

Connecticut Housing Finance Authority

2019 Summary Report

PREPARED FOR GOVERNOR NED LAMONT &
THE CONNECTICUT GENERAL ASSEMBLY
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MISSION

To alleviate the shortage of housing for low- and moderate-income families and persons in this state and, when appropriate, to promote or maintain the economic development of this state through employer-assisted housing efforts.

CHFA is a self-funded, quasi-public agency that fulfills its mission with two programs:

1. Single family mortgages with below-market interest rate financing to allow low-to-moderate income borrowers to purchase their first homes. *Since 1969, CHFA has provided mortgages to more than 145,000 first-time homebuyers.*
2. Financing to developers of affordable multifamily rental housing to increase the availability of affordable housing. *Since 1969, CHFA has financed more than 55,000 units of new or renovated affordable housing.*

In the past 50 years, the path to greater affordable housing has been forged with the use of critical federal funding tools. These tools include Federal Tax-Exempt Bonds, also known as Private Activity Bonds (PABs), Taxable Bonds and Low Income Housing Tax Credits (LIHTCs).

2019 Highlights, Setting the Stage for 2020

CHFA celebrated its 50th Anniversary in 2019. Over the years, CHFA has grown from a lender with \$5 million for first-time homebuyer mortgages to a self-sustaining financier that issues more than \$500 million in bonds annually. That financial strength benefits the State of Connecticut by providing financing for much-needed safe, decent affordable housing for state residents.

CHFA works closely with the Department of Housing (DOH) and other state agencies to support the housing needs of state residents. There is no need for legislative recommendations at this time. Below are highlights from 2019 and plans for 2020:

1. Successful Bond Issues

CHFA's source of funding, Federal Tax-Exempt Housing Bonds and Taxable Bonds, are an important tool for housing finance in Connecticut. In addition to funding single-family mortgages, bond proceeds are used to finance affordable multifamily rental housing developments, which in turn generate jobs and tax revenue and economic activity in the state. The fact that many orders for the bonds came from local investors reflects the confidence the private sector places on CHFA and its affordable housing mission.

CHFA had five successful bond issues for a total of \$663.6 million in 2019. Excluding refunding, CHFA raised \$500 million of lendable proceeds to fund single-family mortgages and \$74.5 million to fund affordable housing developments.

In 2020, CHFA anticipates issuing about \$585 million in bonds, which will allow continuous funding for its first-time homebuyer program and new investment in the creation and preservation of affordable multifamily rental projects.

2. Addressing the needs of Connecticut residents

In 2019, CHFA provided 2,877 mortgage loans that allowed first-time buyers to close on their first homes. CHFA, in partnership with DOH, provided financing to build or renovate 1,310 units of affordable housing in the state.

3. Administering Tax Credits

CHFA is the State's administrator for the Federal Low Income Housing Tax Credit (LIHTCs) program. CHFA awarded \$10.0 million in 9% LIHTCs, which is estimated to generate \$97.6 million in equity. In addition, \$4.2 million in 4% LIHTCs were awarded, which is estimated to generate \$39.3 million in tax credit equity. CHFA also administers the \$10 million State Housing Tax Credit Contributions (HTCC) program that provides funds of up to \$500,000 in funds per development for affordable housing. These credits are awarded to non-profit developers.

4. Providing Administrative Support for State Programs:

In keeping with a history of sharing its financial expertise to assist the State, CHFA participated in the implementation of two special assistance programs established by the Governor and General Assembly. In early 2019, CHFA devised a program to assist the State in tracking loans for the Federal Shutdown Affected Employees Loan Program. In the fall, CHFA assisted the State's Supplemental Collapsing Foundation Loan Program by providing a public website for program information, tracking loan reservations and administering the State guarantee associated with the program.

5. Jobs and economic growth supported by affordable housing

In addition to fulfilling our mission and meeting the needs of the State, CHFA's financing of affordable housing positively impacts job creation and economic activity in Connecticut. CHFA uses the REMI PI+ State model to assess the statewide impact of development activity. In 2019, developments approved by CHFA's Board of Directors are estimated to have created 292 construction jobs and a total of 1,240 jobs in all parts of the economy. Those developments also generated an estimated \$426.10 million in new economic activity with \$24.84 million in additional state revenue.

6. Increased training for lenders and real estate agents

The Single-Family Department has expanded efforts to provide training for employees of CHFA-Approved Lenders and outreach to real estate agents throughout the state. Lender training sessions are offered both in person and by webinar. In 2019, 828 lender employees took advantage of the opportunity for training. CHFA's Real Estate School program, approved by State Department of Consumer Protection, offers a training program for real estate agents that provides 3-free Continuing Education Credits helping agents to maintain their licenses. In 2019 more than 150 real estate agents attended these sessions. With a better understanding of CHFA programs, real estate agents are more informed about CHFA programs and lender files are "cleaner" when submitted for processing, increasing efficiency and customer service for the first-time homebuyers we serve. Both of these training efforts will continue in 2020.

7. CHFA's new Research, Data, and Reports Webpage

During the summer of 2019, CHFA's Planning, Research, and Evaluation (PRE) department developed a new Research, Data, and Reports [webpage](#). The webpage page is a one-stop-shop for CHFA's research, data dashboards, mapping tools, newsletters, success stories, and statutory reports. The intent of the page is to highlight CHFA's successes, provide data and reports to external partners, and assist in data driven and evidence based decision-making.

Single Family Homeownership

Increasing Homeownership: 2, 877 first-time buyers purchased homes with a CHFA mortgage

CHFA's below-market interest rate mortgages make homeownership affordable for first-time homebuyers and buyers who have not owned a home in the last three years. The first-time mortgage buyer program is financed through proceeds from the sale of Federal Tax-Exempt Housing Bonds, also known as Private Activity Bonds (PABs) issued by CHFA.

To qualify for a CHFA mortgage, applicants must meet specific income criteria and the home they plan to purchase must be within sales price guidelines specific to the area of the state. The guidelines are set by the U.S. Department of Housing and Urban Development (HUD) and the Internal Revenue Service and are reviewed annually. As of March 2020, the income limit for a household of three or more people in Hartford County is **\$116,035** and the sales price limit of the home is **\$317,750**. In areas designated as "Targeted Areas" or census tracts defined by the IRS as an area of chronic distress which could benefit from increased homeownership, the income limit for a household of three or more increases to **\$141,260** and the sales price limit increases to **\$388,360**.

Go to CHFA's Resource Map (<https://www.chfa.org/homebuyers/chfa-resource-map-targeted-areas/>) to see the income limits, sales price limits, and targeted areas by town. The income restrictions may be waived for borrowers purchasing homes in Targeted Areas.

In addition to providing mortgage loan financing opportunities through CHFA Homebuyer Programs, CHFA partners with Government Sponsored Enterprises (GSEs) Fannie Mae (FNMA) and Freddie Mac (FHLMC) to offer their affordable lending products exclusively developed for Housing Finance Agencies (HFAs) to help serve the needs of low-to moderate-income borrowers.

