



The Key To Affordable Housing

Connecticut Housing Finance Authority

Housing Tax Credit
Contribution (HTCC)
Program Guidelines

2019



I. GENERAL INFORMATION

A. Introduction

The Housing Tax Credit Contribution (HTCC) Program is a Housing Program contained in Section 8-395 of the Connecticut General Statutes, as amended. The HTCC Program provides funds through tax credit vouchers for Business Firms making contributions to Affordable Housing Programs developed, sponsored or managed by Nonprofit Corporations that benefit Very Low-, Low- and Moderate-Income households. The total amount of tax credits available annually is \$10 million. The law requires annual allocation set-asides of \$1 million for Workforce Housing and \$2 million for Permanent Supportive Housing. The remaining balance is ascribed to a general class. Connecticut Housing Finance Authority (CHFA) administers the HTCC Program.¹

B. Eligible Applicants

In order to be eligible to apply for HTCC funding, an applicant must be:

- a Nonprofit Corporation or a Community Development Financial Institution (CDFI);
- eligible in accordance with the program eligibility requirements described in CHFA’s Board policy statement “[Program Eligibility Requirements: Delinquent or Non-Performing Applicants](#)”;
- in compliance with any other applicable CHFA Board Policy and Procedures;
- in compliance with the requirements of the HTCC Program for any prior awards the applicant has received; and
- able to undertake the project for which it has applied in a timely fashion if awarded tax credits.

II. APPLICATION PROCESS

A. Notification of Funds Availability (NOFA)

HTCCs are generally available once a year and are awarded through a competitive process. A NOFA will be published on CHFA’s [website](#) that will contain information related to the application due date and time, as well as any anticipated Overview Sessions prior to the HTCC funding round. All applications must be submitted by the due date and time for the round. No opportunities to submit applications are available once the due date has passed.

B. Eligible Uses of HTCC Funds

- Affordable Housing Developments
 - Pre-development funding in furtherance of Affordable Housing Developments (further described below)
 - State-Sponsored Housing Portfolio (SSHP) applicants who anticipate applying for funding from the Department of Housing (DOH) in the next SSHP capital funding round, currently anticipated for April 2019, may apply for HTCC funding for Affordable Housing Developments if they are designated as current “At Risk” or assigned a transaction year of 2014 – 2019 per the [SSHP Capital Plan](#). Should the SSHP capital funding round anticipated in April 2019 be delayed, SSHP applicants who are eligible as noted above will continue to be eligible for HTCC funding.
- Affordable Housing Revolving Loan Funds
- Workforce Housing

C. Pre-development Funding

HTCC funds may be used for pre-development costs associated with development of affordable housing for Very Low-, Low- or Moderate-Income households. Eligible pre-development costs are expenses that are necessary before the construction stage of a project begins. Eligible expenses include items such as, without limitation, architectural design plans and specifications up to 90% completion, feasibility and environmental studies, cost to acquire the site (if acquisition and related fees do not exceed appraised value), appraisals, and market studies. Administrative costs are not eligible expenses for pre-development funding.

- Proposed projects to be supported with pre-development funding must be eligible for financial assistance from CHFA or DOH and must provide housing for families with incomes at or below 60% of Area Median Income (AMI).
- The criteria for approval of an application for pre-development funding will include the capacity of the applicant and its development team to carry out both the pre-development activities and the proposed project, and the extent to which the proposed project is feasible and effectively addresses the housing needs of Very Low-, Low- and Moderate-Income persons in the target community and the State.
- Historic designation and flood zone requirements must be identified in the application, if applicable, to the proposed Affordable Housing Development.
- Site plans are not required and a schematic plan will be acceptable. Please refer to the Consolidated Application.

- The CHFA/DOH Consolidated Application (ConApp) development budget form will also be used as the pre-development budget. This will provide a clear itemization of pre-development expenses that will also be consistent with the anticipated development application budget. Only pre-development budget items should be shown on this form. The development budget form should also be used to reflect any sources other than HTCC funds that have, or will be providing, funds for pre-development activities.
- If the applicant's proposed Affordable Housing Development requires any review and approval from HUD, such review and approval should be sought, to the extent possible, during the pre-development stage.
- *For pre-development funding applications supporting SSHP applicants only:* Applicants must provide the Work Scope Summary from the Comprehensive Capital Needs Assessment, as well as the Transaction Year and Transaction Type. Use the Narrative section of the ConApp for this information. If the applicant's proposed project varies significantly from the recommendations of the SSHP Capital Plan, additional information must be provided to support the change.
- Affordable Housing Revolving Loan Funds and Workforce Housing are not eligible to apply for pre-development funding.

