Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

### A. GENERAL INFORMATION

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3. Organizational Placement (Division/Branch/Office Name)

- Division of State Financial Assistance/State Multifamily Finance Loan Closing

4. CEA Position Title

- Assistant Deputy Director – Multifamily Finance Loan Closing

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

Under the general direction of the Division of State Financial Assistance (DSFA) Deputy Director, the Assistant Deputy Director of Multifamily Finance Loan Closing is responsible for assisting the Deputy Director, the executive team and department staff in developing policies, interpreting and implementing the laws, rules, and policies which promote affordable housing and community development for targeted groups of Californians. The Assistant Deputy Director is responsible for all operations within the Multifamily Loan Closing Branch and is responsible for all phases of the loan closing process through transfer to Asset Management and Compliance Branch.

6. Reports to: (Class Title/Level)

- Deputy Director, Division of State Financial Assistance (Exempt)

7. Relationship with Department Director (Select one)

- [ ] Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- [x] Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): The CEA collaborates with HCD's Executive Management regarding the development and implementation of policies and guidelines for multiple finance and loan closing programs within the Division.

8. Organizational Level (Select one)

- [ ] 1st
- [ ] 2nd
- [x] 3rd
- [ ] 4th
- [ ] 5th (mega departments only - 17,001+ allocated positions)
9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the general direction of the Division of State Financial Assistance (DSFA) Deputy Director, the Assistant Deputy Director of Multifamily Loan Closing is responsible for assisting the Deputy Director, the executive team and department staff in developing policies, interpreting and implementing the laws, rules, and policies which promote affordable housing and community development for targeted groups of Californians. The Assistant Deputy Director is responsible for all operations within the Multifamily Loan Closing Branch and is responsible for all phases of the loan closing process through transfer to Asset Management and Compliance Branch.

Responsible for the overall management and broad policy-making authority over the areas of ongoing operations of all construction and permanent loan closing functions for state funded affordable housing programs in collaboration with the Division’s Program Design and Implementation and Asset Management functions. Ensure that all loan closing activities are managed according to the governing statutes and administrative rules and are aligned with the Department’s mission. Collaborate with the Legal Affairs Division, Housing Policy Development Division, and Division leadership on development and revision of the division’s housing finance programs to ensure that statewide housing policy goals are met.

Develop and employ a variety of strategies to build and sustain relationships across state housing finance agencies and departments; in collaboration with those agencies and departments, identify and implement improvements and efficiencies across the housing finance system which further the State’s housing goals; analyze compatibility of Departmental funding sources with those of other state housing finance partners and local housing finance programs to assist in streamlining the delivery of federal, state and local housing funding resources.

Perform periodic risk assessments to ensure program compliance with new or existing legislative, regulatory and policy directives. Participate in the identification of sensitive issues, advice on risks, risk tolerance, and mitigation; advise and make recommendations on proposals, and the formulation of policies and strategies to best meet Departmental objectives. Formulate Department-wide procedures and implements policies; monitors HCD compliance and effectiveness with these policies; coordinates inquiries and reviews of Departmental programs and activities. Collaborate with other divisions within HCD to strategize and provide input on proposed legislation or policies that affect delivery of housing and community development programs.

As a member of the Division’s executive leadership team, participate in strategic planning activities including assessments of the Division’s operational and strategic performance through identification and tracking of performance metrics, business process improvement and process re-engineering efforts. Oversee various research and data analysis efforts to inform strategic business decisions.

Advise the Deputy Director on DSFA issues that need attention, direction, or discussion. In the absence of the Deputy Director, attend and represent DSFA and the Department at executive staff meeting, legislative hearings, board meetings or at other meeting with state officials including Business, Consumer Services and Housing Agency, Department of Finance, State Controller’s Office, Department of General Services, California Department of Technology, California State Auditor, and State Legislature. Speak at conferences, grand openings or other events on behalf of HCD as needed.
B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The programs under the purview of this CEA are critical to the department's mission to promote safe, affordable homes and strong, vibrant communities throughout California. The Division of State Financial Assistance is responsible for establishing program policies and guidelines and oversees all phases of the loan closing process through transfer to Asset Management and Compliance Branch. These include 17 unique state programs focus Climate Change, Access to Opportunities, and housing needs in response to Homelessness. Total funding for these program is in the billions of dollars and all have a critical impact to the people of California.

