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IN THE HOUSE

BY MR. GRUHL

HOUSE BILL NO. 179

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-SECOND SESSION

A BILL

For an Act entitled: "An Act to provide for the prevention, rehabilitation, clearance, and redevelopment of slum and blighted areas in cities in this Territory in accordance with urban renewal plans approved by the governing bodies thereof; and declaring an emergency."

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

Section 1. SHORT TITLE. This Act shall be known and may be cited as the "Urban Renewal Law".

Sec. 2. DEFINITIONS. The following terms wherever used or referred to in this Act shall have the following meanings, unless a different meaning is clearly indicated by the context:

(a) "Municipality" shall mean any incorporated city or town in the Territory.

(b) "Public body" shall mean the Territory or any municipality, district or any other subdivision or public body of the Territory.

(c) "Local governing body" shall mean the Council charged with governing the municipality.

(d) "Federal Government" shall include the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.

(e) "Slum area" shall mean an area in which there is

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1 a predominance of buildings or improvements, whether residential
2 or non-residential, which by reason of dilapidation, deteriora-
3 tion, age or obsolescence, inadequate provision for ventilation,
4 light, air, sanitation, or open spaces, high density of popu-
5 lation and overcrowding, or the existence of conditions which
6 endanger life or property by fire and other causes, or any com-
7 bination of such factors is conducive to ill health, transmis-
8 sion of disease, infant mortality, juvenile delinquency, or
9 crime, and is detrimental to the public health, safety, morals
10 or welfare.

11 (f) "Blighted area" shall mean an area (other than a
12 slum area) which by reason of the presence of a substantial
13 number of slum, deteriorated or deteriorating structures, pre-
14 dominance of defective or inadequate street layout, faulty lot
15 layout in relation to size, adequacy, accessibility or useful-
16 ness, insanitary or unsafe conditions, deterioration of site or
17 other improvements, diversity of ownership, tax or special assess-
18 ment delinquency exceeding the fair value of the land, defective
19 or unusual conditions of title, improper subdivision or obsolete
20 platting, or the existence of conditions which endanger life or
21 property by fire and other causes, or any combination of such
22 factors, substantially impairs or arrests the sound growth of a
23 municipality, retards the provision of housing accommodations or
24 constitutes an economic or social liability and is a menace to
25 the public health, safety, morals, or welfare in its present
26 condition and use.

27 (g) "Urban renewal project" may include undertakings
28 or activities of a municipality in an urban renewal area for the
29 elimination and for the prevention of the development or spread

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1 of slums and blight, and may involve slum clearance and re-
2 development in an urban renewal area, or rehabilitation or con-
3 servation in an urban renewal area, or any combination or part
4 thereof in accordance with an urban renewal plan.

5 (h) "Slum clearance and redevelopment" may include
6 (1) acquisition of a slum area or a blighted area or portion
7 thereof; (2) demolition and removal of buildings and improve-
8 ments; (3) installation, construction or reconstruction of
9 streets, utilities, parks, playgrounds, and other improvements
10 necessary for carrying out in the area the urban renewal provi-
11 sions of this Act in accordance with the urban renewal plan; and
12 (4) making the land available for development or redevelopment by
13 private enterprise or public agencies (including sale, initial
14 leasing, or retention by the municipality itself) at its fair
15 value for uses in accordance with the urban renewal plan.

16 (i) "Rehabilitation" or "conservation" may include the
17 restoration and renewal of a slum or blighted area or portion
18 thereof, in accordance with an urban renewal plan, by (1) carry-
19 ing out plans for a program of voluntary or compulsory repair
20 and rehabilitation of buildings or other improvements; (2)
21 acquisition of real property and demolition or removal of build-
22 ings and improvements thereon where necessary to eliminate un-
23 healthful, insanitary or unsafe conditions, lessen density, re-
24 duce traffic hazards, eliminate obsolete or other uses detri-
25 mental to the public welfare, or to otherwise remove or prevent
26 the spread of blight or deterioration, or to provide land for
27 needed public facilities; (3) installation, construction or re-
28 construction of streets, utilities, parks, playgrounds, and other
29 improvements necessary for carrying out in the area the urban

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renoval provisions of this Act; and (4) the disposition of any property acquired in such urban renewal area (including sale, initial leasing, or retention by the municipality itself) at its fair value for use in accordance with such urban renewal plan.

(j) "Urban renewal area" means a slum area or a blighted area or a combination thereof which the local governing body designates as appropriate for an urban renewal project.

(k) "Urban Renewal plan" means a plan, as it exists from time to time, for an urban renewal project, which plan (1) shall conform to the general plan for the municipality as a whole; and (2) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, re-development, improvement and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and the plan's relationship to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements.

(l) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest, right and use, legal or equitable, therein, including terms for years and leases by way of judgment, mortgage or otherwise.

(m) "Bonds" shall mean any bonds (including refunding bonds), notes, interim certificates, certificates of indebtedness, debentures or other obligations.

(n) "Obligee" shall include any bondholder, agent or

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1 trustees for any bondholders, or lesser demising to the municipi-
2 pality property used in connection with an urban renewal project,
3 or any assignee or assignees of such lessor's interest or any
4 part thereof, and the Federal Government when it is a party to
5 any contract with the municipality.

