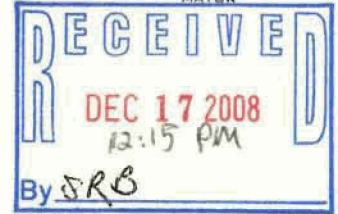


DANIEL A. MULE'
CITY TREASURER

SALT LAKE CITY CORPORATION

DEPARTMENT OF MANAGEMENT SERVICES
TREASURER'S DIVISION

RALPH BECKER
MAYOR



CITY COUNCIL TRANSMITTAL



David Everitt, Chief of Staff

Date Received: 12/17/2008
Date sent to Council: 12/17/2008

TO: Salt Lake City Council
Jill Remington-Love, Chair

DATE: December 17, 2008

FROM: Lyn Creswell, Management Services Director



SUBJECT: Resolution Awarding the Sale of General Obligation Bonds, Series 2009A
(Open Space Project)

STAFF CONTACT: Daniel A. Mulé, City Treasurer (535-6411)



DOCUMENT TYPE: Resolution

RECOMMENDATION: That the City Council approve the issuance and sale of the above-referenced General Obligation Bonds to Zions First National Bank.

BUDGET IMPACT: None. Increased tax collections resulting from the issuance of voter-authorized general obligation bonds for the Open Space Projects will be sufficient to cover debt service costs for the period in which the bonds are outstanding.

BACKGROUND/DISCUSSION: On November 4, 2003, voters within Salt Lake City authorized the City to issue and sell general obligation bonds in an amount not to exceed \$5.4 million for the purpose of paying the costs of acquiring and preserving open space, park and recreational lands, and amenities within Salt Lake City or its environs.

On Tuesday, January 6, 2009, the City Council will consider adopting a bond resolution authorizing the issuance and confirming the sale of a portion of the authorized amount for this Project. A Pricing Summary showing the details of the sale as well as a schedule showing the estimated impact from the required tax levy on residential and commercial property owners will be provided prior to the day of the Council Meeting. At the time this Council Transmittal was due to be delivered to the Mayor's Office, these figures were not finalized.

LOCATION: 451 SOUTH STATE STREET, ROOM 228, SALT LAKE CITY, UTAH 84111

MAILING ADDRESS: P.O. BOX 145462, SALT LAKE CITY, UTAH 84114-5462

TELEPHONE: 801-535-7946 FAX: 801-535-6082

WWW.SLCGOV.COM



Zions First National Bank was selected through a Request for Proposal process to act as Underwriter for any Open Space bonds issued relative to the November 2003 ballot proposition. Because of the small par amount of the initial issue (approximately \$800,000), Zions Bank will privately place these bonds into their portfolio rather than sell them through a public offering.

A draft copy of the Bond Resolution and Bond Purchase Agreement is attached for your review.

Attachments

cc: Lyn Creswell, Boyd Ferguson, Gordon Hoskins, Daniel A. Mulé, Kelly Murdock, Marina Scott, Emy Storheim

SALT LAKE CITY, UTAH

Resolution No. _____ of 2009

Authorizing the Issuance and Sale of

**\$ _____
General Obligation Bonds, Series 2009A**

Adopted January 6, 2009

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EXHIBIT 1 — FORM OF PURCHASE CONTRACT

RESOLUTION NO. _____ OF 2009

A RESOLUTION CONFIRMING THE SALE AND AUTHORIZING THE ISSUANCE OF \$_____ GENERAL OBLIGATION BONDS, SERIES 2009A OF SALT LAKE CITY, UTAH; FIXING THE INTEREST RATES TO BE BORNE THEREBY; PROVIDING FOR THE LEVY OF TAXES TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS; PROVIDING FOR THE USE OF THE PROCEEDS THEREOF; MAKING CERTAIN FINDINGS AND COVENANTS IN CONNECTION THEREWITH; RATIFYING ACTIONS HERETOFORE TAKEN; MAKING CERTAIN REPRESENTATIONS AND COVENANTS CONCERNING MAINTENANCE OF THE TAX-EXEMPT STATUS OF INTEREST THEREON UNDER THE FEDERAL INCOME TAX LAWS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A PURCHASE CONTRACT; AND PROVIDING FOR RELATED MATTERS.

*** *** ***

WHEREAS, at the special bond election duly and lawfully called and held in Salt Lake City, Salt Lake County, Utah (the "*Issuer*"), on November 4, 2003 (the "*Bond Election*"), the issuance of bonds was authorized as follows:

(1) \$10,200,000 principal amount of general obligation bonds (the "*Proposition No. 1 Bonds*") was authorized for the purpose of paying the costs of acquiring, improving and renovating facilities for Hogle Zoo located at approximately 2600 East Sunnyside Avenue;

(2) \$10,200,000 principal amount of general obligation bonds (the "*Proposition No. 2 Bonds*") was authorized for the purpose of paying the costs of renovating, improving and preserving the old main library building and providing related facilities located at approximately 5th South Street and 2nd East Street to establish a science, culture and art education center currently known as The Leonardo at Library Square;

(3) \$5,400,000 principal amount of general obligation bonds (the "*Proposition No. 4 Bonds*") was authorized for the purpose of paying the costs of acquiring and preserving open space, park and recreational lands and amenities (the "*Open Space Project*");

(4) \$15,300,000 principal amount of general obligation bonds (the "*Proposition No. 5 Bonds*") was authorized for the purpose of paying the costs of acquiring, constructing, furnishing and equipping a multi-purpose regional sports, recreation and education complex and related roads, parking and improvements; and

(5) \$1,100,000 principal amount of general obligation bonds (the "*Proposition No. 6 Bonds*") was authorized for the purpose of paying the costs of

improving and renovating Tracy Aviary located at approximately 589 East Street and 1300 South Street;

WHEREAS, the Issuer has not heretofore issued any of the Proposition No. 2 Bonds, the Proposition No. 4 Bonds or the Proposition No. 5 Bonds voted at the Bond Election;

WHEREAS, the Issuer has determined to authorize the issuance and sale at this time of \$_____ principal amount of the Proposition No. 4 Bonds voted at the Bond Election to finance the Open Space Project;

WHEREAS, the Issuer has made arrangements for the purchase of the Bonds and the financing of a portion of the Open Space Project at favorable interest rates; and

WHEREAS, in the opinion of the Issuer, it is in the best interests of the Issuer that (a) the offer of the Purchaser for the purchase of the Bonds be accepted, (b) the sale of the Bonds to the Purchaser be ratified and confirmed, and (c) the Mayor and the City Recorder be authorized to execute, countersign and attest the Purchase Contract between the Purchaser and the Issuer;

NOW, THEREFORE, Be It Resolved by the City Council of Salt Lake City, Salt Lake County, Utah, as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions. As used in this Bond Resolution (including the preambles hereto), unless the context shall otherwise require, the following terms shall have the following meanings:

“*Act*” means, collectively, the Local Government Bonding Act, Chapter 14 of Title 11 of the Utah Code, the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code, and the applicable provisions of Title 10 of the Utah Code.

