

CITY OF LYNN NOTICE:

Notice is hereby given that on Tuesday, June 14, 2022, at 5:30 p.m., the Lynn City Council will hold a public hearing on an Ordinance establishing an Affordable Housing Trust Fund in the City of Lynn.

IN THE YEAR TWO THOUSAND AND TWENTY TWO, AN ORDINANCE ESTABLISHING AN AFFORDABLE HOUSING TRUST FUND IN THE CITY OF LYNN

Section 1:00 Name of Trust.

The Trust shall be called the "City of Lynn Affordable Housing Trust Fund."

Section 2:00 Purpose.

The purpose of the trust shall be to provide for the creation and preservation of affordable housing within the City of Lynn for the benefit of low-to-moderate-income households and for the funding of community housing, as defined in and in accordance with the provisions of M.G.L. c. 44B.

Section 3:00 Board of Trustees: established; appointment; term; filling of vacancies; removal.

The city of Lynn shall establish an Affordable Housing Trust Fund Board of Trustees consisting of seven members appointed by the Mayor, and who shall serve without compensation. The Mayor shall ensure, to the extent feasible, that the composition of the board reflects the geographic and racial/ethnic diversity that exists in the city. All board members should have some working interest in the City. Members shall be appointed as follows:

- (1) The Mayor, or a designee, who shall serve as chair;
- (2)
 - A. One representative of the City of Lynn Planning Department as appointed by the Mayor.
 - B. At least three residents of the City of Lynn who possess experience in the fields of real estate, housing, banking, finance, law, architecture, social services or other areas of expertise applicable to advancing the purpose and goals of the trust.
 - C. At least two individuals who are residential tenants in the City of Lynn.
- (3) All members, excluding the Mayor or his/her designee, are subject to confirmation by the City Council.
- (4) Trustees shall be appointed for two-year terms.
- (5) 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.
- (6) Trustees may be removed by the Mayor as provided for by Sections 2-4, 3-7 and 6-6 of the Lynn City Charter.

(7) The board shall appoint a vice chair, treasurer and clerk.

(8) The board is authorized to execute a Declaration of Trust and Certificate of Trust for the City of Lynn Affordable Housing Trust Fund, to be recorded with the Southern Essex County Registry of Deeds following approval by the Mayor and City Council.

Section 4:00 **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 Lynn 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 without limitation grants of funds or other property tendered to the trust in connection with provisions of any zoning ordinance or any other ordinance;
- (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 determines 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 Mayor and City Council.

Section 5:00 **Acts of trustees.**

- (1) A majority of board may exercise any of the powers of the board hereunder and may execute on behalf of the board, any and all instruments with the same effect as though executed by all the of the trustees, with the exception that any purchase, sale, lease, exchange, transfer or conveyance of any interest in real property, borrowing, and mortgaging and pledging of assets must be approved by at least two-thirds of the appointed board.
- (2) No trustee shall be required to post bond.
- (3) No license of court shall be required to confirm the validity of any transaction entered into by the board with respect to the trust estate.

Section 6:00 **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 7:00 **Affordable housing trust fund.**

There is hereby created, pursuant to M.G.L. c. 44, 55C, an affordable housing trust fund. The fund shall be utilized to provide for the creation and preservation of affordable housing in Lynn for the benefit of low and moderate-income households and for the funding of community housing. Notwithstanding any general or

special law to the contrary, all moneys paid to the trust in accordance with any zoning bylaw, exaction fee, or private contribution shall be paid directly into the trust and need not be appropriated or accepted and approved into the trust. General revenues appropriated into the trust become trust property and these funds need not be further appropriated to be expended. All moneys remaining in the trust at the end of any fiscal year, whether or not expended by the board within one year of the date they were appropriated into the trust, remain trust property set forth in G. L. c. 44, 55C. The Lynn treasurer/collector shall be the custodian of trust's funds and shall maintain separate accounts and records for such funds. Any income or proceeds received from the investment of funds shall be credited to and become part of the trust fund in accordance with G.L. c. 44, 5 55C. The books and records of the trust shall be audited annually by an independent auditor in accordance with accepted accounting practices. Upon receipt of the audit by the trustees, a copy shall be provided forthwith to the Mayor and City Council. The trustee designated as treasurer shall also liaise with the custodian of the funds on a monthly basis.

Section 8:00 **Meetings of board.**

The board shall meet at least quarterly at such time and at such place the trustees shall determine. Notice of all meetings of the trust shall be given in accordance with the provisions of the Open Meeting Law, G.L. c. 39, 55 23A, 23B and 23C.

Section 9:00 **Legal status.**

- (1) The board is public employer and the trustees are public employees for the purposes of Massachusetts General Laws c. 258.
- (2) The board shall be deemed a municipal agency and the trustees special municipal employees for the purposes of G.L. c. 268A.
- (3) The board is exempt from G.L.. c. 59 and 62, and from any other provisions concerning payment of taxes based upon or measured by property or income imposed by the Commonwealth or any subdivision thereto
- (4) The board is a governmental body for purposes of Sections 23A, 23B and 23C of G.L. c. 39.
- (5) The trust is a board of the city for purposes of M.G.L. c. 30B and M.G.L. c. 40, § 15A, provided that M.G.L. c. 30B procedures need not be followed in the making of grants and loans to nonprofit organizations for the purposes of providing affordable housing, but only in the procurement of goods and services on behalf of the trust.

Section 10:00 **Transfer of property.**

Notwithstanding any general or special law to the contrary, not later than one year following the entry of an order of foreclosure of tax title, the City of Lynn may dispose of property taken for non-payment of property taxes under M.G.L. c. 60 by transferring such property at no cost to the city's affordable housing trust fund board. The board shall dispose of all such property solely for the purpose of expanding the stock of affordable housing within the city by using the procedures specified in M.G.L. c. 30B, §16.

Section 12:00 **Relationship with other municipal departments.**

The City of Lynn Planning Department, Mayor's Office, Lynn Housing and Neighborhood Development Authority and the Lynn Economic Development and Industrial Corporation shall provide administrative and technical expertise and support to the board.