

# (NEW DRAFT OF H.P. 1625, L.D. 2220) SECOND REGULAR SESSION

## ONE HUNDRED AND THIRTEENTH LEGISLATURE

## Legislative Document

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NO. 2601

H.P. 1904 House of Representatives, March 31, 1988 Reported by Representative PRIEST from the Committee on Economic Development and printed under Joint Rule 2. EDWIN H. PERT, Clerk

Original bill sponsored by Representative CROWLEY of Stockton Springs. Cosponsored by Senator EMERSON of Penobscot and Representative BAILEY of Farmington.

#### STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-EIGHT

AN ACT to Create the Economic Corridor Action Grant Program.

4 Be it enacted by the People of the State of Maine as. 5 follows:

5 MRSA §13075 is enacted to read:

7 §13075. Economic Corridor Action Grant Program

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1 2 3 4	The Director of the Office of Community Development shall implement a program to assist municipalities in the planning and implementation of capital improvements in public service infrastructure
5	in municipalities within designated economic corridors. 1. Purpose. The purpose of the program is to
7 8 9 10	enable municipalities within economic growth corridors to plan for growth and development and to develop the public service infrastructure to encourage and manage balanced growth.
11 12	2. Definitions. As used in this section, the following terms have the following meanings.
13 14 15 16 17 18 19 20 21 22	A. "Economic growth corridor" means an economic corridor designated by the Commissioner of Transportation in consultation with the Commissioner of Economic and Community Development and which is included in the Department of Transportation's Highway and Bridge Improvement Program that is presented to the Legislature during the first year of each biennium of the Legislature. An economic growth corridor shall contain the following:
23 24	(1) Economic activity and good potential for continued economic activity;
25 26	(2) Connections between commercial or population centers;
27 28 29 <sup>.</sup>	(3) Connections among state municipalities with significant markets in other states and countries;
30 31	(4) Connections between natural resource areas and value-added processors;
32 33	(5) Connections between markets and tourist destinations.
34 35 36	B. "Public service infrastructure" means those facilities which are essential for public health, welfare and safety. These facilities include,

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without li	mitation,	sewage	treat	ment	facili	ties,
municipal						
facilities,	fire pr	otection	facil	ities,	roads	and
traffic co						
space or n					her p	ublic
facility wh	ich benef:	its the p	ublic.			

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3. Municipal eligibility. The Department of Economic and Community Development may make grants to eligible municipalities within economic growth corridors in support of capital investments in public service facilities or projects which support economic growth and development. Any municipality is eligible to apply for grants under this article when it has adopted a comprehensive plan pursuant to the requirements of Title 30, chapter 239, subchapter VI. Such a comprehensive plan shall include a capital investment plan comprised of the following elements:

A. An assessment of all public facilities and services, including, but not limited to, roads, sewers, schools, parks and open space, fire and police;

10-year plan for в. А the replacement and expansion of existing public facilities or the construction of such new facilities as are meet expected growth and economic required to The capital investment plan shall development. include projections of when and ' where such facilities will be required; and

C. An assessment of the anticipated costs for replacement, expansion or construction of public facilities, an identification of revenue sources available to meet these costs and recommendations for meeting costs required to implement the plan.

The department shall develop 34 4. Grants criteria. 35 criteria and conditions for the award of grants to 36 eligible municipalities after holding hearings 37 pursuant to the Maine Administrative Procedure Act, 38 chapter 375, for the purpose of developing these 39 criteria and conditions.

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1 2 3 4 5	A. The department shall establish a preference for those municipalities with higher local property tax burdens. The comparative local property tax burden shall be determined under Title 30, section 5055.
6 7 8 9	B. The department shall give priorities to those projects which, in comparison to other proposed projects, will have the greatest impact on the economic growth corridors.
10 11 12 13	C. The department shall condition any grants under this article on consistency with the municipality's comprehensive plan, including its capital investment plan.
14 15 16 17	D. The department shall establish a preference for capital investment projects undertaken jointly by 2 or more municipalities or which provide substantial regional benefits.
18 19 20 21 22	E. The department shall adopt other criteria as it determines necessary to ensure that grants made under this article maximize the ability of municipalities to accommodate planned growth and economic development.
23 24 25 26 27 28	5. Adoption of rules. In addition to the criteria defined in subsections 3 and 4, the department may adopt rules pursuant to chapter 375 to develop additional criteria for the selection of recipients of economic growth corridor action grants. These rules shall consider the following:
29	A. The degree of need for grants;
30 31	B. The degree of matching funds to be provided by a municipality or region whenever applicable;
32	C. The priority of projects for the area;
33 34	D. The priority of the area with respect to other corridors.
35	6. Coordination. The department shall coordinate

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the grants made under this article with all other community assistance grants administered by the department and with other state assistance programs designed to accomplish similar objectives, including those administered by the Department of Educational and Cultural Services, the Department of Transportation and the Department of Environmental Protection.

9 7. Funds. All grants provided pursuant to this 10 section shall be made from any funds available for the 11 purpose of the program to include federal funds, bond 12 proceeds, General Fund appropriations, private money, 13 and any other available funds.

14 8. Report to the Legislature. The department 15 shall annually report in writing and in person to the 16 joint standing committee of the Legislature having 17 jurisdiction over economic development no later than 18 the 2nd Wednesday in February with respect to the 19 implementation of this section. This report, at a 20 minimum shall include:

A. The economic growth corridors that have been awarded grants;

B. The projects and the costs of the projects for which the grants have been awarded;

C. The estimated impact of the projects on the municipality and the corridor;

D. Applications for grants that were denied including the projects proposed in these applications and the reasons for the denial; and

E. A summary of the hearings held pursuant to subsection 4, including a copy of the final rules.

### STATEMENT OF FACT

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This new draft provides guidelines for municipal eligibility in the Economic Corridor Action Grant Program, criteria for the awarding of grants, and

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guidelines for rulemaking. Economic growth corridors will be designated by the Commissioner of Transportation in consultation with the Commissioner of Economic and Community Development. The Department for Economic and Community Development will report annually to the Joint Standing Committee on Economic Development with respect to the grants and the amount of the grants awarded, the recipients of the grants, the projects for which the grants have been approved and applications and projects that have been denied.

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