Loring Development Authority

Public Works District and Assessment Policy

A resolution establishing a Public Works District at Loring Commerce Centre and Adopting a Public Works Assessment Policy

Whereas, the Loring Development Authority (the "LDA") was established by the State of Maine to promote the redevelopment, economic development, and productive reuse of the former Loring Air Force Base in Limestone, Maine; and

Whereas, the LDA is a public municipal corporation and, under Title 5, §13080-B(1)(F), may "charge and collect fees, charges and rents for the use of the properties and other services," with the proceeds used for purposes authorized under the LDA statute; and

Whereas, the LDA statute also authorizes the LDA to maintain, repair, plow and control public ways as a municipality and together, these provisions support a fee that pays for services the LDA actually provides across the campus, such as road maintenance, plowing, stormwater, streetlights and similar shared infrastructure; and

Whereas, the LDA owns, manages, or is otherwise responsible for maintaining substantial infrastructure and providing services throughout Loring Commerce Centre; and

Whereas, the infrastructure and services maintained by the LDA include roadways, sidewalks, drainage systems, fire hydrants, signage, public esplanades and grounds, and other facilities that support the safety, accessibility, operation, and economic viability of the campus; and

Whereas, these infrastructure and service responsibilities include activities ordinarily provided by municipal governments and commonly supported through property taxes or other public revenues, but the LDA does not possess general property-taxing authority; and

Whereas, the costs of maintaining this infrastructure place a substantial financial burden on the LDA and divert resources from its broader economic development and redevelopment responsibilities; and

Whereas, the Authority seeks to establish a dedicated, transparent, and equitable method of recovering reasonable costs of eligible services and infrastructure from properties that receive, or are reasonably positioned to receive, a benefit from their availability and

Whereas, the Authority has considered alternative methods of allocating those costs, including methods based on building area, land area, parcel count, and combinations of property characteristics; and

Whereas, the LDA finds that a hybrid assessment model, allocating 85 percent of the approved annual Public Works Assessment budget according to assessable building square footage and 15

percent according to an equal charge per eligible parcel, provides a reasonable and administratively practical method for allocating these costs, subject to applicable law and the requirements of this policy; and

Whereas, public notice of a hearing on this Resolution was provided more than seventeen days prior to the consideration by the Board of Trustees as required by the Maine Administrative Procedures Act, 5 MRSA §8053 in a paper of general circulation and sent to property owners at Loring Commerce Center;

Now, therefore, be it resolved by the Board of Trustees of the Loring Development Authority as follows:

Section 1. Purpose and Objectives

The purpose of this Resolution is to establish a Public Works District funding mechanism under the provisions of 5 MRSA §13080-B(1)(F) for the maintenance, repair, operation, and administration of designated public infrastructure at Loring Commerce Centre.

The objectives of the Public Works Assessment are to:

1. Establish a dedicated revenue source for eligible public works expenses.
2. Allocate costs among eligible properties using a consistent, transparent, and sound methodology.
3. Recognize both the relative scale of building development and the baseline benefits associated with the availability of shared campus infrastructure.
4. Reduce the extent to which public works expenses must be subsidized by the LDA's general operating resources.
5. Promote the long-term financial sustainability, safety, accessibility, and economic viability of Loring Commerce Centre.

The assessment shall be administered as a fee or charge for authorized services and infrastructure-related costs at the Loring Commerce Centre.

Section 2. Establishment and Boundaries of the Public Works District

There is hereby established a Public Works District encompassing the properties and infrastructure within Loring Commerce Centre designated by the LDA for purposes of this policy. The properties and area included in the District are those that were a part of the former Loring Airforce Base in Limestone, Maine.

The District shall include those properties that receive or are reasonably positioned to benefit from the availability of the shared infrastructure and services identified in this resolution, as determined under the eligibility standards adopted by the LDA.

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The LDA shall maintain an official schedule or map identifying properties within the district and the parcels included in the assessment calculation. The schedule shall be reviewed periodically and updated as property boundaries, ownership, development, or other relevant circumstances change.

Establishment of the district shall not transfer ownership of infrastructure or responsibility for services to the LDA beyond those responsibilities otherwise established by law, contract, or applicable agreement.

Section 3. Eligible Public Works Services and Expenses

Subject to the annual budget approved by the Board of Trustees, the Public Works Assessment may fund reasonable and documented expenses associated with the following services and infrastructure:

A. Roadway Maintenance and Repair

- Maintenance, repair, and preservation of approximately forty-eight miles of campus roadways.
- Roadway surface repairs and associated maintenance.
- Pavement line striping and roadway markings.
- Maintenance of street signs and related traffic-control features.

B. Winter Operations

- Snowplowing and snow removal.
- Sanding and salting.
- Ice control and related winter roadway operations.
- Seasonal roadway and public-access cleanup.

C. Grounds and Pedestrian Infrastructure

- Esplanade maintenance and mowing.
- Sidewalk maintenance and repair.
- Maintenance of designated common areas associated with public infrastructure and access.

D. Stormwater infrastructure

- Inspection, cleaning, and maintenance of stormwater lines and related drainage infrastructure.
- Other routine maintenance activities necessary to maintain the proper operation of designated stormwater systems.

E. Fire hydrants

- Authorized charges and expenses associated with maintaining public fire hydrants serving the campus, including applicable utility or public utility commission tariff charges.

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F. Streetlights

- Authorized charges and expenses associated with maintaining streetlights serving the campus, including applicable utility charges.

G. Administrative and Management Expenses

- Reasonable, documented staff time and associated administrative expenses directly attributable to the management and administration of the Public Works District and its services may be included in the annual budget. These expenses may include the appropriate portions of staff time devoted to oversight, facilities and operations, financial management, billing, collections, recordkeeping, customer communications, and assessment administration.

  Administrative allocations shall be based on a documented and consistently applied methodology.

The Board may amend the list of eligible services and expenses by subsequent resolution, provided that any amendment is consistent with the LDA's legal authority and the purpose of the district.

Section 4. Annual Public Works Assessment Budget

The Board of Trustees shall approve an annual Public Works Assessment budget before establishing the rates for the applicable assessment year. The Public Works Assessment budget shall be adopted by the Board of Trustees at the time of the adoption of the annual LDA Operating Budget.

The budget shall identify, as applicable:

1. Anticipated direct infrastructure and maintenance expenses.
2. Authorized fire hydrant and related utility charges.
3. Eligible administrative and staff allocations.
4. Any adjustments for prior year overcollections or under collections.
5. Other authorized costs directly related to the services funded by the assessment.

The initial assessment budget shall be established by a separate budget schedule approved by the Board of Trustees and incorporated into the records supporting this resolution.

The total assessment revenue authorized for collection shall not exceed the approved budget, except as subsequently authorized by the Board in accordance with applicable law and this policy.

The LDA shall maintain records sufficient to demonstrate the relationship between the approved budget, the expenses incurred, and the amounts assessed and collected.

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Section 5. Assessment Methodology

The Public Works Assessment shall be calculated using a hybrid model consisting of two components: (1) an 85 percent allocation based on the assessable area of building and non-building developments; and (2) a 15 percent allocation based on an equal charge per eligible parcel.

A. Development-Based Assessment Component - 85 Percent

Eighty-five percent (85%) of the approved annual Public Works Assessment budget shall be allocated among eligible properties based on assessable area, as determined under the following methodology.

For properties containing buildings, the assessable area shall equal the total assessable building square footage on the property, as determined from LDA property records, assessment data from the Town of Limestone, as built drawings or other reliable information.

The Loring Development Authority (LDA) also recognizes the distinct operating characteristics of non-building infrastructure and special use facilities that also benefit from the continued availability and maintenance of infrastructure and services provided by the LDA. Such non-building infrastructure may include, but not limited to the following: solar farms, telecommunications towers and facilities, electrical substations, rail infrastructure, fuel storage facilities, water and wastewater infrastructure, transmission lines, outdoor storage years, wind energy facilities, stormwater management systems, utility easements and cell towers and antenna sties.

For properties containing non-building improvements or developments, the assessable area shall equal 20 percent of the measured physical area occupied by the applicable asset or development, expressed in square feet. The measured physical area shall be determined using reliable property records, site plans, surveys, facility plans, or other appropriate documentation. The area measured shall reasonably represent the land area occupied or devoted to the non-building asset or development, rather than automatically including the entire parcel on which the asset is located.

The 20 percent factor shall be applied consistently to eligible non-building developments unless the Board approves a modification supported by a documented rationale and consistent with applicable law.

