

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

SECOND REGULAR SESSION-2008

Legislative Document

No. 2282

H.P. 1647

House of Representatives, March 27, 2008

**Resolve, Authorizing the Commissioner of Administrative and
Financial Services on Behalf of the State To Convey Title and Other
Interests in the Stone Buildings Formerly Occupied by the Augusta
Mental Health Institute**

Reference to the Committee on State and Local Government suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BARSTOW of Gorham. (GOVERNOR'S BILL)
Cosponsored by Senator SCHNEIDER of Penobscot and
Representative: JOY of Crystal, Senator: BENOIT of Sagadahoc.

1 **Sec. 1. Definitions. Resolved:** That, as used in this resolve, the following terms
2 have the following meanings.

3 1. "Commissioner" means the Commissioner of Administrative and Financial
4 Services.

5 2. "State property" means the real and personal property described in sections 3 and
6 4 of this resolve.

7 In this resolve, the terms "lease" and "ground lease" are used interchangeably; and be
8 it further

9 **Sec. 2. Authority to convey property. Resolved:** That, notwithstanding any
10 other provision of law, the State by and through the commissioner may:

11 1. Enter into ground leases of the real property described in section 3;

12 2. Convey title to the buildings described in section 4 subject to surrender to the State
13 upon termination of any ground lease; and

14 3. Negotiate, draft, execute and convey any rights that, in the commissioner's
15 discretion, may contribute to the value of a proposed ground lease or are essential to the
16 operation of a building located on the leased property; and be it further

17 **Sec. 3. Property interests that may be leased. Resolved:** That the
18 commissioner may enter into ground leases for the following real property: the site
19 formerly occupied by the Augusta Mental Health Institute on which stand the buildings
20 known as the Stone Buildings, the Administration Building and the Center Building,
21 together with such additional land and parking areas as may facilitate operation of the
22 buildings and are not required by the State for operation of the East Campus.

23 The amount of property and the boundary of the property leased pursuant to this
24 resolve must be those that the commissioner, in the commissioner's sole discretion,
25 determines to be in the best interest of the State.

26 The state property may be leased for a term of up to 90 years in whole or in part, at
27 the discretion of the commissioner, subject to such permits or approvals as may be
28 required by law; and be it further

29 **Sec. 4. Buildings that may be conveyed. Resolved:** That the following
30 buildings may be conveyed: the Stone Buildings, the Administration Building, the Center
31 Building and other buildings attached to or associated with the former Augusta Mental
32 Health Institute complex. The buildings must be conveyed subject to such terms and
33 conditions and restrictions as the commissioner determines are in the best interest of the
34 State, including but not limited to appropriate lease options and restrictions on use of the
35 buildings. Each conveyance must be subject to surrender to the State upon termination of
36 any ground lease under section 3; and be it further

Sec. 5. Property to be leased or conveyed as is. Resolved: That the commissioner may negotiate and execute leases, ground leases and purchase and sale agreements upon such terms and conditions the commissioner considers appropriate; however, the state property must be conveyed or leased "as is," with no representations or warranties.

Title to the buildings must be transferred by quitclaim deed without covenants and executed by the commissioner; and be it further

Sec. 6. Exemptions. Resolved: That any lease pursuant to this resolve is exempt from any statutory or regulatory requirement that the property first be offered to the Maine State Housing Authority or another state or local agency; and be it further

Sec. 7. Appraisal. Resolved: That the commissioner shall have the current market value of the state property determined by an independent appraiser. The commissioner may list the property for lease and buildings for sale with private real estate brokers, may solicit bids or proposals, may conduct a request for qualification process to select a developer and may enter directly into a sale or ground lease. The commissioner may reject any offer, bid or proposal.

The commissioner shall establish any rent and the terms of lease or sale.

If the commissioner elects to solicit bids, proposals or qualifications, the commissioner shall publish notices sufficient to advertise the properties for lease and buildings for lease or sale. The commissioner may reject any offer, bid or proposal; and be it further

Sec. 8. Proceeds. Resolved: That any rental or lease proceeds that accrue to the State in excess of operating and capital costs and costs described under the Maine Revised Statutes, Title 5, section 1784 must be deposited into the General Fund undedicated revenue account.

Any proceeds from the sale of the Stone Buildings, the Administration Building and the Center Building must be deposited into the Department of Administrative and Financial Services, Bureau of General Services capital repair and improvement account to be used for capital repairs and improvements as designated by the commissioner in the East Campus in Augusta as described in Title 1, section 814, subsection 2, paragraph B; and be it further

Sec. 9. Repeal. Resolved: That this resolve is repealed 5 years after its effective date.

SUMMARY

This resolve authorizes the Commissioner of Administrative and Financial Services to enter into long-term ground leases of the following sites and to convey the following buildings, subject to surrender to the State upon termination of the ground leases: the Stone Buildings, the Administration Building and the Center Building, collectively

1 known as the Stone Buildings and formerly occupied by the Augusta Mental Health
2 Institute.

3 The action authorized in this resolve was part of the initiative to streamline State
4 Government established in Public Law 2007, chapter 240, Part QQQ. The content of this
5 resolve was included in the supplemental budget, Legislative Document 2173, but was
6 removed from the budget because the Constitution of Maine prohibits the inclusion in an
7 emergency bill of a provision for the sale or renting for more than 5 years of real estate.