6 (o) "Person" shall mean any individual, firm, partner-
7 ship, corporation, company, association, joint stock association,
8 or body politic; and shall include any trustee, receiver, assigned,
9 or other person acting in a similar representative capacity.

10 (p) "Area of operation" shall mean the area within the
11 corporate limits of the municipality.

12 (q) "Board" or "Commission" shall mean a board, com-
13 mission, department, division, office body or other unit of the
14 municipality.

15 (r) "Public officer" shall mean any officer who is in
16 charge of any department or branch of the government of the
17 municipality relating to health, fire, building regulations, or
18 to other activities concerning dwelling in the municipality.

19 Sec. 3. WORKABLE PROGRAM. A municipality for the purposes
20 of this Act may formulate a workable program for utilizing ap-
21 propriate private and public resources to eliminate and prevent
22 the development or spread of slums and urban blight, to encourage
23 needed urban rehabilitation, to provide for the redevelopment of
24 slum and blighted areas, or to undertake such of the aforesaid
25 activities or other feasible municipal activities as may be
26 suitably employed to achieve the objectives of such workable pro-
27 gram. Such workable program may include, without limitation,
28 provision for: the prevention of the spread of blight into areas
29 of the municipality which are free from blight through diligent

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1 enforcement of housing, zoning and occupancy controls and
2 standards; the rehabilitation or conservation of slum and blight-
3 ed areas or portions thereof by replanning, removing conges-
4 tion, providing parks, playgrounds and other public improvements,
5 by encouraging voluntary rehabilitation and by compelling the
6 repair and rehabilitation of deteriorated or deteriorating
7 structures; and the clearance and redevelopment of slum areas or
8 portions thereof.

9 Sec. 4. FINDING OF NECESSITY BY LOCAL GOVERNING BODY. No
10 municipality shall exercise any of the powers hereafter conferred
11 upon municipalities by this Act until after its local governing
12 body shall have adopted a resolution finding that: (1) one or
13 more slum or blighted areas exist in such municipality; and (2)
14 the rehabilitation, conservation or redevelopment, or a combina-
15 tion thereof, of such area or areas is necessary in the interest
16 of the public health, safety, morals or welfare of the residents
17 of such municipality.

18 Sec. 5. PREPARATION AND APPROVAL OF URBAN RENEWAL PLANS.
19 (a) A municipality shall not approve an urban renewal plan for
20 an urban renewal area unless the governing body has, by resolu-
21 tion, determined such area to be a slum area or a blighted area
22 or a combination thereof and designated such area as appropriate
23 for an urban renewal project. The local governing body shall not
24 approve an urban renewal plan until a general plan for the muni-
25 cipality has been prepared. A municipality shall not acquire
26 real property for an urban renewal project unless the local
27 governing body has approved the urban renewal plan in accordance
28 with subsection (d) hereof.

29 (b) The municipality may itself prepare or cause to be

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1 prepared an urban renewal plan, or any person or agency, public
2 or private, may submit such a plan to a municipality. Prior to
3 its approval of an urban renewal plan, the local governing body
4 shall submit such plan to the Planning Commission of the munici-
5 pality, if any, for review and recommendations as to its con-
6 formity with the general plan for the development of the munici-
7 pality as a whole. The planning Commission shall submit its
8 written recommendations with respect to the proposed urban re-
9 newal plan to the local governing body within thirty days after
10 receipt of the plan for review. Upon receipt of the recommenda-
11 tions of the Planning Commission or, if no recommendations are
12 received within said thirty days, then without such recommenda-
13 tions, the local governing body may proceed with the hearing on
14 the proposed urban renewal plan prescribed by subsection (c)
15 hereof.

16 (c) The local governing body shall hold a public hear-
17 ing on an urban renewal plan or substantial modification of an
18 approved urban renewal plan, after public notice thereof by
19 publication in a newspaper having a general circulation in the
20 area of operation of the municipality. The notice shall describe
21 the time, date, place and purpose of the hearing, shall generally
22 identify the urban renewal area covered by the plan, and shall
23 outline the general scope of the urban renewal project under con-
24 sideration.

25 (d) Following such hearing, the local governing body
26 may approve an urban renewal plan if it finds that (1) a feasible
27 method exists for the location of families who will be displaced
28 from the urban renewal area in decent, safe and sanitary dwelling
29 accommodations within their means and without undue hardship to

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1 such families; (2) the urban renewal plan conforms to the general
2 plan of the municipality as a whole; and (3) the urban renewal
3 plan will afford maximum opportunity, consistent with the sound
4 needs of the municipality as a whole, for the rehabilitation or
5 redevelopment of the urban renewal area by private enterprise:
6 Provided, that if the urban renewal area or a portion thereof con-
7 sists of a blighted area of open land which is to be acquired by
8 the municipality for slum clearance and redevelopment, such
9 blighted area shall not be so acquired unless (1) it is to be re-
10 developed for predominantly residential uses, and (2) the local
11 governing body shall determine that a shortage of housing of
12 sound standards and design which is decent, safe and sanitary
13 exists in the municipality; that the need for housing accommo-
14 dations has been or will be increased as a result of the clear-
15 ance of slums in other areas (including other portions of the
16 urban renewal area); that the conditions of blight in the area
17 and the shortage of decent, safe and sanitary housing cause or
18 contribute to an increase in and spread of disease and crime and
19 constitute a menace to the public health, safety, morals or
20 welfare; and that the redevelopment of the area for predominantly
21 residential uses is an integral part of and essential to the pro-
22 gram of the municipality for the elimination of slum and blighted
23 areas.