D. Applicant Threshold Requirements

The following are threshold requirements when applying for HTCC funding and are subject to CHFA's sole discretion:

- Evidence of existence as a Nonprofit Corporation, including its Internal Revenue Service determination letter and a Certificate of Legal Existence for the current year (meaning the year in which the application is due), issued by the Office of the Secretary of the State of Connecticut.
- Evidence of the general administrative capacity of the Nonprofit Corporation to develop, sponsor or manage the proposed Housing Program, including a description of the role of the Nonprofit Corporation and any affiliated entities. Include the organizational structure of the applicant and any co-sponsor as evidenced by organizational documents and an organization chart.
- Evidence that the applicant will meet timing benchmarks, with due consideration to other contemplated housing funding applications awarded through competitive processes, by demonstrating the ability to:
 - Commence the proposed Housing Program within six (6) months of funding receipt; or
 - Continue the Housing Program within four (4) months of funding receipt if the Housing Program has been previously funded or committed; and

- Complete the proposed Housing Program, including all pre-development, and development activities within three (3) years of funding.

An applicant may demonstrate that it will meet timing benchmarks by providing its certified statement accompanied by a detailed calendar/Housing Program schedule.

- Written approval from CHFA and/or DOH, as applicable, for the inclusion of HTCC funds in a Housing Program that has already received funding commitment(s) from CHFA and/or DOH. CHFA and/or DOH may consider HTCC funding requests in the following situations:
 - Unavoidable and unforeseeable hard cost increases after issuance of a funding commitment, contractor bidding and/or value engineering;
 - Necessary increased costs arising from unforeseen site conditions during construction; or
 - The use of HTCC funds would reduce the prior commitment of scarce CHFA or DOH funding to any housing program or development. The use of HTCC will not be considered as a substitute source for 1) a pledge of Developer Cash Equity or 2) a Deferred Developer Fee.
- Please note that HTCC funds may not be used for unforeseen costs arising from errors and omissions in the plans and specs or errors by the General Contractor or design/construction team.
- Group Home sponsors may need to contact their primary funder based on a consideration of existing terms prior to requesting additional funds.
- Evidence of Project Feasibility/Readiness to Proceed, including site control and zoning approvals, to the extent possible, if applying as an Affordable Housing Development. An applicant may demonstrate site control by submitting an executed lease, deed, executed option/sales contract, or ground lease as applicable. Zoning is evidenced by a letter or certificate from the zoning enforcement agency of the municipality in which the proposed Housing Program is located.
- Evidence of Project Feasibility/Readiness to Proceed for Affordable Housing or Workforce Housing Revolving Loan Fund applicants is documentation that the applicant:
 - has been established for a minimum period of three (3) years with ongoing programs to provide affordable housing opportunities;
 - has established a marketing plan for the target borrowers; and
 - can provide its Certificate of Incorporation and the original date of formation, along with any other sources of funds supporting the Revolving Loan Fund for its Housing Program.

E. Limits on Funding

No applicant may receive more than \$500,000 in HTCC funding per year. Further, no one Affordable Housing Development may receive more than \$500,000 per year or \$1.5 million in total over three (3) consecutive funding years. It is anticipated that any previously allocated funds will be expended prior to the receipt of a new award for the same Affordable Housing Development.

F. Application Submission

All applications for HTCC funding must be submitted through an electronic application platform provided by CHFA (SharePoint) and utilizing the most current version of the CHFA/DOH Consolidated Application (ConApp). You must request a separate SharePoint website for each funding round application you are submitting.

G. Application Requirements

In addition to the threshold requirements, each applicant must furnish the following for review and approval:

- A description of the Housing Program, including the total number of households to be served, as well as the number of households to be served with incomes described in terms of AMI bands; i.e.,
 - ≤25% AMI (Extremely Low-Income)
 - >25 and ≤ 50% AMI (Very Low-Income)
 - >50% and ≤ 80% AMI (Low-Income) and
 - >80% and ≤ 100% AMI (Moderate-Income)

Gross rents (rents charged plus utilities paid by the tenant) must be affordable pursuant to the current HUD Maximum Gross Rent and Income Limits for the designated area, or affordable gross mortgage payment (principal, interest, taxes and insurance paid by the homeowner) must be affordable.

