

TENTATIVE AGENDA
Special Town Council Meeting in Council Chambers
TUESDAY, SEPTEMBER 3, 2019
AT 5:00 PM

'This is a fragrance-free building. Please help us to accommodate our co-workers and clients who are chemically sensitive to fragrances and other scented products. Thank you for not wearing perfume, aftershave, scented hand lotion, fragranced hair products, and or similar products.'

1. Roll Call

NEW BUSINESS:

2. ORDER #234-2019 Waiver of Certain Interest and Expenses
3. ORDER #235-2019 Waiver of Certain Taxes and Land Conveyance
4. ORDER #236-2019 An Economic Development Loan
5. ORDER #237-2019 Commitment of FY2020 Property Taxes
6. ORDER #238-2019 Setting of the Interest Rate for FY2020 Taxes
7. Adjournment

ORDER #234-2019

PROVIDING FOR: WAIVER OF CERTAIN INTEREST AND EXPENSES ON PAST DUE TAXES CONCERNING GNP WEST, INC., AND GNP HOLDING II LLC

WHEREAS, Our Katahdin is a Maine non profit corporation organized to foster economic development in the Katahdin region; and

WHEREAS, Our Katahdin has acquired ownership of GNP West, Inc., and GNP Holding II LLC; and

WHEREAS, GNP West, Inc., and GNP Holding II LLC own real estate and other assets in Millinocket; and

WHEREAS, Our Katahdin and the Town are parties to one certain agreement dated January 4, 2018; and

WHEREAS, GNP West, Inc., has resolved the IRS lien which encumbers its real estate and payment of the amount due and discharge of the IRS lien is in process: and

WHEREAS, in accordance with the agreement between the parties, Our Katahdin has paid \$160,815.27 to the Town which is the amount of real estate taxes owed by GNP West, Inc., for fiscal years 2015, 2016 and 2017 and by GNP Holding II LLC for fiscal years 2017, 2018 and 2019; and

WHEREAS, Our Katahdin has requested that accrued interest concerning the fiscal year 2015, 2016 and 2017 real estate taxes be waived so that Our Katahdin can use its limited resources for economic development purposes related to the former GNP mill site;

NOW THEREFORE, IT IS ORDERED:

1. That the Tax Collector is authorized and directed to accept Our Katahdin's payment of \$160,815.27 as payment in full of all fiscal year 2015, 2016 and 2017 real estate taxes, interest and charges owed by GNP West, Inc., and for all fiscal year 2017, 2018 and 2019 real estate taxes, interest and charges for GNP Holding II LLC;
2. That the accrued and unpaid interest on the fiscal year 2015, 2016 and 2017 real estate taxes owed by GNP West, Inc., and on the fiscal year 2017, 2018 and 2019 real estate taxes owed by GNP Holding II LLC are waived;

3. That the Town Treasurer is directed to execute and record in the Penobscot County Registry of Deeds tax lien discharges of the fiscal 2017, 2018 and 2019 tax liens filed by the Treasurer to secure the fiscal 2017, 2018 and 2019 real estate taxes owed by GNP West, Inc., and to secure the fiscal 2017, 2018 and 2019 real estate taxes owed by GNP Holdings II LLC;
4. That the Town Manager is directed to execute and deliver a release deed to GNP West, Inc., and GNP Holding II LLC to release the Town's interest in those entities real estate under tax liens filed to secure fiscal year 2015 and 2016 real estate taxes owed by those entities.

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PASSED BY THE COUCNIL _____

CERTIFIED TO BE A TRUE COPY
BY _____ TOWN CLERK

ORDER #235-2019

PROVIDING FOR: WAIVER OF CERTAIN TAXES, INTEREST AND EXPENSES ON PAST DUE TAXES CONCERNING GNP WEST, INC., AND GNP HOLDING II LLC IN CONSIDERATION OF CONVEYANCE OF REAL ESTATE TO THE TOWN

WHEREAS, Our Katahdin is a Maine non profit corporation organized to foster economic development in the Katahdin region; and

WHEREAS, Our Katahdin has acquired ownership of GNP West, Inc., and GNP Holding II LLC; and

WHEREAS, GNP West, Inc., and GNP Holding II LLC own real estate and other assets in Millinocket; and

WHEREAS, Our Katahdin and the Town are parties to one certain agreement dated January 4, 2018; and

WHEREAS, GNP West, Inc., has resolved the IRS lien which encumbers its real estate and payment of the amount due and discharge of the IRS lien is in process: and

WHEREAS, in accordance with the agreement between the parties, Our Katahdin has agreed to cause GNP West, Inc., and GNP Holding II LLC to convey certain real estate to the Town as described in Exhibit B attached to the agreement and the Town has agreed to accept said real estate in lieu of payment of GNP West, Inc., fiscal year 2015 personal property taxes, and fiscal 2018 and 2019 real estate taxes and GNP Holding II LLC's fiscal year 2015 and 2016 real estate taxes.

NOW THEREFORE, IT IS ORDERED:

1. That the Town Manager and Tax Collector are authorized and directed to accept a deed from GNP West, Inc., and GNP Holding II LLC conveying the real estate described in Exhibit B of the January 4, 2018, agreement between the parties in full satisfaction of:
 - A. Fiscal year 2015 personal property taxes, interest and other charges owed by GNP West, Inc.;
 - B. Fiscal year 2018 and 2019 real estate taxes, interest and other charges owed by GNP West, Inc.; and
 - C. Fiscal year 2015 and 2016 real estate taxes, interest and other charges owed by GNP Holding II LLC.

ORDER #236-2019

PROVIDING FOR: AN ECONOMIC DEVELOPMENT LOAN

WHEREAS, Our Katahdin is a Maine non profit corporation organized to foster economic development in the Katahdin region; and

WHEREAS, Our Katahdin has acquired ownership of GNP West, Inc.; and

WHEREAS, GNP West, Inc., owns the former Great Northern Paper Company mill site in Millinocket; and

WHEREAS, the real estate of GNP West, Inc., including the mill site, is encumbered with a lien filed by the Internal Revenue Service; and

WHEREAS, GNP West, Inc., and Our Katahdin have reached an agreement with the Internal Revenue Service under which the IRS will discharge its lien upon payment of an additional \$360,000.00; and

WHEREAS, the Town has a credit facility with Bangor Savings Bank under which funds can be used for economic development of the mill site; and

WHEREAS, Our Katahdin has applied for a loan from the Town in the amount of \$450,000 with the proceeds from the loan to be used for payment of the balance due to IRS to discharge its lien and legal fees with the balance of the funds to be used for redevelopment of the mill site; and

WHEREAS, it is in the best interests of the community to discharge the IRS lien and proceed with redevelopment of the mill site; and

WHEREAS, Our Katahdin intends to seek funding from third parties for redevelopment of the mill site.

NOW THEREFORE, IT IS ORDERED:

1. That the request of Our Katahdin for a \$450,000 loan from the Town is approved; and
2. That the Town provide the loan funds from its Bangor Savings Bank credit facility; and
3. That the Town Manager, with the approval of the Chairman of the Town Council and advice of the Town Attorney, is authorized to determine the terms and conditions of the loan to Our Katahdin and GNP West, Inc.,

including but not limited to, the interest rate, term and security, and to provide for adequate documentation of the loan;

4. That the Town Manager, with the approval of the Chairman of the Town Council and advice of the Town Attorney, is authorized to negotiate with other parties providing funding for redevelopment of the mill site, including but not limited to the United States Economic Development Administration, Maine Rural Development Authority, Northern Borders Regional Commission and Maine Technology Institute, concerning the terms and conditions, security and priority of security for the loan to Our Katahdin and/or GNP West, Inc., and to modify said terms and conditions, security and priority of security as necessary to allow redevelopment to proceed;
5. That the Town Manager, with the approval of the Chairman of the Town Council and advice of the Town Attorney, is further authorized to modify the terms and conditions, security and priority of security of the loan to Our Katahdin and/or GNP West, Inc., from time to time, as redevelopment of the mill site proceeds and conditions change
6. The Town Manager and Council Chairman are directed to report back to the Council from time to time concerning the status of the loan and redevelopment progress.

