

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7709 SENATE STATE AFFAIRS

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HOUSE BILL 152 - SECTIONAL ANALYSIS

(The Housing Merger Bill)

1. Section 1, Page 1, sets out the Legislature's findings that there are critical low income and rural housing needs in the state, that a coordinated state housing policy is required to address these needs, and that such coordination can be best effectuated by a merger of state housing programs into the Corporation.
2. Section 2, Page 2, the purpose section, explains that the purpose of the Act is to direct the merger of the Alaska State Housing Authority ("ASHA") into the Alaska Housing Finance Corporation (the "Corporation"), to transfer certain housing programs of the Department of Community and Regional Affairs ("DCRA") to AHFC, to transfer responsibility for the senior citizens housing programs from DCRA to the Corporation, to transfer the responsibility for the home energy conservation weatherization program from DCRA to the Corporation, to transfer responsibility for mortgage loans under the veterans' program to the Corporation, and to assign to the Corporation the responsibility for replacement housing plans. In addition, Section 1 states that the bill authorizes the Corporation to purchase, at a discount, mortgage notes held by DCRA under its housing assistance programs; moneys paid to DCRA for the notes will be deposited into the state's general fund. These moneys, combined with an expected transfer of revenue by the Corporation to the State, will increase the state general fund by \$200,000,000.

Provisions Transferring ASHA AS 18.55.010-290 Powers to AHFC

3. Section 3, Page 4, amends the AS 18.55.010-290 ASHA purposes which are slum clearance, low cost housing and veterans housing, to transfer the purposes to AHFC. (AS 18.55.010)
4. Section 4, Page 4, amends the prohibited interest section of the ASHA statute to reflect the transfer to the Corporation. (AS 18.55.080)
5. Section 5, Page 4, transfers ASHA's general powers to carry out AS 18.55.010-290 to the Corporation. (AS 18.55.100(a))
6. Section 6, Page 6, transfers to the Corporation certain ASHA disaster relief powers. (AS 18.55.100(b))

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7. Section 7, Page 6, transfers ASHA's veterans' housing powers to the Corporation. (AS 18.55.110)
8. Section 8, Page 7, transfers ASHA's low-cost housing project powers to the Corporation. (AS 18.55.120)
9. Section 9, Page 7, amends the tenant qualification section of low-cost housing projects to refer to the Corporation. (AS 18.55.130)
10. Section 10, Page 8, substitutes the Corporation for ASHA in a provision allowing the issuance of bonds. (AS 18.55.140)
11. Section 11, Page 8, substitutes the Corporation for ASHA in respect of certain bond powers of ASHA for bonds issued under AS 18.55. (AS 18.55.150)
12. Section 12, Page 9, limits the Corporation's liability in the execution of any bonds under its ASHA .100 to .290 powers. It provides that the Corporation's bonds issued for its ASHA powers are not obligations of the State. (AS 18.55.160)
13. Section 13, Page 9, provides for exemption from taxes of bonds issued by the Corporation under its ASHA .100 to .290 powers. (AS 18.55.170)
14. Section 14, Page 9, provides for the issuance of bonds of the Corporation for ASHA .100 to .290 purposes. (AS 18.55.180)
15. Section 15, Page 10, provides for a financial advisor when the Corporation is issuing bonds and notes for .100 to .290 ASHA purposes. (AS 18.55.187)
16. Section Page 11, gives to the Corporation ASHA's powers with respect to pledges mortgages of property and provides for covenants and other bond security for the Corporation when it exercises ASHA .100 to .290 powers. (AS 18.55.200)
17. Sections 17 and 18, Page 12, give the Corporation or its bondholders certain rights when bonds are issued for ASHA .100 to .290 purposes. (AS 18.55.210-220)
18. Section 19, Page 13, provides for exemption from execution or other judicial process of Corporation property in conjunction with the exercise of an ASHA .100 to .290 power. (AS 18.55.230)

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19. Section 20, Page 13, provides that the Corporation may borrow funds or obtain other financial assistance from the federal government when it is exercising an ASHA .100 to .290 power. (AS 18.55.240)
20. Section 21, Page 13, exempts from taxation property owned by the Corporation in connection with its exercise of ASHA .100 to .290 powers. (AS 18.55.250)
21. Section 22, Page 13, provides for conveyance of real and personal property in the exercise by the Corporation of an ASHA .100 to .290 power, and sets out procedural safeguards for such conveyance. (AS 18.55.255(a))
22. Section 23, Page 14, provides for conveyance of property to a State or federal agency for less than appraised value in connection with the Corporation's exercise of ASHA .100 to .290 powers. (AS 18.55.255(b))
23. Section 24, Page 14, provides that bonds of the Corporation issued for ASHA purposes are legal investments. (AS 18.55.260)
24. Section 25, Page 14, requires the Corporation to recommend legislation in connection with exercise of ASHA .100 to .290 powers. (AS 18.55.270)
25. Section 26, Page 14, provides that the Corporation has certain general corporate powers in exercising an ASHA .100 to .290 power. (AS 18.55.280(a))
26. Section 27, Page 15, changes a reference from ASHA to Corporation. (AS 18.55.288 (1))
27. Section 28, Page 15, corrects the definition of "public building." (AS 18.55.288(3))
28. Section 29, Page 16, changes the short title of .010 to .290 of the ASHA statute to the Housing Project and Public Building Assistance Act. (AS 18.55.288(1))

ASHA Moderate-Cost and Rental Housing Powers Transferred to AHFC
(AS 18.55.300-470)

29. Section 30, Page 16, gives the Corporation ASHA powers to construct and operate moderate-cost and rental housing for veterans and other residents. (AS 18.55.310)
30. Section 31, Page 16, provides for veterans' preference in moderate-cost and rental housing projects. (AS 18.55.330)

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31. Section 32, Page 16, provides for the maintenance and rental of moderate-cost and rental housing by the Corporation. (AS 18.55.340)
32. Section 33, Page 16, provides that housing projects may be rented or sold by the Corporation to eligible persons and prescribes certain uses for moneys received from such sales or rentals. (AS 18.55.350)
33. Section 34, Page 17, authorizes the Corporation to use money appropriated or made available under .300 to .470 for character loans of up to \$500 for certain purposes, and for moderate-cost or rental housing loans to public agencies, non-profit organizations, and other corporations of up to 95 percent of assessed valuation in the case of co-ops. (AS 18.55.370)
34. Section 35, Page 17, provides that powers under any statute including eminent domain, may be exercised by the Corporation with respect to moderate-cost and rental housing projects (.300 to .470). (AS 18.55.380)
35. Section 36, Page 17, limits the Corporation's powers under .300 to .470 to instances where other adequate financing is not available. (AS 18.55.390)
36. Section 37, Page 18, provides for the Corporation's expenditure of appropriated funds under .300 to .470 to research methods of low-cost construction. (AS 18.55.400)
37. Section 38, Page 18, provides for the adoption of regulations for the moderate-cost and rental housing program (.300 to .470). (AS 18.55.420)
38. Section 39, Page 18, provides for acquisition of land in connection with moderate-cost and rental housing projects (.300 to .470). (AS 18.55.440)
39. Section 40, Page 18, provides that the Corporation may accept properties from other agencies for moderate-cost and rental housing purposes (.300 to .470). (AS 18.55.450)
40. Section 41, Page 19, provides for a preference for professional and contractor services of State residents for .300 to .470 projects. (AS 18.55.480)
41. Section 42, Page 19, adds the definition of the Corporation. (AS 18.55.470(1))

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ASHA Slum Clearance, Redevelopment, and Urban Renewal Powers
Transferred to AHFC
(AS 18.55.480-960)

42. Section 43, Page 19, provides that the intent of the Act is to take advantage of Title I of the U.S. Housing Act of 1949 (providing for redevelopment powers). (AS 18.55.490)
43. Section 44, Page 19, provides there be no interest of the members of the board of the Corporation in the redevelopment project. (AS 18.55.500)
44. Section 45, Page 20, provides that when the Corporation's redevelopment powers (.480 to .960) are exercised within a municipality, the governing body of the municipality must consent. (AS 18.55.510(a))
45. Section 46, Page 20, provides that in the exercise of its redevelopment powers (.480 to .960) the Corporation has other necessary powers to purchase property, to sell property, to make covenants, to borrow money, to invest money, and the like. In Subsection 11, Page 23, with the approval of the local government body, it can demolish structures in connection with redevelopment projects. (AS 18.55.520)
46. Section 47, Page 23, provides that neighborhood development projects (.480 to .960) shall consist of urban renewal projects undertaken in urban renewal areas under federal law. (AS 18.55.525)
47. Section 48, Page 23, provides that property may not be acquired for redevelopment projects unless the governing body has approved the redevelopment plan. (AS 18.55.530(a))
48. Section 49, Page 23, provides for the preparation of a redevelopment plan and defines the requisites of such a plan. (AS 18.55.530(d))
49. Section 50, Page 24, provides that before redevelopment plans are submitted to the governing body, the same shall be submitted to the local planning commission for review and comment. (AS 18.55.530(e))
50. Section 51, Page 24, sets out the documents and statements that must accompany the redevelopment plan when it is submitted to the governing body. (AS 18.55.530(g))

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51. Section 52, Page 25, provides that after a hearing under this Section, the governing body may, by ordinance, approve a redevelopment plan. (AS 18.55.530(l))
52. Section 53, Page 25, provides for modification of such a redevelopment plan. (AS 18.55.530(j))
53. Section 54, Page 25, provides that when a natural catastrophe has been declared or certified by a local government body a redevelopment plan may be adopted on an expedited basis. (AS 18.55.530(k))
54. Section 55, Page 26, provides for sale, lease, or exchange of real property in connection with a redevelopment plan. (AS 18.55.540(a))
55. Section 58, Page 26, provides for public notice of redevelopment contract proposals and sets out procedures and criteria for the Corporation's consideration of such proposals. (AS 18.55.540(b))
56. Section 57, Page 27, provides for the Corporation's exercise of eminent domain in connection with a redevelopment project. (AS 18.55.550(a))
57. Section 58, Page 27, provides for the acquisition and development of vacant land not within a slum or blighted area if necessary for the redevelopment of a slum or blighted area. (AS 18.55.580)
58. Section 59, Page 28, provides for the Corporation's issuance of debt in connection with a redevelopment plan. (AS 18.55.570(a))
59. Section 60, Page 28, provides that the members of the Corporation's board of directors are not liable on any such debt. (AS 18.55.570(b))
60. Section 61, Page 29, provides that a signature of a board member of the Corporation on a bond is valid if the member leaves office after signing the bond. (AS 18.55.570(e))
61. Section 62, Page 29, provides detailed provisions in connection with the Corporation's issuance of bonds for redevelopment projects, including covenants, mortgages, and bond remedy features. (AS 18.55.580)
62. Section 63, Page 31, sets out the rights and remedies of a bondholder. (AS 18.55.590)

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63. Section 64, Page 32, provides that bond proceeds issued for redevelopment purposes are legal investments. (AS 18.55.600(b))
64. Section 65, Page 32, provides that property held by the Corporation for redevelopment purposes is exempt from taxation and execution, and further requires payments in lieu of taxes in connection with such property. (AS 18.56.620)
65. Section 66, Page 33, empowers public bodies to convey property or furnish services to the Corporation in connection with a redevelopment project. (AS 18.55.630(a))
66. Section 67, Page 34, provides for powers of a municipal governing body in connection with physical development of redevelopment property by the Corporation. (AS 18.55.660)
67. Section 68, Page 34, provides that the Corporation may undertake an urban renewal project. (AS 18.55.680(a))
68. Section 69, Page 35, provides, with respect to urban renewal plans or projects, that the Corporation has the right to acquire and dispose of property, borrow money, and the like, and provides for the details of effectuation of an urban renewal plan or project. (AS 18.55.700)
69. Section 70, Page 36, provides that the Corporation may have power under a municipal ordinance to determine that properties or dwellings within an urban development area are not fit for human habitation. (AS 18.55.860)
70. Section 71, Page 36, details the conditions which could give rise to a finding that a property or dwelling is not fit for human habitation. (AS 18.55.860(b))
71. Section 72, Page 37, defines the Corporation. (AS 18.55.950(18))

Regional Native Housing Authorities
(AS 18.55.995-998)

72. Section 73, Page 37, provides that Native associations can form public corporations with powers, rights, and functions the same as those of ASHA under AS 18.55.100-.290 which are transferred to the Corporation. (AS 18.55.995)

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73. Section 74, Page 37, refers to sections of the former ASHA statute (.100-.290) transferred to the regional housing authority. (AS 18.55.996(b))
74. Section 75, Page 38, provides that planning, financing, construction or operation activities of a regional housing authority conflicting with the Corporation shall be resolved by the municipal governing body in which the project is located. (AS 18.55.996(g))
75. Section 76, Page 38, provides that, in addition to other powers, a regional housing authority may make loans in accordance with the Corporation's procedures for the purchase or development of residential housing in areas other than those where the Corporation has a loan office. (AS 18.55.997(a))
76. Section 77, Page 38, creates within the Corporation a supplemental housing development grant fund to pay costs of on-site water and sewer facilities, road construction, and other infrastructure, subject to appropriation. This is a transfer of power from DCRA. (AS 18.55.998(a))
77. Section 78, Page 38, provides for regulations under AS 18.56.088 (AHFC regulatory statute) to carry out the provisions of the supplemental housing development grant fund. (AS 18.55.998(d))

Modifications to AHFC's Statute
(AS 18.56.010 - .900)

78. Section 79, Page 39, amends the program for residential loans to vets to provide for assumption of the AS 26.15 (DCED) program by the Corporation. (AS 18.56.010(d))
79. Section 80, Page 39, sets forth the legislative finding that the Corporation's financing of veterans' loans for residential housing benefits the people of the State. (AS 18.56.010(f))
80. Section 81, Page 39, sets out the composition of the Corporation's board of directors, increasing the number of members to eleven persons: the commissioners of Revenue, Commerce and Economic Development, and Community and Regional Affairs; and eight public members appointed by the governor, including: a representative of the financial community; a licensed real estate broker; a representative of the interests of regional housing authorities; a rural resident of the state; a representative of persons having special housing needs; a representative

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of low income interests; a representative of the state's residential energy efficient home building industry; and a public member. (AS 18.56.030(a))

81. Section 82, Page 40, provides for designation by board members of a person to act in the board member's place at a board or committee meeting (AS 18.56.030(b))
82. Section 83, Page 40, requires reasonable competence, experience, and geographic balance among the public members of the board of directors of the Corporation. (AS 18.56.030(f))
83. Section 84, Page 40, provides that the board may establish committees and delegate to such committees powers and duties it considers appropriate (AS 18.56.050)
84. Section 85, Page 40, corrects a statutory reference in the provision for international borrowing by the Corporation. (AS 18.56.084)
85. Section 86, Page 41, amends the provision governing adoption of regulations by the Corporation, to include reference to the housing assistance program authorized by Section 88 of this legislation. (AS 18.56.088(c))
86. Section 87, Page 41, exempts from the Executive Budget Act those activities of the Corporation transferred from ASHA by this legislation. (AS 18.56.089(a))
87. Section 88, Page 42, amends the Corporation's general powers by adding the authority to provide or receive housing assistance funding for low and moderate income housing and for congregate and special needs housing. Such funding can include deferred loans, subsidies, or other assistance as provided in regulations of the Corporation. (AS 18.56.090)
88. Section 89, Page 42, substitutes "Corporation" for the commissioner of community and regional affairs in a provision requiring that the Corporation not make loans for buildings unless they are in compliance with thermal energy standards. (AS 18.56.096(c))
89. Section 90, Page 43, amends the definition of "residence" to include a veteran's "multiple dwelling." (AS 18.56.093(f)(4))

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90. Section 91, Page 43, amends provisions concerning the Corporation's housing development fund, to clarify that for-profit organizations may apply for congregate housing loans and to provide that congregate housing may include units that do not contain, but have access to, sanitation or kitchen facilities. (AS 18.56.100)
91. Section 92, Page 44, requires that the Corporation include in its annual report certain reports on activities under programs transferred to the Corporation by this legislation. (AS 18.56.200(e))
92. Section 93, Page 44, corrects section references in the Corporation's powers to take actions to stabilize the market price and demand for residential housing in the State. (AS 18.56.210(a))
93. Section 94, Page 45, amends a provision respecting construction standards for housing eligible for purchase of loans by the Corporation, to provide that the provision does not apply to nonconforming housing loans made or purchased by the Corporation under AS 18.56.106. (AS 18.56.300(d))
94. Section 95, Page 45, starts with a restatement of the Corporation's current definitions section from AS 18.56 with certain minor deletions and the addition of a definition of "special needs housing." (AS 18.56.390) This section also transfers the following DCRA housing powers to the Corporation:
 - (a) Page 48, general powers with respect to originating and servicing loans (formerly AS 44.47.370, now AS 18.56.400).
 - (b) Page 49, establishes the Alaska energy efficient home grant fund (formerly AS 44.47.378, now AS 18.56.410).
 - (c) Page 49, establishes the housing assistance loan fund (a revolving fund for non-conforming and rural loans) (formerly AS 44.47.380, now AS 18.56.420).
 - (d) Page 50, establishes the home ownership assistance fund (a fund to provide interest subsidy for loans to lower- and moderate-income persons) (formerly AS 44.47.382, now AS 18.56.430).
 - (e) Page 51, provides limits on the use of the home ownership assistance fund (formerly AS 44.47.390, now AS 18.56.440).

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- (f) Page 52, provides for an operating loss reserve account to meet foreclosure legal expenses (formerly AS 44.47.395, now AS 18.56.450).
- (g) Page 52, provides for loan security (formerly 44.47.410, now AS 18.56.460).
- (h) Page 52, provides for interest rates on loans, and amends the current provision to provide that the Corporation may estimate the interest rate if no applicable issue of taxable bonds has been issued within the six months prior to the purchase or origination of loans (formerly AS 44.47.410, now AS 18.56.470).
- (i) Pages 53 to 55, provide for title to properties securing loans purchased by the Corporation (formerly AS 44.47.420, now AS 18.56.480), a restricted title loss reserve account (formerly AS 44.47.430, now AS 18.56.490), fire insurance (formerly AS 44.47.440, now AS 18.56.500), loan origination and servicing (formerly AS 44.47.460, now AS 18.56.510), appraisals (formerly AS 44.47.470, now AS 18.56.520), exemption from energy audit (AS 44.47.475, now AS 18.56.530) and toll-free phone number (formerly AS 44.47.480, now AS 18.56.540).
- (j) Page 55, establishes field offices (formerly AS 44.47.490, now AS 18.56.550).
- (k) Page 55, provides for regional demonstration projects (formerly AS 44.47.500, now AS 18.56.560).
- (l) Page 55, provides for regional allocation of the housing assistance loan fund (formerly AS 44.47.510, now AS 18.56.570).
- (m) Page 56, provides for loans for non-owner occupied housing from the housing assistance loan fund (formerly AS 44.47.520, now AS 18.56.580).
- (n) Page 56, provides for a biennial report by the Corporation (formerly AS 44.47.530, now AS 18.56.590).
- (o) Page 57, sets out definitions, including a change in the definition of "rural" (formerly AS 44.47.500, now AS 18.56.600).
- (p) Page 57, creates a low-cost and low-income multiple-family housing development fund (formerly AS 44.47.380, now AS 18.56.650).

