

Neighborhood Renewal Division



MA HEALTH OFFICERS
ASSOCIATION

March 16, 2023



Attorney General Andrea Joy Campbell



Attorney General Andrea Joy Campbell is the chief lawyer and law enforcement officer of the Commonwealth of Massachusetts.



Legal Disclaimer

This brief synopsis is provided for introductory, informational purposes only. It is not legal advice and should not be construed as an attempt to provide a legal opinion about any of the matters discussed herein.



NRD Mission

**Property in Violation
of Sanitary Code**

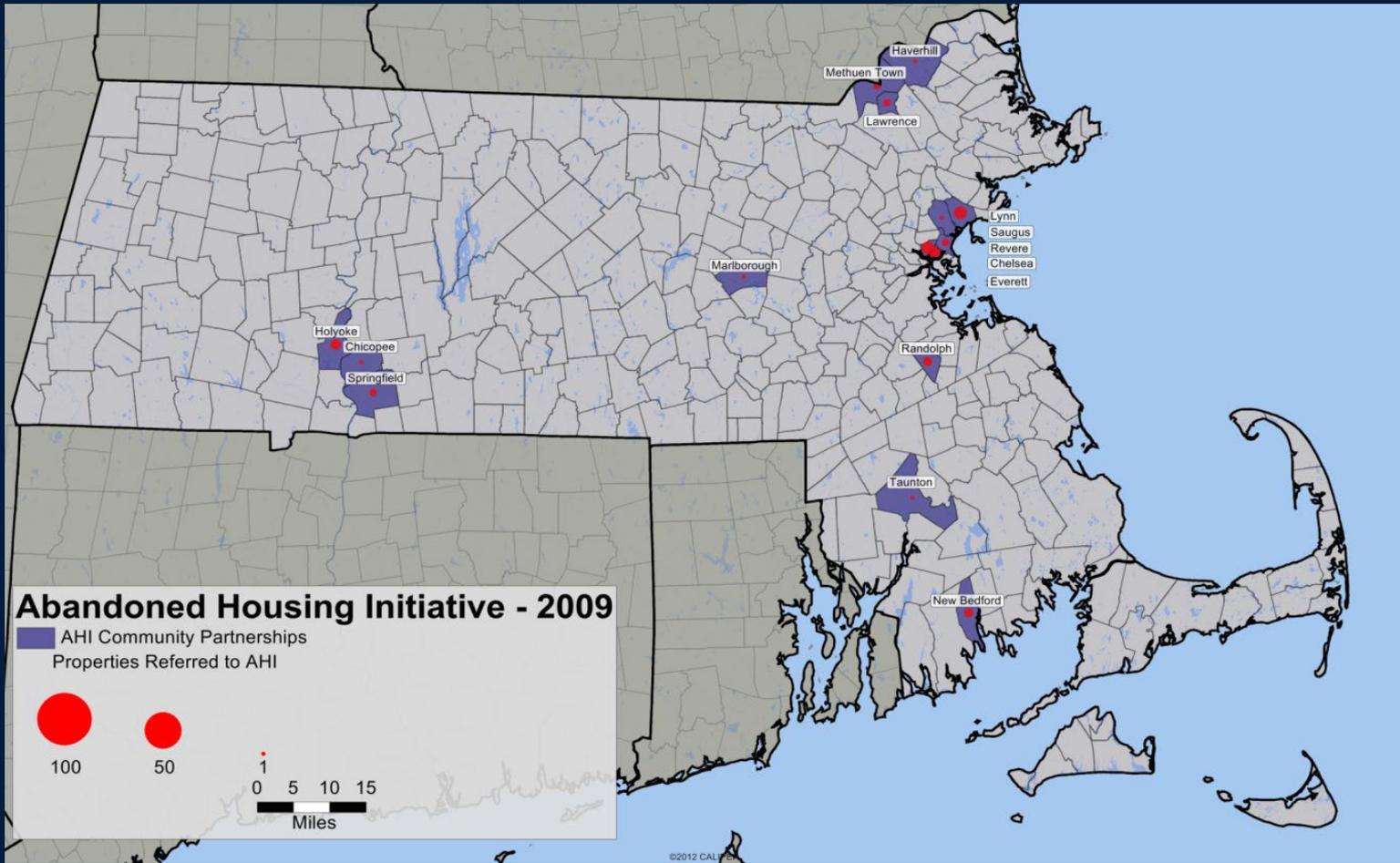


Safe Habitable Home



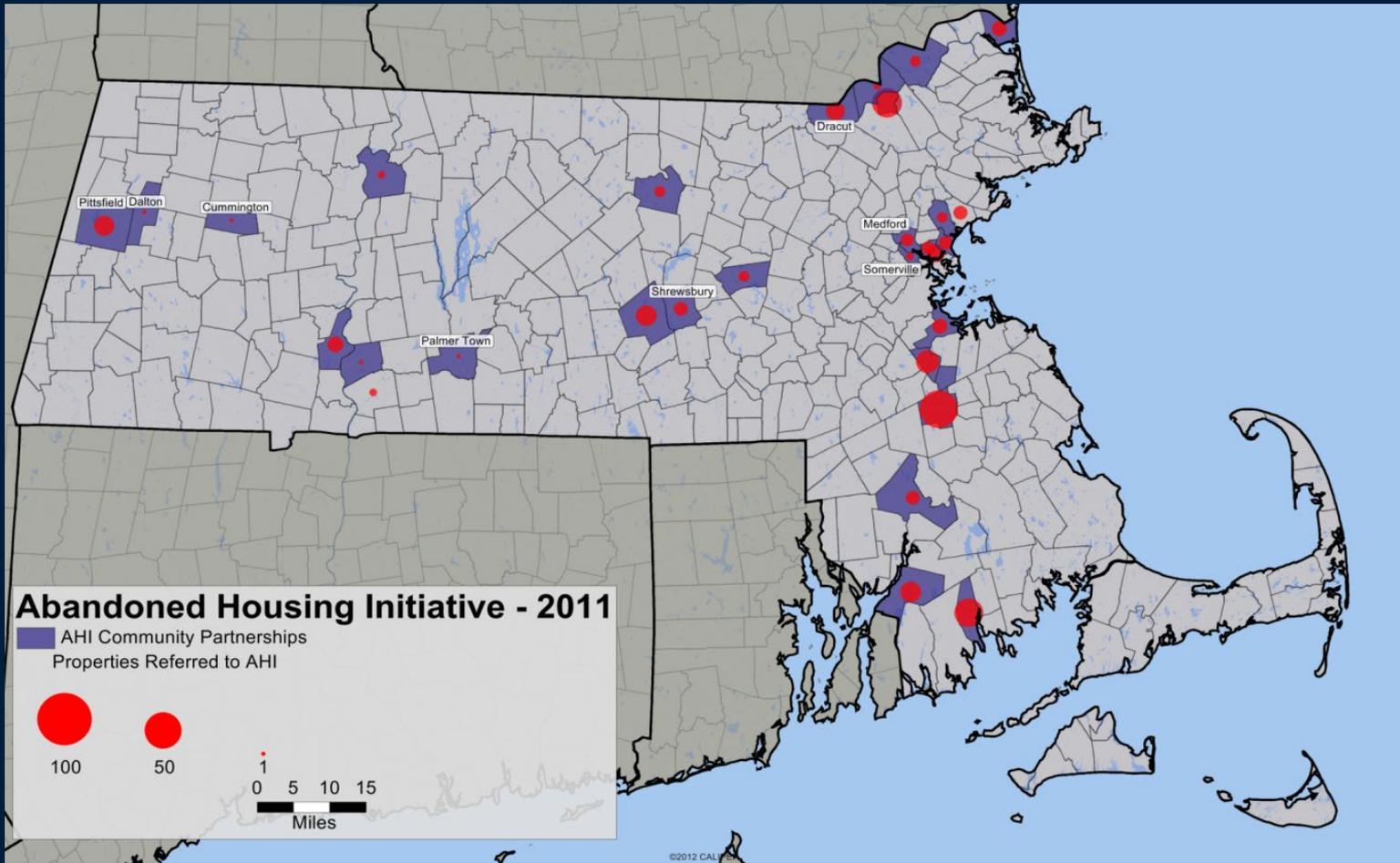


BEGINNINGS OF NRD



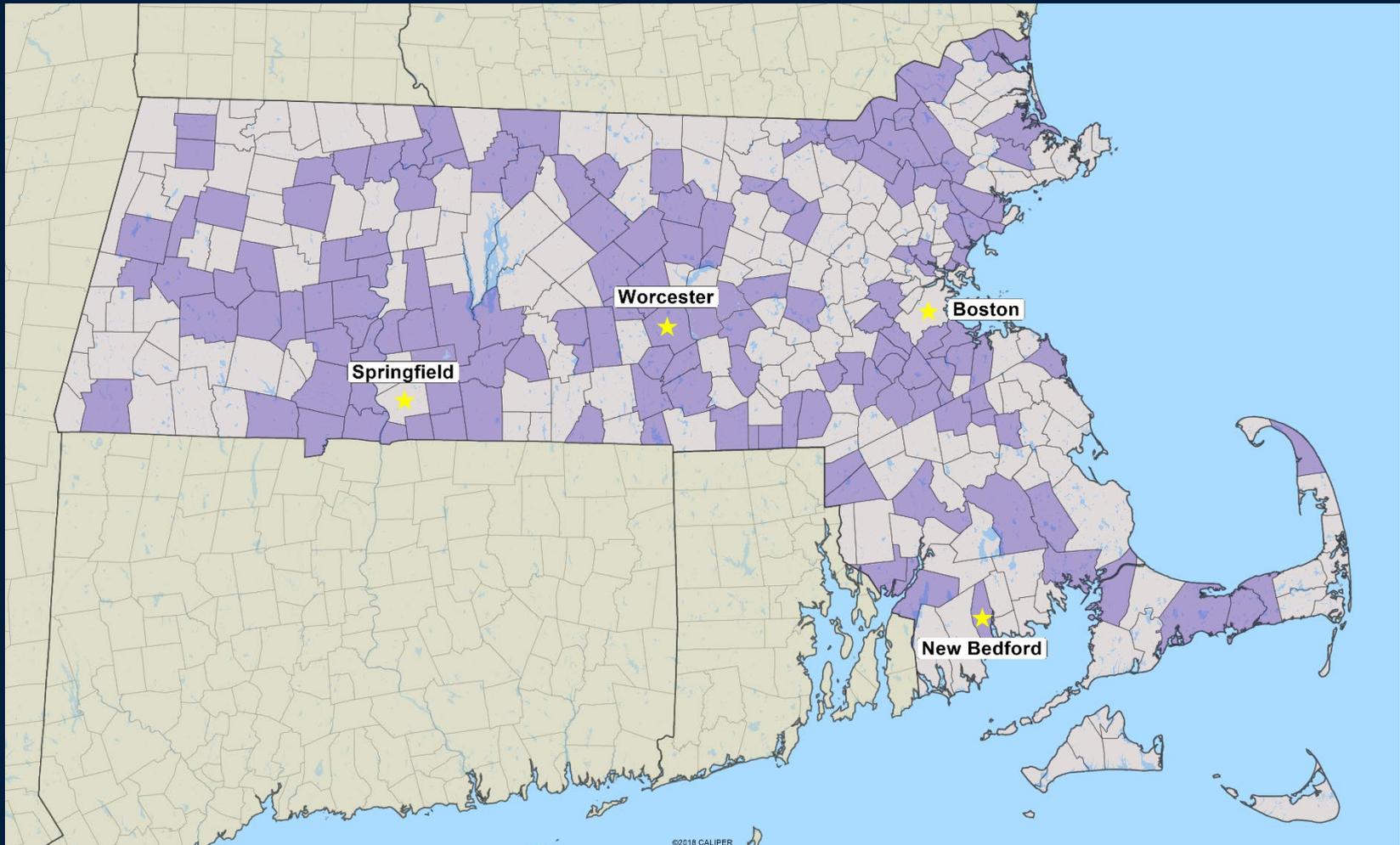


EXPANSION OF PROGRAM





Community Partnerships - 2022





NRD Staff

- **Boston (Main office)**
 - Amber Villa, NRD Chief
 - Tara Ruttle, AAG, Eastern, Metro-South, Some N.E., Central
 - Flora Chang, AAG, Northeast and North Central
 - Amane AbdelJaber, Program Manager
 - Francis Lubega, Paralegal
- **New Bedford (SEMASS)**
 - Stephen Marshalek, SEMASS Chief
 - Meaghan Olejarz, AAG, Southeast and Cape Cod
 - Lizabeth Marshall, AAG, Southeast and Cape Cod
 - Patricia Tapper, Managing Administrative Assistant
- **Springfield (WMASS)**
 - Maja Kazmierczak, AAG, Western (Monson through Berkshires)
 - Melissa Herriford, Paralegal
- **Worcester (CMASS)**
 - Janice Fahey, AAG, Central



NRD Snapshot

155

Number of municipal partners

300+

Active properties

70+

Cases in active litigation

\$619,760+

Municipal back taxes & fees recovered
(FY2022)

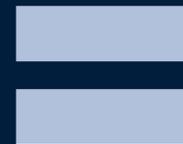


Statutory and Legal Authority RECEIVERSHIP STATUTE

Violations will
not be
promptly
remedied



Appointment
of receiver is
in the best
interest of
abutters and
the public



Court may
appoint a
receiver to
make repairs
to the
property.



*City of Boston v. Rochalska



When To Use Receivership?

- Vacant/partially vacant residential property
- Property with conditions that violate the State Sanitary Code **AND** repairs to ensure compliance **WILL NOT** exceed the market value of the property
- When there is a willing receiver, who has funding, is bonded and insured, and has been vetted by the court
- Property with a suitable amount of unpaid or outstanding tax bills or liens



Municipality Identifies Distressed Properties





Property Visit and Inspection





Violation or Order Letters

- Municipal letters come in all different forms but must cite to violations of the Sanitary Code
- Common examples of violations are the existence of overgrowth, rubbish, garbage and structural damage



Pending Updates to the Sanitary Code

- 105 CMR 410.000: Minimum Standard of Fitness for Human Habitation
 - Significant violations are basis for receivership petition
 - Large-scale revisions coming April 2023
 - Health inspectors will be able to cite for mold
 - Significant updates to Landlord/Tenant rights and responsibilities including explicitly placing responsibility of relocating tenant on LANDLORD in event of condemnation



Title Search to Identify Owners and Parties in Interest





NRD Demand Letter



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL
ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

MAURA HEALEY
ATTORNEY GENERAL

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(617) 727-4765 TTY
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May 24, 2018

Via First Class and Certified Mail RRR



Re: [REDACTED]
Notice of Intent to Seek Appointment of a Receiver

Dear [REDACTED]:

This letter concerns the condition of the residential premises located at the above referenced property. Public records indicate that you may have a legal interest in the property. If this is incorrect, please let me know immediately. There are a number of long-standing violations of the State Sanitary Code and other law at this property, which has been abandoned and vacant for a significant period of time.

In its present condition, the property is unfit for human habitation and poses a severe, immediate and continuing threat to the health and safety of trespassers, neighbors and the public in general in violation of 105 CMR 410.750. The failure to secure, manage and maintain the property in the lawful manner allows the property to be used by trespassers for illegal activities, thereby creating a continuing nuisance.

The State Sanitary Code and other applicable codes and applicable Massachusetts law allows this office and the Town of [REDACTED] to petition the appropriate court for the appointment of a receiver. ***Please be advised that, unless you contact this office within seven calendar days, a petition for appointment of a receiver will be filed with the Court pursuant to M.G.L. c.111, §127I (copy enclosed) and the court's general equity jurisdiction.*** Although we are willing to discuss a reasonable resolution of these violations, conditions require that we commence an action in short order to protect the public's interests should you fail or refuse to comply with your obligations under Massachusetts law as the property owner.

Cooperative
Owner

Uncooperative
Owner



Pre-Receivership Agreement

- May work with the owner to get compliance prior to filing an action if owner is cooperative
- Can be written or oral
- Timeframes are established to complete code violations



Petition for Receivership

- The court may allow a petition when the failure to repair the property poses dangers to the health, safety and well-being of abutters and general public
- Pleadings include a Petition, Memorandum and supporting affidavits
- Health Department affidavits are required listing violations and actions of municipality
- Service Of Process made to all parties



Post-filing Settlement Agreement

- Formal agreement to correct violations and avoid appointment of receiver
- Filed with court
- Timeframes are established to complete code violations
- Case can be dismissed or Court can monitor for compliance



Receiver Appointed





Who Makes an Effective Receiver

- Track record of success with receiverships
- Time available to promptly complete work
- Organized



What Happens Next?

- Receiver exercises control of the property and completes a full inspection
- A proposed budget and scope of work is submitted to the court for approval
- Once allowed, the work is monitored by the court through scheduled monthly reports

