certificate of Determination and the Series 2022 Bond Purchase Agreement and upon the basis of the representations therein set forth; *provided* that such terms shall not exceed the limitations set forth in Section 3 herein. The Series 2022 Bond Purchase Agreement, in substantially the form attached hereto as *Exhibit E*, is hereby authorized and approved. To evidence the acceptance of the Series 2022 Bond Purchase Agreement, the Mayor is hereby authorized to execute and deliver, in substantially the form attached hereto as *Exhibit E*, with such insertions, deletions, changes, omissions and variations as the Mayor may deem appropriate (such approval of the Mayor of any such changes shall be conclusively established by the execution of the Series 2022 Bond Purchase Agreement).

(b) The Series 2022 Bonds shall be delivered to the Purchaser and the proceeds of sale thereof applied as provided in the Certificate of Determination.

(c) The Mayor is hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Series 2022 Bonds, and the Secretary is hereby authorized, empowered and directed to attest such execution and to countersign.

Section 7. Approval of Operative Agreements. The forms, terms and provisions of the Operative Agreements are each hereby approved in substantially the forms presented at this meeting and attached hereto as exhibits to this Resolution, with such insertions, omissions and changes as shall be approved by the Mayor or other members of the Board executing the same, the execution of such documents being conclusive evidence of such approval; and the Mayor is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, each of such Operative Agreements and any related exhibits attached thereto.

Section 8. Other Actions with Respect to the Series 2022 Bonds and the Operative Agreements. The officers and employees of the Issuer shall take all action necessary in conformity with the Act to carry out the issuance of the Series 2022 Bonds and the execution and delivery of each of the Operative Agreements, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 2022 Bonds and the execution and delivery of the Operative Agreements and. If the Mayor or the Secretary shall be unavailable to execute or attest (as applicable) the Series 2022 Bonds, the Operative Agreements or the other documents that they are hereby authorized to execute and attest, the same may be executed and attested (as applicable) by any other member of the Board or by any Assistant Secretary, respectively.

Section 9. Arbitrage Covenant; Covenant to Maintain Tax Exemption. (a) The officers and employees of the Issuer are hereby authorized and directed to execute such Tax Certificates as shall be necessary to establish that (i) the Series 2022 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations, (ii) the Series 2022 Bonds are not and will not become “private activity bonds” within the meaning of Section 141 of the Code, (iii) all applicable requirements of Section 149 of the Code are and will be met, (iv) the covenants of the Issuer contained in this Section 11 will be complied with and (v) interest on the Series 2022 Bonds is not and will not become includible in gross income of the owners thereof for federal income tax purposes under the Code and applicable Regulations.

(b) The Issuer covenants and certifies to and for the benefit of the owners from time to time of the Series 2022 Bonds that:

(i) it will at all times comply with the provisions of any Tax Certificates;

(ii) it will at all times comply with the rebate requirements contained in Section 148(f) of the Code and the Regulations, including, without limitation, the entering into any necessary rebate calculation agreement to provide for the calculations of amounts required to be rebated to the United States, the keeping of records necessary to enable such calculations to be made, the creation of any rebate fund to provide for the payment of any required rebate and the timely payment to the United States of all amounts, including any applicable penalties and interest, required to be rebated, except to the extent that the Series 2022 Bonds are not subject to such arbitrage rebate requirements;

(iii) no use will be made of the proceeds of the issue and sale of the Series 2022 Bonds, or any funds or accounts of the Issuer that may be deemed to be proceeds of the Series 2022 Bonds, pursuant to Section 148 of the Code and applicable Regulations, which use, if it had been reasonably expected on the date of issuance of the Series 2022 Bonds, would have caused the Series 2022 Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code;

(iv) it will not use or permit the use of any of its facilities or properties in such manner that such use would cause the Series 2022 Bonds to be “private activity bonds” described in Section 141 of the Code;

(v) no bonds or other evidences of indebtedness of the Issuer have been or will be issued, sold or delivered within a period beginning fifteen (15) days prior to the sale of the Series 2022 Bonds and ending fifteen (15) days following the delivery of the Series 2022 Bonds, other than the Series 2022 Bonds;

(vi) it will not take any action that would cause interest on the Series 2022 Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Series 2022 Bonds as provided in Section 103 of the Code, nor will it omit to take or cause to be taken in timely manner any action, which omission would cause interest on the Series 2022 Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Series 2022 Bonds as provided in Section 103 of the Code;

(vii) it recognizes that Section 149(a) of the Code requires the Series 2022 Bonds to be issued and to remain in fully registered form in order that interest thereon is excludable from gross income of the owners thereof for federal income tax purposes under laws in force at the time the Series 2022 Bonds are initially delivered and the Issuer agrees that it will not take any action to permit the Series 2022 Bonds to be issued in, or converted into, bearer or coupon form except as provided in the Indenture; and

(viii) it acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Series 2022 Bonds, under present rules, the Issuer is treated as the “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination.

Pursuant to these covenants, the Issuer obligates itself to comply throughout the term of the issue of the Series 2022 Bonds with the requirements of Section 103 of the Code and the Regulations proposed or promulgated thereunder.

(f) The Mayor is hereby authorized and directed to execute and cause the timely filing with the Internal Revenue Service of an Information Return for Tax-Exempt Governmental Obligation Issues (Form 8038-G) as required under Section 149(e) of the Code.

Section 10. Continuing Disclosure Undertaking. The Mayor is hereby authorized, empowered and directed to execute and deliver, and the Secretary to countersign and attest, the Continuing Disclosure Undertaking, in substantially the same form as now before the Issuer and attached hereto as *Exhibit H* (the “*Continuing Disclosure Undertaking*”), or with such changes therein as the Mayor shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Issuer as herein provided, the Continuing Disclosure Undertaking will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2022 Bond to

seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Undertaking.

