

Minutes
Connecticut Housing Finance Authority
Board of Directors' Meeting No. 578
November 21, 2019

Directors Present: Seila Mosquera-Bruno, Chairperson of CHFA and Commissioner of the Department of Housing
Heidi DeWyngaert, Vice Chairperson of CHFA
Michael Cicchetti
Anne Foley, Chairperson of the Mortgage Committee, representing
Melissa McCaw, Secretary, State Office of Policy and Management
Kiley Gosselin
Timothy Hodges
Jorge Perez, State Banking Commissioner
Sarah Sanders, representing Shawn Wooden, State Treasurer (by Phone)
Jared Schmitt, Chairperson of the Finance/Audit Committee

Directors Absent: David Kooris, representing the Department of Economic & Community Development
Franklin Perry II
Lisa Tepper Bates
Carla Weil

Ms. Mosquera-Bruno called the meeting of the Connecticut Housing Finance Authority ("CHFA") to order at 9:48 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut. She asked for public comments, and there were none.

Ms. Mosquera-Bruno acknowledged and thanked Diane Smith for her service as Interim Executive Director of CHFA.

Ms. Nandini Natarajan, Chief Executive Officer-Executive Director, stated that she will be working on improving the meeting materials provided to the Committees and Board including the content and format of reports and presentations. She also reported that she will be contacting each Board member individually to gather information on priorities and needs.

Ms. Mosquera-Bruno reported that Ms. DeWyngaert has agreed to serve as Vice Chairperson of the Board for another year.

Upon a motion made by Mr. Schmitt, seconded by Mr. Hodges, the Board members voted unanimously in favor adopting the following resolution authorizing the election of a Vice-Chairperson of the Board:

**RESOLUTION REGARDING THE ELECTION OF
OF THE VICE-CHAIRPERSON OF THE BOARD OF DIRECTORS**

WHEREAS, in accordance with Chapter 134 of the Connecticut General Statutes, the Board of Directors of the Connecticut Housing Finance Authority desires to elect one of its appointed members as vice-chairperson.

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

The Board of Directors of the Connecticut Housing Finance Authority is hereby authorized to elect a vice-chairperson for the calendar year 2020.

Mr. Myskowski, Director, Investment and Debt Management, discussed the recommendation to commence necessary preparations for the 2020 Series A Bond issue for the single-family program.

Upon a motion made by Mr. Schmitt, seconded by Mr. Cicchetti, the Board members voted unanimously in favor of adopting the following resolution authorizing the commencement of necessary preparations for the 2020 Series A Bond Sale:

**RESOLUTION FOR THE COMMENCEMENT OF
NECESSARY PREPARATIONS FOR THE 2020 SERIES A
BOND SALE HOUSING MORTGAGE FINANCE PROGRAM**

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

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

1. The Chief Executive Officer – Executive Director of the Authority and staff are hereby authorized to continue the Authority's Housing Mortgage Finance Program by way of one or more bond sales.

2. The timing of such bond sales shall be determined in coordination with the State Treasurer's Office.

3. The bond sales shall be in an aggregate amount not to exceed \$150,000,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2020 Series A (the "Bonds"), which shall be issued in one or more series and subseries as federally taxable bonds and/or as federally tax-exempt bonds under the Internal Revenue Code of 1986, as amended (the "Code"), or other applicable federal tax law.

