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CITY OF CAMBRIDGE

COMMUNITY DEVELOPMENT DEPARTMENT

City Hall Annex   Inman & Broadway

To Robert W. Healy, City Manager

From Kathy A. Spiegelman, Assistant City Manager for Community Development   **Date** February 8, 1985

Subject Council Order No. 3 - 1/28/85 re: Applicability of State Legislation to Streamline the Tax Abatement Process for Vacant Abandonned Buildings to the City of Cambridge

Briefly, the above recently enacted legislation streamlines the tax abatement process for certain types of properties in two ways:

(1) Allows for a 60-day turn-around time on State Department of Revenue (DOR) tax abatements for individual properties; or

(2) Allows municipalities to apply to the DOR for blanket authority to grant "8 of 58" tax abatements for qualifying properites for a two year period.

Properties that qualify for either of these procedures must be abandonned, vacant 1-6 unit residential properties that are tax delinquent and not owned by individuals that are deceased or living under a guardianship.

The DOR intends to draft regulations during the next two months. It is therefore difficult, at this time, to determine the exact nature of the new application process for subject properites.

In Cambridge, there are few properties that will qualify for streamline tax abatement procedures. The April 1983 list, developed by the Department of Inspectional Services, has about 20 properties that are vacant 1-6 unit residential. Some of these have been demolished, and others are being rehabilitated. The list would need to be updated and then cross-checked with the Treasurer's office to determine which are in the tax title process. According to the non-profit housing agencies who check this list periodically, there are probably very few properties that would qualify.

Due to the red tape involved, it would appear that the City would not find it productive to apply to the DOR for the blanket authority to grant such abatements. However, the 60-day turn-around time on DOR approvals of individual abatement applications could prove helpful.

When the DOR publishes the regulations, the City could consider a "clearinghouse" operation that would identify qualifying buildings on a current basis. This would require the cooperation and coordination of the Department of Inspectional Services, the Treasurer's Office, the Law Department, and the Community Development Department.

KAS/MS/tm

cc: Margaret Smith

CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

February 25, 1985

To the Honorable, the City Council:

With respect to Awaiting Report Item No. 35, enclosed please find copy of a report from Kathy A. Spiegelman, Assistant City Manager for Community Development, relative to the applicability of State legislation to streamline the tax abatement process for vacant abandoned buildings to the City of Cambridge.

Very truly yours,

Robert W. Healy

Robert W. Healy
City Manager

RWH/mbf
Enc.

Agenda Item No. 3

F'72

Re: response to Awaiting Report Item No. 35
Re: applicability of State legislation to streamline the tax abatement process for vacant abandoned buildings to the City of Cambridge.

In City Council,

February 25, 1985

- Placed on File -