

ARTICLE 33. ACCEPT M.G.L. c. 44, s.55C - SUDBURY AFFORDABLE HOUSING TRUST

To see if the Town will vote to accept Massachusetts General Law Chapter 44, Section 55C, establishing a municipal affordable housing trust fund, or act on anything relative thereto.

Submitted by the Board of Selectmen.

(Majority vote required)

BOARD OF SELECTMEN REPORT: In January 2005, the state legislature passed legislation allowing the creation of municipal housing trusts, which are a vehicle for cities and towns to better plan for, fund and develop affordable housing to benefit low and moderate income households. This new mechanism addresses the statewide issue of housing production, but more importantly, gives cities and towns greater control and flexibility in creating housing that is right for each community. The legislation requires a majority vote of the Annual Town Meeting to accept the statute, and the appointment of a Board of Trustees. The Chief Executive Officer of the Town must be a Trustee, along with at least four other members. The Board is a governmental body and operates under many of the same laws as other Town boards and committees, including Open Meeting Law requirements, public records law and procurement. The powers and duties of the Board allow them to buy and sell real estate, borrow and lend money, develop property, hold affordable housing restrictions on property and accept contributions and gifts of cash and property. In addition, the Trust can develop programs such as for first-time homebuyers, housing rehabilitation, or emergency repair programs. The Trust would be able to accept the 10% minimum allocation of CPA funds each year (if the CPC recommended and Town Meeting voted such appropriation), and then could use those funds to create and preserve affordable housing with no further town meeting vote. The Trust could also accept other contributions for affordable housing, such as the Frost Farm revenue fund, HOME funds, or other money collected if or when the Town passes an Inclusionary Zoning Bylaw.

The duties envisioned for a local municipal housing trust are:

- ◆ Implementation of the 2005 Housing Plan, i.e., creating affordable housing in Sudbury.
- ◆ The Trust would become the local monitoring agent for affordable housing that is built in Sudbury. Local monitoring will ensure that affordable units created in Sudbury remain affordable. It has been found that such housing restrictions that are not regularly monitored tend to lapse and can potentially allow affordable housing to become market rate units. As our inventory of 40B units increases, monitoring the resale of these units will be important.
- ◆ The Trust would also monitor the expiring use of the Longfellow Glen units. The HUD mortgage is due in 2014, and the the affordable restrictions will be in jeopardy. The Trust could formulate a plan to keep those rental units in the Town's subsidized housing inventory.
- ◆ The Trust can actively look for parcels to purchase for development of affordable housing.

The Trust will focus solely on affordable housing development and preservation. It will not be a policy maker, but will implement the recommendations in the Housing Plan. Ideas will continue to be generated by the Community Housing Committee, the Board of Selectmen, the Sudbury Housing Authority, the Planning Board and other housing advocacy groups.

The Board of Selectmen and the Planning Board support the creation of this trust fund. It will give greater local control over the development of affordable housing in Sudbury and is a pro-active step in progress toward the goals of creating diverse housing for people of all income levels.

FINANCE COMMITTEE REPORT: The Finance Committee will report at Town Meeting.