4. The Bonds shall be sold on a negotiated basis.
5. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to set the date or dates for receipt of the respective offers from the underwriter(s) or other purchaser(s) (the “Respective Purchasers”) to purchase the Bonds.
6. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to execute and cause to be delivered appropriate documentation, including without limitation one or more Preliminary Official Statements and Underwriting Commitments, to adopt the expectations, beliefs, assumptions and representations expressed and made on behalf of the Authority in the Official Statement(s) for the Bonds (the "Official Statement(s)") and to execute and deliver the Official Statement(s).
7. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized both (a) to receive the related offer presented by the Respective Purchasers and (b) to make a formal award of the related portion of the Bonds to the Respective Purchasers and execute one or more Contracts of Purchase, provided the Chief Executive Officer – Executive Director and/or the Chief Financial Officer may make such award only if the net interest cost on the tax-exempt portion or related portion of the Bonds does not exceed the Bond Buyer Revenue Bond Index published most recently prior to the award by more than 50 basis points.
8. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer and staff of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meet the requirements of the General Bond Resolution and are satisfactory to the Chief Executive Officer – Executive Director and/or the Chief Financial Officer in conjunction with the 2020 Series A bond sale (collectively, the “Swap”). The Chief Executive Officer – Executive Director and/or Chief Financial Officer is hereby authorized to approve, execute and deliver all documents necessary to consummate the Swap, in the best interest of the Authority, as determined by the Chief Executive Officer – Executive Director and/or the Chief Financial Officer. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to make such changes, additions, deletions, modifications and amendments to the Swap and other related documents as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to interest rate swap agreements previously executed by the Authority and intended to be allocated to the Bonds, in each case as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization.
9. The Authority hereby adopts the Series Resolution Authorizing the issuance of not more than \$150,000,000 Housing Mortgage Finance Program Bonds, 2020 Series A (the “Series Resolution”) and hereby authorizes all necessary transfers from the Capital Reserve Fund in accordance with Section 513(8) of the General Bond Resolution on December 1 to the Section 506 account for the purpose of redeeming bonds and the Chief Executive Officer –

Executive Director and/or the Chief Financial Officer is hereby authorized to take whatever other action is necessary to carry out such sale including, without limitation, determining the amount of fixed rate, variable or convertible option bonds and to make such changes, additions, deletions, modifications and amendments to the Series Resolution as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization contemplated at this meeting.

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

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

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

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

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

15. The Authority may make or finance, on an interim basis, certain mortgage loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority in the maximum amount of \$150,000,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Section 1.150- 2(d)(1) of the Treasury Regulations.

16. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to issue a certification as to the Authority's reasonable expectations regarding the amount and use of the Proceeds as described in Section 1.148-

2(b)(2) of the Treasury regulations relating to Section 148 of the Code on the date such certificate is issued.

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

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

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

Citigroup Global Markets Inc.

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

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

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

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

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

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

23. The book running senior manager, the co-senior bond underwriters and the co-managing underwriters designated by the Authority for participation in the Authority's bond issues are hereby required prior to participation in the 2020 Series A Bond issue to provide an update to the Statutory provisions, affidavits and certifications, charitable contributions in the State of Connecticut, investigations, administrative or other legal proceedings and/or settlements by or with governmental entities regulating the conduct of their business, submitted as part of their agreements with the Authority, to the Chief Financial Officer.

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

Mr. Taib, Chief Financial Officer, presented the Annual Budget and Plan of Operations for 2020 for consideration by the Board. He stated that an overview of the budget was provided at the October 31st meeting. No new comments or questions were received by staff and there were no changes to the proposed Operating Budget numbers as previously presented. Mr. Taib noted that Exhibit 5, “2020 Summary of Available Funding Sources and Lending Plan”, was updated to include an increase in the per capita rate from 2.75 to 2.81 and the subsequent impact of the increase on the allocation of 9 percent Low-Income Housing Tax Credits (LIHTCs).

Upon a motion made by Mr. Hodges, seconded by Mr. Perez, the Board members voted unanimously in favor of adopting the following resolution regarding the adoption of the Annual Budget and Plan of Operations for 2020:

**RESOLUTION REGARDING THE ADOPTION OF
THE ANNUAL BUDGET AND PLAN OF OPERATIONS FOR 2020**

WHEREAS, Section 709 of the General Housing Mortgage Finance Program Bond Resolution (the “Resolution”) requires the Connecticut Housing Finance Authority (the “Authority”) to adopt an Annual Budget and Plan of Operations covering its fiscal operations for the succeeding calendar year not later than December 1 and file the same with the Trustee appointed under the Resolution; and

WHEREAS, the Board of Directors of the Authority may at its discretion amend said budget from time to time in accordance with the Resolution.

