

# MAINE STATE LEGISLATURE

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(EMERGENCY)

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ONE HUNDRED AND FIFTH LEGISLATURE

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**Legislative Document**

**No. 1229**

H. P. 890

House of Representatives, February 26, 1971

Referred to Committee on Legal Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Kelleher of Bangor.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-ONE

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**AN ACT to Create the Bangor Parking Authority.**

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**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the parking conditions in the City of Bangor have steadily become more intolerable and because of crowded streets, congested intersections and lack of sufficient opportunities to load and unload passengers and freight, there has arisen a condition highly dangerous to the safety and the prosperity of the citizens of said city and surrounding towns; and

Whereas, many citizens of said city have urged the immediate enactment of a bill to provide for parking meters, more parking areas and the construction of parking facilities to alleviate the above conditions; and

Whereas, in the judgment of the Legislature these facts create an emergency within the meaning of the Constitution of the State of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. Bangor Parking Authority created.** The people and the territory of the City of Bangor are hereby constituted as a body both politic and corporate to be known as the Bangor Parking Authority, sometimes hereinafter referred to as "Authority", which shall exist and operate for the purpose of providing improved parking conditions in the City of Bangor for the betterment of the safety and prosperity of the people thereof.

**Sec. 2. Definitions.** The following words and terms shall have the following meaning:

**A.** The words "parking areas" shall mean the parking meters and parking spaces contiguous thereto, the parking lots and the parking facilities to be acquired or constructed, or both, as hereinafter provided, and shall be deemed to include not only the parking lots and parking facilities and all approaches thereto but also all property rights, easements and franchises relating and deemed necessary or convenient for the construction or the operation of the areas.

**B.** The term "cost of the parking areas" shall embrace the cost of acquiring and constructing the parking meters, parking lots, parking facilities and all approaches thereto; the cost of all lands, property rights, easements and franchises acquired which are deemed necessary for such construction; the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction or for one year after completion of construction of any component integral operating unit thereof; cost of traffic and revenue estimates and of engineering and legal expenses; plans, specifications, surveys, estimates of costs of revenues, administration expenses and such other expenses as may be necessary or incident to the financing herein authorized; the construction and purchase of the meters, parking lots, parking facilities and approaches, the placing of the same in operation and the condemnation of the property necessary for such construction and operation. Any expenses hereafter incurred by the City of Bangor and its agents and employees in connection with the purchase and construction of the parking meters, parking lots, parking facilities and approaches thereto shall be regarded as a part of the cost of the parking areas and shall be reimbursed to the city out of the proceeds of the parking revenue bonds hereinafter authorized.

**Sec. 3. Powers.** The Bangor Parking Authority shall have the following powers:

1. To sue and be sued;
2. To adopt, use and alter at will a corporate seal;
3. To adopt from time to time and amend bylaws respecting the management and regulation of its affairs;
4. To promulgate rules and regulations for the use of the parking area and operation of its business;
5. To conduct research respecting off-street parking and the necessity of the fulfillment of the parking needs in relation thereto;
6. To acquire, purchase, hold, lease as lessee and use any franchise, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out its purposes;
7. To acquire property by the exercise of the power of eminent domain;
8. To sell, lease, exchange, transfer, assign or otherwise dispose of any real or personal property or any interest therein;

9. To construct, maintain, reconstruct and operate parking areas as may be necessary;

10. To appoint officers, agents, employees and servants; to prescribe their duties and to fix their compensation;

11. To borrow money, make and issue negotiable notes, bonds and other evidences of indebtedness or obligations of the Authority and to pledge, hypothecate or otherwise encumber all or any of the revenue or receipts of the Authority as security of all or any of the obligations of the Authority;

12. To charge and collect fees for the use of the parking areas, subject to and in accordance with such agreement with bondholders as may be made as hereinafter provided;

13. To make special assessments upon lands receiving special and peculiar benefits from any parking areas, as defined herein, constructed by the Authority;

14. To make contracts necessary and desirable for carrying out its purposes with the United States of America or any instrumentality or agency of the United States of America, the State of Maine or any of its agents or instrumentalities, municipalities, public corporations, or bodies existing therein, private corporations, partnerships, associations and individuals;

15. To accept financial or other assistance from the City of Bangor, State of Maine or the United States of America for and in aid of the parking areas, and to such ends comply with any conditions attached thereto;

16. To exercise any of its powers in the public domain of the United States of America unless the exercise of such powers is not permitted by the laws of the United States of America;

17. To do and perform any and all other acts and things necessary, convenient, desirable or appropriate to carry out this Act.

