

Minutes
Connecticut Housing Finance Authority
Board of Directors Meeting No. 606
October 27, 2022

Directors Present: Seila Mosquera-Bruno, Chairperson of CHFA and Commissioner
(Virtually) of the Department of Housing
Jerrold Abrahams
Philip DeFronzo
Heidi DeWyngaert, Vice Chairperson of CHFA and Chairperson of the
Mortgage Committee
Kiley Gosselin
Catherine MacKinnon
Jorge Perez, State Banking Commissioner
Franklin Perry II
Sarah Sanders, Chairperson of Finance Committee, representing
Shawn Wooden, State Treasurer
Lisa Tepper Bates
Gregory Ugalde

Directors Absent: Cindy Butts
Wendy Clarke
Alexandra Daum, representing David A. Lehman, Commissioner,
Department of Economic & Community Development
Timothy Hodges

Ms. Mosquera-Bruno called the meeting of the Connecticut Housing Finance Authority to order at 10:00 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.

Nandini Natarajan, Chief Executive Officer-Executive Director, reported on the National Council of State Housing Authorities (NCSHA) Annual Conference attended by staff, her election to the NCSHA Board for the next 2 years, and outlined staff members' participation as discussion leaders and moderators on several panels. Ms. Mosquera-Bruno encouraged Board members to attend next year's annual conference in Boston.

Hazim Taib, Chief Financial Officer, requested approval of the resolution authorizing CHFA to adopt a new indenture allowing the issuance of up to \$150 million to fund its multifamily and single family programs.

Upon a motion made by Ms. Tepper Bates, seconded by Mr. Ugalde, the Board voted by roll call and were unanimously in favor of approving the following resolution authorizing adoption of a housing revenue bond general trust indenture.

**RESOLUTION AUTHORIZING THE ADOPTION OF A HOUSING REVENUE BOND
GENERAL TRUST INDENTURE AND THE ISSUANCE OF BONDS OR OTHER
OBLIGATIONS THEREUNDER TO FINANCE THE PURCHASE OR MAKING OF
INSURED LOANS OR GUARANTEED MORTGAGE-BACKED SECURITIES**

WHEREAS, the Connecticut General Statutes, as amended, authorize the Connecticut Housing Finance Authority (the “Authority”) to issue bonds or other obligations to finance construction and permanent mortgage loans on single family homes or multifamily housing projects having as their primary purpose the provision of safe and adequate housing and related facilities for low and moderate income families and persons, which related facilities may include commercial office, health, welfare, administrative, recreational, community and service facilities incidental and pertinent to such housing as determined by the Authority; and

WHEREAS, to provide alternative methods of financing the purchase or making of federally insured construction or permanent loans for such multifamily housing (“Multifamily Loans”), or federally guaranteed mortgage-backed securities (“MBS”) consisting of such Multifamily Loans or single family loans (collectively, “Loans”), without the general obligation of the Authority or the use of a debt service reserve fund supported by the State of Connecticut, the Authority has determined to authorize the issuance of revenue bonds or other limited obligations (“Bonds”) under terms and conditions specified in a Housing Revenue Bond General Trust Indenture.

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

1. The form of the Housing Revenue Bond General Trust Indenture attached hereto (“General Indenture”) is hereby approved, and the Chief Executive Officer – Executive Director and/or Chief Financial Officer are authorized to approve, execute and deliver the same, with such changes, additions, deletions and modifications as may be necessary or desirable and in the best interest of the Authority, their execution and delivery thereof to constitute approval of the same, and to appoint as trustee any trust company or bank having the powers of a trust company within or without the state with experience in acting as trustee under trust indentures comparable to the General Indenture and under the terms and conditions thereof.

2. The Chief Executive Officer – Executive Director of the Authority and staff are hereby authorized to continue to fund the Authority’s “Housing Mortgage Finance Program” or other housing programs by way of issuing one or more series of Bonds pursuant to the General Indenture.

3. The Bonds shall be in an aggregate amount not to exceed \$150,000,000, mature no later than 45 years from the date of issuance, bear interest at a rate not to exceed 10% per annum, and may be issued in one or more series or 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 terms and provisions of each series or subseries of Bonds shall be set forth in detail in one or more Supplemental Trust Indentures, and the Chief Executive Officer – Executive Director and/or Chief Financial Officer are authorized to approve, execute and deliver the same, with such changes, additions, deletions and modifications as may be necessary or desirable and in the best interests of the Authority, their execution and delivery thereof to constitute approval of the same, and not inconsistent with the authorization contemplated at this meeting.