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

The attached 2020 Annual Budget and Plan of Operations is hereby adopted.

Ms. Landau, Director, Multifamily presented the resolution regarding Tax Exempt Bond (TEB) financing for Hill-to-Downtown: 49 Prince Street, New Haven and indicated that the Mortgage Committee discussed the developer’s lack of experience utilizing the Low-Income Housing Tax Credit (LIHTC) program and that this was mitigated by the developer’s strong renovation experience, strong track record and inclusion of an experienced development consultant and property manager on the development team and noted that the project has strong local community support.

Ms. Foley noted that Mortgage Committee members expressed concern that the majority of projects up for consideration are concentrated in urban areas and stressed the need to include projects in opportunity areas.

Upon a motion made by Mr. Perez, seconded by Ms. Foley, the Board members voted unanimously in favor of adopting the following resolution regarding financing of Hill-To-Downton: 49 Prince Street, New Haven:

**RESOLUTION REGARDING FINANCING OF
HILL-TO-DOWNTOWN: 49 PRINCE STREET, NEW HAVEN, CONNECTICUT
CHFA DEVELOPMENT NO. 18 – 013M**

WHEREAS, RMS Companies, Inc. has applied to the Connecticut Housing Finance Authority (the “Authority”) for mortgage financing for the adaptive re-use construction of a 30 unit housing development, to be known as Hill-to-Downtown: 49 Prince Street, located in New Haven, Connecticut (the “Development”); and

WHEREAS, RMS Downtown South-Hill North Development Company, LLC, and/or a related entity otherwise acceptable to the Authority (the “Proposed Mortgagor”) is proceeding with its application in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide mortgage financing to the Proposed Mortgagor, as described in the attached Memorandum from Jennifer Landau, Director, Multifamily, dated November 21, 2019.

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 \$2,960,000 and a permanent loan in a principal amount of up to \$1,500,000, provided, however, the aggregate principal loan amount of the permanent and construction loan shall not exceed \$3,750,000. Both loans shall be secured by a first-priority fee simple mortgage. The construction loan shall accrue interest on amounts advanced at a rate not to exceed 4.87% per annum and shall be repaid monthly, in arrears, over a term of 24 months, after which all construction loan principal and interest shall be due in full. The permanent loan shall accrue interest on amounts advanced at a rate not to exceed 5.24% per annum and shall be repaid monthly in arrears, as follows: (i) interest only repayment for a period of 24 months, immediately followed by (ii) principal and interest repayment based upon an amortization schedule of 40 years over a period of 40 years, after which all outstanding permanent loan principal and interest shall be due. The Authority will fund this loan with Tax-Exempt Bond (TEB) proceeds, including the issuance of bonds as described in Attachment A attached hereto or from such other sources of funds, and upon such terms and conditions, as are deemed to be in the best interests of the Authority. 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 shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place;
- b. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment from the State of Connecticut Department of Housing for up to approximately \$2,751,000 in construction and/or permanent subordinated funding (and State Bond Commission approval for such funding, if necessary), with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a commitment for a comparable amount from other sources with terms and conditions satisfactory to the Authority;
- c. The Proposed Mortgagor's receipt of sufficient 4% Low-Income Housing Tax Credits in order to produce net syndication proceeds of approximately \$2,688,000, or that the Proposed Mortgagor produce at least that amount from other sources with terms and conditions acceptable to the Authority;
- d. The Proposed Mortgagor's receipt of sufficient annual energy rebates to produce proceeds of approximately \$65,600, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

e. The Proposed Mortgagor's receipt of approximately \$500,000 from the City of New Haven Livable City Initiative, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

