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Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY MILES, BEIRNE, NAKAK,  
OSTERBACK AND SWANSON

2 HOUSE BILL NO. 93 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the construction and leasing of  
7 public buildings; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 18.55.010 is amended to read:

10 Sec. 18.55.010. PURPOSE OF SECS. 10 - 290 OF THIS CHAPTER. The  
11 purpose of secs. 10 - 290 of this chapter is to remedy the acute  
12 housing shortage that exists in certain localities of the state by  
13 undertaking slum clearance, low-cost housing projects, housing for per-  
14 sons and their families engaged in national defense activities in the  
15 state, and housing projects and housing for veterans [OF WORLD WAR II]  
16 and other citizens of the state [AND TO REMEDY THE SHORT SUPPLY OF  
17 NECESSARY PUBLIC BUILDINGS BY PROVIDING FOR THE FINANCING, CONSTRUCTION  
18 AND ACQUISITION OF PUBLIC BUILDINGS FOR LEASE TO THE STATE].

19 \* Sec. 2. AS 18.55.080 is amended to read:

20 Sec. 18.55.080. MEMBERS OR EMPLOYEES PROHIBITED FROM ACQUIRING  
21 INTEREST IN PROJECTS. No member or employee of the authority shall  
22 acquire an interest, direct or indirect, in a housing [OR PUBLIC BUILD-  
23 ING] project, or in property or a contract for materials or services  
24 included or planned to be included in a project. If a member or employ-  
25 ee owns or controls an interest, he shall immediately disclose the  
26 interest in writing to the authority. Failure to make disclosure con-  
27 stitutes misconduct in office.

28 \* Sec. 3. AS 18.55.100(a)(7) is amended to read:

29 (7) to provide, subject to the applicable planning, zoning,

1 sanitary and building laws, ordinances, and regulations for the con-  
2 struction, improvement, alteration, or repair of a housing [OR PUBLIC  
3 BUILDING] project or any part of a housing [OR PUBLIC BUILDING] project,  
4 and also, subject to the same restrictions, to provide for the construc-  
5 tion, improvement, alteration, repair, planning, financing, and interim  
6 operation of a sewer or water system, or part of such system, to foster,  
7 encourage, and permit the development of housing projects by private and  
8 public developers and builders;

9 \* Sec. 4. AS 18.55.150 is amended to read:

10 Sec. 18.55.150. SECURITY FOR BONDS. The authority may issue bonds  
11 including but not limited to bonds on which the principal and interest  
12 are payable (1) exclusively from the income and revenue of the housing  
13 project financed with the proceeds of the bonds, (2) exclusively from  
14 the income and revenue of designated housing projects whether or not  
15 they are financed in whole or in part with the proceeds of the bonds, or  
16 (3) from its revenue generally [OR (4) EXCLUSIVELY FROM RENTS COLLECTED  
17 ON PUBLIC BUILDINGS]. Bonds may be additionally secured by a pledge of  
18 a grant or contribution from the federal government or from another  
19 source, or by a pledge of income or revenue of the authority, or by a  
20 mortgage of a housing project or other property of the authority.

21 \* Sec. 5. AS 18.55.180 is amended to read:

22 Sec. 18.55.180. ISSUANCE AND SALE OF BONDS. Bonds of the au-  
23 thority are authorized by adoption of a resolution prescribing the date  
24 of issuance and maturity, interest rate, denomination, form, conversion  
25 privilege, rank or priority, execution, terms of redemption, medium and  
26 place of payment. Bonds may be sold at public or private sale at not  
27 less than par. Each bond is negotiable. The signature of a member or  
28 an officer upon a bond or coupon is not invalidated by his ceasing to  
29 hold office before the delivery of the bond. The recitation of a bond

1 that it has been issued in the financing of a housing [OR PUBLIC BUILD-  
2 ING] project under secs. 10 - 290 of this chapter is conclusive as to  
3 the issuance of the bond and the character of the project in a challenge  
4 of the validity of the bond or the security for it.

5 \* Sec. 6. AS 18.55.200(4), (10) and (15) are amended to read:

6 (4) covenant with respect to limitations on its right to  
7 sell, lease or otherwise dispose of a housing [OR PUBLIC BUILDING] pro-  
8 ject or a part of a housing [OR PUBLIC BUILDING] project;

9 (10) covenant subject to the limitations contained in secs.  
10 10 - 290 of this chapter as to the rents and fees to be charged in the  
11 operation of a housing [OR PUBLIC BUILDING] project, the amount to be  
12 raised each year or other period of time by rents, fees and other  
13 revenues, and as to the use and disposition of these revenues;

14 (15) vest in one or more trustees the right, in the event of  
15 a default by the authority, to take possession of a housing [OR PUBLIC  
16 BUILDING] project or a part of the project, and so long as the authority  
17 continues in default to retain possession and to use, operate and manage  
18 the project, and to collect the rents and revenues from the project, and  
19 to dispose of the money according to the agreement between the authority  
20 and the trustees;

21 \* Sec. 7. AS 18.55.220(1) and (2) are amended to read:

22 (1) to have possession of a housing [OR PUBLIC BUILDING]  
23 project or part of one surrendered to the obligee, with possession  
24 retained by the obligee as long as the authority continues in default;

25 (2) to obtain the appointment of a receiver of a housing [OR  
26 PUBLIC BUILDING] project or part of one and its rents and profits, who  
27 may enter, take possession and for the duration of the default operate  
28 and maintain it, collect and receive all fees, rents, revenues or other  
29 charges thereafter arising, and keep the money in a separate account or

1 accounts to be applied in accordance with the obligations of the au-  
2 thority as the court directs;

3 \* Sec. 8. AS 18.55.240 is amended to read:

4 Sec. 18.55.240. POWER OF AUTHORITY TO OBTAIN FEDERAL AID AND  
5 COOPERATION. The authority may borrow, accept contributions, grants or  
6 other financial assistance from the federal government in aid of any  
7 housing [OR PUBLIC BUILDING] project and for this purpose may comply  
8 with conditions and enter into the mortgages, trust indentures, leases  
9 or agreements that are necessary, convenient or desirable in order to  
10 obtain financial aid or cooperation from the federal government in the  
11 undertaking, construction, maintenance, or operation of a housing [OR  
12 PUBLIC BUILDING] project.

13 \* Sec. 9. AS 18.55.250 is amended to read:

14 Sec. 18.55.250. EXEMPTION FROM TAXES AND ASSESSMENTS. The prop-  
15 erty of the authority is public property used for essential public and  
16 governmental purposes and this property and the authority are exempt  
17 from all taxes and special assessments of a municipality, the state or a  
18 political subdivision of the state. However, instead of taxes, the  
19 authority may make payments to the municipality or political subdivision  
20 for improvements, services and facilities furnished by it for the ben-  
21 efit of a housing [OR PUBLIC BUILDING] project.

22 \* Sec. 10. AS 18.55.100(a)(15) and 18.55.288(2) are repealed.

23 \* Sec. 11. The amendments and repeals made by this Act do not affect  
24 leases or other contracts concerning public buildings which are completed,  
25 which are under construction, or for which bonds have been issued as of the  
26 effective date of this Act.

27 \* Sec. 12. This Act takes effect immediately in accordance with AS 01.10.  
28 070(c).