



Cedar City

10 North Main Street • Cedar City, UT 84720
435-586-2950 • FAX 435-586-4362
www.cedarcity.org

REDEVELOPMENT AGENCY MEETING

JUNE 8, 2016

Immediately following the City Council Meeting

Mayor

Maile L. Wilson

Council Members

Ronald R. Adams
Paul Cozzens
Terri W. Hartley
Craig E. Isom
Fred C Rowley

City Manager

Rick Holman

The Cedar City Redevelopment will be held in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The agenda will consist of the following items:

I. Call to Order

II. Business Agenda

1. Approval of Minutes dated May 4 & 11, 2016
2. Consider a resolution for the adoption of the 2016-17 fiscal year budget. Jason Norris
3. A RESOLUTION AUTHORIZING THE ISSUANCE OF RENTAL REVENUE BONDS (THE "BONDS") OF THE REDEVELOPMENT AGENCY OF CEDAR CITY, IRON COUNTY, UTAH (THE "ISSUER"); CALLING A PUBLIC HEARING AND ESTABLISHING A TIME, PLACE AND LOCATION FOR SAID PUBLIC HEARING; PROVIDING FOR A PLEDGE OF REVENUES DERIVED FROM THE AGENCY'S IMPROVEMENTS TO THE PROJECT AREA DEVELOPMENT FOR THE PAYMENT OF THE BONDS; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

Dated this 6th day of June, 2016.

Renon Savage, MMC
City Recorder

CERTIFICATE OF DELIVERY:

The undersigned duly appointed and acting recorder for the municipality of Cedar City, Utah, hereby certifies that a copy of the foregoing Notice of Agenda was delivered to the Daily News, and each member of the governing body this 6th day of June, 2016.

Renon Savage, MMC
City Recorder

Cedar City Corporation does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

If you are planning to attend this public meeting and, due to a disability, need assistance in accessing, understanding or participating in the meeting, please notify the City not later than the day before the meeting and we will try to provide whatever assistance may be required.

REDEVELOPMENT AGENCY WORK MINUTES
MAY 4, 2016

The Redevelopment Agency held a meeting on Wednesday May 4, 2016, at 7:37 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

MEMBERS PRESENT: Chair Ron Adams; Secretary Paul Cozzens; Members: Terri Hartley; Craig Isom; Fred Rowley; Maile Wilson.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; Finance Director Jason Norris; City Recorder Renon Savage; Police Chief Robert D. Allinson; Economic Development Director Danny Stewart; Public Works Director Ryan Marshall.

OTHERS: Jeremiah Davis, Corey Baumgartner.

CONSIDER AN AMENDMENT TO THE AGREEMENT BETWEEN THE RDA AND STATE BANK OF SOUTHERN UTAH: Adams – did we follow up on the business charges/license for the snow shack trailer? Rick – this is in relations to Lin's store, the RDA owns that property and about 23 years ago the RDA built the Lin's building and leased to Associated Foods. Part of that allowed Lin's to have seasonal businesses in the parking lot so they made those arrangements. Associated Foods is aware of the expansion we are planning on and I spoke with the owner of the Snow Shack and asked Associated Foods to work with him on the timing.

Adams – have we come up with something on the bond for the expansion. Jason – we are under contract with Zion's Public Finance, Jonathan Ward. We let him know what we are going to do, he is looking to see if it is a taxable bond and we will probably bond for \$1.6 million. We are still working on what to do with the parking lot.

Rick – the original agreement with Associated Foods and RDA, State Bank approached the City to put in an ATM at the north end of the parking lot. In exchange State Bank owned the property of Mayor's Square. Part of the agreement stated if the RDA abandons or doesn't allow the ATM then we would pay a portion of the park. State Bank closed the ATM years ago, we expressed to them that we would like to get rid of the landscape strip, they didn't have a problem. We discussed that since State Bank holds the annual meetings at the Heritage Center the RDA would pay the rental fees at the Heritage Center and they would relieve the RDA of any financial obligation for the park. Isom – so for \$2,500 we get the additional parking? Yes and the Mayor's Square. We will still work on resurfacing the parking lot. Kit has given us his assessment of the parking lot. Associated Foods is doing soils test for the building and the parking lot.

Kit – they gave us the soils report, when we initially talked about the overall development he said there were significant soils problems in the parking lot which surprised us. They gave me a copy of the soils report and it basically says to put back what is there, so I wonder where the significant problems are. I talked with the Geotechnical Company and

the entire parking lot was buildings before Lin's was built and their bores show that we had to fill and compact. It is a waste of money to tear our road base and scar 12" of soil under that which I guarantee was done before they built and put in new gravel and asphalt. Rowley – so if you leveled and filled with a 3" fill would it not be compacted? Kit – if there is a dip there would be a sign of structural failure, you may want to tear it out and put in good base. Rowley – the base and asphalt after 20 years you could lay a new cap on it. Kit – that is what we proposed, that is what we did across the street. Rick – they are coming to Project Review tomorrow, they are hoping to be completed by Thanksgiving, even if they start in July Jonathan said our financing would be in place. They want to do the expansion and parking lot simultaneously. We will do the parking lot in phases. Rowley – there are a few islands by Great Harvest that create problems. Rick – that is not ours. State Bank has already signed the agreement, so we would like the RDA to sign as well.

Danny Stewart – I spoke with David Busk at Workforce Services today, he said the delay is from their Salt Lake City office, so he will see what he can find out.

ADJOURN: Isom moved to adjourn at 7:50 p.m.; second by Mayor; vote unanimous.

Renon Savage, MMC
City Recorder

REDEVELOPMENT AGENCY MINUTES
MAY 11, 2016

The Redevelopment Agency held a meeting on Wednesday May 11, 2016, at 7:05 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

MEMBERS PRESENT: Chair Ron Adams; Secretary Paul Cozzens; Members: Terri Hartley; Craig Isom; Fred Rowley; Maile Wilson.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; Finance Director Jason Norris; City Recorder Renon Savage; Police Chief Robert D. Allinson; Fire Chief Mike Phillips; Leisure Services/Events Director Bryan Dangerfield; Economic Development Director Danny Stewart.

OTHERS: Tracie Sullivan, Bree Burkett, Corey Baumgartner, Jeremiah R. Davis, Kevin L. Davis,

APPROVAL OF MINUTES DATED APRIL 6 & 13, 2016: Isom moved to approve the minutes dated April 6 & 13, 2016; second by Cozzens; vote unanimous.

CONSIDER AN AMENDMENT TO THE AGREEMENT BETWEEN THE RDA AND STATE BANK OF SOUTHERN UTAH: Rowley moved to approve the amendment to the agreement between the RDA and State Bank of Southern Utah; second by Cozzens; vote unanimous.

ADJOURN: Mayor moved to adjourn at 7:07 p.m.; second by Rowley; vote unanimous.

Renon Savage, MMC
City Recorder

CEDAR CITY REDEVELOPMENT AGENCY

RESOLUTION NO. RDA-_____

**A RESOLUTION PROVIDING FOR THE CEDAR CITY REDEVELOPMENT
AGENCY'S FISCAL YEAR 2016-2017 BUDGET**

WHEREAS, the Redevelopment Agency conducted a public hearing related to the adoption of its 2016-2017 budget and received public comments, if any, on June 1, 2016; and

WHEREAS, it is necessary that the Cedar City Redevelopment Agency adopt a budget for its operations during fiscal year 2016-2017.

NOW THEREFORE BE IT RESOLVED, by the Cedar City Redevelopment Agency that the budget, attached hereto and incorporated herein as exhibit #1, be adopted as its annual budget for fiscal year 2016-2017.

This resolution is considered with full knowledge of any and all disclosures as required by the laws of the State of Utah concerning any actual or potential conflicts of interest.

This resolution assigned No. RDA-_____, shall take effect on the 30th day of June, 2016. This resolution was made, voted, and passed by the Cedar City Redevelopment Agency at its special action meeting on the 8th day of June, 2016.

RON ADAMS
CHAIRMAN

ATTEST:

PAUL COZZENS
SECRETARY

Exhibit #1

Cedar City Redevelopment Agency Resolution No. RDA-_____

CEDAR CITY CORPORATION
BUDGET

ACCT #	DESCRIPTION	ACTUAL FY12/13	ACTUAL FY13/14	ACTUAL FY14/15	ADOPTED FY15/16	REVISED FY15/16	Proposed FY16/17
57	REDEVELOPMENT AGENCY FUND						
	REVENUE						
5739101	TAXES-PORT 15	225,650	214,135	194,681	215,000	215,000	215,000
5739102	TAXES-GENPAK-IMPROVEMENTS	96,236	127,846	-	124,000	124,000	124,000
5739103	TAXES-GENPAK-INCENTIVE	-	-	6,365	5,000	5,000	5,000
5739104	TAXES-GAF	-	-	-	5,000	5,000	5,000
5739105	TAXES-MSC AEROSPACE	-	-	1,345	-	-	-
5739200	RENTS-LINS BUILDING	327,581	324,259	423,974	300,000	300,000	300,000
5739310	STATE GRANT-STREET LIGHTS	3,586	4,900	-	-	-	-
5739311	IRON COUNTY GRANT-TOURISM	3,750	3,750	-	-	-	-
5739500	INTEREST EARNINGS	16,058	13,570	13,115	5,000	5,000	5,000
5739600	SUNDRY	4,500	-	1,494	-	-	-
5739700	BOND PROCEEDS	-	-	-	-	-	1,600,000
5739801	TRANS FROM PARKING AUTHORITY	8,600	8,600	8,600	8,600	8,600	8,600
5739900	FUND BALANCE-APPROPRIATED	-	-	-	-	540,877	129,489
	TOTAL REVENUE	685,961	697,060	649,576	662,600	1,203,477	2,392,089
	EXPENDITURES						
5740262	BUILDING & GROUND MAINTENANCE	-	12,830	11,145	22,000	22,000	22,000
5740300	ADMINISTRATION FEE	5,000	5,000	5,000	5,000	5,000	5,000
5740311	AUDIT	1,335	-	1,669	1,948	1,948	1,948
5740510	INSURANCE & SURETY BONDS	5,264	6,481	6,128	6,529	6,529	6,141
5740613	INCENTIVE-GENPAK	-	3,106	-	5,000	5,000	5,000
5740614	INCENTIVE-MSC	-	-	-	5,000	5,000	5,000
5740615	INCENTIVE-GAF	-	-	-	5,000	5,000	5,000
5740620	PORT 15-DEVELOPER	93,600	88,823	80,754	95,000	95,000	95,000
5740621	PORT 15-IRON COUNTY SCHOOL DISTRICT	50,320	47,752	43,414	50,000	50,000	50,000
5740622	PORT 15-CEDAR CITY HOUSING AUTHORITY	45,130	42,827	38,936	50,000	50,000	50,000
5740623	PORT 15-ECONOMIC INCENTIVES	-	-	-	24,000	24,000	24,000
5740624	PORT 15-ADMINISTRATION FEE	-	-	-	11,000	11,000	11,000
5740631	INCENTIVE-LEASE SUBSIDEE	4,170	125	-	-	-	-
5740632	INCENTIVE-SIGN IMPROVEMENTS	13,931	-	-	-	-	-
5740633	INCENTIVE-TENANT IMPROVEMENTS	45,103	-	-	-	-	-
5740634	INCENTIVE-DOWNTOWN IMPROVEMENTS	2,433	-	-	-	-	-
5740635	CONCERT SERIES	(764)	13,459	29,652	-	-	-
5740636	DONATION-SHAKESPEAR FESTIVAL	-	-	-	-	500,000	-
		265,522	220,404	216,698	280,477	780,477	280,089
5740720	CAP OUTLAY-BUILDINGS	-	-	-	-	-	1,600,000
5740730	CAP OUTLAY-IMPROVEMENTS	304,276	104,582	124,284	363,000	423,000	262,000
5740810	DEBT SERVICE-PRINCIPAL	-	-	-	-	-	230,000
5740830	BANK CHARGES	-	-	-	-	-	20,000
5740990	FUND BALANCE-UNAPPROPRIATED	-	-	-	19,123	-	-
	TOTAL EXPENDITURES	569,798	324,985	340,983	662,600	1,203,477	2,392,089
	NET REVENUES OVER EXPENDITURES	116,163	372,075	308,593	-	-	-
58	MUNICIPAL BUILDING AUTHORITY						
	REVENUE						
5839500	INTEREST EARNINGS	-	330	91	-	-	-
5839600	BOND PROCEEDS	-	1,270,000	-	-	-	-
5839800	TRANS FROM GENERAL FUND	1,067	-	96,584	96,444	96,444	96,444
5839900	FUND BALANCE-APPROPRIATED	-	-	-	-	9,125	-
	TOTAL REVENUE	1,067	1,270,330	96,675	96,444	105,569	96,444
	EXPENDITURES						
5840220	PUBLIC NOTICES	-	-	-	250	250	250
5840310	PROF & TECH SERVICES	-	8,000	-	-	-	-
5840510	INSURANCE & SURETY BONDS	-	-	-	1,234	1,234	-
5840610	SUNDRY	-	-	-	50	50	50
5840743	CAPITAL OUTLAY-FIRE TRUCK	-	1,231,696	2,907	-	9,125	-
5840811	PRINCIPAL-DOWNTOWN PROJECT	-	-	-	77,000	77,000	77,000
5840821	INTEREST-DOWNTOWN PROJECT	-	-	-	17,910	17,910	17,910
5840830	BANK CHARGES	-	8,272	-	-	-	1,234
	TOTAL EXPENDITURES	-	1,247,968	2,907	96,444	105,569	96,444
	NET REVENUES OVER EXPENDITURES	1,067	22,362	93,769	-	-	-

Cedar City, Utah

June 8, 2016

The Members of the Redevelopment Agency of Cedar City, Iron County, Utah met in special session at its regular meeting place, the City Offices at 10 North Main Street, Cedar City, Utah, at 6:30 p.m. (following the City Council Meeting) on the 8th day of June, 2016, with the following members of the Governing Body present:

Ron Adams	Chairman
Paul Cozzens	Member/Secretary
Terri Hartley	Member
Craig Isom	Member
Fred Rowley	Member
Maile Wilson	Member

Also present:

Rick Holman	City Manager
Paul Bittmenn	City Attorney
Renon Savage	City Recorder

Absent:

After the minutes of the preceding meeting had been duly read and approved, the Secretary presented to the Members of the Redevelopment Agency an affidavit evidencing the giving of not less than 24 hours public notice of the agenda, date, time and place of the June 8, 2016, Special Meeting of the Redevelopment Agency in compliance with the requirements of §52-4-202, et. seq., Utah Code Annotated, 1953, the Utah Open Meeting Act, by (1) posting written notice of the meeting at the principal office of the Agency; and (2) providing notice to at least one (1) newspaper of general circulation within the geographic jurisdiction of the Agency and the area to be included within the proposed district, or to a local media correspondent. The affidavit was ordered recorded in the minutes of the meeting and is as follows:

STATE OF UTAH)
 :
COUNTY OF IRON)

I, PAUL COZZENS, the undersigned, the duly appointed, qualified and acting Secretary of the Redevelopment Agency of Cedar City, Iron County, State of Utah, do hereby certify, according to the records of the Agency in my official possession and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202(1), Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time and place of the June 8, 2016, General Public Meeting held by the Redevelopment Agency of said City, by:

(a) causing a copy of the Notice of Special Meeting in the form attached hereto as Exhibit A to be provided on June __, 2016, at least 24 hours before the convening of the meeting to the Spectrum, St. George, Utah, a newspaper of general circulation within the geographic jurisdiction of the Agency and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Agency.

(b) causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting. In addition, the Notice of 2016 Annual Meeting Schedule for the Agency (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the Agency to be held during the year, by causing said Notice to be (a) posted on January __, 2016, at the principal office of the Board, (b) provided to at least one newspaper of general circulation within the City on January __, 2016, and (c) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed or imprinted hereon the official seal of the County, this 8th day of June, 2016.

REDEVELOPMENT AGENCY OF CEDAR CITY

By _____
Secretary

[SEAL]

ATTACHMENTS:
SCHEDULE 1—NOTICE OF MEETING
SCHEDULE 2—ANNUAL MEETING SCHEDULE

EXHIBIT A

[Attach Notice of Public Meeting Here]

NOTICE OF AGENDA OF SPECIAL MEETING

* * * * *

PLEASE TAKE NOTICE that the Redevelopment Agency of Cedar City, Iron County, State of Utah, will hold a Special Meeting on Wednesday, the 8th day of June, 2016, at its regular meeting place, the City Office, 10 North Main Street, Cedar City, Utah, at the hour of 6:30 o'clock P.M.

The Agenda for the meeting consists, in part, of the following:

- (1) Consideration for and adoption of a Parameter Resolution authorizing the issuance of Redevelopment Bonds of the Redevelopment Agency of Cedar City, Iron County, Utah and the calling of a public hearing to receive input with respect to the issuance of such Bonds and any potential impact to the private sector from the construction of the Project; and
- (2) Any other business that may come before said meeting.

DATED this ____ day of June, 2016.

Secretary

Thereupon, after the conduct of other business not pertinent to the following, the following resolution was introduced in written form by the Chairman and, pursuant to motion duly made by _____ and seconded by _____, was adopted and approved by the following vote:

Yea: Ron Adams
Paul Cozzens
Terri Hartley
Craig Isom
Fred Rowley
Maile Wilson

Nay: None

The Resolution was thereupon signed by the Chairman, was attested and countersigned by the Secretary and was ordered recorded in the official records of the Issuer.

The Resolution is as follows:

REDEVELOPMENT AGENCY OF CEDAR CITY, IRON COUNTY, UTAH
RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF RENTAL REVENUE BONDS (THE "BONDS") OF THE REDEVELOPMENT AGENCY OF CEDAR CITY, IRON COUNTY, UTAH (THE "ISSUER"); CALLING A PUBLIC HEARING AND ESTABLISHING A TIME, PLACE AND LOCATION FOR SAID PUBLIC HEARING; PROVIDING FOR A PLEDGE OF REVENUES DERIVED FROM THE AGENCY'S IMPROVEMENTS TO THE PROJECT AREA DEVELOPMENT FOR THE PAYMENT OF THE BONDS; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS the Issuer, the Redevelopment Agency of Cedar City, Iron County, State of Utah, considers it desirable and necessary and for the benefit of the Issuer and its constituents to construct a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with all related work and improvements in connection with project area development (the "Project") and to defray all or a portion of the cost

thereof from the bonds to be issued hereby, but does not have on hand money sufficient to pay for the Project; and

WHEREAS the Issuer desires to issue its Bonds in an amount not to exceed \$1,850,000 (the "Bonds"), the payment of which shall be secured as herein provided; and

WHEREAS the revenues to be pledged have not been pledged or hypothecated in any manner or for any purpose and the Issuer desires to issue its Rental Revenue Bonds payable from such revenues in the manner for which provision is hereinafter made in order to pay all or part of the cost of the Project; and

WHEREAS Sections 17C-1-502, et. seq., Utah Code Annotated, 1953, as amended, authorizes the issuance of non-voted revenue bonds payable in whole or in part from revenues or income derived from the Agency's undertakings and implementation of project area development; and

WHEREAS the Utah Local Government Bonding Act, Sections 11-14-1 et seq., Utah Code Annotated, 1953, as amended, provides that, prior to issuing bonds an issuing entity must (i) give notice of its intent to issue such bonds and (ii) hold a public hearing to receive input from the public with respect to the issuance of such bonds and any potential economic impact to the private sector from the construction of the Project to be funded by the Bonds; and

WHEREAS the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing, including a notice of bonds to be issued, in compliance with the Act with respect to the Bonds; and

WHEREAS in order to allow the Issuer (with the consultation and approval of the Issuer's Financial Advisor, Zions Public Finance, Inc. (the "Financial Advisor")) flexibility in setting the pricing date of the Bonds to optimize debt service savings to the Issuer, the Members desire to grant to the Chairman (the "Designated Officer") of the Issuer the authority to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Bonds shall be sold and set forth the final terms of the Rental Revenue Bonds, and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters").