24 (e) An urban renewal plan may be modified at any time:
25 Provided, that if modified after the lease or sale by the muni-
26 cipality of real property in the urban renewal project area, such
27 modification shall be subject to such rights at law or in equity
28 as a lessee or purchaser, or his successor or successors in
29 interest may be entitled to assert. Any proposed modification

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1 which will substantially change the urban renewal plan as pre-
2 viously approved by the local governing body shall be subject to
3 the requirements of this section, including the requirement of a
4 public hearing, before it may be approved.

5 (f) Upon the approval of an urban renewal plan by a
6 municipality the provisions of said plan with respect to the
7 future use and building requirements applicable to the property
8 covered by said plan shall be controlling with respect thereto.

9 Sec. 6. POWERS. Every municipality shall have all the
10 powers necessary or convenient to carry out and effectuate the
11 purposes and provisions of this Act, including the following
12 powers in addition to others herein granted:

13 (a) To undertake and carry out urban renewal projects
14 within the city limits; and to make and execute contracts and
15 other instruments necessary or convenient to the exercise of its
16 powers under this Act; and to disseminate slum clearance and
17 urban renewal information.

18 (b) To provide or to arrange or contract for the
19 furnishing or repair by any person or agency, public or private,
20 of services, privileges, works, streets, roads, public utilities
21 or other facilities for or in connection with an urban renewal
22 project; to install, construct and reconstruct streets, utilities,
23 parks, playgrounds and other public improvements; and to agree to
24 any conditions that it may deem reasonable and appropriate at-
25 tached to Federal financial assistance and imposed pursuant to
26 Federal law relating to the determination of prevailing salaries
27 or wages or compliance with labor standards, in the undertaking
28 or carrying out of an urban renewal project, and to include in
29 any contract let in connection with such a project, provisions to

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1 include in any contract let in connection with such a project,
2 provisions to fulfill such of said conditions as it may deem
3 reasonable and appropriate.

4 (c) Within its area of operation, to enter upon any
5 building or property in any urban renewal area in order to make
6 surveys, appraisals, soundings or test borings, and to obtain
7 an order for this purpose from a court of competent jurisdiction
8 in the event entry is denied or resisted; to acquire by purchase,
9 lease, option, gift, grant, bequest, devise, eminent domain or
10 otherwise, any real property (or personal property for its ad-
11 ministrative purposes) together with any improvements thereon;
12 to hold, improve, clear or prepare for redevelopment any such
13 property; to mortgage, pledge, hypothecate or otherwise encumber
14 or dispose of any real property; to insure or provide for the
15 insurance of any real or personal property or operations of the
16 municipality against any risks or hazards, including the power to
17 pay premiums on any such insurance; and to enter into any con-
18 tracts necessary to effectuate the purposes of this Act: Provided,
19 however, that no statutory provision with respect to the acqui-
20 sition, clearance or disposition of property by public bodies
21 shall restrict a municipality or other public body exercising
22 powers hereunder, in the exercise of such functions with respect
23 to an urban renewal project.

24 (d) To invest any urban renewal project funds held in
25 reserves or sinking funds or any such funds not required for
26 immediate disbursement, in property or securities in which sav-
27 ings banks may legally invest funds subject to their control; to
28 redeem such bonds as have been issued pursuant to Section 9 of
29 this Act at the redemption price established therein or to pur-

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1 chase such bonds at less than redemption price, all such bonds
2 as redeemed or purchased to be cancelled.

3 (e) To borrow money and to apply for and accept ad-
4 vances, loans, grants, contributions and any other form of
5 financial assistance from the Federal Government, the Territory
6 or other public body, or from any sources, public or private, for
7 the purposes of this Act, and to give such security as may be
8 required and to enter into and carry out contracts in connection
9 therewith. A municipality may include in any contract for finan-
10 cial assistance with the Federal Government for an urban renewal
11 project such conditions imposed pursuant to Federal law as the
12 municipality may deem reasonable and appropriate and which are
13 not inconsistent with the purposes of this Act.

14 (f) Within its area of operation, to make or have made
15 all plans necessary to the carrying out of the purposes of this
16 Act and to contract with any person, public or private, in making
17 and carrying out such plans and to adopt or approve, modify and
18 amend such plans. Such plans may include, without limitation:
19 (1) a general plan for the locality as a whole, (2) urban renewal
20 plans, (3) plans for carrying out a program of voluntary or com-
21 pulsory repair and rehabilitation of buildings and improvements,
22 (4) plans for the enforcement of Territorial and local laws,
23 codes and regulations relating to the use of land and the use
24 and occupancy of buildings and improvements and to the compulsory
25 repair, rehabilitation, demolition or removal of buildings and
26 improvements, and (5) appraisals, title searches, surveys, studies
27 and other preliminary plans and work necessary to prepare for the
28 undertaking of urban renewal projects. The municipality is
29 authorized to develop, test, and report methods and techniques and

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1 carry out demonstrations and other activities for the prevention
2 and the elimination of slums and urban blight and to apply for,
3 accept and utilize grants of funds from the Federal Government
4 for such purposes.

