

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 2136

S.P. 760

In Senate, April 5, 1999

An Act to Create the Capital Riverfront Improvement District.

Reference to the Committee on Business and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAGGETT of Kennebec.
Cosponsored by Representative MADORE of Augusta and
Senator RAND of Cumberland, Representatives: MITCHELL of Vassalboro, MURPHY of
Kennebunk, O'BRIEN of Augusta.

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

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Sec. 1. Definitions. As used in this Act, unless the context otherwise indicates, the following terms have the following meanings.

1. "Bonds" mean any bonds or securities of the district issued pursuant to this Act.

2. "Cost" as applied to a project, projects or part of a project, includes, but is not limited to:

A. The purchase price or acquisition cost of such a project, projects or part of a project;

B. The cost of building, alteration, enlargement, renovation and remodeling;

C. The cost of all labor, materials and fixtures;

D. The cost of all structures, rights, interests and franchises acquired;

E. The cost of all utility extensions, access roads, site development, financing charges, premiums for insurance and interest prior to and during construction;

F. The cost of working capital related to such a project, projects or part of any project;

G. The cost of plans and specifications, surveys and estimates of cost and of revenues;

H. The cost of engineering, feasibility, legal and other professional services;

I. The cost of reserves, insurance, letters of credit or other financial guarantees for payment of debt service on securities;

J. The cost of all other expenses necessary or incident to determining the feasibility or practicability of such a project, projects or part of a project;

K. Administrative expenses; and

L. Any other expenses that are necessary or incidental to such a project, projects or part of a project and financing or refinancing authorized, including the refunding of any outstanding obligations, mortgages or advances issued, made

2 or given by a person for any of the costs under this
subsection.

4 3. "District" means the Capital Riverfront Improvement
District and any successors to that district.

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8 4. "Governing board" means the Governing Board of the
Capital Riverfront Improvement District.

10 5. "Project, projects or part of a project" means the
12 acquisition, construction, improvement, reconstruction or
equipping of, or construction of an addition or additions to, any
14 structure designed for use as part of the district, including
office or activity space. The structure may include facilities
16 for the use of related agencies of local government. "Project,
projects or part of a project" also includes all real and
18 personal property, lands, improvements, driveways, roads,
approaches, pedestrian access roads, parking lots, parking
20 facilities, rights-of-way, utilities, easements and other
interests in land, machinery and equipment and all fixtures,
22 appurtenances and facilities either on, above or under the ground
that are used or usable in connection with the structure, and
24 also includes landscaping, site preparation, furniture,
machinery, equipment and other similar items necessary or
26 convenient for the operation of a particular facility or
structure in the manner for which its use is intended. "Project,
28 projects or part of a project" does not include such items as
fuel, supplies or other items that are customarily considered as
a current operating charge.

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32 6. "Securities" means any bonds, notes or other evidences
of indebtedness authorized by this Act.

34 **Sec. 2. Governing board membership.** Membership of the
governing board consists of 16 members as follows:

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38 1. A member of the Heart of Augusta Team nonprofit
organization or its successor, with the advice and consent of the
40 Augusta City Council;

42 2. A member of the Augusta City Council, appointed by that
council;

44 3. A member of the Augusta Planning Board, with the advice
and consent of the Augusta City Council;

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48 4. The City Manager of Augusta or the city manager's
designee, with the advice and consent of the Augusta City Council;

2 5. A member of the Coastal Conservation Commission,
appointed by the Governor;

4 6. Three residents of the City of Augusta, at least one
6 from the east side and one from the west side of the city, and
one member who represents the Augusta Chamber of Commerce who
8 maintains a business within the city, each appointed by the Mayor
of Augusta;

10 7. The Director of the State Planning Office or the
director's designee;

12 8. The Director of the Maine State Housing Authority or the
14 executive director's designee;

16 9. The Commissioner of Transportation or the commissioner's
designee;

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20 10. The Director of the Bureau of General Services within
the Department of Administrative and Financial Services, or the
director's designee;

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24 11. A State Senator and a State Representative who
represent the City of Augusta, appointed by the President of the
Senate and the Speaker of the House of Representatives,
26 respectively;

28 12. A resident of the City of Augusta, appointed by the
Governor; and

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32 13. The State Historic Preservation Officer.

