

Minutes  
Connecticut Housing Finance Authority  
Board of Directors Meeting No. 596  
October 28, 2021

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

Directors Absent: Wendy Clarke  
Franklin Perry II  
Lisa Tepper Bates

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 10:00 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 and there were none.

Nandini Natarajan, Chief Executive Officer-Executive Director, provided an update on CHFA's strategic plan, single family loan origination and the Board engagement survey.

Hazim Taib, Chief Financial Officer, presented the resolution to approve the appointment of bond underwriters for CHFA's Housing Mortgage Finance Program Bonds and State-Supported Special Obligation Bonds. Discussion ensued regarding changes seen from the last approval process. Mr. Taib noted the creation of a co-senior manager subgroup established to specifically address and satisfy CHFA's intent to promote more diversity among underwriting firms.

Upon a motion made by Mr. Abrahams, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding the appointment of Bond Underwriters:

RESOLUTION REGARDING THE APPOINTMENT OF BOND UNDERWRITERS

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”), from time to time, requires the services of qualified municipal housing bond underwriters, investment bankers or institutions to serve as senior managers, co-senior managers, co-managers, re-marketing agents and selling group members in connection with the issuance or placement of various series of single family and multifamily bonds and other financial instruments for the benefit of the Authority’s home mortgage loan and state-supported special obligation programs;

WHEREAS, in accordance with Section 8-249(c)(4) of the Connecticut General Statutes and the Procedures of the Authority, the Authority has solicited proposals for bond underwriters in connection the issuance of bonds for the Authority’s housing mortgage loan program (the “Housing Mortgage Finance Program Bonds”) and the state-supported special obligation program (the “State Supported Special Obligation Bonds”);

WHEREAS, the Authority has reviewed the submitted proposals; and

WHEREAS, based on the review, the Authority has determined that certain firms have demonstrated the requisite expertise to serve as underwriters for the Authority.

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

Section 1. The following bond underwriting firms are hereby selected to act as senior managers for the Housing Mortgage Finance Program Bonds issued by the Authority:

BofA Securities, Inc.  
Citigroup Global Markets Inc.  
Morgan Stanley & Co. LLC  
RBC Capital Markets, LLC  
Wells Fargo Bank, National Association

Section 2. The following bond underwriting firms are hereby selected to act as co-senior managers for the Housing Mortgage Finance Program Bonds issued by the Authority:

Academy Securities, Inc.  
Bancroft Capital, LLC  
Blaylock Van, LLC  
Ramirez & Co., Inc.  
Stern Brothers & Co.

Section 3. The following bond underwriting firms are hereby selected to act as co-managers for the Housing Mortgage Finance Program Bonds issued by the Authority:

Barclays Capital Inc.  
Janney Montgomery Scott LLC

Jefferies Group LLC  
J.P. Morgan Securities LLC  
Raymond James & Associates, Inc.  
Roosevelt & Cross, Incorporated  
TD Securities (USA) LLC  
UBS Financial Services Inc.

Section 4. The following bond underwriting firm is hereby selected to act as senior manager for the State-Supported Special Obligation Bonds issued by the Authority:

Ramirez & Co., Inc.

Section 5. The following bond underwriting firm is hereby selected to act as co-senior manager for the State-Supported Special Obligation Bonds issued by the Authority:

Loop Capital Markets LLC

Section 6. The following bond underwriting firm is hereby selected to act as co-managers for the State-Supported Special Obligation Bonds issued by the Authority:

Raymond James & Associates, Inc.  
UBS Financial Services Inc.

Section 7. The Chief Executive Officer – Executive Director is authorized to enter into an engagement letter with each of the firms listed under Sections 1, 2, 3, 4, 5 & 6 above, each for a period of up to three (3) years commencing January 1, 2022, including a requirement that the firms provide information regarding investigations, administrative or other legal proceedings and/or settlements by or with governmental entities regulating the conduct of their business.