f. The Authority's confirmation that the Proposed Mortgagor pledges to provide a firm commitment for and access to the amount of no less than \$619,000 of cash equity, or that the Proposed Mortgagor produce at least that amount from other sources and with terms and conditions satisfactory to the Authority;

g. The Authority's acceptance of the Proposed Mortgagor's receipt of a subordinate Deferred Developer Fee Loan in the amount of approximately \$71,000, or that the Proposed Mortgagor produce at least that amount from other sources and with terms and conditions acceptable to the Authority;

h. The Authority's confirmation of affordability restrictions on the Development for a period of 40 years, such that 2 units shall be set aside for households at or below 25% of area median income, 6 units shall be set aside for households at or below 50% of area median income, and 22 units shall be set aside for households at or below 60% of area median income;

i. The Authority's confirmation of the Proposed Mortgagor's receipt of commitments satisfactory to the Authority, such that the total of the Sources and Uses of funds for completion of the Development are in balance;

j. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications;

k. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, hazardous waste removal and disposal;

l. The Authority's acceptance and approval of the Development's proposed operating income and expenses;

m. The Authority's acceptance and approval of the Development's proposed property management organization and related documents;

n. The Authority's acceptance and approval of an independent "as-is" appraisal, and (if applicable), an independent "as-developed" appraisal, and a market acceptance analysis for the Development; and

o. Compliance by the Proposed Mortgagor with the Authority's Standard Closing Requirements, which materials are available online at http://www.chfa.org/assets/1/6/standard_closing_requirements.pdf?7577, the terms of which are incorporated herein by reference, provided, however, if there is any inconsistency between the provisions of this Resolution and the Standard Closing Requirements, 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 August 31, 2020 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.

(Hill-to-Downtown: 49 Prince Street, New Haven)

ATTACHMENT A

1. The Chief Executive Officer - Executive Director and/or Chief Financial Officer of the Authority (the "Executive Director") 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 \$4,125,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2019 Series G (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 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 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 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 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 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 Executive Director and/or Chief Financial Officer in conjunction with the 2019 Series G bond sale (collectively, the "Swap"). The 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 Executive Director and/or Chief Financial Officer. The 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 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 \$4,125,000 Housing Mortgage Finance Program Bonds, 2019 Series G (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 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 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 Executive Director of the Authority and/or his 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 Executive Director or another duly Authorized Officer of the Authority.

12. The 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 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 \$4,125,000 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 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 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 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 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 2019 Series G 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 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.

Mr. Voccio, Director, Multifamily, presented the amended resolution for financing of Cherry Street Lofts, Phase I, Bridgeport. He explained that this is an interim measure that will allow the borrower's time to secure additional funding sources to complete the project. In response to questioning, Mr. Voccio summarized the challenges encountered by the project, staff's related review and approval process, and he reiterated that staff did not intend to recommend additional funding for the project. There was further discussion about the development's importance to the community and positive impact on the surrounding area.

Upon a motion made by Ms. Foley, seconded by Ms. DeWyngaert, the Board members voted in favor of adopting the following resolution amending the financing for Cherry Street Lofts, Phase I, Bridgeport. Mr. Hodges abstained from voting. Mr. Schmitt opposed adoption of the resolution.

**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 and further amended September 29, 2016, the Authority approved financing for the Development; and

WHEREAS, Mortgagor has encountered challenges in completing the development, and is unable to meet all the requirements of completion and payments as required in the loan documents; and

WHEREAS, the Authority desires to modify the loan documents to accommodate the planned completion and additional funding sources which may be available to the Mortgagor, as described in the attached Memorandum from Joe Voccio, Director, Multifamily, dated November 21, 2019.