“*Bond Account*” means the Bond Account established in Section 212 hereof.

“*Bond Counsel*” means Chapman and Cutler LLP or another attorney or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States.

“*Bond Election*” means the special bond election duly and lawfully called and held in the Issuer on November 4, 2003, at which the issuance and sale by the Issuer of \$42,200,000 of general obligation bonds, consisting of the Proposition No. 1 Bonds, the Proposition No. 2 Bonds, the Proposition No. 4 Bonds, the Proposition No. 5 Bonds and the Proposition No. 6

Bonds, were authorized, the results of which election were declared by the City Council of the Issuer, sitting as a Board of Canvassers, on November 10, 2003.

“*Bond Registrar*” means each Person appointed by the Issuer as bond registrar and agent for the transfer, exchange and authentication of the Bonds. Pursuant to Section 206 hereof, the initial Bond Registrar is U.S. Bank National Association, of Salt Lake City, Utah.

“*Bond Resolution*” means, collectively, this Resolution of the Issuer adopted on January 6, 2009, and that certain resolution of the Issuer adopted on April 18, 2006, both authorizing the issuance and sale of the Bonds.

“*Bondowner*” or “*owner*” means the registered owner of any Bond as shown in the registration books of the Issuer kept by the Bond Registrar for such purpose.

“*Bonds*” means the Issuer’s \$_____ General Obligation Bonds, Series 2009A authorized by the Bond Resolution.

“*City Recorder*” means the duly qualified and acting City Recorder of the Issuer or in the absence or disability of such person, a deputy city recorder or such other official as shall be duly authorized to act in the City Recorder’s stead.

“*City Treasurer*” means the City Treasurer of the Issuer or, in the absence or disability of such person, a deputy city treasurer or such other official as shall be duly authorized to act in the City Treasurer’s stead.

“*Closing Date*” means the date of the initial issuance of the Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Depository Account*” means the Depository Account established in Section 212 hereof.

“*Exchange Bond*” means any Exchange Bond as defined in Section 209 hereof.

“*Issuer*” means Salt Lake City, Salt Lake County, Utah.

“*Mayor*” means the duly qualified and acting Mayor of the Issuer or in the absence or disability of such person, the duly qualified and acting Deputy Mayor of the Issuer.

“*Open Space Project*” means acquiring and preserving open space, park and recreational lands and amenities.

“*Paying Agent*” means each Person appointed by the Issuer as paying agent with respect to the Bonds. Pursuant to Section 206 hereof, the initial Paying Agent is U.S. Bank National Association, of Salt Lake City, Utah.

“*Person*” means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

“*Proposition No. 1 Bonds*” means \$10,200,000 principal amount of general obligation bonds authorized for the purpose of paying the costs of acquiring, improving and renovating facilities for Hogle Zoo located at approximately 2600 East Sunnyside Avenue.

“*Proposition No. 2 Bonds*” means \$10,200,000 principal amount of general obligation bonds authorized for the purpose paying the costs of renovating, improving and preserving the old main library building and providing related facilities located at approximately 5th South Street and 2nd East Street to establish a science, culture and art education center currently known as The Leonardo at Library Square.

“*Proposition No. 4 Bonds*” means \$5,400,000 principal amount of general obligation bonds authorized for the purpose of financing the Open Space Project.

“*Proposition No. 5 Bonds*” means \$15,300,000 principal amount of general obligation bonds authorized for the purpose of paying the costs of acquiring, constructing, furnishing and equipping a multi-purpose regional sports, recreation and education complex and related roads, parking and improvements.

“*Project Account*” means the Project Account established in Section 212 hereof.

“*Purchase Contract*” means the Purchase Contract, dated January 6, 2009, between the Issuer and the Purchaser pursuant to which the Bonds are to be sold by the Issuer to the Purchaser, in substantially the form attached hereto as *Exhibit 1*.

“*Purchaser*” means Zions First National Bank of Salt Lake City, Utah, as the initial purchaser of the Bonds from the Issuer.

“*Record Date*” means in the case of each interest payment date, the day that is fifteen (15) days preceding such interest payment date, or if such day is not a business day for the Bond Registrar, the next preceding day that is a business day for the Bond Registrar.

“*Regulations*” means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

“*Tax Certificate*” means any agreement or certificate of the Issuer that the Issuer may execute in order to establish and maintain the excludability of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

“*United States*” means the government of the United States of America.

“*Utah Code*” means Utah Code Annotated 1953, as amended.

Section 102. Rules of Construction. Unless the context otherwise requires:

- (a) references to Articles and Sections are to the Articles and Sections of this Bond Resolution;
- (b) the singular form of any word, including the terms defined in Section 101, includes the plural, and vice versa, and a word of any gender includes all genders; and
- (c) the terms “*hereby*,” “*hereof*,” “*hereto*,” “*herein*,” “*hereunder*” and any similar terms as used in this Bond Resolution refer to this Bond Resolution.

Section 103. Authority for Bond Resolution. The Bond Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

Section 201. Authorization of Bonds, Principal Amount, Designation and Series. In accordance with and subject to the terms, conditions and limitations established by the Act and in the Bond Resolution, a series of General Obligation Bonds of the Issuer is hereby authorized to be issued in the aggregate principal amount of _____ Dollars \$_____. Such series of bonds shall be designated “*General Obligation Bonds, Series 2009A.*”

Section 202. Purpose. The Bonds are hereby authorized to be issued under authority of the Act for the purpose of (1) financing the Open Space Project; and (2) paying a portion of the costs related to the issuance and sale of the Bonds.

Section 203. Issue Date. The Bonds shall be dated as of the Closing Date.

Section 204. Bond Details. The Bonds shall mature on _____, _____, in the principal amount of \$_____, and shall bear interest at a rate of _____% per annum (calculated on the basis of a year of 360 days consisting of twelve 30-day months) from the Closing Date, payable semiannually on _____ and _____ of each year, commencing _____, 20_____.

