

CHAPTER 105

AN ACT

[H. B. 44]

To provide for the clearance of slum and blighted areas for development or redevelopment in accordance with plans approved by the governing body of cities; to authorize the Alaska Housing Authority to undertake slum clearance and urban redevelopment projects; to define the duties, liabilities, exemptions, and powers of said Authority hereunder, including the power to acquire and dispose of property, exercise the power of eminent domain, issue bonds and other obligations, and give security therefor, and enter into agreements to secure federal aid or contributions and comply with conditions imposed in connection therewith; to provide that the Authority, its property and securities shall be exempt from taxation and assessment; to authorize the transaction of business by such Authority hereunder; to authorize the acquisition and development of vacant areas in connection with the redevelopment of slum and blighted areas, upon approval of the governing body of the cities; to authorize public bodies to furnish funds, services, facilities, and property in aid of slum clearance and redevelopment projects hereunder; and to provide that obligations issued for slum clearance or redevelopment projects hereunder shall be legal investments.

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. Short Title

This Act shall be known and may be cited as the "Slum Clearance and Redevelopment Law". Short title.

Section 2. Findings and Declaration of Necessity

It is hereby found and declared that there exist in localities throughout the Territory, slum and blighted areas (as herein defined) which constitute a serious and growing menace, injurious and inimical to the public health, safety, morals and welfare of the residents of Findings and declaration of necessity.

the Territory; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection and other public services and facilities, constitutes an economic and social liability, substantially impairs or arrests the sound growth of municipalities and retards the provision of housing accommodations; that this menace is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided; that the elimination of slum conditions or conditions of blight, the acquisition and preparation of land in or necessary to the redevelopment of slum or blighted areas and its sale or lease for development or redevelopment in accordance with comprehensive plans and redevelopment plans of municipalities and any assistance which may be given by any public body in connection therewith, are public uses and purposes for which public money may be expended and private property acquired; and that the necessity in the public interest for the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

Section 3. Definitions

Definitions.

The following terms, whenever used or referred to in this Act, shall have the following meanings, unless a different meaning is clearly indicated by the context:

Authority.

(a) "Authority" shall mean Alaska Housing Authority.

(b) "Municipality" shall mean any city of any class. Municipality.

(c) "Public body" shall mean the Territory or any Public body. municipality, incorporated school district, public utility district, or other incorporated political subdivisions of the Territory.

(d) "Governing body" shall mean the council, Governing body. trustees, or other legislative body charged with governing the municipality.

(e) "Mayor" shall mean the mayor of the city or Mayor. the officer having the duties customarily imposed upon the executive head of a municipality.

(f) "Clerk" shall mean the clerk or other official Clerk. of the municipality who is the custodian of the official records of such municipality.

(g) "Housing Authority" shall mean Alaska Hous- Housing Authority. ing Authority.

(h) "Federal Government" shall include the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.

(i) "Area of operation" shall mean the Territory of Area of operation. Alaska.

(j) "Slum area" shall mean an area in which there Slum area. is a predominance of buildings or improvements (or which is predominantly residential in character), and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health,

transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

Blighted
area.

(k) "Blighted area" shall mean an area (other than a slum area) which by reason of the predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, tax or special assessment delinquency exceeding the fair value of the land, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

Redevelopment
project.

(1) "Redevelopment project" shall mean any work or undertaking:

Acquire
areas.

(1) To acquire slum areas or blighted areas or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance or redevelopment of such slum or blighted areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight:

Clear
areas.

(2) To clear any such areas by demolition or removal of existing buildings, structures, streets, utilities or other improvements thereon and to install, construct, or reconstruct streets, utilities, and site improvements essential to the preparation of sites for uses in accordance with a redevelopment plan;

(3) To sell, lease or otherwise make available land in such areas for residential, recreational, commercial, industrial or other use or for public use or to retain such land for public use, in accordance with a redevelopment plan. Sell or lease areas.

The term "redevelopment project" may also include the preparation of a redevelopment plan, the planning, survey and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project.

(m) "Redevelopment plan" shall mean a plan, other than a preliminary or tentative plan, for the acquisition, clearance, reconstruction, rehabilitation, or future use of a redevelopment project area. Redevelopment plan.

(n) "Redeveloper" shall mean any person, partnership, or public or private corporation or agency which shall enter or propose to enter into a redevelopment contract. Redeveloper.

