

451.16 FINANCING; OBLIGATIONS.

Subdivision 1. **Bonds; other obligations.** In addition to the authority to issue obligations under section 429.101, a city may issue its bonds or other obligations to finance the cost of the installation of improvements as provided in this section.

Subd. 2. **Revenue obligations.** A city may issue and sell its revenue obligations payable solely from the revenues derived or to be derived from assessments and payments from property owners under section 451.15, which revenues must be pledged to the payment of the obligations. Obligations issued under this subdivision are considered to be payable wholly from the income of a revenue-producing convenience within the meaning of sections 475.51 and 475.58.

Subd. 3. **General obligations.** A city may issue and sell its general obligations under chapter 475, payable from the revenues and assessments derived or to be derived from property owners under section 451.15, which revenues must be pledged to the payment of the obligations. General obligations must not be issued unless the pledged revenues are estimated to equal at least 105 percent of the amount necessary to pay when due the principal of and interest on the obligations. Obligations issued under this subdivision are considered to be payable wholly from the income of a revenue-producing convenience within the meaning of sections 475.51 and 475.58.

History: 2000 c 493 s 12