- (q) Page 58, creates a senior housing office in the Corporation to administer the senior housing loan program (formerly AS 44.47.585, now AS 18.56.700).
 - (r) Page 59, creates a senior housing revolving fund (formerly AS 44.47.587, now AS 18.56.710).
 - (s) Page 59, provides for interest rates on senior housing bond issues (formerly AS 44.47.589, now AS 18.56.720).
 - (t) Pages 59 to 61, provide for loan conditions, (formerly AS 44.47.591, now AS 18.56.730), fire insurance (formerly AS 44.47.595, now AS 18.56.740), loan origination and servicing (formerly AS 44.47.597, now AS 18.56.760), toll-free number (formerly AS 44.47.601, now AS 18.56.770), contracting for services (formerly AS 44.47.603, now AS 18.56.780), a bond authorization of \$30 million for senior housing loans (formerly AS 18.56.083, now AS 18.56.790), and definition of senior housing (formerly AS 44.47.609, now AS 18.56.799).
 - (u) Pages 61 to 62, make a declaration of purpose respecting senior housing (formerly AS 44.47.610, now AS 18.56.800) and establish a senior housing development fund (formerly AS 44.47.620, now AS 18.56.810).
 - (v) Page 62, transfers to the Corporation the home energy conservation and weatherization program of DCRA and specifies certain programs in the state that shall receive the Corporation's assistance under this section (formerly AS 44.47.050(a)(18) and (b), now AS 18.56.850).
95. Section 96, Page 63, defines the board and the Corporation. (AS 18.56.800)

General Provisions

96. Section 97, Page 63, deletes reference to ASHA from a statute concerning telecommunication fees. (AS 09.25.115(g))
97. Section 98, Page 63, deletes reference to ASHA from a provision concerning public inspection of agency records. (AS 09.25.123(a))
98. Section 99, Page 63, deletes reference to ASHA from a definition of "public agency" in a statute concerning public officials' disclosure of information. (AS 09.25.220(5))

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99. Section 100, Page 63, deletes reference to ASHA from a statute respecting exemptions for State property from process to collect unsecured debt. (AS 09.38.015(c))
100. Section 101, Page 64, deletes reference to ASHA from a definition of State agency or agency of the State in a statute concerning radiation protection. (AS 18.60.545(b))

DCED Housing Functions Transferred to AHFC

101. Section 102, Page 64, exempts the Corporation's administration of housing loans from Department of Commerce and Economic Development ("DCED") veteran's loan provisions. (AS 26.15.010(a))
102. Section 103, Page 64, limits DCED to obtain mortgage insurance on property securing veterans' business loans. (AS 26.15.010(d))
103. Section 104, Page 64, deletes DCED's program of making multiple-dwelling loans. (AS 26.15.040(a))
104. Sections 105 and 106, Page 65, make technical corrections to correspond with the change effected by Section 98. (AS 26.15.040(c) and (e))
105. Section 107, Page 65, substitutes the Corporation for ASHA in the statutory provision providing for exemption of low-income housing from local property taxation. (AS 29.45.050(l))
106. Sections 108 and 109, Page 66, provide that the Corporation may make loans for housing for displaced persons. (AS 34.60.135, .137)
107. Section 110, Page 67, substitutes the Corporation for ASHA in a provision providing for leasing or granting of interests in land to ASHA by the Alaska Department of Transportation and Public Facilities ("DOT&PF). (AS 35.05.040)
108. Section 111, Page 67, deletes reference to ASHA from a provision concerning promulgation of regulations in AS 36.30, the State Procurement Code. (AS 36.30.015(f))
109. Section 112, Page 68, deletes reference to ASHA from a provision concerning the use of lists of contractors under the State Procurement Code. (AS 36.30.050(c))

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110. Section 113, Page 68, deletes reference to ASHA from a provision defining "State agency" in the State Procurement Code. (AS 36.30.735(b))
111. Section 114, Page 68, deletes reference to ASHA from a section of the State Procurement Code defining "agency." (AS 36.30.990(1))
112. Section 115, Page 68, deletes reference to ASHA from a provision defining "program receipts" in AS 37.05, the Fiscal Procedures Act. (AS 37.05.146)
113. Section 116, Page 69, deletes reference to ASHA from a provision in AS 39.05 setting criteria for membership on boards and commissions. (AS 39.05.060(a))
114. Section 117, Page 70, deletes reference to ASHA from a provision defining "Instrumentality of the State" in AS 39.50, the statute governing public officials' conflict of interest. (AS 39.50.200(a)(4))
115. Section 118, Page 70, substitutes the Corporation for DCRA in a provision concerning administration of the senior housing loan program. (AS 44.21.230(a)(9))
116. Section 119, Page 78, makes a technical correction to correspond to previous changes concerning "senior housing." (AS 44.21.240(6))

**Miscellaneous
Provisions**

117. Section 120, Page 70, deletes ASHA from a provision concerning "use of paper" by State agencies. (AS 44.99.020)
118. Section 121, Page 70, deletes ASHA from a provision defining "State agency" in a statute concerning personal information in public records. (AS 44.99.350(3))
119. Section 122, Page 71, deletes ASHA from a section concerning copyrights held by State agencies. (AS 44.99.400)
120. Section 123, Page 71, deletes reference to ASHA from a provision of the Village Safe Water Act. (AS 46.07.030(b))

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121. Sections 124 and 125, Pages 71-72, substitute the Corporation for the commissioner of community and regional affairs in provisions concerning thermal energy standards for residential buildings. (AS 48.11.040, 48.11.900)
122. Section 126, Page 72, repeals numerous provisions of AS 18.55, AS 39.50, AS 44.47, and AS 44.99 that are replaced or transferred by this Bill.
123. Section 127, Page 72, sets out transitional provisions relating to the merger of ASHA with the Corporation, stating that contracts, rights, liabilities, bonds, notes, or other obligations of ASHA remain in effect and become contracts, rights, liabilities, bonds, notes, or other obligations of the Corporation. This Section also transfers records, equipment, etc. of ASHA to the Corporation and states that ASHA employees shall become employees of the Corporation on the effective date of the Act.
124. Section 128, Page 73, sets out transitional provisions relating to transfer of housing programs from DCRA to the Corporation, in a fashion similar to Section 127.
125. Section 129, Page 73, sets out transitional provisions relating to transfer of senior citizen housing programs from DCRA to the Corporation, in a fashion similar to Section 127.
126. Section 130, Page 74, sets out transitional provisions relating to transfer of the home energy conservation and weatherization programs from DCRA to the Corporation, in a fashion similar to Section 127.
127. Section 131, Page 74, sets out transitional provisions relating to termination of DCED's authority to make residential loans to veterans, in a fashion similar to Section 127.
128. Section 132, Page 75, describes the transition concerning expansion of the membership of the Corporation's board of directors, providing that current members shall continue to serve their unexpired terms and describing the terms of the public members first appointed to fill the additional seats authorized by this legislation.
129. Section 133, Page 75, provides that ASKA, DCRA and DCED shall prepare financial reports respecting the assets transferred under this legislation.
130. Section 134, Page 76, establishes the Alaska State Housing Planning Commission within the office of the governor, the members of which shall consist of: a

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representative from the office of the governor; the commissioners of commerce and economic development and of community and regional affairs; a representative of the Corporation; a public member representing low income, homeless, or special needs housing interests; and an advisory member representing HUD. The commission is to assist in the merger of housing functions mandated by this legislation to ensure that housing services are not interrupted during the resultant transition.

131. Section 135, Page 76, authorizes the Corporation to purchase, at a discount, the mortgage loans and other housing-related loans of DCRA, and requires the commissioner of DCRA to deposit the amounts received from the purchase in the state general fund.
132. Section 136, Page 77, instructs the revisor of statutes to delete references to "authority" and insert in place of each deletion a reference to "corporation" in certain specified provisions of AS 18.55. A subsequent analysis will indicate the effect of this provision.
133. Section 137, Page 77, provides a repeal date of January 1, 1993 for Section 134 of this legislation.
134. Section 138, Page 77, provides an immediate effective date for sections 133-135 of this legislation.
135. Section 139, Page 77, sets forth an effective date of July 1, 1992, for this Act (with the exception of Sections 133-135).

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

April 2, 1991

POSITION PAPER

RE: CS for House Bill 152

SPONSOR: Representative Brown

Departmental Position

Neutral

Program Effects of Bill

This bill:

1. creates an eleven member Alaska State Housing Commission in the Department of Community and Regional Affairs. The Commission would:

- Serve as the governing board of the Alaska State Housing Authority and the Alaska Housing Finance Corporation;
- Coordinate all state housing programs, develop and implement a state housing policy;
- Prepare an annually updated five-year housing plan for the state;
- Prepare and update a housing needs assessment;
- Undertake a coordinated public information program concerning state housing programs and opportunities; and
- Administer the Alaska Housing Trust Fund.

2. Creates an Alaska Housing Trust Fund. This fund would be composed of the unrestricted funds of the Alaska Housing Finance Corporation not necessary for the financial integrity of the corporation and would be fully capitalized at \$100 million. The fund would be used to provide housing assistance through public agencies and nonprofit organizations to address low and moderate income housing, including special needs housing.

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Comments

In 1988 the Alaska Housing Market Council was formed to investigate housing policy and program issues and make recommendations to the Governor and the Alaska Legislature. The Council conducted this work through a 37-member Housing Policy Development Committee. The committee was composed of housing professionals, consumers, banking representatives, legislators and public housing and housing finance officials. The committee found that:

1. Housing programs in Alaska are spread among 13 different state agencies, offices and divisions. The result is that there is no coordinated state housing policy which would allow clear direction for housing programs.
2. Low income and rural housing needs in Alaska are critical and have not been met with existing state housing efforts.
3. Federal housing funding to the state is dwindling; and
4. Many states are taking a much more active role by adopting an overall state housing policy and have coordinated housing programs. The Council recommended that a Housing Commission be established to overcome the fragmentation of existing programs.

The State of Alaska needs to adopt a policy to meet the need of Alaskans for affordable, durable, healthy and energy efficient housing. State housing programs are spread out among thirteen different state agencies, offices and divisions. This makes it very difficult for the Governor and the Legislature to affect a clear and coordinated housing policy to address this vital issue. While the state has invested considerable sums on housing, there are many needs that have not been met.

The housing needs of lower income and rural Alaskans are critical. The 1988 Rural Housing Needs Assessment found that rural Alaska has a serious housing problem. The report found that overcrowding and substandard housing is prevalent. This is reflected in the fact that the study reported that almost a third of the homes surveyed were unable to maintain a healthy indoor temperature during the long winter months. These conditions are not only a threat to health and safety, but inhibit local economic development because a high percentage of homeowners' incomes are spent on just staying warm.

This housing crisis is compounded by the fact that with declining revenues, the State of Alaska's general fund cannot be looked to provide the solution. The federal government cannot also be depended upon. Due to the need to reduce the federal budget, federal housing funding has been dramatically reduced over the past few years.

The Alaska Housing Market Council investigated the state's housing needs and the programs that have been established to address these needs. The Council recommended that a Housing Commission be established that would oversee the development of a state housing policy and ensure that the state's response is coordinated.

House Bill 152 embodies the recommendations of the Alaska Housing Market Council. It would create an Alaska State Housing Commission within the Department of Community and Regional Affairs. The commission would be composed of 11 members appointed by the Governor. The Commission would serve as the governing board of the Alaska Housing Finance Corporation and the Alaska State Housing Authority. The Commission would be responsible for overseeing the development of a state housing policy and coordinate with the various agencies in implementing the plan. It would oversee the development of budget requests and identify priorities for the Governor and Legislature. The Commission would also prepare a housing plan to meet the policy and prepare a housing needs assessment.

The legislation would create an Alaska Housing Trust Fund that would be administered by the housing commission and subject to annual legislative appropriation from the unrestricted funds not necessary for the financial integrity of the Alaska Housing Finance Corporation. This fund would be used to address the housing needs of low and moderate income Alaskans as well as those with special housing needs.

The legislation should not threaten the Alaska Housing Finance Corporation or the Alaska State Housing Authority, but rather help to improve the effectiveness of the programs through the added coordination of a single commission. It is also logical that they be located within the Department of Community and Regional Affairs. The Department is the line agency that is most involved in a wide variety of housing and community development issues. Within the Department are programs that address rural housing needs, senior housing, rental rehabilitation, the homeless, energy efficiency and local economic development. Housing the commission in the Department would help ensure that all needs are addressed. Housing new federal National Affordable Housing Act which requires the development of a state housing plan and designation of a single state agency to administer the federal housing funding.

Position Paper - CS HB 152
April 2, 1991
Page Four

The creation of a housing trust fund would allow the earnings of the Alaska Housing Finance Corporation to be applied to meeting the dire housing needs that are currently not being addressed or are dependent upon the state's general fund.

Amendments Proposed

None

Edgar Blatchford
Edgar Blatchford, Commissioner

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska
Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR & A
BRU: Administration & Support
Component: Administrative Services

Requestor: S. State Affairs

COMPONENT SERIAL NO. 0684

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(111.3)	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	(.5)	0	0	0	0	0
SUPPLIES	(.2)	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(112.0)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER 1007 FUND SOURCE: 1064	(29.2) (82.8)	0	0	0	0	0
TOTAL	(112.0)	0	0	0	0	0

POSITIONS:

FULL-TIME	(3)	0	0	0	0	0
PART-TIME	1	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Breen
Division: Rural Development

Robert L. Breen 4-10-92

Phone: (907)289-4607
Date: April 10, 1992

Approved by Commissioner: Erin Berry
Agency: Community and Regional Affairs

Date: May 3 - 92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: 8 State Affairs

Department Affected: CR & A
BRU: Employment Training/Rural Dev
Component: Statewide Service Delivery

Requestor: 9. State Affairs

COMPONENT SERIAL NO. 1178

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(32.1)	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	(32.1)	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(64.2)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1084	(64.2)	0	0	0	0	0
TOTAL	(64.2)	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Breen *Robert L. Breen* Phone: (907) 269-4307
Division: Rural Development *4-10-92* Date: April 10, 1992

Approved by Commissioner: Ed Ratz *Ed Ratz* Date: 4-13-92
Agency: Community and Regional Affairs

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

Rev 10/91

Page 1 of 1

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR & A
BRU: Administration & Support
Component: Administrative Services

Requestor: S. State Affairs

COMPONENT SERIAL NO. 06814

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(111.3)	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	(.5)	0	0	0	0	0
SUPPLIES	(.2)	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(112.0)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FINDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER 1007 FUND SOURCE: 1064	(29.2) (82.8)	0	0	0	0	0
TOTAL	(112.0)	0	0	0	0	0

POSITIONS:

FULL-TIME	(3)	0	0	0	0	0
PART-TIME	1	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Brian
Division: Rural Development

Robert L. Brian 4-10-92

Phone: (907) 283-4607
Date: April 10, 1992

Approved by Commissioner: Erin Kelly
Agency: Community and Regional Affairs

Date: 4-3-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR & A
BRU: Employment Training/Rural Dev.
Component: Energy Conservation

Requestor: S State Affairs

COMPONENT SERIAL NO. 0677

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(808.2)	0	0	0	0	0
TRAVEL	(95.5)	0	0	0	0	0
CONTRACTUAL	(475.0)	0	0	0	0	0
SUPPLIES	(18.4)	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(100.0)	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(1495.1)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	(540.4)	0	0	0	0	0
FEDERAL FUNDS	(388.5)	0	0	0	0	0
OTHER FUND SOURCE: 1061	(568.2)	0	0	0	0	0
TOTAL	(1495.1)	0	0	0	0	0

POSITIONS:

FULL-TIME	(13.0)	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impacts:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Breen
Division: Rural Development

Robert L. Breen

4-10-93

Phone: (907) 265-4607
Date: April 10, 1992

Approved by Commissioner: [Signature]
Agency: Community and Regional Affairs

Date: 4-10-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska
Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR & A
BAU: Employment Training/Rural Dev
Component: Statewide Service Delivery

Requestor: S. State Affairs

COMPONENT SERIAL NO. 1178

Expenditures/Revenue: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(32.1)	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	(32.1)	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(64.2)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1064	(64.2)	0	0	0	0	0
TOTAL	(64.2)	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Breen *Robert L. Breen* 4-10-92 Phone: 1907-269-4307
Division: Rural Development Date: April 10, 1992

Approved by Commissioner: *ECN BATH* Date: 4-13-92
Agency: Community and Regional Affairs

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR & A
BRU: Employment Training/Rural Dev.
Component: Housing Loan Administration

Requestor: S. State Affairs

COMPONENT SERIAL NO. 06317

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(1474.4)	0	0	0	0	0
TRAVEL	(190.9)	0	0	0	0	0
CONTRACTUAL	(1274.9)	0	0	0	0	0
SUPPLIES	(15.0)	0	0	0	0	0
EQUIPMENT	(10.0)	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(2965.2)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1084	(2965.2)	0	0	0	0	0
TOTAL	(2965.2)	0	0	0	0	0

POSITIONS:

FULL-TIME	(24)	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Green *Robert L. Green* 4-10-92
Division: Rural Development

Phone: (907)269-4637
Date: April 10, 1992

Approved by Commissioner: *Earl Peterson*
Agency: Community and Regional Affairs

Date: 4-13-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: S. State Affairs

Department Affected: CR & A
BRU: Employment Training/Rural Dev.
Component: Senior Housing Development

Requestor: S. State Affairs

COMPONENT SERIAL NO. 1415

Expenditures/Revenue: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(107.6)	0	0	0	0	0
TRAVEL	(20.0)	0	0	0	0	0
CONTRACTUAL	(11.8)	0	0	0	0	0
SUPPLIES	(3.0)	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(142.4)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1007	(142.4)	0	0	0	0	0
TOTAL	(142.4)	0	0	0	0	0

POSITIONS:

FULL-TIME	(2)	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 83 Operating Budget.

Prepared By: Robert L. Breen
Division: Rural Development

Robert L. Breen 4-10-92

Phone: (907) 269-4607
Date: April 10, 1992

Approved by Commissioner: _____
Agency: Community and Regional Affairs

Date: 4-15-92

Revised (by preparer): Leg. Fin., Legislative Sponsor, Requestor, CMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

Rev 10/91

Page 1 of 1

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. H.B. 152

Revision Date: April 13, 1992
Title: An Act Relating to Powers and Functions of Alaska Housing Finance Corporation
Sponsor: S State Affairs

Department Affected: CR S A
BRU: Employment Training/Rural Dev.
Component: Community Development

Requestor: S. State Affairs

COMPONENT SERIAL NO. 1179

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	(19.4)	0	0	0	0	0
TRAVEL	(7.0)	0	0	0	0	0
CONTRACTUAL	(2.3)	0	0	0	0	0
SUPPLIES	(9.1)	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(37.8)	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1064	(37.8)	0	0	0	0	0
TOTAL	(37.8)	0	0	0	0	0

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)
Programs, responsibilities, staff and functions as outlined in legislation of this component are being transferred to AHFC. This fiscal note represents the transfer from the DCRA FY 93 Operating Budget.

