

In the event of extra legislative sessions, each member of the legislature shall receive additional compensation at the rate of \$25 for each day while engaged in extra session, payable every ten days during such session and on the last day thereof.

Each member shall receive mileage for one trip at the rate of 15 cents for each mile necessarily traveled in going to and returning from the place of meeting to his place of residence.

Each member shall receive in addition to his regular salary and mileage provided above per diem living expenses during a regular or special session of the legislature, the amount to be determined by the legislature each session but not to exceed that paid regularly by the State of Minnesota for employees as expenses away from home; such expenses to be paid to coincide on the same date as regular salary payments are made during the regular or special sessions.

On the fifteenth day of January and on the first day of each month, February to December inclusive, the secretary of the Senate and the chief clerk of the House of Representatives, shall certify to the state auditor, in duplicate, the amount of compensation then payable to each member of their respective houses, and the aggregate thereof.

Sec. 2. **Repealer.** Minnesota Statutes 1953, Section 3.11, as amended by Laws 1955, Chapter 793, Section 2, is repealed.

Approved April 27, 1957.

CHAPTER 812—H. F. No. 1843

[Coded in Part]

An act relating to port authorities in cities of the first class; providing for the establishment by such authority of industrial development districts and for the industrial development of properties therein located, and further providing for the sale and the lease of said properties; providing further powers and duties of such port authority in such industrial development district; providing for the issuance of bonds by such port authority with consent of the governing body of the city of the first class to finance the operations of such industrial development district; providing for the issuance of revenue bonds by such port authority to carry on such opera-

tions; and amending Minnesota Statutes 1953, 458.09 and 458.10.

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

Section 1. Minnesota Statutes 1953, Section 458.09, as amended by Laws 1955, Chapter 685, Section 1, is amended to read:

458.09 **Port authority commission.** A commission to be known as "Port Authority of _____" is hereby established in and for every city of the state which has, or shall have over 50,000 inhabitants and which is or shall be situated upon, or adjacent to, or which embraces or shall embrace within its boundaries, in whole or in part a port or harbor located on a navigable lake or stream. Sections 458.09 to 458.19 are expressly declared to be applicable to all such cities, whether now or hereafter existing under a charter framed and adopted under the Constitution of the State of Minnesota, Article 4, Section 36, or not. Any such port authority shall be a body politic and corporate in the State of Minnesota with the right to sue and be sued in the names above designated. Any such port authority shall also be considered a governmental subdivision within the meaning of Minnesota Statutes 1953, Section 282.01. The exercise by any such authority or commission of any of its powers shall be deemed and held to be essential governmental functions of the State of Minnesota, but any such authority shall not be immune from liability by reason thereof. *Any port authority, created and existing pursuant to this section, the membership of which has been appointed under Minnesota Statutes 458.10, Subdivision 1, shall have jurisdiction and shall be empowered to exercise and apply any and all of its powers and duties, as defined in Sections 458.09 to 458.19, at any place or places within the entire geographical area included within the boundary limits of the city of the first class in which said port authority is located, and said area of operations shall be known and described as the port district. The power to lease property which the port authority, in its discretion, believes suitable and proper to be put to use by the port authority in the execution of its duties and responsibilities is not to be deemed limited to said port district, but the port authority shall have the power to lease such property either within or without said port district for such purpose.*

Sec. 2. Minnesota Statutes 1953, Section 458.10, as amended by Laws 1955, Chapter 685, Section 2, is amended to read:

458.10 **Membership.** Subdivision 1. Such port au-

thority for any city shall consist of three commissioners who shall be appointed by the council of each city in and for which such port authority is hereby created. The first commissioners of any such port authority shall be appointed for terms as follows: one for two years; one for four years; and one for six years.

Upon passage of a formal resolution of the governing body of any city having a port authority created under the terms of this subdivision and now existing, the port authority of such city shall be increased to seven commissioners, two of whom shall be members of the governing body of such city. The members of such port authority shall be chosen by the mayor with the approval and consent of the governing body of such city and shall serve for a period of six years, provided that the members of any such port authority now existing shall be appointed for the remainder of their unexpired terms to such port authority.