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

6. The Chief Executive Officer – Executive Director and/or the 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.

7. The Chief Executive Officer – Executive Director and/or the 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).

8. The Chief Executive Officer – Executive Director and/or the 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.

9. The Chief Executive Officer – Executive Director and/or the 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 Supplemental Trust Indenture specifying the terms and provisions thereof.

10. The Bonds shall be executed by the manual, facsimile or, if permitted by law, electronic signatures of the Chairperson, Vice Chairperson, Chairperson of the Finance/Audit Committee, or the Chief Executive Officer – Executive Director of the Authority and/or the Chief Financial Officer, attested by the manual, facsimile or, if permitted by law, electronic signature of the Chief Executive Officer – Executive Director or another duly Authorized Officer of the Authority.

11. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is authorized to establish the interest rate on Loans, or MBS, 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.

12. The Proceeds are to be used to make or acquire, or finance the making or acquisition of, Multifamily Loans or MBS, or reimburse the Authority for having made, acquired or financed the making or acquisition of such Multifamily Loans or MBS, and/or refund current and future maturities of outstanding Authority bonds and/or to refund prepayments. The Chief Executive Officer – Executive Director and/or Chief Financial Officer is hereby authorized to determine which multifamily projects are to be funded from the Proceeds, and to enter into contracts with Multifamily Loan or MBS originators or servicers with respect to the making or acquisition of Multifamily Loans or MBS.

13. 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 the Chief Executive Officer – Executive Director is authorized to take such action as is necessary to satisfy the technical requirements of Section 1.150-2(d)(1) of the Treasury Regulations with respect to the issuance of the Bonds.

14. The Chief Executive Officer – Executive Director and/or the 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.

15. In the event the Chief Executive Officer – Executive Director and/or the 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.

16. The Chief Executive Officer – Executive Director and/or the Chief Financial Officer is hereby authorized to specify 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.

17. 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 Chief Executive Officer – Executive Director and/or Chief Financial Officer for each series of Bonds from among the then appointed Housing Mortgage Finance Program Bond Underwriters.

18. 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 sale of any Series of Bond issue, to provide

all necessary updates 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.

19. Failure to provide the information required pursuant to the preceding paragraph above, in such form and content as determined by the Chief Executive Officer – Executive Director and/or the 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.

Pat Guliano, Managing Director of Multifamily, provided a summary of the Mortgage Committee’s recommended resolution regarding amended financing for Antillean Manor, located in New Haven, Connecticut.

Upon a motion made by Mr. Ugalde, seconded by Ms. MacKinnon, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding Antillean Manor, located in New Haven, Connecticut.

AMENDED RESOLUTION REGARDING FINANCING OF
ANTILLEAN MANOR, NEW HAVEN, CONNECTICUT
CHFA DEVELOPMENT NO. 20 - 402M

WHEREAS, by resolution adopted April 28, 2022 (the “Prior Resolution”), the Board of Directors of the Connecticut Housing Finance Authority (the “Authority”) approved certain mortgage financing for Antillean Estates, LLC (the “Proposed Mortgagor”) for the construction and rehabilitation of a 31-unit housing development known as Antillean Manor, located in New Haven, Connecticut (the “Development”);

WHEREAS, the Proposed Mortgagor has requested an amendment to the Prior Resolution, as further described in the attached Memorandum and Development Summary Materials from Carol Gooden, Underwriter III, dated October 25, 2022 (the “Memorandum”).

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

Section 1. Section 1 of the Prior Resolution is hereby amended to delete the first sentence and insert the following in lieu thereof:

“The Authority is authorized to provide a construction loan in a principal amount of approximately \$2,215,500 (the “Construction Loan”) and a permanent loan in a principal amount of approximately \$8,884,500 (the “Permanent Loan”), *provided, however*, the aggregate principal loan amount of the Permanent Loan and the Construction Loan shall not exceed \$11,100,000.”

Section 2. The Prior Resolution is hereby amended to add a new “Section 1A”, as follows:

“The Authority is authorized to provide a subordinate mortgage loan in a principal amount which shall not exceed \$500,000 (the “Additional Loan”), which Additional Loan shall be secured by a second-priority mortgage lien on the Development. The Additional Loan shall: (a) for an initial term of 24 months, accrue interest on amounts advanced at a rate not to exceed 5.66% per annum and be paid, in arrears, interest only on a monthly basis; (b) for the immediately succeeding term of 40 years, accrue interest on all amounts advanced at a rate which shall not be less than 1% per annum and be repaid periodically (but not less frequently than annually) in amounts of not less than twenty-five percent (25%) of the Development’s adjusted cash flow prior to the calculation of surplus cash; and (c) have a term of 42 years, after which all outstanding Additional Loan principal and accrued interest shall be due and payable, *provided, however*, prepayment of the Additional Loan shall be permitted. The Authority will fund the Additional Loan with Capital Magnet Funds, Authority opportunity fund proceeds, Authority investment trust account proceeds, or from such other sources of funding, and upon such terms and conditions, as are deemed to be in the best interests of the Authority.

