

DECLARATION OF TRUST

STAMFORD AFFORDABLE HOUSING TRUST FUND

THIS DECLARATION OF TRUST is hereby made as of this [____] day of [____], 2021, by the City of Stamford, Connecticut, acting by and through its Board of Representatives, in accordance with the Housing Trust Fund Ordinance and pursuant to the provisions of Section 7-148(c)(2)(K) of the Connecticut General Statutes.

Section 1: Definitions

The following capitalized terms used in this Declaration of Trust shall have the following meanings:

“affordable housing” means housing for which persons and families pay thirty per cent or less of their annual gross income, where such income is less than or equal to 80% of the area median income for the municipality in which such housing is located, as determined by the United States Department of Housing and Urban Development.

“affordable rental and home ownership units” is defined as housing for households earning incomes of no more than 80% of the area median family income for the Stamford-Norwalk HUD Metropolitan Fair Market Rent Income Area, adjusted for household size as published annually by the U.S. Department of Housing and Urban Development, or other such equivalent income standard as may be established by a majority vote of the City’s Zoning and Planning boards.

“Board” means the Board of Trustees named pursuant to Section 4 of this Declaration of Trust.

“City” means the City of Stamford, Connecticut, a political subdivision of the State.

“Connecticut General Statutes” means the General Statutes of Connecticut, Revision of 1958, as amended.

“developer” means any individual, corporation, business trust, estate trust, limited liability company, partnership or association, or any other entity or combination thereof involved in the development of commercial construction projects.

“Housing Trust Fund Ordinance” means Ordinance No. 1268, entitled “Ordinance No. 1268 Supplemental Providing For The Creation Of An Affordable Housing Trust Fund In The City Of Stamford”, adopted by the Board of Representatives of the City on November 4, 2020.

“State” means the State of Connecticut.

“Trust” means the trust fund established pursuant to this Declaration of Trust.

Section 2: Name of Trust

The trust fund created by this Declaration of Trust shall be called the “Stamford Affordable Housing Trust Fund” and shall be referred to as the “Trust” herein.

Section 3: Purpose of Trust

The purpose of the Trust shall be the preservation of existing and the creation of new affordable rental and home ownership units in the City, pursuant to the City's Master and Affordable Housing Plans. Preservation and creation of affordable housing shall include but not be limited to programs designed to further housing rehabilitation and/or development opportunities and those that are designed to directly assist homeowners and renters, including: to provide for a full range of housing choices throughout the City for households of all incomes, ages and sizes in order to meet the City's goal of preserving diversity; to mitigate the impact of commercial development on the availability and cost of housing and particularly housing affordable to low and moderate income households; to increase the production of affordable housing units to meet existing and anticipated housing and employment needs within the City; to provide a mechanism by means of which commercial development can contribute in a direct and meaningful way to increase the supply of affordable housing in light of the influx of new employees in need of affordable housing brought about as a result of such commercial development; and to establish standards and guidelines for the use of such contributions from the application of inclusionary zoning provisions.

Section 4: Board of Trustees

There shall be a Board of Trustees of the Trust, composed of seven (7) members, five (5) of whom shall serve ex officio ("ex officio Trustees") and two (2) of whom shall be members of the public ("public Trustees"). The ex officio Trustees shall be the Land Use Bureau Chief or such Chief's designee, the President of the Board of Representatives or such President's designee, the Chair of the Board of Finance or such Chair's designee, the Chair of the Stamford Zoning Board or such Chair's designee, and the Director of Social Services for the City or such Director's designee. The public Trustees shall be City residents who reside in housing qualifying as affordable housing as defined herein, shall be appointed by the Mayor and confirmed by the Board of Representatives. Ex officio Trustees shall serve a term concurrent with their term as the official of the City referenced above. Public Trustees shall serve for a three (3) year term (with one public Trustee serving for an initial two (2) year term) and shall serve for no more than two (2) consecutive terms (one initial public Trustee serving no more than five (5) years), but may be reappointed in the future. Public Trustees shall continue to serve until a new public Trustee is appointed by the Mayor and confirmed by the Board of Representatives.

No Trustee shall receive a salary or other remuneration for serving on the Board. Trustees may be reimbursed for reasonable out-of-pocket expenses for travel, training and other Trust-related expenses. Expenses in excess of \$25.00 shall be approved in advance by the Board, unless previously approved in the Trust's budget for such fiscal year. Expenses in excess of \$10,000.00 shall be approved in advance by the Board of Representatives, unless previously approved in the Trust's budget for such fiscal year. Such expenses shall be included in the Trust's annual budget. Commuting to and from Board meetings shall not be a reimbursable expense. All such out-of-pocket expenses shall be fully documented with receipts for expenses prior to payment by the Trust. The Board shall develop a policy regarding the reimbursement of expenses.

