

Presentation to  
Town Meeting  
April 2025

# **ARTICLE 34: AFFORDABLE HOUSING TRUST (AHT)**



# WHY EVOLVE?

- Wellesley's Housing Development Corporation (WHDC) directors recognizes that its structure is **obsolete**. Directors recommend dissolution and **transition to a Massachusetts statutory Affordable Housing Trust (AHT)**.
- *The Select Board and Planning Board are Co-Sponsoring the article. CPC and WHA have also voted their support.*
- WHDC was created by Special Act of the Mass. General Court in **1998**. It is a non-profit housing corporation with members appointed by the Select Board for three (3) year terms.
- The WHDC was created "for **the provision of and providing affordable housing for persons of low, moderate and middle income** and others whose needs may be identified from time to time in said town"
- WHDC's powers and duties were established as *alternative and supplemental to those of the Wellesley Housing Authority*.



# WHDC'S LIMITED POWERS

- The ONLY actions the Board was authorized to take independently were to:
  - Call meetings
  - Elect officers
  - Appear before other boards
  - Purchase insurance
- All other actions required Select Board approval
- No other board/committee must seek ratification of all financial decisions once funds are appropriated by Town Meeting.



# TWO STATE LAWS PASSED FOLLOWING CREATION OF THE WHDC

## 1. Massachusetts Community Preservation Act 2000

- Smart growth tool to help communities preserve open space and historic sites, **create affordable housing**, and develop outdoor recreational facilities, by instituting a surcharge on the real property tax levy.
- Wellesley adopted CPA in 2002



# TWO STATE LAWS PASSED FOLLOWING CREATION OF THE WHDC

## 2. MA Affordable Housing Trust Law 2005

- Under this act municipalities can accept the statute and create their own municipal Affordable Housing Trusts –  
**As of now, 147 municipalities have done so**
- A local AHT serves the EXACT same purpose as the older model WHDC



