

INTRODUCTION

WHAT IS URBAN RENEWAL UNDER M.G.L. CHAPTER 121B?

Under Massachusetts General Laws Chapter 121B (M.G.L. c. 121B) municipalities acting through their redevelopment authorities, are authorized to redevelop substandard, decadent or blighted open areas for industrial, commercial, business, residential, recreational, education, hospital, or other purposes. Future development within these designated urban renewal areas must be undertaken in accordance with use limitations specified in approved urban renewal plans.

Chapter 121B places great importance on the achievement of socio-economic development such as the provision of jobs for the unemployed, the addition of tax revenue to overburdened communities and/or the assemblage of parcels of sufficient size for the expansion or siting of industry, business or housing. Urban renewal projects help municipalities revitalize deteriorated and underutilized areas by providing the economic climate environment needed to attract and support private investment. The Massachusetts Department of Housing and Community Development (DHCD) is charged with the responsibility for the operation and administration of the Urban Renewal Program as defined under c.121B.

WHAT IS A REDEVELOPMENT AUTHORITY?

A Redevelopment Authority as an independent body politic and corporate, is not an agency of a municipality and therefore, does not answer directly to the chief executive. This affords the Redevelopment Authority more autonomy in planning and implementing revitalization and redevelopment projects.

Redevelopment Authorities have broad powers to plan and implement activities needed to redevelop underutilized, deteriorated or blighted open areas, to encourage new development and to promote sound growth. Redevelopment Authorities have the power to:

- Establish rehabilitation and design standards;
- Assemble and dispose of land, including the taking of real estate through eminent domain;
- Relocate businesses and residents occupying property in urban renewal areas;
- Demolish and/or rehabilitate substandard structures;
- Participate in real estate development and commercial revitalization;
- Issue bonds, borrow money, invest funds, and receive grants; and
- Accept gifts or requests.

Redevelopment Authorities are exempt from M.G.L. c.30B, the Uniform Procurement Act, when engaged in the development and disposition of real property in accordance with an approved Urban Renewal Plan. This exemption, coupled with the ability to use eminent domain powers makes Redevelopment Authorities powerful tools for commercial revitalization, industrial park development, infrastructure improvements, facilities renovation and brownfield site remediation. Redevelopment Authorities are particularly effective in large-scale and complex redevelopment projects and land assembly.

A Redevelopment Authority is governed by an appointed five-member board. The process for appointing the board of a Redevelopment Authority is controlled by the public sector. In a city the city council must confirm members appointed by the mayor or city manager. In a town, after the town meeting vote establishing the redevelopment authority, town meeting may vote to authorize the board of selectmen to appoint four members. These members serve until the next annual town meeting, at which time an election is held to seat four successors. The Commonwealth, through DHCD, appoints one member to the Redevelopment Authority board. Staffing levels vary depending on the size of the municipality and the type of activity undertaken according to an Urban Renewal Plan or other activities. At minimum, most Redevelopment Authorities consist of an executive director and an administrative assistant.

The development and approval of an Urban Renewal Plan is necessary before a Redevelopment Authority can undertake certain projects.

WHAT IS AN URBAN RENEWAL PLAN?

The Urban Renewal Plan is an application submitted by a municipality through its Redevelopment Authority to DHCD requesting approval of an urban renewal/redevelopment project. The Urban Renewal Plan must include all of the following information as specified under Massachusetts Regulations 760 CMR 12.00:

- Maps of the project area;
 - Data demonstrating that the area meets the eligibility criteria as a substandard, decadent or blighted open area;
 - Project objectives, including specifications of all proposed redevelopment and detailed job creation and retention estimates;
 - A financial plan, including cost estimates and a project budget;
 - Local approvals;
 - Site preparations, including land protections and measures to address environmental or flood problems;
 - Public improvements, including how the improvements will help achieve the objectives of the plan;
 - A relocation plan;
 - Redeveloper's obligations (i.e., restrictions that are or will be placed on developer of individual parcels purchased from Redevelopment Authority);
 - Disposition for each parcel (i.e., how will the parcels be redeveloped and by whom, if information is known at time of urban renewal plan preparation);
 - A report on citizen participation describing meaningful citizen participation in the planning process and expected citizen participation during project execution.
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