Section 3. The Prior Resolution shall remain in full force and effect in all other respects.

Mr. Guliano provided a summary of the Mortgage Committee’s recommended resolution authorizing amended financing for Saint Mary Place, located in New London, Connecticut.

Upon a motion made by Ms. MacKinnon, seconded by Ms. Tepper Bates, the Board members voted by roll call and were unanimously in favor of adopting the following resolution regarding Saint Mary Place, located in New London, Connecticut.

AMENDED RESOLUTION REGARDING FINANCING OF
SAINT MARY PLACE, NEW LONDON, CONNECTICUT
CHFA DEVELOPMENT NO. 15 – 089M

WHEREAS, by resolutions adopted May 31, 2018 (the “Prior Original Resolution”) and March 31, 2022 (the “Prior Amended Resolution”), the Connecticut Housing Finance Authority (the “Authority”) approved certain mortgage financing for St. Mary Place – The Connection Fund Limited Partnership (the “Mortgagor”) for the construction and rehabilitation of a 20-unit housing development known as Saint Mary Place, located in New London, Connecticut (the “Development”);

WHEREAS, on April 26, 2019, the Authority provided mortgage financing to the Mortgagor for the benefit of the Development in accordance with the Prior Resolution (the “Existing Loan”); and

WHEREAS, the Mortgagor has requested an amendment to the Prior Original Resolution and the Prior Amended Resolution for the purpose of extending the term of mortgage financing to the Mortgagor for the benefit of the Development, as further described in the attached Memorandum and Development Summary Materials from Michelle Onofrio, Manager II Underwriting Lead, dated October 25, 2022 (the “Memorandum”).

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

Section 1. “*Section 1*”, as set forth in the Prior Original Resolution, as amended by the Prior Amended Resolution, is hereby amended to read as follows:

Section 1. The Authority is authorized to provide a construction loan in a principal amount of up to \$3,800,000 which shall be secured by a first-priority leasehold mortgage. The construction loan shall accrue interest on amounts advanced at a rate not to exceed 5.43% per annum and shall be repaid monthly, in arrears, over a term of 48 months, after which all construction loan principal and interest shall be due in full. The Authority will fund this loan with Tax-Exempt Bond 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. “*Section 5(d)*”, as set forth in the Prior Amended Resolution, is hereby amended to read as follows:

“(d) Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to close the Additional Loan authorized herein on or before April 1, 2023 shall render this Resolution void and of no further effect, *provided, however*, upon good cause shown and upon payment by the Mortgagor of any extension or other fees as may be required by the Authority, the Chief Executive Officer - Executive Director may extend the time for compliance hereunder.”

Section 3. The Prior Resolution shall remain in full force and effect in all other respects.

Mr. Taib presented preliminary information regarding the proposed 2023 Annual Budget and Plan of Operations, including a summary of the budget process, year-to-date financial results and assumptions for 2023. An outline of the proposed 2023 budget was reviewed.

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.

Reports Accepted:

- 2022 Series D Bond Issue (Multifamily)
- Financial Reports
- Delinquency Reports
- Investment and Swap Reports
- Monthly Tracking Report
- Multifamily Program Offering Update
- Homeownership Report
- Multifamily Activities
- Minutes from September 29, 2022 Regular Meeting

At 10:44 a.m., Ms. Mosquera-Bruno asked the Board for a motion to go into executive session to discuss a pending claim/litigation strategy with respect to the financing of Cherry Street Lofts, Phase I, located in Bridgeport, Connecticut.

Upon a motion made by Ms. MacKinnon, seconded by Ms. Gosselin, the Board members voted by roll call and were unanimously in favor of going into executive session to discuss a pending claim/litigation strategy with respect to the financing of Cherry Street Lofts, Phase I, located in Bridgeport, Connecticut.

The executive session ended at 11:14 a.m. and the regular meeting was immediately reconvened.

There being no further business to discuss, upon a motion made by Mr. Perez, seconded by Ms. Tepper Bates, the meeting adjourned by unanimous consent at 11:19 a.m.