The members of the governing body of the city appointed to such port authority shall hold such office for a period of six years, provided that they are, at all times of such service on the port authority, members of the governing body of such city. When such members are no longer members of the governing body of such city, their terms on such port authority shall terminate, and the mayor of such city with the approval and consent of the governing body of such city shall then fill such vacancies. A vacancy in the office of any commissioner shall be filled by the mayor with the approval and consent of the governing body for the balance of the term in which vacancy occurs.

Any authority expended in accordance with the provisions of this subdivision shall be deemed to be a continuation of the former commission.

The provisions of this section shall not apply to any port authority, now existing and qualified, under subdivisions 2 and 3 of this section.

Subd. 2. Upon resolution unanimously adopted by any such port authority, it shall consist of seven commissioners. Three commissioners shall be appointed in accordance with subdivision 1, two additional commissioners shall be appointed by the Board of Commissioners of the county in which said city shall be located, one for a term to expire January 1, 1956, and one for a term to expire January 1, 1958; and two shall be appointed by the Governor, one for a term to expire January 1, 1960, and one for a term to expire January 1, 1961. Any port authority expanded in accordance with the provisions

of this subdivision shall be deemed to be a continuation of the former commission.

Subd. 3. When the term of any commissioner expires, a successor shall be appointed to serve for a term of six years. A vacancy in the office of any commissioner shall be filled by the appointing authority for such office for the balance of the term in which such vacancy occurs. In the event of the failure of the Governor or Board of Commissioners to act within sixty days from the time a vacancy occurs, the council of any such city shall have sole power to appoint a successor.

Subd. 4. All commissioners shall serve without compensation for their services, or any remuneration, save for expenses incurred in the performance of their duty.

Sec. 3. [458.191] **Industrial development districts.**
Subdivision 1. The port authority of any port district created and existing under Minnesota Statutes 1953, 458.10, Subdivision 1, may, after a public hearing thereon of which at least ten days' notice shall be published in a daily newspaper of general circulation in the port district, create industrial development districts within the port district and define the boundaries thereof if it finds that the creation of such development district or districts is proper and desirable in establishing and developing a system of harbor and river improvements and industrial developments in such port district.

Subd. 2. It is hereby declared to be the public policy of the legislature of the State of Minnesota that it is in the public interest to empower the port authority to employ the power of eminent domain, and for such port authority to advance and expend moneys for the purposes contained in this act, and to provide for means by which marginal area properties may be developed or redeveloped in accordance with the legislative policies hereinafter stated.

(1) *A sound development of the economic security of the peoples of the city of the first class in which is situated such port authority is dependent upon proper development and redevelopment of marginal properties, and the general welfare of the inhabitants of the port districts in which they exist require the remedying of such injurious conditions to which marginal properties are now subject; and*

(2) *The development and redevelopment of such marginal area properties cannot be accomplished by private enterprise alone without public participation and assistance in the acquisition of land and planning and in the financing of land assembly in the work of clearance, development and re-*

development, and in the making of improvements necessary therefor.

(3) To protect and promote sound development and redevelopment of marginal lands as hereinafter defined, and the general welfare of the inhabitants of the port districts in which they exist, to remedying such injurious conditions through the employment of all appropriate means.

(4) That whenever the development or redevelopment of such marginal lands cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land and planning and in financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor, it is in the public interest to employ the power of eminent domain, to advance and expend public moneys for those purposes, and to provide for means by which such marginal lands may be developed or redeveloped.

(5) That the development or redevelopment of such marginal lands and the provision of appropriate continuing land use constitute public uses and purposes for which public moneys may be advanced or expended and private property acquired, and are governmental functions and are of state concern in the interest of health, safety and welfare of the peoples of the State of Minnesota and of the communities in which such areas exist.

(6) That the necessity in the public interest for the provision of this act is declared to be a matter of legislative determination.

