

Connecticut Housing Finance Authority

2020 Summary Report

PREPARED FOR GOVERNOR NED LAMONT
& THE CONNECTICUT GENERAL ASSEMBLY

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TABLE OF CONTENTS

CHFA Mission	3
COVID-19 Impact & Action	4
2020 Accomplishments & Highlights	6
Homeownership	8
Homebuyer Education & Counseling Programs	12
Multifamily Housing Development	14
Special Needs Housing	26
Property Management	31
Community Development	33
Financial Statement	34

MISSION

To alleviate the shortage of housing for low- and moderate-income families and persons in this state and, when appropriate, to promote or maintain the economic development of this state through employer-assisted housing efforts.

CGS Section 8-250

CHFA is a self-funded, quasi-public agency that fulfills its mission with two programs:

- Single-family homeownership mortgages with below-market interest rate financing to allow low-to-moderate income borrowers to purchase their first homes. Since 1969, CHFA has provided mortgages to more than 146,000 first-time homebuyers.
- Financing to developers of affordable multifamily rental housing to increase the availability of affordable housing. Since 1969, CHFA has financed more than 56,000 units of new or renovated affordable housing.

In the past 50 years, the path to greater affordable housing has been forged with the use of critical federal funding tools. These tools include Federal Tax-Exempt Bonds, also known as Private Activity Bonds (PABs), Taxable Bonds and Low Income Housing Tax Credits (LIHTCs).

COVID-19 Impact and Action

As 2020 began, CHFA's new Chief Executive Officer-Executive Director, Nandini Natarajan with two months on the job, was getting to know the staff, working to fill key vacancies, and meeting with CHFA's partners, lenders, and members of the affordable housing community.

As the initial concerns about COVID-19 were raised in the state, CHFA implemented remote work plans for employees with health concerns, to reduce their potential exposure. When Governor Lamont issued the orders to work from home, CHFA's Executive, IT and Administrative departments worked tirelessly to obtain, set up and install the necessary equipment for CHFA employees to work from home. By the end of April, all CHFA employees had the ability to work remotely. For employees who required access to the office to complete certain tasks, CHFA arranged schedules to minimize the number of people in the building.

In late March, state and federal agencies with responsibility for financing and housing began issuing directives and guidance on mortgage forbearance, rental payments, foreclosures and evictions. CHFA immediately notified its borrowers to contact their loan servicers to learn about options for forbearance and loan modifications.

CHFA started sending eblasts and bulletins with critical information for customers and partners as soon as it became available. The next step was creating a [COVID-19 resource page](#) on the CHFA website to provide easy access to the most current information from state and federal officials, as well as links to other information resources.

Homeownership Activity

Most CHFA mortgages are backed by the federal government (FHA, VA, USDA and FHFA), making these CHFA borrowers immediately eligible for the forbearance as mandated by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. CHFA offered the same forbearance options to its non-government insured borrowers. Initially the number of borrowers requesting forbearance was low, and many of those requesting forbearance still paid their mortgages. By June, 11% of CHFA borrowers requested forbearance. That number decreased to 5% by the end of 2020.

CHFA created three plan options for borrowers to pay back the amount of missed payments while under forbearance: 1) full repayment of the amount; 2) a repayment plan that spread the amount owed over 60 months; or, 3) the amount owed could be deferred for the life of the loan and be payable at the end of the loan term, or upon sale or refinancing. If these three options are insufficient in assisting the borrower with an existing mortgage delinquency, borrowers will be considered for a loan modification.

Temporary Mortgage Assistance Program (T-MAP)

To provide mortgage relief to homeowners not eligible for forbearance or loan modifications through their lenders, CHFA established T-MAP. Due to the wide availability of forbearance options, many borrowers chose not to assume an additional obligation that was repayable. However, in the communication that followed the application process, CHFA's staff provided counseling and guidance to a significant number of applicants who were concerned about their mortgage situation. Homeowners with a COVID-related financial hardship who did not

meet the T-MAP criteria were directed to CHFA's Emergency Mortgage Assistance Program (EMAP) under certain circumstances.

Maintaining Lender and Real Estate Agent Training

In recent years, CHFA has created a successful and popular training program for lenders and real estate agents. Face-to-face training was a cornerstone of both the lender and real estate training programs, so COVID-19 required the Single-family department to rework its program. The training team utilized the Go-To-Webinar platform to convert the existing curriculum into online webinars. Both courses continue to be successful and very popular with CHFA's lending and real estate partners.

Multifamily Department and Rent Relief Activity

In April of 2020, CHFA's Board of Directors approved a forbearance program for multifamily borrowers struggling to make payments as well. By the end of 2020, seven multifamily borrowers had signed forbearance agreements, as their property's cash flow was impacted by renters' financial hardships. CHFA staff also worked closely with owners and property managers to disseminate HUD and IRS guidance for the tax credit properties, CHFA updates to assist with problems regarding compliance, paperwork, site visits, and other concerns related to the financial and physical safety of the properties. In addition, CHFA, along with the Department of Housing (DOH), reached out to developers and property owners to begin a dialogue on how COVID-19 was affecting their operations, with a focus on issues relating to CHFA procedures and policies. CHFA and DOH participated in multiple "Listening Sessions," in 2020, and continue to do so in 2021. These discussions, facilitated by the Partnership for Strong Communities, have been beneficial to all.

Temporary Rental Housing Assistance Program (TRHAP)

In June, with the passage of the CARES Act, the State of Connecticut created TRHAP to respond to the housing issues associated with the advent of COVID-19. DOH administered this program, offering up to a maximum of \$4,000 in rental assistance to renters and landlords in order to prevent eviction actions. TRHAP ultimately provided rent relief to 6,746 landlords, totaling \$23,737,117 in assistance.

While DOH was the lead agency in this program, CHFA played an important role. CHFA's IT department managed the "intake" and "back-end" process of the over 20,000 responses received, including gathering and batching of data, sending notifications and forms to applicants, assigning applications to housing counseling agencies, processing payments, sending approval and denial letters to applicants, and providing progress reports to the team.

Originally, 11 Connecticut based HUD-approved housing counseling agencies were employed to process TRHAP applications. To help manage the overwhelming number of applicants, CHFA staff pitched in to assist with the project. CHFA's teams completed all 2,988 applications assigned to them, resulting in 1,782 contracts and \$6,118,100 in assistance to landlords.

As new federal resources become available in 2021, DOH is creating a new rental assistance program.

2020 Accomplishments and Highlights

Bond Issue successes

CHFA's 2020 bond issues totaled \$769.3 million, which included a short-term financing totaling \$75 million. Due to market dislocation caused by COVID-19, the short-term financing allowed CHFA to reduce its interest expense by deferring when it would lock in long-term rates. Excluding refunding, CHFA raised \$313.6 million of lendable proceeds to fund single-family mortgages and \$87.6 million to fund affordable housing developments. In 2021, CHFA estimates a total issuance of \$760 million.

Addressing the housing needs of Connecticut residents

In 2020, CHFA provided 1,636 mortgage loans that allowed first-time buyers to close on their first homes. CHFA, in partnership with DOH, provided financing to build or renovate 1,065 units of affordable housing in the state.

