

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

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RULES AND REGULATIONS

FEES: Lessee agrees to pay to the lessor the monthly rent, additional fees as required and any sales tax, if applicable, by the 5th of each month. Payments are to be delivered to the Park Manager at the Park Office in person or mailed to the above mailing address. Failure to pay the rent and fees by the 5th will result in the lessee paying a fine of \$20.00, if not paid by the 10th, lessee is subject to eviction. There will be a \$20.00 charge for NSF checks. A damage/rental security deposit of \$100.00 is required and shall be refunded upon termination to the extent not applied to repair damage, cleanup or pay delinquent rent and fees. Lessees who write 2 or more NSF checks in any 12 month period will no longer have their personal checks accepted and instead must pay the rent with a money order or cashier's check. The rental rate may be increased upon 30 days advance notice in writing, delivered in person or by mail.

DEFAULT: If any monthly payment of rent is not paid on or before the date on which it is due, or if lessee shall continue in violation of any other term, condition or requirement of this lease, including but not limited to the rules and regulations of this lease and after notice of such violation shall have been given to lessee for a period of 10 days without being remedied, then lessee shall be considered in default and in such event lessor shall have the remedies provided a landlord under the Alaska Residential Landlord-Tenant Act and the Alaska Forcible Entry and Detainer Statutes. In the event the lessor shall retake the premises after default or vacation by lessee, lessor will use reasonable diligence and methods to mitigate its damages and lessee shall remain liable for any difference between the rent for the unexpired portion of the term and the income derived in mitigation of damages plus the cost of such reentry, removing chattels and otherwise enforcing the provisions of this lease.

ASSIGNS: Lessee shall not sell, rent or assign (sublease) his mobile home without the written consent of the lessor, whose consent shall not be unreasonably withheld. Lessee shall have the right to assign the Lease to a successor purchaser or sublease if lessee is current in all lease payments and in full compliance with all terms of the Rules and Regulations, but lessor may require lessee to remove his mobile home from the park on the basis of its sale if the mobile home is in violation of laws or ordinances or terms of this Lease relating to health, safety or welfare, or if the proposed buyer refuses to assume the same terms as are in the Lease and Rules and Regulations or if the proposed buyer fails to evidence sufficient financial responsibility. The lessee shall remain principally liable and responsible for rent payment and other charges even if subleased or assigned, and shall also remain principally responsible for assuring that the sublessee is in full compliance with the terms of the Lease agreement and these rules and regulations.

INITIAL INSTALLATION AND HOOK-UPS: Each lessee shall provide and install, at his own expense, approved insulated skirting (metal) for their mobile home and this shall be completed within 30 days following approved blocking and leveling. Hitches shall be removed from mobile homes in excess of 30-foot length. Hitches shall be covered if mobile home is under 30-foot.

Lessee must make own arrangements for electricity, cable T.V., fuel oil, propane, telephone, etc. All utilities to be installed by lessee according to utility company and Borough code. A park oil system is provided for the convenience of the lessee at a competitive cost. Lessee is not required to use the Park oil system and the lessor reserves the right to disconnect any lessee from the oil system upon 7 days written notice if the oil charge is not paid in full by the 5th of each month. Lessor may elect to discontinue the Park oil system and require lessee to provide their own fuel tanks upon 60 days written notice.

The lessee must place his space number on the front left side of his mobile home so service people can quickly locate his residence. The lessee is responsible for acquiring, marking and installing his mailbox at the approved station.

UTILITIES: Water, sewer and garbage pickup will be provided by the lessor. Lessor shall endeavor to keep in continuous operation appropriate facilities for furnishing lessee domestic water for household use. As to flavor, clarity, odor, purity, or other water qualities, lessor intends to take great care, but makes no legal warranty or representation to the lessee as to the results. Lessee shall be responsible for hooking up water and sewer connections and shall be responsible for purchasing and installing appropriate heat takes for the sewer and water pipes beneath his mobile home. All skirting shall be insulated (to an R-11 rating) around the perimeter of the mobile home. Lessees shall be responsible for damages caused by their failure to check heat rods; failure to secure insulation; or other negligence and the lessor will charge the lessee for damages to lessor's property or equipment caused by lessee.

permitted by the manufacturer of the mobile home or a woodstove. RESIDENTIAL ELECTRIC HEATING SYSTEMS are permitted as the Park system was not designed for electric heat use. Violators will remove electric heating units or face eviction. Damage to Park electrical equipment or lines caused by lessee's use of electrical heating units will be repaired at lessee's expense.

The sewage system is designed to remove only organic matter. The following items are not to be washed or dumped down the sink drains or flushed down the toilet: Grosse of any sort; disposable diapers, or the plastic liners; cloth rags or paper towels; sanitary napkins or tampons of any type of their plastic tubes, band-aids or gauze, hair, filtered cigarette butts. The absence of these items in the lines will insure your line from plugging up, repair will be charged to the lessee. Because of buried utility lines, digging is not permitted without prior written consent of lessor.

Lessee must place garbage in a large plastic bag, placed in a garbage can, tied and covered with a tight fitting lid. Glass must be wrapped in newspapers so that garbage collectors will not be cut. Containers must be placed by road on the morning of collection day and returned following pickup. Garbage cans with tight fitting lids are also a Borough requirement and failure to abide by this regulation could result in a fine by the Borough "Litter Control". Garbage cans and lids must have space number indicated. Lessee is permitted only three garbage cans per week and any excess garbage is the lessee's responsibility to haul to the dump. Garbage strewn about by dogs or birds is the lessee's responsibility to immediately clean-up.

6. OCUPANTS AND USE: The mobile home spaces are designed for single family occupancy. The lessor reserves the right to limit the number of occupants. Guests staying over two weeks must have the consent of the lessor. Lessee must notify lessor of an anticipated extended absence from the premises in excess of seven days; where the absence is unanticipated, the notice shall be given as soon as reasonably possible after the lessee knows absence will exceed 7 days.
7. PREMISES: No door-to-door solicitation, "For-Sale" signs, posters or advertising or any commercial signs are allowed without the consent of the lessor. The premises may not be used for unlawful purposes.
8. PETS: Pets are allowed in the park on a Probationary Basis Only. Lessee is allowed no more than two dogs or two cats. All animal excrement must be removed on a daily basis. No pets are to run free. This is both a Park and Borough regulation and violators may be required to remove the pet from the Park or face Eviction. Owners of habitually barking or vicious dogs are expected to muzzle the animal(s) or take necessary measures to prevent the animal from becoming a nuisance. Owners of problem animals who fail, after written notice by lessor, to rectify the situation may find themselves and their pet(s) living elsewhere.
9. MOTOR VEHICLES: Speed limit in the park is 10 mph. No major repair of vehicles will be allowed in the Park. Inoperable vehicles may not remain in lessee's mobile home space longer than 7 days.
10. PARKING: Parking for no more than two vehicles, neither being larger than a standard $3/4$ ton truck will be allowed to park in each space. Campers, boats and snow mobiles may be stored in the lessee's space only upon written consent of the Manager. Travel trailers are not permitted in the Park. Streets must be kept clear of vehicles and any cars parked on the streets will be towed away at owner's expense. Inoperable motor vehicles shall be removed from the park by their owner's on 24-hours written notice by the Park Manager or will be towed away at owner's expense.
11. EXCESS STRUCTURE: Car ports, storage sheds, fences, porches, etc., must comply with municipal building codes and plans must have the prior approval of Lessor as to plan, location and type of construction. All such structures must be removed upon lease termination.

Accessory buildings will be constructed or installed only after obtaining the consent of the Park Manager. All structures must be in harmony with the design and quality of mobile homes throughout the rest of the park. No alterations are to be made by the tenant except with permission of the management. Leantos, wanigans and carports shall not be less than 10 feet nor than 15 feet in width, shall not extend beyond the front or the back of the mobile home. Leantos of 25 feet in length shall have 2 windows and 1 door. No structure shall be closer than 15 feet to another mobile home. All leantos shall be closed in and completed on the exterior and painted before work is done on the inside. Roofing materials must be of color and quality approved by the management. In no case will black tar or hot mop tar be acceptable. Siding must be of conventional house type siding. Plywood, Celotex, or the like will not be acceptable. All structures shall be painted on exterior within 15 days after construction. The color of the paint for fences and other structures should be complementary and harmonious with the main color of the mobile home. Variations in color may be authorized upon prior written approval of the management.

all times. No towels, wearing apparel, or laundry of any description is to be hung outside the mobile home. Television and C.B. antennas must be approved. Lessee whose mobile homes and spaces deteriorate below the minimum standard will be notified, and if the substandard condition is not corrected within 10 days, the lessee is subject to eviction.

13. MOBILE HOME CONDITION AND FITNESS: Lessee shall at all times maintain their mobile homes in good overall condition and favorable exterior appearance. Mobile homes shall be of three classifications: Class 1 - Class 2 - Class 3.

Class 1 Mobile homes are those in the category of new up to 10 years in age from date of manufacture. They shall be presumed fit and of good overall condition.

Class 2 Mobile homes are those manufactured more than 10 years ago, but not yet 25 years old. They shall not be presumed fit nor of acceptable overall condition. The lessor's concern about Class 2 mobile homes centers on external appearance and safety. Class 2 mobile homes must strictly adhere to the following terms respecting appearance, fitness, and safety: (1) There shall be no dents, punctures or damages to the exterior siding. (2) The exterior doors shall close tightly and not contain any broken glass or torn screens. (3) There shall be no broken glass or torn screens in the windows and window frames shall be neatly and securely affixed. (4) All windows (except those in exterior doors) shall be of thermopane construction or have appropriate fittings for storm windows; there shall be no exterior visqueen or plastic film covering. (5) Aged skirting shall be replaced with tight-fitting metal insulated skirting. Existing wood skirting must be painted. (6) The mobile home shall be washed and scrubbed at appropriate intervals to avoid the appearance of stains and discoloring. Exterior painting shall be undertaken at appropriate intervals when necessary and shall include attachments and improvements to the mobile home in the same or coordinating colors. (7) No false roof shall be applied or constructed, whether flat or pitched over the mobile home. (8) Each lessee shall at intervals of 2 years or less, obtain a certificate or letter of inspection from the local fire department and/or a licensed plumbing/electrical contractor certifying the fitness of the furnace, water heater and electrical service wiring. Copies of the Certificates or letters of inspections shall be delivered to the Manager by September 1, 1982, and every two years thereafter. Lessee shall obtain a letter of approval from the local fire department certifying satisfactory inspection of all wood stove installations. (9) Lessees shall maintain the yard and landscaping in the same or better condition than pre-existing.

Class 3 Mobile Homes shall be those 25 years of age or older from date of manufacture. Class 3 mobile homes shall not be permitted into the park, and those mobile homes already in the park attaining this status shall be removed by Lessees at their expense as soon as the owner discontinues personal occupancy and there shall be no assignment or subleasing of same, and while in the park must follow requirements pertaining to Class 2.

14. LANDSCAPING AND YARD MAINTENANCE: Landscaping and yard maintenance is required. If lessee does not landscape or maintain his yard, lessor will do so, and charge lessee for these services.
15. STREET MAINTENANCE: Lessor will maintain the streets within the park and provide snow removal from said streets; lessee is to clear his own driveway and walkways.
16. NOISE: No excessively loud parties will be permitted at any time, and tenants will always be expected to control their radios, television sets, musical instruments or noisemaking apparatus within a reasonable volume. Electronic or other devices which interfere with the reception of other tenants will not be permitted. Parents shall be expected to exercise control to prevent excessive noise by their children playing outside the home.
17. DANGEROUS ITEMS: Dangerous instruments, weapons of all types, including pellet and bullet guns, slingshots, bows and arrows and explosives of all kinds to include fireworks, are prohibited from use within the park.
18. VANDALISM: Tampering with park electric service connections or other park utility connections is strictly forbidden. Vandals will be prosecuted.
19. LIABILITY FOR DAMAGE: Lessees assume all liability for losses, injuries or damages caused by himself, members of his family, guests or pets, done to mobile homes, spaces or utilities, or other property or persons within the park, and shall hold harmless and defend the owners and operators from any loss, damages, or suits arising out of such losses, injuries or damage. The lessor will not be responsible for any accidents, injuries or losses of or damage to property caused by fire, theft, wind

20. TAXES: Lessee agrees to pay any municipal sales taxes on rents and fees and to remit same with the monthly payment. Lessor shall pay the applicable municipal real property tax, but lessee shall assume responsibility for payment of the municipal taxes attributable to the mobile home and improvements thereto regardless of whether said taxes be levied and assessed as real or personal property.
21. EASEMENT RESERVED: The lessor reserves an easement to enter upon the leased space for the purpose of installing, inspecting, maintaining or replacing pipes, drainage facilities, electrical lines, telephone lines, television cables or any other facility or utility, and for landscaping.
22. MUNICIPAL BUILDING CODES: References in these Rules and Regulations to the "building codes" shall mean the then existing editions of the Uniform Building Code and Uniform Housing Code as adopted by the City and Borough of Juneau and have application to each of the mobile homes in Glacier View Trailer Court as if situated on a private lot (except concrete foundation and blocking requirements).
23. CHANGES IN RULES AND REGULATIONS: Any of the Rules and Regulations may be amended, changed or suspended in the discretion of the lessors, but shall be effective upon given thirty (30) days advance notice in writing.
24. NOTICE: Notice shall be deemed furnished when given by mail, postage prepaid, to the manager at the address stated herein or to lessee at the address recited in the Lease Agreement or when delivered in person.
25. ABANDONED PROPERTY: Property abandoned by the lessee shall be handled by the lessor in accordance with the procedures prescribed by Alaska Statute Sec. 34.03.260.
26. DECISION ON VIOLATIONS: Lessor shall be the final judge of whether the park's Rules and Regulations are being observed. If the lessor shall fail to insist on the keeping of any particular covenant or agreement contained in this lease, such failure to enforce such covenant or agreement shall not be construed as a waiver of the same, and no waiver of any default hereunder shall be considered a waiver of any subsequent default of like nature. All the terms hereof may be enforced at any time.
27. MANAGER: Until notified to the contrary in writing, the Lessor's Manager is William A. Barnes, located at 3555 Mendenhall Loop Road, Glacier View Trailer Court (office and whose mailing address is P. C. Box 3173, Juneau, Alaska 99803, telephone (907) 789-9724.

The Honorable Bill Ray — FILE —

BY: Linda S. Larsen
1720 Valley Court #11
Juneau, AK 99801

May 15, 1984

Mr. Michael Lynch, Executive Director
Alaska Housing Finance Corporation
Box 1020
Anchorage, AK 99510

Dear Mr. Lynch.

This letter represents the concerns of the mobile homeowners in Valley Court, Mobile II and Mobilehaven Trailer Parks who may or may not have existing financing on their homes through AHFC. It is supported (see attached signature lists) by many people who live in trailer courts in Juneau and are interested in seeing some positive action taken for their neighbors in the three trailer courts in trouble, with the realization that other trailer courts may in the future end up with the same kind of problems.