5 (g) To prepare plans and provide reasonable assistance
6 for the relocation of families displaced from an urban renewal
7 area.

8 (h) To appropriate such funds and make such expendi-
9 tures as may be necessary to carry out the purposes of this Act,
10 and to levy taxes and assessments for such purposes; to close,
11 vacate, plan or replan streets, roads, sidewalks, ways or other
12 places; to plan or replan, zone or rezone any part of the municipi-
13 pality or make exceptions from building regulations; and to enter
14 into agreements with the Alaska Housing Authority, respecting
15 action to be taken by such municipality pursuant to any of the
16 powers granted by this Act.

17 (i) Within the city boundaries, to organize, coordin-
18 ate and direct the administration of the provisions of this Act
19 as they apply to such municipality in order that the objective
20 of remedying slum and blighted areas and preventing the causes
21 thereof within such municipality may be most effectively promoted
22 and achieved and to establish such new office or offices of the
23 municipality or to reorganize existing offices in order to carry
24 out such purpose most effectively.

25 (j) To exercise all or any part or combination of
26 powers herein granted.

27 Sec. 7. EMINENT DOMAIN. (a) A municipality shall have the
28 right to acquire by condemnation any interest in real property,
29 including a fee simple title thereto, which it may deem necessary
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1 for or in connection with an urban renewal project under this
2 Act. A municipality may exercise the power of eminent domain in
3 the manner provided by law for first class cities. Property al-
4 ready devoted to a public use may be acquired in like manner:
5 Provided, that no real property belonging to the Territory or
6 any political subdivision thereof may be acquired without its
7 consent.

8 (b) In any proceeding to fix or assess compensation
9 for damages for the taking of property or any interest therein,
10 through the exercise of the power of eminent domain or condemna-
11 tion, evidence or testimony bearing upon the following matters
12 shall be admissible and shall be considered in fixing such com-
13 pensation or damages in addition to evidence or testimony other-
14 wise admissible:

15 (1) any use, condition, occupancy or operation of
16 such property which is unlawful or violative of, or subject
17 to elimination, abatement, prohibition, or correction under
18 any law or any ordinance or regulatory measure of the Ter-
19 ritory, municipality or any agency thereof in which such
20 property is located, as being unsafe, substandard, insani-
21 tary or otherwise contrary to the public health, safety or
22 welfare;

23 (2) the effect on the value of such property, of
24 any such use, condition, occupancy, or operation, or of the
25 elimination, abatement, prohibition or correction of any
26 such use, condition, occupancy, or operation;

27 (c) The foregoing testimony and evidence shall be ad-
28 missible notwithstanding that no action has been taken by any
29 public body or public officer toward the abatement, prohibition,

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1 elimination or correction of any such use, condition, occupancy
2 or operation. Testimony or evidence that any public body or pub-
3 lic officer charged with the duty or authority so to do has render-
4 ed, made or issued any judgment, decree, determination or order
5 for the abatement, prohibition, elimination or correction of any
6 such use, condition, occupancy, or operation shall be admissible
7 and shall be prima facie evidence of the existence and character
8 of such use, condition or operation.

9 Sec. 8. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA. (a)

10 A municipality may sell, lease or otherwise transfer real property
11 or any interest therein acquired by it, and may enter into con-
12 tracts with respect thereto, in an urban renewal area or resi-
13 dential, recreational, commercial, industrial or other uses or
14 for public use, or may retain such property or interest for pub-
15 lic use, in accordance with the urban renewal plan, subject to
16 such covenants, conditions and restriction, including covenants
17 running with the land, as it may deem to be necessary or desirable
18 to assist in preventing the development or spread of future slums
19 or blighted areas or to otherwise carry out the purposes of this
20 Act: Provided, that such sale, lease, other transfer or re-
21 tention, and any agreement relating thereto may be made only
22 after the approval of the urban renewal plan by the local govern-
23 ing body. The purchasers or lessees and their successors and
24 assigns shall be obligated to devote such real property only to
25 the uses specified in the urban renewal plan, and may be obli-
26 gated to comply with such other requirements as the municipality
27 may determine to be in the public interest, including the obli-
28 gation to begin within a reasonable time any improvements on such
29 real property required by the urban renewal plan. Such real

