

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10512 SENATE ○ COMMUNITY & REGIONAL AFFAIRS ○ 357

Adopted: 02/05/02

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 02-021**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF THE CONCEPT OF ESTABLISHING MULTIPLE, MUNICIPAL OWNED, STATE OPERATED PRISONS.

WHEREAS, the state of Alaska recognizes the pressing need to reduce overcrowding in its prisons and bring home the 800 plus prisoners that are presently housed in out-of-state correctional facilities; and

WHEREAS, the state of Alaska expends approximately \$20 million annually to transport and house prisoners in out-of-state facilities; funds that if expended in the state of Alaska could significantly benefit state and local economies; and

WHEREAS, the development of new or expanded prisons in Alaska's municipalities would benefit Alaskans by providing much needed construction and permanent, year-round prison jobs; and

WHEREAS, maintaining prisoners within the state allows for them to be closer to their families and culture which enhances the potential for prisoner rehabilitation; and

WHEREAS, expansions of many of Alaska's existing prisons can be accomplished more cost effectively than by constructing new prisons; and

WHEREAS, Alaska State Department of Corrections has a long-standing history of providing consistent correctional practices that protect the public's safety, allow for community participation

through government-to-government transactions and address statewide and regional correction needs.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly supports the general concept of a comprehensive statewide approach to prison development, where the financial and clinical benefits of expanding existing prisons are equally considered with the development of new prisons; and

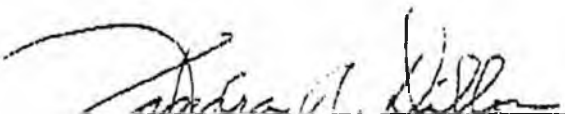
BE IT FURTHER RESOLVED, that new or expanded prisons be owned by the municipalities and operated by the Alaska State Department of Corrections under a long-term lease with the relevant municipalities including the Matanuska-Susitna Borough.

ADOPTED by the Matanuska-Susitna Borough Assembly this 5 day of February, 2002.



TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:



SANDRA A. DILLON, Borough Clerk

(SEAL)

Sponsored by: Janke

**CITY OF SEWARD, ALASKA
RESOLUTION 2002-017**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,
ALASKA, IN SUPPORT OF THE CONCEPT OF ESTABLISHING MULTI-
PLE CITY OWNED, STATE OPERATED PRISONS**

WHEREAS, the State of Alaska recognizes the pressing need to reduce overcrowding in its prisons and bring home the 800 plus prisoners that are presently housed in out-of-state correctional facilities); and

WHEREAS, the State of Alaska expends approximately \$18 million annually to transport and house prisoners in out-of-state facilities; funds that if expended in the State of Alaska could significantly benefit state and local economies; and

WHEREAS, the development of new or expanded prisons in Alaska's municipalities would benefit Alaska ns by providing much needed construction and permanent, year-round prison jobs; and

WHEREAS, maintaining prisoners within the State allows for them to be closer to their families and culture which enhances the potential for prisoner rehabilitation; and

WHEREAS, expansions of many of Alaska's existing prisons can be accomplished more cost effectively than by constructing new prisons; and

WHEREAS, the State of Alaska Department of Corrections has a long standing history of providing consistent correctional practices that protect the public's safety, allow for community participation through government to government transactions and address statewide and regional correction needs:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. The City of Seward supports the general concept of a comprehensive state-wide approach to prison development, where the financial and clinical benefits of expanding existing prisons are equally considered with the development of new prisons.

Section 2. The new or expanded prisons be owned by the City and operated by the State of Alaska Department of Corrections under a long-term lease with the City.

Section 3. The City of Seward supports the expansion of the Spring Creek Correction facility.

Section 4. This resolution shall take effect immediately upon its adoption.

**CITY OF SEWARD, ALASKA
RESOLUTION 2002-017**

PASSED AND APPROVED by the City Council of the city of Seward, Alaska, this 11th day of February, 2002.

THE CITY OF SEWARD, ALASKA

Edgar Blatchford
Edgar Blatchford, Mayor

AYES: Branson, Brossow, Clahoon, Orr, Shafer, Blatchford
NOES: None
ABSENT: Clark
ABSTAIN: None

ATTEST:

Patrick Reilly
Patrick Reilly
City Clerk



SB

264

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB264
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: EED
 Title "An Act relating to a reimbursement program BRU School Debt Reimbursement
for municipal bonds, notes, or other indebtedness..." Component School Debt Reimbursement
 Sponsor Senator Green
 Requester Community and Regional Affairs Component No. 153

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	7,910.0	7,712.3	7,514.5	7,316.8	7,119.0
Miscellaneous						
TOTAL OPERATING	0.0	7,910.0	7,712.3	7,514.5	7,316.8	7,119.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		7,910.0	7,712.3	7,514.5	7,316.8	7,119.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	7,910.0	7,712.3	7,514.5	7,316.8	7,119.0

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This bill will add an additional \$113 million in bonding capacity for reimbursable school construction projects. This bill allocates the authorization among 5 categories based on the number of students in a municipality. All projects would have to be approved by the Department of Education & Early Development before the bond proposition goes to the local voters. The bond propositions would have to comply with the voter information requirements of AS 14.11.100(j)(1). It is assumed that the authorization provided in this bill would be approved and sold in FY2003 with the first principal and interest payments coming due in FY2004. It is also assumed that the bonds will be 20 year bonds with equal principal payments to maturity.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679
 Division Education Support Services Date/Time 2/26/02 8:45 AM
 Approved by: Ed McLain, Deputy Commissioner of Education Date 2/26/2002
 Agency Department of Education & Early Development

ANALYSIS: (continued)

This analysis assumes the six new boroughs form during FY 05, and then under AS 29.65.030, DNR must certify their entitlement within 2.5 years after that date. FY 08 costs are for staff to begin to convey the new borough entitlements.

ALASKA STATE LEGISLATURE



Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
(907) 376-3370
(907) 376-3157 Fax

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-6600
(907) 465-3805 Fax

SENATOR LYDA GREEN SENATE DISTRICT N

DATE: February 21, 2002

TO: Senator John Torgerson, Chair
Senate Community and Regional Affairs Committee

FROM: Senator Lyda Green *LL*

RE: Hearing Request

Senate Bill 264, "An Act relating to a reimbursement program for municipal bonds, notes, or other indebtedness incurred for school construction; and providing for an effective date." has been referred to the Community and Regional Affairs Committee. This is my formal request that a hearing for SB 264 be held at the earliest opportunity.

If you have any questions please call Jerry at 3579.

Your cooperation is appreciated.

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SENATOR LYDA GREEN SENATE DISTRICT N

Sponsor Statement Senate Bill 264

Reimbursement program for municipal bonds, notes, or other indebtedness incurred for school construction

Senate Bill 264 would authorize 70% state reimbursement for \$113 million dollars of school projects that are funded by voter authorized debt issued by local governments. The authorization would be distributed among school districts in the following manner; \$50 million for projects in Anchorage, \$15 million for projects in Fairbanks, \$13 million for projects in Mat-Su, \$10 million for projects in Kenai and \$25 million for projects in smaller school districts in organized Alaska. The amounts are intended to equal \$1000 in projects per student rounded to the nearest million dollars in each district.

Debt reimbursement is one of the methods that have been used to fund school construction in Alaska for a number of years. Debt reimbursement has a unique advantage over other financing methods in that it allows for maximum local involvement and input in the decision of which specific projects should be funded. Municipal debt reimbursement insures that the projects funded in a school district are the highest priority of the voters in that district. Projects need to meet state standards for approval but do not need to be funded in the state's priority order.

SB 264 is not intended to serve as a complete school funding package. School districts in unorganized Alaska cannot use debt reimbursement. Individual school projects are often larger than the authorization in SB 264 for any school district. Other funding methods, such as G.O. debt, must be used for most school construction and major maintenance in Alaska. Municipal debt reimbursement is, however, the best method for many school districts to build and maintain the facilities most important to the people in their community.

SB

278



ALASKA STATE LEGISLATURE

SENATOR JOHN TORGERSON

CHAIR, SENATE RESOURCES COMMITTEE

CHAIR, SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

CHAIR, JOINT COMMITTEE ON NATURAL GAS PIPELINES

Session:

State Capitol, Room 427, Juneau, AK 99801
Telephone 907/465-2828 Fax 907/465-4779

District:

45457 Kenai Spur Hwy.; Suite 101B, Soldotna, AK 99669
Telephone 907/260-3042 Fax 907/260-3044

Sponsor Statement Senate Bill 278

Taking Property By Eminent Domain

The enactment of this bill will bring fairness and expediency to government and other condemning authorities that require the acquisition of private lands for public uses. This bill is not trying to remove the authority of the state to take land by eminent domain. It will simply add a provision to ensure there is a good faith negotiation between government agencies and property owners before land is claimed under eminent domain.

It is reasonable to require a government entity to make a good faith effort to negotiate with the landowner on a value and price prior to taking the property. Someone that does not have the financial ability or an understanding of the legal process could be overwhelmed with the bureaucracy and be at a disadvantage in trying to protect his or her property rights.