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:

- a) modify the \$22,500,000 construction loan by changing the maturity date from December 1, 2019 to December 1, 2020 and changing the interest rate from 4.00% to 4.10%;
- b) transfer, on or before November 30, 2019, any undisbursed loan proceeds to an escrow held by CHFA;
- c) modify the \$12,500,000 permanent loan by changing the interest-only period expiration from November 30, 2019 to November 30, 2020, and changing the interest rate from 4.25% to 4.35%;
- d) transfer \$733,125 from the working capital reserve fund held by CHFA to an interest escrow, from which CHFA will draw interest payments if not tendered by Mortgagor; and
- e) modify the capital contributions escrow to provide for payments of interest to be drawn by CHFA.

Section 2. The Chief Executive Officer - Executive Director is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this Resolution, as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 3. Failure to complete all necessary documentation in a form acceptable to the Authority and to close the modification authorized herein on or before December 31, 2019 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.

Mr. Voccio reviewed the resolution for the reservation of Low-Income Tax Credits (LIHTCs) and Mortgage financing for The Windward Apartments, Bridgeport. Mr. Voccio explained the reasons for the high costs and that efforts were made to reduce costs as much as possible without impacting the quality of housing. There was discussion regarding circumstances where costs have to be weighed against public benefit.

Upon a motion made by Ms. Foley, seconded by Ms. DeWynngaert, the Board members voted in favor of adopting the following resolution regarding the reservation of Low-Income Housing Tax Credits for The Windward Apartments, Bridgeport. (Ms. Gosselin was not present for the vote.)

RESOLUTION REGARDING THE RESERVATION OF
LOW-INCOME HOUSING TAX CREDITS AND MORTGAGE FINANCING FOR
THE WINDWARD APARTMENTS, BRIDGEPORT, CONNECTICUT
CHFA DEVELOPMENT NO. 17-918-T9

WHEREAS, Windward Development Associates, LLC (the “Owner”), the applicant-developer of Windward Apartments located in Bridgeport, Connecticut (the “Development”), applied for tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”), the regulations promulgated thereunder (the “Regulations”) and the procedures (the “Procedures”) adopted by the Connecticut Housing Finance Authority (the “Authority”), including the 2016 Qualified Allocation Plan, all for the allocation of low-income housing tax credits in the State of Connecticut (the “State”); and

WHEREAS, on April 27, 2017, the Authority approved a reservation of \$1,379,862 of low-income housing tax credits (“LIHTCs”) for the Development from the 2017 or 2018 state housing credit ceiling and on December 19, 2018 allocated \$1,379,862 of LIHTCs to the Development; and

WHEREAS, due to federal tax reform and resulting changes in the scope of the Development, the Owner is unable to complete all of the requirements necessary to qualify for the certification of low-income housing tax credits from the 2018 State housing credit ceiling; and

WHEREAS, the Owner has requested that the Board of Directors reserve low-income housing tax credits in the amount of \$1,290,000 from the 2019 state housing credit ceiling and provide subordinate mortgage financing to the Development; and

WHEREAS, Owner is now proceeding in a manner satisfactory to the Authority, and the Authority desires to provide the Development with mortgage financing and a reservation of LIHTCs from the 2019 state housing credit ceiling, as described in the attached Memorandum from Joe Voccio, Director, Multifamily, dated November 21, 2019.

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

Section 1. The Authority hereby reserves up to \$1,290,000 of low-income housing tax credits from the 2019 state housing credit ceiling for Windward Apartments, conditioned upon the Owner’s return of all prior low-income housing tax credit allocations to the Owner and the Development. The Chief Executive Officer - Executive Director of the Authority is hereby authorized to issue a certification of tax credit reservation and the allocation of tax credits from the 2019 state housing credit ceiling in an amount not to exceed \$1,290,000 for Windward

Apartments, upon her determination that the Owner has complied with all requirements to qualify for such reservation and allocation. The Authority reserves the right to modify the tax credit amount designated herein after initial reservation upon receipt of updated transaction terms.

