

CALHFA FY2020-21 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 6,700 homebuyers purchase their first home
- Secure \$2 billion in 1st mortgage loans to generate \$30 million in revenue
- Finance \$107 million in subordinate loans for down payment assistance and closing costs, generating \$3.3 million in fees
- Continue to monitor and implement the Fannie Mae Duty to Serve mandate and the upload process for Universal Residential Loan Application (Form 1003)
- Continue efforts to pursue permanent source of down payment assistance programs
- Launch the FHA 203(h) for disaster victims



Multifamily Lending

- Produce and preserve more than 3,525 units of affordable housing
- Finance \$1 billion in multifamily lending with \$714 million in conduit issuance, \$202.5 million in permanent loan conversions and commitments, \$74 million in Mixed-Income Program (MIP) lending, and \$40.5 million in Special Needs Housing Program (SNHP) lending, and \$18.4 million in other subsidy loan conversions and commitments
- Monitor market acceptance and status of future funding allocations for MIP
- Continue the portfolio preservation strategy
- Close out Traditional Contract Administration (TCA) activities in coordination with HUD

REFINE OPERATIONS



Financial Position

- Manage balance sheet capital reserves to achieve an AA General Obligation rating
- Develop strategies, systems and capacity to administer a tax-exempt bond recycling program
- Refine Multifamily yield maintenance process and procedures
- Eliminate all variable rate bonds



Risk Mitigation

- Identify risks associated with agency activities in compliance with the State Leadership Accountability Act report
- Implement Security Information and Event Management (SIEM)



Operational Efficiencies

- Acquire and implement Optical Character Recognition (OCR) software to streamline loan processing
- Prioritize filling key vacancies within divisions, promote succession planning, and reduce key employee dependencies
- Expand use of Geographic Information Systems and Microsoft PowerBI for data visualization and mapping internally and externally
- Transition Multifamily Asset Management activities to a new streamlined system
- Implement an Information Technology Service Management (ITSM) to improve IT customer service
- Transition residual Keep Your Home CA activities to Loan Administration, Fiscal Services and IT

BUILD PARTNERSHIPS



Partnerships for CA Housing Needs

- Continue collaboration with DGS and HCD regarding state surplus property
- Build and maintain relationships with state and federal legislators by providing technical assistance, advocacy for affordable housing in CA, and resources to stabilize housing portfolio
- Establish strategy for partnerships in communities recovering from disasters
- Develop strategies to affirmatively further fair housing by reviewing our loan portfolio regulatory agreements, statutes and internal policies

