

Minutes
Connecticut Housing Finance Authority
Board of Directors Meeting No. 588
January 28, 2021

Directors Present: Seila Mosquera-Bruno, Chairperson of CHFA and Commissioner of the Department of Housing
Heidi DeWyngaert, Vice Chairperson of CHFA and Chairperson of the Mortgage Committee
Jerrold Abrahams
Cindy Butts
Wendy Clarke
Kiley Gosselin
Timothy Hodges
Catherine MacKinnon
Jorge Perez, State Banking Commissioner
Franklin Perry II
Sarah Sanders, representing Shawn Wooden, State Treasurer
Lisa Tepper Bates
Glendowlyn Thames, representing David A. Lehman, Commissioner, Department of Economic & Community Development
Gregory Ugalde

Directors Absent: Steven Kitowicz, representing Melissa McCaw, Secretary, State Office Policy and Management

By video conference due to the COVID-19 public health crisis and in accordance with Governor Lamont's Executive Order 7B, Ms. Mosquera-Bruno called the meeting of the Connecticut Housing Finance Authority to order at 10:05 a.m.

A roll call of Board members was conducted and a quorum was present. Ms. Mosquera-Bruno asked for public comments by virtue of the public call-in line and there were none.

There was a moment of silence honoring the late Daniel Arsenault, former Legislative Programs Manager for the Connecticut Department of Housing. His dedication and commitment to expanding housing opportunities to the residents of Connecticut was acknowledged.

Ms. Mosquera-Bruno asked the Board to consider adding to the agenda a Recognition of Employee Service to CHFA.

Upon a motion made by Mr. Perez, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of adding a Recognition of Employee Service to CHFA to the agenda.

Nandini Natarajan, Chief Executive Officer-Executive Director, announced that Ed Myskowski, Director, Investment and Debt Management, will be retiring after 24-years of service to CHFA.

She recognized his efforts in supporting CHFA's mission and ability to access the bond markets and be a recognized bond issuer. She read a proclamation from Governor Ned Lamont honoring his years of dedicated service to the State of Connecticut.

Ms. Natarajan reported on the status of the development of the second phase of the State's COVID-19 emergency rental assistance and emergency mortgage assistance programs. She announced her appointment, as well as Catherine MacKinnon's appointment, to the Federal Home Loan Bank Boston Advisory Council. She also reported that she will be providing periodic updates on the progress of the implementation phase of CHFA's strategic plan and that the framework of the Investment Trust Account and Opportunity Fund policy would be presented today for approval.

Hazim Taib, Chief Financial Officer, presented the resolution to ratify and approve the appointment of CliftonLarsonAllen LLP as CHFA's new external auditor for the remaining term of the Authority's existing engagement with BlumShapiro.

Upon a motion made by Mr. Abrahams, seconded by Mr. Hodges, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding CHFA's external auditor:

RESOLUTION REGARDING EXTERNAL AUDITOR FOR THE AUTHORITY

WHEREAS, pursuant to Section 8-249(c)(4) of the Connecticut General Statutes, and Sections I(D) and V(C-1) of the Procedures of the Connecticut Housing Finance Authority (the "Authority"), the Authority is required to solicit proposals for an external auditor at least once every three (3) years; and

WHEREAS, by virtue of a Resolution of the Board of Directors on July 25, 2019 (the "Prior Resolution"), the Authority selected BlumShapiro as external auditor for the Authority for a period of up to three (3) years and the Authority entered into an engagement with BlumShapiro in accordance therewith (the "Engagement");

WHEREAS, as a result of a merger and acquisition on January 1, 2021, BlumShapiro joined CliftonLarsonAllen LLP and the Authority desires to confirm and ratify the Engagement and retain CliftonLarsonAllen LLP, as further described in the attached Memorandum from Hazim Taib, Chief Financial Officer, dated January 28, 2021 (the "Memorandum").

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The Authority's Engagement is hereby confirmed and ratified and CliftonLarsonAllen LLP, as successor in interest to BlumShapiro, is retained as the Authority's external auditor in accordance with the terms of the Prior Resolution.

Section 2. This Resolution shall take effect immediately.

Mr. Ronald Nossek from CliftonLarsonAllen LLP, presented the audit plan for CHFA's 2020 financial statements, noting that the areas of focus for the audit are not significantly different than past years and noting certain changes to testing and sample sizes.

Mr. Taib requested approval to amend the 2021 Series A Housing Mortgage Finance Program Bond resolution, increasing the bonding authority from \$150 million to \$270 million.

