

**CITY OF GRAND RAPIDS, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION CALLING A PUBLIC HEARING RELATING TO  
IDENTIFY QUALIFIED USERS OF THE YANMAR ARENA IN  
THE CITY OF GRAND RAPIDS**

BE IT RESOLVED by the City Council (the “Council”) of the City of Grand Rapids, Itasca County, Minnesota (the “City”) as follows.

Section 1. Background; Findings.

1.01. On December 22, 2022, the City issued its Taxable General Obligation Temporary Bonds, Series 2022 (the “Prior Bonds”), in the original aggregate principal amount of \$10,000,000. The proceeds of the Prior Bonds were used to finance the construction, renovation, and improvement of the Yanmar Arena located at 1401 NW Third Avenue in the City, including but not limited to replacement of the roof, replacement of the ice plant, new capital equipment, and building, utility and grounds improvements (the “Project”).

1.02. The City has proposed to issue its General Obligation Refunding Bonds, Series 2024A (the “Bonds”), in the approximate aggregate principal amount of \$9,500,000 to redeem and prepay the outstanding Prior Bonds and refinance the Project.

1.03. The City owns and operates the Project but intends to allow one or more nonprofit organizations to use the Project. Pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the “Code”), the City is authorized to designate the Bonds as “qualified 501(c)(3) bonds” if the City identifies one or more nonprofit organizations from federal income taxation under Section 501(a) of the Code, as a result of the application of Section 501(c)(3) of the Code, as “qualified 501(c)(3) users” of the Project (the “Qualified Users”); provided, however, that the Council first holds a public hearing on the proposal to designate the Qualified Users as qualified 501(c)(3) users.

1.04. The City has identified the Grand Rapids Amateur Hockey Association, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code, Grand Itasca Clinic and Hospital, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code, and Star of the North Skating Club, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code, as Qualified Users of the Project.

Section 2. Public Hearing Authorized.

2.01. The Council will hold a public hearing regarding the designation of the Bonds as qualified 501(c)(3) bonds on Monday, July 8, 2024, at approximately 5:00 p.m. at City Hall. The Council authorizes and directs the publication of a notice substantially in the form attached hereto as EXHIBIT A in the official newspaper of the City, which is a newspaper of general circulation in the City, at least seven (7) days prior to the date of the hearing.

2.02. City staff and consultants are authorized to take all other actions needed to bring the proposed Qualified Users and issuance of the Bonds as qualified 501(c)(3) bonds under the Code before the Council.

Adopted by the City Council of the City of Grand Rapids, Minnesota, this 24<sup>th</sup> day of June, 2024.

---

Mayor

Attest:

---

City Clerk

**EXHIBIT A**

**FORM OF NOTICE OF PUBLIC HEARING**

**CITY OF GRAND RAPIDS, MINNESOTA**

**NOTICE OF PUBLIC HEARING TO IDENTIFY QUALIFIED USERS OF THE YANMAR ARENA  
IN THE CITY OF GRAND RAPIDS**

NOTICE IS HEREBY GIVEN that the City Council of the City of Grand Rapids, Minnesota (the “City”) will hold a public hearing on Monday, July 8, 2024, at or after 5:00 p.m. in the City Council Chambers at City Hall, located at 420 North Pokegama Avenue in the City, to consider the sale of the City’s General Obligation Refunding Bonds, Series 2024A (the “Bonds”), to be issued in the approximate aggregate principal amount of \$9,500,000, to refinance the construction, renovation, and improvement of the Yanmar Arena located at 1401 NW Third Avenue in the City, including but not limited to replacement of the roof, replacement of the ice plant, new capital equipment, and building, utility and grounds improvements (the “Project”). The Project is owned by the City. A public hearing is required to designate the Bonds as qualified 501(c)(3) bonds pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the “Code”). The purpose of the public hearing is to identify one or more nonprofit organizations exempt from federal income taxation under Section 501(a) of the Code, as a result of the application of Section 501(c)(3) of the Code, as qualified 501(c)(3) users of the Project, including but not limited to the Grand Rapids Amateur Hockey Association, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code, Grand Itasca Clinic and Hospital, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code, and Star of the North Skating Club, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Code (collectively, the “Qualified Users”).

The City is expected to enter into one or more long-term use agreements with the Qualified Users and may enter into long-term use agreements in the future with other qualified 501(c)(3) organizations regarding use of the Project.

Following the public hearing, the City Council will consider the adoption of a resolution approving the issuance of the Bonds as qualified 501(c)(3) bonds. At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Clerk, at or prior to said public hearing.

Dated: [Date of Publication]

**BY ORDER OF THE CITY COUNCIL OF THE  
CITY OF GRAND RAPIDS, MINNESOTA**

/s/ Kimberly Gibeau  
City Clerk