Administering Tax Credits

CHFA is the State's administrator of the Federal Low Income Housing Tax Credit (LIHTCs) program and the State Housing Tax Credit Contribution Program (HTCC). Below are the allocations for each program in 2020:

- \$8.8 million in 9% LIHTCs, which is estimated to generate \$83.7 million in equity
- \$4.3 million in 4% LIHTCs, which is estimated to generate \$49.2 million in tax credit equity
- \$10 million HTCCs to non-profit developers, up to \$500,000 in funds per development for affordable housing

CHFA Downpayment Assistance Program (DAP)

The greatest obstacle faced by first-time homebuyers is saving enough money to cover the down payment and closing costs needed for the purchase of a home. To help first-time homebuyers overcome this obstacle, CHFA enhanced its DAP program allowing eligible applicants to finance both down payment and closing costs with a second loan at a below market interest rate. Enhancements include:

- Increased maximum loan amount to \$20,000
- Increased debt to income ratio (DTI) to 45%
- Increased combined loan-to-value (CLTV) as high as 105%
- Require borrowers to make a minimum investment of \$1,000

Jobs and economic growth supported by affordable housing –

- In addition to fulfilling our mission and meeting the needs of the State, CHFA's financing of affordable housing positively impacts job creation and economic activity in Connecticut. In 2020, developments approved by CHFA's Board of Directors are estimated to have created **259 construction jobs and a total of 1,010 jobs in all parts of the economy**. Those developments also generated an estimated \$378.02 million in new economic activity with \$21.47 million in additional state revenue. CHFA uses the REMI PI+ State model to assess the statewide impact of development activity

Developer Engagement Process

The DOH, in collaboration with CHFA, invited any developer/owner looking to apply for funding and/or other resources from DOH and/or CHFA for the new construction, substantial rehabilitation, and/or preservation of affordable and supportive housing in the next calendar year to participate in a new Development Engagement Process (DEP). More than 140 owners/developers submitted profiles. CHFA/DOH staff met to outline a process, and hosted calls over the summer with owners and developers who submitted project profiles and were looking for funding and/or would be applying for state and federal resources. CHFA/DOH staff continued to collaborate on the review of the information collected throughout 2020, and invited some of the applicants to make a full application for their project proposal. Some of the developers were asked to present more information on their proposals, and some will be added to the pipeline for future funding opportunities.

The Housing Authority Small Improvement Program

The goal of the Housing Authority Small Improvement Program (HASIP) is to provide funding for small projects that improve the quality of life for residents in properties operated by local housing authorities. In 2020, in response to the COVID-19 pandemic, CHFA expanded the HASIP Resident Fund to provide funds for the housing authorities to create “Basic Needs Pantries” in their communities. The pantry items included non-perishable food items, hand sanitizer, toiletries, paper goods and cleaning supplies for residents, especially those in elderly communities who were not able to shop during the crises. In 2021, the program has been extended and broadened to allow for the purchase of needed personal protection equipment (PPE) for housing authority staff who interact with the residents.

In 2020:

- HASIP Resident Fund Basic Needs Pantry awarded 33 applications totaling \$88,370
- HASIP Capital Fund awarded three applications totaling \$37,104 including unit and Community Room upgrades, and the building of a maintenance shed and a pavilion/patio.

New Information Resources for Potential Homebuyers

The Single-Family Homeownership Department added a new web-based mapping system that provides key information for prospective first-time homebuyers and business partners. The information includes eligibility criteria for mortgage loan financing, and data on those programs, available for first-time homebuyers.

While COVID-19 impacted CHFA’s work in 2020, CHFA continued to fulfill its mission of increasing the availability of affordable housing, and working with the Department of Housing and other state agencies to support the housing needs of state residents. There is no need for legislative recommendations at this time.

Homeownership

1,636 borrowers became first-time homeowners with a CHFA mortgage in 2020, a \$302.8 million investment in affordable homeownership

CHFA's below-market interest rate mortgages make homeownership affordable for first-time homebuyers and buyers who have not owned a home in the last three years. The first-time mortgage buyer program is financed through proceeds from the sale of Federal Tax-Exempt Housing Bonds, also known as Private Activity Bonds (PABs) issued by CHFA.

To qualify for a CHFA mortgage, applicants must meet specific income criteria and the home they plan to purchase must be within sales price guidelines specific to the area of the state. The guidelines are set by the U.S. Department of Housing and Urban Development (HUD) and the Internal Revenue Service and are reviewed annually. In December 2020, the income limit for a household of three or more people in Hartford County was \$117,990 and the sales price limit of the home was \$313,505. In areas designated as "Targeted Areas" or census tracts defined by the IRS as an area of chronic distress, the income limit for a household of three or more increases to \$143,640 and the sales price limit increases to \$383,170.

Go to CHFA's Resource Map (<https://www.chfa.org/homebuyers/chfa-resource-map-target-areas/>) to see the income limits, sales price limits, and Targeted Areas by town. Income restrictions may be waived for borrowers purchasing homes in Targeted Areas.

CHFA partners with Government Sponsored Enterprises (GSEs), Fannie Mae (FNMA) and Freddie Mac (FHLMC) to help make mortgage loan financing opportunities available through the CHFA Homebuyer Mortgage Loan Programs. The GSEs provide affordable lending products developed exclusively for Housing Finance Agencies (HFAs) to help serve the needs of low- to moderate-income borrowers.

Homeownership Statistics:

Borrower Profile

Borrower's average yearly gross income = \$74,577

Average age of borrowers = 35.6

Loans to female Heads of Household = 639 loans, 39.1% of loans

Loans to minority borrowers = 581 loans, 35.5% of loans

Loans

Average mortgage amount = \$185,111

Average monthly mortgage payment = \$778.84 (P&I only; at 2020 average rate of 2.99%)

Loans with down payment assistance (DAP) loans = 731 loans, 44.68% of loans, \$4.6 million

Loans in Federally Targeted Areas = 381 loans, 23.3% of loans

Loans in Urban Areas = 1,014 loans, 62% of loans

Loans for 2-4 unit multifamily loans = 119 loans, 6% of loans

Specialized Mortgage Programs Loans

Military Homeownership Loans = 16 loans

Teacher Mortgage Assistance Loans = 14 loans

Police Homeownership Loans = 1 loan

Home of Your Own = 5 loans (this program is for borrowers with a disability, or who will have a disabled family member living in the home)

CHFA Supports Habitat for Humanity (HFH)

In 2020, CHFA purchased **9 loans** from HFH for a total of **\$776,274**

When including the Habitat for Humanity mortgage loans, the total number of CHFA loans to homebuyers in 2020 is **1,645 and the aggregate investment is increased to **\$303.6 million.****

CHFA-Approved Lenders:

Borrowers apply for a mortgage through a CHFA-Approved lender, with locations across the state. Below is the list of lenders as of December 31, 2020.

