

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
106TH LEGISLATURE

SENATE AMENDMENT " A " to S.P. 667, L.D. 2033, Bill, "AN ACT to Create the Maine Guarantee Authority and to Amend the Maine Industrial Building Authority and Maine Recreational Authority Statutes."

Amend said Bill by striking out all of section 22 and inserting in place thereof the following:

'Sec. 22. Assumption of liabilities and responsibilities. The Maine Guarantee Authority shall assume all of the duties, powers, rights, functions, obligations, contracts, indebtedness, and financial responsibilities of whatever kind and nature, conditional or otherwise, of the former Maine Industrial Building Authority, Maine Recreation Authority and the Maine Municipal Securities Approval Board. All mortgage insurance agreements or conditional mortgage insurance agreements issued by the former Maine Industrial Building Authority or Maine Recreation Authority in effect on the effective date of this legislation and all agreements, undertakings or contracts entered into by such authorities in connection with any such mortgage insurance agreement or conditional mortgage insurance agreement shall be effective and enforceable in accordance with their respective terms, provisions and conditions, or in accordance with such modified terms, provisions and conditions, if any, as may be subsequently agreed upon by the Maine Guarantee Authority and the other parties to any such agreement, notwithstanding that any such agreement may provide for insurance, involve principal obligations or provide for interest payments in excess of the limits prescribed by this Act. (Filing No. S-242)

Further amend said Bill by adding at the end, before the Statement of Fact, the following:

'Sec. 26. 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

COMMUNITY 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 in 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. Authority. "Authority" shall mean the Maine Guarantee Authority, heretofore created.

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2. 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.

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 resettlement 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 Authority; powers and duties

The Authority 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

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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 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;

3. To borrow money, make and issue negotiable notes and give other evidences of indebtedness or obligations and give security therefor;

4. To do all other lawful things necessary and incidental to the foregoing powers.

§ 674. 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 authority as a nonlapsing revolving fund only for the purposes of this chapter. To it shall be charged all operating expenses of the authority required to be paid under any section of this chapter, and all expenses incurred by the Department of Commerce and Industry in the promotion and development of a community industrial building which has received a loan pursuant to 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 authority 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.

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§ 675. Biennial report

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

§ 676. Issuance of notes and purchase by the Treasurer of State

The authority shall issue to the Treasurer of State its notes, subject to the limitation provided by this chapter, sufficient to enable the authority 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 authority. The Treasurer of State shall purchase notes of the authority 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 authority 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 authority.

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§ 677. Assistance to development corporations

Upon application of the development corporation, the authority 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 authority, it shall give to the authority 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 authority 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 authority 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 authority 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 authority. An

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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 authority 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.

§ 678. Promotion and development

The Department of Commerce and Industry shall undertake promotional and publicity activities on behalf of community industrial buildings to properly market such community industrial buildings to prospective purchasers or tenants. The department shall maintain a constant and continual effort to secure suitable tenants or purchasers for such buildings and shall prepare such advertising and promotional material as necessary. All expenses necessarily incurred by the department in carrying out the purposes

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of this section shall be charged to the Community Industrial Building Fund.

§ 678. 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.

§ 679. Economically deprived areas

The authority 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. 27. Appropriation. There is appropriated from the Unappropriated Surplus of the General Fund to the Maine Guarantee Authority the sum of \$1,200,000 to carry out the purposes of sections 22 and 26 of this Act.'

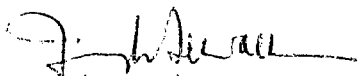
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Statement of Fact

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

Communities applying for funds under this amendment 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.



NAME: (Sewall)

COUNTY: Penobscot

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