

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

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Legislative Document

No. 254

S.P. 92

In Senate, February 3, 2015

An Act To Authorize a General Fund Bond Issue To Support Waterfront Development

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator HASKELL of Cumberland.
Cosponsored by Representative SAUCIER of Presque Isle and
Senators: BREEN of Cumberland, GERZOFSKY of Cumberland, KATZ of Kennebec, LIBBY
of Androscoggin, VOLK of Cumberland, Representatives: GATTINE of Westbrook,
HOBBINS of Saco, PARRY of Arundel.

1 **Preamble.** Two thirds of both Houses of the Legislature deeming it necessary in
2 accordance with the Constitution of Maine, Article IX, Section 14 to authorize the
3 issuance of bonds on behalf of the State of Maine to provide funds as described in this
4 Act,

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

6 **PART A**

7 **Sec. A-1. Authorization of bonds.** The Treasurer of State is authorized, under
8 the direction of the Governor, to issue bonds in the name and on behalf of the State in an
9 amount not exceeding \$10,000,000 for the purposes described in section 5 of this Part.
10 The bonds are a pledge of the full faith and credit of the State. The bonds may not run for
11 a period longer than 10 years from the date of the original issue of the bonds.

12 **Sec. A-2. Records of bonds issued; Treasurer of State.** The Treasurer of
13 State shall ensure that an account of each bond is kept showing the number of the bond,
14 the name of the successful bidder to whom sold, the amount received for the bond, the
15 date of sale and the date when payable.

16 **Sec. A-3. Sale; how negotiated; proceeds appropriated.** The Treasurer of
17 State may negotiate the sale of the bonds by direction of the Governor, but no bond may
18 be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the
19 bonds, which must be held by the Treasurer of State and paid by the Treasurer of State
20 upon warrants drawn by the State Controller, are appropriated solely for the purposes set
21 forth in this Part. Any unencumbered balances remaining at the completion of the project
22 in this Part lapse to the Office of the Treasurer of State to be used for the retirement of
23 general obligation bonds.

24 **Sec. A-4. Interest and debt retirement.** The Treasurer of State shall pay
25 interest due or accruing on any bonds issued under this Part and all sums coming due for
26 payment of bonds at maturity.

27 **Sec. A-5. Disbursement of bond proceeds from General Fund bond issue.**
28 The proceeds of the sale of the bonds authorized under this Part must be expended as
29 designated in the following schedule under the direction and supervision of the agencies
30 and entities set forth in this section.

31 **ECONOMIC AND COMMUNITY**
32 **DEVELOPMENT, DEPARTMENT OF**
33
34 **Waterfront Community Development**
35 **Program**

36 Provides funds for the creation of a grant program to invest in economic
37 revitalization, environmental enhancement and community betterment projects along
38 the waterfronts of the State in a fashion that preserves and enhances economic
39 activity, environmental protection and the quality of life for residents of the State.

1 Total \$10,000,000

2 **Sec. A-6. Use of bonds.** Bond proceeds may be used for a program to award
3 grants for investment in economic revitalization, environmental enhancement and
4 community betterment projects along waterfronts of the State in a fashion that preserves
5 and enhances economic activity, environmental protection and the quality of life for
6 residents of the State, except that use of the proceeds is subject to the following
7 conditions and requirements.

8 1. Any municipality with either ocean or river waterfront and any nonprofit
9 corporation organized in whole or in part for the purposes of economic, environmental
10 and community development of waterfront in the State may apply to the Department of
11 Economic and Community Development for funding from this grant program.

12 2. For a project to be eligible to receive grant funding, the project must have as its
13 purpose:

14 A. The development or restoration of public parks, walkways and other public spaces
15 along waterfront corridors situated either in downtown or developed waterfront
16 locations or between and connecting 2 or more such locations;

17 B. Rehabilitation of degraded or dilapidated shorelines in downtown waterfront
18 locations in a manner designed to encourage subsequent private development on or
19 near those shorelines; or

20 C. The restoration of native fisheries and aquatic ecosystems.

21 3. A proposed project must demonstrate support from a broad range of public and
22 private entities and the local community.

23 4. Eligible applications must include a commitment of one dollar in matching funds
24 from other public or private sources for every dollar in bond funds.

25 **Sec. A-7. Contingent upon ratification of bond issue.** Sections 1 to 6 do not
26 become effective unless the people of the State ratify the issuance of the bonds as set
27 forth in this Part.

28 **Sec. A-8. Appropriation balances at year-end.** At the end of each fiscal year,
29 all unencumbered appropriation balances representing state money carry forward. Bond
30 proceeds that have not been expended within 10 years after the date of the sale of the
31 bonds lapse to the Office of the Treasurer of State to be used for the retirement of general
32 obligation bonds.

