

CHEFA Revolving Loan Fund Program

Annual Funding Cycle Notice: 2022A

Summary: Connecticut Health and Educational Facilities Authority (“CHEFA”) is issuing this Annual Funding Cycle Notice (the “Notice”) to announce the availability of loans, as described below, for current CHEFA clients, through the CHEFA Revolving Loan Fund Program (“Program”). The Program serves as a source of financial assistance to better enable CHEFA clients to increase the commerce, welfare and prosperity and the improvement of the health and living conditions of the people of Connecticut. All loans made under the Program and this Notice are subject to funding availability and CHEFA’s discretion.

Available Funding Amount: No greater than \$750,000, to fund loans under the Program and this Notice.

Eligible Applicants: An organization that has a current IRS 501(c) tax-exempt designation, or is a public educational institution that is a constituent unit as defined in C.G.S. §10a-1, that meets the following requirements:

- Is an obligor on a CHEFA bond issuance; and
- Is substantially in compliance with all its the CHEFA bond issuance documents, as determined by CHEFA in its sole discretion, as of their last fiscal year ending prior to the submission of a Loan Application.

Eligible Use: To finance a capital project, in whole or in part, consistent with the applicant’s mission. The total budget for the capital project may not exceed \$115,000.

Loan Amount: The Maximum Loan Amount is \$75,000. The Minimum Loan Amount is \$5,000.

Loan Term: Up to Thirty-six (36) months.

Interest Rate: 0.0% fixed rate for the Loan Term.

Repayment:

- i. Principal Payments: Due quarterly, with first payment due the first day of the calendar quarter following the loan closing;
- ii. Prepayment: Prepayments may be made in whole or part, without penalty on any date a payment is due.

Underwriting Criteria: None, other than those referenced under applicant eligibility.

Other Requirements: For any portion of the capital project not financed by a Loan issued under this notice, the Borrower must demonstrate it has the funds on hand to complete the remaining portion of the capital project at the time of submission of the Loan Application.

Loan Application: The Loan Application and related documents can be found on CHEFA’s website at www.chefa.com. Applications must be emailed to Dan Kurowski at dkurowski@cheffa.com.

Application Acceptance Window: Loan Applications will be accepted through December 31, 2021.

Evaluation Criteria: Loan Applications that are received during the Application Acceptance Window will be awarded on a first come, first serve basis. If at any point the aggregate amount of requested loan

amounts for received Loan Applications exceeds the remaining Available Funding Amount, then Loan Applications will be prioritized based on CHEFA's determination of the financial need of the Applicants.

Review and Approval of Loan Application:

- i. **Application Review:** CHEFA will review each Loan Application to determine whether it is complete, and whether the Applicant meets the eligibility requirements described in the Notice. CHEFA reserves the right to deem incomplete Loan Applications ineligible.
- ii. **Funding Selection:** CHEFA will review the Loan Application and make its funding approval based on the Evaluation Criteria identified above.
- iii. **Approval:** For each approved Loan, CHEFA will deliver to the approved Applicant, a Notice of Approval and necessary Loan Documents to be signed by the Borrower. Upon return of the executed Loan Documents, CHEFA will disburse the Loan.

State of Connecticut Statutory Requirements

i. **Nondiscrimination**

Connecticut General Statutes Sections 4a-60 and 4a-60a, as amended by Public Act 21-76, require (i) any entity or individual entering into a contract with the State or certain political subdivisions of the State, including quasi-public agencies, to comply with the provisions of these statutes and (ii) the inclusion of the provisions set forth in Connecticut General Statutes Sections 4a-60(a)(1)-(4), 4a-60(c)(1) and 4a-60(1)-(5) in any such contract.

The loan agreement for this Program will contain the provisions required by above statutes.

ii. **Campaign Contribution and Solicitation Limitation for Loans of \$50,000 or more**

With regard to a state contract, as defined in Connecticut General Statutes Section 9-612(f)(1)(C), which includes a loan agreement under this Program for a loan of \$50,000 or more, the State Elections Enforcement Commission's notice ("SEEC Notice") advising prospective state contractors of state campaign contribution and solicitation prohibitions, is available at:

https://seec.ct.gov/Portal/data/forms/ContrForms/seec_form_11_notice_only.pdf.

All loan applicants applying for a loan of \$50,000 or more must review the notice and agree to inform its principals of the contents of the notice.

Connecticut General Statutes Section 9-612(f)(2)(f) requires a principal of a prospective state contractor, which includes a loan applicant seeking a loan of \$50,000 or more under this Program, to make the disclosures and certifications on the Campaign Contribution Certification form available at:

<https://portal.ct.gov/-/media/OPM/Fin-General/OPM-Form1-GiftandCampaignContributionCertification-Eff-July-2-2021.docx>

The completed Campaign Contribution Certification form must be submitted with the application for a loan.

CHEFA reserves the right to modify this Notice or the Program at any time.

For More Information:

For questions email: Michael F. Morris, Managing Director, at mmorris@cheffa.com or Dan Kurowski, CHEFA CDC Program Manager, at dkurowski@cheffa.com.