

**CITY OF GRAND RAPIDS, MINNESOTA**

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

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2024A,  
IN THE PROPOSED AGGREGATE PRINCIPAL AMOUNT OF  
\$8,380,000**

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

Section 1. Authorization.

(a) On December 22, 2022, the City issued its Taxable General Obligation Temporary Bonds, Series 2022 (the “Temporary Bonds”), in the original aggregate principal amount of \$10,000,000, pursuant to Minnesota Statutes, Chapter 475, as amended, including Section 475.61, subdivision 6, Section 412.301, and Sections 469.1812 through 469.1815, as amended (collectively, the “Act”), and the provisions of Laws of Minnesota 2021, First Special Session, Chapter 14, Article 8, Section (the “Special Law”). The proceeds of the Temporary Bonds were used to provide temporary financing for the construction, renovation, and improvement of the ice 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”).

(b) The Temporary Bonds mature on December 1, 2025 and are subject to optional redemption on or after December 1, 2023, at a price of par plus accrued interest.

(c) The City is authorized by Section 475.67, subdivision 3 of the Act to issue and sell its general obligation bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the City Council to be necessary or desirable for the reduction of debt service costs to the City or for the extension or adjustment of maturities in relation to the resources available for their payment.

(d) The Council finds it necessary and desirable for the reduction of debt service costs to the City to issue the City’s General Obligation Refunding Bonds, Series 2024A (the “Bonds”), in the proposed aggregate principal amount of \$8,380,000, pursuant to the Act, including Section 475.67, subdivision 3, and the Special Law. Proceeds of the Bonds will be used to redeem and prepay the Temporary Bonds and provide permanent financing for the Project.

(e) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent municipal advisor in connection with such sale. The actions of the City staff and the City’s municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all respects.

Section 2. Qualified Users of the Project.

(a) On the date hereof, the Council conducted a duly noticed public hearing with respect to the designation of the Bonds as “qualified 501(c)(3) bonds” pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the “Code”), and the designation of 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 (the “Qualified Users”), including but not limited to 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.

(b) The Council hereby approves the designation of the Bonds as “qualified 501(c)(3) bonds” pursuant to Section 145 of the Code, approves the designation of the Qualified Users as qualified 501(c)(3) users of the Project, and authorizes the City to enter into one or more long-term use agreements with the Qualified Users regarding the use of the Project.

Section 3. Authority of Municipal Advisor. Ehlers and Associates, Inc. (the “Municipal Advisor”) is authorized and directed to negotiate the sale of the Bonds. The Council will meet on Monday, August 12, 2024, or another date selected by City staff, to consider proposals on the Bonds and take any other appropriate action with respect to the Bonds.

Section 4. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the City (“Bond Counsel”), is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates and instruments relating to the Bonds. The officers, employees and agents of the City are hereby authorized to assist Bond Counsel in the preparation of such documents, certificates, and instruments.

Section 5. Covenants. In the resolution awarding the sale of the Bonds, the Council will set forth the covenants and undertakings required by the Act.

Section 6. Official Statement. In connection with the sale of the Bonds, the officers or employees of the City are authorized and directed to cooperate with the Municipal Advisor and participate in the preparation of an official statement for the Bonds and to deliver it on behalf of the City upon its completion.

Approved this July 8, 2024 by the City Council of the City of Grand Rapids, Minnesota.

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Mayor

ATTEST:

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City Clerk