On January 25, 1984, Ms. Linda S. Larsen wrote to you regarding Valley Court's pending closure scheduled for June 1, 1985. She received a response from Ms. Kay Murphy, Mortgage Department Supervisor for AHFC, dated February 10, 1984, which indicated AHFC was monitoring the progress of proposed legislation (copy attached).

The last week of April, 1984, the residents of Mobilehaven Trailer Park were informed that their court was in the process of being sold and the buyer intended to convert it into a trailer court corporation. They are expected to buy into this corporation with a 42% (\$8,000 - \$9,000) downpayment available by July 1, 1984 or face eviction. Financing for the balance would be provided by the buyer of the trailer court (Juneau Mortgage Company). Since ownership represents ownership of an equal share of the entire court, AHFC financing is unavailable as no deed of land can be given to the individual shareholders. Many are in a state of utter shock over this decision made, again, by a private property owner regarding his land. This has added significantly to the same problem Ms. Larsen wanted you to be aware of last January.

In order to keep this letter as short as possible, we will simply state that some of us have been working very closely with city and State representatives for the last four months, and therefore we are acutely aware of what governmental actions have been and are taking place. The purpose of this letter is to inspire some immediate action by AHFC, regardless of whatever else is happening with the continuing saga of "The Death of A Trailer", in order to bring everything together in time for the people involved to benefit.

On April 11, 1984, some Valley Court residents with existing AHFC loans attended a public meeting with your representative here in Juneau. The meeting was open to the public to discuss or address questions to this

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representative regarding AHFC loan programs. The Valley Court residents who attended asked their questions. Unfortunately, the representative was unable to answer them and suggested they contact you and their Legislators directly.

Before Mobilehaven's situation arose, we had a little over a year to come up with alternatives to mortgaged trailers having no place to relocate to. Now many people have only a few months. We feel the clock is running out and monitoring proposed legislation will not be effective for the now immediate necessity of new or revised loan programs.

In an effort to assist AHFC in finding alternatives for existing loan programs, and in order to hopefully speed up the decision making process, we have included in this letter some of our ideas. We are requesting that you weigh the merit and appropriateness of each. We hope some alternatives can be made available that will include relocation property purchases possible at more realistic cost, and no one defaulting on existing loans.

TYPE II MOBILE HOME CRITERIA

(Copy attached.) Since this program would require someone to have the money to develop a piece of property before financing is available, which is represented in the 25% downpayment required, and since 25% of a developed property purchase is approximately \$10,000 - \$15,000, we feel this program is not designed realistically. Very few of the families concerned would have this kind of money to invest in property. We are concerned about the danger families in mobile homes are in, not investors who are able to take a tax write-off if, for instance, their rental units are lost.

We suggest revising this program in the following ways:

1. A buyer should be allowed to borrow the money to buy undeveloped property initially, therefore getting the money to develop it from the loan. The downpayment on the entire loan amount should be 5% rather than 25%.
2. A property purchase should be allowed from the time an eviction notice is received in order to allow time for development and arranging relocation. To hope several hundred lots that are zoned for mobile homes will be available at the time of closure is overly optimistic.
3. This program should be expanded to include mobile home parks that are being transformed into something other than a rental park. This would address the needs of Mobilehaven residents who do not wish to be forced to buy into a corporation or face eviction by allowing them the opportunity to invest in land.

BUYING LAND WITH AN EXISTING STRUCTURE

At the meeting we suggested we should be allowed to purchase a mobile home

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already on a private lot and then also be allowed to move our existing homes on that lot. The extra mobile home could be used as a rental unit. This would help meet income requirements to qualify for the \$65,000 - \$85,000 loan that would most likely be necessary. When the existing loan was paid off, we would have the choice of selling or disposing of the less valuable mobile home.

The AHFC representative informed us that AHFC will not finance property with two structures on it. Surely there must be some way to alter this position. Wouldn't this seem a feasible alternative considering the low number of lots zoned for mobile homes? If one exists and there is someone willing to sell it, we feel the immediate need for relocation should be the deciding factor.

DEFAULTING

We were informed at this meeting of what would be the worst that would happen to us if we found ourselves in the position of owning a mobile home with no place to put it. In essence, we were told we would default on our loans, they would be repossessed and we would not have to pay off the balance of the loan because Alaska does not seek a judicial settlement to obtain the money from the borrower, however, no future loans would be available to us.

AHFC must surely be aware that many of us have invested our life's savings into our current homes. Many considered their initial investments to be a stepping stone to owning a house. We have much to lose. Damaging our credit forever by defaulting is not an acceptable solution. Can you imagine what will happen if all the people with loans in the parks closing in Anchorage and Juneau default? AHFC has 132 million dollars in outstanding mobile home loans to date. The amount of money AHFC will lose should be a good reason for AHFC to try to support alternatives to that solution. It might be interesting to note here that 50,000 people in Anchorage live in mobile homes. In Juneau, approximately 12% of the residents live in mobile homes. We are not representing a select few. Much of the backbone of our communities is in danger.

TWO LOANS

If nothing else, we feel the time has come to alter AHFC's policy that no one can obtain more than one AHFC loan. It is also absurd to insist that the existing loans require owner-occupancy as we cannot occupy them once eviction takes place and relocation is not arranged. If we are allowed to purchase something else totally separately, at least we could let go of our existing homes. We suggest this idea always taking the stand that changes in policies for a positive solution are better than neglecting to change policies with negative results.

We would see only being requested by AHFC to pay on the principal balance from existing loans, without that amount counting against a person while deciding if he or she would qualify for the second loan. We all know that 28% of a families gross income, in many cases, is way below rental costs.

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We do not want to see a "catch 22" situation arise which would have AHFC stating that families would not qualify for other purchases. In these special situations, the most important thing to preserve is homeownership. In a case like this, the family has lost the equity on the previous trailer purchase and therefore should at least be given the chance to build up new equity in a new home.

This would cut the very real mass-defaulting danger on mobile homes from a 132 million dollar loss for AHFC to half of that (if that figure is taking the interest into account.) If the interest is not represented, the loss percentage from defaulting would be much less as most families would consider keeping their credit in good standing worth paying off a principal balance on something they no longer possess. Again, with programs like the H.O.F. program, it would all balance out in the end anyway. This solution would make everyone come out a winner. If mobile homes are indeed to become extinct like the dinosaurs, then our community and State should take steps to take those families involved out of the stone age and into the present.

CONDOMINIUM PURCHASE NEEDS

To assist those residents in Mobilehaven who want to remain where they are rather than having to come up with the \$3,000 it will cost to relocate their homes, we feel AHFC should take an active role now in supporting Senate Bill 464 (copy attached). This would allow for financing in this trailer court which is currently unavailable. This might also allow these residents to purchase, individually or as an association, their lots, if the present buyer does not end up buying from the current owner. The necessity to make this decision in the immediate future is apparent.

SECOND MORTGAGE LOAN PURCHASE PROGRAM

1. Home Improvement Loan Program states it is designed for improving the basic livability of the dwelling. We consider purchasing land to put a mobile home on which is in danger of losing the space it is currently located on as improving the "basic livability" of the home.

We suggest obtaining property purchase financing through this program as an alternative to defaulting on loans. This may be an ideal way to assist Mobilehaven residents as many homes are valued over the required cost of a share of the park. Since 90% maximum financing of the value of the improved home would be available, and even if AHFC would not consider ownership in a share of the park as part of that value, the loan would cover the share amount with only a \$2,000 downpayment necessary.

2. We also suggest this second mortgage avenue should be allowed towards the purchase of land to relocate to or a separate dwelling. There would be the possibility of finding owner-financed land and this loan from AHFC would serve as a downpayment.

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3. We strongly feel AHFC existing mobile home loans should be a primary factor for qualifying for a second mortgage, not falling under the Type I criteria. This also should be available for homes not financed through AHFC because they would still have an appraised value which could be used in determining the loan amount.

We have also enclosed a copy of the October 1982 Mobile Home Task Force Report for your review. This report clearly states in #1 of the Summary of Findings that Valley Court Trailer Court residents were served with eviction notices in 1982. It might be interesting to note that Mr. Bob Fritz, Mortgage Manager for the First National Bank of Anchorage in 1982, was on the Mobile Home Task Force. If a trailer court is indeed openly on the verge of closing, prospective buyers should have been informed of the seriousness of the situation and their loans approved only if similar trailers in more secure courts were found. We cannot justify AHFC's continued financing in this court in 1982 - 1983 by believing AHFC has been totally unaware of Valley Court's situation when a bank representative who is processing some of these very loans contributed to this report. Considering this, we strongly feel AHFC should act responsibly to assist in amending the error of continued financing in a trailer park which has made clear its intentions of closure.

We have also enclosed a copy of a letter to AHFC from Mr. John Annand, Housing Director for the City & Borough of Juneau, dated December 20, 1983, which discusses various parks' compliance with regulations for mobile home parks in Juneau. Does this have any bearing on any future decision for AHFC to finance condominium or other types of loans in Mobilehome?

We would also like to state that it is our understanding that in order to revise current loan programs, AHFC would only have to change its by-laws. Changing regulations is a long process, but hopefully considering the timeframe we are dealing with, this process could be handled as an emergency and done before next year.

As a last comment, we do feel it the time has come for the State to declare a land emergency for mobile homes in Alaska. As the land has become more valuable for other uses, all parks are in possible danger. A rental housing shortage emergency has been declared in the past and the result was more rental housing made available. Juneau is going to need more than one new park. Can AHFC help the State to see these new parks are built?

Thank you for your time. We sincerely hope our time and effort in establishing ideas to suit our needs and the growing needs of Alaska will prove to be valuable. We would like to see some support and encouragement from the loaning institution we feel has been created to assist all Alaskan residents.

Sincerely,

The Undersigned (signatures attached)

cc: Anchorage and Juneau

Alaska

HOUSING



FINANCE CORPORATION

February 10, 1984

Linda S. Larsen
1720 Valley Court #11
Juneau, Alaska 99801

Dear Ms. Larsen:

Thank you for your letter of January 25, 1984 in which you request suggestions from Alaska Housing Finance Corporation (AHFC) on how to best handle your eviction notice issued by Valley Court Trailer Park. Your situation is extremely unfortunate and I do understand the dilemma it has created.

Members of the Legislature are aware of the situation many people have been placed in due to mobile home park closures. I understand that they are looking into possible solutions to this problem through new legislation. I would suggest that you contact Senator Bill Ray or Representatives Jim Duncan and Mike Miller. I would also urge you to contact Mr. John Annand with the City and Borough of Juneau and members of the Juneau Assembly to determine whether or not there are plans to make more land available for mobile home park development.

AHFC will continue to monitor the progress of proposed legislation. Please contact me if you have additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Kay Murphy".

Kay Murphy
Mortgage Department Supervisor

KM/dfb

Mobile Home Program



Offering an alternative to the high cost of stick built dwellings, mobile homes have played a significant role in providing housing in Alaska.

Features

Maximum Loan Amount:

Type I - \$178,650

Type II - \$ 75,000

Minimum Down: 5%

Maximum Term:

Type I - ABE Structured Mortgage
(See brochure "Buying a Home in the Future")

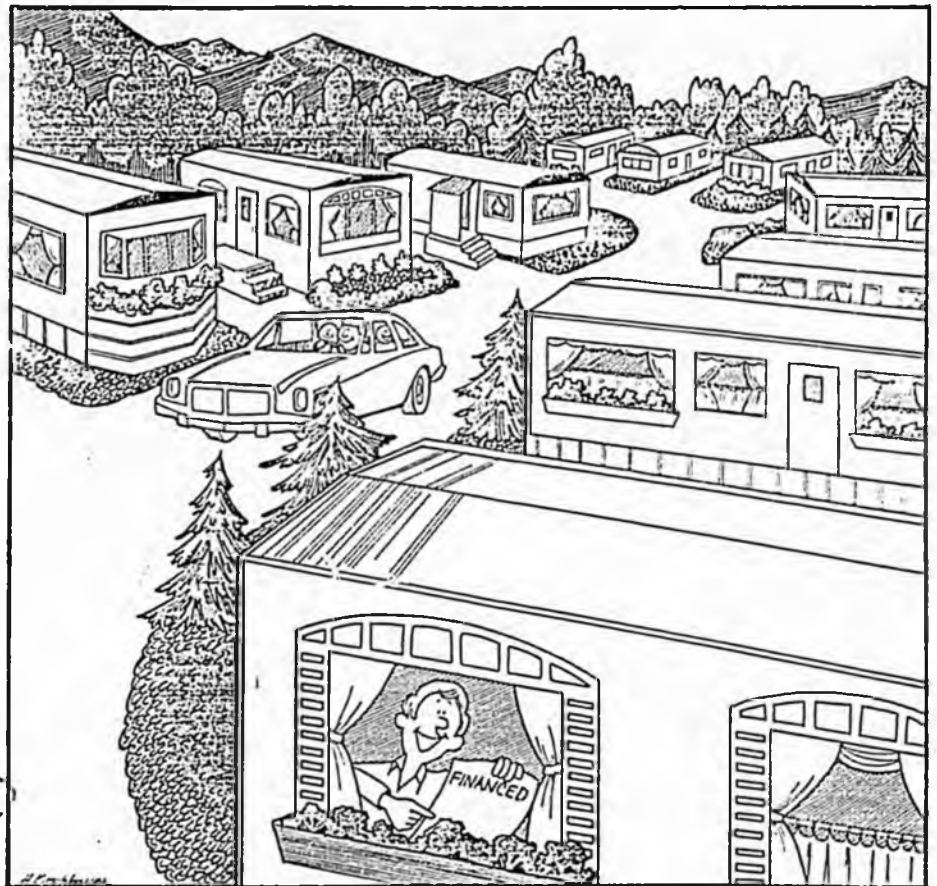
Type II - Lesser of 20 years or remaining economic life.

Type I Mobile Home Criteria

Type I mobile homes will be financed with the proceeds from bond sales and may be financed under our Taxable Program, Veterans Mortgage Program, Tax-Exempt Program, Home Ownership Assistance Program, and Pledged Account Program (brochures for these Programs are available through your lender or AHFC).

Based on our current Pool Insurers' requirements, to be eligible for financing as a Type I Mobile Home the following requirements must be met:

1. Units must have been constructed after 6/15/76.
2. Units must be set up on permanent foundation and situated on fee simple lot or accepted leasehold estate.
3. Units must contain a minimum of 700 square feet, exclusive of lean-tos, wanigans, etc.
4. Units must have a pitched roof (for every 12 inches, the rise must be 3 inches), and have a roof overhang of no less than 10 inches.
5. Units must have a minimum ceiling height of 7' 6".
6. Units must be taxed as real property.
7. Units must meet the Federal Mobile Home Construction and Safety Standards (Title VI, Housing and Community Development Act of 1974).



Type II Mobile Home Criteria

Type II mobile homes must contain a minimum of 600 square feet. Type II mobile homes are defined as all mobile homes not meeting the criteria set forth for a Type I unit. Type II mobile home units are also eligible for financing under the Home Ownership Assistance Program.

Type II mobile home loans may be for:

1. The purchase of a mobile home,
2. The purchase of a mobile home and lot,
3. The purchase of a mobile home and

to pay off an existing lot currently owned by the borrower, and

4. The purchase of a lot on which to move the borrower's existing AHFC mobile home, if the relocation is due to a mobile home park closure. (Maximum loan amount - 75% of lot value as improved, determined by lesser of cost or appraised value.)

