



THE STATE OF CONNECTICUT DEPARTMENT OF HOUSING

in partnership with the

CONNECTICUT HOUSING FINANCE AUTHORITY

State-Sponsored Housing Portfolio Recapitalization Notice of Funding Availability

This Notice of Funding Availability (this "NOFA") is directed to owners of properties in the State-Sponsored Housing Portfolio (the "Portfolio") seeking funding from the Department of Housing ("DOH") and/or the Connecticut Housing Finance Authority ("CHFA").

A. Background

In 2012, the Governor announced a 10-year, \$300 million initiative to revitalize the Portfolio. In 2013, CHFA engaged a consultant to prepare a capital plan to inform the revitalization of the Portfolio properties in accordance with the Governor's initiative (the "Capital Plan"). Over the course of this 10-year period, initially guided by the Capital Plan, DOH and CHFA expect to invest the funds authorized under this initiative to rehabilitate or redevelop each of the properties in the Portfolio. Total approximate funding available in connection with this NOFA is approximately \$20 million.

B. Eligible Applicants

Consideration for funding under this NOFA will be given to owners of:

- Properties for which the Capital Plan targets a transaction in 2014 through 2020
- Limited Equity Cooperatives; and
- Properties without specified transaction years and designated "Current At-Risk" in the Capital Plan.

A complete list of eligible properties is included as Exhibit A.

Eligible applicants must be the owner of a property within the Portfolio, or a new affiliated entity created by such owner solely for the purpose of financing the capital improvements to the property.

Portfolio property owners intending to apply for 9% LIHTC's (with or without subordinate State capital financing) should not respond to this NOFA and should instead apply in the annual 9% LIHTC round in the fall of 2018. Further guidance regarding such 9% LIHTC round applications will be provided at a later date.

Portfolio property owners, whether eligible for funding under this NOFA or not, may opt instead to apply for State capital financing (as well as 4% LIHTC's and tax exempt bond financing) in a future DOH funding round under the Competitive Housing Assistance for Multifamily Properties (CHAMP) initiative (or other funding round for which the project is otherwise eligible) if, and only if, the proposed project will result in the greater of (a) an increase of at least 20 new housing units and (b) an overall increase in the housing units at the property of at least 20%. For example, a property with 30 units would be eligible if the proposed redevelopment project would add at least 20 units. Any such new units must not be agerestricted. Waivers may be requested for minor deviations from this threshold when meeting the threshold is not feasible.

The SSHP Pre-Transaction Critical Needs Funding remains available for projects that are not eligible under this NOFA but which may have immediate, discrete capital needs that must be addressed prior to the property's scheduled transaction year. Additional information regarding SSHP Pre-Transaction Critical Needs Funding is available at www.chfa.org.

Portfolio property owners, whether eligible for funding under this NOFA or not, may apply for predevelopment funding. Additional information about application requirements is available at www.ct.gov/doh.

Portfolio property owners are encouraged to contact their designated CHFA asset manager for more information on predevelopment or pre-transaction critical needs funding.

C. Eligible Uses of Funding

Under the Capital Plan, recapitalization models were developed with a transaction-specific recommendation for each property in the Portfolio. It is expected that the financial structure and scope of capital work of each transaction presented in response to this NOFA will be substantially similar to the recommendations for the project in the Capital Plan.

No later than February 1, 2018, all applicants must request a DOH/CHFA Pre-application Meeting to discuss their proposed plan prior to submission of an application.

In the event an application for funding in response to this NOFA proposes a project scope that differs from the Capital Plan recommendation, such difference(s) must be highlighted and justified in the DOH/CHFA Pre-application Meeting.

The Capital Needs Assessment portion of the Capital Plan does not include the cost of environmental assessments, soft costs such as architectural, environmental testing, resident relocation, legal, and clerk of the works or similar nor does it include costs related to minimum required wage rates. Applicants will need to include any applicable costs in their application. Developer fee is eligible for tax credit transactions only. CHFA will hire a field observer during construction to represent the interests of CHFA and DOH. These costs will need to be included in the applicant's budget as well as costs to perform a close out audit of program costs.

