

LEG. FINANCE - BILLS 1981 - 1982 1611

CSSB 86 cont.

1611

Original sponsors: Kerttula, Dankworth,
Stimson, et al

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 86 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of the state capital:
7 repealing and reenacting the law enacted by the initi-
8 ative popularly known as the 'FRANK Initiative' to
9 provide for the determination of the costs of capital
10 relocation, and repealing and reenacting laws estab-
11 lishing the Alaska Capital City Development Corporation
12 and the Capital City Development Oversight Committee."

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

14 * Section 1. AS 44.06.196 is repealed and reenacted to read:

15 Sec. 44.06.196. CAPITAL RELOCATION EXPENDITURES. (a) Except for
16 money used for planning, design, studies, and field investigations,
17 state money may be expended to relocate the state capital from its
18 present location to the new capital site at Willow only after a majority
19 of those voting on the proposition at the 1982 general election have
20 approved a ballot proposition which includes the cost to the state of
21 providing for completion of relocation of a functional state capital at
22 the new capital site at Willow as provided in this section. Either the
23 ballot proposition or the official explanation of the ballot proposition
24 provided to voters shall contain an estimate of the number of central
25 state employees likely to be relocated from Juneau and from Anchorage
26 to the new capital site at Willow.

27 (b) To assist the legislature in determining the type of ballot
28 proposition to be presented to the voters, the Alaska Capital City
29 Development Corporation shall

1 (1) prepare a basic development plan and estimates of costs
2 in accordance with AS 44.07.111 and this section;

3 (2) estimate the cost of providing the public facilities
4 required in Juneau in the absence of relocation; in making an estimate
5 under this paragraph, the corporation shall use a basis comparable to
6 the basis which it used in making its estimates for the costs of provid-
7 ing public facilities at the new capital site at Willow; and

8 (3) study and prepare recommendations as to the numbers and
9 classifications of central state employees to be relocated to the new
10 capital site at Willow; the studies and recommendations made by the
11 corporation under this paragraph shall be based on efficiency of state
12 government without reducing unnecessarily the numbers and classifica-
13 tions of state employees in Juneau.

14 (c) The plan, estimates of costs, and recommendations prepared
15 under (b) of this section shall be presented to the legislature by
16 April 15, 1982.

17 (d) In this section:

18 (1) "central state employees" means employees principally
19 involved in matters which concern statewide activities of the state
20 government rather than regional or local activities of the state govern-
21 ment;

22 (2) "corporation" means the Alaska Capital City Development
23 Corporation established under AS 44.07;

24 (3) "functional state capital" means a city which has the
25 buildings, public utilities, access roads, streets, and other public
26 facilities necessary for a seat of state government to accommodate the
27 executive and legislative branches of state government, with numbers
28 and classifications of central state employees to be relocated based on
29 efficiency of state government without reducing unnecessarily the

1 numbers and classifications of state employees in Juneau.

2 * Sec. 2. AS 44.07 is amended by adding new sections to read:

3 ARTICLE 1. ESTABLISHMENT OF CORPORATION; POWERS.

4 Sec. 44.07.011. ALASKA CAPITAL CITY DEVELOPMENT CORPORATION.

5 There is established the Alaska Capital City Development Corporation.
6 The corporation is a public corporation and governmental instrumentality
7 of the state in the Department of Commerce and Economic Development,
8 but has a legal existence independent of and separate from the state.
9 The exercise by the corporation of the powers conferred by this chapter
10 is considered an essential governmental function of the state.

11 Sec. 44.07.021. BOARD OF DIRECTORS. The corporation is governed
12 by a board of directors which consists of 11 members appointed as
13 follows:

14 (1) During the transitional period, the board consists of
15 the following members:

16 (A) five ex officio members, including the commissioner
17 of commerce and economic development, the mayor of the Matanuska-
18 Susitna Borough, the mayor of the City and Borough of Juneau, the
19 mayor of the City of Fairbanks, and the mayor of the Municipality
20 of Anchorage;

21 (B) persons appointed by the governor under AS 44.06.-
22 210(a)(1), (2) and (5) who, on May 1, 1981, were physically present
23 in the state and were members of the New Capital Site Planning
24 Commission (AS 44.06.200 - 44.06.260);

25 (C) an additional number of members, appointed by the
26 governor, required to bring the membership of the board to a total
27 of 11; the directors appointed under this subparagraph shall
28 include, insofar as the number of appointments to be made permits,

29 (i) a civil engineer registered in Alaska;

1 (ii) a real estate broker licensed in Alaska who
2 has extensive experience in the state; and

3 (iii) a person who is a resident of the election
4 district in which the new capital site at Willow is located.

5 (2) After the transitional period, the board consists of the
6 following members:

7 (A) the commissioner of commerce and economic develop-
8 ment;

9 (B) the mayor of the Matanuska-Susitna Borough;

10 (C) the mayor of the City and Borough of Juneau;

11 (D) the mayor of the City of Fairbanks;

12 (E) the mayor of the Municipality of Anchorage;

13 (F) the mayor of the new capital city, except that,
14 until a mayor of the new capital city has been elected by the
15 voters of the city, the governor shall appoint a person who is a
16 resident of the election district in which the new capital site at
17 Willow is located to serve as a director; and

18 (G) five persons appointed by the governor and confirmed
19 by a majority of the members of the legislature in joint session,
20 including

21 (i) a civil engineer registered in Alaska;

22 (ii) a real estate broker licensed in Alaska who
23 has extensive experience in the state; and

24 (iii) three other persons.

25 (3) Directors shall be appointed with due regard to their
26 experience in subjects relevant to public and private planning, develop-
27 ment, finance, and marketing and with due regard for the general public
28 interest. A director shall be a resident and qualified voter of the
29 state. A director appointed by the governor may not be a full-time

1 elected or appointed official or employee of the state or of a munici-
2 pality. A state legislator may not be appointed or serve as a director.

3 (4) An ex officio director serving under (1)(A) or (2)(A) of
4 this section may designate a person to serve in the director's place.
5 A person designated to serve under this paragraph must meet the qualifi-
6 cations for appointment of (3) of this section.

7 (5) A director who serves during the transitional period may
8 be appointed to serve after the transitional period.

9 Sec. 44.07.031. TERM OF OFFICE. (a) A director appointed to
10 serve during the transitional period serves until the end of the transi-
11 tional period.

12 (b) After the transitional period, directors appointed under
13 AS 44.07.021(2)(F) and (G) serve for terms of four years.

14 (c) A person appointed to a vacancy shall hold office for the
15 balance of the term for which his predecessor on the board was ap-
16 pointed.

17 Sec. 44.07.041. BOARD ORGANIZATION AND QUORUM. (a) The board
18 shall elect a chairman and a vice-chairman from among its members.

19 (b) Unless otherwise specifically required by this chapter, a
20 majority of the directors of the corporation constitutes a quorum for
21 the transaction of business and the exercise of the powers and duties
22 of the board.

23 (c) A vacancy on the board does not impair the authority of a
24 quorum of the board to exercise the powers and perform all the duties
25 of the board.

26 Sec. 44.07.051. COMPENSATION OF DIRECTORS. A director other than
27 a state employee is entitled to receive \$200 per day for each meeting
28 day if the director attends a meeting of the board. A director is
29 entitled to per diem and travel allowances as provided by law for a

1 member of a state board or commission.

2 Sec. 44.07.061. EMPLOYMENT OF PERSONNEL. (a) The board shall
3 appoint and determine the salary of an executive director. The executive
4 director is the chief executive officer of the corporation, and serves
5 at the pleasure of the board. The executive director may not be a
6 member of the board.

7 (b) The board may appoint and determine the salary of other
8 officers specified in the bylaws of the corporation. The officers
9 appointed shall have the powers and duties set out in the bylaws.

10 (c) The executive director

11 (1) may employ additional staff in accordance with regula-
12 tions adopted by the board and with the approval of the board; and

13 (2) may retain the services of other persons which he con-
14 siderers necessary or appropriate to carry out the purposes of the
15 corporation.

16 (d) Officers and employees of the corporation are in the exempt
17 service under AS 39.25.

18 (e) Unless the board determines that compliance with AS 36.10.010
19 would impede or delay the scheduled preparation or implementation of a
20 development plan, consultants or contractors hired by the board shall
21 be hired in accordance with AS 36.10.010.

22 Sec. 44.07.071. OTHER EMPLOYMENT OF DIRECTORS PERMITTED. Except
23 as provided in AS 44.07.021(3), a director may hold any position of
24 public or private employment while serving on the board.

25 Sec. 44.07.081. MEETINGS. (a) Meetings of the board are governed
26 by the provisions of AS 44.62.310 and 44.62.312.

27 (b) The board shall establish procedures for newspaper publica-
28 tion and other notice of all meetings sufficient to inform the public
29 adequately of the subject matter proposed to be acted on, and shall

1 establish procedures for public participation at its meetings.

2 (c) The corporation may establish procedures for meeting by
3 simultaneous telephone communication to take necessary action when, in
4 the judgment of the chairman, weather or other conditions make a meeting
5 in person difficult or impossible . . . conduct. A meeting conducted in
6 accordance with procedures established under this subsection has the
7 same legal force and effect as a meeting in person.

8 Sec. 44.07.091. REGULATIONS. (a) The board may adopt, amend,
9 and repeal regulations in accordance with AS 44.62.

10 (b) The board shall file copies of the regulations in the office
11 of the lieutenant governor within 10 days following any action taken on
12 the regulations, and shall make available to the public copies of its
13 regulations.

14 (c) The adoption, amendment, or repeal of regulations by the
15 board is subject to review in accordance with AS 24.20.400 - 24.20.460
16 and AS 44.62.320.

17 Sec. 44.07.101. POWERS OF THE CORPORATION. In addition to other
18 powers granted by AS 44.06.196 and this chapter, and for the purpose of
19 providing for the development of the new capital site, the corporation
20 may

21 (1) sue and be sued;

22 (2) adopt and alter an official seal;

23 (3) adopt, amend, or repeal bylaws and procedures for the
24 development of its programs, operations, properties, and facilities;

25 (4) enter into contracts necessary or convenient for the
26 exercise of its powers under this chapter;

27 (5) acquire, hold, use, lease, mortgage, sell, or otherwise
28 encumber or dispose of property of any kind, real, personal or mixed,
29 or any interest in it in the new capital site at Willow;

1 (6) establish terms and conditions for the acquisition or
2 disposal of its property;

3 (7) prepare or contract for the preparation of studies,
4 analyses, specifications, designs, and estimates of cost for the con-
5 struction, development, reconstruction or improvement of any property
6 in the new capital site at Willow;

7 (8) manage or contract for the management of all or part of
8 a development program or programs in the new capital site at Willow;

9 (9) build and maintain streets and other public rights-of-
10 way and provide for facilities or services in connection with a develop-
11 ment program;

12 (10) charge and collect fees and charges for the use of
13 facilities or services, and cause the fees and charges to become a lien
14 on and run with the land, and bind all future owners of the land by
15 means of covenants affecting the property which are recorded in the
16 appropriate recording district; the covenants may provide that taxes
17 imposed by a municipality can be credited against the fees and charges
18 to the extent and upon any terms that are set out in the covenants;

19 (11) adopt or impose land use and building restrictions,
20 architectural, design, and land use controls on real property owned by
21 the corporation through covenants, declarations, or otherwise in fur-
22 therance of the purpose of this chapter; include the restrictions or
23 controls in contracts, conveyances and agreements; and cause the
24 restrictions and controls, covenants, or declarations to run with the
25 land and bind all future owners of the land by filing them for record
26 in the appropriate recording district, subject to AS 29.18.580;

27 (12) plan, finance, develop, acquire, construct, reconstruct,
28 improve, operate, maintain, sell, or otherwise dispose of structures,
29 appurtenances, systems, and facilities in the new capital site at

1 Willow under contractual or other arrangements in connection with any
2 specific development plan, or with the purposes of this chapter;

3 (13) survey the real property in the new capital site at
4 Willow; undertake geological, environmental, and other similar studies
5 and analyses of the property; and gather and disseminate all relevant
6 information pertaining to the suitability of any portion of the new
7 capital site at Willow for various land uses;

8 (14) make contracts, incur liabilities, and borrow money from
9 the capital city revolving loan fund, and through general obligation
10 bonds and revenue bonds issued on behalf of the corporation by the
11 state bond committee;

12 (15) obtain insurance or bond against any losses as it con-
13 siders desirable; a bond or insurance coverage secured under this para-
14 graph shall be obtained from insurers authorized to do business in the
15 state;

16 (16) accept gifts or grants from any source, subject to
17 AS 37.07;

18 (17) enter into agreements with any public agency to carry
19 out the purposes of this chapter;

20 (18) enter into agreements to pay annual sums in place of
21 taxes to a municipality for real property which is owned by the corpo-
22 ration and which is exempt from taxation under this chapter; and

23 (19) do any and all things necessary and proper to carry out
24 the purposes of this chapter and exercise the powers granted in this
25 chapter.

26 ARTICLE 2. CAPITAL CITY DEVELOPMENT PLANS, PROPERTY,
27 MUNICIPAL AGREEMENTS AND CONTRACTS.

28 Sec. 44.07.111. BASIC DEVELOPMENT PLAN AND ESTIMATES OF COSTS.

29 (a) The corporation shall prepare a basic development plan for the

1 establishment of a functional state capital in the new capital site at
2 Willow. The basic development plan shall be prepared to meet the
3 requirements of AS 44.06.196 and of this section. The basic develop-
4 ment plan may use the basic data, studies, and investigations of the
5 New Capital Site Planning Commission (AS 44.06.200) which the board
6 considers appropriate, but the board is not bound by the limitations of
7 and requirements for planning specified in AS 44.06.230.

8 (b) The corporation shall determine

9 (1) the relocation completion date, which is the earliest
10 practical date not later than December 31, 1990, by which a functional
11 state capital can be established in the new capital site at Willow;

12 (2) the number of state employees estimated to be at the new
13 capital site by the relocation completion date, including those likely
14 to have been relocated, and the increase in the number of state em-
15 ployees attributable to growth in state government by that date; and

16 (3) the population estimated to be at the new capital site
17 by the relocation completion date.

18 (c) In accordance with the requirements of this subsection and
19 the requirements of (d) of this section, the corporation shall estimate
20 the cost of relocation of the state capital to the state, by determining
21 the expenditures by the state necessary for

22 (1) provision of the public facilities which will be required
23 through the relocation completion date for establishment of a functional
24 state capital in the new capital site at Willow and the public facili-
25 ties required by AS 44.06.196;

26 (2) moving the necessary personnel and offices to the new
27 capital site at Willow; and

28 (3) paying necessary costs of indemnification under
29 AS 44.08.010 - 44.08.080.

1 (d) The cost of relocation of the state capital determined under
2 (c) of this section shall be determined by deducting necessary adjust-
3 ments from the total expenditures determined under (c) of this section.
4 For purposes of this subsection, necessary adjustments include the
5 estimated revenues to be derived from the sale or lease of lands in the
6 new capital site which are to be transferred to the corporation under
7 AS 44.07.181.