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1 property or interest shall be sold, leased, otherwise transferred
 2 or retained at not less than its fair value for uses in accordance
 3 with the urban renewal plan. In determining the fair value of
 4 real property for uses in accordance with the urban renewal plan,
 5 a municipality shall take into account and give consideration to
 6 the uses provided in such plan; the restrictions upon and the
 7 covenants, conditions and obligations assumed by the purchaser or
 8 lessee or by the municipality retaining the property; and the
 9 objectives of such plan for the prevention of the recurrence of
 10 slum or blighted areas. The municipality, in any instrument of
 11 conveyance to a private purchaser or lessee may provide that such
 12 purchaser or lessee shall be without power to sell, lease or
 13 otherwise transfer the real property without the prior written
 14 consent of the municipality until he has completed the construction
 15 of any and all improvements which he has obligated himself to con-
 16 struct thereon. Real property acquired by a municipality which,
 17 in accordance with the provisions of the urban renewal plan, is
 18 to be transferred, shall be transferred as rapidly as feasible
 19 in the public interest consistent with the carrying out of the
 20 provisions of the urban renewal plan. The inclusion in any such
 21 contract or conveyance to a purchaser or lessee of any such
 22 covenants, restrictions or conditions (including the incorp-
 23 oration by reference therein of the provisions of an urban renewal
 24 plan or any part thereof) shall not prevent the filing of such
 25 contract or conveyance in the land records of the Recording
 26 District in such manner as to afford actual or constructive notice
 27 thereof.

28 (b) A municipality may dispose of real property in an
 29 urban renewal area to private persons only under such reasonable

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1 competitive bidding procedures as it shall prescribe or as here-
2 inafter provided in this subsection. A municipality may, by
3 public notice by publication once each week for two consecutive
4 weeks in a newspaper having a general circulation in the com-
5 munity, prior to the execution of any contract to sell, lease or
6 otherwise transfer real property and prior to the delivery of any
7 instrument of conveyance with respect thereto under the provisions
8 of this section, invite proposals from and make available all
9 pertinent information to private developers or any persons in-
10 terested in undertaking to redevelop or rehabilitate an urban
11 renewal area, or any part thereof. Such notice shall identify
12 the area, or portion thereof, and shall state that such further
13 information as is available may be obtained at such office as
14 shall be designated in said notice. The municipality shall con-
15 sider all such redevelopment or rehabilitation proposals and the
16 financial and legal ability of the persons making such proposals
17 to carry them out, and may negotiate with any persons for pro-
18 posals for the purchase, lease or other transfer of any real
19 property acquired by the municipality in the urban renewal area.
20 The municipality may accept such proposal as it deems to be in
21 the public interest and in furtherance of the purposes of this
22 Act: Provided, that a notification of intention to accept such
23 proposal shall be filed with the governing body not less than
24 thirty days prior to any such acceptance. Thereafter, the munic-
25 ipality may execute such contract in accordance with the pro-
26 visions of subsection (a) and deliver deeds, leases and other
27 instruments and take all steps necessary to effectuate such con-
28 tract.

29 (c) A municipality may temporarily operate and main-

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tain real property acquired in an urban renewal area pending the disposition of the property for redevelopment, without regard to the provisions of subsection (a) above for such uses and purposes as may be deemed desirable even though not in conformity with the urban renewal plan.

Sec. 9. ISSUANCE OF BONDS. (a) A municipality shall have power to issue bonds from time to time in its discretion, to finance the undertaking of any urban renewal project under this Act, including, without limiting the generality thereof, the payment of principal and interest upon any advances for surveys and plans for urban renewal projects, and shall also have power to issue refunding bonds for the payment or retirement of such bonds previously issued by it. Such bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues and funds of the municipality derived from or held in connection with its undertaking and carrying out of urban renewal projects under this Act: Provided, however, that payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the Federal Government or other source, in aid of any urban renewal projects of the municipality under this Act and by a mortgage of any of such urban renewal projects, or any part thereof, title to which is in the municipality.

(b) Bonds issued under this section shall not constitute an indebtedness within the meaning of any debt limitation or restriction, and shall not be subject to the provisions of any other law or charter relating to the authorization, issuance or sale of bonds. Bonds issued under the provisions of this Act are declared to be issued for an essential public and governmental

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purpose and, together with interest thereon and income therefrom, shall be exempted from all taxes.

(c) Bonds issued under this section shall be authorized by resolution or ordinance of the local governing body and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, not exceeding six per centum (6%) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics as may be provided by such resolution or trust indenture or mortgage issued pursuant thereto.

(d) Such bonds may be sold at not less than par at public sales held after notice published prior to such sale in a newspaper having a general circulation in the area of operation and in such other medium of publication as the municipality may determine or may be exchanged for other bonds on the basis of par: Provided, that such bonds may be sold to the Federal Government at private sale at not less than par and, in the event less than all of the authorized principal amount of such bonds is sold to the Federal Government the balance may be sold at private sale at not less than par at an interest cost to the municipality of not to exceed the interest cost to the municipality of the portion of the bonds sold to the Federal Government.

(e) In case any of the public officials of the municipality whose signatures appear on any bonds or coupons issued

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1 under this Act shall cease to be such officials before the de-
2 livery of such bonds, such signatures shall, nevertheless, be
3 valid and sufficient for all purposes the same as if such officials
4 had remained in office until such delivery. Any provision of any
5 law to the contrary, notwithstanding any bonds issued pursuant to
6 this Act shall be fully negotiable.

7 (f) In any suit, action or proceeding involving the
8 validity or enforceability of any bond issued under this Act or
9 the security therefor, any such bond reciting in substance that
10 it has been issued by the municipality in connection with an
11 urban renewal project as herein defined, shall be conclusively
12 deemed to have been issued for such purpose and such project
13 shall be conclusively deemed to have been planned, located and
14 carried out in accordance with the provisions of this Act.

