HOUSE DOCKET, NO. 1293 FILED ON: 1/16/2013

HOUSE . . . . . No. 1882

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*

HOUSE DOCKET, NO. 1293 FILED ON: 1/16/2013

HOUSE . . . . . No. 1882

By Mr. Walsh of Lynn, a petition (accompanied by bill, House, No. 1882) 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. *1460* OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

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:-

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

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

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

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: a method of
23 identifying specific properties to be sold through the alternative procedure and of determining
24 the cost of rehabilitation; provided, however, that such properties must be free of encumbrances
25 and the municipality holds clear title to each specific property; appointment, following adoption
26 of this act, of a municipal real estate officer, who may be an employee of the municipality, and
27 shall have the authority to bind the municipality under contracts and agreements to which the
28 disposition of such properties are subject, and who will serve as the liaison between the
29 municipality, municipal officials, brokers and salespersons participating in the program, and
30 prospective and actual purchasers in the program; a qualification review and approval process for
31 licensed real estate brokers and salespersons to participate in the program and to market specific
32 properties in the program ; provided, that the approval process shall include review and approval
33 by a three person panel with a representative from the municipality, a representative from the
34 Massachusetts Association of Realtors, and a representative of a non-profit community group
35 headquartered in the municipality; and provided, further, that the qualification process shall take
36 into account the expertise of the applying broker in pricing, marketing, and selling properties in
37 the municipality and experience with properties of the type in the program; such of the additional
38 procedures (i), (ii) and (iii), below, as the municipality may adopt:

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

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

45 (iii) a requirement and procedure for a specific property to revert back to the municipality
46 if the property is not rehabilitated in a specific time period from the closing date unless such
47 period is extended by the municipal real estate officer for good cause; and all offers for the
48 purchase of property not accepted within 30 days of submission to the municipal real estate
49 officer are deemed rejected, unless such period is extended by mutual agreement between the
50 prospective purchaser and the office.