The LDA shall calculate the total assessable area by adding together:

- The assessable building square footage of all eligible building developments; and
- The assessable area of all eligible non-building developments, calculated as 20 percent of their measured physical area.

The annual rate per assessable square foot shall be calculated as follows:

$$\text{Development Based Rate} = \frac{85\% \text{ of the Approved Annual Assessment Budget}}{\text{Total Assessable Area}}$$

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Each property's development-based assessment shall equal its applicable assessable area multiplied by the annual development-based rate.

This methodology ensures that both building and non-building developments contribute toward the 85 percent component of the Public Works Assessment, while applying a reduced assessment weight to non-building assets to recognize their different physical characteristics and typical patterns of infrastructure use.

B. Equal Per-Parcel Assessment Component — 15 Percent

Fifteen percent (15%) of the approved annual Public Works Assessment budget shall be allocated equally among eligible parcels within the Public Works District.

The annual per-parcel charge shall be calculated as follows:

$$\text{Per-Parcel Assessment} = \frac{\text{15\% of the Approved Annual Assessment Budget}}{\text{Number of Eligible Parcels}}$$

Each eligible parcel shall be assessed the same amount under this component, subject to any exemptions, exclusions, or adjustments authorized under this Policy and applicable law.

The LDA shall establish and maintain a consistent definition of an eligible parcel and review the parcel inventory annually to account for subdivisions, consolidations, ownership changes, and other relevant changes.

The equal per-parcel component recognizes that eligible properties may receive a baseline benefit from the availability of shared campus infrastructure. It also contributes toward reasonable common administrative expenses associated with managing the Public Works District and administering the Assessment.

C. Total Assessment

The two components shall be calculated separately for each parcel and then combined to establish each property's annual Public Works Assessment. There shall be no Public Works Assessment charge on vacant property.

The combined assessment shall be reconciled to the approved annual budget. Any rounding adjustments shall be handled consistently and documented in the assessment records.

The LDA shall not apply a rate that would knowingly produce a material overcollection relative to the approved budget without further Board authorization and legal review.

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Section 6. Property Inventory and Assessment Roll

The LDA shall prepare and maintain an annual assessment roll identifying, at a minimum:

1. The eligible property and parcel identification.
2. The property owner or other party legally responsible for payment.
3. The assessable building square footage.
4. The applicable square-footage rate and resulting charge.
5. The applicable per-parcel charge.
6. Any authorized adjustments or exemptions.
7. The total annual Public Works Assessment.

The assessment roll shall be supported by reasonably reliable property records, including available maps, parcel information, building records, leases, or other appropriate documentation.

Affected property owners shall be provided an opportunity to submit relevant information regarding errors in the underlying property data or calculation.

Section 7. Specialized Uses and Property Specific Costs

The hybrid model is intended to provide a consistent foundation for allocating recurring public works expenses. The Board recognizes, however, that building square footage and parcel count may not fully reflect the infrastructure demands associated with every property or activity.

Accordingly, the LDA may establish additional, modified, or supplemental charges for specialized uses where authorized by law and supported by a reasonable and documented methodology.

Such uses may include, but are not limited to:

- Large outdoor concerts, festivals, and special events.
- Construction activities involving heavy equipment or unusually intensive roadway use.
- Other uses that impose demonstrably different infrastructure costs.

Any specialized charge shall be reasonably related to the costs, services, or infrastructure burdens it is intended to address and shall be adopted through an appropriate Board-approved schedule, contract, permit, or other legally authorized instrument.

The LDA may also seek recovery of extraordinary, demonstrable incremental costs attributable to a particular property, project, or activity, including roadway damage, construction-related repairs, unusually intensive heavy-equipment deliveries, or decommissioning activities.

Such recovery shall be supported by documentation and appropriate legal or contractual authority. The LDA shall avoid duplicative charges and shall not require other properties to subsidize costs that are properly attributable to a specific project or activity.

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Section 8. Billing, Collection, and Payment

Following the adoption of the Public Works Assessment budget, the LDA staff shall update the property inventory and assessment roll to include any addition, change or deletion of building or non-building infrastructure subject to the Public Works Assessment Fee. The Executive Director shall cause the preparation and transmission of annual bills to property owners within six months of the adoption of the Public Works Assessment budget.

