

DRAFT – DECEMBER 2018

MARTHA’S VINEYARD HOUSING BANK

Chapter ____ of the Acts of _____

Section 1. There is hereby established a Martha’s Vineyard Housing Bank (the “Housing Bank”), the purpose of which shall be to provide for the preservation and creation of year-round housing on the Island of Martha’s Vineyard . The Housing Bank is hereby constituted a body politic and corporate and a public instrumentality and the exercise of the powers herein conferred upon the Housing Bank shall be deemed to be the performance of an essential governmental function.

Section 2. The Housing Bank shall be administered by a Housing Bank Commission consisting of seven (7) persons.

2.1 Membership: There shall be one (1) person who is a legal resident of each of the towns of Aquinnah, Chilmark, Edgartown, Oak Bluffs, Tisbury and West Tisbury, each person to be elected to a 3-year term, in the same manner as other elected town officials. The initial terms, drawn by lot by the initial six (6) appointed members, shall be staggered so that two (2) members are elected each year, following the initial election of members, and each of the six (6) town boards of selectmen shall, respectively, appoint the initial six (6) members to serve from the effective date of this act until the first elections of the regular members at each town’s regular or special town election after the effective date of this act. One (1) member shall be appointed by the Dukes County Regional Housing Authority.

2.2 Vacancies: Should a vacancy occur during the term of the elected town commissioner, the town’s Municipal Housing Trust (“MHT”)and the board of selectmen shall jointly appoint an interim member to serve until the next scheduled town election.

2.3 Administration: Members shall serve without compensation. The initial appointed members shall adopt temporary rules and regulations to the extent necessary to conduct business until the regular members are elected. The Housing Bank Commission shall elect from among its regular member a chairman and a vice chairman and a secretary and a treasurer who may be the same person. The members of the Housing Bank Commission shall adopt, after holding a public hearing and after requesting recommendations from the Board of Selectmen of the six member towns that comprise the commission, rules and regulations for conducting its

internal affairs and procedural guidelines for carrying out its responsibilities under this act.

2.4 Quorum: A quorum shall be four (4) or more members. Decisions of the Housing Bank Commission shall be by majority vote at a meeting where a quorum is present. The Housing Bank Commission shall make rules regarding attendance. The Housing Bank Commission shall keep accurate records of its meetings and actions and shall file an annual report that shall be distributed with the annual report of each member town.

2.5 Conflict of interest: When members of the Housing Bank Commission or hold other public offices and have to act in dual public positions, no conflict of interest shall be assumed in as much as both positions are serving the public interest and no compensation is received. However, if a Housing Bank Commission member or a MHT member) also represents an organization that may benefit from a project being considered for a grant from the Housing Bank Commission, the member must declare a possible conflict of interest and shall not participate in the consideration and action on that grant application.

Section 3. Each Town's MHT shall assist the Housing Bank Commission in reviewing projects in their respective towns.

Section 4. The Housing Bank Commission shall, subject to this act, have the power and authority to:

- a) to accept and receive real property, personal property or money, by gift, grant, contribution, devise or transfer from any person, firm, corporation or other public or private entity, including but not limited to money, grants of funds or other property tendered to the Housing Bank in connection with any ordinance or bylaw or any general or special law or any other source, including money from Chapter 44B, provided, however that any such money received pursuant to Chapter 44B shall be used exclusively for community housing and shall remain subject to all rules, regulations and limitations of that chapter;
- b) to employ regular staff, advisors and agents, such as accountants, appraisers and lawyers, as the Housing Commission deems necessary;
- c) to purchase and retain and/or lease real property for the Housing Bank's internal administrative purposes and to dispose of same as

and when the Housing Commission deems advisable.

- d) to pay reasonable compensation and expenses to all employees, advisors and agents and to apportion such compensation between income and principal as the Housing Commission deems advisable;
- e) to apportion receipts and charges between incomes and principal as the Housing Commission deems advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for depreciation, depletion or otherwise;
- f) 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;
- g) to deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the Housing Commission may deem proper and to pay, out of Housing Bank property, such portion of expenses and compensation of such committee as the Housing Commission may deem necessary and appropriate;
- h) to carry property for accounting purposes other than acquisition date values;
- i) to borrow money on such terms and conditions and from such sources as the Housing Commission deems advisable, to mortgage and pledge Housing Bank assets as collateral;
- j) to make distributions or divisions of principal in kind;
- k) to comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the Housing Bank, 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 Housing Commission may deem appropriate;
- l) to hold all or part of the Housing Bank property uninvested for such

purposes and for such time as the Housing Commission may deem appropriate;

- m) to extend the time for payment of any obligation to the Housing Bank; and
- n) adopt such regulations and procedures as it deems necessary or appropriate to provide funding for the implementation of any and all programs cited in section 4A of this act.