- Project financing plan and budget.
- Evidence of financial commitments:
 - Loans – evidence in the form of a letter of commitment from the lending institution. The letter should clearly outline the accepted terms and conditions. If the loan approval is given based on contingencies, then the lender must indicate that a full underwriting review was conducted.

- Grants – evidence in the form of a letter of commitment stating the grant amount or a copy of the check.
- Energy Rebates – these generally cannot be considered a firm commitment since they are preliminary and only an estimated amount. One suggestion is to use the Deferred Developer Fee to cover the energy rebate cost and, if the rebates materialize, the Deferred Developer Fee can be reduced.
- Sponsor Equity – evidence in the form of a copy of cancelled check(s) or a certified letter from a certified public accountant (CPA) dated within 3 months of the application due date stating that the funds are available and allocated for the development; or a board resolution which clearly states the terms and conditions of the loan or grant. Applicants should submit a letter from a CPA to evidence net assets. Pages from audited financial statements are not acceptable.
- Reserves – evidence in the form of third-party verification which clearly states the reserves will be used for the project applying for HTCCs and the amount which is available for use.
- DOH – Written confirmation. Please refer to Page 4 of these Guidelines for more information regarding a Housing Program that has already received a funding commitment from DOH.
- Priority Funding Area – If an applicant does not agree with the criteria on the interactive map, additional information must be submitted that clearly demonstrates how the project meets the specific criteria in question.
- In the case of an Affordable Housing or Workforce Housing Revolving Loan Fund, a detailed description of the Revolving Loan Fund shall be provided. Key elements of such description may include the anticipated location of proposed homes, approximate amounts of loans, interest rates and terms of loans, maximum income of eligible borrowers in terms of AMI, and marketing strategy, along with evidence of housing need as demonstrated by a market study. Revolving loan fund applicants must also demonstrate the capacity to maintain the loan fund, i.e., describe the infrastructure and ability to service the loan fund, describe staff on hand to carry out operations of the loan fund, etc.
- Other information upon request as may be deemed appropriate for the complete review of the application, including items requiring clarification or related to self-scoring.
- Evidence must be provided by an applicant applying for HTCC funding under a set-aside for Permanent Supportive Housing or Workforce Housing:
 - For Permanent Supportive Housing programs, applicants shall submit an executed Memorandum of Understanding with a Qualified Service Provider. If the applicant is itself a Qualified Service Provider, its program service plan shall be provided. Applicants

shall refer to the most current [Supportive Housing Guideline](#) for additional information and the list of Qualified Service Providers.

- For Workforce Housing, a detailed description of the Housing Program shall be provided including targeted geographic locations and marketing strategy for the contemplated borrowers who must live in the municipality where they work.
- Applicants applying for a Housing Program that contains Permanent Supportive Housing units, whether or not under the Permanent Supportive Housing set-aside, are advised that the Housing Program (should it be awarded HTCCs) will be subject to quality assurance monitoring by CHFA's designee or agent. Complete information is contained in the Supportive Housing Guideline.

III. APPLICATION REVIEW

A timely filed application submitted by an eligible applicant will be reviewed for consistency with the statute, [CHFA's Procedures, Policies, Guidelines](#) and NOFA requirements, as applicable. Applications must be complete at the time of submission. There may be a clarification period during which time CHFA, at its discretion, may ask applicants for clarifications or additional information.

A self-scoring sheet is contained within the ConApp. Portions of the sheet are automatically generated with the completion of the ConApp; however, the applicant must complete certain areas of the sheet to determine their self-score. Prior to the end of the clarification period, CHFA may contact applicants to discuss the scoring.

