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Resolve, Authorizing the Commissioner of Administrative and Financial Services To Enter into Long-term Ground Leases of Real Property and To Convey the Stone Buildings, the Administrative Building and the Center Building Formerly Occupied by the Augusta Mental Health Institute

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

1. "Commissioner" means the Commissioner of Administrative and Financial Services.
2. "State property" means the real and personal property described in sections 3 and 4 of this resolve.

For purposes of this resolve, the terms "lease" and "ground lease" are used interchangeably; and be it further

Sec. 2 Authority to convey property. Resolved: That the State, by and through the commissioner, may:

1. Enter into ground leases of the real property described in section 3;
2. Convey title to the buildings described in section 4 subject to surrender to the State upon termination of the lease; and
3. Negotiate, draft, execute and deliver any rights that, in the commissioner's discretion, may contribute to the value of a proposed lease or are essential to the operation of a building located on the leased property; and be it further

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

The amount of land and the boundary of the state property leased or sold pursuant to this resolve must be determined by the commissioner, in the commissioner's sole discretion, to be in the best interest of the State.

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

Sec. 4 Buildings that may be conveyed. Resolved: That the following buildings may be conveyed: the Stone Buildings, the Administration Building, the Center Building and other buildings attached to or associated with the former Augusta Mental Health Institute complex. The buildings must be conveyed with restrictions on their use and subject to surrender to the State upon termination of the lease under section 3; and be it further

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

Title to the buildings must be transferred by bill of sale with no 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 or may enter directly into leases with tenants. The commissioner may reject any offers.

The commissioner shall establish the 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 bids; 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 must be deposited into the General Fund undedicated revenue account.

Any proceeds from sale of the Stone Buildings, Administration Building and 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 State's East Campus in Augusta as described in the Maine Revised Statutes, Title 1, section 814, subsection 2, paragraph A; and be it further

Sec. 9 Repeal. Resolved: That this resolve is repealed 5 years from the 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 lease: the Stone Buildings, the Administration Building and the Center Building formerly occupied by the Augusta Mental Health Institute in Augusta.