

HOUSE No.

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

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

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

- 9 a. 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 b. expanding the pool of potential purchasers in the free market, thereby increasing demand for
13 the properties, thereby increasing the selling price and returns for the municipalities; and by
14 c. 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.
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17 SECTION 2. Chapter 30B is hereby amended by adding the following after section 16: -

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

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

28 (b) appointment, following adoption of this act, of a municipal real estate officer, who may be an
29 employee of the municipality, and shall have the authority to bind the municipality under
30 contracts and agreements to which the disposition of such properties are subject, and who will
31 serve as the liaison between the municipality, municipal officials, brokers and salespersons
32 participating in the program, and prospective and actual purchasers in the program;

33 (c) a qualification review and approval process for licensed real estate brokers and salespersons to
34 participate in the program and to market specific properties in the program ; provided, that the
35 approval process shall include review and approval by a three person panel with a
36 representative from the municipality, a representative from the Massachusetts Association of
37 Realtors, and a representative of a non-profit community group headquartered in the
38 municipality; and provided, further, that the qualification process shall take into account the
39 expertise of the applying broker in pricing, marketing, and selling properties in the municipality
40 and experience with properties of the type in the program;

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

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

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

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

51 (e) all offers for the purchase of property not accepted within 30 days of submission to the
52 municipal real estate officer are deemed rejected, unless such period is extended by mutual
53 agreement between the prospective purchaser and the officer.

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