A. Application Rating & Ranking

Applications will be rated and ranked on the following primary categories of:

- Project Feasibility and Readiness to Proceed
- Affordability
- Applicant Capacity/Goals Accomplished
- Livability Initiatives
- Compliance

Information submitted in the HTCC application will be evaluated and ranked by standards that are further described in the ConApp. (See applicable Points Calculation Worksheet in the ConApp.) The top ranking Housing Programs will receive a tentative tax credit reservation provided a financing need exists. Workforce Housing and Revolving Loan Fund applications are ranked against each other with different points criteria than other HTCC applicants. Pre-development applications are ranked with the Affordable Housing Developments on an equalized basis. If an application under a set-aside does not score highly enough to earn a reservation because that set-aside is oversubscribed, it will be ranked in the general

class. If a portion of the set-aside remains unallocated, the remaining balance will be contributed to the pool of general class applicants.

B. Awards

CHFA shall publish the results of the rating and ranking of the Housing Program applications on its website serving as notice of tentative tax credit reservations. It is the obligation of the awardee to obtain a Business Firm commitment to purchase the tax credits within a specific time frame from date of notice as described in the [CHFA](#) Procedures. If an applicant is unable to do so, the tentative tax credit reservation is withdrawn and CHFA may award the next eligible applicant.

IV. COMPLIANCE

A critical component of the HTCC Program is continued compliance and timely reporting of progress to CHFA. This responsibility of the Nonprofit Corporation is essential for its continued participation in the HTCC Program as an eligible applicant. Failure to be compliant with HTCC requirements may impact participation in future CHFA funding rounds per CHFA's Policies and Procedures.

It is also the responsibility of the nonprofit to obtain any approvals necessary to carry out the project once awarded HTCC funds. This includes, but is not limited to, approvals for demolition, building, zoning changes, or any other municipal approval.

The Nonprofit Corporation shall maintain a segregated account for proceeds or contributions received for which a tax credit voucher(s) has been issued, and shall maintain complete and accurate accounting and records for the funds. Upon request by CHFA, the Nonprofit Corporation shall provide CHFA with information, financial statements and other reports relating to the operation of the program.

For Affordable Housing and Workforce Housing Revolving Loan Funds, the Nonprofit Corporation must maintain records of account balances, loan activity, fund maintenance, and compliance with CHFA's requirements. It shall furnish CHFA with financial statements and other reports relating to the operation of the Housing Program in such detail and at such times as may be required.

CHFA may, upon notification, visit the Nonprofit Corporation to inspect records and conduct observations at the Housing Program site(s). In addition, CHFA may conduct random monitoring, site visits, and observations with little notice to award recipients. Recipients are advised to review the HTCC Procedures, Information, Guidelines, and Policies published on CHFA's website to ensure that the requirements of compliance are fully understood.

A. Housing Program Objectives

Housing Programs shall be scheduled for completion not more than three (3) years from the Date of Approval. All required closeout documents shall be submitted no later than three (3) years and ninety (90) days from the Date of Approval. The anticipated date of completion shall be documented in the project schedule submitted with the application.

In the case of Revolving Loan Funds, the Nonprofit Corporation must loan out 100% of its HTCC funds within three (3) years of the HTCC investment, which is the date that funds are received from the Business Firm, or December 31st of the calendar year of the award, whichever is sooner. For Workforce Housing, a Nonprofit Corporation may fund a Revolving Loan Fund. The Revolving Loan Fund must remain open a minimum of three (3) years and may remain open longer, but all HTCC funds must be exhausted within the three-year time frame. The household income of borrowers from the revolving loan fund cannot exceed 100% AMI.

The Nonprofit Corporation must make active, good faith efforts to market its Housing Program and carry out the objectives of the Housing Program as described in its HTCC application. It shall furnish CHFA with marketing materials and other documents relating to the marketing of the Housing Program in such detail and at such times as may be required.

B. Housing Program Changes

Material changes to a funded Housing Program are permitted only with the prior consent of CHFA. If a Nonprofit Corporation is considering a change to a Housing Program or seeks guidance regarding the magnitude of a change, it is advised to contact CHFA at the earliest opportunity.

If a Nonprofit Corporation wishes to make a change to a Housing Program plan or budget, such revision requests should be submitted in writing to CHFA. Written approval will be required from CHFA prior to final completion of document submission, or before the change is made.