Upon a motion made by Ms. Sanders, seconded by Ms. MacKinnon, the Board members voted by roll call and were unanimously in favor of adopting the following resolution amending the 2021 Series A Bond issue resolution:

AMENDING RESOLUTION FOR THE 2021 SERIES A
HOUSING MORTGAGE FINANCE PROGRAM BOND SALE

WHEREAS, by resolution dated November 19, 2020 (the "Prior Resolution"), the Board of Directors authorized the commencement of necessary preparations for the sale of the therein defined Bonds;

WHEREAS, in order to maintain continuity of the Authority's Housing Mortgage Finance Program, it is appropriate to obtain additional funds from one or more bond sales and to accordingly amend the Prior Resolution, as set forth herein.

NOW, THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Sections 3, 9 and 15 of the Prior Resolution are hereby amend by replacing the amount "\$150,000,000" with the amount "\$270,000,000" in each instance.

In all other respects the Prior Resolution shall remain in full force and effect.

Mr. Taib, presented the resolution regarding the State Carryover Bond Allocation stating that the State Bond Commission awarded CHFA a carryforward of unissued Private Activity Bond Volume Cap of \$105,962,174 which will be allocated to the multifamily and single family programs.

Upon a motion made by Mr. Ugalde, seconded by Abrahams, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding the State Carryover Bond Allocation:

RESOLUTION REGARDING CARRYOVER OF STATE BOND ALLOCATION

WHEREAS, in accordance with Section 31-141 of the Connecticut General Statutes (C.G.S.), the State of Connecticut receives an annual allocation of tax exempt bond authority, a portion of which is allocated to the Connecticut Housing Finance Authority (the "Authority"); and

WHEREAS, in accordance with C.G.S. §32-142 of the Connecticut General Statutes, the State Bond Commission may modify and re-allocate allocations established under C.G.S. §32-141 which have not been used; and

WHEREAS, at its December 18, 2020 meeting, the State Bond Commission allocated \$105,962,174 additional tax exempt bond authority (the “State Carryover Bond Allocation”) to the Authority for single or multifamily revenue bonds.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The State Carryover Bond Allocation of \$105,962,174 is hereby added to the Authority’s 2021 budget, as follows: \$100,000,000 for multifamily ongoing programs and bonds and \$5,962,174 for single family ongoing programs and bonds.

Section 2. Except as modified herein, the 2021 budget is hereby affirmed and remains in full force and effect.

Section 3. The Chief Executive Officer - Executive Director and/or Chief Financial Officer is hereby authorized to take all further actions deemed necessary or desirable to effectuate the intent of this resolution.

Valencia Taft-Jackson, Deputy Managing Director of Homeownership, presented the resolution to amend the Single Family Housing Downpayment Assistance Program (DAP) Procedures.

Upon a motion made by Ms. Clarke, seconded by Ms. Tepper Bates, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding the Single Family Housing Downpayment Assistance Program Procedures. Ms. Gosselin was not present for the vote.

**RESOLUTION ADOPTING AMENDMENTS TO THE
CONNECTICUT HOUSING FINANCE AUTHORITY SINGLE FAMILY HOUSING
DOWNPAYMENT ASSISTANCE PROGRAM (DAP) PROCEDURES**

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”) has adopted Procedures (the “Procedures”) in connection with said responsibilities; and

WHEREAS, the Authority is subject to the requirements of Chapter 12 of Title 1 of the Connecticut General Statutes (the “Quasi-Public Agencies Act”); and

WHEREAS, by Resolution of the Board of Directors approved November 19, 2020, the Authority authorized proposed amendments to its Single Family Housing Downpayment Assistance Program (DAP) Procedures for purposes of receiving public comments in accordance with the Quasi-Public Agencies Act;

WHEREAS, a public comment period was held between December 15, 2020 and January 16, 2021, which public comment period has ended and no comments have been received by the Authority; and

WHEREAS, the Authority desires to adopt the proposed amendments to its Single Family Housing Downpayment Assistance Program Procedures, as further described in the attached memorandum dated January 28, 2021, from Valencia Taft-Jackson, Deputy Managing Director of Homeownership.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The attached amendments to the Authority's Single Family Housing Downpayment Assistance Program (DAP) Procedures are hereby adopted.

Section 2. The Chief Executive Officer - Executive Director of the Authority is hereby authorized to take all other actions consistent with this Resolution, as amended, as may be necessary to effectuate this Resolution.