15 Sec. 10. BONDS AS LEGAL INVESTMENTS. All banks, trust
16 companies, bankers, savings banks and institutions, building and
17 loan associations, savings and loan associations, investment
18 companies and other persons carrying on a banking or investment
19 business; all insurance companies, insurance associations and
20 other persons carrying on an insurance business; and all executors,
21 administrators, curators, trustees and other fiduciaries, may
22 legally invest any sinking funds, moneys or other funds belonging
23 to them or within their control in any bonds or other obligations
24 issued by a municipality pursuant to this Act or by any urban
25 renewal agency or housing authority vested with urban renewal
26 project powers under section 14 of this Act: Provided that such
27 bonds and other obligations shall be secured by an agreement be-
28 tween the issuer and the Federal Government in which the issuer
29 agrees to borrow from the Federal Government and the Federal

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1 Government agrees to lend to the issuer, prior to the maturity of
 2 such bonds or other obligations, moneys in an amount which (to-
 3 gether with any other moneys irrevocably committed to the payment
 4 of interest on such bonds or other obligations) will suffice to
 5 pay the principal of such bonds or other obligations with in-
 6 terest to maturity thereon, which moneys under the terms of said
 7 agreement are required to be used for the purpose of paying the
 8 principal of and the interest on such bonds or other obligations
 9 at their maturity. Such bonds and other obligations shall be
 10 authorized security for all public deposits. It is the purpose
 11 of this section to authorize any persons, political subdivisions
 12 and officers, public or private, to use any funds owned or con-
 13 trolled by them for the purchase of any such bonds or other
 14 obligations. Nothing contained in this section with regard to
 15 legal investments shall be construed as relieving any person of
 16 any duty of exercising reasonable care in selecting securities.

17 **Sec. 11. PROPERTY EXEMPT FROM TAXES AND FROM LEVY AND SALE**
 18 **BY VIRTUE OF AN EXECUTION.** (a) All property of a municipality,
 19 including funds, owned or held by it for the purposes of this Act
 20 shall be exempt from levy and sale by virtue of an execution and
 21 no execution or other judicial process shall issue against the
 22 same nor shall judgment against a municipality be a charge or lien
 23 upon such property: Provided, however, that the provisions of
 24 this section shall not apply to or limit the right of obligees to
 25 pursue any remedies for the enforcement of any pledge or lien
 26 given pursuant to this Act by a municipality on its rents, fees,
 27 grants or revenues from urban renewal projects.

28 (b) The property of a municipality acquired or held for
 29 the purposes of this Act is declared to be public property used

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for essential public and governmental purposes and such property shall be exempt from all taxes of the municipality, the Territory or any political subdivision thereof: Provided, that such tax exemption shall terminate when the municipality sells, leases or otherwise disposes of such property in an urban renewal area to a purchaser or lessee which is not a public body entitled to tax exemption with respect to such property.

Sec. 12. COOPERATION BY PUBLIC BODIES. (a) For the purpose of aiding in the planning, undertaking or carrying out of an urban renewal project located within the area in which it is authorized to act, any public body may upon such terms, with or without consideration, as it may determine: (1) dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or other rights or privileges therein to a municipality; (2) incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; (3) do any and all things necessary to aid or cooperate in the planning or carrying out of an urban renewal plan; (4) lend, grant or contribute funds to a municipality; (5) enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with a municipality or other public body respecting action to be taken pursuant to any of the powers granted by this Act, including the furnishing of funds or other assistance in connection with an urban renewal project, and (6) cause public buildings and public facilities, including parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities or any other works which it is otherwise empowered to undertake to be furnished; furnish, dedicate, close, vacate, pave, install, grade, regrade, plan or replan

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1 streets, roads, sidewalks, ways or other places; plan or replan,
2 zone or rezone any part of the public body or make exceptions from
3 building regulations; and cause administrative and other services
4 to be furnished to the municipality. If at any time title to or
5 possession of any urban renewal project is held by any public
6 body or governmental agency, other than the municipality, which is
7 authorized by law to engage in the undertaking, carrying out, or
8 administration of urban renewal projects (including any agency or
9 instrumentality of the United States of America), the provisions
10 of the agreements referred to in this section shall inure to the
11 benefit of and may be enforced by such public body or governmental
12 agency.

13 (b) Any sale, conveyance, lease or agreement provided
14 for in this section may be made by a public body without ap-
15 praisal, public notice, advertisement or public bidding.

16 (c) For the purpose of aiding in the planning, under-
17 taking or carrying out of an urban renewal project of an Urban
18 Renewal Agency or a housing authority hereunder, a municipality
19 may (in addition to its other powers and upon such terms, with or
20 without consideration, as it may determine) do and perform any or
21 all of the actions or things which, by the provisions of sub-
22 section (a) of this section, a public body is authorized to do or
23 perform, including the furnishing of financial and other assist-
24 ance.