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Members of the Redevelopment Agency of Cedar City, Iron County, State of Utah, as follows:

Section 1. The Members (the "Governing Body") of the Redevelopment Agency of Cedar City, Iron County, Utah (the "Issuer"), hereby finds and determines that it is in the best interests of its constituents for the Issuer to issue its Bonds in the principal amount of not to exceed \$1,850,000 at an interest rate not to exceed 5.50% per annum, to mature in not more than fifteen (15) years from their date or dates, and to be sold at a price not less than 100% of the total

principal amount thereof, pursuant to a resolution to be adopted by the Governing Body authorizing and confirming the issuance and sale of the Bonds. The Bonds are to be issued for the purpose of paying all or part of the cost of constructing a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with all related work and improvements (the "Project").

The Issuer hereby declares its intention to issue the Bonds according to the provisions of this section; provided, however, that the Bonds shall only be issued by the Issuer after adoption of a Master Resolution by the Issuer (the "Master Resolution") setting forth the specific terms of the Bonds within the maximum terms herein provided.

The form of Master Resolution attached hereto as Exhibit "B" is in all respects hereby authorized and approved, and the Chairman and Secretary of the Issuer are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 2. The Master Resolution in substantially the form presented to this meeting and attached hereto as Exhibit B, is hereby authorized, approved, and confirmed. The Chairman and Secretary are hereby authorized to execute and deliver the Master Resolution in substantially the form and with substantially the content as the form presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officer, in consultation with the Financial Advisor, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized hereby. The Designated Officer is hereby authorized to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution.

Section 3. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Master Resolution. The Chairman and Secretary of the Issuer are hereby authorized and directed to execute and seal the Bonds.

Section 4. The Issuer proposes to pledge income or revenue derived from Agency undertakings and implementation of project area development for the repayment of the Bonds.

Section 5. The Issuer shall hold a public hearing on July 6, 2016 to receive input from the public with respect to the issuance of the Bonds and any potential impact to the private sector from the construction of the Project to be funded by the Bonds, which hearing date shall be not less than fourteen (14) days after notice of the public hearing is (A) first published once a week for two consecutive weeks in the Spectrum, a newspaper of general circulation in the Issuer and (B) published on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended. The Issuer directs its officers and staff to publish a Notice of Public Hearing in substantially the following form:

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE IS HEREBY GIVEN that on June 8, 2016, the Members of the Redevelopment Agency of Cedar City (the "Issuer"), adopted a resolution (the "Resolution") declaring its intention to issue its Rental Revenue Bonds (the "Bonds") pursuant to the Utah Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and to call a public hearing to receive input from the public with respect to the issuance of the Bonds.

The Issuer shall hold a public hearing on July 6, 2016, at the hour of 5:30 p.m. The location of the public hearing is in the Cedar City Office, 2603 West Cedar City Drive, Cedar City, Utah. The purpose of the meeting is to receive input from the public with respect to the issuance of the Bonds. All members of the public are invited to attend and participate.

DATED this 8th day of June, 2016.

/s/ Paul Cozzan
Secretary

[Publish once each week for two consecutive weeks.]

Section 6. The Issuer shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's principal offices for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of publication thereof. The Issuer directs its officers and staff to publish a Notice of Bonds to be Issued in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN that on June 8, 2016, the Members of the Redevelopment Agency of Cedar City (the "Issuer"), adopted a resolution (the "Resolution") declaring its intention to issue its Rental Revenue Bonds (the "Bonds") pursuant to the Utah Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Utah Code Annotated, 1953, as amended.

Field

The Issuer intends to issue Bonds in the principal amount of not to exceed \$1,850,000, to bear interest at a rate not to exceed 5.50% per annum, to mature in not more than 15 years from their date or dates, and to be sold at a discount from par, expressed as a percentage of principal amount, not to exceed 2.0% (the "Bonds").

The Issuer intends to issue the Bonds for the purpose of (i) financing a portion of the cost of constructing a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with related improvements (the "Project"); and (ii) funding any required debt service reserve, and (iii) paying costs of issuing the Bonds.

OUTSTANDING BONDS SECURED BY THE SAME REVENUE

There are no outstanding bonds secured by the revenues to be pledged.

ESTIMATED TOTAL COST OF THE BONDS

The estimated total cost to the Issuer for the proposed Bonds is \$2,246,227.64. The estimated cost of interest on the Bonds is \$440,227.64.

A copy of the Resolution is on file in the office of the Secretary of the Redevelopment Agency of Cedar City, Utah, where it may be examined during regular business hours of the Secretary from 8:00 a.m. to 5:00 p.m., Monday through Friday, for a period of at least 30 days from and after date of the last date of publication of this Notice.

NOTICE IS FURTHER GIVEN that pursuant to law for a period of 30 days from and after the date of publication of this Notice, any person in interest shall have the right to contest the legality of the above-described Resolution of the Members of the Redevelopment Agency of Cedar City adopted June 8, 2016, the Master Resolution (only as it relates to the Bonds), or the Bonds, 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.

DATED this 8th day of June, 2016.

/s/ Paul Cozzens
Secretary

[Publish one time only.]

* * * * *

Section 7. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 8. This Resolution shall become effective immediately upon adoption by the Governing Board of the Issuer.

PASSED AND APPROVED this 8th day of June, 2016

REDEVELOPMENT AGENCY OF CEDAR CITY

By _____
Chairman

ATTEST AND COUNTERSIGN:

By _____
Secretary

[SEAL]

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the Mayor and City Council adjourn.

REDEVELOPMENT AGENCY OF CEDAR CITY

By _____
Chairman

ATTEST:

By _____
Secretary

[SEAL]

STATE OF UTAH)
 : ss.
COUNTY OF IRON)

I, PAUL COZZENS, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Redevelopment Agency of Cedar City, Iron County, Utah (the "Issuer"). I further certify that the above and foregoing constitutes a true and correct copy of the minutes of a special public meeting of the Members of the Issuer, held on June 8, 2016, including a Resolution adopted at such meeting, together with exhibits and appendices attached thereto, as said minutes, resolution and appendices are recorded in the regular official book of minutes of the proceedings of the Governing Body kept in the office of the Secretary that said proceedings were duly had and taken as therein shown, that the meeting thereon shown was in all respects called, held and conducted in accordance with law, and that the persons therein named were present at said meeting, as therein shown.

I further certify and I caused a true and correct copy of the above-referenced resolution (including all exhibits and appendices attached thereto) to be filed in the office of the Secretary for examination by any interested person during the regular business hours of the office of the Secretary.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the Issuer, this 8th day of June, 2016.

Secretary

[SEAL]

EXHIBIT "B"

[Form of Master Resolution]

MASTER RESOLUTION
OF
REDEVELOPMENT AGENCY OF CEDAR CITY,
IRON COUNTY, UTAH
AS ISSUER
DATED AS OF JULY *, 2016

MASTER RESOLUTION

WHEREAS, the Redevelopment Agency of Cedar City (the "Issuer") desires to finance the cost of constructing a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with all related work and improvements in connection with project area development (the "Project") through the issuance of its Rental Revenue Bonds, Series 2016 (the "Bonds"); and

WHEREAS, pursuant to the provisions of a Resolution adopted on June 8, 2016 (the "Authorizing Resolution"), the Governing Body of the Issuer (the "Governing Body") has authorized and approved certain actions to be taken by the Issuer in connection with the financing of the Project, including the adoption this Master Resolution and the issuance of the Bonds hereunder; and

WHEREAS, it has been determined by the Issuer that the estimated amount necessary to finance the Project, including necessary expenses incidental thereto, will require the issuance, sale and delivery of the Bonds in the total principal amount of not to exceed \$ _____ as hereinafter provided; and

WHEREAS, the Issuer has determined that the Bonds shall be secured as provided herein and has ascertained and determined that the provisions herein contained for protecting and enforcing the rights and remedies of the registered owners of such Bonds are reasonable, proper and in accordance with law, and that this Master Resolution is necessary to the performance of its duties and the execution of its powers under law, and does deem and determine all of the provisions herein contained to be reasonable and proper for the security of the registered owners of the Bonds; and

WHEREAS, all acts and things required by law to make this Master Resolution a valid and binding instrument for the security of all Bonds duly issued hereunder have been done and performed, and the execution and delivery of this Master Resolution have been in all respects duly authorized; and

WHEREAS, all things necessary to make the Bonds when authenticated by the Issuer and issued as in this Master Resolution provided, the valid, binding and legal obligations of the Issuer according to the import thereof, and to constitute this Master Resolution a valid assignment and pledge of the amounts pledged to the payment of the principal on the Bonds, and to constitute this Master Resolution a valid assignment of the rights of the Issuer with respect to the Project have been done and performed and the creation, execution and delivery of this Master Resolution, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Members of the Redevelopment Agency of Cedar City, Iron County, State of Utah, as follows:

ARTICLE I DEFINITIONS

Section 1.01: As used in this Resolution, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"Act" means the provisions of the Local Government Bonding Act of the State of Utah, Chapter 14, Title 11, Utah Code Annotated, 1953, as amended, Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Utah Code Annotated, 1953, as amended, and the Registered Public Obligations Act of the State of Utah, Chapter 7, Title 15, Utah Code Annotated, 1953, as amended.

