

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

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**Legislative Document**

**No. 1572**

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H. P. 1217

House of Representatives, March 22, 1973

Referred to the Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Silverman of Calais.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-THREE

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**AN ACT to Create Community Industrial Buildings in Maine.**

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

Sec. 1. R. S., T. 10, c. 102, additional. Title 10 of the Revised Statutes is amended by adding a new chapter 102 to read as follows:

CHAPTER 102

INDUSTRIAL BUILDINGS IN MAINE

§ 671. Policy and purposes

It is declared to be the policy of this State to promote the economic and social well-being of its inhabitants by assisting municipalities in providing modern manufacturing buildings and attractive industrial sites to meet the needs of modern industry. Economic conditions require that certain communities, either because of size or remote location, require modern manufacturing buildings and attractive industrial sites, if they are to provide new job opportunities for the people of that area. It is the purpose of this chapter to provide financial aid and technical assistance to municipalities through their local development corporations for industrial park planning and development and for the construction of modern industrial buildings on planned industrial parks providing expanding job opportunities for Maine people.

§ 672. Definitions

As used in this chapter, unless the context otherwise requires, the following words shall have the following meanings:

1. **Community industrial building.** "Community industrial building" shall mean a building of flexible design erected and financed pursuant to this chapter for the purpose of creating new jobs in a municipality through availability on the open market by sale or lease to a purchaser or tenant requiring industrial building facilities.

2. **Community Industrial Building Board.** "Community Industrial Building Board" shall mean the board created pursuant to this chapter.

3. **Industrial park.** "Industrial park" shall mean an area of land planned and designed as a location for one or more industrial buildings, including a community investment building, complete with adequate access roads, water supply, sewers, utilities and other services necessary for modern manufacturing facilities.

4. **Local development corporation.** "Local development corporation," hereinafter in this chapter called the "development corporation," shall mean any organization incorporated under Title 13, chapter 81, for the purposes of fostering, encouraging and assisting the physical location, settlement or re-settlement of industrial, manufacturing and other business enterprises within the State, and to whose members no profit shall inure, but limited to those created by a municipality as defined by this chapter.

5. **Municipality.** "Municipality" shall mean any county, city or town in the State.

#### § 673. Community Industrial Building Board; organization

The Community Industrial Building Board, hereinafter in this chapter called the "board," is created and established as a body corporate and politic and a public instrumentality of the State, having the powers and jurisdiction stated in this chapter.

The board shall have 5 members, consisting of the Commissioner of Commerce and Industry, the Treasurer of State and 3 members at large appointed by the Governor with the advice and consent of the Council. Members at large will be appointed for terms of 6 years in such manner that not more than 2 terms end in the same biennium. Four members of the board shall constitute a quorum. The affirmative vote of 4 members present and voting shall be necessary for any action taken by the board. No vacancy in membership shall impair the right of quorum to exercise all rights and perform all duties of the board.

Appointive members of the board shall receive \$25 a day plus any actual expenses incurred in the performance of authorized duties while away from home.

#### § 674. Board; powers and duties

The board shall have the following powers and duties:

1. To provide financial and technical assistance to development corporations for the purpose of creating community industrial buildings in industrial parks and to make such charges against development corporations payable

solely out of the proceeds of sale or rental of community industrial buildings or all or part of industrial parks assisted by this chapter to cover the expenses of the board incurred under this chapter, including all interest charges;

2. To sue and be sued;
3. To have a seal and alter it at its pleasure;
4. To adopt, and from time to time, amend bylaws covering its procedures, rules and regulations governing the use of community industrial buildings and cause records of its proceedings to be kept;
5. To employ such assistants, agents and consultants as it considers necessary or desirable for its purposes;
6. To borrow money, make and issue negotiable notes and give other evidences of indebtedness or obligations and give security therefor;
7. To do all other lawful things necessary and incidental to the foregoing powers.

#### § 675. Community Industrial Building Fund

There is created the Community Industrial Building Fund, hereinafter in this chapter called the "fund," which shall be used by the board as a non-lapsing revolving fund for the purposes of this chapter. To it shall be charged all operating expenses of the board required to be paid under any section of this chapter. To it shall be credited all payments required by this chapter. Money in the fund not currently needed to meet the obligations of the board shall be deposited with the Treasurer of State to the credit of the fund with all interest earned by such deposit credited to the fund.

#### § 676. Biennial report

The board shall make a biennial report to the Legislature setting forth in detail the operations and transactions conducted by it under this chapter.

