

MINUTES  
MORTGAGE COMMITTEE MEETING OF THE  
CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)  
March 30, 2017

Committee Members Present: Evonne Klein, CHFA Chairperson and Commissioner of the Department of Housing  
Heidi DeWyngaert, Vice Chairperson of CHFA by phone  
Kathleen Dorgan by phone (9:05 a.m.)  
Meghan Lowney by phone  
Anne Foley, Chairperson of Mortgage Committee, representing Benjamin Barnes, Secretary, State Office Policy and Management  
Richard Orr by phone  
Carla Weil

Committee Members Absent: Alicia Woodsby

Others Present: Dan Arsenault, Department of Housing

Staff Present: Karl Kilduff, Executive Director  
Jonathan Cabral, Manager 1, Planning, Research & Evaluation  
Michelle DeRosa, Underwriter III  
Norbert Deslauriers, Managing Director of Homeownership  
Peg Fitzgerald, Director, Government Relations  
Maura Hayden-Walker, Underwriter II  
Lisa Kidder, Director, Communications  
Lynn Koroser-Crane, Director, Multifamily Housing Asset Mgmt.  
Maura Martin, Legislative Program Officer  
Wendy Moores, Assistant Director, Multifamily  
Terry Nash, Manager 2, Multifamily  
Nancy O'Brien, Interim Deputy Managing Director for Multifamily Programs  
Victor Rush, Managing Director of Administration  
Diane Smith, Director, Planning, Research & Evaluation  
Joe Voccio, Assistant Director, Multifamily

Ms. Foley called the Mortgage Committee meeting of the Connecticut Housing Finance Authority to order at 9:00 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut.

Mr. Cabral discussed the Small Multifamily Community Development Financial Institution (CDFI) Loan Pool resolution. He noted staff is recommending an increase to the CDFI Loan Pool from \$5 million to not to exceed \$7 million for a five-year period utilizing Investment Trust Account Funds (ITA) as available. Mr. Cabral noted that CHFA initiated a \$5 million CDFI Loan Pool in 2014 to leverage its relationship with the CDFIs and to help finance smaller, investor owned rental properties not generally financed through CHFA financing products. Mr. Cabral continued that the program has disbursed over \$4.2 million and all funds will be exhausted by the end of 2017. He noted the three participating CDFI's: Capital for Change (formerly the Greater New Haven Loan Fund), the Hartford Community Loan Fund and the Housing Development Fund. Mr. Cabral stated that the terms, conditions and interest rate will be determined by the Executive Director.

Upon a motion made by Ms. Klein, seconded by Mr. Orr, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing increasing the Small Multifamily Community Development Financial Institution Loan Pool. Ms. Weil abstained.

Mr. Voccio reviewed the Spruce Ridge Meadows resolution. He reviewed the background of the development noting the borrower received CHAMP III funds in 2014 and LIHTCs in 2015 to complete Phase I of the project. Mr. Voccio reviewed financing terms noting the borrower is requesting mortgage financing in amount up to \$1,500,000 and an allocation of 9% Low-Income Housing Tax Credits (LIHTC) from the 2017 round in an amount up to \$56,000 if needed. Mr. Voccio noted that the developer is utilizing other funding sources which will preclude CHFA from taking a first priority lien position. Mr. Voccio noted that the sources and final loan amounts will be determined by CHFA's Executive Director. Mr. Voccio explained the strengths and challenges associated with the project.

Upon a motion made by Ms. Weil, seconded by Ms. Klein, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing financing and an allocation of 9% Low-Income Housing Tax Credits for Spruce Ridge Meadows, Pawcatuck, Connecticut.

Ms. Moores discussed the six-month moratorium request for Temple Street. Ms. Moores noted that Temple Street was constructed under the State's Six Pillars Program, consists of 78 apartments, two commercial spaces, furnished townhouses and a parking garage. Ms. Moores continued that financing for the development closed in 2007 as two loans totaling \$43 million. Ms. Moores explained that the project has underperformed from the onset and the borrower needs additional time in which to complete an analysis without the threat of foreclosure. Ms. Moores noted the moratorium period will commence on April 1, 2017 through September 1, 2017 and reviewed the terms of the moratorium. The committee discussed the proposal and agreed to grant the moratorium provided staff communicates to the borrower that this would be the last moratorium granted.

Adopted: April 27, 2017

Upon a motion made by Ms. Klein, seconded by Ms. Weil, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing a moratorium for Temple Street, Hartford, Connecticut.

Ms. Klein asked the Mortgage Committee members to consider the minutes from the February 23, 2017 meeting.

Upon a motion made by Ms. Klein, seconded by Ms. Weil, the Mortgage Committee members voted in favor of adopting the minutes from the February 23, 2017, meeting as presented. Ms. Foley and Mr. Orr abstained.

Ms. O'Brien reviewed the Upcoming Multifamily Activities report:

- Eighteen applications have been submitted for the 9% Low-Income Housing Tax Credit Round with recommendations for awards finalized for the April Board meeting.
- Ten CHAMP 10 applications are being reviewed, rate and ranked.
- Thirty-four HTCC applications requesting \$13.7 million are being reviewed, rated and ranked. Results will be announced in April.
- State Sponsored Housing Portfolio funding applications are due April 26, 2017.
- Ms. O'Brien summarized the overview sessions/workshops which have been held or are scheduled:

There being no further business to discuss, upon a motion made by Ms. Klein, seconded by Ms. Weil, the meeting was adjourned at 9:20 a .m.