

California Housing Finance Agency (CalHFA)

Board Meeting

March 19, 2025

Setting the Stage
(15 min)



Thinking Differently
(45 min)



Drivers and Levers
(30 min)



Next Steps
(15 min)



Setting the Stage



Objectives of today

Begin a discussion to lead into the
Strategic Planning process

Shift our thinking

The beginning of a journey



Key milestones in our journey



Spring
2025

Envisioning
CalHFA's
Future

Fall
2025

Aligning Drivers,
Levers, Capabilities,
& Goals

Spring
2026

Annual
Workshop

Summer
2026

Strategic &
Business Plan
Presentation



Business Plan

One-Year View

Annual Performance Goals

Identify Initiatives

Strategic Plan

Three-Year View

Delivering on
Mission and Vision

Build Capabilities

Drivers and Levers



Drivers

What affects our business?

Drivers

Economic Factors

Housing Supply & Demand

General Economic Factors

Labor & Materials Costs

TBA Market Pricing

Statutory & Legal Factors

Affordability Req. (AMI)

Tax Law, incl. Tax Rates

CalHFA Statutes

Policy/Governance Factors

Affordability Req. (AMI)

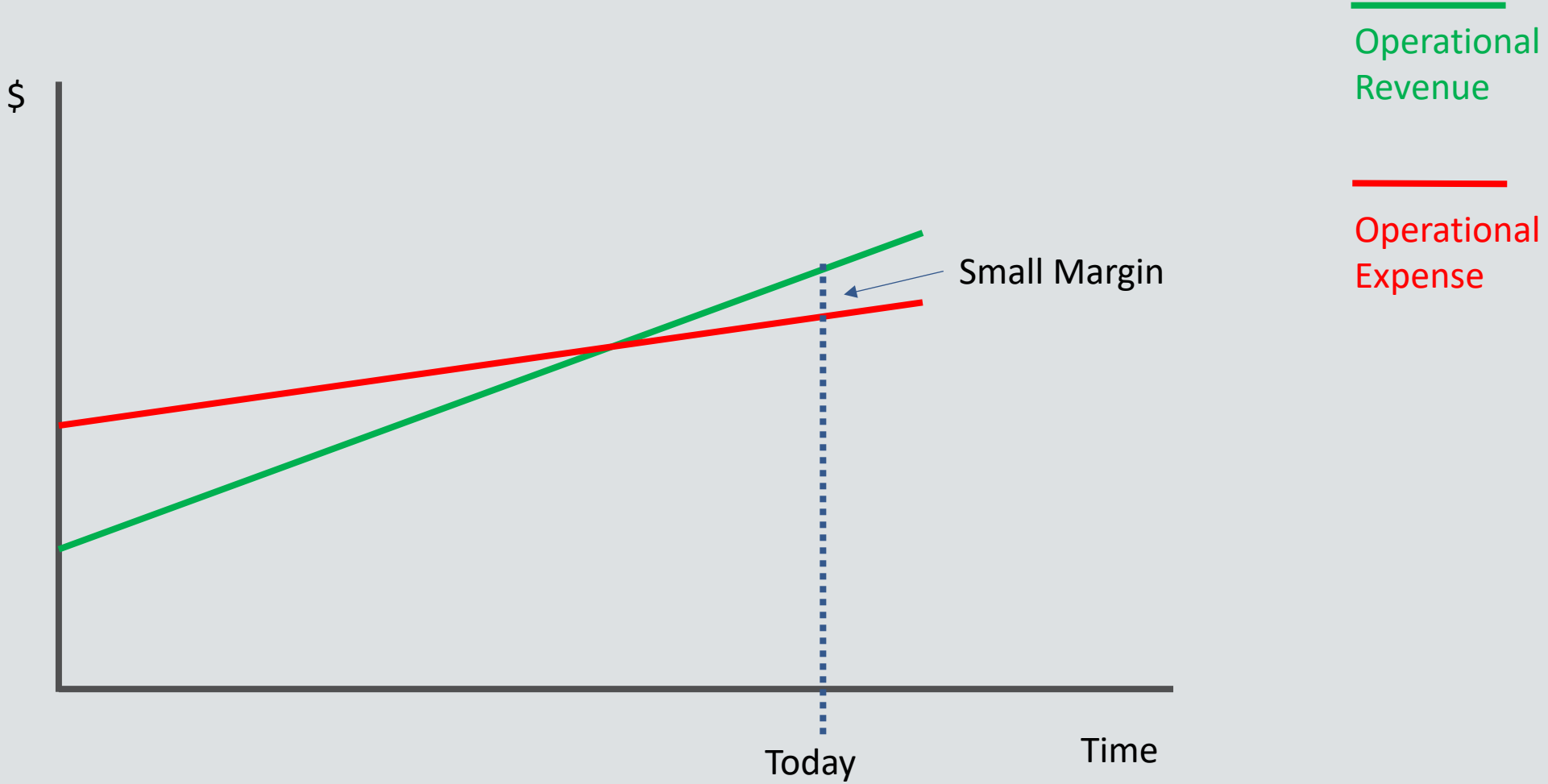
New Construction Units

Housing Equity

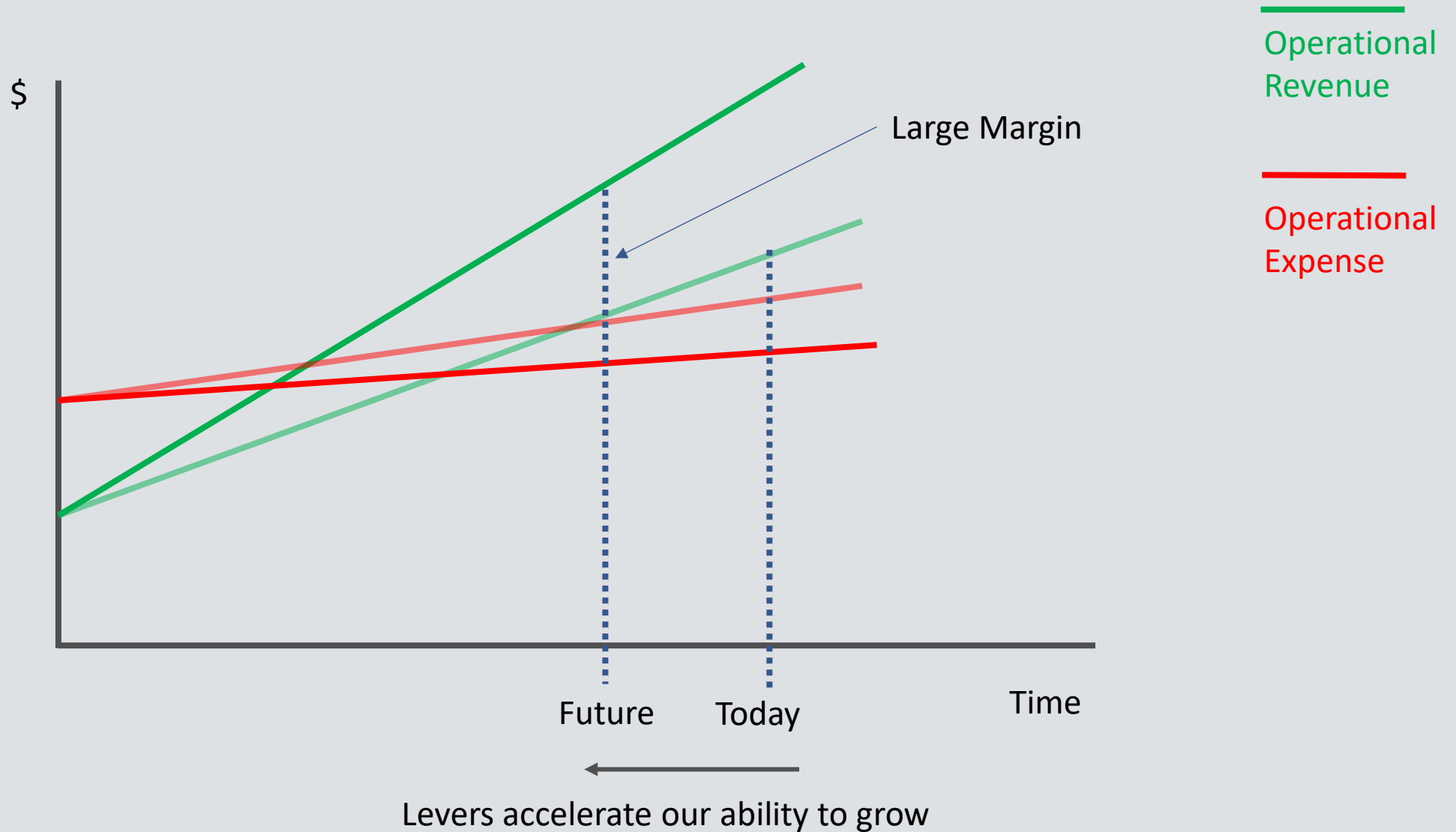
CalHFA Risk Appetite

Climate Change/Goals

A macro view - today



A macro view – the future



Levers

What can we adjust?

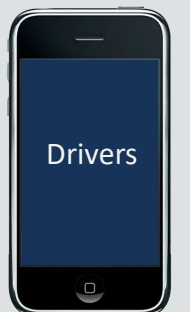
Thinking Differently





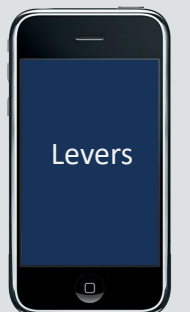
First....

