

MINUTES
MORTGAGE COMMITTEE MEETING OF THE
CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)
May 25, 2017

Committee Members Present: Evonne Klein, CHFA Chairperson and Commissioner of the Department of Housing
Kathleen Dorgan
Meghan Lowney arrived 9:05 a.m.
Anne Foley, Chairperson of Mortgage Committee, representing Benjamin Barnes, Secretary, State Office Policy and Management
Richard Orr arrived 9:04 a.m.
Carla Weil
Alicia Woodsby

Committee Members Absent: Heidi DeWyngaert, Vice Chairperson of CHFA

Others Present: Amy Filotto, Department of Housing

Staff Present: Karl Kilduff, Executive Director arrived 9:07 a.m.
Norbert Deslauriers, Managing Director of Homeownership
Maura Hayden-Walker, Underwriter 2, Multifamily
Lynn Koroser-Crane, Director, Multifamily Housing Asset Mgmt.
Maura Martin, Legislative Program Officer
Wendy Moores, Assistant Director, Multifamily
Terry Nash, Manager 2, Multifamily
Nancy O'Brien, Interim Deputy Managing Director for Multifamily Programs
Deb Olson, Manager 2, Asset Management
Victor Rush, Managing Director of Administration
Marcus Smith, Manager 1, Multifamily

Ms. Foley called the Mortgage Committee meeting of the Connecticut Housing Finance Authority to order at 9:00 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut.

Mr. Smith reviewed the State-Sponsored Housing Portfolio (SSHP) report. Mr. Smith noted that CHFA is currently reviewing 25 applications requesting approximately \$80.5 million, nearly four times the amount of available funds. He noted that it is expected awards will be announced in July. Mr. Smith continued with an update on the Limited Equity Cooperative (LEC) technical assistance initiative. He explained the premise of the program and noted two LECs, Amistad Court and Sheldon Commons opted early this year to transfer ownership to a new entity, which

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is better positioned to ensure long-term sustainability of the development. He noted that Rehoboth Place is on this month's agenda and is proposing a similar transfer.

Ms. Nash discussed the State Supportive Housing report of supportive housing developments active in CHFA's Multifamily Housing Development portfolio and information on supportive housing production outside of structured initiatives. She noted there are two developments remaining in the pipeline which are funded under the Permanent Supportive Housing Initiatives. Ms. Nash continued one development has final closed and the other is currently under construction with completion anticipated later this year. She noted that an attachment is provided detailing the seven 2017 9% Low-Income Housing Tax Credit developments which have integrated supportive housing. Ms. Nash stated that CHFA and DOH continue to promote the CT811 PRA program designed to provide housing for special needs via an agreement with the U.S. Department of Housing and Urban Development.

Ms. Olson discussed the resolution regarding Rehoboth Place Limited Equity Cooperative. She noted Rehoboth Place is comprised of 15 units, located in Hartford. Ms. Olson continued Rehoboth Place has requested approval to dissolve the Cooperative, sell its equity interests and the tenants remain at the property subject to the State Moderate Rental Program guidelines. Ms. Olson reviewed the terms of financing explaining a loan from the Investment Trust Account not to exceed \$120,000, and noted that amending the existing loan and sale of the development is recommended. Ms. Olson noted that the property will be sold to a "to-be-formed" entity with Sheldon Oak Central Inc. as the sole manager.

Upon a motion made by Ms. Weil, seconded by Ms. Klein, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing a loan request, modification and assumption of mortgage for Rehoboth Place Limited Equity Cooperative, Hartford, Connecticut.

Ms. Moores addressed the resolution regarding four developments converting to the HUD Rental Assistance Demonstration (RAD) Program. She noted a description of the RAD Program was presented at the September Board meeting along with a request for the Southwood development. Ms. Moores continued CHFA expects to see more RAD requests. Ms. Moores stated staff is recommending approval of four properties: Eastview Terrace, New Haven; 122 Wilmot Road, New Haven; Dutch Point Colony HOPE VI, Phase I, Hartford; and Dutch Point Colony, HOPE VI, Phase II, Hartford to convert to the RAD Program and allow the subordination of the Extended Low-Income Housing Commitment to the RAD Use Agreement.

Ms. Moores explained a report on Millport Phase II, New Canaan is also attached. Ms. Moores continued Millport does not have any previous funding or tax credit financing from CHFA. Ms. Moores noted that HUD asked CHFA to authorize the subordination so the closing would not be delayed. Ms. Moores commented that the ELIHC and the subordination were executed at the closing.

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Upon a motion made by Ms. Klein, seconded by Ms. Dorgan, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing conversion of the following four developments: 1) Eastview Terrace, New Haven; 2) 122 Wilmot Road, New Haven; 3) Dutch Point Colony HOPE VI, Phase I, Hartford; and 4) Dutch Point Colony HOPE VI, Phase II, Hartford to the Department of Housing and Urban Development Rental Assistance Demonstration Program.

Ms. Nash provided an overview of the 2017 Low-Income Housing Tax Credit (LIHTC) Qualified Allocation Plan (QAP) resolution. Ms. Nash noted that the 2017 QAP remains unchanged from last year to allow the development community time to respond to changes made in 2016. Ms. Nash continued that one edit is suggested to ensure consistency with policy objectives as outlined in the Threshold Requirements of the QAP. Ms. Nash stated that the change does not require a public comment period; however, a public hearing is required by the Internal Revenue Code before the QAP can be submitted to the Governor for approval.

Upon a motion made by Ms. Klein, seconded by Ms. Weil, the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing public hearing for the 2017 Low-Income Housing Tax Credit Qualified Allocation plan.

Ms. Koroser-Crane discussed the request to authorize execution of the amendment to the Memorandum of Agreement for the SSHP with the DOH. Ms. Koroser-Crane reviewed the background of the initiative noting the original MOA was executed in 2013 and an amendment was signed in 2015 between CHFA and DOH allowing updates as circumstances change. Ms. Koroser-Crane noted that the Board approved a one-year amendment in 2015 and again in 2016. Ms. Koroser-Crane noted that the fifth year project round is currently being reviewed by CHFA and DOH based on applications submitted on April 26, 2017. Ms. Koroser-Crane explained the resolution seeks an extension of the MOA for one year until 2018.

Upon a motion made by Ms. Klein, seconded by Ms. Dorgan the Mortgage Committee members unanimously voted in favor of recommending to the Board for consideration the resolution authorizing a one year extension of the Memorandum of Agreement for the State-Sponsored Housing Portfolio with the Department of Housing.

Ms. Foley asked the Mortgage Committee members to consider the minutes from the April 27, 2017 meeting.

Upon a motion made by Ms. Klein, seconded by Ms. Weil, the Mortgage Committee members voted in favor of adopting the minutes from the April 27, 2017, meeting as presented. Ms. Dorgan abstained.

Ms. O'Brien reviewed the Upcoming Multifamily Activities report:

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- Twenty-five SSHP applications are currently under review. CHAMP 11 applications are due June 5 and debriefing with non-awarded 9% LIHTC and CHAMP applicants is ongoing.
- Numerous overview sessions/workshops have taken place or are scheduled during May and June including New England Affordable Housing Management Association Annual Conference, LIHTC Compliance Conference, Annual Reaching Home Celebration Dinner and Housing Awards, NCSHA in June and June Conn-NAHRO luncheon.

There being no further business to discuss, upon a motion made by Ms. Klein, seconded by Ms. Weil and unanimously approved the meeting was adjourned at 9:20 a. m.