

**AN ORDINANCE AMENDING ARTICLE III, SECTION 18(C) OF THE REVISED
ORDINANCES OF 2015 TO CHANGE THE MEMBERSHIP OF THE
AFFORDABLE HOUSING TRUST FUND BOARD OF TRUSTEES**

Whereas, in 2015, the City Council, acting upon the recommendation of the City Manager under Article VI of the Home Rule Charter, adopted a Comprehensive Reorganization Plan containing a new Revised Ordinances of 2015, Part Two, Organization of City Agencies; and,

Whereas, pursuant to section 55C of chapter 44 of the General Laws the city has created a Municipal Affordable Housing Trust Fund; and,

Whereas, the city manager has recommended changing the size and composition of the Board of Trustees;

Now, Therefore, Be it Ordained by the City Council of the city of Worcester, as follows:

Article III, section 18(c) of the Revised Ordinances of 2015, Part Two, Organization of City Agencies, it in its entirety and inserting the following new section 18(c) in lieu thereof:

(c) *Membership.* The AHTF Board shall consist of nine members, including the city manager or designee, all others appointed by the city manager, and in accordance with section 55C, subject to confirmation by the city council. Not less than two members of the Board shall be a tenant of affordable housing and not less than one member of the Board shall have experience in housing development or financing housing development projects.

Effective Date

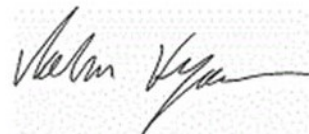
In accordance with Article Six of the city charter, this ordinance shall take effect on the earlier of the date of approval or, in the absence of a vote of approval by the city council, ninety (90) days after the date it is received by the city council.

In City Council

January 11, 2022

Passed to be Ordained by a yea and nay vote of Eleven Yeas and No Nays

A Copy. Attest:



**Nikolin Vangjeli
City Clerk**

**AN ORDINANCE ESTABLISHING THE
MUNICIPAL AFFORDABLE HOUSING TRUST FUND
OF THE CITY OF WORCESTER**

Whereas, in 2015, the City Council, acting pursuant to the recommendation of the City Manager made under Article VI of the Home Rule Charter, adopted a Comprehensive Reorganization Plan containing a new Revised Ordinances of 2015, Part Two, Organization of City Agencies; and,

Whereas, pursuant to section 55C of chapter 44 of the General Laws the city has legal authority to create a Municipal Affordable Housing Trust Fund; and,

Whereas, the city council and city manager wish to take full advantage of the benefits, duties and obligations of said section 55C by creating the trust fund and establishing a board of trustees who shall be responsible for the management, investment and reinvestment of the trust fund;

Now, Therefore, Be it Ordained by the City Council of the city of Worcester, as follows:

§ 1. The Revised Ordinances of 2015, Part Two, Organization of City Agencies, are hereby amended by inserting at the conclusion of Article III thereof a new section 18 as follows:

§ 18. Affordable Housing Trust Fund Board of Trustees

(a) *Acceptance & Establishment of the Municipal Affordable Housing Trust Fund.* By virtue of adoption of this ordinance, the city of Worcester hereby accepts section 55C of chapter 44 of the General Laws, and does further establish on the books of the city a trust fund known as the “Affordable Housing Trust Fund” or “AHTF” as an expendable trust fund for the deposit of gifts, grants, appropriations and other funds for the creation and preservation of affordable housing in municipalities for the benefit of low and moderate income households.

(b) *Establishment of the Board of Trustees.* Under authority of section 55C of chapter 44 of the General Laws there is hereby established under the jurisdiction of the city manager an executive board of the city to be known as the “Affordable Housing Trust Fund Board of Trustees” (“AHTF Board”).

(c) *Membership.* The AHTF Board shall consist of seven members, including the city manager or designee, all others appointed by the city manager, and in accordance with section 55C, subject to confirmation by the city council. Not less than one member of the Board shall be a tenant of affordable housing and not less than one member of the Board shall have experience in housing development or financing housing development projects.

(d) *Term – Initial Appointments.* The initial appointments of the trustees shall be staggered such that three city manager appointees shall serve a term of one year and three city manager appointees shall serve a term of two years. Thereafter, the terms of such trustees shall be two years. Every trustee shall serve as a member of the Board until the appointment and confirmation of their successor who shall serve for the balance of the term into which they were appointed. All trustees may be reappointed in accordance with the provisions and limitations of the city charter. All trustees shall serve at the pleasure of the city manager. The chair of the Board shall be designated by the city manager.

(e) *Function of the AHTF Board.* It shall be the function of the AHTF Board to advise and assist the city manager and the city administration in efforts relating to the creation and preservation of affordable housing in the city of Worcester for the benefit of low and moderate income households. The AHTF Board is authorized to receive and accept contributions to the trust fund. The AHTF Board provides oversight for the monies in the trust fund.

(f) *Duties and Responsibilities.* In accordance with chapter 44, section 55C of the Massachusetts General Laws, the duties and responsibilities of the AHTF Board are as follows:

- (1) To accept and receive property, whether real or personal, by gift, grant, 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 the Worcester Zoning Ordinance, if applicable, 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. Provided, however, that any sale, lease, exchange, transfer or conveyance shall be for the creation or preservation of affordable housing for the benefit of low and moderate income households, as defined by the U.S. Department of Housing and Urban Development;
- (4) To execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, loans, covenants, contracts, promissory notes, releases 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, subject to the approval of the city manager, 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, subject to the approval of the city manager, 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;
- (15) To hold all or part of the trust property un-invested 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.

(g) *AHTF Custodian – Prudent Investor Rule.* The city treasurer shall be the custodian of the AHTF and shall invest and reinvest the assets of the trust as directed by the AHTF Board. In giving any such direction and making investment and reinvestment decisions the AHTF Board is hereby authorized to act under the Prudent Investor Rule established in chapter 203C of the General Laws.

(h) The chief development officer of the city, or his or her designee, shall administer the business and public affairs of the AHTF Board and serve as the clerk and keeper of the official records of the board.

Effective Date

§ 2. In accordance with Article Six of the city charter, this ordinance shall take effect on the earlier of the date of approval or, in the absence of a vote of approval by the city council, ninety (90) days after the date it is received by the city council.