



## **NCSHA 2010 Annual Program Awards**

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### **Connecticut Housing Finance Authority Improves Performance Through Partnership with Customers**

**What do you do when you hear complaints from customers about your services?**

**How do you respond to customers who may be reluctant to share their concerns  
about the level of service they receive?**

**We said “Please tell us more”**

In May 2009, CHFA embarked on a campaign to hear exactly what our multifamily housing programs customers had to say about our services and their first hand experiences in navigating through our underwriting and asset management processes. We began by inviting anyone who was interested, including some of our harshest critics, to participate on a Multifamily Advisory Committee. From about 30 invitations, an initial group of about 20 people joined us for a year long series of nearly monthly meetings to discuss and demystify the inner workings of CHFA. The agendas, priorities and subcommittees were selected and decided entirely by the Advisory Committee members.

CHFA’s commitment to this work was: to have the appropriate CHFA staff present to listen, exchange ideas, learn from each other; and to enact recommendations which grow out of the Advisory Committee’s work.

The first meeting in June 2009 was attended by about 20 people and within 2-3 meetings the group had grown by word of mouth to a membership of nearly 40. The rules were simple - Committee members were welcome to attend all meetings or only the meetings of interest to them. There was no aspect of CHFA operations that was not open for discuss. And although CHFA staff participated as a resource in all committee meetings and in each of four subcommittees – agendas and discussion in every case were decided and lead by the Advisory Committee membership.

The year that followed produced:

- a new level of transparency and predictability about CHFA decision making;
- increased clarity, knowledge and understanding about CHFA programs and processes; and
- a strengthened partnership between CHFA and the private and non-profit developer community and private property owners and managers.



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Along the way, CHFA made modifications and adjustments to internal policies and practices in response to committee discussion and observations across a wide range of activities. Where we once posted only board meeting agendas and board minutes to our website we now additionally post the bulk of the board meeting materials to our website two to three days in advance of the CHFA board meeting. We reviewed every threshold requirement variously removing and clarifying requirements for zoning approvals and special permits with the direct input of Advisory Committee members.

CHFA staff also actively participated on one of four Subcommittees formed around areas of Multifamily Advisory Committee member interest.

1. **The Consolidated Application Subcommittee** completed a review of the 2010 annual application update and continues to have input into the 2011 annual update.
2. **The Transparency & Predictability Subcommittee** provided the impetus for CHFA to undertake a complete LEAN process mapping of the multifamily underwriting process from initial application to closing. An interdepartmental team was established from Multifamily Development, Asset Management, Legal, Finance, and Single Family to map the decision-making process from the completion of a financing application through the first draw of funds. Connecticut Department of Labor has facilitated this project. The team's task is to improve the current process, which numbers at 176 steps over several months, to fewer steps and less time. CHFA expects to significantly streamline this process over the next 6 months.
3. **The Multifamily Underwriting Subcommittee** has brought forth recommended changes and/or clarifications in the areas of expense trending, debt sizing, and underwriting practices associated with 9% LIHTC applications. A staff team has been established to evaluate these recommendations for risk and feasibility as well as potential for implementation and related timeline.
4. **The Legal Closing Checklist Subcommittee** has put forth recommended changes and/or clarifications to streamline and simplify closing document requirements.



HFA: Connecticut Housing Finance Authority  
Name of Entry: Customer Collaboration and Partnership  
Category: Management Innovation/Operations

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The Multifamily Committee will meet again in October to hear reports back from the Authority on the recommendations from all four subcommittees and to hear about the outcome from the LEAN process. They are committed to continued open communication and are interested in continuing to meet on a quarterly basis. They are considering a topic-based agenda where ideas around a single subject can be shared.

However, the chief outcome of this initiative has been a growth in collaboration and partnership with our customers. Prior to instituting the multifamily advisory committee, relationships with customers revolved around individual projects. Employees and customers now have a better and more respectful understanding of each other that is based on the mutual goal of providing affordable housing to the residents of Connecticut.