By requiring a good faith effort to purchase and justify the state's authority of eminent domain, the landowner will have the benefit of full disclosure of information used by the state to determine the public purpose and legitimate value before property can be taken.

REPRESENTING THE KENAI PENINSULA

*Anchor Point Bear Creek Clam Gulch Cooper Landing Crown Point Fritz Creek Happy Valley Halibut Cove
Homer Hope Kachemak City Kachemak Selo Kasilof Lowell Point Moose Pass Nanwalek Nikolaevsk
Ninilchik Port Graham Razdolna Seward Seldovia Soldotna Stariski Sterling Voznesenka*



ALASKA STATE LEGISLATURE

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Telephone 907/260-3042 Fax 907/260-3044

Sectional Analysis of SB 278

Title 09.55.240-460 constitutes the statutory proceedings regarding the state's authority of eminent domain. Under present law, property owners whose land is to be condemned are faced with an unfairly steep barrier when trying to negotiate a fair settlement with the state. This bill will require that the state make a "reasonable and diligent effort" to negotiate equitably when trying to purchase land from private citizens through eminent domain.

Sec. 1: AS 09.55.270 lists the matters that any condemning authority must prove before it can condemn property through a judicial eminent domain complaint. The statute is amended by adding subsection (4) that requires the state to make a "reasonable and diligent effort" when trying to purchase land through eminent domain. Subsection (4) defines a "reasonable and diligent effort" as one that invites the property owner to secure an appraisal from a real estate appraiser certified under AS 08.87 and as an offer to purchase the property for its full appraised value plus cost or an explanation to the property owner why the full appraised value is not being offered.

Sec. 2: AS 09.55.420-460 deals with "declarations of taking" which differ from eminent domain complaints in that once a declaration is filed, the property is taken immediately, rather than after judicial proceedings are completed. Before 1976, the state could take land under a declaration of taking without proving the necessity for the taking. In 1976, however, the legislature added subsection (7), which required the declaration to contain a statement explaining how the taking was necessary. Section 2 further amends the statute to add a subsection (8) to include a statement verifying that, where possible, the condemning authority has made a "reasonable and diligent effort" to purchase the land.

Sec. 3: AS 09.55.460 authorizes the court to divest the authority of its new title if it is ultimately shown that the taking was not necessary. Section 3 would amend AS 09.55.460(b) by authorizing the court to also divest the condemnor of title when it was ultimately shown that a "reasonable and diligent effort" to purchase the property had not

REPRESENTING THE KENAI PENINSULA

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Soldotna Stariski Sterling Voznesenka*

been made. Without Section 3, Section 2 of the bill would be meaningless, since the state would be obliged to make a statement that the "reasonable and diligent effort" requirement had been met but the landowner would have no remedy in any case where the statement proved untrue.

Sec. 4: Sets an effective date of the Act.

STATE'S Questions

The State of Alaska Department of Transportation recently took a portion of your property. Please respond to the following questions.

1. Were the people who contacted you from the State informative, courteous and fair?
2. Was the State's appraiser informative, courteous and fair?
3. Did the State provide you with a copy of their complete appraisal report and Market Data Book?
4. Were you able to settle with the State on the basis of that appraisal, and did you feel the compensation was adequate and fair? (If No, please answer the following questions.)
5. Did the appraisal fairly set forth the value of the Taking and the consequences to the Remainder Property?
6. In the appraisal of your property was the "BEFORE the Taking Value", based on the Highest and Best Use of the property rather than the existing use?
7. Were the following items fairly considered in analyzing the effects of the Right-of-way Taking on your property:
 - Loss of parking
 - Change in Highest and Best Use
 - Decline in Market Appeal
 - Change in the Business Use of the property
 - Decline in Market Value
8. Was it necessary for you to hire experts (attorney, appraiser, etc) to assist you in your negotiations?
 - What are the costs?
 - How much time have you spent?
9. Did the State fairly consider the damages to your property resulting from the Take?

Philip B. Evans
Owner, Association President
North Gate Square Commercial Condominiums

PO Box 85103
Fairbanks, AK 99708
(907) 479-5407

February 6, 2002

Senator Gary Wilken
State Capital Building
Juneau, AK 99801-1182

Dear Senator Wilken:

The State of Alaska Department of Transportation recently took a portion of my property to use for a road construction project. I would like to make you aware of my experience with them.

1. Prior to condemnation being filed, the person representing the State was courteous but misleading in attempting to convince me to accept a settlement that was completely unfair.
2. Prior to condemnation being filed, the State appraiser provided no meaningful information. She was quite insistent about her authority to be on my property and utilize space in a business located in the mall for her office. She was deceptively courteous and misleading in her attempt to promote an unfair evaluation of the property.
3. The State did not provide me a copy of their completed appraisal report and Market Data Book.
4. I was unable to settle with the State based on that appraisal because the compensation was totally inadequate and unfair.
5. The appraisal did not fairly set forth the value of the Taking and the consequences to the Remainder Property.
6. In the appraisal of my property, the "Before the Taking Value" was based on the current use of the property rather than the "Highest and Best Use" of the property.
7. The following items were not fairly considered when analyzing the effects of the Right-of-Way Taking on my property:
 - a. Loss of parking
 - b. Change in Highest and Best Use
 - c. Decline in Market Appeal
 - d. Change in the Business Use of the property
 - e. Decline in Market Value
8. When it became apparent the State was misleading and unfair in their attempts to reach settlement, I hired an attorney and an appraiser to provide me accurate and fair counsel.
9. The State appraiser concluded that just compensation for the property taken and damages was \$80,229. The appraiser for North Gate Square and Philip Evans concluded that just compensation for property taken and damages was \$676,000. As a consequence, we proceeded to hearing.
10. Frank King, an appraiser, was appointed by the State to preside over the Master's Hearing. At the conclusion of the Hearing, Mr. King rendered a decision awarding \$324,000, for property taken and damages. Although this was approximately half of the amount sought, I decided rather than continue with litigation I would settle. The State subsequently appealed.

Philip B. Evans
Owner, Association President
North Gate Square Commercial Condominiums

PO Box 85103
Fairbanks, AK 99708
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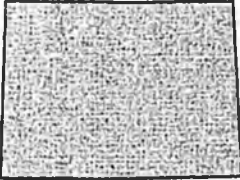

11. The State's decision to appeal will significantly increase costs for not only me but also for the State.

Your assistance and interest in this proceeding is appreciated.

Sincerely,

Philip B. Evans

Appendix A: The Requirement to Negotiate in Other States

	<u>State</u>	<u>Citation</u>	<u>Language</u>
	Model Eminent Domain Code	Uniform Law Commissioner's Model Eminent Domain Code 1974 Act §306	<i>Except as provided in Section 308, an action to condemn property may not be maintained over timely objection by the owner unless the condemnor made a good faith effort to acquire property by purchase before commencing the action.</i>
	Alabama	Ala. Code §18-1A-22	<i>Before commencing a condemnation action, the condemnor shall establish an amount based on an appraisal which it believes to be just compensation therefor and promptly shall submit to the owner an offer to acquire the property for the full amount so established. The amount shall not be less than the condemnor's established amount of just compensation for the property.</i>
	Colorado	Colo. Rev. Stat. §38-1-102	<i>In all cases where the right to take private property for public or private use without the owner's consent...is conferred by general laws...and the compensation to be paid for, in respect of property sought to be appropriated or damaged for the purposes mentioned, cannot be agreed upon by the parties interested; or in the case the owner of the property is incapable of consenting, or his name or residence is unknown, or he is a nonresident of the state, it is lawful for the party authorized to take or damage the property to apply to the judge....</i>
	Connecticut	Conn. Gen. Stat. §48-12	<i>The procedure for condemning land or other property for any of the purposes specified in sections..., if those desiring to take such property cannot agree with the owner upon the amount to be paid him for any property taken, shall be as follows:</i>



Idaho

Idaho Code
§7-707(6)

The complaint [for condemnation] must contain:

...
(6) In all cases where the owner of the lands sought to be taken resides in the county in which said lands are situated, a statement that the plaintiff has sought, in good faith, to purchase the lands so sought to be taken, or settle with the owner for the damages which might result to his property from the taking thereof, and was unable to make any reasonable bargain therefor, or settlement of such damages, but in all other cases these facts need not be alleged in the complaint, or proved.



Illinois

Ill. Rev. Stat.
§5/7-102

Where the right to take private property for public use...has been heretofore and shall hereafter be conferred by general law or special charter...and the compensation to be paid for or in respect of the property sought to be appropriated or damaged for the purposes mentioned cannot be agreed upon by the parties interested, or in case the owner of the property is incapable of consenting, or the owner's name or residence is unknown, or the owner is a nonresident of the state, the party authorized to take or damage the property...may apply to the circuit court...



Indiana

Ind. Code
§32-11-1-1

Before proceeding to condemn, such person, corporation or other body may enter upon any land for the purpose of examining and surveying the property sought to be appropriated or right sought to be acquired; and shall make an effort to purchase for the use intended such lands, right-of-way, easement or other interest therein or other property or right.



