

# RESOLUTION OF THE CITY COUNCIL

No. 364

Approved May 25, 1993

RESOLVED, that the City Council endorses and urges passage by the General Assembly of House Bill 93-H 6808 relating to demolition liens.

IN CITY COUNCIL  
MAY 20 1993  
READ AND PASSED  
*James H. Scannilli*  
PRES.  
*Michael L. Clement*  
CLERK

APPROVED  
MAY 25 1993  
*Vincent A. Cianci*  
MAYOR

IN CITY COUNCIL  
MAR 18 1993  
FIRST READING  
REFERRED TO COMMITTEE ON  
FINANCE

CLERK

THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Resolution

*Claire E. Brock-Stewart*  
MAY 13 1993 / Chairman *EWB*

*Council President Petronelli; by Request*

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STATE OF RHODE ISLAND  
IN GENERAL ASSEMBLY  
JANUARY SESSION, A.D. 1993

93-H 6808

AN ACT

RELATING TO DEMOLITION LIENS

93-H 6808

Introduced by: Reps. Kushner and Castro

Date Introduced: February 24, 1993

Referred To: Committee on Judiciary

It is enacted by the General Assembly as follows:

SECTION 1. SECTION 23-23.3-125.7 OF CHAPTER 23-23.7 OF THE GENERAL LAWS ENTITLED "STATE BUILDING CODE" IS HEREBY AMENDED TO READ AS FOLLOWS:

23-27.3-125.7 Lien for emergency repairs - Whenever the owner fails to comply with an order to repair, board, or demolish a building, sign or structure as required by the building official, and the building official has made repairs, boarded, or demolished the building, sign, or structure, reasonable costs incurred by the building official in the action shall be a lien against the property, and shall be enforced in the manner provided or authorized for the enforcement of common law liens on personal property. The lien shall be recorded with the records of land evidence of the municipality, and the lien shall incur legal interest from the date of recording. Said lien shall be superior to any other lien, encumbrance, or interest in the real estate whether by way of mortgage, attachment, or otherwise, except easements and restrictions.

The costs incurred by the building official plus the interest thereon shall be added to the amount of taxes due on said real estate and shall also be considered eligible for collection under the regulations governing the collection of taxes as provided in Chapter 44-9.

SECTION 2. This act shall take effect upon passage

93-H 6808

EXPLANATION  
OF  
AN ACT  
RELATING TO DEMOLITION LIENS

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The act would make demolition liens, held by a city or town after demolition of an unsafe structure by said city or town, superior to any other liens or mortgages and would make them equivalent in priority to property taxes and collectable under the same procedures as property taxes.

This act would take effect upon passage.

# RESOLUTION OF THE CITY COUNCIL

No. 365

Approved May 25, 1993

RESOLVED, that the City Council endorses and urges passage by the General Assembly of House Bill 93-H 6811 relating to tax sales.

IN CITY COUNCIL  
MAY 20 1993  
READ AND PASSED  
*James Petrucci*  
PRES.  
*Michael L. Clement*  
CLERK

APPROVED  
MAY 25 1993  
*Vincent A. Cassi*  
MAYOR

IN CITY COUNCIL  
FIRST READING  
REFERRED TO COMMITTEE ON  
FINANCE

CLERK

THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Resolution

*Claire E. Brooke Stewart*  
May 13, 1993 *Clerk*

*Council President DeRosinelli; by Request*

STATE OF RHODE ISLAND  
IN GENERAL ASSEMBLY  
JANUARY SESSION, A.D. 1993

93-H 6811

AN ACT

RELATING TO TAX SALES

93-H 6811

Introduced By: Reps. Kushner and Castro

Date Introduced: February 24, 1993

Referred To: Committee on Corporations

It is enacted by the General Assembly as follows:

SECTION 1. SECTION 44-9-12 OF CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED  
"TAX SALES" IS HEREBY AMENDED TO READ AS FOLLOWS:

44 - 9 - 1. Collector's deed; rights conveyed to purchaser; recording - The collector shall execute and deliver to the purchaser a deed of the land, stating the cause of the sale, the price for which the land was sold, the places where notices were posted, the name of the newspaper in which the advertisement of the sale was published, and the residence of the grantee. The deed shall convey the land to the purchaser, subject to the right of redemption. The title thus conveyed shall, until right of redemption is foreclosed as hereinafter provided, be held as security for the repayment of the purchase price, with all intervening costs, terms imposed for redemption, and charges, with interest thereon, and the premises conveyed, both before and after either redemption or foreclosure, shall also be subject to and have the benefit of all easements and restrictions lawfully existing in, upon, or over the land or appurtenant thereto. The deed shall not be valid unless recorded within sixty (60) days after the sale. If so recorded it shall be prima facie evidence of all facts essential to the validity of the title thereby conveyed. Except as otherwise provided, no sale hereafter made shall give the purchaser any right to either the

possession, or the rents, or profits of the land until the ~~expiration of one year after the date of sale~~ right of redemption is foreclosed, nor shall any sale obviate or transfer any responsibility of an owner of property to comply with any statute of this state or ordinance of any municipality governing the use, occupancy, or maintenance or conveyance of property until the right of redemption is foreclosed.

SECTION 2. SECTION 44-14-14 OF CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED "TAX SALES" IS HEREBY AMENDED TO READ AS FOLLOWS:

44 - 9 - 14. Purchase by collector for town - If at the time and place of sale no person bids for the land offered for sale an amount equal to the tax and charges, the collector shall then and there make public declaration of the fact; and, if no bid equal to the tax and charges is then made, the collector shall give public notice that the collector purchases for the town by which the tax is assessed the land as offered for sale at the amount of the tax and the charges and expenses of the levy and sale. This amount, together with the cost of recording the deed of purchase, shall be allowed the collector in his or her settlement with the town, provided the collector causes the deed to be duly recorded within sixty (60) days after the purchase and to be delivered to the town treasurer.

Whenever the collector of a city or town shall have purchased land therein he may, in the name and on behalf of said city or town or redevelopment agency, take immediate possession of such land and, until the tax title so acquired is redeemed, collect rent and other income from such land. Rent and income, after the payment therefrom of all necessary expenses in the care, repair and management of such land, shall be applied on account of taxes, assessments, rates, charges, interest and costs due said city or town on said land, with any balance remaining being paid to the person otherwise entitled thereto.

SECTION 3. CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED "TAX SALES" IS HEREBY AMENDED BY ADDING THERETO THE FOLLOWING SECTION:

44 - 9 - 14.1. Taking for taxes; notice; instrument; form; contents; effect - If the taxes are not paid, the collector may, notwithstanding the provisions of §44 - 9 - 8, take such land for the city or town or a redevelopment agency established in conformance with §45 - 31, first giving notice of his intention to exercise such power of taking, which notice may be served in a manner consistent with the requirements

of §44 - 9 - 10 of this chapter or may be published and shall conform to the requirements of §44 - 9 - 9 of this chapter.

Whenever the collector of a city or town shall have taken land therein he may, in the name and on behalf of said city or town or redevelopment agency, take immediate possession of such land and, until the tax title so acquired is redeemed, collect rent and other income from such land. Rent and income, after the payment therefrom of all necessary expenses in the care, repair and management of such land, shall be applied on account of taxes, assessments, rates, charges, interest and costs due said city or town on said land, with any balance remaining being paid to the person otherwise entitled thereto. Upon petition of any person having a right to redeem such tax title, the superior court, if it adjudges justice and the circumstances so warrant, may, upon such terms as it shall deem equitable, enjoin a taking of possession under this section or command the surrender of a possession taken.

Neither said city or town nor any of its officers, agents or employees or a redevelopment agency nor any of its officers agents or employees shall be liable or accountable to the owner or to any other person having an interest in such land for failure to collect rent or other income therefrom; and neither said city or town nor any of its officers shall be liable for injury or damage caused by the possession of land under this section to such land or to the person or property of any person.