Prepared By: Robert L. Breen
Division: Rural Development

Robert L. Breen 4-10-92

Phone: (907)269-4607
Date: April 10, 1992

Approved by Commissioner: *E. Beth*
Agency: Community and Regional Affairs

Date: 4-13-92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Office & Impacted Agency(ies).

ANALYSIS OF FISCAL NOTE
SCS CSHB152

Alaska Housing Finance Corporation

OPERATING	AS SUBMITTED FY93	DCRA	AHFC
PERSONAL SERVICES	2406.8	2406.8	0
TRAVEL	368.4	306.4	62.0
CONTRACTUAL	2031.7	1761.7	270.0
SUPPLIES	34.4	34.4	0
EQUIPMENT	185.0	10.0	175.0
LAND/STRUCTURES	0	0	0
GRANTS, CLAIMS	100.0	100.0	0
MISCELLANEOUS	0	0	0
TOTAL OPERATING	5126.3	4619.3	507.0

Travel

12.0 Travel associated with installation, maintenance, and training of communications and computer equipment.

50.0 Administrative and expanded Board of Director's travel.

Contractual

100.0 Special auditing and accounting services.

10.0 Office move of HAD staff in Anchorage, if necessary.

100.0 Classification study.

60.0 RSA with Department of Revenue, Administrative Services Division

Equipment

175.0 An upgrade to existing IBM AS/400 computer will be necessary to accommodate local and remote user support.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SCS CSHB152

Revision Date: _____
Title: AN ACT RELATED TO HOUSING

Department Affected: Revenue
BRU: Alaska Housing Finance Corporation
Component: Alaska Housing Finance Corporation

Sponsor: SENATE STATE AFFAIRS

Requestor: SENATE STATE AFFAIRS
Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO.

1	1	0
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OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	2406.8	2406.8	2406.8	2406.8	2406.8	2406.8
TRAVEL	368.4	368.4	368.4	368.4	368.4	368.4
CONTRACTUAL	2031.7	1761.7	1761.7	1761.7	1761.7	1761.7
SUPPLIES	34.4	34.4	34.4	34.4	34.4	34.4
EQUIPMENT	185.0	10.0	10.0	10.0	10.0	10.0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	100.0	100.0	100.0	100.0	100.0	100.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	5126.3	4680.3	4680.3	4680.3	4680.3	4680.3

CAPITAL	7,200.0	7,200.0	7,200.0	7,200.0	7,200.0	7,200.0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1022	12,326.3	11,880.3	11,880.3	11,880.3	11,880.3	11,880.3
TOTAL	12,326.3	11,880.3	11,880.3	11,880.3	11,880.3	11,880.3

POSITIONS:

FULL-TIME	41.0	41.0	41.0	41.0	41.0	41.0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.) This fiscal note represents the transfer of programs, responsibilities, staff and functions of DCRA to AHFC. This fiscal note reflects upgrade in computer system and increases in travel and contractual.

Prepared By: _____
Division: _____

Phone: (907)564-9303
Date: April 11, 1992

Approved by Commissioner: _____
Agency: Revenue Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).
Rev 10/91

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SCS CSHB152

Revision Date: APRIL 11, 1992
Title: AN ACT RELATED TO HOUSING

Department Affected: Revenue
BRU: Alaska Housing Finance Corporation
Component: Alaska Housing Finance Corporation

Sponsor: SENATE STATE AFFAIRS

Requestor: SENATE STATE AFFAIRS
Expenditures/Revenues: (Thousands of Dollars)

COMPONENT SERIAL NO.

1	1	0
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OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	2406.8	2406.8	2406.8	2406.8	2406.8	2406.8
TRAVEL	368.4	368.4	368.4	368.4	368.4	368.4
CONTRACTUAL	2031.7	1761.7	1761.7	1761.7	1761.7	1761.7
SUPPLIES	34.4	34.4	34.4	34.4	34.4	34.4
EQUIPMENT	185.0	10.0	10.0	10.0	10.0	10.0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	100.0	100.0	100.0	100.0	100.0	100.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	5126.3	4680.3	4680.3	4680.3	4680.3	4680.3

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE: 1022	5126.3	4680.3	4680.3	4680.3	4680.3	4680.3
TOTAL	5126.3	4680.3	4680.3	4680.3	4680.3	4680.3

POSITIONS:

FULL-TIME	41.0	41.0	41.0	41.0	41.0	41.0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.) This fiscal note represents the transfer of programs, responsibilities, staff and functions of DCRA to AHFC. This fiscal note reflects upgrade in computer system and increases in travel and contractual.

Prepared By: Judith DeSpain
Division: Alaska Housing Finance Corporation

Phone: (907)564-9303
Date: April 11, 1992

Approved by Commissioner: _____
Agency: Revenue Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).
Rev 10/91

REVISION DATE: March 26, 1992

HOUSE BILL 152 - SECTIONAL ANALYSIS

(The Housing Merger Bill)

1. Section 1, Page 2, the purpose section, explains that the purpose of the Act is to direct the merger of the Alaska State Housing Authority ("ASHA") into the Alaska Housing Finance Corporation (the "Corporation"), to transfer certain housing programs of the Department of Community and Regional Affairs ("DCRA") to AHFC, to transfer responsibility for the senior citizens housing programs from DCRA to the Corporation, to transfer the responsibility for the home energy conservation weatherization program from DCRA to the Corporation, to transfer responsibility for mortgage loans under the veterans' program to the Corporation, and to assign to the Corporation the responsibility for replacement housing plans. In addition, Section 1 states that the Bill transfers to the Alaska Industrial Development and Export Authority ("AIDEA") the State lease building program.

Provisions Transferring ASHA AS 18.55.010-290 Powers to AHFC

2. Section 2, Page 3, amends the AS 18.55.010-290 ASHA purposes which are slum clearance, low cost housing and veterans housing, to transfer the purposes to AHFC while deleting reference to the State lease building program. (AS 18.55.010)
3. Section 3, Page 3, amends the prohibited interest section of the ASHA statute to reflect the transfer to the Corporation. (AS 18.55.080)
4. Section 4, Page 3, transfers ASHA's general powers to carry out AS 18.55.010-290 to the Corporation with the exception of the State public building program. (AS 18.55.100(a))
5. Section 5, Page 5, transfers to the Corporation certain ASHA disaster relief powers. (AS 18.55.100(b))
6. Section 6, Page 5, transfers ASHA's veterans' housing powers to the Corporation. (AS 18.55.110)
7. Section 7, Page 6, transfers ASHA's low-cost housing project powers to the Corporation. (AS 18.55.120)

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8. Section 8, Page 6, amends the tenant qualification section of low-cost housing projects to refer to the Corporation. (AS 18.55.150)
9. Section 9, Page 7, substitutes the Corporation for ASHA in respect of certain bond powers of ASHA for bonds issued under AS 18.55. (AS 18.55.15)
10. Section 10, Page 8, limits the Corporation's liability in the execution of any bonds under its ASHA .100 to .290 powers. It provides that the Corporation's bonds issued for its ASHA powers are not obligations of the State. (AS 18.55.160)
11. Section 11, Page 8, provides for exemption from taxes of bonds issued by the Corporation under its ASHA .100 to .290 powers. (AS 18.55.170)
12. Section 12, Page 8, provides for the issuance of bonds of the Corporation for ASHA .100 to .290 purposes. (AS 18.55.180)
13. Section 13, Page 9, provides for a financial advisor when the Corporation is issuing bonds and notes for .100 to .290 ASHA purposes. (AS 18.55.187)
14. Section 14, Page 9, gives to the Corporation ASHA's powers with respect to pledges and mortgages of property and provides for covenants and other bond security for the Corporation when it exercises ASHA .100 to .290 powers. (AS 18.55.200)
15. Sections 15 and 16, Page 11, give the Corporation or its bondholders certain rights when bonds are issued for ASHA .100 to .290 purposes. (AS 18.55.210-.220)
16. Section 17, Page 12, provides for exemption from execution or other judicial process of Corporation property in conjunction with the exercise of an ASHA .100 to .290 power. (AS 18.55.230)
17. Section 18, Page 12, provides that the Corporation may borrow funds or obtain other financial assistance from the federal government when it is exercising an ASHA .100 to .290 power. (AS 18.55.240)
18. Section 19, Page 12, exempts from taxation property held by the Corporation in connection with its exercise of ASHA .100 to .290 powers. (AS 18.55.250)

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19. Section 20, Page 12, provides for conveyance of real and personal property in the exercise by the Corporation of an ASHA .100 to .290 power, and sets out procedural safeguards for such conveyance. (AS 18.55.255(a))
20. Section 21, Page 13, provides for conveyance of property to a State or federal agency for less than appraised value in connection with the Corporation's exercise of ASHA .100 to .290 powers. (AS 18.55.255(b))
21. Section 22, Page 13, provides that bonds of the Corporation issued for ASHA purposes are legal investments. (AS 18.55.260)
22. Section 23, Page 13, provides for the Corporation recommending legislation in connection with exercise of ASHA .100 to .290 powers. (AS 18.55.270)
23. Section 24, Page 13, provides that the Corporation has certain general corporate powers in exercising an ASHA .100 to .290 power. (AS 18.55.280(a))
24. Sections 25 and 26, Page 14, changes the reference to Corporation and changes the short title of .010 to .290 of the ASHA statute to the Housing Project Assistance Act. (AS 18.55.288(1) and AS 18.55.290)

ASHA Moderate-Cost and Rental Housing Powers Transferred to AHFC
(AS 18.55.300-470)

25. Section 27, Page 14, gives the Corporation ASHA powers with respect to construct and operate moderate-cost and rental housing for veterans and other residents. (AS 18.55.310)
26. Section 28, Page 15, provides for veterans' preference in moderate-cost and rental housing projects. (AS 18.55.330)
27. Section 29, Page 15, provides for the maintenance and rental of moderate-cost and rental housing by the Corporation. (AS 18.55.340)
28. Section 30, Page 15, provides that housing projects may be rented or sold by the Corporation to eligible persons and prescribes certain uses for moneys received from such sales or rentals. (AS 18.55.350)
29. Section 31, Page 16, provides from money appropriated or made available under .300 to .470 for character loans by the Corporation of up to \$500 for certain

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purposes, and for moderate-cost or rental housing loans to public agencies, non-profit organizations, and other corporations of up to 95 percent of assessed valuation in the case of co-ops. (AS 18.55.370)

30. Section 32, Page 16, provides that powers under any statute including eminent domain, may be exercised by the Corporation with respect to moderate-cost and rental housing projects (.300 to .470). (AS 18.55.380)
31. Section 33, Page 16, limits the Corporation's powers under .300 to .470 to instances where other adequate financing is not available. (AS 18.55.390)
32. Section 34, Page 16, provides for the Corporation's expenditure of appropriated funds under .300 to .470 to research methods of low-cost construction. (AS 18.55.400)
33. Section 35, Page 17, provides for the adoption of regulations for the moderate-cost and rental housing program (.300 to .470). (AS 18.55.420)
34. Section 36, Page 17, provides for acquisition of land in connection with moderate-cost and rental housing projects (.300 to .470). (AS 18.55.440)
35. Section 37, Page 17, provides that the Corporation may accept properties from other agencies for moderate-cost and rental housing purposes (.300 to .470). (AS 18.55.450)
36. Section 38, Page 17, provides for a preference for professional and contractor services to State residents for .300 to .470 projects. (AS 18.55.460)
37. Section 39, Page 18, adds the definition of the Corporation. (AS 18.55.470(1))

ASHA Slum Clearance, Redevelopment, and Urban Renewal Powers
Transferred to AHFC
(AS 18.55.480-960)

38. Section 40, Page 18, provides that the intent of the Act is to take advantage of Title I of the U.S. Housing Act of 1949 (providing for redevelopment powers). (AS 18.55.490)
39. Section 41, Page 18, provides there be no interest of the members of the board of the Corporation in the redevelopment project. (AS 18.55.500)

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40. Section 42, Page 18, provides that when the Corporation's redevelopment powers (.480 to .960) are exercised within a municipality, the governing body of the municipality must consent. (AS 18.55.510(a))
41. Section 43, Page 19, provides that in the exercise of its redevelopment powers (.480 to .960) the Corporation has other necessary powers to purchase property, to sell property, to make covenants, to borrow money, to invest money, and the like. In Subsection 11, Page 21, with the approval of the local government body, it can demolish structures in connection with redevelopment projects. (AS 18.55.520)
42. Section 44, Page 22, provides that neighborhood development projects (.480 to .960) shall consist of urban renewal projects undertaken in urban renewal areas under federal law. (AS 18.55.525)
43. Section 45, Page 22, provides that property may not be acquired for redevelopment projects unless the governing body has approved the redevelopment plan. (AS 18.55.530(a))
44. Section 46, Page 22, provides for the preparation of a redevelopment plan and defines the requisites of such a plan. (AS 18.55.530(d))
45. Section 47, Page 23, provides that before redevelopment plans are submitted to the governing body, the same shall be submitted to the local planning commission for review and comment. (AS 18.55.530(e))
46. Section 48, Page 23, sets out the documents and statements that must accompany the redevelopment plan when it is submitted to the governing body. (AS 18.55.530(g))
47. Section 49, Page 24, provides that after a hearing under this Section, the governing body may, by ordinance, approve a redevelopment plan. (AS 18.55.530(i))
48. Section 50, Page 24, provides for modification of such a redevelopment plan. (AS 18.55.530(j))
49. Section 51, Page 24, provides that when a natural catastrophe has been declared or certified by a local government body a redevelopment plan may be adopted on an expedited basis. (AS 18.55.530(k))

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50. Section 52, Page 24, provides for sale, lease, or exchange of real property in connection with a redevelopment plan. (AS 18.55.540(a))
51. Section 53, Page 25, provides for public notice of redevelopment contract proposals and sets out procedures and criteria for the Corporation's consideration of such proposals. (AS 18.55.540(b))
52. Section 54, Page 26, provides for the Corporation's exercise of eminent domain in connection with a redevelopment project. (AS 18.55.550(a))
53. Section 55, Page 26, provides for the acquisition and development of vacant land not within a slum or blighted area if necessary for the redevelopment of a slum or blighted area. (AS 18.55.560)
54. Section 56, Page 26, provides for the Corporation's issuance of debt in connection with a redevelopment plan. (AS 18.55.570(a))
55. Section 57, Page 27, provides that the members of the Corporation's board of directors are not liable on any such debt. (AS 18.55.570(b))
56. Section 58, Page 27, provides that a signature of a board member of the Corporation on a bond is valid if the member leaves office after signing the bond. (AS 18.55.570(e))
57. Section 59, Page 28, provides detailed provisions in connection with the Corporation's issuance of bonds for redevelopment projects, including covenants, mortgages, and bond remedy features. (AS 18.55.580)
58. Section 60, Page 30, set out the rights and remedies of a bondholder. (AS 18.55.590)
59. Section 61, Page 30, provides that bond proceeds issued for redevelopment purposes are legal investments. (AS 18.55.600(b))
60. Section 62, Page 31, provides that property held by the Corporation for redevelopment purposes is exempt from taxation and execution, and further requires payments in lieu of taxes in connection with such property. (AS 18.56.620)
61. Section 63, Page 32, empowers public bodies to convey property or furnish services to the Corporation in connection with a redevelopment project. (AS 18.55.630(a))

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62. Section 64, Page 33, provides for powers of a municipal governing body in connection with physical development of redevelopment property by the Corporation. (AS 18.55.660)
63. Section 65, Page 33, provides that the Corporation may undertake an urban renewal project. (AS 18.55.680(a))
64. Section 66, Page 33, provides, with respect to urban renewal plans or projects, that the Corporation has the right to acquire and dispose of property, borrow money, and the like, and provides for the details of effectuation of an urban renewal plan or project. (AS 18.55.700)
65. Section 67, Page 34, provides that the Corporation may have power under a municipal ordinance to determine that properties or dwellings within an urban development area are not fit for human habitation. (AS 18.55.860)
66. Section 68, Page 35, details the conditions which could give rise to a finding that a property or dwelling is not fit for human habitation. (AS 18.55.860(b))
67. Section 69, Page 36, defines the Corporation. (AS 18.55.950(18))

Regional Native Housing Authorities
(AS 18.55.995-998)

68. Section 70, Page 36, provides that Native associations can form public corporations with powers, rights, and functions the same as those of ASHA under AS 18.55.100-.290 which are transferred to the Corporation. (AS 18.55.995)
69. Section 71, Page 36, refers to sections of the former ASHA statute (.100-.290) transferred to the regional housing authority. (AS 18.55.996(b))
70. Section 72, Page 37, provides that planning, financing, construction or operation activities of a regional housing authority conflicting with the Corporation shall be resolved by the municipal governing body in which the project is located. (AS 18.55.996(g))
71. Section 73, Page 37, provides that, in addition to other powers, a regional housing authority may make loans in accordance with the Corporation's procedures for the purchase or development of residential housing in areas other than those where the Corporation has a loan office. (AS 18.55.997(a))

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72. Section 74, Page 37, creates within the Corporation a supplemental housing development grant fund to pay costs of on-site water and sewer facilities, road construction, and other infrastructure, subject to appropriation. This is a transfer of power from DCRA. (AS 18.55.998(a))
73. Section 75, Page 37, provides for regulations under AS 18.56.088 (AHFC regulatory statute) to carry out the provisions of the supplemental housing development grant fund. (AS 18.55.998(d))

Modifications to AHFC's Statute
(AS 18.56.010 - .900)

74. Section 76, Page 37, amends the program for residential loans to vets to provide for assumption of the AS 26.15 (DCED) program by the Corporation. (AS 18.56.010(d))
75. Section 77, Page 38, sets forth the legislative finding that the Corporation's financing of veterans' loans for residential housing benefits the people of the State. (AS 18.56.010(f))
76. Section 78, Page 38, sets out the composition of the Corporation's board of directors, increasing the number of members to nine: besides the commissioners of Revenue and Commerce and Economic Development and another commissioner appointed by the governor, a representative of the financial community and a representative real estate brokers, one new member would be nominated by the Association of Alaska Housing Agencies, one member would be nominated by the Alaska Coalition for the Homeless, one member would be nominated by the commissioner of the Department of Community and Regional Affairs, and one member would be involved with special needs housing. (AS 18.56.030(a))
77. Section 79, Page 39, provides for designation by board members of a person to act in the board member's place at a board or committee meeting. (AS 18.56.030(b))
78. Section 80, Page 39, requires reasonable geographic balance among the public members of the board of directors of the Corporation. (AS 18.56.030(f))
79. Section 81, Page 39, provides that the board may establish committees and delegate to such committees powers and duties it considers appropriate (AS 18.56.050)

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80. Section 82, Page 39, corrects a statutory reference in the provision for international borrowing by the Corporation. (AS 18.56.084)
81. Section 83, Page 39, amends the definition of "residence" to include a veteran's "multiple dwelling." (AS 18.56.098(f)(4))
82. Section 84, Page 40, adds to the Corporation's annual report, certain reports on activities under programs transferred to the Corporation by this legislation. (AS 18.56.200(e))
83. Section 85, Page 40, corrects section references in the Corporation's powers to take actions to stabilize the market price and demand for residential housing in the State. (AS 18.56.210(a))
84. Section 86, Page 41, starts with a restatement of the Corporation's current definitions section from AS 18.56 with certain minor deletions. (AS 18.56.390) This section also transfers the following DCRA housing powers to the Corporation:
 - (a) Page 44, general powers with respect to originating and servicing loans (formerly AS 44.47.370, now AS 18.56.400).
 - (b) Page 45, establishing the Alaska energy efficient home grant fund (formerly AS 44.47.378, now AS 18.56.410).
 - (c) Page 45, establishing the housing assistance loan fund (a revolving fund for non-conforming and rural loans) (formerly AS 44.47.380, now AS 18.56.420).
 - (d) Page 45, establishing the home ownership assistance fund (a fund to provide interest subsidy for loans to lower- and moderate-income persons) (formerly AS 44.47.382, now AS 18.56.430).
 - (e) Page 46, providing limits on the use of the home ownership assistance fund (formerly AS 44.47.390, now AS 18.56.440).
 - (f) Page 47, providing for an operating loss reserve account to meet foreclosure legal expenses (formerly AS 44.47.395, now AS 18.56.450).
 - (g) Page 48, providing for loan security (formerly 44.47.410, now AS 18.56.460).