2019 Single-Family Homeownership highlights

Mortgage Loans

- Investment in single-family homeownership = **\$524.6 million**
- Closed mortgage loans = **2,877**
- Average mortgage amount = **\$182, 356**
- Average monthly mortgage payment = **\$844.61** (P&I only; at 2019 average rate of 3.74%)
- Loans with Downpayment Assistance Program (DAP) loans: **942, 32% of loans, \$5.6 million**
- Loans in Federally Targeted areas = **537 loans, 18.67%** of loans
- Loans in 17 communities identified by the State of Connecticut's Conservation & Development Policy Plan as being regional, urban center communities = **1,654 loans, 57.49%** of loans

Borrower profile

- Borrowers average yearly gross income = **\$74,129**
- Average age of borrowers = **35**
- Loans to female heads of household = **1,096 loans, 38%**
- Loans to minority borrowers:= **944 loans, 32.8%**

Specialized Mortgage Program Loans:

- 41 Military Homeownership loans
- 40 Teacher Mortgage Assistance loans

CHFA Single Family Supports Habitat for Humanity (HFH)

Habitat for Humanity helps families in need of affordable housing by partnering with them to build their own homes alongside volunteers and providing affordable mortgages when completed. CHFA supports HFH by investing in the purchase of some of the HFH mortgages to make it possible for HFH to recycle funds to continue the important work they do in providing affordable housing. In 2019, CHFA purchased 20 loans from HFA for a total of \$1,901,453.

When including the HFH mortgage loans, the total number of CHFA loans to homebuyers is 2,897 and the aggregate investment is increased to \$526.5 million.

Homebuyer Education & Counseling Programs

CHFA partners with HUD-approved Housing Counseling Agencies to offer free Homebuyer Education classes and Counseling Programs. The Homebuyer Education classes and Counseling Programs are designed to provide the tools and education that will empower low- and moderate-income households across the state to be successful in achieving the security, stability, and wealth-building opportunity of home ownership.

CHFA is one of nineteen State Housing Finance Authorities to receive a grant award from HUD. Funds received from this grant award are allocated amongst Housing Counseling Agencies to assist in the funding of Homebuyer Education and Counseling Programs.

Homebuyer Education and Counseling Programs

Connecticut residents who are in the process of obtaining a CHFA mortgage are required to attend one of the following Homebuyer Education classes:

- **Pre-Purchase Homebuyer Education**: This is a comprehensive, eight-hour course teaching the prospective buyer about what it takes to become a successful homeowner, from seeking pre-approval for a mortgage, to making an offer to purchase a property, to the closing process. Individual financial and credit counseling is available as part of this eight-hour class. This class is offered to any resident of Connecticut who is considering the purchase of their first home. Some agencies offer this class in English and Spanish.
- **Pre-Closing Homebuyer Education**: If the individual obtaining a single-family CHFA mortgage is unable to attend the Pre-Purchase Homebuyer Education class, the Pre-Closing Homebuyer Education class is available. Topics discussed include the mortgage process, the loan closing process, mortgage loan documents, home maintenance and repairs, as well as actions to take in the future should they face mortgage delinquency. Individuals can either choose to attend a physical class or they can choose the [On-line Homebuyer Education course provided by e-Home America](#).
- **Landlord Education**: This class, along with participation in either the Pre-Purchase or Pre-Closing Homebuyer Education, is required for individuals who are in the process of obtaining a CHFA mortgage purchasing a 2-4 family home. Topics discussed include rights and responsibilities of landlords and tenants in Connecticut, selecting tenants, maintaining your property, and maximizing tax advantages. This class is also offered to all existing Connecticut landlords.

Along with the Pre-Purchase Homebuyer and Landlord Education class, CHFA offers an optional class and a counseling program to any Connecticut resident who is or may be interested in buying a home in the future, building or improving credit or managing finances:

- **Financial Fitness Education**: This three-hour class covers the importance of managing money and understanding credit; providing the tools for the individual to become a wiser consumer and avoid financial pitfalls. Topics discussed include budgeting, checking accounts and savings plans and how to effectively monitor and maintain one's credit. Some agencies offer this class in English and Spanish.

- **Individual Financial Counseling:** This program is offered to all individuals who take part in the Pre-Purchase Homebuyer Education eight-hour class. Individuals will receive a one on one session to explore their mortgage readiness; knowledge of maintaining a budget; better understanding of credit management; and, making informed decisions about pursuing homeownership.

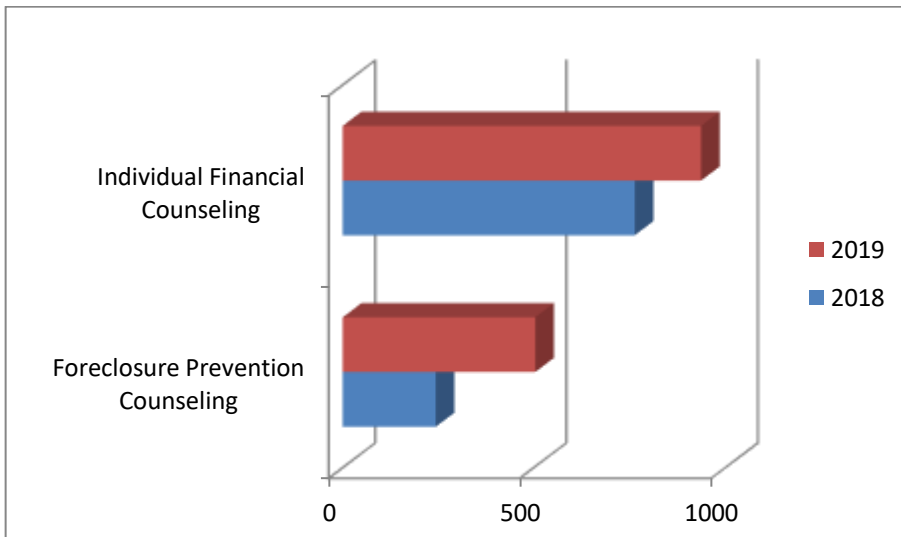
In addition, CHFA offers a counseling program to help any Connecticut homeowner facing financial hardship:

- **Foreclosure Prevention Counseling:** This class is made available to individuals and families who are in default and/or in danger of foreclosure. The counseling session includes a timeline for resolution to establish customer expectations, developing a written action plan, and submitting a loss mitigation recommendation to the Lender on behalf of the individual.

Homebuyer Education and Counseling Program Participation

In 2019, 5,486 households attended a homebuyer education class. Of the 5,486 households that attended a homebuyer education class, 2,877 households purchased their first home with a CHFA mortgage. When obtaining a CHFA mortgage, at least one loan applicant is required to attend either a Pre-Purchase or Pre-Closing class. 86% of households chose the Pre-Closing online course, 5% chose the Pre-Closing physical class and 9% attended the Pre-Purchase class. In addition, any household who is purchasing a 2-4 family unit is required to participate in a Pre-Closing or Pre-Purchase class, as well as a Landlord Education class. In 2019, 185 households were required to attend both.

In addition, 1,441 counseling sessions were provided by CHFA’s partner HUD-approved Housing Counseling Agencies. The chart below reflects the total number of counseling sessions¹ provided in 2019 versus the counseling sessions in 2018. Since 2018 there has been a significant increase in Foreclosure Prevention Counseling sessions.



¹ The total number of sessions includes those provided under the CHFA Housing Counseling Program Agreement (FY 01/01/19-12/31/19) and sessions provided under the HUD Housing Counseling Program Grant Agreement (FY 01/01/19-09/30/19).

The large increase in Foreclosure Prevention Counseling sessions is due to CHFA referrals as part of its administration of the State of Connecticut's Emergency Mortgage Assistance Program (EMAP) application process.

EMAP LOANS

The EMAP program, administered by CHFA, provides mortgage delinquency relief to homeowners who have experienced a temporary hardship beyond their control. EMAP mortgage loans provide funds to bring homeowners current on their mortgage and, if needed, monthly mortgage assistance for up to 59 months. In 2019, EMAP provided mortgage assistance to 48 homeowners.

