

252.21 to 252.26 and licensed pursuant to section 245.783, means that period established by resolution of its board of directors.

Sec. 2. **EFFECTIVE DATE.** This act is effective the day following final enactment.

Approved April 9, 1979.

CHAPTER 25—S.F.No.327

An act relating to the city of Saint Paul; authorizing the disposition of the Gillette state hospital property, building and grounds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Notwithstanding Laws 1978, Chapter 791, Section 20, or any other provision of law, the commissioner of administration shall convey by quitclaim deed, in such form as the attorney general approves, all rights, title and interest of the state in the Gillette hospital buildings and site to the city of Saint Paul. The commissioner of administration shall prepare and the attorney general shall approve the exact description of the property to be conveyed. In consideration of the conveyance, the city of Saint Paul shall agree to pay all legal costs associated with the conveyance, all outstanding assessments against the property, and all expenses incurred in razing or removing the buildings on the property. The city of Saint Paul is authorized to accept such conveyance, and shall use the site and buildings thereon for public or governmental uses, or any other uses or purposes as may be permitted or authorized by law. The city of Saint Paul may *raze or remove in whole or in part, or alter or modify, and take any other actions with respect to said buildings and site as may be necessary to carry out public, governmental or other lawful uses.* If the city of Saint Paul sells any portion of this site, the city shall return to the state general fund the amount by which the sales price exceeds the legal and administrative costs, outstanding assessments and expenses incurred in razing or removing buildings on the property.

Sec. 2. **EFFECTIVE DATE.** This act shall be effective the day following final enactment provided that the conveyance shall occur on or before July 1, 1979, and only after its approval by the governing body of the city of Saint Paul and upon compliance with the provisions of Minnesota Statutes, Section 645.021. Failure of the governing body of the city of Saint Paul to act prior to July 2, 1979, shall allow the commissioner of administration to act pursuant to Laws 1978, Chapter 791, Section 20.

Approved April 9, 1979.

CHAPTER 26—S.F.No.20

An act relating to metropolitan government; fixing the revenues of the metropolitan

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sports facilities commission; repealing the commission liquor tax authority; amending Minnesota Statutes 1978, Section 473.581; repealing Minnesota Statutes 1978, Section 473.591.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1978, Section 473.581, is amended to read:

473.581 **DEBT OBLIGATIONS.** Subdivision 1. **BONDS.** The council may by resolution authorize the sale and issuance of its bonds for any or all of the following purposes:

(a) To provide funds for the acquisition or betterment of sports facilities by the commission pursuant to sections 473.551 to 473.595:

(b) To refund bonds issued hereunder and bonds upon which the council is obligated under section 473.564; and

(c) To fund judgments entered by any court against the commission or against the council in matters relating to the commission's functions.

Subd. 2. **PROCEDURE.** The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.595, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.595, shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. No election shall be required. The principal amount shall not be limited except as provided in subdivision 3.

Subd. 3. **LIMITATIONS.** The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$42,000,000. If the site for the facility is in the county of Anoka, no more than \$3,000,000 of additional bonds may be issued for land acquisition, clearance, relocation and legal costs referred to in clauses (d) and (e) of this subdivision in connection with the construction of a multi-purpose stadium. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the

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reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of seven and one-half percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use its sports facilities for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the commission's sports facilities. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission ~~but excluding proceeds of the tax under section 473.591~~, to pay all expenses of operation, maintenance, administration, and debt service for the facilities used by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the sports facility may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission, to construct or remodel and to furnish the sports facilities proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of any proposed sports

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facilities or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of any proposed sports facilities of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractor organizations which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed contracts for the construction of its sports facilities.

(h) The environmental impact statement for the sports facility or facilities has been accepted by the environmental quality board, and the pollution control agency and any other department, agency, or unit of government have taken final action to approve or deny any permits necessary for the sports facility or facilities.

(i) At least 50 percent of the private boxes provided for in the sports facility or facilities are leased for at least five years.

(j) The anticipated revenue from the operation of the sports facility or facilities plus any additional available revenue of the commission ; ~~but not including proceeds of the tax under section 473.594;~~ will be an amount sufficient to pay when due all debt service plus all operating and maintenance expenses, unless the proposed facility is a covered multipurpose sports facility, in which case the aforementioned revenues need only be an amount sufficient to pay when due all debt service plus a substantial portion of operating and maintenance expense.

(k) The commission has studied and considered the needs of the university of Minnesota for athletic facilities for a prospective 20 year period.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Subd. 4. **SECURITY.** To the extent and in the manner provided in ~~sections 473.594 and section 473.595, the tax described in section 473.594;~~ the tax and other revenues of

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the commission described in section 473.595, and any other revenues of the commission shall be and remain pledged and appropriated for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the commission's sports facilities until all bonds referred to in section 473.564, subdivision 2, and all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. The revenue bonds and interest thereon referred to in section 473.564, subdivision 2, may be refunded, whether at a lower or a higher rate of interest, by the issuance of new bonds pursuant to subdivision 1, clause (b), for the purpose of pledging revenues of the metropolitan sports area for the payment and security of bonds issued hereunder, and the council may provide that a portion of the new bonds shall be payable solely from the interest earnings derived from the investment of the bond proceeds. Until these revenue bonds are fully paid or the council's obligation thereon is discharged in accordance with law, they shall be deemed a first and prior charge on those revenues and shall be secured by all provisions of the revenue bond resolution and the ownership and operations agreement. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax referred to in section 473.591 and all tax and other revenues referred to in sections 473.551 to 473.595 from the date when bonds are first issued under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the uniform commercial code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the commission, as are determined to be usual and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing revenue bonds may be impaired, revoked, or amended by law or by action of the council or commission, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Subd. 5. **REVENUE ANTICIPATION CERTIFICATES.** At any time or times after approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of its sports facilities, and in anticipation of the proceeds from the tax under section 473.591 and the revenues of the commission provided for in the budget, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year. Prior to the approval and final adoption of the first annual budget of the commission, the council may authorize up to \$300,000 in revenue anticipation certificates under this

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subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest thereon shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax and other revenues received, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues of the commission may be used or for any purpose for which bond proceeds under subdivision 1 may be used, provided that the proceeds of certificates issued after the first issuance of bonds under subdivision 1, clause (a), shall not be used to pay capital costs of sports facilities constructed or remodeled pursuant to sections 473.551 to 473.595.

Sec. 2. This act is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 3. Minnesota Statutes 1978, Section 473.591, is repealed.

Approved April 10, 1979.

CHAPTER 27—S.F.No.298

An act relating to the city of South International Falls; authorizing the city to lease municipal buildings.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. SOUTH INTERNATIONAL FALLS; MUNICIPAL BUILDING; LEASE. A municipal building owned by the city of South International Falls, located on the following described tract of land situated in the city of South International Falls, Koochiching County, Minnesota, to wit:

That part of Lot One (1), Auditor's Plat No. Thirteen (13), located in Section Three (3), Township Seventy (70), Range Twenty-four (24), described as follows: Beginning at the southeast corner of said Lot 1; thence west on the south line of said Lot 1, 433 feet; thence north on a line parallel to the east line of said Lot 1, 200 feet; thence east on a line parallel to said south line, 433 feet to the east line of said Lot; thence south on said east line 200 feet to the point of beginning,

including equipment, may be leased to a private, non-profit organization or non-profit corporation for a nominal consideration or on other terms and conditions mutually agreeable to the city and the organization or corporation.

Sec. 2. This act is effective upon its approval by the city council of the city of

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