Subd. 3. It is further found and declared that:

(1) The existence of such marginal lands characterized by any or all of such conditions constitutes a serious and growing menace which is condemned as injurious and inimical to the public health, safety, and welfare of the people of the communities in which they exist and of the people of the State.

(2) Such marginal lands present difficulties and handicaps which are beyond remedy and control solely by regulatory processes in the exercise of the police power.

(3) They contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for, crime prevention, correction, prosecution and punishment, the treatment of juvenile delinquency, the preservation of the public health and safety, and the maintain-

ing of adequate police, fire and accident protection and other public services and facilities.

(4) *This menace is becoming increasingly direct and substantial in its significance and effect.*

(5) *The benefits which will result from the remedying of such conditions and the redevelopment of such marginal lands will accrue to all the inhabitants and property owners of the communities in which they exist.*

(6) *Such conditions of marginal lands tend to further obsolescence, deterioration, and disuse because of the lack of incentive to the individual landowner and his inability to improve, modernize, or rehabilitate his property while the condition of the neighboring properties remains unchanged.*

(7) *As a consequence the process of deterioration of such marginal lands frequently cannot be halted or corrected except by redeveloping the entire area, or substantial portions of it.*

(8) *Such conditions of marginal lands are chiefly found in areas subdivided into small parcels, held in divided and widely scattered ownerships, frequently under defective titles, and in many such instances the private assembly of the land areas for redevelopment is so difficult and costly that it is uneconomic and as a practical matter impossible for owners to undertake because of lack of the legal power and excessive costs.*

(9) *The remedying of such conditions may require the public acquisition at fair prices of adequate areas, the redevelopment of the areas suffering from such conditions under proper supervision, with appropriate planning and continuing land use.*

(10) *The development or redevelopment of land, or both, acquired under the authority of this act constitute a public use and are governmental functions, and that the sale or leasing of such land after the same has been developed or redeveloped is merely incidental to the accomplishment of the real or fundamental purpose, that is, to remove the condition which caused said property to be marginal property as in this act defined.*

Subd. 4. *"Marginal lands" is defined and characterized by any one or more of the following described conditions:*

(1) *An economic dislocation, deterioration, or disuse resulting from faulty planning.*

(2) *The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.*

(3) *The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.*

(4) *The existence of inadequate streets, open spaces, and inadequate utilities.*

(5) *The existence of lots or other areas which are subject to being submerged by water.*

(6) *By a prevalence of depreciated values, impaired investments, and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.*

(7) *In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.*

(8) *In other parts of marginal lands, a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.*

(9) *Property of an assessed valuation of insufficient amount to permit the establishment of a local improvement district for the construction and installation of streets, walks, sewers, water and other utilities.*

(10) *Lands within an industrial area which are not devoted to industrial uses but which are necessary to industrial development within the industrial area.*

(11) *Lands acquired by the State of Minnesota by forfeiture for nonpayment of taxes.*

Sec. 4. [458.192] **Additional powers.** *Subdivision 1. In addition to all powers conferred on such port authority under Minnesota Statutes 1959, Sections 458.09-458.19, such port authority, to accomplish the purposes set forth in subdivision 1 of section 3 of this act, shall have such additional powers as hereinafter described in subdivisions 2 through 10 of this section.*

Subd. 2. *It may acquire by lease, purchase, gift, devise, or condemnation proceedings all necessary right, title and in-*

terest in and to lands and buildings required for the purposes contemplated in the creation of such industrial development districts and pay therefor out of funds obtained by it as hereinafter provided, and hold and dispose of the same subject to the limitations and conditions herein prescribed. Title to any such property acquired by condemnation or purchase shall be in fee simple, absolute, but any such real or personal property or interest therein otherwise acquired may be so acquired or accepted subject to any condition which may be imposed thereon by the grantor or donor and agreed to by the port authority not inconsistent with the proper use of such property for the purposes herein provided. Any properties, real or personal, acquired, owned, leased, controlled, used or occupied by the port authority for any of the purposes of this section are declared to be acquired, owned, leased, controlled, used and occupied for public governmental and municipal purposes and shall be exempt from taxation by the state or any of its political subdivisions. Such exemption from taxation applies only when the port authority holds property for its own purpose. When property is sold, this exemption from taxation shall not apply, and the property shall be returned for taxation to the tax rolls. Such port authority shall have the power to execute options for purchase, sale or lease of property.

