

To: Mortgage & Board of Directors

November 10 & 19, 2009



From: Delbe Spath - Manager, Tax Credit Programs *ds*

Agenda Item: American Recovery & Reinvestment Act of 2009
Allocation of Funds

Report

Attached please find Exhibit 1 which provides an overview of the American Recovery and Reinvestment Act of 2009 (ARRA) resources and how the funds have been allocated to date. The developments are allocated ARRA resources to balance the sources and uses as approved in the corresponding tax credit rounds. Adjustments may be recognized as development budgets are finalized and projects progress to closing.

Section 1602 Exchange Funds:

Section 1602 Exchange Funds are available to developments having received an allocation of Low-Income Housing Tax Credits (LIHTCs) in the years 2007-2009 that have stalled due to a lack of investment interest.

Approximately \$1.19 million in excess Section 1602 Exchange Funds is projected to be available from 2008 LIHTCs. Excess Section 1602 Exchange Funds can be allocated after an exchange closing has occurred.

Exchange commitments have been issued on Highwood Square, Summitwoods II, 58 Progress Drive, Dye House, and Hales Court. Two tentative closings have been scheduled for November and 3 anticipated in December. The attached schedule has been updated to reflect the Section 1602 Exchange Funds committed.

Tax Credit Assistance Program (TCAP)

TCAP Funds have been approved in conjunction with LIHTCs for eight of the nine developments in the 2009 round. The TCAP funds are intended to provide capital investment to LIHTC developments in order to create new jobs or save jobs at risk of being lost due to the nation's ailing economy. The total amount of TCAP funds available to Connecticut is \$26.2 million of which \$24.5 million has been approved leaving a balance of \$1.6 million that has not been allocated.

Reviewed by: Nancy O'Brien, Administrator – Multifamily Housing Development Programs
Timothy H. Coppage – Vice President, Housing Development

A handwritten signature in black ink, appearing to be "Nancy O'Brien", written over the printed name.

**American Recovery and Reinvestment Act of 2009 (ARRA)
Allocation of Funds Report**

Exhibit 1

| Total Number of Units | Exchange Developments | Original Tax Credit Equity | Section 1602 Exchange Funds Awarded | Comments |
|--|-----------------------|----------------------------|-------------------------------------|---|
| | | | \$ 56,487,668 | |
| 28 | New Royal Bride | 5,571,626 | 5,919,851 | Eligibility pending demonstrated Good Faith effort. |
| 22 | Summitwoods II | 4,613,290 | 3,723,294 | Commitment issued, Closing 4th Qtr 2009 |
| 27 | Highwood Square | 5,066,673 | 5,007,758 | Commitment executed, Closing 4th Qtr 2009 |
| 57 | Dye House | 9,799,200 | 9,993,059 | Commitment issued, Closing 4th Qtr 2009 |
| 78 | Hales Court | 14,135,415 | 14,476,027 | Commitment issued, Closing 4th Qtr 2009 |
| 95 | 58 Progress Drive | 16,177,937 | 16,177,937 | Commitment issued, Closing 4th Qtr 2009 |
| | | | | |
| | | | | |
| 307 | Total | 55,364,141 | 55,297,926 | |
| Balance of Section 1602 Exchange Funds Available | | | 1,189,743 | |

| Total Number of Units | TCAP Developments | TCAP Approved | Comments |
|---------------------------------|---------------------|---------------|----------------|
| | | | \$ 26,170,888 |
| 56 | Cedarwoods | 5,346,302 | Approved 08/09 |
| 50 | Palmers Hill | 6,107,400 | Approved 08/09 |
| 106 | Briarcliff | 2,395,205 | Approved 08/09 |
| 126 | Bateswoods | 2,606,520 | Approved 08/09 |
| 124 | Chamberlain Heights | 1,623,558 | Approved 08/09 |
| 103 | Peachtree Village | 1,039,292 | Approved 08/09 |
| 50 | Metro Green II | 4,207,800 | Approved 08/09 |
| 137 | Alfred E. Plant | 1,215,547 | Approved 08/09 |
| 752 | Total | 24,541,624 | |
| Balance of TCAP Funds Available | | 1,629,264 | |

| | <u>Sect 1602</u> | <u>TCAP</u> | <u>Total</u> |
|-----------------------------------|------------------|---------------|---------------|
| ARRA Funding Authorized to CT | \$ 56,487,668 | \$ 26,170,888 | \$ 82,658,556 |
| ARRA Funding Awarded | 55,297,926 | 24,541,624 | 79,839,550 |
| Balance of ARRA Funding Available | \$ 1,189,743 | \$ 1,629,264 | \$ 2,819,007 |