C. Reporting

Approved Housing Programs must submit quarterly progress reports evidencing compliance with the submitted project schedule. For Affordable Housing and Workforce Housing Revolving Loan Funds, reporting requirements mean a quarterly compilation of the Fund(s) for a period of three (3) years from the Date of Approval. All HTCC funds must be exhausted within the three-year timeframe. As part of this three-year reporting requirement, the Nonprofit Corporation must provide evidence of the Revolving Loan Fund activity and borrower eligibility or a certification from the Nonprofit Corporation as part of its annual audit. **If a project is not completed within three (3) years from the Date of Approval, this will be considered an event of non-compliance on the part of the applicant, and CHFA may reclaim the remaining funds and redistribute them to another Housing Program.**

If a project is not proceeding as scheduled, CHFA may request documentation be provided to evidence that efforts are being made in an attempt to move the project forward. CHFA staff may request copies of building permits, updated zoning letters, copies of contracts, etc. to ensure work is being done on the project. CHFA may grant extensions for closeout past the three-year timeframe; however, all requests are at CHFA's sole discretion and points may still be deducted from future funding rounds for failure to comply with the closeout timeframe.

Timely, ongoing reporting is required. Failure to submit timely quarterly progress reports may impact future eligibility and/or maximum scoring in future HTCC application rounds, through penalties related to

delinquency or continued noncompliance. Reporting and delinquent closeout non-compliance may also impact eligibility for other CHFA funding rounds.²

Any material deviation from the project as presented in the original application (such as scope of construction, unit count, income targeting, budget revisions or modifications, changes in the allocation of HTCC funds, etc.) must be described via an attachment to the quarterly report, and an explanation provided by the applicant explaining why the deviation occurred. Failure to disclose any such material deviation will result in the report being deemed insufficient. Any such failure discovered after the fact may be considered an event of noncompliance.

The first quarterly report is due April 15th (for quarter ending March 30th) of the year following the award. Subsequent due dates are July 15th, October 15th, and January 15th for the quarters ending June 30th, September 30th, and December 31st, respectively. All quarterly reports should be mailed to the designated HTCC inbox only: HTCCQuarterlyReport@chfa.org. This will ensure proper and timely tracking. Your quarterly report will not be tracked if you do not submit it to the designated email box.

One report should be submitted per project number. However, if you have multiple awards for one project, please make sure you clearly note both project numbers on the report.

Please note the following penalties related to noncompliance:

Submitting delinquent quarterly reports in one (1) instance	Warning will be issued
Submitting delinquent quarterly reports in two (2) instances	Twenty (20) points will be deducted from subsequent HTCC applications for a period of two (2) consecutive years
Submitting delinquent quarterly reports in three (3) instances	Thirty (30) points will be deducted from subsequent HTCC applications for a period of two (2) consecutive years
Submitting delinquent quarterly reports in four (4) instances	The Nonprofit Corporation/affiliated entity will be considered in HTCC Program noncompliance and will be unable to apply for the HTCC Program for two (2) consecutive years
Failure to submit the required occupancy documentation and closeout certificate within ninety (90) days of project completion	The Nonprofit Corporation /affiliated entity will be considered in HTCC Program noncompliance and will be unable to apply for the HTCC Program for two (2) consecutive funding rounds.
Failure to proceed or comply with the Housing Program as awarded, or in accordance with the project schedule; or demonstrate that completion occurred within three (3) years from the Date of Approval; or lapse in fiduciary responsibility (i.e.,	Remaining funds contributed by Business Firms may be reclaimed by CHFA, and the Nonprofit Corporation will be ineligible to apply under the HTCC Program for a period of two (2) consecutive

co-mingling funds, switching properties, etc.)	funding rounds
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D. Closeout

Housing Programs must demonstrate final completion by submitting a signed certificate of completion form, along with certificate(s) of occupancy (CO), temporary certificate(s) of occupancy (TCO) or a letter from the local municipal building official indicating that a CO/TCO has been issued and is valid for the Housing Program as of the date of project completion. Revolving Loan Fund(s) must demonstrate final completion by submitting a certificate of completion, prepared by a CPA, along with either a copy of the cancelled passbook and/or copies of all relevant loan documents that backup the use of the HTCC funds. Once substantial completion of 95% has been reached, preparation of the closeout documents may begin and be sent to CHFA.

HTCC applicants must submit documentation to close out their HTCC award even if they have achieved final closing with CHFA for other funding.

