

Update on New Rules on Continuing Disclosure

New Rules on Continuing Disclosure

- First presented to the Board on May 23, 2019
- Amendments to SEC Rule 15c2-12
 - “incurrence of a ‘financial obligation’, *if material*”
 - effective Feb 27, 2019
 - not applicable yet because CalHFA did not issue bonds in 2019 that triggered the new requirements
- Updated internal Disclosure Policy to include:
 - all disclosure tasks (e.g., 15Ga-1 and 15Ga-2)
 - tracking of non-compliant events for the last 5 years
 - an operational decision tree for disclosing material events under different circumstances
 - regular meetings of Disclosure Oversight Committee

Agenda Item 5 – Multifamily Financing Resolution Bond issuance

Resolution 20-04

- Authorizing bond issuance up to 60 days after the first board meeting on or after March 1, 2021

- New money bonds not to exceed \$250Mn for:
 - qualified 501(c)(3) bonds;
 - non-private activity bonds;
 - non-tax-exempt bonds

- Conduit bonds not to exceed \$2.5Bn for:
 - qualified 501(c)(3) bonds;
 - non-private activity bonds;
 - non-tax-exempt bonds

Agenda Item 6 –
Multifamily Financing Resolution
Non-bond

Resolution 20-05

- Provides authority to finance multifamily programs with non-bond financing mechanisms
 - e.g., Federal Financing Bank (FFB) and HUD Risk-Share
 - no limitation on volume

- Provides authority to use various funds to finance MF Program activities
 1. Funds of the Agency
 2. Non-bond funds under Agency control (e.g., subsidy funds)
 3. State of CA funds administered by CalHFA (SB2 & AB101)

Agenda Item 7 –
Single Family Financing Resolution
Bond issuance

Resolution 20-06

- Authorizing bond issuance up to 60 days after the first board meeting on or after March 1, 2021

- New money bonds restricted to:
 - MBS (no whole loans) and fixed-rate bonds (no swaps)
 - Not to exceed \$100Mn for non-tax-exempt bonds

Agenda Item 8 –
Single Family Financing Resolution
Non-bond

Resolution 20-07

- Provides authority to finance single-family programs with non-bond financing mechanisms
 - e.g., MBS via the To-Be-Announced funding model
 - no limitation on volume

- Funding/purchasing loans with Agency funds
 - 1st lien whole loans: none
 - subordinate loans: \$20Mn

Agenda Item 9 –
Application to CDLAC for
private activity volume cap

Resolution 20-08

- Homeownership Program
 - No authority requested

- Multifamily Program
 - Requesting authority to apply for up to \$1.5Bn of private activity bond allocation