

(5) In making a conveyance to an occupant, the home rule cities and cities of the first class shall include as a part of the tract conveyed and in addition to the occupied or developed lands, such additional tide and submerged lands as are reasonably necessary in the opinion of the governing body of the home rule cities and cities of the first class for the occupant's use and enjoyment of the occupied or developed land, but the conveyance shall not include any area which would unjustly deprive an occupant of adjoining lands from reasonable use and enjoyment of those lands or which, if developed, will interfere with navigation.

(6) Each home rule city and city of the first class receiving conveyances shall by ordinance provide for reasonable regulations governing the filing and processing of applications, publication of notices, and the adjudication

of disputes between claimants by the governing body of the home rule cities and cities of the first class. A party aggrieved by its determination may appeal to the superior court.

(7) When no preference right has been granted to purchase or lease tidelands, the home rule cities and cities of the first class may sell or lease the tidelands conveyed to them, and may impose terms or conditions for the sale or lease. Such terms and conditions shall include such reservations of rights of way as are necessary to provide reasonable access to public waters.

Sec. 2. AS 38.05.320(d) is amended by adding a new paragraph to read:

(8) For the purposes of this Act "home rule cities and cities of the first class" do not include a borough.

Approved April 22, 1964

## CHAPTER 82

### AN ACT

#### Defining "Alaska bidder" under the Fiscal Procedures Act.

(H.B. 329)

#### Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 37.05.230 is amended by adding a new paragraph to read:

(5) an "Alaska bidder", for the purpose of bid awards under (1)(B) of this section, is a person who

(A) holds a current Alaska

business license,

(B) submits a bid for goods or services under the name as appearing on his current Alaska business license,

(C) has maintained a place of business in the state for a period of six months immediately preceding the date of his bid.

Approved April 22, 1964

## CHAPTER 83

### AN ACT

#### To create permanent employment opportunities in redevelopment areas in the state by establishing industrial development projects in the areas; to promote and assist economic development by private enterprise; and providing for an effective date.

(H.B. 355)

#### Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 41 is amended by adding a new chapter to read:

### Chapter 30. Area Development.

**Sec. 41.30.010. Administrator.** The board of directors of the Alaska State Development Corporation shall administer this chapter. The duties and powers imposed on the board of directors by this chapter are entirely separate and apart from the duties and powers imposed on the board of directors by AS 44.59. The board of directors is entitled to transportation expenses and per diem authorized by law.

**Sec. 41.30.020. Powers of the Board of Directors.** The board of directors may, in making loans under sec. 40 of this chapter

(1) cooperate with political subdivisions, communities, and area development organizations, industries, enterprises, and persons in their efforts to promote the expansion of industrial and commercial activities in a redevelopment area;

(2) in the manner most advantageous to the state, dispose of an evidence of debt, a contract, a claim, personal property, or a security assigned to or held by it in connection with a loan made or an evidence of indebtedness purchased by it;

(3) collect or compromise obligations assigned to or held by it, or refer them to the Department of Law for suit or collection;

(4) manage, improve, or sell real property acquired by it.

**Sec. 41.30.030. Board of Director Regulations.** (a) The board of directors shall adopt procedural regulations describing

(1) how a person applies for a loan under this chapter, and his recourse if an application is disapproved;

(2) how it disposes of property under sec. 20(2) or (4) of this chapter; and

(3) how it collects or compromises obligations under sec. 20(3) of this chapter.

(b) The board of directors shall adopt substantive regulations imple-

menting the conditions in secs. 40 and 50 of this chapter.

**Sec. 41.30.040. Loans.** The board of directors may purchase evidence of indebtedness and make loans to aid in financing a project in a redevelopment area for industrial or commercial usage approved under federal law and qualifying for federal area redevelopment assistance.

**Sec. 41.30.050. Limitations on Loans.** (a) The board of directors may not purchase evidences of indebtedness or make loans to assist establishments to relocate from one area of the state to another.

(b) The board of directors may purchase evidences of indebtedness and make loans only if

(1) redevelopment projects for which assistance is requested have been approved by the board of directors;

(2) the project for which assistance is sought is reasonably calculated to provide more than a temporary alleviation of unemployment or underemployment within the redevelopment area; and

(3) the board of directors receives reasonable assurance of repayment.

(c) The board of directors shall not provide assistance in an amount that is more than 10 per cent of the aggregate cost, or more than \$50,000, to the applicant for the particular project.

(d) The board of directors may not make loans at an interest rate of less than four per cent.

(e) Assistance extended by the state under this Act shall in no event exceed the total aggregate of \$2,000,000.

**Sec. 41.30.055. Area Redevelopment Revolving Fund.** There is established an area redevelopment revolving fund which shall be administered by the board of directors exclusively for the purposes of this chapter. The fund is composed of money appropriated by the legislature to it and any other money made available for the purposes of this chapter.

**Sec. 41.30.060. Accounts and Deposit.** The commissioner of revenue is ex officio the treasurer and custodian of the fund and shall administer it as directed by the board of directors. The commissioner of revenue may make prudent investment of money in the fund which the board of directors decides is not immediately needed for the purposes of this chapter.

**Sec. 41.30.070. Repayment to General Fund.** All money made available to the fund from the general fund or a special fund is a loan from the general fund or the special fund. All surplus at the end of a fiscal year over amounts made available to the fund from the general fund or from any special fund shall be repaid to the general fund or the special fund until the loan is repaid in full. Repayments

need not begin until after the first five complete fiscal years after the fund is created.

**Sec. 41.30.080. Transfer of Funds upon Discontinuance of Federal Program of Area Redevelopment Assistance.** If the federal program of area redevelopment assistance is discontinued for any reason, or if this chapter is repealed, the money within the area redevelopment revolving loan fund shall revert to any special fund from which money was made available, in the amount that was made available, and the remainder to the general fund.

**Sec. 2.** This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 22, 1964

## CHAPTER 84

### AN ACT

**Relating to financing of redevelopment and urban renewal projects; and providing for an effective date.**

(C.S.H.B. 447)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. AS 18.55.570(a) is amended to read:

(a) The authority may issue bonds from time to time for any of its corporate purposes including the payment of principal and interest upon advances for surveys and plans for redevelopment projects. The authority may issue refunding bonds for the purpose of the payment or retirement or in exchange for bonds previously issued by it. The authority may issue the types of bonds it determines, including bonds on which the principal and interest are payable (1) exclusively from the income, proceeds, and revenues of the redevelopment project financed with the proceeds of the 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 the bonds; or (3) in whole or in part from taxes allocated to, and

paid into a special fund by a city, borough, or other taxing agency under the provisions of secs. 695 - 700 of this chapter. The bonds may be further secured by a pledge of all or any part of a loan, grant, or contribution from the federal government or from another source, or by a mortgage of a redevelopment project of the authority.

Sec. 2. AS 18.55 is amended by adding new sections to read:

**Sec. 18.55.695. Division of Taxes for Repayment of Loans.** A redevelopment or urban renewal plan may contain a provision that taxes, if any, levied upon taxable property in a redevelopment or urban renewal project each year by or for the benefit of the state, borough, city, including a home rule city or borough, or other public corporation, called "taxing agency" in secs. 695 - 700 of this chapter, after the effective date of the resolution or ordinance approving the redevelopment of urban renewal plan, shall be divided as follows: