

HOUSE No. 01460

The Commonwealth of Massachusetts

PRESENTED BY:

Steven M. Walsh

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to the disposal of municipally owned vacant property.

PETITION OF:

NAME:

Steven M. Walsh

DISTRICT/ADDRESS:

11th Essex

HOUSE No. 01460

By Mr. Steven M. Walsh of Lynn, petition (accompanied by bill, House, No. 01460) of Steven M. Walsh relative to creating an alternative process for the disposition of vacant real property owned by municipalities. Joint Committee on Municipalities and Regional Government.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
□ HOUSE
□ , NO. 3474 OF 2009-2010.]

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to the disposal of municipally owned vacant property.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. It is the purpose of this act to create an alternative process for the
2 disposition of vacant real property owned by a municipality that chooses to accept the provisions
3 of this act. This alternative process employs a public-private partnership to re-occupy and
4 reinstitute lost market value in such properties, thereby revitalizing their immediate
5 neighborhoods and the greater community as a whole, while generating greater non-tax sales
6 revenues for the cities and towns, placing the properties back on the active tax rolls and, with
7 their recaptured assessed value, alleviating the burden on other homeowners to subsidize their
8 share of the property tax levy. This alternative program seeks to accomplish these goals by:-

9 taking advantage of the comprehensive real estate marketing infrastructure, including electronic
10 listing resources, through which licensed real estate brokers and salespersons currently conduct
11 their professional operations;

12 expanding the pool of potential purchasers in the free market, thereby increasing demand for the
13 properties, thereby increasing the selling price and returns for the municipalities; and by

14 conveying such properties in a time-efficient and cost-effective manner to qualified purchasers
15 with the financial resources to improve and maintain the condition of the properties.

16 SECTION 2. Chapter 30B is hereby amended by adding the following after section 16: -

17 Section 16A. Notwithstanding any general or special law, rule or regulation to the
18 contrary, a city or town may, by majority vote of a city council in a city or majority vote of a
19 board of selectmen in a town, establish an alternative disposition procedure under which
20 specifically identified real properties that are vacant and owned by the municipality may be sold
21 through the professional services of real estate brokers or salesmen licensed under section 87RR
22 of chapter 112 of the general laws. Such procedure shall include the following:

23 a method of identifying specific properties to be sold through the alternative procedure and of
24 determining the cost of rehabilitation; provided, however, that such properties must be free of
25 encumbrances and the municipality holds clear title to each specific property;

26 appointment, following adoption of this act, of a municipal real estate officer, who may be an
27 employee of the municipality, and shall have the authority to bind the municipality under
28 contracts and agreements to which the disposition of such properties are subject, and who will

29 serve as the liaison between the municipality, municipal officials, brokers and salespersons
30 participating in the program, and prospective and actual purchasers in the program;
31 a qualification review and approval process for licensed real estate brokers and salespersons to
32 participate in the program and to market specific properties in the program ; provided, that the
33 approval process shall include review and approval by a three person panel with a representative
34 from the municipality, a representative from the Massachusetts Association of Realtors, and a
35 representative of a non-profit community group headquartered in the municipality; and provided,
36 further, that the qualification process shall take into account the expertise of the applying broker
37 in pricing, marketing, and selling properties in the municipality and experience with properties of
38 the type in the program;

39 such of the additional procedures (i), (ii) and (iii), below, as the municipality may adopt:

40 (i) a procedure for allocating specific properties in the program in batches, with no less than
41 2 nor more than 6 individual properties being assigned on an exclusive basis to a specific broker
42 or salesperson;

43 (ii) identification of specific properties in the program, if the municipally chooses, that must
44 be sold to purchasers who will rehabilitate the property sufficiently to acquire a certificate of
45 occupancy within 2 years as determined by the municipality;

46 (iii) a requirement and procedure for a specific property to revert back to the municipality if
47 the property is not rehabilitated in a specific time period from the closing date unless such period
48 is extended by the municipal real estate officer for good cause; and

49 all offers for the purchase of property not accepted within 30 days of submission to the municipal
50 real estate officer are deemed rejected, unless such period is extended by mutual agreement
51 between the prospective purchaser and the office