

MINUTES

California Housing Finance Agency (CalHFA)
Board of Directors Meeting
September 10, 2020
Meeting noticed on August 31, 2020

Minutes approved by the Board
of Directors at its meeting held:
October 8, 2020

Attest: Claire Tauriainen

1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at **10:09 a.m.** by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Avila Farias, Campbell (for Gordon), Castro
Ramírez, Gallagher, Imbasciani, Gunning, Hunter,
Johnson Hall, Ma, Patterson, Sotelo, Velasquez

MEMBERS ABSENT: Bosler, Prince, Russell

STAFF PRESENT: Claire Tauriainen, Melissa Flores, Don Cavier,
Timothy Hsu, Kate Ferguson, Francesc Martí,
Sheena Kho, Ruth Vakili

GUEST SPEAKER: Dev Goetschius, Executive Director, *Housing Land
Trust of Sonoma County*

2. APPROVAL OF MINUTES – August 13, 2020

The minutes were approved by unanimous consent of all members in attendance.

3. CHAIRMAN/EXECUTIVE DIRECTOR COMMENTS

Chairman comments:

- Acting Chair Gunning commented that the legislative session has ended and while housing legislation looked promising at the beginning of the year, not many housing bills made it. There's more work ahead for next year, but external conditions like the pandemic and wildfires may continue to present challenges in the 2020-21 session.

Executive Director Patterson comments:

- Executive Director Patterson began by stating that after receiving comments regarding Agenda Item 8, *Discussion, recommendation, and possible action to ratify staff selection of conditionally approved HUD intermediaries for National Mortgage Settlement Housing Counseling program*, staff has elected to remove the item from the agenda. The application guidelines for HUD intermediaries are being republished, with specific criteria used to evaluate the applications provided.
- Board members Ma and Velasquez will join Patterson at the California Debt Limit Allocation Committee meeting to continue robust discussions regarding implementing bond cap regulations, maximizing public subsidies and containment costs pursuant to AB 83.
- CalHFA's emergency COVID-19 telework policy will end and be replaced with the Agency's new telework policy on October 1. Staff who are interested have until September 15 to submit their request start on October 1.
- Upcoming events include the following conferences, all to be held remotely: San Joaquin Valley Affordable Housing Summit, San Diego Housing Federation Annual Conference, Southern California Association of Non-Profit Housing Annual Conference, and the National Council of State Housing Agencies Annual Conference. Board members interested in attending should contact Melissa Flores.

4. **Discussion, recommendation, and possible action to approve the 2020-2021 Allocation Plan for AB 101 Low-and Moderate-Income Funds - Resolution 20-17**

Presented by Hsu

On a motion by Hunter, the Board approved staff recommendation for **Resolution No. 20-17**. The votes were as follows:

AYES: Avila Farias, Castro Ramirez, Gallagher, Gunning, Hunter, Imbasciani, Johnson Hall, Ma, Sotelo, Velasquez

NOES: None

ABSTENTIONS: None

ABSENT: Prince, Russell

Public comment

Acting Chair Gunning permitted Agenda item #12 to be taken out of order at the request of members of the public. The following attendees provided comments related to Agenda Item #8:

- Bruce Marks, Neighborhood Assistance Corporation of America (NACA)
- Sherie Greene, NACA
- Amber McNeil, NACA
- Mylika Davis, NACA
- Michelle Farrar, NACA
- Deon Price, NACA
- Erika Brown, NACA
- Jay Soohoo, NACA
- Brandy Barnes, NACA
- Wadiya Penn, NACA

5. Discussion, recommendation, and possible Board action to oppose AB 69 (Ting) as amended on August 25

Presented by Martí

Francesc Martí, Director of Legislation and Policy, updated the Board about Assembly Bill 69 (Ting) and the negative impact it may have on the Agency's ability to finance affordable housing if signed into law. Treasurer Ma recused herself from the discussion explaining that her office provided technical assistance on the bill. Martí read Resolution 20-18 to the Board to ensure the Agency's position on the bill was included in the public record. Martí stated that despite the concerns shared by both CalHFA and the Department of Finance, the bill's author did not incorporate any of those concerns into an amendment of the bill. He further explained that CalHFA's credit rating and bond covenants were at risk if the bill is signed by the Governor. Staff decided to remove Resolution 20-18 from the agenda and did not seek action from the Board regarding the bill. The Agency has submitted its analysis of AB 69, which included the recommendation to the Governor's Office that he veto the legislation.

6. Presentation of Multifamily Lending Guidelines, Credit Framework, and Approval Process

Presented by Ferguson

Kate Ferguson, Director of Multifamily Programs, provided the Board with an overview of the approval process for multifamily housing developments, including credit framework and lending guidelines. She reviewed the Agency's underwriting standards and shared the financing approval cycle for multifamily projects. Ferguson stated the purpose of the presentation was to ensure the Board is aware of the operational process used when evaluating and approving loans since they authorized an increase in the Executive Director's lending authority at the August Board meeting.

7. Final loan commitment for One Lake Family Apartments, No. 19-077-A/X/N, for 190 Units in Fairfield/Solano – Resolution 20-19

Presented by Kho

On a motion by Imbasciani, the Board approved staff recommendation for **Resolution 20-19**. The votes were as follows:

AYES: Avila Farias, Castro Ramirez, Gallagher, Gunning, Hunter, Imbasciani, Johnson Hall, Sotelo, Velasquez

NOES: None

ABSTENTIONS: None

ABSENT: Prince, Russell, Ma

8. Discussion, recommendation, and possible action to ratify staff selection of conditionally approved HUD intermediaries for National Mortgage Settlement Housing Counseling program

This item was removed from the Agenda.

9. Presentation of AB 101 innovative financing for manufactured housing and Community Land Trust: an alternative homeownership model

Presented by Kho and Guest Speaker Goetschius

Sheena Kho, Multifamily Credit Officer, and Dev Goetschius, Executive Director of Housing Land Trust Sonoma County (HLSC), informed the Board about the innovating financing used by CalHFA, HLSC, and the city of Cotati, for the infill construction of five affordable single-family homes for households at 81% to 120% of the Area Media Income for Sonoma County. This financing structure ties the home purchase price to household income and CalHFA's financing conditions require that the five homes remain affordable for 99 years. Buyers of the homes will see the purchase price reduced from the area average of \$661,000 to \$391,000.

10. Reports:

Acting Chair Gunning asked if there were any comments or questions regarding the reports and there were none.

11. Discussion of other Board matters

Acting Chair Gunning asked if there were other matters to discuss and there none.

12. Public comment

Acting Chair Gunning asked if anyone from the public had a comment and the following attendee provided comment related to Agenda Item #8:

- Vivian Nnana, NACA

13. Adjournment

As there was no further business to be conducted, Acting Chair Gunning adjourned the meeting at 12:08 p.m.