Section 2. The Authority is authorized to provide a construction-to-permanent loan in a principal amount of up to \$500,000 which shall be secured by a subordinate mortgage and shall accrue interest on amounts advanced at a rate of 0% per annum, or such higher amount as the Authority may determine, and interest shall be paid monthly, in arrears over a construction term of not more than two years. Thereafter, the loan shall accrue interest on amounts advanced at a rate of 0% per annum, or such higher amounts as the Authority may determine, and shall be repaid in full at the end of the term of 30 years or such other term as the Authority may determine, after which all principal and interest shall be due in full. The Authority will fund this loan with Federal Financing Adjustment Factor (FAF) Funds or from such other sources of funds, and upon such terms and conditions, as are deemed to be in the best interests of the Authority.

The Authority's commitment to provide mortgage financing shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place;
- b. The Authority's satisfactory confirmation that the Development is eligible and meets all applicable criteria for federal Financing Adjustment Factor financing.
- c. The Authority's confirmation of the Owner's receipt of commitments satisfactory to the Authority, such that the total of the Sources and Uses of funds for completion of the Development are in balance;
- d. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications;
- e. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, hazardous waste removal and disposal;
- f. The Authority's acceptance and approval of the Development's proposed operating income and expenses;
- g. The Authority's acceptance and approval of the Development's proposed property management organization and related documents;
- h. The Authority's acceptance and approval of an independent "as-is" appraisal, and (if applicable), an independent "as-developed" appraisal, and a market acceptance analysis for the Development; and

i. Compliance by the Owner with the Authority's Standard Closing Requirements, which materials are available online at http://www.chfa.org/assets/1/6/standard_closing_requirements.pdf?7577, the terms of which are incorporated herein by reference, provided, however, if there is any inconsistency between the provisions of this Resolution and the Standard Closing Requirements, 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 August 31, 2020 shall render this Resolution void and of no further effect, provided, however, upon good cause shown and upon payment by the Owner 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.

Ms. Moores, Director, Multifamily presented the forward allocation of 2020 Low-Income Tax Credits for Valley Townhouses, a 40 unit development located in New Haven.

Upon a motion made by Ms. Foley, seconded by Ms. DeWyngaert, the Board members voted in favor of adopting the following resolution regarding the reservation of Low-Income Housing Tax Credits for Valley Townhouses, New Haven. (Ms. Gosselin was not present for the vote.)

RESOLUTION REGARDING THE RESERVATION OF
LOW-INCOME HOUSING TAX CREDITS FOR
VALLEY TOWNHOUSES, NEW HAVEN, CONNECTICUT
CHFA TAX CREDIT NO. CT- 19 - 913

WHEREAS, the Connecticut Housing Finance Authority (the "Authority") is designated as the allocating housing credit agency responsible for the administration and allocation of the low-income housing tax credits for the State of Connecticut (the "State"); and

WHEREAS, the Authority has previously adopted Procedures including a Qualified Allocation Plan (the "Procedures") for the allocation of low-income housing tax credits in the State; and

WHEREAS, ECC RAD Group IIA, LLC, and/or a successor entity otherwise acceptable to the Authority (the "Owner/Developer") is the Owner/Developer of Valley Townhouses, located in New Haven, Connecticut (the "Development"), and has applied for tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), the regulations promulgated thereunder (the "Regulations") and the Procedures; and

WHEREAS, the Owner/Developer is proceeding in a manner satisfactory to the Authority; and

WHEREAS, the staff of the Authority has reviewed the Owner/Developer's application and recommends that the Board of Directors reserve low-income housing tax credits for the Development, as described in the attached memorandum from Wendy Moores, Director of Multifamily, dated November 21, 2019.

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

Section 1. The Authority hereby reserves up to \$960,000 of low-income housing tax credits for the Development.

Section 2. The Chief Executive Officer - Executive Director of the Authority is hereby authorized to issue a certification of tax credit reservation and the allocation of tax credits from the 2020 or 2021 State housing credit ceiling in an amount not to exceed \$960,000, upon her determination that the Owner has complied with all requirements to qualify for such allocation.