8 (e) The studies and determinations of the corporation under this
9 section and under AS 44.06.196 are subject to continuing review by the
10 Capital City Development Oversight Committee to ensure compliance with
11 the provisions of AS 44.06.196 and of this section, and to ensure that
12 the estimates of cost are prepared on a reasonable and realistic basis.

13 (f) Until a majority of those voting on the proposition at the
14 1982 general election have approved the ballot proposition provided for
15 in AS 44.06.196, activities of the corporation relating to relocation
16 of the capital to the Willow site are limited to planning, design,
17 studies, and field investigations under this section and AS 44.07.121 -
18 44.07.131. The procedural requirements of AS 44.07.121 and 44.07.131
19 for the preparation of a general development plan and for specific
20 development plans do not apply to the preparation of the basic develop-
21 ment plan.

22 Sec. 44.07.121. GENERAL DEVELOPMENT PLAN. (a) Simultaneously
23 with work on the basic development plan, the corporation shall begin
24 preparation of a general development plan and preparation of a specific
25 development plan for the new capital site at Willow. The requirements
26 of AS 44.06.196 and AS 44.07.111 apply to the general development plan
27 and the specific development plan for the new capital site. The general
28 development plan shall include, but is not limited to,

29 (1) a determination of the proposed uses of land throughout

1 the entirety of the new capital site at Willow, with a general alloca-
2 tion of projected amounts and proportions of land to be devoted to
3 governmental, residential, commercial, industrial, institutional, and
4 public uses, and indicating the anticipated population and building
5 densities for the new capital site at Willow based on the proposed uses
6 of the land;

7 (2) a determination of the projected cost, number, nature,
8 and general locations of facilities, including but not limited to
9 governmental and institutional facilities relating to use of the site
10 as the new capital of the state, public transportation and major
11 arterial street systems, parks and recreational facilities, water,
12 sewer and drainage systems, electric, telephone and other energy or
13 communications systems or utilities, and health, educational and
14 community facilities, and a statement of the approximate time by which
15 the facilities described in this paragraph are to be provided;

16 (3) the approximate projected time schedule for the stages
17 of development of the new capital site at Willow with reference to both
18 the various parts of the new capital site and to the various types or
19 categories of land uses proposed;

20 (4) the projected means of financing of the facilities
21 described in (2) of this subsection, the anticipated sources of money
22 for completion of the facilities, the times at which the money shall be
23 provided, and the means by which borrowed money required to complete
24 the facilities shall be repaid; and

25 (5) any additional statements or documentation the corpora-
26 tion considers necessary or appropriate.

27 (b) The general development plan shall include a determination of

28 (1) the minimum acreage of land to be allocated for the
29 location and construction of state offices and related state facilities

1 necessary for a functional state capital, with adequate provision for
2 future growth; and

3 (2) the minimum acreage of land to be set aside and allocated
4 for parks, lakes, recreation and open space use, which, when developed,
5 shall be accessible to the general public for its use and enjoyment.

6 (c) The corporation shall hold at least one hearing in each
7 judicial district of the state to receive comments from interested
8 parties on the general development plan proposed by the corporation.
9 Each hearing shall be held in a community of the state selected by the
10 board. Public notice of a hearing under this subsection shall be given
11 by the board by publication in a newspaper of general circulation in
12 the community.

13 (d) Following the completion of public hearings, the board shall
14 approve the general development plan. The plan may be approved with or
15 without amendment. The general development plan shall be approved by
16 at least two-thirds vote of the full membership of the board upon a
17 finding that the plan is in accordance with and furthers the purposes
18 of this chapter. The general development plan shall be submitted by
19 the board to the assembly of the Matanuska-Susitna Borough and becomes
20 effective only after review and comment by the assembly. The assembly
21 shall submit its comments on the general development plan to the board
22 not later than 60 days after submission of the plan to the assembly.

23 (e) Major amendments to the general development plan may be made
24 in accordance with the same procedure set out in this section for
25 approval of the plan. Minor amendments of limited application may be
26 made without following the procedure of this section. However, when
27 adopting a minor amendment, the board shall publish notice of the
28 proposed amendment which it considers appropriate and shall invite
29 written comments on the proposed amendment before its adoption. An

1 amendment to the general development plan becomes effective on the date
2 the corporation determines. However, a major amendment may not become
3 effective without prior review and comment by the Matanuska-Susitna
4 Borough in accordance with (d) of this section.

5 Sec. 44.07.131. SPECIFIC DEVELOPMENT PLANS. (a) The corporation
6 shall prepare one or more specific development plans for the new capital
7 site at Willow. A specific development plan shall include, but is not
8 limited to,

9 (1) a description of the area to be developed;

10 (2) a detailed and specific statement of the proposed uses
11 in the area to be developed, including proposed locations of all build-
12 ings and structures;

13 (3) a general description of the land-use restrictions or
14 covenants proposed for the area to be developed;

15 (4) a map of the existing and proposed transportation and
16 utility systems in the area to be developed;

17 (5) a statement of the methods by which the property in the
18 area to be developed may be disposed of;

19 (6) a statement of the relationship between the specific
20 development plan and the general development plan; and

21 (7) any additional statements or documentation which the
22 board considers necessary or appropriate.

23 (b) A specific development plan shall be approved by the board.
24 A specific development plan becomes effective only after review and
25 comment by the assembly of the Matanuska-Susitna Borough. The assembly
26 shall submit its comments within 60 days of submission of the plan to
27 the assembly.

28 (c) Amendments to a specific development plan may be made accord-
29 ing to the procedure established in this section for approval of a

1 specific development plan.

2 (d) A specific development plan and amendments of a specific
3 development plan shall be recorded in the appropriate recording
4 district.

5 (e) A specific development plan constitutes the controlling
6 document and land use plan for the area to be developed.

7 (f) Approval of a specific development plan is an amendment to
8 the relevant portion of the general development plan. A specific devel-
9 opment plan which constitutes a substantial change from the general
10 development plan is subject to the provisions applicable to amendments
11 to the general development plan under AS 44.07.121(d) and (e).

12 Sec. 44.07.136. CAPITAL COORDINATING COMMITTEE. (a) The Capital
13 Coordinating Committee is established. The Capital Coordinating Com-
14 mittee consists of the commissioners of transportation and public
15 facilities, public safety, health and social services, environmental
16 conservation, natural resources, fish and game, labor, commerce and
17 economic development, community and regional affairs, and a representa-
18 tive of the Office of the Governor.

19 (b) The chairman of the Capital Coordinating Committee is the
20 commissioner of transportation and public facilities.

21 (c) The Capital Coordinating Committee shall ensure that a request
22 for information or an application for permit which is made by the corpo-
23 ration as required by law or regulation or by municipal ordinance is
24 processed expeditiously.

25 (d) The corporation, or the Capital Coordinating Committee and
26 the corporation acting jointly, may propose to the governor any revision
27 of procedures, laws, or regulations which it or they believe are neces-
28 sary to expedite the corporation's work.

29 Sec. 44.07.141. RELATIONSHIP OF CORPORATION, STATE, AND MUNICI-

1 PALITIES. (a) In carrying out the purposes of this chapter, the
2 corporation shall work closely with and consult and cooperate with the
3 state, the Matanuska-Susitna Borough, and the new capital city, and
4 their departments, agencies, or instrumentalities.

5 (b) All state agencies and all municipalities may give the corpo-
6 ration any assistance which the agencies and municipalities are em-
7 powered to give, and may enter into agreements with the corporation.
8 When the board requests, a governmental entity may loan to the corpora-
9 tion an officer or employee of the governmental entity which the board
10 considers necessary to assist it in carrying out its functions and
11 duties under this chapter. An officer or employee loaned to the board
12 retains the status and rights of a public employee and is compensated
13 by the governmental entity which employs the officer or employee. The
14 governmental entity may continue to exercise all of its rights as the
15 employer of the employee loaned to the corporation.

16 (c) The corporation may enter into agreements with the new capital
17 city which provide that the new capital city furnish municipal services
18 for the new capital site.

19 (d) In implementing a development plan, the corporation may enter
20 into agreements with any public agency by which the public agency shall
21 furnish facilities or services necessary or desirable for the develop-
22 ment plan.

23 (e) The corporation, on its own behalf or in its own name on
24 behalf of any person performing work in connection with the general
25 development plan or a specific development plan, may, if it considers
26 it desirable, develop and maintain a facility procurement process
27 schedule. The facility procurement process schedule shall identify the
28 dates by which reviews and approvals by state agencies and issuance of
29 necessary permits must be completed in order to allow work to proceed

1 in accordance with the general development plan.

2 (f) The corporation may submit the facility procurement process
3 schedule maintained under (e) of this section to the Capital Coordinat-
4 ing Committee.

5 Sec. 44.07.151. ACQUISITION OF REAL PROPERTY. If the corporation
6 finds that it is necessary or convenient to acquire real property, or
7 an interest in it, located inside or outside of the new capital site at
8 Willow for the pupose of providing water, sewer, road, airport, or
9 other utility or facility for the new capital site at Willow for its
10 immediate or future use, the corporation may request the state, acting
11 on behalf of the corporation, to acquire the property in any lawful
12 manner including the exercise of the power of eminent domain.

13 Sec. 44.07.161. CAPITAL CITY REVOLVING LOAN FUND. (a) There is
14 established in the Department of Revenue the capital city revolving
15 loan fund. The fund shall be financed by appropriation.

16 (b) The commissioner of revenue may make loans from the capital
17 city revolving loan fund to the corporation to plan for and develop the
18 new capital site at Willow. Loans made from the capital city revolving
19 loan fund shall be subject to the terms and conditions agreed upon
20 between the commissioner of revenue and the corporation.

21 (c) By the 14th day of each legislative session the commissioner
22 of revenue and the corporation shall provide a joint report to the
23 legislature and to the governor. The report shall include a summary of
24 the loans made from the capital city revolving loan fund during the
25 previous year and the anticipated money necessary for operations of the
26 corporation in the next year.

27 (d) The corporation may also be financed by direct appropriation
28 from the legislature.

29 Sec. 44.07.171. DISPOSITION OF PROPERTY. (a) The corporation

1 shall adopt regulations for the sale, lease, or other disposal of
2 property under this chapter. After adoption of regulations and of one
3 or more specific development plans, the corporation may sell, lease, or
4 otherwise dispose of all or a portion of the property encompassed by
5 the plans to any person, either public or private, upon the terms and
6 conditions it determines. The corporation may sell, lease, or dispose
7 of land under this section only if the board specifically finds that
8 the terms and conditions of the sale, lease, or other disposal arrange-
9 ment are in substantial conformity with the specific development plan
10 or plans. Before the sale, lease, or other disposal of property by the
11 corporation, public notice of the intention of the corporation to
12 sell, lease, or dispose of land shall be given by publication of a
13 general description of the terms at least 30 days before the proposed
14 sale, lease, or disposal in a newspaper of general circulation in each
15 judicial district of the state, by public service announcements provided
16 to newspapers and radio and television stations in each judicial
17 district of the state, and by other publication and notice which the
18 board finds is reasonable and appropriate to inform the public of the
19 proposed sale, lease, or disposal.

20 (b) A sale, lease, or other disposal of property made under a
21 negotiated contract, agreement, or lease without public bidding or
22 public sale. A sale, lease, or disposal under a negotiated contract
23 shall contain terms the corporation determines to be necessary and
24 proper for the implementation of a specific development plan if

25 (1) public notice is given in accordance with (a) of this
26 section; and

27 (2) reasons for the waiver of public bidding and public sale
28 are approved by the board and are filed at least 10 days before the
29 sale with the commissioner of commerce and economic development.

1 (c) The real property in the new capital site at Willow is not
2 subject to the provisions of the Alaska Land Act (AS 38.05) or the
3 homesite entry provisions of AS 38.08.010 - 38.08.120.

4 Sec. 44.07.181. TRANSFER OF STATE-OWNED REAL PROPERTY. If a
5 majority of those voting on the proposition in the 1982 general election
6 approve the ballot proposition as provided in AS 44.06.196, the commis-
7 sioner of natural resources and any other state official having juris-
8 diction over the conveyance or transfer of state-owned land shall,
9 within 60 days after the written request of the chairman of the corpora-
10 tion, convey to the corporation all of the state land, including land
11 under water, lying within the new capital site at Willow. The transfer
12 and conveyance shall contain reservations required by federal law and
13 the state constitution.

14 Sec. 44.07.191. CONSTRUCTION CONTRACTS. (a) The corporation
15 shall adopt regulations under this chapter establishing procedures for
16 entering into contracts for construction of facilities and improvements
17 under all or part of a development plan in accordance with the proce-
18 dures established in AS 35.15. However, if the corporation finds that
19 the procedures of AS 35.15 would unreasonably impede implementation of
20 a development plan or would otherwise be detrimental to the financial
21 objectives underlying a development plan, the corporation may enter
22 into a construction contract for all or part of a development plan
23 without public bidding. A construction contract may not be entered
24 into without public bidding unless the corporation has given public
25 notice of its intention to enter into the contract at a meeting at
26 which the proposed contract is available for inspection and an op-
27 portunity is given at the meeting for members of the public to testify
28 about the proposed contract. The corporation shall include in the
29 report required by AS 44.07.291 a statement of the circumstances

1 justifying a construction contract entered into without public bidding
2 and shall file the report with the commissioner of commerce and economic
3 development.

4 (b) A construction contract which requires the expenditure of
5 money may not be entered into by the corporation unless the corporation
6 has the money or a commitment letter.

7 Sec. 44.07.201. AUDIT OF THE CORPORATION BY LEGISLATIVE AUDITOR
8 AND LEGISLATIVE BUDGET AND AUDIT COMMITTEE. The legislative auditor
9 may examine all the accounts and books of the corporation and all other
10 records and papers relating to its financial standing. The Legislative
11 Budget and Audit Committee shall conduct an examination at least once
12 every two years. However, the Legislative Budget and Audit Committee
13 may accept an independent audit of the corporation by a certified
14 public accountant made at the request of the corporation in satisfaction
15 of the examination.

16 Sec. 44.07.211. TAX EXEMPTION. The corporation is a political
17 subdivision of the state. The assets, income, and receipts are exempt
18 from all taxes and special assessments of the state or a political
19 subdivision of the state. The interests of others in real or personal
20 property of the corporation is taxable by the Matanuska-Susitna Borough
21 and the new capital city to the extent authorized by law.

22 ARTICLE 3. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.

23 Sec. 44.07.221. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.
24 The Capital City Development Oversight Committee is established as a
25 permanent interim committee of the legislature. The establishment of
26 the committee recognizes the need of the legislature for review and
27 oversight of the planning and development of the new capital city.

28 Sec. 44.07.231. MEMBERSHIP. The committee is composed of eight
29 members, including the president of the senate, the speaker of the

1 house of representatives, one chairman of the senate finance committee
2 chosen by the president of the senate, the chairman of the house
3 finance committee, two members of the house of representatives ap-
4 pointed by the speaker of the house, and two members of the senate
5 appointed by the president of the senate. The membership from each
6 house must include a legislator who represents a district which in-
7 cludes the new capital site. The committee shall select its chairman.