34 Once the governing board is established, the first meetings
of the governing board are convened by the City Manager of
Augusta and the Director of the Bureau of General Services, until
36 regularly scheduled meetings are established. The chair is
chosen from the members of the governing board.

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40 **Sec. 3. Executive committee; membership.** The governing board
may create by a majority vote an executive committee to oversee
the day-to-day operations of the district. Members of the
42 executive committee are as follows:

44 1. The Director of the Bureau of General Services, or the
director's designee;

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48 2. The State Historic Preservation Officer, or the
officer's designee;

2 3. The Commissioner of Transportation, or the
commissioner's designee;

4 4. A member of the Augusta state legislative delegation;

6 5. The City Manager of Augusta, or the manager's designee;
and

8 6. A resident of the City of Augusta who sits on the
10 governing board.

12 The executive committee shall act as the governing board in
the board's stead.

14 **Sec. 4 . Terms of office.** Terms of office for members of the
16 governing board are staggered as follows:

18 1. The following members are permanent members as long as
they hold their professional positions:

20 A. The City Manager of Augusta;

22 B. The Director of the State Planning Office;

24 C. The Director of the Maine State Housing Authority;

26 D. The Commissioner of Transportation;

28 E. The Director of the Bureau of General Services; and

30 F. The State Historic Preservation Officer;

32 2. The member representing the Heart of Augusta Team or its
34 successor serves a one-year term;

36 3. The member representing the Augusta City Council serves
a 2-year term as long as the person is a member of the council;

38 4. The member representing the Augusta Planning Board
40 serves a 3-year term as long as the person is a member of the
board;

42 5. The 3 city residents appointed by the Mayor of Augusta
44 each serve 3-year terms;

46 6. The city resident appointed by the Governor serves a
one-year term and the member of the Coastal Conservation
48 Commission serves a 2-year term; and

2 7. The members of the Augusta state legislative delegation
3 serve 2-year terms as long as they are members of the Augusta
4 state legislative delegation.

5 If a member of the governing board fails to fulfill that
6 member's term or fails to qualify to serve for a full term, a
7 successor is appointed for the remainder of the original term.

8 **Sec. 5. Meetings to be open.** All meetings and minutes of the
9 governing board are open to the public in accordance with the
10 Maine Revised Statutes, Title 1, section 401 and notice of those
11 meetings must be posted in 3 prominent locations.

12 **Sec. 6. District boundaries.** The Augusta City Council, upon a
13 recommendation of the governing board and the Augusta Planning
14 Board, shall adopt the district's boundaries.

15 The Capital Riverfront Improvement District encompasses the
16 heart of the Kennebec River corridor as it flows through
17 Augusta. Interim boundaries consist of all that land that is
18 above the high-water mark of the eastern shore of the Kennebec
19 River, currently known as the "Tree Free" site, which is due east
20 of the Edwards Manufacturing Company and dam site, then south
21 along the westerly portion of Bangor Street to Cony Circle, then
22 southeast along the westerly portion of Stone Street, then south
23 to and including the westerly portion of Hospital Street, south
24 to the corporate limits; and the west side of the Kennebec River
25 consists of all of the former Edwards Manufacturing Company and
26 dam site to Cumberland Street, south along Washington Street to
27 Northern Avenue, then southeast to Bond Street, west along Bond
28 Street to State Street, south along State Street to the corporate
29 boundaries.

30 **Sec. 7. Powers.** It is the purpose of the district to protect
31 the scenic character of the Kennebec River corridor while
32 providing an opportunity for community and economic development
33 and to protect the historic, archeological, recreational and
34 ecological resources identified within the district and the
35 constructed and natural environment of the district. This Act
36 does not affect the powers or authority of the Capitol Planning
37 Commission, the State House and Capitol Park Commission or the
38 Augusta Planning Board. The governing board has the following
39 powers:

40 1. Perpetual succession as a body politic and corporate
41 instrumentality;

42 2. To sue, initiate or appear in any proceeding. The
43 district may be sued in accordance with the Maine Revised
44 Statutes, Title 14, chapter 741;

2 3. To adopt an official seal and to alter the seal at the
governing board's pleasure;

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6 4. To adopt bylaws necessary or useful for carrying out any
of its powers or duties pursuant to this Act;

