

Minutes
Connecticut Housing Finance Authority
Board of Directors' Meeting No. 566
September 27, 2018

Directors Present: Evonne Klein, Chairperson of CHFA Board and Commissioner of the Department of Housing
Michael Cicchetti
Heidi DeWyngaert, Vice Chairperson of CHFA
Kathleen Dorgan
Anne Foley, Chairperson of the Mortgage Committee, representing Benjamin Barnes, Secretary, State Office of Policy and Management
Timothy Hodges by phone
David Kooris representing Catherine Smith, Commissioner of the Department of Economic and Community Development ("DECD")
Catherine LaMarr, representing Denise Nappier, State Treasurer by phone
Richard Orr by phone
Jorge Perez, State Banking Commissioner
Jared Schmitt, Chairperson of the Finance/Audit Committee
Lisa Tepper Bates
Carla Weil
Alicia Woodsby by phone

Ms. Klein called the meeting of the Connecticut Housing Finance Authority ("CHFA") to order at 9:30 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut. She asked for public comments, and there were none.

Mr. Kilduff, Executive Director, informed Board members that Lynn Koroser-Crane, Director, Multifamily Housing Asset Management, would be retiring at the end of the month. Mr. Kilduff expressed his appreciation and thanked her for her time and efforts during her tenure at CHFA.

Mr. Kilduff provided the Executive Director's report. He noted that Suffield's first affordable housing development hosted a ribbon cutting for the first phase on September 13, and Park Place in Tolland held its groundbreaking on September 14. Mr. Kilduff commented that the Annual Conn-NAHRO Convention was held on August 28 and included programs and panels led by CHFA staff and a scholarship luncheon. Mr. Kilduff continued that CHFA staff conducted a focus group with Hispanic realtors to gain insights on reaching out and working with the Hispanic market.

Ms. Klein asked for a motion to amend the agenda to add Personnel Matters to the Executive Session.

Upon a motion made by Ms. Weil, seconded by Mr. Schmitt, the Board members voted unanimously in favor of amending the agenda to add Personnel Matters to the Executive Session.

Mr. Taib, Chief Financial Officer, discussed the resolution authorizing commencement for the 2018 Series J Bond (the "Bonds") issue. Mr. Taib noted the resolution authorizes the issuance of not to exceed \$200 million aggregate principal amount of the Housing Mortgage Finance Program Bonds 2018 Series J. Mr. Taib continued that the issuance provides CHFA with the ability to continue the financing of single-family mortgages for first-time homebuyers. Mr. Taib commented that this is the fourth issuance in 2018 for the program. He noted that as of August 31, CHFA has purchased 2,007 single-family loans totaling \$354.7 million. Mr. Taib summarized what the Bonds and other available funds are anticipated to do. He noted that CHFA expects to issue the Bonds on November 6, and RBC Capital Markets will act as the book running senior manager.

Upon a motion made by Mr. Cicchetti, seconded by Mr. Schmitt, the Board members voted in favor of adopting the following resolution regarding authorization to commence necessary preparations for the 2018 Series J Bond Issue (Ms. LaMarr abstained from the vote):

**RESOLUTION FOR THE COMMENCEMENT OF NECESSARY
PREPARATIONS FOR THE 2018 SERIES J 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 \$200,000,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2018 Series J (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 2018 Series J 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 \$200,000,000 Housing Mortgage Finance Program Bonds, 2018 Series J (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 \$200,000,000 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:

RBC Capital Markets

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

Bank of America Merrill Lynch
J.P. Morgan Securities
Morgan Stanley & Co.

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

Barclays Capital
Citigroup Global Markets
Drexel Hamilton
Fidelity Capital Markets
Janney Montgomery Scott
Ramirez & Co.
Raymond James
Rice Financial
Roosevelt & Cross
Wells Fargo Securities

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

Academy Securities
Blaylock Robert Van
HJ Sims & Co., Inc.
Intercoastal Capital Markets, Inc.
Jefferies & Company
Loop Capital Markets
Prager, Sealy & Co.
Robert W. Baird & Co.
Rockfleet Financial Svcs.
Ross, Sinclair & Associates
Siebert, Brandford, Shank
Stern Brothers & Co.
The Williams Capital Group

23. 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 2018 Series J 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 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.