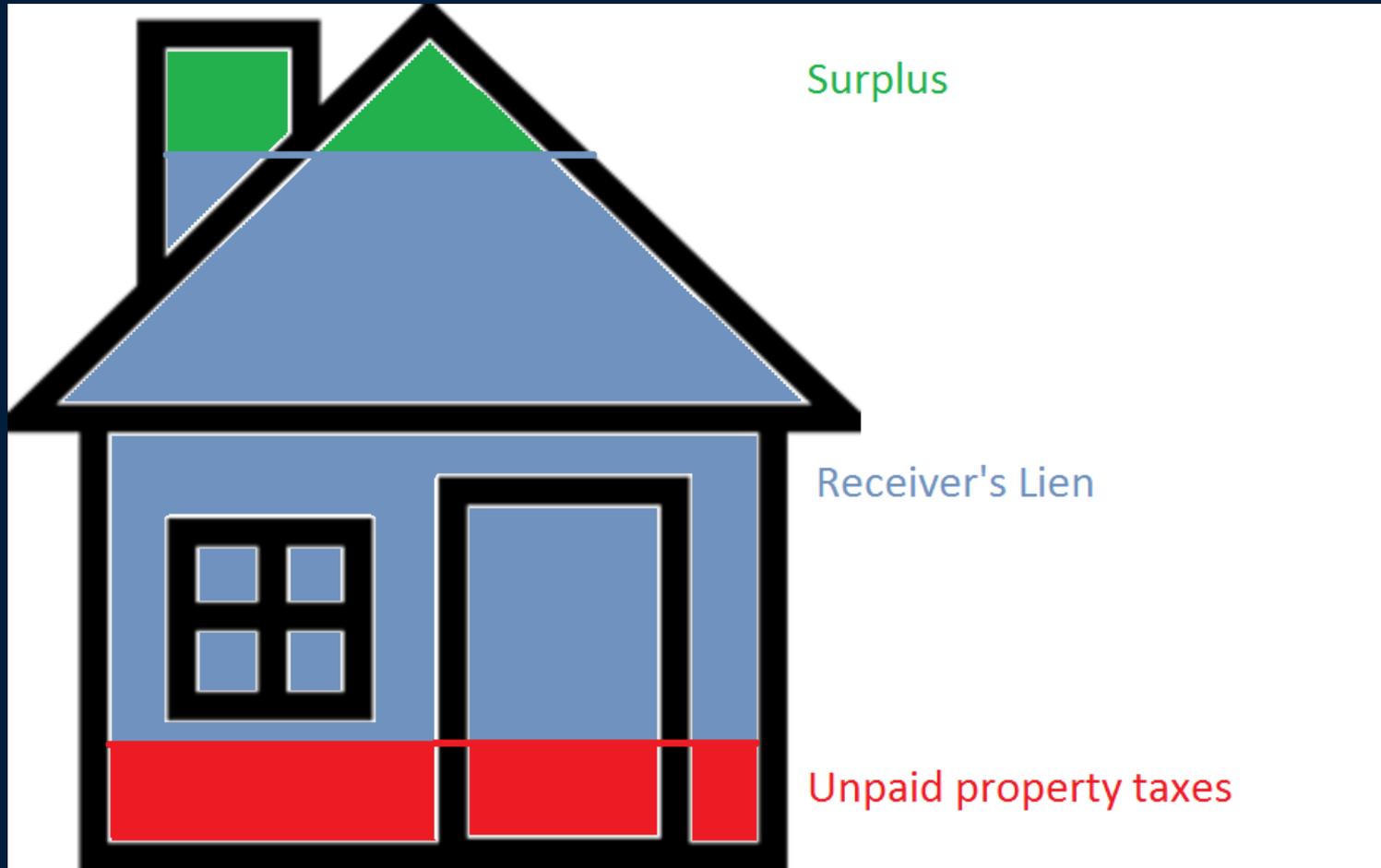


How does the receiver get paid?

- Once a receiver has completed the work to the satisfaction of the municipality, the receiver requests authority from the court to foreclose and recover their lien
- Either through reimbursement by the owner or interested party, or via a sale of the property