Kentucky

Ky. Rev. Stat.
Ann. §416.550

Whenever any condemnor cannot, by agreement with the owner thereof, acquire the property right, privileges or easements needed...the condemnor may condemn such property...It is not a prerequisite to an action to attempt to agree with an owner who is unknown or who, after reasonable effort, cannot be found within the state or with an owner who is under a disability.



Michigan

Mich. Comp.
Laws §213.55

Except as provided in section 25(4), before initiating negotiations for the purchase of property, the agency shall establish an amount which it believes to be just compensation and promptly shall submit to the owner a good faith offer to acquire the property for the full amount so established... If an agency is unable to agree with the owner for the purchase of the property, after making a good faith written offer to purchase the property, the agency may file a complaint for the acquisition of the property in the circuit court in the county in which the property is located.



Missouri

Mo. Rev.
Stat.
§523.010

In case land, or other property, is sought to be appropriated...and such corporation and the owners cannot agree upon the proper compensation to be paid, or in the case the owner is incapable of contracting, be unknown, or be a nonresident of the state, such corporation may apply to the circuit court...



Nebraska

Neb. Rev.
Stat.
§76-704

If any condemnee shall fail to agree with the condemnor with respect to the acquisition of property sought by the condemnor, a petition to condemn the property may be filed by the condemnor in the county court of the county where the property or some part thereof is situated.



**New
Hampshire**

N.H. Rev. Stat.
Ann. §498-A:4

Before making the offer provided for in paragraph II, the condemnor shall make reasonable efforts to negotiate with the condemnees or their personal representatives for the purchase of the property, but failure to confer or negotiate shall not be a defense to condemnation of the property.

...No property shall be taken unless the condemnor shall serve upon the condemnee a written notice of offer to purchase...



New Jersey

N.J. Rev. Stat.
§20:3-5

...[W]henver any condemnor...shall have determined to acquire land or other property pursuant to law...but cannot acquire title thereto or possession thereof by agreement with a prospective condemnee, whether by reason of disagreement concerning the compensation to be paid or for any other cause...the condemnation of such property...shall be governed...in the manner provided by this act;



**New
Mexico**

N.M. Stat. Ann.
§42A-1-4

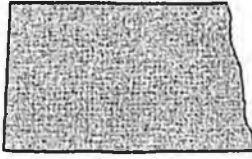
A condemnor shall make reasonable and diligent efforts to acquire property by negotiation.



New York

N.Y. Em. Dom.
Law §303

The condemnor shall make a written offer to acquire the property for one hundred per centum of the valuation so established. In no event shall such amount be less than the condemnor's highest approved appraisal. Wherever practicable, the condemnor shall make the offer prior to acquiring the property, and shall also, wherever practicable, include within the offer an itemization of the total direct, the total severance or consequential damages and benefits as each may apply to the property.



**North
Dakota**

N.D. Cent. Code
§32-15-06.1

A condemnor shall make every reasonable and diligent effort to acquire property by negotiation.



Ohio

Ohio Rev. Code
Ann §163.04

Appropriation shall be made only after the agency is unable to agree, for any reason, with the owner...or when any owner is incapable of contracting...or is unknown, or is not a resident of this state, or his residence is unknown to the agency and cannot with reasonable diligence be ascertained.



Oklahoma

Okla. Stat.
tit. 27, §13

Every reasonable effort shall be made to acquire, expeditiously, real property by negotiation.



Oregon

Or. Rev. Stat.
§35.235

...[T]he condemnor shall...attempt to agree with the owner with respect to the compensation to be paid therefor, and the damages, if any, for the taking thereof.



Texas

Tex. Prop. Code
Ann. §21.012

If the United States, [or] this state...wants to acquire real property for public use but is unable to agree with the owner of the property on the amount of damages, the condemning entity may begin a condemnation proceeding by filing a petition in the proper court.

The petition must...state that the entity and the property owner are unable to agree on the damages.



Vermont

Vt. Stat. Ann. tit. 24, §2805

When the location of a municipal building is determined...and the owner refuses to release or convey the same to such municipality for a reasonable price...the mayor...shall set out the necessary lands and cause the same to be surveyed. They shall appoint a time and place for hearing...



Virginia

Va. Code Ann. §26-46.5

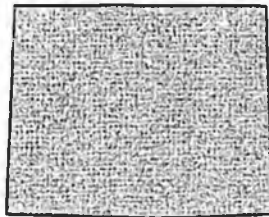
No proceedings shall be taken to condemn property until a bona fide but ineffectual effort has been made to acquire from the owner by purchase the property sought to be condemned, except where such consent cannot be obtained because of the incapacity of one or more of the owners or because one or more of such owners is unable to convey legal title to such property or is unknown or cannot with reasonable diligence be found in this State.



Wisconsin

Wis. Stat. §32,06(2a)

Before making the jurisdictional offer under sub. (3) the condemnor shall attempt to negotiate personally with the owner or one of the owners...for the purchase of the property.



Wyoming

Wyo. Stat. §1-26-509

A condemnor shall make reasonable and diligent efforts to acquire property by good faith negotiation.

And at the federal level...



**Federal
Uniform
Relocation and
Assistance and
Real Property
Acquisition
Policies Act of
1970**

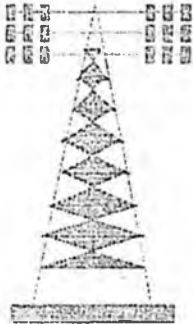
Sec. 301, P.L. 91-646
Note: Pursuant to §102 of the Act, the policies of §301 do not affect the vailidity of individual condemnation actions. However, they do govern the use of federal funds by states "to the greatest extent practicable under State law." Sec. 305(1).

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts...and to promote public confidence in Federal land acquisition practices...

(1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(2) Real property shall be appraised before the initiation of negotiations, and the owner...shall be given an opportunity to accompany the appraiser during his inspection of the property.

When a licensee cannot acquire by contract or pledges an unimproved dam site or the right to use or damage the lands or property of others...it may acquire the same by the exercise of the right of eminent domain....



**Federal Energy
Regulatory
Commission**

16 U.S.C. §814



ALASKA STATE LEGISLATURE

SENATOR JOHN TORGERSON

CHAIR, SENATE RESOURCES COMMITTEE

CHAIR, SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

CHAIR, JOINT COMMITTEE ON NATURAL GAS PIPELINES

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Sectional Analysis of SB 278

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Sec. 3: AS 09.55.460 authorizes the court to divest the authority of its new title if it is ultimately shown that the taking was not necessary. Section 3 would amend AS 09.55.460(b) by authorizing the court to also divest the condemnor of title when it was ultimately shown that a "reasonable and diligent effort" to purchase the property had not

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been made. Without Section 3, Section 2 of the bill would be meaningless, since the state would be obliged to make a statement that the "reasonable and diligent effort" requirement had been met but the landowner would have no remedy in any case where the statement proved untrue.

Sec. 4: Sets an effective date of the Act.



ALASKA STATE LEGISLATURE

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By requiring a good faith effort to purchase and justify the state's authority of eminent domain, the landowner will have the benefit of full disclosure of information used by the state to determine the public purpose and legitimate value before property can be taken.

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The State of Alaska Department of Transportation recently took a portion of your property. Please respond to the following questions.

1. Were the people who contacted you from the State informative, courteous and fair?
2. Was the State's appraiser informative, courteous and fair?
3. Did the State provide you with a copy of their complete appraisal report and Market Data Book?
4. Were you able to settle with the State on the basis of that appraisal, and did you feel the compensation was adequate and fair? (If No, please answer the following questions.)
5. Did the appraisal fairly set forth the value of the Taking and the consequences to the Remainder Property?
6. In the appraisal of your property was the "BEFORE the Taking Value", based on the Highest and Best Use of the property rather than the existing use?
7. Were the following items fairly considered in analyzing the effects of the Right-of-way Taking on your property:
 - Loss of parking
 - Change in Highest and Best Use
 - Decline in Market Appeal
 - Change in the Business Use of the property
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8. Was it necessary for you to hire experts (attorney, appraiser, etc) to assist you in your negotiations?
 - What are the costs?
 - How much time have you spent?
9. Did the State fairly consider the damages to your property resulting from the Take?

Philip B. Evans
Owner, Association President
North Gate Square Commercial Condominiums

PO Box 85103
Fairbanks, AK 99708
(907) 479-5407

February 6, 2002

Senator Gary Wilken
State Capital Building
Juneau, AK 99801-1182

Dear Senator Wilken:

The State of Alaska Department of Transportation recently took a portion of my property to use for a road construction project. I would like to make you aware of my experience with them.

