

Salem Affordable Housing Trust Fund  
Annual Report  
for  
Fiscal Year 2008

Submitted to Salem City Council  
November 20, 2008

## **FINANCIAL REPORTING REQUIREMENTS**

According to Article Seventeenth of Salem's Affordable Housing Trust Fund's Declaration of Trust, the Trust shall submit a report for each fiscal year to City Council. The report should entail a summary of affordable housing programs or properties the Trust assisted along with a description of funds received and expended during the year.

## **BOARD MEMBERS**

The follow individuals served as Trustees of the Affordable Housing Trust Fund Board during the period of July 1, 2007 to June 30, 2008.

Mayor Driscoll	Kathleen Burke
Lynn Goonin Duncan as the Mayor's Designee	Chad Colarusso
Councillor Jean Pelletier	Lucy Corchado
Councillor Matthew Veno, Treasurer	Mary Dennesen
Jennifer Raitt, Chair	Mary Lauby
Michael Northcutt, Vice-Chair	Leonette Strout

## **ACTIVITY**

The Salem Affordable Housing Trust Fund Board of Trustees met in July, September, October, and November of 2007 and February, March, and May of 2008. During FY08, one affordable housing project funding request was brought before the board and approved. The Board considered two zoning regulations -an accessory dwelling ordinance and inclusionary zoning, but decided not to move forward with these initiatives at this time. In addition, the Board discussed hiring a consultant to assist with the development of a business plan. Also, the Board reviewed and submitted comment on the Analysis of Impediments to Fair Housing report released by the North Shore HOME Consortium as well as submitted a letter to City Council in support of putting the Community Preservation Act on the November ballot.

## **DESCRIPTION AND SOURCE OF FUNDS RECEIVED**

The Affordable Housing Trust Fund did not receive any funds during Fiscal Year 2008. However, the City continues to negotiate with developers on a case-by-case basis for contributions to the Trust.

## **FUNDS EXPENDED**

The Trust's total unexpended funds at the start of Fiscal Year 2008 was fifty thousand and 00/100 (\$50,000).

On October 9, 2007, the Trust committed twenty-five thousand and 00/100 dollars (\$25,000) without interest to Salem Lafayette Development LLC to be used for pre-development costs to redevelop the former St. Joseph's Church site at 135 Lafayette Street in Salem into affordable and market rate housing. The appropriated funds were to cover taxes, insurance, interest on the current loan, and other carrying costs for the project while the Planning Office for Urban Affairs works to secure additional funding for construction. The Federal Home Loan Bank and the North Shore HOME Consortium had already committed funds to this project.

The loan will become immediately due and payable to the Trust if the project does not move forward, the property is sold or transferred, or the project's affordability changes. The Salem Lafayette Development LLC did not draw down any of the committed funds during FY08. All \$25,000 remained unexpended.

The remaining twenty-five thousand and 00/100 (\$25,000) of the Trust's funds were uncommitted.