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1 IN THE SENATE

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SENATE BILL NO. 142

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

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A BILL

6 For an Act entitled: "An Act relating to establishment of a port authority

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by a municipality."

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

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* 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 municipal-

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ity, other than a second class city, may establish a port authority.

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The authority shall be a corporate public body that may sue and be

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sued. The authority possesses all powers specified in the ordinance

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under which it is formed in addition to those enumerated in AS 29.35.-

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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 shall do so by ordinance subject to voter approval.

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Amendments to the ordinance are also 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

1 for each of the three commission seats is not nominated, the proposal
2 to form a port authority is void and an election on the question may
3 not be held.

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

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

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

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

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

27 (c) The commission may employ other personnel it considers
28 necessary.

29 (d) The employees of the commission may participate in municipal

1 retirement and insurance programs of the municipality, as determined
2 by the commission.

3 Sec. 29.35.630. POWERS. The port commission may

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

6 (2) acquire, construct, repair, renovate, and manage sea
7 walls, jetties, piers, wharves, docks, boat landings, moorages, har-
8 bors, marinas, warehouses, cold storage plants, grain bins, bunkers,
9 ferries, bridges, and other facilities for the handling, storing, and
10 transporting of freight and passengers, or the processing of seafood,
11 agricultural products, or other goods;

12 (3) develop long-range plans, in cooperation with the
13 governing body, designed to promote the economic growth of the munic-
14 ipality;

15 (4) implement any plan of development in waterways or in
16 the waterfront areas in accordance with the powers of the port au-
17 thority under AS 29.35.600 - 29.35.690 or the ordinance under which
18 the authority is established;

19 (5) make and enter into contracts necessary or incidental
20 to the exercise of its powers and the performance of its duties,
21 including agreements with other port authorities providing for shared
22 development or management of facilities located within the jurisdic-
23 tion of any of the port authorities;

24 (6) acquire and convey, or otherwise dispose of, land and
25 other property;

26 (7) fix and collect fees, rents, and charges for the use of
27 a building or property under its control or any part of it, or facili-
28 ty in it, and pledge the fees, rents, and charges for the payment of
29 revenue bonds issued by the authority;

- 1 (8) lease a building or property under its control;
2 (9) accept grants and donations from a public or private
3 source.

4 Sec. 29.35.640. EMINENT DOMAIN. A municipality that establishes
5 a port authority may take private property under AS 09.55.420 - 09.55.
6 460 for the purpose of transfer to the port authority, and may trans-
7 fer the property to the authority on terms and conditions it considers
8 appropriate.

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

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

13 (2) money borrowed and to be repaid;

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

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

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

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

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

1 the area;

2 (2) the location and extent of existing streets and other
3 public and private structures within the project area and a designa-
4 tion of the location, character, and extent of the categories of
5 public and private land uses proposed for the project area;

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

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

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

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

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

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

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

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

28 Sec. 29.35.670. APPROVAL OF DEVELOPMENT PLAN. (a) Upon receipt
29 of a development plan from the port authority, the governing body

1 shall hold a public hearing on the plan. After the public hearing,
2 the governing body shall by ordinance approve or reject the plan, or
3 approve it with modification.

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

7 Sec. 29.35.680. BUDGET. The director of the port authority
8 shall prepare and submit for the approval of the port commission a
9 budget for the operation of the authority for the ensuing fiscal year.
10 The budget shall be prepared in the manner and contain the information
11 required of municipal departments. Before the budget may be adopted
12 by the commission, it must be approved by the governing body of the
13 municipality. Money of the municipality that is included in the
14 budget of the authority must be authorized by the governing body of
15 the municipality for inclusion in the budget.

16 Sec. 29.35.690. DISSOLUTION. A port authority may be dissolved
17 by ordinance approved by the voters. The liabilities and assets of
18 the authority remaining after the dissolution shall be assumed by the
19 municipality.