

HOUSE No. 4775

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, December 22, 2016.

The committee on Bills in the Third Reading, to whom was referred the Bill amending the Nantucket Islands Land Bank Act (House, No. 4315), reports recommending that the same be amended by substitution of a Bill relative to the Nantucket Islands Land Bank Act (House, No. 4775), and that when so amended the same will be correctly drawn.

For the committee,

THEODORE C. SPELIOTIS

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act relative to the Nantucket Islands Land Bank Act.

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. Section 1 of chapter 669 of the acts of 1983, as most recently amended by
2 section 1 of chapter 354 of the acts of 2010, is hereby further amended by inserting before the
3 definition of “Commission” the following definition:-

4 “Affordable housing restriction” is a recorded instrument held by a qualified holder
5 which encumbers or restricts a real property interest so that the real property interest is
6 perpetually, or for a term of at least 30 years, limited to use as a residence occupied by a low or
7 moderate income household which earns less than a specified income level, the upper limit of
8 which may not exceed 175 per cent of the Nantucket median income. A “qualified holder” is a
9 governmental body or charitable corporation or trust which qualifies under the terms of chapter
10 184 of the General Laws to hold an affordable housing restriction as defined in section 31 of said
11 chapter 184. Without limiting the generality of the foregoing, affordable housing restriction
12 includes any instrument which conforms to the requirements of: (i) a Nantucket housing needs
13 covenant as described in chapter 301 of the acts of 2002 and defined from time to time in the

14 town of Nantucket Code, or (ii) an affordable housing restriction complying with the definition
15 and other requirements stated in said chapter 184.

16 SECTION 2. Section 12 of said chapter 669 is hereby amended by adding the following
17 paragraph:-

18 (o) Transfer of a real property interest which is subject to and used consistent with an
19 affordable housing restriction; provided, however, that the affordable housing restriction has a
20 term remaining at the time of the transfer of 5 or more years; and provided further, that the
21 purchaser shall make the real property interest which is the subject of the transfer the purchaser's
22 actual domicile within 2 years of the time of transfer, and shall remain permanently or for an
23 indefinite time and without any certain purpose to return to a former place of abode for a period
24 lasting at least to the fifth anniversary of the transfer. Notwithstanding the foregoing, if the real
25 property interest is transferred again within 5 years and the later transfer complies with this
26 paragraph, no fee, interest or penalties will be due. In the event that the holder of an affordable
27 housing restriction determines within 5 years of the transfer that the real property interest to
28 which it pertains is not being used consistent with the requirements of the affordable housing
29 restriction, or in the event of a later transfer within 5 years which does not comply with this
30 paragraph, the fee exempted hereunder shall become due, together with the accumulated interest
31 and penalties calculated from the date of the transfer exempted hereunder. The purchaser shall
32 certify as to the foregoing, and the commission shall attach to the deed a certificate which shall
33 recite the fact that there is running with the land a lien equal to the amount of the fee exempted
34 plus accumulated interest and penalties until such time as all conditions of this paragraph have
35 been met.