Subd. 3. It may exercise the right of eminent domain in the manner provided by Minnesota Statutes 1953, Chapter 117, or under the provisions of the home rule charter of the city in which said port authority is located for the purpose of acquiring any property which it is authorized to acquire by condemnation. The fact that the property so needed has been acquired by the owner under eminent domain or is already devoted to a public use shall not prevent its acquisition by such port authority by the exercise of the right of eminent domain, provided that the acquisition of such sites and property has the approval and ratification of the governing body of the city in which said port authority is located. The port authority may take possession of any such property so to be acquired at any time after the filing of the petition describing the same in condemnation proceedings. It shall not be precluded from abandoning the condemnation of any such property in any case where possession thereof has not been taken.

Subd. 4. It may contract and be contracted with in any matter connected with the purpose of industrial development within the powers of the port authority herein given.

Subd. 5. It may acquire rights or easements for terms of years or perpetually to accomplish the purpose of such industrial districts' development.

Subd. 6. It may purchase all supplies and materials necessary in carrying out the purposes of this section.

Subd. 7. It may accept from the United States of America or State of Minnesota or any of their agencies or any local subdivision of government under the State of Minnesota, land, moneys or other assistance, whether by gift, loan or otherwise, for the purpose of carrying out the purposes of this act and of acquiring and developing industrial development districts and facilities as contemplated herein.

Subd. 8. Such port authority, in connection with the acquisition of land for and the development of industrial development districts, may exercise all the powers of governmental subdivisions within the meaning of Minnesota Statutes 1953, Section 282.01, and pursuant thereto shall have all the powers similar to the city of the first class in which it is located to acquire, by any means provided by law, lands forfeited for non-payment of taxes to the State of Minnesota.

Subd. 9. It is hereby declared that the purposes of this act in the program herein set out for the creation and development of industrial development districts is in the public interest, and to implement the program, it is essential that tax forfeited lands, the title to which has vested in the State of Minnesota, be conveyed to such port authority for a nominal consideration of \$1 per tract for use and subsequent resale as found expedient by such port authority in furtherance of the purpose of this act.

It is declared that any proposed resale of industrial development lands to private parties, or the use in any manner thereof by such port authority in the way of industrial development, requires that such port authority acquire title to all lands within the area of the industrial development district free and clear of any possibility of reverter to or right of re-entry by the State of Minnesota, for the reasons or under the circumstances set forth in Minnesota Statutes 1953, Section 282.01, Subdivision 1.

The Commissioner of Taxation of the State of Minnesota is authorized and shall convey to any such port authority parcels of tax forfeited lands in such industrial development district, petition for the conveyance of which has been made to such commissioner under the provisions of this act, upon payment by such port authority of the nominal consideration of \$1 for each tract of land so acquired.

Any such deed of conveyance shall be upon a form approved by the attorney general and shall convey to any such port authority an absolute title to such tract or tracts of land,

subject only to the reservation of minerals and mineral rights, pursuant to Minnesota Statutes 1953, Section 282.12; such deed of conveyance shall not contain any condition or other provision with reference to the use to which the premises shall be put, and by such conveyance the State of Minnesota shall be divested of any and all further right, title, claim or interest in and to such tracts, subject, however, to the mineral reservation hereinabove referred to.

Subd. 10. Such port authority shall have the authority to sell or lease the land held by it for river, harbor or industrial development in industrial development districts. It may, if proper in the public interest, construct suitable buildings or structures upon any land owned by it for the purpose of leasing the same to private persons in the further industrial development of such industrial district. It may exercise its authority, herein given, to the acquisition, development, sale or lease of single or multiple tracts of land to be developed, irrespective of size, having in mind that the purpose of this act is the industrial development of the district.