1. Prior to condemnation being filed, the person representing the State was courteous but misleading in attempting to convince me to accept a settlement that was completely unfair.
2. Prior to condemnation being filed, the State appraiser provided no meaningful information. She was quite insistent about her authority to be on my property and utilize space in a business located in the mall for her office. She was deceptively courteous and misleading in her attempt to promote an unfair evaluation of the property.
3. The State did not provide me a copy of their completed appraisal report and Market Data Book.
4. I was unable to settle with the State based on that appraisal because the compensation was totally inadequate and unfair.
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6. In the appraisal of my property, the "Before the Taking Value" was based on the current use of the property rather than the "Highest and Best Use" of the property.
7. The following items were not fairly considered when analyzing the effects of the Right-of-Way Taking on my property:
 - a. Loss of parking
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8. When it became apparent the State was misleading and unfair in their attempts to reach settlement, I hired an attorney and an appraiser to provide me accurate and fair counsel.
9. The State appraiser concluded that just compensation for the property taken and damages was \$80,229. The appraiser for North Gate Square and Philip Evans concluded that just compensation for property taken and damages was \$676,000. As a consequence, we proceeded to hearing.
10. Frank King, an appraiser, was appointed by the State to preside over the Master's Hearing. At the conclusion of the Hearing, Mr. King rendered a decision awarding \$324,000, for property taken and damages. Although this was approximately half of the amount sought, I decided rather than continue with litigation I would settle. The State subsequently appealed.

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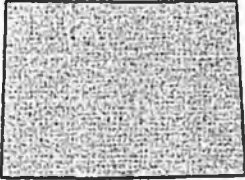

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Your assistance and interest in this proceeding is appreciated.

Sincerely,

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Appendix A: The Requirement to Negotiate in Other States

<u>State</u>	<u>Citation</u>	<u>Language</u>
	Model Eminent Domain Code	Uniform Law Commissioner's Model Eminent Domain Code 1974 Act §306 <i>Except as provided in Section 308, an action to condemn property may not be maintained over timely objection by the owner unless the condemnor made a good faith effort to acquire property by purchase before commencing the action.</i>
	Alabama	Ala. Code §18-1A-22 <i>Before commencing a condemnation action, the condemnor shall establish an amount based on an appraisal which it believes to be just compensation therefor and promptly shall submit to the owner an offer to acquire the property for the full amount so established. The amount shall not be less than the condemnor's established amount of just compensation for the property.</i>
	Colorado	Colo. Rev. Stat. §38-1-102 <i>In all cases where the right to take private property for public or private use without the owner's consent...is conferred by general laws...and the compensation to be paid for, in respect of property sought to be appropriated or damaged for the purposes mentioned, cannot be agreed upon by the parties interested; or in the case the owner of the property is incapable of consenting, or his name or residence is unknown, or he is a nonresident of the state, it is lawful for the party authorized to take or damage the property to apply to the judge....</i>
	Connecticut	Conn. Gen. Stat. §48-12 <i>The procedure for condemning land or other property for any of the purposes specified in sections..., if those desiring to take such property cannot agree with the owner upon the amount to be paid him for any property taken, shall be as follows:</i>



Idaho

Idaho Code
§7-707(6)

The complaint [for condemnation] must contain:

...
(6) In all cases where the owner of the lands sought to be taken resides in the county in which said lands are situated, a statement that the plaintiff has sought, in good faith, to purchase the lands so sought to be taken, or settle with the owner for the damages which might result to his property from the taking thereof, and was unable to make any reasonable bargain therefor, or settlement of such damages, but in all other cases these facts need not be alleged in the complaint, or proved.



Illinois

Ill. Rev. Stat.
§5/7-102

Where the right to take private property for public use...has been heretofore and shall hereafter be conferred by general law or special charter...and the compensation to be paid for or in respect of the property sought to be appropriated or damaged for the purposes mentioned cannot be agreed upon by the parties interested, or in case the owner of the property is incapable of consenting, or the owner's name or residence is unknown, or the owner is a nonresident of the state, the party authorized to take or damage the property...may apply to the circuit court...



Indiana

Ind. Code
§32-11-1-1

Before proceeding to condemn, such person, corporation or other body may enter upon any land for the purpose of examining and surveying the property sought to be appropriated or right sought to be acquired; and shall make an effort to purchase for the use intended such lands, right-of-way, easement or other interest therein or other property or right.



Kentucky

Ky. Rev. Stat. Ann. §416.550

Whenever any condemnor cannot, by agreement with the owner thereof, acquire the property right, privileges or easements needed...the condemnor may condemn such property...It is not a prerequisite to an action to attempt to agree with an owner who is unknown or who, after reasonable effort, cannot be found within the state or with an owner who is under a disability.



Michigan

Mich. Comp. Laws §213.55

Except as provided in section 25(4), before initiating negotiations for the purchase of property, the agency shall establish an amount which it believes to be just compensation and promptly shall submit to the owner a good faith offer to acquire the property for the full amount so established... If an agency is unable to agree with the owner for the purchase of the property, after making a good faith written offer to purchase the property, the agency may file a complaint for the acquisition of the property in the circuit court in the county in which the property is located.



Missouri

Mo. Rev. Stat. §523.010

In case land, or other property, is sought to be appropriated...and such corporation and the owners cannot agree upon the proper compensation to be paid, or in the case the owner is incapable of contracting, be unknown, or be a nonresident of the state, such corporation may apply to the circuit court...



Nebraska

Neb. Rev. Stat. §76-704

If any condemnee shall fail to agree with the condemnor with respect to the acquisition of property sought by the condemnor, a petition to condemn the property may be filed by the condemnor in the county court of the county where the property or some part thereof is situated.



**New
Hampshire**

N.H. Rev. Stat.
Ann. §498-A:4

Before making the offer provided for in paragraph II, the condemnor shall make reasonable efforts to negotiate with the condemnees or their personal representatives for the purchase of the property, but failure to confer or negotiate shall not be a defense to condemnation of the property.

...No property shall be taken unless the condemnor shall serve upon the condemnee a written notice of offer to purchase...



New Jersey

N.J. Rev. Stat.
§20:3-5

...[W]henver any condemnor...shall have determined to acquire land or other property pursuant to law...but cannot acquire title thereto or possession thereof by agreement with a prospective condemnee, whether by reason of disagreement concerning the compensation to be paid or for any other cause...the condemnation of such property...shall be governed...in the manner provided by this act;



**New
Mexico**

N.M. Stat. Ann.
§42A-1-4

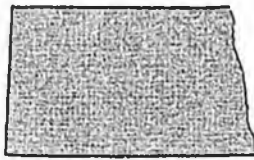
A condemnor shall make reasonable and diligent efforts to acquire property by negotiation.



New York

N.Y. Em. Dom.
Law §303

The condemnor shall make a written offer to acquire the property for one hundred per centum of the valuation so established. In no event shall such amount be less than the condemnor's highest approved appraisal. Wherever practicable, the condemnor shall make the offer prior to acquiring the property, and shall also, wherever practicable, include within the offer an itemization of the total direct, the total severance or consequential damages and benefits as each may apply to the property.



**North
Dakota**

N.D. Cent. Code
§32-15-06.1

A condemnor shall make every reasonable and diligent effort to acquire property by negotiation.



Ohio

Ohio Rev. Code
Ann §163.04

Appropriation shall be made only after the agency is unable to agree, for any reason, with the owner...or when any owner is incapable of contracting...or is unknown, or is not a resident of this state, or his residence is unknown to the agency and cannot with reasonable diligence be ascertained.



Oklahoma

Okla. Stat.
tit. 27, §13

Every reasonable effort shall be made to acquire, expeditiously, real property by negotiation.



Oregon

Or. Rev. Stat.
§35.235

...[T]he condemnor shall...attempt to agree with the owner with respect to the compensation to be paid therefor, and the damages, if any, for the taking thereof.



Texas

Tex. Prop. Code
Ann. §21.012

If the United States, [or] this state...wants to acquire real property for public use but is unable to agree with the owner of the property on the amount of damages, the condemning entity may begin a condemnation proceeding by filing a petition in the proper court.

The petition must...state that the entity and the property owner are unable to agree on the damages.



Vermont

Vt. Stat. Ann. tit.
24, §2805

When the location of a municipal building is determined...and the owner refuses to release or convey the same to such municipality for a reasonable price...the mayor...shall set out the necessary lands and cause the same to be surveyed. They shall appoint a time and place for hearing...



Virginia

Va. Code Ann.
§26-46.5

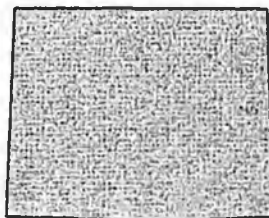
No proceedings shall be taken to condemn property until a bona fide but ineffectual effort has been made to acquire from the owner by purchase the property sought to be condemned, except where such consent cannot be obtained because of the incapacity of one or more of the owners or because one or more of such owners is unable to convey legal title to such property or is unknown or cannot with reasonable diligence be found in this State.



Wisconsin

Wis. Stat.
§32,06(2a)

Before making the jurisdictional offer under sub. (3) the condemnor shall attempt to negotiate personally with the owner or one of the owners...for the purchase of the property.



Wyoming

Wyo. Stat.
§1-26-509

A condemnor shall make reasonable and diligent efforts to acquire property by good faith negotiation.

And at the federal level...