All property of the Authority shall be exempt from levy and sale by virtue of any execution, and no execution or other judicial process shall be a lien upon its property held pursuant to the provisions hereof.

**B.** The powers of the Authority shall be exercised by a board composed of 5 members who shall be residents of the City of Bangor and shall be appointed by the city council of the City of Bangor. In addition thereto the city manager and the city engineer shall be members ex officio. In the first instance 2 members shall be appointed for terms of 3 years, 2 for terms of 2 years and one for a term of one year. At the expiration of each of said terms, a member shall be appointed for a full term of 3 years. Vacancies for unexpired terms that occur more than 60 days before the end of a term shall be promptly filled by appointment by the city council. Members of the board may be removed at the will of the city council.

Members of the board shall hold office until their successors have been appointed and may succeed themselves. Each member shall be paid \$5 for attendance at regular or special meetings, provided that the total annual com-

compensation for each member shall not exceed \$50. Each member shall also be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

The board shall elect from among its members a chairman, a secretary and a treasurer, except that the offices of secretary and treasurer may be occupied by one and the same person. Three members of the board shall constitute a quorum for its meetings, and the board may act by majority vote. Members of the board shall not be liable personally for the bonds or other obligations of the Authority, and the rights of creditors shall be solely against the Authority. Before issuance of any bonds, notes or other evidences of indebtedness of the Authority under this Act, each appointed member of the board shall execute a bond in the penal sum of \$10,000. Each such bond is to be approved by the city solicitor or other legal counsel employed by the Authority and to be conditioned upon the faithful performance of the duties of the office and shall be filed in the office of the city clerk. The board may delegate to one or more of its agents or employees such of its powers as it shall deem necessary to carry out the purposes of the Authority, subject always to the control and supervision of the board. Once each year the board shall publish a written report of its proceedings during the past year and give a detailed income statement, balance sheet and other appropriate financial information of said Authority.

**Sec. 4. Eminent Domain.** Whenever a reasonable price cannot be agreed upon for the purchase or lease of real property found necessary for the purposes of the Authority or whenever the owner is legally incapacitated or is absent or is unable to convey valid title or is unknown, the Authority is hereby authorized and empowered to acquire by condemnation any such real property, whether wholly or partly constructed, or interest or interests therein and any lands, rights, easements, franchises and other property deemed necessary or convenient for the construction or the efficient operation of the parking areas in the manner hereinafter provided. The Authority herein provided may exercise the right of eminent domain vested in said Authority for the purpose of this Act after hearing, notices of the time and place of said hearing having been given by publication in a newspaper of general circulation throughout the County of Penobscot once a week for 2 consecutive weeks previous to the time of said hearing; and provided further, that if the land owner is a resident of the State, service shall also be made on him by giving him in hand or leaving at his last and usual place of abode an attested copy of said notice, such service to be made by an officer qualified to serve civil process in the State. The secretary of said Authority shall keep a record of their proceeding and their determination and decision, which shall set forth a description of the land or easement taken, and the owners, if known, and the amount of damages awarded therefor. Upon the signing of said record of said members and the filing of the same in the registry of deeds for the County of Penobscot, said Authority may enter upon such lands and take possession of the same or an easement therein, as the case may be, for the purpose of this Act. Any person aggrieved by the decision of said Authority, as it relates to the damages for land or easements therein so taken, shall have the same rights of appeal as are provided in the case of the laying out of town ways.

2. Title to any property condemned by the Authority shall be taken in the name of the Authority. The Authority shall be under no obligation to accept any pay for any property condemned or any costs incidental to any condemnation proceedings and shall in no event pay for the same except from the sums provided by this Act; and in any condemnation proceedings, the court having jurisdiction of the suit, action or proceeding may make such orders as may be just to the Authority and to the owners of the property to be condemned and may require an undertaking or other security to secure such owners against loss or damage by reason of the failure of the Authority to accept any pay for the property; but such undertaking or security shall impose no liability upon the City of Bangor.

3. The Authority and its authorized agents and employees may enter upon any lands, waters and premises in the city for the purpose of making surveys, drillings and other examinations as it may deem necessary or convenient for the purpose of this Act and such entry shall not be deemed a trespass.

4. The County of Penobscot and the City of Bangor and all public agencies and commissions of the State of Maine notwithstanding any contrary provision of law are hereby authorized to lease, lend, grant or convey to the Authority upon its request upon such terms and conditions as the proper authorities of said county, city, agencies or commissions may deem reasonable and fair without the necessity of any advertisement, order of court or other action or formality other than the regular and formal action of the authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the Authority including real property already devoted to public use.