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- (h) Page 48, providing for interest rate on loans (formerly AS 44.47.410, now AS 18.56.470).
- (i) Pages 48 to 50, providing for title to properties securing loans purchased by the Corporation (formerly AS 44.47.420, now AS 18.56.480), a restricted title loss reserve account (formerly AS 44.47.430, now AS 18.56.490), fire insurance (formerly AS 44.47.440, now AS 18.56.500), loan origination and servicing (formerly AS 44.47.460, now AS 18.56.510), appraisals (formerly AS 44.47.470, now AS 18.56.520), exemption from energy audit (AS 44.47.475, now AS 18.56.530) and toll-free phone number (formerly AS 44.47.480, now AS 18.56.540).
- (j) Page 51, establishes field offices (formerly AS 44.47.490, now AS 18.56.560).
- (k) Page 51, provides for regional demonstration projects (formerly AS 44.47.500, now AS 18.56.560).
- (l) Page 51, provides for regional allocation of the housing assistance loan fund (formerly AS 44.47.510, now AS 18.56.570).
- (m) Page 51, provides for loans for non-owner occupied housing from the housing assistance loan fund (formerly AS 44.47.520, now AS 18.56.580).
- (n) Page 52, provides for a biennial report (formerly AS 44.47.530, now AS 18.56.590).
- (o) Page 52, definitions (formerly AS 44.47.500, now AS 18.56.600).
- (p) Page 52, creates a low-cost and low-income multiple-family housing development fund (formerly AS 44.47.380, now AS 18.56.650).
- (q) Page 53, creates a senior housing office in the Corporation to administer the senior housing loan program (formerly AS 44.47.585, now AS 18.56.700).
- (r) Page 54, creates a senior housing revolving fund (formerly AS 44.47.587, now AS 18.56.710).
- (s) Page 54, provides for interest rates on senior housing bond issues (formerly AS 44.47.589, now AS 18.56.720).

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- (t) Page 54 to 56, provide for loan conditions, (formerly AS 44.47.591, now AS 18.56.730), fire insurance (formerly AS 44.47.595, now AS 18.56.740), loan origination and servicing (formerly AS 44.47.597, now AS 18.56.760), toll-free number (formerly AS 44.47.601, now AS 18.56.770), contracting for services (formerly AS 44.47.603, now AS 18.56.780), a bond authorization of \$30 million for senior housing loans (formerly AS 18.56.083, now AS 18.56.790), and definition of senior housing (formerly AS 44.47.609, now AS 18.56.799).
 - (u) Page 57, makes a declaration of purpose respecting senior housing (formerly AS 44.47.610, now AS 18.56.800) and establishes a senior housing development fund (formerly AS 44.47.620, now AS 18.56.810).
85. Section 87, Page 58, transfers to the Corporation the home energy conservation and weatherization program of DCRA under AS 44.47. (AS 18.56.850)
86. Section 88, Page 58, defines the board and the Corporation. (AS 18.56.900)

General Provisions

87. Section 89, Page 58, deletes reference to ASHA from a statute concerning telecommunication fees. (AS 09.25.115(g))
88. Section 90, Page 58, deletes reference to ASHA from a provision concerning public inspection of agency records. (AS 09.25.123(z))
89. Section 91, Page 59, deletes reference to ASHA from a definition of "public agency" in a statute concerning public officials' disclosure of information. (AS 09.25.220(5))
90. Section 92, Page 59, deletes reference to ASHA from a statute respecting exemptions for State property from process to collect unsecured debt. (AS 09.38.015(c))
91. Section 93, Page 59, deletes reference to ASHA from a definition of State agency or agency of the State in a statute concerning radiation protection. (AS 18.60.545(6))

DCED Housing Functions Transferred to AHFC

92. Section 94, Page 59, exempts the Corporation's administration of housing loans from Department of Commerce and Economic Development ("DCED") veteran's loan provisions. (AS 26.15.010(a))
93. Section 95, Page 59, limits DCED to obtain mortgage insurance on property securing veterans' business loans. (AS 26.15.010(d))
94. Section 96, Page 59, deletes DCED's program of making multiple-dwelling loans. (AS 26.15.040(a))
95. Sections 97 and 98, Page 60, make technical corrections to correspond with the change effected by Section 96. (AS 26.15.040(c) and (e))
96. Section 99, Page 61, substitutes the Corporation for ASHA in the statutory provision providing for exemption of low-income housing from local property taxation. (AS 29.45.050(l))
97. Sections 100 and 101, Pages 61 and 62, provides that the Corporation may make loans for housing for displaced persons. (AS 34.60.135, .137)
98. Section 102, Page 62, substitutes the Corporation for ASHA in a provision providing for leasing or granting of interests in land to ASHA by the Alaska Department of Transportation and Public Facilities ("DOT&PF). (AS 35.05.040)
99. Section 103, Page 63, deletes reference to ASHA from a provision concerning promulgation of regulations in AS 36.30, the State Procurement Code. (AS 36.30.015(f))
100. Section 104, Page 63, deletes reference to ASHA from a provision concerning the use of lists of contractors under the State Procurement Code. (AS 36.30.050(c))
101. Section 105, Page 63, deletes reference to ASHA from a provision defining "State agency" in the State Procurement Code. (AS 36.30.735(b))
102. Section 106, Page 63, deletes reference to ASHA from a section of the State Procurement Code defining "agency." (AS 36.30.990(1))
103. Section 107, Page 64, deletes reference to ASHA from a provision defining "program receipts" in AS 37.05, the Fiscal Procedures Act. (AS 37.05.146)

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104. Section 108, Page 65, deletes reference to ASHA from a provision in AS 39.05 setting criteria for membership on boards and commissions. (AS 39.05.060(a))
105. Section 109, Page 65, deletes reference to ASHA from a provision defining "instrumentality of the State" in AS 39.50, the statute governing public officials' conflict of interest. (AS 39.50.200(a)(4))
106. Section 110, Page 65, substitutes the Corporation for DCRA in a provision concerning administration of the senior housing loan program. (AS 44.21.230(a)(9))
107. Section 111, Page 65, makes a technical correction to correspond to previous changes concerning "senior housing." (AS 44.21.240(6))

State Lease Building Program

108. Section 112, Page 65, transfers ASHA powers relating to the State lease building program to AIDEA. (AS 44.88.070)
109. Section 113, Page 66, adds AIDEA's authority to finance, design, construct, and acquire public buildings under the State lease building program. (AS 44.88.080)
110. Section 114, Page 66, provides that AIDEA board members or employees are prohibited from acquiring an interest in public building projects. (AS 44.88.082)
111. Section 115, Page 66, provides for legislative review and approval of public building projects proposed by AIDEA. (AS 44.88.087)
112. Section 116, Page 66, gives AIDEA the ability to issue bonds which are payable exclusively from rents collected on public buildings. (AS 44.88.090(a))
113. Section 117, Page 66, addresses challenges to the validity of bonds issued by AIDEA under the State lease building program. (AS 44.88.090(j))
114. Section 118, Page 67, transfers to AIDEA numerous powers to secure bonds or obligations for public building projects under the State lease building program, gives AIDEA the power to confer upon bond obligees the right to bring an action or proceeding concerning the bonds, and gives AIDEA the power to obtain federal aid and cooperation in connection with the State lease building program. (AS 44.88.132- AS 44.88.136)

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115. Section 119, Page 69, adds public buildings of the State lease building program to AIDEA's statutes, stating that the property of AIDEA is devoted to an essential public purpose, exempts such property from State or local taxation and exempts from taxation the income from bonds issued by AIDEA. (AS 44.88.140(a))
116. Section 120, Page 70, provides for AIDEA's payments to a municipality for improvements or services in lieu of taxes in connection with a public building under the State lease building program. (AS 44.88.140(d))
117. Section 121, Page 70, adds the definition of "public building" to AIDEA's definition provision. (AS 44.88.900(15))

Miscellaneous Provisions

118. Section 122, Page 70, deletes ASHA from the provision concerning "use of paper" by State agencies. (AS 44.99.020)
119. Section 123, Page 70, deletes ASHA from a provision defining "State agency" in a statute concerning personal information in public records. (AS 44.99.350(3))
120. Section 124, Page 70, deletes ASHA from a section concerning copyrights held by State agencies. (AS 44.99.400)
121. Section 125, Page 71, deletes reference to ASHA from a provision of the Village Safe Water Act. (AS 46.07.030(b))
122. Section 126, Page 71, repeals numerous provisions of AS 18.55, AS 39.50, AS 44.47, and AS 44.99 that are replaced or transferred by this Bill.
123. Section 127, Page 71, sets out transitional provisions relating to the merger of ASHA with the Corporation, stating that contracts, rights, liabilities, bonds, notes, or other obligations of ASHA remain in effect and become contracts, rights, liabilities, bonds, notes, or other obligations of the Corporation. This Section also transfers records, equipment, etc. of ASHA to the Corporation and states that ASHA employees shall become employees of the Corporation on the effective date of the Act.
124. Section 128, Page 71, sets out transitional provisions relating to transfer of housing programs from DCRA to the Corporation, in a fashion similar to Section 127.

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125. Section 129, Page 72, sets out transmittal provisions relating to transfer of senior citizen housing programs from DCRA to the Corporation, in a fashion similar to Section 127.
126. Section 130, Page 73, sets out transitional provisions relating to transfer of the home energy conservation and weatherization programs from DCRA to the Corporation, in a fashion similar to Section 127.
127. Section 131, Page 73, sets out transitional provisions relating to termination of DCED's authority to make residential loans to veterans, in a fashion similar to Section 127.
128. Section 132, Page 74, describes the transition concerning expansion of the membership of the Corporation's board of directors, providing that current members shall continue to serve their unexpired terms and describing the terms of the public members first appointed to fill the two additional seats authorized by this legislation.
129. Section 133, Page 74, instructs the revisor of statutes to delete references to "authority" and insert in place of each deletion a reference to "corporation" in certain specified provisions of AS 18.55. A subsequent analysis will indicate the effect of this provision.
130. Section 134, Page 74, sets forth an effective date of July 1, 1992, for this Act.

7-LS1986D
Chenoweth
3/16/92

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the powers and functions of the Alaska Housing Finance Corporation;
2 transferring to the Alaska Housing Finance Corporation duties and powers of the
3 Department of Community and Regional Affairs related to housing and to home energy
4 conservation and weatherization programs; transferring the Department of Commerce and
5 Economic Development's responsibility for mortgage lending for qualified veterans to the
6 veterans' loan program of the Alaska Housing Finance Corporation; assigning to the
7 corporation the responsibility for provision of planning loans and for providing assistance
8 to agencies in the provision of replacement housing under the state statutes authorizing
9 relocation assistance due to acquisition of real property for state agency activities; and
10 transferring from the Alaska Housing Finance Corporation to the Alaska Industrial
11 Development and Export Authority certain responsibilities for public buildings; and
12 providing for an effective date."

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

2 * **Section 1. PURPOSE.** (a) Merger is the process by which two or more corporations are united
3 by a transfer of the responsibilities, assets, and liabilities of all into one of them, with that one entity
4 continuing in existence as the successor corporation. Except for the provisions described in (b) and (c)
5 of this section, the purpose of this Act is to direct the merger of the Alaska State Housing Authority,
6 a public corporation of the state, into the Alaska Housing Finance Corporation, another public
7 corporation of the state, transferring the programs of the former to the latter and leaving the latter as the
8 public corporation responsible for the former's housing project assistance, moderate income and rental
9 housing, and slum clearance and redevelopment programs and initiatives for the people of the state.

10 (b) To provide further for the consolidation of housing programs under the Alaska Housing
11 Finance Corporation,

12 (1) the provisions of secs. 75 - 77, AS 18.56.400 - 18.56.650, added by sec. 86, and secs.
13 126 and 128 of this Act transfer certain programs of the Department of Community and Regional Affairs
14 related to housing to the expanded Alaska Housing Finance Corporation;

15 (2) the provisions of sec. 84, of AS 18.56.700 - 18.56.810, added by sec. 86, and secs.
16 126 and 129 of this Act transfer the responsibility for the operation of the senior citizen housing office
17 and for the provision of senior citizens housing programs under AS 44.47.585 - 44.47.620 from the
18 Department of Community and Regional Affairs into the expanded Alaska Housing Finance Corporation;

19 (3) the provisions of secs. 87, 126, and 130 of this Act transfer the responsibility for
20 development of home energy conservation and weatherization programs from the Department of
21 Community and Regional Affairs into the expanded Alaska Housing Finance Corporation;

22 (4) the provisions of secs. 76, 77, 83, 95 - 99, and 131 of this Act transfer the
23 responsibility for the provision of mortgage loans under the veterans' loan program of AS 26.15 in favor
24 of the veterans' loan program of the Alaska Housing Finance Corporation;

25 (5) the provisions of secs. 100, 101, and 102 of this Act assign to the Alaska Housing
26 Finance Corporation the exclusive responsibility for provision of replacement housing planning loans and
27 a coordinate responsibility in the provision of assistance to state agencies for replacement housing under
28 the state program that authorizes and directs relocation assistance due to acquisition of real property for
29 state agency activities.

30 (c) Sections 114 - 121 of this Act direct the transfer to the Alaska Industrial Development and
31 Export Authority responsibility for the program of financing, design, construction, and acquisition of

1 public buildings for lease to the state.

2 * Sec. 2. AS 18.55.010 is amended to read:

3 Sec. 18.55.010. PURPOSE OF AS 18.55.100 - 18.55.290 [AS 18.55.010 - 18.55.290].

4 The purpose of AS 18.55.100 - 18.55.290 [AS 18.55.010 - 18.55.290] is to remedy the acute
5 housing shortage that exists in certain localities of the state by undertaking slum clearance,
6 low-cost housing projects, housing for persons and their families engaged in national defense
7 activities in the state, and housing projects and housing for veterans [OF WORLD WAR II] and
8 other citizens of the state [AND TO REMEDY THE SHORT SUPPLY OF NECESSARY
9 PUBLIC BUILDINGS BY PROVIDING FOR THE FINANCING, CONSTRUCTION, AND
10 ACQUISITION OF PUBLIC BUILDINGS FOR LEASE TO THE STATE].

11 * Sec. 3. AS 18.55.080 is amended to read:

12 Sec. 18.55.080. MEMBERS OR EMPLOYEES PROHIBITED FROM ACQUIRING
13 INTEREST IN PROJECTS. A member of the board of directors or employee of the
14 corporation [AUTHORITY] may not acquire an interest, direct or indirect, in a housing [OR
15 PUBLIC BUILDING] project proposed under AS 18.55.100 - 18.55.290, or in property or a
16 contract for materials or services included or planned to be included in a project proposed under
17 AS 18.55.100 - 18.55.290. If a member of the board of directors or employee owns or controls
18 an interest, the member or employee shall immediately disclose the interest in writing to the
19 corporation [AUTHORITY]. Failure to make disclosure constitutes misconduct in office.

20 * Sec. 4. AS 18.55.100(a) is amended to read:

21 (a) To the extent not already provided by AS 18.56, the corporation [THE
22 AUTHORITY] has all powers necessary to carry out the purposes of AS 18.55.010 - 18.55.290,
23 including the power to [BUT NOT LIMITED TO THE FOLLOWING:]

24 (1) sue and be sued;

25 (2) adopt a seal;

26 (3) have perpetual succession;

27 (4) adopt, amend, and repeal bylaws and regulations;

28 (5) make and execute contracts and other instruments;

29 (6) in its own name, own, exchange, transfer, lease, rent, convey, or acquire by

30 eminent domain under AS 09.55.240 - 09.55.460, or otherwise, real and personal property;

31 provided that no project site or part of a project site may be acquired by eminent domain until

1 the corporation [AUTHORITY] has secured, through negotiation, options for the purchase of
2 at least 50 per cent of the properties included in the site, except in disaster areas; in an eminent
3 domain proceeding the court may, upon motion and after a hearing, fix the time when and the
4 terms upon which the parties in possession are required to surrender possession to the plaintiff;
5 if the court finds that urgent public necessity requires, it may grant the plaintiff possession at any
6 time after the proceeding has been commenced;

7 (7) [TO] provide, subject to the applicable planning, zoning, sanitary, and building
8 laws, ordinances, and regulations for the construction, improvement, alteration, or repair of a
9 housing [OR PUBLIC BUILDING] project or any part of a housing [OR PUBLIC BUILDING]
10 project, and also, subject to the same restrictions, to provide for the construction, improvement,
11 alteration, repair, planning, financing, and interim operation of a sewer or water system, or part
12 of a sewer or water system, to foster, encourage, and permit the development of housing projects
13 by private and public developers and builders;

14 (8) operate those housing projects and to act as agent or lessee in developing or
15 administering housing projects undertaken by the federal government;

16 (9) arrange or contract for services, privileges, works, or facilities for or in
17 connection with a housing project or the occupants of a housing project and notwithstanding
18 anything to the contrary contained in AS 18.55.010 - 18.55.470 or in any other provision of law,
19 include in the contract stipulations that the contractor and subcontractors comply with
20 requirements as to minimum wages and maximum hours of labor, with any conditions that the
21 federal government may have attached to its financial aid of the project, and with any pertinent
22 state law;

23 (10) establish and revise rent schedules;

24 (11) insure any real or personal property or operations of the corporation
25 [AUTHORITY] against any risks or hazards;

26 (12) invest in property or securities in which banks or trust companies may legally
27 invest any money [FUNDS] held in reserves or sinking funds or any money [FUNDS] not
28 required for immediate disbursement;

29 (13) purchase its bonds at a price not more than the principal amount of the bonds
30 and accrued interest, all bonds so purchased to be canceled;

31 (14) investigate and study living and housing conditions and the clearing and

1 reconstructing of slum areas;

2 (15) [ARRANGE OR CONTRACT FOR THE FINANCING, DESIGN,
3 CONSTRUCTION, AND ACQUISITION OF PUBLIC BUILDINGS FOR LEASE TO THE
4 STATE IN ACCORDANCE WITH AS 18.55.010 - 18.55.290;

5 (16)] charge to and collect fees from owners or developers of low-income housing
6 for the application for and allocation of federal low-income housing tax credits;

7 (16) [(17)] collect and pay reasonable fees and charges in connection with
8 making, purchasing, and servicing its mortgages, loans, notes, bonds, certificates, commitments,
9 and other evidences of indebtedness.

