

No. 241, S.]

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CHAPTER 307.

AN ACT to amend chapter 262, of the general laws of the state of Wisconsin of the year 1893, entitled, "An act to authorize cities having a population exceeding twenty thousand and less than one hundred thousand to issue bonds in certain cases therein mentioned, and legalizing assessments for street and other improvements mentioned therein."

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Regarding the issuance of bonds by cities of over 10,000 and less than 100,000 people.

SECTION 1. Chapter 262, of the general laws of the state of Wisconsin, of the year 1893, is hereby amended so as to read as follows: Section 1. All cities of the state incorporated by and operating under a special charter granted by the legislature of the state of Wisconsin, and which charter contains provisions for issuing bonds for street, harbor and sewer improvements, and having or which may hereafter have a population exceeding ten thousand and less than one hundred thousand, to be determined by any general census or by any special census heretofore or hereafter taken by said city or by a census taken for that purpose by said city, are hereby authorized in addition to powers now possessed by them to issue bonds as hereinafter provided.

When special bonds may be issued to pay for special assessments.

SECTION 2. In all cases where general bonds shall have been issued for the payment of the cost of street, sewer, harbor, or other improvements, for which special assessments shall have been made against real estate benefited by such improvement, any such city may issue special bonds, payable only out of the proceeds of such special assessments when collected, and with the consent of the holder or holders of all such general bonds outstanding, may substitute such

special bonds for such general bonds; or the common council of such city may, by resolution adopted by two-thirds of its members elect, for the purpose of reducing its general indebtedness, and substituting special bonds therefor, purchase for the lowest price at which they may be offered after three weeks' notice by publication, any such outstanding general bonds out of any funds in its treasury not otherwise appropriated, and required for any purpose within six months from the date of such purchase; and thereafter shall immediately issue in lieu of such general bonds, special bonds as hereinafter provided, to the amount of the par value of the bonds so purchased, or for such less amount as shall equal the cost of such bonds so purchased, and shall sell such special bonds, and out of the proceeds of such sales shall reimburse itself for the funds with which such general bonds shall have been purchased. Such special bonds shall be semi-annual interest coupon bonds, payable in annual installments, the last of which shall be payable at such time as the common council may determine, not exceeding ten years from the first day of March next ensuing, and shall draw interest at a rate not exceeding six per centum per annum; and shall specify upon their face, that they are issued for the payment of special improvements, designating the particular improvement for which they are issued; that they are payable, principal and interest, out of the special assessment made for such improvement only; shall in general terms designate the particular property upon which they are a lien, and may contain such other provisions and recitals, not inconsistent herewith, as the common council may determine; they shall be signed by the mayor and countersigned by the clerk and city comptroller of said city, and shall have the corporate seal affixed thereto. The city clerk shall carefully prepare a statement of the special assessments on which the bonds are issued, and record the same, together with a copy of said bonds, in his office. The city treasurer shall pay the in-

terest and principal of said bonds out of the assessments collected therefor, as the said bonds become due; provided, however, that said city may loan from its general fund to any of the special assessment funds herein mentioned, any amount of money which shall be necessary to pay any installment of principal or interest upon said bond, which shall become due and payable prior to the collecting of any assessments, for the payment thereof. Such cities are hereby further authorized and empowered to issue special installment improvement bonds of the same character as those herein provided for, for the payment of the cost of any street, harbor, sewer or other improvement, hereafter to be made, and for which special assessments shall have been or may hereafter be made against the real estate specially benefited thereby. In issuing such special improvement bonds, to cover special improvements to be hereafter made in addition to the requirements of the charter of said city, the notice required by section 191, of chapter 326, of the laws of 1889, and the acts amendatory thereof, shall be given, and it shall further be lawful for the common council of any city which shall have heretofore levied a special assessment upon property benefited for the purpose of grading, curbing or paving the street or building a sewer, to extend the time of payment of such assessment or any part thereof by dividing the unpaid portion of such assessment into installments bearing interest not to exceed six per cent. per annum, payable semi-annually. One of each of such installments to mature in each year after five years, and the last of which installments shall mature not later than ten years from the first day of the month next after such division is made; provided, that no such extension of time shall be granted until the owner or owners of the property so specially assessed shall petition such common council for such extension, and shall waive all irregularity in such assessment and in the extension thereof, and the common council shall thereupon be authorized to issue

improvement bonds of the form herein provided, not exceeding the amount of such assessment, so extended and payable out of the same when collected and out of no other fund.