Section 4A. The Housing Bank is a funding agency only, not a developer. Upon applications from individuals, non-profit and for profit corporations and organizations and public entities in a competitive process which will include public notice of funding availability, and in a form prescribed by the Housing Bank, funding in the form of grants, loans, loan guarantees, lines of credit, interest subsidies, rental assistance or any other means determined to further the goals of the Housing Bank for eligible housing activities might be provided. Eligible activities shall include, but not be limited to, the following:

- Purchase and rehabilitation of existing structures for rental or home ownership;
- Construction of rental or home ownership housing and necessary infrastructure;
- Purchase of land, and any and all improvements including infrastructure and easements to be used for qualified housing;
- Down payment assistance, grants and soft second loans;
- Rental assistance programs;
- Modernization and capital improvements of existing rental and ownership housing;
- Housing counseling, predevelopment costs and technical assistance associated with creating housing projects and programs.

Section 4B. Each member town is hereby authorized to appropriate money to be deposited in the Fund as provided in section 6.

Section 4C. The Housing Bank is authorized to issue bonds and notes to further the purposes of the Housing Bank but only if the issuance of these bonds or notes has been approved by a unanimous vote of the member towns' MHTs.

Section 4D. The Housing Bank and all its revenues and income used solely by the Housing Bank in furtherance of its public purposes shall be exempt from

taxation and from betterments and special assessments, and the Housing Bank shall not be required to pay any tax, excise or assessment to or for the commonwealth or any of its political subdivisions.

Section 5. All housing units created through funding by the Housing Bank under this act shall, where applicable, be deed restricted in perpetuity for the use approved for funding by the Housing Bank Commission.

Section 6. The Housing Bank Commission shall meet its financial obligations by drawing upon a fund to be set up as a revolving or sinking account of the Housing Bank Commission (the "Fund"). Deposits into the Fund shall include (a) funds appropriated, borrowed or transferred to be deposited into the Fund by vote of the county commissioners of the county of Dukes County or of town meetings of the towns represented in the Housing Bank Commission; (b) voluntary contributions of money and other liquid assets to the Fund; (c) grants of funds tendered to the Housing Bank by each member town in connection with any ordinance or bylaw or any general or special law or any other source, including without limitation state and/or federal grants.

All expenses lawfully incurred by the Housing Bank Commission in carrying out this act shall be evidenced by proper vouchers and shall be paid by the treasurer of the Housing Bank Commission only upon submission of warrants duly approved by the Housing Bank Commission. The Housing Bank Commission treasurer shall prudently invest available assets of the Fund in accordance with the regulations and procedures adopted by the Housing Bank Commission under sections 2.3 and 4(n), and all income from its investments shall accrue to the Fund.

Section 6A. Money from the Fund may be expended by the Housing Bank Commission, subject to the MHT of the town in which a project is located. In cases of regional housing projects, money from the Fund may be expended subject the permission from the MHTs of each town in which the project is located.

Section 7. The Housing Bank Commission shall keep a full and accurate account of its actions including a record as to when, from or to whom, and on what account money has been paid or received under this act. These records or accounts shall be subject to examination by the director of accounts or the director's agent pursuant to section 45 or chapter 35 of the General Laws.

Section 8. This act, being necessary for the welfare of the member towns and the county of Dukes County and their inhabitants, shall be liberally construed to effect its purposes.

Section 9.

Any time after five (5) years from of the date on which a town votes to accept this act in accordance with Section 9, any town that is a member of the Housing Bank may withdraw from it by the affirmative vote of a majority of the voters at any regular or special town election. A town that has withdrawn may renew its membership by the affirmative vote of a majority of the voters at any regular or special town election at which the question of acceptance has been placed on the ballot.

If the Housing Bank is reduced to fewer than three (3) member towns, the Housing Bank shall be dissolved. Upon dissolution of the Housing Bank, title to all funds and other properties held by the Housing Bank shall vest in the towns of the Island of Martha's Vineyard as herein provided after provision is made for payment of all bonds, notes and other obligations of the Housing Bank.