



Legislation Text

File #: 320-19, **Version:** 1

Order: Be it hereby Ordained that Chapter 2 of the Revised Ordinances of 2020 as amended, be further amended by adding a new section as follows:

Affordable Housing Trust Fund Ordinance

Section 1. Be it hereby Ordained that Chapter 2 of the Revised Ordinances of 1991, as amended, be further amended by adding a new section as follows:

Section 2. Affordable Housing Trust Fund Board of Trustees

.1 Established; Appointment; Term; Filling of Vacancies; Removal

The City shall establish an Affordable Housing Trust Fund Board of Trustees consisting of seven members, who shall serve without compensation and shall be appointed as follows:

- a. The Mayor, or a designee, who shall serve as chair;
- b. One member designated by the City Council from among its members;
- c. The Executive Director of the Housing Authority, or a designee;
- d. One member appointed by the Mayor and confirmed by the City Council who shall be a Malden resident living in or eligible for deed-restricted Affordable housing not to exceed 80 percent of the Area Median Income as determined by the U.S. Department of Housing and Urban Development.
- e. Three members appointed by the Mayor and confirmed by the City Council who shall have relevant professional experience and backgrounds, which may include:
 - a. Non-profit affordable housing development;
 - b. Real estate or finance, especially with regard to affordable housing development;
 - c. Non-profit housing services.

A minimum of four of the seven trustees shall be Malden residents.

The terms of the inaugural trustees shall expire on January 31, 2022, with all subsequent terms expiring on January 31 of every even-numbered year thereafter.

Members shall be eligible for reappointment in the same manner as the original appointment. If a vacancy occurs, it shall be filled for the balance of the unexpired term in the same manner as the initial appointment was made.

The trustees may be removed by their appointing authority, provided that trustees appointed by the Mayor and approved by the City Council may be removed by a majority vote of the City Council and subject to approval of the Mayor.

.2 Powers and Duties

The trustees shall administer an Affordable Housing Trust Fund to provide for the creation and preservation of affordable housing within the City of Malden for the benefit of low- to moderate-income households, as defined by income limits published from time to time by the U.S. Department of Housing and Urban Development, and to pursue other strategies to support the City's affordable housing goals.

The specific powers and duties of the trustees, all of which shall be carried on in furtherance of the purposes set forth in this ordinance, are as follows:

(1) to accept and receive real property, personal property or money, by gift, grant, contribution, devise or transfer from any person, firm, corporation or other public or private entity, including but not limited to money, grants of funds or other property tendered to the trust in connection with any ordinance or by-law or any general or special law or any other source, including money from chapter 44B of the Massachusetts General Laws; provided, however, that any such money received from chapter 44B shall be used exclusively for community housing and shall remain subject to all the rules, regulations and limitations of that chapter when expended by the trust, and such funds shall be accounted for separately by the trust; and provided further, that at the end of each fiscal year, the trust shall ensure that all expenditures of funds received from said chapter 44B are reported to the community preservation committee of the city or town for inclusion in the community preservation initiatives report, form CP-3, to the department of revenue;

(2) to purchase and retain real or personal property, including without restriction investments that yield a high rate of income or no income;

(3) to sell, lease, exchange, transfer or convey any personal, mixed, or real property at public auction or by private contract for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertaking relative to trust property as the board deems advisable notwithstanding the length of any such lease or contract;

(4) to execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases, grant agreements and other instruments sealed or unsealed, necessary, proper or incident to any transaction in which the board engages for the accomplishment of the purposes of the trust;

(5) to employ advisors and agents, such as accountants, appraisers and lawyers as the board deems necessary;

(6) to pay reasonable compensation and expenses to all advisors and agents and to apportion such compensation between income and principal as the board deems advisable;

(7) to apportion receipts and charges between incomes and principal as the board deems advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for

depreciation depletion or otherwise;

(8) to participate in any reorganization, recapitalization, merger or similar transactions; and to give proxies or powers of attorney with or without power of substitution to vote any securities or certificates of interest; and to consent to any contract, lease, mortgage, purchase or sale of property, by or between any corporation and any other corporation or person;

(9) to deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the board may deem proper and to pay, out of trust property, such portion of expenses and compensation of such committee as the board may deem necessary and appropriate;

(10) to carry property for accounting purposes other than acquisition date values;

(11) to borrow money on such terms and conditions and from such sources as the board deems advisable, to mortgage and pledge trust assets as collateral;

(12) to make distributions or divisions of principal in kind;

(13) to comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the trust, including claims for taxes, and to accept any property, either in total or partial satisfaction of any indebtedness or other obligation, and subject to the provisions of this act, to continue to hold the same for such period of time as the board may deem appropriate;

(14) to manage or improve real property; and to abandon any property which the board determined not to be worth retaining;

(15) to hold all or part of the trust property uninvested for such purposes and for such time as the board may deem appropriate; and

(16) to extend the time for payment of any obligation to the trust.

The powers and duties enumerated above are intended to encompass all powers and duties of the trustees. Any action, power or duty not enumerated above shall require prior approval of the city council.

.3 Records; Annual Report.

The trustees shall keep a record of its doings and at the close of every fiscal year make a report thereof to the City Council. The report shall include a description and source of funds received and expended and the type of affordable housing programs or properties assisted with the funding. The

trustees shall also provide the city council with a copy of the trust's annual audit.

Section II. This Ordinance shall take effect January 1, 2020.