

*Testimony of Anya Trundy, Deputy Commissioner
Department of Administrative and Financial Services*

Testifying in Favor

LD 2139, Resolve, Authorizing the Department of Administrative and Financial Services to Convey the Interests of the State in Certain Real Property in East Millinocket

Presented by Sen. Trey Stewart

To the Joint Standing Committee on State and Local Government

Senator Baldacci, Representative Salisbury, and members of the Joint Standing Committee on State and Local Government, I am Anya Trundy, Deputy Commissioner for the Department of Administrative and Financial Services. I am providing testimony today in support of LD 2139, which is a DAFS department bill seeking legislative authorization for the DAFS Commissioner to enter into an option agreement with the Town of East Millinocket to purchase certain State-owned real property located in East Millinocket and fair market value.

Before I go any further, I want to be abundantly clear, so there is absolutely no misunderstanding: **the State is not attempting to off-load the Dolby Landfill.** The State assumed ownership of an approximately 3,384-acre parcel encompassing the Dolby Landfill in 2011, as part of efforts to facilitate the sale of the Millinocket and East Millinocket mills by removing the landfill's long-term liability from Katahdin Paper Company's balance sheet. The State fully intends to retain all land essential to the Bureau of General Services' continued maintenance and monitoring of the three landfill sites comprising Dolby, but at present there is no legal manner to identify a subset of the larger parcel recorded in Penobscot County Register of Deeds. The Bureau of General Services is under contract to have the entire property surveyed, so that it can be sub-divided to facilitate the intent of this Resolve, however, the survey is unlikely to be completed before the legislative session has concluded.

During the 129th Legislature, LD 744 was submitted on behalf of a pair of private developers hoping to acquire the property in question for a steal and attempting to force its sale by the State. The State was not looking to sell; the property wasn't even classified as surplus. In addition, the Town of East Millinocket came forward with significant concerns about the interested party's financial viability and follow-through, and furthermore, the Town itself was interested in acquiring portions of the property neighboring residential area and well as waterfront access on Dolby Pond.

In 2019, East Millinocket was not in a financial position to purchase the portions of the property of interest, so DAFS worked closely with town officials to craft the amended version of LD 744 that ultimately passed the legislature, providing East Millinocket with assurance that the property wouldn't be sold without them first having an opportunity to purchase. Town officials have remained in periodic contact with the Bureau of General Services to reaffirm the town's interest in the property, but still not ready to move forward with purchase, the State made no moves to sell the property and the original 5-year legislative authorization expired in 2024.

LD 2139 is structured slightly differently than Resolve 2019, c. 76; rather than a Right of First Refusal, it provides East Millinocket up to one year from the resolve's effective date to enter into an Option Agreement with the State for the portion of property of interest to the town, and five years thereafter to complete the purchase. This legally formalizes and secures East Millinocket's interests for the next 5 years, rather than relying on the good word of DAFS leadership, especially as we anticipate a change in Administrations and potential turnover. We are very proud to work with East Millinocket to return this property not needed by the State to the property tax rolls, so that it can be used to expand housing availability, spur economic development, and benefit East Millinocket's community.

I urge you to support LD 2139. I am happy to answer questions and will be available at the work session.