Each Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless (a) it is registered and authenticated as of an interest payment date, in which event it shall bear interest from the date thereof, (b) it is registered and authenticated prior to the first interest payment date, in which event it shall bear interest from its date, or (c) as shown by the records of the Bond Registrar, interest on the Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full. The Bond Registrar shall insert the date of registration and authentication of each Bond in the place provided for such purpose in the form of Bond Registrar’s certificate of

authentication on each Bond. The Bonds shall bear interest on overdue principal at the aforesaid rate.

Section 205. Denominations and Numbers. The Bonds shall be issued as fully-registered bonds, without coupons, in the denomination of \$100,000 or any whole multiple of \$1,000 in excess of \$100,000, not exceeding the amount of each maturity. The Bonds shall be numbered with the letter prefix "R-" and from one (1) consecutively upwards in order of issuance.

Section 206. Paying Agent and Bond Registrar. U.S. Bank National Association, of Salt Lake City, Utah, is hereby appointed the initial Paying Agent and Bond Registrar for the Bonds. The Issuer may remove any Paying Agent and any Bond Registrar, and any successor thereto, and appoint a successor or successors thereto. Each Paying Agent and Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the Issuer a written acceptance thereof. The principal of and premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America that, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal of and premium, if any, on the Bonds shall be payable when due to the owner of each Bond upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. Payment of interest on each Bond shall be made to the Person that, as of the Record Date, is the owner of the Bond and shall be made by check or draft mailed to the Person that, as of the Record Date, is the owner of the Bond, at the address of such owner as it appears on the registration books of the Issuer kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date.

Section 207. Redemption Prior to Maturity. [Redemption provisions to come.]

Section 208. Sale of Bonds. (a) The Bonds are hereby sold to the Purchaser at an aggregate price of \$_____, on the terms and conditions set forth in the Purchase Contract and upon the basis of the representations therein set forth. The Purchase Contract, in substantially the form attached hereto as *Exhibit 1* and containing substantially the terms and provisions set forth therein, is hereby authorized and approved. To evidence the acceptance of the Purchase Contract, the Mayor is hereby authorized and directed to execute and deliver, and the City Recorder to attest, countersign and seal the Purchase Contract, in substantially the form attached hereto as *Exhibit 1*, 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 Purchase Contract).

(b) The Bonds shall be delivered to the Purchaser and the proceeds of sale thereof applied as provided in Section 210 hereof.

Section 209. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the Mayor, countersigned by the City Treasurer and attested and countersigned by the City Recorder (the signatures of the Mayor, City Treasurer and City Recorder being either manual or by facsimile) and the official seal of the Issuer or a facsimile thereof shall be impressed or printed thereon. The use of such manual or facsimile signatures of the Mayor, the City Treasurer

and the City Recorder and such facsimile or impression of the official seal of the Issuer on the Bonds are hereby authorized, approved and adopted by the Issuer as the authorized and authentic execution, attestation, countersignature and sealing of the Bonds by said officials on behalf of the Issuer. The Bonds shall then be delivered to the Bond Registrar for manual authentication by it. Only such of the Bonds as shall bear thereon a certificate of authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of the Bond Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, the Bond Resolution and that the owner thereof is entitled to the benefits of the Bond Resolution. The certificate of authentication of the Bond Registrar on any Bond shall be deemed to have been executed by it if (a) such Bond is signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder or that all of the Bonds hereunder be authenticated by the same Bond Registrar, and (b) the date of registration and authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

The Mayor, the City Treasurer and the City Recorder are authorized to execute, countersign, attest and seal from time to time, in the manner described above, Bonds (the "*Exchange Bonds*") to be issued and delivered for the purpose of effecting transfers and exchanges of Bonds pursuant to Article III hereof. At the time of the execution, countersigning, attestation and sealing of the Exchange Bonds by the Issuer, the payee, principal amount, maturity and interest rate may be in blank. Upon any transfer or exchange of Bonds pursuant to Article III hereof, the Bond Registrar shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, principal amount, maturity and interest rate. The Bond Registrar is hereby authorized and directed to hold the Exchange Bonds and to complete, authenticate and deliver the Exchange Bonds for the purpose of effecting transfers and exchanges of Bonds; *provided* that any Exchange Bonds authenticated and delivered by the Bond Registrar shall bear the same series, maturity and interest rate as Bonds delivered to the Bond Registrar for exchange or transfer and shall bear the name of such payee as the Bondowner requesting an exchange or transfer shall designate; and *provided further* that upon the delivery of any Exchange Bonds by the Bond Registrar a like principal amount of Bonds submitted for transfer or exchange, and of like series and having like maturity dates and interest rates, shall be cancelled. The execution, countersignature, attestation and sealing by the Issuer and delivery to the Bond Registrar of any Exchange Bond shall constitute full and due authorization of such Bond containing such payee, principal amount, maturity and interest rate as the Bond Registrar shall cause to be inserted, and the Bond Registrar shall thereby be authorized to authenticate and deliver such Exchange Bond in accordance with the provisions hereof.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

Section 210. Delivery of the Bonds; Application of Proceeds. The Bonds shall be delivered to the Purchaser at such time and place as set forth in, and subject to, the provisions of the Purchase Contract. The City Recorder and the City Treasurer are hereby authorized and instructed to make or to cause delivery of the Bonds to the Purchaser and to receive payment therefor in accordance with the terms of the Purchase Contract and to deposit the proceeds of the sale of the Bonds into the Project Account to be used for the purpose for which the Bonds are herein authorized. The City Treasurer is authorized to cause to be transferred to the Paying Agent a portion of the proceeds of the Bonds to pay any costs of issuance of the Bonds authorized by the City Treasurer.

Section 211. Further Authority. The Mayor, the City Treasurer and the City Recorder and other officers of the Issuer 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, registration and delivery of the Bonds and to fulfill the obligations of the Issuer hereunder and thereunder.

Section 212. Establishment of Accounts. (a) The following accounts on the accounting records of the Issuer are hereby created, which are to be held as follows:

- (i) Bond Account, to be held by the Issuer;
- (ii) Depository Account, to be held by the Paying Agent; and
- (iii) Project Account, to be held by the Issuer.

