

To: Mortgage & Board of Directors

February 16 & 25, 2010



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

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, including changes approved at the December 2009 Board of Directors Meeting. The developments are allocated ARRA resources to balance the sources and uses as approved in the corresponding Low-Income Housing Tax Credit (LIHTC) 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 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 are estimated to be made available from 2008 LIHTCs. Excess Section 1602 Exchange Funds have been allocated to developments from 2009.

To date \$55.6 million has been authorized by the Treasury and an additional \$11.2 million is pending approval for use in Palmers Hill and Alfred E. Plant. Commitments have been issued for 6 developments including: Highwood Square, Summitwoods II, 58 Progress Drive, Dye House, Hales Court and New Royal Bride. Three closings have taken place and the remaining three are anticipated in the first or second quarter of 2010.

The attached schedule has been updated to reflect the amounts for the two additional Section 1602 Exchange Fund transactions proposed, pending the Department of Treasury authorization.

#### Tax Credit Assistance Program (TCAP)

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 all has been committed.

In December 2009, the Mortgage Committee & Board of Directors approved the redistribution and utilization of the remaining \$1.6 million TCAP funds available. The approval redistributes 100% of the \$26.2 million TCAP funds to six out of the eight developments previously approved during the 2009 round. Commitments have been issued, and transactions are progressing toward closing.

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

*DK* *[Signature]* *[Signature]*

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

Exhibit 1

Total Number of Units	2009 Exchange Developments	Original Tax Credit Equity	Section 1602 Exchange Funds Awarded	Comments
			\$ 66,840,837	*Total includes pending authorization from Treasury for Palmers Hill and Alfred E. Plant
28	New Royal Bride	5,571,626	5,106,494	Commitment issued, Closing 1st Qtr 2010
22	Summitwoods II	4,613,290	3,723,294	Initial Closing occurred 11/23/09
27	Highwood Square	5,066,673	5,007,758	Initial Closing occurred 11/13/09
57	Dye House	9,799,200	9,993,059	Commitment issued, Closing 1st Qtr 2010
78	Hales Court	14,135,415	14,476,027	Commitment Issued, Closing 1st Qtr 2010
95	58 Progress Drive	16,177,937	16,177,937	Initial Closing occurred 12/22/09
50	Palmers Hill	1,005,913	1,005,913	*Pending authorization from Treasury
137	Alfred E. Plant	11,079,547	11,079,547	*Pending authorization from Treasury
494	<b>Total</b>	<b>67,449,601</b>	<b>66,570,029</b>	
<b>Balance of Section 1602 Exchange Funds Available</b>			<b>270,808</b>	

Total Number of Units	TCAP Developments	Original TCAP Approval	Proposed Awards	Comments
			\$ 26,170,888	
56	Cedarwoods	5,346,302	5,701,488	Approved 12/09
50	Palmers Hill	6,107,400	8,722,487	Approved 12/09
106	Briarcliff	2,395,205	2,395,205	Approved 08/09
126	Bateswoods	2,606,520	2,606,520	Approved 08/09
124	Chamberlain Heights	1,623,558	1,137,388	Approved 12/09
103	Peachtree Village	1,039,292	-	Approved 08/09 - Redistributed 12/09
50	Metro Green II	4,207,800	5,607,800	Approved 12/09
137	Alfred E. Plant	1,215,547	-	Approved 08/09 - Redistributed 12/09
752	<b>Total</b>	<b>24,541,624</b>	<b>26,170,888</b>	
<b>Balance of TCAP Funds Available</b>			<b>-</b>	

	<u>Sect 1602</u>	<u>TCAP</u>	<u>Total</u>
ARRA Funding Authorized to CT	\$ 66,840,837	\$ 26,170,888	\$ 93,011,725
ARRA Funding Awarded	66,570,029	26,170,888	92,740,917
Balance of ARRA Funding Available	\$ 270,808	\$ -	\$ 270,808