

and recreational facilities and payment of the cost thereof through assessment against properties benefited thereby.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [450.31] **Cities first class, recreational facilities.** Every city of the first class, including cities of the first class operating under a home rule charter, may acquire and develop land or lands for public playgrounds and recreational facilities and may pay the cost thereof by levy of an assessment or assessments therefor against the properties deemed benefited by such public playground and recreational facilities in accordance with and pursuant to the procedure set forth in Chapter 430, Minnesota Statutes 1953, or in accordance with and pursuant to the provisions of the home rule charter of any city operating under a home rule charter governing local improvements and assessment therefor.

Sec. 2. [450.32] **Application.** The provisions of Section 1 hereof shall apply, take precedence over and supersede any provision of the home rule charter of any city of the first class restricting, qualifying, limiting or prohibiting payment of the cost of acquisition and development of land or lands for public playgrounds by levy of assessment or assessments therefor against properties deemed benefited by such public playground.

Approved April 27, 1957.

CHAPTER 795—S. F. No. 1849

[Not Coded]

An act authorizing certain cities of the first class to participate with the federal government and third parties in the financing and construction of public buildings to be leased by the federal government or agencies thereof, and to issue revenue bonds for such purpose payable solely from revenues to be derived from such leases.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Minneapolis, construction of buildings for use as federal courts and office buildings.** Any city of the first class now or hereafter having a population exceeding 500,000 may, in addition to any other powers granted to it by law or charter, borrow money and issue and sell bonds in such amounts as its city council may determine, for the purpose of financing the construction of a public building or buildings

within the city suitable for use by the government of the United States or any of its agencies as a Federal Courts and Federal Office Building, including all items of cost from the inception to the completion thereof and all fees and expenses incurred in connection with the construction and the financing thereof. It is hereby determined and declared that the construction of such buildings is a legitimate purpose for the exercise of the municipal powers of eminent domain, making of contracts and issuance of bonds, due to the benefit which may reasonably be expected to accrue therefrom to such cities and their inhabitants, commerce and industries from the employment of labor and the transaction of business locally by such agencies, and the convenience of local administration of federal affairs affecting the inhabitants of the city.

Sec. 2. Financing. Such bonds shall be payable solely from and secured by an irrevocable pledge of all revenues to be derived from rentals of the building or buildings financed thereby, payable by the federal government under the terms of a lease agreement entered into as authorized below, and shall be issued and sold by the city council in accordance with the provisions of Minnesota Statutes, Chapter 475, and any laws amendatory thereof or supplemental thereto, with reference to the issuance of obligations payable wholly from the income from revenue-producing conveniences, except as provided in section 4 hereof.

Sec. 3. Rentals. Such cities may also by resolution of the city council enter into all such contracts with the federal government or any agency thereof and with third parties as may be necessary to or expedient for the construction of such building or buildings and the lease thereof to said government or agency upon terms such as to provide rentals sufficient to pay said bonds and interest thereon including, but not limited to, contracts with the federal government and the party or parties responsible for such construction, whereby the city promises to pay the entire cost of said improvement, and to lease the same to the federal government or agency for such term of years as may be agreed, in consideration for a promise by the federal government to pay rentals sufficient to repay to the city all such cost paid by it and interest on a sum equal to such cost at a rate at least equal to the average rate paid by the city on the bonds issued to finance such construction, to pay the cost of maintenance and management of such improvement for the term of the lease, and to reimburse the city for the reasonable value of all municipal services furnished for said building.

Sec. 4. Bids. In the event that the United States or

any agency thereof shall advertise for bids for construction of any such building and for the provision of the necessary funds therefor, any of such cities in which the building is proposed to be located may submit a bid to provide the financing for such construction by the issuance of bonds as herein authorized, and for that purpose may by resolution of its council, prior to the submission of such bid, enter into a contract for the issuance and sale of such bonds in the event that the bid is accepted; and in such case the city need not comply with any statutory or charter provisions otherwise requiring it to advertise for bids for such construction or the purchase of such bonds.

Sec. 5. Security of bondholders. Any city issuing bonds under this act may by resolution of the city council enter into such covenants as the council shall determine to be necessary and reasonable for the security of the bondholders and for the purpose of marketing the bonds to the best advantage to the city, including, without limitation, a covenant that all revenues received from lease rentals hereunder shall be paid to a trustee for the bondholders and paid out only in accordance with the authorizing resolution.

Sec. 6. Authorized securities. Bonds issued under the provision of this act are hereby constituted "authorized securities" within the meaning and for the purposes of Minnesota Statutes 1953, Section 50.14, notwithstanding the restrictions in part (c) of Subdivision 4 thereof. All bonds issued under this act shall be exempt from all taxation. Interest paid on such bonds shall not be included in gross income for the purpose of computing any tax imposed by or under any provisions of Minnesota Statutes 1953, Chapter 290, or any act amendatory thereof or supplemental thereto.

Approved April 27, 1957.

CHAPTER 796—S. F. No. 1858

An act relating to school districts and limitations upon the tax levies thereof; amending Minnesota Statutes 1953, Section 275.12, as amended by Laws 1955, Chapter 645; repealing Minnesota Statutes 1953, Section 275.12, Subdivisions 3 and 4; and providing for issuance of certificates of indebtedness.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1953, Section 275.12,