Field Code Changed

"Adjustment Date" means _____, 20____, _____, 20____ and _____, 20____.

"Bonds" or "Series 2016 Bonds" means the bonds described in Article II hereof and hereby authorized to be issued by the Issuer, and in Articles III through VIII, inclusive.

"Bondowner", "Owner", "Registered Owner" or "Holder" means the registered owner of any Bond as shown in the registration books of the Issuer kept by the Trustee for such purpose

"Code" means the Internal Revenue Code of 1986, as amended.

"Debt Service Requirement" means the annual total debt service amount due on all Bonds in a given fiscal year.

"Depository" or "Depository Bank" means a Qualified Depository (defined hereinafter).

"Designated Officer" means the Chairman.

"Executive Officer" means the Chairman of the Issuer.

"Fully Registered Bond" means a single Bond registered as to both principal and interest in the denomination equal to the amount of the Bonds authorized herein.

"Governing Body" means the Members of the Issuer.

"Interest Payment Date" means the ____ day of _____ and _____ in each year beginning with _____, 20____.

"Issuer" means the Redevelopment Agency of Cedar City, Iron County, Utah.

"Issue Date" shall have the meaning set forth in Section 2.02.

"Outstanding" or "Outstanding Bonds" means any Bond which has been issued and

delivered in accordance with the provisions hereof; but shall not include a Bond in lieu of which another Bond has been issued to replace a mutilated, lost, destroyed or stolen bond.

"Paying Agent" means each Person appointed by the Issuer as paying agent with respect to the Bonds pursuant to Section 2.05 hereof. The initial Paying Agent is Zions Bank, a division of ZB, National Association, Salt Lake City, Utah or its successors or assigns.

"Permitted Investments" means those investments specified in Section 51-7-11, Utah Code Annotated, 1953, as amended.

"Pledged Revenues" means 100% of the rental or other revenues derived by Issuer from the lease of its improvements currently occupied and operated as Lins Grocery Store.

"Project" means the construction of a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with all related work and improvements in connection with project area development and in all other respects to pay the cost of foregoing including engineering and expenses and costs of and issuance of the bonds and to acquire and provide all appurtenant facilities therefor, together with all necessary or related work and improvements.

"Purchaser" means, _____ of _____, Utah, as the initial purchasers of the Bonds from the Issuer.

"Qualified Depository" means a depository institution constituting a "qualified depository" under Chapter 7 of Title 51, Utah Code Annotated 1953, as amended.

"Record Date" means (a) in the case of each Interest Payment Date, the Trustee's close of business on the fifteenth day immediately preceding such Interest Payment Date and (b) in the case of each redemption, such record date as shall be specified by the Trustee in the notice of redemption required by Section 2.06 hereof, provided that such record date shall be not less than 15 calendar days before the mailing of such notice of redemption.

"Regulations" means the Treasury Regulations issued or proposed under Sections 103, 148 or 149 of the Code (26 CFR Part 2) or other Sections of the Code relating to "arbitrage bonds" or rebate, including without limitation Sections 1.103-13, 1.103-14, 1.103-15 and 1.103-15AT, and includes amendments thereto or successor provisions.

"Resolution" means this resolution providing for the issuance of revenue bonds payable from Pledged Revenues, as from time to time amended or supplemented in accordance with the provisions hereof.

"Secretary" means the duly appointed and acting Secretary of the Issuer.

"Series 2016 Term Bond" means the Series 2016 Bond maturing on _____, 20__.

"Trustee" shall mean Zions Bank, a division of ZB, National Association, Salt Lake City, Utah, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee hereunder.

"Year" means the twelve-month period beginning on January 1st of each calendar year and ending on the next succeeding December 31st.

Except where the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing the male gender shall include the female gender and vice versa.

ARTICLE II TERMS AND PROVISIONS OF SERIES 2016 BOND

Section 2.01. Authorization of Bonds, Principal Amount, Designation, Series and Purpose. In accordance with and subject to the terms, conditions and limitations established by the Acts and in the Resolution, a series of Rental Revenue Bonds of the Issuer is hereby authorized to be issued in the aggregate principal amount of \$ _____. Such series of bonds shall be designated "Rental Revenue Bonds, Series 2016."

The Bonds shall be issued in fully registered form only, without coupons.

The Bonds shall be payable solely from the Pledged Revenues to be derived from the rental income from improvements built and owned by the Issuer, as more specifically provided herein, to pay the principal of, premium, if any, and interest on the Bonds as they fall due and payable.

The Bonds are issued for the purpose of paying all or a portion of the cost of the Project.

Section 2.02. Issue Date. The Bonds shall be dated July __, 2016.

Section 2.03. Bond Details. The Bonds shall mature on the dates and in the principal amounts, and shall bear interest at the per diem interest rates from the Issue Date payable semi-annually on _____ and _____ of each year, commencing _____, 20____. Interest on the Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall be dated the Issue Date and shall bear interest and shall mature, except as required with respect to a redemption prior to maturity, in accordance with the following schedule:

<u>_____</u> <u>of the Year</u>	<u>Amount</u> <u>Maturing</u>	<u>Interest Rate</u> <u>per annum</u>
	\$	%
		%*

*Interest rate subject to adjustment as provided herein.

Each Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated, unless (i) it is authenticated before the first Interest Payment Date following the Issue Date, in which case interest shall accrue from the Issue Date, or (ii) it is authenticated upon an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date; provided, however, that if at the time of authentication of any Bond interest is in default, interest shall accrue from the date to which interest has been paid. The Bonds shall bear interest on overdue principal at the stated rate on the Bond.

The Series 2016 Term Bond shall initially bear interest from its Issue Date to, but not including, the first Adjustment Date at the initial rate set forth above. On each Adjustment Date, the interest rate on the Series 2016 Term Bond shall be adjusted to equal the then current five-year Advance Fixed Bullet Rate quoted by the Seattle Federal Home Loan Bank plus forty basis points (0.40%), (the "Index Rate"). The rate shall be rounded to the nearest one-hundredth of one percent. On the last business day which is at least twenty (20) days prior to each Adjustment Date, the Trustee shall determine the Index Rate for the Adjustment Date and shall give notification to the Issuer and the Registered Owners of the Outstanding Series 2016 Term Bond (by telephone or facsimile transmission) of the rate so determined. Beginning on each Adjustment Date, the interest rate on the Outstanding Series 2016 Term Bond maturing shall then be adjusted to equal the rate described above. In no event shall the interest rate on the Series 2016 Term Bond exceed ten percent (10.00%) per annum, nor be less than one and ninety-two hundredths percent (1.92%) per annum.

Section 2.04. Denominations and Numbers. The Bonds shall be issued as Fully Registered Bonds, without coupons, in the denomination of \$1,000 or any integral multiple thereof. The Bonds shall be numbered with the letter prefix "R" and from one (1) consecutively upwards in order of issuance.

Section 2.05. Paying Agent and Trustee. The Issuer hereby appoints Zions Bank, a division of ZB, National Association, Salt Lake City, Utah to act as Paying Agent and Trustee for the Bonds under the terms and conditions of the Resolution. Acceptance of said appointment shall be signified by written instrument delivered to the Issuer. The Issuer may remove any Paying Agent and any Trustee and appoint a successor or successors thereto. The Issuer shall submit to the Paying Agent or Trustee, as the case may be, a notice of such removal at least 30 days prior to the effective date of such removal, and shall specify the date on which such removal shall take effect. Such removal shall take effect on the date that each successor Paying Agent and Trustee shall signify its acceptance of the duties and obligations imposed upon it by the 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. Principal of and premium, if any, on the Bonds shall be payable when due to the respective owner of each Bond upon presentation and surrender thereof at the office of the initial Paying Agent, in Salt Lake City, Utah, or the principal

corporate trust office of any successor who is at the time the Paying Agent. Payment of interest on each Bond shall be made to the Person who, as of the Record Date, is the Registered Owner of the Bonds and shall be made by check or draft mailed to the Person who, as of the Record Date, is the Registered Owner of the Bonds, at the address of such Owner as it appears on the registration books of the Issuer kept by the Trustee, or at such other address as is furnished to the Trustee in writing by such Owner on or prior to the Record Date.

Section 2.06. Redemption Provisions. The Bonds shall be redeemable at the option of the Issuer at par at any time and upon the mailing of a notice to the Registered Owner by registered mail, not less than thirty (30) days prior to the date set for redemption.

Section 2.07. Acceptance of Purchaser's Offer; Sale of Bonds.

(a) The offer of the Purchaser for the purchase of the Bonds shall be and the same is hereby accepted, it being hereby found, determined and declared that the Bonds bear interest at the lowest obtainable interest rate.

(b) Under authority of the Act, the Bonds shall be issued by the Issuer for the purposes set forth in Section 2.01 hereof. The sale of the Rental Revenue Bonds, Series 2016 to the Purchaser for the purchase price of \$_____, is hereby confirmed.

(c) The Bonds shall be delivered to the Purchaser at such time and place as provided in, and subject to the provisions of the Resolution. The Treasurer of the Issuer is hereby instructed to make delivery of the Bonds to the Purchaser and to receive payment therefor in accordance with the terms of the Resolution.

