

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1137

H. P. 911

House of Representatives, March 9, 1979

Referred to the Committee on Local and County Government. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Pearson of Old Town.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

**AN ACT to Permit Use of the Municipal Securities Approval Act for Development
of Low and Middle Income Housing.**

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

Sec. 1. 30 MRSA § 5325, sub-§ 1, as last amended by PL 1975, c. 728, § 1, is further amended to read:

1. Revenue-producing industrial-commercial, pollution-control, health care or recreational projects and multi-level parking facility. To acquire, construct, reconstruct, renew and replace industrial-commercial, pollution-control, health care, recreational and combined projects, and multi-level parking facilities, **single family or multi-family housing units secured by mortgages and low and middle income residential facilities** within or partly within the corporate limits of the municipality;

Sec. 2. 30 MRSA § 5325, sub-§ 4, as amended by PL 1975, c. 728, § 2, is further amended to read:

4. Acquisition of property. The municipal officers are authorized and empowered to acquire from funds provided under the authority of this chapter such lands, structures, property, rights, rights-of-way, franchises, easements and other interests in lands, including lands lying under water and riparian rights, which are located within the State as it may deem necessary or convenient for the

construction or operation of any industrial-commercial, pollution-control, health care, recreational or combined project, ~~and~~ any multi-level private parking facility, **single family or multi-family housing units secured by mortgages and low and middle income residential facilities** upon such terms and conditions as they shall deem reasonable and proper, and to dispose of any of the foregoing in the exercise of its powers and the performance of its duties under this chapter;

Sec. 3. 30 MRSA § 5325, sub-§ 6, as last amended by PL 1975, c. 728, § 3, is further amended to read:

6. Government contracts. To enter into contracts with the State or the Federal Government or any agency or instrumentality thereof, or with any other municipality providing for or relating to an industrial-commercial, pollution-control, health care, recreational or combined facility, ~~or~~ a multi-level private parking facility, **single family or multi-family housing units secured by mortgages or low and middle income residential facilities**; provided, in the case of contracts with the Federal Government involving pollution-control facilities, that the consent of the Board of Environmental Protection is first obtained, such board being authorized to grant such consent notwithstanding Title 38, section 362;

Sec. 4. 30 MRSA § 5325, sub-§ 7, as last amended by PL 1975, c. 728, § 4, is further amended to read:

7. Government aid. To accept from any authorized agency of the State or the Federal Government loans or grants for the planning, construction or acquisition of any industrial-commercial, pollution-control, health care, recreational or combined facility ~~or~~ any multi-level private parking facility, **single family or multi-family housing units secured by mortgage or low and middle income residential facilities** and to enter into agreements with such agency respecting any such loans or grants, and to receive and accept aid and contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such loans, grants and contributions may be made; provided, in the case of loans, grants or other aid from the Federal Government involving pollution-control facilities that the consent of the Board of Environmental Protection is first obtained, such board being authorized to grant such consent notwithstanding Title 38, section 362; and

Sec. 5. 30 MRSA § 5326, sub-§§ 10 and 11 are enacted to read:

10. Low and middle income residential facilities. "Low and middle income residential facilities" means those facilities which constitute 4 or more units owned or occupied by persons of low and middle income. The term shall include the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith, and the term shall also include all other real and personal property and all tangible and intangible assets held or used in connection with the housing facility.

11. **Mortgage.** "Mortgage," as the term refers to single or multi-family housing units, means an interest-bearing obligation secured by a mortgage and note which are a first lien on land and improvements constituting one or more housing units, which obligations may or may not be insured or guaranteed in any manner, in part or in full, by the United States or any instrumentality thereof, or by the State or any instrumentality thereof.

Sec. 6. 30 MRSA § 5340, as repealed and replaced by PL 1975, c. 223, § 5, is amended to read:

§ 5340. Leasehold or other interests of lessee taxable

The leasehold or other interest of the lessee of any industrial-commercial, pollution-control, recreational or combined project or any multi-level private parking facility, **single family or multi-family housing units secured by mortgage or low and middle income residential facilities**, is subject to taxation in the manner provided for similar interests in Title 36, section 551, subject to Title 36, sections 655 and 656.

Sec. 7. 30 MRSA § 5341, as last amended by PL 1975, c. 728, § 10, is amended to read:

§ 5341. Purpose

It is declared that there is a state-wide need for industrial-commercial, pollution-control, health care, recreational and combined projects, and for multi-level private parking facilities, **single family or multi-family housing units secured by mortgages and low and middle income residential facilities**, to provide enlarged opportunities for gainful employment by the people, to restore purity to the air, the water or the earth of the State which are fouled with, among other things, industrial and other waste materials and pollutants, **to provide adequate housing for Maine residents**, to more adequately serve the working people of this State, and to provide a more healthy environment and thus to insure the preservation and betterment of the economy of the State and the living standards and health of its inhabitants.

STATEMENT OF FACT

The purpose of this bill is to permit municipalities to participate in constructing low and middle income housing and single and multi-family by issuing bonds which would provide funds for this housing.