

heretofore issued and sold as authorized by the voters of the district at an election held March 1, 1966.

Subd. 2. Such bonds shall be issued and sold in accordance with the provisions of Minnesota Statutes, Section 475.60.

Subd. 3. The school board may levy the taxes required by law for the payment of said bonds without limitation as to rate or amount, and the levy of such taxes shall not cause the amount of other taxes levied or to be levied by the school district, which are subject to such limitation, to be reduced in any amount whatsoever.

Subd. 4. The proceeds of bonds issued hereunder shall be used solely for the acquisition and betterment of the high school building, including additional costs incurred by the district due to the adoption of Extra Session Laws 1967, Chapter 32.

Sec. 2. Subdivision 1. The issuing of bonds authorized in section 1 shall be subject to the provisions of this section.

Subd. 2. The purpose and the amount of any borrowing shall first be approved by resolution of the school board of the district. When such resolution has been adopted by the school board it shall be published once in a newspaper of general circulation in said district.

Subd. 3. If a petition for referendum on the question of issuing of such bonds is filed with the clerk of the school district within 30 days after publication of such resolution, signed by 250 qualified voters of the school district, the school board shall not sell and issue such bonds until the question of their issuance has been submitted to and approved by the voters of the school district in the manner prescribed in Minnesota Statutes, Section 475.59.

Sec. 3. This act takes effect when approved by the school board of Independent School District No. 181 and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 22, 1969.

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CHAPTER 564—S. F. No. 2142

[Not Coded]

*An act relating to the Chisago Lakes Hospital District and the methods and purposes of acquisition, betterment and financing of*

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

*hospital, medical, and nursing home property and facilities by that district.*

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

**Section 1. Chisago Lakes Hospital District; revenue bonds.**

The Chisago Lakes Hospital District, in Chisago county, is authorized to issue revenue bonds for the acquisition and betterment of medical facilities, including the provision of medical and dental office space adjacent to the hospital facilities now owned and operated by the district, by leasing land owned by the district to a nonprofit corporation for the term of the bonds and constructing or authorizing the lessee to construct a building or buildings thereon, under a lease binding the lessee to pay all costs of operation, administration, and maintenance of the premises and facilities and also to pay net rentals at the times and in the amounts necessary to pay the principal of and interest on the bonds when due and to maintain a bond reserve equal to the maximum amount of such principal and interest to become due in any year. The board is also authorized by a resolution or by the execution of an indenture to a trustee to enter into any and all covenants in behalf of the district with the bondholders or trustee which are deemed by it to be necessary or proper to assure the marketability of the bonds, the completion of the facilities, the segregation of the rentals and other revenues, the sufficiency thereof for the prompt and full payment of all bonds and interest, and the availability of all customary and proper legal remedies for the enforcement of the covenants and the payment of the bonds, including but not limited to mandamus, direct enforcement of the lessee's covenants, lease termination and releasing, and segregation of rents and profits by receivership or otherwise. Such bonds shall be authorized, issued, and sold in the manner provided in Minnesota Statutes, Chapter 475, relating to obligations payable wholly from the income of revenue producing public conveniences.

Sec. 2. The district is also authorized, by resolution of its hospital board, to sell or to lease land owned by it to a nonprofit corporation for the construction, operation, and maintenance by the lessee of medical facilities, including medical and dental office space. *In this event the lessor's interest may be subordinated to any mortgage securing indebtedness incurred by the lessee for the construction of the facilities, if the terms of the mortgage are approved by the hospital board and provide for notice of default and opportunity to cure it and be subrogated to the mortgagor's rights.* The board may also contract to provide and share costs of utilities and other services for any facilities so constructed, upon such terms as it deems advisable. To the extent that any such facilities are leased in accordance with section 1 or section 2 of this act for use by

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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.

Sec. 3. This act shall become effective upon approval by resolution adopted by a majority vote of all members of the hospital board of the Chisago Lakes Hospital District, and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 22, 1969.

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CHAPTER 565—S. F. No. 2148

[Not Coded]

*An act authorizing the sale of certain state owned lands to the city of Owatonna; providing for the terms of payment.*

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

**Section 1. Conveyance of state lands; city of Owatonna.** The governor, upon the recommendation of the commissioner of administration, may quitclaim and convey to the city of Owatonna, all of the land situated in the city of Owatonna, described as follows:

The south 500 feet of the west  $\frac{3}{4}$  of the southwest  $\frac{1}{4}$  of the northwest  $\frac{1}{4}$  of section 9, township 107, range 20 west, lying east of the east right of way line of Interstate Highway No. 35, in Steele county, Minnesota.

Sec. 2. Subdivision 1. Before offering the described land for sale the commissioner of administration shall cause the lands to be surveyed and to be appraised by not less than three appraisers at least two of whom shall be residents of the county in which the lands are situated. Each appraiser shall before entering upon the duties of his office take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal.

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