Section 2.08. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the Chairman of the Issuer and attested and countersigned by the Secretary (the signatures of the Chairman and the Secretary 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 Chairman of the Issuer and the Secretary 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, countersignature, attestation and sealing of the Bonds by said officials. The Bonds shall then be delivered to the Trustee for manual certification of registration or, if applicable, authentication by the Trustee. Only such of the Bonds as shall bear thereon a certificate of registration or, if applicable, authentication, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Trustee shall be conclusive evidence that the Bonds so certified have been duly registered, authenticated, if applicable, and delivered under, and are entitled to the benefits of, the Resolution and that the owner thereof is entitled to the benefits of the Resolution. The certificate of registration or, if applicable, authentication of the Trustee on any Bond shall be deemed to have been executed by it if (a) such Bond is signed by the initial Trustee or an authorized officer of any successor Trustee, 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 registered or, if applicable, authenticated by the same Trustee, and (b) the date of registration or, if applicable, authentication. If the Trustee shall be any person other than the Secretary, the certificate of registration of the Trustee on each Bond to be registered and authenticated by such other Trustee shall be replaced by a Certificate of Authentication substantially in the form set forth in the form of Bonds provided in Article VIII hereof.

The Chairman of the Issuer and the Secretary 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 VI 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 shall be in blank. Upon any transfer or exchange of Bonds pursuant to Article VI hereof, the Trustee shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, principal amount, maturity and interest rate. The Trustee is hereby authorized and directed to hold the Exchange Bonds and to complete, register, authenticate, if applicable, and deliver the Exchange Bonds, for the purpose of effecting transfers and exchanges of Bonds; provided that any Exchange Bonds registered, authenticated, if applicable, and delivered by the Trustee shall bear the same series, maturity and interest rate as Bonds delivered to the Trustee 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 Trustee a like principal amount of Bonds submitted for transfer or exchange, and of like series and having like maturities and interest rates, shall be cancelled. The execution, countersignature, attestation and sealing by the Issuer and delivery to the Trustee of any Exchange Bond shall constitute full and due authorization of such Bonds containing such payee, principal amount, maturity and interest rate as the Trustee shall cause to be inserted and the Trustee shall thereby be authorized to register, authenticate, if applicable, 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 2.09. Delivery of Bonds; Purchase Price. The sale of the Bonds to _____ at a price equal to \$ _____ is hereby approved, ratified and confirmed. The Bonds shall be delivered to _____ as soon as may be conveniently done hereafter. The purchase price for the Bonds will be delivered by the purchaser to the Issuer at the time of closing.

Section 2.10. Delegation of Authority; Bond Details. The Designated Officer is hereby authorized to accept a purchase offer on the terms and conditions most favorable to Issuer, provided, however, that the final principal amount, interest and terms shall be within the parameters as set forth herein.

**ARTICLE III
CREATION OF FUNDS AND ACCOUNTS**

Section 3.01. Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee the Construction Fund.

Section 3.02. Creation of Revenue Fund. There is hereby created, ordered and established with the Issuer the Revenue Fund.

Section 3.03. Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee the Bond Fund.

Section 3.04. Creation of Sinking Fund. There is hereby created and ordered established in the custody of the Trustee, the Sinking Fund.

Section 3.05. Creation of Cost of Issuance Fund. There is hereby created and ordered established in the custody of the Trustee the Cost of Issuance Fund.

**ARTICLE IV
APPLICATION OF PROCEEDS**

Section 4.01. Application of Proceeds of the Bonds. The Trustee will receive the proceeds from the sale of the Bonds in the amount of \$_____ and the Trustee shall deposit such proceeds as follows:

- (a) In the Construction Fund, the amount of \$_____; and
- (b) In the Cost of Issuance Fund, the amount of \$_____.

Section 4.02. Disbursement from Cost of Issuance Fund. Costs of issuance related to the Bonds shall be paid by the Trustee from the Cost of Issuance Fund upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit "1" attached hereto. Any amounts remaining in the Cost of Issuance Fund 30 days after the delivery of the Bonds shall be transferred to the Construction Fund and applied to the uses therein authorized.

**ARTICLE V
USE OF FUNDS**

Section 5.01. Use of Construction Fund.

- (a) So long as an Event of Default shall not have occurred and be continuing and except as otherwise provided by herein, moneys deposited in the Construction Fund shall be

disbursed by the Trustee to pay the Costs of the Project, within three (3) business days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Issuer in substantially the form as Exhibit "2" attached hereto, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of the Project based upon audited, itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay, the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon the information submitted in such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to verify the application of any payments from the Construction Fund or to inquire into the purposes for which disbursements are being made from the Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of the Project, a certificate executed by an Authorized Representative of the Issuer stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing certification any claim or claims out of which a lien exists or might ripen in the event the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to Section 5.01(c) herein shall state that there is a claim or claims in controversy which create or might ripen into a lien, an Authorized Representative of the Issuer shall file a similar certificate with the Trustee when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Resolution, upon completion of the Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 5.01, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by an Authorized Representative of the Issuer, be deposited in the Bond Fund, to be applied, (i) toward the redemption of the Bonds issued to finance such Project or (ii) to pay principal and/or interest next falling due with respect to

such Bonds.

(g) The Trustee shall, to the extent there are no other available funds held under the Resolution, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default hereunder.

Section 5.02. Application of Pledged Revenues.

(a) All Pledged Revenues shall be accounted for by the Issuer separate and apart from all other moneys of the Issuer and shall be deposited into the Revenue Fund to be applied to the payment of the Bonds as set forth hereinafter.

(b) As a first charge and lien on the Pledged Revenues and so long as any Bonds are Outstanding, the Issuer shall, at least fifteen days before each interest payment date, transfer and deposit into the Bond Fund from the Pledged Revenues in the Revenue Fund or otherwise provide from allocation from Pledged Revenues to the Trustee for Deposit into the Bond Fund an amount equal to:

(i) the interest falling due on the Bonds on the next succeeding interest payment date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Issuer need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of; premium, if any, and interest on the Bonds promptly on each such interest payment date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Resolution for any Series of Bonds having other than semiannual interest payment dates.

(c) Subject to making the foregoing deposits, the Issuer may use the balance of the Pledged Revenues accounted for in the Revenue Fund for any of the following:

(i) redemption of Bonds;

(ii) refinancing, refunding, or advance refunding of any Bonds; or

(iii) for any other lawful purpose.

(d) The Pledged Revenues remaining after the foregoing deposits and transfers

and not required to be used for remedying any deficiencies in payments previously made into the Funds hereinabove established may be used at any time for any lawful purpose.

Section 5.03. Use of Sinking Fund Account. The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bond required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Resolution authorizing the issuance of such Term Bond, at a price not to exceed the redemption price of such Term Bond plus accrued interest.

The Bond maturing on _____, 20__, shall be subject to redemption by operation of a sinking fund account into which installments shall be made beginning on _____, 20__, at a redemption price equal to 100% of the principal amount thereof plus accrued interest, if any, to the redemption date. The amounts and due dates of the sinking fund installments for the Bond maturing on _____, 20__, are set forth as follows:

	\$
(final maturity)	
TOTAL	

To the extent that a mandatory sinking fund redemption results in the reduction in aggregate principal amount of the Bonds Outstanding, a Registered Owner shall not be required to submit its Bond certificate to the Trustee for payment and shall instead make an appropriate notation on such Bond certificate indicating the date and amounts of such redemption in principal, except in the case of final maturity, in which case the certificate must be presented to the Trustee prior to payment. The Trustee's records shall govern in the case of discrepancy with the noted schedule on the Bonds, absent manifest error.

Section 5.04. Investment of Funds. Any moneys in the Bond Fund, Sinking Fund or the Construction Fund shall, at the discretion and authorization of the Issuer, be invested by the Trustee in Permitted Investments; provided, however, that moneys on deposit in the Bond Fund may only be invested in Permitted Investments having a maturity date one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes.

All income derived from the investment of the Construction Fund and Bond Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as herein provided. All moneys in the Revenue Fund may, at the discretion of the Issuer, be invested by the Issuer in Permitted Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Section 5.04. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Permitted Investment, remains a Permitted Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may, to the extent permitted by the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code, make any and all investments permitted by the provisions of the Resolution through its own or any of its affiliate's investment departments.

The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee hereunder.

In the event the Issuer shall be advised by a nationally recognized municipal bond counsel that it is necessary to restrict or limit the yield on the investment of any moneys paid to or held by the Trustee in order to avoid the Bonds, or any Series thereof, being considered "arbitrage bonds" within the meaning of the Code or the Treasury Regulations proposed or promulgated thereunder, or to otherwise preserve the exclusion of interest payable or paid on any Bonds from gross income for federal income tax purposes, the Issuer may require in writing the Trustee to take such steps as it may be advised by such counsel are necessary so to restrict or limit the yield on such investment, irrespective of whether the Trustee shares such opinion, and the Trustee agrees that it will take all such steps as the Issuer may require.

Section 5.05. Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions hereof. Unless and until disbursed pursuant to the terms hereof, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable hereunder.

Section 5.06. Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Permitted Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur annually.

ARTICLE VI
TRANSFER AND EXCHANGE OF BONDS; TRUSTEE

Section 6.01. Transfer of Bonds.

(a) Any Bond may, in accordance with its terms, be transferred upon the registration books kept by the Trustee pursuant to Section 6.03 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 written instrument of transfer in a form approved by the Trustee, duly executed. No transfer shall be effective until entered on the registration books kept by the Trustee. The Issuer, the Trustee and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Trustee 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 Trustee shall register, authenticate, if applicable, and deliver a new Fully Registered Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section 2.08 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 Trustee 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 6.02. Exchange of Bonds. Bonds may be exchanged at the office of the initial Paying Agent, in Salt Lake City, Utah, or the principal corporate trust office of any successor who is at the time the Trustee, for a like aggregate principal amount of Fully Registered Bonds (which may be an Exchange Bond or Bonds pursuant to Section 2.08 hereof) of the same series, designation, maturity and interest rate of other authorized denominations. The Trustee 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 6.03. Bond Registration Books. This 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, Utah Code Annotated 1953, as amended. The Trustee shall keep or cause to be kept, at its office, or its principal corporate trust office if a successor Trustee, 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 Trustee 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 6.04. List of Registered Owners. The Trustee 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 owner and eliminate the name and address of the transferor owner.

