

of, in any of the courts of the state involving the validity of such foreclosure.

Approved April 24, 1959.

CHAPTER 538—H. F. No. 1274

[Not Coded]

An act pertaining to the City of Saint Paul and authorizing advances of cash or engineering services, or both, by the City of Saint Paul to the Commissioner of Highways, to expedite trunk highway construction and improvement within the City of Saint Paul; authorizing the City of Saint Paul to issue bonds for such purpose; providing authority to the Commissioner of Highways to enter into agreements with the City of Saint Paul to accept such advance and to repay such advance out of trunk highway funds; authorizing issuance and sale of trunk highway bonds by the state to the City of Saint Paul for the repayment of such cash or engineering services, or both, without interest thereon.

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

Section 1. St. Paul; aid to trunk highway system. It is hereby declared that the early improvement of the Minnesota trunk highway system within the City of Saint Paul to facilitate safe and efficient traffic movement, to cope with the rapidly increasing vehicular traffic congestion, to solve the problem of the needed public safety in relation to vehicular flow is imperative and immediately needed; that the cost of many such necessary projects would necessarily require a delay in their programming, planning, engineering work and execution if reliance must solely be limited to existing methods now legally available to the State and the City of Saint Paul; that the City of Saint Paul has an important interest in such trunk highway projects because of the salutary effects which projects, when executed, will have on the economic growth, traffic mobility, proper utilization of local street systems and the interrelationship of these with the State trunk highway system, and the public safety of the pedestrian and motor vehicle operator on the highways, and for many other reasons; that the State has an important and immediate interest in the early execution of State trunk highway system improvement in the City of Saint Paul; that such municipal interest in and need for such trunk highway proj-

ects in the City of Saint Paul warrants the voluntary participation by the City, as authorized by Minnesota Constitution, Article XVI, Section 11, in aiding in the preliminary financing of such through the advance of cash or engineering services, or both, to the Commissioner of Highways which would otherwise be deferred for lack of current available funds; that it is in the public interest of both the State and the City of Saint Paul that the powers granted by the provisions of this Act be put into effect, made available and be put to use at the earliest opportunity.

Sec. 2. Agreement with Commissioner of Highways. In order to expedite and facilitate early action on any state trunk highway project by the Commissioner of Highways for the location, construction, reconstruction, improvement or any combination thereof, including the planning, programming, and engineering work in connection therewith, of a trunk highway within its limits, the City of Saint Paul is hereby authorized to execute an agreement with the Commissioner of Highways under which it may agree to advance cash or engineering services, or both, to the Commissioner of Highways in consideration of the undertaking of the project by the State at a time specified in the agreement, such advance not to exceed that part of the estimated cost of the project which is to be borne by the State. The amount agreed to be advanced shall be exclusive of and in addition to any amount agreed to be paid by the City of Saint Paul as its share of the cost of the project under cooperative agreements as provided by law.

Sec. 3. Any such agreement may provide for repayment by the Commissioner of Highways to the City of Saint Paul of the principal amount of such advance extended to the Commissioner by the City, without interest, in not over 30 annual installments. The Commissioner of Highways is hereby authorized on behalf of the State of Minnesota to execute such agreement for repayment of the principal amount of such advance, without interest, to the City of Saint Paul out of the trunk highway fund. Such agreement may include all other terms and conditions which the parties may deem necessary to comply with all other provisions of law relating to cooperative agreements between the Commissioner of Highways and municipalities.

Sec. 4. Such agreement between the Commissioner of Highways and the City of Saint Paul may provide, as an alternative method to that authorized in Section 3, for repayment by the Commissioner of such advances, without interest,

through the issuance and sale of bonds by the State of Minnesota, in the amount of such advance, to the City of Saint Paul in consideration for advancing such cash or engineering services, or both, pursuant to the procedure for such issuance and sale as provided in Sections 1 to 10.