The CEA will be responsible for the overall management and broad policy-making authority over the areas of ongoing operations of all construction and permanent loan closing functions for state funded affordable housing programs in collaboration with the Division’s Program Design and Implementation and Asset Management functions. They will also ensure that all loan closing activities are managed according to the governing statutes and administrative rules and are aligned with the Department's mission. Collaborate with the Legal Affairs Division, Housing Policy Development Division, and Division leadership on development and revision of the division’s housing finance programs to ensure that statewide housing policy goals are met.

By administering these programs, HCD creates rental and homeownership opportunities for all Californians, including veterans, seniors, young families starting out, people with disabilities, farmworkers, and individuals and families who are experiencing homelessness. Over the last three decades, HCD has provided more than $3 billion of funding for the development of affordable housing and associated infrastructure, but HCD’s role does not end once the awards are made. The next critical step is the complex loan closing process, which includes establishing professional relationships with various sponsors, contractors, other housing and finance agencies, and HCD's internal divisions, such as, the Legal Affairs Division and the Asset Compliance Branch. HCD ensures the developments continue to provide safe and affordable homes, and that the homes remain well-maintained and financially sound.

Establishing this CEA is a critical step in the department delivering on its mission while meeting state and federal regulation and compliance mandates.
11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

The Multifamily Finance and Loan Closing Branch is responsible for the developing policies, interpreting and implementing the laws, rules, and policies which promote affordable housing and community development for targeted groups of Californians. The Assistant Deputy Director is responsible for all operations within the Multifamily Loan Closing Branch and is responsible for all phases of the loan closing process through transfer to Asset Management and Compliance Branch.

Homelessness and affordable housing are a major Governor’s objective, and the scope and responsibility of the Division has significantly increased, and future increases in funding and responsibility are anticipated in the coming fiscal years. In FY 2020-21, the Department made 1,022 awards, totaling $1.7 billion, and the majority of those awards were from the Division of State Financial Assistance. This year, the Department is expected to award $3.8 billion in programs designed to increase affordable housing and local assistance. With this increased funding came an increase in scope and responsibility for program implementation and loan closing. In FY 2020-21, DSFA had nine active programs, and in one year, that has increased by 89% to 17 active programs in FY 2021-22. These new programs have added complexities, which also adds more complexities to loan closings. In 2021, 69 housing projects totaling over $624 million in project funding in construction closing; and also closed more than $128 million in permanent financing covering 19 housing projects. As mentioned above, the division has eight additional programs, which correlates to an increase in complex loan closings.

The loan closing activities under this CEA are preparing for an influx in state funding in upwards of $2.7 billion dollars through state legislation and the proposed state budget. For example, a Senate proposed budget, targets allocating $500 million to Multifamily Housing Program, $500 million to the Affordable Housing and Sustainable Communities Program, $100 million to the Joe Serna Jr. Farmworker Housing Program. This requires continuous development of program guidelines and policies, to support the needs of the public, and the mission and vision of the department.

With allocations totaling over $3.8 billion dollars, it is imperative that an executive level provide the leadership required for the development of policies, addressed above, while establishing and implementing new programs, along with the existing programs. The Governor’s focus, growth in resources, the need for responsible stewardship, and the need to elevate the attention to those resources, requires an CEA level position to effectively lead and implement this work. Failure is not an option for these programs within this administration.

In addition, new legislation is constantly being written regarding affordable housing and potentially cross-collaboration and possible integration with external departments, such as, California Debt Limit Allocation Committee (CDLAC), California Tax Credit Allocation Committee (CTCAC), and the California Housing Finance Agency (CalHFA). CDLAC’s programs are used to finance affordable housing developments for low-income Californians, build solid waste disposal and waste recycling facilities, and to finance industrial development projects. CTCAC administers the federal and state Low-Income Housing Tax Credit Programs that promote private investment in affordable rental housing for low-income Californians. CalHFA supports the needs of renters and homebuyers by providing financing and programs so more low to moderate income Californians have a place to call home. The CEA will have a pivotal role in building critical partnerships and developing policies with these departments that each can agree with and be successful.
C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The CEA will develop and implement policies and guidelines for the Multifamily Finance and Loan Closing Branch for multiple programs within the Division of State Financial Assistance (DSFA). The CEA will be the principal policy maker for loan closing activities within the multiple state program areas.

This policy development includes creating policy in regard to the development and processing of loan closing activities that assists in providing stable, safe homes affordable to veterans, seniors, young families, farm workers, people with disabilities, and individuals and families experiencing homelessness. The CEA will create policy and evaluate framework for loan closing processes for state funded programs administered by the Department and ensure that policies and regulations provide for program accountability, including collaborating with the Department's Legal Affairs Division, Housing Policy Development Division, and Executive and Division leadership on development and revision of the division's housing finance programs to ensure that statewide policy goals and mandates are fully met.