8 Sec. 44.07.241. TERM OF MEMBERSHIP. (a) The committee shall be
9 organized within 15 days after the organization of each legislature.
10 Members of the committee serve for the duration of the legislature
11 during which they are appointed. If a member is reelected or his term
12 of office extends into the next succeeding legislature, he continues to
13 serve until reappointed or the appointment of his successor.

14 (b) When a member of the committee files a declaration of candi-
15 dacy for an elective office other than that of member of either house
16 of the legislature, and he has not resigned from membership on the
17 committee, his committee membership terminates on the date of filing.

18 Sec. 44.07.251. VACANCIES. When a vacancy occurs in the statutory
19 or appointive membership of the committee, the presiding officer of the
20 house incurring the vacancy shall choose a successor. If the office of
21 the president of the senate or speaker of the house of representatives
22 becomes vacant and a vacancy from the affected house occurs among the
23 membership of the committee, the remaining committee members from the
24 house incurring the vacancy shall appoint a new member.

25 Sec. 44.07.261. MEETINGS. The committee may meet during sessions
26 of the legislature and during the interim between sessions. The com-
27 mittee may meet at any time or place in the state as the chairman may
28 determine. Members of the committee may receive, for the minimum time
29 required to get to and from meetings and for the period while attending

1 meetings, the same travel and per diem allowances provided by law for
2 members of the legislature when attending sessions, except that members
3 of the committee receive no per diem during legislative sessions other
4 than the per diem allowance paid to other members of the legislature.

5 Sec. 44.07.271. POWERS. In addition to its powers and duties
6 under AS 44.07.111, the committee may

- 7 (1) organize and adopt rules for the conduct of its business;
- 8 (2) hold public hearings;
- 9 (3) require all state officials and agencies of state govern-
10 ment to give full cooperation to the committee or its staff in assem-
11 bling and furnishing requested information;
- 12 (4) prepare and distribute reports, memoranda, or other
13 materials;
- 14 (5) review all reports of the corporation and of the Legis-
15 lative Budget and Audit Committee relating to the corporation; and
- 16 (6) make recommendations to the legislature for legislative
17 action relating to the relocation, planning, and development of a
18 functional state capital in the new capital site at Willow.

19 Sec. 44.07.281. STAFF. The legislative finance division shall
20 provide reports and analyses requested by the committee. The committee
21 may hire the staff it considers necessary within the limit of the
22 budget approved by the legislature.

23 Sec. 44.07.291. DUTIES. The committee shall submit an annual
24 report to the legislature. The report shall include any considerations
25 the committee considers relevant to the planning and development of a
26 functional state capital in the new capital site at Willow and to the
27 performance of the corporation.

28 ARTICLE 4. GENERAL PROVISIONS.

29 Sec. 44.07.301. EXECUTIVE BUDGET ACT. The corporation is subject

1 to the provisions of the Executive Budget Act (AS 37.07).

2 Sec. 44.07.311. ANNUAL BUDGET. The board shall review and
3 approve, by a two-thirds vote of members of the board, the annual
4 operational and capital program and budget for the corporation and may,
5 by two-thirds vote and in accordance with AS 37.07, amend the program
6 and budget. Corporate funds may not be expended or borrowed except in
7 accordance with an approved annual operational or capital program and
8 budget. Corporate funds may not be expended except in accordance with
9 appropriations.

10 Sec. 44.07.321. ANNUAL REPORT. The corporation shall submit to
11 the governor and the Legislative Budget and Audit Committee, within
12 three months after the end of each fiscal year of the corporation, a
13 complete financial report audited by a certified public accountant or
14 firm of certified public accountants, which shows

15 (1) the receipts and expenditures of the corporation during
16 its fiscal year;

17 (2) the assets and liabilities of the corporation at the end
18 of its fiscal year, including a schedule of leases and mortgages and
19 the status of reserve, special, and other funds;

20 (3) the progress of fulfillment of the financial and economic
21 projections contained in the general development and specific develop-
22 ment plans; and

23 (4) the operations and accomplishments of the corporation
24 and any material problems encountered in implementing the development
25 plans.

26 Sec. 44.07.331. CONFLICTS OF INTEREST. (a) A director or
27 employee of the corporation may not participate in any decision of the
28 corporation in which the director or employee has a direct or indirect
29 financial interest.

1 (b) The executive director of the corporation and the directors
2 are subject to AS 39.50.

3 Sec. 44.07.341. LIMITATION OF LIABILITY. A person executing a
4 note of the corporation is not liable personally on the obligation by
5 reason of its issuance.

6 Sec. 44.07.351. TERMINATION OF THE CORPORATION. The corporation
7 terminates on

8 (1) the date on which the legislature determines that the
9 general development plan has been substantially implemented; or

10 (2) on the day the director of elections certifies that a
11 majority of those voting on the proposition in the 1982 general election
12 has rejected the ballot proposition submitted to the voters in accor-
13 dance with AS 44.06.196.

14 Sec. 44.07.500. DEFINITIONS. In this chapter, unless the context
15 requires otherwise,

16 (1) "basic development plan" means the plan prepared in
17 accordance with AS 44.07.111;

18 (2) "board" means the board of directors of the Alaska
19 Capital City Development Corporation;

20 (3) "committee" means the Capital City Development Oversight
21 Committee;

22 (4) "corporation" means the Alaska Capital City Development
23 Corporation established by AS 44.07.011;

24 (5) "facility" means any utility or infrastructure plant and
25 any system or improvement, including roads and public transportation
26 systems, parks and recreational facilities, water, sewer and drainage
27 systems, electric, telephone and other energy or communications systems
28 or utilities, and health, educational and community facilities;

29 (6) "functional state capital" means a city which has the

1 buildings, public utilities, access roads, streets, and other public
2 facilities necessary for a seat of state government to accommodate the
3 executive and legislative branches of state government, with numbers
4 and classifications of central state employees to be relocated based on
5 efficiency of state government without reducing unnecessarily the
6 numbers and classifications of state employees in Juneau;

7 (7) "general development plan" means a general land use and
8 land development plan for the new capital site at Willow prepared in
9 accordance with AS 44.07.121;

10 (8) "municipality" means a home rule or general law city or
11 borough including but not limited to the new capital city and a unified
12 municipality organized under AS 29.68.240 - 29.68.440;

13 (9) "new capital city" means the new city organized or to be
14 organized in the new capital site at Willow;

15 (10) "new capital site" or "new capital site at Willow" means
16 the area of land designated by the voters of Alaska as the new capital
17 site of the state in the 1976 general election;

18 (11) "public agency" means an officer, department, board,
19 commission, bureau, division, public corporation, agency or instru-
20 mentality of the state, the United States, or a municipality;

21 (12) "specific development plan" means a plan for the imple-
22 mentation of a phase or segment of the general development plan;

23 (13) "transitional period" means the period between the
24 effective date of this Act and the date on which the director of elec-
25 tions certifies the results of the 1982 general election.

26 * Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

27 (26) officers and employees of the Capital City Development
28 Corporation.

29 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

1 (44) Capital City Development Corporation (AS 44.07.011).

2 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

3 (52) Capital City Development Corporation (AS 44.07.011).

4 * Sec. 6. The following laws are repealed: AS 44.07.010, 44.07.020,

5 44.07.030, 44.07.040; 44.07.050, 44.07.060, 44.07.070, 44.07.080, 44.07.090,

6 44.07.100, 44.07.110, 44.07.120, 44.07.130, 44.07.140, 44.07.150, 44.07.160,

7 44.07.170, 44.07.180, 44.07.190, 44.07.200, 44.07.210, 44.07.220, 44.07.230,

8 44.07.240, 44.07.250, 44.07.260, 44.07.270, 44.07.280, 44.07.290, 44.07.300,

9 44.07.310, 44.07.320, 44.07.330, 44.07.340, 44.07.350, and 44.07.360.

10 * Sec. 7. TERMS OF FIRST PERSONS APPOINTED AS MEMBERS OF THE BOARD OF
11 DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION AFTER THE TRANSITIONAL
12 PERIOD. The governor shall appoint the five members of the Board of Direc-
13 tors of the Capital City Development Corporation under AS 44.07.021(2)(F)
14 and (G) as follows:

15 (1) one member shall serve a term of one year;

16 (2) one member shall serve a term of two years;

17 (3) one member shall serve a term of three years;

18 (4) two members shall serve terms of four years; and

19 (5) the person appointed under AS 44.07.021(2)(F) shall
20 serve a term of two years.

21 * Sec. 8. INITIAL MEETING OF BOARD OF DIRECTORS OF CAPITAL CITY DEVELOP-
22 MENT CORPORATION. The first meeting of the Board of Directors of the Capital
23 City Development Corporation shall be convened at a time and place designated
24 by the governor, and shall be held not later than 15 days after all members
25 of the board have been appointed by the governor.

26 * Sec. 9. INITIAL MEETING OF CAPITAL CITY DEVELOPMENT OVERSIGHT COM-
27 MITTEE. The first meeting of the Capital City Development Oversight Com-
28 mittee shall be convened at a time and place jointly designated by the
29 president of the senate and the speaker of the house on a date which is not

1 later than 15 days after the effective date of this Act.

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FRANK COMMITTEE STATEMENT OUTLINE

CB Bettisworth
one of 3 authors
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The FRANK Committee opposes SB 86 and the amendments to that bill presently being considered by the House Finance Committee for the reasons that it removes from the initiative the requirement that the full cost of capital relocation be disclosed and it deletes the requirement that the people vote on the full costs or all bondable costs. Additionally, the proposed amendments fail to specify realistic standards for determination of a functional capital city and would impose a time limitation for the move as well as the period for which costs would be determined which are totally unrealistic.

The specific points in the bill to which the FRANK Committee takes exception are:

1. Total costs would not be disclosed
2. Changes relocation date from 1992 to 1990 when the Capital Site Planning Commission recognized the need for at least a 15-year construction and relocation period.
3. Vests planning and development in the Capital Development Corporation
4. Permits the Capital Development Corporation to dictate the requirements of the legislative, executive and judicial branches of government for a functional city
5. The Capital Development Corporation would have unlimited authority to expend state funds without appropriation. See Sec. 44.07.100 (12) (14) (15)
6. The Capital Development Corporation would not be required to abide by any of the land disposition laws applicable to state land
7. Would duplicate the planning already accomplished by the Capital Site Planning Commission without adequate limits and guidelines from the legislature
8. No identification of "net costs" upon which the people will be asked to vote

Page 1, Sec. 1

Add at the end of Sec. 44.06.196 (a) the following:

Either the ballot proposition or the official explanation of it to be forwarded to voters shall contain an estimate of the numbers of central state employees likely to be relocated from Juneau and from Anchorage.

Q JV

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 86 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of the state capital, and
7 repealing and reenacting the law enacted by the
8 initiative popularly known as the 'FRANK Initiative'
9 to provide for the determination of the costs of
0 capital relocation; and repealing and reenacting
1 AS 44.07, the Alaska Capital City Development
2 Corporation law.

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

4 *Section 1. AS 44.06.196 is repealed and reenacted to read:

5 Sec. 44.06.196. CAPITAL RELOCATION EXPENDITURES. (a) Except for planning,
6 design, studies and field investigations, state money may be expended
7 to relocate the state capital from its present location to the new capital
8 site at Willow only after a majority of those voting on the proposition
9 at the 1982 general election has approved a ballot proposition which includes
0 the cost to the state of providing for completion of relocation of a
1 functional state capital at the new capital site at Willow as outlined in
2 this section.

3 (b) To assist the legislature in determining the type of ballot
4 proposition to be presented to the voters, the Alaska Capital City Development
5 Corporation shall

6 (1) prepare a development plan and estimates of costs in
7 accordance with the guidelines in AS 44.07.110 and this section;

1 (2) estimate the cost of providing the public facilities required in
2 Juneau in the absence of relocation, on a basis comparable to that for the new
3 capital site at Willow;

4 (3) study and make recommendations as to the numbers and classifica-
5 tions of central state employees to be relocated, based on efficiency of state
6 government without reducing unnecessarily the numbers and classifications of state
7 employees in Juneau.

8 The plan and estimates of costs together with the recommendations shall be pre-
9 sented to the legislature for appropriate action by April 15, 1982.

10 (c) In this section:

11 (1) "Functional state capital" means a city which has the necessary
12 buildings, public utilities, access roads, streets and other public facilities
13 necessary for a seat of state government to accommodate the executive and
14 legislative branches of state government, with numbers and classifications of
15 central state employees to be relocated based on efficiency of state government
16 without reducing unnecessarily the numbers and classifications of state employees
17 in Juneau.

18 (2) "Alaska Capital City Development Corporation" means the
19 corporation established under AS 44.07.

20 (3) "Central state employees" means employees principally involved in
21 matters which concern statewide, as opposed to regional or local, activities
22 of the state government.
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*Section 2. AS 44.07 is repealed and reenacted to read:

1 Chapter: 07. Alaska Capital City Development Corporation.

2 Article 1. Establishment of Corporation; Powers.

3 Sec. 44.07.010. Alaska capital city development corporation. There
4 is created the Alaska Capital City Development Corporation. The corporation
5 is a public corporation and governmental instrumentality of the state within
6 the Department of Commerce and Economic Development but has a legal existence
7 independent of and separate from the state. The exercise by the corporation
8 of the powers conferred by this chapter is considered an essential governmental
9 function of the state.

0 Sec. 44.07.020. Board of directors. (a) The corporation is governed by
1 a board of directors which consists of eleven members.

2 (1) During the transition period until the 1982 general election,
3 the membership of the board of directors, all of whom shall have voting privi-
4 leges, shall consist of the following:

5 (A) the following five ex officio members, or their designees:
6 the Commissioner of Commerce and Economic Development, the mayor of the Matanuska-
7 Susitna Borough, the mayor of the City and Borough of Juneau, the mayor of the
8 City of Fairbanks and the mayor of the Municipality of Anchorage;

9 (B) persons appointed by the governor under AS 44.06.210(a)(1),
10 (2) and (5) who, on May 1, 1981, were physically present in the state and were
11 members of the New Capital Site Planning Commission (AS 44.06.200 - 44.06.260);

12 (C) the additional members required to complete the membership
13 of the board of directors, who shall be appointed by the governor. Depending
14 upon the number of vacancies to be filled, they shall include a civil engineer
15 registered in Alaska, a real estate broker licensed in Alaska, who shall have
16 extensive experience in the state, and a person who is a resident of the
17 election district in which the new capital site at Willow is located. Appointed
18 members shall be confirmed by a majority of the members of the legislature in
19 joint session. Members of the board of directors who serve during the
20 transition period may be reappointed.
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1 (2) After the transition period, six ex officio members or their
2 designees shall serve as directors with voting privileges, namely:

3 (A) the Commissioner of Commerce and Economic Development,

4 (B) the mayor of the Matanuska-Susitna Borough,

5 (C) the mayor of the City and Borough of Juneau,

6 (D) the mayor of the City of Fairbanks,

7 (E) the mayor of the Municipality of Anchorage, and

8 (F) the mayor of the new capital city when one shall have been
9 elected by the voters. The governor shall appoint as a director to serve until
10 a mayor shall have been elected a person who is a resident of the election
11 district in which the new capital site at Willow is located.

