

Minutes
Connecticut Housing Finance Authority
Board of Directors Meeting No. 594
July 29, 2021

Directors Present: (Virtually) Seila Mosquera-Bruno, Chairperson of CHFA and Commissioner of the Department of Housing
Jerrold Abrahams
Cindy Butts
Wendy Clarke
Heidi DeWyngaert, Vice Chairperson of CHFA and Chairperson of the Mortgage Committee
Kiley Gosselin
Timothy Hodges
Catherine MacKinnon
Jorge Perez, State Banking Commissioner
Franklin Perry II
Sarah Sanders, representing Shawn Wooden, State Treasurer
Lisa Tepper Bates
Glendowlyn Thames, representing David A. Lehman, Commissioner, Department of Economic & Community Development

Directors Absent: Gregory Ugalde

By video conference due to the COVID-19 public health crisis and in accordance with Section 149 of Public Act 21-2, Ms. Mosquera-Bruno called the meeting of the Connecticut Housing Finance Authority to order at 10:02 a.m.

A roll call of Board members was conducted and a quorum was present.

Ms. Mosquera-Bruno asked for public comments by virtue of the public call-in line.

Roger Maldonado, Staff Attorney, Open Communities Alliance, on behalf of Erin Boggs, Executive Director, offered testimony in support of the proposed opportunity points in CHFA's Qualified Application Plan (QAP) for the Low-Income Housing Tax Credit (LIHTC) program.

State Senator Catherine Osten, 19th District, spoke in opposition to use of the opportunity map and proposed modifications to the QAP and referenced a letter that she, along with other legislators from eastern Connecticut, submitted to the Board on this issue.

Erin Kemple, Executive Director, Connecticut Fair Housing Center, provided comments in favor of the proposed QAP and the opportunity mapping included in the plan. She also summarized the level of outreach and transparency regarding adoption of the opportunity map and scoring points and urged the Board's passage of the plan.

Nandini Natarajan, Chief Executive Officer-Executive Director, provided a report on staff activities in July which included continuation of work on housing development deals and responses to COVID-19 related issues. She provided an update on the status of work on CHFA's strategic plan, the Housing Assistance Fund ("HAF") pilot program and design of the larger HAF program, which is anticipated to go live this fall.

Nancy Nicolescu, Director of Education and Communications at the Connecticut Office of State Ethics, gave an annual training to Board members on their obligations under the State Code of Ethics.

Hazim Taib, Chief Financial Officer, requested approval for authorization to issue up to \$500,000,000 of housing mortgage finance program bonds in order to raise lendable proceeds for the first time homebuyer program and refund outstanding single family and multifamily bonds. Discussion regarding the proposed transactions followed.

Upon a motion made by Mr. Abrahams, seconded by Ms. Clarke, the Board members voted by roll call and were unanimously in favor of adopting the following resolution authorizing commencement of the necessary preparations for the 2021 Series H Bond Sale:

**RESOLUTION FOR THE COMMENCEMENT OF
NECESSARY PREPARATIONS FOR THE 2021 SERIES H
BOND SALE HOUSING MORTGAGE FINANCE PROGRAM**

WHEREAS, in order to maintain continuity of the Authority's Housing Mortgage Finance Program, it is appropriate to obtain additional funds from one or more bond sales;

NOW, THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

1. The Chief Executive Officer – Executive Director of the Authority and staff are hereby authorized to continue the Authority's Housing Mortgage Finance Program by way of one or more bond sales.
2. The timing of such bond sales shall be determined in coordination with the State Treasurer's Office.
3. The bond sales shall be in an aggregate amount not to exceed \$500,000,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2021 Series H (the "Bonds"), which shall be issued in one or more series and subseries as federally taxable bonds and/or as federally tax-exempt bonds under the Internal Revenue Code of 1986, as amended (the "Code"), or other applicable federal tax law.
4. The Bonds shall be sold on a negotiated basis.
5. The Chief Executive Officer – Executive Director and/or the Chief Financial

Officer is hereby authorized to set the date or dates for receipt of the respective offers from the underwriter(s) or other purchaser(s) (the "Respective Purchasers") to purchase the Bonds.

6. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to execute and cause to be delivered appropriate documentation, including without limitation one or more Preliminary Official Statements and Underwriting Commitments, to adopt the expectations, beliefs, assumptions and representations expressed and made on behalf of the Authority in the Official Statement(s) for the Bonds (the "Official Statement(s)") and to execute and deliver the Official Statement(s).

7. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized both (a) to receive the related offer presented by the Respective Purchasers and (b) to make a formal award of the related portion of the Bonds to the Respective Purchasers and execute one or more Contracts of Purchase, provided the Chief Executive Officer – Executive Director and/or the Chief Financial Officer may make such award only if the net interest cost on the tax-exempt portion or related portion of the Bonds does not exceed the Bond Buyer Revenue Bond Index published most recently prior to the award by more than 50 basis points.

8. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer and staff of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meet the requirements of the General Bond Resolution and are satisfactory to the Chief Executive Officer – Executive Director and/or the Chief Financial Officer in conjunction with the 2021 Series H bond sale (collectively, the "Swap"). The Chief Executive Officer – Executive Director and/or Chief Financial Officer is hereby authorized to approve, execute and deliver all documents necessary to consummate the Swap, in the best interest of the Authority, as determined by the Chief Executive Officer – Executive Director and/or the Chief Financial Officer. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to make such changes, additions, deletions, modifications and amendments to the Swap and other related documents as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to interest rate swap agreements previously executed by the Authority and intended to be allocated to the Bonds, in each case as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization.

9. The Authority hereby adopts the Series Resolution Authorizing the issuance of not more than \$500,000,000 Housing Mortgage Finance Program Bonds, 2021 Series H (the "Series Resolution") and hereby authorizes all necessary transfers from the Capital Reserve Fund in accordance with Section 513(8) of the General Bond Resolution on December 1 to the Section 506 account for the purpose of redeeming bonds and the Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to take whatever other action is necessary to carry out such sale including, without limitation, determining the amount of fixed rate, variable or convertible option bonds and to make such changes,

additions, deletions, modifications and amendments to the Series Resolution as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization contemplated at this meeting.

10. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to have the Bonds prepared and to execute and authorize the delivery of the Bonds to the Respective Purchasers upon receipt of the purchase price thereof plus accrued interest, if any, and to pay to any underwriter the underwriters' fee and/or discount and expenses and to do and perform all acts and things and execute any and all documents in the name of the Authority, necessary, useful or convenient to the issuance and sale of the Bonds by the Authority. The Bonds shall bear such rates and maturities, and sinking fund installments shall be made as set forth in the Official Statement(s) and the Series Resolution.

11. The Bonds shall be executed by the manual or facsimile signatures of the Chairperson, Vice Chairperson, Chairperson of the Finance/Audit Committee, or the Chief Executive Officer – Executive Director of the Authority and/or the Chief Financial Officer, and the official seal of the Authority or a facsimile thereof shall be affixed, impressed or imprinted on the Bonds and attested by the manual or facsimile signature of the Chief Executive Officer – Executive Director or another duly Authorized Officer of the Authority.

12. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is authorized to establish the interest rate on mortgage loans financed with the proceeds of the Bonds ("Proceeds"), provided that such interest rate shall not exceed that which is permitted or authorized under the Code.

13. The Proceeds are to be used to make or finance new single and/or multi-family mortgage loans (including mortgage-backed securities consisting of such loans), or reimburse the Authority for having made such mortgage loans, and/or refund current and future maturities of outstanding bonds and/or to refund prepayments.

14. U.S. Bank National Association is hereby authorized to act as Paying Agent and U.S. Bank National Association is hereby authorized to act, if required, as Tender Agent.

15. The Authority may make or finance, on an interim basis, certain mortgage loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority in the maximum amount of \$500,000,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Section 1.150- 2(d)(1) of the Treasury Regulations.

16. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to issue a certification as to the Authority's reasonable expectations regarding the amount and use of the Proceeds as described in Section 1.148-2(b)(2) of the Treasury regulations relating to Section 148 of the Code on the date such certificate is issued.