Sec. 5. [458.193] **Bonds, issuance.** Subdivision 1. *In anticipation of the receipt by the port authority of payments, appropriations, rents and profits and of income from any other source and for the purpose of securing funds as needed by such port authority for the payment of the cost of property acquired and for other purposes as herein authorized, the port authority is hereby authorized to issue bonds in such principal amount as shall be authorized by the governing body of the city of the first class in which such port authority is situated. Such bonds shall be in such amount and form and bear interest at such rate as the said governing body of such city of the first class shall prescribe and shall be sold by such port authority to the highest bidder therefor after notice of the time and the place for the receiving of the bids has been published once at least two weeks prior to the date of receiving bids. Except as otherwise provided in this act, the issuance of the bonds herein authorized by such port authority shall be governed by provisions of Minnesota Statutes 1953, Chapter 475, and such port authority when issuing such bonds shall be deemed to be embraced within the meaning of the term "municipal corporation" as said term is used in Minnesota Statutes 1953, Chapter 475. Notwithstanding any provision to the contrary included within the charter of any such city or any general or special law of the State of Minnesota, such bonds may be issued and sold without submission of the question thereof to the electors of such city of the first class, provided, however, that the ordinance of the governing body of such city authorizing issuance of such*

bonds by such port authority shall be subject to any provisions in the charter of such city pertaining to the procedure for referendum of ordinances enacted by such governing body. Any such bonds issued by any such port authority of any such city of the first class shall not be included in computing the net indebtedness of such city of the first class under any applicable law or charter provision. The receipt and expenditure of any monies received hereunder shall not be included within the definition of any limitation imposed on per capita taxing or spending in the charter of any such city of the first class, and such exemption from such limitation shall apply to such port authority. The taxing powers granted to cities of the first class in connection with this act in any manner shall be in addition to all taxing powers now possessed by them.

Subd. 2. Such bonds shall be of such date, denominations, place of payment, form and details as may be determined by the port authority with the consent of the governing body of such city. The bonds shall mature serially, the first installment to fall due in not more than three years and the last in not more than thirty years from the date of issuance.

Subd. 3. The bonds shall be signed by the chairman of the port authority, attested by the secretary and countersigned by the treasurer, said officers to be elected annually by the members of the port authority, and the interest coupons shall be attached thereto and be executed and authenticated by the printed, engrossed or lithographed facsimile signature of chairman and secretary. Such bonds shall not impose any personal liability upon any member of the port authority.

Subd. 4. The bonds shall be secured by the pledge of the full faith, credit and resources of the city of the first class in which said port authority has been created. Said port authority is hereby authorized to pledge such full faith, credit and resources of said city only upon the specific authorization of the governing body of said city that said port authority may so do. The propriety of the issuance of bonds in any specific case and the amount thereof shall be a matter of decision for such governing body in the first instance. The specific consent to the pledge of such full faith, credit and resources of the city of the first class shall be conclusively presumed from formal action of the governing body of such city, taken by ordinance. Such bonds shall be paid, both in the principal amount thereof and the interest thereon, by the port authority from tax levies as hereinafter provided for the purpose of repayment, the earnings and all income received by such port authority from whatever source it may be derived.

Subd. 5. Such port authority, upon issuing any bonds under the provisions of this section, shall, before the issuance thereof, levy for each year, until the principal and interest are paid in full, a direct annual tax on all the taxable property in the city in which such authority has been created in an amount not less than five per cent in excess of the sum required to pay the principal and interest thereof when and as such principal and interest mature. After any such bonds have been delivered to the purchasers, such tax shall be irrevocable until all such indebtedness is paid, and after the issuance of such bonds no further action by the port authority shall be necessary to authorize the extensions, assessments and collection of such tax. The secretary of the authority shall forthwith furnish a certified copy of such levy to the county auditor of the county in which the authority and city are located, together with full information regarding the bonds for which the tax is levied and such county auditor shall extend and assess the tax so levied, and shall do so annually until the principal and interest have been paid in full. Any surplus resulting from the excess levy herein provided for shall be transferred to a sinking fund after the principal and interest for which the tax was levied and collected has been paid; provided that the port authority may, on or before October 15 in any year, by appropriate action cause its secretary to certify to the county auditor the amount on hand and available in its own treasury from earnings or other income including the amount in the sinking fund which it will use to pay principal or interest or both on each specified issue of its bonds and the county auditor shall reduce the levy for that year herein provided for by that amount. The amount of funds so certified shall be set aside by the port authority and be used for no other purpose than for the payment of principal and interest on the bonds. All taxes hereunder shall be collected and remitted to the port authority by the county treasurer in accordance with the provisions of law governing the collection of other taxes and shall be used solely for the payment of the bonds when due.

