435.17 FIRST CLASS CITIES; ASSESSMENTS; IMPROVEMENT BONDS.

Subdivision 1. **Payment in installments.** When any city of the first class in this state shall have completed, in accordance with the provisions of its charter, any assessment upon benefited real estate for paying the cost of the acquisition of any land, or interest in land, taken for a public use, or for paying the cost of any improvement which shall have been duly authorized, or both, the council of that city, by a majority vote, may by resolution provide that the assessment may be paid in any number of equal annual installments, not exceeding 20. The council shall not exercise this power after the proceeds of the assessment have been pledged by the issue of bonds or certificates of indebtedness to be paid from the proceeds or otherwise.

Subd. 2. **Duties of clerk and auditor.** The city clerk shall thereupon transmit a certified copy of the assessment roll to the auditor of the county in which the city is situated, each of which certified copies shall bear an appropriate name and be numbered consecutively from one upwards. In cases where the whole undertaking requires the condemnation of land and improvements the assessments for the condemnation of land and the assessments for improvements may be consolidated as to each parcel of land and certified to the county auditor as one assessment. Thereupon the county auditor shall include one of the equal annual payments of the principal amount of the assessment with and as a part of the taxes upon each parcel for each year until the whole assessment shall be thus included, together with annual interest at the rate prescribed by the council, not exceeding five percent per annum. With the first installment the auditor shall include interest upon the entire assessment from the date of the assessment to the time when the tax books including the first installment are delivered by the auditor to the county treasurer and thereafter the auditor shall include in the taxes of each year one of the installments, together with one years interest upon that installment and all subsequent installments at the same rate, each of which, together with interest, shall be collected with the annual taxes upon the land, together with like penalties and interest in case of default, all of which shall be collected and enforced as the annual taxes are credited to the proper city fund.

Subd. 3. **Discharge of.** Any parcel assessed may be discharged from the assessment by presenting a local improvement bond sold against the assessment sufficient in amount to cover all installments unpaid on that parcel and accrued interest, penalties, and costs, and surrendering the local improvement bond or bonds to the county treasurer for cancellation or having endorsed thereon the installments, interest, penalties, and costs. When an assessment is so certified by the city clerk to the county auditor a duplicate thereof shall be sent to the city comptroller and the assessment shall be sufficiently identified by name and number. All installments due and payable and all interest or penalties on the same having been paid, nothing herein shall prevent the transfer of the property, or any interest therein, on the books of the county wherein it is situated, or the recording of instruments or transfers subject to the lien of future installments, interest, and penalties.

Subd. 4. **Improvement bonds.** The city council, for the purpose of realizing the funds for making the improvement and paying the damages, may issue and sell special local improvement bonds which shall entitle the holder thereof to all sums realized upon any such assessment, or if deemed advisable, a series of two or more of the local improvement bonds against any one assessment, the principal and interest being payable at fixed dates out of fund collected from the assessment including interest and penalties, and the whole of the fund is hereby pledged for the payment of the local improvement bonds and the interest thereon as they severally become due. These local improvement bonds shall be payable to bearer with interest coupons attached, and the council may, by a five-sixths vote, bind the city to make good deficiencies in the collection up to but not exceeding the principal and interest at the rate fixed by the council upon these local improvement bonds which shall not exceed five percent per annum. If the city, because of this guarantee, shall redeem any local improvement bonds, it shall thereupon be subrogated to the holder's rights. For the purpose of such guarantee, penalties collected shall be credited upon deficiencies of principal and interest

before the city shall be liable. These local improvement bonds shall be sold at public sale at not less than par value.

History: *(1581, 1582, 1583) 1913 c 295 s 1-3; 1951 c 58 s 1*