17. In the event the Chief Executive Officer – Executive Director and/or the Chief Financial Officer are unable to act in accordance with this resolution or otherwise, a committee of not less than three (3) members of the Board of Directors, at least one of whom shall not be a state employee, is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds (the "Sale Committee"). If neither the Chairperson nor the Vice Chairperson of the Authority is able to attend, then the Chairperson of the Finance/Audit Committee shall be the Chairperson of the Sale Committee, and if he/she is unable to attend, then the Chairperson of the Mortgage Committee shall be the Chairperson of the Sale Committee, and if neither of them is able to attend, the Chairperson or Vice Chairperson of the Authority shall designate a Chairperson of the Sale Committee.

18. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to change the series designation of the Bonds and/or any other of the Authority's bonds and to change the selected bond underwriting firms as necessary and in the best interest of the Authority.

19. The Bonds may be sold as one or more series and the following bond underwriting firm is hereby selected to act as the book running senior manager for the Bonds:

Bank of America Merrill Lynch (dba Merrill Lynch, Pierce, Fenner & Smith Incorporated)
Morgan Stanley & Co. LLC

20. The following bond underwriting firms are hereby selected to act as co-senior bond underwriters for the Bonds:

Citigroup Global Markets Inc.
RBC Capital Markets LLC

21. The following bond underwriting firms are hereby selected to act as co-managing underwriters for the Bonds:

Barclays Capital
Drexel Hamilton LLC
Janney Montgomery Scott LLC
J.P. Morgan Securities LLC
Samuel A. Ramirez & Co. Inc.
Raymond James & Associates, Inc.
Rice Financial Products Company
Roosevelt & Cross, Incorporated
TD Securities (USA) LLC
Wells Fargo Securities, LLC

22. The following firms are hereby selected to act as the selling group members for the Bonds:

Academy Securities Inc.
Bancroft Capital, LLC
Blaylock Van LLC
Herbert J. Sims & Co., Inc.
Intercoastal Capital Markets, Inc.
Jefferies LLC
Loop Capital Markets LLC
Mesirow Financial, Inc.
Oppenheimer & Co. Inc.
Robert W. Baird & Co. Incorporated
Ross, Sinclair & Associates LLC
Siebert, Cisneros, Shank & Co. LLC
Stern Brothers & Co.
UBS Financial Services Inc.

23. The book running senior manager, the co-senior bond underwriters and the co-managing underwriters designated by the Authority for participation in the Authority's bond issues are hereby required prior to participation in the 2021 Series H Bond issue to provide an update to the Statutory provisions, affidavits and certifications, charitable contributions in the State of Connecticut, investigations, administrative or other legal proceedings and/or settlements by or with governmental entities regulating the conduct of their business, submitted as part of their agreements with the Authority, to the Chief Financial Officer.

24. Failure to provide the information required pursuant to paragraph 23 above, in such form and content as determined by the Chief Executive Officer – Executive Director and/or the Chief Financial Officer necessary to satisfy the requirements of this resolution, shall render the book-running senior manager, co-senior bond underwriters or co-managing underwriters, as applicable, ineligible to participate in the designated bond issue.

Mr. Taib presented the resolution authorizing CHFA to procure a credit facility to help manage its interest expense and preserve volume cap. Discussion ensued regarding the proposed transaction.

Upon a motion made by Ms. Sanders, seconded by Ms. Gosselin, the Board members voted by roll call and were unanimously in favor of adopting the following resolution authorizing CHFA to enter into revolving credit facilities and issue revolving credit obligations:

**RESOLUTION TO ENTER INTO REVOLVING CREDIT FACILITIES
AND ISSUE REVOLVING CREDIT OBLIGATIONS**

WHEREAS, Section 8-250(11) of Chapter 134 of the General Statutes of Connecticut, as amended (the "Act") provides that the Authority shall have the power to borrow money or secure credit on a temporary, short-term, interim or long-term basis; and

WHEREAS, Section 8-250(12) of the Act provides that the Authority shall have the power to issue bonds, bond anticipation notes and other obligations of the Authority; and

WHEREAS, Section 8-252(a) of the Act provides that the Authority is authorized from time to time to issue its bonds, bond anticipation notes and other obligations in such principal amounts as in the opinion of the authority shall be necessary to provide sufficient funds for carrying out the purposes set forth in subsections (32) and (33) of Section 8-250 of the Act and Section 8-251 of the Act, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, bond anticipation notes and other obligations issued by it whether the bonds, bond anticipation notes or other obligations or interest to be funded or refunded have or have not become due; and