Section 8. The following firms are hereby selected to act as selling group members for the Housing Mortgage Finance Program Bonds by the Authority:

Drexel Hamilton, LLC  
Loop Capital Markets LLC  
Mesirow Financial, Inc.  
Mischler Financial Group, Inc.  
Siebert Williams Shank & Co., LLC  
Rockfleet Financial Services, Inc.

Section 9. The following firms are hereby selected to act as re-marketing agents for the Housing Mortgage Finance Program Bonds by the Authority:

BofA Securities, Inc.  
Barclays Capital Inc.  
Citigroup Global Markets Inc.

Jefferies Group LLC  
J.P. Morgan Securities LLC  
Loop Capital Markets LLC  
Mesirow Financial, Inc.  
Morgan Stanley & Co. LLC  
Raymond James & Associates, Inc.  
RBC Capital Markets, LLC  
Stern Brothers & Co.  
TD Securities (USA) LLC  
Wells Fargo Securities, LLC  
UBS Financial Services Inc.

Section 10. The following firms are hereby selected to act as selling group members for the State-Supported Special Obligation Bonds issued by the Authority:

Mischler Financial Group, Inc.  
Rockfleet Financial Services, Inc.

Section 11. The Chief Executive Officer - Executive Director is hereby authorized to effect the assignment or change the designation of bond underwriters for issuance of bonds when necessary and in the best interest of the Authority.

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Masouda Omar, Managing Director, Multifamily, provided a summary of the Mortgage Committee's recommended resolution modifying the \$5,000,000 Financing Adjustment Factor (FAF) loan and authorizing the CEO-Executive Director the authority to modify the construction loan and permanent loans for Cherry Street Lofts, Phase I, located in Bridgeport, Connecticut. Discussion ensued regarding the terms of the take out of the CHFA loan and subordination parameters of the FAF loan.

Upon a motion made by Mr. Ugalde, seconded by Ms. DeWynngaert, the Board members voted by roll call and were in favor of adopting the following resolution regarding Cherry Street Lofts, Phase I, located in Bridgeport, Connecticut. Mr. Hodges abstained from voting.

AMENDED RESOLUTION REGARDING  
FINANCING OF CHERRY STREET LOFTS, PHASE I  
BRIDGEPORT, CONNECTICUT, CHFA DEVELOPMENT NO. 14-088M

WHEREAS, Railroad Avenue Lofts, LLC (the "Mortgagor") applied to the Connecticut Housing Finance Authority (the "Authority") for the financing of Phase I of Cherry Street Lofts, a mixed-use development containing 157 multifamily units located in Bridgeport, Connecticut (the "Development"); and

WHEREAS, by resolution adopted on November 19, 2015, as amended June 30, 2016, as further amended September 29, 2016, as further amended on November 21, 2019, and as further amended on November 19, 2020, the Authority authorized financing for the Development and

provided a \$22,500,000 construction mortgage loan from tax exempt bond funds (as amended, the “Construction Loan”), a \$12,500,000 permanent mortgage loan from tax exempt bond funds (as amended, the “Permanent Loan”), and a \$5,000,000 mortgage loan with federal financing adjustment factor funds (as amended, the “FAF Loan”); and

WHEREAS, the Mortgagor encountered challenges in completing the Development and in securing the additional sources of funds necessary to complete the Development during the extension periods granted by the Authority, and is unable to meet all the requirements of completion and payments as required by the terms of the existing Authority financing; and

WHEREAS, in order to accommodate the planned completion and securing of additional sources of funds for the Development, the Authority desires to modify the terms of the Construction Loan, the Permanent Loan and the FAF Loan, all as described in the attached Memorandum from Michelle Onofrio, Manager I, dated October 28, 2021 (the “Memorandum”).

