

Proposed Draft Minutes
Connecticut Housing Finance Authority
Board of Directors' Meeting No. 571
March 28, 2019

Directors Present: Seila Mosquera-Bruno, Chairperson of CHFA and Commissioner of the Department of Housing
Heidi DeWyngaert, Vice Chairperson of CHFA
Michael Cicchetti
Anne Foley, Chairperson of the Mortgage Committee, representing Melissa McCaw, Secretary, State Office of Policy and Management
David Kooris, representing the Department of Economic & Community Development
Kiley Gosselin
Jorge Perez, State Banking Commissioner
Sarah Sanders, representing Shawn Wooden, State Treasurer (by phone)
Lisa Tepper Bates
Carla Weil

Directors Absent: Kathleen Dorgan
Timothy Hodges
Franklin Perry II
Jared Schmitt, Chairperson of the Finance/Audit Committee

Ms. Mosquera-Bruno spoke about her objectives as Chairperson of CHFA, noting the need for collaborative efforts given the current economic condition and the importance of affordable housing in the State of Connecticut. She called the meeting of the Connecticut Housing Finance Authority ("CHFA") to order at 9:31 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut. The Board members, staff and members from the public introduced themselves. Ms. Mosquera-Bruno asked for public comments, and there were none.

Mr. Kilduff, Executive Director, provided the Executive Director's report. He mentioned that Maura Martin, Federal Legislative Program Officer, and he recently attended the National Council of State Housing Agencies legislative conference in Washington D.C. and met with the delegation to advocate housing needs and legislation to increase low-income housing tax credits and the creation of a private activity bond volume cap pool to redistribute unused bond authority to other states. Mr. Kilduff highlighted state legislation that CHFA is closely monitoring, including the partial recapitalization of CHFA's Downpayment Assistance Program. He mentioned the uncertainty of the sustainability of the State Housing Tax Credit Contribution Program and the State Historic Tax Credit Program. In light of the limited funding for the Department of Housing, Ms. Mosquera-Bruno mentioned that the Department of Housing is working with the Office of Policy and Management, the Governor's office and others to prioritize housing projects in the pipeline and move forward as appropriate.

Mr. Kilduff stated that Al Dickerson, General Counsel, will be retiring after 36 years of service to CHFA. The Board thanked Attorney Dickerson for his service to CHFA. Mr. Kilduff mentioned that Richard Orr submitted to the Governor his resignation as a member of the Board, and Ms. Mosquera-Bruno read the resolution honoring Mr. Orr for his service as a member of the Board.

Mr. Myskowski, Director of Investment & Debt Management, presented the resolution authorizing the sale of 2019 Series B bonds for the single-family program. He explained that the resolution authorizes CHFA to sell up to \$150,000,000 of lendable proceeds to assist approximately 684 to 766 single-family first-time homebuyers. CHFA anticipates selling the bonds the week of April 22 and closing May 9. Mr. Myskowski stated that the resolution names Bank of America Merrill Lynch as the book running senior manager for the issue. Mr. Perez stated that even though he supports the resolution, he has a concern with allowing a bank who failed to meet Community Reinvestment Act (“CRA”) criteria to participate in the sale. He suggested the formation of a working group consisting of representatives from the CHFA, the Treasurer’s office, the Governor’s office and others to discuss potential policy about doing business with financial entities that do not meet CRA requirements.

Upon a motion made by Mr. Cicchetti, seconded by Ms. DeWyngaert, the Board members voted unanimously in favor of adopting the following resolution regarding the commencement of necessary preparations for the 2019 Series B Bond Sale:

RESOLUTION FOR THE COMMENCEMENT OF NECESSARY
PREPARATIONS FOR THE 2019 SERIES B BOND SALE
HOUSING MORTGAGE FINANCE PROGRAM

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;

