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1 IN THE HOUSE

BY LARSON, MENARD, HUDSON  
AND ULMER

2

HOUSE BILL NO. 209

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to establishment of a port authority  
7 by a municipality."

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

9 \* Section 1. AS 29.35 is amended by adding new sections to read:

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ARTICLE 9. PORT AUTHORITIES.

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Sec. 29.35.600. ESTABLISHMENT OF AUTHORITY. (a) A borough,

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unified municipality, or city in the unorganized borough may establish

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a port authority. The authority shall be a corporate public body that

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may sue and be sued in any court of the state. The authority pos-

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sesses all powers specified in the ordinance under which it is formed

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in addition to those enumerated in AS 29.35.600 - 29.35.690.

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(b) In a resolution proposing formation of a port authority, the

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governing body shall set a date for the holding of a public hearing on

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the adoption of a proposed ordinance establishing the authority and

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designating the powers of the authority. After the public hearing, if

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the governing body intends to proceed with the establishment of the

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authority, it must do so by ordinance subject to voter approval.

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(c) At the time of adopting an ordinance proposing formation of

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a port authority, the governing body shall issue a call for nomination

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of port commissioners, specifying the filing deadline and procedure

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for making nominations. The election of the initial members of the

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port commission shall take place at the same time as the election on

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the question of forming a port authority. If at least one candidate

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for each of the three commission seats is not nominated, the proposal

1 to form a port authority is void and no election on the question shall  
2 be held.

3 Sec. 29.35.610. PORT COMMISSION. (a) A port authority shall be  
4 under the supervision and control of a port commission consisting of  
5 three elected members. The term of a member is six years, except that  
6 one initial member shall serve a term of four years, and one initial  
7 member shall serve a term of five years, to be determined by lot.  
8 Commission members may be reelected.

9 (b) A vacancy on the commission shall be filled by appointment  
10 by the mayor. An appointed member serves for the remainder of the  
11 term to which appointed. On notice and an opportunity to be heard, a  
12 member of the commission may be removed for cause by the governing  
13 body. Removal of a member is subject to review by the superior court.

14 (c) The commission shall adopt rules governing its procedure and  
15 the holding of regular meetings. Special meetings may be held when  
16 called in the manner provided in the rules of the commission.

17 Sec. 29.35.620. EXECUTIVE DIRECTOR AND EMPLOYEES. (a) The port  
18 commission may employ and fix the compensation of a director, subject  
19 to the approval of the governing body of the municipality. The direc-  
20 tor serves at the pleasure of the commission. A member of the commis-  
21 sion is not eligible to hold the position of director.

22 (b) The commission may retain legal counsel to advise the com-  
23 mission in the proper performance of its duties. The legal counsel  
24 shall represent the commission in actions brought by or against the  
25 commission.

26 (c) The commission may employ other personnel considered neces-  
27 sary by the commission.

28 (d) The employees of the commission may participate in municipal  
29 retirement and insurance programs of the municipality.

- 1           Sec. 29.35.630. POWERS. The port commission may
- 2           (1) study and analyze the effect of economic changes and
- 3           growth on the waterfront and waterways;
- 4           (2) acquire, construct, repair, renovate, and manage sea
- 5           walls, jetties, piers, wharves, docks, boat landings, and other harbor
- 6           improvements, warehouses, cold storage plants, grain bins, bunkers,
- 7           ferries, bridges, and other facilities for the handling, storing, and
- 8           transporting of freight and passengers, or the processing of seafood,
- 9           agricultural products, and other goods;
- 10          (3) develop long-range plans, in cooperation with the
- 11          governing body, designed to promote the economic growth of the munic-
- 12          ipality;
- 13          (4) implement any plan of development in waterways or in
- 14          the waterfront areas in accordance with the powers of the port au-
- 15          thority under AS 29.35.600 - 29.35.690 or the ordinance under which
- 16          the authority is established;
- 17          (5) make and enter into contracts necessary or incidental
- 18          to the exercise of its powers and the performance of its duties,
- 19          including agreements with other port commissions providing for shared
- 20          development or management of facilities located within the jurisdic-
- 21          tion of the commissions;
- 22          (6) acquire and convey, or otherwise dispose of, land and
- 23          other property;
- 24          (7) fix, charge, and collect fees, rents, and charges for
- 25          the use of a building or property under its control or any part of it,
- 26          or facility in it, and pledge the fees, rents, and charges for the
- 27          payment of revenue bonds issued by the authority;
- 28          (8) lease a building or property under its control;
- 29          (9) accept grants and donations from a public or private

1 source.