8 5. To acquire real or personal property, or any interest in
real or personal property, including rights or easements by gift,
10 purchase, transfer, foreclosure or lease; to improve, hold, sell
with or without public bidding, assign, lease, rent, encumber,
12 mortgage, loan or otherwise dispose of any real or personal
property, or any interest in real or personal property, or
14 mortgage interests owned or in its control, custody or possession
and release or relinquish any right, title claim, lien, interest,
16 easement or demand, however acquired;

18 6. To lease or rent any land, building, structure, facility
or equipment comprising all or a portion of a project, projects
20 or part of a project for such amounts as the district determines;

22 7. To manage or operate, or cause to be managed or
operated, real and personal property, take assignments of leases
24 and rentals or take any other action necessary or incidental to
the performance of its duties under this Act;

26 8. To prepare or cause to be prepared a district master
plan, or other plans, specifications, designs and estimates of
28 costs for the construction and equipment for the project,
projects or part of a project and attendant facilities and from
30 time to time to modify those plans, specifications, designs or
estimates. The scope of each project for the district must
32 receive a majority vote of the governing board and be submitted
in writing by the executive director of the governing board to
34 the district;

36 9. To arrange or contract for the furnishing by any person
or agency, public or private, of services, privileges, works or
38 facilities necessary to undertake its project, projects or part
of a project. The district may agree to any conditions attached
40 to federal financial assistance relating to the determination of
prevailing salaries or wages or payment of not less than
42 prevailing salaries or wages or compliance with labor standards,
in the development or administration of the project, projects or
44 part of a project, and to include in any contract connected with
a project, projects or part of a project, stipulations requiring
46 that the contractor and any subcontractors comply with
requirements relating to minimum salaries or wages and maximum
48 hours of labor, and comply with any conditions that the Federal

2 Government has attached to its financial aid of the project,
projects or part of a project;

4 10. To construct, maintain, reconstruct and operate, or
6 cause to be constructed, maintained, reconstructed and operated,
the project, projects or part of a project;

8 11. Within the district's geographic area, to determine
10 where deteriorated areas exist or where there is a shortage of
safe and sanitary dwelling accommodations for persons of low
12 income; to make studies and recommendations relating to the
problem of clearing, planning and reconstructing of deteriorated
14 areas and the problem of providing dwelling accommodations for
persons of low income; and to cooperate with the City of Augusta,
16 the State or any political subdivision of the State in actions
taken in connection with such problems;

18 12. To fix and collect fees, rentals and other charges for
the use of the project, projects or part of a project; to
20 contract with holders of securities for the fixing and collecting
of those fees, rentals and other charges;

22 13. To provide financing for a project, projects or part of
24 a project and other necessary and usual attendant facilities or
to provide for refinancing of existing indebtedness, to borrow
26 money and to issue negotiable securities and to provide for the
rights of the holders of those securities;

28 14. To make and execute contracts and all other
30 instruments, including trust agreements and other financial
documents and enter into those transactions as necessary or
32 convenient for the exercise of its powers and functions under
this Act;

34 15. To enter into agreements with and accept loans, aid,
36 contributions, grants and the cooperation or assistance from any
source of money, property, labor or other things of value in
38 furtherance of this Act, including, but not limited to, the
development, maintenance, operation and financing of a project,
40 projects or part of a project and to do whatever is necessary in
order to avail itself of those loans, aid, contributions, grants
42 and cooperation;

44 16. To enter into agreements or other transactions with any
46 person, the purpose of which is to effectuate this Act,
including, but not limited to, construction agreements, purchase
or acquisition agreements and loan or lease agreements with
48 leasing corporations or other financial intermediaries;

2 17. To procure insurance against any loss in connection
4 with its securities and its property and other assets and
activities in such amounts and from such insurers as it considers
desirable;

6 18. To the extent permitted under its contract with the
8 holders of securities, to consent to any modification of any
contract, lease, indenture or agreement of any kind to which the
district is a party;

10 19. To make or receive secured or unsecured loans for the
12 purpose of providing temporary or permanent financing or
14 refinancing of all or part of the cost of a project, projects or
part of a project, including the refunding of any outstanding
16 obligations, mortgages or advances issued, made or given by a
person or other entity for the cost of a project, projects or
part of a project;

18 20. Except as otherwise provided in this Act, to invest any
20 funds not needed for immediate use, including any funds held in
reserve, in property or securities in which fiduciaries in the
22 State may legally invest funds;

24 21. To appear on its own behalf before boards, commissions,
26 departments or agencies of municipal government, State Government
or Federal Government;

28 22. To employ an executive director, consulting engineers,
30 architects, attorneys, accountants, construction and financial
experts and other employees and agents that in its judgment may
be necessary;

32 23. To act as necessary or convenient to exercise the
34 powers granted in this Act or reasonably implied from this Act.