(o) "Redevelopment contract" shall mean a contract entered into between the Authority and a Redeveloper for the redevelopment of an area in conformity with a redevelopment plan. Redevelopment contract.

(p) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens. Real property.

(q) "Bonds" shall mean any bonds (including re-funding bonds), notes, interim certificates, debentures, or other obligations issued by the Authority pursuant to Section 10 of this Act. Bonds.

Obligee. (r) "Obligee" shall include any bondholder, agents or trustees for any bondholders, or lessor demising to the Authority property used in connection with a redevelopment project, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the Authority.

Person. (s) "Person" shall mean any individual, firm, partnership, corporation, company association, joint stock association, or body politic; and shall include any trustee, receiver, assignee, or other similar representative thereof.

Section 4. Municipal Approval

Municipal approval. (a) The Authority shall not transact any business or exercise its powers hereunder within a municipality until or unless the governing body shall approve (by resolution, as herein provided) the exercise in such municipality of the powers, functions and duties of the Authority under this Act.

(b) The Governing body of a municipality shall not adopt a resolution pursuant to subsection (a) above unless it finds:

Conditions necessary to adopt plan.

(1) That one or more slum or blighted areas (as herein defined) exist in such municipality, or

(2) That the redevelopment of any slum or blighted area or areas (as herein defined) is necessary in the interest of the public health, safety, morals or welfare of the residents of such municipality.

(c) When the governing body of a municipality adopts a resolution as aforesaid, it shall promptly notify the Authority of such adoption.

(d) No commissioner or employee of the Authority shall voluntarily acquire any interest, direct or indirect, in any redevelopment project or in any property included or planned by the Authority to be included in any such project, or in any contract or proposed contract in connection with any such project. Where the acquisition is not voluntary such commissioner or employee shall immediately disclose such interest in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority. If any commissioner or employee of the Authority owns or controls or owned or controlled within the preceding two years, an interest, direct or indirect, in any property which he knows is included or planned by the Authority to be included in any redevelopment project, he immediately shall disclose such interest in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority, and such commissioner or employee shall not participate in any action by the Authority affecting such property. Any violation of the provisions of this section shall constitute misconduct in office and/or dereliction of duties of employment.

Disclosure
of interest
by employees.

Section 5. Powers of the Authority

In addition to all powers heretofore vested in, or granted to, the Alaska Housing Authority by any other law, the Alaska Housing Authority shall have, and is hereby granted, all the additional powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including the following powers in addition to others heretofore and herein granted:

Powers.

(a) To prepare or cause to be prepared and recommend redevelopment plans to the governing body of any municipality within its area of operation and to undertake and carry out redevelopment projects within its area of operation.

Prepare
plans.

Contract
for public
works and
utilities.

(b) To arrange or contract for the furnishing or repair, by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities for or in connection with a redevelopment project; and (notwithstanding anything to the contrary contained in this Act or any other provision of law), to agree to any conditions that it may deem reasonable and appropriate attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of a redevelopment project, and to include in any contract let in connection with such a project, provisions to fulfill such of said conditions as it may deem reasonable and appropriate.

Acquisition
of interest.

(c) Within its area of operation, to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, eminent domain or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary, or incidental to a redevelopment project; to hold, improve, clear or prepare for redevelopment any such property; to sell, lease, exchange, transfer, assign, subdivide, retain for its own use, mortgage, pledge, hypothecate or otherwise encumber or dispose of any real or personal property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of such property for residential, commercial, industrial, recreational purposes or for public purposes in accordance with the redevelopment plan and such other covenants, restrictions and conditions as the Authority may deem necessary to prevent a recurrence of slum or blighted areas or to effectuate the purposes of this Act; to make any of the covenants, restrictions or conditions of the foregoing contracts covenants running with the land, and to provide appropriate remedies for any breach of any

such covenants or conditions, including the right in the Authority to terminate such contracts and any interest in the property created pursuant thereto; to borrow money and issue bonds and provide security for loans or bonds; to insure or provide for the insurance of any real or personal property or operations of the Authority against any risks or hazards, including the power to pay premiums on any such insurance; and to enter into any contracts necessary to effectuate the purposes of this Act: Provided, however, that no statutory provision with respect to the acquisition, clearance or disposition of property by other public bodies shall restrict the Authority or other public body exercising powers hereunder, in such functions, unless the legislature shall specifically so state.

Issue
bonds.

