

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Transmitted by Director of Legislative Research pursuant to joint order.

N I N E T Y - F I F T H L E G I S L A T U R E

Legislative Document

No. 807

H. P. 1228

House of Representatives, February 20, 1951

Referred to the Committee on Judiciary. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Burkett of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-ONE

**AN ACT to Create a Public Body in the City of Portland to be Known as
the Slum Clearance and Redevelopment Authority.**

Be it enacted by the People of the State of Maine, as follows:

Section 1. Short title. This chapter shall be known and may be cited as the "Slum Clearance and Redevelopment Authority Law."

Section 2. Findings and declaration of necessity. It is hereby found and declared that there exist in the city of Portland 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 said city of Portland; 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; that such areas constitute an economic and social liability, substantially impair or arrest the sound growth of said city of Portland and retard the provision of housing accommodations; that this menace is beyond remedy and control solely by regula-

tory process in the exercise of the police power and can not 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 development of slum or blighted areas and its sale or lease for development or redevelopment in accordance with the master plan and redevelopment plans of said city of Portland and any assistance which may be given by any state 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. The following terms, wherever used or referred to in this law, shall have the following meanings, unless a different meaning is clearly indicated by the context:

- (a) "Authority" or "Slum Clearance and Redevelopment Authority" shall mean a public body, corporate and politic, created by or pursuant to section 4.
- (b) "Public body" shall mean the state, board, commission, authority, district or any other subdivision or public body of the state.
- (c) "City council" shall mean the city council of the city of Portland.
- (d) "Clerk" shall mean the city clerk of the city of Portland or other official of said city of Portland who is the custodian of the official records of said city of Portland.
- (e) "Federal government" shall include the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.
- (f) "Area of operation" shall mean the area within the territorial boundaries of the city of Portland.
- (g) "Blighted area" shall mean any area which, by reason of the dilapidation, deterioration, age or obsolescence of the buildings or improvements therein; inadequate provision for ventilation, light, air, sanitation or open spaces; high density of population and overcrowding; excessive land coverage; mixture of incompatible land uses; defective land planning such as inadequate street layout and faulty lot layout, insanitary or unsafe conditions; improper or obsolete platting; or the existence of conditions which endanger life or property by fire and other causes; or any combination of such factors, impairs the sound growth of the municipi-

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

(h) "Slum area" shall mean a blighted area in an extreme state of deterioration and decay.

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

(1) To acquire slum areas or blighted areas or portions thereof, including land, structures or improvements not in themselves deteriorated, the acquisition of which is necessary or incidental to the proper clearance, development or redevelopment of such slum or blighted areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight;

(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.

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.

(j) "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.

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

(l) "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.

(m) "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.

(n) "Bonds" shall mean any bonds, including refunding bonds, notes, interim certificates, debentures or other obligations issued by the Authority pursuant to this law.

(o) "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.

(p) "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. Creation of slum clearance and redevelopment authority.

(a) There is hereby created in the city of Portland a public body corporate and politic, to be known as the "Slum Clearance and Redevelopment Authority"; provided, however, that such Authority shall not transact any business or exercise its powers hereunder until or unless the city council of the city of Portland shall approve by resolution, as herein provided, the exercise in said city of the powers, functions and duties of an Authority under this law.

(b) The city council shall not adopt a resolution pursuant to subsection

(a) above unless it finds:

(1) that one or more slum or blighted areas exist in said city, and

(2) that the redevelopment of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of said city.

(c) When the city council adopts a resolution as aforesaid, if the resolution adopted is one approving the exercise of powers hereunder by a Slum Clearance and Redevelopment Authority created for said city, the city council shall appoint a board of commissioners of such Authority which shall consist of 5 commissioners. The commissioners who are first appointed pursuant to this law shall be designated to serve for terms of 1, 2, 3, 4 and 5 years, respectively, from the date of their appointment, but thereafter commissioners shall be appointed as aforesaid for a term of

office of 5 years, except that all vacancies shall be filled for the unexpired term.