Section 6.05. Duties of Trustee. If requested by the Trustee, the Chairman of the Issuer and the Secretary are authorized to execute the Trustee's standard form of agreement between the Issuer and the Trustee with respect to the compensation, obligations and duties of the Trustee hereunder, which may include the following:

- (a) to act as Trustee, 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 upon earlier redemption or submitted for exchange or transfer;
- (d) to furnish the Issuer at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (e) to furnish the Issuer at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 6.06. Section 265 Designation. For purposes of and in accordance with Section 265 of the Code, the Issuer hereby designates the Bonds as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Issuer and by any aggregated issuer during the calendar year 2016 will not exceed \$10,000,000. For purposes of this Section, "aggregated issuer" means any entity which (i) issues obligations on behalf of the Issuer, (ii) derives its issuing authority from the Issuer, or (iii) is directly or indirectly controlled by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (b) the total amount of the obligations so designated by the Issuer, and all aggregated issuers for calendar year 2016 does not exceed \$10,000,000.

ARTICLE VII COVENANTS AND UNDERTAKINGS

Section 7.01. Punctual Payment. The Issuer will punctually pay or cause to be paid the

principal, the prepayment premium, if any, and any applicable interest when due on the Bonds, in strict conformity with the terms of the Bonds and of this Resolution, according to the true intent and meaning thereof. The Issuer agrees that there shall be no grace period as to the date of any payment required to be made pursuant to the terms of the Bond and of this Resolution.

Section 7.02. Covenant of Issuer. The Issuer hereby covenants and agrees with each and every Holder of the Bonds the following:

(a) While any of the Bonds remain outstanding and unpaid, any resolution or other enactment of the Issuer, applying the Pledged Revenues for the payment of the Bonds shall be irrevocable until the Bonds have been paid in full as to both principal and interest, if any, and shall not be subject to amendment or modification in any manner which would impair the rights of the holders of the Bonds or which would in any way jeopardize the timely payment of principal or interest, if any, when due.

(b) So long as any Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the receipt and use of Pledged Revenues. Each Bond Owner or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred fifty (150) days following the close of each fiscal year (the term "fiscal year" as used in this subsection meaning whatever twelve-month period the Issuer may from time to time be using for general financial accounting purposes) cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of Pledged Revenues, as well as all financial statements and that such audit of all financial statements will be provided to each Bond Owner within one hundred fifty (150) days following the close of each fiscal year. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

(i) A statement in detail of the receipt and expenditure of Pledged Revenues for such fiscal year;

(ii) A balance sheet as of the end of such fiscal year;

(iii) An income statement at the end of such fiscal year;

(iv) The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Resolution, and the accountant's recommendations for any change or improvement;

(v) A list of the insurance policies in force at the end of the fiscal year, setting out as to each policy, the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and

(vi) An analysis of all funds created in this Resolution, setting out all deposits and disbursements made during the fiscal year and the amount in each fund at the end of the fiscal year; and

(vii) Any other audited financial statements that the Purchaser may reasonably request.

The Purchaser may, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular fiscal year set forth in this Subsection 7.02(b), provided, however, that such waiver shall not apply to the reporting requirements of the Issuer set forth in Subsection 7.02(c) herein.

(c) In addition to the reporting requirements set forth in Subsection 7.02(b) above, the Issuer shall submit to the Purchaser within one hundred fifty (150) days following the close of the Issuer's fiscal year, a summary report substantially in the form as provided by the Purchaser to the Issuer upon purchase of the Bonds.

(d) Every officer, agent or employee of the Issuer having custody or control of any of the Pledged Revenues or of the proceeds of the Bonds shall be bonded by a responsible corporate surety in an amount not less than the greatest amount reasonably anticipated to be within the custody or control of such officer, agent or employee at one time.

(e) The Issuer shall commence and complete the acquisition and construction of the Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(f) The Issuer will from time to time duly pay and discharge or cause to be paid all taxes, assessments and other governmental charges, if any, lawfully imposed upon the Project or upon the Pledged Revenues, as well as any lawful claims for labor, materials or supplies which if unpaid might by law become a lien or charge upon the Pledged Revenues or any part thereof or which might impair the security of the Bond, except when the Issuer in good faith contests its liability to pay the same.

(g) All payments falling due on the Bonds shall be made to the Bond Owner thereof at par and all charges made by the Depository Bank for its services shall be paid by the Issuer.

(h) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the Project.

Section 7.03. Observance of Laws and Regulations; Permits, Licenses and Claims.

(a) The Issuer will well and truly keep, observe and perform all valid and lawful obligations or orders or regulations now and hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of Utah, or by any officer, board or commission having jurisdiction or control over the Issuer or the Project or both, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Issuer, including its right to exist and carry on business, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired; provided, however, that the Issuer shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith.

(b) The Issuer shall at all times undertake reasonable efforts to perfect, and protect and maintain rights of any kind, all purchase contracts of any kind, and all permits, licenses and claims, necessary for the Project.

Section 7.04. Payment of Taxes and Claims. The Issuer will, from time to time, duly pay and discharge, or cause to be paid and discharged, any taxes, assessments or other governmental charges lawfully imposed upon any of the properties of the Project area or upon the Pledged Revenues when the same shall become due, and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The Issuer will keep the Project area and all parts thereof free from judgments, mechanics' and materialmen's liens (other than those arising by mere operation of law from the construction of the Project and other improvements to the Project area which are promptly discharged in due course) and free from all other liens, claims, demands and encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of this Resolution on the Pledged Revenues may at all times be maintained and preserved, and free from any claim or liability which might embarrass or hamper the Issuer in conducting its business.

Section 7.05. Issuance of Additional Bonds. No additional indebtedness, bonds, or notes of the Issuer payable on a priority to the Pledged Revenues for the payment of the Series 2016 Bonds herein authorized shall be created or incurred without the prior written consent of the Registered Owners of 100% of the Outstanding Bonds. In addition, no additional bonds or other indebtedness, bonds, or notes of the Issuer payable on a parity with the Series 2016 Bonds out of Pledged Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default has occurred.

(b) Pledged Revenues for the Bond Fund year immediately preceding the proposed date of issuance of such additional bonds are at least equal to 150% of the annual Debt Service Requirement on all Bonds, including the additional bonds proposed to be issued.

(c) All payments required by this Resolution to be made into the Bond Fund must have been made in full.

(d) The proceeds of the additional bonds must be used (i) to refund Series 2016 Bonds issued hereunder or other obligations of the Issuer (including the funding of necessary reserves and the payment of costs of issuance) or (ii) for any other lawful purpose.

Section 7.06. Rights and Remedies of Bond Owners.

(a) The Registered Owner of any outstanding Bonds from time to time shall be permitted the exercise of all rights and powers to which such Registered Owner is entitled under the Constitution and laws of the State of Utah.

(b) In addition to all other rights afforded by the Constitution and laws of the State of Utah, to the extent permitted by law, the Issuer agrees that the Registered Owner of any outstanding Bonds shall have the right if the Bond shall be permitted to default as to payment of principal, prepayment premium, if any, and interest thereon to apply to a court of competent jurisdiction to appoint a receiver for the Project.

Section 7.07. Resolution to Constitute Contract between the Issuer, the Trustee and the Holders of the Bonds. The provisions of this Resolution shall constitute a contract between the Issuer and the Registered Owners from time to time of the Bonds. After the issuance of the Bonds, no change, variation or alteration in the provisions of this Resolution may be made, except as provided in Article VIII hereof. The provisions of such contract shall be enforceable by appropriate proceedings to be taken by any of such Registered Owners either at law or in equity, to the extent permitted by law.

Section 7.08. Compliance with Resolution. The Issuer will not issue, or permit to be issued, any bonds or other obligations in any manner other than in accordance with the provisions of this Resolution and will not suffer or permit any default to occur under this Resolution, but will faithfully observe and perform all of the covenants, conditions and requirements hereof. The Issuer will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution and for the better assuring and confirming to the Registered Owners of the Bond of the rights, benefits and security provided in this Resolution. The Issuer for itself, its successors and assigns represents, covenants and agrees with the Registered Owners of the Bond, as a material inducement to the purchase of the Bond, that so long as the Bond shall remain outstanding and the principal thereof, prepayment premium, if any, or interest thereon shall be unpaid or unprovided for, it will faithfully perform all of the covenants and agreements contained in this Resolution and the Bond.

Section 7.09. Power to Issue Bonds and Pledged Revenues and Funds. The Issuer is duly authorized under all applicable laws to create and issue the Bonds and to adopt this Resolution and to the Pledged Revenues purported to be pledged by Resolution in the manner and

to the extent provided herein. The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Issuer in accordance with the terms of the Bonds and the terms of this Resolution. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the Pledged Revenues under this Resolution and all the rights of the Registered Owners of the Bonds under this Resolution against all claims and demands of all persons whomsoever.

ARTICLE VIII FORM OF BONDS

Section 8.01. Form of Bonds. Each Bond shall be in substantially the following form, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required:

(FORM OF RENTAL REVENUE BOND)

Registered

**UNITED STATES OF AMERICA
STATE OF UTAH
IRON COUNTY
REDEVELOPMENT AGENCY OF CEDAR CITY
RENTAL REVENUE BOND
SERIES 2016**

Registered

Number R-_____

\$_____

THIS BOND HAS BEEN DESIGNATED BY THE ISSUER FOR PURPOSE OF THE EXCEPTION CONTAINED IN SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986 RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

**INTEREST
RATE:**

**MATURITY
DATE:**

**ORIGINAL
ISSUE DATE:**

CUSIP:

_____ 15, _____

Registered Owner: _____

Principal Amount: _____ DOLLARS

Redevelopment Agency of Cedar City, Sanpete County, Utah (the "Issuer"), a duly organized and existing 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 at the rate per annum (calculated on the basis of a year of 360 days comprised of twelve 30-day months) set forth above (the "Interest Rate"), which interest shall be payable on _____ and _____ of each year, commencing _____, 20__ until all the principal shall have been paid.