✕ For Items 2-4, the cost of the lot shall include the purchase price or payoff on the lot plus the cost of providing permanent improvements (water, sewer, access, etc.) to the lot.

Other Criteria for Type II

Mobile Homes

1. Personal property (appliance package) that may be included in the sale of the mobile home is limited to \$1,500. No furniture may be included in the sale of the mobile home.

2. When the mobile home is located on fee simple land or an acceptable leasehold estate (and on a permanent foundation) improvements such as lean-tos, wanigans, storage, etc. may be part of the appraised value if they enhance the livability and marketability of the unit.

3. If the unit is in a mobile home park, the park must be an approved AHFC park.

4. If the mobile home is on fee simple

land or an acceptable leasehold estate, the value of the mobile home and foundation shall not be less than 50% of the total appraised value.

Examples:

a) Mobile Home & Foundation	\$30,000
Land	<u>25,000</u>
Total Value	\$55,000

Since the mobile home and foundation is more than 50% of the total value, the maximum loan is 95% of \$55,000 or \$52,250

b) Mobile Home & Foundation	\$25,000
Land	<u>35,000</u>
Total Value	\$60,000

In this case, the mobile home and foundation is less than 50% of the total value so the maximum loan is based on 95% of 2 times the mobile home and foundation. $\$25,000 \times 2 = \$50,000 \times 95\% = \$47,500$

Interest Rates

The interest rates under this program follow those established under the Taxable Mortgage Program and are based on the rate for AHFC bonds plus the Corporation's operating costs and will vary from time to time. INTEREST RATES ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE. Consult your lender for the current AHFC rate.

Second Mortgage Loan Purchase Program



In 1982, AHFC implemented its Second Mortgage Loan Purchase Program. The program can be divided into two categories:

- 1) Home Improvement Loan (HIL); and
- 2) Second Mortgages for the purchase of a residence

1. Home Improvement Loan Taxable Program

Maximum Loan Amount

The total-financing-to-value may not exceed 90% of the market value—as completed—and the sum of the first and the second may not exceed AHFC's loan maximums of \$178,650 for a single-family dwelling and \$207,750 for a duplex.

Eligible Improvements

Those which improve the basic livability or energy efficiency of the dwelling, including completions or additions.

Eligible Property

Owner-occupied single-family dwellings, including condominiums, units in a PUD, duplexes and Type I mobile homes. Vacation or rental properties are NOT eligible.

Loan Terms

Up to \$6,450 5 years
\$ 6,500 - \$12,450 10 years
\$12,500 - and up 15 years



2. Seconds for Purchase

Proceeds of a second mortgage must be used for the purchase of an owner-occupied single-family residence or duplex, where the dwelling is subject to an existing first mortgage.

Maximum Loan Amount

The total-financing-to-value may not exceed 90% of the market value or sales price—whichever is less—and the sum of the first when combined with the second may not exceed AHFC's current loan maximums of \$178,650 for a single-family dwelling and \$207,750 for a duplex.

Eligible Property

Owner-occupied single-family dwellings (including condominiums or PUDs) and duplexes. Mobile homes, vacation or rental properties are NOT eligible.

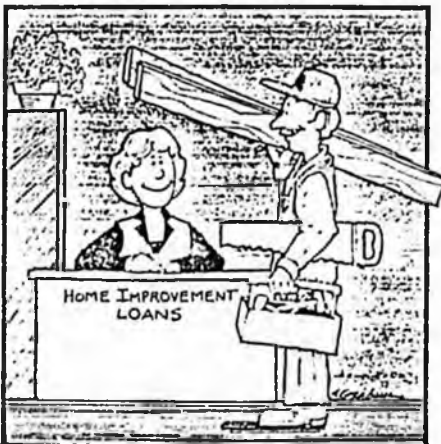
Loan Terms

Up to \$6,450 5 years
\$ 6,500 - \$12,450 10 years
\$12,500 - and up 15 years

Interest Rates

As with AHFC's first mortgage program, the interest rate is governed by the legislature and may fluctuate depending on the cost the Corporation must pay to obtain its funds. Interest rates are SUBJECT TO CHANGE WITHOUT PRIOR NOTICE.

By Law, AHFC is allowed to loan up to \$90,000 under the first mortgage program at a subsidized rate. For any portion above \$90,000, the borrower is required to pay an interest rate equal to the cost of funds. The Seconds Program works in the same manner. However, please remember, if the existing first mortgage is a subsidized AHFC loan, the outstanding principal balance of the first mortgage must be subtracted from the \$90,000 to determine the amount of the second that will be eligible for the subsidized rate. This formula applies to both categories of the Second Mortgage Loan Program.



THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

December 20, 1983

Mathy Jones, Loan Officer
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, AK 99510

Dear Ms. Jones:

Enclosed you will find copies of all mobile home court inspections completed in Juneau earlier this month.

The City and Borough's findings can be summarized as follows:

1. Parks in compliance with no corrective action necessary:
Lemon Creek Manor, Switzer Village, Kodzoff, and Glacierview
2. Parks with a few minor violations, with few corrective actions necessary for the park to be in compliance with local codes:
Sprucewood and Mobile Haven
3. Parks with major violations in one section, and few violations in one section: Thunder Mountain
4. Parks with major problems that will require major corrective actions: Valley Court, Mobile II, and Sunset Court

It is my opinion that the City and Borough would not object to transactions in courts listed under No. 1 and No. 2. Mobile Haven's snow removal problem is of more concern to AHFC than the City and Borough and you may want to take some form of action to correct this problem. Additionally, Sprucewood's water problem concerns me in the short-run, but the new expanded water system trunklines will abut this court within the next year or so. Lastly, Thunder Mountain Trailer Court appears to be sound in the newer part and in poor shape in the older part; you may want to consider making loans in this park based on whether a unit is to be or is located in the newer section or the older section.

Each year the municipality continues to expand its efforts to more closely regulate mobile homes. The municipality considers the upgrading of mobile home courts an on-going long-term project. I will make sure that you are continually informed of local actions concerning mobile home parks.

Best regards,

JOHN P. ANNAND
Housing Director

Mobile Home Task Force
Summary of Findings

The Mobile Home Task Force was organized to address five major problem areas:

1. Mobile home parks in Juneau are prime targets for conversion to other uses such as apartments, condominiums, single family housing, and in some instances, commercial or industrial uses. The most recent example of such a conversion is Valley Court Mobile Home Park. In June of 1982, approximately 50 residents of Valley Court were given notices of eviction. This action coupled with the relative nonexistence of mobile home lots on which to relocate the units, gives evidence of the economic pressures which can result in dire housing problems for mobile home owners.
2. Due to outmoded mobile home park regulations and inadequate enforcement, several parks have fallen into decay resulting in potentially serious health and safety hazards.
3. Although manufactured housing (including mobile homes) has moved to the forefront across the nation as the most affordable alternative to conventional housing, the utilization of this housing option to address Juneau's severe housing shortage has been virtually nonexistent in recent years. Why does this condition prevail and what can be done about it?
4. Given the imminent displacement of many mobile home owners from existing parks in the coming years, residents are faced with an immediate requirement for land that they can purchase or lease for the placement of their mobile homes. A recent informal survey indicates that many mobile home owners would much prefer to purchase a lot to live on.
5. The financing of mobile home purchases is presently restricted to levels which make lot and home ownership impractical under present Alaska Housing Finance Corporation policy. Can local government be of assistance in this area to stimulate housing development in Juneau?

The Mobile Home Task Force believes that its recommendations potentially provide partial solutions to all of the stated problem areas. Our recommendations include a revised mobile home park ordinance to enhance the city's ability to ensure safer and more attractive conventional mobile home parks in Juneau. We recommend

SIGNATURE LIST
VALLEY COURT
TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AMPC LOAN?
Rinda Kent	LINDA KENT	49	NO
Al Hunt	Al Hunt	53, 55	NO
Quanda A. Hurley			
Kenneth P. Hurley	KENNETH P. HURLEY	61	NO
Joseph J. Cripps	Joseph J. CRIPPS	113 1/2	NO
Nancy L. Cripps	Nancy L. Cripps	113 1/2	NO
John R. Tanner	John R. TANNER	110	NO
Steve E. Erdman	Steve Erdman	109	NO
Charlene Randall	CHARLENE RANDALL	#68	NO
Paul Brower	Paul Brower	#15	NO
John Leise	John LEISE	#1-62	NO
Doris D. Mostz	Melanie D. Mostz	#58	NO
Terry Lyon	Terry Lyon	#35	NO
Bernice Brown		#31	NO
Mari Burke	Mari Burke	#38	NO
Daniel Tomaro	Daniel Tomaro	#159	NO
Mary Gibson	Mary Gibson	#73	?
Jean Blomquist	JEAN Blomquist	75	NO
Charm Blomquist		#95	NO
Betty Larsson	Betty Larsson	#70	NO
Rexede Olson	Rexede Olson	#74	YES
Reba Maddy	Reba Maddy	#76	YES
Katherine C. Germain	Katherine C. Germain	#78	NO
Teresa M. Germain	Teresa M. Germain	#79	NO
Larry Germain	LARRY GERMAIN	#79	NO

SIGNATURE LIST
 VALLEY COURT
 TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AMFC LOAN?
Marty Francalone	MARTY FRANCALONE	80	NO
Ulrich B. Flach	Ulrich B. Flach	95	NO
Thedelle Latimer	Thedelle Latimer	83	NO
Ann L. Fauth	Ann L. Fauth	95 ^{ROOM 1147}	NO
Celia Oberlach		83	no
Yvonne Ellis	YVONNE ELLIS	85	NO
Phyllis Scott	Phyllis Scott	91	NO
Michael Scott	Michael Scott	91	NO
Jerry Horning	JERRY HORNING	86	NO
Dorothy Horning	Dorothy Horning	86	NO
Terry Ryals	Terry Ryals	97	NO
Daniel O'Keefe	Daniel O'Keefe	94	NO
Karrie O'Leary	Karrie O'Leary	98	NO
Scott Pexton	Scott Pexton	100	NO
Paula Helm	PAULA HELM	100	NO
Jerry Tauscher	JERRY TAUSCHER	54	NO
Danielle Tauscher	DANIELLE TAUSCHER	84	NO
Sue Jones	Sue Jones	# 88	YES
Cindi Schaefer	Cindi Schaefer	# 64	NO
Michael R. Stein	MICHAEL R. STEIN	# 54	YES
Scott M. Johnson		# 50	NO
Ph. Ace (David)		# 62	NO
Guy F. Crockett		# 50	NO
Beatrice Brown		# 52	NO
Debbie A. Doyle		# 42	NO
Cliff R. ...		# 42	NO

SIGNATURE LIST

~~MOBILE HOME~~

TRAILER COURT

VALLEY COURT

SIGNATURE	PRINTED NAME	SPACE #	AHFC LOAN?
<i>Chuck N. Reed</i>	CHUCK N. REED	90	NONE
<i>Wayne D. Shepherd</i>	Wayne D. Shepherd	93	NO
<i>Ronald G. Reddick</i>	Ronald G. Reddick	#95	NO
<i>Kay Reels</i>	Kay Reels	97	NO
<i>Tamara M. Tullis</i>	TAMARA M. TULLIS	82	NONE
<i>Catherine Tullis</i>	CATHERINE TULLIS	82	NO
<i>Robert Renske</i>	Robert Renske	#73	NO
<i>Marilla Gemmer</i>	MARILLA GEMMER	#72	YES
<i>Charles T. Bourgeois</i>	Charles T. Bourgeois	#105	YES
<i>Tom M. ...</i>	TOM M. ...	#115	NO
<i>Danny Stith</i>	DANNY STITH	42	NO
<i>Rita M. Baker</i>	Rita Baker	#43	NO
<i>Edwin Ruby</i>	EDWIN RUBY	#44	NO
<i>Jennifer Greenwald</i>	Jennifer Greenwald	#83	NO
<i>Linda S. Larsen</i>	Linda S. Larsen	#11	YES

SIGNATURE LIST
MOBILEHAVEN
TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	ANFC LOAN?
<i>Lorele Bonk</i>	Lorele Bonk	37	YES
<i>Duane Bonk</i>	Duane Bonk	37	YES
<i>Marlin Haywood</i>	Marlin Haywood	5	YES
<i>Flora Haywood</i>	Flora Haywood	5	YES
<i>Randy Conrad</i>	Randy Conrad	18A	YES
<i>Barb Conrad</i>	Barb Conrad	18A	YES
<i>Danny Leach</i>	Danny Leach	49	
	Kim Leach	49	
	Beverely Manicke	8	
	Andie Parker	27	
	Susan Arasmith	27	
<i>Bob Peterson</i>	Bob Peterson	13	
<i>Kelly Peterson</i>	Kelly Peterson	13	
	Shelley L. Compton	71	
<i>Eugene Lossette</i>	Eugene Lossette	48	YES
<i>Coleen Lossette</i>	Coleen Lossette	48	YES
<i>Kathy Brown</i>	Kathy Brown	70	YES
	Patty Gill	45	
	John Gallant	36	
	Shannon Gallant	36	
<i>Lucille Walker</i>	Lucille Walker	46	NO
	Nellie Oldaker	53	
<i>Ernest C. Gertsch</i>	Ernest C. Gertsch	24	NO
	Jean Gertsch	24	
	Frank Dick, Sr.	10	
	Jennie White	10	

SIGNATURE LIST
MOBILEHAVEN
TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AHFC LOAN?
<i>Carolyn Spalding</i>	Carolyn Spalding	43	YES
<i>Tom Farrell</i>	Thomas Farrell	43	YES
<i>Patricia Ziegler</i>	Patty Ziegler		0
<i>Kevin Ziegler</i>	Kevin Ziegler		
<i>Emmett Goodwin</i>	Emmett Goodwin	79	NO
<i>Wanda E. Goodwin</i>	Wanda Goodwin	79	NO
<i>William H. Sanford</i>	William H. Sanford	57	NO
<i>Shannon Farrell</i>	Shannon Farrell	22	YES
<i>Pat Shaw</i>	Pat Shaw	23	NO
<i>Cindy Scofield</i>	Cindy Scofield	34	NO
<i>Joyce St. Clair</i>	Joyce St. Clair	68	NO
<i>Larry St. Clair</i>	Larry St. Clair	68	NO
<i>Robert Hirsch</i>	ROBERT HIRSH	75	NO
<i>Noreen Hirsch</i>	NOREEN HIRSH	75	NO
<i>Chuck Orcutt</i>	Chuck Orcutt	64	Yes
<i>Roger R. Leight</i>	ROGER R. LEIGHT	15, 21, 67	NO
<i>Edward D. Carroll</i>	Edward D. Carroll	33	NO
<i>Keith W. Wertheimer</i>	KEITH WERTHEIMER	78	YES
<i>Johanna Tversan</i>	Johanna Tversan	62	YES
<i>Diana Tversan</i>	Diana Tversan	67	NO
<i>MR. & MRS. FRUIT BRADMAN</i>	FRUIT BRADMAN	# 47	NO
<i>MR. & MRS. WILLIAM & BETTY MARIN</i>	WILLIAM & BETTY MARIN	# 41	NO
<i>MR. & MRS. GLEN M. KNUICKERROCKER</i>	GLEN M. KNUICKERROCKER	# 7	NO
<i>Ellen Lauer</i>	ELLEN LAUER	# 60	YES
<i>Chris Cornwell</i>	CORNWELL, CHRIS	# 25	NO
<i>Elaine Presler</i>	Elaine Presler	# 51	NO