10 * Sec. 5. AS 18.55.100(b) is amended to read:

11 (b) Notwithstanding any other provisions in AS 18.55.010 - 18.55.470,

12 (1) when the local governing body certifies that an area is in need of a housing
13 project under any of the provisions or powers within AS 18.55.010 - 18.55.470 as a result of the
14 earthquakes of 1964 and all results and aftereffects respecting which the governor of the state has
15 certified the need for disaster assistance, the corporation [AUTHORITY] may plan, undertake,
16 and carry out the project in the disaster area;

17 (2) with the approval of the local governing body, and immediately after the
18 approval, the corporation [AUTHORITY] may acquire real property for the purposes of
19 AS 18.55.010 - 18.55.470, and demolish and remove any structure on the property, and it may
20 pay all costs related to the acquisition, demolition, or removal, including any administrative or
21 relocation expenses, unless payment of the costs are contrary to applicable federal law or
22 regulation;

23 (3) [REPEALED,

24 (4)] for the purposes of this subsection, AS 18.55.130 and 18.55.330 do not apply.

25 * Sec. 6. AS 18.55.110 is amended to read:

26 **Sec. 18.55.110. COOPERATION WITH AND AID OF FEDERAL GOVERNMENT.**

27 For purposes of AS 18.55.100 - 18.55.290, the corporation [THE AUTHORITY] may do all
28 things necessary or desirable to cooperate with or act as agent for the federal government, or to
29 secure financial aid for housing projects for veterans of World War II and other citizens of the
30 state, provided that those projects may not be undertaken unless an acute shortage of housing
31 exists. With respect to those projects, the corporation [AUTHORITY] may not be subject to

1 limitations, restrictions, or requirements of other laws, except those relating to land acquisition,
2 prescribing or limiting the procedure or action to be taken in the development or administration
3 of any buildings, property, public works, undertakings, or projects of municipal or public
4 corporations or agencies of the state.

5 * Sec. 7. AS 18.55.120 is amended to read:

6 Sec. 18.55.120. OPERATION AND MANAGEMENT OF PROJECTS. For purposes
7 of AS 18.55.100 - 18.55.290, the corporation [THE AUTHORITY] shall manage and operate
8 low-cost housing projects with rentals fixed at the lowest rates consistent with decent, safe, and
9 sanitary dwellings. A low-cost housing project may not be constructed or operated for profit or
10 as a source of revenue to a municipality or the state. Rentals in the housing projects may not
11 exceed the amount that the corporation [AUTHORITY] finds necessary to produce revenues
12 sufficient together with all other available money from whatever source derived, to

- 13 (1) pay, as they become due, the principal and interest on its bonds;
14 (2) meet the cost of maintaining and operating the projects, including insurance
15 and administrative expenses; and
16 (3) create, during not less than the six years immediately following issuance of
17 any bonds, a reserve sufficient to meet the largest principal and interest payments due in any one
18 year thereafter and to maintain that reserve.

19 * Sec. 8. AS 18.55.130 is amended to read:

20 Sec. 18.55.130. QUALIFICATIONS OF TENANTS AND MAXIMUM NUMBER OF
21 ROOMS. (a) In the operation or management of low-cost housing projects, the corporation
22 [AUTHORITY] shall from time to time establish rents and requirements for admission of tenants
23 to its low-cost housing projects [OF THE AUTHORITY] in each municipality [CITY OR
24 BOROUGH OF ANY CLASS] in which low-cost housing projects of the corporation
25 [AUTHORITY] are located. The rents and requirements for admission are subject to the
26 approval of the United States Department of Housing and Urban Development.

27 (b) Except in the case of leased housing [,] as provided in 42 U.S.C. 1421b, [THE
28 UNITED STATES HOUSING ACT OF 1937, SEC. 23 (PL 89-117; 79 STAT. 455;
29 AUGUST 19, 1965)] as amended [(42 U.S.C. 1421b)], the corporation shall fix the income
30 limits for occupancy of its low-cost housing projects [OF THE AUTHORITY] and rents that are
31 [SHALL BE FIXED BY THE AUTHORITY AND] approved by the United States Department

1 of Housing and Urban Development after taking into consideration

2 (1) the family size, composition, age, physical handicaps, and other factors that
3 might affect the rent-paying ability of the family; [,] and

4 (2) the economic factors that affect the financial stability and solvency of the
5 project.

6 (c) Rents and requirements for admission to low-cost housing projects as provided in (a)
7 and (b) of this section [,] must be so established that a gap of at least 20 per cent, except in the
8 case of an elderly family or displaced family or in the case of leased housing under 42 U.S.C.
9 1421b, [THE UNITED STATES HOUSING ACT OF 1937, SEC. 23 (PL 89-117; 79 STAT. 455;
10 AUGUST 19, 1965)] as amended, [(42 U.S.C. 1421b)] will be left between the upper rental
11 limits for admission to low-cost housing projects of the corporation [AUTHORITY] and the
12 lowest rents at which private enterprise unaided by public subsidy is providing housing
13 substantially similar to the low-cost housing projects of the corporation [AUTHORITY].

14 (d) The corporation [AUTHORITY] may not rent more than the minimum number of
15 rooms that it considers necessary to provide safe and sanitary accommodations without
16 overcrowding.

17 (e) Nothing in this section or AS 18.55.120 limits the power of the corporation
18 [AUTHORITY] to vest in an obligee the right to take possession of a housing project or have
19 a receiver appointed free from the restrictions imposed by this section or AS 18.55.120 in case
20 of default by the corporation [AUTHORITY].

21 * Sec. 9. AS 18.55.150 is amended to read:

22 Sec. 18.55.150. SECURITY FOR BONDS. (a) In conjunction with housing projects
23 authorized by this chapter, the corporation [THE AUTHORITY] may issue bonds, including
24 [BUT NOT LIMITED TO] bonds on which the principal and interest are payable

25 (1) exclusively from the income and revenue of the housing project financed with
26 the proceeds of the bonds; [,]

27 (2) exclusively from the income and revenue of designated housing projects
28 whether or not they are financed in whole or in part with the proceeds of the bonds; or [,]

29 (3) from its revenue generally [, OR

30 (4) EXCLUSIVELY FROM RENTS COLLECTED ON PUBLIC BUILDINGS].

31 (b) Bonds authorized by (a) of this section may be additionally secured

1 (1) by a pledge of a grant or contribution from the federal government or from
2 another source;

3 (2) [, OR] by a pledge of income or revenue of the corporation;

4 (3) [AUTHORITY, OR] by a mortgage of a housing project or other property of
5 the corporation [AUTHORITY].

6 * Sec. 10. AS 18.55.160 is amended to read:

7 Sec. 18.55.160. LIMITATION OF LIABILITY ON BONDS. (a) The members of the
8 board of directors of the corporation [AUTHORITY] and any person executing the bonds
9 issued under AS 18.55.100 - 18.55.290 are not liable personally on the bonds by reason of their
10 issuance.

11 (b) The bonds of the corporation issued under AS 18.55.100 - 18.55.290
12 [AUTHORITY] are not a debt of the state or a political or municipal corporation or other
13 subdivision of the state and each bond shall so state on its face. Neither the state nor a political
14 or municipal corporation or other subdivision of the state other than the corporation
15 [AUTHORITY] is liable on the bonds, nor are the bonds payable out of money or property
16 [FUNDS OR PROPERTIES] other than those of the corporation [AUTHORITY].

17 (c) The corporation [AUTHORITY] may not pledge the faith of the people of the state
18 for a loan or obligation that is entered into under AS 18.55.100 - 18.55.290.

19 (d) Bonds of the corporation issued under AS 18.55.100 - 18.55.290 [AUTHORITY]
20 are not a debt, indebtedness, or the borrowing of money within the meaning of any limitation or
21 restriction on the issuance of bonds contained in the constitution or laws of the state.

22 * Sec. 11. AS 18.55.170 is amended to read:

23 Sec. 18.55.170. EXEMPTION FROM TAXES. Bonds and other obligations of the
24 corporation issued under AS 18.55.100 - 18.55.290 [AUTHORITY] are declared to be issued
25 for an ~~essential~~ public and governmental purpose and are public instrumentalities and, together
26 with interest on them and income from them, are exempt from taxes.

27 * Sec. 12. AS 18.55.180 is amended to read:

28 Sec. 18.55.180. ISSUANCE AND SALE OF BONDS AND NOTES. Bonds and notes
29 of the corporation issued under AS 18.55.100 - 18.55.290 [AUTHORITY] are authorized by
30 adoption of a resolution prescribing the date of issuance and maturity, interest rate, denomination,
31 form, conversion privilege, rank or priority, execution, terms of redemption, medium and place

1 of payment. Bonds and notes may be sold in the manner, on the terms, and at the price the
2 corporation [AUTHORITY] determines. Each bond and note is negotiable. The signature of
3 a member of the board of directors of the corporation or an officer of the corporation upon
4 a bond or note or coupon is not invalidated by that person's ceasing to hold office before the
5 delivery of the bond or note. The recitation of a bond or note that it has been issued in the
6 financing of a housing [OR PUBLIC BUILDING] project under AS 18.55.010 - 18.55.290 is
7 conclusive as to the issuance of the bond or note and the character of the project in a challenge
8 of the validity of the bond or note or the security for it.

9 * Sec. 13. AS 18.55.187 is amended to read:

10 Sec. 18.55.187. INDEPENDENT FINANCIAL ADVISOR. In negotiating the private
11 sale of bonds or bond anticipation notes to an underwriter when that sale is authorized by
12 AS 18.55.100 - 18.55.290, the corporation shall retain a financial advisor who is independent
13 from the underwriter. The financial advisor may not bid on the bonds or notes if offered at
14 public sale or negotiate for their purchase if sold at private sale.

15 * Sec. 14. AS 18.55.200 is amended to read:

16 Sec. 18.55.200. ADDITIONAL POWERS TO SECURE BONDS OR OBLIGATIONS
17 UNDER LEASES. When authorized by AS 18.55.100 - 18.55.290, in [IN] connection with the
18 issuance of bonds or the incurring of obligations under leases and in order to secure the payment
19 of bonds or lease obligations, the corporation [AUTHORITY], in addition to its other powers,
20 may

21 (1) pledge all or a part of its gross or net rents, fees, or revenues to which its
22 right exists or may exist;

23 (2) mortgage all or a part of its real or personal property, owned or later acquired;

24 (3) covenant against pledging all or a part of its rents, fees, and revenues, or
25 against ~~mortgaging~~ all or a part of its real or personal property, to which its right or title exists
26 or may ~~come~~ into existence or against permitting or suffering any lien on the revenues or
27 property;

28 (4) covenant with respect to limitations on its right to sell, lease, or otherwise
29 dispose of a housing [OR PUBLIC BUILDING] project or a part of a housing [OR PUBLIC
30 BUILDING] project;

31 (5) covenant as to what other, or additional debts or obligations may be incurred

1 by it;

2 (6) covenant as to the bonds to be issued and as to the issuance of the bonds in
3 escrow or otherwise, and as to the use and disposition of the proceeds of bonds;

4 (7) provide for the replacement of lost, destroyed, or mutilated bonds;

5 (8) covenant against extending the time for the payment of its bonds or interest
6 on the bonds;

7 (9) redeem the bonds, and covenant for their redemption and to provide the terms
8 and conditions of redemption;

9 (10) covenant subject to the limitations contained in AS 18.55.100 - 18.55.290
10 [AS 18.55.010 - 18.55.290] as to the rents and fees to be charged in the operation of a housing
11 [OR PUBLIC BUILDING] project, the amount to be raised each year or other period of time by
12 rents, fees, and other revenues, and as to the use and disposition of these revenues;

13 (11) create or authorize the creation of special funds for money held for
14 construction or operating costs, debt service, reserves, or other purposes, and covenant as to the
15 use and disposition of this money;

16 (12) prescribe the procedure by which the terms of a contract with bondholders
17 may be amended or abrogated, the amount of bonds the holders of which must consent thereto
18 and the manner in which the consent may be given;

19 (13) covenant as to the rights, liabilities, powers, and duties arising upon the
20 breach by it of a covenant, condition, or obligation, and covenant and prescribe as to events of
21 default and terms and conditions upon which any or all of its bonds or obligations shall become
22 or may be declared due before maturity, and covenant as to the terms and conditions upon which
23 this declaration and its consequences may be waived;

24 (14) vest in a trustee or trustees or the holders of bonds or a specified proportion
25 of them, ~~the~~ right to enforce the payment of the bonds or covenants securing or relating to the
26 bonds;

27 (15) vest in one or more trustees the right, in the event of a default by the
28 corporation [AUTHORITY], to take possession of a housing [OR PUBLIC BUILDING] project
29 or a part of the project, and so long as the corporation [AUTHORITY] continues in default to
30 retain possession and to use, operate, and manage the project, and to collect the rents and
31 revenues from the project, and to dispose of the money according to the agreement between the

1 corporation [AUTHORITY] and the trustees;

2 (16) provide for the powers and duties of the trustees, and limit the liability of
3 the trustees; and

4 (17) provide the terms and conditions upon which the trustee or trustees or the
5 holders of bonds, or portions of bonds, may enforce a covenant or right securing or relating to
6 the bonds.

7 * Sec. 15. AS 18.55.210 is amended to read:

8 Sec. 18.55.210. RIGHT OF OBLIGEE OF CORPORATION [AUTHORITY] TO
9 BRING INJUNCTION. An obligee of the corporation [AUTHORITY] may, in addition to all
10 other rights that may be conferred ~~by AS 18.55.100 - 18.55.290~~ and subject only to contractual
11 restriction binding upon the obligee, seek an injunction or an action in nature of an action for
12 mandamus against the members of the board of directors, the corporation, or [AUTHORITY,]
13 its officers, agents, or employees for a matter arising out of AS 18.55.100 - 18.55.290.

14 * Sec. 16. AS 18.55.220 is amended to read:

15 Sec. 18.55.220. POWER OF CORPORATION [AUTHORITY] TO CONFER UPON
16 OBLIGEE RIGHT TO BRING ACTION OR PROCEEDING. In conjunction with the exercise
17 of a power authorized by AS 18.55.100 - 18.55.290, the corporation [THE AUTHORITY]
18 may, by resolution, trust indenture, mortgage, lease, or other contract, confer upon an obligee
19 holding or representing a specified amount in bonds, or holding a lease, the right upon a default
20 as defined in the resolution or instrument by suit, action, or proceeding

21 (1) to have possession of a housing [OR PUBLIC BUILDING] project or part of
22 one surrendered to the obligee, with possession retained by the obligee as long as the
23 corporation [AUTHORITY] continues in default;

24 (2) to obtain the appointment of a receiver of a housing [OR PUBLIC
25 BUILDING] project or part of one and its rents and profits, who may enter, take possession, and
26 for the duration of the default operate and maintain it, collect and receive all fees, rents,
27 revenues, or other charges thereafter arising, and keep the money in a separate account or
28 accounts to be applied in accordance with the obligations of the corporation [AUTHORITY] as
29 the court directs;

30 (3) to require the corporation [AUTHORITY] and the [ITS] members of its
31 board of directors to account as if they were the trustees of an express trust.

1 * Sec. 17. AS 18.55.230 is amended to read:

2 Sec. 18.55.230. EXEMPTION OF REAL PROPERTY OF CORPORATION
3 [AUTHORITY] FROM EXECUTION OR OTHER PROCESS. In conjunction with the
4 exercise of a power authorized by AS 18.55.100 - 18.55.290. the [ALL] real property of the
5 corporation [AUTHORITY] is exempt from levy and sale by execution. Execution [, AND NO
6 EXECUTION] or other judicial process may not issue against it and [NO] judgment against the
7 corporation [AUTHORITY] may not be a charge or lien upon its real property. However, this
8 section does not limit the right of an obligee to foreclose or otherwise enforce a mortgage of the
9 authority or to pursue any remedy for the enforcement of a pledge or lien given by the
10 corporation under AS 18.55.100 - 18.55.290 [AUTHORITY] on its rents, fees, or revenues.

11 * Sec. 18. AS 18.55.240 is amended to read:

12 Sec. 18.55.240. POWER OF CORPORATION [AUTHORITY] TO OBTAIN FEDERAL
13 AID AND COOPERATION. The corporation [AUTHORITY] may borrow, accept
14 contributions, grants, or other financial assistance from the federal government in aid of any
15 housing [OR PUBLIC BUILDING] project and for this purpose may comply with conditions and
16 enter into the mortgages, trust indentures, leases, or agreements that are necessary, convenient,
17 or desirable in order to obtain financial aid or cooperation from the federal government in the
18 undertaking, construction, maintenance, or operation of a housing [OR PUBLIC BUILDING]
19 project the construction of which is authorized by AS 18.55.100 - 18.55.290.

20 * Sec. 19. AS 18.55.250 is amended to read:

21 Sec. 18.55.250. EXEMPTION FROM TAXES AND ASSESSMENTS. The property of
22 the corporation held under AS 18.55.100 - 18.55.290 for the benefit of a housing project
23 [AUTHORITY] is public property used for essential public and governmental purposes, and is
24 [THIS PROPERTY AND THE AUTHORITY ARE] exempt from all taxes and special
25 ~~assessments~~ of a municipality, the state, or a political subdivision of the state. However, instead
26 of the payment of taxes on this property, the corporation [AUTHORITY] may make payments
27 to the municipality or political subdivision for improvements, services, and facilities furnished
28 by it for the benefit of a housing [OR PUBLIC BUILDING] project.

29 * Sec. 20. AS 18.55.255(a) is amended to read:

30 (a) In conjunction with the exercise of a power authorized by AS 18.55.100 -
31 18.55.290, the corporation [THE AUTHORITY] may convey real or personal property that it

1 determines is in excess of its needs. Except as provided in (b) and (c) of this section, the sale
2 shall be by public auction or by sealed bids at a price not lower than the fair market value
3 determined by an appraisal made within 180 days before the sale by a qualified appraiser.
4 Public notice shall be given by publishing notice of the sale at least once a week for two
5 consecutive weeks in a newspaper of general circulation within the area in which the property
6 to be sold is located and by posting notice of sale in at least two public places in the area. In
7 no event may the auction be held less than 30 days after the last day of publication. If [NO]
8 acceptable bids are not received the corporation [AUTHORITY] may sell the property at
9 negotiated sale within six months after the date of the auction. A negotiated sale may not be
10 made on an appraisal made more than nine months before the date of sale. The price at a
11 negotiated sale may not be less than the appraised value.