(b) Pending application for the purposes contemplated hereby, moneys on deposit in the Bond Account, Depository Account and Project Account shall be invested as permitted by law in investments approved by the City Treasurer or other authorized officer of the Issuer. Following the earlier of April 1, 2009, or the date upon which all of the costs of issuance of the Bonds have been paid, any moneys remaining from the sale proceeds of the Bonds held by the Paying Agent at the direction of the City Treasurer pursuant to Section 210 hereof to pay the costs of issuance of behalf of the Issuer shall be transmitted to the Issuer for deposit into the Project Account.

[*Section 213. Record of Payment.* In the event of a redemption, acceleration, or any other similar transaction necessitating a reduction in aggregate principal amount of any of the Bonds outstanding, a Bondowner shall make an appropriate notation on the Bond certificate indicating the date and amounts of such reduction in principal, except in the case of final maturity in which case the certificate must be presented to the Paying Agent prior to payment. In the case of a discrepancy between the record of payments on the Bond and the Bond Registrar's records, the Bond Registrar's records shall govern.]

ARTICLE III

TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR

Section 301. Transfer of Bonds. (a) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Section 303 hereof, by the Person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon and for all other purposes whatsoever.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully-registered Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Issuer, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Bondowner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made after the Record Date with respect to any interest payment date to and including such interest payment date.

Section 302. Exchange of Bonds. Bonds may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of fully-registered Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate of other authorized denominations. The Bond Registrar shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made after the Record Date with respect to any interest payment date to and including such interest payment date.

Section 303. Bond Registration Books. This Bond Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code. The Bond Registrar shall keep or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer, or cause Bonds to be registered or transferred on those books as herein provided.

Section 304. List of Bondowners. The Bond Registrar shall maintain a list of the names and addresses of the owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner.

Section 305. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor, the City Treasurer and the City Recorder are authorized to execute the Bond Registrar's standard form of agreement between the Issuer and the Bond Registrar with respect to the compensation, obligations and duties of the Bond Registrar hereunder, which may include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Bondowners as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;

(c) to cancel and/or destroy Bonds that have been paid at maturity or submitted for exchange or transfer;

(d) to furnish to the Issuer at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(e) to furnish to the Issuer, upon its request, at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

ARTICLE IV

INITIAL ISSUANCE OF BONDS

Section 401. Initial Issuance of Bonds. The Bonds shall be initially issued in the form of a separate, single, certificated, fully-registered Bond [for each of the maturities set forth in Section 204 hereof]. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Bond Registrar in the name of the Purchaser or its designee.

ARTICLE V

COVENANTS AND UNDERTAKINGS

Section 501. Covenants of Issuer. All covenants, statements, representations and agreements contained in the Bonds and all recitals and representations in the Bond Resolution are hereby considered and understood, and it is hereby confirmed that all such covenants, statements, representations and agreements are the covenants, statements, representations and agreements of the Issuer.

Section 502. Levy of Taxes; Bond Account The Issuer covenants and agrees that to pay the interest falling due on the Bonds as the same becomes due, and also to provide a sinking fund for the payment of the principal of the Bonds at maturity, there shall be levied on all taxable property in the Issuer in addition to all other taxes, a direct annual tax sufficient to pay the interest on the Bonds and to pay and retire the same. These taxes when collected shall be applied

solely for the purpose of the payment of the interest on and principal of the Bonds, respectively, and for no other purpose whatsoever until the indebtedness so contracted under the Bond Resolution, principal and interest, shall have been fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent the Issuer from applying any other funds that may be in the Issuer's treasury and available for that purpose to the payment of such interest and principal as the same respectively become due and mature. The levy or levies herein provided for may thereupon be diminished to that extent. The sums herein provided for to meet the interest on the Bonds and to discharge the principal thereof when due are hereby appropriated for that purpose, and the required amount for each year shall be included by the Issuer in its annual budget and its statement and estimate as certified to the County Council of Salt Lake County, Utah, in each year. Principal or interest falling due at any time when there shall not be available from the proceeds of the levies described in this Section money sufficient for the payment thereof shall, to the extent of such deficiency, be paid from other funds of the Issuer available for such purpose, and such other funds shall be reimbursed when the proceeds of such levies become available.

The taxes or other funds that are referenced in the foregoing paragraph and that are to be used to pay the principal of or interest on the Bonds shall be deposited into the Bond Account. On or prior to the date preceding each date on which monies are required to be on deposit with the Paying Agent sufficient for the payment of the principal of and interest on the Bonds, but in any event not later than the business day next preceding each such payment date, the Issuer shall transfer from the Bond Account to the Paying Agent for deposit into the Depository Account an amount sufficient to pay principal of and interest on the Bonds on such payment date. Moneys remaining on deposit in the Bond Account immediately after each such payment date, including any investment earnings thereon earned during the period of such deposit, shall be immediately withdrawn from the Bond Account by the Issuer and commingled with the general funds of the Issuer. Moneys remaining on deposit in the Depository Account immediately after each such payment date, including any investment earnings thereon earned during the period of such deposit, shall be immediately withdrawn from the Depository Account by the Paying Agent and paid to the Issuer and commingled with the general funds of the Issuer. The Bond Account and the Depository Account have been established primarily to achieve a proper matching of revenues and debt service on the Bonds. The Bond Account and the Depository Account shall be depleted at least once each year by the Issuer, except for a reasonable carryover amount not to exceed the greater of one year's earnings on the Bond Account or one-twelfth of the annual debt service on the Bonds.

Section 503. Arbitrage Covenant; Covenant to Maintain Tax-Exemption. (a) The Mayor, the City Treasurer and other appropriate officials of the Issuer are hereby authorized and directed to execute such Tax Certificates as shall be necessary to establish that (i) the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations, (ii) the 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 will be complied with and (v) interest on the 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 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 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 Bonds, or any funds or accounts of the Issuer that may be deemed to be proceeds of the 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 Bonds, would have caused the 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 Bonds to be “private activity bonds” described in Section 141 of the Code;

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

(vi) it will not take any action that would cause interest on the Bonds to be or to become ineligible for the exclusion from gross income of the owners of the 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 Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Bonds as provided in Section 103 of the Code;

(vii) it recognizes that Section 149(a) of the Code requires the 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 Bonds are initially delivered and the Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form without an opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes; 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 Bonds, under present rules, the Issuer may be treated as a “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 Bonds with the requirements of Section 103 of the Code and the Regulations proposed or promulgated thereunder.