7.

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ATTEST: _____

PASSED BY THE COUCNIL: _____

ORDER #237-2019

PROVIDING FOR: Commitment of FY20 Property Taxes.

IT IS ORDERED that the Fiscal Year 2020 Property Taxes be committed and the due date for the first half payment is Thursday, October 3, 2019, and the due date for the second half payment is Friday, January 3, 2020.

PASSED BY THE COUNCIL: _____

ATTEST: _____

ORDER #238-2019

PROVIDING FOR: Setting the interest rate for FY20 delinquent taxes.

IT IS ORDERED that the interest rate for FY20 delinquent taxes be set at 8% and interest shall begin for the first half taxes on Friday, October 4, 2019, and on Monday, January 6, 2020, for the second half taxes.

IT IS FURTHER ORDERED that the Town of Millinocket will pay interest at 4% on all overpayment of taxes.

NOTE: The Council has the authority to set the interest rate as high as 9% for 2019 delinquent taxes per Title 36, M.R.S.A. Section 505.4.

PASSED BY THE COUNCIL: _____

ATTEST: _____

Maine Office of the Treasurer

Home → Revenue Sharing → Delinquent Tax Rates

Delinquent Tax Rates

Municipalities may, by vote, determine the rate of interest that shall apply to taxes that become delinquent during a particular taxable year until those taxes are paid in full. The maximum rate of interest that can be charged per Title 36, M.R.S.A. Section 505.4 is as follows:

Taxable Year***Maximum Rate***

2019	9.00%
2018	8.00%
2017	7.00%
2016	7.00%
2015	7.00%
2014	7.00%
2013	7.00%
2012	7.00%
2011	7.00%
2010	7.00%
2009	7.00% up to 9.00%
2008	11.00%
2007	12.00%
2006	11.00%
2005	7.75%
2004	6.50%
2003	7.00%
2002	6.75% up to 8.75%
2001	11.50%
2000	10.75%
1999	10.00%
1998	10.75%
1997	10.50%
1996	10.75%
1995	10.75%
1994	10.00%
1993	10.00%
1992	10.00%
1991	12.00%

If you have any questions about this information, please feel free to contact my Office.

Credits

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Title 36: TAXATION
Part 2: PROPERTY TAXES
Chapter 105: CITIES AND TOWNS
Subchapter 1: GENERAL PROVISIONS

§506-A. Overpayment of taxes

Except as provided in section 506, a taxpayer who pays an amount in excess of that finally assessed must be repaid the amount of the overpayment plus interest from the date of overpayment at a rate to be established by the municipality. The rate of interest may not exceed the interest rate established by the municipality for delinquent taxes nor may it be less than that rate reduced by 4%. If a municipality fails to establish a rate of interest for overpayments of taxes, it shall pay interest at the rate it has established for delinquent taxes. [2009, c. 434, §14 (AMD).]

SECTION HISTORY

1985, c. 333, §§2,3 (NEW). 1995, c. 57, §5 (AMD). 2009, c. 434, §14 (AMD).

The Revisor's Office cannot provide legal advice or interpretation of Maine law to the public.
If you need legal advice, please consult a qualified attorney.

[Office of the Revisor of Statutes \(mailto:webmaster_rps@legislature.maine.gov\)](mailto:webmaster_rps@legislature.maine.gov) · 7 State House Station · State House Room 108 · Augusta, Maine 04333-0007

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