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

1. The Executive Director of the Authority and staff are hereby authorized to continue the Authority's Housing Mortgage Finance Program by way of one or more bond sales.
2. The timing of such bond sales shall be determined in coordination with the State Treasurer's Office.
3. The bond sales shall be in an aggregate amount not to exceed \$150,000,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2019 Series B (the “Bonds”), which shall be issued in one or more series and subseries as federally taxable bonds and/or as federally tax-exempt bonds under the Internal Revenue Code of 1986, as amended (the "Code"), or other applicable federal tax law.
4. The Bonds shall be sold on a negotiated basis.
5. The Executive Director and/or Chief Financial Officer is hereby authorized to set the date or dates for receipt of the respective offers from the underwriter(s) or other purchaser(s) (the “Respective Purchasers”) to purchase the Bonds.
6. The Executive Director and/or Chief Financial Officer is hereby authorized to execute and cause to be delivered appropriate documentation, including without limitation one or more Preliminary Official Statements and Underwriting Commitments, to adopt the expectations, beliefs, assumptions and representations expressed and made on behalf of the Authority in the

Official Statement(s) for the Bonds (the "Official Statement(s)") and to execute and deliver the Official Statement(s).

7. The Executive Director and/or Chief Financial Officer is hereby authorized both (a) to receive the related offer presented by the Respective Purchasers and (b) to make a formal award of the related portion of the Bonds to the Respective Purchasers and execute one or more Contracts of Purchase, provided the Executive Director and/or Chief Financial Officer may make such award only if the net interest cost on the tax-exempt portion or related portion of the Bonds does not exceed the Bond Buyer Revenue Bond Index published most recently prior to the award by more than 50 basis points.

8. The Executive Director and/or Chief Financial Officer and staff of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meet the requirements of the General Bond Resolution and are satisfactory to the Executive Director and/or Chief Financial Officer in conjunction with the 2019 Series B bond sale (collectively, the "Swap"). The Executive Director and/or Chief Financial Officer is hereby authorized to approve, execute and deliver all documents necessary to consummate the Swap, in the best interest of the Authority, as determined by the Executive Director and/or Chief Financial Officer. The Executive Director and/or Chief Financial Officer is hereby authorized to make such changes, additions, deletions, modifications and amendments to the Swap and other related documents as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization. The Executive Director and/or Chief Financial Officer is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to interest rate swap agreements previously executed by the Authority and intended to be allocated to the Bonds, in each case as may be necessary or desirable and in the best interests of the Authority and not inconsistent with this authorization.

9. The Authority hereby adopts the Series Resolution Authorizing the issuance of not more than \$150,000,000 Housing Mortgage Finance Program Bonds, 2019 Series B (the "Series Resolution") and hereby authorizes all necessary transfers from the Capital Reserve Fund in accordance with Section 513(8) of the General Bond Resolution on December 1 to the Section 506 account for the purpose of redeeming bonds, and the Executive Director and/or Chief Financial Officer is hereby authorized to take whatever other action is necessary to carry out such sale including, without limitation, determining the amount of fixed rate, variable or convertible option bonds and to make such changes, additions, deletions, modifications and amendments to the Series Resolution as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization contemplated at this meeting.

10. The Executive Director and/or Chief Financial Officer is hereby authorized to have the Bonds prepared and to execute and authorize the delivery of the Bonds to the Respective Purchasers upon receipt of the purchase price thereof plus accrued interest, if any, and to pay to any underwriter the underwriters' fee and/or discount and expenses and to do and perform all acts and things and execute any and all documents in the name of the Authority, necessary, useful or convenient to the issuance and sale of the Bonds by the Authority. The Bonds shall bear such rates and maturities, and sinking fund installments shall be made, as set forth in the Official Statement(s) and the Series Resolution.

11. The Bonds shall be executed by the manual or facsimile signatures of the Chairperson, Vice Chairperson, Chairperson of the Finance/Audit Committee, or the Executive

Director of the Authority and/or Chief Financial Officer, and the official seal of the Authority or a facsimile thereof shall be affixed, impressed or imprinted on the Bonds and attested by the manual or facsimile signature of the Executive Director or another duly Authorized Officer of the Authority.

12. The Executive Director and/or Chief Financial Officer is authorized to establish the interest rate on mortgage loans financed with the proceeds of the Bonds ("Proceeds"), provided that such interest rate shall not exceed that which is permitted or authorized under the Code.

13. The Proceeds are to be used to make or finance new single and/or multi-family mortgage loans (including mortgage-backed securities consisting of such loans), or reimburse the Authority for having made such mortgage loans, and/or refund current and future maturities of outstanding bonds and/or to refund prepayments.

14. U.S. Bank National Association is hereby authorized to act as Paying Agent, and U.S. Bank National Association is hereby authorized to act, if required, as Tender Agent.