SIGNATURE LIST
MOBILEHAVEN
TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AHFC LOAN?
<i>Charles F. ...</i>	Charles F. ...	F1	No
<i>Susan Z. Simmons</i>	SUSAN Z. SIMMONS	44	YES
<i>Clara X. Simmons</i>	CLARA SIMMONS	44	"
<i>Thomas F. Pratt</i>	THOMAS F. PRATT	38	"
<i>Ronda L. Rose</i>	RONDA L. ROSE	39	NO
<i>Donald D. ...</i>	Donald D. ...	57	NO
<i>Nellis ...</i>	NELLIS ...	53	YES
<i>Stewart Vaughan</i>	STEWART VAUGHAN	66	YES
<i>Patricia Ann Smith</i>	PATRICIA ANN SMITH	13	NO
<i>Margaret Kelso</i>	MARGARET KELEO	11	NO
<i>Rudolph ...</i>	RUDOLPH ...	73	NO
<i>Bill J. Stoddard</i>	BILL J. STODDARD	77	NO
<i>Tina E. Williams</i>	TINA E. WILLIAMS	14	NO
<i>Bertie Meltenbeck</i>	BERTIE MELTENBECK	19	NO
<i>Douglas Small</i>	DOUGLAS SMALL	22	Yes
<i>Ron Olson</i>	RON OLSON	3	NO
<i>Alan Slade</i>	ALAN SLADE	3	NO
<i>Meoff Peterson</i>	MEOFF PETERSON	31	NO
<i>Katherine C. Carroll</i>	KATHERINE C. CARROLL	33	NO
<i>Ann Mortell</i>	ANN MORTELL	72	NO
<i>Bernice Chimelir</i>	BERNICE CHIMELIR	76	Yes
<i>Gene Shaw Jr.</i>	GENE SHAW JR.	23	NO
<i>Stan ...</i>	Stan ...	26	NO
<i>Lisa Hayes</i>	LISA HAYES	28	NO
<i>Jeff White</i>	JEFF WHITE	28	NO
<i>JERRY WHITE</i>	JERRY WHITE	28	NO

SIGNATURE LIST
 SPRUCE WOOD
 TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	ARFC LGRM?
<i>[Signature]</i>		97	NO
<i>[Signature]</i>	DINA VAVALI'S	86	NO
<i>[Signature]</i>	CLEVELAND BIRNBAUM #60		NO
<i>[Signature]</i>	ALLEN D. FARCE #59		YES
<i>[Signature]</i>	HEATHER S. HANCOCK #5		NO
<i>[Signature]</i>	MARTHA LARSON #90		0
<i>[Signature]</i>	EDWARD T MITCHELL #78		YES
<i>[Signature]</i>	LAWRENCE HELFENSTEIN #41		YES
<i>[Signature]</i>	JAMES HOLLINGTINE		YES
<i>[Signature]</i>	NEIL L. McLEAN #23		NO
<i>[Signature]</i>	KENNETH E. GERBER #23		N/A
<i>[Signature]</i>	GARY A. HIND #20		YES
<i>[Signature]</i>	STEVE O'LOE #18		NO
<i>[Signature]</i>	JESSIE D. BUCKLE JR. #34		NO
<i>[Signature]</i>	JOSE PEWERO #13		YES
<i>[Signature]</i>	JANE MARIAN JANGENSEN #70		NO
<i>[Signature]</i>	J. MARIE CROPHY #66		NO
<i>[Signature]</i>	NORMAN ASPEN		NO
<i>[Signature]</i>	MIKE BROWN #63		NO
<i>[Signature]</i>	JAMES ONSTOTT #32		YES
<i>[Signature]</i>	LAWRENCE ONSTOTT #32		YES
<i>[Signature]</i>	BILL D. NICHOLAS #60		YES
<i>[Signature]</i>	EVELYN C. TAYLOR #89		YES #754125KAT
<i>[Signature]</i>	JAMES S. PETER #26		YES
<i>[Signature]</i>	JEFFREY J. PETER #26		YES
<i>[Signature]</i>	NARON PICERMAN #25		YES

SIGNATURE LIST
GLACIERVIEW
TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AHFC LOAN?
<i>David T. Knuth</i>	David T. Knuth	12	NO
<i>Lavinia S. Finck</i>	Lavinia S. Finck	11	NO
<i>David A. Gaston</i>	DAVID GASTON	8	NO
<i>Nora Blum</i>	TRACIL BLUMS	27A	NO
<i>Rebecca Gurney</i>	Rebecca Gurney	27A	N/A
<i>Sharon Lambingham</i>	Sharon Lambingham	27A	NO
<i>Cheryl L. Koski</i>	Cheryl L. Koski	30	NO
<i>Dan Hunt</i>	DAN HUNT	18	NO
<i>Mike Chitty</i>	MIKE CHITTY	16	NO
<i>Melanie Mickelson</i>	Melanie Mickelson	34	NO
<i>Michael Mickelson</i>	Michael Mickelson	34	NO
<i>Mike Heard</i>	M. K. Heard	35	YES
<i>Gary Brummitt</i>	GARY BRUMMITT	38	NO
<i>Jessy L. Patton</i>	Jessy L. Patton	42	NO
<i>Aileen M. Griffin</i>	AILEEN M. GRIFFIN	44	NO
<i>Ann Marie Lee</i>	ANN MARIE LEE	65	NO
<i>Kerry Leaf</i>	Kerry Leaf	#46	NO
<i>Allen McGee</i>	Allen McGee	#40	yes
<i>Michael E. Walker</i>	Michael E. Walker	#48	yes
<i>Kris A. Messerscamini</i>	KRIS A. MESSERSCAMINI	#49	YES
<i>Barbara W. Zwick</i>	BARBARA W. ZWICK	#50	NO
<i>Ther Ann Tower</i>	THEA ANN TOWER	#53	NO
<i>Linda R. Harrison</i>	Linda R. Harrison	#51	NO

SIGNATURE LIST
 Clearview
 TRAILER COURT

SIGNATURE	PRINTED NAME	SPACE #	AHEC LOAN?
<i>Billy Sullivan</i>	Billy Sullivan	58	YES
<i>Ronald Johnson</i>	Ronald Johnson	58	YES
<i>Robert D. Peterson</i>	ROBERT ROSETHORN	62	YES
<i>Kent Peterson</i>	KENT PETERSON	67	YES
<i>Phoebe Whistler</i>	Phoebe Whistler	40	YES NO
<i>Dean Wheeler</i>	Dean Wheeler	Spurwood 43B	YES
<i>Lee Wheeler</i>	LEEWHEELER	11	NO
<i>Coleen J. Morgan</i>	COLEEN MORGAN	#106	YES
<i>Gerald S. Cuzzio</i>	GERALD S. CUZZIO	#79	YES
<i>Elizabeth Morris</i>	ELIZABETH A. MORRIS	#79	NO
<i>Jess C. Lawson</i>	Jess C. Lawson	#80	NO
<i>Robert Harmon</i>	Robert Harmon	126	NO
<i>Mary Lawson</i>	MARY LAWSON	#80	NO
<i>Frank Grantz</i>	FRANK GRANTZ	#84	YES
<i>Cathy Grantz</i>	CATHY GRANTZ	#84	YES
<i>CR Maynard</i>	C. F. MAYNARD	#85	NO
<i>Don La Pierre</i>	Don La Pierre	#88	NO
<i>Colleen Ettles</i>	Colleen Ettles	#66	YES
<i>Dawn L. Collins</i>	DAWN L. COLLINS	#67	YES
<i>Mark R. Chester</i>	MARK R. CHESTER	#72	YES NO
<i>Peter C. Miller</i>	PETER C. MILLER	#75	NO
<i>Dave Barton</i>	DAVE BARTON	#36	NO
<i>Jane Prindall</i>	JANE PRINDALL	#76	NO
<i>Michael O. Kintner</i>	Michael O. Kintner	#102	NO
<i>Thomas E. Lotz</i>	Thomas E. Lotz	#97	YES

- FILE -

1720 Valley Ct., #17
P.O. Box 965
Juneau, AK 99802
January 13, 1984

The Honorable Bill Sheffield
Governor
State of Alaska
Pouch A
Juneau, AK 99811

Dear Governor Sheffield;

Generally your incoming correspondence is handled by committees, aids or personal secretaries; however, this letter is of such importance and urgency, I ask that you give it your personal attention. This letter will no doubt be delegated to others to handle, but as our Governor, whose interest is in helping the citizens who have elected him, you should be informed of this tragic situation.

The residents of Vall., Court received eviction notices by their landlord, Phil Godfrey - D.B.A. Red Samm Construction Inc. of Juneau. This in itself does not sound earth-shaking, however, this is only the surface of the disaster about to hit our city.

There are four trailer courts in trouble in Juneau. They are:

1. Mobile II Trailer Court in North Douglas, to be vacated no later than September, 1984.
2. Thunder Mountain Trailer Court in the Valley, condemned by the City & Borough last year-evacuation imminent.
3. Valley Court Trailer Court in the Valley, to be vacated by June, 1985.
4. Two full streets of Sprucewood Trailer Court, vacate date unknown (by me).

These four trailer courts represent around 300 to 500 families. there are an average of 4.5 people in the normal Juneau Family. This means between 1,350 to 2,250 residents of Juneau are facing imminent eviction. We are all aware of the housing crisis in Juneau. We can all see what will happen when approximately 2,000 people are out in the streets with nowhere to live. That is almost 10% of this entire City and Borough's population!

We must remember, there is very little housing in Juneau. To add to this dilemma, the majority of us being evicted are low-income families. Many still owe money for the trailers we own. The majority of the trailers cannot be moved because of condition and/or age. They would fall apart during the move!

For those few remaining that could be moved, the City and Borough will not open land for development so no lots are possible to move the trailers to. Even if lots could be approved, it would



take far more than a year to approve, get licenses and permits for, and then develop (which means developing a sewer system, a water system, electrical systems, accessibility to emergency vehicles, roads, and foundations set. City and Borough regulations forbid moving trailers (even on private land): until these development requirements are met.

Even though we cannot move our trailers to other sites, we are still required to remove them from their present sites. The quotes given us at the last meeting of residents and City officials, for trailer removal (to the city dump) ranged from \$2,000 to \$4,000 depending on size, and ability to assist in removal.

The banks will not make loans for moving or set-ups or land to trailer owners. Most of us are low-income, we owe on our trailers, and now we owe for removal of our present homes. So even if land were available, it could be developed on time, and our trailers could withstand the move, we couldn't get a loan to pay for the move, the development, and the land.

So, our only alternative is to throw away our homes, try to find something to rent (inexpensive since we are not well off financially, or we wouldn't be living in old run-down trailer courts), and live on.

Some of us don't even have this alternative. Case in point - I, my wife, and our seven children live in Valley Court. I just recently filed bankruptcy. Our total family income is \$1,300 net. We could qualify for Alaska State Housing Authority (ASHA) low-income housing, except.....State governmental regulations require that we have one bedroom for each two people (and they both must be the same sex.) Children are not allowed in the same bedroom with their parents.

That is five bedrooms. ASHA does not have 5 bedrooms, even if they did, the waiting list for apartments is around one year, if you qualify for ASHA. And I think it's safe to assume that we won't find a five bedroom house or apartment for rent in the private sector either. At least not for less than our total monthly income. Whether we find housing or not, we still have to pay \$3,000 to haul our present home to the dump.

This crisis was brought up to the City Assembly's attention 2 years ago. They promised to develop a solution. Last year, suggestions were instituted, and after careful consideration, a solution was developed. the Assembly then voted on it and it was passed unanimously. Their decision - do nothing.

Please, don't follow through with their plan. Do something. During this election year, a great many people are going to

be asking, "what are our representatives doing for us?" While some of the various trailer court residents will be asking, "What are they doing to us?"

Let me explain some of the harm to the State, to the City, and to the people, that this will cause.

- 1) Decrease in revenue due to loss of property taxes on possibly as many as 500 homes.
- 2) Obviously tremendous increases in rentals due to the law of supply and demand.
- 3) Loss of population, as 2,000 people cannot remain homeless in a city that doesn't care, so they will have to move out.
- 4) Loss of purchasing power, thus profits, to virtually every business in the Borough.
- 5) Loss of integrity, dependability, and trustworthiness in State and City government and its policymakers.
- 6) Poor public relations between Alaska and the lower 48. (Can you imagine public opinion of a State rich enough to provide Permanent Fund Dividend Payments, yet unable or unwilling to help 10% of its capital city's population from being thrown out in the street?)

This list of damages goes on and on, but my purpose is not to show the damages that may result. I offer a few suggestions that may help ease the pain this disaster will cause.

First, let me say certain plans are impossible to even consider by those being displaced. Second, certain plans will meet with much disfavor among our leaders, but then I'm sure, those leaders who elect to do nothing as our City leaders have, will no doubt fall into disfavor with the voters.

Allocating land will help practically no-one, as we couldn't pay for it and its development, few of the trailers could withstand the move, and there isn't enough time left for many of us (possibly all of us).

Decreasing interest on home loans is impractical as well because of financial hardships facing every trailer owner affected by this crisis - trailer removal costs, city dumping fees, future payments still due on our homes, loss of home-owner's collateral, low income, etc..

Now my positive suggestions:

- 1) Apply rent increase controls & guidelines immediately to prevent rent increases from reaching an epidemic level.
- 2) Subsidize lower home-loan interest payments, for those whom it may help. (Although very few!)

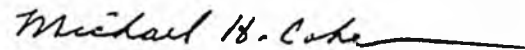
Governor Bill Sheffield

-4-

- 3) Pass regulations temporarily lifting restrictions on ASHA requirements for displaced persons.
- 4) Consider grants, interest-free loans, relocation funds, or other forms of financial aid to the displaced. Of course, remembering many will have little or no credit or collateral.
- 5) Subsidize removal and disposal costs to those loosing their homes.
- 6) Pass laws protecting future mobile home owners.
- 7) Act IMMEDIATELY on this situation - some only have a home for a few more months and cannot afford to wait for a solution for long.

Please consider this very pressing problem, and begin action now for a solution to this very grievous matter.

Sincerely,



Michael H. Cohern

cc: all Legislators
all Senators
attorney Mic Steinmann
Mayor Fran Ulmer
Juneau City Assembly
Juneau Empire
KTOO
KINY
KJNO
The Valley Court & Mobile II
Displacement Committee
Alaska Legal Services

STATE OF ALASKA

Bill Sheffield, Governor

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

February 3, 1984

The Honorable Richard Eliason
Chair, Senate Labor and
Commerce Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

Re: Senate Bill 393,
evictions from mobile
home parks

Dear Senator Eliason:

Your office has requested the Attorney General's office, Consumer Protection Section to comment on Senate Bill 393 which would forbid a mobile home park operator to evict a mobile home due to the age of the home. Under the bill, age of the home can only become a valid ground for eviction when the mobile home is no longer in "fit and habitable condition."