(d) A commissioner of the Authority shall receive no compensation for his services, but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. Each commissioner shall hold office until his successor has been appointed and qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk, and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

The powers hereunder vested in the Slum Clearance and Redevelopment Authority shall be exercised by the board of commissioners thereof. Four of the commissioners shall constitute a quorum of such board for the purpose of conducting business and exercising the powers of the Authority and for all other purposes. When a quorum is present, action may be taken by the board upon a vote of a majority of the commissioners present, unless in any case the by-laws of the Authority shall require a larger number. Meetings of the board of the Authority may be held anywhere within the perimeter boundaries of the city of Portland. Any public official, elected or appointed, or employee of the city of Portland, or any other person resident within said city, may be appointed as commissioner of the Authority.

The commissioners of the Authority shall elect a chairman and vice-chairman from among the commissioners. The Authority may employ an executive director, technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. For such legal services as it may require, the Authority shall first call upon the office of the corporation counsel of the city of Portland and compensation may be paid for such services. If said office is unable to provide the Authority with the necessary legal services, the Authority may employ its own counsel and legal staff. The Authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

(e) For inefficiency or neglect of duty or misconduct in office, a commissioner of the Authority may be removed by the city council, but a commissioner shall be removed only after a hearing and after he shall have been given a copy of the charges at least 10 days prior to such hearing and have had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceeding, together with the charges and findings thereon, shall be filed in the office of the clerk.

(f) In any suit, action or proceeding involving the validity or enforcement of or relating to any contract of, or bonds issued by, the Authority, the Authority shall be conclusively deemed to have become established and authorized to transact business and exercise its powers hereunder upon proof of the adoption of the appropriate resolution prescribed in subsection (a) above. Each such resolution shall be deemed sufficient if it authorizes the exercise of powers hereunder by the Authority and finds in substantially the terms provided in subsection (b), no further detail being necessary, that the conditions therein enumerated exist. A copy of such resolution duly certified by the clerk shall be admissible in evidence in any suit, action or proceeding.

(g) 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. A commissioner or employee who owns or controls any interest, direct or indirect, in such property shall not participate in any action by the Authority affecting the property. If any commissioner or employee of the Authority owned or controlled within the preceding 2 years an interest, direct or indirect, in any property 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. Upon such disclosure, 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.

Section 5. Powers of the Authority. The Authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this law, including the following powers in addition to others herein granted:

(a) To sue and to be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instrument necessary or convenient to the exercise of the powers of the Authority; and to make and from time to time amend and repeal by-laws, rules and regulations, not inconsistent with this law, to carry out the provisions of this law.

(b) To prepare or cause to be prepared by the planning board or other agency, public or private, and to recommend redevelopment plans to the city council, and to undertake and carry out redevelopment projects within its area of operation.

(c) To arrange or contract for the furnishing or repair, by any person or agency, public or private, or 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 law 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.

(d) 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 law; 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 law. Provided, how-

ever, that not statutory provision with respect to the acquisition, clearance or disposition of property by other public bodies shall restrict the Authority exercising powers hereunder, in such functions, unless the legislature shall specifically so state.

(e) To invest any funds held in reserves or sinking funds or any funds not required for immediate disbursement, in property or securities in which saving 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.

(f) 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 state, the city of Portland, or other public body or from any sources, public or private, for the purposes of this law, to give such security as may be required and to enter into and carry out contracts in connection therewith; and 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 law.

(g) 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 state or unable to attend before the Authority, or excused from attendance; to make available to appropriate agencies, including those charged with the duty of abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or insanitary 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.

(h) Within its area of operation, to make or have made by the planning board or other agency, public or private, all surveys, appraisals, studies and plans, but not including the preparation of a master plan for the city, necessary to the carrying out of the purposes of this law, and to contract or cooperate with any and all persons or agencies, public or pri-

vate, in the making and carrying out of such surveys, appraisals, studies and plans.

