SENATE No. 1627

The Commonwealth of Massachusetts

PRESENTED BY:

Brendan P. Crighton

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 neighborhood stabilization and economic development.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Brendan P. Crighton	Third Essex	
Michael D. Brady	Second Plymouth and Bristol	1/30/2019
Daniel Cahill	10th Essex	1/30/2019
Mary S. Keefe	15th Worcester	1/30/2019
Antonio F. D. Cabral	13th Bristol	1/30/2019
Edward J. Kennedy	First Middlesex	1/30/2019
David Henry Argosky LeBoeuf	17th Worcester	1/31/2019
Dean A. Tran	Worcester and Middlesex	1/31/2019
Eric P. Lesser	First Hampden and Hampshire	2/1/2019
Donald H. Wong	9th Essex	2/1/2019
Donald F. Humason, Jr.	Second Hampden and Hampshire	2/1/2019
Adam G. Hinds	Berkshire, Hampshire, Franklin and	2/1/2019
	Hampden	
Carole A. Fiola	6th Bristol	2/1/2019
Joseph A. Boncore	First Suffolk and Middlesex	2/1/2019
Liz Miranda	5th Suffolk	2/1/2019
Bud L. Williams	11th Hampden	2/1/2019
James T. Welch	Hampden	2/11/2019

Daniel J. Ryan	2nd Suffolk	2/11/2019
Nick Collins	First Suffolk	2/27/2019

SENATE No. 1627

By Mr. Crighton, a petition (accompanied by bill, Senate, No. 1627) of Brendan P. Crighton, Michael D. Brady, Daniel Cahill, Mary S. Keefe and other members of the General Court for legislation relative to neighborhood stabilization and economic development. Revenue.

The Commonwealth of Alassachusetts

In the One Hundred and Ninety-First General Court (2019-2020)

An Act relative to neighborhood stabilization and economic development.

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. Paragraph (5) of subsection (q) of section 6 of chapter 62 of the General
- 2 Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out, in lines 889
- and 895, the figures "\$10,000,000" and inserting in place thereof the figures "\$20,000,000".
- 4 SECTION 2. Subsection (5) of section 38BB of chapter 63 of the General Laws, as so
- 5 appearing, is hereby amended by striking out, in lines 44 and 50, the figures "\$10,000,000" and
- 6 inserting in place thereof the figures "\$20,000,000".
- 7 SECTION 3. Section 3 of Chapter 70B of the General Laws, as so appearing, is hereby
- 8 amended by inserting after the colon, in line 21, the following words:- "neighborhood
- 9 stabilization,".
- SECTION 4. Chapter 121A of the General Laws is hereby amended by adding the
- 11 following section:—

Section 20. Notwithstanding any other requirements in this chapter, there shall be a "spot blight rehabilitation program." Pursuant to this program, a community development corporation, certified under Chapter 40H of the General Laws; or a bona-fide community based non-profit organization, established under Chapter 180 of the General Laws, may sponsor an application to DHCD to create a "spot blight 121a corporation," specifically for the purpose of rehabilitating small scale residential projects, as defined herein. For purposes of this section, "small scale residential projects" are projects consisting of one or more structures consisting of 1-4 residential homes, located in one or more municipalities, which may or may not be adjacent to one another.

The application process shall include:

- (1) The applicant shall submit a plan to DHCD that indicates the small scale residential properties that are decadent.
- (2) The applicant shall provide a list of such decadent properties by indicating the street address, or a clear delineation of the property boundaries, pursuant to regulations established by DHCD. The governing body of the municipality shall hold a public hearing. Regulations shall be promulgated by December 31, 2019.
- (3) At least fourteen days before the day of the hearing, the governing body of the municipality shall mail a notice to each owner by certified mail. The assessors of the city or town in which the property of such owner lies shall certify to the governing board the name and address of such owner as it appears on the tax list, and notice mailed to the name and address certified will be sufficient notice to such owner.
- (4) The municipality shall determine that blighted open or decadent or sub-standard conditions exist within the proposed project area; whether or not the proposed project conflicts

with the master plan of the city or town made by authority of chapter forty-one, if such a plan has been made, determine whether or not such project would be in any way detrimental to the best interests of the public or the city or town or to the public safety and convenience or be inconsistent with the most suitable development of the city or town; whether or not the proposed project will constitute a public use and benefit; and approve, disapprove with recommended modifications or disapprove the application and issue its report as hereinafter provided.

- (5) To determine fair market value for the purpose of this section, the appraiser shall determine both (a) the cost to rehabilitate the building or, if rehabilitation is not feasible, the cost to demolish the property and build a similar property on the site; and (b) the market value of the rehabilitated, or newly constructed, building. If the value of (a) is greater than that of (b), the fair market value is presumed to be \$0.
- (6) Spot blight 121A corporations may elect to forego the taxation exemptions in section10.
- SECTION 5. There shall be a commission to study strategies to improve the quality of the housing stock in weak markets with the goal of making these properties safer, more accessible to residents with disabilities, and more resilient to climate change. The commission's review shall include, but not be limited to---the use of guidance documents to consistently grant relief from building codes in common circumstances where appropriate; provisions to reduce the time and cost associated with obtaining variances in circumstances that are consistent with these guidance documents; dissemination of creative strategies to use new technologies to address common challenges bringing older structures up to code; the deployment of energy efficiency

programs, Home Modifications Grants, elevator and sprinkler funds, and other resources to help building rehab projects in weak markets meet health and safety standards.

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The commission shall consist of: 2 members of the Senate, 1 of whom shall represent a Gateway Municipality as defined in Section 3A of Chapter 23A of the General Laws and shall serve as co-chair; 2 members of the House of Representatives, 1 of whom shall represent a Gateway Municipality and shall serve as co-chair; 2 members appointed by the governor, 1 of whom shall represent the Massachusetts Association of Community Development Corporations; and 1 of whom shall represent the Rural Policy Advisory Commission; and 6 members appointed by the Secretary of Housing and Economic Development: one of the appointive members shall be an architect licensed to practice in the commonwealth; one of the appointive members shall be a licensed building inspector; one of the appointive members shall be a Gateway Municipality housing director; one of the appointive members shall be a fire official from a Gateway Municipality; two of the appointive members shall be selected after consultation with advocacy groups on behalf of persons with disabilities. The commission shall file a report of its findings and recommendations, including, but not limited to, legislative, regulatory, and procedural changes, with the clerks of the senate and House of Representatives, the chairs of the joint committee on housing not later than December 31, 2019.

SECTION 6. The Executive Office of Housing and Economic Development shall establish a capacity building initiative to assist cities and towns initiating new neighborhood stabilization programs and practices, including, but not limited to: rental licensing, inspection, and code enforcement; urban renewal corporations; property disposition and land banking; healthy home improvements, and other housing rehabilitation practices.