25 (d) For the purposes of this section, or for the pur-
26 pose of aiding in the planning, undertaking or carrying out of an
27 urban renewal project of a municipality, such municipality may
28 issue and sell its general obligation bonds. Any bonds issued by
29 a municipality pursuant to this section shall be issued in the

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manner and within the limitations proscribed by law for the issuance and authorization of bonds by such municipality.

Sec. 13. TITLE OF PURCHASER. Any instrument executed by a municipality and purporting to convey any right, title or interest in any property under this Act shall be presumed to have been executed in compliance with the provisions of this Act insofar as title or other interest of any bona fide purchasers, lessees or transferees of such property is concerned.

Sec. 14. EXERCISE OF POWERS IN CARRYING OUT URBAN RENEWAL PROJECT. (a) The municipality in its discretion may exercise its urban renewal project powers through a board or commissioner or through such officers of the municipality as the local governing body may by resolution determine.

(b) As used in this section the term "urban renewal project powers" shall include the rights, powers, functions and duties of a municipality under this Act except the following: the power to determine an area to be a blum or blighted area or combination thereof and to designate such area as appropriate for an urban renewal project; the power to approve and amend urban renewal plans and to hold any public hearings required with respect thereto; the power to establish a general plan for the locality as a whole; the power to formulate a workable program under Section 3; the powers, duties and functions referred to in Section 16 hereof; the power to make the determinations and findings provided for in Section 4 and Section 5(d); the power to issue general obligation bonds; and the power to appropriate funds, to levy taxes and assessments and to exercise other powers provided for in Section 6(h).

Sec. 15. INTERESTED PUBLIC OFFICIALS, COMMISSIONERS OR

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EMPLOYEES. No public official or employee of a municipality shall voluntarily acquire any interest, direct or indirect, in any urban renewal project or in any property included or planned to be included in any urban renewal project of such municipality or in any contract or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary the interest acquired shall be immediately disclosed in writing to the local governing body and such disclosure shall be entered upon the minutes of the governing body. If any such official or employee presently owns or controls, or owned or controlled within the preceding two years, any interest, direct or indirect, in any property which he knows is included or planned to be included in an urban renewal project he shall immediately disclose this act in writing to the local governing body and such disclosure shall be entered upon the minutes of the governing body and any such official or employee shall not participate in any action by the municipality affecting such property. Any violation of the provisions of this section shall constitute misconduct in office.

Sec. 16. ORDINANCES RELATING TO REPAIR, CLOSING AND DEMOLITION OF DWELLINGS UNFIT FOR HUMAN HABITATION. (a) Whenever any municipality finds that there exists in such municipality dwellings which are unfit for human habitation due to dilapidation, defects increasing the hazards of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities or due to other conditions including those set forth in subsection (c) hereof, rendering such dwellings unsafe or unsanitary or dangerous or detrimental to health, safety or morals or otherwise inimical to the welfare of the residents of such municipality,

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power is hereby conferred upon such municipality to require or cause the repair, closing or demolition or removal of such dwellings in the manner herein provided. A "dwelling" shall mean any building or structure or part thereof used and occupied for human habitation or intended to be so used and includes any appurtenances belonging thereto or usually enjoyed therewith.

(b) Upon the adoption of an ordinance finding that dwelling conditions of the character described in subsection (a) hereof exist within a municipality the governing body of such municipality is hereby authorized to adopt ordinances relating to the dwellings within such municipality which are unfit for human habitation. Such ordinances shall include the following provisions:

(1) That a public officer be designated or appointed to exercise the powers proscribed by the ordinances.

(2) That whenever a petition is filed with the public officer or by at least five residents of the municipality charging that any dwelling is unfit for human habitation or whenever it appears to the public officer (on his own motion) that any dwelling is unfit for human habitation he shall, if his preliminary investigation discloses a basis for such charges, issue and cause to be served upon the owner, every mortgagee of record and all parties in interest in such dwelling (including persons in possession) a complaint stating the charges in that respect. Such complaint shall contain a notice that a hearing will be held before the public officer or his designated agent at a place therein fixed not less than ten days or more than thirty days after the serving of said complaint; that the owner, mortgagee and

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parties in interest shall be given the right to file an answer to the complaint and to appear in person, or otherwise, and give testimony at the place and time fixed in the complaint; and that the rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the public officer.

(3) That if, after such notice and hearing, the public officer determines that the dwelling under consideration is unfit for human habitation he shall state in writing his findings of fact in support of such determination and shall issue and cause to be served upon the owner thereof an order which,

(A) if the repair, alteration or improvement of the said dwelling can be made at a reasonable cost in relation to the value of the dwelling (the ordinance of the municipality shall fix a certain percentage of such cost as being reasonable for such purpose), requires the owner, within the time specified in the order, to repair, alter or improve such dwelling to render it fit for human habitation or to vacate and close the dwelling as a human habitation; or

(B) if the repair, alteration or improvement of the said dwelling cannot be made at a reasonable cost in relation to the value of the dwelling (the ordinance of the municipality shall fix a certain percentage of such cost as being reasonable for such purpose), requires the owner, within the time specified in the order, to remove or demolish such dwelling.

(4) That, if the owner fails to comply with an order to repair, alter or improve or to vacate and close the

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dwelling the public officer may cause such dwelling to be repaired, altered or improved or to be vacated and closed.