**Federal
Uniform
Relocation and
Assistance and
Real Property
Acquisition
Policies Act of
1970**

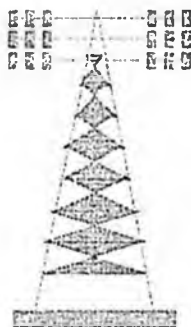
Sec. 301, P.L. 91-646
Note: Pursuant to §102 of the Act, the policies of §301 do not affect the validity of individual condemnation actions. However, they do govern the use of federal funds by states "to the greatest extent practicable under State law." Sec. 305(1).

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts...and to promote public confidence in Federal land acquisition practices...

(1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(2) Real property shall be appraised before the initiation of negotiations, and the owner...shall be given an opportunity to accompany the appraiser during his inspection of the property.

When a licensee cannot acquire by contract or pledges an unimproved dam site or the right to use or damage the lands or property of others...it may acquire the same by the exercise of the right of eminent domain....



**Federal Energy
Regulatory
Commission**

16 U.S.C. §814



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The enactment of this bill will bring fairness and expediency to government and other condemning authorities that require the acquisition of private lands for public uses. This bill is not trying to remove the authority of the state to take land by eminent domain. It will simply add a provision to ensure there is a good faith negotiation between government agencies and property owners before land is claimed under eminent domain.

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Mich. Comp.
Laws §213.55

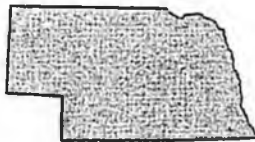
Except as provided in section 25(4), before initiating negotiations for the purchase of property, the agency shall establish an amount which it believes to be just compensation and promptly shall submit to the owner a good faith offer to acquire the property for the full amount so established... If an agency is unable to agree with the owner for the purchase of the property, after making a good faith written offer to purchase the property, the agency may file a complaint for the acquisition of the property in the circuit court in the county in which the property is located.



Missouri

Mo. Rev.
Stat.
§523.010

In case land, or other property, is sought to be appropriated...and such corporation and the owners cannot agree upon the proper compensation to be paid, or in the case the owner is incapable of contracting, be unknown, or be a nonresident of the state, such corporation may apply to the circuit court...



Nebraska

Neb. Rev.
Stat.
§76-704

If any condemnee shall fail to agree with the condemnor with respect to the acquisition of property sought by the condemnor, a petition to condemn the property may be filed by the condemnor in the county court of the county where the property or some part thereof is situated.



**New
Hampshire**

N.H. Rev. Stat.
Ann. §498-A:4

Before making the offer provided for in paragraph II, the condemnor shall make reasonable efforts to negotiate with the condemnees or their personal representatives for the purchase of the property, but failure to confer or negotiate shall not be a defense to condemnation of the property.

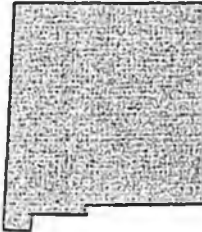
...No property shall be taken unless the condemnor shall serve upon the condemnee a written notice of offer to purchase...



New Jersey

N.J. Rev. Stat.
§20:3-5

...[W]henever any condemnor...shall have determined to acquire land or other property pursuant to law...but cannot acquire title thereto or possession thereof by agreement with a prospective condemnee, whether by reason of disagreement concerning the compensation to be paid or for any other cause...the condemnation of such property...shall be governed...in the manner provided by this act;.



**New
Mexico**

N.M. Stat. Ann.
§42A-1-4

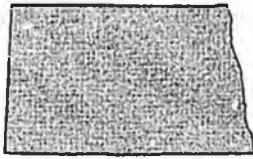
A condemnor shall make reasonable and diligent efforts to acquire property by negotiation.



New York

N.Y. Em. Dom.
Law §303

The condemnor shall make a written offer to acquire the property for one hundred per centum of the valuation so established. In no event shall such amount be less than the condemnor's highest approved appraisal. Wherever practicable, the condemnor shall make the offer prior to acquiring the property, and shall also, wherever practicable, include within the offer an itemization of the total direct, the total severance or consequential damages and benefits as each may apply to the property.



**North
Dakota**

N.D. Cent. Code
§32-15-06.1

A condemnor shall make every reasonable and diligent effort to acquire property by negotiation.



Ohio

Ohio Rev. Code
Ann §163.04

Appropriation shall be made only after the agency is unable to agree, for any reason, with the owner...or when any owner is incapable of contracting...or is unknown, or is not a resident of this state, or his residence is unknown to the agency and cannot with reasonable diligence be ascertained.



Oklahoma

Okla. Stat.
tit. 27, §13

Every reasonable effort shall be made to acquire, expeditiously, real property by negotiation.



Oregon

Or. Rev. Stat.
§35.235

...[T]he condemnor shall...attempt to agree with the owner with respect to the compensation to be paid therefor, and the damages, if any, for the taking thereof.



Texas

Tex. Prop. Code
Ann. §21.012

If the United States, [or] this state...wants to acquire real property for public use but is unable to agree with the owner of the property on the amount of damages, the condemning entity may begin a condemnation proceeding by filing a petition in the proper court.

The petition must...state that the entity and the property owner are unable to agree on the damages.



Vermont

Vt. Stat. Ann. tit. 24, §2805

When the location of a municipal building is determined...and the owner refuses to release or convey the same to such municipality for a reasonable price...the mayor...shall set out the necessary lands and cause the same to be surveyed. They shall appoint a time and place for hearing...



Virginia

Va. Code Ann. §26-46.5

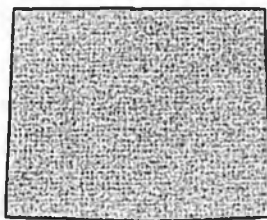
No proceedings shall be taken to condemn property until a bona fide but ineffectual effort has been made to acquire from the owner by purchase the property sought to be condemned, except where such consent cannot be obtained because of the incapacity of one or more of the owners or because one or more of such owners is unable to convey legal title to such property or is unknown or cannot with reasonable diligence be found in this State.



Wisconsin

Wis. Stat. §32,06(2a)

Before making the jurisdictional offer under sub. (3) the condemnor shall attempt to negotiate personally with the owner or one of the owners...for the purchase of the property.



Wyoming

Wyo. Stat. §1-26-509

A condemnor shall make reasonable and diligent efforts to acquire property by good faith negotiation.

And at the federal level...



**Federal
Uniform
Relocation and
Assistance and
Real Property
Acquisition
Policies Act of
1970**

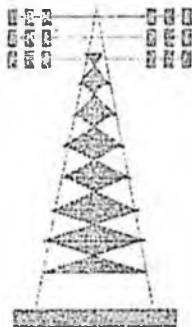
Sec. 301, P.L. 91-646
Note: Pursuant to §102 of the Act, the policies of §301 do not affect the vailidity of individual condemnation actions. However, they do govern the use of federal funds by states "to the greatest extent practicable under State law." Sec. 305(1).

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts...and to promote public confidence in Federal land acquisition practices...

(1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(2) Real property shall be appraised before the initiation of negotiations, and the owner...shall be given an opportunity to accompany the appraiser during his inspection of the property.

When a licensee cannot acquire by contract or pledges an unimproved dam site or the right to use or damage the lands or property of others...it may acquire the same by the exercise of the right of eminent domain....



**Federal Energy
Regulatory
Commission**

16 U.S.C. §814

LANDOWNER WINS BIG – PREVAILS IN ‘TAKING’ CASE!

From: <http://www.mountainstateslegal.com/litigator>

A long and hard fought battle for a New Mexico landowner, and for all property rights advocates nationwide, resulted in a stunning first stage victory for MSLF. On September 13, 2001, the U. S. Court of Federal Claims ruled that the Environmental Protection Agency (EPA) unconstitutionally took the property of Dr. Larry Squires, a rancher and veterinarian, when the EPA issued a May 1992 cease and desist order barring Squires’ use of his land. Squires had sought to use his arid land near Hobbs, where the evaporation rate exceeds rainfall by 100 inches annually. The EPA said that, every one or two hundred years, it rains hard enough in the area so that rain collects in the sinkholes pocketing Squires’ land. When birds land on the water, at least until the water evaporates, because the birds are “engaged in interstate commerce”, the water becomes “waters of the United States.”

Because the EPA order included a \$100,000 a day fine, Squires shut down his business use of the property, that is, disposing of waters produced during nearby oil and gas operations. With MSLF as his attorney, Squires sought a court judgment that the EPA order was unconstitutional. Both the Federal District Court and the Court of Appeals ruled that the EPA’s order was not “final” and could not be appealed. The Supreme Court declined to hear the case.

Again, with MSLF by his side, Squires demanded to be provided “just compensation” for the EPA’s taking of his “private property” for “public use”. Clinton Administration lawyers sought to prevent Squires’ case from being heard, erecting one stone wall after another. In January 2001, the U. S. Supreme Court declared the very rule by which Squires’ property was taken from him, the Migratory Bird Rule, unconstitutional. Shortly thereafter, Squires’ case went to trial.

The Court of Federal Claims held Squires’ property was “rendered economically without value by the EPA’s cease and desist order.” Squires’ legitimate, investment-backed expectations were thwarted. No economically viable uses remained. “We hold, therefore, that Squires’ property was ‘taken’ within the meaning of the Fifth Amendment and that the government must compensate Squires.” The court then ordered the parties to prepare documentation for the court’s determination of the amount of “just compensation” owed to Squires.

