



Watertown City Council

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6470

ELECTED
OFFICIALS:

Mark S. Sideris,
Council President

Vincent J. Piccirilli, Jr.,
Vice President &
District C Councilor

Caroline Bays
Councilor At Large

Anthony J. Donato,
Councilor At Large

John G. Gannon
Councilor At Large

Anthony Palomba,
Councilor At Large

Angeline B. Kounelis,
District A Councilor

Lisa J. Feltner,
District B Councilor

Emily Izzo
District D Councilor

ORDINANCE # 89

2021-O-89

**AN ORDINANCE TO ACCEPT THE PROVISIONS OF MGL C. 44, §55C
TO ESTABLISH A TRUST TO FACILITATE THE CREATION AND
PRESERVATION OF AFFORDABLE HOUSING
WITHIN THE CITY OF WATERTOWN**

WHEREAS: The City Council has determined, for the reasons stated in the Declaration of Intent below, that the City of Watertown should establish a municipal affordable housing trust;

NOW THEREFORE BE IT ORDAINED: That Chapter 37 of the Ordinances of the City of Watertown be adopted as follows, with the language of the Declaration of Trust attached to this Ordinance.

§37-01. DECLARATION OF INTENT

WHEREAS: Safe, healthy, and financially affordable housing is a critical need within the City of Watertown and throughout the Greater Boston region; and

WHEREAS: The Housing Plan adopted by the Town of Watertown in March 2021 documented the need to create and preserve more affordable housing within the Town; and

WHEREAS: The Watertown Housing Partnership has led the City's efforts to create affordable housing and has earned the community's appreciation for its hard work and key role in the progress the City has achieved; and

WHEREAS: The Watertown Housing Partnership has recommended the formation of a municipal affordable housing trust under MGL c. 44, §55C to establish a trust to facilitate the creation and preservation of affordable housing within the City of Watertown for the benefit of low-to-moderate-income households and for the funding of community housing, and to amend the Code of Ordinances to add an affordable housing trust ordinance, as detailed below.

NOW, THEREFORE: The City of Watertown, shall have a municipal affordable housing trust to accomplish this purpose.

§37-02 FORMATION OF A WATERTOWN MUNICIPAL HOUSING TRUST

There is hereby created in the City of Watertown, pursuant to the authority granted by MGL c. 44, § 55C, an affordable housing trust to be known as the "Watertown Affordable Housing Trust," hereafter referred to in this chapter as the "Trust."

§37-03 PURPOSE

The purpose of the Trust is to provide for the creation and preservation of affordable housing within the City of Watertown 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 MGL c. 44B.

§37-04 APPOINTMENT AND TENURE OF TRUSTEES

(A) Composition. The Trust shall be governed by a Board of Trustees (the "Board") in accordance with MGL c. 44, § 55C, as revised from time to time, and the authority granted by the City Council. The Board of Trustees shall be composed of seven (7) Trustees that meet at regular intervals. The City Manager shall serve as one (1) of the Trustees.

(B) Appointment and Tenure of Trustees; Vacancies. The City Manager shall appoint Trustees for a two (2) year term, subject to confirmation by the City Council, such term to end on June 30 of the expiration year or until such time as a successor Trustee is appointed. The Trustees first appointed shall have staggered terms, with three (3) of the appointed Trustees initially serving a one-year term, and the remaining three (3) serving a two-year term. Thereafter, all appointments and reappointments, with the exception of the City Manager's term, shall be for a period of two (2) years. Trustees may be reappointed for additional terms.

Any Trustee may resign by written instrument signed and acknowledged by such Trustee and duly filed with the City Clerk. If a Trustee shall die, resign, or for any other reason cease to be a Trustee hereunder before his/her term of office expires, any successor Trustee shall be appointed by the City Manager, subject to confirmation by the City Council, provided that in each case, the said appointment and acceptance in writing by the Trustee so appointed is filed with the City Clerk.

(C) Qualifications. Trustees appointed by the City Manager shall be a group of diverse residents who have relevant experience in the fields of real estate, housing, banking, finance, law, architecture, community planning and/or similar areas of expertise relating to the creation and preservation of affordable housing. Any Trustee who ceases to be a City resident shall promptly provide written notification of the change in residence to the Trust and to the City Clerk. The Trustee may serve until a successor is appointed.

(D) Service Without Compensation. The Trustees shall serve without compensation.

(E) Removal. Any Trustee may be removed for cause by the City Manager after the opportunity for a hearing.

§37-05 POWERS OF TRUSTEES

(A) Authority and Responsibilities. The powers of the Board, all of which shall be carried on in furtherance of the purposes set forth in MGL c. 44, § 55C, are as follows:

(1) To accept and receive property, whether real or personal, by gift, grant, contribution, devise, or transfer from any person, firm, corporation or other public or private entity, including without limitation money, grants of funds or other property tendered to the Trust in connection with provisions of any ordinance or any general or special law or any other source, including money from MGL c. 44B; 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 Watertown Community Preservation Committee for inclusion in the community preservation initiatives report, form CP-3, to the Massachusetts 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 Trustees deem 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 or join or form a partnership, corporation or any other legally organized entity to accomplish the purposes of this Trust and 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 Trustees 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 Trustees deem 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 of 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 MGL c. 44, § 55C, 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 Trustees may deem appropriate;
- (16) To extend the time for payment of any obligation to the Trust;
- (17) To compensate the City for services provided as authorized by the City Manager and in accordance with applicable laws, including, but not limited to, dedicated staff to the Board, engineering support for project specific activities, and other City services, as requested by the Board to the City Manager;
- (18) To administer certain affordable housing accounts held by the City, including the WestMetro HOME Consortium and the Community Development Block Grant;

(19) To perform such other duties and responsibilities as the City Council may direct by ordinance, including, but not limited to, reviewing development applications which have or propose affordable housing units.

