

<u>Option</u>	<u>Actions Required</u>
<p><u>Revenue into Somerville Affordable Housing Trust Fund with Board of Aldermen Approval of Spending out of Trust</u></p>	<p>Amend Ordinance, by majority vote of Board of Aldermen.</p> <ul style="list-style-type: none"> -To deposit revenue into the Trust without appropriation. Ord. 7-94. -To require Board of Aldermen approval prior to the Board of Trustees making a distribution of funds out of the Trust. Ord. 7-93, MGL c. 44, s. 55C(c)(12), (15). <p>Amend 2005 Declaration of Trust. (This office is continuing to review the local voting/approval requirement). Article 6.3.</p> <ul style="list-style-type: none"> -To require Board of Aldermen approval prior to the Board of Trustees making a distribution of funds out of the Trust. Article 4, 5. -To authorize spending if it will be above current affordable housing income limitations. Article 2. <p>Special legislation:</p> <ul style="list-style-type: none"> -To deposit revenue into the Trust without appropriation. MGL c. 44, s. 53; MGL c. 44, s. 55C(d). -To require Board of Aldermen approval prior to the Board of Trustees making a distribution of funds out of the Trust. MGL c. 44, s. 55C(d); MGL c. 44, s. 55C(c)(12), (15). -To authorize spending if it will be above current affordable housing income limitations. MGL c. 44, s. 55C(a).
<p><u>Revenue into Stabilization Fund</u></p>	<p>Establish a stabilization fund(s) to reserve these payments for identified purposes under MGL c. 40, s. 5B, by 2/3 vote of Board of Aldermen.</p> <p>Appropriate money out of the fund, by 2/3 vote of Board of Aldermen.</p>
<p><u>Question re: Establishing Trust Fund</u></p> <p>The Committee inquired whether a home rule petition is required to establish all trust funds. In my opinion, no. As stated by the Department of Revenue Division of Local Services, “Communities often ask how they can establish their own trust funds, i.e. declare certain municipal revenues are held in trust. A community cannot create its own trust. A trust is created by a donor who gives a gift to the municipality in the form of a trust...<u>There are some statutory specific funds commonly called trust funds because they hold particular funds in a fiduciary capacity...</u>” DOR DLS, City & Town (Jan. 2006) at p. 22 (emphasis added).</p>	