Masouda Omar, Managing Director, Multifamily, provided a summary of the resolution authorizing approval of the prepayment of two mortgage loans for Summitwoods, located in Norwich, Connecticut.

Upon a motion made by Ms. DeWyngaert, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding Summitwoods, Norwich. Ms. Gosselin was not present for the vote.

**RESOLUTION REGARDING THE PREPAYMENT OF
MORTGAGE LOANS FOR SUMMITWOODS, NORWICH, CONNECTICUT
CHFA DEVELOPMENT NOS. 88007P & 92067D**

WHEREAS, in accordance with resolutions of the Board of Directors adopted on August 24, 1989, June 30, 1994, and March 31, 2011, Summitwoods Limited Partnership and its predecessor-in-interest (the "Mortgagor") received mortgage financing (the "First Mortgage Loan") from the Connecticut Housing Finance Authority (the "Authority") for a 120 unit development known as Summitwoods, located in Norwich, Connecticut (the "Development");

WHEREAS, the Mortgagor received subordinate mortgage financing (the "Second Mortgage Loan") from the State of Connecticut (the "State") for the Development, which Second Mortgage Loan was assigned by the State to the Authority and modified in accordance with resolution of the Board of Directors dated March 31, 2011; and

WHEREAS, the Mortgagor has requested permission to transfer ownership of the Development and to prepay the First Mortgage Loan and the Second Mortgage Loan (collectively, the "Loan"); and

WHEREAS, the Authority desires to permit the prepayment of the Loan upon terms and conditions ensuring the preservation of affordable housing, as stated herein and as described in the attached Memorandum from Joe Voccio, Director, Multifamily, dated January 28, 2021 (the "Memorandum").

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. Prepayment of the Loan is hereby authorized upon the following terms and conditions:

(a) The full repayment to the Authority of the principal balance of the Loan, and all accrued interest thereon, and all other amounts due under the Loan, including, without limitation, residual value payments reviewed and accepted by the Authority;

(b) Acceptance by the Authority of a proposed purchaser of the Development and a proposed property management company for the Development, who are both in compliance with all applicable law, the Authority's Procedures, the provisions of the Memorandum, and all applicable Authority policies;

(c) Evidence acceptable to the Authority that the Development will remain subject to the all existing affordability covenants and requirements in favor of the Authority and the State;

(d) The payment to the Authority of a housing program maintenance fee on the First Mortgage Loan of approximately \$15,000; and

(e) Compliance by the Mortgagor and any proposed purchaser with all applicable law, the Authority's policies and Procedures, the provisions of the Memorandum, and such other requirements deemed necessary for the benefit and preservation of affordable housing and in the best interests of the tenants of the Development, *provided, however*, if there is any inconsistency between the provisions of this Resolution and the Authority's policies, the terms of this Resolution shall control.

Section 2. The Chief Executive Officer - Executive Director is hereby authorized to accept prepayment of the Loan and to execute all required documents and releases to effectuate the prepayment as provided herein and upon terms and conditions as she determines to be in the best interest of the Authority, provided the transaction is completed to the satisfaction of the Authority on or before October 31, 2021, unless time for compliance is further extended by the Chief Executive Officer - Executive Director upon good cause shown and payment of any extension or other fees as may be required.

Wendy Moores, Director, Multifamily presented the resolution to approve second forbearance for two properties, Lawnhill Terrace and Oak Park, both located in Stamford, Connecticut.

Upon a motion made by Mr. Abrahams, seconded by Mr. Ugalde, the Board members voted by roll call and were in favor of adopting the following resolution approving additional forbearance for Lawn Hill Terrace and Oak Park, Stamford. Ms. Gosselin was not present for the vote.

**RESOLUTION REGARDING CERTAIN SECOND EXTENSIONS
OF IMMEDIATE AND TEMPORARY FINANCIAL ACCOMMODATIONS
FOR CERTAIN HOUSING MORTGAGE PROGRAM DEVELOPMENTS
IMPACTED BY THE CORONAVIRUS DISEASE 2019 (COVID-19) OUTBREAK**

WHEREAS, on March 10, 2020, the Governor of the State of Connecticut issued a declaration of public health and civil preparedness emergencies, proclaiming a state of emergency throughout the State of Connecticut as a result of the coronavirus disease 2019 (“COVID-19”) outbreak in the United States and confirmed spread in the State of Connecticut (the “Public Emergency”);

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”) is established as a body politic and corporate, constituting a public instrumentality and political subdivision pursuant to Chapter 134 of the Connecticut General Statutes (the “Act”) for the purpose of alleviating the shortage of housing for low and moderate income families and persons in the State of Connecticut;