ARTICLE VI

FORM OF BONDS

Section 601. Form of Bonds. Each fully-registered Bond shall be, respectively, in substantially the following form, with such insertions or variations as to any amortization provisions and such other insertions or omissions, endorsements and variations as may be required:

[FORM OF BOND]

Registered

Registered

UNITED STATES OF AMERICA

STATE OF UTAH

COUNTY OF SALT LAKE

SALT LAKE CITY

GENERAL OBLIGATION BOND, SERIES 2009A

Number R-_____

\$_____

INTEREST
RATE:

MATURITY
DATE:

DATED
DATE:

_____%

_____, ____

_____, 2009

REGISTERED OWNER:

PRINCIPAL AMOUNT: ----- DOLLARS-----

KNOW ALL MEN BY THESE PRESENTS that Salt Lake City, Salt Lake County, Utah (the "Issuer"), a duly organized and existing municipal corporation and a political subdivision of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay to the registered owner identified above, or registered assigns, on the maturity date identified above, upon presentation and surrender hereof, the principal amount identified above (the "Principal Amount"), and to pay the registered owner hereof interest on the balance of the Principal Amount from time to time remaining unpaid from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date, or unless this Bond is registered and authenticated prior to the first interest payment date, in which event this Bond shall bear interest from the dated date identified above (the "Dated Date"), or unless, as shown by the records of the hereinafter referred to Bond Registrar, interest on the hereinafter referred to Bonds shall be in default, in which event this Bond shall bear interest from the date to which interest has been paid in full, at the interest rate per annum (calculated on the basis of a year of 360 days consisting of twelve 30-day months) identified above (the "Interest Rate"), payable semiannually on _____ and _____ in each year, commencing _____, 20____, until payment in full of the Principal Amount. This Bond shall bear interest on overdue principal at the Interest Rate. Principal of and premium, if

any, on this Bond shall be payable upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, of Salt Lake City, Utah, as Paying Agent for the Bonds, or at the principal corporate trust office of any successor who is at the time the Paying Agent of the Issuer, in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts; and payment of the interest hereon shall be made to the registered owner hereof and shall be paid by check or draft mailed to the person who is the registered owner of record on the Record Date.

This Bond is one of the General Obligation Bonds, Series 2009A of the Issuer (the "*Bonds*"), limited to the aggregate principal amount of _____ Dollars (\$_____), dated as of the Dated Date, issued under and by virtue of the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended (the "*Utah Code*"), the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code, and the applicable provisions of Title 10 of the Utah Code (collectively, the "*Act*"), and under and pursuant to resolutions of the Issuer adopted on April 18, 2006 and January 6, 2009 (collectively, the "*Bond Resolution*"), after having been authorized at a special bond election held on November 4, 2003, in the Issuer by a vote of the qualified electors thereof, for the purpose of acquiring and preserving open space, park and recreational lands and amenities.

U.S. Bank National Association, of Salt Lake City, Utah, is the initial bond registrar and paying agent of the Issuer with respect to the Bonds. This bond registrar and paying agent, together with any successor bond registrar or paying agent, are referred to herein, respectively, as the "*Bond Registrar*" and the "*Paying Agent*."

The Issuer covenants and is by law required to levy annually a sufficient tax to pay interest on this Bond as it falls due and also to constitute a sinking fund for the payment of the principal hereof as the same falls due.

This Bond is transferable, as provided in the Bond Resolution, only upon the books of the Issuer kept for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner hereof in person or by such owner's attorney duly authorized in writing. Such transfer shall be made upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or such duly authorized attorney and upon the payment of the charges prescribed in the Bond Resolution, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Bond Resolution. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are issuable solely in the form of registered Bonds in the denomination of \$100,000 or any whole multiple of \$1,000 in excess of \$100,000.

[The Bonds are not subject to call and redemption prior to maturity.]

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Bond Resolution.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts and things required by the Constitution or laws of the State of Utah and by the Act and the Bond Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the Constitution and laws referenced above, and that the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on this Bond according to its terms.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

IN WITNESS WHEREOF, SALT LAKE CITY, SALT LAKE COUNTY, UTAH, has caused this Bond to be signed in its name and on its behalf by its Mayor, countersigned by its City Treasurer and attested and countersigned by its City Recorder, and has caused the official seal of the City to be impressed hereon, all as of the Dated Date.

SALT LAKE CITY, SALT LAKE COUNTY, UTAH

By _____ (manual signature)
Mayor

[SEAL]

COUNTERSIGN:

By _____ (manual signature)
City Treasurer

ATTEST AND COUNTERSIGN:

By _____ (manual signature)
City Recorder

APPROVED AS TO FORM:

_____ (manual signature)
Senior City Attorney

[RECORD OF PAYMENTS

Pursuant to Section 213 of the Bond Resolution pursuant to which the attached Salt Lake City, Utah General Obligation Bond, Series 2009A has been issued, the Bondowner (or its duly authorized agent) certified (as evidenced by the signature in the right-hand column) that the principal amount of the attached Bond has been reduced by payment of the principal thereof on the dates and in the amounts indicated:

PRINCIPAL AMOUNT PAID	DATE PAID	REMAINING UNPAID PRINCIPAL BALANCE	AUTHORIZED SIGNATURE
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____]

[FORM OF BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Bond Resolution and is one of the General Obligation Bonds, Series 2009A of Salt Lake City, Salt Lake County, Utah.

U.S. BANK NATIONAL ASSOCIATION,
as Bond Registrar

By _____
Authorized Officer

Date of registration and authentication: _____, 2009.

Bond Registrar and Paying Agent:

U.S. Bank National Association
170 South Main Street, Suite 200
Salt Lake City, Utah 84101

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT—
TEN ENT	—	as tenants by the entirety	_____ Custodian _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor) under Uniform Transfers to Minors Act of _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

[Empty box for Social Security or Other Identifying Number of Assignee]

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of SALT LAKE CITY, SALT LAKE COUNTY, UTAH, and hereby irrevocably constitutes and appoints _____ attorney, to register the transfer of said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____ SIGNATURE: _____

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Bond Registrar, which requirements include membership or participation in STAMP or such other “signature guarantee program” as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

ARTICLE VII

MISCELLANEOUS

Section 701. Ratification. All proceedings, resolutions and actions of the Issuer and its officers taken in connection with the sale and issuance of the Bonds are hereby ratified, confirmed and approved.

Section 702. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Bond Resolution.

Section 703. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed that are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

Section 704. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

Section 705. Effective Date. This Bond Resolution shall take effect immediately.