The Land Use Bureau Chief shall serve as the Chair of the Board of Trustees. The Chair may establish subcommittees and/or ad hoc task related committees to carry out the purposes of the Trust. Chairs of the subcommittees may be selected by the members of the subcommittees.

The Board of Representatives may remove any member of the Board of Trustees, or appoint another designee, for cause after that member has been provided an opportunity to be heard by the Board of Representatives. The term "cause" shall include, but not be limited to, four (4) consecutive unexcused absences from Board meetings.

Any public Trustee who ceases to be a resident of the City or to reside in housing qualifying as affordable housing shall promptly provide a written notification of the change in residence or such housing to the Chair, whereupon the Trustee shall cease to be a member of the Board of Trustees and action shall be taken immediately to fill such vacancy. Notice of such resignation and appointment shall be filed with the Town and City Clerk.

A public Trustee may resign by written instrument signed and acknowledged by such Trustee and duly filed with the Chair and the Town and City Clerk.

If a Trustee shall die, resign, or for any other reason cease to be a Trustee hereunder before his/her term of office expires, a successor shall be appointed by the Mayor and confirmed by the Board of Representatives to fill such vacancy for the remainder of the unexpired term, provided that in each case the said appointment and acceptance in writing by the Trustee so appointed shall be filed with the Town and City Clerk.

Section 5: Powers of Trustees

The powers of the Trustees, all of which shall be carried on in furtherance of the purposes set forth in the Housing Trust Fund Ordinance and pursuant to the provisions of this Declaration of Trust, shall include the following:

(a) Expenditures. Expenditures from the Trust must be approved by the Trustees and shall be considered approved pursuant to Part 8 of the Stamford City Charter. Expenditures shall be made from the Trust only in accordance with the following procedures and requirements:

(i) Any proposed expenditure over \$100,000 approved by the Trustees shall be submitted as a recommendation to the Board of Representatives. The Board of Representatives may reject such recommended expenditure within forty-five (45) days of receipt of the recommendation by a vote of two-thirds (2/3) of the members of the Board of Representatives present and voting. If, within forty-five (45) days of receipt of the recommendation, the Board of Representatives fails to reject such recommendation, it shall be considered approved pursuant to Part 8 of the Stamford City Charter.

(ii) Funds from the Trust shall only be used for the following authorized purposes. All expenditures listed below shall be based on and prioritized by the Stamford Affordable Housing Plan ("SAHP").

(A) *Creation of affordable rental or homeownership housing units.* To encourage the development of affordable housing through a variety of means including, but not limited to, the provision of favorable financing terms to developers of affordable housing, or by means of the direct write-down of costs for non-profit developers of affordable housing, or to subsidize the acquisition of sites, existing structures or designated affordable housing units which comprise a portion of a larger development containing housing which is not deemed affordable to persons of low and moderate income.

(B) *Multi-family rehabilitation program.* To finance the rehabilitation, repair, renovation or alteration of existing and deteriorated multi-family residential properties in a manner that preserves the affordability of dwelling units within such properties through interest rate subsidies, loan guarantees or the direct write-down of project costs. Multi-family housing owned and operated by nonprofit entities that ensure maximum long-term affordability shall receive priority funding consideration.

(C) *Limited Equity Cooperative or Condominium Conversion Properties.* To assist in the acquisition, rehabilitation, repair, alteration or renovation of residential properties deemed appropriate for conversion to a “common interest community” as defined pursuant to Section 47-202(7) of the Connecticut General Statutes.

(D) *Home ownership assistance.* To assist persons and families of low and moderate income with the financing of the purchase, repair or renovation of affordable housing through low interest loans or local grants. The administration of such loans or grants will be conducted by the City’s Department of Community Development or third party, as determined by the City.

(E) *Studies to determine the affordable housing needs of City residents and for the preparation of the SAHP.* Selection of vendors for such service shall be pursuant to Stamford Code Sections 23-13 to 23-18.13.

(F) *Foreclosure and Eviction Prevention and Protection Programs.* Programs that provide support, including but not limited legal services, financial counseling, or financial assistance, to Stamford residents threatened by foreclosure, eviction or other events that may lead to homelessness.

