**Request For Input: Federal Home Loan Bank Affordable Housing Program Competitive Application Process**

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| **Question 1** | Are there particular components of the FHLBanks’ AHP application processes that could be made more effective or efficient, and if so, how? Are any of the FHLBanks’ specific documentation requirements for AHP applications unnecessary for verifying that the applicant meets the AHP eligibility requirements and scoring criteria? Are there ways to streamline the application process while maintaining the FHLBanks’ ability to verify applicants’ compliance with the AHP eligibility requirements and scoring criteria?  **Recommend pre-populating developer information for repeat applicants already in the** **system or use drop downs to eliminate manual entries of data.** |
| **Question 2** | How do the FHLBanks’ AHP application processes compare to those of other providers of gap funding with respect to scope, complexity, and documentation requirements?  **Processes are similar to other providers.** |
| **Question 3** | Do the FHLBanks’ AHP application processes leverage other funders’ applications/requirements? Are the AHP application processes duplicative or complementary of other funders’ underwriting requirements and processes? Do the AHP application processes create the need for additional information and documentation?  **AHP application processes do not create the need for additional information and documentation. Requiring site control is the only requirement that could present issues. However, given the demand for funding we understand the interest in using funds for shovel-ready projects as to have the greatest impact.** |

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| **Question 4** | Should the AHP regulation allow the FHLBanks to differentiate their AHP application requirements for projects requesting subsidy that constitutes a small percentage of the total funding in the project? If yes, why? Do other gap funders differentiate their application requirements for smaller projects?  **Yes – AHP has been such an important tool to fill funding gaps. As it is difficult to align various funding sources, the loss of even if a small percentage of funding would be tough on a developer if alternate funds are not found.** |
| **Question 5** | What role do consultants provide in applying for AHP funds? What are the reasons that an AHP applicant may use a consultant? To the extent that applicants are using the services of consultants to apply for AHP subsidy, how does the practice compare to the use of consultants for other sources of gap funding?  **Consultants are commonly used in Low Income Housing Tax Credit developments, particularly by firms that have small or no development teams. Consultants usually see the project through the pre-development -to- stabilization phases and assist in the application of all sources of hard debt and gap financing**. |
| **Question 6** | Are there effective practices the FHLBanks could implement to coordinate the underwriting review process across multiple funding sources in a project?  **Possibly. For example, if the bank is the lender, some items could be waived if bank has provided approval as the member sponsor of the application. Our team noticed that the points awarded for utilizing the lender/member sponsor changed this year. Since the bank must assure long term compliance, they have a vested interest in assuring the deal is monitored.** |
| **Question 7** | What is the single most important change you would recommend for improving the AHP application process? **Recommend awarding equal points for competitiveness for single-family projects for homeownership.** |
| **Question 8** | What concrete steps would you recommend for simplifying the AHP application process and why?  **No specific recommendations at this time. Our team found the process very easy to follow from the members side and no issues or problems were reported by applicants.** |