

§13120-N. Speculative industrial building program

The authority may assist a municipality or local development corporation to construct a speculative industrial building by loaning the municipality or local development corporation money for construction or carrying costs or both for the project, subject to the following. [PL 2005, c. 425, §17 (AMD).]

1. Project. The following conditions apply to a project receiving money under this section.

A. The project must be within the scope of this subchapter, must be of public use and benefit and must reasonably be expected to accomplish one or more of the following:

- (1) Create new employment opportunities;
- (2) Retain or improve existing employment; or
- (3) Improve the competitiveness of the occupant business. [PL 2001, c. 703, §6 (NEW).]

B. Not more than one unoccupied speculative industrial building project may be financed in a municipality. [PL 2005, c. 425, §17 (AMD).]

C. The authority shall charge interest on loans or funds provided under this section to the municipality or local development corporation for a speculative industrial building that remains unoccupied for 3 or more years following completion of the building. [PL 2005, c. 425, §17 (AMD).]

D. The authority shall adopt rules under chapter 375 with respect to:

- (1) The methodology and criteria for allocating funds to speculative industrial building projects;
- (2) The process through which municipalities and local development corporations must apply for speculative industrial building funds;
- (3) Rates of interest, the duration of interest payments and any other terms to which municipalities and local development corporations must be subject under this paragraph; and
- (4) Other matters necessary to the proper administration of this section.

Rules adopted under this paragraph are routine technical rules pursuant to chapter 375, subchapter 2-A. [PL 2005, c. 425, §17 (AMD).]

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2. Obligations. The municipality or local development corporation receiving money under this section must:

A. Own, or hold on long-term lease, the site for the project; [PL 2001, c. 703, §6 (NEW).]

B. Be responsible for and present evidence to the authority of its ability to carry out the project as planned; [PL 2001, c. 703, §6 (NEW).]

C. Site and maintain the speculative industrial building on property that is appropriate to the size and location of the speculative industrial building; [PL 2005, c. 425, §17 (AMD).]

D. Provide and maintain, with funds other than those provided by the authority, an adequate access road from a public highway to the proposed site and provide and maintain water, sewer and power facilities. The municipality or local development corporation must be responsible for plowing out the plant site at all times and for landscaping the grounds surrounding the building until the building is occupied by a tenant; [PL 2001, c. 703, §6 (NEW).]

E. Comply with applicable zoning, planning and sanitary regulations in the municipality where the speculative industrial building is to be located. A loan may not be approved and a certificate of

approval for the project or for any subsequent enlargement or addition to the project may not be issued until the Department of Environmental Protection has certified to the authority that all licenses required by the authority have been issued or that none are required; and [PL 2005, c. 425, §17 (AMD).]

F. Make adequate provisions for insurance and fire protection and for maintenance of the speculative industrial building while it is unoccupied. [PL 2005, c. 425, §17 (AMD).]
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3. Loan terms. Terms for a loan under this section are as follows.

A. The authority shall prescribe the terms and conditions of the loan. [PL 2001, c. 703, §6 (NEW).]

B. Loans must be repaid in full, including interest and other charges, within 90 days after the speculative industrial building is occupied. [PL 2005, c. 425, §17 (AMD).]

C. A speculative industrial building financed by an authority loan may not be sold or leased without the express approval of the purchaser or lessee by the authority. If the municipality or local development corporation and the authority agree that a speculative industrial building is unlikely to be sold in the near future despite a marketing effort, the authority may permit an interim lease upon terms it considers appropriate for the protection of the Speculative Industrial Buildings Fund or any successor to the fund. Occupation of the premises under an interim lease does not require payment in full of the entire loan within 90 days, as provided in paragraph B. [PL 2005, c. 425, §17 (AMD).]

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4. Marketing and promotion. The municipality or local development corporation receiving money under this section shall make a reasonable and continual effort to market the speculative industrial building for sale into private commercial use. Upon the request of the authority, the municipality or local development corporation shall present evidence of its marketing efforts and expenditures related to the speculative industrial building.

[PL 2005, c. 425, §17 (AMD).]

5. Taxes. While a speculative industrial building under this section remains unoccupied and a first mortgage is held by the authority, it is property held for a legitimate public use and benefit and is exempt from all taxes and special assessments of the State or any of its political subdivisions.

[PL 2005, c. 425, §17 (AMD).]

6. Municipality. A municipality may raise or appropriate money supporting and guaranteeing the obligation of a chamber of commerce, board of trade or local development corporation for the purpose of constructing a speculative industrial building subject to the provisions of this subchapter.

[PL 2005, c. 425, §17 (AMD).]

SECTION HISTORY

PL 2001, c. 703, §6 (NEW). PL 2003, c. 281, §§5,6 (AMD). PL 2005, c. 425, §17 (AMD).

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