

CALHFA FY2018-19 BUSINESS PLAN

Executive Summary

FINANCE HOUSING

Increase the Agency's future income and equity position by expanding single family and multifamily lending activities consistent with State housing needs

REFINE OPERATIONS

Continue to improve operational efficiencies through the use of technology, workforce planning and the implementation of best practices

SERVE PEOPLE

Collaborate with other housing entities, lenders both public and private, and stakeholders to deliver effective and innovative housing solutions

SAVE HOMES

Help prevent avoidable foreclosures by providing assistance to eligible homeowners who have financial hardship



FINANCE HOUSING



Single Family Lending

- \$1.5 billion in 1st mortgage loans to generate \$16.5 million in revenue*
- \$112 million in subordinate loans for down payment assistance and closing costs, generating \$2.8 million in revenue*
- Research and implement a new refinance program, conventionally-insured loans for manufactured housing and loan products for Indian reservations
- Track and potentially implement Fannie Mae's program developments under its Duty to Serve mandates



Multifamily Lending

- \$150 million in 1st lien lending, \$250 million in conduit issuance and \$15 million in Special Needs Housing Program (SNHP) lending
- \$12 million in present value revenue generation for all Multifamily programs*
- Continue to expand efforts with Naturally Occurring Affordable Housing, extend presence in rural areas and build partnerships with localities, Community Development Financial Institutions and private banks
- Develop Missing Middle and Mixed Income Multifamily lending options using funding from Senate Bill 2, the Building Homes and Jobs Act

* Revenues support operating expenses and are reinvested into affordable housing programs

REFINE OPERATIONS



Financial Position

- Renew letters of credit for variable rate demand obligation bonds
- Work with our partners at the Federal Home Loan Bank of San Francisco to expand the use and eligible collateral of our credit facility to include multifamily loans



Risk Mitigation

- Standardize data & reporting and evaluate opportunities to improve systems and applications to support CalHFA business units



Operational Efficiencies

- Complete Phase III of the upgrade to the Agency's Financial System (GP) to enhance the efficiency of fiscal and budgetary operations and to automate manual processes
- Implement a new multifamily loan servicing system and analyze the efficacy of and opportunity for deploying new systems for multifamily loan origination and asset management
- Fill key senior management vacancies, including General Counsel, Director of Legislation and Director of Business and Governmental Affairs

SERVE PEOPLE



Opportunities for CA Housing Needs

- Research and implement intergovernmental agreements to share performance and compliance data on regulated loans
- Continue to monitor state & federal policy, and advocate with U.S. Treasury for continued support of Federal Financing Bank (FFB) risk-share program

SAVE HOMES



Keep Your Home California Program

- Ensure remaining funds are allocated to eligible homeowners
- Develop management plans for closure of the Central Processing Center and available post-closure funds