Interest on this Bond shall accrue from _____ and _____ (each an "Interest Payment Date") next preceding the date on which it is authenticated, unless (i) it is authenticated before the first Interest Payment Date following the original Issue Date identified above, in which case interest shall accrue from the original Issue Date, or (ii) it is authenticated on an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date; provided, however, that if interest on the hereinafter defined Bonds shall be in default, interest on the Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Bonds surrendered. This Bond shall bear interest on overdue principal at the Interest Rate. Principal and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Principal of this Bond shall be payable upon surrender of this Bond at the principal corporate office of Zions Bank, a division of ZB, National Association, as Paying Agent, and payment of the semi-annual interest hereon shall be made by check or draft mailed to the person who is the Registered Owner of record hereof as of the fifteenth day immediately preceding each Interest Payment Date (the "Record Date") at the address of such Registered Owner as it appears on the registration books kept by the hereinafter defined Trustee, or at such other address as is furnished in writing by such Registered Owner to the Trustee as provided in the hereinafter defined Resolution.

The Bond shall be redeemable at the option of the Issuer at par at any time and upon the mailing of a notice to the registered holder hereof by registered mail, not less than thirty (30) days prior to the date set for redemption.

This Bond is one of the Rental Revenue Bonds, Series 2016, of the Issuer (the "Bonds") limited to the aggregate principal amount of \$ _____ issued under and by virtue of the Utah Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended and Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Utah Code Annotated, 1953, as amended (the "Act"), and under and pursuant to resolutions of the Issuer adopted on June 8, 2016 and _____, 2016 (the "Resolution"). The Purpose of the Bonds is for the construction a 10,000 square foot, block wall expansion to the 34,823 square foot facility owned by the Issuer and used as a grocery store, together with all related work and improvements in connection with project area development and in all other respects to pay the cost of foregoing including engineering and expenses and costs of and issuance of the bonds and to acquire and provide all appurtenant facilities therefor, together with all necessary or related work and improvements (the "Project"), to reimburse itself for cost and expenses incurred for the Project prior to the issuance of the bonds and to pay the costs of the issuance and sale of the Bonds.

Field Code Changed

Zions Bank, a division of ZB, National Association, Salt Lake City, Utah, is the initial

Trustee and paying agent of the Issuer with respect to the Bonds. Said Trustee and paying agent, together with any successor Trustee or paying agent, respectively, is referred to herein as the "Trustee" and the "Paying Agent".

The Issuer hereby covenants with the Registered Owner of this Bond to keep and perform all covenants and agreements contained in the Resolution of the Issuer authorizing the issuance of this Bond, and the Issuer will cause to be collected and accounted for sufficient Pledged Revenues as defined in the Resolution as will at all times be sufficient to pay the principal payment on this Bond according to the payment terms set forth in this Bond and pursuant to the resolution authorizing this Bond.

This Bond is transferrable, as provided in the Resolution, only upon books of the Issuer kept for that purpose at the principal office of the Trustee, by the Registered Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Owner or such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denomination of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Resolution and upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Trustee. The Issuer, the Trustee and the Paying Agent may treat and consider the person whose name this Bond is registered on the registration books kept by the Trustee 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, nor the Trustee nor the Paying Agent shall be affected by any notice to the contrary.

The Issuer is not required to transfer or exchange any bond with respect to any Interest Payment Date, after the Record Date to and including such Interest Payment Date.

The Bonds are issuable solely in the form of registered Bonds without coupons in the denomination of \$1,000 or any integral multiple thereof.

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 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 statutes of the State of Utah and by the Act and the Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exists, 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 said Constitution and statutes, and that 100% of the income or revenue derived from Agency undertakings and implementation of project area development 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 Trustee.

IN WITNESS WHEREOF, REDEVELOPMENT AGENCY OF CEDAR CITY, IRON COUNTY, UTAH, has caused this Bond to be signed in its name and on its behalf by its Chairman and countersigned by its Secretary and has caused its official seal to be impressed hereon.

Chairman, Redevelopment Agency of Cedar City
Iron County, Utah

COUNTERSIGNED AND ATTEST:

Secretary, Redevelopment Agency of Cedar City
Iron County, Utah

[SEAL]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution and is one of the Rental Revenue Bonds, Series 2016 of Redevelopment Agency of Cedar City, Iron County, Utah.

as Trustee

By _____
Authorized Officer

Date of registration
and authentication: _____.

[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
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and
not as tenants in common
UNIF GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minors Act _____ (State

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

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

/ _____ /
Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of REDEVELOPMENT AGENCY OF CEDAR CITY, IRON 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 a member firm of the New York Stock
Exchange, Inc. or a commercial bank or trust company.

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 IX
MODIFICATION OR AMENDMENT OF RESOLUTION**

Section 9.01. Amendments Permitted. The Registered Owners of seventy-five percent (75%) in principal amount of the outstanding Bonds (not including any Bonds which may then be held or owned by or for the account of the Issuer), shall have the right from time to time to approve the adoption by the Governing Body of any amendment to this Resolution which may be deemed necessary or desirable by the Governing Body so long as a nationally recognized municipal bond firm acceptable to the Purchaser has opined or stated in writing that such an amendment would not affect the validity of or the exclusion of interest payments from Gross Income Taxation as provided in Section 103 of the Code; provided, however, that nothing herein contained shall permit or be construed to permit the modification of the terms and conditions in this Resolution or in the Bonds so as to:

- (1) Make any change in the maturity of the Bond;
- (2) Reduce the rate of interest borne by the Bond;
- (3) Reduce the amount of the principal payable on the Bond;
- (4) Modify the terms of payment of principal of, prepayment premium, if any, or interest on the Bond or impose any conditions with respect to such payment;
- (5) Affect the rights of the Registered Owners of less than all of the Bonds then Outstanding; and
- (6) Make any change in the provisions of this Article.

Which would require the Registered Owners of one hundred percent (100%) in principal amount of the outstanding Bonds must approve and a nationally recognized municipal bond firm acceptable to the Purchaser has opined or stated in writing that such an amendment would not affect the validity of or the exclusion of interest payments from Gross Income Taxation as provided in Section 103 of the Code.

Section 9.02. Notice of Proposed Amendment; Consent of Bond Owners.

(a) If at any time the Governing Body shall have proposed an amendatory resolution, it shall cause the notice of the proposed adoption of such resolution to be sent by registered mail to the Registered Owners of the Bonds then Outstanding. No notice by publication shall be required.

(b) Whenever at any time within one year from the date of the mailing of said notice, there is filed in the office of the Secretary an instrument or instruments executed by the Registered Owners of at least seventy-five percent (75%) in principal amount of the Bonds then Outstanding, specifically consenting to and approving the adoption of the amendatory resolution and such other requirements stated herein have been met; thereupon, but not otherwise, said resolution shall become effective and the provisions thereof binding upon the Registered Owners

of all of the Bonds then outstanding and no Registered Owners of any Bond then outstanding, whether or not he shall have consented to or shall have revoked any consent as in this Article provided, subject to the limitations of the subsequent paragraph, shall have any right to object to the adoption of such amendatory resolution or to the operation of any of the terms and provisions thereof.

(c) Any consent given by the Registered Owners of a Bond pursuant to the provisions of this Article shall be irrevocable for a period of six months from the date of the mailing of the notice aforesaid and shall be conclusive and binding upon all future Registered Owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of mailing of such notice by the Registered Owners who gave such consent, or by a successor in title, by filing notice with the Governing Body in form satisfactory to the Governing Body of such revocation of consent, but such revocation shall not be effective if the Registered Owners of seventy-five percent (75%) in principal amount of the Bonds then Outstanding have prior to the attempted revocation consented to and approved the amendatory resolution.

(d) Proof of the execution of any such instrument of consent or the ownership by any person of such Bond shall be conclusive, if made in the manner provided in this Article. The fact and date of the execution by any person of any such instrument of consent may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgment of deeds, certifying that the person signing such instrument of consent acknowledged to him/her the execution thereof.

(e) The amount and number of Bonds owned by any person executing any such instrument of consent and the date of his holding the same may be proved by a certificate executed by any bank, trust company or member of the New York Stock Exchange, showing that on the date therein mentioned such person had on deposit with or exhibited under the claim of ownership to such bank, trust company or member of the New York Stock Exchange the Bonds therein described. The Governing Body may nevertheless in its discretion require further proof in cases where it deems further proof desirable.

ARTICLE X COVENANT AGAINST ARBITRAGE

Section 10.01. Arbitrage Covenant; Covenant to Maintain Tax Exemption.

(a) The Chairman of the Issuer, the Secretary and other appropriate officials of the Issuer are each hereby authorized and directed to execute such Tax Certificate as shall be necessary to establish that (i) the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and applicable 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 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 Certificate;
- (ii) it will at all times comply with the rebate requirements contained in Section 148(f) of the Code 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 and the timely payment to the United States of all amounts, including any applicable penalties and interest, required to be rebated;
- (iii) no use will be made of the proceeds of the Bonds, pursuant to Section 148 of the Code and applicable Regulations (proposed or promulgated) 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 the project financed with the proceeds of the Bonds or any other 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 have been or will be issued, sold or delivered within a period beginning 31 days prior to the sale of the Bonds, other than the Bonds;
- (vi) the Bonds are not and shall not be federally guaranteed or deemed as such; and
- (vii) 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.

