

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN that pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (collectively, the “Act”), on May 2, 2019 the Governing Board (the “Governing Board”) of the Municipal Building Authority of Kaysville City, Utah (the “Authority”) adopted a resolution (the “Resolution”) declaring its intention to issue its Lease Revenue Bonds, Series 2019 (to be issued in one or more series and with such other or further designation(s) as the Authority may determine) (the “Bonds”).

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Authority shall hold a public hearing on June 6, 2019, at the hour of 6:30 p.m. The location of the public hearing is 23 East Center Street, Kaysville, Utah. The purpose of the meeting is to receive input from the public with respect to (i) the issuance of the Bonds and (ii) any potential economic impact that the improvements, facility or property financed in whole or in part with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing the construction, renovation and expansion of the Kaysville City Hall and related improvements (collectively, the “Project”), (b) funding any required deposit to a debt service reserve fund, and (c) paying issuance expenses of the Bonds.

PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in the principal amount of not to exceed Four Million Three Hundred Thousand Dollars (\$4,300,000), to bear interest at the rate or rates of not to exceed a net effective rate of six percent (6.0%) per annum, to mature in not more than seventeen (17) years from their date or dates of issuance, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, plus accrued interest to the date of delivery.

The Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as part of said Resolution, forms of a General Indenture of Trust (the “General Indenture”), a Supplemental Indenture of Trust (the “Supplemental Indenture” and collectively with the General Indenture, the “Indenture”), a Bond Purchase Agreement (the “Purchase Agreement”), a Master Lease Agreement (the “Master Lease”), certain Security Documents (the “Security Documents”), and a Ground Lease (the “Ground Lease”), which were before the Governing Board and attached to the Resolution at the time of the adoption of the Resolution and said General Indenture, Supplemental Indenture, Purchase Agreement, Master Lease, Security Documents, and Ground Lease are to be executed by the Authority in such form and with such changes thereto as shall be approved by the Authority; provided that the principal amount, interest rates, maturity, and discount of the Bonds will not exceed the maximums set forth above.

Copies of the Resolution, General Indenture, Supplemental Indenture, Purchase Agreement, Master Lease, Security Documents, and Ground Lease are on file in the office of the City Recorder of Kaysville City (the “City”) located at 23 East Center Street, Kaysville, Utah, where they may be examined during regular business hours of the City from 8:30 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the last date of publication of this notice.

SECURITY FOR THE BONDS

This Bonds are to be issued under and secured by and entitled to the protection of the Indenture, pursuant to which all base rentals payable by Kaysville City, Utah (the “City”) under the Master Lease and, if paid by the City, the Purchase Option Price, are assigned to secure the payment of principal of, interest on, and premium, if any on the Bonds. Additionally, a security interest in the Project shall be granted to the holders of this Bonds pursuant to the Master Lease, to further secure the Authority’s obligations under the Indenture.

OUTSTANDING BONDS SECURED BY LEASE REVENUES

The Authority currently has \$4,002,000 of other bonds outstanding secured by lease revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: <https://reporting.auditor.utah.gov/searchreport>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Dean Storey, Finance Director at (801) 546-1235.

TOTAL ESTIMATED COST

Based on the Issuer’s current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds if held until maturity is \$5,129,641.

NOTICE IS HEREBY GIVEN that a period of thirty (30) days from and after the last date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Indenture, Purchase Agreement, Master Lease, Security Documents, or Ground Lease, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever; and (ii) registered voters within the City may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least twenty percent (20%) of the registered voters of the City are filed with the Authority during said thirty (30) day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Bonds. If fewer than twenty percent (20%) of the registered voters of the City file a written petition during said thirty (30) day period, the Authority may proceed to issue the Bonds without an election.

DATED this May 2, 2019.

/s/ Annemarie Plaizier
Secretary-Treasurer