Mr. Taib addressed the resolution regarding the appointment of bond underwriters. He explained that in accordance with CHFA's Act §8-249, CHFA must solicit proposals at least once every three years for services which include bond underwriters. Mr. Taib noted that on June 15, 2018 CHFA published a Request for Proposals requesting proposals from qualified firms. He continued CHFA received 29 proposals 5 of which were from firms not currently on the underwriting team. Mr. Taib noted that with the assistance of CHFA's financial advisor, Lamont Financial Services Corporation, the responses were reviewed for performance, technical expertise and capacity and that 4 firms are recommended as senior managers, 10 firms as co-managers and 14 firms as selling group members for issuances under the Housing Mortgage Finance Program Bonds. For issuances under the State-Supported Special Obligation Bonds, staff is recommending 2 firms to act as senior managers, 1 firm to act as co-manager, and 2 firms to act as selling group members. Mr. Taib stated that details are in the materials provided. The effective date of the appointment is January 1, 2019 for up to three years. Mr. Schmitt noted the item was discussed in the Finance/Audit Committee meeting. Mr. Perez commented that he would not support the resolution since one particular institution did not pass the Community Reinvestment Act test and should not be appointed. Discussion ensued on whether the firm should be removed from the list. Mr. Taib noted that the institution is in the co-manager section, and Section 8 of the resolution allows the Executive Director to change the designation of underwriters.

Upon a motion made by Mr. Schmitt, seconded by Ms. DeWyngaert, the Board members voted in favor of adopting the following resolution regarding the appointment of Bond Underwriters (Mr. Perez voted no; and Ms. Woodsby, Ms. LaMarr and Ms. Dorgan abstained from the vote):

RESOLUTION REGARDING THE APPOINTMENT OF
BOND UNDERWRITERS
FOR CONNECTICUT HOUSING FINANCE AUTHORITY

WHEREAS, pursuant to Section 8-249(c)(4) of the Connecticut General Statutes, the Connecticut Housing Finance Authority (the "Authority") has solicited proposals for bond underwriters; and

WHEREAS, the Authority has reviewed the submitted proposals; and

WHEREAS, based upon its review, the Authority has determined firms that have demonstrated the requisite expertise to serve as underwriters for the Authority.

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

Section 1. The following bond underwriting firms are hereby selected to act as senior underwriters for the Housing Mortgage Finance Program Bonds of the Authority:

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

Citigroup Global Markets Inc.

Morgan Stanley & Co. LLC

RBC Capital Markets, LLC

Section 2. The following bond underwriting firms are hereby selected to act as co-managers for the Housing Mortgage Finance Program Bonds of the Authority:

Barclays Capital Inc.

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

Section 3. The following bond underwriting firms are hereby selected to act as senior underwriters for the State-Supported Special Obligation Bonds of the Authority:

Samuel A Ramirez & Co., Inc.

Roosevelt & Cross, Incorporated

Section 4. The following bond underwriting firm is hereby selected to act as co-manager for the State-Supported Special Obligation Bonds of the Authority:

Oppenheimer & Co. Inc.

Section 5. The Executive Director or the Chief Financial Officer is authorized to enter into an engagement letter with each of the firms listed under Sections 1, 2, 3 and 4 for a period up to three (3) years beginning January 1, 2019, including a requirement that the firms provide information regarding investigations, administrative or other legal proceedings and/or settlements by or with governmental entities regulating the conduct of their business.

Section 6. The following firms are hereby selected to act as selling group members for the Housing Mortgage Finance Program Bonds of the Authority:

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, Sinclaire & Associates, LLC
Siebert Cisneros Shank & Co., LLC
Stern Brothers & Co.
UBS Financial Services Inc.

Section 7. The following firms are hereby selected to act as selling group members for the State-Supported Special Obligation Bonds of the Authority:

Bancroft Capital, LLC
Intercoastal Capital Markets, Inc.

Section 8. The Executive Director is hereby authorized to effect the assignment or change the designation of underwriters for issuance of its bonds when necessary and in the best interest of the Authority.

Mr. Voccio, Director of Multifamily, discussed the Courtland Arms mortgage financing resolution. He noted that Tax-Exempt Bond (TEB) proceeds are proposed for a first mortgage financing for a construction-permanent loan in an amount not to exceed \$4,050,000 to Chrysalis Center Real Estate Corporation. Mr. Voccio explained the loan will be evidenced by two notes: a construction note in a principal amount of approximately \$3,750,000 paying interest at a rate no higher than 5.75% per annum for up to 24 months and a permanent loan in a principal amount of approximately \$250,000 at an interest rate no higher than 5.94% per annum payable interest only for 24 months converting to a fully amortizing permanent loan with a 30 year term. Mr. Voccio continued that the project site is a vacant multifamily residential building in New Britain. The vacant building will be renovated into 24 one-bedroom apartments. Mr. Voccio noted all units will be rented to households with mixed incomes ranging from 0% - 80% Area Median Income (AMI). Mr. Voccio stated that 4 of the units will be subsidized with rental assistance vouchers for homeless veterans. Mr. Voccio reviewed the strengths and challenges associated with the project.