(G) *Rental and Landlord Assistance Programs.* Programs that provide financial or other support to renters or landlords focused on low income households and landlords or organizations providing affordable housing for low income households.

Any Trust funds which are required to be expended only for certain purposes shall be segregated and accounted for separately.

(iii) Interim Provisions:

(A) No funds shall be disbursed from the Trust within six (6) months of the effective date of the Housing Trust Fund Ordinance, except for the following purposes:

- (1) Foreclosure and Eviction Prevention and Protection Programs pursuant to Section (ii)(F) above.
- (2) Rental Assistance Programs for low-income households.
- (3) An Affordable Housing Study pursuant to City RFP No. 779 and awarded to HRA&A Advisors.

(B) Two years after the creation of the Trust, no funds shall be disbursed in absence of an approved SAHP and all expenditures must demonstrate how they meet the goals and priorities established by the SAHP. This rule may be suspended during a State of Emergency to allow for the disbursement of funds to alleviate emergency related impacts on housing.

(iv) Expenditures of \$100,000 or less. The Board of Trustees shall accept, on a continuous basis, requests for funds of \$100,000 or less for authorized purposes as outlined in Subsection (a)(iii) above from eligible parties. Eligible parties include for-profit and not-for-profit housing developers or not-for-profit organizations with the goal of furthering affordable housing, the Stamford Public Housing Authority (Charter Oak Communities), or the Stamford Department

of Community Development. Individuals shall not be considered eligible parties. The Board shall quarterly review and make a determination whether or not to grant such requests. The Board shall disburse no more than 30% of the funds available in the Trust at the time it makes such determination.

(v) Whenever \$3,000,000 or more is available in the Trust, the Board of Trustees shall issue a Notice of Funds Available (NoFA) to solicit proposals for how to further the SAHP, as defined in Subsection (a)(iii) above, and the most current assessment of the City's housing needs. Such NoFA shall be issued no later than two (2) weeks after the first Board meeting after the moneys in the Trust reach the above threshold. No later than seven (7) months after the issuance of the NoFA, the Board of Trustees shall render a decision on whether or not and how to fully or partially disburse the moneys of the Trust.

(vi) The Board shall follow the rules established by Stamford Code Chapter 23, Article II (Purchasing).

(vii) All expenditures of the Trust shall be included and controlled in accordance with the Trust's annual budget for such fiscal year.

(b) Accept and Receive Property. The Trust may 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 Trust in connection with provisions of any by-law, Special Act, Public Act or other provision of the Connecticut General Statutes or any other source, including moneys under Section 146-73 of the Housing Trust Fund Ordinance, provided that to accept and receive real property, personal property or money reasonably determined by the Trustees, by appraisal or otherwise, to have a value equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives, unless previously approved.

(c) Purchase and Retain Property. The Trust may purchase and retain real or personal property, including without restriction investments that yield a high rate of income or no income, provided that the purchase of real or personal property for consideration equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives, unless previously approved.

(d) Dispose of Property. The Trust may sell, lease, exchange, transfer or convey any personal, mixed, or real property at public auction or by private contract for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertaking relative to Trust property as the Trustees deem advisable notwithstanding the length of any such lease or contract, provided that any sale, exchange, transfer or conveyance of any item of personal, mixed or real property for consideration equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives, unless previously approved.

(e) Execute Instruments. The Trust may execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases and other instruments sealed or unsealed, necessary, proper or incident to any transaction in which the Trustees engage for the accomplishment of the purposes of the Trust.

(f) Employ and Compensate Advisors and Agents. The Trust may employ advisors and agents, including but not limited to, accountants, appraisers and lawyers as the Board deems necessary and may pay reasonable compensation and expenses to all advisors and agents.

(g) Reimburse City for Services. The Trust may request services from the City and reimburse the City for such services, including but not limited to, budgeting, accounting and auditing, which expenses for such services shall be included in the Trust's annual budget.

(h) Borrow Money. The Trust may borrow money on such terms and conditions and from such sources as the Board deems advisable, and may mortgage and pledge Trust assets as collateral, provided that any borrowing equal to or greater than \$100,000 and any mortgage or pledge to secure an obligation equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives, unless previously approved. Any indebtedness incurred by the Trust shall not constitute a pledge of the full faith and credit of the City, and shall be payable solely from the revenues, funds and/or assets of the Trust, and all appropriate documents related to such indebtedness shall contain a statement to such effect and that the holder thereof shall have no recourse against the City.