12 Five additional directors shall be appointed by the governor, and all
13 appointed directors shall be confirmed by a majority of the members of the
14 legislature in joint session. The appointed members shall include a civil
15 engineer registered in Alaska and a real estate broker licensed in Alaska,
16 who shall have extensive experience in the state.

17 (3) Directors shall be appointed or designated with due regard
18 to their expertise in areas relevant to public and private planning, develop-
19 ment, finance, marketing and the general public interest. They shall be
20 residents and qualified voters of the state. No appointed directors may be
21 full-time elected or appointed employees or officials of the state or of any
22 municipality. A state legislator may not be appointed or serve.

23 (b) The board shall elect a chairman and a vice-chairman from among
24 its members. The chairman shall call the initial meeting of the board of
25 directors within 15 days after taking office.

26 Sec. 44.07.030. Term of office. Following the transition period,
27 appointed directors serve for terms of four years. Terms shall be staggered.
28 Initial terms shall be one member serving for one year, one for two years,

29 one for three years and two for four years. An appointee to fill a

1 vacancy shall hold office for the balance of the term for which his pre-
2 decessor on the board was appointed.

3 Sec. 44.07.040. Quorum. (a) A majority of the directors of the
4 corporation constitutes a quorum for the transaction of business and the exer-
5 cise of the powers and duties of the board unless otherwise required by this
6 chapter.

7 (b) A vacancy on the board does not impair the authority of a quorum of
8 the board to exercise the powers and perform all the duties of the board.

9 Sec. 44.07.050. Compensation of directors. Directors other than
10 state employees are entitled to receive \$200 per day for each meeting day if
11 they attend the meeting and for each additional day of service performed
12 for the corporation which is authorized pursuant to rules adopted by the
13 board of directors. Directors are entitled to per diem and travel
14 allowances as provided by law for members of state boards and commissions,
15 subject to the provisions of AS 44.07.140(b).

16 Sec. 44.07.060. Employment of personnel. (a) The board shall
17 appoint and determine the salary of a person to serve at the pleasure of the
18 board as executive director. The executive director is the chief executive
19 officer of the corporation. The executive director may not be a member of
20 the board of directors of the corporation.

21 (b) The board of directors may appoint and determine the salary of
22 other officers specified in the bylaws of the corporation, with the powers
23 and duties as set out in the bylaws.

24 (c) The executive director, with the approval of and in accordance
25 with rules promulgated by the board of directors, may employ additional
26 staff, and may retain others considered necessary or appropriate to carry
27 out the purposes of the corporation.

28 (d) Officers and employees of the corporation are in the exempt service
29 under AS 39.25.

1 (e) Consultants and contractors shall be hired in accordance with the
2 provisions of AS 36.10 010 except where compliance would in the judgment of
3 the board impede, hamper or delay the scheduled preparation or implementa-
4 tion of a development plan.

5 Sec. 44.07.070. Other employment of directors permitted: A director
6 may hold any position of public or private employment, except as provided
7 in AS 44.07.020(a), while serving on the board of directors.

8 Sec. 44.07.080. Meetings. (a) Meetings of the board of directors
9 are governed by the provisions of AS 44.62.310 and 44.62.312; in all other
10 respects the Administrative Procedure Act (AS 44.62) applies to this
11 chapter. The corporation may establish procedures providing for
12 meeting or for participation in a meeting by any absent director by
13 simultaneous telephone communication to take necessary action when, in
14 the judgment of the chairman, weather or other conditions make a meeting
15 in person difficult or impossible to conduct. Any such meeting has the
16 same legal force and effect as a meeting in person.

17 (b) The board shall establish procedures providing for newspaper
18 publication and other notice of all meetings sufficient to inform the
19 public adequately of the subject matter proposed to be acted on and shall
20 establish procedures providing for public participation at its meetings.

21 Sec. 44.07.090. Regulations. (a) The board may adopt, amend and
22 repeal regulations in accordance with AS 44.62.

23 (b) The board shall make available to members of the public copies
24 of the corporation's regulations and shall file copies of the regulations
25 in the office of the lieutenant governor within 10 days following any action
26 taken on the regulations.

27 (c) The adoption, amendment or repeal of regulations by the board is
28 subject to review in accordance with AS 24.20.400 - 24.20.460 and AS
29 44.62.320.

1 Sec. 44.07.100. Powers of the corporation. In addition to other
2 powers granted by law and for the purpose of providing for the development
3 of the new capital site, the corporation may

4 (1) sue and be sued;

5 (2) adopt and alter an official seal;

6 (3) adopt, amend or repeal bylaws and procedures for the develop-
7 ment of its programs, operations, properties and facilities;

8 (4) enter into contracts and other instruments necessary or con-
9 venient for the exercise of its powers under this chapter;

10 (5) acquire, hold, use, lease, mortgage, sell or otherwise encumber
11 or dispose of property of any kind, real, personal or mixed, or any interest
12 in it in the new capital site at Willow;

13 (6) establish terms and conditions for the acquisition or disposal
14 of its property;

15 (7) prepare or contract for the preparation of studies, analyses,
16 specifications, designs and estimates of cost for the construction, development,
17 reconstruction or improvement of any property within the new capital site at
18 Willow;

19 (8) manage or contract for the management of all or any part of
20 a development program or programs in the new capital site at Willow;

21 (9) open streets and other public rights-of-way and provide for
22 facilities or services in connection with any development program;

23 (10) charge and collect fees and charges for the use of
24 facilities or services, and cause the fees and charges to become a lien
25 on and run with the land and bind all future owners of the land by means
26 of covenants affecting the property which are recorded in the appropriate
27 recording district; the covenants may also provide that taxes imposed by a
28 municipality can be credited against the fees and charges to the extent and
29 upon any terms that are set out in the covenants;

1 (11) adopt or impose land use and building restrictions, architec-
2 tural, design, and land use controls through covenants, declarations, or
3 otherwise in furtherance of the purpose of this chapter on any real property
4 owned by the corporation; include the restrictions or controls in contracts,
5 conveyances and agreements; and cause the restrictions and controls, cove-
6 nants or declarations to run with the land and bind all future owners of the
7 land by filing them for record in the appropriate recording district subject
8 to AS 29.18.580.

9 (12) plan, finance, develop, acquire, construct, reconstruct, im-
10 prove, operate, maintain, sell or otherwise dispose of structures, appurtenances,
11 systems and facilities in the new capital site at Willow under contractual or
12 other arrangements in connection with any specific development plan, or
13 with the purposes of this chapter;

14 (13) survey the real property within the new capital site at
15 Willow; undertake geological, environmental and other similar studies and
16 analyses of the property; and gather and disseminate all relevant informa-
17 tion pertaining to the suitability of any portion of the new capital site
18 at Willow for various land uses;

19 (14) make contracts, incur liabilities, and borrow money from
20 the capital city revolving loan fund, and through general obligation bonds
21 and revenue bonds issued on behalf of the corporation by the state bond
22 committee;

23 (15) obtain insurance or bond against any losses from insurers
24 authorized to do business in the state as it considers desirable;

25 (16) accept gifts or grants from any source subject to AS 37.07;

26 (17) enter into agreements with any public agency to carry out
27 the purposes of this chapter;

28 (18) enter into agreements to pay annual sums in lieu of taxes to
29 a municipality in respect of any real property which is owned by the

1 corporation and which is exempt from taxation under this chapter; and

2 (19) do any and all things necessary and proper to carry out the
3 purposes of this chapter and exercise the powers granted in this chapter.

4 Article 2. Capital City Development Plans, Property, Municipal Agreements
5 and Contracts.

6 Sec. 44.07.110. Basic development plan and estimates of costs. (a)
7 The corporation shall prepare a basic development plan for the establishment
8 of a functional state capital in the new capital site at Willow to meet the
9 requirements of AS 44.06.196 and of this section. It may utilize the basic
10 data, studies and investigations of the New Capital Site Planning Commis-
11 sion, AS 44.06.200, as it deems appropriate, but shall not be bound by
12 the limitations of and requirements for planning specified in AS 44.06.200
13 to 44.06.260.

14 (b) The corporation shall determine the following:

15 (1) the relocation completion date which is the earliest practical
16 date not later than December 31, 1990 by which a functional state capital
17 can be established in the new capital site at Willow;

18 (2) the number of state employees estimated to be at the new
19 capital site by the relocation completion date, including those likely to
20 have been relocated, and the increase attributable to growth in state govern-
21 ment;

22 (3) the population estimated to be at the new capital site by
23 the relocation completion date.

24 (c) The corporation shall also estimate the cost of relocation
25 to the state on the basis of the guidelines outlined in this subsection.
26 It shall determine
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29

1 (1) the expenditures by the state necessary for:

2 (A) provision of the public facilities which will be
3 required through the relocation completion date for establishment of a
4 functional state capital in the new capital site at Willow, as defined in
5 AS 44.06.196;

6 (B) moving the necessary personnel and offices to the new
7 capital site at Willow;

8 (C) necessary indemnification costs under AS 44.08.010 -
9 44.08.080.

0 (2) the cost to the state shall be determined by deducting from
1 the total expenditures determined under subsection (c) (1) of this section
2 necessary adjustments including the estimated revenues to be derived from
3 the sale or lease of lands in the new capital site which are to be trans-
4 ferred to the corporation under AS 44.07.180.

5 (d) The studies and determinations of the corporation under this
6 section and AS 44.06.196 are subject to continuing review by the Capital
7 City Development Oversight Committee (AS 44.07.220) to ensure compliance
8 with the provisions of AS 44.06.196 and of this section, and to ensure that
9 the estimates of cost are prepared on a reasonable and realistic basis.

10 (e) The procedural requirements of sections 44.07.120 and 44.07.130
11 for the general development plan and for specific development plans shall
12 not apply to the basic development plan.

13 (f) Until a majority of those voting on the proposition at the 1982
14 general election has approved the ballot proposition provided for in AS
15 44.06.196, activities of the corporation relating to relocation of the
16 capital to the Willow site shall be limited to planning, design, studies
17 and field investigations under this section and sections 44.07.120 and
18 44.07.130.
19

1 Sec. 44.07.120. General development plan; formulation and procedure for
2 obtaining approval of development plans. (a) Simultaneously with work on the
3 basic development plan, the corporation shall commence preparation of a general
4 development plan and of a specific development plan for the new capital site
5 at Willow, using the criteria outlined in AS 44.06.196 and AS 44.07.110. The
6 general development plan shall include but not be limited to a determination and
7 statement of the following elements:

8 (1) the proposed uses of land throughout the new capital site at
9 Willow as a whole with a general allocation of projected amounts and propor-
10 tions of land to be devoted to governmental, residential, commercial, indus-
11 trial, insitutional and public uses, indicating the anticipated population and
12 building densities for the new capital site at Willow based upon the proposed
13 mix of such land uses;

14 (2) the projected cost, number, nature and generalized locations
15 of facilities, including but not limited to, governmental and institutional
16 facilities relating to the functioning of the site as the new capital of the
17 state, public transportation and major arterial street systems, parks and
18 recreational facilities, water, sewer and drainage systems, electric, tele-
19 phone and other energy or communications systems or utilities, and health,
20 educational and community facilities, and a statement of the method and
21 approximate time period by which the facilities described in this paragraph
22 are to be provided;

23 (3) the approximate projected time schedule for the stages of
24 development of the new capital site at Willow, both as to various parts of
25 the new capital site and as to the various types or categories of land uses
26 proposed;

27 (4) the projected means of financing of the facilities referred
28 to in (2) of this subsection, the anticipated sources of funds necessary,
29 the times at which the funds shall be provided, and the means by which

1 borrowed money shall be repaid;

2 (5) additional statements or documentation as the corporation considers
3 necessary or appropriate.

4 (b) The general development plan shall include a determination of the minimum
5 acreage of land to be allocated for the location and construction of state offices
6 and related state facilities necessary for a functional state capital, with ade-
7 quate provision for future growth, and the minimum acreage of land to be set aside
8 and allocated for parks, lakes, recreation and open space use, which, when developed,
9 shall be accessible to the general public for its use and enjoyment.

10 (c) The corporation shall hold at least one hearing in each judicial
11 district of the state to receive comments from interested parties on the general
12 development plan proposed by the corporation. Each hearing shall be held in a
13 community of the state selected in the discretion of the board after adequate
14 public notice by publication in a newspaper of general circulation in the com-
15 munity before the commencement of the hearing.

16 (d) Following the completion of public hearings, the board of directors
17 shall adopt the general development plan, which may be approved, with or without
18 amendment, by at least two-thirds vote of the full membership of the board and upon
19 a finding that the general development plan is in accordance with and furthers the
20 purposes of this chapter. The general development plan becomes effective only
21 after review and comment by the assembly of the Matanuska-Susitna Borough.
22 Comment from the assembly must be submitted within 60 days of submission of the
23 plan to the assembly.

24 (e) Major amendments to the general development plan may be made pursuant
25 to the same procedure as is set forth in this section for approval of the general
26 development plan. Minor amendments of limited application may be made without
27 following that procedure, provided that the corporation shall publish notice of
28 the proposed amendments as it considers appropriate and invite written comments
29 thereon prior to adoption of the amendment. Amendments to the general development

1 shall be effective on the date the corporation determines which, in the case of major
2 amendments, must be after review and comment by the Matanuska-Susitna Borough.

3 Sec. 44.07.130. Preparation and adoption of specific development plans. (a)

4 The corporation shall prepare one or more specific development plans which shall in-
5 clude, but not be limited to, the following elements:

6 (1) a description of the area to be developed;

7 (2) a detailed and specific statement of the proposed uses within
8 the area to be developed, including proposed general locations of all buildings and
9 structures;

10 (3) a general description of the land use restrictions or covenants to
11 be placed on the area to be developed;

12 (4) a map of the existing and proposed transportation and utility systems
13 within the area;

14 (5) a statement of the methods by which the property within the area may
15 be disposed of;

16 (6) a statement of the relationship between the specific development plan
17 and the general development plan; and

18 (7) additional statements or documentation as the board considers necessary
19 or appropriate.

20 (b) Each specific development plan shall be approved by the board of directors.
21 A specific development plan becomes effective only after review and comment by the
22 assembly of the Matanuska-Susitna Borough. Comment from the assembly must be sub-
23 mitted within 60 days of submission of the plan to the assembly. A specific develop-
24 ment plan shall constitute the controlling document and land use plan for the area
25 to be developed. Any specific development plan constituting a substantial change
26 from the general development plan shall be subject to the same provisions that are
27 applicable to amendments to the general development plan under AS 44.07.120(d) and
28 (e) of this chapter. Approval of a specific development plan is an amendment to the
29 relevant portion of the general development plan.

1 (c) Amendments to a specific development plan may be made according to the
2 procedure established in this section for approval of a specific development plan.

3 Sec. 44.07.140. Relationship of corporation, the state and municipalities. (a)
4 In carrying out the purposes of this chapter, the corporation shall work closely with,
5 consult and cooperate with the state, the Matanuska-Susitna Borough, and the new
6 capital city, and their departments, agencies or instrumentalities.