2 Sec. 29.35.640. EMINENT DOMAIN. A municipality may take private  
3 property under AS 09.55.420 - 09.55.460 for the purpose of transfer to  
4 the port authority, and may transfer the property to the authority on  
5 terms and conditions it considers appropriate, and the taking, trans-  
6 fer, and use shall be considered necessary for public purposes and for  
7 the benefit of the public.

8 Sec. 29.35.650. FINANCING. (a) The activities of the port  
9 authority shall be financed from one or more of the following sources:

10 (1) donations to the authority for the performance of its  
11 functions;

12 (2) money borrowed and to be repaid;

13 (3) revenue from any property, building, or facility owned,  
14 leased, licensed, or operated by the authority or under its control,  
15 subject to the limitations imposed upon the authority by trusts or  
16 other agreements;

17 (4) money obtained from other sources approved by the  
18 governing body of the municipality.

19 (b) Upon approval of a development plan under AS 29.35.670, the  
20 authority may borrow money and issue negotiable revenue bonds as  
21 provided for a municipality under AS 29.47. Revenue bonds issued by  
22 the authority are not a debt of the municipality or the state.

23 Sec. 29.35.660. DEVELOPMENT PLAN. When the port commission  
24 decides to finance a project in whole or in part by the use of revenue  
25 bonds, it shall prepare a development plan for submission to the  
26 governing body. The development plan must contain

27 (1) the boundaries of the project area in relation to  
28 highways, streets, streams, or otherwise and a legal description of  
29 the area;

1 (2) the location and extent of existing straits and other  
2 public and private structures within the project area and a desig-  
3 nation of the location, character, and extent of the categories of  
4 public and private land uses proposed for the project area;

5 (3) a description of existing improvements in the project  
6 area to be demolished, repaired, or altered, a description of any  
7 repairs and alterations, and an estimate of the time required for  
8 completion;

9 (4) the location, extent, character, and estimated cost of  
10 the improvements including rehabilitation contemplated for the project  
11 area and an estimate of the time required for completion;

12 (5) a statement of the construction or stages of construc-  
13 tion planned, and the estimated time of completion of each stage;

14 (6) a description of any parts of the project area to be  
15 left as open space and the use contemplated for the space;

16 (7) a description of any portions of the project area that  
17 the commission intends to sell, donate, exchange, or lease to or from  
18 the municipality and the proposed terms;

19 (8) a description of desired zoning changes and changes in  
20 streets, street levels, intersections, and utilities;

21 (9) an estimate of the cost of the project and a statement  
22 of the proposed method of financing the project and the ability of the  
23 authority to arrange the financing;

24 (10) designation of the person to whom all or a portion of  
25 the project is to be leased, sold, or conveyed if that information is  
26 available to the commission.

27 Sec. 29.35.670. APPROVAL OF DEVELOPMENT PLAN. (a) Upon receipt  
28 of a development plan from the port authority, the governing body  
29 shall hold a public hearing on the plan. After the public hearing,

1 the governing body shall by ordinance approve or reject the plan, or  
2 approve it with modification.

3 (b) Amendments to an approved development plan must be submitted  
4 by the authority to the governing body for approval or rejection.

5 Sec. 29.35.680. BUDGET. The director of the port authority  
6 shall prepare and submit for the approval of the port commission a  
7 budget for the operation of the authority for the ensuing fiscal year.  
8 The budget shall be prepared in the manner and contain the information  
9 required of municipal departments. Before the budget may be adopted  
10 by the commission, it must be approved by the governing body of the  
11 municipality. Money of the municipality may not be included in the  
12 budget of the authority except that money authorized by the governing  
13 body of the municipality.

14 Sec. 29.35.690. DISSOLUTION. A port authority may be dissolved  
15 by ordinance approved by the voters. The property and assets of the  
16 authority remaining after the satisfaction of the obligations of the  
17 authority belong to the municipality.