

Brian S. Phinney  
City of Biddeford  
LD 745

Testimony of Brian S. Phinney, Interim City Manager  
City of Biddeford, Maine  
Before the Joint Standing Committee on Taxation  
In Support of LD 745 / HP 487  
March 12, 2025

Senator Grohoski, Representative Perry, and esteemed members of the Joint Standing Committee on Taxation,

My name is Brian Phinney, and I am the Interim City Manager for the City of Biddeford. I am providing written testimony in strong support of LD 745, "An Act to Allow a Municipality to Sell Tax-acquired Property in Any Manner Authorized by the Municipality's Legislative Body."

Under current Maine law, municipalities must follow a specific, structured process for the sale of tax-acquired properties, even when doing so may not be in the best interest of the municipality, its taxpayers, or the broader community. LD 745 seeks to provide municipalities with greater flexibility in how they dispose of tax-acquired properties while still ensuring fairness by requiring that any excess sale proceeds be returned to the former property owner.

#### Why LD 745 is Necessary

Biddeford, like many other Maine municipalities, occasionally acquires properties due to unpaid taxes. In some cases, the current statutory process outlined in 36 MRSA §943-C limits our ability to act efficiently and in a manner that aligns with local priorities. For example:

- **Municipal Redevelopment Goals:** In some cases, a municipality may wish to convey tax-acquired properties directly to nonprofit housing developers, community land trusts, or other entities that align with local affordable housing or economic development initiatives. The current structured sale process can make this more cumbersome.
- **Blighted and Abandoned Properties:** Under 36 MRSA §946-C, municipalities can certify properties as abandoned and take steps toward their reuse. However, the prescribed sale process in §943-C does not always align with the community's best interests when addressing deteriorated or unsafe properties.
- **Maximizing Public Benefit:** Sometimes, the highest financial bid is not necessarily the best outcome for a community. LD 745 provides municipalities the discretion to sell properties in a manner that best serves local needs while maintaining fiscal responsibility.

#### Ensuring Accountability

Importantly, LD 745 maintains protections to ensure fairness and transparency. It does not allow municipalities to retain excess proceeds for their own use but rather ensures that any funds exceeding the costs of taxes, interest, and municipal expenses are returned to the former property owner, as required under existing law. The bill simply provides municipalities with the discretion to determine how properties should be sold, rather than being locked into a process that may not always be appropriate.

#### Conclusion

LD 745 represents a common-sense modernization of Maine's tax-acquired property laws. It empowers local governments to make decisions that best serve their communities while preserving fairness and accountability. On behalf of the City of Biddeford, I urge this committee to vote Ought to Pass on LD 745.

Thank you for your time and consideration. I would be happy to answer any questions you may have.

Brian S. Phinney  
Interim City Manager  
City of Biddeford, Maine