

Town of Southamptn, Massachusetts
Municipal Affordable Housing Trust
Information for Prospective Trustees

The Basics:

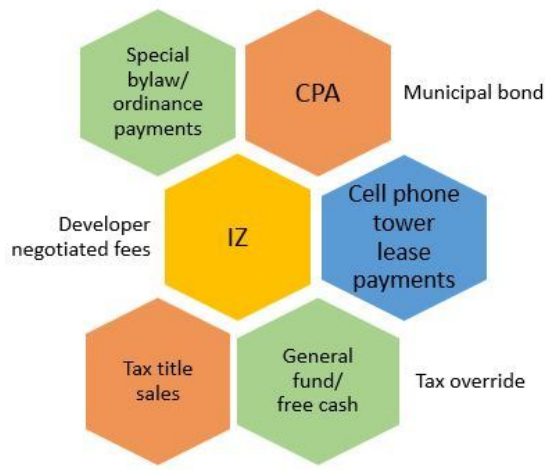
1. The purpose of the Southamptn Affordable Housing Trust is to provide for the creation and preservation of affordable housing for the benefit of low- and moderate-income households and for the funding of community housing, as defined in and in accordance with the provisions of chapter 44B (Community Preservation Act statute).
2. The Trust must have a minimum of five trustees, including one member of the Select Board, and four qualified residents who bring to the Trust relevant personal and/or professional experience, knowledge or interest in real estate, finance, affordable housing, banking, architecture, social services, or the like.
3. Trustee appointments are made by the Select Board. Trustees serve for a term of two years, except that two initial appointments are made for one year only so as to allow staggered terms. The Select Board may appoint the town administrator as an additional member or chair of the board, with or without the power to vote.
4. Trustees' powers include purchasing, receiving, managing and selling property, executing contracts, employing advisors and agents, managing Trust funds, and taking out loans.
5. Funds are generally kept in a municipal account through the municipal treasurer. All funds in the account remain the trust property and spending decisions are made by trustees.
6. Trusts must annually report to the Community Preservation Committee how they are spending CPA funds. A report form, developed by Mass Housing Partnership and the Community Preservation Coalition, is available at: housingtoolbox.org/local-tools/housing-trust-funds

Recommendations from the Massachusetts Housing Partnership:

- It can be tempting to just “jump in.” MHP suggests Trustees do some initial legwork to become thoroughly familiar with Southamptn’s [Housing Production Plan](#) and thoughtfully consider what the Trust will focus on. This initial work can clarify the role of the trust and articulate a vision to the community. Some communities create written operational guidelines for their Housing Trust, and some hire a consultant and develop a comprehensive action plan.
- The most successful housing trust funds typically have paid support (paid out of Housing Trust funds) to help the team be productive. In some communities this is a housing coordinator that staffs the trust. In other communities, it may be a consultant that provides professional support or a municipal employee that provides administrative and/or professional guidance.

Funding the Trust:

While Community Preservation Act (CPA) funds are the most common resource, communities have created many ways to capitalize their housing trust funds.



Examples of Housing Trust Structure, Funding and Projects from other MA communities:

Beverly: The Housing Trust used the town's Housing Production Plan to establish guidelines for the housing trust fund.

Chelsea: The town established a bylaw that allows property taken through non-payment of taxes to be transferred to the Housing Trust for no cost for the purpose of expanding affordable housing in the city.

Swampscott: The town's inclusionary zoning bylaw directs "in lieu" of payments to be deposited in the housing trust account.

Sudbury, Norfolk and Leverett: Housing Trusts manage small-scale housing buy down programs to assist income-qualified households to purchase an existing, modest home in the community. An affordability restriction is added to the home to assure long-term affordability.

Beverly: The Housing Trust provided funding to developers to use as leverage when seeking state and federal resources to develop affordable housing.

Medway: The Housing Trust participated in funding, planning and negotiating with developers the disposition of municipal land and buildings for affordable housing.

Westport: Contributed funds for pre-development work, acquisition of an access parcel, and construction of new affordable rental units.

Cambridge: Contributed funds to a nonprofit organization to support the purchase of buildings containing affordable rental units, when their affordability restrictions were set to expire.

A number of housing trusts have exercised a "right of first refusal" and purchased a deed restricted single family home or condominium to protect it from becoming market rate. After purchasing the unit, the trust makes any necessary improvements, adds the "universal deed rider" developed by the Massachusetts Department of Housing and Community Development and then sells the unit to an income qualified household.