The instrument of taking shall be under the hand and seal of the collector and shall contain a statement of the cause of the taking, the places where the notices were posted, the name of the newspaper in which the taking was advertised, the amount of tax thereon, and the incidental expenses and costs to the date of taking. This amount, together with the cost of recording the deed of taking, shall be allowed the collector in his settlement with the city or town or redevelopment agency, provided the collector causes the deed to be duly recorded within sixty (60) days after the purchase and to be delivered to the treasurer of said city or town or to the secretary of a redevelopment agency. If so recorded, it shall be prima facie evidence of all facts essential to the validity of title so taken. Title to the land so taken shall thereupon vest in the said city or town or redevelopment agency, subject to the right of redemption. Such title shall, until redemption or until the right of redemption is foreclosed as hereinafter provided, be held as security for the repayment

of said taxes with all intervening costs, terms imposed for redemption and charges, with interest thereon, and the premises so taken, both before and after either redemption or foreclosure, shall also be subject to and have the benefit of all easements and restrictions lawfully existing in, upon or over said land or appurtenant thereto, and, except as provided in §44 - 9 - 17.1, all covenants and agreements running with said premises either at law or in equity, when so taken.

SECTION 4. CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED "TAX SALES" IS HEREBY AMENDED BY ADDING THERETO THE FOLLOWING SECTION:

44 - 9 - 17.1. Foreclosure by municipalities; tax titles; covenants calling for money payments by the owners - After foreclosure by a city or town or redevelopment agency of the right of redemption under a tax title or taking, as in herein before provided, the land shall thereafter be held and disposed of like any land belonging to it and held for municipal purposes. While so held, said land shall not be assessed taxes.

Before foreclosure, the provisions of any covenant or agreement running with the land which calls for the payment of money by the owner thereof, shall not be enforceable against a city or town or redevelopment agency which is the owner of record of such land under a tax title or taking.

SECTION 5. SECTION 44-9-25.1 OF CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED "TAX SALES" IS HEREBY AMENDED TO READ AS FOLLOWS:

44 - 9 - 25.1. Foreclosure of the right of redemption on account of abandonment - Notwithstanding the provisions of 44-9-25 of this chapter, following a sale of land for taxes, whoever then holds the title thereby acquired may bring an immediate petition in the superior court for the foreclosure of all rights of redemption thereunder upon a finding of abandonment. The petition shall include a description of the land to which it applies, with its assessed valuation, the petitioner's source of title, giving reference to the place, book, and page of the record, and such other facts as may be necessary for the information of the court. A finding of abandonment shall be made under the following circumstances:

~~(a) The summons initiating the proceedings for the foreclosure of all rights of redemption and directed to the taxpayer(s) at the taxpayer's premises, or at the last known address of the taxpayer, if known by the petitioner to be different from that of the taxpayer's premises, is returned not found.~~

~~(b) Upon return of such summons as "not found", the petitioner may move the court, notice of the motion having been sent to the taxpayer by certified mail at the taxpayer's last known address, for the appointment of the code enforcement officer of the city or town or other appropriate person as an officer of the court to make a personal inquiry into the whereabouts of the taxpayer. The inquiry shall include visits to the taxpayer's premises, and inquires with neighbors, known relatives, employers, and any other person or entity whom the officer may reasonably conclude has information to the whereabouts of the taxpayer.~~

~~(c) If the officer of the court, upon such inquiry, is unable to ascertain the whereabouts of the taxpayer, the court may, upon hearing the report of the officer and being satisfied as to its thoroughness, enter a finding that the taxpayer's premises are abandoned, and order that all rights of redemption thereunder be immediately foreclosed on account of abandonment.~~

~~(d) If the inquiry of the officer results in the location of the taxpayer, the taxpayer shall be ordered by the court to appear for the limited purpose of declaring his or her intention with regard to exercising his or her right of redemption over the property. If, upon making such an appearance, the taxpayer states that neither he or she nor anyone holding under him or her intends to occupy the mortgaged premises, the court may order that all rights of redemption be immediately foreclosed on account of that abandonment.~~

~~(e) Any person who willfully misrepresents facts regarding the finding of abandonment of taxpayer's premises or who engages in harassment or pressure to cause taxpayers to abandon premises or otherwise fraudulently obtains a finding of abandonment or a finding that premises have not been abandoned, shall be guilty of a misdemeanor punishable by a fine of not less than one thousand dollars (\$1,000) or thirty~~

~~(30) days in prison.~~

~~(f) Actions brought under this section to foreclose the right of redemption on account of abandonment in the superior court shall be given precedence on the calendar and shall be heard not later than thirty (30) days from the initiation of such proceedings.~~

Whenever a city or town or a redevelopment agency shall have purchased or taken land for non - payment of taxes, and the city or town or redevelopment agency has reason to believe the building(s) or improvement(s) thereon are unoccupied, he shall forthwith request the building official, or such other authorized person, to inspect the building(s).