Upon a motion made by Ms. Foley, seconded by Ms. Weil, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Courtland Arms, New Britain:

**RESOLUTION REGARDING FINANCING OF
COURTLAND ARMS, NEW BRITAIN, CONNECTICUT
CHFA DEVELOPMENT NO. 17 – 003M**

WHEREAS, Chrysalis Center Real Estate Corporation has applied to the Connecticut Housing Finance Authority (the “Authority”) for mortgage financing for the construction and/or rehabilitation of a 24 unit housing development, to be known as Courtland Arms, and located in New Britain, Connecticut (the “Development”); and

WHEREAS, Chrysalis Center Real Estate Corporation 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 Michelle O. DeRosa and Joe Voccio dated September 27, 2018.

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 construction loan in a principal amount of approximately \$3,750,000.00 and a permanent loan in a principal amount of approximately \$250,000.00, provided, however, the aggregate principal loan amount of the permanent and construction loan shall not exceed \$4,050,000.00. Both loans shall be secured by a first-priority fee simple mortgage. The construction loan shall accrue interest on amounts advanced at a rate not to exceed 5.76% per annum and shall be repaid monthly, in arrears, over a term of 2 years, after which all construction loan principal and interest shall be due in full. The permanent loan shall accrue interest on amounts advanced at a rate not to exceed 5.94% per annum and shall be repaid monthly in arrears, as follows: (i) interest only repayment for a period of 2 years, immediately followed by (ii) principal and interest repayment based upon an amortization schedule of 30 years over a period of 30 years, after which all outstanding permanent loan principal and interest shall be due. 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's 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 the State of Connecticut Department of Housing for up to approximately \$2,575,000.00 in construction and/or permanent subordinated funding (and State Bond Commission approval for such funding, if necessary), 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 \$1,992,335.00, or that the Proposed Mortgagor produce at least that amount from other sources with terms and conditions acceptable to the Authority;
- d. The Proposed Mortgagor's receipt of sufficient annual Federal Historic Tax Credits to produce net syndication proceeds of approximately \$1,117,088.00, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

e. The Proposed Mortgagor's receipt of sufficient annual State Historic Tax Credits to produce net syndication proceeds of approximately \$1,423,766.00, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

f. The Proposed Mortgagor's receipt of sufficient City of New Britain HOME funds of approximately \$204,000.00, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

g. The Proposed Mortgagor's receipt of sufficient energy rebates of approximately \$52,500.00, or that the Proposed Mortgagor produce a comparable amount from other sources and with terms and conditions acceptable to the Authority;

h. The Authority's confirmation that the Proposed Mortgagor receives the building and land at 57 Court Street and 30 south High Street in New Britain as a donation from the City of New Britain with terms and conditions satisfactory to the Authority;

i. The Authority's acceptance of the Proposed Mortgagor's receipt of a subordinate Deferred Developer Fee Loan in the amount of approximately \$131,583.00, or that the Proposed Mortgagor produce at least that amount from other sources and with terms and conditions acceptable to the Authority;

j. The Authority's confirmation of affordability restrictions on the Development for a period of 40 years, such that 4 units shall be set aside for households at or below 25% of area median income, 7 units shall be set aside for households at or below 50% of area median income, 10 units shall be set aside for households at or below 60% of area median income, and 3 units shall be set aside for households at or below 80% 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; and

q. 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?7577, 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 3. 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 4. 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 June 30, 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.

(Courtland Arms, New Britain)

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 \$4,455,000.00 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2018 Series K (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 2018 Series K 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 \$4,455,000.00 Housing Mortgage Finance Program Bonds, 2018 Series K (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 \$4,455,000.00 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 2018 Series K 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 Housing Authority of New Haven (HANH) Rental Assistance Demonstration Group II mortgage financing request. She reviewed the proposed financing noting that TEB proceeds for a construction-only first leasehold mortgage loan of up to \$12,604,800 for a maximum term of 24 months at an interest-only rate not to exceed 5.76% is proposed. Ms. Moores noted that the HANH has been authorized under the Department of Housing and Urban Development Rental Assistance Development Program to convert up to 912 housing units in 14 properties to project-base rental assistance under 20-year Housing Assistance Payment contracts. Ms. Moores noted that this application is HANH Conversion Group II, which includes three family developments totaling 70 units. She summarized the scope of work for these properties with improvements being made to unit interiors, exterior envelope and mechanical systems. Ms. Moores stated that the developments will continue to be 100% affordable and no existing residents will be permanently displaced.