(Signature page follows.)

ADOPTED AND APPROVED this 6th day of January, 2009.

SALT LAKE CITY, SALT LAKE COUNTY, UTAH

By _____
Chair, City Council

[SEAL]

ATTEST:

By _____
[Deputy] City Recorder

APPROVED:

Mayor

APPROVED AS TO FORM:

Senior City Attorney

EXHIBIT 1

[ATTACH FORM OF PURCHASE CONTRACT]

\$ _____
SALT LAKE CITY, UTAH
GENERAL OBLIGATION BONDS
SERIES 2009A

BOND PURCHASE CONTRACT

January 6, 2009

Salt Lake City, Salt Lake County, Utah
City and County Building
451 South State Street
P.O. Box 145462
Salt Lake City, Utah 84114-5462

Ladies and Gentlemen:

The undersigned Zions First National Bank (the "*Purchaser*"), acting on behalf of itself and not as fiduciary or agent for you, offers to enter into this Purchase Contract with Salt Lake City, Salt Lake County, Utah (the "*Issuer*") which, upon the acceptance by the Issuer of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon each of you and the Purchaser.

This offer is made subject to your mutual acceptance and approval on or before 11:59 p.m., Utah time, on January 6, 2009. Terms not otherwise defined herein shall have the same meanings as are set forth in the Resolution, referred to hereinafter.

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1. On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Purchaser hereby agrees to purchase, and the Issuer hereby agrees to sell to the Purchaser, the \$_____ aggregate principal amount of the Issuer's General Obligation Bonds, Series 2009A (the "*Bonds*"), at a purchase price of \$_____ (representing the principal amount of the Bonds, less _____). The Bonds will be initially dated the date of issuance, will bear interest at the rate of _____% per annum and will mature on _____ as provided in the Resolution. The Bonds shall be issued and secured under and pursuant to resolutions of the Issuer adopted on April 18, 2006 and January 6, 2009 (collectively, the "*Resolution*") in the form heretofore delivered to the Purchaser with only such changes as shall be agreed upon between us.

The Bonds are authorized pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; a special bond election duly and lawfully called and held in Salt Lake City, Salt Lake County, Utah on November 4, 2003, and the Resolution for the purpose of (i) financing a portion of the costs of acquiring and preserving open space, park and recreational lands and amenities and (ii) paying costs of issuance of the Bonds.

Pursuant to and subject to the terms of this Purchase Contract, all but not less than all of the Bonds shall be sold to the Purchaser, and the Purchaser shall be obligated to purchase all of the Bonds, if any are purchased, and the aggregate principal amount of the Bonds shall be delivered and accepted and paid for by the Purchaser on the Closing Date (defined below).

Section 1.2. The Issuer hereby expresses its understanding that it is not with respect to the Bonds required to comply with the continuing disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, because of the exemption under paragraph (d)(1)(i) of Rule 15c2-12.

Section 1.3. At 9:30 a.m., Utah time, on January 16, 2009, or on such other date as shall be agreed upon in writing by the Issuer and the Purchaser (such time and date being herein referred to as the “Closing” or the “Closing Date”), the Issuer shall deliver the Bonds to the Purchaser in definitive form, duly executed and authenticated, and shall deliver to the Purchaser the other documents herein mentioned at the offices of Chapman and Cutler LLP (“Bond Counsel”), 201 South Main Street, Suite 2000, Salt Lake City, Utah 84111, or such other location as may be mutually agreed upon by the Issuer and the Purchaser. The Purchaser will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1.1 hereof in immediately available funds by federal funds check or wire transfer to the order of the Trustee for the account of the Issuer. The Bonds shall be issued in the form of [one fully registered bond certificate] for the Bonds, and shall be registered in the name of the Purchaser, at least one full business day before the Closing for purposes of inspection and packaging.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF THE ISSUER

Section 2.1. By its acceptance hereof, the Issuer represents and warrants to and covenants with the Purchaser that:

(a) The Issuer is duly organized and existing under the Constitution and laws of the State of Utah (the “State”) with full legal right, power and authority (i) to execute, deliver and perform its obligations under this Purchase Contract; (ii) to adopt the Resolution; (iii) to issue, sell and deliver the Bonds to the Purchaser for the purposes contemplated by the Resolution and as provided herein; and (iv) to carry out and to consummate the transactions on its part contained in this Purchase Contract.

(b) The Resolution has been duly adopted by the Issuer, is in full force and effect, constitutes the legal, valid and binding act of the Issuer and has not been amended, supplemented or modified; this Purchase Contract, when executed and delivered, will constitute the legal, valid and binding obligation of the Issuer; and the Resolution and this Purchase Contract are enforceable against the City in accordance with each of their respective terms, except as enforceability thereof may be subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally and to general principles of equity.

(c) Based on the advice of counsel, the Bonds, when issued, authenticated and delivered in accordance with the Resolution and sold to the Purchaser at the Closing as provided herein, will be legally and validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Resolution and enforceable in accordance with their terms, except as enforceability may be subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally and to general principles of equity.

(d) The Issuer has complied, and will at the Closing be in compliance in all respects, with the obligations on its part contained in the Resolution and this Purchase Contract and any and all other agreements relating thereto.

(e) By official action of the Issuer on or prior to the date hereof, the Issuer has duly adopted the Resolution and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, this Purchase Contract.

(f) The Issuer is not in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or to which it or any of its property is otherwise subject; and the execution and delivery of the Bonds and this Purchase Contract, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any existing law, administrative regulation, judgment, decree, loan agreement, note, resolution, agreement or other instrument to which the Issuer is subject or by which it is bound.

(g) No governmental approval or authorization other than the Resolution is required in connection with the sale of the Bonds to the Purchaser.

(h) No litigation of any nature in the State or federal courts has been served on the Issuer or is, to the knowledge of the Issuer, threatened: against the Issuer or others (i) affecting the corporate existence of the Issuer or the titles of its officers to their respective offices, (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds thereof in accordance with the Resolution, (iii) in any way contesting or affecting the validity or enforceability of the Bonds or this Purchase Contract or the transactions contemplated thereby or (iv) contesting the powers

of the Issuer or any authority for the issuance of the Bonds or the execution and delivery of this Purchase Contract.

(i) The Issuer will not take or omit to take any action that will in any way result in the proceeds from the sale of the Bonds being applied in a manner inconsistent with the Resolution.