Sec. 5. At any time after an agreement shall have been executed by the Commissioner and the City of Saint Paul whereby the City shall agree to advance to the Commissioner cash or engineering services, or both, to carry out the purposes of Sections 1 to 10, the City, through its governing body, shall have the authority to issue and sell the general obligation bonds of the City, the aggregate amount of such bonds not to exceed a limitation of \$8,000,000, to provide for the advance of such cash or engineering services, or both, to the Commissioner, said bonds to be secured by the full faith and credit of the City of Saint Paul and be issued and sold in a principal amount not exceeding the amount of the advance. Such bonds shall be issued and sold in accordance with Minnesota Statutes, Chapter 475, except that an election by the voters of the City of Saint Paul shall not be required to authorize issuance of such bonds, and the bonds shall not be included in net debt for the purposes of applying any statutory or charter limit on indebtedness. Money repaid to the City by the Commissioner under the agreement, authorized in Section 3, or moneys received by the City through redemption of bonds issued by the State under authority granted in Section 4, shall be placed by the City in a separate sinking fund and shall be used by it solely to reduce, by an equivalent amount, the tax levy for the payment of the principal and interest on such bonds, made pursuant to Minnesota Statutes, Section 475.61 or 475.64.

Sec. 6. **State bonds, sale to city.** If the City of Saint Paul, exercising the authority granted it by Sections 1 to 10, shall advance cash or engineering services, or both, to the Commissioner of Highways to accomplish the purposes of this Act, the bonds of the State of Minnesota, authorized to be issued and sold by the State of Minnesota under Section 4 and Section 7, may be issued and sold to the City of Saint Paul in the amount of the cash or engineering services, or both, and in consideration therefor, said amount to be determined by the Commissioner. The City is hereby authorized to receive and accept such bonds in consideration for the advance made by it of such cash or engineering services or both.

Sec. 7. **Trunk highway bond issue.** If the Commissioner of Highways, in the exercise of his judgment, deems that it is in the best interest of the State of Minnesota to pro-

vide for repayment under the method authorized in Section 4, authority is hereby granted for the issuance and sale of bonds by the State of Minnesota under the provisions of Minnesota Constitution, Article XVI, Section 12 in amounts limited in each instance to the amount of the advance by the City of Saint Paul to the Commissioner of Highways under the agreement between these parties authorized under Sections 1 to 10, and the moneys in the trunk highway fund shall be pledged to their payment, but if the sinking fund shall not be adequate to meet the payment of the principal thereon, a tax shall be levied upon all taxable property within the State in an amount sufficient to meet such deficiency unless the legislature shall, in its discretion, appropriate a sufficient amount to the sinking fund out of moneys in the State Treasury not otherwise appropriated. The bonds shall be issued and sold to the City in consideration for such advance by a board consisting of the State Auditor, State Treasurer and Commissioner of Highways, under such rules and in such form and denomination as the board shall determine, shall be signed by the State Treasurer and attested by the Secretary of State, and shall be sold to the City of Saint Paul for not less than par without interest.

Sec. 8. Interest payment on city bonds. With the consent of the Commissioner of Highways, the City of Saint Paul, as a municipality of 5,000 or more in population now receiving an allotment of highway users funds pursuant to Minnesota Constitution, Article XVI, Section 8, for the use of the municipal state aid street system, may use moneys so allotted to the normal maintenance account of such City out of the municipal state aid street fund for the payment of interest on the bonds issued by such municipality under the authority of Sections 1 through 8.

Sec. 9. Definition. The term, municipality, when used in Sections 1 to 8, is defined as any city, village or borough in the State of Minnesota.

Sec. 10. Liberal construction. Sections 1 to 10 shall be liberally construed to effectuate their purposes, and in the event any section or clause thereof shall be held invalid, the remaining sections or parts thereof shall continue in effect.

Sec. 11. Approval. Sections 1 to 10 shall become effective only after approval by a majority vote of the city council of the City of Saint Paul, Ramsey County.

Approved April 24, 1959.