The Consumer Protection Section of the Attorney General's office is aware of evictions based on age, at least in the Anchorage area. However, normally the mobile home park operator does not actually evict a mobile home tenant currently in the park, but at the time that the tenant chooses to sell his or her mobile home, the mobile home park operator refuses to continue rental of the space to the new buyer, due to the age of the mobile home.

If Committee members decide to pass out the bill, you could further the bill's effectiveness by adding a provision that eviction of the mobile home could not occur at the time of a purchase by a subsequent owner, as long as the home still met the fit and habitable requirement.

To evict a mobile home due to its age is an especially grievous hardship on the consumer-owner of the mobile home, since most mobile home parks will also have a rule against taking in any new tenants who own older homes. Also, most of the cities in Alaska do not allow mobile homes to be placed on city lots except

Honorable Richard Eliason
Chair, Senator Labor and
Commerce Committee

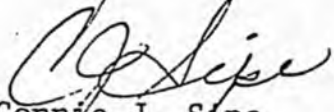
February 3, 1984
Page 2

on the most remote edges of the city. You may wish to take note that Alaska Housing Financing Corporation is continuously lobbied by the mobile home dealers and park owners to continue its extension of 15 year term loans on mobile homes, so that the industry will not collapse. However, the industry does not always seem as willing to accommodate the mobile homes for the 15 year period in a park.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By:


Connie J. Sipe
Assistant Attorney General
Consumer Protection Section

CJS:vrh

cc: Arthur H. Peterson
Assistant Attorney General

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW
OFFICE OF ATTORNEY GENERAL
CONSUMER PROTECTION SECTION

March 12, 1985

XX REPLY TO

1031 W 4th, SUITE 110
ANCHORAGE, ALASKA 99501
PHONE (907) 279-0428

1st NATIONAL CENTER
100 CUSHMAN, SUITE 400
FAIRBANKS, ALASKA 99701
PHONE (907) 456-8588

S S FULLER BLDG
4th & HARRIS, SUITE 214
POUCH K
JUNEAU, ALASKA 99811
PHONE (907) 465-3692

STATE COURTHOUSE, ROOM 26
P O BOX 671
VALDEZ, ALASKA 99686
PHONE (907) 835-2462

Honorable Fred F. Zharoff
Chairman
Senate Labor and Commerce Committee
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Re: SB 188

Dear Senator Zharoff:

This office has been asked for its comments on SB 188, relating to eviction from a mobile home park. The bill would prohibit mobile home park operators from evicting a tenant because of the age of the mobile home.

Based on the Consumer Protection Section's experience, such a bill would provide needed protection for mobile home park tenants. We have received several reports of instances where tenants were told that, due to the age of their mobile homes, they would have to remove their homes from the park when and if they decided to sell them. While this may already be unlawful under AS 34.03.040(c)(1), a legislative clarification on this point would be helpful.

One technical point I would make on SB 188 is as follows. AS 34.03.225, which the bill would amend, by its terms prohibits eviction for any reason other than the four specifically enumerated therein. The age of a mobile home is not among those reasons. My concern is that if an additional subsection were enacted, as under SB 188, setting out a particular prohibited ground for eviction, that might cast some doubt on the extent of the existing broad prohibition.

Now it is true that there is one potential "loophole" in the existing section, namely that under AS 34.03.225(3) a mobile home park operator might attempt to include in the rental agreement a provision requiring mobile homes to be under a certain age. To prevent this, while avoiding the possibility of weakening the section by implication, the Legislature could directly prohibit such a provision in rental agreements.

The logical place for an amendment on this point would be in AS 34.30.040(c). A new paragraph (5) could be added, as

Honorable Fred F. Zharoff
SB 188

March 12, 1985
Page 2

follows:

(c) No rental agreement between a mobile home park operator and a mobile home park tenant may

. . . .


(5) provide for eviction or termination of the tenancy or require removal of the mobile home because of the age of the mobile home, nor may the mobile home park operator make a rule or regulation to the same effect; however, this paragraph does not prohibit eviction for violation of a provision enforceable under AS 34.03.130 that requires that a mobile home be in a fit and habitable condition.

I hope this comment proves helpful to your Committee's deliberations.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By:


Robert E. Mintz
Assistant Attorney General
Consumer Protection Section

REM/ssr
cc: Norman Gorsuch

Introduced: 2/25/85
Referred: Labor & Commerce
and Judiciary

1 IN THE SENATE

BY RAY BY REQUEST

2

SENATE BILL NO. 188

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to eviction from a mobile home park;

7

and providing for an effective date."

8

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

9

* Section 1. AS 34.03.225 is amended by adding a new subsection to

10

read:

11

(b) A mobile home park operator may not evict a mobile home or a

12

mobile home park dweller or tenant because of the age of the mobile

13

home. This does not prohibit eviction for violation of a provision

14

enforceable under AS 34.03.130 that requires that a mobile home be in

15

a fit and habitable condition.

16

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

17

10.070(c).

Chairman's Information:

- 1) SB 188: "An act relating to eviction from a mobile home park;
and providing for an effective date."
 - a) Introduced: Ray by request
 - b) Co-Sponsors:
- 2) INTENT: This bill provides protection to mobile home park tenants
by prohibiting mobile home park operators from evicting a
tenant because of the age of a mobile home.

FISCAL NOTE: none

NOTE: I have a CS being drafted which contains the
recommendations of the dept of Law;

- 3) ADDITIONAL REFERRALS: Judiciary and Rules
- 4) PUBLIC HEARINGS:
 - a) Sponsor:
 - b) Public witnesses:
- 5) BILL ACTION:
 - a) Hold in committee?
 - b) Assign to sub committee for further review?
 - c) Move from Committee?
 - d) close public hearings?
- 6) COMMITTEE ACTION:
 - a) amendments?
 - b) CS adoption? Move for the adoption of CS

Original sponsor: Ray by request

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 188 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to eviction from a mobile home park;
7 and providing for an effective date."

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

9 * Section 1. AS 34.03.225 is amended by adding a new subsection to
10 read:

11 (b) A mobile home park operator may not evict a mobile home or a
12 mobile home park dweller or tenant because of the age of the mobile
13 home. This does not prohibit eviction for violation of a provision
14 enforceable under AS 34.03.130 that requires that a mobile home be in
15 a fit and habitable condition.

16 * Sec. 2. AS 34.03.040(c) is amended to read:

17 (c) Neither a [NO] rental agreement between a mobile home park
18 operator and a mobile home park tenant nor a rule or regulation of a
19 mobile home park operator may

20 (1) deny a tenant of a mobile home park the right to sell
21 the tenant's mobile home within the park or require the resident or
22 tenant to remove the mobile home from the park solely on the basis of
23 the sale of the mobile home, [NOR MAY THE MOBILE HOME PARK OPERATOR
24 MAKE A RULE OR REGULATION TO THE SAME EFFECT,] except that, within 30
25 days of written notice by the tenant of intent to sell the mobile home
26 to a specified buyer, the operator or owner of the mobile home park
27 may refuse to allow a sale for the following reasons:

28 (A) the mobile home is in violation of laws or ordi-
29 nances relating to health, safety or welfare;

1 (B) the proposed buyer refuses to assume the same
2 terms as are in the existing rental agreement; or

3 (C) the proposed buyer does not have sufficient finan-
4 cial responsibility;

5 (2) require a tenant to provide permanent improvements that
6 become a part of the real property of the mobile home park owner or
7 operator as a condition of tenancy in the mobile home park; however,
8 the rental agreement may require the tenant to maintain existing
9 conditions in the park;

10 (3) require payment of any type of vendor or transfer fee
11 either by a tenant in the mobile home park desiring to sell the [HIS]
12 mobile home to another party or by any party desiring to purchase a
13 mobile home from a tenant in the park as a condition of tenancy;
14 however, this paragraph does not prevent the owner or operator from
15 applying normal park standards to prospective tenants before granting
16 or denying tenancy or from charging a reasonable vendor or transfer
17 fee for services actually performed if the tenant is notified in
18 writing of the amount of those charges before agreeing to move into
19 the park; [OR]

20 (4) require the prospective tenant to pay a fee to enter
21 the mobile home park or a tenant to pay a fee to transfer the [HIS]
22 mobile home to another location outside the park; however, this para-
23 graph does not prevent the owner or operator from charging a reason-
24 able fee for services actually performed and if the tenant is notified
25 in writing of the amount of those charges before agreeing to move into
26 the park; or

27 (5) provide for eviction or termination of the tenancy or
28 require removal of the mobile home because of the age of the mobile
29 home; however, this paragraph does not prohibit eviction for violation

1 of a provision enforceable under AS 34.03.130 that requires that a
2 mobile home be in a fit and habitable condition.

3 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
4 10.070(c).

Introduced: 2/25/85
Referred: Labor & Commerce
and Judiciary

1 IN THE SENATE

BY RAY BY REQUEST

2

SENATE BILL NO. 188

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to eviction from a mobile home park;

7

and providing for an effective date."

8

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

9

* Section 1. AS 34.03.225 is amended by adding a new subsection to

10 read:

11

(b) A mobile home park operator may not evict a mobile home or a

12

mobile home park dweller or tenant because of the age of the mobile

13

home. This does not prohibit eviction for violation of a provision

14

enforceable under AS 34.03.130 that requires that a mobile home be in

15

a fit and habitable condition.

16

* Sec. 2. This Act takes effect immediately in accordance with AS 01.-

17

10.070(c).

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 188
 Title: "An Act relating to eviction from a mobile home part:..."
 Sponsor: Sen. Ray
 Requestor: Senate Labor & Commerce
 Date of Request: March 11, 1985

FISCAL DETAIL

Agency Affected: Department of Law
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Consumer Protection

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

This bill would prohibit a mobile home part operator from evicting a mobile home or a mobile home park dweller or tenant because of the age of the mobile home. The bill would not prohibit eviction for violation of a provision enforceable under AS 34.03.130 that requires that a mobile home be in a fit and habitable condition. The bill does not call for state intervention or enforcement and, consequently, no fiscal impact on the Department of Law is expected.

Prepared By: Richard I. Pegues Director Phone: 465-3672
 Division: Administrative Services Date: 3/12/85
 Approved by Commissioner: Norman C. Gorsuch Date: 3/12/85
 Agency: Department of Law

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATUTES RELATED TO SB 188

CHAPTER = 34.03
SECTION = 34.03.225
TITLE = 34
HEADINGS TITLE 34.
Property.
CHAPTER 03.
Uniform Residential Landlord and Tenant Act.
ARTICLE 6.
Landlord Remedies.

CITATION Sec. 34.03.225.

CATCH LINE

TEXT LIMITATIONS ON MOBILE HOME PARK OPERATOR'S RIGHT TO TERMINATE.
A mobile home park operator may evict a mobile home or a mobile home park dweller or tenant only for one of the following reasons:

(1) the mobile home dweller or tenant has defaulted in the payment of rent owed;

(2) the mobile home dweller or tenant has been convicted of violating a federal or state law or local ordinance, and that violation is continuing and is detrimental to the health, safety or welfare of other dwellers or tenants in the mobile home park;

(3) the mobile home dweller or tenant has violated a provision, enforceable under AS 34.03.130, of the rental agreement or lease signed by both parties and not prohibited by law including rent and the terms of agreement; and

(4) a change in the use of the land comprising the mobile home park, or the portion of it on which the mobile home to be evicted is located; however, all dwellers or tenants so affected by a change in land use shall be given at least 90 days notice, or longer if a longer notice period is provided in a valid lease.

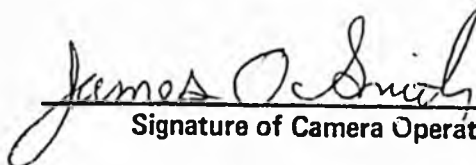
HISTORY (Sec. 5 ch 138 SLA 1976; am sec. 1 ch 48 SLA 1982)

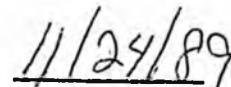


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Signature of Camera Operator


Date

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189



MAR 18 1985

March 15, 1985

The Honorable Fred Zharoff
The Alaska Senate
Pouch V, Maistop 3100
Juneau, Alaska 99811

Dear Fred:

Enclosed is a copy of Resolution Number 19-85 opposing Senate Bill 189 relating to the awarding of contracts by municipalities. The Council asked that copies be distributed to all State Legislators. Thank you for your assistance in this request.

Copies of Resolutions Number 18-85, 22-85, and 23-85 are also provided for your information.

Sincerely,

CITY OF KODIAK

MARCELLA H. DALKE, CMC
City Clerk

MHD/nj

Enclosures

CITY OF KODIAK
RESOLUTION NUMBER 19-85

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK OPPOSING SENATE BILL 189 RELATING TO THE AWARDING OF CONTRACTS BY MUNICIPALITIES

WHEREAS, Senate Bill 189 has been introduced in the Fourteenth Legislature; and

WHEREAS, this bill would require all contracts over \$10,000 awarded by a municipality to be approved by ordinance; and

WHEREAS, this provision would unduly delay the commencement of contract work by as much as two months pending the effective date of the ordinance; and

WHEREAS, such delay could result in inflated bids to cover contingencies over a longer period; and

WHEREAS, the awarding of a budgeted contract is not a proper use of the ordinance form,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the Legislature is urged to oppose Senate Bill 189.

BE IT FURTHER RESOLVED that copies of this resolution be sent to:

The Honorable Bill Sheffield, Governor of Alaska
The Honorable Fred Zharoff, Alaska State Senate
The Honorable Dave Thompson, Alaska State Representative

PASSED AND APPROVED this 14TH day of MARCH, 1985.

CITY OF KODIAK

ATTEST:

Marcelle Dalke
CITY CLERK

J. R. Ped
MAYOR

CITY OF KODIAK
RESOLUTION NUMBER 18-85

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK OPPOSING SENATE BILL 95
AN ACT RELATING TO SUPERVISION OF DAM AND RESERVOIR SAFETY

WHEREAS, Senate Bill 95 has been introduced in the Fourteenth Legislature;
and

WHEREAS, this bill would appoint State employes to regulate, supervise,
inspect, construct, maintain, operate, or remove dams or reservoirs in a munici-
pality; and

WHEREAS, the provisions of this bill would not relieve the owner of a dam
or reservoir of the duties or liabilities incident to the ownership or opera-
tion of the dam or reservoir; and

WHEREAS, this bill would limit the City's ability to construct, maintain,
operate, remove, or abandon the City's dams and reservoirs, and to regulate
the amount of water stored,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak,
Alaska, that the Legislature is urged to oppose Senate Bill 95.

BE IT FURTHER RESOLVED that copies of this resolution be sent to:

The Honorable Bill Sheffield, Governor of Alaska
The Honorable Fred Zharoff, Alaska State Senate
The Honorable Dave Thompson, Alaska State Representative

PASSED AND APPROVED this 14th day of MARCH, 1985.

