

## City of Marlborough



### MUNICIPAL REAL PROPERTY DISPOSITION CHECKLIST FOR THE PURCHASE OF CITY-OWNED PROPERTIES

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Massachusetts General Law Chapter 30B, Section 16 outlines procedures for disposing of real property, including fee in water or sewer easements, owned by the City of Marlborough (“City”). These statutory procedures vary based on the value of the property not the price the City will received for the disposition.

**All City-Owned Vacant Property will be sold “as is”. The City makes no representations or warranties with respect to the suitability of any lot for any particular purpose, or as to the applicability or effect of any local, state, or Federal law. Selection of a proposal and sale of a real property by the City pursuant to M.G.L. procedures do not ensure that such zoning or other approval will be granted.**

- **Preliminary Step(s):** Identify land to be disposed of through RFP (not required if value is \$35,000 or less). This procedure is triggered by the value of the property, not the price the City will receive for the disposition. Applies to the disposition of other interests in real property such as mortgages, preservation restrictions, easements.

**Prepare City Council Agenda item for their consideration as required through the Mayor’s Office.**

- **Step 1:** Declare the property available for disposition and identify reuse restrictions, if any and/or minimum purchase amount.
  - a. Department (having charge of property) declares property available per M.G.L. c.40, §15 (convey or abandon) or 15A (no longer needed for such purpose and available for another specific municipal purpose).
  - b. City Council vote authorizing disposition.

- **Step 2:** Determine the value of the property by using procedures customarily accepted by the appraising profession as valid. You may rely on the municipal assessment of a property's value if it is current, if the municipality is assessed at 100%, and if the assessment is determined through valid procedures. **(Note: Applicant shall be responsible for any costs associated with appraisals.)**

**If property is valued at less than \$35,000, skip to Step 7.**

- **Step 3:** Develop the RFP including the following components:
  - a. description of the property and interest in the property the City plans to sell or lease (the "property description") and any reuse restrictions;
  - b. evaluation criteria,
  - c. rule for award;
  - d. proposal submission requirements, and
  - e. the contract terms and conditions.
- **Step 4:** Advertise for proposals as follows:
  - a. newspaper of general circulation at least once a week for two consecutive weeks before the day selected for opening of proposals. The last publication must occur at least 8 days before the proposal opening. (you may use a display ad versus legal notice format)
  - b. If the proposed disposition involves **more than 2,500 square feet**, an advertisement must also be published, at least 30 days before the opening of proposals, in the Central Register, which is published by the Secretary of the Commonwealth.
  - c. Optional Step: Send copy of RFP notice to abutting property owners. Post notice on City's website under Procurement Office and post notice with City Clerk's office.
- **Step 5:** Distribute the RFP.
- **Step 6:** Open and evaluate proposals. If the City disposes of the property for less than the value determined in Step 2, the City must publish a notice in the Central Register explaining the reasons for its decision and disclosing the difference between the value and the price to be received. This notice should be published prior to entering into a binding agreement to dispose of the property.
- **Step 7:** Submit disclosures as follows:
  - a. Submit the name of the selected proposer and the amount of the transaction in the Central Register, which is published by the Secretary of the Commonwealth.

b. Obtain a disclosure of beneficial interests (M.G.L. c.7C, §38 formerly c.7, §40J). Selected proposer's disclosure of beneficial interests must be filed with the Division of Capital Asset Management & Maintenance (DCAMM). No contract to lease or sell property, and no renewal or extension of such agreement, is valid until the seller or lessee files this form with DCAMM.

- **Step 8:** Execute the purchase and sales agreement (contract) and a certification of tax compliance.
  - a. Purchase Agreement sent by the Legal Department to successful purchaser along with any required forms, including a Disclosure of Beneficial Interest Form (M.G.L. c. 7C, § 38) and Tax Attestation Form (M.G.L. c. 62C, § 49A), which must be completed and returned to the Legal Department, City Hall, 140 Main Street, 4<sup>th</sup> Floor, Marlborough, MA 01752.

Terms and conditions of the sale are:

- The buyer will be responsible for all legal, recording or other applicable fees that are incurred as part of the sale.
- Included in the sale terms and conditions is an agreement that the buyer must agree to certain restrictions, if any, set by the Marlborough City Council.

Restrictions will be placed in the deed at closing to secure these terms.

- b. Legal Department prepares deed(s), receives payment from landowner(s) and arranges for recording of deed(s) (M.G.L. c. 183). In addition to the sale price, the buyer is responsible for paying all Middlesex South Registry of Deeds recording fees, costs associated with the survey and ANR plan and pro-rated payment in lieu of taxes calculated by multiplying the tax rate for the fiscal year by the sale price.
- c. Disclosure of Beneficial Interest Form shall be filed by the Chief Procurement Officer with the Commonwealth's Department of Capital Asset Management and Maintenance (DCAMM) required by M.G.L. c. 7C, § 38.