7 (b) All state agencies and all municipalities may extend to the corporation,
8 with or without consideration, any assistance which they are empowered to render or
9 perform and enter into agreements with the corporation. Upon the corporation's
10 request, any governmental entity may loan to the corporation any officers and em-
11 ployees the corporation considers necessary to assist the corporation in carrying
12 out its functions and duties under this chapter. Officers and employees so loaned
13 retain their status and rights as public employees and are compensated by their
14 employing agency which shall continue to exercise all of its rights as employer.

15 (c) The corporation may enter into agreements with the new capital city
16 which provide that the new capital city furnish municipal services for the new
17 capital site.

18 (d) In implementing the development plan, the corporation may enter into
19 contractual agreements with any public agency for the furnishing of any facili-
20 ties or services necessary or desirable for the development plan.

21 (e) The corporation, on its own behalf or in its own name on behalf of any
22 person performing work in connection with the general development plan or a
23 specific development plan may, if it deems it desirable, develop and keep current
24 by periodic revision a facility procurement process schedule. The schedule shall
25 identify the dates by which reviews and approvals by state agencies, and issuance
26 of necessary permits, must be completed in order to allow work to proceed in
27 accordance with the plan.

28 (f) The corporation, if it deems it desirable to expedite its work, may
29 submit the facility procurement process schedule to the Capital Coordinating

1 Committee, which consists of the commissioners of transportation and public facilities,
2 public safety, health and social services, environmental conservation, natural re-
3 sources, fish and game, labor, commerce and economic development, community and re-
4 gional affairs, and a representative of the Office of the Governor. The chairman of
5 the committee shall be the commissioner of transportation and public facilities. The
6 committee, with the cooperation of the corporation, shall ensure that submissions made
7 by the corporation as required by statute, codes, and regulations are processed
8 expeditiously. The committee and the corporation, or the corporation itself, may
9 propose to the governor revision of procedures, statutes, codes or regulations
10 when necessary to expedite the corporation's work.

11 (g) The specific development plan and any amendments shall be recorded in
12 the appropriate recording district.

13 Sec. 44.07.150. Acquisition of real property. Upon making a finding that
14 it is necessary or convenient to acquire any real property, or an interest in it,
15 located within or outside of the new capital site at Willow, for the purpose of
16 providing water, sewer, road, airport or other utility or facility for the new
17 capital site at Willow, for its immediate or future use, the corporation may re-
18 quest the state, acting on behalf of the corporation, to acquire the property in
19 any lawful manner, including the exercise of the power of eminent domain.

20 Sec. 44.07.160. Capital city revolving loan fund; appropriations. (a)
21 There is established within the Department of Revenue the Capital City Revolving
22 Loan Fund. The fund shall be funded by appropriation.

23 (b) The commissioner of revenue may make loans from the fund to the
24 corporation for the purpose of planning for and development of the new capital
25 site at Willow. Loans made from the fund shall be subject to the terms and con-
26 ditions agreed upon between the commissioner and the corporation.

27 (c) No later than the 14th day of each legislative session the commissioner
28 and the corporation shall provide a joint report to the legislature and to the
29 governor. The report shall include a summary of the loans made during the previous

1 year and the anticipated funds necessary for operations of the corporation in the next
2 year.

3 (d) Funding for the corporation may also be by direct appropriation from the
4 legislature.

5 Sec. 44.07.170. Disposition of property. (a) The corporation shall adopt
6 regulations for the sale, lease or other disposal of property under this chapter.
7 After adoption of regulations and of one or more specific development plans, the cor-
8 poration may sell, lease or otherwise dispose of, all or any portion of the property
9 encompassed by the plans to any person, either public or private, upon the terms and
0 conditions it determines but only if the board of directors specifically finds that
1 the terms and conditions of the sale, lease or other disposal arrangement are in sub-
2 stantial conformity with the plans. Before the sale, lease or other disposal of any
3 property by the corporation, public notice of the intention of the corporation to do
4 so shall be given by publication of a general description of the terms at least 30
5 days before the sale, lease or disposal in a newspaper of general circulation in
6 each judicial district of the state and by public service announcements provided to
7 newspapers and radio and television stations in each judicial district of the state
8 and by other publication and notice reasonable and appropriate to inform the public
9 of the sale, lease or disposal.

10 (b) Any sale, lease or other disposal of property may be made without public
11 bidding or public sale, under a negotiated contract, agreement or lease and con-
12 taining terms the corporation determines to be necessary and proper for the implemen-
13 tation of a specific development plan if

14 (1) public notice is given in accordance with (a) of this section; and

15 (2) reasons for the waiver of public bidding and public sale are
16 approved by the board of directors and are filed at least 10 days before the
17 sale with the commissioner of commerce and economic development.

18 (c) The real property in the new capital site at Willow is not subject to
19 the provisions of the Alaska Land Act (AS 38.05) or the homesite entry provisions

1 of AS 38.08.010 to 38.08.120.

2 Sec. 44.07.180. Transfer of state-owned real property. Provided that a
3 majority of those voting on the proposition in the 1982 general election approve
4 the ballot proposition provided for in AS 44.06.196, the commissioner of natural
5 resources and any other state official having jurisdiction over the conveyance
6 or transfer of state-owned land shall, within 60 days after the written request
7 of the chairman of the corporation, convey to the corporation all of the state
8 land, including land under water, lying within the new capital site at Willow.
9 The transfer and conveyance shall contain reservations required by federal law and
0 the Alaska constitution.

1 Sec. 44.07.190. Construction contracts. (a) The corporation shall adopt
2 regulations under this chapter establishing procedures for entering into contracts
3 for construction of facilities and improvements pursuant to all or any part of any
4 development plan in accordance with the procedures established in AS 35.15. No
5 construction contract may be entered into requiring the expenditure of funds unless
6 the funds or a commitment letter are in the hands of the corporation.

7 (b) Notwithstanding the provisions of (a) of this section or any other law,
8 the corporation may adopt regulations providing that it may, when it finds that
9 the bid process of (a) of this section would unreasonably impede implementation of
10 a development plan or would otherwise be detrimental to the financial objectives
11 underlying the development plan, enter into a construction contract for all or
12 any part of a development plan without public bidding. No contract under this
13 subsection except contracts for personal services or contracts involving the
14 expenditure of less than \$20,000 may be entered into unless the corporation has
15 given public notice of its intention to enter into the contract at a meeting
16 at which the proposed contract is available for inspection and an opportunity for
17 members of the public to be heard is afforded. The corporation shall include in
18 the report required by AS 44.07.290 a statement of the circumstances justifying
19 a contract entered into under the authority of this subsection and shall file
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1 the report with the commissioner of commerce and economic development.

2 Sec. 44.07.200. Money of the corporation. The legislative auditor may examine
3 all the accounts and books of the corporation and all other records and papers relating
4 to its financial standing. The Legislative Budget and Audit Committee shall conduct
5 an examination at least once every two years or may accept an independent audit of
6 the corporation by a firm of certified public accountants made at the request of the
7 corporation in satisfaction of the examination requirement.

8 Sec. 44.07.210. Tax exemption. The interest of the corporation in the real
9 and personal property of the corporation and its assets, income and receipts are
10 declared to be property of a political subdivision of the state and shall be exempt
11 from all taxes and special assessments of the state or a political subdivision of
12 the state. The interest of others in real or personal property of the corporation
13 is taxable by the Matanuska-Susitna Borough and the new capital city to the extent
14 authorized by law.

15 Article 3. Capital City Development Oversight Committee.

16 Sec. 44.07.220. Capital city development oversight committee established.
17 The Capital City Development Oversight Committee is established as a permanent interim
18 committee of the legislature beginning with the Twelfth Legislature. The establishment
19 of the committee recognizes the need of the legislature for review and oversight of
20 the planning and development of the new capital city.

21 Sec. 44.07.230. Membership. The committee is composed of eight members:
22 the president of the senate, the speaker of the house of representatives, one chairman
23 of the senate finance committee chosen by the president of the senate, the chairman
24 of the house finance committee, and two members from each house appointed by the
25 respective presiding officers. The membership from each house must include a
26 member who represents a district which includes the new capital site. The committee
27 shall select its own chairman.

28 Sec. 44.07.240. Term of membership. (a) The committee shall be organized
29 within 15 days after the organization of each legislature. The original committee

1 shall be organized within 15 days after the effective date of this act. Members serve
2 for the duration of the legislature during which they are appointed. If a member is
3 reelected or his term of office extends into the next succeeding legislature, he con-
4 tinues to serve until reappointed or the appointment of his successor.

5 (b) When a member of the committee files a declaration of candidacy for an
6 elective office other than that of member of either house of the legislature, and
7 he has not resigned from membership on the committee, his committee membership termi-
8 nates on the date of filing.

9 Sec. 44.07.250. Vacancies. When a vacancy occurs in the statutory or appoin-
10 tive membership of the committee, the presiding officer of the house incurring the
11 vacancy shall choose a successor. If the office of the president of the senate or speaker
12 of the house of representatives becomes vacant and a vacancy from the affected house
13 occurs among the membership of the committee, the remaining committee members from
14 the house incurring the vacancy shall appoint a new member.

15 Sec. 44.07.260. Meetings. The committee may meet during sessions of the
16 legislature and during the interim between sessions at such times and places in the
17 state as the chairman may determine. Members may receive, for the minimum time
18 required to get to and from meetings and for the period while attending meetings,
19 the same travel and per diem allowances provided by law for members of the legis-
20 lature when attending sessions, except that members of the committee receive no
21 per diem during legislative sessions other than the per diem allowance paid to
22 other members of the legislature.

23 Sec. 44.07.270. Powers. In addition to its powers and duties under AS
24 44.07.110, the committee has the power to

- 25 (1) organize and adopt rules for the conduct of its business;
26 (2) hold public hearings;
27 (3) require all state officials and agencies of state government to
28 give full cooperation to the committee or its staff in assembling and furnishing
29 requested information;

1 (4) prepare and distribute reports, memoranda, or other materials;

2 (5) review all reports of the corporation and of the Legislative Budget
3 and Audit Committee relating to the corporation;

4 (6) make recommendations for legislative action relating to the reloca-
5 tion, planning and development of a functional state capital in the new capital site
6 at Willow.

7 Sec. 44.07.280. Staff. The legislative audit division and the legislative
8 finance division shall provide audits, reports and analyses requested by the com-
9 mittee. The committee may hire and determine the salary of the staff it considers
0 necessary within the limit of the budget approved by the legislature.

1 Sec. 44.07.290. Duties. The committee shall report to the legislature annually.
2 The report shall include any considerations the committee considers relevant to the
3 planning and development of a functional state capital in the new capital site at
4 Willow and to the performance of the corporation.

5 Article 4. General Provisions.

6 Sec. 44.07.300. Executive Budget Act. The corporation is subject to the pro-
7 visions of the Executive Budget Act (AS 37.07).

8 Sec. 44.07.310. Annual budget. The board of directors shall review and
9 approve, by a two-thirds vote of members of the board, the annual operational and
10 capital program and budget for the corporation and may, by two-thirds vote, and in
11 accordance with AS 37.07 amend the program and budget. No corporate funds may be
12 expended or money borrowed except in accordance with an approved annual operational
13 or capital program and budget, as the same may be amended; and no corporate funds
14 may be expended except in accordance with appropriations.

15 Sec. 44.07.320. Annual report. The corporation shall submit to the governor
16 and the Legislative Budget and Audit Committee, within three months after the end of
17 the corporation's fiscal year, a complete financial report audited by a certified
18 public accountant or firm of certified public accountants, which shows

19 (1) its receipts and expenditures during its fiscal year;

1 (2) its assets and liabilities at the end of its fiscal year, including
2 a schedule of its leases and mortgages and the status of reserve, special and other
3 funds;

4 (3) the progress of fulfillment of the financial and economic projections
5 contained in the general development and specific development plans; and

6 (4) its operations and accomplishments and any material problems en-
7 countered in implementing the development plans.

8 Sec. 44.07.330. Conflicts of interest. (a) No director or employee of the
9 corporation may participate in any decision of the corporation in which he has
0 a direct or indirect financial interest.

1 (b) The executive director and members of the board of directors are subject
2 to AS 39.50.

3 Sec. 44.07.340. Limitation of liability. No person executing a note of the
4 corporation is liable personally on such obligations by reason of their issuance.

5 Sec. 44.07.350. Termination of the corporation. The existence of the corpora-
6 tion shall terminate upon the occurrence of either of the following events:

7 (1) the determination by the legislature that the general development
8 plan has been substantially implemented;

9 (2) 90 days after certification that a majority of those voting on the
10 proposition in the 1982 general election has rejected the ballot proposition provided
11 for in AS 44.06.196.

12 Sec. 44.07.360. Definitions. In this chapter, unless the context requires
13 otherwise,

14 (a) "basic development plan" means the plan prepared pursuant to AS 44.07.110;

15 (b) "board" means the board of directors of the Alaska Capital City Develop-
16 ment Corporation;

17 (c) "corporation" means the Alaska Capital City Development Corporation
18 created by AS 44.07.010;

19 (d) "facility" means any utility or infrastructure plant and any system or
20

1 improvement, including roads and public transportation systems, parks and re-
2 creational facilities, water, sewer and drainage systems, electric, telephone and
3 other energy or communications systems or utilities and health, educational and
4 community facilities;

5 (e) "functional state capital" means a city which has the necessary buildings,
6 public utilities, access roads, streets and other public facilities necessary
7 for a seat of state government to accommodate the executive and legislative branches
8 of state government, with numbers and classifications of central state employees to
9 be relocated based on efficiency of state government without reducing unnecessarily
0 the numbers and classifications of state employees in Juneau;

1 (f) "general development plan" means a general land use and land development
2 plan for the new capital site at Willow which contains the elements set out in
3 AS 44.07.120;

4 (g) "municipality" means a home rule or general law city or borough including
5 but not limited to the new capital city and a unified municipality organized under
6 AS 29.68.240 - 29.68.440;

7 (h) "new capital city" means the new city organized or to be organized in the
8 new capital site at Willow;

9 (i) "new capital site" or "new capital site at Willow" means the area of land
10 designated by the voters of Alaska as the new capital site of the state in the 1976
11 general election.

12 (j) "private firm" means any private person, partnership, corporation, founda-
13 tion, trust or other business entity whether organized for profit or not for profit;

14 (k) "public agency" means any officer, department, board, commission, bureau,
15 division, public corporation, agency or instrumentality of the state, the United
16 States, or any municipality; and

17 (l) "specific development plans" means the various plans for the
18 implementation of each phase or segment of the general development plan.

Original sponsors: Kerttula, Dankworth,
Stimson, et al

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 86 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to relocation of the state capital:
7 repealing and reenacting the law enacted by the initia-
8 tive popularly known as the 'FRANK Initiative' to
9 provide for the determination of the costs of capital
10 relocation, and repealing and reenacting laws estab-
11 lishing the Alaska Capital City Development Corporation
12 and the Capital City Development Oversight Committee."