33 **Sec. A-9. Bonds authorized but not issued.** Any bonds authorized but not
34 issued within 5 years of ratification of this Part are deauthorized and may not be issued,
35 except that the Legislature may, within 2 years after the expiration of that 5-year period,
36 extend the period for issuing any remaining unissued bonds for an additional amount of
37 time not to exceed 5 years.

1 **Sec. A-10. Referendum for ratification; submission at election; form of**
2 **question; effective date.** This Part must be submitted to the legal voters of the State at
3 a statewide election held in the month of November following passage of this Act. The
4 municipal officers of this State shall notify the inhabitants of their respective cities, towns
5 and plantations to meet, in the manner prescribed by law for holding a statewide election,
6 to vote on the acceptance or rejection of this Part by voting on the following question:

7 "Do you favor a \$10,000,000 bond issue to fund a grant program
8 administered by the Department of Economic and Community
9 Development to invest in economic development, environmental
10 protection and community development projects along waterfronts in
11 Maine and to be matched by public or private funds?"

12 The legal voters of each city, town and plantation shall vote by ballot on this question
13 and designate their choice by a cross or check mark placed within a corresponding square
14 below the word "Yes" or "No." The ballots must be received, sorted, counted and
15 declared in open ward, town and plantation meetings and returns made to the Secretary of
16 State in the same manner as votes for members of the Legislature. The Governor shall
17 review the returns. If a majority of the legal votes are cast in favor of this Part, the
18 Governor shall proclaim the result without delay and this Part becomes effective 30 days
19 after the date of the proclamation.

20 The Secretary of State shall prepare and furnish to each city, town and plantation all
21 ballots, returns and copies of this Part necessary to carry out the purposes of this
22 referendum.

23 PART B

24 **Sec. B-1. 5 MRSA §13083-U** is enacted to read:

25 **§13083-U. Waterfront Community Development Program**

26 **1. Program established; administration.** The Waterfront Community
27 Development Program, referred to in this section as "the program," is established within
28 the department to assist and encourage communities along the State's ocean and river
29 waterfronts to revitalize their waterfronts in an environmentally sustainable manner and
30 to promote waterfront-oriented community development and enhancement projects
31 through the award of grants. The department shall administer the program directly
32 through the Municipal Investment Trust Fund, established in Title 30-A, section 6006-D,
33 to provide funding for the rehabilitation, revitalization and enhancement of waterfront
34 communities and ocean and river ecosystems in the State.

35 **2. Review panel.** The department shall organize a review panel to make
36 recommendations for the operation of the program, including without limitation
37 evaluating grant applications and determining funding under the program. The panel
38 consists of the commissioner, the Commissioner of Agriculture, Conservation and
39 Forestry and the Director of the Governor's Office of Policy and Management within the
40 Executive Department and 4 members of the public with expertise in the areas of

1 economic and community development, environmental conservation, tourism and
2 ecotourism development and promotion and park and trail design and development.

3 **3. Selection criteria.** The department shall develop selection criteria with which to
4 evaluate applications for grants under the program for investment in projects in
5 waterfront communities. The selection criteria must include, without limitation:

6 A. The economic significance of the proposed project to the immediate vicinity and
7 to the State as a whole;

8 B. The level of compatibility of the proposed project with clean and healthy aquatic
9 ecosystems;

10 C. The value of the proposed project with respect to downtown revitalization;

11 D. The value of the proposed project with respect to environmental protection and
12 ecological restoration;

13 E. The value of the proposed project with respect to recreational uses;

14 F. The degree of community support for the proposed project; and

15 G. The extent to which the proposed project involves partnerships and meets
16 multiple criteria for benefits.

17 **4. Rules.** The department may adopt rules to implement this section. Rules adopted
18 pursuant to this subsection are routine technical rules as defined in chapter 375,
19 subchapter 2-A.

20 **Sec. B-2. Maine Revised Statutes headnote amended; revision clause.** In
21 the Maine Revised Statutes, Title 5, chapter 383, subchapter 3, article 2-C, in the article
22 headnote, the words "riverfront community development program" are amended to read
23 "riverfront and waterfront community development programs" and the Revisor of Statutes
24 shall implement this revision when updating, publishing or republishing the statutes.

25 **Sec. B-3. Contingent upon ratification of bond issue.** This Part does not
26 become effective unless the people of the State ratify the issuance of the bonds as set
27 forth in Part A of this Act.

28 SUMMARY

29 The funds provided by this bond issue, in the amount of \$10,000,000, will be used to
30 fund a grant program to invest in projects that contribute to economic activity,
31 environmental protection and community development along the State's waterfronts. It
32 also enacts a grant program for waterfront development, which is modeled after the
33 Riverfront Community Development Program.