

Testimony Of Priscilla Ngaliema
LD 1170, “An Act to Make the Maine redevelopment Land Bank Authority Responsible
for the Transfer and Development of State-owned Surplus Land,”
April 3, 2025

Senator Curry of Waldo, and Representative Collamore of Pittsfield, and members of the committee on housing and economic development, my name is Priscilla Ngaliema. I am an intern at Maine Chamber of Commerce, and I am here on behalf of the company, representing housing and economic development.

This bill has several thoughtful and necessary updates to Maine’s process for managing surplus state-owned land. At its core the legislation would substitute the Maine Redevelopment Land Bank Authority to replace Maine State Housing Authority to work with the Commissioner of DAFS to assess surplus state property and ultimately be the initial partner in assessing the value of the property consistent with the Land Bank’s mission. The Chamber believes that the Land Bank’s mission and overall experience will be more appropriate to maximize the economic benefits of utilizing diverse surplus state property. As a result, we do think this structure has the opportunity to move surplus property into productive commercial, residential, or industrial uses.

As background, it is also instructive of the existing statute, and we would encourage the Committee to work with DAFS and the Land Bank Authority to conduct a review of excess state property. This not only could provide revenue to the state, but also catalyze economic activity. We look forward to reviewing a revitalized report conducted by DAFS and the Land Bank and submitted to legislative committees. This would support the legislative goals with state development.

Subsection B makes it clear that the procedures described in this section will be used to distribute surplus property before any other approach. This makes the management of surplus land simpler and more consistent. Public reserved land should be free from these processes, protecting important reserved land. There does need to be involvement in creating trust by the Maines redevelopment Land bank, for the possibility of redeveloping surplus land in a meaningful manner that is strengthened by this collaboration. The first option to purchase surplus land is to ensure that Land Bank Authority is given first when it comes to buying or getting buildings and lands that are determined to be surplus. This makes sure that land could be reused and does not get lost to private sales without first taking the public community into account. Finally, within 30 days of being notified, the authority must give written notice to the

owning agency of its interest or choose not to pursue the surplus land. This will make sure that quick and open communication is had which will eventually allow advancement decisions to be made. The market value of the surplus property must be determined by either an independent appraiser or through an agreement between the Maine redevelopment land bank authority and owner agency. Once the valuation is set, both parties are required to negotiate the final purchase price. The final price cannot go over the established market value. If there is a legal requirement in place that the property must be sold at a fair market value rate, that requirement will come first.

The Chamber believes the structure outlined in the legislation creates a fair and balanced approach that maintains fiscal responsibility while also allowing enough flexibility to support redevelopment efforts. In conclusion, this bill improves how Maine handle surplus state-owned land by giving the Maine redevelopment land bank authority more control and creating clear and fair procedures for identifying and reusing that land.