SECTION 3. In each year after the issue of said bonds, until all of them are paid, when the tax roll for the year is prepared, sufficient of the special assessment on each parcel of land covered by said bonds to pay the annual installment of the principal and the interest on the amount of said special assessment then unpaid, shall be extended upon the tax roll as a special tax on said property, and shall be collected in the same manner as other taxes are collected, and when collected, shall constitute a special fund for the payment of such special bonds and shall be used for no other purpose.

Manner of preparing the tax roll after the issuance of bonds.

SECTION 4. No action shall be maintained to avoid any of the special assessments or taxes levied pursuant to the same or to avoid or set aside said bonds unless said action shall be commenced within nine months after the date of the signing of said bonds covering such special assessment; and said bonds, after the expiration of said nine months, shall be conclusive proof of the regularity of all proceedings from and up to the valuation and assessment of the lands affected, and up to and including the issuing of the said bonds.

Special assessments outlawed after nine months.

SECTION 5. When any such city shall have issued bonds, which for any reason shall be void, it may issue in lieu thereof new bonds, and any proceeding had as the basis for the issuance of any such void bonds shall in all respects be sufficient as a basis for the issuance of such new bonds; and all such proceedings up to and including the making of the assessment, are hereby in all respects legalized and confirmed; and no action or proceeding shall be commenced to set aside any such assessments or proceedings, unless commenced within nine months after the passage of this act; and such new bonds so issued, may at the option of the council, be either general bonds or special improvement bonds, the issuance of which are provided

New bonds may be issued to replace those declared void.

for in this chapter, as the exigencies of the case may require. The common council of any city herein mentioned, shall, before the issuing of any of the bonds mentioned in this section, pass a resolution providing for the issuance thereof, and such resolution shall be sufficient authority for such issue. When general bonds shall be issued as provided in this chapter, the resolution providing for such issue shall specify the form of the bond to be issued thereunder.

Special im-
provement
bonds to be a
lien against
property.
Manner of
foreclosure.

SECTION 6. The special improvement bonds herein mentioned shall be a lien against all lots, parts of lots or parcels of land, against which special assessments have been made, which lien shall take precedence of all claims or liens thereon, and when issued shall transfer to the holders thereof, all the right, title and interest of such city in and to the assessments made for the purpose of improvement mentioned therein, and the liens thereby created, with full power to enforce the collection thereof by foreclosure, in the same manner as mortgages on real estate are foreclosed; but the time for redemption therefrom shall be fixed by the court, and a copy of the bond foreclosed may be filed as a part of the judgment roll in said action in lieu of the original thereof. If within ninety days after the commencement of the annual sale of lands for taxes, the amount to pay any installment of principal or interest shall not have been collected by the city, the owner or owners of at least one-third in par value of bonds issued on any single improvement may proceed in his or their own names to collect the same by foreclosure thereof, in any court of competent jurisdiction, and shall recover in addition to the amount of said bonds and interest, all costs against the property of the party or parties in default; provided, however, that the owner of any property covered by such bonds may redeem the same at any time before the judgment by payment to the county clerk of the amount due against such property, together with ten per cent. additional thereon, which shall be in full of all costs chargeable to such property in such

action. Any number of the holders of such bonds for any single improvement, may join as plaintiffs in any such action, and any number of the owners of, or other persons interested, in the property covered by the assessment upon which such bonds are issued, and on which the said bonds are a lien, may be joined as defendants in any such action; and in case more than one action of foreclosure shall be commenced upon a single improvement, such actions may be consolidated. Any holders of bonds for the same improvement, who do not join as plaintiffs, may be made defendants in the action, and their rights adjudicated therein. Such bonds shall be equal liens upon the property for the assessments represented by such bonds without priority one over another, to the extent of the several assessments against the lots and parcels of land against which the special assessments shall have been made. Upon the commencement of any such action, the plaintiff shall cause a notice thereof to be filed in the offices of the county clerk and county treasurer, designating the particular property affected by such foreclosure and thereafter no redemption of any such property from such assessments shall be had, without payment of all costs theretofore accrued in such action, except as hereinbefore provided.

SECTION 7. This act shall take effect and be in force from and after its passage and publication.

Approved April 19, 1895.