Under the Capital Plan, leveraging of non-state resources is a priority and applicants are encouraged to seek all available resources, including those under their control. At a minimum, owners must leverage development reserves in excess of the CHFA per unit minimum and include a letter of participation from the utility company.

Because the Capital Plan does not prescribe a transaction scenario for limited equity cooperatives or properties designated as "Current - At-Risk," owners must propose a sustainable recapitalization plan that best meets the specific needs of these properties.

Pre-Application dates and times have been pre-reserved from February 1, 2018 through February 16, 2018. No later than February 1, 2018, you must schedule a meeting during this time period to be eligible for this funding round. To request a DOH/CHFA Pre-Application Meeting please, contact Sharon Klesseck at 860-571-4357. Dates and times are filled on a first come first serve basis.

Any application that proposes capital financing significantly in excess of Capital Plan recommendations, as adjusted, must highlight and justify these deviations.

There is no rental assistance available for this round.

D. Application Submission Requirements

A completed Consolidated Application (ConApp) must be submitted to be considered for funding. Threshold requirements, among others, for this application are:

- Architectural drawings and specifications that, at a minimum, meet the 40% completion standard, as defined in CHFA's 2018 Multifamily Design, Construction and Sustainability Standards and have been completed by an architect licensed in Connecticut. ("As-built" drawings and specifications will not be accepted.)
- Qualified development team members have been selected (including a licensed general contractor, architect and development consultant, as necessary)
- Demonstration in the application that rents (including any phased-in increases) will provide for sustainable operations for a minimum of 15 years
- Phase I Environmental Report
- Phase II Environmental Report (if required per below)

As stated in section 4.8.b of the ConApp, if a Phase 1 ESA recommends a Phase 2 ESA, the Phase 2 ESA must be submitted with the application for funding. If the Phase 1 ESA is silent as to whether a Phase 2 ESA should be completed but has identified one or more Areas of Concern (AOC), then a Phase 2 ESA must be completed and submitted with the application.

- Hazardous materials report, including radon testing and visual mold survey
- Zoning approval, if required
- Letter of Participation (LOP) with local utility company detailing energy-efficiency measures, estimated energy savings and incentives. The LOP process may take up to 30 days. In order to meet this requirement, applicants are advised to contact their local utility company as soon as possible to initiate the LOP process.

Eversource (incl. Yankee Gas): <u>multifamily@eversource.com</u> // (877) WISE-USE (ask for Multifamily Team)

United Illuminating (incl. CNG and SCG): /Maritza.Estremera@uinet.com/ (877) WISE-USE or Maritza Estremera at 203-499-2150.

Please note: Recipients of funding under this NOFA will be required to release energy data to a CHFA-approved, web-based measurement and verification (M&V) energy use monitoring software platform.

- Certification that the owner is in compliance with Connecticut General Statutes ("CGS")Section 8-64a and 8-64c (if applicable)
- Certification that the owner has obtained a determination from the CT Department of Labor regarding applicability of prevailing wages (if applicable). Applicants may contact Matthew Ferri at the CT Department of Labor at (860) 263-6543 or matthew.ferri@ct.gov.
- Applicants must be in good standing with CHFA and DOH.

Please note: this funding opportunity will not feature a deficiency period. All applications must be complete as of submission on or before the submission deadline of April 27, 2018. DOH and CHFA reserve the right to request additional information or clarification as part of the application review process.

Consolidated Application

Applicants that are seeking 4% LIHTC must complete and submit the ConApp by selecting the following macro buttons on the application:

- Core Items
- LIHTC
- DOH Large Projects

All other applicants must complete and submit the ConApp by selecting the following macro buttons on the application:

- Core Items
- DOH Large Projects

Post-Award Notification Required Submissions

Any applicant receiving a funding award from DOH and/or financing approval from CHFA shall provide the following **after** notification and award and prior to contract closing (among the other required closing checklist items);

Fair Housing Marketing Plan – In accordance with CGS 8-37ee, the Fair Housing Marketing Plan "shall have provisions for recruitment of an applicant pool that includes residents of municipalities of relatively high concentrations of minority populations." A complete plan will include:

- Affirmative Fair Housing Marketing Plan AA5 form and instructions
- Tenant Selection Methodology
- Discrimination Complaint Procedure
- Fair Housing Law Violation(s), if any, for the applicant entity, the applicant entity's general partner (or managing member) and the Management Agent

Relocation Plan - The Relocation Plan must be prepared in accordance with 49 CFR 24.2, HUD Handbook 1378, Chapter 135 of the CGS and any applicable regulations. The Relocation Plan must demonstrate an effort to minimize the impact of relocation on the tenants and must include an estimated budget for relocation activities and the source(s) of funds. Please note: related costs for permanent or temporary relocation must also be included in the development budget in the ConApp.

