

**OPINION  
56-222**

September 8, 1956            (OPINION)

URBAN RENEWAL

RE: Loan From City Contingency Fund

As you know, this office has been requested to render an opinion on whether or not the City of Fargo may properly make a loan of funds out of its contingency fund to the Urban Renewal Agency of Fargo, a public corporation, so that body may pay salaries and expenses that are accruing during the time a contract is being negotiated with the federal government.

Chapter 281 of the 1955 Session Laws creates in North Dakota an "Urban Renewal Law." Section 7 of that chapter provides:

"Every municipality shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including the following powers in addition to others herein granted:

1. To undertake and carry out urban renewal projects within its area of operation; and to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this Act; and to disseminate slum clearance and urban renewal information.

\* \* \*

5. 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, county, or other public body, or from any sources, public or private, for the purposes of this Act, and to give such security as may be required and to enter into and carry out contracts in connection therewith. A municipality may include in any contract for financial assistance with the federal government for an urban renewal project such conditions imposed pursuant to federal law as the municipality may deem reasonable and appropriate and which are not inconsistent with the purposes of this Act.

\* \* \*

8. To appropriate such funds and make such expenditures as may be necessary to carry out the purposes of this Act, and to levy taxes and assessments for such purposes; to close, vacate, plan or replan streets, roads, sidewalks, ways or other places; to plan or replan, zone or rezone any part of the municipality or make exceptions from building regulations; and to enter into agreements with a housing authority or an urban renewal agency vested with urban renewal project powers under section 15 of this Act (which

agreements may extend over any period, notwithstanding any provision or rule of law to the contrary), respecting action to be taken by such municipality pursuant to any of the powers granted by this Act. \* \* \*"

Section 13 of the same chapter provides:

- "1. For the purpose of aiding in the planning, undertaking or carrying out of an urban renewal 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:
  - a. Dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or other rights or privileges therein to a municipality;
  - b. Incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section;
  - c. Do any and all things necessary to aid or cooperate in the planning or carrying out of an urban renewal plan;
  - d. Lend grant or contribute funds to a municipality; \* \* \*  
\*."

In view of the broad powers granted a municipality in the above sections, we are of the opinion that the city may properly make the loan in question. You understand, of course, that this office is not passing on the constitutionality of this Act itself.

LESLIE R. BURGUM

Attorney General