Subd. 6. Bonds legally issued pursuant to this act shall be deemed authorized as securities within the provisions of Minnesota Statutes 1953, Section 50.14, and shall be proper for the investment therein by any savings bank or trust company, insurance company, or sinking funds held by any public or municipal corporation, and may be pledged by any bank or trust company as security for the deposit of public moneys therein in lieu of surety bonds. Such bonds shall be deemed and treated as instrumentalities of a public government agency and, as such, exempt from taxation.

Sec. 6. [458.194] Subdivision 1. The authority is hereby authorized and empowered to provide by resolution for the issuance at one time, or in series from time to time, of revenue bonds of the authority for the purpose of providing funds for paying the cost of any port facilities, or for paying the cost of any extensions, enlargements or improvements of any project then under the control of the authority. Such bonds and any interest coupons to be attached thereto shall be executed in such manner as may be determined by the authority.

Subd. 2. The bonds of each series issued under the provisions of this section shall bear interest at a rate or rates not exceeding five per cent per annum, payable semi-annually, and shall be stated to mature at such time or times, not exceeding 40 years from their date, as may be determined by the authority.

Subd. 3. The proceeds of the bonds of each series issued under the provisions of this section shall be paid to the trustee under the trust agreement securing such bonds and shall be disbursed in such manner and under such restrictions, if any, as may be provided in such trust agreement.

Subd. 4. Revenue bonds issued under the provisions of this section shall not be deemed to constitute a debt of the city of the first class in which such authority is located and for which it has been created, nor a pledge of the full faith and credit of any such city of the first class, but such bonds shall be payable solely from the funds herein provided therefor from revenues of the projects. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the port authority nor the city of the first class in which the port authority has been created shall be obligated to pay the same or the interest thereon except from revenues, and that neither the faith and credit nor the taxing power of such city of the first class is pledged to the payment of the principal of or the interest on such bonds.

Subd. 5. If the proceeds of the revenue bonds of any series issued under the provisions of this section, by reason of increased construction costs or error in estimates or otherwise, shall be less than the amount required for the purpose for which such bonds are authorized, additional bonds may in like manner be issued to provide the amount of such deficiency and shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of such bonds shall exceed the amount so required, such excess shall be deposited to the credit of the sinking fund for such

bonds or, if so provided in the trust agreement securing such bonds, may be applied to the cost of any additional facility under the jurisdiction of such port authority.

Sec. 7. [458.195] **Additional powers.** *Subdivision*

1. A port authority shall have the further power and authority to cooperate with or act as agent for the federal government, the state or any state public body or any agency instrumentality of the foregoing, to carry out the purposes of this act or of any other related federal, state or local legislation operative within the area of river, harbor and industrial development district improvement.

Subd. 2. Such port authority shall have the authority to carry out studies and analyses of the industrial development needs within its area of operation, and of meeting those needs; to study the desirable patterns for industrial land use and community growth and other factors affecting the development of local industrial development within the district and make the result of these studies available to the public and industry in general; to engage in research and disseminate information on river, harbor and industrial development within the port district.

Subd. 3. Each commissioner, including the chairman, shall be paid for attending meetings of the port authority, regular and special, Twenty-five Dollars (\$25) per meeting, the aggregate of such payments to any one commissioner for any one year not to exceed Six Hundred Dollars (\$600).