(d) To invest any funds held in reserves or sinking funds or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to redeem its bonds at the redemption price established therein or to purchase its bonds at less than redemption price, all bonds so redeemed or purchased to be cancelled.

Invest
reserve
funds.

(e) To borrow money and to apply for and accept advances, loans, grants, contributions and any other form of financial assistance from the Federal Government, the Territory, municipality or other public body or from any sources, public or private, for the purposes of this Act, to give such security as may be required and to enter into and carry out contracts in connection therewith; the Authority, notwithstanding the provisions of any other law, may include in any contract for financial assistance with the Federal Government for a redevelopment project such conditions imposed pursuant to federal law as the Authority may deem reasonable and appropriate and which are not inconsistent with the purposes of this Act.

Incur
monetary
obligations.

Conduct
hearings.

(f) Acting through one or more commissioners or other persons designated by the Authority, to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths, and to issue commissions for the examination of witnesses who are outside of the Territory or unable to attend before the Authority, or excused from attendance; to make available to appropriate agencies or public officials (including those charged with the duty of abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or unsanitary structures or eliminating slums or conditions of blight within its area of operation) its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, safety, morals or welfare.

Surveys
and
appraisals.

(g) Within its area of operation, to make or have made all surveys, appraisals, studies and plans necessary to the carrying out of the purposes of this Act and to contract or cooperate with any and all persons or agencies, public or private, in the making and carrying out of such surveys, appraisals, studies and plans.

To implement
relocation
plans.

(h) To prepare plans and provide reasonable assistance for the relocation of families displaced from a redevelopment project area to permit the carrying out of the redevelopment project, to the extent essential for acquiring possession of and clearing such area or parts thereof.

Expenditures.

(i) To make such expenditures as may be necessary to carry out the purposes of this Act; and to make expenditures from funds obtained from the Federal Government and Territorial funds, including the Alaska Housing Authority Revolving Fund, without regard to any other laws pertaining to the making and approval

of appropriations and expenditures.

(j) To exercise all or any part or combination of powers herein granted.

Section 6. Preparation and Approval of Redevelopment Plans

(a) The Authority shall not acquire real property for a redevelopment project unless the governing body of the municipality has approved the redevelopment plan, as prescribed in subsection (i) below. Approval by local government.

(b) The Authority shall not prepare a redevelopment plan for a redevelopment project area unless the governing body of the municipality has, by resolution, declared such an area to be a slum or blighted area in need of redevelopment. Condition necessary for redevelopment.

(c) The Authority shall not recommend a redevelopment plan to the governing body of the municipality until a general plan for the physical development of the municipality has been prepared.

(d) The Authority may itself prepare or cause to be prepared a redevelopment plan or any person or agency, public or private, may submit such a plan to the Authority. A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements and the proposed land uses and building requirements in the redevelopment project area, and shall include without being limited to: Preparation of plans

(1) The boundaries of the redevelopment project Contents of plan

area, with a map showing the existing uses and conditions of the real property therein;

(2) A land use plan showing proposed uses of the area;

(3) Information showing the standards of population densities, land coverage and building intensities in the area after redevelopment;

(4) A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, building codes and ordinances;

(5) A site plan of the area; and

(6) A statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

(e) Prior to recommending a redevelopment plan to the governing body for approval, the Authority shall submit such plan to the planning commission, if any, of the area in which the redevelopment project area is located for review and recommendations as to its conformity with the general plan for the physical development of the area. The planning commission shall submit its written recommendations with respect to the proposed redevelopment plan to the Authority within thirty (30) days after receipt of the plan for review. Upon receipt of the recommendations of the planning commission or, if no recommendations are received within said thirty (30) days, then without such recommendations, the Authority may recommend the redevelopment plan to the governing body of the municipality for approval.

(f) Prior to recommending a redevelopment plan to the governing body for approval, the Authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted and harmonious development of the municipality and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage and other public utilities, schools, parks, recreational and community facilities and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, slums, or conditions of blight, and the provision of adequate, safe and sanitary dwelling accommodations.

Coordination
of plans
with local
community.

(g) The recommendation of a redevelopment plan by the Authority to the governing body shall be accompanied by the recommendations, if any, of the planning commission concerning the redevelopment plan; a statement of the proposed method and estimated cost of the acquisition and preparation for redevelopment of the redevelopment project area and the estimated proceeds or revenues from its disposal to redevelopers; a statement of the proposed method of financing the redevelopment project; and a statement of a feasible method proposed for the relocation of families to be displaced from the redevelopment project area.