WHEREAS, by certain resolutions dated April 30, 2020, June 25, 2020 and November 19, 2020 (the “Prior Resolutions”), the Board of Directors of the Authority deemed the availability of immediate and temporary financial accommodations for multifamily developments and multifamily developers and financiers funded in the Authority’s housing mortgage finance program and certain other multifamily housing programs and initiatives (collectively, the “Program”) to be necessary;

WHEREAS, the Prior Resolutions authorized the Chief Executive Officer - Executive Director to grant mortgage loan payment forbearance or other loan payment forbearance, in whole or in part, to certain Developments for a period of up to 3 months of required principal and interest payments due to the Authority on April 1, 2020 or thereafter (each a “Forbearance”);

WHEREAS, Forbearance was granted to Oak Park, located in Stamford, Connecticut, and to Lawnhill Terrace, located in Stamford, Connecticut (the “Developments”) in accordance with the Prior Resolutions;

WHEREAS, the Developments have an ongoing acute need for payment forbearance as a result of the ongoing Public Emergency and continued payment forbearance is in the best interests of the tenants in the Program and the continued development and preservation of affordable housing by the Authority in the State of Connecticut, all as further described in the attached Memorandum dated January 28, 2021 from Wendy Moores, Director, Multifamily.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The Chief Executive Officer - Executive Director is authorized to provide each of the Developments with an additional Forbearance.

Section 2. The Chief Executive Officer – Executive Director is hereby further authorized to take whatever other action is necessary to make such changes, additions, deletions, modifications and amendments to the terms of the mortgage loans for selected Developments as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization to grant Forbearance to Developments as contemplated by this Resolution and by the Prior Resolutions, notwithstanding any previously adopted Board of Directors policy statements to the contrary.

Ms. Omar reported that demand for COVID forbearance continues to be lower than expected. Staff continues to monitor the impact of COVID-19 and a survey to elicit how the pandemic is continuing to effect operations will be sent to property owners in the CHFA portfolio.

Mr. Taib presented the resolution modifying the administration of the State Temporary Housing Assistance Program (TRHAP).

Upon a motion made by Mr. Perry, seconded by Mr. Hodges, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding modifications to the administration of the State Temporary Rental Housing Assistance Program. Ms. Gosselin was not present for the vote.

**RESOLUTION REGARDING MODIFICATIONS TO ADMINISTRATION OF
THE STATE OF CONNECTICUT TEMPORARY HOUSING ASSISTANCE PROGRAM
FOR CERTAIN RENTERS AND HOMEOWNERS IMPACTED
BY THE CORONAVIRUS DISEASE 2019 (COVID-19) OUTBREAK**

WHEREAS, the Connecticut Housing Finance Authority (the “Authority”) is established as a body politic and corporate, constituting a public instrumentality and political subdivision pursuant to Chapter 134 of the Connecticut General Statutes (the “Act”) for the purpose of alleviating the shortage of housing for low and moderate income families and persons in the State of Connecticut;

WHEREAS, on March 10, 2020, the Governor of the State of Connecticut issued declarations of public health and civil preparedness emergencies, proclaiming a state of emergency throughout the State of Connecticut as a result of the coronavirus disease 2019 (“COVID-19”) outbreak in the United States and confirmed spread in the State of Connecticut (the “Public Emergency”);

WHEREAS, the ability of certain documented households in the State of Connecticut to pay their full housing costs is expected to continue to be negatively affected by income loss and/or greater expenses caused by the Public Emergency;

WHEREAS, in order to prevent eviction and foreclosure actions caused by the Public Emergency and to further the declared policy and purposes set forth in the Act, the Board of Directors adopted resolutions on June 25, 2020 and October 13, 2020 (the “Prior Resolutions”) which authorized collaboration and coordination with the State of Connecticut Department of Housing (the “Department”) in order to implement the Temporary Housing Assistance Program, which included the Authority’s administration of approximately \$40,000,000 for certain renters affected by the Public Emergency and the Authority’s administration of approximately \$10,000,000 for certain homeowners affected by the Public Emergency (collectively, the “Program”);

WHEREAS, on account of the ongoing Public Emergency and continuing effect on renters in the State of Connecticut, the Department now seeks to implement certain additional Program modifications, including the provision of additional funds in order to effectuate the Authority’s administration and completion of Program services and the amendment of certain other Program requirements (collectively, the “Program Modifications”);