Subd. 4. Such port authority shall have the power to hire and employ all personnel necessary to carry out its program and the responsibilities placed upon it by this act, including a chief engineer and a general counsel to serve the engineering and legal needs of such authority, the latter to be the chief legal advisor to such authority.

Subd. 5. Such port authority shall have the power to accept conveyances of land from all other public agencies, commissions or other units of government, including the Housing and Redevelopment Authority of the City of Saint Paul and the Metropolitan Airports Commission of the State of Minnesota, if such land can be properly utilized by such port authority in any river, harbor and industrial development district, to carry out the purposes of this act.

Subd. 6. It shall have the power in carrying out the provisions for which said industrial development district has been created, to develop and improve the lands within such industrial development district to make the same suitable and available for industrial uses and purposes; to dredge, bulk-

head, fill, grade and protect such property; to do any and all things necessary after the acquisition of such property to put the said property in such condition as is necessary and expedient to make it suitable and attractive as an industrial tract for industrial development thereon; to execute leases of such lands or property or any part thereof; to establish local improvement districts within such industrial development district which may, but need not be, coextensive with the boundaries thereof and generally to exercise, with respect to and within such industrial development districts all the powers now or hereafter conferred by law upon port authorities of cities of the first class.

Sec. 8. [458.196] Sale of property. [Subdivision 1.] *When a port authority deems it for the best interests of the district and the people thereof and in furtherance of its general plan of harbor improvement, or industrial development, or both, it may sell and convey any property or part thereof owned by it within a river, harbor and industrial district. This section shall not be limited by other laws pertaining to powers of port authorities.*

Sec. 9. [Subd. 2.] *The port authority shall give notice of the proposed sale by publication in two newspapers published in the county, if there are two such newspapers, and by posting in three public places in the port district at least ten days before the date fixed for the hearing thereon.*

The notice shall describe the property to be sold and state that at the time and place specified therein, the authority will meet at its usual meeting place, designating it, to hear and determine the advisability of the sale.

The hearing shall be held not more than ten days from the publication of notice. At the hearing the authority shall hear the reasons of any taxpayer in the port district for or against the sale.

Sec. 10. [Subd. 3.] *Within three days after the hearing, the authority shall make its findings and determination on the advisability of making the sale and enter its determination on its records. Any aggrieved party may appeal the determination of the authority by filing appeal with the district court of the county in which the district is located within twenty days of the entry of the determination but no appeal shall be allowed except on the grounds that the action of the authority was arbitrary, capricious, or unlawful.*

Sec. 11. [Subd. 4.] *If the determination is against the sale, all proceedings thereon shall terminate. If the authority determines in favor of the sale, it shall enter an order*

fixing a period, not less than 20 nor more than 30 days from the date of the order, during which bids will be received for the property or any part thereof, and give notice thereof in the same manner as for the hearing on the proposal to sell.

Sec. 12. [Subd. 5.] *Bids may be submitted for the property or any part of it, and shall state the use which the bidder intends to make of it. The authority may require the successful bidder to file additional information as to the intended use, and may require of him security as assurance that the property will be used for that purpose.*

All sales shall be made to the best bidder, and in determining the best bid said port authority may also consider the nature of the proposed use and the relation thereof to the improvement of the harbor, the riverfront and the city of the first class and the business and the facilities of the port authority in general. Within thirty days after the last day for submitting bids the port authority shall decide which, if any, bids it accepts. All sales shall be made upon such terms and conditions as said port authority may prescribe.

In any case where the port authority has placed property on the market for sale in accordance with the bidding procedures of this act and no bids have been received, the port authority shall have the power to sell said properties at private sale at a negotiated price if such sale is deemed in the public interest by the port authority and in furtherance of the aims and purposes of this act.