Should an EMAP applicant be ineligible for mortgage assistance, the applicant is encouraged to work with a HUD-approved Housing Counselor for other foreclosure prevention resources and services that may be available free of charge; in 2019 CHFA provided 330 referrals for foreclosure prevention services.

Multifamily Housing Development

CHFA approved financing for the new construction, rehabilitation or preservation of 1,310 affordable housing units in 2019

CHFA provides loans to developers and owners of affordable and mixed-income multifamily rental housing at or below-market interest rates, helping them achieve feasibility for their housing proposals in Connecticut. Increasing the supply of quality, affordable rental units can revitalize and stabilize neighborhoods. In addition, CHFA financing is also available to rehabilitate and preserve existing affordable rental housing stock.

CHFA mortgage financing (proceeds of tax-exempt bonds and taxable bond issues) is often combined with other funding mechanisms, including 9% and 4% Federal Low Income Housing Tax Credits (LIHTC) and the State Housing Tax Credit Contributions (HTCC) program. Developers are encouraged to combine CHFA funding with private bank financing, private grants or equity as well as public sources as available.

CHFA works closely with the DOH and other state agencies to maximize the available dollars and to spur private investment in affordable housing. Many of the developments approved include a combination of LIHTCs, bonds, and DOH funds, and the two agencies work collaboratively, reviewing application requirements, coordinating closings and the construction process.

Transactions Approved in 2019

The transactions listed on the following pages are developments either approved for financing by CHFA’s Board of Directors or the State Bond Commission. The transactions are listed alphabetically by town and reflect financing amounts as of their approval. Financing amounts may change slightly as transactions move through the final approval process. State Sponsored Housing Portfolio (SSHP) transactions that received funding through the Capital Plan (the previous administration’s \$300 million 10-year commitment) are underwritten and approved by CHFA as part of a Memorandum of Agreement with DOH, and those transactions are also included here.

The total unit numbers for some of the transactions listed on the following pages are not included in the 1,310 affordable housing units approved in 2019, as some of these developments may have been counted in previous years, but required additional CHFA Board approval in 2019. These 459 units are indicated with an asterisk.

Bridgeport:

Windward Apartments is the first phase of redevelopment of the Marina Village public housing complex. Within walking distance are retail facilities and several bus stops, including one that takes passengers directly to Bridgeport’s main transportation hub. Supportive services will be provided for six chronically homeless individuals and six families with special needs. The City of Bridgeport provided grant funding for demolition and remediation. South West Community Health Center will lease the commercial space, and is providing funding for construction. There will be 24 one bedroom and 30 two bedrooms units.

Units	54*
Housing Type	Family/Supportive Housing
Affordability	15 units affordable to households up to 25% AMI, 22 units affordable to households up to 50% AMI, 6 units affordable to households up to 60% AMI, 11 units affordable to households up to 120% AMI or greater. 12 of 54 units will be Supportive Housing. 15 units will receive project-based subsidies.
Financing	\$6m – DOH Affordable Housing Program-FLEX, \$850k – City of Bridgeport Infrastructure Grant, \$14.3m – 9% LIHTC Proceeds, \$500k Developer/Investor Cash Equity, \$1m – Deferred Developer Fee, \$212k – Energy Rebates, \$500k – Financial Adjustment Factor (FAF)

East Hartford:

Veterans Terrace VT1 is a moderate rental development in the SSHP multifamily portfolio. The proposed project represents the first phase of a two-phase revitalization of the 150-unit Veteran`s Terrace housing complex. Revitalization will include razing of 7 existing building structures; re-use of the existing foundation assemblies. There will be 4 one bedroom, 24 two bedroom, 16 three bedroom and 1 four bedroom units. This transaction was approved by State Bond Commission.

Units	45
Housing Type	Family
Affordability	45 units affordable to households up to 25% AMI
Financing	\$126k - Energy Rebate, \$400k - Reserves, \$6.1m - 4% LIHTC proceeds, \$133k - Developer/Investor Cash Equity, \$679k - Deferred Developer Fee, \$809K - Other (EHHA Land Contribution), \$1.5m DOH Housing Trust Fund, \$3.6m - DOH SSHP Loan, \$5.1m - Rockport 223 (d)4

East Lyme:

Rocky Neck Village will increase the supply of deed-restricted housing in an 8-30g municipality. The project has been referenced with both the Capitol Drive & West Main Street addresses; it has frontage on both streets. The development will include a community facility, a computer lab, office space for a leasing agent/property manager, and office space for an on-site resident service coordinator. Two 9 Town Transit Bus stops are within a half mile of the property. Rocky Neck State Park is within a half mile of the development, and a walking trail that leads to the Park is across the street. There will be 56 three bedroom units.

Units	56
Housing Type	Family/Supportive Housing
Affordability	13 units affordable to households up to 25% AMI, 23 units affordable to households up 50% AMI, 14 units affordable to households up to 80% AMI. 6 of 56 units will be Supportive Housing.
Financing	\$6m - DOH Affordable Housing Program-FLEX, \$13.4m - 9% LIHTC proceeds, \$412k - Deferred Developer Fee

Enfield:

Pleasant Street Cooperative requested SSHP funding for key improvements including but not limited to window replacements, fire alarm system upgrades, parking area and sidewalk repaving, boiler replacements, repairs to front decks and stairs. All items have been identified as needs in the Capital Plan, and emphasis has been placed on making improvements that will lead to more durable materials and cost savings over the next 30 years. There is 1 one bedroom, 5 two bedroom and 6 four bedroom units. This transaction was approved by State Bond Commission.

<i>Units</i>	12
<i>Housing Type</i>	Family
<i>Affordability</i>	12 units affordable to households up to 100% AMI
<i>Financing</i>	\$1.2m - DOH SSHP Grant, \$6k - Energy Rebate

Glastonbury:

Herbert T. Clark Congregate requested SSHP funding to renovate the facility. The scope of work will include: new roofing, window replacement, ADA upgrades, fire alarm system upgrade, boiler replacement, air conditioning upgrades, generator replacement, security cameras, and commercial kitchen upgrades. Most of the systems being replaced were identified in the Comprehensive Needs Assessment as being 28 years old and original to the building. These items are past/or near the end of their useful life. There are 45 one bedrooms units. This transaction was approved by State Bond Commission.

<i>Units</i>	45
<i>Housing Type</i>	Elderly
<i>Affordability</i>	45units affordable to households up to 60% AMI
<i>Financing</i>	\$903k - DOH Housing Trust Fund, \$2.1 m DOH SSHP Grant, \$60k - Energy Rebate, \$275k - Reserves

Greenwich:

Hill House Rehab requested SSHP funding for renovations. Renovations will primarily consist of the replacement of building components and systems that have reached the end of their serviceable life and have created ongoing maintenance cost beyond what would be typical as well as to increase the efficiency, reduce operational costs and increase accessibility. The scope of work includes upgrading the building site, exterior, mechanical systems, common area, unit interiors and increasing energy efficiency by upgrading boilers and lighting. There are 38 one bedroom units. This transaction was approved by State Bond Commission.

Units	38
Housing Type	Elderly
Affordability	38 units affordable to households up to 60% AMI
Financing	\$1.9m – DOH SSHP Grant, \$60k – Energy Rebate, \$153k – Reserves, \$500k – State HTTC proceeds.