15. The Authority may make or finance, on an interim basis, certain mortgage loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority in the maximum amount of \$150,000,000, and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Section 1.150-2(d)(1) of the Treasury Regulations.

16. The Executive Director and/or Chief Financial Officer is hereby authorized to issue a certification as to the Authority's reasonable expectations regarding the amount and use of the Proceeds as described in Section 1.148-2(b)(2) of the Treasury regulations relating to Section 148 of the Code on the date such certificate is issued.

17. In the event the Executive Director and/or Chief Financial Officer are unable to act in accordance with this resolution or otherwise, a committee of not less than three (3) members of the Board of Directors, at least one of whom shall not be a state employee, is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds (the "Sale Committee"). If neither the Chairperson nor the Vice Chairperson of the Authority is able to attend, then the Chairperson of the Finance/Audit Committee shall be the Chairperson of the Sale Committee, and if he/she is unable to attend, then the Chairperson of the Mortgage Committee shall be the Chairperson of the Sale Committee, and if neither of them is able to attend, the Chairperson or Vice Chairperson of the Authority shall designate a Chairperson of the Sale Committee.

18. The Executive Director and/or Chief Financial Officer is hereby authorized to change the series designation of the Bonds and/or any other of the Authority's bonds and to change the selected bond underwriting firms as necessary and in the best interest of the Authority.

19. The Bonds may be sold as one or more series, and the following bond underwriting firm is hereby selected to act as the book- running senior manager for the Bonds:

Bank of America Merrill Lynch (dba Merrill Lynch, Pierce, Fenner & Smith Incorporated)

20. The following bond underwriting firms are hereby selected to act as co-senior bond underwriters for the Bonds:

Citigroup Global Markets Inc.
Morgan Stanley & Co. LLC
RBC Capital Markets LLC

21. The following bond underwriting firms are hereby selected to act as co-managing underwriters for the Bonds:

Barclays Capital
Drexel Hamilton LLC
Janney Montgomery Scott LLC
J.P. Morgan Securities LLC
Samuel A. Ramirez & Co. Inc.
Raymond James & Associates, Inc.
Rice Financial Products Company
Roosevelt & Cross, Incorporated
TD Securities (USA) LLC
Wells Fargo Securities, LLC

22. The following firms are hereby selected to act as the selling group members for the Bonds:

Academy Securities Inc.
Bancroft Capital, LLC
Blaylock Van LLC
Herbert J. Sims & Co., Inc.
Intercoastal Capital Markets, Inc.
Jefferies LLC
Loop Capital Markets LLC
Mesirow Financial, Inc.
Oppenheimer & Co. Inc.
Robert W. Baird & Co. Incorporated
Ross, Sinclair & Associates LLC
Siebert, Cisneros, Shank & Co. LLC
Stern Brothers & Co.
UBS Financial Services Inc.

23. The book-running senior manager, the co-senior bond underwriters and the co-managing underwriters designated by the Authority for participation in the Authority's bond issues are hereby required prior to participation in the 2019 Series B Bond issue to provide an update to the Statutory provisions, affidavits and certifications, charitable contributions in the State of Connecticut, investigations, administrative or other legal proceedings and/or settlements by or with governmental entities regulating the conduct of their business, submitted as part of their agreements with the Authority, to the Chief Financial Officer.

24. Failure to provide the information required pursuant to paragraph 23 above, in such form and content as determined by the Executive Director and/or Chief Financial Officer necessary to satisfy the requirements of this resolution, shall render the book-running senior manager, co-senior bond underwriters or co-managing underwriters, as applicable, ineligible to participate in the designated bond issue.

Ms. Landau, Director of Multifamily, presented staff's recommendation to approve the use of tax-exempt bond proceeds for a construction-only leasehold mortgage loan to ECC Group III RAD, LLC to rehabilitate 213 housing units comprised of the Winslow-Celentano Apartments and Charles T. McQueeney Towers in New Haven to be known as the Housing Authority of New Haven (HANH) Rental Assistance Demonstration (RAD) Group III. The resolution authorizes the participation in the U.S. Department of Housing and Urban Development (HUD) RAD Program. Ms. Landau discussed the background of the program. She reviewed the scope of work for the moderate renovations proposed for phase III, noting that the rehabilitation will make the units more energy efficient and provide higher quality and more sustainable housing for low-income elderly and disabled residents. She mentioned that the units will remain 100 percent affordable, no existing residents will be permanently displaced and none of the existing residents will receive rent increases. Ms. Landau reported on the status of phases I and II.