Sec. 13. [Subd. 6.] *The purchaser shall, within one year from the date of the purchase, devote the property to its intended use, or shall commence work on the improvements thereon to devote it to such use, and if he fails to do so, the port authority may cancel the sale and title to the property shall revert to the district. Extension of time to comply with such condition may be granted by the port authority on good cause shown by the purchaser. The terms of sale may contain any other provision by the port authority which it deems necessary and proper to protect the public interest. No purchaser shall transfer title to such property within one year without the consent of the port authority.*

Sec. 14. [Subd. 7.] *All sales made in accordance with the provisions of this act shall have incorporated in the instrument of conveyance of title the conditions of this act relating to the use of the land as a covenant running with the lands. Any violation of such covenant shall result in a right by the authority to declare a breach of the covenant running with the land and seek a judicial decree from the district*

court declaring a forfeiture and a cancellation of any deed so given.

Sec. 15. [Subd. 8.] *All properties now held or acquired in the manner herein set forth may be utilized and developed by such port authority pursuant to the provisions of this act. The port authority, after public hearing of which notice shall be given once at least ten days prior to such hearing, by publishing in a newspaper of general circulation in the county, describing the property to be sold, and stating the date, time and place of such hearing, and providing that such hearing shall be held not more than 20 days after such publication, may sell and convey any of the property so acquired by it within a river, harbor or industrial district. No sales shall be made, however, of the property of any river, harbor or industrial development district until the purchaser thereof shall have submitted to the port authority plans and specifications for the development of said property, and said plans and specifications shall be approved in writing before said property shall be conveyed, and the conditions upon which said properties are conveyed shall be set forth in the instrument conveying title thereof with the further condition that all of the provisions herein set forth shall be covenants running with the lands.*

Sec. 16. [458.197] **Advances of money to port authority.** *Such port authority is hereby granted the power to advance its general fund moneys or credit, or both, without interest to accomplish the objects and purposes of this act, which fund shall be repaid from the sale or lease, or both, of such developed or redeveloped lands, provided, if the money advanced for such development or redevelopment was obtained from the sale of general obligation bonds of the port authority, then such advances shall bear the same rate of interest that said bonds bore.*

Sec. 17. [458.198] **Determination of property as marginal lands.** *The determination that property sought by eminent domain proceedings is marginal lands as herein defined is a judicial question, provided that a duly adopted resolution of the authority of the port district that the property sought is marginal lands as the term is herein defined, setting forth the characteristics of the lands sought to be acquired which constitute the marginal lands as herein defined, shall be prima facie evidence that such land is marginal lands as defined in this act.*

Sec. 18. [458.199] **City of first class may levy taxes for benefit of port authority.** *To enable such port authority efficiently and in the public interest to carry out the aims and*

purposes of this act in the creation and development of industrial development districts as herein provided, any such city of the first class in which such port authority has been created and is existing shall have the power, upon request of such port authority and in addition to all other powers now possessed thereby, and in addition to and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, to levy taxes for the benefit of and for expenditure by such port authority, not exceeding in any one year an amount equal to 35/100 of one mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits; and any money levied for such purpose shall be paid over by the county treasurer to the treasurer of the port authority for expenditure by it as in its judgment best serves the public interest in the carrying on and the execution of its duties in the creation and development of such industrial development districts. The levy herein provided shall be in addition to that provided for in Minnesota Statutes 1953, Section 458.14.

Sec. 19. [458.1991] Powers as to work, labor and supplies. *The provisions of Section 15 of Chapter 341, Laws of the State of Minnesota for 1933, shall apply to all construction work and every purchase of equipment, supplies, or materials necessary in carrying out the provisions of this act. The powers there granted to, and the duties imposed upon the board of trustees of the corporation therein referred to are hereby granted to and imposed upon the members of any such port authority. The port authority is hereby given the power and authority to use the facilities of the purchasing department of any city of the first class in which such port authority is created and existing in connection with construction work and every purchase of equipment, supplies or materials, as such port authority sees fit to use such facilities.*

Sec. 20. Severability. *If any provision of this act or the application thereof is held invalid, such invalidity shall not affect provisions or applications of the act which can be given effect without the invalid provisions or applications, and to this end, the provisions of this act are declared to be severable.*

Approved April 27, 1957.

CHAPTER 813—S. F. No. 187

[Not Coded]

An act proposing an amendment to the Constitution of