12 * Sec. 21. AS 18.55.255(b) is amended to read:

13 (b) Real or personal property of the corporation [AUTHORITY] may be conveyed
14 under (a) of this section to a state or federal agency or political subdivision for less than the
15 appraised value without competitive bidding, upon a determination by the board that the terms
16 are fair and proper and in the best interests of the state. Before authorizing a conveyance
17 under this section, the [THE] board of directors of the corporation shall consider both the
18 nature of the agency's or political subdivision's public services or functions and the terms under
19 which the property was acquired by the corporation [AUTHORITY].

20 * Sec. 22. AS 18.55.260 is amended to read:

21 Sec. 18.55.260. LEGALITY OF CORPORATION'S [AUTHORITY] BONDS AS
22 INVESTMENTS. Bonds of the corporation that are issued under AS 18.55.100 - 18.55.290
23 [AUTHORITY] are legal and proper investments and security for public and private banking,
24 insurance, and trust funds.

25 * Sec. 23. AS 18.55.270 is amended to read:

26 Sec. 18.55.270. [REPORTS AND] RECOMMENDATIONS FOR LEGISLATION. The
27 corporation [AUTHORITY SHALL FILE WITH THE DEPARTMENT OF COMMERCE AND
28 ECONOMIC DEVELOPMENT AN ANNUAL REPORT OF ITS ACTIVITIES AND] shall make
29 recommendations for [THE] legislation or other action it considers necessary to carry out the
30 purposes of AS 18.55.100 - 18.55.290 [AS 18.55.010 - 18.55.290].

31 * Sec. 24. AS 18.55.280(a) is amended to read:

1 (a) In conjunction with the exercise by the corporation of a power authorized by
2 AS 18.55.100 - 18.55.290, a [ANY] public body, officer, or agency of the state may

3 (1) lend or donate money or property to the corporation [AUTHORITY];

4 (2) cooperate with it in the planning, construction, or operation of a housing
5 project;

6 (3) transfer to it an interest in property, grant an easement, and undertake
7 otherwise authorized construction of facilities adjacent to a project;

8 (4) furnish or improve otherwise authorized roads, streets, alleys, and sidewalks;

9 (5) make exceptions from building codes, exercise its planning and zoning powers,
10 and annex the site of a project;

11 (6) contract to exercise its powers relating to repair, elimination, or closing of
12 unsafe, insanitary, or unfit dwellings;

13 (7) purchase the bonds of the corporation for a housing project authorized by
14 AS 18.55.100 - 18.55.290 [AUTHORITY];

15 (8) incur the entire expense of improvements made under AS 18.55.010 -
16 18.55.290;

17 (9) agree with the corporation [AUTHORITY] that a certain sum or that no sum
18 shall be paid by the corporation [AUTHORITY] to the public body, officer, or agency [IT]
19 instead of taxes;

20 (10) enter into agreements respecting exercise of a power [ANY POWERS]
21 granted in AS 18.55.100 - 18.55.290 if that agreement is [HEREIN WHICH SHALL BE]
22 approved and executed by the public body or municipality in or adjacent to the project before
23 the project is [MAY BE] constructed; and

24 (11) in general do all things necessary or convenient to cooperate in the planning,
25 construction, or operation of a project.

26 * Sec. 25. AS 18.55.288(1) is repealed and reenacted to read:

27 (1) "corporation" means the Alaska Housing Finance Corporation;

28 * Sec. 26. AS 18.55.290 is amended to read:

29 Sec. 18.55.290. SHORT TITLE. AS 18.55.010 - 18.55.290 may be cited as the Housing
30 Project Assistance Act [ALASKA STATE HOUSING AUTHORITY ACT].

31 * Sec. 27. AS 18.55.310 is amended to read:

1 Sec. 18.55.310. POWERS AND DUTIES OF CORPORATION [AUTHORITY]. The
2 corporation [AUTHORITY] shall construct, protect, operate, maintain, rent, and sell at the places
3 in the state that it [THE AUTHORITY] considers most appropriate moderate-cost or rental
4 housing facilities and projects for veterans and other residents of the state. For this purpose the
5 corporation [AUTHORITY] may accept money [FUNDS] from any source, including the federal
6 government, and may enter into appropriate contracts, including contracts with the federal
7 government.

8 * Sec. 28. AS 18.55.330 is amended to read:

9 Sec. 18.55.330. PREFERENCE TO VETERANS. The corporation [AUTHORITY] shall
10 initially offer 50 percent of the dwelling unit in a housing project held by it under
11 AS 18.55.300 - 18.55.470 for rent or sale to veterans. The offer shall be by publication of
12 reasonable notice in a newspaper circulated in the area in which the housing project is located.
13 The corporation [AUTHORITY] shall set aside these units for rental or sale to veterans for at
14 least 30 days following first publication of the notice before making them available to other
15 residents. If, after an additional 30 days a unit remains unassigned, the corporation
16 [AUTHORITY] may rent or sell it to any person in the state, provided that residents have first
17 preference.

18 * Sec. 29. AS 18.55.340 is amended to read:

19 Sec. 18.55.340. CARE, OPERATION, MAINTENANCE, AND RENTAL OF HOUSING.
20 The corporation [AUTHORITY] has control over and is responsible for the care, operation,
21 maintenance, and rental or sale of the housing held by it under AS 18.55.300 - 18.55.470. It
22 may enter into appropriate arrangements for carrying out this responsibility and for safeguarding
23 the interest of the state.

24 * Sec. 30. AS 18.55.350 is amended to read:

25 Sec. 18.55.350. AVAILABILITY OF HOUSING UNITS. The corporation
26 [AUTHORITY] shall make the housing units held by it [CONSTRUCTED] under
27 AS 18.55.300 - 18.55.470 available for rental to eligible persons upon application in the form it
28 prescribes, and at the moderate rentals that it considers proper, or for sale at the prices and
29 subject to the terms and conditions that it considers fair and equitable. The corporation [THE
30 AUTHORITY] shall use the money it receives [FUNDS RECEIVED] from the sale of housing
31 or housing projects held by it under AS 18.55.300 - 18.55.470, and the revenue from rentals,

1 after payment of obligations and deductions for proper expenses of maintenance and operation,
2 for the construction of further housing, under the terms of AS 18.55.300 - 18.55.470.

3 * Sec. 31. AS 18.55.370 is amended to read:

4 Sec. 18.55.370. USE OF MONEY [FUNDS]. Money [THE FUNDS] appropriated or
5 made available under AS 18.55.300 - 18.55.470 may be used by the corporation [AUTHORITY]
6 to make

7 (1) character loans, not exceeding \$500 for each dwelling, to residents or
8 cooperatives for the improvement, conversion, or construction of dwellings in remote areas for
9 occupancy by the residents or members of the cooperatives;

10 (2) loans for moderate-cost or rental housing facilities and projects to public
11 agencies, or private nonprofit or limited dividend corporations, or private corporations or
12 cooperatives organized under AS 10.15.005 - 10.15.600 that are regulated or restricted by the
13 corporation until [AUTHORITY (UNTIL) the termination of all loan obligations to it [IT)] as
14 to rents or sales, charges, capital structure, rate of return, and methods of operation to the extent
15 and in the manner that provides reasonable rentals to tenants and a reasonable return on the
16 investment; loans to cooperatives may be made for up to 95 per cent of the appraised value of
17 the housing facility.

18 * Sec. 32. AS 18.55.380 is amended to read:

19 Sec. 18.55.380. CORPORATION [AUTHORITY] MAY USE POWERS UNDER
20 OTHER LAWS. The corporation may invoke a power given to it [ANY POWERS OF THE
21 AUTHORITY] under any statute, including [BUT NOT LIMITED TO] the powers of eminent
22 domain and those relating to the issuance of bonds and obligations [, MAY BE INVOKED]
23 with respect to a project undertaken or loan made or to be made under the authorization provided
24 in AS 18.55.300 - 18.55.470.

25 * Sec. 33. AS 18.55.390 is amended to read:

26 Sec. 18.55.390. LIMITATION ON CORPORATION'S [AUTHORITY'S] POWER. The
27 power of the corporation [AUTHORITY] to act under AS 18.55.300 - 18.55.470 is limited to
28 projects in which [WHERE] adequate financing on reasonable terms is not otherwise available
29 or entrepreneurial sponsorship is lacking.

30 * Sec. 34. AS 18.55.400 is amended to read:

31 Sec. 18.55.400. EXPENDITURE OF MONEY [FUNDS]. The corporation

1 [AUTHORITY] may spend the portion of the money [FUNDS] appropriated under
2 AS 18.55.300 - 18.55.470 that it considers advisable, either directly or in cooperation with
3 educational institutions or government agencies, to develop, through study, research, and analysis,
4 information regarding low cost building supplies, materials, and methods of construction, and to
5 disseminate this information.

6 * Sec. 35. AS 18.55.420 is amended to read:

7 Sec. 18.55.420. POWER TO ADOPT AND ENFORCE [MAKE] REGULATIONS. The
8 corporation [AUTHORITY] may

9 (1) make and enforce reasonable rules and regulations to carry out the purposes
10 of AS 18.55.300 - 18.55.470; and

11 (2) [MAY] determine the allocation of dwelling units and projects constructed in
12 a municipality on the basis of the municipality's [ITS] population or the demand or potential
13 demand for dwelling units in it.

14 * Sec. 36. AS 18.55.440 is amended to read:

15 Sec. 18.55.440. ADDITIONAL POWERS. For the purpose of carrying out
16 AS 18.55.300 - 18.55.470, the corporation [AUTHORITY] may acquire by purchase, lease,
17 condemnation, or otherwise,

18 (1) land and appurtenances to land necessary or desirable for the establishment,
19 construction, and operation of moderate cost and moderate rental housing;

20 (2) [. THE AUTHORITY MAY ACQUIRE BY PURCHASE, LEASE,
21 CONDEMNATION, OR OTHERWISE,] rights-of-way or easements for roads, streets, trails,
22 utilities, power lines, and other similar facilities necessary and desirable for the proper
23 establishment, operation, and maintenance of a housing project.

24 * Sec. 37. AS 18.55.450 is amended to read:

25 Sec. 18.55.450. ABILITY [AUTHORITY] TO ACCEPT LAND [LANDS] AND OTHER
26 PROPERTY. The corporation [AUTHORITY] may accept land , a building, property, or
27 equipment that is available from an executive department, independent establishment or agency
28 of the federal government or the state, or a municipality, for the purpose of carrying out
29 AS 18.55.300 - 18.55.470.

30 * Sec. 38. AS 18.55.460 is amended to read:

31 Sec. 18.55.460. PREFERENCE FOR STATE PROFESSIONAL AND CONTRACTORS'

1 SERVICES. In planning, designing, and constructing projects under AS 18.55.300 - 18.55.470,
2 the corporation [AUTHORITY] shall use [ALASKAN] professional and contractor services of
3 state residents as far as practicable and shall encourage the use of local building materials.

4 * Sec. 39. AS 18.55.470(1) is repealed and reenacted to read:

5 (1) "corporation" means the Alaska Housing Finance Corporation;

6 * Sec. 40. AS 18.55.490 is amended to read:

7 Sec. 18.55.490. LEGISLATIVE INTENT. It is the intent of the legislature in
8 AS 18.55.480 - 18.55.960 to take advantage of 42 U.S.C. 1441 - 1469c (Title I of the Housing
9 Act of 1949 (P.L. 81-171; 63 Stat. 413)) [TITLE I OF THE HOUSING ACT OF 1949 (P.L.
10 81-171; 63 STAT. 413)], as amended.

11 * Sec. 41. AS 18.55.500 is amended to read:

12 Sec. 18.55.500. INTEREST OF MEMBERS OF BOARD OF DIRECTORS OR
13 EMPLOYEES OF CORPORATION [AUTHORITY] IN PROJECT PROHIBITED. (a) A
14 member of the board of directors or employee of the corporation [AUTHORITY] may not
15 voluntarily acquire an interest, direct or indirect, in a redevelopment project or in property
16 included or planned by the authority to be included in a redevelopment project, or in a contract
17 or proposed contract in connection with a project. If the acquisition is not voluntary the member
18 or employee shall immediately disclose the interest in writing to the corporation [AUTHORITY]
19 and the disclosure shall be entered upon the minutes of the corporation [AUTHORITY].

20 (b) If a member of the board of directors or employee of the corporation
21 [AUTHORITY] owns or controls or owned or controlled within the preceding two years an
22 interest, direct or indirect, in property that the member or employee knows is included or planned
23 by the corporation [AUTHORITY] to be included in a redevelopment project, the member or
24 employee shall immediately disclose the interest in writing to the corporation [AUTHORITY]
25 and the disclosure shall be entered upon the minutes of the corporation [AUTHORITY], and the
26 member or employee may not participate in an action by the corporation [AUTHORITY]
27 affecting the property. A violation of this section constitutes misconduct in office or dereliction
28 of duties of employment or both.

29 * Sec. 42. AS 18.55.510(a) is amended to read:

30 (a) The corporation [AUTHORITY] may not transact business or exercise its powers
31 under AS 18.55.480 - 18.55.960 in a municipality until the governing body approves by

1 resolution the exercise in the municipality of the powers, functions, and duties of the corporation
2 [AUTHORITY] under AS 18.55.480 - 18.55.960.

3 * Sec. 43. AS 18.55.520 is amended to read:

4 Sec. 18.55.520. POWERS OF THE CORPORATION [AUTHORITY]. In addition to
5 all powers previously vested in or granted to the corporation [AUTHORITY] by any other law,
6 the corporation [AUTHORITY] has all the powers necessary or convenient to carry out and
7 effectuate the purposes and provisions of AS 18.55.480 - 18.55.960, including the following
8 powers:

9 (1) to prepare or have prepared and to recommend redevelopment plans to the
10 governing body of any municipality within its area of operation and to undertake and carry out
11 redevelopment projects within its area of operation;

12 (2) to arrange or contract for the furnishing or repair, by any person or agency,
13 public or private, of services, privileges, works, streets, roads, public utilities or other facilities
14 for or in connection with a redevelopment project; and notwithstanding anything to the contrary
15 contained in AS 18.55.480 - 18.55.960 or any other provision of law, to agree to the conditions
16 that it considers reasonable and appropriate that are attached to federal financial assistance and
17 imposed pursuant to federal law relating to the determination of prevailing salaries or wages or
18 compliance with labor standards, in the undertaking or carrying out of a redevelopment project,
19 and to include a contract let in connection with a redevelopment project, provisions to fulfill any
20 of these conditions it considers reasonable and appropriate;

21 (3) within its area of operation,

22 (A) to purchase, lease, obtain options upon, acquire by gift, grant, bequest,
23 devise, eminent domain, or otherwise, any real or personal property or any interest in it,
24 together with any improvements on it necessary or incidental to a redevelopment project;

25 (B) to hold, improve, clear, or prepare for redevelopment the [ANY
26 SUCH] property it obtains under (A) of this paragraph;

27 (C) to sell, lease, exchange, transfer, assign, subdivide, retain for its own
28 use, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or
29 personal property or any interest in it;

30 (D) to enter into contracts with redevelopers of property containing
31 covenants, restrictions, and conditions regarding the use of the property for residential,

1 commercial, industrial, recreational purposes or for public purposes in accordance with
2 the redevelopment plan and other covenants, restrictions, and conditions that the
3 corporation [AUTHORITY] considers necessary to prevent a recurrence of slum or
4 blighted areas or to effectuate the purposes of AS 18.55.480 - 18.55.960;

5 (E) to make any covenant, restriction, or condition of the foregoing
6 contracts a covenant running with the land, and to provide appropriate remedies for a
7 breach of the covenant, restriction, or condition, including the right in the corporation
8 [AUTHORITY] to terminate the contract and the interest in the property created under
9 the contract;

10 (F) to borrow money and issue bonds and provide security for loans or
11 bonds;

12 (G) to insure or provide for the insurance of real or personal property or
13 operations of the corporation [AUTHORITY] against risk or hazard, including the power
14 to pay premiums on this insurance;

15 (H) to enter into any contracts necessary to effectuate the purposes of
16 AS 18.55.480 - 18.55.960; however, statutory provisions with respect to the acquisition,
17 clearance, or disposition of property by another public body do not restrict the
18 corporation [AUTHORITY] or the other public body in these functions, unless the
19 legislature has specifically so provided [STATES];

20 (4) to invest money [FUNDS] held in reserves or sinking funds or any money
21 [FUNDS] not required for immediate disbursement, in property or securities in which savings
22 banks may legally invest money [FUNDS] subject to their control, and to redeem its bonds at
23 the redemption price established in the bonds or to purchase its bonds at less than redemption
24 price; and all bonds redeemed or purchased shall be cancelled;

25 (5) to borrow money and to apply for and accept advances, loans, grants,
26 contributions, and any other form of financial assistance from the federal government, the state,
27 municipality, or other public body or from any sources, public or private, for the purposes of
28 AS 13.55.480 - 18.55.960, to give the security required and to enter into and carry out contracts
29 in connection with the transaction; [THE AUTHORITY] notwithstanding the provisions of any
30 other law, the corporation may include in a contract for financial assistance with the federal
31 government for a redevelopment project those conditions imposed pursuant to federal law that

1 the corporation [AUTHORITY] considers reasonable and appropriate and which are not
2 inconsistent with the purposes of AS 18.55.480 - 18.55.960;

3 (6) to act through a member or another person designated by the corporation
4 [AUTHORITY] to conduct examinations and investigations and to hear testimony and take proof
5 under oath at public or private hearings on any matter material for its information; to administer
6 oaths, and to issue commissions for the examination of witnesses who are outside the state or
7 unable to attend before the corporation [AUTHORITY], or excused from attendance; to make
8 available to appropriate agencies or public officials, including those charged with the duty of
9 abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or
10 unsanitary structures or eliminating slums or conditions of blight within its area of operation, its
11 findings and recommendations with regard to any building or property where conditions exist that
12 are dangerous to the public health, safety, morals, and welfare;

13 (7) within its area of operation, to make or have made all surveys, appraisals,
14 studies, and plans necessary to carry out the purposes of AS 18.55.480 - 18.55.960 and to
15 contract or cooperate with persons or agencies, public or private, in the making and carrying out
16 of the surveys, appraisals, studies, and plans;

17 (8) to prepare plans and provide reasonable assistance for the relocation of
18 families displaced from a redevelopment project area to the extent essential for acquiring
19 possession of and clearing the area or parts of the area to permit the carrying out of the
20 redevelopment project;

21 (9) to make expenditures that are necessary to carry out the purposes of
22 AS 18.55.480 - 18.55.960, and to make expenditures from money [FUNDS] obtained from the
23 federal government and the state [INCLUDING THE ALASKA STATE HOUSING
24 AUTHORITY FUND], without regard to any other laws pertaining to the making and approval
25 of appropriations and expenditures;

26 (10) to exercise all or any part or combination of powers granted by this section;

27 (11) with the approval of the local governing body,

28 (A) before approval of an urban renewal or redevelopment plan, or
29 approval of any modifications of the plan to acquire real property in an urban renewal or
30 redevelopment area, to demolish and remove any structures on the property, and pay all
31 costs related to the acquisition, demolition, or removal, including any administrative or

1 relocation expenses; and

2 (B) to assume the responsibility to bear any loss that may arise as the
3 result of the exercise of its powers [AUTHORITY] under this paragraph in the event that
4 the real property is not made part of the urban renewal or redevelopment project;

5 (12) to prepare or have prepared and to recommend neighborhood development
6 plans to the governing body of any municipality within its area of operation and to undertake and
7 carry out neighborhood development projects within its area of operation.