Upon a motion made by Ms. Foley, seconded by Mr. Perez, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of the Housing Authority of New Haven Rental Assistance Demonstration Group III and conversion to the HUD Rental Assistance Demonstration Program, New Haven:

RESOLUTION REGARDING FINANCING OF
HOUSING AUTHORITY OF NEW HAVEN (HANH) RENTAL ASSISTANCE
DEMONSTRATION (RAD) GROUP III AND CONVERSION TO THE HUD RENTAL
ASSISTANCE DEMONSTRATION PROGRAM
NEW HAVEN, CONNECTICUT
CHFA DEVELOPMENT NO. 18-407M

WHEREAS, ECC Group III RAD, LLC has applied to the Connecticut Housing Finance Authority (the "Authority") for mortgage financing for the rehabilitation of 213 housing units comprised of the Winslow-Celentano Apartments and Charles T. McQueeney Towers, to be known as HANH RAD Group III, and located in New Haven, Connecticut (the "Development"); and

WHEREAS, the United States Department of Housing and Urban Development ("HUD") administers a program known as the Rental Assistance Demonstration ("RAD") Program, whereby public housing properties may convert existing public housing program subsidies to project-based Section 8 subsidy contracts; and

WHEREAS, the owner of the Development described above is applying to participate in the RAD Program; and

WHEREAS, the owner has represented that participation in the RAD Program will provide stability and continuity to the Development, and provide opportunities to secure cash flow into the future and assure the continued viability and affordability of the Development; and

WHEREAS, the owner has requested the Authority consent to its participation in the HUD RAD Program and agree to the terms and conditions thereof, including the subordination of Authority documents establishing affordability requirements to the terms and conditions of the RAD Program as required by HUD; and

WHEREAS, the Authority desires to authorize the participation of the Development in the HUD RAD Program; and

WHEREAS, ECC Group III RAD, LLC and/or a related entity otherwise acceptable to the Authority (the “Proposed Mortgagor”) is proceeding with its application in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide mortgage financing to the Proposed Mortgagor, as described in the attached memorandum from Carol Gooden dated March 28, 2019.

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

Section 1. The Authority is authorized to provide a leasehold first mortgage construction loan (encumbering a leasehold and a leasehold condominium) in a principal amount of up to \$23,100,000, at an interest rate not to exceed 5.66% per annum, to be repaid monthly, in arrears, over a term of a period of 24 months, after which all construction loan principal and interest shall be due in full. The Authority will fund this loan with Tax-Exempt Bond (TEB) proceeds, including the issuance of bonds as described in Attachment A attached hereto or from such other sources of funds, and upon such terms and conditions, as are deemed to be in the best interests of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d)(1) of the United States Treasury Regulations.

Section 2. The Authority hereby consents to the participation of the above-described Development in the HUD RAD Program.

Section 3. The Authority’s consent to participation in the HUD RAD Program and commitment to provide mortgage financing shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place;
- b. The Authority’s confirmation of the Proposed Mortgagor’s receipt of a commitment from Greystone Funding Corporation for not less than \$12,573,000 in permanent funding, with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a commitment for a comparable amount from other sources with terms and conditions satisfactory to the Authority;
- c. The Proposed Mortgagor’s receipt of sufficient 4% Low-Income Housing Tax Credits in order to produce net syndication proceeds of approximately \$13,581,075, or that the

Proposed Mortgagor produce a comparable amount from other sources with terms and conditions acceptable to the Authority;

d. The Authority's confirmation of the Proposed Mortgagor's receipt of a subordinated mortgage loan of approximately \$962,000 provided by the Housing Authority of New Haven ("HANH") funded with MTW block grant funds or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority;

e. The Authority's confirmation of the Proposed Mortgagor's receipt of a subordinated mortgage loan of approximately \$18,300,000 provided by HANH or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority;

f. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment for a subordinated mortgage loan of not less than \$6,621,000 in construction and/or permanent funding from the State of Connecticut Department of Housing from HOME funds or that the Proposed Mortgagor produce at least that amount from other sources and with terms satisfactory to the Authority;

