




Conor M. Baldwin
Chief Financial Officer

Austin Ball
Deputy CFO

MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager 

FROM: Austin Ball, Deputy CFO

CC: Conor Baldwin, Chief Financial Officer
John McKenna, First Assistant City Solicitor
Theodoros Panagiotopoulos, Treasurer

DATE: January 10th, 2023

SUBJECT: MOTION RESPONSE: 11/15/2022 – C. Jenness - Req. City Mgr. Provide Update On Tax Title Auction Process

The following is an update of ongoing efforts to address properties in tax title. In 2011 the Law Department held the City's first municipal lien auctions sale for certain properties in tax title. Pursuant to MGL c. 60 §52, buyers purchase a municipality's tax title lien, and step into the shoes of a municipality with respect to collecting the outstanding principal and interest on the property. Nationally, tax lien sales have become a quick and efficient way for municipalities to collect outstanding revenue. The sale process was pioneered in New Jersey and New York, and within Massachusetts, Worcester was the first community to host annual sales for tax liens as well as assignment of tax titles.

A final courtesy letter was sent out notifying residents of their potential upcoming sale of their lien to a private third party. Residents receiving an elderly, widow, hardship, or veteran's exemption are not included in the auction. Until the pandemic, Lowell held an auction every year. Currently, the Law Department and Treasurer's Department have been working with the City Manager's Office to facilitate an auction date. Despite the staffing turnover in the Law Department it is our goal to complete this auction in fiscal year 2023. This year's auction list will include properties whose liens were not sold in recent years because of the pandemic. It is anticipated that roughly 150 properties will receive auction notices.

If any of the councilors or the public have any questions regarding the tax title or auction process please let me know and I would be happy to answer them.