Section 3. The Board of Directors hereby waives the limitations of Section IV(A-6)(b) of the Procedures.

Section 4. The Chief Executive Officer - Executive Director of the Authority is hereby authorized to take all other actions consistent with this Resolution, the Procedures, the Code and the Regulations, as may be necessary to effectuate this Resolution.

Ms. Landau, Director, Multifamily provided an overview of bond inducement. She reviewed the resolution regarding preliminary approval of the issuance of housing mortgage finance program bonds to finance a multifamily residential rental project tentatively named the Hartford Preservation Portfolio located in Hartford. The development includes rehabilitation of Barbour Gardens and four other properties preserving 215 affordable apartments. This is a unique situation in that the applicant does not have other sources of funding for predevelopment loans to pay for certain costs. The qualifying costs are related to the acquisition of the Barbour Gardens property.

Upon a motion made by Ms. Foley, seconded by Mr. Hodges, the Board members voted in favor of adopting the following resolution regarding preliminary approval of the Issuance of Housing Mortgage Program Bonds to Finance a Multifamily Residential Rental Project. (Ms. Gosselin was not present for the vote.)

**RESOLUTION REGARDING PRELIMINARY APPROVAL
OF THE ISSUANCE OF HOUSING MORTGAGE FINANCE PROGRAM BONDS
TO FINANCE A MULTIFAMILY RESIDENTIAL RENTAL PROJECT**

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”) is authorized by the Connecticut Housing Finance Authority Act, constituting Chapter 134 of the General Statutes of Connecticut, as amended (the “Act”) and by the General Housing Mortgage Finance Program Bond Resolution of the Authority adopted September 27, 1972, as amended and supplemented (the “General Resolution”), to issue bonds for the purpose of providing sufficient funds to carry out the Authority’s Housing Mortgage Finance Program, which includes, among other things, the making of construction and permanent loans secured by mortgages to finance the construction and rehabilitation of housing for low and moderate income families and persons within the State of Connecticut;

WHEREAS, Hartford Preservation, LLC (the “Applicant”) has requested that the Authority indicate its willingness to issue bonds in an amount not to exceed \$22,900,000 (the “Bonds”), the proceeds of which to be used to finance one or more mortgage loans to a related entity to be formed by the Applicant (the “Borrower”) for the purpose of acquiring, rehabilitating and constructing a multiple property, multifamily residential rental project containing approximately 215 units, tentatively named the Hartford Preservation Portfolio, located in Hartford, Connecticut (the “Project”), and as further described in the attached memorandums from Jennifer Landau, Director, Multifamily, Wendy Moores, Director, Multifamily & Joe Voccio, Director, Multifamily, both dated November 21, 2019;

WHEREAS, in furtherance of the purposes of the Act and the General Resolution, the Authority is preliminarily considering the issuance of the Bonds, the proceeds of which will be used to finance one or more loans to the Borrower to assist the Borrower in the acquisition, rehabilitation and construction of the Project; and

WHEREAS, it is intended that the Authority take “official action” within the meaning of the applicable provisions of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder for the purpose of issuing the Bonds in one or more series in an aggregate principal amount not to exceed \$22,900,000 for the purpose of acquiring, rehabilitating and constructing the Project.

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

Section 1. Preliminary Approval. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower to allow the Borrower to acquire, rehabilitate and construct the Project is hereby preliminarily approved and, pursuant to Section 1.150-2 of the Internal Revenue Code Regulations, the Authority hereby states its intention to reimburse the Borrower or itself from Bond proceeds for any advances of funds prior to the issuance of any such Bonds.

Section 2. Conditions. The preliminary approval of Section 1 hereunder does not obligate the Authority to finally approve the issuance of said Bonds. Final approval of the

issuance of the Bonds can only be authorized by subsequent action by the Board of Directors of the Authority, which may contain such conditions thereto as may be deemed appropriate. The Authority in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower, the Applicant or any other person for its refusal to do so.