Upon a motion made by Ms. Foley, seconded by Ms. DeWyngaert the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Housing Authority of New Haven Rental Assistance Demonstration Group II, New Haven:

RESOLUTION REGARDING FINANCING OF
HOUSING AUTHORITY OF NEW HAVEN (HANH) RENTAL ASSISTANCE
DEMONSTRATION (RAD) GROUP II AND CONVERSION TO THE HUD RENTAL
ASSISTANCE DEMONSTRATION PROGRAM
NEW HAVEN, CONNECTICUT
CHFA DEVELOPMENT NO. 17-418M

WHEREAS, ECC Group II RAD, LLC has applied to the Connecticut Housing Finance Authority (the "Authority") for mortgage financing for the rehabilitation of 70 housing units comprised of Fulton Park, Stanley Justice and Waverly Townhouses, to be known as HANH RAD Group II, 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 II 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 Wendy Moores and Maura Hayden-Walker dated September 27, 2018.

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 in a principal amount of up to \$12,604,800 at an interest rate not to exceed 5.76% 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 United Bank for not less than \$6,375,000 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 \$7,114,794, or that the Proposed Mortgagor produce at least that 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 \$3,386,316 provided by the Housing Authority of New Haven ("HANH") funded with Moving to Work (MTW) block grant funds or that the Proposed Mortgagor produce at least that 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 \$7,300,000 provided by HANH or that the Proposed Mortgagor produce at least that amount from other sources and with terms satisfactory to the Authority;

f. The Authority's confirmation of the Proposed Mortgagor's receipt of a subordinated mortgage loan of approximately \$500,000 provided from the Federal Home Loan Bank Affordable Housing Program (AHP) or that the Proposed Mortgagor produce at least that amount from other sources and with terms satisfactory to the Authority;

g. The Authority's acceptance of the Proposed Mortgagor's receipt of a subordinated loan or grant in the amount of approximately \$285,000 from the Capital Fund Program (CFP), or that the Proposed Mortgagor produce a comparable amount from other sources with terms and conditions satisfactory to the Authority;

h. The Authority's acceptance of the Proposed Mortgagor's receipt of a subordinated loan or grant in the amount of approximately \$397,000 as a brownfield loan or as additional MTW funds, or that the Proposed Mortgagor produce a comparable amount from other sources with terms and conditions satisfactory to the Authority;

i. 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 70 apartments with terms satisfactory to the Authority;

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

k. 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;

l. The Authority's confirmation of the Proposed Mortgagor's receipt of a subordinate Deferred Developer Fee in the amount of approximately \$406,000, or that the

Proposed Mortgagor produce at least that amount from other sources and with terms and conditions acceptable to the Authority;

m. The Authority's confirmation of affordability restrictions on the Development for a period of 40 years, such that 67 units shall be set aside for households at or below 50% of area median income and 3 units shall be set aside for households at or below 60% of area median income;

n. 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;

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

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

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

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

s. 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;

t. The Authority's acceptance and approval of a ground lease between HANH and the Proposed Mortgagor, with terms satisfactory to the Authority; and

u. 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?7577, 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 March 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 II, 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 \$13,870,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2019 Series L (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 L 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 \$13,870,000 Housing Mortgage Finance Program Bonds, 2019 Series L (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 \$13,870,000 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 L 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. Landau, Director of Multifamily, presented the Security Manor prepayment request. She noted the request includes accrued interest and fees as well as approval of a 30-day extension on the moratorium due to expire September 30, 2018. She continued that in 2012 TFC, a non-profit

organization, purchased the property and obtained a CHFA mortgage of \$475,000 of Investment Trust Account funds. Ms. Landau noted that deferred maintenance, low rents and loss of elderly Rental Assistance Payments has resulted in the owner not being able to address capital needs as well as the operating needs of the development. TFC approached CHFA in 2017 indicating it wished to sell the development. Ms. Landau continued that the highest bidder, 470 Burritt LLC, with Levi Hecht as principal owner, was selected for a purchase price of \$851,000. Ms. Landau reviewed the terms of the sale noting that the property will be transferred to the State Moderate Rental program to maintain eligibility and meet Connecticut state statutes.