(i) 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.

(j) To make such expenditures as may be necessary to carry out the purposes of this law; and to make expenditures from funds obtained from the federal government without regard to any other laws pertaining to the making and approval of appropriations and expenditures, except insofar as conditions shall be prescribed for this purpose by the city council.

(k) 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 city council of the city of Portland has approved by resolution the redevelopment plan, as prescribed in subsection (h) of this section.

(b) The Authority shall not recommend a redevelopment plan to the city council until a master plan for the development of the city has been prepared as set forth in section 87 of chapter 80 of the revised statutes of 1944.

(c) 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, and shall include without being limited to:

- (1) The boundaries of the redevelopment project area, with a map showing the existing uses and condition 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.

(d) Prior to recommending a redevelopment plan to the city council for approval, if such plan has not been prepared by the planning board, the Authority shall submit the plan to the planning board for review and recommendations as to its conformity with the master plan for the redevelopment of the city as a whole. The planning board shall submit its written recommendations with respect to the proposed redevelopment plan to the Authority within 45 days after receipt of the plan for review. Upon receipt of the recommendations of the planning board or, if no recommendations are received within said 45 days, then without such recommendations, the Authority may recommend the redevelopment plan to the city council for approval.

(e) Prior to recommending a redevelopment plan to the city council 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 master plan, a coordinated, adjusted and harmonious development of said city 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 insanitary or unsafe dwelling accommodations, slums or conditions of blight, and the provisions of adequate, safe and sanitary dwelling accommodations.

(f) The recommendation of a redevelopment plan by the Authority to the city council shall be accompanied by the recommendations, if any, of the planning board concerning the redevelopment plan ; a statement of the proposed method and estimated cost of the acquisition and prepara-

tion 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 area.

(g) The city council shall hold a public hearing on any redevelopment plan or substantial modification thereof recommended by the Authority, after reasonable public notice thereof by publication at least 3 days in a newspaper published in the city of Portland, the time of the hearing to be at least 10 days from the last publication, or, if there be no such newspaper, by posting such notice in at least 3 public places within said city at least 10 days preceding the day on which the hearing is to be held. 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.

(h) Following such hearing, the city council may approve by resolution a redevelopment plan, if it finds that said plan is feasible and in conformity with the master plan for the development of the city as a whole; provided that, if the planning board disapproves any redevelopment plan, the plan shall not be deemed approved except by the favorable vote of 7 members of the city council. A redevelopment plan which has not been approved by the city council when recommended by the Authority may again be recommended to it with any modification deemed advisable.

(i) 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 city council, the modification must similarly be approved by the city council.

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 law; 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 city council. 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 purpose 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 by publication once each week for 2 consecutive weeks in a newspaper published in the city of Portland, or, if there be no such newspaper, by posting such notice in at least 3 public places within the community, prior to the consideration of any redevelopment contract proposal, invite proposals from, and make available all pertinent information to private developers or any persons interested in undertaking the redevelopment of an area, or any part thereof, which the city council 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 developers to carry out their proposals and may negotiate with any developers 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 law, provided that the city council has approved by resolution the acceptance of 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 subsection, dispose of real property in a redevelopment project area to private developers

for redevelopment under such reasonable competitive bidding procedures as the city council may prescribe or approve, subject to the approval of the redevelopment contract proposal by resolution of the city council.

(c) In carrying out a redevelopment project, the Authority may :

(1) Convey to the city of Portland such real property as, in accordance with the redevelopment plan, it to be laid out into streets, alleys and public ways ;

(2) Grant servitudes, easements and rights of way for public utilities, sewers, streets and other similar facilities in accordance with the redevelopment plan ; and

(3) Convey to the city of Portland or other appropriate public body, such real property as, in accordance with the redevelopment plan, is to be used for parks, schools, public buildings, facilities or other public purposes.

