



LAWS OF ALASKA

1977

Source

Chapter No.

CSHB 72 am S

139

AN ACT

Relating to the creation of historical and tourism revolving loans; and providing for an effective date.

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

* Section 1. INTENT. It is the intent of the legislature to foster an awareness of the need to preserve our historic past; to protect those visible aspects of our invaluable heritage so that present and future generations may continue to be enriched by the originality and strength of Alaska's architectural and cultural beginnings.

* Sec. 2. AS 29.48 is amended by adding new sections to read:

Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The governing body of a general law or home rule municipality may establish a historical district commission or designate the planning and zoning commission or itself to serve as the historical district commission.

Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS.
(a) In addition to existing municipal authority providing for the preservation, protection, and maintenance of historic sites, the local historical district commission established under sec. 108 of this chapter, in consultation with the Historic Sites Advisory Committee within the Department of Natural Resources, may establish a historical district within the boundaries of the municipality.

(b) A historical district shall be a reasonably compact area of historical significance in which two or more structures important in state or national history, and related by physical proximity or historical association, are located. For purposes of this section, "structures important in state or national history" means properties recommended by historical district commissions, which are listed

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in the National Register of Historic Places or are characteristic of the Russian-American period before October 18, 1867, the early territorial period before 1930, or early Native heritage, reflecting the indigenous characteristics of Native culture in Alaska. Upon recommendation of the governing body of a general law or home rule municipality and the Historic Sites Advisory Committee, the Department of Natural Resources may by regulation formulate additional criteria for the establishment of historical districts not inconsistent with this subsection.

(c) The establishment of a historical district under this section shall be consistent with any applicable comprehensive plan for the municipality.

* Sec. 3. AS 45 is amended by adding a new chapter to read:

CHAPTER 98. HISTORICAL DISTRICT REVOLVING LOAN FUND.

Sec. 45.98.010. CREATION OF HISTORICAL DISTRICT REVOLVING LOAN FUND. There is created in the Department of Commerce and Economic Development a historical district revolving loan fund.

Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and plan approval by a local historical district commission established under AS 29.48.108 and the recommendation of a majority of the members of the Historic Sites Advisory Committee, the Department of Commerce and Economic Development may make loans to a person, firm, business or municipality subject to applicable laws for the restoration, improvement, rehabilitation, or maintenance of a structure which is

(1) within the boundaries of a historical district established under AS 29.48.110;

(2) identified as important in state or national history as provided for in AS 29.48.110(b); and

(3) another building or structure within a historical district, and suitable for superficial modification so that it can conform to the period or motif of the surrounding buildings or structures that are the reason for the area's designation as a historical district.

Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes of administering this chapter, the Department of Commerce and Economic Development may

(1) prescribe the form and procedure for submitting loan applications under this chapter;

(2) designate agents and delegate powers to them as is necessary;

(3) in consultation with the Historic Sites Advisory Committee, adopt regulations necessary to carry out its functions, including regulations for the process of plan approval by the committee;

(4) establish amortization plans for the

repayment of loans not to exceed 30 years.

Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chapter are subject to the following limitations:

- (1) state participation in all loans in the aggregate, for any one historical district qualifying under this chapter may not exceed \$1,500,000;
- (2) state participation in a loan for the restoration, improvement, rehabilitation or maintenance of any one building or structure qualifying under this chapter may not exceed \$100,000;
- (3) the loan shall be secured by acceptable collateral and may not exceed 85 per cent of the appraised value of the collateral offered as security;
- (4) the rate of interest may not exceed six and one-half per cent a year on the unpaid balance of the state's share of the loan;
- (5) a participating financial institution shall administer and service the loan for a reasonable fee not exceeding one-quarter of one per cent;
- (6) the state has a lien on the property accepted as collateral to the extent of its portion of the loan; when the lien or notice of the lien is properly recorded it is superior to all other liens except those for taxes and special assessments; a lien of the participating financial institution, to the extent of its portion of the loan after it is properly recorded, is superior to all other liens except liens for taxes, special assessments, and the lien of the state.

Sec. 45.98.050. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The commissioner of commerce and economic development or his designee may sell or transfer at par value or at a premium or discount to any bank or other private purchaser for cash or other consideration the mortgages and notes held by the Department of Commerce and Economic Development as security for loans made under this chapter.

(b) The commissioner of commerce and economic development or his designee may sell or transfer at par value to the Department of Revenue, the mortgages and notes held by the Department of Commerce and Economic Development as security for loans made under this chapter. The Department of Revenue may purchase the mortgages and notes offered.

Sec. 45.98.060. PENALTY PROVISION. After a project for which a loan is granted is commenced, if the Department of Commerce and Economic Development or a local historical district commission, in consultation with the Historic Sites Advisory Committee, determines that the project is inconsistent with the guidelines or stipulations for construction, or otherwise fails to conform to the requirements of the loan, the interest rate on the state's share of the loan shall be increased to the highest rate of interest allowed at that time as provided in AS 45.45.010. In addition, a

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penalty in the amount of two per cent of the balance of the loan shall be assessed by the Department of Commerce and Economic Development.

Sec. 45.98.070. SHORT TITLE. This chapter may be cited as the Historical District Loan Act.

* Sec. 4. AS 41.35.180 is amended by adding a new paragraph to read:

(5) consult with local historical district commissions regarding the establishment of historical districts under AS 29.48.108 - 29.48.110 and the approval of project alterations under AS 45.98.040; recommend, if appropriate, the formulation of additional criteria for the designation of historical districts under AS 29.48.110(b); approve plans for and evaluate the suitability of specific structures for purposes of loan eligibility and continuance under the historical district revolving loan fund (AS 45.-98); and consult with the Department of Commerce and Economic Development relative to the adoption of regulations for historical district loans under AS 45.98.

* Sec. 5. AS 45.90.030(a) is amended to read:

(a) State participation in a loan to a business may not be more than \$3,000,000.

* Sec. 6. AS 45.95.020(a) is amended to read:

(a) The commissioner shall, under regulations and policies adopted by him, make small business loans to acquire, finance or refinance or equip businesses, including farming equipment, mining and fishing, not exceeding \$300,000. The loans shall be secured by acceptable collateral and may not exceed 75 per cent of the appraised value of the collateral offered as security. The rate of interest may not exceed eight per cent a year on the unpaid balance.

* Sec. 7. Section 5 of this Act takes effect immediately in accordance with AS 01.10.070(c).