5. In case of any crossing of any public utility, unless consent is given by the company owning or operating such public utility as to place, manner and conditions of the crossing within 30 days after such consent is requested by Authority the public utilities commission of the State of Maine shall determine the place, manner and conditions of the crossing; and all work on the property of such public utility shall be done under the supervision and to the satisfaction of such public utility but at the expense of the Authority.

Nothing herein contained shall be construed as authorizing said Authority to take by right of eminent domain any of the property or facilities of any other public service corporation or Authority used or acquired for future use by the owner thereof in the performance of a public duty unless expressly authorized herein or by subsequent Act of the Legislature.

**Sec. 5. Issuance of Bonds.** The Authority is hereby authorized to provide by resolution from time to time for the issuance of bonds for the purpose of paying the cost of the parking areas. Any provision of any law to the contrary notwithstanding any bonds issued pursuant to this Act shall be fully negotiable. In case any of the members of the Authority whose signatures appear on the bonds or coupons shall cease to be such members before the delivery for such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes the same as if such members had remained in office

until such delivery. The Authority may in resolution authorizing prospective issues provide as to such bonds:

1. The manner of executing the bonds and coupons;
2. The form and denomination thereof;
3. Maturity dates not more than 50 years from the date or dates of issuance;
4. The interest rates thereon;
5. For redemption prior to maturity and the premium payable therefor;
6. The place or places for the payment of interest or principal;
7. For registration if the Authority deems such to be desirable;
8. For the pledge of any or all of the revenue for securing payment;
9. For the replacement of lost, destroyed or mutilated payment;
10. The setting aside of reserve and sinking funds and the regulation and the disposition thereof;
11. For limitation on the issuance of additional bonds;
12. For the procedure, if any, by which the contract with the bondholders may be abrogated or amended;
13. For the manner of sale and purchase thereof;
14. For covenants against pledging of any of the revenue of the parking area;
15. For covenants fixing and establishing such prices, rates and fees for the use of said parking areas and other services made available in connection with said parking areas so as to provide at all times funds which will be sufficient;
  - A. To pay all costs of operation and maintenance of said parking areas together with the necessary repairs thereto;
  - B. To meet and pay the principal and interest of all such bonds as they severally become due and payable;
  - C. For the creating of such revenue for the principal and interest of all bonds and for the meeting of contingencies and the operation and maintenance of said parking areas as the Authority shall determine;
16. For such other covenants as to such prices, rates and fees as the Authority shall determine;
17. For covenants as to the rights, liability, powers and duties arising upon the breach by the Authority of any covenant, condition and obligation;
18. For covenants as to the bonds to be issued and as to the issuance of said bonds in escrow and otherwise and as to the use and disposition of the proceeds thereof;

19. For covenants as to the use of its property and the maintenance and replacement thereof and the insurance to be carried thereon and the use and disposition of insurance money;

20. For limitations upon the exercise of the powers conferred upon the Authority by this Act;

21. For the issuance of such bonds in series thereof;

22. The performance by the Authority of any and all such acts and things as may be necessary, convenient or desirable in order to secure its bonds or in the absolute discretion of the Authority as will tend to make the bonds more marketable notwithstanding that such acts or things may not be enumerated herein.

**Sec. 6. Bonds not be pledge of State or city.** Parking revenue bonds issued hereunder shall not be deemed to be a debt or a pledge of the faith and credit of the State of Maine or the City of Bangor but such bonds shall be payable exclusively from the fund herein provided therefor from fees. All such bonds shall contain a statement on their face that the State of Maine and the City of Bangor shall not be obligated to pay the same or the interest thereon and that the faith and credit of the State of Maine and City of Bangor shall not be pledged to the principal or interest of such bonds.

**Sec. 7. Application of proceeds of bonds.** All money received from any bonds issued pursuant to this Act shall be applied solely:

1. To the payment of the cost of the parking areas, or
2. To the appurtenant fund; and there shall be and hereby is created and granted a lien upon such moneys until so applied in favor of holders of such bonds or the trustee hereinafter provided for in respect of such bonds.

**Sec. 8. Bonds; how secured.** In the discretion of the Authority such bonds may be secured by a trust indenture by and between the Authority and a corporate trustee which may be any trust company or bank having the powers of a trust company within or outside the State of Maine. Such trust indenture may pledge or assign revenue to be received but shall not convey or mortgage the parking areas or any part thereof. Either the resolution providing for the issuance of such bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Authority in relation to the acquisition of properties and the construction, maintenance, operation and repair and insurance of the parking areas and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of this State to act as depository of the proceeds of the bonds or revenues and to furnish such indemnity bonds or to pledge such securities as may be required by the Authority. Such indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and indenture of corporations. In addition to the foregoing such trust indenture may contain such other provisions as



the Authority may deem reasonable and proper for the security of bondholders. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repair of the parking areas.