(d) 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) of this section, 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 all or any part of the real property, or any interest therein, within the redevelopment project area, by the exercise of the power of eminent domain, whenever it shall be judged by the Authority that the acquisition of said real property or the interest therein is in the public interest and necessary for the public use.

(a) The necessity for such acquisition shall be conclusively presumed upon the adoption by the Authority of a resolution declaring that the acquisition of the real property, or interest therein, described in such resolution is in the public interest and necessary for the public use and that such real property, or interest therein, is included in an approved redevelopment project under this law. Within 3 months after the adoption of such resolution, the Authority shall cause to be filed in the registry of deeds for the county of Cumberland a copy of such resolution of the Authority, together with a plat of the real property, or interest therein, described and a statement, signed by the chairman of the Authority, that such real property, or interest therein, is taken pursuant to the provisions of this law. Thereupon, the Authority shall file in the superior

court for the county of Cumberland a statement of the sum of money estimated by said Authority to be just compensation for the real property taken.

(b) Upon the filing of the copy of such resolution, plat and statement in said registry of deeds, the filing in the superior court of the statement, and the depositing in said superior court, to the use of persons entitled thereto, of such sum as the court shall determine to be amply sufficient to satisfy the claims of all persons interested in real property, and the court may, in its discretion, take evidence on the question to determine the sum to be deposited, title to such real property, or interest therein, shall vest in the Authority in fee simple absolute and said Authority thereupon may take possession of said real property, or interest therein.

(c) No sum so paid into the court shall be charged with clerk's fees of any nature. After the filing of such copy, plat and statement, notice of the taking of such real property, or interest therein, shall be served upon the owners of and persons having an estate in and interested in such real property by a sheriff or his deputies by leaving a true and attested copy of such description and statement with each of such persons personally, or at their last and usual place of abode in this state with some person living there. If any such persons are non-residents of the state, a true and attested copy of the notice shall be sent by registered mail, return receipt requested, to such persons at their last known address. In the event that ownership or interest in the real property can not be ascertained after due and diligent search, an award shall be made to persons unknown for the value of said property and said amount shall be deposited in said superior court. If, during the period of 2 years after the depositing of such funds, no person has been able to prove ownership of such real property, or interest therein, the superior court shall return said sum so deposited to the Authority. After the filing of such resolution, plat and statement, the Authority shall cause a copy of such resolution and statement, which statement shall set forth the names of the persons having an estate in such real property and the amount awarded to them, to be published in some newspaper published in the city of Portland at least once a week for 3 successive weeks. If any person shall agree with the Authority for the price of the real property, or interest therein, so taken, the court upon the application of the parties in interest may order that the sum agreed upon be paid forthwith from the money deposited, as the just compensation to be awarded in said proceeding.

(d) Any owner of or persons entitled to any estate in or interested in any part of the real property, or interest therein, so taken, who cannot

agree with said Authority for the price of the real property, or interest therein, so taken in which he is interested as aforesaid, may, within 3 months after personal notice of said taking, or, if he have no personal notice, may within 1 year from the 1st publication of the copy of such resolution and statement referred to in the preceding subsection of this law, apply by petition to the superior court in and for the county of Cumberland, setting forth the taking of his real property, or interest therein, and praying for an assessment of damages by a jury. Upon filing of such petition, the said court shall cause 20 days' notice of the pendency thereof to be given to such Authority by serving the chairman of the Authority with a certified copy thereof, and may proceed after such notice to the trial thereof; and such trial shall determine all questions of fact relating to the value of such real property, or interest therein, and the amount thereof, and judgment shall be entered upon the verdict of such jury and execution shall be issued therefor against the money so deposited in said court. In case the Authority is in doubt as to conflicting ownership or interests, the Authority may petition the said superior court for a determination of the various rights and amounts due. In case 2 or more conflicting petitioners make claim to the same real property, or to any interests therein or to different interests in the same parcel of real property, said court, upon motion, shall consolidate their several petitions for trial at the same time by the same jury, and may frame all necessary issues for the trial thereof; and all proceedings taken pursuant to the provisions of this law shall take precedence over all other civil matters then pending before said court. Appeal from the decision of the superior court may be made in like manner as provided for appeals in civil cases.