Contents
of recommenda-
tions.

Public
hearings.

(h) The governing body shall hold a public hearing on any redevelopment plan or substantial modification thereof recommended by the Authority, after public notice thereof by publication in a newspaper of general circulation in the municipality once each week for two consecutive weeks, the last publication to be at least ten days prior to the date set for hearing, or, if there be no such newspaper, by posting such notice in three public places in the municipality at least ten days prior to the date set for hearing. The notice shall describe the time, date, place and purpose of the hearing and shall also generally identify the area to be redeveloped under the plan. All interested parties shall be afforded at such public hearing a reasonable opportunity to express their views respecting the proposed redevelopment plan.

Approval
after
hearing.

(i) Following such hearing, the governing body may approve a redevelopment plan if it finds that such plan is feasible and in conformity with the general plan for the physical development of the area. A redevelopment plan which has not been approved by the governing body when recommended by the Authority may again be recommended to it with any modifications deemed advisable.

Modification
of plan.

(j) A redevelopment plan may be modified at any time by the Authority provided that, if modified after the lease or sale of real property in the redevelopment project area, the modification must be consented to by the redeveloper or redevelopers of such real property or his successor or their successors in interest affected by the proposed modification. Where the proposed modification will substantially change the redevelopment plan as previously approved by the governing body the modification must similarly be approved by the governing body.

Section 7. Disposal of Property in Redevelopment Project

(a) The Authority may sell, lease, exchange or otherwise transfer real property or any interest therein in a redevelopment project area to any redeveloper for residential, recreational, commercial, industrial or other uses or for public use in accordance with the redevelopment plan, subject to such covenants, conditions and restrictions as it may deem to be in the public interest or to carry out the purposes of this Act; provided that such sale, lease, exchange or other transfer, and any agreement relating thereto, may be made only after, or subject to, the approval of the redevelopment plan by the governing body of the municipality. Such real property shall be sold, leased or transferred at its fair value for uses in accordance with the redevelopment plan notwithstanding such value may be less than the cost of acquiring and preparing such property for redevelopment. In determining the fair value of real property for uses in accordance with the redevelopment plan, the Authority shall take into account and give consideration to the uses and purposes required by such plan; the restrictions upon, and the covenants, conditions and obligations assumed by the redeveloper of, such property; the objectives of the redevelopment plan for the prevention of the recurrence of slum or blighted areas; and such other matters as the Authority shall specify as being appropriate. In fixing rentals and selling prices, the Authority shall give consideration to appraisals of the property for such uses made by land experts employed by the Authority.

(b) The Authority shall, by public notice published at least once a week for two consecutive weeks in a newspaper of general circulation in the municipality, or, if there be no such newspaper, by posting such notice in three public places in the municipality, prior to the consideration of any redevelopment contract proposal, invite proposals from, and made available all pertinent information to private redevelopers or any persons inter-

Property
disposal.

Public
notice
of plans.

ested in undertaking the redevelopment of an area, or any part thereof, which the governing body has declared to be in need of redevelopment. Such notice shall identify the area, and shall state that such further information as is available may be obtained at the office of the Authority. The Authority shall consider all redevelopment proposals and the financial and legal ability of the prospective redevelopers to carry out their proposals and may negotiate with any redevelopers for proposals for the purchase or lease of any real property in the redevelopment project area. The Authority may accept such redevelopment contract proposal as it deems to be in the public interest and in furtherance of the purposes of this Act, provided that the Authority has, not less than thirty (30) days prior thereto, notified the governing body in writing of its intention to accept such redevelopment contract proposal. Thereafter the Authority may execute such redevelopment contract in accordance with the provisions of subsection (a) and deliver deeds, leases and other instruments and take all steps necessary to effectuate such redevelopment contract. In its discretion, the Authority may, without regard to the foregoing provisions of this paragraph, dispose of real property in a redevelopment project area to private redevelopers for redevelopment under such reasonable competitive bidding procedures as it may prescribe, subject to the provisions of subsection (a).

When
Authority
may
accept
contract.

(c) The Authority may temporarily operate and maintain real property in a redevelopment project area pending the disposition of the property for redevelopment, without regard to the provisions of subsections (a) and (b) above, for such uses and purposes as may be deemed desirable even though not in conformity with the redevelopment plan.