(B) Limitations. Neither the Board of Trustees nor any Trustee, agent or officer of the Trust shall have the authority to bind the City, except in the manner specifically authorized herein. Any debt incurred by the Trust shall not constitute a pledge of the full faith and credit of the City of Watertown, and all documents related to any debt shall contain a statement that the holder of any such debt shall have no recourse against the City of Watertown, with an acknowledgement of said statement by the holder.

§37-06 MEETINGS OF THE TRUSTEES

(A) Meetings. The Trust shall meet at least quarterly at a time and place as the Board shall determine. Notice of all meetings shall comply with the provisions of the Open Meeting Law, MGL c. 30A, §§ 18-25. A quorum at any meeting shall be a majority of the Trustees then serving. Meetings shall be scheduled by the Chair. Special meetings may be called by the Chair or by any two (2) Trustees.

(B) Officers. The Trustees shall designate a Chair, Vice-Chair, and a Clerk. In the Chair's absence, the Vice-Chair shall preside over the meeting.

§37-07 ACTS OF THE TRUSTEES

Provided that a quorum is present, a majority of Trustees may exercise any or all of the powers of the Trustees hereunder and may execute on behalf of the Trustees any and all instruments with the same effect as though executed by all the Trustees, except that any instrument of amendment under §37-11 shall be conclusive only if signed by all Trustees.

§37-08 LEGAL STATUS OF THE TRUST

(A) Public Employer. The Housing Trust is a public employer, and the members of the Board of Trustees are public employees for purposes of MGL Chapter 258.

(B) Municipal Agency. The Housing Trust shall be deemed a municipal agency and the Trustees shall be deemed as special municipal employees for purposes of MGL Chapter 268A.

(C) Taxes. The Housing Trust is exempt from MGL Chapters 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 political subdivision thereof.

(D) Governmental Body. The Housing Trust is a governmental body for purposes of MGL Chapter 30A, §§ 18-25.

(E) Instrumentality of the City. The Housing Trust is a board of the City of Watertown for purposes of MGL Chapter 30B and MGL Chapter 40, § 15A, but agreements and conveyances between the Trust and agencies, boards, commissions, authorities, departments, and public instrumentalities of the City shall be exempt from said MGL Chapter 30B.

§37-09 FUNDS OF THE TRUST

(A) Funds Paid into the Trust. Notwithstanding any general or special law to the contrary, all monies paid to the Trust in accordance with any zoning ordinance, exaction fee, or private contribution shall be paid directly into the Trust and need not be appropriated or accepted into the Trust. General revenues appropriated into the Trust become Trust property and these funds need not be further appropriated to be expended. All monies 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.

(B) Custodian. The City of Watertown Treasurer/Collector shall be the custodian of the Housing Trust's funds. The Treasurer/Collector shall invest the funds in the manner authorized by state statute. Any income or proceeds received from the investment of funds shall be credited to and become part of the Trust. Expenditures by the Trust shall be processed through the warrant but shall be controlled by the provisions of MGL c. 44, § 55C.

§37-10 REPORTS AND ACCOUNTS OF THE TRUSTEES

(A) Accounts. The books and records of the Trust shall be maintained by the City Treasurer/Collector and audited annually by an independent auditor in accordance with accepted accounting practice. This audit may be part of the annual City audit.

(B) Reporting. The Trustees shall make an annual report to the City. 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. Such report shall be sent to the Manager not later than December 31 in each year, and a copy thereof shall be filed with the Department of Community Development and Planning. The Trustees shall also provide the City Council with a copy of the Housing Trust's annual audit.

§37-11 AMENDMENTS

The provisions of this Ordinance may be amended from time to time except as to those provisions specifically required under MGL c. 44, § 55C and/or under City of Watertown ordinances, by an instrument in writing signed by all the Trustees and approved at a meeting called for that purpose, provided that in each case, a certificate of amendment has been recorded with the Registry of Deeds and/or filed with the Land Registration Office.

§37-12 DURATION OF THE TRUST

The Trust shall be of indefinite duration, unless terminated by a majority vote of the City Council in accordance with MGL c.4, § 4B, provided that an instrument of termination together with a certified copy of the City Council vote are duly recorded and/or filed with the Registry. Upon termination of the Trust, subject to the payment of or making provisions for the payment of all obligations and liabilities of the Trust, the net assets of the Trust shall be transferred to the City and held by the City Council for affordable housing purposes. In making any such distribution, the Trustees may, subject to the approval of the City Council, sell all or any portion of the Trust property and distribute the net proceeds thereof or they may distribute any of the assets in kind. The powers of the Trustees shall continue until the affairs of the Trust are concluded.

§37-13 DECLARATION OF TRUST

The Trustees are authorized to execute a Declaration of Trust and Certificates of Trust for the Watertown Affordable Housing Trust, consistent with MGL c. 44, § 55C and this ordinance to be recorded with the Middlesex South District Registry of Deeds and filed with the Middlesex South Registry District of the Land Court.


S:AWP Council Member

I hereby certify that at a regular meeting of the City Council for which a quorum was present, the above Ordinance was adopted by a roll call vote of for, against, and present on November 23, 2021.


Marilyn W. Pronovost, Council Clerk


Mark S. Sideris, Council President
S:HWP