(e) If any real property, or interests therein, in which any infant or other person not capable in law to act in his own behalf is interested, are taken by such Authority under the provisions of this law, said superior court, upon the filing therein of any such petition by or in behalf of such infant or other person, may appoint a guardian ad litem for such infant or other person, and such guardian may appear and be heard in behalf of such infant or other person; and such guardian may also, with the advice and consent of said superior court and upon such terms as said superior court may prescribe, release to such Authority all claims for damages for the real property of such infant or other person or for any such interests therein. Any lawfully appointed, qualified and acting guardian or other fiduciary of the estate of any such infant or other person, with the approval of the court of probate within this state

having jurisdiction to authorize the sale of real property within this state of any such infant or other person, may, before the filing of any such petition, agree with such Authority upon the amount of damages suffered by such infant or other person by any taking of his real property or of his interests in any real property and may, upon receiving such amount, release to such Authority all claims of damages of such infant or other person for such taking.

(f) Whenever, from time to time, the Authority has satisfied said Superior court that the amount deposited with said court is greater than is amply sufficient to satisfy the claims of all persons interested in said real property, said court may order that the amount of any such excess shall be repaid by the Authority. Whenever the Authority has satisfied the court that the claims of all persons interested in the real property taken have been satisfied, the unexpended balance shall be paid forthwith to such Authority.

(g) In any proceedings for the assessment of compensation and damages for real property or interest therein taken or to be taken by eminent domain by the Authority, the following provisions shall be applicable:

(1) At any time during the pendency of such action or proceedings, the Authority or an owner may apply to said court for an order directing an owner or the Authority, as the case may be, to show cause why further proceedings should not be expedited, and said court may upon such application make an order requiring that the hearings proceed and that any other steps be taken with all possible expedition.

(2) If any of the real property, or interest therein, included within the project is devoted to a public use, it may nevertheless be acquired, and the taking shall be effective, provided that no real property or interest therein, belonging to the city of Portland, or to any government shall be acquired without its consent, and that no real property or interest therein belonging to a public utility corporation may be acquired without the approval of the public utilities commission or other officer or tribunal having regulatory power over such corporation. Any real property, or interest therein, already acquired by the Authority may nevertheless be included within such taking for the purpose of acquiring any outstanding interests in such real property.

(3) The term "owner" as used in this section shall include a person having an estate, interest or easement in the real property to be acquired or a lien, charge or encumbrance thereon.

Section 9. Acquisition and development of undeveloped vacant land. Upon a determination by resolution of the city council 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 area or a necessary part of the general slum clearance program of the city of Portland, 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 city council shall not be made until the city council finds that there is a shortage of decent, safe and sanitary housing in the city of Portland; that such undeveloped vacant land will be developed for predominantly residential uses; and that the provisions of dwelling accommodations on such undeveloped vacant land is necessary to accomplish the relocation in decent, safe and sanitary housing in said city of families to be displaced from slum or blighted areas which are to be redeveloped.

Section 10. Issuance of bonds.

(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:

- (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, however, 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 sources, or a mortgage of any redevelopment project or projects of the Authority.

(b) Neither the commissioners of the 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 city of Portland nor the state, and neither the city of Portland nor the state 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 law. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Bonds of the Authority are declared to be issued for an essential public and governmental purpose and to be public instrumentalities 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 6% per year, 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.

(d) The bonds may be sold by the Authority at public or private sale at not less than par plus accrued interest.

(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 commissioner 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 law shall be fully negotiable.

(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 law.

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 :

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

(2) To mortgage all or any part of its real or personal property, then owned or thereafter acquired ;

(3) To covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property, 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 ;

(5) To covenant, subject to the limitations contained in this law, 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 ;

(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 ;

(7) To covenant as to the use, maintenance and replacement of any or all of its real or personal property, the insurance to be carried there-

on and the use and disposition of insurance moneys, and to warrant its title to such property ;

(8) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, 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 declaration and its consequences may be waived ;

(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

(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.

