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2 BOARD OF DIRECTORS  
3 OF THE CALIFORNIA HOUSING FINANCE AGENCY

4 RESOLUTION NO. 20-15

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6 RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO  
7 ALLOCATE FROM THE NATIONAL MORTGAGE SPECIAL  
8 DEPOSIT FUND AN AMOUNT OF UP TO FIFTY MILLION  
9 DOLLARS (\$50,000,000) FOR THE PURPOSE OF PROVIDING  
10 HOUSING COUNSELING SERVICES PURSUANT TO  
11 CALIFORNIA GOVERNMENT CODE SECTION 12531  
12

13 WHEREAS, the State of California, represented by the California Attorney General,  
14 entered a national multistate settlement with the country's five largest loan servicers. This  
15 agreement, the National Mortgage Settlement (the "NMS"), stemmed from successful resolution  
16 of federal court action (Consent Judgment, United States v. Bank of America (No. 1:12-cv-  
17 00361, Banzr. D.C. Apr. 4, 2012));  
18

19 WHEREAS, the NMS is broad ranging, with California's share of this settlement  
20 estimated to be up to eighteen billion dollars (\$18,000,000,000). Of this amount, approximately  
21 four hundred ten million dollars (\$410,000,000) came directly to the state in costs, fees, and  
22 penalty payments;  
23

24 WHEREAS, California Government Code section 12531 ("Section 12531") created the  
25 National Mortgage Special Deposit Fund in the State Treasury, which is continuously  
26 appropriated and subject to allocation by the Department of Finance, for the receipt of moneys  
27 from the NMS;  
28

29 WHEREAS, Section 12531 further provides that three hundred million dollars  
30 (\$300,000,000) in the National Mortgage Special Deposit Fund (the "NMS Funds") shall be  
31 allocated to the California Housing Finance Agency for the purposes of (a) providing housing  
32 counseling services that are certified by the federal Department of Housing and Urban  
33 Development ("HUD") to homeowners, former homeowners, or renters; and (b) providing  
34 mortgage assistance to qualified California households;  
35

36 WHEREAS, currently, federal and state mortgage relief protections are in place that  
37 shield homeowners from foreclosure. Most of these relief packages are in effect for up to one  
38 year. In consideration of the foregoing, the Agency plans to administer the NMS funds in two  
39 phases, as dictated by market demand;  
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41 WHEREAS, in Phase 1, the Agency shall stand up a program in order to provide housing  
42 counseling services in accordance with Section 12531 (the "Counseling Services Program").  
43 More specifically, the Agency will allocate up to fifty million dollars (\$50,000,000) in NMS  
44 funds through certain HUD-approved intermediaries to potentially ninety-seven (97) HUD-  
45 certified housing counseling agencies located in California to provide free financial, credit, pre-  
46 purchase, and other housing counseling services to Californian households who are struggling to  
47 pay their rent, mortgage and living expenses. While these NMS funds may assist all families in

1 need, the Counseling Services Program will ensure efforts are made to reach disadvantaged,  
2 underserved, ethnically diverse communities and communities that were hardest hit by the  
3 mortgage crisis; and  
4

5 WHEREAS, in Phase 2, the Agency shall establish one or more various types of  
6 mortgage assistance programs in accordance with Section 12531 to be developed in the next 12-  
7 18 months. Phase 2 will align with market need and may require significantly more time to set  
8 up depending upon the types of assistance necessary at the time. Notwithstanding the foregoing,  
9 it is understood that Agency staff will seek guidance and formal approval of the aforementioned  
10 Phase 2 programs.  
11

12 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the  
13 California Housing Finance Agency as follows:  
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16 1. The Board hereby accepts that the above recitals are accurate and have served  
17 together with the staff report accompanying this Resolution and incorporated in this Resolution  
18 by this reference ("Staff Report") and the additional information the Board has been provided at  
19 the meeting as the basis for the approvals and directives set forth in this Resolution;  
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21 2. The Board hereby acknowledges and authorizes the Executive Director or her  
22 designee to accept all NMS funds allocated by the Department of Finance to the Agency and to  
23 administer said funds as soon as practicable in accordance with Section 12531; and  
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25 3. The Board hereby approves of the Counseling Services Program, as more  
26 particularly described in the Staff Report, and authorizes the Executive Director or her designee  
27 to implement said program by allocating up to fifty million dollars (\$50,000,000) in NMS Funds  
28 as soon as practicable, and to execute all agreements, amendments and ancillary documents, and  
29 to make any changes to said program reasonably necessary, to effectuate the intent of Section  
30 12531.  
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SECRETARY'S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 20-15 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13<sup>th</sup> day of August 2020, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

AYES: Gunning, Hunter, Gallagher, Ma, Gunn (for Imbasciani), Velasquez,  
Prince, Russell, Castro-Ramírez, Sotelo

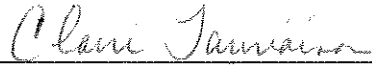
NOES: None

ABSTENTIONS: None

ABSENT: Johnson Hall, Avila Farias

IN WITNESS WHEREOF, I have executed this certificate hereto this 13<sup>th</sup> day of August 2020.

ATTEST:

  
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CLAIRE TAURIAINEN  
Secretary of the Board of Directors of the  
California Housing Finance Agency