Griswold:

Oak Tree Village is located on vacant land which previously contained a nursing home and a single family house. All buildings have been demolished. The property is located in a qualified census tract and is within walking distance of Griswold Public Schools. There will be 18 one bedroom and 54 two bedroom units.

Units	72
Housing Type	Family/Supportive Housing
Affordability	15 units affordable to households up to 25% AMI, 29 units affordable to households up to 50% AMI, 7 units affordable to households up to 70%, 6 units affordable to households up to 80% AMI and 15 units affordable to households up to 120% AMI or greater. 15 of 72 units will be Supportive Housing.
Financing	\$5m – DOH Affordable Housing Program – FLEX, \$155k Energy Rebate, \$16.8m 9% LIHTC proceeds, \$626k Deferred Developer Fee, \$2m – Bank of America Loan

Hartford:

316 On the Park and Terrace II is comprised of two properties that will be combined into a new 4% tax credit deal. Renovations will be done to both properties. Park Terrace II will require moderate rehab and 316 On the Park will require a more substantial gut renovation and reconfiguration. The rehabilitation activities will help address a source of blight and crime in the neighborhood. The development is within ½ mile of Parkville CTfastrak as well as other major bus lines. There will be 7 one bedroom, 40 two bedroom, 39 three bedroom, and 3 four bedroom units

Units	89
Housing Type	Family
Affordability	5 units affordable to households up to 25% AMI, 44 units affordable to households up to 50% AMI, 40 units affordable to households up to 60% AMI
Financing	\$5.6m - DOH CHAMP Funds, \$5m - 4% LIHTC proceeds, \$2.1m - Federal Historic Credit proceeds, \$1.8m - State Historic Credit proceeds, \$1m - Developer's Equity, \$24k Energy Rebates

Bristol Apartments requested SSHP funding to renovate the facility. The scope of work includes the exterior repointing of the brick facade; scrape repair and paint trim; repair cracked sidewalks; sand blast and repair wrought iron fence; replace all exterior entrance doors; all framing will be sandblasted and painted. Interior common work consists of re-pointing basement brick piers; repair damaged basements windows and hardware; all common hallways and ceilings will be repainted; and new VCT flooring will be installed. Interior work to the units will include painting the walls and ceilings; replacing kitchen cabinets; new sink and stoves; and new vanities, tubs and sinks in the bathrooms. Additional work will consist of new LED light fixtures on exterior façade and in all interior common areas and units. Smoke detectors will be removed and replaced, and a new intercom system will be installed. There are 15 studio units. This transaction was approved by State Bond Commission.

Units	15
Housing Type	Family
Affordability	15 units affordable to households up to 80% AMI
Financing	\$813k DOH SSHP Grant, \$776 Energy Rebate

Ward Affleck requested SSHP funding to renovate the facility. The scope of work includes exterior re-pointing of the brick facade; scrape repair and paint trim; repair cracked sidewalks; sand blast and repair wrought iron fence; replace all exterior entrance doors; and all framing will be sandblasted and painted. Interior common work consists of re-pointing basement brick piers; repair damaged basement windows and hardware; all common hallways and ceilings will be repainted; and new VCT flooring will be installed. Interior work to the units will include painting the walls and ceilings; new VCT flooring; kitchen cabinets replaced; new sinks and stoves; and new vanities, tubs and sinks will be installed in the bathrooms. Additional work will consist of new LED light fixtures on exterior facade and in all interior common areas and units. Smoke detectors will be removed and replaced and a new intercom system will be installed. There is 1 two bedroom, 10 three bedroom, and 3 four bedroom units. This transaction was approved by State Bond Commission.

Units	14
Housing Type	Family
Affordability	14 units affordable to households up to 80% AMI
Financing	\$1.2m - DOH SSHP Grant, \$725 Energy Rebate.

Westbrook Village II is the second of a multi-phase initiative to fully redevelop the existing SSHP development known as Westbrook Village. When all phases are completed, the renewed Westbrook Village will consist of over 440 units of mixed-income housing (inclusive of rental and homeownership opportunities), as well as approximately 80,000 to 100,000 gross square feet of mixed-use retail, commercial and residential development at the southern end of the site adjacent to Albany Avenue. Upon completion, amenities for the new Westbrook Village will include community space and a playground. Several bus stops will serve the development, and Union Station in downtown Hartford can be directly accessed from the site. The City of Hartford has approved a property tax abatement. There will be 29 one bedroom, 24 two bedroom and 7 three bedroom units.

Units	60
Housing Type	Family/Supportive Housing
Affordability	12 units affordable to households up to 25% AMI, 24 units affordable to households up to 50%, 9 units affordable to households up to 60% AMI and 15 units affordable to households up to 120% or greater. 12 of 60 units will be Supportive Housing. 12 units will receive project-based subsidies.
Financing	\$5.5m DOH Affordable Housing Program-FLEX, \$12.6m - 9% LIHTC proceeds, \$429k Deferred Developer Fee, \$5k - FHLB Boston AHP Grant, \$1.3m - Boston Private-Series A, \$1.6m - Boston Private-Series B

Litchfield:

Tannery Brook Cooperative development work involves capital improvements to the existing project to ensure feasible and efficient operation over the next 15 years and longer. The updated Comprehensive Needs Assessment provides the basis for this initial work to be done. Work includes: replacing exterior siding; new roof; replacing kitchen cabinets, sinks and faucets; replacing existing electric resistance heat with high-efficiency heat pumps; replacing existing site lighting with high efficiency LED lighting fixtures, installing new smoke and CO detectors and GFIs and limited painting associated with other work. There are 2 one bedrooms, 11 two bedroom and 3 three bedroom units. This transaction was approved by State Bond Commission.

<i>Units</i>	16
<i>Housing Type</i>	Family
<i>Affordability</i>	16 units affordable to households up to 80% AMI
<i>Financing</i>	\$931k - DOH SSHP Grant, \$33k Energy Rebate, \$54K Reserves, \$106k - DOH Pre-Dev Loan

Naugatuck:

Robert E. Hutt Congregate scope of work includes repaving parking areas, install new roofing, window replacement, replacement of some worn/damaged common area flooring, fire alarm system upgrade, boiler replacement, new heat in halls, repair ceilings, solar, and commercial kitchen upgrades. The systems being replaced were identified as being original to the building. These items are past/or near the end of their useful life. There are 36 studio units. This transaction was approved by State Bond Commission.

<i>Units</i>	36
<i>Housing Type</i>	Elderly
<i>Affordability</i>	36 units affordable to households up to 60% AMI
<i>Financing</i>	\$1.2m - DOH Housing Trust Fund, \$1m DOH SSHP Grant, \$43k Energy Rebate, \$20k Reserves, \$150k LIME Loan

New Haven:

Farnam Court Phase II is part of a multi-phase redevelopment plan which involves the development of mixed income housing (on and off- site), retail commercial space, new roads, and utility infrastructure. The subject of this application includes the demolition of the remaining 92 apartments and the development of 52 affordable and 14 market-rate apartments. There are 66 remaining families in the apartments that are scheduled to be demolished, all of whom will have the right to return to the completed development. There will be 32 two bedroom, 28 three bedroom and 6 four bedroom units

Units	66
Housing Type	Family/Supportive Housing
Affordability	16 units affordable to households up to 25% AMI, 30 units affordable to households up to 50% AMI, 6 units affordable to households up to 60%, 14 units affordable to households up to 120% AMI and greater. 14 of 66 units will be Supportive Housing. 52 units will receive project-based subsidies.
Financing	\$4.8m - DOH Affordable Housing Program-FLEX, \$2m - City of New Haven Public Funds, \$14.4m - 9% LIHTC Proceeds, \$1.5m - DECD Brownfields, \$2m - MTW Public Funds, \$9.6m - Hunt FHA

Housing Authority of New Haven (HANH) RAD Group II is three separate family communities; Waverly Townhomes (51 units), Fulton Park (12 units), and Stanley Justice (7 units), are combined for this development. The properties are public housing that are being converted to project-based subsidy housing under the Rental Assistance Demonstration (RAD) program. Renovation work includes improvements to the interiors, exterior envelope and mechanical systems. There are 21 two bedroom, 39 three bedroom and 10 four bedroom units.

