

tered by the board, shall be deemed authorized securities within the provisions of Minnesota Statutes, Section 50.14, and shall be deemed and treated as instruments of a public governmental agency, and as such the bonds and the interest thereon shall be exempt from taxation, including taxation by or under any provisions of Minnesota Statutes, Chapter 290, or any act amendatory thereof or supplemental thereto.

Sec. 10. Termination. The agreement shall state the term of its duration and may provide for the method of termination and distribution of assets after payment of all liabilities of the joint school board. No termination shall affect the obligation to continue to levy taxes required for payment of any bonds issued as provided in section 9.

Sec. 11. Approval by state board. Prior to the commencement of the operation of any area vocational-technical school, the joint school board shall comply with Minnesota Statutes, Section 121.21. Prior to the issuance of any bonds pursuant to section 9, the joint school board shall obtain the written approval of the state board of education.

Sec. 12. Effective date. This law shall be in effect on the day following its final enactment, without local approval.

Approved June 6, 1969.

CHAPTER 1061—S. F. No. 2141

An act relating to industrial development projects of municipalities and redevelopment agencies, the manner and terms of issuance of revenue bonds therefor, and the pledge and appropriation of tax increments for the further security of such bonds; amending Minnesota Statutes 1967, Sections 474.06 and 474.10.

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

Section 1. Minnesota Statutes 1967, Section 474.06, is amended to read:

474.06 Industrial development projects; manner of issuance of bonds; interest rate. Bonds authorized under sections 474.01 to 474.13 shall be issued ~~and shall bear interest at coupon rates conforming to~~ *in accordance with the provisions of chapter 475 relating to bonds payable from income of revenue producing conveniences,*

Changes or additions indicated by italics, deletions by ~~strikeout~~.

except that public sale shall not be required, and the bonds may be sold at ~~not less than 95 percent~~ a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates, as may be agreed by the lessee, the purchaser, and the municipality or redevelopment agency.

Sec. 2. Minnesota Statutes 1967, Section 474.10, is amended to read:

474.10 Source of payment for bonds. *Subdivision 1.* Revenue bonds issued under sections 474.01 to 474.13 shall not be payable from nor charged upon any funds other than the revenue pledged to the payment thereof, *except as provided in this section*, nor shall the municipality or redevelopment agency issuing the same be subject to any liability thereon. No holder or holders of such bonds shall ever have the right to compel any exercise of the taxing power of the municipality or redevelopment agency to pay any such bonds or the interest thereon, *except as provided in subdivision 2*, nor to enforce payment thereof against any property of the municipality or redevelopment agency except those projects, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purpose of sections 474.01 to 474.13.

Subd. 2. Any municipality or redevelopment agency may request the county auditor of the county in which a project is situated to certify the original taxable value of the real property included therein and the tax increments realized each year after the commencement of the project, as defined in section 462.585, and shall be entitled to receive, use, and pledge such tax increments for the further security of the revenue bonds issued to finance the project, in either of the following ways:

(1) To pay premiums for insurance guaranteeing the payment of net rentals when due under the project lease; or

(2) To accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds.

Subd. 3. Tax increments with respect to any industrial development project shall be segregated and specially accounted for by the county treasurer until all bonds issued to finance the project have been fully paid; but the county treasurer shall remit the same to the municipality or redevelopment agency only in the amount certified to him to be required for any of the purposes stated in subdivision 2. The amount so needed shall be certified annually to the county auditor and treasurer by the municipality or redevelopment agency on or before October 1. Any tax increment remaining in any year after such

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remittance shall, when collected, be distributed among all of the taxing districts levying taxes on the project area, in proportion to the amounts so levied by them, respectively.

Subd. 4. Such bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the municipality or redevelopment agency, except those projects, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purposes of sections 474.01 to 474.13. Each bond issued hereunder shall recite in substance that the bond, including interest thereon, is payable solely from the revenue pledged to the payment thereof, *but may contain a reference to the lease insurance or bond reserve for which the tax increment is pledged and appropriated.* No such bond shall constitute a debt of the municipality or redevelopment agency within the meaning of any constitutional or statutory limitation. However, nothing herein shall impair the rights of holders of bonds issued hereunder to enforce covenants made for the security thereof as provided in section 474.11.

Approved June 6, 1969.

CHAPTER 1062—S. F. No. 2225

[Not Coded]

An act relating to St. Louis county; providing for delayed assessment of improvements to residential real estate.

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

Section 1. County of St. Louis; real property; delayed assessment. Notwithstanding the provision of any statutes to the contrary, in determining the value of lands for the purpose of taxation, the first \$4,000 in assessor's adjusted market value of improvements per structure to any single or multiple dwelling structures more than 20 years old located within St. Louis county shall not be regarded as increasing the value of such property for a period of six years from the date of commencement of such improvements except as follows: Only 33⅓ percent of the value of such improvement shall be considered at the end of two years from the date of such improvement, and at the expiration of each two year period thereafter an additional 33⅓ percent of the value of such improvement shall be considered, and at the end of six years the total value of such improvement shall be considered.

Changes or additions indicated by italics, deletions by ~~strikeout~~.