If the building official determines that said building(s) or improvement(s) are in fact unoccupied property, he shall notify the taxpayer and, if appropriate, the mortgagee in possession or lessee, of any violations of the State Building Code and the Housing and Property Maintenance Code which must be corrected. Such notice shall include a statement that the inspection was conducted at the request of the city or town or redevelopment agency and that the failure of the taxpayer to correct the conditions described in the aforementioned notice within sixty (60) days will result in proceedings to foreclose the right of redemption on account of abandonment.

Said notice shall be served upon the taxpayer:

(1) By any person authorized by law to serve civil process within the state of Rhode Island by serving a copy of the notice upon the taxpayer or by leaving a copy of said notice at the last and usual place of abode; or

(2) By sending said taxpayer a copy of the notice by registered mail, return receipt requested; or

(3) By publication in one or more newspapers of general circulation in the municipality where the building or premises in violation is situated and by posting a copy of said notice in a conspicuous place on or about the building or premises in violation.

If, at the expiration of the sixty (60) day period, the building official is of the opinion that no action has been initiated to correct the conditions described in the aforementioned notice, he shall notify the treasurer of the city or town in writing, under penalty of perjury, that the building(s) or improvement(s) on the land have been found to be abandoned property. Such written notice shall include the facts and circumstances which formed the basis of his findings, and a copy of the notice served on the taxpayer, or if service was by publication, an account of the steps taken to locate the owner of record and a copy of the published notice.

Upon receipt of such written notice, the treasurer of said city or town shall bring a petition for foreclosure of redemption of said land.

SECTION 6. CHAPTER 44-9 OF THE GENERAL LAWS ENTITLED "TAX SALES" IS HEREBY AMENDED BY ADDING THERETO THE FOLLOWING SECTION:

44 - 9 - 25.2. Purchase by city or town of tax title on account of abandonment - Whenever the building official of the city or town has reason to believe that a building is abandoned and that tax title has been held on said property for over one (1) year from sale of taxes and no petition has been brought for the foreclosure of redemption, he may give notice to the treasurer of said city or town of his findings. The treasurer shall then notify the purchaser of tax title to petition to foreclose the right of redemption within thirty (30) days. Such notice shall be sent by registered or certified mail to the purchaser of tax title at his premises or to the last known address of said purchaser.

If at the end of the thirty (30) day period, a petition to foreclose redemption has not been filed, the treasurer may petition foreclosure of redemption on behalf of the city or town. The petition shall set forth: that the property has been determined to be abandoned; the purchaser of tax title; the original sum in intervening taxes and costs by him or her, plus a penalty as provided in § 44 - 9 - 19, or in the case of an assignee of a tax title from a town, the amount stated in the instrument of assignment, plus the above - mentioned penalty. The treasurer shall deposit with the court said amount. If the purchaser of tax title has filed a petition of foreclosure of redemption, the treasurer may not petition for foreclosure of redemption on behalf of the city or town. However, if after ninety (90) days following the filing of the petition for foreclosure of redemption by the tax title purchaser, said foreclosure has not been diligently pursued, the treasurer may enact the aforementioned procedure to foreclose redemption on behalf of the city or town.

SECTION 7. This act shall take effect upon passage.

93-H 6811

EXPLANATION  
OF  
AN ACT  
RELATING TO TAX SALES

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This act would allow cities and towns to take tax title to properties without offering at a tax sale first and would allow for the quick foreclosure of the rights of redemption on account of abandonment on properties where tax-title has been taken or purchased by the city or town.

This act would take effect upon passage.