Management Agent Confirmation - Managing Agents who have not been previously approved by CHFA will be required to submit information, including but not limited to:

- Demonstration that the Agent is a licensed Real Estate Broker in good standing in the State of Connecticut
- Documentation from the Office of the Secretary of State indicating that the Agent is registered to do business in the State of Connecticut
- Demonstration of training and experience in management of multifamily residential housing acceptable to CHFA
- Financial statements of the Management Agent reflecting current financial status and resources
 - (See CHFA Management Agent Approval Requirements)

Application Submission

Applications for funding under this NOFA are available on the individual project SharePoint website.

Applications must be submitted no later than April 27, 2018 at 4:00 p.m.

All application materials must be submitted via electronic submission through the DOH/CHFA SharePoint website. To obtain a SharePoint account, submit an email request no later than April 13, 2018, to applicationrequest@chfa.org. Include the following information in your request:

- Funding Round (i.e. SSHP 2018)
- Property Name
- Applicant Name

Primary Contact Name, email and phone number

Applicants will subsequently receive an email from the system administrator that contains a link to the SharePoint website.

Hard copies of full-sized architectural drawings and specifications must be received no later than April 27, 2018 at 4:00 p.m. and addressed to:

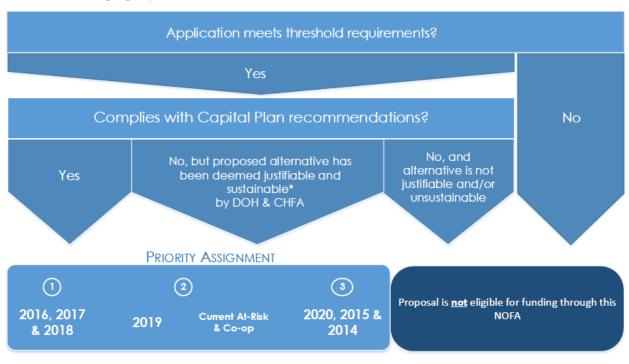
CT Housing Finance Authority Attn: Jennifer Landau 999 West Street Rocky Hill CT 06067

Readiness to Proceed

E. Selection Criteria

Applications will be evaluated according to priority as illustrated in the following chart:

Proposed alternative projects may be deemed "justifiable and sustainable" by DOH and CHFA, after a DOH/CHFA Pre-application Meeting with the potential applicant, if the alternative project is cost effective, sustainable, leverages non-State resources to the maximum extent, and, based on the totality of the facts and circumstances, is a prudent approach in the interest of the State, CHFA, the property residents and the property owner.



All applications will be evaluated in sequence above. Applications will then be evaluated within the above priority Assignment categories, based on the following characteristics:

Leveraged Non-State Resources

*A proposal is "sustainable" if it demonstrates that, after implementing the measures outlines in the proposal, the

Development Team Capacity

Applicants that do not meet the eligibility requirements defined in Section B will not be considered.

property's 20-year capital needs are met and the property's operations will not require further capital investment over a 15-year period.

F. Questions regarding the NOFA

Potential applicants may submit questions by e-mail. All questions must be received by 4:00 p.m. on April 13, 2018 to the following email address: sshprfp@chfa.org.

Answers to all relevant substantive questions, will be posted on a rolling basis on the NOFA announcement page on the CHFA website here and at the DOH website here.