Bills shall identify the assessment year, the property or parcel assessed, the basis of calculation, the amount due, the payment deadline, and contact information for questions or correction requests.

Section 9. Delinquent Assessments; Interest and Collection

A. Payment Due Date. All Public Works Assessments shall be paid on or before the due date established by the Loring Development Authority (LDA). An assessment not paid by the due date shall be considered delinquent.

B. Notice of Delinquency. The LDA shall provide written notice to the responsible property owner or other party legally obligated to pay the assessment. The notice shall identify the unpaid amount, the date payment was due, any applicable interest or authorized charges, and the deadline for payment.

C. Interest on Delinquent Assessments. To the extent permitted by applicable law and the governing agreements, interest may accrue on an unpaid assessment beginning thirty (30) days after its due date, at a rate established by the LDA Board of Directors upon the advice of legal counsel. Interest shall be calculated only on the outstanding principal balance and shall not be compounded unless expressly authorized by law.

D. Collection Procedures. If an assessment remains unpaid for more than sixty (60) days after its due date, the LDA may issue a final demand for payment. If the assessment remains unpaid for more than ninety (90) days after its due date, the LDA may refer the account to legal counsel and pursue any lawful collection remedies available to the LDA.

E. Collection Costs. The LDA may seek recovery of reasonable collection expenses, including attorney fees and court costs, only to the extent authorized by applicable law or an enforceable agreement with the responsible party.

F. Payment Arrangements. The Executive Director, or a designee may approve a written payment arrangement when doing so is in the LDA's financial interest. Approval of a payment arrangement shall not waive the underlying assessment unless expres**sly authorized.**

Nothing in this resolution shall be construed to amend an existing lease, grant the LDA a remedy not otherwise available, or authorize a unilateral modification of existing contractual obligations.

Section 9. Notice, Review, and Dispute Resolution

Before the initial assessment takes effect, the LDA shall provide notice to affected property owners or other legally responsible parties in accordance with the Maine Administrative Procedures Act, 5

MRSA §8053 of the adoption of this Resolution. The notice shall explain the purpose of the assessment, the services funded, the assessment methodology, the proposed rates, and the date, time and location of the public hearing.

Disputes or questions concerning parcel eligibility, building square footage, calculation errors, and the application of the adopted methodology may be raised the Executive Director. Any decision of the Executive Director may be appealed by a property owner or lessor to the Board of Trustees.

Section 10. Annual Review and Transparency

At least annually, the LDA shall review the Public Works Assessment and provide a report to the public on:

1. The approved budget compared with actual eligible expenses.
2. Assessment amounts billed and collected.
3. Unpaid assessments and collection status.
4. Changes in building square footage and eligible parcel counts.
5. Material changes in infrastructure conditions or maintenance requirements.
6. Any proposed adjustments to the allocation methodology or assessment rates.

The LDA shall retain records supporting the assessment and make information available to the Board and the public as required by applicable law.

Any proposed material change to the assessment methodology, allocation percentages, eligibility criteria, or rate structure shall be presented to the Board for approval before implementation.

Section 11. Limitations and Legal Compliance

This resolution shall be implemented only to the extent authorized by the LDA's enabling legislation, applicable Maine law, existing contractual obligations, and other controlling legal requirements.

The assessment is intended to recover reasonable costs associated with authorized services and infrastructure responsibilities. It shall not be used as a substitute for a property tax or as a general revenue-raising mechanism unrelated to the services and costs identified in this policy.

If any provision of this resolution is determined to be unlawful or unenforceable, the remaining provisions shall continue in effect to the extent legally permissible. The Board may amend or suspend any affected provision as necessary to comply with applicable law.

Section 12. Implementation

The Executive Director or their respective designees, are authorized to undertake the administrative work necessary to implement this resolution, including preparing the annual budget, maintaining the property inventory, calculating assessment rates, preparing the assessment roll, issuing notices and bills, maintaining financial records, and reporting to the Board.

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No assessment shall be billed or collected under this resolution until the Board has approved the applicable annual budget and rates.

Section 13. Effective Date

This resolution shall take effect upon adoption by the Board. The initial assessment year shall be the FY 2027 fiscal year with billings to be sent out no later than March 31, 2027.

Adopted by the Board of Trustees of the Loring Development Authority on this day of ___ December 2026.

Board chair: _____

Secretary: _____

Vote: for _____ against _____ abstentions _____

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