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

14 * Section 1. AS 44.06.196 is repealed and reenacted to read:

15 Sec. 44.06.196. CAPITAL RELOCATION EXPENDITURES. (a) Except for
16 money used for planning, design, studies, and field investigations,
17 state money may be expended to relocate the state capital from its
18 present location to the new capital site at Willow only after a majority
19 of those voting on the proposition at the 1982 general election have
20 approved a ballot proposition which includes the cost to the state of
21 providing for completion of relocation of a functional state capital at
22 the new capital site at Willow as provided in this section. Either the
23 ballot proposition or the official explanation of the ballot proposition
24 provided to voters shall contain an estimate of the number of central
25 state employees likely to be relocated from Juneau and from Anchorage
26 to the new capital site at Willow.

27 (b) To assist the legislature in determining the type of ballot
28 proposition to be presented to the voters, the Alaska Capital City
29 Development Corporation shall

1 (1) prepare a basic development plan and estimates of costs
2 in accordance with AS 44.07.111 and this section;

3 (2) estimate the cost of providing the public facilities
4 required in Juneau in the absence of relocation; in making an estimate
5 under this paragraph, the corporation shall use a basis comparable to
6 the basis which it used in making its estimates for the costs of provid-
7 ing public facilities at the new capital site at Willow; and

8 (3) study and prepare recommendations as to the numbers and
9 classifications of central state employees to be relocated to the new
10 capital site at Willow; the studies and recommendations made by the
11 corporation under this paragraph shall be based on efficiency of state
12 government without reducing unnecessarily the numbers and classifica-
13 tions of state employees in Juneau.

14 (c) The plan, estimates of costs, and recommendations prepared
15 under (b) of this section shall be presented to the legislature by
16 April 15, 1982.

17 (d) In this section

18 (1) "central state employees" means employees principally
19 involved in matters which concern statewide activities of the state
20 government rather than regional or local activities of the state govern-
21 ment;

22 (2) "corporation" means the Alaska Capital City Development
23 Corporation established under AS 44.07;

24 (3) "functional state capital" means a city which has the
25 public buildings, public utilities, access roads, streets, and other
26 public facilities necessary for a seat of state government to accommo-
27 date the executive and legislative branches of state government, with
28 numbers and classifications of central state employees to be relocated
29 based on efficiency of state government without reducing unnecessarily

1 the numbers and classifications of state employees in Juneau.

2 * Sec. 2. AS 44.07 is amended by adding new sections to read:

3 ARTICLE 1. ESTABLISHMENT OF CORPORATION; POWERS.

4 Sec. 44.07.011. ALASKA CAPITAL CITY DEVELOPMENT CORPORATION.

5 There is established the Alaska Capital City Development Corporation.
6 The corporation is a public corporation and governmental instrumentality
7 of the state in the Department of Commerce and Economic Development,
8 but has a legal existence independent of and separate from the state.
9 The exercise by the corporation of the powers conferred by this chapter
10 is considered an essential governmental function of the state.

11 Sec. 44.07.021. BOARD OF DIRECTORS. The corporation is governed
12 by a board of directors which consists of 11 members appointed as
13 follows:

14 (1) During the transitional period, the board consists of
15 the following members:

16 (A) five ex officio members, including the commissioner
17 of commerce and economic development, the mayor of the Matanuska-
18 Susitna Borough, the mayor of the City and Borough of Juneau, the
19 mayor of the City of Fairbanks, and the mayor of the Municipality
20 of Anchorage;

21 (B) persons appointed by the governor under AS 44.06.-
22 210(a)(1), (2) and (5) who, on May 1, 1981, were physically present
23 in the state and were members of the New Capital Site Planning
24 Commission (AS 44.06.200 - 44.06.260);

25 (C) an additional number of members, appointed by the
26 governor, required to bring the membership of the board to a total
27 of 11; the directors appointed under this subparagraph shall
28 include, insofar as the number of appointments to be made permits,

29 (i) a civil engineer registered in Alaska;

1 (ii) a real estate broker licensed in Alaska who
2 has extensive experience in the state; and

3 (iii) a person who is a resident of the election
4 district in which the new capital site at Willow is located.

5 (2) After the transitional period, the board consists of the
6 following members:

7 (A) the commissioner of commerce and economic develop-
8 ment;

9 (B) the mayor of the Matanuska-Susitna Borough;

10 (C) the mayor of the City and Borough of Juneau;

11 (D) the mayor of the City of Fairbanks;

12 (E) the mayor of the Municipality of Anchorage;

13 (F) the mayor of the new capital city, except that,
14 until a mayor of the new capital city has been elected by the
15 voters of the city, the governor shall appoint a person who is a
16 resident of the election district in which the new capital site at
17 Willow is located to serve as a director; and

18 (G) five persons appointed by the governor and confirmed
19 by a majority of the members of the legislature in joint session,
20 including

21 (i) a civil engineer registered in Alaska;

22 (ii) a real estate broker licensed in Alaska who
23 has extensive experience in the state; and

24 (iii) three other persons.

25 (3) Directors shall be appointed with due regard to their
26 experience in subjects relevant to public and private planning, develop-
27 ment, finance, and marketing and with due regard for the general public
28 interest. A director shall be a resident and qualified voter of the
29 state. A director appointed by the governor may not be a full-time

1 elected or appointed official or employee of the state or of a municipi-
2 pality. A state legislator may not be appointed or serve as a director.

3 (4) An ex officio director serving under (1)(A) or (2)(A) -
4 (F) of this section may designate a person to serve in the director's
5 place. A person designated to serve under this paragraph must meet the
6 qualifications for appointment of (3) of this section.

7 (5) A director who serves during the transitional period may
8 be appointed to serve after the transitional period.

9 Sec. 44.07.031. TERM OF OFFICE. (a) A director appointed to
10 serve during the transitional period serves until the end of the transi-
11 tional period.

12 (b) After the transitional period, directors appointed under
13 AS 44.07.021(2)(F) and (G) serve for terms of four years.

14 (c) A person appointed to a vacancy shall hold office for the
15 balance of the term for which his predecessor on the board was ap-
16 pointed.

17 Sec. 44.07.041. BOARD ORGANIZATION AND QUORUM. (a) The board
18 shall elect a chairman and a vice-chairman from among its members.

19 (b) Unless otherwise specifically required by this chapter, a
20 majority of the directors of the corporation constitutes a quorum for
21 the transaction of business and the exercise of the powers and duties
22 of the board.

23 (c) A vacancy on the board does not impair the authority of a
24 quorum of the board to exercise the powers and perform all the duties
25 of the board.

26 Sec. 44.07.051. COMPENSATION OF DIRECTORS. A director other than
27 a state employee is entitled to receive \$200 per day for each meeting
28 day if the director attends a meeting of the board. A director is
29 entitled to per diem and travel allowances as provided by law for a

1 member of a state board or commission.

2 Sec. 44.07.061. EMPLOYMENT OF PERSONNEL. (a) The board shall
3 appoint and determine the salary of an executive director. The executive
4 director is the chief executive officer of the corporation, and serves
5 at the pleasure of the board. The executive director may not be a
6 member of the board.

7 (b) The board may appoint and determine the salary of other
8 officers specified in the bylaws of the corporation. The officers
9 appointed shall have the powers and duties set out in the bylaws.

10 (c) The executive director

11 (1) may employ additional staff in accordance with regula-
12 tions adopted by the board and with the approval of the board; and

13 (2) may retain the services of other persons which he con-
14 sidered necessary or appropriate to carry out the purposes of the
15 corporation.

16 (d) Officers and employees of the corporation are in the exempt
17 service under AS 39.25.

18 (e) Unless the board determines that compliance with AS 36.10.010
19 would impede or delay the scheduled preparation or implementation of a
20 development plan, consultants or contractors hired by the board shall
21 be hired in accordance with AS 36.10.010.

22 Sec. 44.07.071. OTHER EMPLOYMENT OF DIRECTORS PERMITTED. Except
23 as provided in AS 44.07.021(3), a director may hold any position of
24 public or private employment while serving on the board.

25 Sec. 44.07.081. MEETINGS. (a) Meetings of the board are governed
26 by the provisions of AS 44.62.310 and 44.62.312.

27 (b) The board shall establish procedures for newspaper publica-
28 tion and other notice of all meetings sufficient to inform the public
29 adequately of the subject matter proposed to be acted on, and shall

1 establish procedures for public participation at its meetings.

2 (c) The corporation may establish procedures for meeting by
3 simultaneous telephone communication to take necessary action when, in
4 the judgment of the chairman, weather or other conditions make a meeting
5 in person difficult or impossible to conduct. A meeting conducted in
6 accordance with procedures established under this subsection has the
7 same legal force and effect as a meeting in person.

8 Sec. 44.07.091. REGULATIONS. (a) The board may adopt, amend,
9 and repeal regulations in accordance with AS 44.62.

10 (b) The board shall file copies of the regulations in the office
11 of the lieutenant governor within 10 days following any action taken on
12 the regulations, and shall make available to the public copies of its
13 regulations.

14 (c) The adoption, amendment, or repeal of regulations by the
15 board is subject to review in accordance with AS 24.20.400 - 24.20.460
16 and AS 44.62.320.

17 Sec. 44.07.101. POWERS OF THE CORPORATION. In addition to other
18 powers granted by AS 44.06.196 and this chapter, and for the purpose of
19 providing for the development of the new capital site, the corporation
20 may

21 (1) sue and be sued;

22 (2) adopt and alter an official seal;

23 (3) adopt, amend, or repeal bylaws and procedures for the
24 development of its programs, operations, properties, and facilities;

25 (4) enter into contracts necessary or convenient for the
26 exercise of its powers under this chapter;

27 (5) acquire, hold, use, lease, mortgage, sell, or otherwise
28 encumber or dispose of property of any kind, real, personal or mixed,
29 or any interest in it in the new capital site at Willow;

1 (6) establish terms and conditions for the acquisition or
2 disposal of its property;

3 (7) prepare or contract for the preparation of studies,
4 analyses, specifications, designs, and estimates of cost for the con-
5 struction, development, reconstruction or improvement of any property
6 in the new capital site at Willow;

7 (8) manage or contract for the management of all or part of
8 a development program or programs in the new capital site at Willow;

9 (9) build and maintain streets and other public rights-of-
10 way and provide for facilities or services in connection with a develop-
11 ment program;

12 (10) charge and collect fees and charges for the use of
13 facilities or services, and cause the fees and charges to become a lien
14 on and run with the land, and bind all future owners of the land by
15 means of covenants affecting the property which are recorded in the
16 appropriate recording district; the covenants may provide that taxes
17 imposed by a municipality can be credited against the fees and charges
18 to the extent and upon any terms that are set out in the covenants;

19 (11) adopt or impose land use and building restrictions,
20 architectural, design, and land use controls on real property owned by
21 the corporation through covenants, declarations, or otherwise in fur-
22 therance of the purpose of this chapter; include the restrictions or
23 controls in contracts, conveyances and agreements; and cause the
24 restrictions and controls, covenants, or declarations to run with the
25 land and bind all future owners of the land by filing them for record
26 in the appropriate recording district, subject to AS 29.18.580;

27 (12) plan, finance, develop, acquire, construct, reconstruct,
28 improve, operate, maintain, sell, or otherwise dispose of structures,
29 appurtenances, systems, and facilities in the new capital site at

1 Willow under contractual or other arrangements in connection with any
2 specific development plan, or with the purposes of this chapter;

3 (13) survey the real property in the new capital site at
4 Willow; undertake geological, environmental, and other similar studies
5 and analyses of the property; and gather and disseminate all relevant
6 information pertaining to the suitability of any portion of the new
7 capital site at Willow for various land uses;

8 (14) make contracts, incur liabilities, and borrow money from
9 the capital city revolving loan fund, and through general obligation
10 bonds and revenue bonds issued on behalf of the corporation by the
11 state bond committee;

12 (15) obtain insurance or bond against any losses as it con-
13 siders desirable; a bond or insurance coverage secured under this para-
14 graph shall be obtained from insurers authorized to do business in the
15 state;

16 (16) accept gifts or grants from any source, subject to
17 AS 37.07;

18 (17) enter into agreements with any public agency to carry
19 out the purposes of this chapter;

20 (18) enter into agreements to pay annual sums in place of
21 taxes to a municipality for real property which is owned by the corpo-
22 ration and which is exempt from taxation under this chapter; and

23 (19) do any and all things necessary and proper to carry out
24 the purposes of this chapter and exercise the powers granted in this
25 chapter.

26 ARTICLE 2. CAPITAL CITY DEVELOPMENT PLANS, PROPERTY,
27 MUNICIPAL AGREEMENTS AND CONTRACTS.

28 Sec. 44.07.111. BASIC DEVELOPMENT PLAN AND ESTIMATES OF COSTS.

29 (a) The corporation shall prepare a basic development plan for the

1 establishment of a functional state capital in the new capital site at
2 Willow. The basic development plan shall be prepared to meet the
3 requirements of AS 44.06.196 and of this section. The basic develop-
4 ment plan may use the basic data, studies, and investigations of the
5 New Capital Site Planning Commission (AS 44.06.200) which the board
6 considers appropriate, but the board is not bound by the limitations of
7 and requirements for planning specified in AS 44.06.230.

8 (b) The corporation shall determine

9 (1) the relocation completion date, which is the earliest
10 practical date not later than December 31, 1990, by which a functional
11 state capital can be established in the new capital site at Willow;

12 (2) the number of state employees estimated to be at the new
13 capital site by the relocation completion date, including those likely
14 to have been relocated, and the increase in the number of state em-
15 ployees attributable to growth in state government by that date; and

16 (3) the population estimated to be at the new capital site
17 by the relocation completion date.

18 (c) In accordance with the requirements of this subsection and
19 the requirements of (d) of this section, the corporation shall estimate
20 the cost of relocation of the state capital to the state, by determining
21 the expenditures by the state necessary for

22 (1) provision of the public facilities which will be required
23 through the relocation completion date for establishment of a functional
24 state capital in the new capital site at Willow and the public facili-
25 ties required by AS 44.06.196;

26 (2) moving the necessary personnel and offices to the new
27 capital site at Willow; and

28 (3) paying necessary costs of indemnification under
29 AS 44.08.010 - 44.08.080.

1 (d) The cost of relocation of the state capital determined under
2 (c) of this section shall be determined by deducting necessary adjust-
3 ments from the total expenditures determined under (c) of this section.
4 For purposes of this subsection, necessary adjustments include the
5 estimated revenues to be derived from the sale or lease of lands in the
6 new capital site which are to be transferred to the corporation under
7 AS 44.07.181.

8 (e) The studies and determinations of the corporation under this
9 section and under AS 44.06.196 are subject to continuing review by the
10 Capital City Development Oversight Committee to ensure compliance with
11 the provisions of AS 44.06.196 and of this section and to ensure that
12 the estimates of cost are prepared on a reasonable and realistic basis.

13 (f) Until a majority of those voting on the proposition at the
14 1982 general election have approved the ballot proposition provided for
15 in AS 44.06.196, activities of the corporation relating to relocation
16 of the capital to the Willow site are limited to planning, design,
17 studies, and field investigations under this section and AS 44.07.121 -
18 44.07.131. The procedural requirements of AS 44.07.121 and 44.07.131
19 for the preparation of a general development plan and for specific
20 development plans do not apply to the preparation of the basic develop-
21 ment plan.

