



LAWS OF ALASKA

1966

Source:

SB 198 am by Conference Committee

Chapter No.:

60

AN ACT

To provide public buildings for the use of the state and its political subdivisions.

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

* Section 1. AS 18.55.010 is amended to read:

Sec. 18.55.010. PURPOSE OF SECS. 10 - 290 OF THIS CHAPTER. The purpose of secs. 10 - 290 of this chapter is to remedy the acute housing shortage that exists in certain localities of the state by undertaking slum clearance, low-cost housing projects, housing for persons and their families engaged in national defense activities in the state, and housing projects and housing for veterans of World War II and other citizens of the state and to remedy the short supply of necessary public buildings by providing for the financing, construction and acquisition of public buildings for lease to the state and its political subdivisions.

* Sec. 2. AS 18.55.100(a)(15) is amended to read:

(15) arrange or contract for the financing, design, construction and acquisition of public buildings

for lease to the state or a political subdivision of the state in accordance with secs. 10 - 290 of this chapter.

* Sec. 3. AS 18.55 is amended by adding a new section to read:

Sec. 18.55.105. LEASE OF AUTHORITY'S PUBLIC BUILDINGS TO POLITICAL SUBDIVISIONS. (a) A public building owned by the authority may not be leased to a political subdivision of the state except upon execution of a prior agreement of lease of the premises between the state and the authority. An agreement of lease shall grant an option to the state to apply rental payments made under the lease towards purchase of the premises and receive conveyance of title upon satisfaction of the purchase price. The purchase price shall be a sum equal to all costs of the authority in financing, designing, constructing and acquiring the premises leased and shall include the cost of amortizing indebtedness incurred for those purposes. Total rental payments required under the lease shall equal the purchase price of the premises leased. Upon execution of an agreement of lease between the state and the authority, the state may sublease or assign its interest in the lease to a political subdivision which satisfies the requirements of (b) of this section. A sublease or lease assignment shall include the same option of purchase and right to conveyance of title upon satisfaction of the purchase price as is afforded the state in its agreement of lease with the authority. In case of a sublease to a political subdivision, the state shall covenant with the sublessee that it will not exercise its option to purchase the premises subleased during the term of the sublease.

(b) A political subdivision may qualify for a sublease or assignment of the state's interest in a lease with the authority as authorized by (a) of this section only if

(1) the premises which are the subject of the sublease or lease assignment are sought as a replacement for a local facility which is condemned, destroyed by fire or other calamity, or is certified by a state official to be inadequate, unsafe, or otherwise unsatisfactory under the laws of the state for its intended use;

(2) the purchase price of the premises does not exceed \$2,500,000;

(3) the amount of total indebtedness outstanding on all premises subleased or assigned by the state under this section does not exceed \$7,500,000;

(4) the political subdivision agrees to assign to the state, as security for payments required under the proposed sublease or lease assignment, receipts of state taxes shared with the political subdivision, to the extent of the amount of any default in payments required under the proposed sublease or lease assignment;

(5) the Department of Commerce investigates and certifies to the governor the feasibility of a proposed sublease or lease assignment, including but not limited to certification of the fiscal capacity of the political subdivision to meet payments required under the proposed sublease or lease assignment;

(6) the proposed sublease or lease assignment is ratified by referendum vote of a majority of the qualified voters voting in a regular or special local election

provided that the voters are apprised specifically on the ballot of

(A) the term of years of the proposed sublease or lease assignment;

(B) the amount of required payments;

(C) the security required under (4) of this subsection;

(D) the option to purchase and right of conveyance; and

(E) other terms and conditions of the proposed sublease or lease assignment, as determined by the governing body of the political subdivision;

(7) the proposed sublease or lease assignment is ratified by the legislature by concurrent resolution.

(c) If a political subdivision party to a sublease or lease assignment authorized by this section fails to make timely payment of sums due to be paid under the sublease or lease assignment, the state, upon not less than 90 days' notice to the governing body of the political subdivision, may assess, levy and collect taxes within the political subdivision in an amount equal to the payments due and limited to those taxes which the political subdivision is authorized to assess, levy and collect under other provisions of law. Assessment, levy, collection and enforcement of collection shall be at the time and in the manner authorized the political subdivision under other provisions of law.

* Sec. 4. AS 18.55.288(2) is amended to read:

(2) "public buildings" means a publicly owned structure leased to the state or a political subdivision of

the state for governmental, public or educational use;