(i) Partnerships. The Trust may participate in, join or form partnerships, limited liability companies, corporations, joint ventures or any other legally authorized entity to accomplish the purposes of this Declaration of Trust and to participate in any transfer, reorganization or similar transactions and give proxies or powers of attorney to vote any certificates of interest or securities, and to consent to any contract, lease, mortgage, purchase or sale of property by and between such entities.

(j) Adjust Claims. The Trust may compromise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the Trust, including claims for taxes, and to accept any property, either in total or partial satisfaction of any indebtedness or other obligation, and to continue to hold the same for such period of time as the Board may deem appropriate, provided that to adjust any claim or accept any property in satisfaction of any indebtedness where the Trustees reasonably determine that the value of the claim or amount of the indebtedness is equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives, unless previously approved.

(k) Manage Property. The Trust may manage or improve real property, or abandon any interest in property which the Board determines not to be worth retaining.

(l) Seek Funding. The Board may seek funding resources for the Trust for affordable housing and promote public and private efforts to increase and improve the affordable housing in the City.

(m) Policies and Procedures. The Board may issue policies, procedures, goals and statements to serve as guidelines for the operation of the Trust.

Section 6: Meetings of the Trustees

The Board shall meet at least quarterly at such time and such place as the Trustees shall determine. Special meetings may be called by the Chair or by any two (2) Trustees. Notice of any meeting of the Board shall be filed with the Town and City Clerk and posted in accordance with the requirements of Sections 1-225 to 1-232 of the Connecticut General Statutes and shall be audio and video recorded.

The presence of at least five (5) Board members shall constitute a quorum. Each member of the Board shall have one (1) vote and all decisions of the Board shall be made by a simple majority of all Board members (at least four (4) Board members) at a duly called meeting, provided that a quorum is present. Meetings shall be conducted in accordance with Robert's Rules of Order.

Section 7: Acts of Trustees

All instruments executed by the Chair or by a majority of the members of the Board shall be binding upon the Trust, and shall be conclusive evidence that such action has been duly authorized. The Trustees may, by instrument executed by the Chair or by a majority of the members of the Board, delegate to any attorney, agent or employee such other powers and duties as they deem advisable, including the power to execute and deliver instruments as fully as the Trustees might themselves. The Trustees shall not delegate the authority to amend or terminate the Trust and no such delegation shall be effective. No Trustee shall be required to give a bond. No Trustee shall be liable for the act, negligence or default of any other Trustee or any employee, agent, or representative of the Trustees selected with reasonable care, nor for errors in judgment, nor mistakes of law or fact made in good faith nor in reliance in good faith on advice of counsel nor for other acts or omissions in good faith.

Where an act of the Trustees requires prior written notice to the Board of Representatives, notice shall be deemed given when addressed to the Board of Representatives and filed with the office of the Town and City Clerk and an affidavit by the Chairman of the Board of Trustees that such notice was given as required by this Section shall be conclusive and binding evidence to that effect, provided that in the case of the acquisition and disposition of any right, title and interest in real property, such affidavit is recorded with the Land Records of the City of Stamford.

Section 8: Budgeting, Reporting and Audit Requirement

The Board shall prepare an annual budget for the Trust. Said budget shall be submitted to the Planning Board, the Board of Representatives, the Board of Finance and the Director of Administration by no later than April 20th preceding each fiscal year. No liability shall be incurred or expenditure made by the Trust which is not provided for in the annual budget, nor shall the Director of Administration pay out any money for any purpose not authorized by the Trust's budget. The annual budget may be revised by the Board from time to time, provided any increase equal to or greater than \$100,000 shall require approval of the Board of Representatives upon not less than thirty (30) days prior written notice to the Board of Representatives. The annual budget and any revisions shall be filed with the Director of Administration, shall be posted on the City's website for public inspection, and shall be available in hardcopy at the City's Land Use Bureau and the Town and City Clerk's office for review during normal business hours.

The Board shall, at the end of each fiscal year ending June 30th, prepare a report listing all expenditures and projects supported in said fiscal year, how they address affordable housing needs and priorities in accordance with the SAHP and how they meet the criteria of Section 146-75.C. of the Housing Trust Fund Ordinance. Said report shall be completed and submitted to the Planning Board, the Board of Representatives, the Board of Finance and the Director of Administration by no later than September 15th of the following fiscal year. The report shall also be posted on the City's website for public inspection and shall be available in hardcopy at the City's Land Use Bureau and the Town and City Clerk's office for review during normal business hours.

