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CITY OF SPRINGFIELD, MASSACHUSETTS

September 4, 2014

Mayor Domenic J. Sarno & City Council:

Recently, the City submitted Requests for Proposal for the management of its residential and commercial Tax Title properties. This decision was based on the increasing costs of property management for City owned properties. Frequently, the City was being given notice last minute about property issues, resulting in emergency-type situations. Property management costs increased because emergency rates were charged to resolve these issues. In FY14, the Treasurer's office went before Council on a few occasions to request budget transfers to cover the increased costs associated with property management. In order to minimize these instances, the decision was made to re-evaluate the process. Evaluation of the proposals received resulted in the award of both contracts to a single vendor. Whitman Properties, Inc. will act as the property manager for the City's Tax Title properties.

With this shift, the timing seemed appropriate to review the City's internal controls for the Tax Title property management processes. The Treasurers, Collectors, Law, Housing and Planning Departments collaborated with the Tax Title Custodian through weekly meetings to review the current practices and develop updated procedures.

The newly established procedures are designed to support proactive maintenance of the City's Tax Title properties. These procedures include a timeline for code inspectors to assess the condition of pre-foreclosure properties. A standardized inspection report will be used to review property conditions and serve as an outline for maintenance needs once the foreclosure judgment is complete. In addition, a formalized approval process will provide the Tax Title Custodian with up-to-date maintenance expenses and requirements, allowing for the best administration and budget decisions to be made.

A detailed list of Tax Title properties will continue to be reviewed and analyzed on an ongoing basis. Based on pre and post foreclosure inspections, property conditions and maintenance will be evaluated and managed strategically. This streamlined approach will allow properties to get back into the hands of residents more easily and quickly, promoting economic development in the City of Springfield.

I would like to thank Steve Lonergan, Sandra Powell, Peter Sygnator, Melvyn Altman, Amber Gould, Julisa Davila-Ramos, Phil Dromey, Tina Quagliato, Lisa DeSousa and Kathy Breck for their contribution and collaboration.

Sincerely

Timothy J. Plante

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