

OPINION
57-223

October 21, 1957 (OPINION)

URBAN RENEWAL

RE: Money Dispensed Through City Treasurer

This is in reply to your letter to this office in regard to financial operation of the urban renewal agency of your city. The question involved is stated in your letter of September 26, 1957, as "* * * whether or not all of the funds and grants received by the Urban Renewal Agency of the City * * * shall be dispensed through the office of the City Treasurer and audited by the City Commission?"

The legislative act concerned, chapter 281 of the 1955 Session Laws, is a relatively new act in this state. We find no decisions of the Supreme Court of this state directly concerning the operations of this act pertinent to the point concerned. Any answer to your question must therefore be dependent primarily upon an original interpretation and construction of the terms of the act itself.

The urban renewal agency is by the terms of the act expressly declared to be "a public body corporate and politic", however, we note that this entity does not have original taxing powers. There is no provision in the statute for fiscal officers of the agency, such as, for example, treasurer, auditor, examiner, etc., nor is there provision for budgetary or accounting systems to be used, except that provision for a financial report. We note in this respect the extensive legislation enacted in this state, providing for the duties and qualifications of such officers, and for budget and accounting systems, in school districts, cities, villages, park districts, etc.

The statute contains a very broad specification of a city's authority under said statute to appropriate funds, levy taxes, etc. under section 7, subsection 8 of the act, but also and in very specific terms excepts from the powers given to the agency by a definition of the term "urban renewal project powers" the power to appropriate funds, levy taxes and other powers enumerated in section 7, subsection 8, (See: Section 15, subsection 2). It would appear only logical that a quasi-municipal entity having authority to issue warrants or draw checks would further have authority to make appropriations from its fund.

In view of the very express specifications of the other general powers and authority given to the agency, in view of the express exceptions of the power to make appropriations, and in view of the failure to provide financial and fiscal officers and regulations, it is our opinion that the Legislature did not confer, and did not intend to confer upon urban renewal agencies the authority to directly dispense funds and grants, but that such funds and grants must be dispensed through the offices of the City Treasurer and audited by the City Commission.

LESLIE R. BURGUM

Attorney General