(j) The Issuer is not, nor has it at any time been, in default in the payment of principal of or interest on any obligations issued by the Issuer.

(k) The Issuer's audited general purpose financial statements as of and for the fiscal year ended June 30, 2008, is a fair presentation of the financial position of the Issuer as of the date indicated and the results of its operations and changes in its fund balances for the periods specified. Since June 30, 2008, there has been no material adverse change in the condition, financial or otherwise, of the Issuer from that set forth in the audited financial statements as of and for the period ended that date, except as otherwise disclosed to the Purchaser; and the Issuer has not incurred since June 30, 2008, any material liabilities, directly or indirectly, except in the ordinary course of its operations.

(l) Any certificate signed by an authorized officer of the Issuer and delivered to the Purchaser at or prior to the Closing shall be deemed a representation and warranty by the Issuer in connection with this Purchase Contract to the Purchaser as to the statements made therein upon which the Purchaser shall be entitled to rely.

(m) The Issuer covenants that between the date hereof and the Closing Date, it will not take any action that will cause the representations and warranties made herein to be untrue as of the Closing Date.

ARTICLE III

PURCHASER'S CONDITIONS

Section 3.1. The Purchaser has entered into this Purchase Contract in reliance upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Purchaser's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) At the time of Closing, (i) this Purchase Contract shall be duly authorized, executed and delivered by the parties thereto, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Purchaser, (ii) the proceeds of sale of the Bonds shall be deposited in accordance with the Resolution and (iii) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary to authorize the transactions contemplated hereby;

(b) The representations and warranties of the Issuer contained herein or required to be delivered hereunder shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(c) The Purchaser may terminate its obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing:

(i) (A) legislation shall have been enacted by the Congress, introduced in the Congress or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States or the United States Tax Court, (C) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for federal income tax purposes of interest to be received by any owners of the Bonds;

(ii) legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Purchaser, has the effect of requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933, as amended (the "*Securities Act*"), or any other "security," as defined in the Securities Act, issued in connection with or as part of the issuance of the Bonds to be so registered or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939, as amended, or any person to be registered as an investment company under the Investment Company Act of 1940, as amended;

(iii) in the reasonable judgment of the Purchaser, the purchase price of the Bonds has been materially affected because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal, New York or State authorities, (B) the State shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Bonds, including any action relating to the tax-exempt status under State law of the interest to be received by any owner of the Bonds or (C) a war involving the United States or other national calamity shall have occurred; or

(iv) any litigation shall be pending or threatened to restrain or enjoin the issuance, sale or delivery of the Bonds or in any way contesting or affecting any authority for or the validity of the Bonds, any of the proceedings of the Issuer taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Bonds or the existence or powers of the Issuer;

(c) At or prior to the Closing, the Purchaser shall receive the following:

(i) the approving opinion of Chapman and Cutler LLP, Bond Counsel, dated the Closing Date, addressed to the Purchaser satisfactory in form and substance to the Purchaser;

(ii) the opinion of counsel to the Issuer, dated the Closing Date and addressed to the Purchaser and Bond Counsel, satisfactory in form and substance to the Purchaser;

(iii) a certificate of the City or any duly authorized officer or official of the Issuer, dated the Closing Date, and in form and substance satisfactory to the Purchaser and Bond Counsel, to the effect that (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date; (B) to the best of the Issuer's knowledge, after due inquiry, no litigation in the State or federal courts has been served on the Issuer or is threatened (I) to restrain or enjoin the issuance or delivery of any of the Bonds, (II) in any way contesting or affecting the authority for the issuance of the Bonds, the validity of the Bonds or this Purchase Contract or the excludability from gross income for federal income tax purposes of interest on the Bonds or (III) in any way contesting the organization, existence or powers of the Issuer; (C) the Resolution and the other resolutions of the Issuer authorizing the execution and delivery of the Bonds have been duly adopted and have not been modified, amended or repealed; and (D) the execution and delivery of this Purchase Contract and the Bonds and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(iv) an executed copy of the Tax Exemption Certificate and Agreement of the Issuer, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Bonds, including the use of proceeds of sale of the Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(v) a certified copy of the Resolution;

- (vi) a specimen Bond;
- (vii) evidence satisfactory to the Purchaser of the issuance, delivery and payment for the Bonds;
- (viii) a copy of the executed Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, and evidence of the filing thereof; and
- (ix) such additional legal opinions, certificates, instruments and other documents as the Purchaser and Bond Counsel may reasonably require.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Purchaser, and the Purchaser shall have the right to waive any condition set forth in this Section.

ARTICLE IV

EXPENSES

All expenses and costs of the Issuer incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Purchaser, including the costs of printing the Bonds, advertising costs, the initial fees of the Bond Registrar and Paying Agent (each as defined in the Resolution) in connection with the issuance of the Bonds, the fees and expenses of Bond Counsel and counsel for the Issuer, costs of travel and other expenses shall be paid by or on behalf of the Issuer from the proceeds of sale of the Bonds. All out-of-pocket expenses of the Purchaser shall be paid by the Purchaser.

ARTICLE V

GENERAL

Any notice or other communication to be given to the Purchaser under this Purchase Contract may be given by delivering the same in writing to Zions First National Bank, _____, Salt Lake City, Utah _____, Attention: _____. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to the address set forth above. The approval or other action or exercise of judgment by the Purchaser shall be evidenced by a writing signed on behalf of the Purchaser and delivered to the Issuer.

This Purchase Contract is made solely for the benefit of the Issuer and the Purchaser (including their respective successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and effect and shall survive

delivery of and payment for the Bonds hereunder and regardless of any investigation made by the Purchaser or on their behalf.

This Purchase Contract constitutes the complete and entire agreement between the Issuer and the Purchaser relating to the subject matter hereof and all prior communications and correspondence between the Issuer and the Purchaser with respect to the subject matter of this Purchase Contract, whether written or oral, are hereby superseded by this Purchase Contract.

This Purchase Contract shall be governed by the laws of the State.

This Purchase Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(Signature page follows.)

This Purchase Contract shall become effective upon the acceptance hereof by the Issuer.