Applicants must certify that all scoring criteria have been met **and that all HTCC funds were used as intended, or in accordance with project deviations as reported in previous Quarterly Reports,** in order to closeout the project. If applicants fail to meet the scoring criteria in their original application, **or any previously-undisclosed material project deviations are discovered,** the Nonprofit Corporation/affiliated entity will be considered in HTCC Program noncompliance and will be unable to apply for the HTCC Program for two (2) consecutive years.

If a CO/TCO is not available for the originally proposed property(ies), a letter from the applicant must be provided, subject to CHFA's review and approval, explaining the extenuating circumstances which will result in a deviation from the Housing Program. A waiver may not be granted and such deviation may result in ineligibility of the Nonprofit Corporation and its affiliated entities to apply for two (2) consecutive application years.

V. BUSINESS FIRM INVESTOR INFORMATION

An applicant awarded state tax credits under the HTCC Program is obligated to seek an investor Business Firm that wishes to invest in affordable housing by purchasing the tax credits. The tax credit vouchers provided under the HTCC Program reduce the investor Business Firm's Connecticut corporate taxes. The amount of tax credits is equal to the Business Firm's contribution, making the HTCC Program a dollar-for-dollar tax credit program. There is no limit to the amount that any one Business Firm may contribute to HTCC recipients in the aggregate; however, each Nonprofit Corporation may receive no more than \$500,000 in total contributions in a particular funding round.

A. Business Firm Eligibility

To be eligible to participate in this program, a Business Firm shall submit an endorsed Certificate of Incorporation and a Certificate of Existence for the current year issued by the Office of the Secretary of the State of Connecticut.

The tax credit may be applied to any of the following taxes:

- Insurance companies, hospital and medical services corporations taxes (Chapter 7)
- Corporation business tax (Chapter 208)
- Air carriers tax (Chapter 209)
- Railroad companies tax (Chapter 210)
- Express telegraph or cable and community antenna television system companies tax (Chapter 211)
- Utility companies tax (Chapter 212)
- Public service companies tax (Chapter 212a)

B. Application Process for Business Firms

In order for a Business Firm to receive a reservation of credits, it must commit in writing to contribute to an eligible Housing Program to be developed by a Nonprofit Corporation. A tax credit voucher will be provided to the Business Firm by CHFA upon verification that the tax credits have been purchased and a contribution made.

Applications for Business Firm contributions shall be filed annually with CHFA. Applications for tax credit vouchers shall be made on forms prescribed and furnished by CHFA. As part of the application approval process, the Business Firm is required to furnish the following:

- A list of the Housing Program(s) to which the Business Firm intends to make contribution(s); and
- The amount of the contribution to be made to each Housing Program.

C. Issuance of Tax Credit Vouchers

CHFA shall notify the Business Firm, in writing, that a tax credit voucher will be reserved, contingent upon the Business Firm's submission of a notarized receipt from the Nonprofit Corporation of the contribution made to the approved Housing Program.

- Tax credits shall be processed in accordance with policies established by the Department of Revenue Services.
- If a Business Firm is contributing to one or more Housing Programs, the application shall be submitted as a single application.

D. Carryforwards and Carrybacks

The Business Firm's tax credit must be claimed on the tax return of the Income Year during which the Contribution to the Nonprofit Corporation was made. Any tax credit not used in the period during which

the contribution was made may be carried forward or back for the five (5) immediately succeeding or preceding Income Years until the full credit has been utilized.

VI. DISCLAIMER

Applicants are ultimately responsible for providing the information necessary for determining applicant and project eligibility, as well as compliance under the HTCC Program. Applicants shall carefully abide by the terms and requirements of all applicable Policies, Procedures and Guidelines of CHFA, as well as any specific requirements described in CHFA's NOFA. In addition, no CHFA document shall be relied upon exclusively or as a substitute for the advice of an applicant's tax or legal counsel. If any statement on the CHFA website conflicts with the laws governing the program, the laws take precedence. All eligibility requirements and submission materials are subject to CHFA's sole discretion.

VII. DEFINITIONS

"Affordable Housing Development" (see "Housing Program")

"Area Median Income (AMI)" means the area median income adjusted for Family size, as determined yearly by the United States Department of Housing and Urban Development ([HUD](#)). The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median income. HUD uses the median income for Families in metropolitan and non-metropolitan areas to calculate income limits for eligibility in a variety of housing programs. HUD estimates the median Family income for an area in the current year and adjusts that amount for different Family sizes so that Family incomes may be expressed as a percentage of the area median income.

