

# Forming a Trust & Getting off the Ground



**Jennifer Goldson and Shelly Goehring**

# What can a housing trust do?

\$ for  
development

Rehab/  
conversion

Increase  
affordability

Develop  
municipal land

Preserve  
expiring  
affordability

Create  
programs

# Board Powers

- **Accept and receive real property, personal property or money**, by gift, grant, or contribution...including but not limited to money, grants of funding or other property....
- **Purchase and retain real or personal property**, including instruments
- **Sell, lease, exchange or convey** any personal, mixed, or real property at public auction or by private contract...

# Board Powers

- **Execute deeds, assignments, transfers, pledges**, leases, covenants, contracts, promissory notes, releases, grant agreements and other instruments.
- **Employ advisors and agents**, such as accountants, appraisers and lawyers
- **Borrow money** and to mortgage and pledge trust assets as collateral
- **Manage and improve real property**

# What funds can be used?



# Will a housing trust help your community?

## **Benefits**

- More nimble in real estate market than CPC
- Designated funds for affordable housing
- Trustees can be additional voices for AH

## **Possible Challenges**

- Could duplicate existing local capacity
- Another layer, board to staff
- Need trustees with expertise to be effective

# What do you want to accomplish?



Housing Needs  
Analysis



Vision Statement

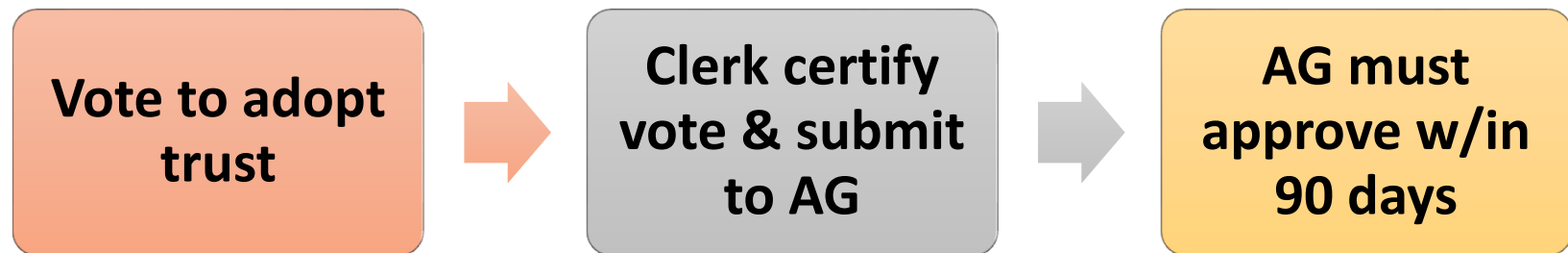


Consider  
possible trustees



Powers &  
municipal body

# Step 1: Submit housing trust bylaw/ordinance to Attorney General





# Step 2: Establish Board of Trustees

- Minimum of five members
- Includes chief executive officer (member of select board)
- Up to two year terms
- Board elects officers
- Orientation packet/binder



# Step 3: Record Declaration of Trust



- Establishes board's authority, rules and regulations
- Required when acquiring interest in real property, by deed, restriction or mortgage

# Step 4: Set up the trust fund account

- Common to create municipal account through municipal treasurer
- End of year, all funds in account remain trust property
- Track revenue sources



# Step 5: Ensure transparency



## Communicate

Report  
back  
regularly

Promote  
efforts

Use  
webpage  
and social  
media

# Step 6: Identify priorities



Determining needs

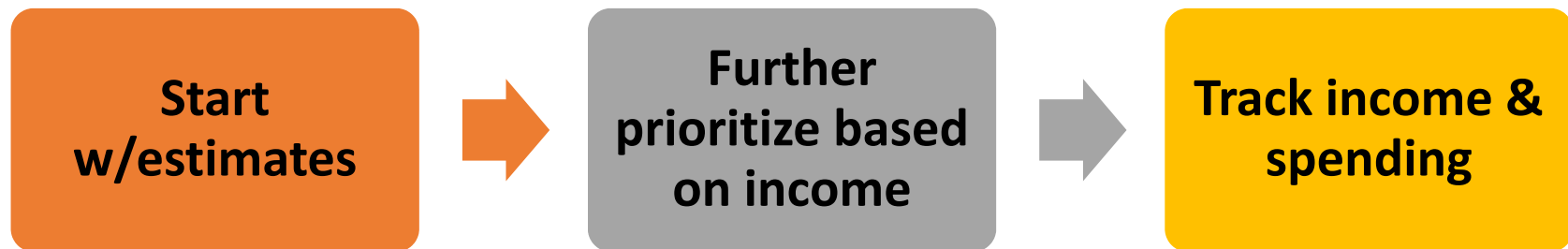


Setting priorities



Create benchmarks

# Step 7: Set a budget



Where will your income come from?

