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H.P. 775

House of Representatives, March 20, 2025

An Act to Make the Maine Redevelopment Land Bank Authority Responsible for the Transfer and Development of State-owned Surplus Land

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative JULIA of Waterville. Cosponsored by Senator CURRY of Waldo and Representatives: COLLAMORE of Pittsfield, EDER of Waterboro, GERE of Kennebunkport, GOLEK of Harpswell, MALON of Biddeford, ROBERTS of South Berwick, SACHS of Freeport, YUSUF of Portland.

1 Be it enacted by the People of the State of Maine as follows: 2 Sec. 1. 5 MRSA §1742, sub-§23, as amended by PL 2017, c. 234, §1, is further 3 amended to read: 4 **23.** Inventory of land. To periodically inventory all land owned by any state agency 5 and, together with other state agencies, determine land that is needed by state agencies for other uses and land that is surplus. Prior to offering any land for sale, the commissioner 6 7 shall review with the Maine State Housing Authority Maine Redevelopment Land Bank 8 Authority and other state agencies the information derived from the inventory. 9 A. By February 1, 1988, the commissioner shall provide an initial report on the status of the land inventory to the joint standing committees of the Legislature having 10 jurisdiction over economic development; state and local government; and 11 appropriations and financial affairs. 12 13 B. Notwithstanding any other provision of law to the contrary, the procedure for the 14 distribution of surplus state property for the purpose of this subsection shall take takes priority over any other procedure for the disbursement of surplus state land. 15 C. Nothing in this This subsection shall may not be construed to pertain to public 16 reserved lands which that are exempt from this subsection. 17 18 D. The department shall work closely with the Maine State Housing Authority Maine 19 Redevelopment Land Bank Authority to develop a procedure by which surplus state-20 owned land and structures are held in trust for the purpose set forth in this section and 21 Title 30-A, chapter 201, subchapter 3-A; 22 Sec. 2. 30-A MRSA §4754, sub-§3, as amended by PL 2017, c. 234, §24, is further 23 amended to read: 24 3. State-owned property. The Maine State Housing Authority Maine Redevelopment 25 Land Bank Authority may use surplus state-owned property pursuant to this subchapter and Title 5, section 1742, subsection 23 to achieve the purpose of this article subchapter. 26 27 Sec. 3. 30-A MRSA §4754-A, as enacted by PL 1989, c. 914, §5, is amended to 28 read: 29 §4754-A. First option to purchase surplus lands 30 All state agencies shall offer the Maine State Housing Authority Maine Redevelopment Land Bank Authority the opportunity to purchase or otherwise acquire any land and 31 32 improvements on the land or any structures determined to be surplus before the property 33 may be offered for sale or transfer to any other state agency, community or other buyer or 34 transferee. Notice of availability must be provided in writing to the Director executive 35 director of the Maine State Housing Authority Maine Redevelopment Land Bank 36 Authority. 37 Notification of interest. The Maine State Housing Authority Maine 1. 38 Redevelopment Land Bank Authority shall advise the owner agency in writing of its 39 interest in purchasing or otherwise acquiring the surplus land and any improvements on the 40 land or surplus structures or of its decision not to purchase or otherwise acquire any such surplus property within 30 days of receipt of the notification by the Director executive 41

director of the Maine State Housing Authority Maine Redevelopment Land Bank 1 2 Authority. 3 2. Purchase price. If the Maine State Housing Authority Maine Redevelopment Land 4 Bank Authority offers to purchase the property, the purchase price must be determined as follows. 5 6 A. The current market value must be determined by an independent appraiser or by 7 agreement between the Maine State Housing Authority Maine Redevelopment Land 8 Bank Authority and the owner agency. The Maine State Housing Authority Maine 9 Redevelopment Land Bank Authority and the owner agency then shall negotiate the ultimate purchase price in good faith in order to achieve the respective goals and 10 mandates of the Maine State Housing Authority Maine Redevelopment Land Bank 11 Authority and the owner agency. 12 13 B. The purchase price may not exceed the current market value of the property as 14 determined in paragraph A. 15 C. If title to the land or improvements carries a requirement that the property be sold 16 at fair market value, then this requirement prevails over the terms of this subsection. 17 3. Report. The Maine State Housing Authority shall report to the joint standing 18 committee of the Legislature having jurisdiction over housing and economic development 19 matters 90 days after the 2nd anniversary of the effective date of this section on state surplus 20 land purchased under this section together with any recommendations for improvements. 21 If any land determined to be surplus is located in a community served by a local public 22 municipal housing authority under section 4721, as defined in this Title, the Maine State 23 Housing Authority Maine Redevelopment Land Bank Authority shall offer the first option to purchase the parcel to the local public municipal housing authority. The local public 24 25 municipal housing authority has 45 days to indicate in writing its desire to acquire the parcel. Other offers to purchase the parcel may not be considered until the 45-day period 26 27 has passed. 28 Sec. 4. 30-A MRSA §4755, as amended by PL 2017, c. 234, §25, is further amended 29 to read: 30 §4755. Provide property

The Maine State Housing Authority Maine Redevelopment Land Bank Authority may provide surplus state property below market value pursuant to this subchapter and Title 5, section 1742, subsection 23 to any person, firm or organization that agrees to construct, reconstruct or rehabilitate affordable housing for low-income and moderate-income households and maintain this property for this purpose in a written contract with the Maine State Housing Authority Maine Redevelopment Land Bank Authority.

- 37 Sec. 5. 30-A MRSA §4756, as enacted by PL 1989, c. 48, §§3 and 31, is amended
 38 to read:
- 39 **§4756. Rules**

40 The Maine State Housing Authority shall adopt <u>routine technical</u> rules in accordance 41 with the Maine Administrative Procedure Act, Title 5, chapter 375, <u>subchapter 2-A</u> to 42 implement this <u>subchapter sections 4751, 4752</u> and 4753, including eligibility standards 43 for financing under this <u>subchapter sections 4751, 4752</u> and 4753. The Maine

1 2 3	Redevelopment Land Bank Authority shall adopt routine technical rules in accordance with Title 5, chapter 375, to implement sections 4754, 4754-A and 4755, including eligibility standards for financing under sections 4754, 4754-A and 4755.
4 5	Sec. 6. 30-A MRSA §5157, sub-§1, ¶D, as enacted by PL 2021, c. 664, §3, is amended to read:
6	D. Property that is environmentally hazardous; and
7 8	Sec. 7. 30-A MRSA §5157, sub-§1, ¶E, as enacted by PL 2021, c. 664, §3, is amended to read:
9 10 11	E. Property that a municipality or county has determined is not within the capacity of the municipality or county to redevelop and for which the municipality or county has requested the assistance of the redevelopment authority-; and
12	Sec. 8. 30-A MRSA §5157, sub-§1, ¶F is enacted to read:
13 14	F. Property determined to be surplus land under Title 5, section 1742, subsection 23 and chapter 201, subchapter 3-A.
15	SUMMARY
16 17 18 19	This bill replaces the Maine State Housing Authority with the Maine Redevelopment Land Bank Authority as the state agency responsible for the transfer and development of state-owned surplus land. The bill also removes an outdated report provision regarding the Maine State Housing Authority's first option to purchase surplus lands.