CITY OF KODIAK

ATTEST:

Marcella Dalke
CITY CLERK

J. R. Pice
MAYOR

CITY OF KODIAK
RESOLUTION NUMBER 22-85

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING SENATE BILL 191 RELATING TO EMPLOYMENT PREFERENCE FOR STATE RESIDENTS

WHEREAS, Senate Bill 191 has been introduced in the Fourteenth Legislature; and

WHEREAS, passage of this bill would help to reduce unemployment in the State of Alaska by requiring hire of qualified residents for State-funded construction work; and

WHEREAS, the City of Kodiak is in agreement with the effort to reduce unemployment in the State of Alaska,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska that the Alaska State Legislature is respectfully requested to pass House Bill 191 to afford State residents employment preference in State-funded construction-related work.

BE IT FURTHER RESOLVED that copies of this resolution be sent to the following:

The Honorable Bill Sheffield, Governor
The Honorable Fred Zharoff, Alaska State Senator
The Honorable David Thompson, Alaska Representative

PASSED AND APPROVED this 14TH day of MARCH, 1985.

CITY OF KODIAK


MAYOR

ATTEST:


CITY CLERK

CITY OF KODIAK
RESOLUTION NUMBER 23-85

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK OPPOSING SENATE BILL 213 RELATING TO BONDING AND CHANGE ORDERS ON CONSTRUCTION CONTRACTS

WHEREAS, Senate Bill 213 has been introduced in the Fourteenth Legislature; and

WHEREAS, this bill would require cash performance and payment bonds on state, state-funded, and municipal construction projects which would make it impossible for many local and/or small contractors to bid on such projects; and

WHEREAS, this bill would also require competitive bids for all change orders regardless of the dollar amount of the change thereby creating the possibility of more than one contractor working on a single project which would be an administrative nightmare; and

WHEREAS, requiring competitively-bid change orders would increase construction costs through limiting project expansions made economically feasible by favorable original bids as well as by requiring bidding contractors to include set up and similar charges for each change order,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the State Legislature is respectfully urged to oppose Senate Bill 213.

BE IT FURTHER RESOLVED that copies of this resolution be sent to:

The Honorable Bill Sheffield, Governor of Alaska

The Honorable Fred Zharoff, Alaska State Senator

The Honorable Dave Thompson, Alaska State Representative

PASSED AND APPROVED this 14TH day of MARCH, 1985.

CITY OF KODIAK



MAYOR

ATTEST:

()


CITY CLERK

ALASKA STATE SENATE

JOE P. JOSEPHSON
DISTRICT H — ANCHORAGE
1526 F STREET
ANCHORAGE, ALASKA 99501
(907) 277-4419

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4525



OFFICE OF MINORITY WHIP

COMMITTEES
BUDGET & AUDIT
HEALTH, EDUCATION & SOCIAL SERVICES
RULES
TRANSPORTATION
SENATE CHAIR, ANCHORAGE CAUCUS

APR 22 1985

April 22, 1985

The Honorable Fred Zharoff
Chairman
Senate Committee on Labor and
Commerce
Pouch V
Juneau, Alaska 99811

Dear Senator Zharoff:

Last month I received a very interesting letter from an attorney active in municipal law, D. Elizabeth Cuadra of the Juneau firm of Robertson, Monagle, Eastaugh and Bradley.

Her letter contained a suggestion for modifying my bill, Senate Bill 189, while pointing out the usefulness of some statute to require municipalities to set up procedures for competitive bidding (except for professional contracts).

I would request a hearing on Senate Bill 189. Let me also say that to the extent that any municipal reactions have been negative, the negativity has been concerned with the amount of the threshold figure included in the bill, and I am open to the Committee's judgment on that question because another threshold may be more appropriate.

The bottom line of my position is that, like Ms. Cuadra, I was astonished to discover that there is no competitive bid requirement in Alaska's statutes at this time.

I would hope that the Senate would address this question before the end of the 1985 session.

With best wishes, I am

Sincerely,

Handwritten signature of Joe P. Josephson in cursive.
Joe P. Josephson
State Senator

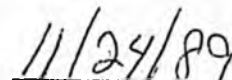
JPJ:rak
cc: Ms. D. Elizabeth Cuadra



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Signature of Camera Operator


Date

S B

1 0 1

Bill No. Senate Bill 191

MAR 12 1985

Date March 11, 1985

Title "An Act relating to employment preference for state residents; and providing for an effective date."

Contact: Robert W. Landau
465-2700
Robert Bacolas
465-4870

Since 1982, one of the Department's highest priorities has been the enforcement of preferential hiring of Alaska residents on state-funded public works projects, pursuant to AS 36.10.010. In late 1983, however, the state's resident hire law was challenged on constitutional grounds and resulted in a Superior Court decision that the law was unconstitutional. That decision is now on appeal to the Alaska Supreme Court.

One of the Superior Court's key findings was that there was insufficient evidence to show that the in-migration of non-residents was displacing qualified and available Alaska residents from public works employment. By explicitly setting forth the legislative findings underlying the resident hire law, Senate Bill 191 would provide a more solid foundation from which to defend the principle of Alaska hire.

The Department of Labor supports this proposed legislation. It will not have a fiscal impact on the Department.

APPROVED:



Jim Robison, Commissioner
Department of Labor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 191
 Title: "An Act relating to employment preference for state residents"
 Sponsor: Fischer, Rodey et al.
 Requestor: Senate Labor & Commerce
 Date of Request: 3-4-85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Labor Standards & Safety Wage and Hour Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: *RB* Robert J. Bacolas Phone 465-4870
 Division: Labor Standards & Safety Date: 3-4-85

Approved by Commissioner: *RB* Jim Robison Date: 3-4-85
 Agency: Labor

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
THIRD JUDICIAL DISTRICT

JAMES N. FRANCIS,)
)
 Plaintiff,)
)
 vs.)
)
 JAMES ROBISON, COMMISSIONER OF)
 LABOR; ROBERT BACOLAS, DIRECTOR,)
 DIVISION OF LABOR STANDARDS AND)
 SAFETY; DONALD WILSON, DEPUTY)
 DIRECTOR OF THE DIVISION OF LABOR)
 STANDARDS AND SAFETY; JAMES R.)
 CARR, SUPERVISOR OF THE WAGE &)
 HOUR ADMINISTRATION; THE)
 DEPARTMENT OF LABOR OF THE STATE)
 OF ALASKA; AND THE STATE OF)
 ALASKA,)
)
 Defendants,)
)
 INTERNATIONAL ASSOCIATION OF)
 BRIDGE, STRUCTURAL AND ORNAMENTAL)
 IRONWORKERS, LOCAL 751,)
)
 Intervenor.)

JUN 23 1984

No. 3AN 83-9969 Ci.

PARTIAL JUDGMENT

Findings of fact and conclusions of law were entered herein on May 23, 1984 containing an express direction that final judgment be entered for the Plaintiff as to his claim that AS 36.10.010, on its face and in its application, violates the Privileges and Immunities Clause of Article IV of the United States Constitution, and whereas there is no just reason for delay in entering final judgment on this claim;

IT IS ORDERED, DECREED AND ADJUDGED that Plaintiff shall have judgment against the Defendants and Intervenor on Plaintiff's First Cause of Action, and that the Plaintiff shall recover from the Defendants and Intervenor his costs in the amount of \$_____ and attorney's fees in the amount of \$_____.

DATED: 6/1/84, 1984.

Karl S. Johnstone
KARL S. JOHNSTONE
Judge of the Superior Court

MAY 30 1984

JOHNEY AT LAW
340 G Street • Suite 201
Anchorage, Alaska 99501
(907) 272-8591

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT

JAMES N. FRANCIS,)
)
 Plaintiff,)
)
 v.)
)
 JAMES ROBISON, COMMISSIONER)
 OF LABOR, et al.,)
)
 Defendants.)

RECEIVED
JUL 23 1983

3AN 83-9969 Civil

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Based on the evidence, the Court makes the following Findings and Conclusions:

1. The plaintiff, James N. Francis, came to the State of Alaska in September of 1983 to look for work.

2. The plaintiff claims residency in the State of Montana, and has numerous indicia of such residency, such as real and personal property in Montana, voter registration in Montana, a driver's license from Montana, a bank account in Montana, and his license plates for his vehicle are from Montana.

3. The plaintiff has never been issued an Alaska hunting, fishing or trapping license.

4. The plaintiff is in the State of Alaska for the purpose of finding work so that he can eventually return to his home in the State of Montana.

5. The plaintiff belongs to the International Association of Bridge, Structural and Ornamental Ironworkers, Local 598, in Kalispell, Montana.

6. The plaintiff is an experienced and skilled ironworker by trade.

7. Upon the plaintiff's arrival in Alaska in September of 1983, he placed his name upon the out-of-work list of Ironworkers Local 751 which has hiring halls in Anchorage and Fairbanks, Alaska.

8. Placement upon the union's out-of-work list

would find work in the construction industry in Alaska.

9. On September 19, 1983, the plaintiff was dispatched by Ironworkers Local 751 to employment with Regan Steel & Supply Company working on construction on the North Pole High School project at North Pole, Alaska.

10. The North Pole High School project is a public works construction project.

11. The plaintiff was 127th on the union's B list at the time he received this dispatch. Such list is primarily maintained for nonresident union members.

12. The procedure in Local 751 is to call all names on the A list first and then the B list in their order in both the hiring halls in Anchorage and Fairbanks simultaneously.

13. No persons on Local 751's out-of-work list on the A list were willing or able to accept the dispatch to the North Pole High School on September 19, 1983.

14. No persons above the plaintiff on Local 751's out-of-work B list were willing or able to accept the dispatch to the North Pole High School on September 19, 1983.

15. The North Pole Senior High School project became the subject of a Department of Labor enforcement effort under A.S. 36.10.010 on October 10, 1983.

16. A number of nonresidents were identified as working for plaintiff's employer, Regan Steel & Supply Company, and it was notified by the Department of Labor on October 12, 1983, that it was not in compliance with A.S. 36.10.010 because of the nonresidents employed on the job.

17. The Department of Labor, in the October 12, 1983, letter to plaintiff's employer, gave it seven days from the receipt of that letter to come in compliance with A.S. 36.10.010 or funds supporting the project would be withheld.

18. On October 17, 1983, the plaintiff's employer informed the State Department of Labor that it would come into compliance with A.S. 36.10.010 by laying off nonresidents.

19. The plaintiff received his termination notice

from Regan Steel & Supply on October 19, 1983.

20. None of the plaintiff's supervisors on the North Pole High School job complained about the job which the plaintiff was performing prior to his termination.

21. Regan Steel & Supply's work on the North Pole High School construction project continued after the plaintiff's termination.

22. Plaintiff was terminated because of his nonresidency.

23. Termination of plaintiff's employment with Regan Steel & Supply Company was the result of the enforcement of A.S. 36.10.010.

24. Since the plaintiff's termination by Regan Steel & Supply Company at the North Pole High School construction project, the plaintiff has sought work in the State of Alaska in the construction industry by placing his name upon Ironworkers Local 751's out-of-work list and going to the union hall every day to search for work.

25. It is likely that but for enforcement of A.S. 36.10.010, plaintiff, because of his work experience, would be employed within the State of Alaska.

26. Between April, 1980, and July, 1982, the population of Alaska has grown by nearly fifteen percent (15%).

27. The population of Alaska has increased in the recent past more rapidly than at any other time in its history, and the State is growing more rapidly than other states in the union.

28. Property values in Alaska have been increasing over the last five years.

29. Alaska is not a depressed area as that term is used in the economics profession.

30. All sectors of the Alaska economy are expanding and Alaska has experienced very rapid economic growth since 1980.

31. Employment in Alaska in 1983 was at record levels, and the rate of increase was the best since the days

32. In 1983, the construction industry was the strongest sector in the state's economy, and it has had the greatest impact on the Alaska economy since the Alaska Pipeline years.

33. The construction industry in Alaska was exceptionally strong in both the public and private sectors during 1983.

34. Construction activity in the State of Alaska in 1984 is unlikely to reach the levels of 1983, but no precipitous decline is expected.

35. Numerous factors determine economic conditions, including unemployment, in the construction industry in the State of Alaska.

36. The major factor affecting the level of employment in Alaska in the construction industry is climatic changes as a result of extreme temperature differentials in the winter and summer months. Construction declines to substantially lower levels during the winter months, and increases, peaking out in August and September, during the latter summer months. During the peak periods of construction activity, the state experiences its lowest rate of unemployment.

37. The expenditure of state funds are a major factor affecting the level of employment in Alaska generally, and the construction industry in particular. The state expenditure for public works projects accounts for approximately sixty to seventy percent (60% to 70%) or more of the total annual construction dollar outlay within the state.

38. Private investment has a lesser effect on the level of construction activity from year to year in the State of Alaska, and such effect, from time to time, is affected by interest rates.

39. Unemployment is substantially greater in the rural areas than in the urban areas. The unemployment rate in Anchorage is less than the national average, while in the rural areas, it is greater than the national average and greater than the average within the State of Alaska.

the urban area than within the rural areas. Unemployment is less within the urban areas than within the rural areas.

41. Rural Alaskans lack the training that urban Alaskans have access to in construction work.

42. In-migration in the State of Alaska is a factor affecting unemployment in the construction industry in Alaska.

43. Alaska has the greatest proportion of out-of-state unemployment benefit payments (interstate claims). Alaska is also close to the top of all states in the dollar value of interstate claims.

44. There is no evidence in the record to establish what percent of the interstate claims are being paid to non-residents as opposed to residents who vacation or reside outside the state during the winter months. It is clear, however, from the record that interstate claims are made predominantly during the winter months, during which time construction activity has diminished because of the climatic change.

45. Reasonable inferences from the evidence support a finding that most of the job seekers coming to Alaska intend to become residents upon their entry into the state, thus contributing to the rapid population growth within the state.

46. There is not sufficient evidence to support a finding that nonresident construction workers are a peculiar source of unemployment in the construction industry in Alaska any more than they would be in any other state. The only inference that can be drawn from the record is that nonresident construction workers come to Alaska to work during peak construction periods of time, during which there are more jobs available and less unemployment resulting.

CONCLUSIONS OF LAW

1. This Court has jurisdiction of the parties and the subject matter of the proceedings.

2. At all times applicable to this proceeding, the plaintiff did not qualify for the employment preference provided by A.S. 36.10.010, since at the time of discrimination, he was a nonresident of the State of Alaska.

3. Plaintiff has standing to maintain this action.

4. A.S. 36.10.010 discriminates against the exercise of a privilege protected under the Privileges and Immunities Clause of Article IV of the United States Constitution.

5. A.S. 36.10.010 draws a distinction based upon state citizenship.

6. A.S. 36.10.010 on its face and in its application violates the Privileges and Immunities Clause of Article IV of the United States Constitution.

7. The right to obtain employment in any state is a fundamental right and is a privilege which shall be immune from any burden unless the State of Alaska can show a legitimate purpose for such burden. In this case, the State has failed to establish by a preponderance of the evidence such a legitimate purpose.

8. The defendants and intervenor have failed to prove by a preponderance of the evidence that nonresident construction workers constitute a peculiar source of unemployment in the State of Alaska.

