

## Discussion Outline

1. Introduction to the Discussion (Peter Carey)
2. Goals for Meeting: Have each Board Member briefly state what their goals are for today's meeting or tell us what they hope to get out of today's meeting
3. Staff Presentation (Steve introduces staff presentation)
  - Core Values list
  - Value Add list
4. Board Reactions & Questions in response to presentation (Lee Ann facilitates)
5. More Specific Questions to Direct to Board relating to presentation:
  - Is there anything missing from the list as far as you are concerned?
  - Anything you would modify, tweak or make changes to?
  - Any concerns you have about anything on the list?
  - What is most important here in your mind, what are your priorities?
6. Talk about Values as they relate to:
  - Homeownership (Gary and Chuck will be the staff available to help with this discussion)
  - Multi Family (Margaret and Bob will be the staff available to help with this discussion)
  - Other business opportunities the agency is involved in
7. Overall, Prioritizing/Concluding Questions:
  - What are the priorities you want CalHFA staff to focus on in fulfilling the agency's mission?
  - What, if anything, do you want staff to do differently than what they are doing today?
  - How do you want to prioritize or direct staff for the future?
8. Close (Peter)

## Core Values

- Constant Tension
  - Between Mission and Money
  - Must operate as a business or cannot continue to exist
- Statewide Availability of affordable products
  - Provide products that address targeted areas with issues of affordability
- Provide Affordability Across All Programs
  - Means favorable rates, terms, eligibility
  - Provides predictability for borrowers
  - Minimum qualification – borrowers must have good credit
  - Assumes downpayment assistance not available from private sector financial institutions
- Provide non-monetary benefits to borrowers/renters who are able to afford housing that is:
  - Closer to work
  - Closer to transportation hubs
  - Safer
- Staff provides innovative creativity
  - Designing products
  - Developing properties
  - Identifying new opportunities for the Agency
- Manage risk to facilitate a business model that sustains the financial viability of the Agency
- CalHFA is NOT a lender of last resort
  - We are a business to business lender
- The Agency cannot be everything to everyone.

## Uniqueness of CalHFA

- Stable Source of lending – in good times and bad
  - Only possible with stable source of capital
  - Only possible with stable credit ratings
  
- High Quality Borrower Service
  - During origination
  - During servicing and regulation
  
- Skill Set and Experience at all Staff levels
  - Provides unique ability to be flexible and creative, and to execute innovative programs well that increases and provides affordability
- Quality lending products and quality underwriting
  - Produce sustainable homeownership and sustainable affordability
  
- Low Cost Lending (below market if possible)
  - Currently disrupted
  
- Programs that finance the “gap”
  - Homeownership – downpayment and closing cost assistance
  - Multifamily – gap financing
  
- Leveraging relationships & \$\$\$ to achieve affordability
  - Synergistic partnerships