Units	70*
Housing Type	Family
Affordability	67 units affordable to households up to 50% AMI, 3 units affordable to households up to 60% AMI. All 70 units will receive project-based subsidies.
Financing	\$7m - 4% LIHTC proceeds, \$405k Deferred Developer Fee, \$7m- CHFA Taxable Bond Funds, \$7.2m - Developer Loan, \$4m - MTW Funds

HANH RAD Group III consists of two supportive housing developments, Charles T. McQueeny and Winslow Celetano Apartments. The scope of work will include: environmental remediation, roof replacement, interior improvements, new kitchen appliances, kitchen and bathroom upgrades, elevator upgrades/or replacement, doors and window replacements, upgrades to stairs and handrails, drywall and flooring repairs and/or replacement, interior painting, new heat/AC units, new boiler, electrical upgrades, a new emergency generator and site improvements. Energy improvements to replace aging equipment and increase energy efficiency are an important part of the rehab scopes. There are 159 studio and 54 one bedroom units.

Units	213
Housing Type	Elderly/Supportive Housing
Affordability	53 units affordable to households up to 25% AMI, 106 units affordable to households up to 50% AMI, 54 units affordable to households up to 60% AMI. 23 of 213 units will be Supportive Housing. All 213 units will receive project-based subsidies.
Financing	\$4.7m - State DOH Special Round: High Opportunity Area Housing Program, \$13m - 4% LIHTC Proceeds, \$17m - Sponsor Loan, \$13.7m - Private 1 st Mortgage, \$1.6m - CHFA TEB

Hill to Downtown is the adaptive reuse of a vacant former school building into 30 affordable apartments. Amenities include a community room, library and meeting rooms. The development is part of the Hill-to-Downtown Planning Initiative and has strong support from the City of New Haven. The development is located within a half mile of Union Station and within a quarter mile of all-day bus service. It is within walking distance of Yale-New Haven Hospital, Yale Nursing School and various other commercial and retail establishments

Units	30
Housing Type	Family
Affordability	2 units affordable to households up to 25% AMI, 6 units affordable to households up to 50% AMI, 22 units affordable to households up to 60%.
Financing	\$2.7m- DOH CHAMP Funds, \$2.6m - 4% LIHTC Proceeds, \$618k - Developer/Investor Cash Equity, \$71k - Deferred Developer Fee, \$500k - City of New Haven, \$65k - Energy Rebates, \$1m - CHFA TEB Funds

Ninth Square is a mixed-income, mixed-use community. It consists of multiple buildings spread across multiple city blocks, approximately 50,000 SF of commercial space that contains more than 20 retail tenants, and a structured parking garage. The property is located in a neighborhood with easy access to many retail establishments, entertainment venues and restaurants, and it is within walking distance of the State Street train station. The transaction will include renovations to the property including replacement of windows, roofs, and boilers, brickwork, and upgrades to the fire safety system, lighting, common areas, and elevators. There are 26 studio, 149 one bedroom and 160 two bedroom units.

Units	335*
Housing Type	Family
Affordability	189 units affordable to households up to 60% AMI, 146 units affordable to households up to 120% and greater
Financing	\$12.1m - 4% LIHTC Proceeds, \$1.5m Deferred Developer Fee, \$4.9m - NOI during Construction, \$80K - Chatterton, \$46.1m - CHFA TEB, \$2m - Developer Loan, \$1.9m - Blue Hub

Valley Townhouses received a RAD award from HUD to fund the redevelopment which includes the proposed demolition and new construction of 32 affordable and 8 market-rate apartments. HANH will replace the 8 affordable apartments at other public housing properties owned by it. Under RAD, no existing tenant can be permanently displaced, and each existing resident will have a right to return. There are a total of 35 existing households and five vacant apartments. It is anticipated that the five existing vacant apartments will be converted to market rate apartments. Furthermore, as apartments become vacant during the construction period, three more apartments may be converted to market rate, thus no existing tenants may be impacted by the redevelopment.

Units	40
Housing Type	Family/Supportive Housing
Affordability	19 units affordable to households up to 25% AMI, 13 units affordable to households up to 50% AMI, 6 units affordable to households up to 60%, 8 units affordable to households up to 120% AMI and greater. 8 of 40 units will be Supportive Housing. 32 units will receive project-based subsidies.
Financing	\$4.9m - State Loan, \$8.9m - 9% LIHTC Proceeds, \$251k - Deferred Developer Fee, \$3.4m - Private Mortgage-Citi, \$3.1m - HANH CFP/MTW Funds

Norwalk:

Washington Village Phase 3 (9%) is new construction on land currently improved with the existing Washington Village public housing project. Washington Village Phase Three - 9% represents the demolition of 32 units and construction of one new building containing 50 units. This is structured as a hybrid transaction; the second building and the balance of the units will be constructed using 4% LIHTCs and Tax-Exempt Bond financing. There will be 2 one bedroom, 39 two bedroom and 9 three bedroom units.

Units	50
Housing Type	Family/Supportive Housing
Affordability	12 units affordable to households up to 25% AMI, 11 units affordable to households up to 50% AMI, 14 units affordable to households up to 60% AMI, 13 units affordable to households up to 120% AMI or greater. 10 of 50 units will be Supportive Housing. 23 units will receive project-based subsidies.
Financing	\$21m – 9% LIHTC Proceeds, \$877k – CNI Funds, \$7.3m – TD Bank, \$717k – Deferred Developer Fee

Washington Village Phase 3 (4%) is new construction on land currently improved with the existing Washington Village public housing project. Washington Village Phase Three - 4% represents the demolition of 23 units and construction of one new building containing 58 units. This is being structured as a hybrid transaction; the second building and the balance of the units will be constructed using 9% LIHTCs and conventional mortgage financing from TD Bank. There will be 36 one bedroom, 12 two bedroom and 10 three bedroom units.

Units	58
Housing Type	Family/Supportive Housing
Affordability	15 units affordable to households up to 25% AMI, 16 units affordable to households up to 50% AMI, 12 units affordable to households up to 60% AMI, 5 units affordable to households up to 80% AMI, 10 units affordable to households up to 120% AMI or greater. 12 of 58 units will be Supportive Housing. 14 units will receive project-based subsidies.
Financing	\$11.3 m – 4% LIHTC Proceeds, \$1m – Deferred Developer Fee, \$6.9m – CHFA TEB Funds, \$5.8m – DOH Affordable Housing Program-FLEX, \$650k – NRA Funds, \$9.1m – CNI Funds

St. Pauls Flax Hill Cooperative's proposed redevelopment plan will modernize and improve the energy efficiency of the units with building envelop improvements including new siding (with insulation and air sealing), windows, doors, and roofing. Interior renovations will include upgrades to kitchens, baths, flooring, and heating systems. Parking area and drainage improvements are also planned as well as the reconstruction of the on-site recreation area. There are 18 one bedroom, 43 two bedroom, 20 three bedroom and 5 four bedroom units.