G. Timeline

<u>Event</u>	<u>Date</u>
Release of NOFA	December 29, 2017
Pre-Application Meetings (Mandatory)	Must be requested by February 1, 2018
Deadline for Submission of Questions	April 13, 2018
Submission Deadline	April 27, 2018 at 4:00 pm
Selections Announced (anticipated)	August/September 2018

H. Reservations

All applications submitted in response to this NOFA are the sole property of the State and subject to the provisions of Connecticut's Freedom of Information Act, CGS \$1-200 et seq., which provides that public records and documents are subject to public access and copying unless specific exemptions to disclosure exist. If an applicant believes that portions of its application are exempt from disclosure, the applicant should mark the specific portions as confidential. Acceptance of an application by DOH and/or CHFA which contains such reservations is not an agreement that the material is confidential or exempt from disclosure. DOH and CHFA reserve the right to amend or cancel this NOFA, to modify or waive any requirement, condition or other term set forth in this NOFA or the application, to request additional information at any time from one or more applicants, to select any number of applications submitted in response to this NOFA, or to reject any or all such applications, in each case at DOH's and/or CHFA's sole discretion. DOH and/or CHFA may exercise the foregoing rights at any time without notice and without liability to any applicant or any other party. Applications to this NOFA shall be prepared at the sole expense of the applicant and shall not obligate DOH and/or CHFA to procure any of the services described therein or herein from any applicant. DOH and/or CHFA shall not be obligated to any applicant until a final written agreement has been executed by all necessary parties thereto and all applicable approvals have been obtained.

EXHIBIT A

List of Eligible Properties

CHFA Number	Development Name	Municipality	Transaction Year	Deal Type
85051D	Essex Court	Essex	2014	4% LIHTC
85131D	Hillside Terrace & Extension	North Branford	2014	4% LIHTC
85138D	Hillside Terrace	Norwich	2014	4% LIHTC
92077D	Parkside Gables	Stamford	2014	4% LIHTC
85061D	Town Hall Annex	Greenwich	2014	CHFA/FHA
95094D	16 School St	Norwalk	2014	CHFA/FHA
85136D	Colonial Village	Norwalk	2014	CHFA/FHA
86001D	Reynold`s Ridge 133	Bethel	2015	4% LIHTC
85004D	Reynold`s Ridge 166	Bethel	2015	4% LIHTC
85064D	Pequot Village I & II	Groton	2015	4% LIHTC
85145D	Sunny Acres	Plainfield	2015	4% LIHTC
85148D	Gosinski Park	Plymouth	2015	4% LIHTC
85158D	Castle Heights & Hoffman Heights	Seymour	2015	4% LIHTC
88049D	Broder Place, Laurel Court & Maple Court	Suffield	2015	4% LIHTC
94021D	Wooster Street (fka Summers Square)	Hartford	2015	Soft loan
95124D	Dodge Farms	Washington	2015	Soft loan
85020D	Coal Pit Hill, Fairfield Ridge, Mill Ridge & Extension	Danbury	2016	4% LIHTC
85031D	Cicia Manor, Lakeview Apts & Stygar Terrace	Derby	2016	4% LIHTC
85042D	Green Valley Village	Enfield	2016	4% LIHTC
85043D	Laurel Park	Enfield	2016	4% LIHTC
85158Z	Smith Acres & Extension	Seymour	2016	4% LIHTC
85186D	Green Manor	Thomaston	2016	4% LIHTC
85224Z	Terry Court	Windham	2016	4% LIHTC
85172D	Wapping Mews	South Windsor	2016	CHFA/FHA
85207D	South Side Terrace	Wallingford	2016	CHFA/FHA
77014D	Ward / Affleck	Hartford	2016	Soft loan
85085D	Maple Courts	Danielson- Killingly	2017	4% LIHTC
85035D	King Court	East Hartford	2017	4% LIHTC
85096D	Johnson Farms	Meriden	2017	4% LIHTC
85100D	Marino Manor	Middletown	2017	4% LIHTC
85169D	Zdunczyk Terrace	Southington	2017	4% LIHTC
92002D	Helms Housing	Bridgeport	2017	CHFA/FHA
90075D	Stonecroft Village	Hebron	2017	CHFA/FHA
85229D	New Roxbury Village	Woodstock	2017	CHFA/FHA