WHEREAS, in order to preserve scarce federal private activity bond volume cap allocation the Authority routinely so refunds its bonds through its regular bond issuances; and

WHEREAS, the Authority may achieve significant cost savings by more frequently refunding its bonds with interim obligations issued between its regular bond issuances and ultimately refunded by a future bond issuance; and

WHEREAS, the Authority has received indications of interest from a number of qualified providers of revolving credit facilities under which the Authority may issue such interim obligations;

NOW, THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

1. The Chief Executive Officer – Executive Director of the Authority and/or the Chief Financial Officer and staff are hereby authorized to enter into one or more revolving credit facilities (each, a “Revolving Credit Facility” and collectively, the “Revolving Credit Facilities”) with one or more providers who may be selected in the manner determined by the Chief Executive Officer – Executive Director of the Authority and/or the Chief Financial Officer and to issue thereunder interim obligations of the Authority for the purposes set forth hereinabove (each, a “Revolving Credit Obligation” and collectively, the “Revolving Credit Obligations”).

2. The Chief Executive Officer – Executive Director and/or Chief Financial Officer and staff of the Authority are hereby authorized to negotiate, approve, execute and deliver all documents necessary or desirable to enter into Revolving Credit Facilities for the issuance of Revolving Credit Obligations thereunder with providers that are satisfactory to the Chief Executive Officer – Executive Director and/or the Chief Financial Officer, to accomplish efficient execution of such transactions, in the best interest of the Authority, as determined by the Chief Executive Officer – Executive Director and/or the Chief Financial Officer. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to make such changes, additions, deletions, modifications and amendments to such Revolving Credit Facility documents as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to Revolving Credit Facility documents previously executed by the

Authority, in each case as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization.

3. The aggregate principal amount of Revolving Credit Obligations outstanding at any time shall not exceed \$100,000,000.

4. The repayment of principal of outstanding Revolving Credit Obligations shall at all times be fully collateralized by the proceeds thereof or by amounts received in exchange therefor that have been released from the lien and pledge of the Authority's General Housing Mortgage Finance Program Bond Resolution (the "HMFPB Resolution").

5. Revolving Credit Obligations shall constitute general obligations of the Authority, payable from all available funds of the Authority. In addition to and not in limitation of the foregoing, amounts held under the Investment Trust Subaccount within the Surplus Account of the HMFPB Resolution available therefor may be applied to the payment of interest on Revolving Credit Obligations.

6. Amounts under any Revolving Credit Facility, or any portion of such amounts, shall be (A) held uninvested by the custodian of such facility or (B) invested in (i) the State of Connecticut Short-Term Investment Fund, (ii) any direct obligations of or obligations guaranteed by the United States of America or obligations issued by any federal agency that are backed by the full faith and credit of the United States of America or (iii) deposits in interest-bearing time or demand deposits or certificates of deposit secured by obligations described in clause (ii).

7. Interest on Revolving Credit Obligations shall be federally taxable.

8. Revolving Credit Obligations shall contain on the face thereof a statement to the effect that neither the State of Connecticut nor any political subdivision thereof other than the Authority shall be obligated to pay the same or the interest thereon except from revenues or other funds of the Authority and that neither the faith and credit nor the taxing power of the State of Connecticut or of any political subdivision thereof other than the Authority is pledged to the payment of the principal of or the interest on such obligations.

9. The authorization provided by this Resolution shall expire on July 29, 2024. No Revolving Credit Facility shall have a term ending later than such date, and no Revolving Credit Obligation shall have a final maturity later than such date.

10. The authorization provided by this Resolution is separate and apart and in addition to any authorization provided by any other resolution of the Authority in respect of any other credit facility or facilities.

Mr. Taib presented the resolution amending the Memorandum of Agreement with the State of Connecticut Department of Housing regarding investment in the Housing and Community Development Leadership Institute Program.