22 Sec. 44.07.121. GENERAL DEVELOPMENT PLAN. (a) Simultaneously
23 with work on the basic development plan, the corporation shall begin
24 preparation of a general development plan and preparation of a specific
25 development plan for the new capital site at Willow. The requirements
26 of AS 44.06.196 and AS 44.07.111 apply to the general development plan
27 and the specific development plan for the new capital site. The general
28 development plan shall include, but is not limited to,

29 (1) a determination of the proposed uses of land throughout

1 the entirety of the new capital site at Willow, with a general alloca-
2 tion of projected amounts and proportions of land to be devoted to
3 governmental, residential, commercial, industrial, institutional, and
4 public uses, and indicating the anticipated population and building
5 densities for the new capital site at Willow based on the proposed uses
6 of the land;

7 (2) a determination of the projected cost, number, nature,
8 and general locations of facilities, including but not limited to
9 governmental and institutional facilities relating to use of the site
10 as the new capital of the state, public transportation and major
11 arterial street systems, parks and recreational facilities, water,
12 sewer and drainage systems, electric, telephone and other energy or
13 communications systems or utilities, and health, educational and
14 community facilities, and a statement of the approximate time by which
15 the facilities described in this paragraph are to be provided;

16 (3) the approximate projected time schedule for the stages
17 of development of the new capital site at Willow with reference to both
18 the various parts of the new capital site and to the various types or
19 categories of land uses proposed;

20 (4) the projected means of financing of the facilities
21 described in (2) of this subsection, the anticipated sources of money
22 for completion of the facilities, the times at which the money shall be
23 provided, and the means by which borrowed money required to complete
24 the facilities shall be repaid; and

25 (5) any additional statements or documentation the corpora-
26 tion considers necessary or appropriate.

27 (b) The general development plan shall include a determination of

28 (1) the minimum acreage of land to be allocated for the
29 location and construction of state offices and related state facilities

1 necessary for a functional state capital, with adequate provision for
2 future growth; and

3 (2) the minimum acreage of land to be set aside and allocated
4 for parks, lakes, recreation and open space use, which, when developed,
5 shall be accessible to the general public for its use and enjoyment.

6 (c) The corporation shall hold at least one hearing in each
7 judicial district of the state to receive comments from interested
8 parties on the general development plan proposed by the corporation.
9 Each hearing shall be held in a community of the state selected by the
10 board. Public notice of a hearing under this subsection shall be given
11 by the board by publication in a newspaper of general circulation in
12 the community.

13 (d) Following the completion of public hearings, the board shall
14 approve the general development plan. The plan may be approved with or
15 without amendment. The general development plan shall be approved by
16 at least two-thirds vote of the full membership of the board upon a
17 finding that the plan is in accordance with and furthers the purposes
18 of this chapter. The general development plan shall be submitted by
19 the board to the assembly of the Matanuska-Susitna Borough and becomes
20 effective only after review and comment by the assembly. The assembly
21 shall submit its comments on the general development plan to the board
22 not later than 60 days after submission of the plan to the assembly.

23 (e) Major amendments to the general development plan may be made
24 in accordance with the same procedure set out in this section for
25 approval of the plan. Minor amendments of limited application may be
26 made without following the procedure of this section. However, when
27 adopting a minor amendment, the board shall publish notice of the
28 proposed amendment which it considers appropriate and shall invite
29 written comments on the proposed amendment before its adoption. An

amendment to the general development plan becomes effective on the date the corporation determines. However, a major amendment may not become effective without prior review and comment by the Matanuska-Susitna Borough in accordance with (d) of this section.

Sec. 44.07.131. SPECIFIC DEVELOPMENT PLANS. (a) The corporation shall prepare one or more specific development plans for the new capital site at Willow. A specific development plan shall include, but is not limited to,

- (1) a description of the area to be developed;
- (2) a detailed and specific statement of the proposed uses in the area to be developed, including proposed locations of all buildings and structures;
- (3) a general description of the land-use restrictions or covenants proposed for the area to be developed;
- (4) a map of the existing and proposed transportation and utility systems in the area to be developed;
- (5) a statement of the methods by which the property in the area to be developed may be disposed of;
- (6) a statement of the relationship between the specific development plan and the general development plan; and
- (7) any additional statements or documentation which the board considers necessary or appropriate.

(b) A specific development plan shall be approved by the board. A specific development plan becomes effective only after review and comment by the assembly of the Matanuska-Susitna Borough. The assembly shall submit its comments within 60 days of submission of the plan to the assembly.

(c) Amendments to a specific development plan may be made according to the procedure established in this section for approval of a

1 specific development plan.

2 (d) A specific development plan and amendments of a specific
3 development plan shall be recorded in the appropriate recording
4 district.

5 (e) A specific development plan constitutes the controlling
6 document and land use plan for the area to be developed.

7 (f) Approval of a specific development plan is an amendment to
8 the relevant portion of the general development plan. A specific devel-
9 opment plan which constitutes a substantial change from the general
10 development plan is subject to the provisions applicable to amendments
11 to the general development plan under AS 44.07.121(d) and (e).

12 Sec. 44.07.141. CAPITAL COORDINATING COMMITTEE. (a) The Capital
13 Coordinating Committee is established. The Capital Coordinating Com-
14 mittee consists of the commissioners of transportation and public
15 facilities, public safety, health and social services, environmental
16 conservation, natural resources, fish and game, labor, commerce and
17 economic development, community and regional affairs, and a representa-
18 tive of the Office of the Governor.

19 (b) The chairman of the Capital Coordinating Committee is the
20 commissioner of transportation and public facilities.

21 (c) The Capital Coordinating Committee shall ensure that a request
22 for information or an application for permit which is made by the corpo-
23 ration as required by law or regulation or by municipal ordinance is
24 processed expeditiously.

25 (d) The corporation, or the Capital Coordinating Committee and
26 the corporation acting jointly, may propose to the governor any revision
27 of procedures, laws, or regulations which it or they believe are neces-
28 sary to expedite the corporation's work.

29 Sec. 44.07.151. RELATIONSHIP OF CORPORATION, STATE, AND MUNICI-

1 PALITIES. (a) In carrying out the purposes of this chapter, the
2 corporation shall work closely with and consult and cooperate with the
3 state, the Matanuska-Susitna Borough, and the new capital city, and
4 their departments, agencies, or instrumentalities.

5 (b) All state agencies and all municipalities may give the corpo-
6 ration any assistance which the agencies and municipalities are em-
7 powered to give, and may enter into agreements with the corporation.
8 When the board requests, a governmental entity may loan to the corpora-
9 tion an officer or employee of the governmental entity which the board
10 considers necessary to assist it in carrying out its functions and
11 duties under this chapter. An officer or employee loaned to the board
12 retains the status and rights of a public employee and is compensated
13 by the governmental entity which employs the officer or employee. The
14 governmental entity may continue to exercise all of its rights as the
15 employer of the employee loaned to the corporation.

16 (c) The corporation may enter into agreements with the new capital
17 city which provide that the new capital city furnish municipal services
18 for the new capital site.

19 (d) In implementing a development plan, the corporation may enter
20 into agreements with any public agency by which the public agency shall
21 furnish facilities or services necessary or desirable for the develop-
22 ment plan.

23 (e) The corporation, on its own behalf or in its own name on
24 behalf of any person performing work in connection with the general
25 development plan or a specific development plan, may, if it considers
26 it desirable, develop and maintain a facility procurement process
27 schedule. The facility procurement process schedule shall identify the
28 dates by which reviews and approvals by state agencies and issuance of
29 necessary permits must be completed in order to allow work to proceed

1 in accordance with the general development plan.

2 (f) The corporation may submit the facility procurement process
3 schedule maintained under (e) of this section to the Capital Coordinat-
4 ing Committee.

5 Sec. 44.07.161. ACQUISITION OF REAL PROPERTY. If the corporation
6 finds that it is necessary or convenient to acquire real property, or
7 an interest in it, located inside or outside of the new capital site at
8 Willow for the purpose of providing water, sewer, road, airport, or
9 other utility or facility for the new capital site at Willow for its
10 immediate or future use, the corporation may request the state, acting
11 on behalf of the corporation, to acquire the property in any lawful
12 manner including the exercise of the power of eminent domain.

13 Sec. 44.07.171. CAPITAL CITY REVOLVING LOAN FUND. (a) There is
14 established in the Department of Revenue the capital city revolving
15 loan fund. The fund shall be financed by appropriation.

16 (b) The commissioner of revenue may make loans from the capital
17 city revolving loan fund to the corporation to plan for and develop the
18 new capital site at Willow. Loans made from the capital city revolving
19 loan fund shall be subject to the terms and conditions agreed upon
20 between the commissioner of revenue and the corporation.

21 (c) By the 14th day of each legislative session the commissioner
22 of revenue and the corporation shall provide a joint report to the
23 legislature and to the governor. The report shall include a summary of
24 the loans made from the capital city revolving loan fund during the
25 previous year and the anticipated money necessary for operations of the
26 corporation in the next year.

27 (d) The corporation may also be financed by direct appropriation
28 from the legislature.

29 Sec. 44.07.181. DISPOSITION OF PROPERTY. (a) The corporation

1 shall adopt regulations for the sale, lease, or other disposal of
2 property under this chapter. After adoption of regulations and of one
3 or more specific development plans, the corporation may sell, lease, or
4 otherwise dispose of all or a portion of the property encompassed by
5 the plans to any person, either public or private, upon the terms and
6 conditions it determines. The corporation may sell, lease, or dispose
7 of land under this section only if the board specifically finds that
8 the terms and conditions of the sale, lease, or other disposal arrange-
9 ment are in substantial conformity with the specific development plan
10 or plans. Before the sale, lease, or other disposal of property by the
11 corporation, public notice of the intention of the corporation to
12 sell, lease, or dispose of land shall be given by publication of a
13 general description of the terms at least 30 days before the proposed
14 sale, lease, or disposal in a newspaper of general circulation in each
15 judicial district of the state, by public service announcements provided
16 to newspapers and radio and television stations in each judicial
17 district of the state, and by other publication and notice which the
18 board finds is reasonable and appropriate to inform the public of the
19 proposed sale, lease, or disposal.

20 (b) A sale, lease, or other disposal of property made under a
21 negotiated contract, agreement, or lease without public bidding or
22 public sale. A sale, lease, or disposal under a negotiated contract
23 shall contain terms the corporation determines to be necessary and
24 proper for the implementation of a specific development plan if

25 (1) public notice is given in accordance with (a) of this
26 section; and

27 (2) reasons for the waiver of public bidding and public sale
28 are approved by the board and are filed at least 10 days before the
29 sale with the commissioner of commerce and economic development.

1 (c) The real property in the new capital site at Willow is not
2 subject to the provisions of the Alaska Land Act (AS 38.05) or the
3 homesite entry provisions of AS 38.08.010 - 38.08.120.

4 Sec. 44.07.191. TRANSFER OF STATE-OWNED REAL PROPERTY. If a
5 majority of those voting on the proposition in the 1982 general election
6 approve the ballot proposition as provided in AS 44.06.196, the commis-
7 sioner of natural resources and any other state official having juris-
8 diction over the conveyance or transfer of state-owned land shall,
9 within 60 days after the written request of the chairman of the corpora-
10 tion, convey to the corporation all of the state land, including land
11 under water, lying within the new capital site at Willow. The transfer
12 and conveyance shall contain reservations required by federal law and
13 the state constitution.

14 Sec. 44.07.201. AUDIT OF THE CORPORATION BY LEGISLATIVE AUDITOR
15 AND LEGISLATIVE BUDGET AND AUDIT COMMITTEE. The legislative auditor
16 may examine all the accounts and books of the corporation and all other
17 records and papers relating to its financial standing. The Legislative
18 Budget and Audit Committee shall conduct an examination at least once
19 every two years. However, the Legislative Budget and Audit Committee
20 may accept an independent audit of the corporation by a certified
21 public accountant made at the request of the corporation in satisfaction
22 of the examination.

23 Sec. 44.07.211. TAX EXEMPTION. The corporation is a political
24 subdivision of the state. The assets, income, and receipts are exempt
25 from all taxes and special assessments of the state or a political
26 subdivision of the state. The interests of others in real or personal
27 property of the corporation is taxable by the Matanuska-Susitna Borough
28 and the new capital city to the extent authorized by law.

29 ARTICLE 3. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.

1 Sec. 44.07.221. CAPITAL CITY DEVELOPMENT OVERSIGHT COMMITTEE.

2 The Capital City Development Oversight Committee is established as a
3 permanent interim committee of the legislature. The establishment of
4 the committee recognizes the need of the legislature for review and
5 oversight of the planning and development of the new capital city.

6 Sec. 44.07.231. MEMBERSHIP. The committee is composed of eight
7 members, including the president of the senate, the speaker of the
8 house of representatives, one chairman of the senate finance committee
9 chosen by the president of the senate, the chairman of the house
10 finance committee, two members of the house of representatives ap-
11 pointed by the speaker of the house, and two members of the senate
12 appointed by the president of the senate. The membership from each
13 house must include a legislator who represents a district which in-
14 cludes the new capital site. The committee shall select its chairman.

15 Sec. 44.07.241. TERM OF MEMBERSHIP. (a) The committee shall be
16 organized within 15 days after the organization of each legislature.
17 Members of the committee serve for the duration of the legislature
18 during which they are appointed. If a member is reelected or his term
19 of office extends into the next succeeding legislature, he continues to
20 serve until reappointed or the appointment of his successor.

21 (b) When a member of the committee files a declaration of candi-
22 dacy for an elective office other than that of member of either house
23 of the legislature, and he has not resigned from membership on the
24 committee, his committee membership terminates on the date of filing.

25 Sec. 44.07.251. VACANCIES. When a vacancy occurs in the statutory
26 or appointive membership of the committee, the presiding officer of the
27 house incurring the vacancy shall choose a successor. If the office of
28 the president of the senate or speaker of the house of representatives
29 becomes vacant and a vacancy from the affected house occurs among the

1 membership of the committee, the remaining committee members from the
2 house incurring the vacancy shall appoint a new member.

3 Sec. 44.07.261. MEETINGS. The committee may meet during sessions
4 of the legislature and during the interim between sessions. The com-
5 mittee may meet at any time or place in the state as the chairman may
6 determine. Members of the committee may receive, for the minimum time
7 required to get to and from meetings and for the period while attending
8 meetings, the same travel and per diem allowances provided by law for
9 members of the legislature when attending sessions, except that members
10 of the committee receive no per diem during legislative sessions other
11 than the per diem allowance paid to other members of the legislature.

12 Sec. 44.07.271. POWERS. In addition to its powers and duties
13 under AS 44.07.111, the committee may

- 14 (1) organize and adopt rules for the conduct of its business;
- 15 (2) hold public hearings;
- 16 (3) require all state officials and agencies of state govern-
17 ment to give full cooperation to the committee or its staff in assem-
18 bling and furnishing requested information;
- 19 (4) prepare and distribute reports, memoranda, or other
20 materials;
- 21 (5) review all reports of the corporation and of the Legis-
22 lative Budget and Audit Committee relating to the corporation; and
- 23 (6) make recommendations to the legislature for legislative
24 action relating to the relocation, planning, and development of a
25 functional state capital in the new capital site at Willow.