CHFA Number	Development Name	Municipality	Transaction Year	Deal Type
85006D	Augustana/Bishop Curtis Homes	Bethel	2017	Soft loan
94036D	Bristol Apts	Hartford	2017	Soft loan
94052D	Bantam Falls & Wells Run	Litchfield	2017	Soft loan
85087D	Birchwood Terrace	Danielson- Killingly	2018	4% LIHTC
94048D	Maple Court II	Danielson- Killingly	2018	4% LIHTC
94035D	M.J. Caruso Gables	Hartford	2018	4% LIHTC
91135D	Alberta Jagoe Commons, C. McKeen Village I & II, DeMaio Gardens	Milford	2018	4% LIHTC
85134D	Parkside Manor & Temple Pines	North Haven	2018	4% LIHTC
85190D	Old Post Village	Tolland	2018	4% LIHTC
85204D	Ulbrich Heights & Extension	Wallingford	2018	4% LIHTC
85225D	Jonathan Trumbull & Rev. Honan Terrace	Windham	2018	4% LIHTC
94037D	Ed O`Neill House	Hartford	2018	CHFA/FHA
95086D	Ella B. Scantlebury	New Haven	2018	CHFA/FHA
77013D	Hale Farm	Glastonbury	2018	Soft loan
90030D	D.J. Komanetsky	Bristol	2019	4% LIHTC
85011D	Brooks Quarry	Brookfield	2019	4% LIHTC
85018D	Orchard Hill Est II	Coventry	2019	4% LIHTC
88004D	Old Town Hall	Darien	2019	4% LIHTC
85038D	Park Hill	East Windsor	2019	4% LIHTC
85066D	Grasso Gardens I & II	Groton	2019	4% LIHTC
00003D	Bacon Congregate	Hartford	2019	4% LIHTC
85162D	Sinsabaugh Heights I & II	Shelton	2019	4% LIHTC
85174D	Avery Park & Extensions	Stafford	2019	4% LIHTC
85181D	E. K. Richmond Homes	Stonington	2019	4% LIHTC
85183D	Shiloh Gardens	Stratford	2019	4% LIHTC
85188D	Gladys Green Apts & Pineview Court	Thompson	2019	4% LIHTC
85228D	Shad Run Terrace	Windsor	2019	4% LIHTC
89036D	4-6 Arch St	Norwalk	2019	CHFA/FHA
96049D	New Horizons	Middlebury	2019	Soft loan
85202D	Greenwood Manor	Voluntown	2019	Soft loan
85055D	Maple Village	Farmington	2020	4% LIHTC
85078D	Wolcott Place	Hartford	2020	4% LIHTC
86004D	King`s Corner Manor	Ledyard	2020	4% LIHTC
91132D	Luther Manor	Middletown	2020	4% LIHTC
90115D	Flax Hill	South Windsor	2020	4% LIHTC
85168D	Dicaprio Forgione, Gen. Pulaski & Lincoln Lewis	Southington	2020	4% LIHTC
85177D	Oak Park	Stamford	2020	4% LIHTC
88048D	Lucas Gardens I & II	Stratford	2020	4% LIHTC
96102D	Worthington Manor	Westbrook	2020	4% LIHTC

CHFA Number	Development Name	Municipality	Transaction Year	Deal Type
89005D	Glenhaven	Clinton	2020	CHFA/FHA
85062D	Ashland Manor	Griswold	2020	CHFA/FHA
92030D	Good Cents 1 & 2	Hamden	2020	Soft loan
92056D	Eldridge	Morris	2020	Soft loan
85001D	J.J. O`Donnell Apts	Ansonia	n/a	Current - At- Risk
95002D	Pompey Hollow	Ashford	n/a	Current - At- Risk
85002D	Marjorie Moore Village & Percival Heights	Berlin	n/a	Current - At- Risk
85005D	Parkside Vill. I & II	Branford	n/a	Current - At- Risk
85014D	TWENTY ONE	Canton	n/a	Current - At- Risk
85016D	Dublin Village & Annex & Ponemah Village	Colchester	n/a	Current - At- Risk
85036D	Veteran Terrace & Extension	East Hartford	n/a	Current - At- Risk
85044D	Enfield Manor & Extension	Enfield	n/a	Current - At- Risk
91071D	Herbert Clark House	Glastonbury	n/a	Current - At- Risk
85060D	Armstrong Court	Greenwich	n/a	Current - At- Risk
89007D	McKinney Terrace I & II	Greenwich	n/a	Current - At- Risk
99012D	Hill House	Greenwich	n/a	Current - At- Risk
91096D	Faith Manor	Hartford	n/a	Current - At- Risk
85090D	Spencer Village & Extension	Manchester	n/a	Current - At- Risk
85094D	Wright`s Village	Mansfield	n/a	Current - At- Risk
94056D	Florence S. Lord	Marlborough	n/a	Current - At- Risk
85105D	Freedom Village & Independence Village	Montville	n/a	Current - At- Risk
04002D	Security Manor	New Britain	n/a	Current - At- Risk
91161D	Washington School	New Britain	n/a	Current - At- Risk
85129D	Gordon/Riozzi Courts	New London	n/a	Current - At- Risk
85133D	Wangum Village	North Canaan	n/a	Current - At- Risk
85141D	Harry Schwartz Manor	Norwich	n/a	Current - At- Risk

