

MINUTES
CHFA-SMALL PROPERTIES, INC.
MEETING – October 27, 2011

Directors Present: Catherine Smith, Chairperson of CHFA Board and Commissioner of the Department of Economic and Community Development
Orest T. Dubno, Vice Chairperson of CHFA Board and Acting Chairperson of Finance/Audit Committee
Anne Foley representing Benjamin Barnes, Secretary, Office of Policy and Management
Barbara McGrath, Chairperson of CHFA Mortgage Committee

Others Present: Susan Whetstone, Interim President of CHFA and President of CHFA-Small Properties, Inc.
Dara Kovel, Vice President of CHFA—Small Properties, Inc.
Nancy O’Brien, Vice President of CHFA—Small Properties, Inc.
William Dickerson, Secretary of CHFA—Small Properties, Inc.
Nancy O’Brien, Vice President of CHFA—Small Properties, Inc.
John K. Craford, CHFA Executive Vice President
Pat Guliano, CHFA Administrator, Multifamily Asset Management
Maura Hayden-Walker, CHFA Asset Manager II
Martha Walker, CHFA Asset Manager

Noting the presence of a quorum, Ms. Smith called the meeting of CHFA—Small Properties, Inc. to order at 9:10 a.m. in the Boardroom of CHFA’s offices, 999 West Street, Rocky Hill, Connecticut.

Ms. Smith asked the directors to consider the minutes from the meeting held on June 30, 2011.

It was noted that a majority of the directors did not hold their positions at the time of the meeting. Based on the opinion received from the general counsel, the current directors can accept the minutes even though they were not present at the meeting.

Upon a motion made by Ms. McGrath, seconded by Ms. Foley, the directors voted in favor of accepting the minutes of the June 30, 2011 meeting as presented (Mr. Dubno was not present for the vote).

Ms. Hayden-Walker reported on Eno Farms, a 50-unit multifamily real estate owned apartment community located on 10.6 acres in Simsbury. The property is managed by The Simon Konover Company, and the property is currently 98 percent occupied. Ms. Hayden-Walker mentioned that the 2012 operating budget projects total revenues of \$546,983 and operating expenses of \$380,159, resulting in net operating income of \$166,825 before capital repairs. She mentioned that asphalt resealing/repairs in the budget will be completed prior to sale of the property. Ms. Hayden-Walker stated that in June 2011, Request for Proposals (“RFP”) for a sales broker was issued. The RFP was on CHFA’s Website and the Department of Administrative Services portal.

Adopted: November 17, 2011

CHFA received two responses to the RFP. Ms. Hayden-Walker stated that both respondents have worked with CHFA previously and successfully sold properties. After evaluating the responses, CHFA selected the sales broker with the lowest fee. The selected broker is in the process of developing a marketing plan, and it is hopeful that the property will be on the market next week. In response to a question, Ms. Hayden-Walker indicated that the limited equity cooperative was dissolved when the property was foreclosed.

Martha Walker provided an update on Windham Small Properties. She discussed the background of CHFA's involvement with the properties. Ms. Walker stated that in 2004, CHFA purchased the YMCA and the property formerly known as the Hooker Hotel consisting of 89 units. She mentioned that approximately 60 residents were consolidated into the hotel, and the YMCA building was closed. Ms. Walker stated that CHFA provided funding to subsidize the operating deficits. In August 2009, the 40 people still living at the property were moved to various hotels due to structural problems in the building. Ms. Walker stated that the building was sold in March 30, 2010. CHFA provided temporary housing, food, transportation and other services to the residents until March 2011 when the last residents were moved to permanent housing. Ms. Walker stated that there were 22 residents who moved to permanent housing and received rental assistance from CHFA. Of the remaining 6 families, 4 have been approved to receive Rental Assistance Program ("RAP") subsidies by the end of the year, pending completion of the RAP application and passing apartment inspection, and the 2 remaining families will continue to receive rental assistance from CHFA in 2012. These 2 families will be screened for eligibility for RAP in 2012. Ms. Walker stated that all the remaining families have either found permanent housing or opted for a one-time payment from CHFA. She mentioned that CHFA's outstanding financial commitments relate to rental assistance with the permanent relocation agreements, the payee and logistical services fee to Windham Regional Community Council that administers rental payment and tenant issues on behalf of the subsidiary. The balance in the tenant relocation and safety escrow account is \$55,398, and the balance in the operating and maintenance escrow account is \$69,302. It appears that the total available funds of \$124,700 will be sufficient to carry through the end of CHFA's commitment.

Ms. Whetstone explained that CHFA agreed to pay a maximum of two years' rental assistance and worked closely with the Department of Social Services ("DSS") to obtain state RAP subsidies. She mentioned that a majority of the residents were able to transition to the RAP subsidies after one year. It was noted that CHFA is working with DSS to obtain RAP subsidies for the two remaining residents.

There being no further business to discuss, upon a motion duly made, seconded and unanimously approved, the meeting was adjourned at 9:16 a.m.