What Drivers do you imagine were present
/ relevant when the first iphone was
introduced?



Second....

What Levers did Apple have
to pull in order to bring the
iphone to market?



Finally....

What did Apple need to be good
at as a company to make the iphone a
reality?

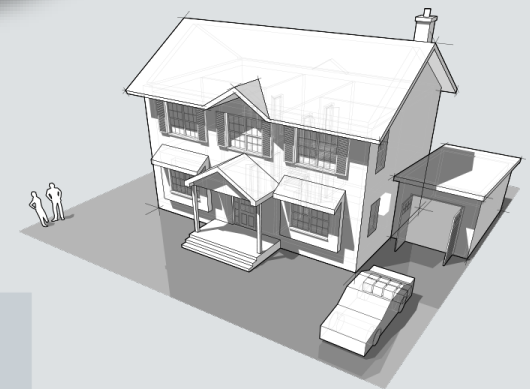


Reflection

How can the phone example help us think differently?

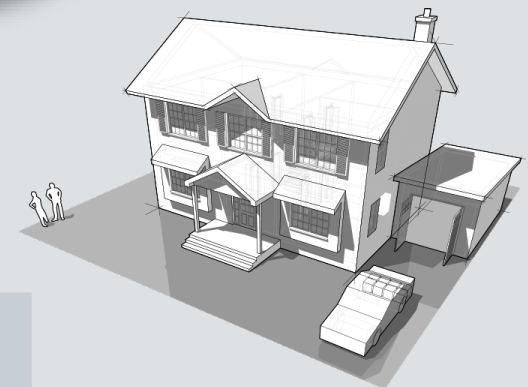
Question 1

As we head into the Strategic Planning cycle, what do we need to know that we currently don't?



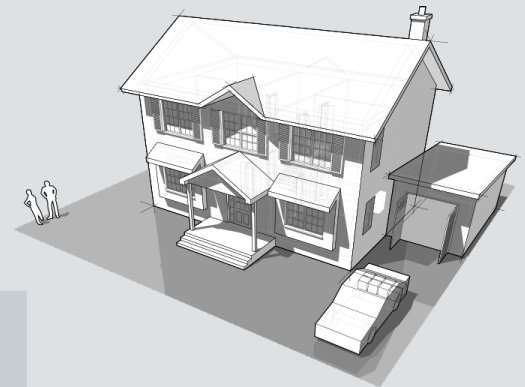
Question 2

What capabilities do we need
to offset Drivers and increase
our Levers?



Question 3

What needs to be true?
Internally? Externally?



Next Steps



Revisiting our 2024 Brainstorming

Potential Partners

- Churches
- Public agencies
- Education, K12, CC's
- Fed Home Loan Bank
- Housing authorities
- Insurance companies
- HUD/FHFA
- Philanthropy/Endowment(s)
- Local public agencies
- Banks
- Community Dev Financial Institutes
- Developers (transparency)
- Tech companies
- Healthcare orgs

Goal/Outcomes

- 2.5M homes over 8 yrs
- 1M affordable homes (125k units per year)

Challenges

- Openness
- Resources (external and internal)
- Balance
- Markets
- Bonds
- Scarcity (competition)
- Impact
- Underproduction/Supply
- Politics

Opportunities

- Leverage our strengths à 5th largest economy, support for GO
- Leverage what we've become
- Bonds are our superpower
- Deepen opportunities in markets we're in and where we're not
- Valuesdriven à can find like-minded investors
- Governor's commitment
- Leverage balance sheet, AAA rating to tap into other resources
- Technical expertise
- (May have) more leeway à creativity allowed
- Next-level (gen) MIX

2024 Big Ideas

1. Attract capital markets
 - Pilot w/ churches, other public agencies
 - Pilot to tap untapped investors (IAO investors)
2. Tap and expand middle moderate market
 - Pilot entry level lending program for those underserved...
 - Lend to developers who will build...
 - Homes
 - Entry level
 - Middle market
 - Rental housing
 - The market/ funding seed
3. Be catalyst for creating blueprint for building entry-level supply
4. Bonds and existing CalHFA resources to DPA (now homebuyers)
5. Create a secondary market for ADU loans
6. Commission study on market needs (via demographics) and models
7. Create a new loan product that uses bonds in a different way—new units (MIP-X)

What would be different

Goals / Outcomes

Potential Partners

Challenges

Opportunities

Big Ideas

Going forward

What can we do between now
and our next meeting to be ready to think
differently?

Thank you

Michael López
michael@michaeljlopez.coach
805.338.6906