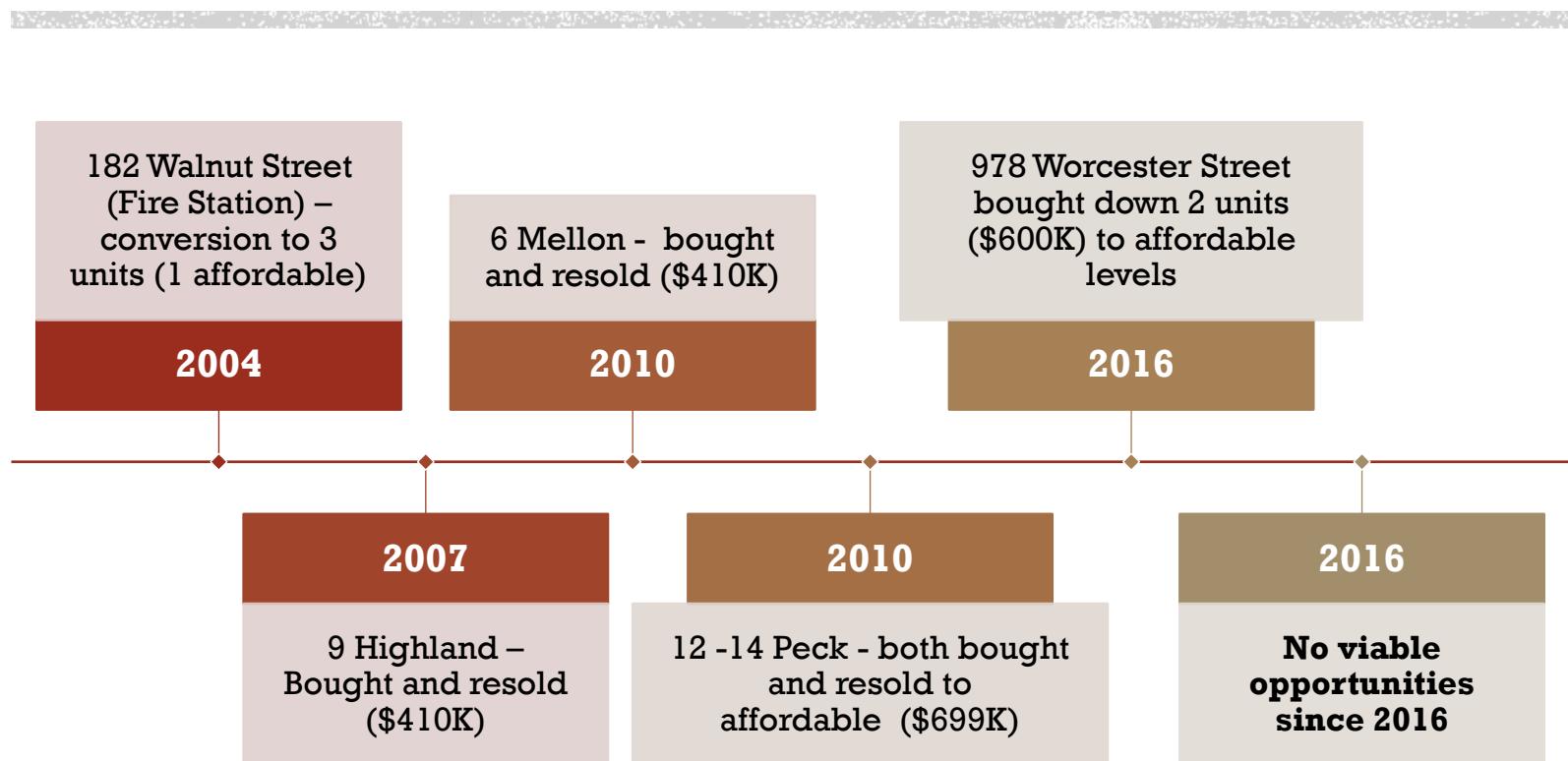
# CPC APPROPRIATIONS TO WHDC

## FY 2008-2024

2008	CPC's Affordable Housing Reserves 10%
2009	WHDC \$350k
2010	WHDC \$375k
2011	WHDC \$450k
2012	WHDC \$330k
2013	WHDC \$225k
2014 - 2024	<b>No funds</b> appropriated directly to WHDC Instead, 10% added to affordable housing reserves



# WHDC ACTIONS 2004-2016



# WELLESLEY HOUSING DEVELOPMENT CORPORATION (WHDC) CURRENT BOARD MEMBERS

- **Micah O'Neil** Chair – Construction Project Executive
- **Holly Grace** Secretary - Affordable Housing Development Project Manager
- **Mike Nilles** Treasurer– Real-estate Finance/Lending Executive
- **Marjorie Freiman** Member- Select Board Member, Attorney
- Vacant Seat



# AFFORABLE HOUSING TRUST (AHT) PROPOSED BOARD MEMBERS/STRUCTURE

- **Micah O'Neil** Chair - Construction Project Executive
- **Holly Grace** Secretary - Affordable Housing Development Project Manager
- **Mike Nilles** Treasurer - Real-estate Finance/Lending Executive
- **Marjorie Freiman** Member- Select Board Member, Attorney
- Three additional members to be appointed
- **Meghan Jop** – Non-Voting Member - Town of Wellesley Executive Director



# AHT PRINCIPLES

## **Mission Statement:**

- The purpose of the Wellesley Affordable Housing Trust is to provide for the creation and preservation of affordable housing in the Town of Wellesley for the benefit of low- and moderate-income households, with a particular focus on assisting the Town and other public agencies, including the Wellesley Housing Authority.

## **Five Year Objectives**

- Establish full board as defined in newly established AHT.
- Collaborate with Wellesley Housing Authority to evaluate their current portfolio and ways to improve or enhance utilization of property.
- Advocate for affordable housing and support the town in maintaining proper affordable housing stock and development.
- Facilitate public-private partnerships for affordable housing projects.
- For properties that may come under Wellesley Affordable Housing Trust control, direct the development and/or redevelopment of affordable housing, including occupying 156 Weston Road with an affordable household.



# AFFORDABLE HOUSING TRUST

- The AHT would replace the current WHDC to meet industry standards
  - Built-in Limitations on Authority
    - **Select Board (SB)** approval needed to sell or convey land (TM vote also required to sell Town land)
    - SB approval needed to borrow money/pledge property
    - SB approval needed to abandon/return property
  - AHT is industry standard – Trustees will be able to further mission by:
    - Executing and overseeing contracts/partnerships
    - Partnering with Wellesley Housing Authority so they can benefit from our expertise and access funds not available to them currently
    - Managing property and projects more efficiently
  - The AHT must operate under Massachusetts law and governance and Wellesley Town Bylaws.



# WHDC VS. AHT

	<b>WHDC – CURRENT (To Dissolve)</b>	<b>Affordable Housing Trust – PROPOSED (To Create)</b>
<b>STRUCTURE</b>	Innovative when formed in 1998, now is obsolete. Requires Town Meeting & Special Legislation to modify the structure.	Current standard across the state, supported with MA laws, training and funding opportunities.
<b>BOARD COMPOSITION</b>	5 Wellesley residents appointed by Select Board	7 Voting Members, designated by Select Board 1 Town Exec. Director (non-voting) 1 Select Board member 5 with relevant skills 1+ may be resident of Wellesley affordable housing
<b>INDEPENDENT POWERS</b>	Minimal, all expenditures need approval of Select Board	As described, with customized safeguards on some powers requiring 2/3 majority and/or Select Board approval.
<b>APPLICABILITY OF PUBLIC PROCUREMENT RULES (multiple bids, etc.)</b>	State Procurement Laws + Select Board Approval on ALL expenditures	State Procurement Laws
<b>FINANCES</b>	Held at private bank	Town Treasurer is custodian



# ARTICLE 34: INCLUDES FOUR ACTIONS SUMMARY BELOW

WHDC recognizes that its structure is **obsolete**, Directors are recommending dissolution and **transition to an AHT**.

**Select Board, Planning Board, CPC, Housing Authority all support.**

## Motion 1 – Requires Majority Vote

1. Accept state law to form an Affordable Housing Trust.
2. Amend Wellesley's General Bylaw to add language about the Wellesley Affordable Housing Trust (which has been customized to limit certain powers).
3. Authorize the Select Board to petition the General Court for special legislation to **dissolve** the WHDC and transfer assets to the new Affordable Housing Trust.

## Motion 2 – Requires 2/3 Vote

Amend Wellesley's Zoning Bylaw - **only** to reflect the adoption of the Affordable Housing Trust and delete references to the Wellesley Housing Development Corporation. No other zoning changes with Article 34.





14