Upon a motion made by Ms. Foley, seconded by Ms. Weil, the Board members voted unanimously in favor of adopting the following resolution regarding the prepayment of Security Manor, New Britain:

**RESOLUTION REGARDING THE PREPAYMENT OF MORTGAGE LOAN
FOR SECURITY MANOR, NEW BRITAIN, CONNECTICUT
CHFA DEVELOPMENT NO. 12069AM**

WHEREAS, the Connecticut Housing Finance Authority (the "Authority") granted a mortgage loan to TFC Housing Corp. ("TFC"), evidenced by a loan agreement and promissory note (the "Loan") regarding property TFC acquired from CPS Properties, Inc. known as Security Manor, a 50-unit State Elderly development (the "Development") located in New Britain, Connecticut; and

WHEREAS, the Loan was funded from Investment Trust Account proceeds in the original principal amount of \$475,000.00, and will mature November 1, 2052 at which time the Owner's obligations to the Authority will cease; and

WHEREAS, TFC is under a moratorium agreement originally dated October 17, 2017, and amended March 31, 2018 (the "Moratorium") on payments of principal and interest with CHFA, which is set to expire September 30, 2018; and

WHEREAS, TFC has proposed to transfer the Development and to prepay the Loan in accordance with terms and conditions as provided herein; and

WHEREAS, the proposed buyer has not requested financing from CHFA, and has not requested an assumption of the Loan; and

WHEREAS, the Authority desires to allow prepayment of the Loan upon terms and conditions for preservation of affordable housing as stated herein and as described in the attached memorandum from Elizabeth Chasse dated September 27, 2018.

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 principal balance, all accrued interest, and a Housing Program Maintenance Fee be paid to the Authority.

b. Evidence acceptable to the Authority that the Development will be in the CT State Moderate Rental program, that the proposed buyer provide for funding of immediate capital needs, and plan to rehabilitate the currently vacant units.

c. All outstanding payables of the property be paid at the closing by the existing owner.

d. CHFA will continue its oversight of the Development under the terms of the existing Restrictive Covenant.

Section 2. The Executive Director is hereby authorized to extend the term of the Moratorium for a maximum of 30 days if necessary to accommodate the closing of the property transfer.

Section 3. 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 4. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to effectuate the prepayment on or before December 31, 2018 shall render this Resolution void and of no further effect, provided, however, upon good cause shown and upon payment of any extension or other fees as may be required by the Authority, the Executive Director may extend the time for compliance hereunder.

Ms. Smith, Director, Planning, Research and Evaluation, provided an update on single family.

Ms. O'Brien, Managing Director of Multifamily, reported on the State-Sponsored Housing Portfolio. She acknowledged Lynn Koroser-Crane's and Deb Olson's efforts and time in the work they performed with respect to this portfolio.

Ms. Klein asked the Board members to consider the items on the Consent Agenda.

Upon a motion made by Mr. Schmitt, seconded by Ms. DeWyngaert, the Board members voted unanimously in favor of accepting the following consent agenda items:

Reports Accepted:

- Financial and Delinquency Reports
- Finance Audit Monthly Tracking Report

Ms. Klein asked the Board members to consider the minutes from the July 26, 2018 regular meeting.

Upon a motion made by Ms. Weil, seconded by Ms. Foley, the Board members voted in favor of adopting the minutes from the July 26, 2018 regular meeting as presented (Ms. Tepper Bates and Mr. Cicchetti abstained).

Upon a motion made by Ms. Klein, seconded by Ms. Foley, the Board members voted unanimously in favor of going into executive session at 10:07 a.m. to discuss pending litigation regarding Temple Street, Hartford and Personnel matters. (Attorney Dickerson, Mr. Kilduff, Mr. Taib, Ms. O'Brien, Mr. Voccio, Ms. Moores, Ms. Landau and Attorney Hicks were invited to remain during the executive session).

Ms. O'Brien, Mr. Voccio, Ms. Moores, Ms. Landau, Mr. Taib, Mr. Kilduff, Attorney Dickerson and Attorney Hicks left the executive session and Mr. Bates then joined the executive session.

The executive session ended at 11:30 a.m., and the regular meeting was immediately reconvened.

Upon a motion by Mr. Kooris, seconded by Ms. Weil the Board members voted in favor of a 1% wage increase granted to the Executive Director effective January 5, 2018 (Mr. Perez voted no, and Mr. Orr was not present for the vote).

Upon a motion by Ms. Foley, seconded by Mr. Perez the Board members voted in favor of a 2% wage increase granted to the Executive Director in 2019 if and when wage increases are provided to staff (Mr. Orr was not present for the vote).

There being no further business to discuss, upon a motion made by Mr. Schmitt, seconded by Ms. Foley, the Board members voted to adjourn the meeting at 11:35 a.m.