g. Approval by U.S. Department of Housing and Urban Development ("HUD") of the Rental Assistance Demonstration Conversion Commitment and written confirmation that the Proposed Mortgagor has secured a project-based Housing Assistance Payment ("HAP") contract for 213 apartments with terms satisfactory to the Authority;

h. The Authority's acceptance of a RAD Use Agreement specifying the affordability and use restrictions on the Development project;

i. The Authority's acceptance and approval of the written agreement between the Proposed Mortgagor and the City of New Haven for an annual payment in lieu of taxes for the Development with terms that are consistent with the Authority's underwriting;

j. The Authority's confirmation of affordability restrictions on the Development for a period of 40 years, such that 53 units shall be set aside for households at or below 25% of area median income, 106 units shall be set aside for households at or below 50% of area median income and 54 units shall be set aside for households at or below 60% of area median income;

k. The Authority's confirmation of the Proposed Mortgagor's receipt of commitments satisfactory to the Authority, such that the total of the Sources and Uses of funds for completion of the Development are in balance;

l. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications;

m. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, hazardous waste removal and disposal;

n. The Authority's acceptance and approval of the Development's proposed operating income and expenses;

o. The Authority's acceptance and approval of the Development's proposed property management organization and related documents;

p. The Authority's acceptance and approval of an independent "as-is" appraisal, and (if applicable), an independent "as-developed" appraisal, and a market acceptance analysis for the Development;

q. The Authority's acceptance and approval of a ground lease from HANH, with terms satisfactory to the Authority; and

r. Compliance by the Proposed Mortgagor with the Authority's Standard Closing Requirements, which materials are available online at http://www.chfa.org/assets/1/6/standard_closing_requirements.pdf, the terms of which are incorporated herein by reference, provided, however, if there is any inconsistency between the provisions of this Resolution and the Standard Closing Requirements, the terms of this Resolution shall control.

Section 4. The 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 of quality affordable housing.

Section 5. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to close the mortgage financing authorized herein on or before December 31, 2019 shall render this Resolution void and of no further effect, provided, however, upon good cause shown and upon payment by the Proposed Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director may extend the time for compliance hereunder.

(HANH RAD Group III, New Haven)

ATTACHMENT A

1. The Executive Director and/or Chief Financial Officer of the Authority (the "Executive Director") and staff are hereby authorized to continue the Authority's Housing Mortgage Finance Program by way of one or more bond sales.

2. The timing of such bond sales shall be determined in coordination with the State Treasurer's Office.

3. The bond sales shall be in an amount not to exceed \$25,410,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2019 Series D (the "Bonds"), which shall be issued in one or more series and subseries as federally taxable bonds and/or as federally tax-exempt bonds under the Internal Revenue Code of 1986, as amended (the "Code"), or other applicable federal tax law.

4. The Bonds shall be sold on a negotiated basis.

5. The Executive Director and/or Chief Financial Officer is hereby authorized to set the date or dates for receipt of the respective offers from the underwriter(s) or other purchaser(s) (the “Respective Purchasers”) to purchase the Bonds.

6. The Executive Director and/or Chief Financial Officer is hereby authorized to execute and cause to be delivered appropriate documentation, including, without limitation, one or more Preliminary Official Statements and Underwriting Commitments, to adopt the expectations, beliefs, assumptions and representations expressed and made on behalf of the Authority in the Official Statement(s) of the Bonds (the “Official Statement(s)”) and to execute and deliver the Official Statement(s).

7. The Executive Director and/or Chief Financial Officer is hereby authorized both (a) to receive the related offer presented by the Respective Purchasers, and (b) to make a formal award of the related portion of the Bonds to the Respective Purchasers and execute one or more Contracts of Purchase, provided the Executive Director and/or Chief Financial Officer may make such award only if the net interest cost on the tax-exempt portion or related portion of the Bonds does not exceed the Bond Buyer Revenue Bond Index published most recently prior to the award by more than 50 basis points.