(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 ;

(2) To obtain the appointment or 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

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

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:

(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 law; and

(b) By suit, action or proceeding in equity to enjoin 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 law 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 subdivisions 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 or 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 contracts 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 contract; 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.

Section 15. Property of authority exempt from taxes and from taxes and from levy and sale by virtue of an execution.

(a) All property, including funds of the Authority, 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.

(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 city of Portland, the state or any political subdivision thereof; provided that with respect to any property in a redevelopment project, the tax exemption provided herein terminate when the Authority sells, leases or otherwise disposes of such property to a redeveloper for redevelopment.

Section 16. Cooperation by public bodies.

(a) For the purpose of aiding and cooperating in the planning, undertaking or carrying out of a redevelopment project, the city of Portland or any other 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 city or make exceptions from building regulations and ordinances if such functions are of the character which the city is otherwise empowered to perform;

(5) Cause administrative and other services to be furnished to the Authority of the character which the city or other 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 the city or other 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 the city or other 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 the city or any such public body pursuant to any of the powers granted by this law. 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 the city of Portland or other public body without appraisal, public notice, advertisement or public bidding.

Section 17. Grant of funds by the city. The city may grant funds to the Authority for the purpose of aiding the Authority in carrying out any of its powers and functions under this law. To obtain funds for this purpose, the city may levy taxes and may issue and sell its bonds. Any bonds to be issued by the city pursuant to the provisions of this section shall be issued in the manner and within the limitations, except as herein otherwise provided, prescribed by the laws of this state for the issuance and authorization of bonds by the city for any public purpose.

Section 18. Annual report. The Authority shall at least once a year file with the city council a report of its activities for the preceding year, and shall make any recommendations with reference to any additional legislation or other action that may be necessary in order to carry out the purposes of this law.

Section 19. Title of purchaser. Any instrument executed by the Authority and purporting to convey any right, title or interest in any property under this law shall be conclusive evidence of compliance with the pro-

visions of this law insofar as title or other interest of any bona fide purchasers, lessees or transferees of such property is concerned.

Section 20. 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 law, or the application thereof to any person or circumstances, is held invalid, the remainder of the law 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.

Section 21. Inconsistent provisions. Insofar as the provisions of this law are inconsistent with the provisions of any other law, the provisions of this law shall be controlling.

Section 22. Additional conferred powers. The powers conferred by this law shall be in addition and supplemental to the powers conferred by any other law.

Referendum. This act shall take effect 90 days after the adjournment of the legislature only for the purpose of permitting its submission to the qualified voters of the city of Portland at the regular municipal election to be held in Portland on the 1st Monday in December, A. D. 1951, and a warrant shall be issued for such election in the same manner as is provided by law for the holding of municipal elections. For the purpose of such election, the city clerk shall reduce the subject matter of this act to the following question: "Shall the 'Slum Clearance and Redevelopment Authority Law,' passed by the 95th legislature, be accepted?" The voters shall indicate by a cross or check mark placed within a square on their ballot, under the words "yes" or "no," their opinion of the same. If a majority of the valid ballots cast on this question favor acceptance, this law shall become effective immediately upon declaration of the vote by the municipal officers of the city of Portland; provided the total number of votes cast for and against the acceptance of this act equals or exceeds 20% of the total vote for all candidates for governor cast in said city at the next preceding gubernatorial election. If a majority of the valid ballots cast on this question do not favor the acceptance of this law, the municipal officers may submit this law to the qualified voters of the city of Portland at any subsequent regular municipal election or elections, which shall be held and conducted in the same manner as hereinbefore set forth.

The result of said elections shall be declared by the municipal officers of the city of Portland and due certificate thereof shall be filed by the city clerk with the secretary of state.