Units	86
Housing Type	Family
Affordability	5 units affordable to households up to 25% AMI, 13 units affordable to households up to 50% AMI, 56 units affordable to households up to 80% AMI, 12 units affordable to households up to 120% AMI or greater
Financing	\$3m - DOH CHAMP Funds, \$471k Reserves, \$126k Energy Rebate, \$5.3m - CHFA Taxable Bonds

Norwich:

Harry Schwartz Manor requested SSHP funds for the moderate rehabilitation of the existing elderly housing development. Site work will include in kind replacement of walks, drying yards, drainage and removal of trash corrals. Building envelope renovation includes gutters and downspouts, encapsulate asbestos panels with vinyl and wrap trims, masonry repairs and repointing. Building systems work includes ductless splits, electrical improvements, hot water heaters, etc.; living space improvements are kitchen and bath upgrades. The Community Building improvements include accessibility upgrades, HAZMAT and system improvements. Five units will be made ADA compliant. There are 24 studio and 24 one bedroom units. This transaction was approved by State Bond Commission.

Units	48
Housing Type	Elderly
Affordability	14 units affordable to households up to 50% AMI, 14 units affordable to households up to 60% AMI, 20 units affordable to households up to 80% AMI
Financing	\$499k - DOH Housing Trust Fund, \$196k - DOH Pre-Dev Grant , \$1.6 DOH SSHP Grant, \$13k - Energy Rebate, \$200k Reserves,

Shelton:

River Breeze Commons is the third phase of the Shelton Riverfront Development Project. This phase consists of the construction of 68 new mixed-income housing units. The proposed development, when completed, will have 105 on-site parking spaces and will feature energy efficient heating and cooling systems. All lighting will be LED, and appliances will be Energy Star qualified. Amenities include storage rooms, an exercise room, a meeting room and an office for an on-site resident services coordinator. The Supportive Housing Service Plan will be administered by Operation Hope of Fairfield, Inc. There will be 22 one bedroom and 46 two bedroom units.

Units	68
Housing Type	Family/Supportive Housing
Affordability	17 units affordable to households up to 25% AMI, 28 units affordable to households up to 50% AMI, 9 units affordable to households up to 60% AMI, 14 units affordable to households up to 100% AMI. 14 of 68 units will be Supportive Housing.
Financing	\$5.8m - DOH Affordable Housing Program-FLEX, \$180k - Energy Rebates, \$10.8m - 9% LIHTC Proceeds, \$134k - Developer/Investor Cash Equity, \$738k - Deferred Developer Fee, \$205k - Other (City of Shelton), \$100k - Other (NeighborWorks America).

South Windsor:

Wapping Mews is a 2018 DOH SSHP Funding recipient. The project consists of repairs to the building's exterior envelope, mechanical and plumbing systems, exterior site work, including parking lot. There are 24 studio and 6 one bedroom units. This transaction was approved by State Bond Commission.

Units	30
Housing Type	Elderly
Affordability	30 units affordable to households up to 25% AMI
Financing	\$800k - DOH/HUD CDBG Small Cities Funds, \$276k DOH Pre-Dev Grant, \$2 m - DOH SSHP Grant, \$34k - Energy Rebate

Stamford:

Lawnhill Terrace is the third phase of a planned multi-phase rehabilitation of the 204 unit Lawnhill Terrace housing development. Extensive renovation and site improvements will be implemented in the third phase of the rehabilitation which will include much needed infrastructure and energy efficiency improvements. There will be 28 two bedroom and 24 three bedroom units. This transaction was approved by State Bond Commission.

Units	52
Housing Type	Family
Affordability	8 units affordable to households up to 25% AMI, 16 units affordable to households up to 50% AMI, 28 units to households up to 60% AMI. 8 units will receive project-based subsidies.
Financing	\$109k - Energy Rebate, \$830k - Reserves, \$8.1m - 4% LIHTC Proceeds, \$434k State HTCC Proceeds, \$781k - Deferred Developer Fee, \$100 - Sponsor Loan, \$485k - Accrued Interest, \$4.7m - DOH SSHP Loan, \$5.4m - Seller Financing, \$500k - HACCS City Loan, \$1.4m - Fee-In-Lieu Loan, \$2.3m JPMC First Mortgage

West Hartford:

The Faxon (formerly known as The Elms) represents the acquisition, rehabilitation and reconfiguration of an existing 72-unit market apartment building in the Elmwood section of West Hartford. This application seeks to do the following: 1) Prevent displacement of existing households by locking in affordability; 2) Modernize all units and common areas for the first time in 50 years; 3) Increase accessibility; and 4) Provide long-term resident-oriented management. A key element of The Elms is the conversion of smaller units to create more 2-bedroom family units. This will result in a reduction of total units from 72 to 67. There will be 32 one bedroom and 35 two bedroom units.

Units	67
Housing Type	Family/Supportive Housing
Affordability	17 units affordable to households up to 25% AMI, 27 units affordable to households up to 50% AMI, 9 units to households up to 60% AMI, 14 units affordable to households up to 120% or greater. 14 of 67 units will be Supportive Housing. 17 units will receive project-based subsidies.
Financing	\$4.4m - DOH Affordable Housing Program-FLEX, \$132k - Energy Rebate, \$8.6m - 9% LIHTC Proceeds, \$4.2m - CHFA First Mortgage

Brace Dale Cooperative is a residential development for families that is comprised of one building. One first floor unit is designated as handicap accessible. The property is located in a mixed residential and commercial neighborhood in West Hartford. Original construction of the property dates to the early 1990s. The development is in need of many capital repairs such as parking re-pavement, walkway replacements, repairs and painting to the wood siding, upgrades to the heating and hot water equipment and other repairs, to preserve the ongoing future success of this affordable housing. Based on the projections in the Comprehensive Needs Assessment, the development is seen as requiring an adjustment to current replacement reserve funding and an infusion of additional capital. There are 2 two bedroom and 2 three bedroom units. This transaction was approved by State Bond Commission.

<i>Units</i>	4
<i>Housing Type</i>	Family
<i>Affordability</i>	4 units affordable to households up to 80% AMI
<i>Financing</i>	\$534k - DOH SSHP Grant, \$1k - Energy Rebate, \$79k - DOH Pre-Dev Loan

Supporting Special Needs Housing

Supportive housing creates permanent, affordable service-supported housing opportunities for very-low income homeless individuals and families with severe and prolonged mental illness and/or chronic chemical dependency, and those who are homeless or at risk of becoming homeless, particularly those experiencing repeated or persistent homelessness.

In 2019, eleven affordable housing developments approved for financing by CHFA's Board of Directors included 140 units of Permanent Supportive Housing (PSH) in their unit mix.