**Sec. 9. Exemption from taxes.** The accomplishment by the Authority of the authorized purpose stated in this Act being for the benefit of the people of the State of Maine and the City of Bangor and for the improvement of their commerce and prosperity in which accomplishment the Authority will be performing essential governmental functions, the Authority shall not be required to pay any tax upon its income except as may be required by the laws of the United States of America, and the bonds or other securities and obligations issued by the Authority, their transfer and the income therefrom, including any profits made on the sale thereof, shall at all times be free from taxation within the State of Maine.

**Sec. 10. Refunding bonds.** The Authority is hereby authorized to provide by resolution for the issuance of parking revenue refunding bonds for the purpose of refunding any parking revenue bonds issued under the terms of this Act and then outstanding. The issuance of such parking revenue refunding bonds, the maturities and other details thereof, the rights of the holders thereof and the duties of the Authority in respect to the same, shall be governed by the foregoing provisions of this Act insofar as the same may be applicable and by the following provisions:

1. No parking revenue refunding bonds shall be delivered unless delivered in exchange for parking revenue bonds to be refunded thereby, except in the amount necessary to provide for the payment of matured or redeemable parking revenue bonds or parking revenue bonds maturing or redeemable within 3 months, including any redemption premium thereon.

2. No parking revenue refunding bonds shall be issued, unless issued to refund parking revenue bonds which have matured or will mature within 3 months, or unless the interest rate of the parking revenue refunding bonds shall be at least  $\frac{1}{4}$  of one percent less than the interest rate borne by the parking revenue bonds to be refunded.

**Sec. 11. Maintenance of the parking areas.**

1. The parking areas when finally completed or any integral operating unit thereof, shall be maintained and repaired by and under the control of the Authority and, at the discretion of the Authority, the services of the City of Bangor, so far as the same are available or expedient, may be utilized for this purpose. All charges and costs for such maintenance and repairs actually expended by said City of Bangor shall be paid to it by the Authority. Such parking areas shall be operated by such force of fee collectors and other operating employees as the Authority may in its discretion employ. The Authority may utilize the services of the Bangor police force to enforce the rules and regulations of the Authority.

2. The Authority may by regulation prescribe and revise from time to time that time limitations for parking in the parking areas provided by the Authority.

3. The Authority is hereby authorized to fix and to revise from time to time fees for the use of the parking areas and to charge and collect the same. Such fees may be charged against and payable by the owners of vehicles utilizing said parking areas or persons in possession of said vehicles, or those in whose name said vehicles are registered. Such fees shall be so fixed and adjusted as to provide a fund at least sufficient with other revenues of the parking areas, if any, to pay:

A. The cost of maintaining, repairing and operating the parking areas; and

B. The bonds and interest thereon, and all sinking fund requirements, and other requirements provided by the resolution authorizing issuance of the bonds or by the trust indenture as the same shall become due.

4. Fees shall not be subject to supervision or regulation by any state commission, board or agency. The fees and all other revenues derived from the parking areas except such part thereof as may be required to pay the cost of maintaining, repairing and operating the parking areas and to provide such reserves therefor as may be provided for in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be set aside at such regular intervals as may be provided in such resolution or such trust indenture, in a sinking fund which is pledged to, and charged with the payment of:

A. The interest upon such bonds as the interest shall fall due;

B. The principal upon the bonds as the same shall fall due;

C. The necessary fiscal agency charges for paying principal and interest; and

D. Any premium upon bonds retired by call or purchase as herein provided.

The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of the bonds or in the trust indenture but, except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be fund for the benefit of all bonds issued hereunder without distinction or priority of one over another. Subject to the provisions of the resolution authorizing the issuance of the bonds or of the trust indenture, any moneys in such sinking fund in excess of the amount equal to one year's interest upon all bonds then outstanding may be applied to the purchase or redemption of bonds. All bonds so purchased or redeemed shall forthwith be cancelled and shall not again be issued.

**Sec. 12. Provisions in case of default of bonds.** In the event that the Authority shall make default in the payment of principal or interest on any of the bonds after the same shall fall due and such default shall continue for a period of 60 days or default in any agreement with the bondholders or the trustee under a trust indenture, the holders of 25% in aggregate principal amounts of the bonds then outstanding by instrument filed in the office

of the Secretary of State duly acknowledged may appoint a trustee to represent the bondholders for the purposes herein provided except to the extent the rights herein given may be restricted by the resolution passed before the issuance of the bonds or by the trust indenture. Such trustee may upon the written request of the holders of the 25% in principal amount of bonds then outstanding:

1. By mandamus or other suit, action or proceeding in law or in equity enforce the rights of the bondholders;
2. Bring suit upon the bonds;
3. Enjoin any acts or other things which may be unlawful or in violation of the right of the bondholders;
4. By action or suit in equity require the Authority to account as if it were trustee of an expressed trust for the bondholders.