Section 8. Eminent Domain

The Authority shall have the right to acquire by the

exercise of the power of eminent domain any real property which it may deem necessary within the boundaries of a redevelopment project or for its purposes under this Act after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. The Authority may exercise the power of eminent domain in the manner provided in Sections 57-7-1 to 57-7-23 of the Compiled Laws of Alaska, 1949, and acts amendatory thereof or supplementary thereto, or it may exercise the power of eminent domain in the manner now or which may be hereafter provided by any other statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired in like manner, provided that no real property belonging to the municipality or the Territory may be acquired without its consent.

Eminent
Domain.

Section 9. Acquisition and Development of Undeveloped Vacant Land.

Upon a determination, by resolution, of the governing body of the municipality that the acquisition and development of undeveloped vacant land, not within a slum or blighted area, is essential to the proper clearance or redevelopment of slum or blighted areas or a necessary part of the general slum clearance program of the municipality, the acquisition, planning, preparation for development or disposal of such land shall constitute a redevelopment project which may be undertaken by the Authority in the manner provided in the foregoing sections. The determination by the governing body shall be in lieu of the declaration required by Section 6 (b) above but shall not be made until the governing body finds that there is a shortage of decent, safe and sanitary housing in the municipality that such undeveloped vacant land will be developed for predominantly residential uses; and that the provision of dwelling accommodations on such undeveloped vacant land is necessary

Vacant
land
development.

to accomplish the relocation, in decent, safe and sanitary housing in the municipality, of families to be displaced from slum or blighted areas which are to be redeveloped.

Section 10. Issuance of Bonds.

Bond
issuance.

(a) The Authority shall have power to issue bonds from time to time in its discretion for any of its corporate purposes including the payment of principal and interest upon any advances for surveys and plans for redevelopment projects. The Authority shall also have power to issue refunding bonds for the purpose of paying or retiring or in exchange for bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds on which the principal and interest are payable:

Bond
redemption
methods.

(1) exclusively from the income, proceeds, and revenues of the redevelopment project financed with the proceeds of such bonds; or

(2) exclusively from the income, proceeds, and revenues of any of its redevelopment projects whether or not they are financed in whole or in part with the proceeds of such bonds;

Provided that any such bonds may be additionally secured by a pledge of any loan, grant or contributions, or parts thereof, from the Federal Government or other source, or a mortgage of any redevelopment project or projects of the Authority.

Bond
liability.

(b) Neither the commissioners of an Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of the Authority (and such bonds and obligations shall so state on their face) shall not be a debt of the municipality, the Territory or the

United States and neither the municipality, the Territory, nor the United States shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said Authority acquired for the purposes of this Act. The bonds shall not constitute an indebtedness within the meaning of any debt limitation or restriction. Bonds of the Authority are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempt from all taxes.

(c) Bonds of the Authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, not exceeding six per centum (6%) per annum, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

Type of
bonds.

(d) The bonds may be sold at public or private sale at not less than par.

Sale of
bonds.

(e) In case any of the commissioners or officers of the Authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this Act shall be fully negotiable.

Signatures.

(f) In any suit, action or proceedings involving the validity or enforceability of any bond of the Authority or the security therefor, any such bond reciting in substance that it has been issued by the Authority to aid in financing a redevelopment project, as herein defined, shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located and carried out in accordance with the purposes and provisions of this Act.

Bonding
Powers.

Section 11. Powers in Connection with Issuance of Bonds

(a) In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, the Authority, in addition to its other powers, shall have power:

Pledging
of revenues.

(1) To pledge all or any part of its gross or net rents, fees or revenues from redevelopment projects to which its right then exists or may thereafter come into existence;

Mortgage.

(2) To mortgage all or any part of its real or personal property in a redevelopment project then owned or thereafter acquired;

(3) To covenant against pledging all or any part of its rents, fees and revenues from redevelopment projects or against mortgaging all or any part of its real or personal property in a redevelopment project to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any redevelopment project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it;

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

Replacement
of bonds.

(5) To covenant (subject to the limitations contained in this Act) as to the amount of revenues to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds;

Control
of income.

(6) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

Prescribe
amending
procedure.

(7) To covenant as to the use, maintenance and replacement of any or all of its real or personal property in a redevelopment project, the insurance to be carried thereon and the use and disposition of insurance moneys, and to warrant its title to such property;

Insurance.

(8) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenants, condition or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such

Breach of
covenant.

declaration and its consequences may be waived;

Obligees
right to
enforce
payment.