8 * Sec. 44. AS 18.55.525 is amended to read:

9 Sec. 18.55.525. NEIGHBORHOOD DEVELOPMENT PROJECTS. (a) A neighborhood
10 development project, as undertaken and administered by the corporation [AUTHORITY], shall
11 consist of urban renewal project undertakings and activities in one or more urban renewal areas
12 that are planned and carried out on the basis of annual increments in accordance with 42 U.S.C.
13 1469 - 1469c (secs. 131 - 134, Title I, Housing Act of 1949), as amended.

14 (b) The corporation shall adhere to the provisions of [PROVISIONS IN]
15 AS 18.55.480 - 18.55.960 [SHALL BE ADHERED TO] in the planning and carrying out of a
16 neighborhood development project by the authority.

17 * Sec. 45. AS 18.55.530(a) is amended to read:

18 (a) Except as provided in AS 18.55.520(11), the corporation [THE AUTHORITY] may
19 not acquire real property for a redevelopment project unless the governing body of the
20 municipality has approved the redevelopment plan, as prescribed in (i) of this section[, EXCEPT
21 AS PROVIDED IN AS 18.55.520(11)].

22 * Sec. 46. AS 18.55.530(d) is amended to read:

23 (d) The corporation [AUTHORITY] may prepare or have prepared a redevelopment plan
24 or any person or agency, public or private, may submit a redevelopment plan to the corporation
25 [AUTHORITY]. A redevelopment plan must be sufficiently complete to indicate its relationship
26 to definite local objectives as to appropriate land uses, improved traffic, public transportation,
27 public utilities, recreational and community facilities, and other public improvements and the
28 proposed land uses and building requirements in the redevelopment project area, and must include
29 [WITHOUT BEING LIMITED TO]

30 (1) the boundaries of the redevelopment project area, with a map showing the
31 existing uses and conditions of the real property within those boundaries [THEREIN];

- 1 (2) a land use plan showing proposed uses of the area;
- 2 (3) information showing the standards of population densities, land coverage, and
- 3 building intensities in the area after redevelopment;
- 4 (4) a statement of the proposed changes, if any, in zoning ordinances or maps,
- 5 street layouts, street levels or grades, building codes, and ordinances;
- 6 (5) a site plan of the area; and
- 7 (6) a statement as to the kind and number of additional public facilities or utilities
- 8 that will be required to support the new land uses in the area after redevelopment.

9 * Sec. 47. AS 18.55.530(e) is amended to read:

10 (e) Before recommending a redevelopment plan to the governing body for approval, the

11 corporation [AUTHORITY] shall submit the plan to the planning commission, if any, of the area

12 in which the redevelopment project area is located for review and recommendations as to its

13 conformity with the general plan for the physical development of the area. The planning

14 commission shall submit its written recommendations with respect to the proposed redevelopment

15 plan to the corporation [AUTHORITY] within 30 days after receipt of the plan for review.

16 Upon receipt of the recommendations of the planning commission or, if [NO] recommendations

17 are not received within 30 days, then without the recommendations, the corporation

18 [AUTHORITY] may recommend the redevelopment plan to the governing body of the

19 municipality for approval.

20 * Sec. 48. AS 18.55.530(g) is amended to read:

21 (g) The recommendation of a redevelopment plan by the corporation [AUTHORITY]

22 to the governing body shall be accompanied by

23 (1) the recommendations, if any, of the planning commission concerning the

24 redevelopment plan;

25 (2) [BY] a statement of the proposed method and estimated cost of the acquisition

26 and ~~preparation~~ for redevelopment of the redevelopment project area and the estimated proceeds

27 or revenues from its disposal to redevelopers;

28 (3) [BY] a statement of the proposed method of financing the redevelopment

29 project; and

30 (4) [BY] a statement of a feasible method proposed for the relocation of families

31 to be displaced from the redevelopment project area.

1 * Sec. 49. AS 18.55.530(i) is amended to read:

2 (i) Following the hearing required by (h) of this section, the governing body may by
3 ordinance initially approve a redevelopment plan if it finds that the plan is feasible and conforms
4 with the general plan for the physical development of the area. Approval of subsequent
5 modifications of the plan that do not involve substantive changes shall be by resolution. A
6 redevelopment plan that has not been approved by the governing body when recommended by
7 the corporation [AUTHORITY] may again be recommended to it with any modifications
8 considered advisable.

9 * Sec. 50. AS 18.55.530(j) is amended to read:

10 (j) The corporation may modify a [A] redevelopment plan [MAY BE MODIFIED] at
11 any time [BY THE AUTHORITY]. However, if it is modified after the lease or sale of real
12 property in the redevelopment project area, the redeveloper or the developer's successor in
13 interest affected by the proposed modification must consent to the modification. If [WHERE]
14 the proposed modification will substantially change the redevelopment plan as previously
15 approved by the governing body, the modification must similarly be approved by the governing
16 body.

17 * Sec. 51. AS 18.55.530(k) is amended to read:

18 (k) Notwithstanding any other provision of this chapter, if [WHERE] the local governing
19 body certifies that an area is in need of redevelopment or rehabilitation as a result of flood, fire,
20 hurricane, earthquake, storm, or other catastrophe respecting which the governor has certified the
21 need for disaster assistance under [PUBLIC LAW 875, 81ST CONGRESS, OR OTHER] federal
22 law, the local governing body may approve an urban renewal or redevelopment plan and an urban
23 renewal or redevelopment project with respect to the area without regard to the provisions
24 relating to relocation, conformance of the urban renewal or redevelopment plan with the general
25 plan, and the provisions of this chapter requiring a general plan for the municipality and a public
26 hearing ~~on~~ the urban renewal or redevelopment project or plan.

27 * Sec. 52. AS 18.55.540(a) is amended to read:

28 (a) The corporation [AUTHORITY] may sell, lease, exchange, or otherwise transfer real
29 property or any interest in real property in a redevelopment project area to a redeveloper for
30 residential, recreational, commercial, industrial, or other uses, or for public use in accordance
31 with the redevelopment plan, subject to those covenants, conditions, and restrictions it considers

1 in the public interest or to carry out the purposes of AS 18.55.480 - 18.55.960. However, the
2 sale, lease, exchange, or other transfer, or an agreement relating to it, may be made only after,
3 or subject to, the approval of the redevelopment plan by the governing body of the municipality.
4 The real property shall be sold, leased, or transferred at its fair value for uses in accordance with
5 the redevelopment plan although the fair value may be less than the cost of acquiring and
6 preparing the property for redevelopment. In determining the fair value of real property for uses
7 in accordance with the redevelopment plan, the corporation [AUTHORITY] shall consider the
8 uses and purposes required by the redevelopment plan, the restrictions upon, and the covenants,
9 conditions, and obligations assumed by the redeveloper of the property, the objectives of the
10 redevelopment plan for the prevention of the recurrence of slum or blighted areas, and the other
11 matters the corporation [AUTHORITY] specifies as appropriate. In fixing rentals and selling
12 prices, the corporation [AUTHORITY] shall consider appraisals of the property for these
13 [SUCH] uses that are made by land experts employed by the corporation [AUTHORITY].

14 * Sec. 53. AS 18.55.540(b) is amended to read:

15 (b) Before considering a redevelopment contract proposal, the corporation
16 [AUTHORITY], by public notice published at least once a week for two consecutive weeks in
17 a newspaper of general circulation in the municipality, or, if there is no [SUCH] newspaper of
18 general circulation, by posting the notice in three public places in the municipality, shall invite
19 proposals from, and make available all pertinent information to private redevelopers or to persons
20 interested in undertaking the redevelopment of an area or any part of an area that the governing
21 body has declared to be in need of redevelopment. The notice must identify the area and must
22 state that the further information that is available may be obtained at the office of the authority.
23 The corporation [AUTHORITY] shall consider all redevelopment proposals and the financial
24 and legal ability of the prospective redevelopers to carry out their proposals and may negotiate
25 with redevelopers for proposals for the purchase or lease of real property in the redevelopment
26 project area. The corporation [AUTHORITY] may accept the redevelopment contract proposal
27 it considers in the public interest and in furtherance of the purposes of AS 18.55.480 - 18.55.960,
28 provided that the corporation [AUTHORITY] has given to the governing body at least 30 days'
29 written notice of its intent to accept the redevelopment contract proposal. Thereafter the
30 corporation [AUTHORITY] may execute a redevelopment contract in accordance with the
31 provisions of (a) of this section and deliver deeds, leases, and other instruments and take all steps

1 necessary to effectuate the redevelopment contract. The corporation [AUTHORITY] may,
2 without regard to the foregoing provisions of this subsection, dispose of real property in a
3 redevelopment project area to private redevelopers for redevelopment under the reasonable
4 competitive bidding procedures it prescribes, subject to the provisions of (a) of this section.

5 * Sec. 54. AS 18.55.550(a) is amended to read:

6 (a) The corporation [AUTHORITY] may

7 (1) acquire by eminent domain real property that it considers necessary within the
8 boundaries of the redevelopment project or for its purposes under AS 18.55.480 - 18.55.960 after
9 the adoption by it of a resolution declaring that the acquisition of the real property described in
10 the resolution is necessary for those purposes; and

11 (2) [. THE AUTHORITY MAY] exercise the power of eminent domain in the
12 manner provided in AS 09.55.240 - 09.55.460 or in the manner provided by other statutory
13 provisions for the exercise of the power of eminent domain.

14 * Sec. 55. AS 18.55.560 is amended to read:

15 Sec. 18.55.560. ACQUISITION AND DEVELOPMENT OF UNDEVELOPED VACANT
16 LAND. Upon a determination, by resolution, of the governing body of the municipality that the
17 acquisition and development of undeveloped vacant land not within a slum or blighted area is
18 essential to the proper clearance or redevelopment of a slum or blighted area or a necessary part
19 of the general slum clearance program of the municipality, the acquisition, planning, preparation
20 for development or disposal of the [SUCH] land shall constitute a redevelopment project that
21 [WHICH] may be undertaken by the corporation [AUTHORITY] in the manner provided in
22 AS 18.55.480 - 18.55.960. The determination by the governing body is a substitute for the
23 declaration required by AS 18.55.530(b) but the determination may not be made until the
24 governing body finds that

25 (1) there is a shortage of decent, safe, and sanitary housing in the municipality;

26 (2) [THAT] the undeveloped vacant land will be developed for predominantly
27 residential uses; and

28 (3) [THAT] the provisions of dwelling accommodations on the undeveloped
29 vacant land is necessary to accomplish the relocation in decent, safe, and sanitary housing in the
30 municipality, of families to be displaced from slum or blighted areas that are to be redeveloped.

31 * Sec. 56. AS 18.55.570(a) is amended to read:

1 (a) The corporation [AUTHORITY] may

2 (1) issue bonds and notes from time to time for any of the purposes of
3 AS 18.55.480 - 18.55.960, [ITS CORPORATE PURPOSES] including the payment of principal
4 and interest upon advances for surveys and plans for redevelopment projects;

5 (2) [. THE AUTHORITY MAY], issue refunding bonds for the purpose of the
6 payment or retirement or in exchange for bonds previously issued by it;

7 (3) [. THE AUTHORITY MAY] issue the types of bonds and notes it
8 determines, including bonds and notes on which the principal and interest are payable

9 (A) [(1)] exclusively from the income, proceeds, and revenues of the
10 redevelopment project financed with the proceeds of the bonds or notes; [,] or

11 (B) [(2)] exclusively from the income, proceeds, and revenue of any of
12 its redevelopment projects whether or not they are financed in whole or in part with the
13 proceeds of the bonds or notes; and

14 (4) further secure the [. THE] bonds or notes authorized by (1) - (3) of this
15 subsection [MAY BE FURTHER SECURED] by a pledge of all or any part of a loan, grant, or
16 contribution from the federal government or from another source, or by a mortgage of a
17 redevelopment project of the corporation [AUTHORITY].

18 * Sec. 57. AS 18.55.570(b) is amended to read:

19 (b) The members of the board of directors of the corporation [AUTHORITY] or a
20 person executing the bonds or notes authorized by (a) of this section are not liable personally
21 on the bonds or notes by reason of the issuance of them. The bonds, notes, and other obligations
22 of the corporation [AUTHORITY] are not a debt of the municipality, the state, or the United
23 States, and neither the municipality, the state, nor the United States is liable on them, nor are the
24 bonds, notes, or obligations payable out of money or property [FUNDS OR PROPERTIES]
25 other than those of the corporation [AUTHORITY] acquired for the purposes of AS 18.55.480 -
26 18.55.960 and each bond and note shall state this on its face. A bond or note does not constitute
27 an indebtedness within the meaning of any constitutional or statutory debt limitation or
28 restriction. Bonds and notes of the corporation [AUTHORITY] issued under AS 18.55.480 -
29 18.55.960 are declared to be issued for an essential public and governmental purpose and,
30 together with interest on them and income from them, are exempt from all taxes.

31 * Sec. 58. AS 18.55.570(e) is amended to read:

1 (e) If a member of the board of directors or officer of the corporation [AUTHORITY]
2 whose signature appears on a bond, note, or coupon ceases to be a member or officer before the
3 delivery of the bonds or notes, the signature is nevertheless valid and sufficient for all purposes
4 as if the member or officer had remained in office until delivery. Any provision of law to the
5 contrary notwithstanding, bonds and notes issued under AS 18.55.480 - 18.55.960 are negotiable.

6 * Sec. 59. AS 18.55.580 is amended to read:

7 Sec. 18.55.580. POWER OF CORPORATION [AUTHORITY] TO PROVIDE
8 ADDITIONAL SECURITY FOR BONDS. (a) In connection with the issuance of bonds or the
9 incurring of obligations under leases, in order to secure the payment of the bonds or obligations,
10 the corporation [AUTHORITY], in addition to its other powers, may

11 (1) pledge all or a part of its gross or net rents, fees, or revenue from
12 redevelopment projects to which its right exists or may come into existence;

13 (2) mortgage all or a part of its real or personal property in a redevelopment
14 project owned or later acquired;

15 (3) covenant against pledging all or a part of its rents, fees, and revenue from
16 redevelopment projects or against mortgaging all or a part of its real or personal property in a
17 redevelopment project to which its right or title exists or may come into existence or against
18 permitting or suffering a lien on the revenue or property, and covenant with respect to limitations
19 on its right to sell, lease, or otherwise dispose of a redevelopment project or a part of a project,
20 and covenant as to other, or additional debts or obligations that may be incurred by it;

21 (4) covenant as to the bonds to be issued and as to the issuance of the bonds in
22 escrow or otherwise, and as to the use and disposition of the proceeds, and provide for the
23 replacement of lost, destroyed, or mutilated bonds, covenant against extending the time for the
24 payment of its bonds or interest, and covenant for the redemption of the bonds and to provide
25 the terms and conditions of redemption;

26 (5) covenant, subject to the limitations contained in AS 18.55.480 - 18.55.960,
27 as to the amount of revenue to be raised each year or other period of time by rents, fees, and
28 other revenue, and as to their use and disposition, and create or authorize the creation of special
29 funds for money held for operating costs, debt service, reserves, or other purposes, and covenant
30 as to the use and disposition of the money held in these funds;

31 (6) prescribe the procedure by which the terms of a contract with bondholders

1 may be amended or abrogated, the amount of bonds the holders of which must consent thereto,
2 and the manner in which consent may be given;

3 (7) covenant as to the use, maintenance, and replacement of any or all of its real
4 or personal property in a redevelopment project, the insurance to be carried and the use and
5 disposition of insurance money, and warrant its title to that property;

6 (8) covenant as to the rights, liabilities, powers, and duties arising upon the breach
7 by it of a covenant, condition, or obligation, and covenant and prescribe as to events of default
8 and terms and conditions upon which any or all of its bonds or obligations shall become or may
9 be declared due before maturity, and as to the terms and conditions upon which the declaration
10 and its consequences may be waived;

11 (9) vest in any obligees of the corporation [AUTHORITY] the right to enforce
12 the payment of the bonds or any covenants securing or relating to the bonds;

13 (10) vest in any obligee or obligees holding a specified amount in bonds the right,
14 in the event of a default by the corporation [AUTHORITY], to take possession of and use,
15 operate, and manage a redevelopment project or a part of a project, title to which is in the
16 corporation [AUTHORITY], or money [FUNDS] connected with a project, and to collect the
17 rent and revenue arising from the project or part of the project and to dispose of the money in
18 accordance with the agreement of the corporation [AUTHORITY] with the obligees;

19 (11) provide for the powers and duties of the obligees and limit their liability;

20 (12) provide the terms and conditions upon which the obligees may enforce any
21 covenant or rights securing or relating to the bonds;

22 (13) exercise all or any part or combination of the powers granted in
23 A.S. 18.55.480 - 18.55.960;

24 (14) make the covenants and do any and all acts and things necessary or
25 convenient or desirable in order to secure its bonds, or, in the absolute discretion of the
26 corporation [AUTHORITY], as will tend to make the bonds more marketable even if the
27 covenants, acts, or things are not enumerated in this section.

28 (b) The corporation [AUTHORITY] may, by resolution, trust, indenture, mortgage,
29 lease, or other contract confer upon an obligee holding or representing a specified amount in
30 bonds, the right, in addition to all rights that may be conferred, upon the happening of an event
31 of default as defined in the resolution or instrument, by an action or proceeding in a competent

1 court

2 (1) to have possession of a redevelopment project or part of one, title to which
3 is in the corporation [AUTHORITY], surrendered to the obligee;

4 (2) to obtain the appointment of a receiver of a redevelopment project or part of
5 a project, title to which is in the corporation [AUTHORITY], and of the rents and profits from
6 the project or part, and if a receiver is appointed, the receiver may enter and take possession of,
7 carry out, operate, and maintain the project or a part of the project and may collect and receive
8 all fees, rents, revenue, or other charges thereafter arising from the project or part, and shall keep
9 this money in a separate account and apply it in accordance with the obligations of the authority
10 as the court directs; and

11 (3) to require the corporation [AUTHORITY], the members of its board of
12 directors [MEMBERS], officers, agents, and employees to account as if it and they were the
13 trustees of an express trust.