(5) That, if the owner fails to comply with an order to remove or demolish the dwelling, the public officer may cause such dwelling to be removed or demolished.

(6) That the amount of the cost of such repairs, alterations or improvements or vacating and closing or removal or demolition by the public officer shall be a lien against the real property upon which such cost was incurred and such lien, including as part thereof allowance of his costs and necessary attorneys' fees, may be foreclosed in judicial proceedings in the manner provided or authorized by law for loans secured by liens on real property. If the dwelling is removed or demolished by the public officer he shall sell the materials of such dwelling and shall credit the proceeds of such sale against the cost of the removal or demolition and if there be any balance remaining it shall be paid to the parties entitled thereto as determined by proper judicial proceedings instituted by the public officer after deducting the costs of such judicial proceedings, including his necessary attorneys' fees incurred therein, as determined by the court.

(c) An ordinance adopted by a municipality pursuant to this section shall provide that the public officer may determine that a dwelling is unfit for human habitation if he finds that conditions exist in such dwelling which are dangerous or injurious to the health, safety or morals of the occupants of such dwelling, the occupants of neighboring dwellings or other residents of such municipality, or which have a blighting influence

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on properties in the area. Such conditions may include the following without limitation: defects therein increasing the hazards of fire, accident or other calamities; lack of adequate ventilation, light or sanitary facilities; dilapidation; disrepair; structural defects; uncleanness; overcrowding; inadequate ingress and egress; inadequate drainage; or any violation of health, fire, building or zoning regulations or any other laws or regulations relating to the use of land and the use and occupancy of buildings and improvements. Such ordinance may provide additional standards to guide the public officer or his agents or employees in determining the fitness of a dwelling for human habitation.

(d) Complaints or orders issued by a public officer pursuant to an ordinance adopted under this section shall be served upon persons either personally or by registered mail, but if the whereabouts of such persons is unknown and the same cannot be ascertained by the public officer in the exercise of reasonable diligence and the public officer shall make an affidavit to that effect, then the serving of such complaint or order upon such persons may be made by publishing the same once each week for two consecutive weeks in a newspaper printed and published in the municipality. A copy of such complaint or order shall be posted in a conspicuous place on the premises affected by the complaint or order. A copy of such complaint or order shall also be filed with the recorder of the district in which the dwelling is located and such filing of the complaint or order shall have the same force and effect as other lis pendens notices provided by law.

(e) Any person affected by an order issued by the

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public officer may petition the District Court for an injunction restraining the public officer from carrying out the provisions of the order and the court may, upon such petition, issue a temporary injunction restraining the public officer pending the final disposition of the cause; Provided, however, that within sixty days after the posting and service of the order of the public officer such person shall petition such court. Hearings shall be had by the court on such petitions within twenty days, or as soon thereafter as possible. The court shall hear and determine the issues raised and shall enter a final order or decree in the proceeding. In all such proceedings the findings of the public officer as to facts, if supported by evidence, shall be conclusive. Costs shall be in the discretion of the court. The remedies herein provided shall be exclusive remedies and no person affected by an order of the public officer shall be entitled to recover any damages for action taken pursuant to any order of the public officer, or because of compliance by such person with any order of the public officer.

(f) An ordinance adopted by the governing body of the municipality may authorize the public officer to exercise such powers as may be necessary or convenient to carry out and effectuate the purposes and provisions of this article, including the following powers in addition to others herein granted: (1) to investigate the dwelling conditions in the municipality in order to determine which dwellings therein are unfit for human habitation; (2) to administer oaths, affirmations, examine witnesses and receive evidence; (3) to enter upon premises for the purpose of making examinations; Provided that such entries shall be made in such manner as to cause the least possible inconvenience to the

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in possession and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; (4) to appoint and fix the duties of such officers, agents and employees as he deems necessary to carry out the purposes of such ordinance; and (5) to delegate any of his functions and powers under such ordinance to such officers, agents and employees as he may designate.

(c) The governing body of any municipality adopting an ordinance under this section shall as soon as possible thereafter prepare an estimate of the annual expenses or costs to provide the equipment, personnel and supplies necessary for periodic examinations and investigations of the dwellings in such municipality for the purpose of determining the fitness of such dwellings for human habitation and for the enforcement and administration of its ordinance or ordinances adopted under this section.

(h) Nothing in this section shall be construed to abrogate or impair the powers of the courts or of any department of any municipality to enforce any provisions of its ordinances or regulations, nor to prevent or punish violations thereof; and the powers conferred by this section shall be in addition and supplemental to the powers conferred by any other law.

(i) Nothing in this section shall be construed to impair or limit in any way the power of the municipality to define and declare nuisances and to cause their removal or abatement, by summary proceedings or otherwise.

(j) Any municipality may (by ordinance adopted by its governing body) (1) prescribe minimum standards for the use and occupancy of dwellings throughout the city, (2) prevent the use or

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occupancy of any dwelling which is injurious to the public health, safety, morals or welfare and (3) prescribe punishment for the violation of any provision of such ordinance.

Sec. 17. An emergency is hereby declared to exist and this Act shall take effect immediately upon its passage and approval, or upon its becoming law without such approval.

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