CHFA Number	Development Name	Municipality	Transaction Year	Deal Type
85144D	Hillside Apartments	Norwich	n/a	Current - At- Risk
90107D	J.F. Kennedy Apts & Heights	Norwich	n/a	Current - At- Risk
85139D	Melrose Park & Sunset Park	Norwich	n/a	Current - At- Risk
85142D	Rosewood Manor & Extension	Norwich	n/a	Current - At- Risk
89037D	St. Jude Common	Norwich	n/a	Current - At- Risk
84001D	Center View Manor, Sunset Village & Woodmoor Village	Plainville	n/a	Current - At- Risk
98059D	Seely Brown Village	Pomfret	n/a	Current - At- Risk
85152D	Lincoln Park	Preston	n/a	Current - At- Risk
85153D	Walter Crabtree Apts & Wm. St. Onge Apts	Putnam	n/a	Current - At- Risk
92071D	Prospect Ridge Congregate	Ridgefield	n/a	Current - At- Risk
89038D	Harold J. Murphy Apts & Rocky Hill Seniors	Rocky Hill	n/a	Current - At- Risk
85163D	Murphy Apts/Extension & Virginia Connolly	Simsbury	n/a	Current - At- Risk
90116D	Wormser Congregate	Stamford	n/a	Current - At- Risk
85206D	East Side Terrace	Wallingford	n/a	Current - At- Risk
85215D	Buckingham Terrace, Country Ridge & Truman Terrace	Watertown	n/a	Current - At- Risk
85220D	Adams Apts & Comhall Conv	Wethersfield	n/a	Current - At- Risk
86013D	Hevrin Terrace - MR Section-8	Windham	n/a	Current - At- Risk
92029D	Pine Grove Manor	Enfield	n/a	Current - Co- op
98019D	Pleasant St Co-op	Enfield	n/a	Current - Co- op
95050D	Cobbs Mill Crossing Cooperative	Glastonbury	n/a	Current - Co- op
95055D	Amistad Court Cooperative	Hartford	n/a	Current - Co- op
77015D	Harrington Place Cooperative	Hartford	n/a	Current - Co- op
96026D	Rehoboth Place Cooperative	Hartford	n/a	Current - Co- op
95040D	Sheldon Common I Co-op	Hartford	n/a	Current - Co- op

CHFA Number	Development Name	Municipality	Transaction Year	Deal Type
95051D	Sheldon Common II Co-op	Hartford	n/a	Current - Co- op
94045D	Villa Coqui Apts.	Hartford	n/a	Current - Co- op
93041D	Tannery Brook Cooperative	Litchfield	n/a	Current - Co- op
96054D	So Main St Co-op/Willow Brook Estates Condo	New Britain	n/a	Current - Co- op
91239D	Riverside School Cooperative	Torrington	n/a	Current - Co- op
95126D	Cherry St Cooperative	Waterbury	n/a	Current - Co- op
98077D	Lawrence Crest Co-op	Waterbury	n/a	Current - Co- op
91264D	Brace Dale Cooperative	West Hartford	n/a	Current - Co- op
90138D	Union St Cooperative, Inc	Windham	n/a	Current - Co- op