8. The Executive Director and/or Chief Financial Officer and staff of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meets the requirements of the General Bond Resolution and is satisfactory to the Executive Director and/or Chief Financial Officer in conjunction with the 2019 Series D bond sale (collectively, the “Swap”). The Executive Director and/or Chief Financial Officer is hereby authorized to approve, execute and deliver all documents necessary to consummate the Swap, provided the Swap results in a net interest rate savings to the Authority of not less than 20 basis points of the Swap portion or in the best interest of the Authority, as determined by the Executive Director and/or Chief Financial Officer. The Executive Director and/or Chief Financial Officer is hereby authorized to make such changes, additions, deletions, modifications and amendments to the Swap and other related documents as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization. The Executive Director and/or Chief Financial Officer is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to interest rate swap agreements previously executed by the Authority and intended to be allocated to the Bonds, in each case as may be necessary or desirable and in the best interests of the Authority, and not inconsistent with this authorization.

9. The Authority hereby adopts the Series Resolution Authorizing the issuance of not more than \$25,410,000 Housing Mortgage Finance Program Bonds, 2019 Series D (the “Series Resolution”) and hereby authorizes all necessary transfers from the Capital Reserve Fund in accordance with Section 513(8) of the General Bond Resolution on December 1 to the Section 506 account for the purpose of redeeming bonds and the Executive Director and/or Chief Financial Officer is hereby authorized to take whatever other action is necessary to carry out such sale including, without limitation, determining the amount of fixed rate, variable or convertible option bonds and to make such changes, additions, deletions, modifications and amendments to the Series Resolution as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization contemplated at this meeting.

10. The Executive Director and/or Chief Financial Officer is hereby authorized to have the Bonds prepared and to execute and authorize the delivery of the Bonds to the Respective

Purchasers upon receipt of the purchase price thereof plus accrued interest, if any, and to pay to any underwriter the underwriters' fee and/or discount and expenses and to do and perform all acts and things and execute any and all documents in the name of the Authority, necessary, useful or convenient to the issuance and sale of the Bonds by the Authority. The Bonds shall bear such rates and maturities, and sinking fund installments shall be made as set forth in the Official Statement(s) and the Series Resolution.

11. The Bonds shall be executed by the manual or facsimile signatures of the Chairperson, Vice Chairperson, Chairperson of the Finance/Audit Committee, or the Executive Director of the Authority and/or his designee, and the official seal of the Authority or a facsimile thereof shall be affixed, impressed or imprinted on the Bonds and attested by the manual or facsimile signature of the Executive Director or another duly Authorized Officer of the Authority.

12. The Executive Director and/or Chief Financial Officer is authorized to establish the interest rate on mortgage loans financed with the proceeds of the Bonds ("Proceeds"), provided that such interest rate shall not exceed that which is permitted or authorized under the Code.

13. The Proceeds are to be used to make new single and/or multi-family mortgages and/or refund current and future maturities of outstanding bonds and/or to refund prepayments. The Executive Director and/or Chief Financial Officer is hereby authorized to determine which multifamily projects are to be funded from proceeds of the Bonds.

14. U.S. Bank National Association is hereby authorized to act as Paying Agent and U.S. Bank National Association is hereby authorized to act, if required, as Tender Agent.

15. The Authority may make or finance, on an interim basis, certain mortgage loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority in the maximum amount of \$25,410,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Section 1.150-2(d)(1) of the Treasury Regulations.

16. The Executive Director and/or Chief Financial Officer is hereby authorized to issue a certification as to the Authority's reasonable expectations regarding the amount and use of the Proceeds as described in Section 1.148-2(b)(2) of the Treasury regulations relating to Section 148 of the Code on the date such certificate is issued.

17. In the event the Executive Director is unable to act in accordance with this resolution or otherwise, then the Chief Financial Officer is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds. In the event his designee is unable to act in accordance with this resolution or otherwise, then a committee of not less than three (3) members of the Board of Directors, at least one of whom shall not be a state employee, is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds (the "Sale Committee"). If neither the Chairperson nor the Vice Chairperson of the Authority is able to attend, then the Chairperson of the Finance/Audit Committee shall be the Chairperson of the Sale Committee, and if he/she is unable to attend, then the Chairperson of the Mortgage Committee shall be the Chairperson of the Sale Committee, and if neither of them is able to attend, the Chairperson or Vice Chairperson of the Authority shall designate a Chairperson of the Sale Committee.

18. The Executive Director and/or Chief Financial Officer is hereby authorized to change the series designation of the Bonds and/or any other of the Authority's bonds and to change the selected bond underwriting firms as necessary and in the best interest of the Authority.