Lender	Lender Type
AFC Mortgage Group, LLC	Mortgage Company
Allied Mortgage Group, Inc.	Mortgage Company
Allpoints Mortgage, LLC	Broker - Norcom Mortgage
Amity Mortgage, LLC	Broker - Norcom Mortgage
Atlantic Home Loans, Inc.	Mortgage Company
Bank of England	Bank
Bay Equity, LLC	Mortgage Company
Berkshire Bank	Bank
Bestway Mortgage Corp	Broker - Norcom Mortgage
Caliber Home Loans, Inc.	Mortgage Company
Capital For Change, Inc.	Mortgage Company
Centreville Bank	Bank
Charter Oak Federal Credit Union	Bank
Chelsea Groton Bank	Bank
Citizens Bank, NA	Bank
CrossCountry Mortgage, Inc.	Mortgage Company
Dime Bank	Bank
E Mortgage Management, LLC	Mortgage Company
Envoy Mortgage, Ltd.	Mortgage Company
Embrace Home Loans, Inc.	Mortgage Company
Equity Resources of Ohio, Inc.	Mortgage Company
Evolve Bank & Trust	Bank
Fairfield County Bank Corp.	Bank
Fairway Independent Mortgage Corp.	Mortgage Company
First World Mortgage Corporation	Mortgage Company
Flagstar Bank, FSB	Bank
Freedom Mortgage Corporation	Mortgage Company
Guaranteed Rate Affinity, LLC	Mortgage Company
Guaranteed Rate, Inc.	Mortgage Company
Homeownership Solutions, LLC	Broker - Liberty Bank
Homebridge Financial Services, Inc.	Mortgage Company
Homestead Funding Corporation	Mortgage Company
Housing Development Fund, Inc.	Mortgage Company
Ion Bank	Bank
Liberty Bank	Bank

Lender	Lender Type
LoanDepot.com, LLC	Mortgage Company
Mortgage Markets CUSO, LLC	Mortgage Company
Movement Mortgage, LLC	Mortgage Company
New England Home Mortgage, LLC	Broker - Norcom Mortgage
New England Residential Finance, LLC	Broker - Liberty Bank
Newtown Savings Bank	Bank
Norcom Mortgage	Mortgage Company
Northpoint Mortgage, Inc.	Mortgage Company
Northwest Community Bank	Bank
People's United Bank	Bank
Pioneer Mortgage, LLC	Broker - Liberty Bank
Primary Residential Mortgage, Inc.	Mortgage Company
Prime Lending A Plains Capital Company	Mortgage Company
Prosperity Home Mortgage, LLC	Mortgage Company
Province Mortgage Associates, Inc.	Mortgage Company
Pryma Lending Group	Broker - Norcom Mortgage
Residential Mortgage Services	Mortgage Company
Santander Bank, National Association	Bank
Savings Bank of Danbury	Bank
Smart Money Funding	Broker - Liberty Bank
Sojourn Mortgage Co., LLC	Broker - Liberty Bank
Southington Mortgage, LLC	Broker - Liberty Bank
The Washington Trust Company	Bank
Thomaston Savings Bank	Bank
Total Mortgage Services, LLC	Mortgage Company
Union Savings Bank	Bank
US Bank N.A.	Bank
Washington Trust Mortgage Company, LLC	Mortgage Company
Webster Bank	Bank
Welcome Home Mortgage, LLC	Broker - Norcom Mortgage
Wells Fargo Bank	Bank
William Raveis Mortgage, LLC	Mortgage Company
Windsor Federal S & L Association	Bank

Homebuyer Education & Counseling Programs

CHFA partners with U.S. Department of Housing and Urban Development (HUD) approved housing counseling agencies to offer free Homebuyer Education classes and Counseling Programs. The Homebuyer Education classes and Counseling Programs are designed to provide the tools and education that will empower low- and moderate-income households across the state to be successful in achieving the security, stability and wealth-building opportunity of home ownership.

In 2020, CHFA received a grant of \$159,642 to fund housing counseling, one of 219 organizations to receive grants from HUD. These funds are allocated to housing counseling agencies that provide the Homebuyer Education and Counseling Programs.

Connecticut residents who are in the process of obtaining a CHFA mortgage are required to attend one of the following Homebuyer Education classes:

Pre-Purchase Homebuyer Education: This is a comprehensive, eight-hour course teaching the prospective buyer about what it takes to become a successful homeowner, from seeking pre-approval for a mortgage, to making an offer to purchase a property, to the closing process. Individual financial and credit counseling is available as part of this eight hour class. This class is offered to any resident of Connecticut who is considering the purchase of their first home. Some agencies also offer this class in Spanish.

Pre-Closing Homebuyer Education: If the individual obtaining a single-family CHFA mortgage is unable to attend the Pre-Purchase Homebuyer Education class, the Pre-Closing Homebuyer Education class is available. All CHFA borrowers are required to take one of the two courses. Topics discussed include the mortgage process, the loan closing process, mortgage loan documents, home maintenance and repairs, as well as actions to take in the future should they face mortgage delinquency. Individuals can either chose to attend a physical class or they can choose the On-line Homebuyer Education course provided by e-Home America. After March 2020 all borrowers participated in the online option.

Landlord Education: This class, along with participation in either the Pre-Purchase or Pre-Closing Homebuyer Education, is required for individuals who are in the process of obtaining a CHFA mortgage purchasing a 2-4 family home. Topics discussed include rights and responsibilities of landlords and tenants in Connecticut, selecting tenants, maintaining your property, and maximizing tax advantages.

Along with the Pre-Purchase Homebuyer and Landlord Education class, CHFA offers an optional class and a counseling program to any Connecticut resident who is or may be interested in buying a home in the future, building or improving credit or managing finances.

Financial Fitness Education: This three-hour class covers the importance of managing money and understanding credit, providing the tools for the individual to become a wiser consumer and avoid financial pitfalls. Topics discussed include budgeting, checking accounts and savings plans and how to effectively monitor and maintain one's credit. Some agencies also offer this class Spanish.

Individual Financial Counseling: This program is offered to all individuals who take part in the Pre-Purchase Homebuyer Education eight-hour class. Individuals will receive a one on one session to explore their mortgage readiness; knowledge of maintaining a budget; better understanding of credit management; and, making informed decisions about pursuing homeownership.

In addition, CHFA offers a counseling program to help any Connecticut homeowner facing financial hardship:

Foreclosure Prevention Counseling: This class is available to individuals and families who are in default and/or in danger of foreclosure. The counseling session includes a timeline for resolution to establish customer expectations, developing a written action plan, and submitting a loss mitigation recommendation to the lender on behalf of the individual.

Participation in Homebuyer Education and Counseling Program

Of the 3,232 households that attended a homebuyer education class in 2020, 1,636 households purchased their first home with a CHFA mortgage. When obtaining a CHFA mortgage, at least one loan applicant is required to attend either a Pre-Purchase or Pre-Closing class.

- 92% of households chose the Pre-Closing online course
- 3% chose the Pre-Closing physical class and
- 5% attended the Pre-Purchase physical class

In addition, any household who is purchasing a 2-4 family unit is required to participate in a Pre-Closing or Pre-Purchase class, as well as a Landlord Education class. In 2020, 117 households were required to attend both. As of March 2020, all homebuyer education courses quickly transitioned from in-person classes to virtual platforms as a result of the COVID-19 pandemic; this format of education is expected to continue into 2021.

In addition, 911 counseling sessions were provided by CHFA's partner HUD approved Housing Counseling Agencies; 755 individual one on one counseling sessions and 156 foreclosure prevention one on one sessions were provided. From 2019 to 2020, individual counseling sessions decreased by 37% and foreclosure prevention one on one sessions declined by 69%; the decline in each session is directly associated with the COVID-19 pandemic. Homeowners facing mortgage delinquency may not have felt the urgency to seek foreclosure assistance due in part to the government's foreclosure moratorium and loss mitigation options provided by mortgage lenders. CHFA's partner agencies will begin to offer foreclosure prevention workshops in addition to foreclosure one on one counseling to ensure foreclosure resources are available through the coming year.

Due to the impact COVID-19 has had on rental housing, CHFA's partner agencies will also begin to offer a rental education workshop, including rental individual counseling.