MSLF’s victory in this important case is huge. It may be one of the first rulings in the country holding that a statute that protects species and their habitat caused a taking. Not surprisingly, many are thrilled. “Great news! It holds promise for all of us in natural resources and agricultural production,” enthused Roni Bell of LaSalle, Colorado.

SB

312

Alaska State Legislature

SENATOR
GENE THERRIAULT

Mailing Address:
119 N. Cushman, Suite 101
Fairbanks, Alaska 99701
(907) 488-0857
Fax: (907) 488-4271



Senate

While in session
State Capitol
Juneau, Alaska
99801-1182
(907) 465-4797
Fax: (907) 465-3884

Senate District Q

REQUEST FOR HEARING

To: Senator John Torgerson, Chair
Community and Regional Affairs Committee

From: Senator Therriault, Chair *Gene Therriault*
Senate State Affairs

Subject: Request for hearing on SB 312

Date: 3/13/2002

I would like to respectfully request that Senate Bill 312 be scheduled for a hearing before the Senate Community and Regional Affairs Committee.

Senate Bill 312 would allow the governor to designate four areas of the state each year as "Enterprise Zones." This designation would authorize localities to offer incentives to attract business to a particular economically depressed area as well as establish state corporate income tax credits for initial investment and hiring additional employees after the first year.



Official Business

ALASKA STATE LEGISLATURE

SENATOR JOHN TORGERSON

- Chair, Senate Community & Regional Affairs Committee
- Chair, Senate Resources Committee
- Chair, Joint Committee on Natural Gas Pipelines

DATE: May 3, 2002

TO: Legislative Legal

FROM: Mary Jackson, Staff Senate C&RA

RE: SB 312 – Enterprise Zones

A handwritten signature in black ink, appearing to be "MJ", located to the right of the "FROM:" field.

The Senate C&RA Committee passed out SB 312 with 3 amendments. I am faxing them along with this cover letter. They are:

22-LS1430A.1 Bannister: 4/29/02

22-LS1480A.2 Bannister: 4/29/02

22-LS1480A.3 Bannister: 5/3/02

Please provide the committee substitute as soon as possible, so the bill can be read across the senate floor tomorrow.

Thank you for your time and effort.

4 PAGES TOTAL FAXED

PHILLIPS MOVED:
NO OBJ.

22-LS1480A.1
Bannister
4/29/02

AMENDMENT

OFFERED IN THE SENATE
TO: SB 312

PHILLIPS

1 Page 1, line 15, following "located;":

2 Insert "and"

3

4 Page 2, lines 3 - 6:

5 Delete "; and"

6 (4) an eligible neighborhood development organization must operate in
7 the area; in this paragraph, "eligible neighborhood development organization" has the
8 meaning given in 42 U.S.C. 5318a(a)"

Austerman Moved;
NO OBJ

22-LS1480\A.2
Bannister
4/29/02

AMENDMENT

OFFERED IN THE SENATE
TO: SB 312

AUSTERMAN

- 1 Page 2, line 8:
- 2 Delete ", if the city is not within a borough,"
- 3
- 4 Page 5, line 5:
- 5 Delete ", except a city that is located in a borough"
- 6
- 7 Page 5, lines 7 - 8:
- 8 Delete ", except a city located in a borough,"

PHILLIPS MOVED;
NO OBJ.

22-LS1480A.3
Bannister
5/3/02

AMENDMENT

OFFERED IN THE SENATE
TO: SB 312

PHILLIPS

- 1 Page 1, line 12, following "census":
- 2 Delete "used in the latest completed United States census"
- 3 Insert ", one or more contiguous block groups used in the latest completed United
- 4 States census, or a compact geographical area"

AMENDMENT

OFFERED IN THE SENATE

TO: SB 312

1 Page 1, line 12, following "census":

~~2 Delete "used in the latest completed United States census"~~

3 Insert ", one or more contiguous block groups used in the latest completed United

4 States census, or a compact geographical area"

Am #3
Phillip
intent was to
not delete

LII

legal information institute

[collection home](#)

US CODE COLLECTION

[search](#)[Prev](#) | [Next](#)[TITLE 42](#) > [CHAPTER 69](#) > Sec. 5318a.

Search this title:

[Notes](#)[Updates](#)[Parallel authorities \(CFR\)](#)[Topical references](#)**Sec. 5318a. - John Heinz Neighborhood Development Program****(a) Definitions**

For the purposes of this section:

(1)

The term "eligible neighborhood development activity" means -

(A)

creating permanent jobs in the neighborhood;

(B)

establishing or expanding businesses within the neighborhood;

(C)

developing, rehabilitating, or managing neighborhood housing stock;

(D)

developing delivery mechanisms for essential services that have lasting benefit to the neighborhood; or

(E)

planning, promoting, or financing voluntary neighborhood improvement efforts.

(2)

The term "eligible neighborhood development organization" means -

(A)**(i)**

an entity organized as a private, voluntary, nonprofit corporation

under the laws of the State in which it operates;

(ii)

an organization that is responsible to residents of its neighborhood through a governing body, not less than 51 per centum of the members of which are residents of the area served;

(iii)

an organization that has conducted business for at least one year prior to the date of application for participation;

(iv)

an organization that operates within an area that -

(I)

meets the requirements for Federal assistance under section 5318 of this title;

(II)

is designated as an enterprise zone under Federal law;

(III)

is designated as an enterprise zone under State law and recognized by the Secretary for purposes of this section as a State enterprise zone; or

(IV)

is a qualified distressed community within the meaning of section 1834a(b)(1) of title 12; and

(v)

an organization that conducts one or more eligible neighborhood development activities that have as their primary beneficiaries low- and moderate-income persons, as defined in section 5302(a)(20) of this title; or

(B)

any facility that provides small entrepreneurial business with affordable shared support services and business development services and meets the requirements of subparagraph (A).

(3)

The term "neighborhood development funding organization" means -

(A)

a depository institution the accounts of which are insured pursuant to the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) or the Federal Credit Union Act (12 U.S.C. 1751 et seq.), and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w))) thereof;

(B)

a depository institution holding company and any subsidiary thereof (as such term is defined in section 3(w) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w))); or

(C)

a company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.

(4)

The term "Secretary" means the Secretary of Housing and Urban Development.

(b) Duties of Secretary

(1)

The Secretary shall carry out, in accordance with this section, a program to support eligible neighborhood development activities by providing Federal matching funds to eligible neighborhood development organizations on the basis of the monetary support such organizations have received from individuals, businesses, and nonprofit or other organizations in their neighborhoods, and from neighborhood development funding organizations, prior to receiving assistance under this section.

(2)

The Secretary shall accept applications from eligible neighborhood development organizations for participation in the program. Eligible organizations may participate in more than one year of the program, but shall be required to submit a new application and to compete in the selection process for each program year. For fiscal year 1993 and thereafter, not more than 50 percent of the grants may be for multiyear awards.

(3)

From the pool of eligible neighborhood development organizations submitting applications for participation in a given program year, the Secretary shall select participating organizations in an appropriate number through a competitive selection process. To be selected, an applicant shall -

(A)

have demonstrated measurable achievements in one or more of the activities specified in subsection (a)(1) of this section;

(B)

specify a business plan for accomplishing one or more of the activities specified in subsection (a)(1) of this section;

(C)

specify a strategy for achieving greater long term private sector support, especially in cooperation with a neighborhood development funding organization, except that an eligible neighborhood development

organization shall be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible neighborhood development organization -

(i)

is located in an area described in subsection (a)(2)(A)(iv) of this section that does not contain a neighborhood development funding organization; or

(ii)

demonstrates to the satisfaction of the Secretary that it has been unable to obtain the cooperation of any neighborhood development funding organization in such area despite having made a good faith effort to obtain such cooperation; and

(D)

specify a strategy for increasing the capacity of the organization.

(c) Criteria for awarding grants

The Secretary shall award grants under this section among the eligible neighborhood development organizations submitting applications for such grants on the basis of -

(1)

the degree of economic distress of the neighborhood involved;

(2)

the extent to which the proposed activities will benefit persons of low and moderate income;

(3)

the extent of neighborhood participation in the proposed activities, as indicated by the proportion of the households and businesses in the neighborhood involved that are members of the eligible neighborhood development organization involved and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization -

(A)

is located in an (1) neighborhood that does not contain a branch or office of a neighborhood development funding organization; or

(B)

demonstrates to the satisfaction of the Secretary that it has been unable to obtain the participation of any neighborhood development funding organization that has a branch or office in the neighborhood despite having made a good faith effort to obtain such participation; and

(4)

the extent of voluntary contributions available for the purpose of subsection (e)(4) of this section, except that the Secretary shall waive the requirement of this subparagraph in the case of an application submitted by a small eligible neighborhood development organization, an application involving activities in a very low-income neighborhood, or an application that is especially meritorious.

(d) Consultation with informal working group

The Secretary shall consult with an informal working group representative of eligible neighborhood organizations with respect to the implementation and evaluation of the program established in this section.