19. The Bonds may be sold as one or more series and bond underwriting firms to act as the book running senior or co-senior managers, co-managers and/or selling group members for the Bonds may be determined by the Executive Director and/or Chief Financial Officer for each series of Bonds from among the appointed Housing Mortgage Finance Program Bond Underwriters.

20. The senior manager, the co-senior bond underwriters and the co-managing underwriters designated by the Authority for participation in the Authority's bond issues are hereby required prior to participation in the 2019 Series D Bond issue to provide an update to the statutory provisions, affidavits and certifications submitted as part of their agreements with the Authority.

21. Failure to provide the above required information in such form and content as determined by the Executive Director and/or Chief Financial Officer necessary to satisfy the requirements of this resolution shall render the senior manager, co-senior bond underwriters or co-managing underwriters ineligible to participate in the designated bond issue.

Ms. Moores, Director of Multifamily, discussed the recommendation to authorize the prepayment and preservation of Sigourney Square, a 42-unit elderly development located in Hartford. She explained that the loan will mature on July 1, 2021 and the Section 8 Housing Assistance Payment contract will remain in place until March 2023. Ms. Moores stated that CHFA will receive a program maintenance fee, and a restrictive covenant will encumber the property in order to ensure the property will be kept affordable for 20 years.

Upon a motion made by Ms. Weil, seconded by Ms. Foley, the Board members voted unanimously in favor of adopting the following resolution regarding the prepayment of the mortgage loan and preservation of affordable housing for Sigourney Square, Hartford:

**RESOLUTION REGARDING PREPAYMENT OF
MORTGAGE LOAN AND PRESERVATION OF AFFORDABLE HOUSING
FOR SIGOURNEY SQUARE, HARTFORD, CONNECTICUT
CHFA DEVELOPMENT NO. 79067M**

WHEREAS, in May of 1980, the Connecticut Housing Finance Authority (the "Authority") provided mortgage financing in the original principal amount of \$1,255,000 (the "Loan") to Sigourney Square Associates, Limited Partnership (the "Owner") for Sigourney Square, a 42-unit elderly development located in Hartford, Connecticut (the "Development"); and

WHEREAS, the Loan will mature on July 1, 2021, at which time the Owner's obligations to the Authority will cease; and

WHEREAS, the Owner has requested permission to prepay the Loan in accordance with the terms and conditions provided herein; and

WHEREAS, the Authority desires to allow prepayment of the Loan upon terms and conditions necessary for the preservation of quality affordable housing, as stated herein and as described in the attached memorandum from Mentor Ameti dated March 28, 2019.

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 conditions:

- a. The Authority's receipt of a program maintenance fee in the approximate amount of \$4,881.51 to be paid to the Authority upon prepayment of the Loan;
- b. The encumbrance of the Development with affordability restrictions and corresponding reporting requirements for an additional 20 years from the date of prepayment by virtue of a restrictive covenant filed on the land records with terms and conditions satisfactory to the Authority;
- c. The Owner's commitment to maintain and extend the Development's existing Section 8 Housing Assistance Payment Contract, contingent upon funding availability of subsidy through the U.S. Department of Housing and Urban Development; and
- d. Such other requirements for the benefit of quality affordable housing, as may be determined by the Authority.

Section 2. The Executive Director is hereby authorized to accept prepayment of the Loan and to execute all required documentation necessary to effectuate the prepayment of the Loan and the continuation of quality affordable housing at the Development and to take all other action consistent with this Resolution, all as he determines to be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 3. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to complete the prepayment of the Loan authorized herein on or before June 30, 2019, shall render this Resolution void and of no further effect, provided, however, upon good cause shown and upon payment by the Owner of any extension or other fees as may be required by the Authority, the Executive Director may extend the time for compliance hereunder.

Ms. Moores discussed the recommendation for a moratorium and modification for Science Park, New Haven. She reviewed the background of CHFA's involvement with the redevelopment of Science Park, which also includes an intercreditor agreement with the Connecticut Development Authority/Connecticut Innovations (CI). Ms. Moores noted that CHFA has authorized various modifications and moratoriums and has worked closely with CI in negotiations with the owner. She mentioned that the owner had requested a five-year moratorium, but staff is recommending a two-year moratorium. Ms. Moores stated that the Mortgage Committee members suggested that CHFA discuss with CI setting benchmarks during the moratorium period. Mr. Kooris mentioned that the Department of Economic & Community Development has recommended a broader approach for revitalization of the larger Science Park project.