Emergency Mortgage Assistance Program (EMAP)

The EMAP program, administered by CHFA, provides mortgage delinquency relief to homeowners who have experienced a temporary hardship beyond their control. EMAP mortgage loans provide funds to bring homeowners current on their mortgage and, if needed, monthly mortgage assistance for up to 59 months. In 2020, EMAP provided mortgage assistance to 11 homeowners, an 81% decline from 2019. Again, this was likely due to the moratorium on foreclosures and loss mitigation options offered by mortgage lenders.

Multifamily Housing Development

CHFA approved financing for the new construction, rehabilitation or preservation of 1,065 affordable housing units in 2020, an investment of \$130 million

CHFA provides loans to developers and owners of affordable and mixed-income multifamily rental housing at or below-market interest rates, helping them achieve feasibility for their housing proposals in Connecticut. Increasing the supply of quality, affordable rental units can revitalize and stabilize neighborhoods. In addition, CHFA financing is also available to rehabilitate and preserve existing affordable rental housing stock.

CHFA mortgage financing (proceeds of tax-exempt bonds and taxable bond issues) is often combined with other funding mechanisms, including 9% and 4% Federal Low Income Housing Tax Credits (LIHTCs) and the State Housing Tax Credit Contributions (HTCC) program. Developers are encouraged to combine CHFA funding with private bank financing, private grants or equity as well as public sources as available.

CHFA works closely with the DOH and other state agencies to maximize the available dollars and to spur private investment in affordable housing. Many of the developments approved include a combination of LIHTCs, bonds, and DOH funds, and the two agencies work collaboratively, reviewing application requirements, coordinating closings and the construction process.

Transactions Approved in 2020

The transactions listed on the following pages are developments either approved for financing by CHFA’s Board of Directors or the State Bond Commission. The transactions are listed alphabetically by town and reflect financing amounts as of their approval. Financing amounts may change slightly as transactions move through the final approval process.

State Sponsored Housing Portfolio (SSHP) transactions that received funding through the Capital Plan (the previous administration’s \$300 million 10-year commitment) are underwritten and approved by CHFA as part of a Memorandum of Agreement with DOH, and those transactions are also included here.

The total unit numbers for some of the transactions listed on the following pages are not included in the 1,065 affordable housing units approved in 2020, as some of these developments may have been counted in previous years, but required additional CHFA Board approval in 2020 for changes to their previously approved funding. These 207 units are indicated with an asterisk.

Bridgeport:

Maplewood Court is a CHFA portfolio property located in two 125-year old historic former school buildings. Eight apartments were previously vacant and uninhabitable due to flooding resulting from Super Storm Sandy. Drainage problems will be corrected during this rehabilitation. Additional improvements include energy efficient upgrades to the building envelope and heating system, new windows, bathroom renovations, and new flooring. Amenities include a community room and outdoor courtyard. There are 6 one bedroom, 11 two bedroom, 13 three bedroom and 2 four bedroom units.

Units	32*
Housing Type	Family/Supportive Housing
Affordability	9 units affordable to households up to 25% AMI, 7 units affordable to households up to 50% AMI, 16 units affordable to households up to 60% AMI. 8 of 32 units will be Supportive Housing. 16 units will receive project-based subsidies.
Financing	\$1.3m – DOH Housing Trust Fund, \$325k – Bridgeport CDBG, \$1.6m – 4% LIHTC Proceeds, \$100k – State HTCC Proceeds, \$730k – Federal Historic Tax Credit Proceeds, \$890k – State Historic Credit Proceeds, \$291k – Deferred Developer Fee, \$34k – CHFA Repair Escrow, \$720k – Property Equity, \$2.2m – DOH Affordable Housing Program-Flex, \$813k – Existing CHFA Mortgage. CHFA is providing a \$3.8 m TEB construction loan.

East Hartford:

Veterans Terrace VT II, built in 1950 received funding for Phase 1 of its redevelopment under the 2018 SSHP round. Phase 2 will require demolition of the existing structures down to their foundations and the new construction of units. In order to preserve the affordable housing units, 11 project based Section 8 rental subsidies will be transferred to an off-site development. There will be 1 one bedroom, 34 two bedroom and 19 three bedroom units.

Units	54
Housing Type	Family/Supportive Housing
Affordability	22 units affordable to households up to 25% AMI, 21 units affordable to households up to 50% AMI, 11 units affordable to households up to 100% AMI. 11 of 54 units will be Supportive Housing. 43 units will receive project-based subsidies.
Financing	\$3.9m -DOH funding, \$11.1m - 9% LIHTC Proceeds, \$604k Reserves, \$637k - Deferred Developer Fee, \$154k - Energy Rebate, \$971k - Contributed Land , \$5.2m - M&T Loan

East Lyme:

Rocky Neck Village will increase the supply of deed-restricted housing in an 8-30g municipality. The development will include a community facility, a computer lab, office space for a leasing agent/property manager, and office space for an on-site resident service coordinator. Two 9-Town Transit Bus stops are within a half mile of the property. Rocky Neck State Park is within a half mile of the development, and a walking trail that leads to the Park is across the street. There will be 56 three bedroom units.

Units	56*
Housing Type	Family/Supportive Housing
Affordability	13 units affordable to households up to 25% AMI, 23 units affordable to households up 50% AMI, 14 units affordable to households up to 60% AMI, 6 units affordable to households up to 120% AMI or greater. 12 of 56 units will be Supportive Housing
Financing	\$11.5m CHFA TEB construction loan, \$2.1m - CHFA Taxable Bonds, \$5.2m - DOH Affordable Housing Program-FLEX, \$13.6m - 9% LIHTC Proceeds, \$458k - Deferred Developer Fee, \$285k - Energy Rebate,

Greenwich:

Armstrong Court Phase 2 is the gut/substantial rehabilitation of 3 of the 6 existing buildings in this 144-unit SSHP portfolio property built in 1951. The buildings currently contain 48 units, however, several 1-2 bedroom units will be combined to create much needed 6-3BR units, resulting in a total Phase 2 unit count of 42 units. The new units built in Phase 1 will serve as replacement units to ensure no overall loss of units. There will be 24 two bedroom and 18 three bedroom units.

Units	42
Housing Type	Family
Affordability	17 units affordable to households up to 50% AMI, 25 units affordable to households up to 60% AMI. 17 units will receive project-based subsidies.
Financing	\$6.7m - 4% LIHTC Proceeds, \$400k - Reserves, \$79k - energy rebates, \$500k - HTCC Proceeds, \$1m - Deferred Developer Fee, \$4.8m - HOME funds, \$6.7m - CHFA Tax Exempt Bonds, \$250k - DOH Pre-dev funds, \$4.7m - Seller Financing, \$333k - Seller Note

Armstrong Court Phase 3 Rehab is the ongoing gut/substantial rehabilitation of Building 2 of this SSHP property. The site is served by 7-day per week bus service. The Housing Authority of the Town of Greenwich, the sponsor and developer of the project, has committed project-based Housing Choice Vouchers for 12 units. A pre-K daycare center is also on site. There are 36 two bedroom and 6 three bedroom units.

