

Offered: 5/11/87  
Referred: Transportation

5-0895B

Original sponsors: Larson, Menard,  
Hudson and Ulmer

1 IN THE HOUSE BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE  
2 CS FOR HOUSE BILL NO. 209 (C&RA)  
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:  
10 ARTICLE 9. PORT AUTHORITIES.  
11 Sec. 29.35.600. ESTABLISHMENT OF AUTHORITY. (a) Notwithstand-  
12 ing other provisions of law, a borough, unified municipality, home  
13 rule city, or first class city may establish a port authority in  
14 accordance with AS 29.35.600 - 29.35.690. An authority established by  
15 a borough under AS 29.35.600 - 29.35.690 may exercise its power in a  
16 second class city located within the borough but may not exercise its  
17 power in a home rule or first class city unless the exercise of the  
18 power is approved by resolution of the council. The authority shall  
19 be a corporate public body that may sue and be sued in any court of  
20 the state. The authority possesses all powers specified in the ordi-  
21 nance under which it is formed in addition to those enumerated in  
22 AS 29.35.600 - 29.35.690.  
23 (b) In a resolution proposing formation of a port authority, the  
24 governing body shall set a date for the holding of a public hearing on  
25 the adoption of a proposed ordinance establishing the authority and  
26 designating the powers of the authority. After the public hearing, if  
27 the governing body intends to proceed with the establishment of the  
28 authority, it must do so by ordinance subject to voter approval.  
29 (c) At the time of adopting an ordinance proposing formation of

1 a port authority, the governing body shall issue a call for nomination  
2 of port commissioners, specifying the filing deadline and procedure  
3 for making nominations. The election of the initial members of the  
4 port commission shall take place at the same time as the election on  
5 the question of forming a port authority. If at least one candidate  
6 for each of the three commission seats is not nominated, the proposal  
7 to form a port authority is void and no election on the question shall  
8 be held.

9 Sec. 29.35.610. PORT COMMISSION. (a) A port authority formed  
10 under AS 29.35.600 - 29.35.690 shall be under the supervision and  
11 control of a port commission consisting of three elected members. The  
12 term of a member is six years, except that one initial member shall  
13 serve a term of four years, and one initial member shall serve a term  
14 of two years, to be determined by lot. Commission members may be  
15 reelected.

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

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

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

29 (b) The commission may retain legal counsel to advise the

1 commission in the proper performance of its duties. The legal counsel  
2 shall represent the commission in actions brought by or against the  
3 commission.

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

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

8 Sec. 29.35.630. POWERS. The port commission may

9 (1) study and analyze the effect of economic changes and  
10 growth on the waterfront and waterways;

11 (2) acquire, construct, repair, renovate, and manage sea  
12 walls, jetties, piers, wharves, docks, boat landings, and other harbor  
13 improvements, warehouses, cold storage plants, grain bins, bunkers,  
14 ferries, bridges, and other facilities for the handling, storing, and  
15 transporting of freight and passengers, or the processing of seafood,  
16 agricultural products, and other goods;

17 (3) develop and implement long-range plans, in cooperation  
18 with the governing body, designed to promote the economic growth of  
19 the municipality and the growth and efficiency of waterfront develop-  
20 ment;

21 (4) implement any plan of development for waterways or  
22 waterfront areas in accordance with the powers of the port authority  
23 under AS 29.35.600 - 29.35.690 or the ordinance under which the au-  
24 thority is established;

25 (5) make and enter into contracts necessary or incidental  
26 to the exercise of its powers and the performance of its duties,  
27 including agreements with other port commissions providing for shared  
28 development or management of facilities located within the jurisdic-  
29 tion of the commissions;

1 (6) acquire and convey, or otherwise dispose of, land and  
2 other property;

3 (7) fix, charge, and collect fees, rents, and charges for  
4 the use of a building or property under its control and pledge the  
5 fees, rents, and charges for the payment of revenue bonds issued by  
6 the authority;

7 (8) lease any buildings, facilities, or properties under  
8 its control;

9 (9) accept grants and donations from any public or private  
10 source.

11 Sec. 29.35.640. EMINENT DOMAIN. A municipality, other than a  
12 second class city, may take private property under AS 09.55.240 -  
13 09.55.460 for the purpose of transfer to a port authority formed under  
14 AS 29.35.600 - 29.35.690, and may transfer the property to the author-  
15 ity on terms and conditions it considers appropriate. The taking,  
16 transfer, and use shall be considered necessary for public purposes  
17 and for the benefit of the public.

18 Sec. 29.35.650. FINANCING. (a) The activities of a port au-  
19 thority formed under AS 29.35.600 - 29.35.690 shall be financed from  
20 one or more of the following sources:

21 (1) donations to the authority for the performance of its  
22 functions;

23 (2) money borrowed and to be repaid;

24 (3) revenue from any property, building, or facility owned,  
25 leased, licensed, or operated by the authority or under its control,  
26 subject to the limitations imposed upon the authority by trusts or  
27 other agreements or by the municipality;

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

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

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

9           (1) the boundaries of the project area in relation to  
10 highways, streets, streams, or otherwise and a legal description of  
11 the area;

12           (2) the location and extent of existing streets and other  
13 public and private structures within the project area and a design-  
14 nation of the location, character, and extent of the categories of  
15 public and private land uses proposed for the project area;

16           (3) a description of existing improvements in the project  
17 area to be demolished, repaired, or altered, a description of any  
18 repairs and alterations, and an estimate of the time required for  
19 completion;

20           (4) the location, extent, character, and estimated cost of  
21 the improvements, including rehabilitation contemplated for the proj-  
22 ect area, and an estimate of the time required for completion;

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

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

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

- 1 (8) a description of desired zoning changes and changes in  
2 streets, street levels, intersections, and utilities;  
3 (9) an estimate of the cost of the project and a statement  
4 of the proposed method of financing the project and the ability of the  
5 authority to arrange the financing;  
6 (10) designation of the person to whom all or a portion of  
7 the project is to be leased, sold, or conveyed if that information is  
8 available to the commission;  
9 (11) an economic analysis and justification for the project  
10 and a description of the expected benefits and other effects of the  
11 project.

12 Sec. 29.35.670. APPROVAL OF DEVELOPMENT PLAN. (a) Upon receipt  
13 of a development plan prepared under AS 29.35.660, the governing body  
14 shall hold a public hearing on the plan. After the public hearing,  
15 the governing body shall by ordinance approve or reject the plan, or  
16 approve it with modification.

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

19 Sec. 29.35.680. BUDGET. The director of a port authority formed  
20 under AS 29.35.600 - 29.35.690 shall prepare and submit for the ap-  
21 proval of the port commission a budget for the operation of the au-  
22 thority for the ensuing fiscal year. The budget shall be prepared in  
23 the manner and contain the information required of municipal depart-  
24 ments. Before the budget may be adopted by the commission, it must be  
25 approved by the governing body of the municipality. Money of the  
26 municipality may not be included in the budget of the authority except  
27 that money authorized by the governing body of the municipality.

28 Sec. 29.35.690. DISSOLUTION. A port authority formed under  
29 AS 29.35.600 - 29.35.690 may be dissolved by ordinance approved by the

1 voters. The property and assets of the authority remaining after the  
2 satisfaction of the obligations of the authority belong to the munic-  
3 ipality.