Development	Town	4% or 9% Program	PSH Units	Total Units	PSH Units as % of Total Units
Windward Apartments	Bridgeport	9%	12	54	22%
Rocky Neck Village	East Lyme	9%	6	56	11%
Oak Tree Village	Griswold	9%	15	72	21%
Westbrook Village II	Hartford	9%	12	60	20%
Farnam Court Phase II	New Haven	9%	14	66	21%
Valley Town Houses	New Haven	9%	8	40	20%
Washington Village Phase III	Norwalk	9%	10	50	20%
River Breeze Commons	Shelton	9%	14	68	21%
The Faxon (fka The Elms)	West Hartford	9%	14	67	21%
Washington Village Phase III	Norwalk	4%	12	58	21%
HANH RAD Group III	New Haven	4%	23	213	11%
TOTALS			140	804	17%

Note: Supportive housing to be provided for adults and families as well as veterans and persons experiencing chronic homelessness. Production represents:

- 105 units or approximately 20% of the total 9% LIHTC production
- 35 units or approximately 13% of the total 4% LIHTC production

Interagency Council for Supportive Housing and Homelessness (ICSHH)

Since 1993, the State of Connecticut has been active in implementing supportive housing through a unique collaboration of public and private organizations that today includes the Office of Policy and Management (OPM), CHFA, and the State of Connecticut Departments of Children and Families (DCF), Correction (DOC), Developmental Services (DDS), Housing (DOH), Mental Health and Addiction Services (DMHAS), Social Services (DSS), Veterans Affairs (DVA), the Judicial Branch Court Support Services Division (CSSD) and the Corporation for Supportive Housing (CSH) through the Interagency Council for Supportive Housing & Homelessness (ICSHH).

The ICSHH meets regularly to address the needs and priorities of the State related to ending homelessness. In 2019, the ICSHH continued to work towards ending chronic homelessness amongst all individuals and families. ICSHH additionally addresses the needs of young adults and families as well as individuals re-entering communities, including persons with serious mental health needs and/or substance abuse disorders who are community-supervised offenders, those who are living in shelters or those who are unsheltered homeless.

There were no developments funded through the ICSHH in 2019. ICSHH member agencies continue to work together to secure and implement federal funding for supportive housing opportunities and in 2019 utilized grants from the U.S. Department of Housing and Urban Development (HUD) through its Section 811 program and its Housing Choice Voucher program; and the U.S. Department of Health and Human Services through its Community Mental Health Services and Substance Abuse Prevention and Treatment Block Grant program. These funds enabled the expansion of supportive housing throughout the state by providing critical service supports and rental subsidies necessary to integrate supportive housing in existing developments.

CHFA, as the State's housing finance authority and tax credit allocating agency, is an important partner in funding efforts that provide supportive housing units.

Administration of Tax Credit Programs

State Housing Tax Credit Contributions (HTCC) Program – 2018-2019

CHFA issues tax credit vouchers to business firms making cash contributions to qualified non-profits that develop affordable housing. The total amount available under the HTCC program is \$10 million annually, with a \$2 million set-aside for supportive housing, and a \$1 million set-aside for workforce housing. CHFA allocated the HTCCs in 2019 to non-profit organizations and their programs listed below, which will result in the development of at least 596 affordable homes and apartments.

Project Name	Town	Units	Contribution Received	Set Aside
Live Where You Work Program	Statewide	N/A*	\$500,000	W
Shepherd Home	Middletown	32	\$134,084	S
699 Main Street	Willimantic	20	\$500,000	S
WYSH House	Meriden	12	\$500,000	S
Parkview Supportive Housing	Norwalk	36	\$500,000	S
13 Friendship Street	New London	6	\$365,916	S
Clintonville Commons	North Haven	8	\$460,000	G
Affordable Homeownership Development	New Haven	10	\$500,000	G
73 Belden Street	New London	3	\$400,000	G
Stern Village Apartments	Trumbull	186	\$500,000	G
Hartford Habitat Homeownership	Hartford	6	\$499,557	G

W=Workforce Housing S=Supportive Housing G=General Housing

Chart continues on next page

* Funding is leveraged with other funds from the non-profit, and is for homeownership loans, so apartment unit count is not applicable.

HTCCs (continued)

New Haven Habitat Homes	New Haven	5	\$350,969	G
Hevrin Terrace	Willimantic	90	\$500,000	G
Habitat Affordable Homeownership	Bridgeport	8	\$320,000	G
Evergreen, Pine and Gridley Homeownership	Bristol	5	\$500,000	G
Norwich Multi-Family Rehabilitation	Norwich	37	\$500,000	G
23 Franklin Street Homeownership Development	New London	1	\$290,695	G
Capital for Change Loan Pool	Statewide	N/A*	\$500,000	G
Helen DeVaux Apartments	Shelton	40	\$414,555	G
Union School Apartments	East Haven	18	\$497,750	G
Edythe K. Richmond Homes	Pawcatuck	60	\$475,000	G
St. Stephen's Townhouses	Branford	7	\$279,500	G
Hartford Community Loan Fund	Statewide	N/A*	\$11,974	G
Total		596	\$10,000,000	

W=Workforce Housing S=Supportive Housing G=General Housing

* Funding is leveraged with other funds from the non-profit, and is for homeownership loans, so apartment unit count is not applicable.

Federal 9% Low-Income Housing Tax Credit (LIHTC) Program – 2019

Debt financing for the development of multifamily housing, such as mortgage loans, must be supplemented or augmented to balance the development budget and achieve development feasibility, while servicing low-income households. LIHTCs are a critical source of equity for developers, and they continue to be highly sought after in a time when subsidy dollars are limited.

The 9% LIHTC program is highly competitive. In 2019, 18 applicants requested credits totaling more than \$24 million to fund 1,032 units of housing, while the amount of credits available was approximately \$10 million. The 2019 project allocations are listed below. The total equity for the \$10 million in credits is estimated to be \$97,614,023.

Federal 9% Low Income Housing Tax Credit Awards

City/Town	Project Name	Type of Housing	Qualified Units	Total Units	2019 Credit Allocations
Norwalk	Washington Village Phase III	Family/Supportive	37	50	\$2,182,796
New Haven	Farnam Court Phase II	Family/Supportive	52	66	\$1,557,420
Hartford	Westbrook Village II	Family/Supportive	45	60	\$1,259,874
East Lyme	Rocky Neck Village	Family/Supportive	50	56	\$1,220,095*
West Hartford	The Faxon (fka The Elms)	Family/Supportive	53	67	\$959,207
Griswold	Oak Tree Village	Family/Supportive	57	72	\$1,698,914
Shelton	River Breeze Commons	Family/Supportive	54	68	\$1,126,989
			348	439	\$10,005,295

*Project's full award was \$1,496,082 with a portion to be allocated from the 2020 credit ceiling

Property Management

Staff oversee the State-Sponsored Housing Portfolio and the CHFA Private Portfolio

State-Sponsored Housing Portfolio (SSHP) Activity – 11,394 units

In 2012, the past administration announced a \$300 million plan to fund improvements and revitalize the State's public housing over 10 years. These funds are administered by CHFA on behalf of the DOH, with \$30 million being allocated each year.

To guide the allocation of funds to meet the most pressing needs across the 291 properties in the SSHP, CHFA commissioned the Capital Plan, which was completed in March 2014. The Capital Plan, which made funding, policy and regulatory recommendations, was the road map for deployment of the \$300 million as well as \$1.5 million in Rental Assistance Payment (RAP) program subsidies.

CHFA and the DOH worked closely on the implementation of the Capital Plan. Through an annual capital-funding round, set-asides were made for the 9% LIHTC Round, the CHAMP Round, Critical Needs funding and pre-development loan funding. Staff from both organizations work together evaluating, rating and ranking applications, administering funds during construction and monitoring servicing, depending on financing.

Although there was no SSHP funding round in 2019, staff from CHFA and DOH continue to work on the closings and administration of funds from previously approved transactions.

SSHP Critical Need Capital funding continues

During the 2019 calendar year covered by this report, 10 properties, with a total of 350 units received allocations for critical needs.