Units	42
Housing Type	Family
Affordability	11 units affordable to households up to 25% AMI, 17 units affordable to households up to 50% AMI, 14 units affordable to households up to 60% AMI. 12 units will receive project-based subsidies.
Financing	\$4m - DOH Loan, \$10.5m - 9% LIHTC Proceeds, \$2.4m - General Partner Loan, \$3.5m Prudential Loan, \$100k - Reserves, \$89k - Energy Rebates, \$507k - Deferred Developer Fee

Hartford:

Westbrook Village III, now known as The Village at Park River, is the ongoing revitalization of the existing 100% public housing development, located in the Blue Hills neighborhood. When completed, the renewed site will consist of over 440 units of mixed-income housing, as well as approximately 80,000 to 100,000 gross square feet of mixed-use retail, commercial and residential development at the southern end of the site adjacent to Albany Avenue. Several bus stops will serve the development, and Union Station in downtown Hartford can be directly accessed from the site. The City of Hartford has committed to approve a property tax abatement in conjunction with a LIHTC award. There are 26 one bedroom, 31 two bedroom and 8 three bedroom units

Units	65
Housing Type	Family/Supportive Housing
Affordability	13 units affordable to households up to 25% AMI, 26 units affordable to households up to 50% AMI, 11 units affordable to households up to 60% AMI, 15 units affordable to households up to 120% AMI or greater. 13 of the 65 units will be Supportive Housing. 13 units will receive project-based subsidies.
Financing	\$3.5m - DOH Flex Loan, \$236k - Energy Rebate, \$13.3m - 9% LIHTC Proceeds, \$389k - Deferred Developer Fee, \$850k - General Partner Loan, \$3.4m - Permanent Loan

Clover Gardens in Asylum Hill is the rehabilitation of four historic buildings. Eight units will be designated for permanent supportive housing for persons with an intellectual disability or autism spectrum disorder. The development will be 100% affordable utilizing income averaging. There will be 8 studio, 19 one bedroom, 3 two bedroom and 2 three bedroom units.

Units	32
Housing Type	Family/Supportive Housing
Affordability	8 units affordable to households up to 25% AMI, 14 units affordable to households up to 60% AMI, 10 units affordable to households up to 80% AMI. 8 of the 32 units will be Supportive Housing. 8 units will receive project-based subsidies.
Financing	\$6.4m TEB construction loan, \$5.5m - DOH Loan, \$3.2m - 4% LIHTC proceeds, \$1.9m - Federal Historic Credit Proceeds, \$2.1m - State Historic Credit Proceeds, \$473K - Deferred Developer Fee, \$250k - City of Hartford HOME Loan, \$150K - City of Hartford HOME Grant,

Hartford (cont.)

316 On the Park & Park Terrace II, now known as Ribbon Row, is comprised of two properties that will be combined into a new 4% tax credit deal. Park Terrace II will require moderate rehab and 316 On the Park will require a more substantial gut renovation and reconfiguration. The rehabilitation will help address a source of blight and crime in the neighborhood. The development is within ½ mile of Parkville CTfastrak as well as other major bus lines. There will be 7 one bedroom, 40 two bedroom, 39 three bedroom and 3 four bedroom units.

Units	89
Housing Type	Family
Affordability	5 units affordable to households up to 25% AMI, 44 units affordable to households up to 50% AMI, 40 units affordable up to 60% AMI
Financing	CHFA \$9.9 m TEB construction loan, \$2.5m - DOH/HUD HOME Funds, \$2.8m - DOH CHAMP Funds, \$136k - Energy Rebate, \$700k - DOH Flex Loan, \$5.3m - 4% LIHTC Proceeds, \$500k - State HTCC Proceeds, \$2.3m - Federal Historic Credit Proceeds, \$2.2m - State Historic Credit Proceeds, \$41k - Deferred Developer Fee, \$45k - Solar Credits, \$360k - Lead Hazard Grant, \$3.7m - Seller Note

Willow Creek Apartments Phase III will be the third phase of rental housing designed to replace the demolished and previously uninhabitable units at the existing Chester A. Bowles Park property. The new development will contribute to the revitalization of the Blue Hills neighborhood by introducing pedestrian-friendly streetscapes. An on-site community building will include a management office, community space with kitchenette, a business center, fitness facility, and laundry facility. A part-time resident service coordinator will be engaged to attend to residents supportive housing needs. There will be 6 one bedroom, 18 two bedroom and 6 three bedroom units.

Units	30*
Housing Type	Family/Supportive Housing
Affordability	8 units affordable to households up to 25% AMI, 12 units affordable to households up to 50% AMI, 4 units affordable to households up to 60% AMI, 6 units affordable to households up to 120% AMI or greater. 3 of 30 units will be Supportive Housing.
Financing	\$2.5m - CHFA Taxable Bonds, \$6m - DOH Affordable Housing Program - FLEX, \$141k - Energy Rebate, \$6.5m - 9% LIHTC proceeds, \$314k - Deferred Developer Fee, \$950k - Developer Contribution, \$345k - Housing Authority City of Hartford Loan

Ledyard:

King's Corner Manor is an elderly housing facility owned by the Ledyard Housing Authority. The renovations will provide site ADA improvements. All upgrades will improve the living conditions in the units. Under the SSHP State Elderly Housing Program the property serves households with incomes up to 80% AMI however, most of the residents are at or below 30% AMI. There are 30 one bedroom units. This transaction was approved by State Bond Commission

Units	30
Housing Type	Elderly
Affordability	18 units affordable to households up to 25% AMI, 12 units affordable to households up to 50% AMI,
Financing	\$1.3m - DOH SSHP Grant, \$16K - Energy Rebate, \$67k - CDBG, \$20k - Reserves, \$6k - Developer Investment, \$12k - Town of Ledyard, \$1.4m -DOH/HUD CDBG Small Cities Funds

Manchester:

Spencer Village I & II, operated by the Manchester Housing Authority (MHA) will be combined into a single project. The SSHP development has 70 RAPs that expire when the tenants move. HUD has authorized MHA to project-base 25 Section 8 vouchers for the development. The balance of the units will be rent-restricted at the maximum rent for the tax credit program when the RAPs expire, which will result in additional income to the property. The development benefits from a PILOT agreement with the Town. Amenities include a community room. The site is within a 1/3 mile walk to bus stops. All units are one bedroom

Units	80
Housing Type	Elderly
Affordability	15 units affordable to households up to 30% AMI, 65 units affordable to households up to 50% AMI. 25 units will receive project-based subsidies.
Financing	\$1.4m - 4% LIHTC Proceeds, \$56k - Energy Rebate, \$1.9m - CHFA ITA Funds, \$1.9m - DOH SSHP Loan, \$1.5m - MHA Loan, CHFA provided a \$1.38m TEB construction loan.

New Haven:

New Kensington Square II Phase B is the substantial rehab of 53 existing affordable scattered-site units in nine historic buildings. The development will include commercial space and the addition of 15 new units. The development is part of a community partnership with the Greater Dwight Development Corporation and The City of New Haven. There will be 13 studio, 16 one bedroom, 32 two bedroom and 7 three bedroom units.

Units	68
Housing Type	Family/Supportive Housing
Affordability	18 units affordable to households up to 25% AMI, 30 units affordable to households up to 50% AMI, 20 units affordable to households up to 60% AMI. 14 of the 68 units will be Supportive Housing. 61 units will receive project-based subsidies.
Financing	\$250k – City HOME Loan, \$198K Energy Rebate, \$15.5m – 9% LIHTC Proceeds, \$1.1m – Federal Historic Tax Credit Proceeds, \$917k – State Historic Tax Proceeds, \$221k – Construction NOI, \$1m – Existing First Mortgage, \$2.8m – Seller Note, \$100 Developer/Investor Cash Equity

Newington:

Market Square Apartments is an existing 7-story, single high-rise elevator building on a 1.51-acre parcel. The CHFA portfolio property, built in 1979, was last rehabilitated in 2011. The renovation will include ADA accessibility work, asphalt/paving repairs, replacement of rooftop air handlers, siding repairs, flooring replacement, modernization of the security system, LED lighting, generator replacement, community room and gym upgrades, and reconfiguration of the lobby and management office. It is adjacent to Main Street, which allows residents to walk to restaurants, and grocery stores, as well as a mix of small retailers and banks which reduces reliance on a vehicle. All are one bedroom units.