Section 11. Final Official Statement. The Official Statement of the Issuer is hereby authorized in substantially the form presented at this meeting and in the form attached hereto as *Exhibit I*, with such changes, omissions, insertions and revisions as the Mayor shall deem advisable, including the completion thereof with the information established at the time of the sale of the Bonds by the Designated Officer and set forth in the Certificate of Determination. The Mayor shall sign and deliver the Official Statement to the Purchaser for distribution to prospective purchasers of the Bonds and other interested persons. The approval of the Mayor of any such changes, omissions, insertions and revisions shall be conclusively established by the Mayor's execution of the Official Statement.

Section 12. Preliminary Official Statement Deemed Final. The use and distribution of the Official Statement in preliminary form (the "*Preliminary Official Statement*"), in substantially the form presented at this meeting and in the form attached hereto as *Exhibit I*, is hereby authorized and approved, with such changes, omissions, insertions and revisions as the Secretary shall deem advisable. The Mayor and the Secretary are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to deem final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion thereof with the information established at the time of the sale of the Bonds. The Mayor and the Secretary are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Bonds, and any actions taken thereby for purposes of deeming the Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission are hereby authorized, ratified and confirmed.

Section 13. Appointment of Trustee. U.S. Bank National Association is hereby appointed as trustee under the Indenture, thereby also serving as paying agent and registrar under the terms of the Indenture.

Section 14. Resolution Irrepealable. After any of the Series 2022 Bonds are delivered by the Trustee to the Purchaser upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the Series 2022 Bonds and interest thereon shall have been fully paid, canceled and discharged.

Section 15. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution; *provided, however*, that nothing in this Section shall be construed to amend or modify the limitations provided in Section 6 hereof.

Section 16. Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 17. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

APPROVED AND ADOPTED this October 19, 2021.

LOCAL BUILDING AUTHORITY OF THE CITY OF
NORTH SALT LAKE, UTAH

By _____
Mayor

ATTEST:

Secretary

EXHIBIT A

DESCRIPTION OF PROPERTY

EXHIBIT B

MASTER LEASE AGREEMENT

EXHIBIT C

INDENTURE OF TRUST

EXHIBIT D

DEED OF TRUST

EXHIBIT E

BOND PURCHASE AGREEMENT

EXHIBIT F

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of 17D-2-502 and 17D-2-601 Utah Code Annotated 1953, as amended, that on October 19, 2021, the Board of Trustees (the “*Board*”) of the Local Building Authority of the City of North Salt Lake, Utah (the “*Authority*”), adopted a resolution (the “*Resolution*”) authorizing the issuance of the Authority’s lease revenue refunding bonds (the “*Bonds*”) in the aggregate principal amount of not to exceed Ten Million Dollars, to bear interest at a rate or rates of not to exceed five percent per annum, to mature in not more than thirty-one years from their date or dates and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed one percent.

Pursuant to the Resolution, the Series 2022 Bonds are to be issued for the purpose of raising money to (A) acquire, construct and improve a public works facility (the “*Project*”) on certain real property located in the City (the “*Property*”) and (B) pay costs relating to the issuance and sale of the Series 2022 Bonds.

The Series 2022 Bonds are payable from annually-renewable lease payments from the City of North Salt Lake, Utah (the “*City*”) and will be secured by a mortgage on the Property. The estimated total cost to the Authority for the proposed Bonds, if the Series 2022 Bonds are held until maturity and based on estimated interest rates currently in effect and the principal amount of Bonds the Authority expects to issue, is \$16,232,016.

The Series 2022 Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as attachments to such Resolution forms of an Indenture of Trust (the “*Indenture*”), a Master Lease Agreement (the “*Lease*”) between the Authority and the City and a Leasehold Deed of Trust, Assignment of Rents and Security Agreement (the “*Deed of Trust*”). Said Indenture, Lease and Deed of Trust are to be executed and delivered by the Authority in such form and with such changes as shall be approved by the Authority together with other related bond documents; provided that the principal amount, interest rate or rates, maturity and discount of the Series 2022 Bonds will not exceed the maximums set forth above.

Copies of the Resolution and the forms of the Indenture, the Lease, the Deed of Trust, and certain other documents pertaining to the issuance and sale of the Series 2022 Bonds are on file in the office of the Authority, which is the office of the Secretary of the Authority at 10 East Center Street, in North Salt Lake, Utah where they may be examined during regular business hours of the Authority from 8:00 a.m. to 5:00 p.m., Monday through Friday of each week (except holidays). Such documents shall be available for inspection from and after the date of the publication of this notice until at least thirty (30) days thereafter.

NOTICE IS FURTHER GIVEN that for a period of thirty (30) days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the Resolution or the Series 2022 Bonds, or any provision made for the security and payments of such Bonds and after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

NOTICE IS FURTHER GIVEN that pursuant to Section 17D-2-502, Utah Code Annotated 1953, as amended, if within 30 calendar days of the publication of this notice, a written petition requesting an election and signed by at least twenty percent (20%) of the active voters of the City of North Salt Lake is filed with the Board, then the Board shall submit the question of whether or not to issue the Series 2022 Bonds to the voters of the City of North Salt Lake for their approval or rejection.

DATED October 19, 2021.

LOCAL BUILDING AUTHORITY OF THE CITY OF NORTH SALT LAKE, UTAH

EXHIBIT G

CERTIFICATE OF DETERMINATION

EXHIBIT H

CONTINUING DISCLOSURE UNDERTAKING

EXHIBIT I

PRELIMINARY OFFICIAL STATEMENT