



# Financing Resolutions FY2024-25

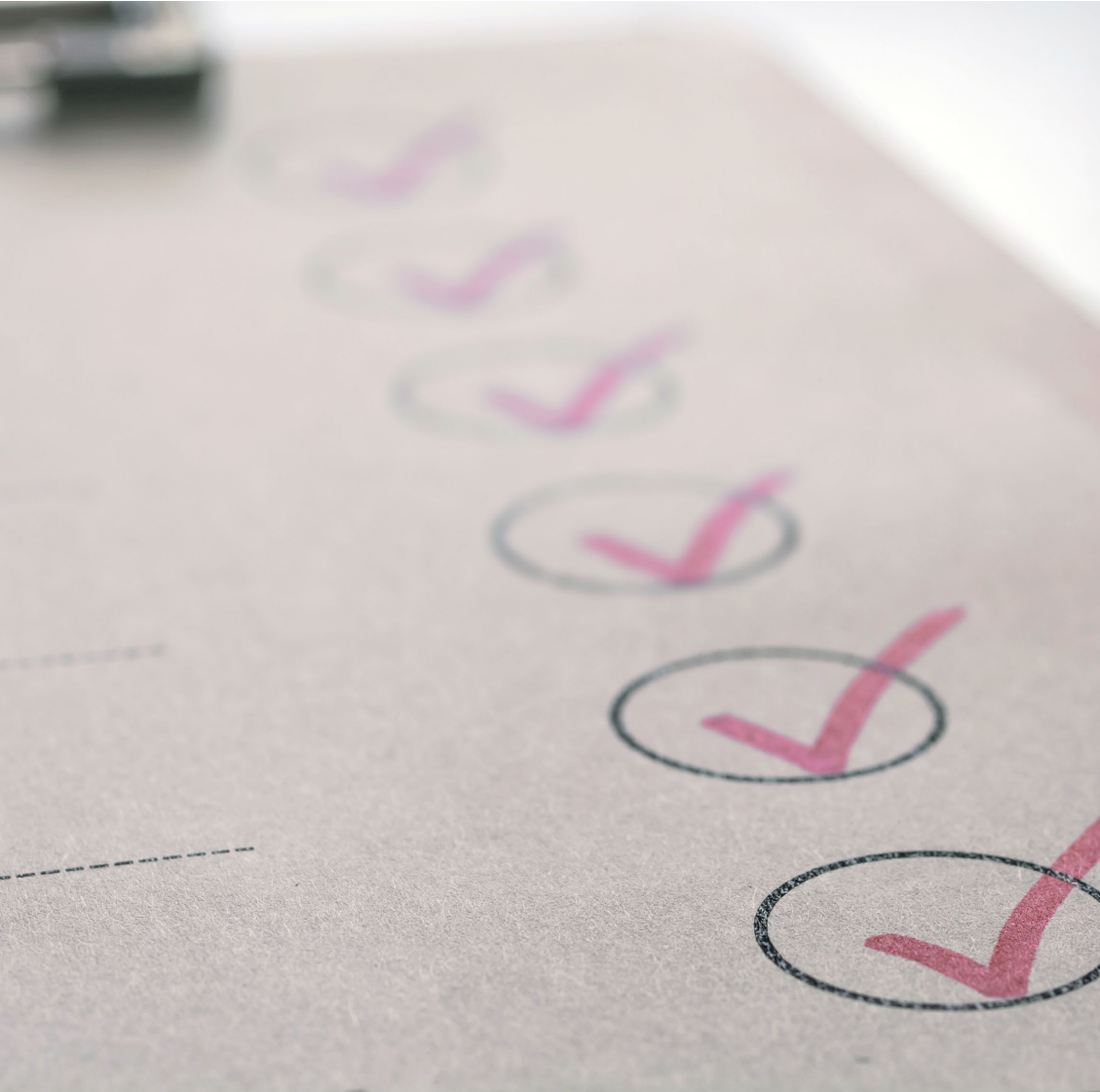
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Director of Financing



## Financing Resolutions Overview



**FOUR RESOLUTIONS**, in aggregate, delegate authority to the Executive Director and staff to continue to conduct the business of the Agency through its Single Family and Multifamily production units

- Effective from passage through June 30, 2025
- Authorizes the Executive Director, Chief Deputy Director, and the Director of Financing to execute actions as specified in each Resolution. The Executive Director can also designate others to execute actions.
- Confirms all actions taken to date

The **FIFTH RESOLUTION** allows the Agency to apply for volume cap from CDLAC



## Financing Resolutions Overview

### Four of the resolutions are divided between the program unit

- (Multifamily and Single Family) and then by the funding source (Bond and Non-Bond)

### Fifth resolution

- Authorizes the application to CDLAC for volume cap to issue tax-exempt private activity bonds.