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: (i) modify the maturity date of the Construction Loan from December 1, 2021 to a date no later than April 15, 2022; (ii) modify the expiration of the interest-only period of the Permanent Loan from November 30, 2021 to a date no later than April 15, 2022; (iii) subordinate the mortgage lien securing the FAF Loan as is necessary in order to permit the payoff of the Construction Loan and the Permanent Loan with FNMA-guaranteed financing from Citi and/or another lender (the “Take-Out Loan”) and to permit a refinancing of the Take-Out Loan, *provided, however*, the subordination agreement shall provide that the loan amount refinancing the Take-Out Loan shall not exceed the then outstanding principal amount (including necessary financing costs) of the Take-Out Loan; and (iv) modify the repayment terms of the FAF Loan to provide for annual repayment not to exceed 75% of the Development’s surplus cash, commencing twelve months following the maturity of the Take-Out Loan.

Section 2. The Authority’s commitment to modify the mortgage financing for the Development shall be conditioned upon the Authority’s acceptance and approval, in its sole discretion, of the Mortgagor’s compliance with all applicable law, the Authority’s Procedures, the provisions of the Memorandum, and all applicable Authority policies, *provided, however*, if there is any inconsistency between the provisions of this Resolution and the Authority’s policies, the terms of this Resolution shall control.

Section 3. 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, as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to close the modified mortgage financing authorized herein on or before April 15, 2022 shall render this Resolution void and of no further effect, *provided, however*, upon good cause shown and upon payment by the Mortgagor of any extension or other fees as may

be required by the Authority, the Chief Executive Officer - Executive Director may extend the time for compliance hereunder.

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Ms. Omar provided a summary of the Mortgage Committee's recommended resolution authorizing a construction first mortgage leasehold loan utilizing tax exempt bond proceeds of up to \$5,800,000 for Edith Johnson Tower, located in New Haven, Connecticut.

Upon a motion made by Mr. Hodges, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding Edith Johnson Tower, located in New Haven, Connecticut:

RESOLUTION REGARDING FINANCING OF  
EDITH JOHNSON TOWER, NEW HAVEN, CONNECTICUT  
CHFA DEVELOPMENT NO. 20 - 408M

WHEREAS, Beacon Communities Services LLC has applied to the Connecticut Housing Finance Authority (the "Authority") for mortgage financing for the rehabilitation and preservation of a 95-unit housing development known as Edith Johnson Tower, located in New Haven, Connecticut (the "Development"); and

WHEREAS, the Authority desires to provide leasehold mortgage financing for the Development to BCJ Edith Johnson LLC and/or a related entity otherwise acceptable to the Authority (the "Proposed Mortgagor"), all as described in the attached Memorandum and Development Summary Materials from Maura Hayden-Walker, Underwriter III, dated October 28, 2021 (the "Memorandum").

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

Section 1. The Authority is authorized to provide a construction loan in a principal amount of approximately \$5,800,000. The construction loan shall be secured by a first-priority leasehold mortgage on the Development. The construction loan shall accrue interest on amounts advanced at a rate not to exceed 4.5% per annum and shall be paid monthly, in arrears, over a term of 24 months, after which all construction loan principal and interest shall be due in full. The Authority will fund this loan with Tax-Exempt Bond proceeds, including the issuance of bonds as described in Attachment A, attached hereto, or from such other sources of funding, and upon such terms and conditions, as are deemed to be in the best interests of the Authority. To the extent other sources of funding are deemed to be in the best interest of the Authority, the Authority finds that mortgage loan financing is not readily available from another source and that it is appropriate and in the public interest for the Authority to provide such financing from the proceeds of taxable bonds. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d)(1) of the United States Treasury Regulations.

Section 2. The Authority's commitment to provide mortgage financing for the Development shall be conditioned upon the Authority's acceptance and approval in its sole discretion of the following:

a. Affordability restrictions on the Development for a period of 40 years, such that 19 units shall be set aside for elderly households at or below 25% of area median income and 76 units shall be set aside for elderly households at or below 50% of area median income;

b. An independent appraisal and a market acceptance analysis for the Development;

c. All required governmental approvals, tax abatement agreements, hazardous waste testing at the Development, and hazardous waste removal and disposal (if applicable);

d. Final construction costs and plans and specifications;