9. Serious factors affecting unemployment within the State of Alaska are the extreme climatic conditions, the change in the legislative appropriation for public works construction projects, the extreme rapid growth of population experienced by Alaska, and the wildly fluctuating interest rates which have a direct effect on the private sector construction spending.

10. Statistics over the last several years demonstrate that Alaska's unemployment rate has increased at a rate lesser than the nationwide average. Whereas Alaska's unemployment rate several years was substantially greater than the nationwide rate, it now stands much closer to the national average, further supporting the conclusion that nonresident employment is not a serious factor in the unemployment rate in Alaska.

11. The State and the intervenor have failed to prove by a preponderance of the evidence that there is a

citizens of other states on public works construction projects within the State of Alaska.

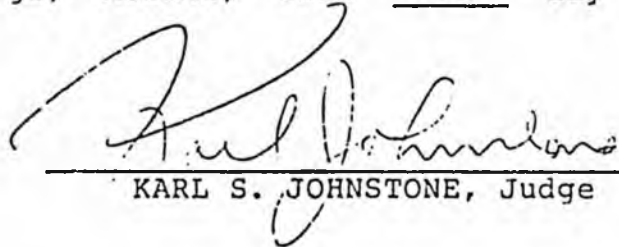
12. A.S. 36.10.010 provides that ninety to ninety-five percent of Alaska residents shall be employed on municipal public works construction projects where they are available and qualified.

13. A.S. 36.10.010 requires that ninety to ninety-five percent of the workers on a state-funded construction project, on a craft by craft basis, shall be Alaska state residents where they are available and qualified.

14. The State and intervenor have failed to prove by a preponderance of the evidence that the preference granted Alaska residents is closely tailored to alleviate unemployment in the construction industry in the State of Alaska.

IT IS ORDERED that plaintiff shall file and serve a proposed Partial Judgment consistent with these Findings of Fact and Conclusions of Law.

Dated at Anchorage, Alaska, this 23 day of May, 1984.


KARL S. JOHNSTONE, Judge

Bill No. Senate Bill 191

~~MAR 12 1985~~

Date March 11, 1985

Title "An Act relating to employment preference for state residents; and providing for an effective date."


Contact: Robert W. Landau
465-2700
Robert Bacolas
465-4870

Since 1982, one of the Department's highest priorities has been the enforcement of preferential hiring of Alaska residents on state-funded public works projects, pursuant to AS 36.10.010. In late 1983, however, the state's resident hire law was challenged on constitutional grounds and resulted in a Superior Court decision that the law was unconstitutional. That decision is now on appeal to the Alaska Supreme Court.

One of the Superior Court's key findings was that there was insufficient evidence to show that the in-migration of non-residents was displacing qualified and available Alaska residents from public works employment. By explicitly setting forth the legislative findings underlying the resident hire law, Senate Bill 191 would provide a more solid foundation from which to defend the principle of Alaska hire.

The Department of Labor supports this proposed legislation. It will not have a fiscal impact on the Department.

APPROVED:



Jim Robison, Commissioner
Department of Labor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 191
 Title: "An Act relating to employment preference for state residents"
 Sponsor: Fischer, Rodey et al.
 Requestor: Senate Labor & Commerce
 Date of Request: 3-4-85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Labor Standards & Safety Wage and Hour Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

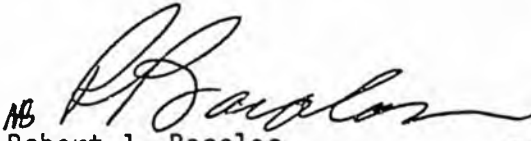
FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: ^{AB}  Robert J. Bacolas
 Division: Labor Standards & Safety

Phone: 465-4870
 Date: 3-4-85

Approved by Commissioner: ^{AB}  Jim Robison
 Agency: Labor

Date: 3-4-85

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

MAR 8 1985

Gerald C. Newton
315 Dunbar Ave.
Fairbanks, Alaska
March 1, 1985

Senator Zharoff
Alaska State Legislature
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Senator Zharoff:

This letter is about out of state workers on the North Slope, and is in support of Senate Bill 191 introduced by Senators Vic Fischer, Bettye Fahrenkamp, Pat Rodey, Joe Josephson, and Fred Zharoff. SB 191 is an act relating to employment preference for state residents; and providing for an effective date.

This year Alaskans are facing a crisis. With the current federal trend toward deregulation and the surplus labor market in the lower forty eight states, Alaskan workers are being forced to compete with a growing nonresident work force. This competition is unfair because it costs more to live in Alaska; to compete with workers living in other states Alaskans have to lower their quality of life to a level lower than that enjoyed by the nonresident workers. Eventually, it becomes advantageous for the Alaskans to move to other states and become nonresident workers themselves. This trend has already become common, and is one reason so much money leaves this state, lowering the standard of living for all Alaskans.

Two days ago a friend of mine returned from the Kuparuk oil field where he worked at the Kuparuk industrial complex. His objective opinions follow:

1. 90 percent of the workers at the Kuparuk oil field are out of state workers.
2. Out of state companies are forming partnerships with Native corporations to get work on the North Slope.
3. These out of state companies hire a few Alaskan Natives but bring in the bulk of their people from out of state.
4. The oil companies are going along with this practice because they want to break the Alaskan unions.
5. Culinary workers are being paid \$5 to \$6 an hour. The previous wage was about \$18.00 an hour.

SB 191

It is extremely difficult to obtain accurate statistics about what is going on at the North Slope especially at the newer oil fields such as Milne Point, but from every source I've been able to find, the stories are the same - more and more out of state workers and out of state companies paying less than the prevailing wages. I and many other people that have worked on the Slope for the last ten years are convinced that by allowing the Alaskan construction work force to be circumvented by an increasing number of North Slope employers a severe unemployment problem has been created in Alaska. We now make up thirty percent of the Alaskans receiving unemployment benefits. It is unreasonable to expect the State of Alaska to continue funding public works projects to put Alaskans to work when North Slope producers encourage and condone the use of nonresident companies and workers.

The hiring of nonresidents is having a devastating effect on Alaska's young people, especially young natives that attempt to move into the urban areas and find employment. The Federal Government and the State of Alaska has sponsored a complete erosion of native village lifestyles by building modern schools, installing satellite television and telephones and sending middle class school teachers to teach in the villages. Now, when the Alaskan natives become disenchanted with village lifestyles and seek employment in the urban areas they find three nonresidents lined up for every job available. It is intolerable that the State of Alaska does not take a more active role in providing for the general welfare of the native people by curtailing the hiring of nonresident workers.

SB 191 only addresses residency hire on state funded public works projects. If we fail there then there is no hope. I firmly believe that if a public works project were to happen here in Fairbanks, and if some out of state company got the contract and brought in out of state workers while Alaskans go unemployed, there would be violence in a proportion never seen before in Alaska. Telling unemployed Alaskans that they cannot work because it is unconstitutional is not going to help.

Here are some suggestions that might help:

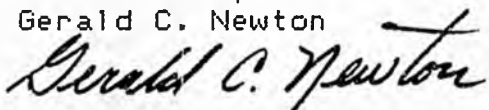
1. Provide a State guaranteed loan and bonding program for Alaskan construction companies. This is especially needed by some of the smaller Native owned construction companies; the lack of such a program is one reason so many of these companies form partnerships with lower forty eight companies.
2. Appoint a State Local Hire Coordinator to work with the private sector to encourage local hire. This also might help with the current military housing contracts which do not have local hire provisions.

3. Open a State Department of Labor office on the North Slope. This office should use an electrical and mechanical inspector. The present State electrical and mechanical inspectors for the interior are responsible for the area North of the Alaska Range. This is an area about the size of Texas. More inspectors are needed.
4. Encourage local hire through advertising.
5. Toughen the requirements for general contractors.
6. Make the occupational licensing laws and tests tougher. Some other states require continuing education to keep various occupational licenses. Alaska should adopt this same practice.
7. Create new occupational licenses for a Master Electrician and Master Plumber, and require one such licensed person for each electrical and plumbing contract. This should be in addition to the contractor's license already required.
8. Make the discriminatory hiring of only nonunion applicants against the law. It is a common practice for nonunion shops to not hire applicants if they are members of a union. As a result, most nonunion companies hire out of state workers because many Alaskan workers are members of unions.

Alaska has had the problem of nonresident hire for as long as I can remember. In the late 1950's and early 60's my father had the same problem. After our family lived on unemployment benefits, moose meat, and potatoes all winter my father used to sit by the barrel stove and complain to me about how workers were driving up the Alcan and going to work. Today, some twenty five years later, I see the same thing, except now they are using jet aircraft, and the problem has worsened. Many construction workers feel that unless the State of Alaska takes a more active and immediate role in protecting the construction industry, we are inviting more abuses of local hire and an even more severe unemployment problem.

Thank you for your time and concern.

Yours truly,
Gerald C. Newton



Editorial

It's Time to Look Again at an Alaska Hire Law

With the January 10, 1985 finding of the Wyoming Supreme Court that the Wyoming Preference for State Laborers Act does not violate the privileges and immunities clause of the United States Constitution, perhaps it is time again for Alaska legislators to try to draft an Alaska Hire bill that will be constitutional.

The Wyoming Preference Act of 1971 says in part: "Every person who is charged with the duty of construction, reconstructing, improving, enlarging, altering or repairing any public works project or improvement for the state or any political subdivision, municipal corporation, or other governmental unit, shall employ only Wyoming laborers on the project or improvement."

The opinion of the high court quotes the United States Supreme Court in *Toomer v. Witsell*, supra:

"Like many other constitutional provisions, the privileges and immunities clause is not an absolute. It does bar discrimination against citizens of other States where there is no substantial reason for the discrimination beyond the mere fact that they are citizens of other States. But it does not preclude disparity of treatment in the many situations where there are perfectly valid independent reasons for it."

The Wyoming high court rules the Wyoming Preference Act did not offend the privileges-and-immunities clause because there was a close link between valid reasons for the act and the discrimination practiced.

The state of Wyoming, in its brief, identified the purpose of the Act as the reduction of unemployment among the labor force which makes possible government projects through contributions to the public treasury.

And without question, the high court said, reduction of unemployment among Wyoming citizens constitutes a valid state goal.

The Wyoming high court drew a sharp contrast of the Alaska Hire Act which the U.S. Supreme Court ruled unconstitutional in *Hicklin v. Orbeck* and its preference act.

It said the U.S. Supreme Court cited three bases for holding the discrimination imposed by the Alaska Hire Act failed to bear a close relation to the problem of high unemployment in Alaska.

"First, the state had made no showing that nonresidents were a peculiar source of widespread unemployment. Rather than the influx of non-residents looking for work, the major cause of unemployment appeared to be the inadequate education and training and the geographical remoteness of many jobless residents — particularly the Eskimo and Indian residents. Secondly, the court determined that Alaska Hire did not narrowly address the problem of unemployment, since the Act simply preferred all residents, regardless of their employment status, education or training. Finally, the Supreme Court observed that the discriminatory effect of Alaska Hire extended well beyond those activities in which the state held a substantial proprietary interest."

In contrast, Wyoming court noted the Wyoming Preference Act sought to prevent a qualified Wyoming worker's remaining unemployed while a non-resident went to work on a government-funded construction project. It pointed out the statute made no attempt to eradicate the general unemployment which might be due to factors unrelated to non-residents. Accordingly, it said the act directed its discriminatory treatment to-

ward the non-resident applicants for jobs on public-works projects — those individuals who constitute the peculiar source of the evil identified by the state.

The court point out the Wyoming Preference Act specifically addressed the problem of unemployment among Wyoming construction workers. Section 16-6-203 requires contractors to contact the local employment office to determine whether qualified resident workers are available. If the number of qualified residents listed with state employment offices is insufficient to meet employment needs, contractors are free to hire non-resident workers. Finally, the high court attached significance to the fact that the Wyoming Preference Act confined its discriminatory effects to projects constructed from public funds.

"The government's proprietary interest in the subject matter of the discriminatory statute constitutes a crucial factor in support of the statute's validity," the high court wrote.

We believe this recent ruling by the Wyoming Supreme Court should give legislators a new chance at an approach to local hire which has stood a court test. The approach should be used by Alaska, substituting for the provision covering state public works contracts which are paid for by Wyoming residents, a provision which covers not only state contracts but contracts covering the production of oil, gas, and other minerals, a portion of which belong to the State of Alaska and represent the prime source of revenue currently paying for the operating budget of the State of Alaska.

We were not at all happy with Alaska's former Alaska Hire law. It was too broad and encompassing and we had the feeling from the time it was passed that it was unconstitutional. What we need is a narrow, specific law that speaks to the evil of which we complain, that non-residents are taking jobs from residents, jobs in which the state and its people have a proprietary interest.

We would feel much better about an Alaska Preference Act modeled after the Wyoming Act. We believe it would be constitutional and at the very least worth a try.



Official Business

Alaska State Legislature

Senate

Committee on Labor & Commerce

Pouch V
State Capitol
Juneau, Alaska 99811

SB 191 Sectional Analysis:

Section 1) Adds a new section establishing Legislative Findings.

Alaska has one of the highest rates of unemployment in the nation and the state has a compelling interest in reducing unemployment among its residents.

Construction accounts for 10% of available employment in the state, and workers in that industry receive about 30% of UI benefits. Unemployment in the construction industry is higher than in other industries and the state should consider the welfare of its residents when funding public construction projects.

Reduction of unemployment among resident construction workers is in the public interest. Nonresident workers compete for a limited number of available jobs, contributing to the high rates of unemployment in the industry. The state therefore has a special interest in seeing the benefits of public construction accrue to state residents.

The Legislature finds there is a legitimate and compelling interest to afford employment preference to state residents for state funded construction related work.

Section 2) Immediate effective date.

TELEPHONE
(907) 479-6281

ARTHUR LYLE ROBSON
ATTORNEY
3508 GERAGHTY STREET
FAIRBANKS, ALASKA 99701

FEB 18 1985

ATTORNEY FOR
U/A LOCAL 375
PLUMBERS & PIPEFITTERS
AND ITS MEMBERS

February 13, 1985

To: Each Member of the Alaska Legislature

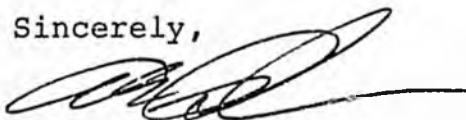
Lenny Arsenault found, through a national magazine, that the State of Wyoming was able to make a resident hire law stick. I had the Wyoming Supreme Court air mail me a copy of the opinion. Lenny is at a national meeting and wanted me to forward it to each of you as quickly as possible.

For use in drafting potential Alaska legislation, I note that the interest which a resident of Wyoming has in a Wyoming public funds contract can be equated to the same thing in Alaska and probably we can add the interest which Alaska residents have in any facilities producing royalty petroleum or royalty gas which belongs to the State; especially since the majority of the State's income comes from such production and it directly influences all matters of expenditure in the State.

The findings of fact or "whereas clauses" should be carefully drafted.

Good luck with this.

Sincerely,



ARTHUR LYLE ROBSON, Attorney for
U.A. Local 375 and Its Members

ALR:CLM

Enclosure: State of Wyoming Opinion

ROSE, Justice.

