

**CITY OF GRANT  
RESOLUTION NO. 2020-18**

**DECLARING THE OFFICIAL INTENT OF GRANT TO REIMBURSE  
CERTAIN EXPENDITURES FROM THE PROCEEDS  
OF BONDS TO BE ISSUED BY THE CITY**

**WHEREAS**, the City Council (“Council”) of the City of Grant, Minnesota (“City”) discussed and identified its Fiscal Year 2020 Street Improvements project (“Project”); and

**WHEREAS**, the Projects, project area and activity, and their estimated costs are identified as:

Project: Janero Court N. 96<sup>th</sup> Street N., Justen Trail N. , Grenelefe Ave. N.

Project Area: Janero Court west of 96<sup>th</sup> Street. 96<sup>TH</sup> Street N. west of Justen Trail. Justen Trail North of Highway 96 to Joliet Ave. N. Grenelefe Ave north of Indian Hills Trail to 117<sup>th</sup> Street N.

Activity: Street reconstruction and reclamation.

Estimated Cost: \$422,760.00

**WHEREAS**, the Council intends to use a combination of General Fund tax revenues and special assessments to assist in financing of the identified Projects; and

**WHEREAS**, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

**WHEREAS**, the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax exempt bond; and

**WHEREAS**, the City has determined to make this Declaration of Official Intent (“Declaration”) to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANT, MINNESOTA** that the City proposes to undertake the Projects as described above in City Fiscal Year 2020.

**BE IT FURTHER RESOLVED**, the City reasonably expects to reimburse the expenditures made for certain costs of the Projects from the proceeds of bonds in an estimated maximum principal amount of \$500,000, and that all reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

**BE IT FURTHER RESOLVED**, this Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds.

**BE IT FURTHER RESOLVED**, this Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.

**BE IT FURTHER RESOLVED**, this Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

**ADOPTED** this 7<sup>th</sup> day of April, 2020.

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Jeff Huber, Mayor

Attest:

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Kim Points, City Clerk