Section 3. Prior Resolutions. All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflicts, hereby repealed.

Section 4. Effectiveness. This Resolution shall be effective upon adoption.

The 2020 meeting calendar was presented to Board members for consideration and for filing with the Secretary of State by the statutory deadline of January 31, 2020. It was agreed to change the Finance/Audit Committee meeting start time from 9:30 a.m. to 9:00 a.m. to allow for extra meeting time, if needed. If no additional time is required, the meeting can be noticed to start at 9:30 a.m.

Upon a motion made by Ms. DeWyngaert, seconded by Mr. Hodges, the Board members voted in favor of adopting the following resolution regarding the Monthly Meeting Schedule for Calendar Year 2020. (Ms. Gosselin was not present for the vote.)

RESOLUTION REGARDING THE ADOPTION OF
THE REGULAR MONTHLY MEETING SCHEDULE FOR CALENDAR YEAR 2020

WHEREAS, the Board of Directors of the Connecticut Housing Finance Authority desires to adopt a schedule of regular monthly meetings for the calendar year 2020.

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

The attached 2020 regular monthly meeting schedule of the Board of Directors is hereby adopted.

Ms. Mosquera-Bruno asked Board members to consider the items on the Consent Agenda. Ms. Foley asked that the following items be removed from the Consent Agenda: Design/Build - Research Regarding Other Housing Finance Agency (HFA) Policies; Workforce Housing; The State of Connecticut's Housing; and Multifamily Activities.

Upon a motion made by Mr. Perez, seconded by Mr. Hodges, the Board members voted in favor of accepting the following consent agenda items: (Ms. Gosselin was not present for the vote.)

Reports Accepted:

- Financial Reports
- Delinquency Reports
- Finance/Audit Monthly Tracking Report
- Minutes from October 31, 2019 meeting

Mr. Schmitt asked that the motion to accept the consent agenda be reconsidered, noting that he would like to also remove the minutes from the October 31, 2019 meeting.

Upon a motion made by Ms. Foley, seconded by Mr. Perez, the Board members voted in favor of reconsidering the previous motion to accept the consent agenda items. (Ms. Gosselin was not present for the vote.)

The Board members reconsidered the items listed on the consent agenda, and Mr. Schmitt asked that in addition to removing the following reports 1) Design/Build - Research Regarding Other Housing Finance Agency (HFA) Policies; 2) Workforce Housing; 3) The State of Connecticut's Housing; and 4) Multifamily Activities; the minutes from the October 31, 2019 meeting also be removed.

Upon a motion made by Mr. Perez, seconded by Ms. Foley, the Board members voted in favor of accepting the following consent agenda items: (Ms. Gosselin was not present for the vote.)

Reports Accepted:

- Financial Reports
- Delinquency Reports
- Finance/Audit Monthly Tracking Report

Ms. Mosquera-Bruno asked Board members to consider accepting the October 31, 2019 meeting minutes.

Upon a motion made by Mr. Perez, seconded by Ms. Foley, the Board members voted in favor of accepting the October 31, 2019 meeting minutes. Mr. Schmitt and Ms. DeWyngaert abstained from voting. (Ms. Gosselin was not present for the vote.)

Ms. Mosquera-Bruno asked for volunteers to participate in the Qualified Action Plan (QAP) Task Force. Mr. Hodges and Ms. Mosquera-Bruno agreed to serve. Mr. Perez offered to participate if more volunteers are needed. A list of dates will be sent to Board members so they can attend QAP meetings when available.

Ms. Mosquera-Bruno stated that planning is underway for a Board Retreat to be held in 2020. She asked for input on the logistics of the Retreat. Board members indicated that their

preference is to have the Retreat during a workday as opposed to a weekend date. They asked that a proposed agenda be provided so a decision can be made on the length of the meeting.

There being no further business to discuss, upon a motion made by Mr. Perez, seconded by Mr. Hodges, the Board members voted to adjourn the meeting at 10:50 a.m.