



**OFFICE OF THE CITY CLERK
COUNCIL ACTION FORM**

SUBJECT: RES22-11078 Establishing compliance under
Internal Revenue Code for N. 27th TIF projects

Council Meeting Date: 10/10/22

Vote: APPROVED UNANIMOUSLY

**Shaw, Gulick, Neese, Owen, Joy, Choriki, Tidswell,
Purinton, Boyett, Rupsis, Mayor Cole**

DocuSigned by:
Denise Bohman
Denise R. Bohman, City Clerk

RESOLUTION 22-11078

RESOLUTION RELATING TO THE FINANCING THE ACQUISITION OF CERTAIN PROPERTY AND IMPROVEMENTS THERETO; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council (the "Council") of the City of Billings, Montana (the "City"), as follows:

Section 1. Recitals.

1.01 The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that bonds be issued and the reimbursement allocation be made from the proceeds of such bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

1.02 The City desires to comply with requirements of the Regulations with respect to certain projects hereinafter identified.

Section 2. Official Intent Declaration.

2.01 The City proposes to design, engineer and construct one-way to two-way street conversions and a pedestrian walking bridge in the Expanded North 27th Street District Urban Renewal Area -- 2008 (collectively, the "Project").

2.02 Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds (as hereinafter defined), (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Project have heretofore been paid by the City and no expenditures will be paid by the City until after the date of this Resolution.

2.03 The City reasonably expects to reimburse some or all of the expenditures made for costs of the Project out of proceeds of bonds, in one or more series, in a maximum aggregate principal amount of approximately \$6,700,000 (the "Bonds") after the date of payment of all or a portion of the costs of the Project. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

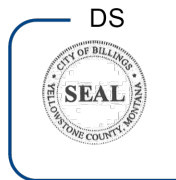
Section 3. Budgetary Matters. As of the date hereof, there are no City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

Section 4. Reimbursement Allocations. The Finance Director for the City shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the Project. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the Bonds or the Project and shall specifically identify the actual original expenditure being reimbursed.

PASSED AND APPROVED by the City Council of the City of Billings, Montana, this 10th day of October, 2022.

CITY OF BILLINGS:

Attest:



DocuSigned by:
BY: William A. Cole
William A. Cole, Mayor

DocuSigned by:
BY: Denise R. Bohlman
Denise R. Bohlman, City Clerk

Item 1. N.

City Council Regular

Date: 10/10/2022
Title: Resolution Establishing Compliance with Reimbursement under Internal Revenue Code for the N 27th TIF Construction Projects
Presented by: Andy Zoeller, Finance Director
Department: Finance
Presentation: No
Legal Review Not Applicable

RECOMMENDATION

Staff recommends that the City Council approve the attached resolution that will allow the City to reimburse expenses related to projects within the N 27th Urban Renewal District that will incur prior to issuing bonds for the project.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The adopted FY23 Capital Improvement Plan anticipates the City will sell tax increment bonds to finance one-way to two-way street conversions, and the 25th Street Bridge projects downtown. The City needs to expend design and engineering monies related to these projects before the funds are available for the bond sale proceeds. Under IRS rules, the attached resolution must be approved in order for the City to reimburse those pre-sale expenses from the bond proceeds.

ALTERNATIVES

City Council may:

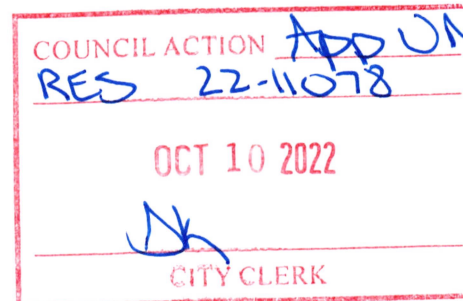
- Approve the resolution and proceed with the projects with the ability to reimburse expenses when the bonds are sold; or,
- Not Approve the resolution, in which case the City will have to suspend certain areas of work until the bonds are sold, or not reimburse the fund for expenses paid.

FISCAL EFFECTS

This resolution will not result in additional costs to the projects.

Attachments

resolution



Certificate Of Completion

Envelope Id: 00B29FD6CE1B4E2B802AE3CF66C73796

Status: Completed

Subject: Please DocuSign: RES 22-11078

Source Envelope:

Document Pages: 5

Signatures: 3

Envelope Originator:

Certificate Pages: 5

Initials: 0

Toni Keehner

AutoNav: Enabled

Stamps: 2

keehnert@billingsmt.gov

Enveloped Stamping: Enabled

IP Address: 161.7.21.158

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Record Tracking

Status: Original

Holder: Toni Keehner

Location: DocuSign

10/13/2022 9:01:39 AM

keehnert@billingsmt.gov

Signer Events

William A Cole

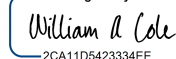
coleb@billingsmt.gov

Mayor

Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:



2CA11D5423334EE...

Timestamp

Sent: 10/13/2022 9:08:35 AM

Viewed: 10/13/2022 2:19:10 PM

Signed: 10/13/2022 2:19:42 PM

Signature Adoption: Pre-selected Style

Using IP Address: 72.175.160.94

Electronic Record and Signature Disclosure:

Accepted: 12/3/2020 8:46:12 AM

ID: 235dd76e-a3c9-4e23-89f5-aedaeb3b241a

Denise Bohlman

bohlmand@billingsmt.gov

City Clerk

City of Billings

Security Level: Email, Account Authentication (None)

DocuSigned by:



D503C2218DC34F0...



Sent: 10/13/2022 2:19:45 PM

Viewed: 10/14/2022 7:39:13 AM

Signed: 10/14/2022 7:48:29 AM

Signature Adoption: Pre-selected Style

Using IP Address: 161.7.21.94

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Toni Keehner

keehnert@billingsmt.gov

Deputy City Clerk

City Clerk

Security Level: Email, Account Authentication (None)

Completed

Using IP Address: 161.7.21.158

Sent: 10/14/2022 7:48:31 AM

Viewed: 10/14/2022 7:49:13 AM

Signed: 10/14/2022 7:49:23 AM

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp**

Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	10/13/2022 9:08:35 AM
Certified Delivered	Security Checked	10/14/2022 7:49:13 AM
Signing Complete	Security Checked	10/14/2022 7:49:23 AM
Completed	Security Checked	10/14/2022 7:49:23 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Carahsoft OBO City of Billings (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Carahsoft OBO City of Billings:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: kampal@billingsmt.gov

To advise Carahsoft OBO City of Billings of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at kampal@billingsmt.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Carahsoft OBO City of Billings

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to kampal@billingsmt.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Carahsoft OBO City of Billings

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to kampal@billingsmt.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Carahsoft OBO City of Billings as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Carahsoft OBO City of Billings during the course of your relationship with Carahsoft OBO City of Billings.