Units	75
Housing Type	Elderly
Affordability	75 units affordable to households up to 50% AMI. 75 units will receive project-based subsidies.
Financing	\$4.3m – 4% LIHTC Proceeds, \$44k – Energy Rebate, \$296k Deferred Developer Fee, \$427k – Income from Operations, \$74k – Residual Receipts, \$8.2m – CHFA TEB funds

Norwich:

Lofts at Ponemah Mills Phase 3 is the rehab of the units contained in Buildings 2, 3 & 4 in accordance with historic standards. Federal Part 2 Historic Tax Credit (HTC) and State Part 2 HTC approvals have been secured and the State Part 3 HTC Reservation from SHPO has been received. This CHFA portfolio property will be 26 one bedroom and 51 two bedroom units.

Units	77
Housing Type	Family
Affordability	16 units affordable to households up to 50% AMI, 23 units affordable to households up to 60%, 38 units affordable to households up to and greater than 120%
Financing	\$9.2m - CHFA Tax Exempt Bond Funds, \$2.8m - DOH Loan, \$75k - Energy Rebate, \$3m - 4% LIHTC proceeds, \$3.5m - Federal Historic Tax Credit Proceeds, \$4.2m - State Historic Tax Credit Proceeds, \$50k - Developer/Investor Cash Equity, \$1.1m - Deferred Developer Fee, \$1.3m - General Partner Loan

Plymouth:

Gosinski Park is the rehabilitation of the Gosinski Park & Extension, an SSHP housing facility owned by the Housing Authority of the Town of Plymouth. The renovations will provide site ADA improvements and mechanical upgrades to the units, which will in turn improve the living conditions for the residents. Under the State Elderly Housing Program the property serves households with incomes up to 80% AMI however, most of the residents are at or below 50% AMI. There are 40 studio and 20 one bedroom units. This transaction was approved by State Bond Commission.

Units	60
Housing Type	Elderly
Affordability	60 units affordable to households up to 50% AMI
Financing	\$1.5m - DOH/HUD CDBG Small Cities Funds, \$2.5m - DOH SSHP Grant, \$1.8k - Energy Rebate, \$100k - Town CDBG Program, \$15K - Reserves, \$17k - Developer/Investor Cash Equity, \$278k - DOH Pre-Dev Loan

Stamford:

Mapleview Towers is a renovation plan to include 100% unit renovations, ADA accessibility work, stand up shower conversions, common area upgrades, full window replacement, and building envelope work including façade and parapet repairs. This affordable housing complex that is currently part of the CHFA portfolio, benefits from a project-based Section 8 HAP Contract. All are one bedroom units.

Units	101
Housing Type	Elderly
Affordability	100 units affordable to households up to 50% AMI, 1 unit affordable to households up to 120% AMI and greater. 100 units will receive project-based subsidies.
Financing	\$23.7m CHFA Tax Exempt Bond Funds, \$8.3m – 4% Federal LIHTC Proceeds, \$176k – Energy Rebate, \$63k – Deferred Developer Fee, \$1.1m – Income from Operations, \$645k – Residual Receipts

Torrington:

Torrington Riverfront is a mixed-use, mixed-income residential development with approximately 1,200 square foot retail space and a plaza that sits along the building frontage closest to the City’s proposed Franklin Street plaza improvements. The retail space includes additional outdoor seating that connects to the Naugatuck Greenway extension that will be constructed as a part of the proposed development. Resident amenities will include a roof top deck, outdoor playground, fitness center, community lounge and resident storage. There will be 27 one bedroom, 27 two bedroom and 6 three bedroom units.

Units	60
Housing Type	Family/Supportive Housing
Affordability	12 units affordable to households up to 25% AMI, 24 units affordable to households up to 50% AMI, 6 units affordable to households up to 60% AMI, 3 units affordable to households up to 70% AMI, 15 units affordable to households up to and greater than 120%. 12 of 60 units will be Supportive Housing. 12 units will receive project-based subsidies.
Financing	\$3.5m – DOH Loan, \$220k – Energy Rebate, \$12m – 9% LIHTC Tax Credit Proceeds, \$341k Deferred Developer Fee, \$847k – General Partner Loan, \$2.9m – Torrington Savings Bank

Waterbury:

Enterprise Abbott Apartments is a senior residential housing located in 2 buildings in downtown. The financing will include capital repairs and unit rehab. The project is currently 100% project-based Section 8. As part of this transaction, the project will receive a new 20-year HAP contract extending the affordability to this much needed population. There are 159 one bedroom and 28 two bedroom units.

Units	187
Housing Type	Elderly
Affordability	31 units affordable to households up to 25% AMI, 49 units affordable to households up to 50% AMI, 107 units affordable to households up to 60% AMI. All 187 units will receive project-based
Financing	\$3.9m - DOH CHAMP Funds, \$406k - Reserves, \$8.1m - 4% LIHTC Proceeds, \$3.2m - Federal Historic Credit Proceeds, \$4.3m - State Historic Credit Proceeds, \$585k - Deferred Developer Fee, \$281k - Energy Rebate, \$9.5m - CHFA Tax Exempt Bond Funds, \$4.2m - Existing Debt, CHFA is providing a \$10.2m TEB construction loan.

Waterford:

Pequot Apartments is a new construction development located in a town with less than 10% affordable housing. Amenities include community space with a computer lab. The site is within half a mile of a bus stop and close to commercial establishments. There will be 16 one bedroom and 24 two bedroom units.

Units	40
Housing Type	Family/Supportive Housing
Affordability	8 units affordable to households up to 25% AMI, 16 units affordable to households up to 50% AMI, 8 units affordable to households up to 8%, 8 units affordable to households up to and greater than 120%. 8 of 40 units will be Supportive Housing.
Financing	\$3.8m - DOH Loan, \$8.3 - 9% LIHTC Proceeds, \$345k - Deferred Developer Fee, \$1.1m - Permanent Debt

West Hartford:

540 New Park is the new construction of a single multi-story building, located less than half a mile from both the Elmwood and Flatbush Avenue CTFAstrak stations. The developer is an affiliate of the West Hartford Housing Authority. The development is located in an Opportunity Zone, Qualified Census Tract and an Opportunity Area. Eleven rental subsidies will serve clients of DDS, and 13 Section 8 rental subsidies will serve low-income families. There will be 25 one bedroom and 27 two bedroom units.

Units	52
Housing Type	Family/Supportive Housing
Affordability	11 units affordable to households up to 25% AMI, 21 units affordable to households up to 50% AMI, 9 units affordable to households up to 60% AMI, 11 units affordable to households up to 120% and greater. 11 of 52 units will be Supportive Housing. 24 units will receive project-based subsidies.
Financing	\$4.5m – CHFA Taxable Bond Funds, \$2.9m – DOH Deferred Loan, \$135k – Energy Rebate, \$12.4m – 9% LIHTC Proceeds, \$650k – Deferred Developer Fee,

Special Needs Housing

Supportive housing creates permanent, affordable service-supported housing opportunities for those with special needs including (1) persons experiencing homelessness particularly chronic homelessness; (2) persons with an intellectual disability as identified by the Department of Developmental Services (DDS); or (3) families with active involvement in the child welfare system as identified and referred by the Department of Children and Families (DCF).