Upon a motion made by Ms. Gosselin, seconded by Mr. Abrahams, the Board members voted by roll call and were unanimously in favor of adopting the following resolution amending the Memorandum of Agreement with the Department of Housing:

AMENDING RESOLUTION REGARDING MEMORANDUM OF AGREEMENT WITH STATE OF CONNECTICUT DEPARTMENT OF HOUSING REGARDING INVESTMENT IN HOUSING AND COMMUNITY DEVELOPMENT LEADERSHIP INSTITUTE

WHEREAS, by resolution dated January 28, 2021 (the “Prior Resolution”), the Board of Directors of the Connecticut Housing Finance Authority (the “Authority”) authorized investment in an affordable housing and community development training seminar established, designed and implemented by the Hamden Economic Development Corporation known as the Housing & Community Development Leadership Institute (the “Program”);

WHEREAS, the Authority desires to consent to the assignment of the Program and its operations to Local Initiative Support Corporation (“L.I.S.C.”), as described in the attached Memorandum dated July 29, 2021, from Hazim Taib, Chief Financial Officer.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The Chief Executive Officer - Executive Director is hereby authorized to enter into an amendment to the Memorandum of Understanding with the Department regarding the assignment of the Program and its operations to L.I.S.C. and to take all other actions consistent with this Resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing and the implementation of the Program.

Section 2. The Chief Executive Officer - Executive Director is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this Resolution and as may be necessary to effectuate this Resolution.

Ms. Mosquera-Bruno asked for a motion to take from the table and pass the resolution adopting the 2022-2023 Low-Income Housing Tax Credit Qualified Allocation Plan.

Upon a motion made by Ms. DeWyngaert to take from the table and pass the resolution adopting the 2022-2023 Low-Income Housing Tax Credit Qualified Allocation Plan, seconded by Ms. MacKinnon, discussion ensued regarding the proposed QAP. Ms. Sanders referenced a letter to the Board from State Treasurer Shawn Wooden supporting the policy amendments to the QAP but recommending the need for further discussion on the impact of the proposed opportunity map. A summary of the level of outreach to developers and other stakeholders for input on revisions to the QAP was presented.

Board members voted by roll call. Ms. Sanders voted no. Ms. Tepper Bates abstained from voting. All other Board members in attendance voted yes. The

motion to take from the table and pass the resolution adopting the 2022-2023 Low-Income Housing Tax Credit Qualified Allocation Plan passed.

RESOLUTION REGARDING ADOPTION OF THE
LOW-INCOME HOUSING TAX CREDIT
2022 AND 2023 QUALIFIED ALLOCATION PLAN

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”) is the designated housing credit agency for the allocation and administration of federal Low-Income Housing Tax Credits in the State of Connecticut (the “State”); and

WHEREAS, the Authority is subject to the requirements of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, by Resolution approved April 29, 2021, the Authority authorized a public hearing regarding the proposed adoption of the Low-Income Housing Tax Credit 2022 and 2023 Qualified Allocation Plan in accordance with the requirements of the Code;

WHEREAS, a public hearing was held on May 19, 2021, the public comment period has ended, and all comments have been reviewed by the Authority; and

WHEREAS, the Authority desires to adopt the Low-Income Housing Tax Credit 2022 and 2023 Qualified Allocation Plan, as further described in the attached Memorandum dated July 29, 2021 from Terry Nash Giovannucci, Community Engagement Manager.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The attached Low-Income Housing Tax Credit 2022 and 2023 Qualified Allocation Plan is hereby adopted.

Section 2. The Chief Executive Officer - Executive Director of the Authority is hereby authorized to take all other actions consistent with this Resolution, the Code, the regulations thereunder, and State law, all as amended, as may be necessary to effectuate this Resolution.

Ms. Mosquera-Bruno asked Board members to consider the items on the Consent Agenda.

Upon a motion made by Mr. Hodges, seconded by Mr. Perez, the Board members voted by roll call and were unanimously in favor of accepting the following consent agenda items.

Reports Accepted:

- Financial Reports
- Delinquency and Forbearance Reports

- Investment and Swap Reports
- Internal Audit Report
- Monthly Tracking Report
- Multifamily Activities
- Minutes from June 24, 2021 Regular Meeting

Ms. Mosquera-Bruno asked for input on how the Board meeting should be conducted in September.

There being no further business to discuss, upon a motion made by Mr. Perez, seconded by Mr. Hodges, the meeting adjourned at 11:04 a.m.