

CALHFA FY2019-20 BUSINESS PLAN

Executive Summary

SERVE PEOPLE

Promote state-wide affordable housing production and opportunities for homeownership while maintaining financial sustainability and independence

REFINE OPERATIONS

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

BUILD PARTNERSHIPS

Collaborate with other housing entities, lenders and stakeholders who complement CalHFA's lending objectives and policy priorities in order to deliver effective and innovative housing solutions

SERVE PEOPLE



Single Family Lending

- Help 7,140 homebuyers
- \$2 billion in 1st mortgage loans to generate \$20 million in revenue*
- \$110 million in subordinate loans for down payment assistance and closing costs, generating \$3.5 million in fees
- Launch Fannie Mae HomeStyle Renovation, HUD 184 Indian Home Loan Guarantee and USDA programs
- Pursue funding for permanent source of down payment assistance and a new construction lending program



Multifamily Lending

- Produce and preserve more than 3,000 units of affordable housing
- \$120 million in 1st lien lending, \$320.7 million in conduit issuance and \$20 million in Special Needs Housing Program (SNHP) lending
- \$40 million in Mixed Income Program lending
- \$23 million in present value revenue generation for all Multifamily programs*
- Expand Conduit Issuance Program to underserved communities
- Implement aggressive Portfolio Preservation program

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

REFINE OPERATIONS

Financial Position

- Monetize first lien small loans and subordinate loans to create additional subsidy funds for targeted projects
- Establish strategic partnerships that diversify revenue streams and expand the types of multifamily executions offered by CalHFA
- Manage balance sheet capital reserves to achieve an AA General Obligation rating

Risk Mitigation

- Establish a Risk Management Oversight Committee to review Risk Operating Events
- Implement systems security enhancements to safeguard CalHFA systems and data

Operational Efficiencies

- Continue improvements to Mortgage Access System
- Expand use of Geographic Information Systems and data mapping internally and externally
- Assess, streamline and automate multifamily loan servicing and accounting
- Implement IT Governance and Strategic Project Advisory Groups to ensure that technology projects are aligned with Business Plan initiatives and properly monitored
- Transition residual KYHC activities to Loan Administration, Fiscal Services and IT

BUILD PARTNERSHIPS

Partnerships for CA Housing Needs

- Develop framework for partnerships with those who support our lending objectives and have appropriate business models
- Continue collaboration with DGS and HCD regarding State Surplus Property
- Establish disaster strategy for partnerships in communities recovering from natural disasters