(e) Matching funds for participating organizations

(1)

The Secretary shall assign each participating organization a defined program year, during which time voluntary contributions from individuals, businesses, and nonprofit or other organizations in the neighborhood, and from neighborhood development funding organizations, shall be eligible for matching.

(2)

Subject to paragraph (3), at the end of each three-month period occurring during the program year, the Secretary shall pay to each participating neighborhood development organization the product of -

(A)

the aggregate amount of voluntary contributions that such organization certifies to the satisfaction of the Secretary it received during such three-month period; and

(B)

the matching ratio established for such test neighborhoods under paragraph (4).

(3)

The Secretary shall pay not more than \$50,000 under this section to any participating neighborhood development organization during a single program year, except that, if appropriations for this section exceed \$3,000,000, the Secretary may pay not more than \$75,000 to any participating neighborhood development organization.

(4)

For purposes of paragraph (2), the Secretary shall, for each participating organization, determine an appropriate ratio by which monetary contributions made to participating neighborhood development organizations will be matched by Federal funds. The highest such ratios shall be established for neighborhoods having the smallest number of households or the greatest degree of economic distress.

(5)

The Secretary shall insure that -

(A)

grants and other forms of assistance may be made available under this section only if the application contains a certification by the unit of general local government within which the neighborhood to be assisted is located that such assistance is not inconsistent with the comprehensive housing affordability strategy of such unit approved under section 12705 of this title or the statement of community development activities and community development plans of the unit submitted under section 5304(m) of this title, except that the failure of a unit of general local government to respond to a request for a certification within thirty days after the request is made shall be deemed to be a certification; and

(B)

eligible neighborhood development activities comply with all applicable provisions of the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.).

(6)

To carry out this section, the Secretary -

(A)

may issue regulations as necessary;

(B)

shall utilize, to the fullest extent practicable, relevant research previously conducted by Federal agencies, State and local governments, and private organizations and persons;

(C)

shall disseminate information about the kinds of activities, forms of organizations, and fund-raising mechanisms associated with successful programs; and

(D)

may use not more than 5 per centum of the funds appropriated for administrative or other expenses in connection with the program.

(f) Authorization

Of the amounts made available for assistance under section 5303 of this title, \$1,000,000 for fiscal year 1993 (in addition to other amounts provided for such fiscal year) and \$3,000,000 for fiscal year 1994 shall be available to carry out this section.

(g) Short title

This section may be cited as the "John Heinz Neighborhood Development Act"

[1] So in original. Probably should be "a".

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[send email](#)

SITE: ANCHORAGE LIO

COMMITTEE: SCRA

DATE: May 3, 2002

SUBJECT OF MEETING:

SB 312

UPDATE #:



PLEASE SIGN IN

P R I N T YOUR NAME

ADDRESS (MAILING & ZIP)

REPRESENTING

DO YOU WANT
TO TESTIFY?
Y or N

Dan Dickinson		Dept of Rev	Y=SB312
Email address:			
Bob Poe		AIDEA/AEA	Y=SB312
Email address:			
Email address:			
Email address:			
Email address:			
Email address:			

AMENDMENT

~~1~~ 3

OFFERED IN THE SENATE

TO: SB 312

- 1 Page 1, line 12, following "census":
- 2 Delete: "used in the latest completed United States census"
- 3 Insert ", one or more contiguous block groups used in the latest completed United
- 4 States census, or a compact geographical area"

AMENDMENT #2

OFFERED IN THE SENATE

TO: SB 312

1 Page 2, line 8:

2 Delete ", if the city is not within a borough,"

3

4 Page 5, line 5:

5 Delete ", except a city that is located in a borough"

6

7 Page 5, lines 7 - 8:

8 Delete ", except a city located in a borough,"

AMENDMENT

OFFERED IN THE SENATE

TO: SB 312

1 Page 1, line 15, following "located;":

2 Insert "and"

3

4 Page 2, lines 3 - 6:

5 Delete "; and"

6 (4) an eligible neighborhood development organization must operate in
7 the area; in this paragraph, "eligible neighborhood development organization" has the
8 meaning given in 42 U.S.C. 5318a(a)"

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 312
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title An Act relating to enterprise zones BRU Community Assist & Econ. Dev. (405)
Component Community & Business Development
Sponsor Senate State Affairs Component No. 2486
Requester Senate Community & Regional Affairs

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	34.7	17.4	17.4	17.4	17.4	17.4
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	34.7	17.4	17.4	17.4	17.4	17.4

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.7	17.4	17.4	17.4	17.4	17.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	34.7	17.4	17.4	17.4	17.4	17.4

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	0.50	0.25	0.25	0.25	0.25	0.25
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would create a new state-administered program of enterprise zones. It requires that the department develop regulations to operate the program, including a formal application process and appeals process. The department would be required to annually perform analyses to determine if applications met specific requirements laid out in the legislation. The department would then prioritize applications and make recommendations to the Governor and the Legislature regarding appropriate enterprise zone incentives.

These requirements represent significant administrative duties that cannot be absorbed by existing staff. The department estimates that the new administrative functions would require an additional Development Specialist II position (Range 20a) for half of the first program year (during regulation and application process development); and, for a fourth of a position in subsequent years for general program administration.

Prepared by: Pat Poland, Director Phone 907-269-4580
Division: Community & Business Development Date/Time 3/22/02 5:21 PM
Approved by: Deborah B. Sedwick, Commissioner Date 3/22/2002
Agency: Department of Community & Economic Development

Alaska State Legislature

SENATOR
GENE THERRIALT

Mailing Address:
119 N. Cushman, Suite 101
Fairbanks, Alaska 99701
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Fa:: (907) 488-4271



Senate

While in session
State Capitol
Juneau, Alaska
99801-1182
(907) 465-4797
Fax: (907) 465-3884

Senate District Q

Senate Bill 312: "An act relating to enterprise zones"

Sponsor: Senate State Affairs Committee

Sponsor Statement

Senate Bill 312 will authorize the Governor to declare certain areas of Alaska "Enterprise Zones." An enterprise zone is an area that is in economic trouble with potential for rebuilding and growth. The bill is designed to offer economic incentives for business to locate their operations in the area and to hire people that reside in that area.

Traditionally, enterprise zones around the country have relied on credits or exemptions toward State taxes or fees. Since the State of Alaska has little in the way of taxes this bill will combine breaks from state taxes with the authorization for local communities to offer their own incentives for these zones. The possible state and city/borough incentives are as follows:

Local Incentives

- 1) Reduction of municipality's permit or user fees.
- 2) Credits toward of exemptions from property taxes.
- 3) Flexibility in regulations like zoning, permitting and exemptions from local ordinances.
- 4) Lease or sale of the municipality's real property within the zone as long as the property was not designated for public use.

State Incentives

- 1) 15% of the initial investment in the area would count as a credit to state corporate income taxes.
- 2) After a business operates in a zone for one year they would qualify for a \$500 corporate income tax credit for each new employee hired.

These incentives will allow and encourage business to invest and develop in areas of our state that have seen economic decline in the recent past. If the program becomes successful at the state level it would help some communities qualify for federal grants and federal tax exemptions offered by the Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA).

Passage of SB 312 will help to spur investment into areas of the state that have experienced economic downturn.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 13, 2002

SUBJECT: Sectional summary of SB 312
(Work Order No. 22-LS1480\A)

TO: Senator Gene Therriault
Attn: Zach

FROM: *TB*
Theresa L. Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Adds new sections in a new article dealing with enterprise zones.

Sec. 44.33.311. Authorizes the governor to designate up to four enterprise zones each year from a prioritized list. A designation lasts for 20 years.

Sec. 44.33.313. Lists the requirements for geographical areas to be eligible to be enterprise zones.

Sec. 44.33.315. Allows a borough, a unified municipality, and certain cities to apply to the Department of Community and Economic Development to have a geographical area designated an enterprise zone. Lists what information must be provided in the application.

Sec. 44.33.317. Limits to three the number of designated enterprise zones that may exist within a qualifying municipality at the same time.

Sec. 44.33.319. Lists the incentives that a qualifying municipality may identify in its application that it will provide to the area in the proposed zone.

Section 2. Adds the rest of the sections in the new enterprise zone article.

Sec. 44.33.321. Directs the department to verify the information and eligibility of areas proposed as enterprise zones. Directs the department to prioritize each year's applications

Senator Gene Therriault
March 13, 2002
Page 3

zone. Indicates how to calculate the number of new business facility employees that may be claimed for credit. Defines certain terms for the section.

Sec. 43.20.048. Defines certain terms for secs. 43.20.046 - 43.20.048.

Section 6. Adds implementation of the new enterprise zone article provisions to the department's duties.

Section 7. States that the bill's changes to the state's income tax chapter apply to tax years beginning on or after January 1, 2003.

If I may be of further assistance, please advise.

TLB:med
02-276.med

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
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State of Alaska

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Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 13, 2002

SUBJECT: Sectional summary of SB 312
(Work Order No. 22-LS1480\A)

TO: Senator Gene Therriault
Attn: Zach

FROM: *JB*
Theresa L. Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Adds new sections in a new article dealing with enterprise zones.

