

BY MENARD, LARSON AND
ZAWACKI

1 IN THE HOUSE

2

HOUSE BILL NO. 434

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to municipal development and rede-
7 velopment."

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

9 * Section 1. AS 29.10.200 is amended by adding a new paragraph to read:

10 (49) AS 29.35.035 (development and redevelopment proj-
11 ects).

12 * Sec. 2. AS 29.35 is amended by adding a new section to read:

13 Sec. 29.35.035. DEVELOPMENT AND REDEVELOPMENT PROJECTS. (a) A
14 municipality may undertake development and redevelopment projects in
15 the municipality and issue bonds for development or redevelopment
16 purposes in blighted areas.

17 (b) A municipality may by ordinance create a public corporation
18 to exercise all or some of the powers authorized under (a) of this
19 section. The corporation so established

20 (1) is an instrumentality of the municipality, but has a
21 legal existence independent of and separate from the municipality; and

22 (2) has continuing succession by its corporate name until
23 terminated by ordinance.

24 (c) A municipality may provide by ordinance that the tax incre-
25 ment from the taxes levied each year by or on behalf of the municipal-
26 ity on the property in a development or redevelopment project shall be
27 used to repay the principal and interest on bonds, notes, and other
28 indebtedness that is incurred for the project. To enable and assist a
29 public corporation to repay bonds, notes, and other indebtedness for a

1 development or redevelopment project, the municipality may irrevocably
2 pledge the tax increment from the project for the payment of debt
3 service on the bonds, notes, or other indebtedness issued to finance
4 the project. In this subsection "tax increment" means the portion of
5 the tax that is attributable to the difference between the value of
6 the property shown on the taxing agency's assessment roll for the year
7 when the taxes are levied and the value of the property shown on the
8 taxing agency's last assessment roll that was equalized before the
9 project was authorized.

10 (d) This section applies to home rule and general law municipal-
11 ities.