WHEREAS, in accordance with Section 8-246 of the Act, the Board of Directors may direct the Chief Executive Officer - Executive Director to carry out the purposes of the Act;

WHEREAS, the Board of Directors deems the Program Modifications to be necessary and desires to authorize the Chief Executive Officer - Executive Director to exercise certain authority to implement the same in accordance with the declared public policy and purposes set forth in the Act.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The Chief Executive Officer - Executive Director is hereby authorized to take all action consistent with the Act that she deems necessary in order for the Authority to continue administration of the Program and the Program Modifications, including, without limitation, the following: (i) to enter into an amendment to the existing Memorandum of Agreement with the Department in a format similar to that set forth on Attachment A attached hereto, and (ii) to take all other action necessary for the implementation of the Program and the Program Modifications in accordance with the Coronavirus Aid, Relief, and Economic Security Act or other applicable federal law and any executive orders issued by the Governor of the State of Connecticut or other applicable state law.

Section 2. The Chief Executive Officer - Executive Director is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this Resolution, as may be in the best interest of the Authority and necessary for the development

and preservation of quality affordable housing in the State. The authorization hereunder shall be effective so long as is necessary for the Authority to administer the Program and the Program Modifications.

Mr. Taib presented the resolution to enter into a Memorandum of Agreement with the State of Connecticut Department of Housing to jointly fund the Investment in Housing and Community Development Leadership Institute.

Upon a motion made by Ms. DeWyngaert, seconded by Mr. Hodges, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding investment in the Housing and Community Development Leadership Institute. Ms. Gosselin was not present for the vote.

RESOLUTION REGARDING MEMORANDUM OF AGREEMENT WITH STATE OF CONNECTICUT DEPARTMENT OF HOUSING REGARDING INVESTMENT IN HOUSING AND COMMUNITY DEVELOPMENT LEADERSHIP INSTITUTE

WHEREAS, in 2020, the State of Connecticut Department of Housing (the “Department”) and the Connecticut Housing Finance Authority (the “Authority”) desired to establish a training seminar in the field of affordable housing and community development; and

WHEREAS, the Department and the Authority reviewed the Housing & Community Development Leadership Institute (the “Program”) established, designed and implemented by the Hamden Economic Development Corporation; and

WHEREAS, the Authority desires to provide investment in the Program, as described in the attached Memorandum dated January 28, 2021, from Hazim Taib, Chief Financial Officer.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority, as follows:

Section 1. The Chief Executive Officer - Executive Director is hereby authorized: (i) to provide an investment in the Program of up to \$100,000, but no more than \$50,000 for each year, from Authority’s Opportunity Fund proceeds or from such other sources of funds as are deemed to be in the best interests of the Authority; (ii) to enter into a Memorandum of Understanding with the Department regarding the additional investment in the Program in a format similar to that set forth on Attachment A attached hereto; and (iii) to take all other actions consistent with this Resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 2. The Chief Executive Officer - Executive Director is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this Resolution and as may be necessary to effectuate this Resolution.

Mr. Taib presented the policy statement on the Investment Trust Account (ITA) and Opportunity Fund Account (OFA).

Upon a motion made by Ms. MacKinnon, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of adopting the policy statement on the Investment Trust Account and Opportunity Fund Account. Ms. Gosselin was not present for the vote.

Ms. Mosquera-Bruno asked Board members to consider the items on the Consent Agenda.

Upon a motion made by Mr. Abrahams, seconded by Mr. Ugalde, the Board members voted by roll call and were unanimously in favor of accepting the following consent agenda items. Ms. Gosselin was not present for the vote.

Reports Accepted:

- Financial Reports
- Delinquency and Forbearance Reports
- Investment and Swap Reports
- Finance Audit Monthly Tracking Report
- Temporary Mortgage Assistance Program Report
- Internal Audit Report
- Multifamily Activities
- Minutes from November 19, 2020 Regular Meeting

A presentation to the Board on the impact on CHFA of the changes to 4% Low Income Housing Tax Credit Program will be provided at the February meeting. There was also discussion of providing a brief presentation in March on first time homebuyer refinancing.

Mr. Edward Myskowski thanked the Board and expressed his appreciation for the opportunity to serve and support CHFA's mission to provide housing assistance to residents of the State of Connecticut. On behalf of the Board and CHFA staff, Ms. Mosquera-Bruno thanked Ed for his years of service and wished him well on his retirement.

There being no further business to discuss, upon a motion made by Mr. Hodges, seconded by Ms. Sanders, the Board members voted unanimously to adjourn the meeting at 10:46 a.m.