469.162 SOURCE OF PAYMENT FOR BONDS.

Subdivision 1. **Restrictions on payment.** Revenue bonds issued under sections 469.152 to 469.165 shall not be payable from nor charged upon any funds other than the revenue pledged to their payment, except as provided in this section, nor shall the municipality or redevelopment agency issuing the same be subject to any liability on them. No holder of the bonds shall ever have the right to compel any exercise of the taxing power of the municipality or redevelopment agency to pay the bonds or the interest thereon, except as provided in subdivision 2, nor to enforce payment of them against any property of the municipality or redevelopment agency except those projects, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purpose of sections 469.152 to 469.165.

Subd. 2. MS 2011 Supp [Repealed, 2012 c 294 art 2 s 43]

Subd. 3. **Restrictions on security.** Bonds issued under sections 469.152 to 469.165 shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the municipality or redevelopment agency, except those projects, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purposes of sections 469.152 to 469.165. Each bond issued under sections 469.152 to 469.165 shall recite in substance that the bond, including interest thereon, is payable solely from the revenue pledged to its payment, but may contain a reference to the lease insurance or bond reserve for which the tax increment is pledged and appropriated. No such bond shall constitute a debt of the municipality or redevelopment agency within the meaning of any constitutional or statutory limitation. However, nothing herein shall impair the rights of holders of bonds issued hereunder to enforce covenants made for the security thereof as provided in section 469.163.

History: *1987 c 291 s 163; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20*