Such trustee shall be entitled as a right to the appointment of a receiver, who may to the extent that the Authority could itself do, enter and take possession of the facilities of the Authority or any part thereof, the revenue or receipts which are or may be applicable to the payment of the bonds which are or may be in default, and operate and maintain the same and collect and receive all revenue thereafter arising therefrom in the same manner as the Authority might do, and shall deposit all such money in a separate account and apply the same in such manner as the court shall direct. In any suit, action or proceeding by the trustee, the fees, counsel fees and the expenses of the trustee and the receiver, if any; and all costs and disbursements allowed by the court shall be a first charge upon any revenue and receipts derived from the parking areas, the revenues and receipts from which are or may be applicable to the payment of the bonds so in default. Such trustees shall in addition to the foregoing have and possess all the powers necessary and appropriate for the exercise of all the functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights. In addition to any other rights and limitations any bondholder shall have the right by mandamus or other suit, action or proceeding in law or in equity to enforce his rights against the Authority including the right to require the Authority to carry out any agreement or covenant and to perform its duties under this Act.

**Sec. 13. Interim certificates.** Prior to the issuance of the bonds hereunder the Authority may issue interim certificates in such manner and with such conditions as the Authority may determine to be exchanged for such bonds when issued.

**Sec. 14. Trust funds.** Subject to any agreement with the bondholders, all revenue received from the operation of said parking areas after deducting the expenses of the cost of the parking areas and operation and maintenance and the sums necessary to provide for the payment of the principal and the interest of the bonds of the Authority, in accordance with the provisions thereof, shall be held and invested by the Authority to establish trust funds for reserve and sinking funds for the retirement of bonded indebtedness.

**Sec. 15. Termination of the Authority.** When all negotiable notes, bonds and other evidences of indebtedness or obligations of the Authority and the interest thereon shall have been paid or a sufficient amount for the payment of said notes and of all bonds and the interest to maturity thereon shall have been set aside in trust for the benefit of the notes and bondholders and shall continue to be held for that purpose, the Authority shall be dissolved and the parking areas, its leases, rights, easements, franchises, lands and properties shall become the property of the City of Bangor and the parking areas shall be maintained and operated by said city and all funds of the Authority not required for the payment of the bonds and all equipment and other property belonging to the Authority appertaining to the maintenance and operation of the parking areas shall be vested in said city.

**Sec. 16. Saving clause.** If any provision of this Act or the application thereof to any person or circumstance is held invalid the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

**Sec. 17. Governmental function.** It is hereby declared that the purposes of this Act are public and that the Authority shall be regarded as performing a governmental function in the carrying out of the Act.

**Sec. 18. Penalty.** Any violation of published rules and regulations relating to the parking areas, their use or services or any failure or neglect to pay fees or charges for use of the parking areas shall be deemed a misdemeanor and shall be punishable by a fine not exceeding \$10; providing that nothing herein contained shall prevent the Authority from collecting payment for use of the parking areas by action at law or in equity. In any civil criminal proceeding proof of the presence in the parking areas of a vehicle parked beyond the legal time limitations shall be prima facie evidence that the person in whose name said vehicle is registered caused, allowed, permitted or suffered such vehicle to be so parked.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of the City of Bangor at the next regular city election or at a special election to be called and held for the purpose within 12 months after approval of this Act. Such special election shall be called, advertised and conducted according to the law relating to municipal elections; provided, however, that the board of registration in said City of Bangor shall not be required to prepare, nor the city clerk to post, a new list of voters.

The city clerk shall prepare the required ballots, on which he shall reduce the subject matter of this Act to the following question: "Shall the Act to Create the Bangor Parking Authority, passed by the 105th Legislature be accepted?" and the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same.

This Act shall take effect for all the purposes hereof immediately upon its acceptance by a majority vote of the legal voters voting at said election; provided that the total number of votes cast for and against the acceptance

of this Act at said election equaled or exceeded 20% of the total vote for all candidates for Governor in said city at the next preceding gubernatorial election.

The results of such election shall be declared by the municipal officers of the City of Bangor and due certificate thereof shall be filed by the city clerk with the Secretary of State.

#### STATEMENT OF FACT

The purpose of this bill is reflected in the emergency preamble.