Very truly yours,

ZIONS FIRST NATIONAL BANK

By _____
Vice President

ACCEPTED:

SALT LAKE CITY, SALT LAKE COUNTY, UTAH

By _____
Mayor

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

APPROVED AS TO FORM:


By _____
Senior City Attorney

SALT LAKE CITY CORPORATION


DANIEL A. MULE
CITY TREASURER

DEPARTMENT OF MANAGEMENT SERVICES
TREASURER'S DIVISION

RALPH BECKER
MAYOR

TO: David Everitt, Chief of Staff 

DATE: December 31, 2008

FROM: Daniel A. Mulé, City Treasurer 

RE: Additional Information for General Obligation Bonds, Series 2009A, Open Space Project



As indicated in my Council Transmittal dated December 17, 2008 for the above referenced Series of Bonds, please find attached to this Memo, the following items to be included in the City Council packets for consideration at the January 6, 2009 City Council meeting:

- Pricing Summary showing the details of the sale;
- Schedule showing the estimated impact of the tax levy on residential and commercial property;
- Debt Service Schedule.

This information was not available at the time the Council Transmittal was due. If you have any questions, please feel free to call me at 535-6411.

H:\TREAS\DANS\DOCS\G.D. SERIES 2009A.DOC

LOCATION: 451 SOUTH STATE STREET, ROOM 228, SALT LAKE CITY, UTAH 84111

MAILING ADDRESS: P.O. BOX 145462, SALT LAKE CITY, UTAH 84114-5462

TELEPHONE: 801-535-7946 FAX: 801-535-6082

WWW.SLCGOV.COM

 RECYCLED PAPER

\$800,000
Salt Lake City, Utah
General Obligation Bonds
(Open Space Projects)
Series 2009A

Pricing Summary

Pricing Date:	January 6, 2009
Closing Date:	January 16, 2009
Ratings:	No ratings applied for
Paying Agent/Registrar:	U.S. Bank National Association
Structure:	Fixed Rate
Type of Sale:	Negotiated—Private Placement
Placement Agent:	Zions Bank Public Finance
Bond Purchaser:	Zions First National Bank
Maturity:	June 15, 2009 through June 15, 2018
Optional Redemption:	Callable anytime at par
True Interest Cost:	5.37%
Average Annual Debt Service:	\$101,279.26
Estimated Taxpayer Impact:	\$0.88 per year on a \$280,000 home
Financial Advisor:	Wells Fargo Brokerage Service, LLC
Bond Counsel:	Chapman and Cutler LLP

Purpose: The proceeds from the sale of the Series 2009A Bonds will be used for the purpose of acquiring and preserving open space, park and recreational lands and amenities as authorized and approved by voters at the November 4, 2003 special bond election (“Proposition No. 4 Bonds”).

Security: The Series 2009A Bonds will be general obligations of the City, payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all of the taxable property in the City, fully sufficient to pay the Bonds as to both principal and interest when due.

Salt Lake City, Utah
Estimated Impact of Annual Debt Service
Existing and Proposed Bonds

	Debt Service Payment FYE 6/30/09	Estimated Tax Levy (a)	Taxable Value (b) for Home of \$280,000	Estimated Annual Tax	Commercial Property \$1,000,000	Estimated Annual Tax
Existing Bonds:						
Series 1999 (Library)	4,128,225.00	0.0002322	154,000	35.76	1,000,000	232.20
Series 2002 (Refund portion of Series 1999)	2,735,943.76	0.0001539	154,000	23.70	1,000,000	153.90
Series 2004A (Hogle Zoo & Tracy Aviary)	865,237.50	0.0000487	154,000	7.50	1,000,000	48.70
Total Existing Impact:				66.96		434.80
Proposed Bonds (c):						
\$0.8 Million Open Space Project	101,279.26	0.0000057	154,000	0.88	1,000,000	5.70
\$10.2 Million The Leonardo	743,960.50	0.0000418	154,000	6.44	1,000,000	41.80
\$15.3 Million Sports Complex Project	1,120,958.50	0.0000630	154,000	9.70	1,000,000	63.00
Total Proposed Impact:				17.02		110.50
Total Existing and Proposed Impact:				83.98		545.30

(a) Taxable Value provided by Salt Lake City. This amount is net of Redevelopment Agency Value.
Base Tax amount for 2007 equals

\$17,779,861,880

(b) All residential homes receive a 45% exemption.

(c) Assumes the bonds would be issued today at current rates.

FOR DISCUSSION PURPOSES ONLY

Wells Fargo Brokerage Services, LLC
Public Finance

File = Impact Existing and Proposed 12-31-08
12/31/2008 12:14

\$800,000

Salt Lake City, Utah
General Obligation Bonds, Series 2009
(Open Space Projects)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
01/20/2009	-	-	-	-	-
06/15/2009	85,000.00	2.810%	15,178.08	100,178.08	100,178.08
12/15/2009	-	-	17,647.50	17,647.50	-
06/15/2010	65,000.00	3.830%	17,647.50	82,647.50	100,295.00
12/15/2010	-	-	16,402.75	16,402.75	-
06/15/2011	70,000.00	4.190%	16,402.75	86,402.75	102,805.50
12/15/2011	-	-	14,936.25	14,936.25	-
06/15/2012	70,000.00	4.530%	14,936.25	84,936.25	99,872.50
12/15/2012	-	-	13,350.75	13,350.75	-
06/15/2013	75,000.00	4.740%	13,350.75	88,350.75	101,701.50
12/15/2013	-	-	11,573.25	11,573.25	-
06/15/2014	80,000.00	4.930%	11,573.25	91,573.25	103,146.50
12/15/2014	-	-	9,601.25	9,601.25	-
06/15/2015	85,000.00	5.110%	9,601.25	94,601.25	104,202.50
12/15/2015	-	-	7,429.50	7,429.50	-
06/15/2016	85,000.00	5.310%	7,429.50	92,429.50	99,859.00
12/15/2016	-	-	5,172.75	5,172.75	-
06/15/2017	90,000.00	5.510%	5,172.75	95,172.75	100,345.50
12/15/2017	-	-	2,693.25	2,693.25	-
06/15/2018	95,000.00	5.670%	2,693.25	97,693.25	100,386.50
Total	\$800,000.00	-	\$212,792.58	\$1,012,792.58	-

Yield Statistics

Bond Year Dollars	\$4,117.22
Average Life	5.147 Years
Average Coupon	5.1683530%
Net Interest Cost (NIC)	5.3626588%
True Interest Cost (TIC)	5.3750534%
Bond Yield for Arbitrage Purposes	5.1421005%
All Inclusive Cost (AIC)	6.0715099%

IRS Form 8038

Net Interest Cost	5.1683530%
Weighted Average Maturity	5.147 Years