#### § 677. Issuance of notes and purchase by the Treasurer of State

The board shall issue to the Treasurer of State its notes, subject to the limitation provided by this chapter, sufficient to enable the board to carry out its functions under this chapter. Each obligation shall bear interest at a rate determined by the Treasurer of State, taking into consideration the current average rate on outstanding marketable obligations of the State as of the last day of the month preceding the issuance of the obligation to the board. The Treasurer of State shall purchase notes of the board solely from moneys available in the fund.

Notes issued to the Treasurer of State under this chapter will have a maturity date of not more than 5 years from the date of their issuance.

Notes given by the board to the Treasurer of State to provide funds to finance a community industrial building, under this chapter, shall be secured by assignment of the first mortgage given by the development corporation to the board.

**§ 678. Assistance to development corporations**

Upon application of the development corporation, the board may loan to the development corporation an amount not to exceed the cost of the project, upon such terms and conditions as it may prescribe, for the purpose of constructing a community industrial building on land owned or held on long term lease by the development corporation. Before the development corporation receives such fund for the construction of a community industrial building from the board, it shall give to the board security for repayment of the funds and security shall be in such form and amounts as the board may determine and shall, in each instance, include a first mortgage on the land, or the leasehold, building and appurtenances financed by such funds. Loans by the board to the development corporation for the construction of a community industrial building shall be repaid in full, including interest and other charges within 90 days after the building is occupied. The board shall not finance more than one unoccupied community industrial building project in a county at one time.

Before issuing any loan under this chapter for construction for a community industrial building, the board shall determine that :

1. The project is within the scope of this chapter, will be of public use and benefit and may reasonably be expected to create new employment opportunities;

2. The development corporation is responsible and has presented evidence to demonstrate its ability to carry out the project as planned;

3. The proposed site for the community industrial building shall be located on adequate land owned by the development corporation or leased by the development corporation on terms satisfactory to the board. An industrial site not less than 4 times the size of the community industrial building shall constitute adequate land under this chapter;

4. An adequate access road from a public highway is provided to the proposed site and that such utilities as water, sewer and power facilities are available, or will be available when the community industrial building is completed, financed with funds other than those provided by the board and further that this access road shall be maintained by the development corporation. The development corporation will also be responsible for the plant site being plowed out at all times and that the building be attractively landscaped until such time as the building is occupied by an industrial tenant;

5. Project plans comply with applicable zoning, planning and sanitary regulations in the municipality where it is to be located and also meets with standards established by the Department of Environmental Protection as set forth in Title 38;

6. The development corporation has made adequate provisions for insurance protection of the building while it is unoccupied and that suitable arrangements have been made for fire protection and maintenance while it is unoccupied;

7. The development corporation have a plan,  $\frac{1}{2}$  of which shall be an eligible cost of the project for financing by the board, for the promotion and publicity required to properly market the community industrial building to prospective purchasers or tenants;

8. The development corporation give firm guarantees that a constant and continual selling and promotional effort will be maintained to secure a suitable tenant or purchaser for the building, and further that at least 1% of the total amount appropriated for the project by the board be used by the development corporation for the purpose of printing a flyer advertising the building's availability, size and design of the building and other data that will contribute to the sale, lease or lease-purchase of said building. Advertising and promotional efforts on the part of the local development corporation will be subject to periodic review and evaluation by the board and the development division of the Department of Commerce and Industry. These latter bodies shall have authority to make recommendations or changes, or both, in said advertising and promotional efforts as they deem fit or necessary.

#### § 679. Taxes

While the community industrial building remains unoccupied and a first mortgage is held by the board or by the State of Maine, it is declared to be public property and shall be exempt from all taxes and special assessments of the State or any political subdivision thereof.

#### § 680. Economically deprived areas

The board shall give preference to economically deprived areas within labor market districts declared to be in need of economic development assistance by the Department of Manpower Affairs.

**Sec. 2. Appropriation.** There is appropriated from the Unappropriated Surplus of the General Fund to the Community Industrial Building Board the sum of \$3,200,000 to carry out the purposes of this Act.

### STATEMENT OF FACT

The intent of this Act is to provide funds for the construction of industrial shell buildings to attract industry to communities that lack the financial resources for construction such buildings.

Communities applying for funds under this Act must submit valid evidence of the need for such assistance and ample justification for the construction of an industrial shell in their respective municipalities coupled with reasonable assurance that this venture will be successful in attracting an industrial tenant.

Preference under this Act will be given to areas within labor market districts declared to be economically depressed areas as defined by the Maine Department of Manpower Affairs.