In 2020, eight affordable housing developments approved for financing by CHFA's Board of Directors included 85 units of Permanent Supportive Housing (PSH) in their unit mix. The developments are listed in order of points received in the funding round.

Development	Town	4% or 9% Program	PSH Units	Total Units	PSH Units as % of Total Units
Westbrook Village Phase III	Hartford	9%	13	65	20%
Veteran Terrace VT II	East Hartford	9%	11	54	20%
540 New Park	West Hartford	9%	11	52	21%
Torrington Riverfront	Torrington	9%	12	60	20%
Pequot Apartments	Waterford	9%	8	40	20%
New Kensington Square II Phase B	New Haven	9%	14	68	21%
Maplewood Court	Bridgeport	4%	8	32	25%
Clover Gardens	Hartford	4%	8	32	25%
TOTALS			85	403	21%

These developments will provide PSH for adults and families, including individuals with intellectual or developmental disabilities, veterans and those experiencing chronic homelessness.

Production represents:

69 units or approximately 20% of the total 9% LIHTC production

16 units or approximately 25% of the total 4% LIHTC production

Interagency Council for Supportive Housing and Homelessness (ICSHH)

Since 1993, the State of Connecticut has been active in implementing supportive housing through a unique collaboration of public and private organizations, namely the Interagency Council for Supportive Housing and Homelessness (ICSHH). The Council's membership includes the Office of Policy and Management (OPM), CHFA, and the State of Connecticut Departments of Children and Families (DCF), Correction (DOC), Developmental Services (DDS), Housing (DOH), Mental Health and Addiction Services (DMHAS), Social Services (DSS), Veterans Affairs (DVA), the Judicial Branch Court Support Services Division (CSSD) and the Corporation for Supportive Housing (CSH).

The ICSHH meets regularly to address the needs and priorities of the State related to ending homelessness. In 2020, the ICSHH continued to work towards ending chronic homelessness amongst all individuals and families. ICSHH additionally addresses the needs of young adults and families as well as individuals re-entering communities, including persons with serious mental health needs and/or substance abuse disorders who are community-supervised offenders, those who are living in shelters or those who are unsheltered homeless.

There were no developments funded through the ICSHH in 2020. ICSHH member agencies continue to work together to secure and implement federal funding for supportive housing opportunities and to develop demonstration programs that meet specific special needs populations. In 2020, the ICSHH supported grant fund applications and utilized funding from the U.S. Department of Housing and Urban Development (HUD) under the Section 811 Supportive Housing program as well as its Continuum of Care, and Housing Choice Voucher programs. These funds enabled the expansion of supportive housing throughout the state by providing critical service supports and rental subsidies necessary to integrate supportive housing in existing and/or new developments.

CHFA, as the State's housing finance authority and tax credit allocating agency, is an important partner in funding efforts that provide supportive housing units.

Administration of Tax Credit Programs

State Housing Tax Credit Contributions (HTCC) Program – 2019-2020

CHFA issues tax credit vouchers to business firms making cash contributions to qualified non-profits that develop affordable housing. The total amount available under the HTCC program is \$10 million annually, with a \$2 million set-aside for supportive housing, and a \$1 million set-aside for workforce housing. CHFA allocated the HTCCs in 2020 to non-profit organizations and their programs listed below, which will result in the development of at least 668 affordable homes and apartments. The developments are listed in order of points received in the funding round.

Project Name	Town	Units	Contribution Received	Set Aside
Live Where You Work Program	Statewide	N/A*	\$500,000	W
West Liberty Commons	Bridgeport	18	\$200,000	S
Mill at Killingly Apartments	Killingly	32	\$500,000	S
WYSH House	Meriden	12	\$200,000	S
Fairfield Commons	Stamford	16	\$500,000	S
Courtland Arms	New Britain	24	\$500,000	S
Promise House	Manchester	13	\$500,000	S
Capital for Change Loan Pool	Various	N/A*	\$500,000	G
Mystic River Homes Congregate	Noank	50	\$500,000	G
Stern Village Apartments	Trumbull	186	\$500,000	G
ECC RAD Group II	New Haven	70	\$200,000	G
Spruce Ridge	Pawcatuck	42	\$500,000	G
The Lofts at Spencer's Corner	Centerbrook	17	\$345,000	G
Habitat Affordable Homeownership 2020	Bridgeport	6	\$500,000	G

W=Workforce Housing S=Supportive Housing G=General Housing Chart continues on next page

* Funding is leveraged with other funds from the non-profit, and is for homeownership loans, so apartment unit count is not applicable.

HTCCs (continued)

New Haven Habitat Homes	New Haven	3	\$355,000	G
East End Community Building Initiative - Phase II	Bridgeport	25	\$300,000	G
Capital Upgrade Phase I	Mystic	10	\$500,000	G
316 On the Park & Park Terrace II	Hartford	89	\$500,000	G
Community of Hope	Groton	7	\$300,000	G
Hartford Community Loan Fund	Hartford	N/A*	\$500,000	G
Bishop and Beacon Homeownership	Waterbury	4	\$500,000	G
Bayonet Street Apartments Phase I	New London	28	\$500,000	G
11 Friendship Street	New London	6	\$300,000	G
Sarum Village III	Salisbury	10	\$300,000	G
Total		668	\$10,000,000	

W=Workforce Housing S=Supportive Housing G=General Housing

* Funding is leveraged with other funds from the non-profit, and is for homeownership loans, so apartment unit count is not applicable.

Federal 9% Low-Income Housing Tax Credit (LIHTC) Program – 2020

Debt financing for the development of multifamily housing, such as mortgage loans, must be supplemented or augmented to balance the development budget and achieve development feasibility, while servicing low-income households. LIHTCs are a critical source of equity for developers, and they continue to be highly sought after in a time when subsidy dollars are limited.

The 9% LIHTC program is highly competitive. In 2020, 16 applicants requested credits totaling more than \$23 million to fund 950 units of housing, while the amount of credits available was approximately \$10 million. The 2020 project allocations are listed below. The total equity for the \$8.8 million in LIHTCs is estimated to be \$83,713,876. The developments are listed in order of points received in the rating and ranking process.

City/Town	Project Name	Type of Housing	Qualified Units	Total Units	2020 Credit Allocations
Greenwich	Armstrong Court Phase 3 Rehab	Family	42	42	\$1,088,723
East Hartford	Veteran Terrace VT II	Family/Supportive	43	54	\$1,150,602
Hartford	Westbrook Village III	Family/Supportive	50	65	\$1,422,558
West Hartford	540 New Park	Family/Supportive	41	52	\$1,230,000
New Haven	New Kensington Square II Phase B	Family/Supportive	68	68	\$1,689,320
Waterford	Pequot Apartments	Family/Supportive	32	40	\$900,180
Torrington	Torrington Riverfront	Family/Supportive	45	60	\$1,350,000
			321	381	\$8,831,383

Property Management

Staff oversee the State-Sponsored Housing Portfolio and the CHFA Private Portfolio of affordable, rental housing properties.