We granted the State of Wyoming's application to file a bill of exceptions in order to address a single issue:

"Does the Wyoming Preference for State Laborers Act, Section 16-6-201, et seq., W.S. 1977, violate the privileges and immunities clause of the United States Constitution?"

We will hold that the challenged Act is narrowly tailored to fit a particular problem identified by the State and, therefore, does not impermissibly infringe the privileges and immunities of the citizens of states other than Wyoming.^{1/} Accordingly, we sustain the bill of exceptions filed by the State.

WYOMING PREFERENCE ACT OF 1971

In 1971, the legislature adopted the "Wyoming Preference Act," §§ 16-6-201 through 16-6-206, W.S.1977, which requires contractors to employ available qualified Wyoming laborers for public-works projects in preference to nonresident laborers. Section 16-6-203, W.S.1977, contains the key provision of the Act:

"Every person who is charged with the duty of construction, reconstructing, improving, enlarging, altering or repairing any public works project or improvement for the state or any political subdivision, municipal corporation, or other governmental unit, shall employ only Wyoming laborers on the project or improvement. Every contract let by any person shall contain a provision requiring that Wyoming labor be used except other laborers may be used when Wyoming laborers are not available for the employment from within the state or are not qualified to perform the work involved. The state employment office nearest the proposed contract or construction site shall maintain a list of laborers, classified by skills, who are residents and are available for employment. When the nearest state employment office is unable to provide the requested number of laborers from its own list, it shall immediately contact other state em-

^{1/} The United States Constitution, Art. IV, § 2, provides:

"The Citizens of each State shall be entitled to all Privileges and Immunities of Citizens in the several States."

ployment offices and request the names of other available laborers. Every person required to employ Wyoming laborers shall inform the nearest state employment office of his employment needs. If the state employment office certifies that the person's need for laborers cannot be filled from those listed as of the date the information is filed, then the person may employ other than Wyoming laborers."

On September 22, 1983, the Converse County prosecuting attorney charged Roger Antonich, general superintendent of Westates Construction Company, with violating § 16-6-203, supra. The information alleged that Antonich fired a Wyoming worker from a public-school construction project in order to hire out-of-state workers. The county court judge dismissed the charge on the ground that § 16-6-203, supra, violates the privileges and immunities clause of the federal constitution. The court relied on *Hicklin v. Orbeck*, 437 U.S. 518, 98 S.Ct. 2482, 57 L.Ed.2d 397 (1978), and recent cases from other jurisdictions in which the courts have invalidated statutory preferences for local workers. After examining these and similar opinions, we conclude that certain distinguishing features in Wyoming's Preference Act sufficiently limit its scope so as to satisfy the demands of the privileges-and-immunities clause.

PRIVILEGES-AND-IMMUNITIES CLAUSE ANALYSIS

An examination of a state enactment to determine its validity under the privileges-and-immunities clause involves a two-step analysis. First, the reviewing court must determine whether the statute burdens a fundamental right or activity, since only those "privileges" and "immunities" which bear upon the concept of interstate harmony fall within the scope and purpose of the clause. *United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden*, ___ U.S. ___, ___ S.Ct. ___, 79 L.Ed.2d 249, 258-259 (1984); *Baldwin v. Fish and Game Commission of Montana*, 436 U.S. 371, 383-388, 98 S.Ct. 1852, 56 L.Ed.2d 354 (1978); *Toomer v. Witsell*, 334 U.S. 385, 395-396, 68 S.Ct. 1156, 92 L.Ed. 1460 (1948). Second, the court must examine the reasons for the discriminatory treatment to determine their validity and their relation to the degree of discrimination imposed by the statute. This portion of the test was developed by the United States Supreme Court in *Toomer v. Witsell*, supra:

"Like many other constitutional provisions, the privileges and immunities clause is not an absolute. It does bar discrimination against citizens of other States where there is no substantial reason for the discrimination beyond the mere fact that they are citizens of

other States. But it does not preclude disparity of treatment in the many situations where there are perfectly valid independent reasons for it. Thus the inquiry in each case must be concerned with whether such reasons do exist and whether the degree of discrimination bears a close relation to them. The inquiry must also, of course, be conducted with due regard for the principle that the States should have consideration leeway in analyzing local evils and in prescribing appropriate cures." (Emphasis added.) 334 U.S. at 396.

The Toomer court established that classifications based on non-citizenship cannot stand

"* * * unless there is something to indicate that non-citizens constitute a peculiar source of the evil at which the statute is aimed." 334 U.S. at 398.

The State concedes that the discrimination against nonresidents under the Wyoming Preference Act burdens a fundamental right. In an early case, the United States Supreme Court held that the privileges-and-immunities clause protects the right of a citizen of one state to travel to another state for purposes of employment. *Ward v. Maryland*, 12 Wall 418, 430 (1870). The Supreme Court reaffirmed this principle in *Hicklin v. Orbeck*, supra, 437 U.S. at 525. Even more pertinent to the instant case, the Supreme Court recently held that an enactment preferring local workers for public construction projects burdens a fundamental right and, therefore, falls within the purview of the privileges-and-immunities clause. *United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden*, supra, 79 L.Ed.2d at 258-261. Clearly, Wyoming's Preference Act offends the privileges-and-immunities clause unless a close link exists between valid reasons for the Act and the discrimination practiced.

The State, in its brief, identifies the purpose of the Act as the reduction in unemployment among the labor force which makes possible government projects through contributions to the public treasury. Stated conversely, the evil which the Wyoming Preference Act combats is

"* * * a resident remaining unemployed while a nonresident takes a job on a Wyoming public works project." (State's brief.)

Thus, the Wyoming Preference Act attempts to insure that government-created jobs benefit the State's citizens.

Without question, reduction in unemployment among Wyoming citizens constitutes a valid state goal. See *United Building and*

Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden, supra; Hicklin v. Orbeck, supra. We turn, therefore, to an examination of the relationship between this legitimate reason underlying the Wyoming Preference Act and the discrimination mandated against nonresidents.

Enactments to alleviate high unemployment levels through the hiring of residents in preference to nonresidents generally have swept too broadly to survive challenges brought under the privileges-and-immunities clause. The prime example of such legislation is the "Alaska Hire" Act at issue in Hicklin v. Orbeck, supra. That Act required the employment of qualified Alaska residents in preference to nonresidents for positions associated with

"* * * all oil and gas leases, easements or right-of-way permits for oil or gas pipeline purposes, unitization agreements, or any renegotiation of any of the preceding to which the state is a party * * *." 437 U.S. at 520, n.2.

The United States Supreme Court cited three bases for holding that the discrimination imposed by this statute failed to bear a close relation to the problem of high unemployment in Alaska. First, the state had made no showing that nonresidents were a peculiar source of widespread unemployment. Rather than the influx of nonresidents looking for work, the major cause of unemployment appeared to be the inadequate education and training and the geographical remoteness of many jobless residents--particularly the Eskimo and Indian residents. 437 U.S. at 526-527. Secondly, the Court determined that Alaska Hire did not narrowly address the problem of unemployment, since the Act simply preferred all residents, regardless of their employment status, education or training. 437 U.S. at 527. Finally, the Supreme Court observed that the discriminatory effect of Alaska Hire extended well beyond those activities in which the state held a substantial proprietary interest:

"* * * In sum, the Act is an attempt to force virtually all businesses that benefit in some way from the economic ripple effect of Alaska's decision to develop its oil and gas resources to bias their employment practices in favor of the State's residents. We believe that Alaska's ownership of the oil and gas that is the subject matter of Alaska Hire simply constitutes insufficient justification for the pervasive discrimination against nonresidents that the Act mandates." 437 U.S. at 531.

A number of state courts have adopted the foregoing rationale in invalidating enactments which grant an employment preference to local workers. Laborers Local Union No. 374 v. Felton Construc-

tion Company, 98 Wash.2d 121, 654 P.2d 67 (1982); Massachusetts Council of Construction Employers, Incorporated v. Mayor of Boston, 384 Mass. 466, 425 N.E.2d 346 (1981), rev'd under the commerce clause, 460 U.S. 204, 103 S.Ct. 1042, 75 L.Ed.2d 1 (1983); Salla v. County of Monroe, 48 N.Y.2d 514, 399 N.E.2d 909, 423 So.2d 878, cert. denied 446 U.S. 909 (1979). We find, however, that Wyoming's Preference Act, unlike the enactments at issue in these cases and Alaska Hire, precisely fits the particular evil identified by the State.

As noted above, the act seeks to prevent a qualified Wyoming worker's remaining unemployed while a nonresident goes to work on a government-funded construction project. The statute makes no attempt to eradicate the general unemployment in this state which may be due to factors unrelated to nonresidents. Accordingly, the Act directs its discriminatory treatment toward the nonresident applicants for jobs on public-works projects--those individuals who constitute the peculiar source of the evil identified by the State.

Secondly, the Wyoming Preference Act specifically addresses the problem of unemployment among Wyoming construction workers. Section 16-6-203, supra, requires contractors to contact the local employment office to determine whether qualified resident workers are available. If the number of qualified residents listed with state employment offices is insufficient to meet employment needs, contractors are free to hire nonresident workers. An employer need not attempt to hire residents away from other jobs or to dismiss nonresidents and hire residents as they become available. Under the Act, an employer must deny nonresidents employment only when the state employment office provides a sufficient number of residents who are qualified and available to go to work.

Finally, we attach significance to the fact that the Wyoming Preference Act confines its discriminatory effects to projects constructed from public funds. The government's proprietary interest in the subject matter of the discriminatory statute constitutes a crucial factor in support of the statute's validity:

"* * * The fact that [the city] is expending its own funds or funds it administers in accordance with the terms of a grant is certainly a factor--perhaps the crucial factor--to be considered in evaluating whether the statute's discrimination violates the Privileges and Immunities Clause. But it does not remove the [city] ordinance completely from the purview of the Clause." United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden, supra, 79 L.Ed.2d at 260.

The Court elaborated in that case:

"Every inquiry under the Privileges and Immunities Clause 'must . . . be conducted with due regard for the principle that the states should have considerable leeway in analyzing local needs and in prescribing appropriate cures.' *Toomer v. Witsell*, 334 U.S. 385, 396, 92 L.Ed. 1460, 68 S.Ct. 1156 (1948). This caution is particularly appropriate when a government body is merely setting conditions on the expenditure of funds it controls." 79 L.Ed.2d at 261.

The Wyoming statute at issue in the present case requires merely that governmental funds, allocated to public-works projects, be used to hire qualified, available residents in preference to nonresidents. The statute does not effect the sort of wide-ranging discriminatory treatment fatal to *Alaska Hire* in *Hicklin v. Orbeck*, *supra*. Since the Wyoming Preference Act limits its discriminatory effect to government-created jobs, it presents minimal affront to the privileges and immunities of noncitizens. *United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden*, *supra*.

We hold that the Wyoming Preference Act does not violate the privileges-and-immunities clause of the federal constitution, notwithstanding the Act's infringement upon a recognized fundamental right. The Act narrowly addresses the goal of reduced unemployment among the state's taxpayers by preferring available, qualified residents for government-funded positions. Since the degree of discrimination bears a close relation to the state's valid reasons for discriminatory treatment, we affirm the Act's validity under the test established in *Toomer v. Witsell*, *supra*, and refined in subsequent cases.

Although not determinative of our decision here, we recently held in *Galesburg Construction Company, Inc. of Wyoming v. Board of Trustees of Memorial Hospital of Converse County, Wyo.*, 641 P.2d 745 (1982), that Wyoming's preference for resident bidders on public-works contracts, § 9-8-302, W.S.1977, does not violate the equal-protection provisions of the state and federal constitutions. Our result in the instant case, upholding Wyoming's preference for resident workers on public-works projects, harmonizes with our decision in *Galesburg Construction Company, Inc. of Wyoming v. Board of Trustees of Memorial Hospital of Converse County*, *supra*.

The bill of exceptions is sustained.

THOMAS, Chief Justice, specially concurring.

I am in complete accord with the result reached by the majority in this case, but I have a concern about the adequacy of the record to support the nexus between the evil of "a qualified Wyoming worker's remaining unemployed while a nonresident goes to work on a government-funded construction project" and the statute in question. I agree that that is a possibility, but the record does not demonstrate it. The statutory language simply makes the state employment offices a repository of information, and does not limit the "list of laborers, classified by skills, who are residents" to the unemployed. It simply requires that they be "available for employment."

I am satisfied that on the basis of existing precedent the role of the State in connection with "constructing, reconstructing, improving, enlarging, altering or repairing any public works project or improvement for the state or any political subdivision, municipal corporation or other governmental unit" is that of a market participant pursuing essentially a proprietary function. It is inappropriate to invoke the Privileges and Immunities Clause to inhibit the State in that regard. Both *Hicklin v. Orbeck*, 437 U.S. 518, 98 S.Ct. 2482, 57 L.Ed.2d 397 (1978), and *United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden*, _____ U.S. _____, S.Ct. _____, 79 L.Ed.2d 249 (1984), recognize that while the proprietary interest of the State in the property with which the statute deals is often a crucial factor in determining whether a discriminatory statute against non-citizens violates the Privileges and Immunities Clause. I perceive that, without articulating such a concept, the Supreme Court of the United States has preserved a delicate balance between the Reservation of Powers Clause found in Amendment X to the Constitution of the United States of America and the Privileges and Immunities Clause. The line that is drawn is that between the governmental function of the State and the right of the State to participate in the marketplace, satisfy its proprietary functions, and contract freely with those with whom it chooses to contract.

In *Hicklin v. Orbeck*, supra, at 437 U.S. 531, the Supreme Court recognized what it described as a mutually reinforcing relationship between the Privileges and Immunities Clause of Art. IV, § 2, and the Commerce Clause, which it said stems from their origin in the Fourth Article of the Articles of Confederation. In *Reeves, Inc. v. Stake*, 447 U.S. 429, 65 L.Ed.2d 244, 100 S.Ct. 2271 (1980), the Court said:

" * * * The State's refusal to sell to buyers other than South Dakotans is 'protectionist'

only in the sense that it limits benefits generated by a state program to those who fund the state treasury and whom the State was created to serve. * * * Such policies, while perhaps 'protectionist' in a loose sense, reflect the essential and patently unobjectionable purpose of state government--to serve the citizens of the State."

Conceding that the Court there was dealing with the application of the Commerce Clause, because of the mutually reinforcing relationship between the two clauses, I find that concept applicable in this instance with respect to the Privileges and Immunities Clause.

It cannot be held objectionable for a sovereign state to adopt legislation which provides in essence that to the extent possible public works contracts benefit the citizens of the state whose contributions to the public treasury fund those projects. A state should not be foreclosed by the invocation of the Constitution of the United States of America from loyalty to interests of its own citizens. So long as a statute is narrowly drawn to protect only the right of the state to contract as it sees fit with respect to expenditures for public works projects which it owns and which it funds, I am satisfied that as a matter of law such a statute does not offend the Privileges and Immunities Clause found in Art. IV, § 2 of the Constitution of the United States of America. This, of course, makes it unnecessary for the court to pursue the remand technique invoked in *United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and Council of the City of Camden*, supra.

I would agree that the bill of exceptions should be sustained for the foregoing reasons.