e. Commitments for sources of funds, including, without limitation, an issued term sheet for State of Connecticut Department of Housing funding, as further described in the Memorandum, or in such other amounts and/or from such other comparable sources as are acceptable to the Authority, such that the total of the sources and uses of funds for completion of the Development are in balance;

f. Proposed operating income and expenses, all required reserve and escrow funding, tenant relocation plans, property management organization and plans, and leasehold mortgagee protective provisions;

g. The United States Department of Housing and Urban Development approval of the transfer of ownership of the Development to the Proposed Mortgagor; and

h. Compliance by the Proposed Mortgagor with all applicable law, the Authority's Procedures, the provisions of the Memorandum, and all applicable Authority policies, *provided, however*, if there is any inconsistency between the provisions of this Resolution and the Authority's policies, the terms of this Resolution shall control.

Section 3. 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, as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to close the mortgage financing authorized herein on or before July 31, 2022 shall render this Resolution void and of no further effect, provided, however, upon good cause shown and upon payment by the Proposed Mortgagor of any extension or other fees

as may be required by the Authority, the Chief Executive Officer - Executive Director may extend the time for compliance hereunder.

*(Edith Johnson Tower, New Haven, Connecticut)*

#### ATTACHMENT A

1. The Chief Executive Officer - Executive Director and/or Chief Financial Officer 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 amount not to exceed \$6,400,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2021 Series K (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 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 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) of the Bonds (the "Official Statement(s)") and to execute and deliver the Official Statement(s).

7. The Chief Executive Officer - Executive Director and/or 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 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 Chief Financial Officer and staff of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meets the requirements of the General Bond Resolution and is satisfactory to the Chief Executive Officer - Executive Director and/or Chief Financial Officer in conjunction with the 2021 Series K 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, provided the Swap results in a net interest rate savings to the Authority of not less than 20 basis points of the Swap portion or in the best interest of the Authority, as determined by the Chief Executive Officer - Executive Director and/or Chief Financial Officer. The Chief Executive Officer - Executive Director and/or 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 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 \$6,400,000 Housing Mortgage Finance Program Bonds, 2021 Series K (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 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 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 her designee, 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 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 new single and/or multi-family mortgages and/or refund current and future maturities of outstanding bonds and/or to refund prepayments. The Chief Executive Officer - Executive Director and/or Chief Financial Officer is hereby authorized to determine which multifamily projects are to be funded from proceeds of the Bonds.

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 \$6,400,000 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 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 is unable to act in accordance with this resolution or otherwise, then the Chief Financial Officer is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds. In the event his designee is unable to act in accordance with this resolution or otherwise, then 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 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 bond underwriting firms to act as the book running senior or co-senior managers, co-managers and/or selling group members for the Bonds may be determined by the Chief Executive Officer - Executive Director and/or Chief Financial Officer for each series of Bonds from among the appointed Housing Mortgage Finance Program Bond Underwriters.

20. The 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 K Bond issue to provide an update to the

statutory provisions, affidavits and certifications submitted as part of their agreements with the Authority.

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

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Mr. Taib presented preliminary information regarding the proposed 2022 Annual Budget and Plan of Operations, including a summary of the budget process, the current fiscal year, and assumptions for 2021. An outline of the proposed 2022 budget was provided summarizing the salary and fringe benefit expenses and general administrative expenses.

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

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

Reports Accepted:

- 2021 Series E Bond Issue (Multifamily and Single Family)
- Financial Reports
- Delinquency and Forbearance Reports
- Investment and Swap Reports
- Monthly Tracking Report
- Multifamily Activities
- Minutes from September 30, 2021 Regular Meeting

Ms. Mosquera-Bruno, on behalf of the Board and CHFA staff, expressed thanks and appreciation to Glendowlyn Thames for her years of service and contributions to the Board. Ms. Thames stated that she will be pursuing an opportunity in the private sector and thanked the Board for the opportunity to serve acknowledging that it was a pleasure an honor to work with Board members and CHFA staff.

There being no further business to discuss, upon a motion made by Mr. Ugalde, seconded by Mr. Hodges, the meeting adjourned at 10:51 a.m.