Paying off the Receivership



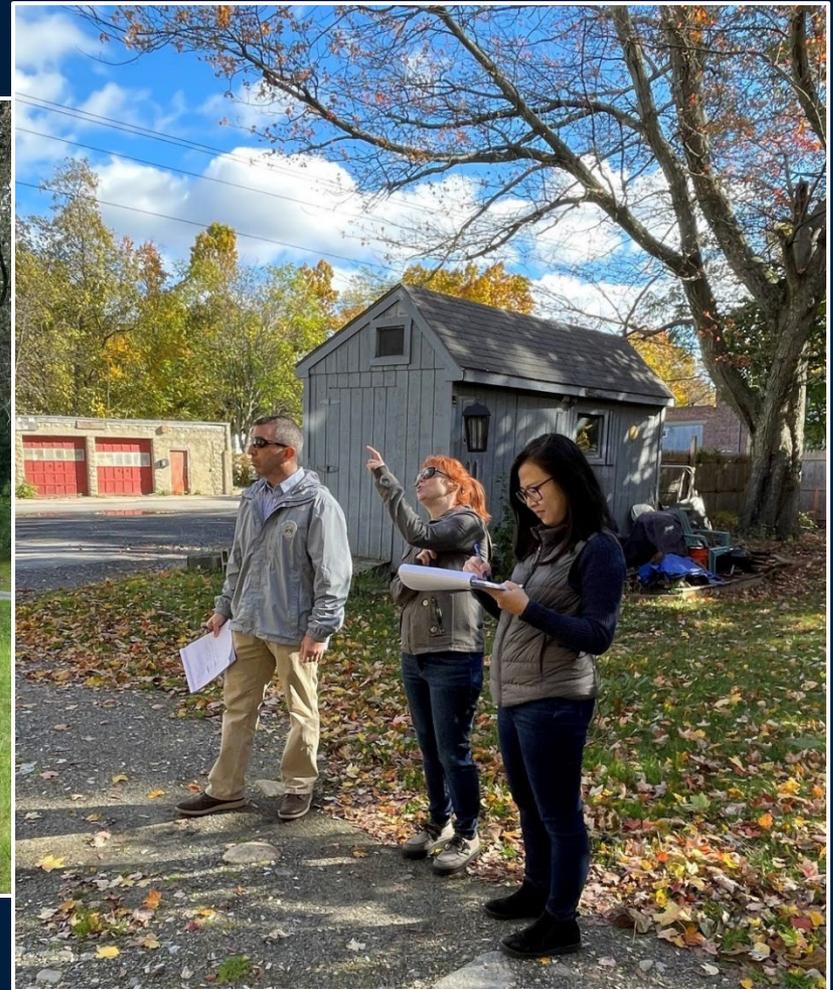


Result





Success Stories





84 Sterling St. Lancaster

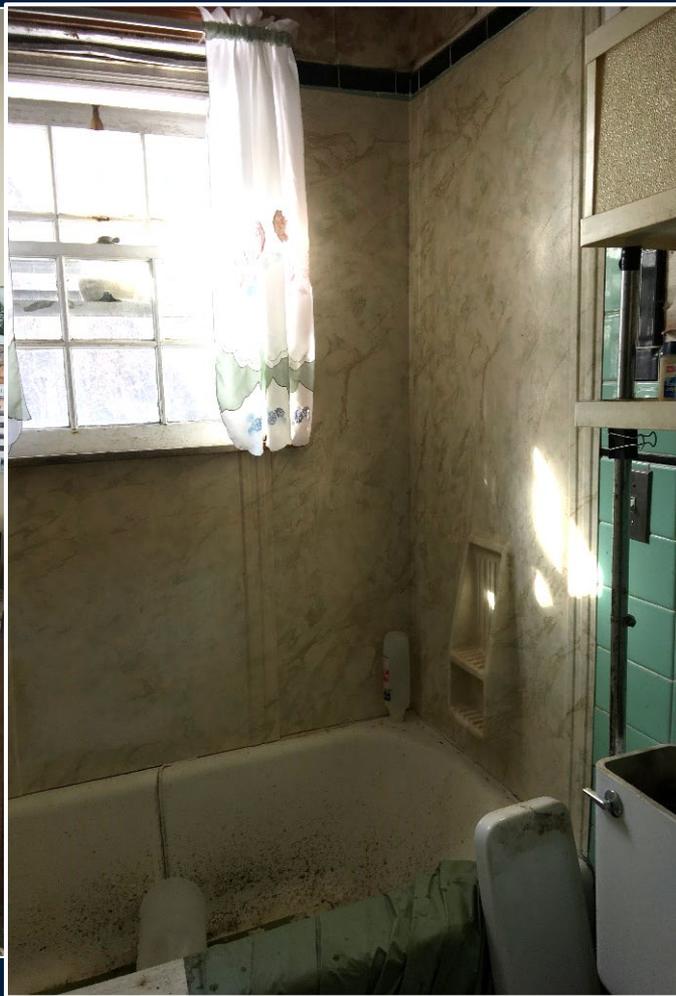
BEFORE





84 Sterling St. Lancaster

BEFORE





84 Sterling St. Lancaster

AFTER





84 Sterling St. Lancaster

AFTER





33 Union St. Southbridge

BEFORE





33 Union St. Southbridge

BEFORE





33 Union St. Southbridge

BEFORE





33 Union St. Southbridge

AFTER





33 Union St. Southbridge

AFTER



After Photos- Redfin.com

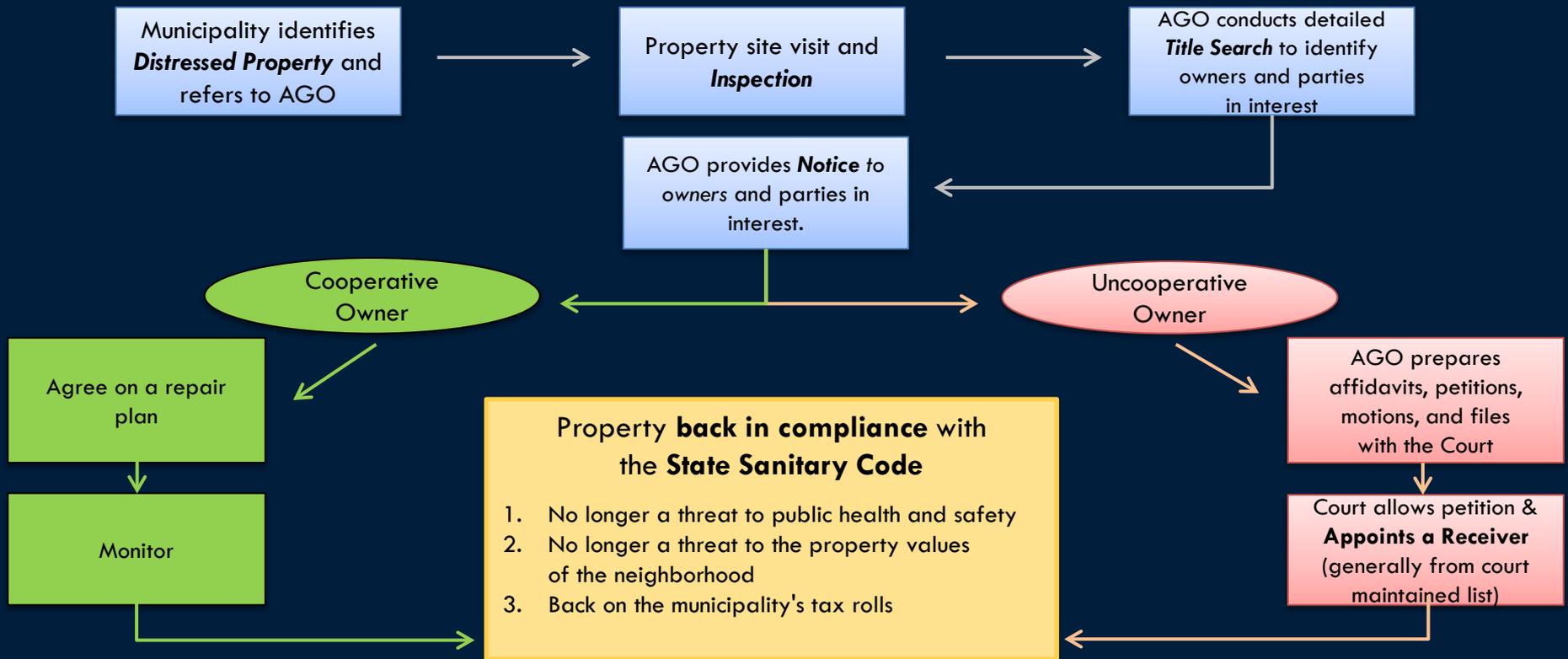


Grants

- AHI Receivership Fund
 - Up to \$75,000 loan
 - if the property is going to be affordable housing Receiver can borrow up to \$100K with up to 30% forgiven otherwise can be up to 20% if not affordable housing
 - Low or no interest loans with potential for subsidy
 - Administered by Chelsea Restoration Corp. and Fall River Community Development



NRD Receivership Process





NRD Contact Info

- Neighborhood Renewal Division:
NeighborhoodRenewal@mass.gov
- Amber Villa:
Amber.Villa@mass.gov
- Janice Fahey:
Janice.Fahey@mass.gov
- Amane AbdelJaber:
Amane.Abdeljaber@mass.gov
- Receivership Manual: <https://www.mass.gov/guides/neighborhood-renewal-division-housing-receivership-manual>