26 Sec. 44.07.281. STAFF. The legislative finance division shall
27 provide reports and analyses requested by the committee. The committee
28 may hire the staff it considers necessary within the limit of the
29 budget approved by the legislature.

1 Sec. 44.07.291. DUTIES. The committee shall submit an annual
2 report to the legislature. The report shall include any considerations
3 the committee considers relevant to the planning and development of a
4 functional state capital in the new capital site at Willow and to the
5 performance of the corporation.

6 ARTICLE 4. GENERAL PROVISIONS.

7 Sec. 44.07.301. EXECUTIVE BUDGET ACT. The corporation is subject
8 to the provisions of the Executive Budget Act (AS 37.07).

9 Sec. 44.07.311. ANNUAL BUDGET. The board shall review and
10 approve, by a two-thirds vote of members of the board, the annual
11 operational and capital program and budget for the corporation and may,
12 by two-thirds vote and in accordance with AS 37.07, amend the program
13 and budget. Corporate funds may not be expended or borrowed except in
14 accordance with an approved annual operational or capital program and
15 budget. Corporate funds may not be expended except in accordance with
16 appropriations.

17 Sec. 44.07.321. ANNUAL REPORT. The corporation shall submit to
18 the governor and the Legislative Budget and Audit Committee, within
19 three months after the end of each fiscal year of the corporation, a
20 complete financial report audited by a certified public accountant or
21 firm of certified public accountants, which shows

22 (1) the receipts and expenditures of the corporation during
23 its fiscal year;

24 (2) the assets and liabilities of the corporation at the end
25 of its fiscal year, including a schedule of leases and mortgages and
26 the status of reserve, special, and other funds;

27 (3) the progress of fulfillment of the financial and economic
28 projections contained in the general development and specific develop-
29 ment plans; and

1 (4) the operations and accomplishments of the corporation
2 and any material problems encountered in implementing the development
3 plans.

4 Sec. 44.07.331. CONFLICTS OF INTEREST. (a) A director or
5 employee of the corporation may not participate in any decision of the
6 corporation in which the director or employee has a direct or indirect
7 financial interest.

8 (b) The executive director of the corporation and the directors
9 are subject to AS 39.50.

10 Sec. 44.07.341. LIMITATION OF LIABILITY. A person executing a
11 note of the corporation is not liable personally on the obligation by
12 reason of its issuance.

13 Sec. 44.07.351. TERMINATION OF THE CORPORATION. The corporation
14 terminates on

15 (1) the date on which the legislature determines that the
16 general development plan has been substantially implemented; or

17 (2) on the day the director of elections certifies that a
18 majority of those voting on the proposition in the 1982 general election
19 has rejected the ballot proposition submitted to the voters in accor-
20 dance with AS 44.06.196.

21 Sec. 44.07.500. DEFINITIONS. In this chapter, unless the context
22 requires otherwise,

23 (1) "basic development plan" means the plan prepared in
24 accordance with AS 44.07.111;

25 (2) "board" means the board of directors of the Alaska
26 Capital City Development Corporation;

27 (3) "committee" means the Capital City Development Oversight
28 Committee;

29 (4) "corporation" means the Alaska Capital City Development

1 Corporation established by AS 44.07.011;

2 (5) "facility" means any utility or infrastructure plant and
3 any system or improvement, including roads and public transportation
4 systems, parks and recreational facilities, water, sewer and drainage
5 systems, electric, telephone and other energy or communications systems
6 or utilities, and health, educational and community facilities;

7 (6) "functional state capital" means a city which has the
8 public buildings, public utilities, access roads, streets, and other
9 public facilities necessary for a seat of state government to accommo-
10 date the executive and legislative branches of state government, with
11 numbers and classifications of central state employees to be relocated
12 based on efficiency of state government without reducing unnecessarily
13 the numbers and classifications of state employees in Juneau;

14 (7) "general development plan" means a general land use and
15 land development plan for the new capital site at Willow prepared in
16 accordance with AS 44.07.121;

17 (8) "municipality" means a home rule or general law city or
18 borough including but not limited to the new capital city and a unified
19 municipality organized under AS 29.68.240 - 29.68.440;

20 (9) "new capital city" means the new city organized or to be
21 organized in the new capital site at Willow;

22 (10) "new capital site" or "new capital site at Willow" means
23 the area of land designated by the voters of Alaska as the new capital
24 site of the state in the 1976 general election;

25 (11) "public agency" means an officer, department, board,
26 commission, bureau, division, public corporation, agency or instru-
27 mentality of the state, the United States, or a municipality;

28 (12) "specific development plan" means a plan for the imple-
29 mentation of a phase or segment of the general development plan;

1 (13) "transitional period" means the period between the
2 effective date of this Act and the date on which the director of elec-
3 tions certifies the results of the 1982 general election.

4 * Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

5 (26) officers and employees of the Capital City Development
6 Corporation.

7 * Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

8 (44) Capital City Development Corporation (AS 44.07.011).

9 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

10 (52) Capital City Development Corporation (AS 44.07.011).

11 * Sec. 6. The following laws are repealed: AS 44.07.010, 44.07.020,

12 44.07.030, 44.07.040, 44.07.050, 44.07.060, 44.07.070, 44.07.080, 44.07.090,

13 44.07.100, 44.07.110, 44.07.120, 44.07.130, 44.07.140, 44.07.150, 44.07.160,

14 44.07.170, 44.07.180, 44.07.190, 44.07.200, 44.07.210, 44.07.220, 44.07.230,

15 44.07.240, 44.07.250, 44.07.260, 44.07.270, 44.07.280, 44.07.290, 44.07.300,

16 44.07.310, 44.07.320, 44.07.330, 44.07.340, 44.07.350, and 44.07.360.

17 * Sec. 7. TERMS OF FIRST PERSONS APPOINTED AS MEMBERS OF THE BOARD OF
18 DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION AFTER THE TRANSITIONAL
19 PERIOD. The governor shall appoint the five members of the Board of Direc-
20 tors of the Capital City Development Corporation under AS 44.07.021(2)(G)
21 and the member to serve in place of the new capital city mayor under AS 44.-
22 07.021(F) as follows:

23 (1) one member shall serve a term of one year;

24 (2) one member shall serve a term of two years;

25 (3) one member shall serve a term of three years;

26 (4) two members shall serve terms of four years; and

27 (5) the person appointed under AS 44.07.021(2)(F) shall -
28 serve a term of two years.

29 * Sec. 8. INITIAL MEETING OF BOARD OF DIRECTORS OF CAPITAL CITY DEVELOP-

1 MENT CORPORATION. The first meeting of the Board of Directors of the Capital
2 City Development Corporation shall be convened at a time and place designated
3 by the governor, and shall be held not later than 15 days after all members
4 of the board have been appointed by the governor.

5 * Sec. 9. INITIAL MEETING OF CAPITAL CITY DEVELOPMENT OVERSIGHT COM-
6 MITTEE. The first meeting of the Capital City Development Oversight Com-
7 mittee shall be convened at a time and place jointly designated by the
8 president of the senate and the speaker of the house on a date which is not
9 later than 15 days after the effective date of this Act.

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*Cotton
adopted: 5/15*

Page 1, Sec. 1

Add at the end of Sec. 44.06.196 (a) the following:

Either the ballot proposition or the official explanation of it to be forwarded to voters shall contain an estimate of the numbers of central state employees likely to be relocated from Juneau and from Anchorage.

Q JV

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

JAY S. HAMMOND
GOVERNOR

NEWS RELEASE



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Statement: Hammond Expresses Capital Move Bill Sentiments
4-10-81
#59

FOR IMMEDIATE RELEASE

JUNEAU--Governor Jay Hammond this morning issued the following statement concerning his views concerning capital move legislation recently passed by the Senate and under consideration in the House.

"A majority of Alaskan voters voted for the capital to move to Willow. Subsequently, an even greater number of Alaskans voted for the FRANK Initiative which required that they be permitted to vote on all bondable costs of a rather specific, functional capital before the move could commence. Later, a majority in voting against those costs, stopped the capital move in its tracks. Logically, another majority vote of the public, not the Legislature, is the appropriate method of determining if the public meant what it said when it voted for both the capital move and the FRANK Initiative.

It's unfortunate the Senate recently undertook major amendments to the FRANK Initiative before the public was permitted to express itself on the matter. With only an 11 to 9 vote, obviously many senators are less than assured that they, rather than the public, should so substantially amend a proposition supported by a majority vote of the public.

Oddly, some pro-capital movers find it perfectly permissible for the Legislature to make major amendments to the FRANK Initiative while expressing outrage with those who would propose any amendments at all to the move initiative. Let's be consistent. For the Legislature to amend the FRANK Initiative to deny the public the right to vote on all the costs of a far less functional capital move concept than the people voted upon, should be no more acceptable than for the Legislature to amend the move initiative to provide that the capital move, say, to Anchorage rather than to Willow. Were the Legislature to do the latter demands for my veto would come from pro-movers; just as demands for my veto are now coming from anti-movers who view the Senate's amendments as doing violence to public intent.

I personally believe the initiative process is sacred even when I disagree with the proposition. That's why I insisted that the so-called Beirne Homestead Initiative be placed on the ballot despite assertions that it was illegal and would fail, as it did, in the court.

However, apparently unlike some initiative advocates, I feel all initiatives passed by a majority of the voting public are equally sacred so far as process is concerned. They're public mandates-- "marching orders" if you will--to elected officials. As such, the public, not elected officials, are the ones to determine if those orders ought to be changed. When those orders conflict, such as they do on the capital move versus the FRANK Initiative, elected officials are obliged to abide by the public's most recent "orders." Those, of course, are contained in the FRANK Initiative. That some cannot understand this and demand I ignore the FRANK Initiative and start moving the capital is illogical.

I want to see Alaskans relieved of this divisive, crippling issue. Accordingly, the last thing I want is to have to veto a capital move funding proposal.

To avoid this, I presented in my State of the State Address certain stipulations which would place a proposal on the ballot reflecting the expressed intent of most Alaskan voters.

Finally, I believe there is a clear desire by most to have this issue settled, as best we can, once and for all. Unfortunately, the current Senate bill fails to do this. For example, should the electorate reject a funding proposal under terms of the bill, we could find ourselves next year faced with a new proposal and the same arguments and divisiveness would continue ad nauseum. We must lay this issue to rest the best we can. However, it can only be laid to rest if a majority of the people believe that their major concerns had been accommodated in whatever proposition is placed on the ballot. Then, dependent upon the vote of the people, either the capital should commence moving promptly without further delay, or the issue should be defused through repeal of all prior initiatives.

At least nine senators and myself believe that all true costs of a functional capital move should be placed before the public for their approval. Since this was obviously the intent of the majority of Alaskans who voted for the FRANK Initiative, any bill which fails to clearly make such provisions must be considered seriously flawed and against the will of the voters.

Sometime ago, rather than simply respond to various proposals by pointing out flaws, I asked the Department of Law to propose a bill which accommodated my concerns. It was not my intention to introduce such a bill unless members of the legislature could not draft a bill which would meet those criteria and asked me to do so. Meanwhile, I am prepared to help legislators devise a bill which would clearly meet the objectives the people supported in both the 1974 move initiative and the subsequent FRANK Initiative.

MORE

A bill as drafted by the Department of Law is now under review by myself and lawmakers whom have requested to see it. Meanwhile, I'll continue my long-standing policy of never asserting which bill I will support and which I will veto until I see the final version.

14 May 1981

MEMORANDUM

Subject: Capital Relocation Legislation: Important Provisions of
House CS for CS for Senate Bill No. 86 (Finance)

Although the bill is a long one, examination of only a few of its provisions will enable the reader to understand the scope and purpose of the bill.

Section 1 provides for amendment of the FRANK Initiative to make clear that, except for planning, design, studies and field investigations, state money may not be expended to relocate the capital until a ballot proposition which includes the cost to the state of providing for completion of relocation of a functional state capital (defined in subsection (c)(1)) to the new capital site at Willow has been approved by the voters.

The Alaska Capital City Development Corporation ("CDC") is directed to prepare a development plan and estimates of cost; to estimate the cost of leaving the capital in Juneau in the absence of relocation; and to study and make recommendations as to numbers and classifications of central state employees to be relocated, based on efficiency of state government without reducing unnecessarily the state employees in Juneau. This information is to be presented to the legislature by April 15, 1982 to assist the legislature in determining the type and contents of the ballot proposition to be presented to the voters in November 1982.

Section 2 is the CDC statute. The bulk of these provisions is boiler plate. Most of the changes from the law which is already on the statute books are technical ones made to bring the statute up to date. For example, references to the "capital city" and "capital site" are changed to "new capital city" and "new capital site at Willow". The important changes are those which cover the activities of the CDC between now and November 1982, as outlined below.

Sec. 44.07.020 provides for composition and appointment of the board of directors, with special provisions for the period to November 1982.

Sec. 44.07.110 gives the guidelines for the CDC's preparation of the development plan and estimates of costs to be presented to the legislature in April 1982.

Sec. 44.07.120 (a) provides that simultaneously with work under Sec. 44.07.110 the CDC is to commence preparation of a general development plan and of a specific development plan for the new capital site. The work of the Capital Site Planning Commission was not completed, and its proposed plan was not fixed to the ground. Doing this work now will save about a year in completion of the project, resulting in substantial savings.

Sec. 44.07.180. Land in the new capital site is not to be transferred to the CDC unless the 1982 ballot proposition is approved.

Article 3, sections 44.07.220 to 44.07.290 covers the legislative oversight committee. Most of these provisions are unchanged from the existing statute, but changes have been made to cover the oversight of the new duties of the CDC and to provide for membership on the committee.

Sec. 44.07.350. If the ballot proposition is rejected in November 1982, the CDC goes out of existence.

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For an Act entitled: "An Act relating to the relocation of the capital; re-
pealing and reenacting the FRANK Initiative; condi-
tioning the relocation on voter approval of its true
costs; conditionally repealing other laws relating to
the relocation of the capital; and providing for an
effective date."

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

* Section 1. AS 44.06.196 is repealed and reenacted to read:

Sec. 44.06.196. CAPITAL RELOCATION EXPENDITURES. (a) No public
money may be expended to relocate the capital from its present location
until a majority of those voting on the question at a statewide elec-
tion have approved a single ballot question which authorizes spending
for the true costs of public financing for the relocation and the fa-
cilities required for a functional capital city at Willow through the
year 1992 as estimated under this section by the New Capital Site Plan-
ning Commission (AS 44.06.200 -- 44.06.260).

(b) The New Capital Site Planning Commission shall estimate the
true costs to relocate the capital through the year 1992, including the
costs of moving the central government employees and offices to Willow;
the indemnification costs provided in AS 44.08.010 -- 44.08.080; and
the cost to the public for planning, building, furnishing, using and
financing the facilities required for a functional capital city. In
making its estimate, the commission shall use the average annual rate
of inflation for the preceding 10 years.