

election to fill a vacancy when the town board has failed to fill the vacancy by appointment, or for transacting any other lawful business whenever the supervisors, town clerk, and justices of the peace, or any two of them, together with at least 12 other freeholders of the town, file in the office of the town clerk a written statement setting forth the reasons and necessity for such meeting and the particular business to be transacted thereat and that the interests of the town require that such meeting be held. A town meeting may also be called upon a petition of 20 percent of the qualified electors of the town, based upon the number of the electors as shown by the poll list of voters at the next preceding general election. The town board may, with respect to an election by ballot at a special town meeting for the purpose of selecting town officers or of determining any matter of town business, provide for the casting of ballots in precincts and at polling places. Such precincts and polling places shall be designated by the board in the manner prescribed by Minnesota Statutes 1965, Sections 203.06 and 203.08.

Approved June 4, 1971.

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## CHAPTER 844—H.F.No.2526

[Coded]

*An act authorizing counties, cities, villages, boroughs and hospital districts to issue bonds for hospital, nursing home and related medical facilities and to lease such facilities.*

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

Section 1. [447.45] **HOSPITALS AND NURSING HOMES; FINANCING AND LEASING.** Any county, city, village, borough, or hospital district, except cities of the first class and counties in which are located any cities of the first class, is authorized, in addition to and not in substitution for any other power granted to it by law, to issue revenue bonds by resolution or resolutions of its governing body to finance the acquisition and betterment of hospital, nursing home and related medical facilities, or any of them, including but without limitation the payment of interest during construction and for a reasonable period thereafter and the establishment of reserves for bond payment and for working capital; provided that a certificate of need for such facilities has been issued or approved by the state department of health.

Sec. 2. [447.46] **REVENUE PLEDGED.** The county, city, village, borough, or hospital district may pledge and appropriate the

**Changes or additions indicated by underline, deletions by ~~strikeout~~.**

revenues to be derived from its operation of the facilities, except related medical facilities, to pay the principal and interest on the bonds when due and to create and maintain reserves for that purpose, as a first and prior lien on all such revenues or, if so provided in the bond resolution, as a lien thereon subordinate to the current payment of a fixed amount or percentage or all of the costs of the operation, administration, and maintenance of the facilities.

**Sec. 3. [447.47] LEASE OF FACILITIES TO NONPROFIT OR PUBLIC CORPORATION.** The county, city, village, borough, or hospital district may lease hospital or nursing home facilities for operation, administration, and maintenance by a nonprofit or public corporation as a community hospital or nursing home, open to all residents of the community upon equal terms, and may lease related medical facilities to any person, firm, association or corporation, upon such rentals and for such term, not exceeding 30 years, and subject to such other conditions as may be agreed. The lessee may be granted an option to renew the lease, for an additional term or terms upon such conditions and rentals, or to purchase the facilities at such price, as may be provided. The county, city, village, borough, or hospital district may by resolution or resolutions of its governing body undertake and agree to pay to the lessee of hospital or nursing home facilities annually, and to include in each annual budget and tax levy for hospital and nursing home purposes, a fixed compensation determined by the governing body to be just and proper compensation for services agreed to be performed by the lessee in the operation, administration, and maintenance of the hospital or nursing home as a community facility; for any investment by the lessee of its own funds or funds granted or contributed to it in the construction or equipment of the hospital or nursing home; and for any auxiliary services to be provided or made available by the lessee through other facilities owned or operated by it; and services other than those provided for in the lease agreement may be compensated at such rates as may be agreed subsequently. Any lease agreement entered into hereunder shall, however, require the lessee to pay a net rental not less than the amount required to pay the principal and interest when due on all revenue bonds issued by the county, city, village, borough, or hospital district for the acquisition and betterment of the leased facilities, and to maintain the agreed revenue bond reserve. No such lease agreement shall grant an option to the lessee to purchase the facilities at a price less than the amount of the bonds so issued and interest accrued thereon, except bonds and accrued interest paid from such net rentals before the option is exercised. To the extent that any such facilities are leased in accordance with this section for use by persons in private medical or dental or similar practice or in any other private business, a tax on the privilege of such use shall be imposed in the same amount and to the same extent as though the user were the owner of such space and shall be collected in the manner provided in section 272.01, subdivision 2.

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Sec. 4. [447.48] **SECURITY FOR BONDS; PLEDGE OF CREDIT FOR BONDS.** In the issuance of bonds hereunder the revenues or rentals shall be pledged and appropriated by resolution for the use and benefit of bondholders generally, or may be pledged by the execution of an indenture or other appropriate instrument to a trustee for the bondholders, and the site and facilities, or any part thereof, may be mortgaged to such trustee. The governing body shall have power to make and enter into any and all covenants with the bondholders or trustee which are determined by it to be necessary and proper to assure the marketability of the bonds, the completion of the facilities, the segregation of the revenues or rentals and any other funds pledged, and the sufficiency thereof for the prompt and full payment of all bonds and interest. The bonds shall be deemed to be payable wholly from the income of a revenue-producing convenience within the meaning of section 475.58, except that the governing body may also pledge to the payment of the bonds and interest the full faith and credit of the county, city, village, borough, or hospital district. In this event, unless otherwise provided by law, the bonds shall not be issued unless approved by a majority of the electors voting on the question at an election duly called and held.

Sec. 5. [447.49] **MISCELLANEOUS PROVISIONS.** All bonds issued pursuant to this act shall be issued and sold as provided in Minnesota Statutes, Chapter 475, but if the bonds do not pledge the credit of the county, city, village, borough or hospital district as provided in section 4, the governing body may negotiate their sale without advertisement for bids. They shall not be included in the net debt of any municipality included therein, and shall not be subject to interest rate limitations, as defined or referred to in Minnesota Statutes, Sections 475.51 and 475.55. The bonds and interest thereon shall be exempt from taxation by the state or any of its political subdivisions.

Sec. 6. [447.50] **REFUNDING BONDS.** Any county, city, village, borough, or hospital district is authorized to issue bonds hereunder by resolution or resolutions of its governing body to refund any bonds issued for the purposes herein stated.

Approved June 4, 1971.

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## CHAPTER 845—S.F.No.109

[Coded in Part]

*An act relating to public safety; defining certain crimes and penalties; regulating the use of explosives; amending Minnesota*

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