



Municipal Affordable Housing Trust Funds

M.G.L. Chapter 44, Section 55c

FAQ

What is the purpose of a municipal affordable housing trust fund (MAHTF) organized under Massachusetts General Law Chapter 44, Section 55c?

According to the statute, the purpose of the trust fund is “to provide for the creation and preservation of affordable housing in municipalities for the benefit of low- and moderate-income households and for the funding of community housing, as defined in and in accordance with the provisions of chapter 44B.” (Chapter 44B is the Community Preservation Act.)

Why is Randolph working toward the creation of a MAHT?

According to Census data, over 57% of renters and almost 36% of homeowners are “cost burdened” in Randolph. This means they pay over 30% of their gross income on housing costs. The Randolph Master Plan (2017) details the lack of housing diversity in town with most housing being single-family homes. Current homes are not meeting all the needs of the evolving community.

Establishing a MAHT will further build the local tools to address the housing needs of Randolph residents such as creating smaller homes that seniors can “downsize” into and younger people can afford to rent or own.

How are affordable housing trust funds established?

A MAHTF is established by majority vote of the local legislative body. The municipality can either accept the statute as written or provide additional guidelines by writing a bylaw/ordinance.

How many local affordable housing trust funds are in Massachusetts?

MHP has identified 152 MAHTFs in Massachusetts. Most of these were organized under M.G.L. Chapter 44, Section 55c. A handful were established prior to the 2005 passage of the MAHTF enabling legislation through petitions under the state’s Home Rule Act.

How is “low and moderate income” defined?

The statute does not define “low- and moderate-income.” Communities should look to existing definitions in local, state and federal programs to define “low- and moderate-income” for the work of the MAHTF.

What is the composition of a municipal affordable housing trust fund board?

A minimum of five trustees is required by statute, including the chief executive officer which would be the town manager in Randolph. Communities determine the remaining composition of the board. Ideally trustees reflect diverse backgrounds and expertise, and may include an elected official, planning board member, community residents, non-voting town staff and folks with relevant experience such as banking, real estate law, design and housing development.

Will residents have input in the formation of the MAHT and how the funds are spent?

Once the legislative body establishes a trust, residents may apply for a seat on the MAHTF. The trustees will establish operating procedures and determine how funds are allocated. Funds can be collected from a variety of sources such as the Community Preservation Act and inclusionary zoning in lieu of payments. As a municipal board, MAHTF meetings are open to the public.