

DRAFT - CalHFA Strategic Business Plan FY 2014-2015

Key Strategy	Action Items	Due Dates	Team Leader	Policy Considerations
1 Increase stability of capital structure and liquidity position.	A Reduce VRDO (variable rate bonds supported by US Treasury letter of credit) balance by \$450Mn.	2/1/2015	Tim	
	B Reduce swap notional balance by \$200Mn.	2/1/2015	Tim	
2 Reduce balance sheet risk by increasing loss mitigation efforts in the single family portfolio.	A Aggressively apply: i) CalHFA collections strategies; ii) CalHFA Loss Mitigation options to newly acquired Bank of America serviced loans	ongoing	Nick	
	B Prepare a list of actionable recommendations for each servicer defining CalHFA's loss mitigation options. Audit to ensure a high level of participation.	ongoing	Nick	
	C Refine loss mitigation process and identify ways to streamline the process.	4/1/2014	Nick	
	D Develop a unified servicer administration system to ensure compliance and timely reporting.	10/1/2014	Nick	
	E Update CalHFA Servicer Guide.	12/31/2014	Nick	
	F Aggressive mining CalHFA's loan portfolio to increase participation in KYHC's PRP (Principal Reduction Program).	3/10/2014	Nick	
	G Allow outside servicers to use the FHA HAMP Loan Modification Programs (to lower rates and/or extend terms).	3/7/2014	Nick	
3 Generate income via multifamily lending opportunities.	A Pursue preservation and recapitalization of portfolio and non-portfolio projects. Target \$140Mn by the end of FY2014-15	ongoing	Jim	Preservation of affordable housing stock
	i) Seeking approval to implement 35/17 HUD Risk Share program, targeting experienced tax-credit developers.	7/1/2014	Jim	Preservation of affordable housing stock
	ii) Implement HUD Risk Share permanent loan program	7/1/2014	Jim	Preservation of affordable housing stock
	iii) Determine next phase of the MHSA (Mental Health Services Act) Program.	5/1/2014	Jim	Permanent Supportive Rental Housing for the mentally ill who are homeless or at risk of homelessness

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	<p>C Offer CalHFA mortgage products to non-first time homebuyers</p>	7/1/2014	Ken	Provides homeowners the opportunity to improve family housing and take advantage of energy efficient opportunities
	<p>D Develop CA Vets and USDA mortgage products</p>	8/1/2014	Ken	Expand homeownership opportunities to Vets and rural area borrowers
	<p>E Develop a strategy for funding DPA (down payment assistance) when CHDAP (CA G-O funded DPAs) funding is depleted</p>	9/14 to 7/15	Ken	Assist low to moderate income borrowers with overcoming their #1 hurdle to buying their first home.
	<p>F Develop framework for switching back to a bond funded mortgages</p>	1/1/2015	Ken	Provide 1st time homebuyers with a lower interest rates; and rebuild the Agency's balance sheet
	<p>G Single-family lending interface with project team for converting CalHFA to a Master Servicer</p>	7/1/14-3/1/15	Ken	Share cost savings with CalHFA borrowers; Expand loan product portfolio
	<p>H Develop product/program for using the \$9M in recycled HPA (Home Purchase Assistance) funds</p>	7/14 to 10/14	Ken	Provide a targeted population with additional DPA

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10 Maximize use of KYHC program funds.	A Collaborate with other public and private sector entities to maximize and leverage potential benefits of foreclosure prevention resources.	Ongoing	Di	
	B Measure program outcomes and assess barriers to eligibility.	Ongoing	Di	
	C Submit program changes as needed to US Treasury to facilitate increased eligibility.	Ongoing	Di	
	D Aggressively market programs to eligible homeowners, community groups and media to expand awareness.	Ongoing	Di	
	E Aggressively pursue and on-board additional servicers.	Ongoing	Di	
	F Monitor program recipients to assess level of homeownership sustainability facilitated by program assistance.	Ongoing	Di	
11 Collaboration with HCD on "live" projects (not included in above SF or MF sections)	A Assess and enhance the social impact of affordable housing (e.g. educational and health outcomes).	Ongoing	Rick	Smart growth; preservation; healthy community; education
	B Explore opportunities to finance manufactured housing.	7/1/2015	Tony	Coordinate our plan with the State of CA's Statewide Housing Plan
	C Provide support to HCD servicing of single-family loans (1st liens and subordinates)	Ongoing	Rhonda	preservation of affordable housing stock; alignment of state resources
	D Streamline multifamily asset management functions and responsibilities	Ongoing	Rick	Enhance operational efficiencies and provide unified statewide housing policies and solutions
	E GRP (Governor's Reorganization Plan) follow-up	Ongoing	Claudia	
	F Finalize affordable housing cost study.	7/1/2014	Claudia	