	Multifamily Programs		Single Family Programs	
Bond	Agenda Item <b>6</b>	Resolution <b>24-10</b>	Agenda Item <b>8</b>	Resolution <b>24-12</b>
Non-Bond	Agenda Item <b>7</b>	Resolution <b>24-11</b>	Agenda Item <b>9</b>	Resolution <b>24-13</b>
California Debt Limit Allocation Committee	Agenda Item <b>10</b>		Resolution <b>24-14</b>	



## Multifamily Bond Resolution – Resolution 24-10

### Resolution 24-10 authorizes the Agency to:

- Issue multifamily revenue bonds (Allocated Volume Cap + \$500 million) and continues to allow bonds to be issued under the Affordable Housing Revenue Bonds, the new “multifamily” indenture
- Act as an issuer of conduit bonds (\$2.5 billion)
- Enter hedges for multifamily commitments, obtain credit facilities for bonds, including the volume cap recycling program
- Refinance/restructure outstanding bonds

### The Agency has:

- Issued \$85 million in multifamily revenue bonds in 2023
- Served as a conduit issuer of \$814 million in bonds in 2023 and issued an additional \$242 million in bonds using recycled volume cap
- Executed interest rate hedges for MIP 2023 commitments, that have locked rates

### Reporting to the Board includes:

- Multifamily Loan Production Report (Multifamily)
- Agency Bonds, Interest Rate Swaps, and Financing Risk Factors Report (Financing)
- Bond Issuance Summary per Investment & Debt Management Policy



## Multifamily Non-Bond Resolution – Resolution 24-11

### Resolution 24-11 authorizes the Agency to:

- Finance loans through the Federal Financing Bank (no limit)
- Enter into risk-share with HUD (no limit)
- Expend funds received through State appropriations, other State sources, and Agency funds for multifamily lending
- Obtain and use credit facilities for multifamily loan warehousing (\$1 billion)

### The Agency has:

- Financed loans through the Federal Financing Bank
- Expend funds received through State appropriations or other State sources for multifamily lending, including MIP subsidy loans

### Reporting to the Board continues to include:

- Multifamily Loan Production Report (Multifamily)
- Agency Bonds, Interest Rate Swaps, and Financing Risk Factors Report (Financing)



## Single Family Bond Resolution – Resolution 24-12

### Resolution 24-12 authorizes the Agency to:

- Issue new money MBS bonds for single family programs on a fixed-rate basis (\$1 billion)
- Refinance/restructure outstanding bonds

### The Agency has:

- Last issued new money MRB bonds in 2009, and refunding bonds in 2017
- Last issued new money MBS bonds in 2011, and refunding bonds in 2013

### Reporting to the Board includes:

- Agency Bonds, Interest Rate Swaps, and Financing Risk Factors Report (Financing)
- Bond Issuance Summary per Investment & Debt Management Policy



## Single Family Non-Bond Resolution – Resolution 24-13

### **Resolution 24-13 authorizes the Agency to:**

- Use the TBA model to finance single family production (no limit)
- No retention of whole loans other than up to \$12 million for SR-710 as previously authorized by the Board
- Subordinate loans (\$25 million)

### **The Agency has:**

- Used the TBA model to finance single family production

### **Reporting to the Board includes:**

- Single Family Loan Production Report (Single Family)



## CDLAC Resolution – Resolution 24-14

### Resolution 24-14 authorizes the Agency to:

- Apply for up to \$2.5 billion in volume cap for multifamily and single family projects
- Authorizing the application for volume cap for single family programs is a change from recent CDLAC resolutions
- Multifamily developments that leverage Federal LIHTC for new construction remains the Agency's priority for best use of volume cap resources
- A single family request will be made only if a single family pool is established. As the State agency dedicated to affordable housing finance, CalHFA is best position to make the most efficient use of volume cap

### Reporting to the Board includes:

- Multifamily Loan Production Report (Multifamily)
- Single Family Loan Production Report (Single Family)
- Bond Issuance Summary per Investment & Debt Management Policy