

# City of Salem

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*In the year two thousand and six*

*An Ordinance to amend an Ordinance relative to Boards, Commissions, Committees and Authorities*

*Be it ordained by the City Council of the City of Salem, as follows:*

*Section 1.* Chapter 2, Article IV Boards, Commissions, Committees and Authorities is hereby amended by adding a new Division as follows:

## **“Division 14. Affordable Housing Trust Fund Board of Trustees**

### **Sec. 2-1000. Established.**

The Affordable Housing Trust Fund Board of Trustees is established.

### **Sec. 2-1001. Composition.**

The Affordable Housing Trust Fund Board of Trustees shall be composed of twelve trustees, including the Mayor and two members of the City Council.

### **Sec. 2-1002. Appointment of Trustees; Term; Vacancies**

The Mayor shall serve as a trustee and appoint annually in January, subject to confirmation by the City Council, four trustees who shall serve for a term of one year and appoint biennially, subject to confirmation by the City Council, four trustees who shall serve for a term of two years. The City Council shall annually elect two members of the City Council to serve for a term of one year. The City Council President or his or her designee shall serve for a term of one year. No trustee, excluding the Mayor, shall serve for a term exceeding two years. If a vacancy shall occur among the trustees, it shall be filled in the same manner as the original appointment for the unexpired term.

### **Sec. 2-1003. Compensation.**

The trustees shall serve without compensation.

### **Sec. 2-1004. Removal.**

Trustees may be removed by a majority vote of the City Council, subject to approval of the Mayor.

Sec. 2-1005. 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 Salem for the benefit of low to moderate income households.

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 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 any zoning ordinance or by-law or any other ordinance or by-law;
- (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 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 determined 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 city council.

**Sec. 2-1006 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.

State law reference: M.G.L.A. c. 44, s. 55C. ”

**Section II.** This Ordinance shall take effect as provided by City Charter.

In City Council October 12, 2006  
Adopted for first passage  
In City Council October 26, 2006  
Adopted for second and final passage  
Approved by the Mayor on October 31, 2006

ATTEST:

  
CHERYL A. LAPOINTE  
CITY CLERK