"Business Firm" means any business entity as defined in C.G.S. Section 8-395(a).

"CDFIs" means Community Development Financial Institutions. A CDFI is a specialized financial institution incorporated within the state as a Nonprofit Corporation tax-exempt financial institution, designated and certified by the CDFI Fund, a bureau of the United States Department of the Treasury.

"Certificate of Existence" means a document that shows conclusive evidence that a corporation is in good standing in the state in which the corporation originally registered. In Connecticut, this certificate is issued by the Secretary of the State's office.

"Certificate of Incorporation" means a legal document filed with the Secretary of the State of Connecticut, as defined in Section 33-1002, or any predecessor statute thereto, that states the entity's name and address, its purposes, the distribution of its stock (if any), its members names and address, etc.

"Contribution" means cash payment.

"Date of Approval" means date on the reservation letter.

"Eligible Expenses" as the term applies to Revolving Loan Funds relates to the acquisition of housing located in Connecticut that is occupied by Very Low-, Low- and Moderate-Income Families for more

than one hundred eighty-three (183) days per calendar year and which has a purchase price that is not greater than the sales price limits set yearly by CHFA. Eligible Expenses may include, but are not limited to:

- Down payment assistance for no greater than 25% of the cost of home purchase;
- Mortgage interest rate buy downs;
- Reasonable and customary closing costs; and
- Rehabilitation costs.

“Extremely Low-Income” for the HTCC Program means low-income Families whose income does not exceed 25% AMI.

“Family” means a household consisting of one or more persons.

“Housing Program” means a plan or program to:

- build, or acquire and improve, housing to provide decent, safe and sanitary homes for Very Low-, Low- and Moderate-Income Families, referred to as Affordable Housing Development; or
- capitalize a Revolving Loan Fund to provide low-cost loans for housing construction, repair or rehabilitation to provide decent, safe and sanitary homes for Very Low-, Low- and Moderate-Income Families referred to as “Revolving Loan Fund”; or
- provide affordable housing for Low- and Moderate-Income Families who will live in the community in which they work, referred to as Workforce Housing.

“Income Year” means the Business Firm's Income Year, as defined in C.G.S. Section 12-213(a)(5).

“Nonprofit Corporation” means a Nonprofit Corporation incorporated pursuant to Chapter 602 of the C.G.S. having as one of its purposes the construction, rehabilitation, ownership or operation of housing and having articles of incorporation approved by CHFA in accordance with regulations adopted pursuant to C.G.S. Section 8-79a or 8-84.

“Qualified Service Providers” means a community-based, nonprofit service provider organization experienced in the provision of supportive housing and homeless services that has received extensive Connecticut Department of Mental Health and Addiction Services (DMHAS) training and is currently receiving funds from DMHAS under contract in good standing. Refer to the [Supportive Housing Guideline](#) on CHFA’s website.

“Quality Assurance Program” means a program that applies to all Permanent Supportive Housing projects funded by the State and/or CHFA that includes regularly scheduled monitoring activities and site visits during which the monitoring agency will review service-related activities and record-keeping.

“Revolving Loan Fund” (see “Housing Program”)

“SSHP Capital Plan” means the capital investment plan that identifies the physical, financial and operational needs of the State-Sponsored Housing Portfolio (SSHP) properties. It makes funding, policy and regulatory recommendations and prioritizes the need for the State’s resources in support of the SSHP properties.

“Supportive Housing Guideline” means the informational document that provides a description and an outline for the service program plan and details the criteria by which Permanent Supportive Housing is defined. Additionally, it describes the Quality Assurance Program and provides a list of Qualified Service Providers.

“Very Low-, Low- and Moderate-Income Families” means Families whose total household income does not exceed 50%, 80% and 100% of Area Median Income, respectively, as defined by [HUD](#).

“Workforce Housing” (see “Housing Program”)

¹ If you need further assistance understanding the HTCC Program and how it might benefit your Housing Program, you are encouraged to visit our [website](#) or call Seth St.Jean at (860) 571-4251 or Kim Black at (860)571-4271.

² Questions regarding whether or not your Housing Program is in compliance may be sent via email to Seth St.Jean at seth.st.jean@chfa.org or Kim Black at kim.black@chfa.org. Please include the CHFA-assigned HTCC project name and number in the subject line of the email.