The CEA will be responsible for policy rationalization regarding issues with regulatory and state issues, with a focus on rule making packages to streamline processes in order to get funds to project sponsors. This position will also propose regulations and changes to the legislation. The CEA will work closely with the other state departments to ensure processes are seamless when interacting with those departments.

The CEA will oversee, assign, monitor and evaluate policy development for all loan closing activities for Housing and Community Development (HCD) programs; identify the impact of proposed state regulations and policies on program services and ensure that the concerns of constituent groups are adequately addressed. This policy development includes establishing program eligibility, types of assistance, funds availability, and program guidelines. These programs have a huge impact in increasing the supply of affordable places to live in California and preserving affordable homes and protecting the public investment.

The CEA will provide guidance and ensure compliance with changing legislative, regulatory and policy related directives related to affordable housing and community development programs at the State level. The statewide policies created and managed by this CEA will have an impact on the state’s ability to receive critical funding that is essential to meeting the challenges California faces when providing affordable housing to its under-served citizens, as well as the department’s ability and resources to meet its mission to promote safe, affordable homes and vibrant, inclusive, sustainable communities for all Californians.
C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

Possess full authority to make commitments on behalf of the Deputy Director (exempt), and the Department regarding the programs under their purview. The CEA will have full level of authority and makes decisions with statewide impact. This position will engage in project management activities which expand across organizational lines to ensure proper reporting and compliance at the state level. Responsible for extensive managerial and program administration with substantial responsibility for the formulation, operation, and/or evaluation of state funded program policies. Responsible for the operation of Multifamily Finance and Loan Closing.

The CEA will oversee, assign, monitor and evaluate policy development for DSFA's state funded loan closing processes; identify the impact of proposed state regulations and policies on program services and ensure that the concerns of constituent groups are adequately addressed and is responsible for the high level oversight ensuring the completion, by the division, of program mission and goals for all resources and corresponding HCD programs that award loans within their purview.

The CEA will be responsible for completion of assignments and special projects from the Governor's Office and the Business, Consumer Services and Housing Agency on a wide range of politically sensitive housing and community and economic development issues with the review and approval of the Director's Office and Deputy Director. The incumbent will function as primary liaison for the Department with other state and local government, housing developers, consultants, and other interested parties related to state housing program policy and development.

Responsible for developing and implementing the rules and policies related to loan closings for the HCD programs that utilize state resources to provide housing for impacted groups of Californians. These programs include all resources coming to the State totaling in the billions, and all which have a critical impact to the people of California. Provides guidance and ensures compliance with changing legislative, regulatory and policy related directives related to affordable housing and community development programs. Will lead a variety of administrative functions consisting of fiscal operations, accounting and business services including policy formulation.

The decisions of the CEA will have a direct impact on the attainment of HCD’s mission and the success of the State funded programs.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA will be developing and implementing new policies as the Department and DSFA continue to develop programs that support multifamily housing programs, as well as, all loan closing processes. Policies must be continuously reviewed and developed for processing applications that award billions in funding for the various state programs as they are released. Additionally, proposals to offer construction loans and integrate financing and funding activities across state housing agencies - including the California State Treasurer and State Controllers offices, are becoming more and more vocal and attention is needed develop and implement new policies to address those proposals. In the last two legislative sessions two bills have been proposed (AB 1135 and AB 2305) requiring intentional efforts to streamline how the state delivers critical housing dollars. While these bills were ultimately not signed, the pressure from the legislature to rethink how the state's housing finance system can be improved will not end. Additionally, the State Auditor completed an Audit in November 2020 entitled California's Housing Agencies: The State Must Overhaul Its Approach to Affordable Housing Development to Help Relieve Millions of Californians' Burdensome Housing Costs and recommended that the these entities - including HCD - develop consistent program requirements for determining eligibility for awarding financial resources to multifamily housing projects. Policies must be continuously reviewed and developed for processing applications that award billions in funding for the various state programs as they are released. Additionally, California poses various barriers to access, creating a need to find more effective ways of issuing funding and closing loans accurately and timely. Recent funding also includes needs for mitigation strategies and rebuilding recommendations to be developed. Mitigation strategies need to be developed to find ways to be sensitive to existing communities, while successfully addressing pending and potential homelessness efforts. HCD and the branches under the purview of this CEA are the forefront of the state’s homelessness and affordability efforts. The CEA will lead efforts to develop internal processes so the state can respond more rapidly when funding awards and closing loans.