Upon a motion made by Ms. Foley, seconded by Ms. DeWynngaert, the Board members voted unanimously in favor of adopting the following resolution regarding a moratorium and modification for Science Park, New Haven:

RESOLUTION REGARDING A MORATORIUM & MODIFICATION
FOR SCIENCE PARK, NEW HAVEN, CONNECTICUT
CHFA DEVELOPMENT NO. 98012M

WHEREAS, by resolution adopted February 25, 1998, the Connecticut Housing Finance Authority (the “Authority”) authorized mortgage financing in the original principal amount of \$14,000,000 (the “Loan”) for Science Park Development Corporation (“SPDC”) to redevelop a portion of Science Park, which consisted of 80 acres of industrial reuse land and buildings located in New Haven, Connecticut (the “Development”); and

WHEREAS, Connecticut Innovations, Incorporated (“CI”) had provided mortgage financing to SPDC for the Development in 1994 and the Authority entered into an inter-creditor arrangement with CI regarding the terms and conditions of repayment in connection with the Loan and the CI mortgage financing; and

WHEREAS, by resolutions adopted May 26, 2011, October 5, 2011, December 15, 2011, January 26, 2012, and February 28, 2013, the Authority granted various loan modifications and moratoriums on interest payments due from SPDC on the Loan; and

WHEREAS, on account of rental rates and insufficient Development net cash flow, SPDC has requested an additional extension of the existing moratorium and corresponding modifications to the repayment terms of the Loan in order to continue improvement of the Development’s facilities and long term financial stability; and

WHEREAS, the Authority has determined the moratorium and modification to be in the best interests of the Development and the Authority and desires to accommodate the same upon the terms and conditions stated herein and as described in the attached memorandum from Mentor Ameti dated March 28, 2019.

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

Section 1. The Executive Director is hereby authorized and directed to implement a moratorium on interest repayments due under the terms of Loan for the period that commenced March 1, 2019 through and including February 1, 2021 (the “Moratorium Period”), upon the following conditions:

a. Monthly repayments of Loan principal in the approximate amount of \$8,375 shall be due during the Moratorium Period;

b. Interest on the Loan principal balance shall continue to accrue at the existing rate, but not compound, shall be payable either at maturity of the Loan or upon the sale/refinance of the Development, and all late fees shall be waived;

c. Operating financial statements for the Development satisfactory to the Authority shall be submitted on a quarterly basis;

d. CI shall consent to a modification of the inter-creditor arrangement consistent with the terms of this Resolution, including, without limitation, acceptance of monthly repayment of approximately \$4,125 on the CI mortgage financing;

e. At the conclusion of the Moratorium Period, the terms and conditions of repayment shall resume in accordance with the existing Loan documents; and

f. Such other requirements for the benefit of the Development and the Authority, as may be determined by the Authority.

Section 2. Any failure by SPDC to comply with the terms of this Resolution, including the execution of a moratorium agreement by June 30, 2019, shall be grounds for the immediate cancellation of the moratorium and commencement of repayment of the Loan in accordance with its current terms and conditions, provided, however, upon good cause shown and upon payment by the Owner of any extension or other fees as may be required by the Authority, the Executive Director may extend the time for compliance hereunder.

Section 3. The Executive Director is hereby authorized to modify and/or supplement the terms and conditions herein, to impose other conditions, and/or to take all other actions consistent with this Resolution as he may deem to be in the best interests of the Authority and the Development.

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

Upon a motion made by Mr. Perez, seconded by Mr. Cicchetti the Board members voted unanimously in favor of accepting the following consent agenda items.

Reports Accepted:

- Financial Reports
- Delinquency Reports
- Finance/Audit Monthly Tracking Report

Ms. Mosquera-Bruno asked the Board members to consider the minutes from the February 28, 2019 regular meeting.

Upon a motion made by Ms. Weil, seconded by Mr. Kooris, the Board members voted in favor of adopting the minutes from the February 28, 2019 regular meeting as presented (Mr. Cicchetti, Ms. DeWyngaert, Ms. Gosselin, and Mr. Perez abstained from the vote).

There being no further business to discuss, upon a motion made by Mr. Perez, seconded by Ms. Gosselin and unanimously approved, the Board members voted to adjourn the meeting at 10:07 a.m.