State-Sponsored Housing Portfolio (SSHP) Activity – 11,150 units

Although there was no SSHP funding round in 2020, staff from CHFA and DOH continue to work on the closings and administration of funds from previously approved transactions. Funds to rehabilitate the SSHP portfolio are now being deployed based on need and readiness to proceed instead of specific funding rounds. CHFA and DOH work collaboratively to assess which properties will be awarded funds and how State funding can be leveraged with Federal funding to assist as many properties in the SSHP portfolio as possible.

SSHP Critical Need Capital funding continues

During the 2020 calendar year covered by this report, 6 properties, with a total of 230 units received allocations for critical needs.

Critical Needs				
Property Name	Town	Units	Award	Total Development Cost
Birchwood Terrace	Killingly	40	\$213,074.00	\$240,815.00
Brook Quarry	Brookfield	35	\$134,638.00	\$134,638.00
George Washington Carver	New London	130	\$416,305.36	\$416,305.36
New Horizons	Middlebury	5	\$119,685.46	\$135,003.68
New Horizons	Middlebury	*	\$ 18,401.25	\$18,401.25
Lawrence Crest Cooperative, Inc.	Waterbury	13	\$ 70,879.69	\$ 70,879.69
Union St. Cooperative, Inc.	Windham	7	\$319,749.80	\$324,749.80
Subtotal		230	\$1,292,733.56	\$1,340,792.78
*Units previously accounted for.				

CHFA Portfolio Activity – 24,797 units

CHFA Portfolio properties are financed with a combination of CHFA funds, Federal 9% and 4% LIHTCs, State and Federal Historic Tax Credits, State Housing Tax Credit Contributions (HTCCs) and private and/or public bond funds.

CHFA continued its ongoing portfolio management oversight, which included performance management of its portfolio of 314 developments and 24,797 apartments, as well as a Real Estate Owned (REO) property held by a subsidiary of CHFA.

CHFA acted as the HUD Contract Administrator for 50 project-based Section 8 developments, including the review and approval of \$49 million in subsidy payments for 5,131 apartments. On October 1, 2020 HUD transferred the contract administration of 42 contracts with 4,394 units to the Performance Based Contract Administrator (PBCA). HUD has been transferring eligible contracts to Navigate Affordable Housing Partners, which is the PBCA that was selected by HUD a few years ago. CHFA has been keeping abreast as to when the PBCA Contract will be rebid. At this time, HUD has not published any details about a future solicitation to rebid the contract administration. CHFA had subcontracted the oversight of 80 Section 8 apartments for a Housing Authority, which was also transferred to the PBCA in October.

CHFA works with an outside contractor, Spectrum Companies, to monitor Federal LIHTC compliance of approximately 24,200 units at 305 properties.

REO Property

Eno Farms, Simsbury: The property is held by CHFA–Small Properties, Inc.

Community Development Special Programs

CHFA is committed to strengthening neighborhoods by helping to integrate housing within community development efforts.

Come Home to Downtown

During 2020, CHFA continued to collaborate with the Connecticut Main Street Center and its Come Home to Downtown program. Leasing began with the completion of 28 High Street, an adaptive reuse of a commercial building listed on the U.S. National Register of Historic Places and part of the High Street Historical District in downtown Hartford. The development contains apartments above retail space in steps from major bus and rail transit. The 28 studio, one and two bedroom units are mixed income with affordable-rate rents based on income.

Suburban and Rural Affordable Housing Technical Assistance (Housing Connections)

The Local Initiatives Support Corporation (LISC) administers the Housing Connections Program on behalf of CHFA. This program provides a comprehensive array of assistance to towns interested in creating affordable housing, from the early stages of planning and zoning through organizational development and site selection. Through the program, LISC has fostered the development of 1,189 units of affordable housing in suburban and rural communities including 622 units that are in various stages of development.

Transit-Oriented Development Capital Fund

CHFA along with the State of Connecticut Department of Economic and Community Development supported LISC at the inception of a \$15 million revolving fund managed by LISC. This fund prioritizes the development of a mix of uses including new housing, retail, and commercial office space near transit hubs to encourage the use of mass transit, reduce the reliance on driving, and to foster denser, livable, walkable communities. The TOD fund is a revolving loan fund that provides important bridge financing for historic and low-income housing tax credits as well as pre-development financing to eligible developments.

Community Development Financial Institutions

CHFA partners with and invests in Community Development Financial Institutions (CDFIs) to provide technical assistance and financing to non-profit and for-profit developers, provide financing associated with housing and community development, and assist in the coordination of comprehensive neighborhood improvement throughout Connecticut. These developments are generally smaller in scale, tend not to fit CHFA's multifamily development funding process, or are not able to leverage Low-Income Housing Tax Credits effectively. CHFA partners with CDFIs as an alternative method to provide funds to this market segment. CHFA currently has partnerships with LISC, Capital for Change, the Hartford Community Loan Fund, and the Housing Development Fund.

CHFA's Small Multifamily CDFI Loan Pool

The Small Multifamily CDFI Loan Pool consists of \$12 million of low-cost capital provided by both CHFA and the State of Connecticut Office of Policy and Management for the redevelopment or rehabilitation of vacant or blighted small multifamily/mixed use rental properties with 3 to 20 units. Financing has been allocated specifically to support responsible growth policies and transit-oriented development. The Hartford Community Loan Fund and Capital for Change are the leading participants in the program. Since its inception in 2014, participating CDFIs have utilized \$8.9 million to finance the rehabilitation of 60 properties resulting in 235 affordable rental units contributing to neighborhood and community improvement.

Financial Statement 2020

CHFA is a self-funded quasi-public agency, which uses its resources to provide below market interest rate mortgages for single-family homeownership and multifamily rental property. Federal Tax-Exempt bonds are the primary source of mortgage capital for CHFA's housing programs. CHFA maintains a credit rating of AAA with S&P Global as well as an Aaa rating with Moody's Investor Service.

The financial statement follows this page.

**** PRELIMINARY - UNAUDITED ****

**CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES WITH COMPARISON TO BUDGET
TWELVE MONTHS ENDED DECEMBER 31, 2020
(in 000's)**

	<u>2020 Budget Projection</u>	<u>YTD December 2020 Preliminary</u>	<u>Variance to 2020 Budget</u>
Operating Revenues			
Interest on mortgage loans	134,290	128,959	(5,331)
Interest on investments	83,360	72,652	(10,708)
Fees and other income	10,970	13,471	2,501
Total Operating Revenues	<u>228,620</u>	<u>215,082</u>	<u>(13,538)</u>
Operating Expenses			
Interest	162,270	143,969	(18,301)
Bond Issuance Costs	6,632	5,966	(666)
Servicer fees	8,880	7,295	(1,585)
Administrative	41,705	34,766	(6,939)
Provision for losses	5,000	3,824	(1,176)
Total Operating Expenses	<u>224,487</u>	<u>195,820</u>	<u>(28,667)</u>
Net Operating Income	<u>4,133</u>	<u>19,262</u>	<u>15,129</u>

Notes:

- 1) Does not include amounts received or expensed pursuant to CGS Sec 4-66aa (CIA), Emergency Mortgage Assistance (EMAP), the Federal Comprehensive Counseling Grant, Zero-16 (End Chronic Homelessness Initiative), the federal QECB Interest Subsidy, the Mobile Home Loan Refinance Grant and TRHAP related grant activity.
- 2) The adjustment to record the fluctuation in the market value of investments is not included.
- 3) Does not include actuarial adjustments to pension and OPEB expense.