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 XI DEFAULT AND REMEDIES

Section 11.01 Events of Default. Each of the following events is hereby declared to be and to constitute an Event of Default:

(1) Payment of the principal of the Bond is not made when the same becomes due and payable;

(2) Payment of any installment of interest is not made when the same becomes due and payable;

(3) The Issuer for any reason is, or is rendered, incapable of fulfilling its obligations hereunder;

(4) The Issuer shall have failed to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Pledged Revenues, or to all or any combination thereof, or otherwise including, without limitation, this Resolution, and such failure shall continue for sixty (60) days after receipt of notice from the Registered Owner or Trustee of the Bonds;

(5) An order or decree is entered by a court of competent jurisdiction, with the consent or acquiescence of the Issuer, appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or if any order or decree, having been entered without the consent or acquiescence of the Issuer, is not vacated or discharged or stayed on appeal within sixty (60) days after entry;

(6) The Issuer makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in this Resolution on its part to be performed outside of any failure to pay principal and interest payments on the Bonds when the same become due and payable, and, except for payment defaults as stated in subsection (a) of this section, if such default continues for sixty (60) days after written notice, specifying such default and requiring the same to be remedied, is given to the Issuer by the Registered Owner of the Bonds.

Section 11.02. Remedies for Defaults. Upon the happening and continuance of any of the Events of Default, as provided in this Section hereof, then and in every case the Registered Owner of the Bonds, including, without limitation, a trustee or trustees therefor, may proceed against the Issuer and its agents, officers and employees to protect and to enforce the rights of any Registered Owner of the Bonds under this Resolution by mandamus or by other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or an operating trustee or for the specific performance of any covenants or agreement contained herein or for any proper legal or equitable remedy as such Registered Owner may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any Registered Owner of any Bond, or to require the Issuer to act as if it were the trustee of an expressed trust, or any combination of such remedies, or as otherwise may be authorized by any statute or other provision of law. All such proceedings at law or in equity shall be instituted, had and maintained for the benefit of the Registered Owner of the Bonds. Any receiver or operating trustee appointed in any proceedings to protect the rights of such Registered Owner hereunder, the consent to any such appointment being hereby expressly granted by the Issuer, may collect, receive and apply all Pledged Revenues, or all of the same, arising after the appointment of such receiver or operating trustee in the same manner as the Issuer itself might do.

Section 11.03. Rights and Privileges Cumulative. The failure of the Registered Owner of the Bonds to proceed in any manner herein provided shall not relieve the Issuer, or any of its officers, agents or employees of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of the Registered Owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of the Registered Owner shall not be deemed a waiver of any other right or privilege thereof. The Registered Owner of the Bonds shall be entitled to all of the privileges, rights and remedies provided or permitted in this Resolution and as otherwise provided or permitted by law or in equity or by other statutes.

ARTICLE XII MISCELLANEOUS

Section 12.01. Discharge of Indebtedness. Any Bond shall not be deemed Outstanding when:

(1) It is cancelled because of payment or prepayment prior to maturity; or

(2) Cash funds for the payment or prepayment of such Bond shall have been theretofore deposited with the Paying Agent for such Bond (whether upon or prior to maturity of or the prepayment date established for such Bond); provided that if the Bond is to be prepaid prior to maturity, notice of such prepayment shall have been given or waiver of such notice shall have been filed with the Issuer by the Registered Owner of the Bonds, respectively, to be prepaid and there shall have been deposited irrevocably and arrangements shall have been made with the Depository to assure payment of all fees and expenses of the Depository to become due on and prior to the maturity or prepayment date, with no monies to be invested in any investments but direct obligations of or obligations guaranteed by the United States of America, maturing and bearing interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due.

Section 12.02. Partial Invalidity. If any one or more articles, sections, paragraphs, clauses or provisions of this Resolution or the application thereof to any person or circumstances are held to be invalid by final decision in any court of competent jurisdiction, such invalidity shall not affect the other articles, sections, paragraphs, clauses and provisions of this Resolution which can be given effect without the article, section, paragraph, clause or provision so held to be invalid or the application of which is held to be invalid and shall not affect the application of such article, section, paragraph, clause or provision to other persons or circumstances and to this end the provisions of this Resolution are declared to be severable.

Section 12.03. Article and Section Headings. All references herein to "Articles", "Sections" and subdivisions are to the corresponding articles, sections or words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience or reference and shall not affect the meaning, construction or effect of this Resolution.

Section 12.04. Publication of Notice of Bonds to Be Issued. In accordance with the provisions of Section 11-14-316, Utah Code Annotated, 1953, as amended, the Secretary has heretofore caused "Notice of Bonds to be Issued" to be published one (1) time in the Pyramid, a newspaper having general circulation in Redevelopment Agency of Cedar, Utah, which is hereby confirmed and ratified.

Section 12.05. Conflicting Resolutions. All resolutions, orders and regulations or parts thereof heretofore adopted or passed that are in conflict with any of the provisions of this Resolution are, to the extent of such conflict, hereby repealed. This repealer shall not be construed so as to revive any resolution, order, regulation or part thereof heretofore repealed.

Section 12.07. 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 12.08. Severability. It is hereby declared that all parts of this Resolution are severable, and 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 any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Resolution.

Section 12.09. 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 Resolution.

Section 12.10. Certification of Fulfillment of Conditions. The City hereby finds and certifies that all conditions precedent to the issuance of the Bonds have been satisfied and fulfilled.

Section 12.11. Maintenance of Records; Copies. A copy of the Resolutions and every amendatory or supplemental resolution or other official action relating to the Bonds shall be kept on file with the Secretary, where the same shall be made available for inspection by any Registered Owner of the Bonds, or his, its or their agents for so long as any of the Bonds remain outstanding and unpaid. Upon payment of the reasonable cost for preparing the same, a certified copy of the Resolutions, or any amendatory or supplemental resolution, will be furnished to any Registered Owner of the Bonds.

Section 12.12. Effective Date. Immediately after its adoption, this Resolution shall be signed by the Chairman and the Secretary shall have the official seal of the Issuer impressed or imprinted hereon, shall be recorded in a book kept for that purpose and shall take immediate effect.

PASSED AND APPROVED this ____ day of _____, 2016.

REDEVELOPMENT AGENCY OF CEDAR CITY

By _____
Chairman

ATTEST AND COUNTERSIGN:

By _____
Secretary

[SEAL]

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the Chairman and City Council adjourn.

REDEVELOPMENT AGENCY OF CEDAR CITY

By _____
Chairman

ATTEST:

By _____
Secretary

[SEAL]

STATE OF UTAH)
 : ss.
COUNTY OF IRON)

I, PAUL COZZENS, hereby certify that I am the duly appointed, qualified and acting Secretary of Redevelopment Agency of Cedar City, Iron County, Utah;

I further certify that the above and foregoing instrument constitutes a true and correct copy of the minutes of a Regular Meeting of the Governing Body of said Issuer, including a Resolution adopted at said meeting held on _____, 2016, as said minutes and Resolution are officially of record in my possession, and that a copy of the said Resolution was deposited in my office on _____, 2016;

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Redevelopment Agency of Cedar, Iron County, Utah, this ____ day of _____, 2016.

Secretary

(SEAL)

ACKNOWLEDGEMENT AND CONSENT OF THE TRUSTEE

Zions Bank, a division of ZB, National Association, Salt Lake City, Utah, as Trustee under the Resolution to which this Acknowledgement and Consent is attached, hereby acknowledges, agrees and consents to the terms and conditions of the Resolution. In witness whereof, the Trustee has caused this Acknowledgement and Consent to be signed on its behalf as of the date of the Resolution by its duly authorized officer whose signature appears below.

Zions Bank

By: _____

Its: _____

ACKNOWLEDGEMENT AND CONSENT OF THE PURCHASER

_____, as Purchaser under the Resolution to which this Acknowledgement and Consent is attached, hereby acknowledges, agrees and consents to the terms and conditions of the Resolution. In witness whereof, the Purchaser has caused this Acknowledgement and Consent to be signed on its behalf as of the date of the Resolution by its duly authorized officer whose signature appears below.

By: _____

Its: _____

EXHIBIT 1
COST OF ISSUANCE FORM OF REQUISITION

Re: Redevelopment Agency of Cedar City, Utah Rental Revenue Bonds, Series 2016 in the
sum of \$ _____

Zions Bank
Corporate Trust Department
10 East South Temple, 12th Floor
Salt Lake City, Utah 84130

You are hereby authorized to disburse from the Cost of Issuance Fund with regard to the
above-referenced bond issue the following:

REQUISITION NUMBER: _____
NAME AND ADDRESS OF PAYEE: _____

AMOUNT: \$ _____

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: _____

Each obligation, item of cost, or expense mentioned herein has been properly incurred, and
is a proper charge against the Cost of Issuance Fund.

DATED: _____

By: _____

Its: _____

EXHIBIT 2
FORM OF REQUISITION

Re: Redevelopment Agency of Cedar City, Utah Rental Revenue Bonds, Series 2016 in the sum of \$ _____

Zions Bank
Corporate Trust Department
10 East South Temple, 12th Floor
Salt Lake City, Utah 84130

You are hereby authorized to disburse from the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: _____
NAME AND ADDRESS OF PAYEE: _____

AMOUNT: \$ _____

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: _____

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Construction Fund based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee), and has not been the basis for a previous withdrawal.

The amount remaining in the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the Construction Fund, will, together with any other moneys lawfully available or expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the Cost of Completion for the Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the Construction Fund May be expended unless, after giving effect thereto, the funds remaining in the Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the Project.

DATED: _____

By: _____
Its: _____