# Step 8: Determine operating approach

Funding  
entity

Active  
initiator

Both?



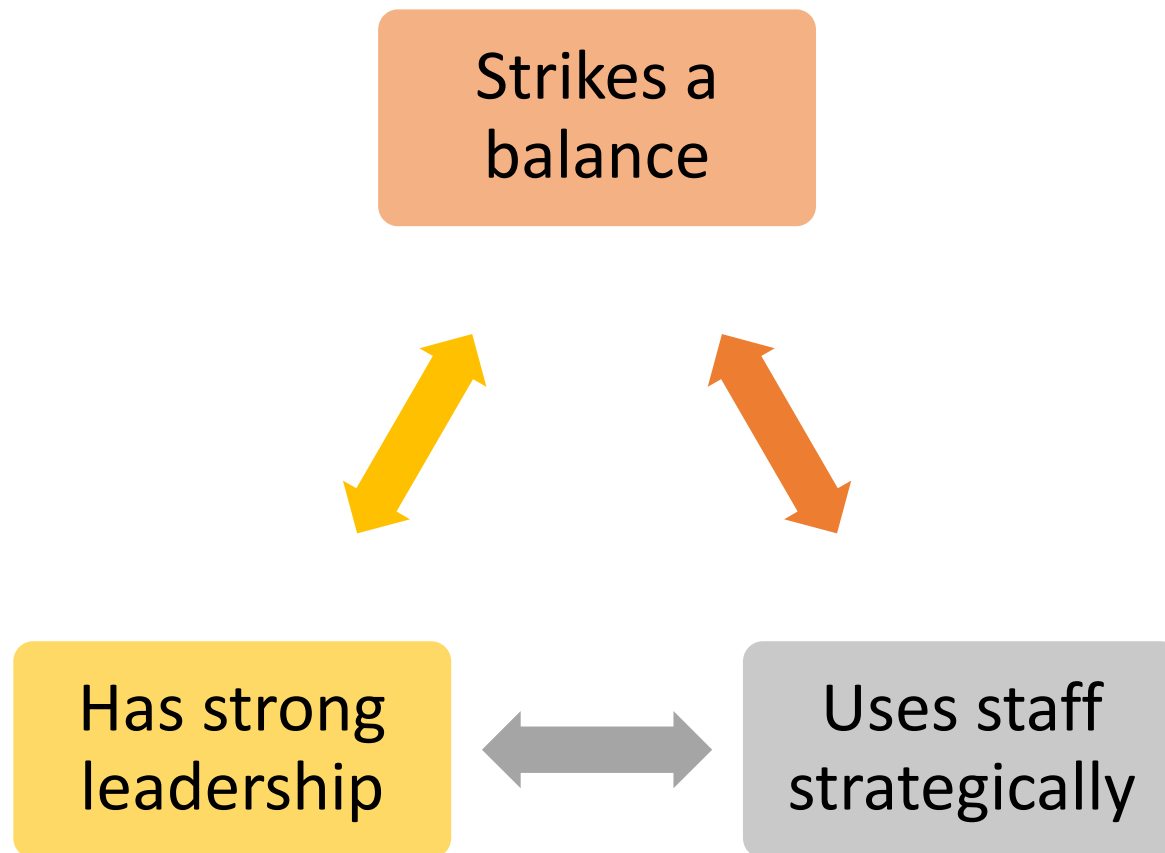
# Case Studies of Housing Trusts

To be **successful**, a trust has to **function effectively**.