36 The district may provide by resolution, at one time or from
38 time to time, for the issuance and sale by it of securities, in
its own name, for the purpose of paying the cost of a project,
40 projects or part of a project, or the refinancing of existing
indebtedness, approved by the district. Securities of the
42 district may not be authorized and issued except pursuant to a
resolution adopted by the vote of not less than a majority of the
44 members of the governing board. The resolution must describe the
general purpose for which the securities are to be issued and
46 state the maximum principal amount of the securities proposed to
be issued.

48 Proceeds of securities. The proceeds of the securities of
50 each issue must be used solely for the purpose for which the
securities were authorized and must be disbursed in a manner and

2 under restrictions provided in the resolution authorizing the
3 issuance of these securities or in the trust agreement securing
4 the securities. If the proceeds of the securities, by error of
5 estimates or otherwise, are less than the cost, additional
6 securities may, in like manner, be issued to provide the amount
7 of the deficiency and, unless otherwise provided in the
8 authorizing resolution or in the trust agreement securing the
9 securities, are considered to be of the same issue and entitled
10 to payment from the same fund without preference or priority of
11 the securities first issued for the same purpose. The resolution
12 providing for the issuance of securities and any trust agreement
13 securing the securities may contain limitations upon the issuance
14 of additional securities the authority may consider proper. Any
15 additional securities must be issued under restrictions and
16 limitations prescribed by the resolution or trust agreement. The
17 authority may provide for the replacement of any securities that
18 become mutilated, destroyed, stolen or lost. Securities may be
19 issued under this Act without obtaining the consent of any
20 department, division, commission, board, bureau or agency of the
21 State and without any other proceedings or the happening of any
22 other conditions or things other than those proceedings,
23 conditions or things that are specifically required by this Act.

24 The proceeds of the securities of each issue must be used
25 for the payment of all or part of the cost of the project,
26 projects or part of a project for which authorized and must be
27 disbursed in such manner and under such restrictions as are
28 provided in the resolution authorizing the issuance of the bonds
29 or in the trust agreement securing the securities. Proceeds may
30 be used to pay all costs incurred in issuing the securities,
31 interest on the securities for such time as may be authorized by
32 the district, subject to this Act and to establish reserve funds
33 and sinking funds for the securities.

34 In carrying out its powers under this Act, the district
35 shall, whenever possible, contract with the Maine Municipal Bond
36 Bank for necessary clerical and administrative services.

37 Securities issued under this Act constitute a proper public
38 purpose and the securities so issued, their transfer and the
39 income from the securities, including any profits made on the
40 sale of the securities, at all times are exempt from taxation
41 within the State.

42 Securities issued under this Act do not constitute or create
43 any debt or liability on behalf of the City of Augusta or the
44 State other than the district or a loan of the credit of the City
45 of Augusta or the State or a pledge of the faith and credit of
46 the City of Augusta or the State other than the district, but are
47 payable solely from the funds provided for that payment. All
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2 securities must contain on their face a statement to the effect
3 that neither the City of Augusta nor the State is obligated to
4 pay the securities or the interest on the securities, except from
5 revenues of the district or the project, projects or part of a
6 project for which they are issued and that neither the faith and
7 credit nor the taxing power of the City of Augusta or the State
8 is pledged to the payment of the principal of or the interest on
9 the securities. The issuance of securities under this Act does
10 not directly, indirectly or contingently obligate the City of
11 Augusta or the State to levy or to pledge any form of taxation or
12 to make any appropriation for their payment. This paragraph may
13 not be construed to prevent the authority from pledging its full
14 faith and credit to the payment of securities authorized pursuant
15 to this Act.

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SUMMARY

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19 This bill creates the Capital Riverfront Improvement
20 District to protect the scenic character of the Kennebec River
21 corridor and to provide an opportunity for community and economic
22 development for the City of Augusta along the city's riverfront.
23 This bill establishes a governing board and executive committee
24 of the district and delineates the powers and duties of the
25 board. It requires the district to assist in the establishment
26 of district boundaries, prepare a master plan and to authorize
and carry out projects within the district.