Critical Needs				
Property Name	Town	Units	Award	TDC
Affleck Apartments	Hartford	8	\$410,083.00	\$410,083.00
Bacon Congregate	Hartford	23	\$149,412.00	\$153,389.00
Bristol Apartments	Hartford	15	\$441,323.00	\$441,323.00
Faith Manor	Hartford	40	\$110,492.00	\$110,492.00
George Washington Carver	New London	130	\$ 83,833.28	\$105,662.32
Gordon Court	New London	38	\$ 19,145.00	\$19,145.00
Harrington Place Cooperative	Hartford	18	\$181,466.83	\$181,466.83
Harrington Place Cooperative	Hartford	*	\$448,537.94	\$448,537.94
Mount Carmel Congregate	Hamden	30	\$238,671.00	\$239,275.00
Parkside Manor	North Haven	40	\$311,975.00	\$311,975.00
Pine Grove Manor, Inc.	Enfield	8	\$ 92,278.00	\$96,444.00
Subtotal		350	\$2,487,217.05	\$2,517,793.09
*Units previously accounted for.				

Partnerships and Impact of Technical Assistance Outreach

CHFA and DOH collaborate to support the deployment of technical assistance resources to assist the properties in the SSHP.

- *Technical Assistance to Owners for Redevelopment + Technical Assistance to Limited Equity Coops for Redevelopment*

DOH deployed two firms (Housing Development Team, LLC/Housing Coalition) to provide owners with technical assistance targeted toward building capacity and assisting in building a development team to prepare for funding applications. The contracts for these firms expired during 2019 and have not been renewed at this time.

2019 Multifamily Funding Initiatives applicable to the SSHP

- *9% Low-Income Housing Tax Credits (LIHTCs)*
A few SSHP developments applied for an allocation of 9% LIHTCs in a funding round to be awarded in spring 2020. This is a very competitive funding resource, and SSHP applications requesting both LIHTCs and DOH capital funding will be scored in accordance with the Qualified Allocation Plan.
- *Critical Needs Funding - Rolling Basis*
SSHP developments may apply for certain capital needs noted in their Capital Plan as Critical Needs.
- *Pre-development Funding - Rolling Basis*
DOH funding is available for pre-development activities such as environmental testing, architectural design, development consultant costs and feasibility costs.

CHFA Portfolio Activity – 25,317 units

CHFA Portfolio properties are financed with a combination of CHFA funds, Federal 9% and 4% LIHTCs, State and Federal Historic Tax Credits, State Housing Tax Credit Contributions (HTCCs) and private and/or public bond funds.

- CHFA continued its ongoing portfolio management oversight, which included performance management of its portfolio of 321 developments and 25,317 apartments, which includes a Real Estate Owned (REO) property held by a subsidiary of CHFA.
- CHFA acts as the HUD Contract Administrator for 59 project-based Section 8 developments, including the review and approval of \$64 million in subsidy payments for 5,271 apartments. CHFA also subcontracts the oversight of 236 Section 8 apartments for Housing Authorities.
- CHFA works with an outside contractor to monitor Federal LIHTC compliance of approximately 24,000 units at 300 properties.

REO Property

- Eno Farms, Simsbury: The property is held by CHFA Small Properties, Inc.

Community Development

Strengthening Communities through Housing & Community Development Special Programs

CHFA is committed to strengthening neighborhoods by helping to integrate housing within community development efforts. During 2019, CHFA continued to collaborate and provide direct program investments with others active in this field.

- “Rural/Suburban Program” (Housing Connections Program of Connecticut) – The Local Initiatives Support Corporation administers the Housing Connections of Connecticut on behalf of CHFA. This program provides technical assistance to smaller towns that are interested in learning about or developing affordable housing. The program has led to the development and redevelopment of 585 affordable homes, representing \$111 million of development activity. Additionally, the program is providing technical assistance to 24 projects with the potential of an additional 570 housing units.
- Transit-Oriented Development Capital Fund – CHFA along with the Department of Economic and Community Development invested in the creation of a \$15 million private capital fund managed by the Local Initiatives Support Corporation (LISC). This fund prioritizes the development of a mix of uses including new housing, retail, and commercial office space near transit hubs to encourage the use of mass transit, reduce the reliance on driving, and to foster denser, livable, walkable communities. As of the end of 2019, LISC has closed six loans for a total of \$8.7 million.
- Community Development Financial Institutions – CHFA partners with and invests in Community Development Financial Institutions (CDFIs) to provide technical assistance and financing to non-profit and for-profit developers, provide financing associated with community development, and assist in the coordination of comprehensive community development throughout Connecticut. These developments are generally smaller in scale, tend to not fit CHFA’s multifamily development funding process, or are not able to leverage Low Income Housing Tax Credits effectively. CHFA partners with CDFIs as an alternative method to provide funds to this market segment. CHFA currently has partnerships with the LISC, Capital for Change (C4C), the Hartford Community Loan Fund, and the Housing Development Fund (HDF). The funds invested in CDFIs between 1999 and 2019 have resulted in 149 completed transactions financing over 2,789 housing units. The Authority’s cost per unit on these transactions was approximately \$12,631.
- CHFA’s Small Multifamily CDFI Loan Pool Program makes available \$12 million of low-cost capital provided by both CHFA and the Office of Policy and Management for the redevelopment or rehabilitation of vacant or blighted small multifamily/mixed use rental properties with 3 to 20 units. Financing has been allocated specifically to support responsible growth policies and transit-oriented development. The Hartford Community Loan Fund, HDF, and C4C are participants in the program. Since its inception in 2014, participating CDFIs have utilized \$7.2 million to finance the rehabilitation of 50 properties resulting in 198 affordable rental units.

Financial Statement 2019

CHFA is a self-funded quasi-public agency, which uses its resources to provide below market interest rate mortgages for single-family homeownership and multifamily rental property. Federal Tax-Exempt bonds are the primary source of mortgage capital for CHFA's housing programs. CHFA maintains a credit rating of AAA with S&P Global as well as an Aaa rating with Moody's Investor Service.

**** PRELIMINARY - UNAUDITED ****

CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES WITH COMPARISON TO BUDGET
TWELVE MONTHS ENDED DECEMBER 31, 2019
(in 000's)

	<u>2019 Budget Projection</u>	<u>YTD December 2019 Preliminary</u>	<u>Variance to 2019 Budget</u>
Operating Revenues			
Interest on mortgage loans	141,310	140,974	(336)
Interest on investments	77,667	76,412	(1,255)
Fees and other income	8,530	15,489	6,959
Total Operating Revenues	<u>227,507</u>	<u>232,875</u>	<u>5,368</u>
Operating Expenses			
Interest	161,430	153,414	(8,016)
Bond Issuance Costs	5,625	6,199	574
Servicer fees	10,400	9,617	(783)
Administrative	43,749	36,309	(7,440)
Provision for losses	5,000	(10,590)	(15,590)
Total Operating Expenses	<u>226,204</u>	<u>194,949</u>	<u>(31,255)</u>
Net Operating Income	<u>1,303</u>	<u>37,926</u>	<u>36,623</u>

Notes:

1) Does not include amounts received or expensed pursuant to CGS Sec 4-66aa (CIA), the National Foreclosure Mitigation Counseling Program (NFMC), Emergency Mortgage Assistance Program (EMAP), the Federal Comprehensive Counseling Grant, Zero-16 (End Homelessness Initiative), the Federal QECB Interest Subsidy and the State DAP 120AMI Grant.

2) The adjustment to record the fluctuation in the market value of investments is not included.

3) Does not include actuarial adjustments to pension and OPEB expense.