Sec. 44.33.311. Authorizes the governor to designate up to four enterprise zones each year from a prioritized list. A designation lasts for 20 years.

Sec. 44.33.313. Lists the requirements for geographical areas to be eligible to be enterprise zones.

Sec. 44.33.315. Allows a borough, a unified municipality, and certain cities to apply to the Department of Community and Economic Development to have a geographical area designated an enterprise zone. Lists what information must be provided in the application.

Sec. 44.33.317. Limits to three the number of designated enterprise zones that may exist within a qualifying municipality at the same time.

Sec. 44.33.319. Lists the incentives that a qualifying municipality may identify in its application that it will provide to the area in the proposed zone.

Section 2. Adds the rest of the sections in the new enterprise zone article.

Sec. 44.33.321. Directs the department to verify the information and eligibility of areas proposed as enterprise zones. Directs the department to prioritize each year's applications

according to certain listed items. Directs the department to use certain data from the latest completed U.S. census when determining the degree of economic distress of an area. Directs the department to transmit the prioritized list to the governor each year. If legislative action is needed to be able to use a particular incentive, directs the department to recommend the legislative action to the governor or the legislature.

Sec. 44.33.323. Allows a qualifying municipality that submits an application for an area to be designated an enterprise zone to appeal to the commissioner a determination that the area is not eligible to be an enterprise zone, a denial of the application (for a reason other than a determination of ineligibility), and the priority given to the application. States that the commissioner's determination may be appealed to the superior court. Directs the department to adopt regulations that establish the procedure for the appeal to the commissioner.

Sec. 44.33.325. Directs the department to establish by regulation deadlines for the submittal, review, and other administrative handling of applications. Directs that the deadlines be compatible with the deadlines for grant applications under 42.U.S.C. 5318a.

Sec. 44.33.327. Allows the department to adopt other regulations to implement the enterprise zone article. Directs that department regulations required or authorized for this article must be adopted under the state's Administrative Procedure Act.

Sec. 44.33.329. Defines terms for the enterprise zone article.

Section 3. Amends the municipal code to allow a borough, unified municipality, and certain cities to partially or totally exempt by ordinance from taxation the property in an enterprise zone or to provide tax credits on taxes due on property in an enterprise zone.

Section 4. Amends a subsection of the state's income tax chapter to state that the tax credit limitation imposed by the subsection does not apply to enterprise zone investment tax credits under sec. 43.20.046 or to tax credits for new business facility employees under sec. 43.20.047.

Section 5. Amends the state's income tax chapter by adding new sections to allow enterprise zone tax credits.

Sec. 43.20.046. Allows a taxpayer to apply against the taxpayer's tax liability for a tax year 15 percent of certain investments in a new business facility in an enterprise zone during the tax year. Prorates the tax credit if the taxpayer has not operated the new business facility for the entire tax year. Reduces the tax credit by a certain amount if the new business facility replaces another facility. Defines certain terms for the section.

Sec. 43.20.047. Allows a taxpayer who establishes a new business facility for at least one year in an enterprise zone to apply, as a tax credit for the first full income tax year of the new business facility, \$500 for each new business facility employee who works in the

Senator Gene Therriault
March 13, 2002
Page 3

zone. Indicates how to calculate the number of new business facility employees that may be claimed for credit. Defines certain terms for the section.

Sec. 43.20.048. Defines certain terms for secs. 43.20.046 - 43.20.048.

Section 6. Adds implementation of the new enterprise zone article provisions to the department's duties.

Section 7. States that the bill's changes to the state's income tax chapter apply to tax years beginning on or after January 1, 2003.

If I may be of further assistance, please advise.

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April 11, 2001

Representative Joe Hayes
Alaska State Legislature
State Capitol, Room 422
Juneau, AK 99801-1182

SB 312
Enterprise Zones
March 27, 2002

Senate CRA

Support Letters

Dear Representative Hayes:

Thank you for contacting me regarding Empowerment Zones and Enterprise Communities in relation to economic development opportunities in Alaska.

Over the course of the past fifty years, Congress has enacted several major economic development initiatives designed to revitalize some of the nation's more impoverished areas. The most recent actions came in the 1990's with the establishment of Empowerment Zones (EZ) and Enterprise Communities (EC). To date, Congress has authorized three rounds of designations for EZs and ECs. Empowerment Zones qualify for: (1) a 20-percent wage credit for the first \$15,000 of wages paid to a zone resident who works in the EZ, (2) an additional \$35,000 of section 179 expensing for a qualifying zone property, and (3) tax-exempt financing for certain qualifying zone facilities. Under the original law, each urban EZ is allocated \$100 million and each rural EZ is allocated \$40 million in block grant funds over the life of the program. Each of the urban and rural ECs are allocated approximately \$3 million in block grant funds.

Under this program, communities or states apply for recognition with the Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA). During the first round of applications, HUD and USDA received more than 500 nominations. The first round of designations produced 104 EZs and ECs. The second round of designations produced 20 additional EZs and 20 additional ECs. Late last year, Congress authorized the creation of an additional 9 EZs, seven for urban areas and 2 for rural areas. Under the law, these new EZs must be designated by January 1, 2002.

Based on information I have reviewed, Alaska received no rural EZ or EC designations in Round I and one Rural EC designation in Round II. That designation was given to Metlakatla. To date that community has received \$6,659,271 in federal, state and

private funding for its economic development initiatives under the program.

When Congress authorized Round III designations last year, we included a special computation provision for Alaska and Hawaii. Under the special rule, rural areas in Alaska and Hawaii may use median family income, rather than poverty, to determine their eligibility to apply for designation as a Round III Empowerment Zone. The authorizing legislation allows these states to employ either census tracts or block groups for determining eligibility. Census tracts or block groups in Alaska or Hawaii are eligible for Round III if at least 20 percent of the families residing within them have incomes that are 50 percent or less than the statewide median family income. For more information, you can visit the EZ/EC web page at www.ezec.gov/round3.

In addition to the EZ and EC designations, HUD and USDA have assisted communities through the Champion Communities program. The program is designed to help those communities which applied for EZ or EC status but were not given the designation. In 1994, more than 220 rural communities organized and completed the strategic planning process as part of their application for Round I of the EZ/EC Initiative. To assure that their important work produced continuing benefits to these communities, USDA designated them as "Champion Communities" and provided assistance to them. During Round II, 160 communities submitted applications and 15 of the 25 newly designated rural Empowerment Zone and Enterprise Communities were Champion Communities from Round I. Since 1999, USDA has formalized the Champion Communities program by inviting all the communities which submitted strategic plans to continue implementing their plans by signing agreements with USDA. Champion Community status is important because USDA Rural Development has funded more than \$260 million in development projects in Champion Communities since 1995 and other agencies have targeted funds and other initiatives to these areas. In addition, USDA Rural Development has sponsored conferences to train community leaders and promote networking among communities. It provides targeted technical assistance to Champions and gives them preference points in decisions on project funding. Alaska currently has three Champion Communities - The Northwest Arctic Borough, the Yukon Kuskowwim Delta Region and the Delta Region Economic Development Council.

Thank you for our inquiry.

With best wishes,

Cordially,



TED STEVENS
United States Senator

F-BNKS City Council

Introduced by: Councilman Kawasaki
Date: June 18, 2001

RESOLUTION 3925

A RESOLUTION IN SUPPORT OF HB 36: A BILL
PROVIDING FOR THE CREATION OF ENTERPRISE ZONES

WHEREAS, Enterprise Zones have been stimulating economic development in the United States for over 20 years by providing incentives for business development in impoverished areas; and

WHEREAS, in 1994, the Federal Government recognized the effectiveness of Enterprise Zones by instituting a Federal program named Empowerment Zones/Enterprise Communities; and

WHEREAS, the federal program has resulted in positive results in both urban and rural regions, including Metlakatla, Alaska; and

WHEREAS, HB 36 would establish a Statewide Enterprise Zone program to bring economic development to urban and rural communities in need; and

WHEREAS, HB 36 would establish a program consistent with the Alaskan politics of local control by offering an option, rather than a mandate; and

WHEREAS, HB 36 would expand local communities' authority to govern their own tax structure and to offer incentives for growth and business development; and

WHEREAS, HB 36 would allow local communities to choose the economic development incentive or incentives they feel best suits their communities from a short list of options; and

WHEREAS, HB 36 could facilitate access to federal economic development money for the identified communities through the Community Development Block Grant program; and

WHEREAS, designation as an Enterprise Zone under HB 36 could be used to fulfill some of the requirements for application to the EZ/EC Federal program;

3925

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Fairbanks, Alaska supports the passage of HB 36.

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to the Interior Delegation, Governor Tony Knowles and members of House State Affairs Committee.

PASSED AND APPROVED THIS 18th DAY OF JUNE, 2001.

James C. Hayes
for James C. Hayes, Mayor *Actual Mayor*

AYES:
NAYS:
ABSTAIN:

Nancy L. DeLeon
Nancy L. DeLeon, City Clerk