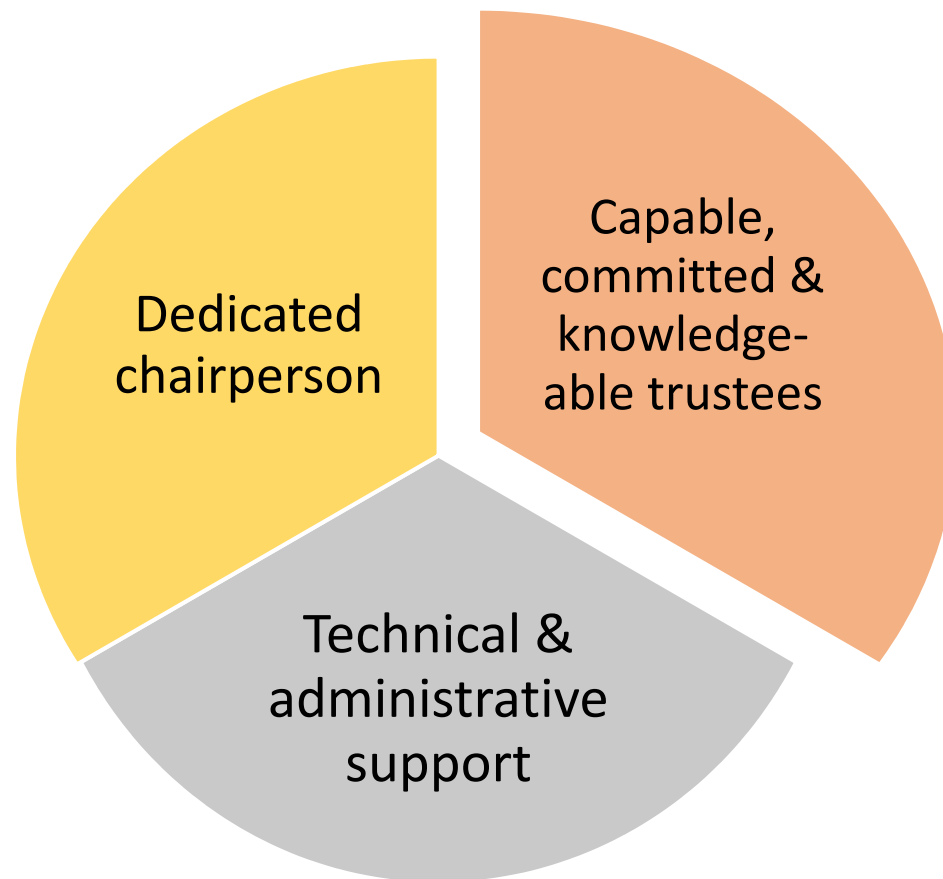




# An Effective Trust



# Striking a Balance



# Delegating Tasks

Who does what?

## Chairperson

- Provides leadership
- Sets agenda
- Keeps trustees on-task & moving forward

## Trustees

- Attend meetings, provide input & vote
- Complete assigned tasks
- Participate in subcommittees
- Be local AH advocate

## Town staff

- Provides TA (perhaps feasibility studies, RFPs)
- Lends continuity to projects
- Completes admin tasks
- Communicates with other town staff/boards

# Support for the Trust

Staff or consultant

## Administrative

- Keeps minutes
- Prepares budgets, invoices & payments
- Point person for communication

## Implementation

- Research & analysis
- Writes & issues RFPs
- Processes developer/funding applications
- Manages projects to completion

## Information

- Provides technical expertise & advice
- Communicates w/other municipal staff & departments

# Westford Affordable Housing Trust

Exceptional leadership

## Westford AHT chairperson

- Approx. 6 hours/week
- Sets agenda & goals
- Follow-up on projects
- Contact with trustees
- Multi-family zoning by-law work
- AH world professionally
- Involved in local HPP process in town

“The chair is the ‘driving force.’ To be effective in meeting its mission, a trust needs a leader to drive its activities and agenda.”

--Westford AHT staffer

# Westford Affordable Housing Trust

Formed 2005

- **Number of members:** 5
- **Composition of members:** BOS member, financial planner, AH funding consultant, real estate professional, housing advocate
- **Level of staff support:** Part-time (8 hrs/wk) from Housing Authority executive director
- **Staff paid by:** Town general funds for 25-30% ED time to staff trust and other town committee
- **Tasks completed by staff:** Administrative, implementation
- **Subcommittees:** None
- **Trust supported activities:** Affordability preservation, development projects

# Grafton Affordable Housing Trust

## Coordination & planning

Action plan identifies priorities & operations framework



Vetting town-owned properties to determine feasible options

Plans to contract w/consultant to provide additional planning support

Subcommittees formed to see specific initiatives or a project through to completion, for instance, give trustees further opportunities to work on trust objectives.

# Grafton Affordable Housing Trust

Formed 2010

- **Number of members:** 6
- **Composition of members:** Town of Grafton residents
- **Level of staff support:** Town planner devotes 4-5 hours per week to Trust
- **Staff paid by:** General fund
- **Tasks completed by staff:** Administrative
- **Subcommittees:** Establishing subcommittees as recommended by Action Plan
- **Trust supported activities:** Preserved affordability of one affordable unit; feasibility studies for town owned land



# Questions?



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