(9) To vest in any obligees of the Authority the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; to vest in any obligee or obligees holding a specified amount in bonds the right, in the event of a default by said Authority, to take possession of and use, operate and manage any redevelopment project or any part thereof, title to which is in the Authority, or any funds connected therewith, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the Authority with such obligees; to provide for the powers and duties of such obligees and to limit the liabilities thereof; and to provide the terms and conditions upon which such obligees may enforce any covenant or rights securing or relating to the bonds; and

General
covenant
authority.

(10) To exercise all or any part or combination of the powers herein granted; to make such covenants (other than and in addition to the covenants herein expressly authorized) and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

Obligees
right on
default.

(b) The Authority shall have power by its resolution, trust, indenture, mortgage, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

(1) To cause possession of any redevelopment project or any part thereof, title to which is in the Authority, to be surrendered to any such obligee; Possession to obligee.

(2) To obtain the appointment of a receiver of any redevelopment project of said Authority or any part thereof, title to which is in the Authority, and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of, carry out, operate and maintain such project or any part thereof and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said Authority as the court shall direct; and Appointment of receiver.

(3) To require said Authority and the commissioner, officers, agents and employees thereof to account as if it and they were the trustees of an express trust. Accounting by Authority.

Section 12. Rights of Obligee.

An obligee of the Authority shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee: Obligee's rights.

(a) By mandamus, suit, action or proceeding at law or in equity to compel said Authority and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said Authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements of said Authority and the fulfillment of all duties imposed upon said Authority by this Act; and Mandamus.

(b) By suit, action or proceeding in equity, to en- Equity action.

join any acts or things which may be unlawful, or the violation of any of the rights of such obligee of said Authority.

Section 13. Bonds as Legal Investments

All public officers, municipal corporations, political subdivisions and public bodies; all banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business; all insurance companies, insurance associations, and other persons carrying on an insurance business; and all executors, administrators, curators, trustees, and other fiduciaries may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued by the Authority pursuant to this Act or by any public housing or redevelopment authority or commission, or agency or any other public body in the United States for redevelopment purposes, when such bonds and other obligations are secured by an agreement between the issuing agency and the Federal Government in which the issuing agency agrees to borrow from the Federal Government and the Federal Government agrees to lend to the issuing agency, prior to the maturity of such bonds or other obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such bonds or other obligations) will suffice to pay the principal of such bonds or other obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such bonds or other obligations at their maturity, and such bonds and other obligations shall be authorized security for all public deposits. It is the purpose of this section to authorize any persons, political sub-divisions and officers, public

or private, to use any funds owned or controlled by them for the purchase of any such bonds or other obligations. However, nothing contained in this section with regard to legal investments shall be construed as relieving any person of any duty of exercising reasonable care in selecting securities.

Section 14. Conveyance to Federal Government on Default

In any contract for financial assistance with the Federal Government, the Authority may obligate itself (which obligation shall be specifically enforceable and shall not constitute a mortgage, notwithstanding any other laws) to convey to the Federal Government possession of or title to the redevelopment project and land therein to which such contract relates which is owned by the Authority, upon the occurrence of a substantial default (as defined in such contract) with respect to the covenants or conditions to which the Authority is subject; such contract may further provide that in case of such conveyance, the Federal Government may complete, operate, manage, lease, convey or otherwise deal with the redevelopment project in accordance with the terms of such contracts: Provided, that the contract requires that, as soon as practicable after the Federal Government is satisfied that all defaults with respect to the redevelopment project have been cured and that the redevelopment project will thereafter be operated in accordance with the terms of the contract, the Federal Government shall reconvey to the Authority the redevelopment project as then constituted.

Default
and
conveyance
to Federal
Government.

Section 15. Property of Authority Exempt from Taxes and from Levy and Sale by Virtue of an Execution

(a) All property including funds of the Authority

Exemption
from levy
and sale.

shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall judgment against the Authority be a charge or lien upon its property provided, however, that the provisions of this section shall not apply to or limit the right of obligees to foreclose or otherwise enforce any mortgage of the Authority or the right of obligees to pursue any remedies for the enforcement of any pledge or lien given by the Authority on its rents, fees, grants or revenues.

Tax
exemption.