The Trust shall be considered an audited agency for purposes of Chapter 111 of the Connecticut General Statutes and shall have all of its accounts audited by an independent auditor at least once annually in accordance therewith.

Section 9: Liability; Conflict of Interest

Neither the Trustees nor any agent or officer of the Trust shall have the authority to bind the City, except in the manner specifically authorized herein. The Trustees shall be considered municipal employees for the purposes of Section 7-101a of the Connecticut General Statutes and the City shall protect and save

harmless the Trustees as provided therein, provided any costs and expenses shall be an expense of the Trust. The Trustees shall not be eligible for any benefit or retirement programs of the City by virtue of their service as Trustees.

Section 10: Director of Administration as Custodian of Trust Funds

The Director of Administration shall be the custodian of the Trust's funds and shall maintain separate accounts and records for said funds. The Director of Administration shall invest the Trust's funds in the manner authorized by Sections 7-400 to 7-403 of the Connecticut General Statutes and, upon recommendation of the Board, may hold all or a part of the Trust property uninvested for such purpose and such time period as deemed appropriate. Any income or proceeds received from the investment of funds shall be credited to and become part of the Trust. As custodian, the Director of Administration shall issue checks or transfer moneys as directed by the Trustees and approved by the Controller in accordance with the Trust's annual budget.

Section 11: Duration of the Trust

This Trust shall be perpetual, notwithstanding that from time to time the Trust may be unfunded. Notwithstanding the foregoing, this Trust may be terminated by vote of the Board of Representatives. Upon termination of the Trust, subject to the payment of or making provisions for the payment of all obligations and liabilities of the Trust and the Trustees, the net assets of the Trust shall be transferred to the City and held by the Board of Representatives for affordable housing purposes. In making any such distribution, the Trustees shall, subject to the approval of the Board of Representatives, sell all or any portion of the Trust property and distribute the net proceeds thereof or distribute any of the assets in kind. The powers of the Trustees shall continue until the affairs of the Trust are concluded.

Section 12: Construction of Terms

In the construction hereof, whether or not so expressed, words used in the singular or in the plural respectively include both the plural and singular, words denoting males include females and words denoting persons include individuals, firms, associations, companies, trusts and corporations unless a contrary intention is to be inferred from or required by the subject matter or context. All the powers and provisions of the Trust herein contained shall take effect and be construed according to the laws of the State of Connecticut.

Section 13: Filing

This Declaration of Trust shall be filed with Town and City Clerk.

Section 14: Amendments

This Declaration of Trust may be amended from time to time by an instrument in writing signed by a majority of the Trustees and approved at a meeting called for that purpose, and approved by the Board of Representatives, provided that in each case, a certificate of amendment shall be filed with the Town and City Clerk.

Section 15: Record to be Conclusive; Certificate as to Facts

Every contract, deed, mortgage, lease and other instrument executed in compliance with Section 5(e), as appears from instruments or certificates recorded with the City of Stamford Land Records to be Trustees hereunder shall be conclusive evidence in favor of any person relying thereon or claiming

hereunder, that at the time of the delivery thereof this Trust was in full force and effect and that the execution and delivery of such instrument was duly authorized by the Trustees except that delegations of authority pursuant to Section 5 hereof and instruments of amendment pursuant to Section 14 and an instrument of termination pursuant to Section 11 hereof shall be conclusive only if it appears that the delegations, amendments or termination have been executed by a majority of the Trustees. Any person dealing with the Trust property or the Trustees may rely on a certificate signed by any person appearing from instruments or certificates so recorded to be a Trustee hereunder as to the identity of the then current Trustees or as to the existence or non-existence of any fact or facts which constitute conditions precedent to acts by the Trustees or in any other manner germane to the affairs of the Trust.

Section 16: Titles

The titles to the various Sections herein are for convenience only and are not to be considered part of said Sections nor shall they affect the meaning or the language of any such Section.

(The next page is the signature page.)

IN WITNESS WHEREOF, this Declaration of Trust is hereby approved.

Dated: _____, 2021

David R. Martin, Mayor

Matthew Quinones, President, and Susan Nabel, Clerk, do hereby certify that the foregoing Declaration of Trust was approved by the 30th Board of Representatives at the Regular Board Meeting held on _____, 2021.

Matthew Quinones, President

Susan Nabel, Clerk