HOUSE DOCKET, NO. 1498 FILED ON: 1/20/2011

HOUSE . . . . . No. 1460

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 adoption of the accompanying bill:

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

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Steven M. Walsh	*11th Essex*

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HOUSE . . . . . No. 1460

By Mr. Walsh of Lynn, a petition (accompanied by bill, House, No. 1460) of Steven M. Walsh relative to creating an alternative process for the disposition of vacant real property owned by municipalities. 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:

SECTION 1. It is the purpose of this act to create an alternative process for the disposition of vacant real property owned by a municipality that chooses to accept the provisions of this act. This alternative process employs a public-private partnership to re-occupy and reinstitute lost market value in such properties, thereby revitalizing their immediate neighborhoods and the greater community as a whole, while generating greater non-tax sales revenues for the cities and towns, placing the properties back on the active tax rolls and, with their recaptured assessed value, alleviating the burden on other homeowners to subsidize their 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
10 electronic listing resources, through which licensed real estate brokers and salespersons currently
11 conduct their professional operations;

12 expanding the pool of potential purchasers in the free market, thereby increasing demand
13 for the 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
15 purchasers 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 counsel 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
24 and of determining the cost of rehabilitation; provided, however, that such properties must be
25 free of 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
27 be an 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
32 salespersons to participate in the program and to market specific properties in the program ;
33 provided, that the approval process shall include review and approval by a three person panel
34 with a representative from the municipality, a representative from the Massachusetts Association
35 of Realtors, and a representative of a non-profit community group headquartered in the
36 municipality; and provided, further, that the qualification process shall take into account the
37 expertise of the applying broker in pricing, marketing, and selling properties in the municipality
38 and experience with properties of 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
41 less than 2 nor more than 6 individual properties being assigned on an exclusive basis to a
42 specific broker or salesperson;

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

46 (iii) a requirement and procedure for a specific property to revert back to the
47 municipality if the property is not rehabilitated in a specific time period from the closing date
48 unless such period 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
50 municipal real estate officer are deemed rejected, unless such period is extended by mutual
51 agreement between the prospective purchaser and the office