(b) The property of the Authority is declared to be public property used for essential public and governmental purposes and such property and the Authority shall be exempt from all taxes of the municipality, the Territory or any political subdivision thereof; provided that with respect to any property in a redevelopment project, the tax exemption provided herein shall terminate when the Authority sells, leases, or otherwise disposes of such property to a redeveloper for redevelopment.

Section 16. Cooperation by Public Bodies.

Limitation of
agreement
with
Public
Bodies

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

(1) Dedicate, sell, convey or lease any of its interest in any property, or grant easements, licenses or any other rights or privileges therein to the Authority;

(2) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished in connection with a redevelopment project;

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

(4) Plan or replan, zone or rezone any part of the public body or make exceptions from building regulations and ordinances if such functions are of the character which the public body is otherwise empowered to perform;

(5) Cause administrative and other services to be furnished to the Authority of the character which the public body is otherwise empowered to undertake or furnish for the same or other purposes;

(6) Incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section;

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

(8) Lend, grant or contribute funds to the Authority;

(9) Employ any funds belonging to or within the control of such public body, including funds derived from the sale or furnishing of property, service, or facilities to the Authority, in the purchase of the bonds or other obligations of the Authority and, as the holder of such bonds or other obligations, exercise the rights connected therewith; and

(10) Enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary), with the Authority respecting

action to be taken by such public body pursuant to any of the powers granted by this Act. If at any time title to, or possession of, any redevelopment project is held by any public body or governmental agency, other than the Authority, authorized by law to engage in the undertaking, carrying out or administration of redevelopment projects, including any agency or instrumentality of the United States of America, the provisions of such agreements shall inure to the benefit of and may be enforced by such public body or governmental agency.

(b) Any sale, conveyance, lease or agreement provided for in this section may be made by a public body without appraisal, public notice, advertisement or public bidding

Section 17. Report by the Authority

Report.

The Authority shall submit to the Legislature a biennial report, including a financial statement, covering its activities hereunder.

Section 18. Title of Purchaser

Title of purchaser.

Any instrument executed by the Authority and purporting to convey any right, title or interest in any property under this Act shall be conclusive evidence of compliance with the provisions of this Act insofar as title or other interest of any bona fide purchasers, lessees or transferees of such property is concerned.

Section 19. Additional Powers of Governing Body

Authority of municipal government.

Whenever the Authority is exercising its rights, powers and duties under this Act in the area adjacent to a municipality, the governing body of such municipality is hereby empowered, for the purposes of this Act, to prepare or cause to be prepared general plans for the physical development of such area (if the prep-

aration of such a plan is not otherwise authorized by law) and to approve redevelopment plans, and lend or grant funds and other assistance for the undertaking of redevelopment projects in such area and to take such other action with respect to such area or redevelopment projects therein as may be authorized or required by this Act of the governing body of the municipality.

Section 20. Preparation of General Plan by Local Governing Body

The governing body of any municipality, which is not otherwise authorized to create a planning commission with power to prepare a general plan for the development of the municipality, is hereby authorized and empowered to prepare such a general plan prior to the initiation and carrying out of a redevelopment project under this Act.

Local government may prepare plans.

Section 21. Separability of Provisions

Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Separability clause.

Section 22. Inconsistent Provisions

Insofar as the provisions of this Act are inconsistent with provisions of any other law, the provisions of this Act shall be controlling.

Interpretation.

Section 23. Legislative Intent

It is hereby declared to be the legislative intent herein to take full advantage of title 1 of the Housing Act

Intent of Act.

of 1949 (Public Law 171 81st Congress) and title 1 of the Territorial Enabling Act of 1950 (Public Law 615, 81st Congress).

Approved March 24, 1951.

CHAPTER 106

AN ACT

[H. B. 48]

Relating to providing aid to dependent children, increasing the maximum benefits therefor; defining "Dependent Child" and "Assistance"; amending Sections 51-2-31 and 51-2-33 ACLA 1949, as amended by Ch. 57 S.L.A. 1949; and fixing an effective date.

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. That Sec. 51-2-31 ACLA 1949, as amended by Ch. 57 S. L. A. 1949, is hereby amended to read as follows:

Definitions.

Section 51-2-31. Definitions. As used in this Act:

(a) "Welfare Department" means the Department of Public Welfare created by Chapter 3, Extraordinary Session Laws, 1937 (Sections 51-1-1—51-1-5 herein).

(b) "Dependent Child" means a needy child under the age of sixteen, or under the age of eighteen years if regularly attending school, who has been deprived of parental support or

Dependent
child.