14 * Sec. 60. AS 18.55.590 is amended to read:

15 Sec. 18.55.590. REMEDIES OF OBLIGEE. An obligee of the corporation
16 [AUTHORITY] may, in addition to all other rights that may be conferred on the obligee, subject
17 only to contractual restrictions binding upon the obligee,

18 (1) by mandamus, suit, action, or proceeding at law or in equity compel the
19 corporation, the members of its board of directors, [AUTHORITY] and its [MEMBERS,]
20 officers, agents, or employees to perform each and every term, provision, and covenant contained
21 in a contract of the corporation [AUTHORITY] with or for the benefit of the obligee, and
22 require the carrying out of any or all those covenants and agreements of the corporation
23 [AUTHORITY] and the fulfillment of all duties imposed upon it by AS 18.55.480 - 18.55.960;
24 and

25 (2) by suit, action, or proceeding in equity enjoin any acts or things that may be
26 unlawful, or in violation of any of the rights of the obligee of the corporation [AUTHORITY].

27 * Sec. 61. AS 18.55.600(b) is amended to read:

28 (b) The following investments are proper investments under (a) of this section: Any
29 bonds or other obligations issued by the corporation [AUTHORITY] under AS 18.55.480 -
30 18.55.960 or by any public housing or redevelopment authority or commission, or agency or any
31 other public body in the United States for redevelopment purposes, when the bonds and other

1 obligations are secured by an agreement between the issuing agency and the federal government
2 in which the issuing agency agrees to borrow from the federal government and the federal
3 government agrees to lend to the issuing agency, before the maturity of the bonds or other
4 obligations, money in an amount that, together [WHICH (TOGETHER)] with any other money
5 irrevocably committed to the payment of interest on the bonds or other obligations,
6 [OBLIGATIONS]] is sufficient to pay the principal of the bonds or other obligations with interest
7 to maturity, if, [WHICH MONEY] under the terms of the agreement, the money is required to
8 be used for the purpose of paying the principal and interest on the bonds or other obligations at
9 their maturity. The bonds and other obligations shall be authorized security for all public
10 deposits.

11 * Sec. 62. AS 18.55.620 is amended to read:

12 Sec. 18.55.620. PROPERTY EXEMPT FROM TAXES AND EXECUTION. (a) All
13 property held by the corporation for a purpose set out in AS 18.55.300 - 18.55.470 and in
14 AS 18.55.480 - 18.55.960 [OF THE AUTHORITY] is exempt from levy and sale by virtue of
15 an execution, and an [NO] execution or other judicial process may not issue against it nor may
16 judgment against it be a charge or lien upon its property. However, this subsection [;
17 HOWEVER, THIS SECTION] does not apply to or limit the right of an obligee to foreclose or
18 otherwise enforce any mortgage of the corporation [AUTHORITY] or to pursue remedies for
19 the enforcement of a pledge or lien given by the authority on its rents, fees, grants, or revenue.

20 (b) The property held by the corporation for a purpose set out in AS 18.55.300 -
21 18.55.470 and in AS 18.55.480 - 18.55.960 [OF THE AUTHORITY] is declared to be public
22 property used for essential public and governmental purposes and the property is [AND THE
23 AUTHORITY ARE] exempt from all taxes of the state or a political subdivision of the state.
24 However, subject to (c) of this section, the corporation [AUTHORITY] shall, from the time it
25 acquires ~~title~~ to property in a redevelopment project until it sells, leases, or otherwise disposes
26 of that property, make payment equal in amount and in lieu of taxes that [WHICH] would be
27 assessed and paid to a political subdivision in which the property is situated if the property had
28 not been acquired by the corporation [AUTHORITY]. From the time the corporation
29 [AUTHORITY] sells, leases, or otherwise transfers the property, the obligation of the
30 corporation [AUTHORITY] to make payment in lieu of taxes shall cease and the property shall
31 thereafter be taxable in the same manner as other property within the political subdivision, unless

1 the property is exempt from taxation by law. The property sold, leased, or otherwise transferred
2 by the corporation [AUTHORITY] may be assessed for taxation on that part of the tax year
3 during which it was not owned by the corporation [AUTHORITY], unless the property is
4 exempt from taxation by law. Except for the payments required by this subsection, the power
5 vested in the corporation [AUTHORITY] to make payments in lieu of taxes under AS 18.55.250
6 or other law is not affected by this subsection.

7 (c) Property for which payments are required under (b) of this section is limited to land
8 and valuable improvements on the land, including buildings located on the property on the
9 assessment date.

10 (d) Payments for property under (b) of this section [FURTHERMORE, PAYMENTS]
11 may not be required from the corporation [AUTHORITY] unless the payments are eligible
12 project costs under federal policy.

13 * Sec. 63. AS 18.55.630(a) is amended to read:

14 (a) For the purpose of aiding and cooperating in the planning, undertaking, or carrying
15 out of a redevelopment project located within the area in which it is authorized to act, a public
16 body may, upon terms, with or without consideration, as it determines,

17 (1) dedicate, sell, convey, or lease any of its interest in a property, or grant
18 easements, licenses, or other rights or privileges in the property to the corporation
19 [AUTHORITY];

20 (2) cause parks, playgrounds, or recreational, community, educational, water,
21 sewer, or drainage facilities, or other works that it is otherwise empowered to undertake to be
22 furnished in connection with a redevelopment project;

23 (3) furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan
24 streets, roads, sidewalks, ways, or other places, that it is otherwise empowered to undertake;

25 (4) plan or replan, or zone or rezone any part of the public body or make
26 exceptions from building regulations and ordinances if the functions are of the character that the
27 public body is otherwise empowered to perform;

28 (5) cause administrative and other services to be furnished to the corporation
29 [AUTHORITY] of the character that the public body is otherwise empowered to undertake or
30 furnish for the same or other purposes;

31 (6) incur the entire expense of public improvements made by the public body in

1 exercising the powers granted in this section;

2 (7) do any and all things necessary or convenient to aid and cooperate in the
3 planning or carrying out of a redevelopment plan;

4 (8) lend, grant, or contribute money [FUNDS] to the corporation
5 [AUTHORITY];

6 (9) employ any money [FUNDS] belonging to or within the control of the public
7 body, including money [FUNDS] derived from the sale or furnishing of property, service, or
8 facilities to the authority, in the purchase of the bonds or other obligations of the authority and,
9 as the holder of the bonds or other obligations, exercise the rights connected with them; and

10 (10) enter into agreements, which may extend over any period, notwithstanding
11 a provision or rule of law to the contrary, with the corporation [AUTHORITY] respecting action
12 to be taken by the public body under any of the powers granted by AS 18.55.480 - 18.55.960.

13 * Sec. 64. AS 18.55.660 is amended to read:

14 Sec. 18.55.660. ADDITIONAL POWERS OF GOVERNING BODY. Whenever the
15 corporation [AUTHORITY] exercises its rights, powers, and duties under AS 18.55.480 -
16 18.55.960 in the area adjacent to a municipality, the governing body of the municipality may
17 prepare or have prepared general plans for the physical development of the area if the preparation
18 of those plans is not otherwise authorized by law and approve redevelopment plans, and lend or
19 grant money [FUNDS] and other assistance for the undertaking of redevelopment projects in the
20 area and to take other action with respect to the area or redevelopment project area that is
21 authorized or required by AS 18.55.480 - 18.55.960 of the governing body of the municipality.

22 * Sec. 65. AS 18.55.680(a) is amended to read:

23 (a) In addition to the power given [ITS AUTHORITY] under AS 18.55.480 - 18.55.960,
24 the corporation [AUTHORITY] may plan and undertake an urban renewal project. In
25 AS 18.55.480 - 18.55.960 an urban renewal project includes undertaking and activity for the
26 elimination and prevention of the development or spread of slums or blighted, deteriorated, or
27 deteriorating areas. An urban renewal project may involve any work or undertaking for this
28 purpose that constitutes a redevelopment project or any rehabilitation or conservation work or any
29 combination of an undertaking or work.

30 * Sec. 66. AS 18.55.700 is repealed and reenacted to read:

31 Sec. 18.55.700. POWERS WITH RESPECT TO URBAN RENEWAL. (a) The

1 corporation has all the powers necessary or convenient to undertake and carry out urban renewal
2 plans and urban renewal projects, including the power to acquire and dispose of property, to issue
3 bonds and other obligations, to borrow and accept grants from the federal government or other
4 source, and to exercise the other powers granted to it by AS 18.55.480 - 18.55.960 with respect
5 to redevelopment projects.

6 (b) In connection with the planning and undertaking of an urban renewal plan or urban
7 renewal project, the corporation, the municipality, and all public and private offices, agencies,
8 and bodies have all the rights, powers, privileges, and immunities that they have with respect to
9 a redevelopment plan or redevelopment project, in the same manner as though all of the
10 provisions of AS 18.55.480 - 18.55.960 applicable to a redevelopment plan or redevelopment
11 project were applicable to an urban renewal plan or urban renewal project. However, for the
12 purpose of this subsection,

13 (1) the word "redevelopment" as used in AS 18.55.480 - 18.55.960, except in this
14 section and in the definition of "redevelopment project" in AS 18.55.950, means "urban renewal";

15 (2) the words "slum" and "blighted" as used in AS 18.55.480 - 18.55.960, except
16 in this section and in the definitions in AS 18.55.950, mean "blighted, deteriorated, or
17 deteriorating"; and

18 (3) the finding required by AS 18.55.510(b) with respect to a blighted area is not
19 required.

20 (c) In addition to the surveys and plans that the corporation may otherwise make, it may
21 make plans

22 (1) for carrying out a program of voluntary repair and rehabilitation of buildings
23 and improvements; and

24 (2) for the enforcement of laws, codes, and regulations relating to the use of land
25 and the use and occupancy of buildings and improvements, and the compulsory repair-
26 rehabilitation, demolition, or removal of buildings and improvements.

27 (d) The corporation may develop, test, and report methods and techniques, and carry out
28 demonstrations and other activities for the prevention and the elimination of slums and urban
29 blight.

30 * Sec. 67. AS 18.55.860 is amended to read:

31 Sec. 18.55.860. ORDINANCE TO GIVE CORPORATION [AUTHORITY] POWER

1 TO DETERMINE FITNESS OF DWELLINGS FOR HABITATION. The ordinance adopted by
2 a municipality under AS 18.55.480 - 18.55.960

3 (1) must [ALSO] provide that the corporation [AUTHORITY] may determine
4 that a dwelling is unfit for human habitation if it finds that conditions exist that

5 (A) are dangerous or injurious to the health, safety, or morals of the
6 occupant of the dwelling, the occupants of neighboring dwellings or other residents of the
7 municipality; [,] or

8 (B) [THAT] have a blighting influence on properties in the area;

9 (2) [. THESE CONDITIONS MAY INCLUDE THE FOLLOWING, WITHOUT
10 LIMITATION: DEFECTS INCREASING THE HAZARDS OF FIRE, ACCIDENT, OR OTHER
11 CALAMITY; LACK OF ADEQUATE VENTILATION, LIGHT, OR SANITARY FACILITIES;
12 DILAPIDATION; DISREPAIR; STRUCTURAL DEFECTS; UNCLEANLINESS;
13 OVERCROWDING; INADEQUATE INGRESS AND EGRESS; INADEQUATE DRAINAGE;
14 OR ANY VIOLATION OF HEALTH, FIRE, BUILDING, OR ZONING REGULATIONS, OR
15 ANY OTHER LAWS OR REGULATIONS, RELATING TO THE USE OF LAND AND THE
16 USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS. THE ORDINANCE] may
17 provide additional standards to guide the corporation [AUTHORITY] in determining the fitness
18 of a dwelling for human habitation.

19 * Sec. 68. AS 18.55.860 is amended by adding a new subsection to read:

20 (b) The conditions sufficient to support a finding under (a)(1) of this section include the
21 following, without limitation:

22 (1) defects increasing the hazards of fire, accident, or other calamity;

23 (2) lack of adequate ventilation, light, or sanitary facilities;

24 (3) dilapidation;

25 (4) disrepair;

26 (5) structural defects;

27 (6) uncleanliness;

28 (7) overcrowding;

29 (8) inadequate ingress and egress;

30 (9) inadequate drainage; or

31 (10) a violation of health, fire, building, or zoning regulations, or any other laws

1 or regulations, relating to the use of land and the use and occupancy of buildings and
2 improvements.

3 * Sec. 69. AS 18.55.950 is amended by adding a new paragraph to read:

4 (18) "corporation" means the Alaska Housing Finance Corporation.

5 * Sec. 70. AS 18.55.995 is amended to read:

6 Sec. 18.55.995. PURPOSE AND INTENT. The legislature finds that an acute shortage
7 of housing and related facilities exists in the villages of the state [ALASKA] and that adequate
8 housing cannot be provided by the private sector due to the economic depression that exists in
9 most villages of the state [ALASKA]. It is the purpose and intent of the legislature to provide
10 a means for certain Native associations to form public corporations with the powers and duties
11 comparable to those provided in AS 18.55.100 - 18.55.960 [THE ALASKA STATE HOUSING
12 AUTHORITY].

13 * Sec. 71. AS 18.55.996(b) is amended to read:

14 (b) There is created with respect to each of the associations named in (a) of this section
15 a public body corporate and politic to function in the operating area of the individual associations
16 to be known as the regional housing authority of the associations possessing all powers, rights,
17 and functions now or subsequently specified [FOR THE ALASKA STATE HOUSING
18 AUTHORITY,] under AS 18.55.100 - 18.55.290 [THE ALASKA STATE HOUSING
19 AUTHORITY ACT (AS 18.55.010 - 18.55.290)] except those specified with respect to [THE
20 CONSTRUCTION AND ACQUISITION OF PUBLIC BUILDINGS FOR LEASE TO THE
21 STATE OR] any [SUBSEQUENTLY SPECIFIED] authority that is inconsistent with
22 AS 18.55.995. The authority may enter into agreements with local government, other political
23 subdivisions of the state, the state or the federal government for the exercise of a function or
24 power relating to construction, operation, and maintenance of public facilities or public utilities.
25 Upon execution of an agreement and for the period of the agreement the authority shall have the
26 same powers and functions relating to the subject matter of the agreement as those that may
27 legally be exercised by the governmental unit with whom the agreement is made including the
28 authority to separately or together with the other unit borrow money and issue notes, bonds, or
29 other evidence of indebtedness to finance a project within the scope of the agreement subject to
30 the express limitations, if any, contained in the agreement. All obligations or liabilities of the
31 regional housing authority shall remain their own and are not obligations or liabilities of the state.

1 * Sec. 72. AS 18.55.996(g) is amended to read:

2 (g) If an activity associated with the planning, financing, construction, or operation of
3 a project by a regional housing authority established in this section and authorized under
4 AS 18.55.100 - 18.55.290 conflicts with an activity of the Alaska Housing Finance Corporation
5 [ALASKA STATE HOUSING AUTHORITY], the governing body of the municipality in which
6 the project is located shall resolve the conflict.

7 * Sec. 73. AS 18.55.997(a) is amended to read:

8 (a) In addition to the powers authorized to a regional housing authority under
9 AS 18.55.996, a regional housing authority may, in accordance with procedures and policies
10 adopted and approved by the Alaska Housing Finance Corporation [DEPARTMENT OF
11 COMMUNITY AND REGIONAL AFFAIRS], make loans for the purchase or development of
12 residential housing in rural areas of the state, other than in an area where the corporation
13 [DEPARTMENT] has a loan office. A loan shall be secured by collateral in an amount
14 acceptable to the corporation [DEPARTMENT OF COMMUNITY AND REGIONAL
15 AFFAIRS]. The rate of interest on a loan authorized by this section may not exceed the interest
16 rate on a loan originated or purchased under AS 18.56.400 - 18.56.600 [AS 44.47.370 -
17 44.47.560].

18 * Sec. 74. AS 18.55.998(a) is amended to read:

19 (a) There is created in the Alaska Housing Finance Corporation [DEPARTMENT OF
20 COMMUNITY AND REGIONAL AFFAIRS] a supplemental housing development grant fund.
21 Subject to the availability of appropriations for the purpose, the corporation [DEPARTMENT]
22 shall make grants to regional housing authorities established under AS 18.55.996 for the cost of
23 on-site sewer and water facilities, road construction to project sites, energy efficient design
24 features in homes, and extension of electrical distribution facilities to individual residences.

25 * Sec. 75. AS 18.55.998(d) is amended to read:

26 (d) The Alaska Housing Finance Corporation [DEPARTMENT] shall adopt regulations
27 to carry out the purposes of this section. The provisions of AS 18.56.088(a) and (b) [THE
28 ADMINISTRATIVE PROCEDURE ACT (AS 44.62)] apply to regulations adopted under this
29 section.

30 * Sec. 76. AS 18.56.010(d) is amended to read:

31 (d) The program of making loans for residential housing to veterans [IN ACCORDANCE

1 WITH AS 26.15 HAS INCREASED AND IMPROVED THE SUPPLY OF ADEQUATE
2 HOUSING IN THE STATE, AND THE CONTINUATION OF THE PROGRAM] is essential
3 to the economic growth of the state and the expansion of the supply of adequate residential
4 housing in the state. Assumption [PARTICIPATION] by the Alaska Housing Finance
5 Corporation of [IN] the program of purchasing and insuring state veterans' loans as provided in
6 this chapter will be of material aid in insuring the continuance of the program of making loans
7 for residential housing to veterans [IN ACCORDANCE WITH AS 26.15].

8 * Sec. 77. AS 18.56.010(f) is amended to read:

9 (f) The legislature finds that enabling the Alaska Housing Finance Corporation to finance
10 [ASSIST IN FINANCING] the program of veterans' loans for residential housing [IN
11 ACCORDANCE WITH AS 26.15] and to expand its program of purchasing other mortgage loans
12 serves a public purpose in benefiting the people of the state. The Alaska Housing Finance
13 Corporation is empowered to act on behalf of the state and its people in serving this public
14 purpose for the benefit of the general public."

15 * Sec. 78. AS 18.56.030(a) is amended to read:

16 (a) The corporation shall be governed by a board of directors consisting of

17 (1) the commissioner of revenue and the commissioner of commerce and
18 economic development;

19 (2) one other member who is the head of a principal department of the executive
20 branch of state government appointed by the governor, and

21 (3) six [FOUR] public members appointed by the governor, appointed as follows:

22 (A) one [OF WHOM] shall be a representative of the financial
23 community;

24 (B) [AND] one [OF WHOM] shall be a person licensed as a real estate
25 broker under AS 08.88.171(a);

26 (C) one shall be a person appointed from a list of nominees provided
27 to the governor by the Association of Alaska Housing Authorities;

28 (D) one shall be a person appointed from a list of nominees provided
29 to the governor by the Alaska Coalition for the Homeless;

30 (E) one shall be a resident of rural Alaska appointed from a list of
31 persons provided to the governor by the commissioner of community and regional