

SESSION LAWS
of the
STATE OF MINNESOTA

ENACTED BY THE
SEVENTY-FIRST LEGISLATURE, AT THE 1979 SESSION
THEREOF, COMMENCING JANUARY 3, 1979

CHAPTER 1—S.F.No.225

An act relating to the city of Richfield; authorizing the issuance of bonds for a certain recreational facility; authorizing the pledge of certain revenues as security therefor.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **RICHFIELD, CITY OF; RECREATIONAL FACILITIES; BONDS.** The city of Richfield, by resolution of its city council, may issue and sell its general obligation bonds to provide funds for the acquisition and betterment of certain recreational facilities consisting of a municipally owned and operated golf course and related recreational facilities to be located on land which is owned by the Metropolitan Airports Commission and leased to the city. The city may expend funds for the operation and maintenance of the golf course facilities.

Sec. 2. **BONDS; SECURITY.** Bonds issued under the authority granted by section 1 shall be secured by a pledge to the bondholders, or to a trustee, of all income and revenues of whatsoever nature derived from the golf course facilities as a first charge on the gross revenues thereof to the extent necessary to pay the bonds and the interest thereon when due and to accumulate and maintain an additional reserve for that purpose in an amount equal to the total amount of the payments to become due in any fiscal year. The city council may also pledge to the bondholders for the payment of the bonds any defined portion of the net revenues to be derived from the operation of its municipal liquor dispensary in excess of the cost of operation and maintenance of the municipal liquor dispensary. In this event the city council may by resolution or trust indenture define the land, buildings, or facilities the revenues of which are pledged and establish covenants and agreements for the security of the bonds including a covenant that it will establish, maintain, revise when necessary and collect charges for all services, products, use and occupancy of the golf course facility in the amounts and at the times required to produce the revenues pledged, and also sufficient, together with taxes levied under section

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3 and any other funds appropriated by the city council from time to time, to provide adequately for the operation and maintenance of the golf course.

Sec. 3. MAINTENANCE OF REVENUES; DEFICIENCIES; TAXES. From and after the issuance of bonds for which the revenues of the golf course facility are pledged in accordance with section 2, the city council shall provide in its budget each year for any anticipated deficiency in the revenues available for the operation and maintenance of the golf course facilities. For this purpose the city may levy a tax of not more than two-thirds of one mill on the assessed valuation of all taxable property within the city, without reduction of the amount of taxes which may otherwise be levied within statutory or charter limitations.

Sec. 4. ISSUANCE AND SALE. The bonds authorized by section 1 shall be issued and sold in accordance with Minnesota Statutes, Chapter 475. When the covenants specified in section 2 are made in connection with the issuance and sale of the bonds, the covenants shall be enforceable by appropriate action on the part of any bondholder or any taxpayer of the city in a court of competent jurisdiction, and the bonds shall be deemed to be payable wholly from the income of a revenue producing convenience within the meaning of Minnesota Statutes, Sections 475.51 and 475.58.

Sec. 5. VOTER APPROVAL. The city council of the city of Richfield prior to the issuance of any bonds authorized by section 1 shall adopt an initial resolution stating the amount, purpose and, in general, the security to be provided for the bonds; and shall publish the resolution once each week for two consecutive weeks in the official newspaper of the city. The bonds may be issued without the submission of the question of their issuance to the voters of the city unless within 21 days after the second publication of the resolution a petition requesting an election signed by at least eight percent of the registered voters of the city voting in the last general election is filed with the city clerk-treasurer. If a petition is filed, no bonds shall be issued unless approved by a majority of the voters of the city voting on the question of their issuance at a regular or special election.

Sec. 6. REVENUE BONDS. The city of Richfield may also issue and sell its revenue bonds for the purposes specified in section 1 pursuant to Minnesota Statutes 1978, Section 471.191, Subdivision 2, or pursuant to chapter 475, and may pledge to the bondholders for the payment of such bonds any defined portion of the net revenues of its municipal liquor dispensary. Bonds issued pursuant to this section shall be deemed to be payable wholly from the income of a revenue producing convenience within the meaning of Minnesota Statutes 1978, Sections 475.51 and 475.58.

Sec. 7. EFFECTIVE DATE. This act is effective when approved by resolution of the city council of the city of Richfield, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved March 12, 1979.

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