My name is Charlie Hammerman and I am the President and CEO of Disability Opportunity Fund. DOF is the leading CDFI in the United States which commits 100% of our resources to improving the lives of people with disabilities and their families through financing economic development projects. Due to family connections to disabilities, in 2005, my wife and I left our respective careers in transition planning for high school students with disabilities and a Wall Street career to start DOF *de novo* as a CDFI. For those who may not know, CDFIs are financial institutions with a goal of tackling public sector issues with private sector thinking. In our case, DOF is a not-for -profit CDFI. In our first year of operations, we finished 2008 with $390,000 in Total Assets. As we enter the Q4 2022, DOF has over $70 million in Total Assets.

For the last 16 years, we have used these resources to change public policy in these six Focus Areas, which complement each other in the Disability Market: Housing, Employment, Education. Healthcare/Life Sciences, Technology/Products and Socialization. As of 2Q2022, impacts include 2,813 units of affordable, accessible and safe housing, the creation of 2,870 jobs - 94% of which pay living wages, the creation of 1,644 student seats, and the creation of over 80K sq. ft. of healthcare facilities serving over 50K unduplicated patients - 96% of recipients were low, very low or extremely low-income persons. We have financed over 140 projects in 32 states. We work closely with other CDFIs and conventional financial institutions who have participated in some of our transactions and/or become the “take-out” financing.

We are honored to include in our credentials being a member of the FHLBNY since April 2019. The FHLB’s array of products and programs remain attractive to a not-for-profit CDFI like DOF. First and foremost, the mission alignment on increasing affordable housing solutions which also includes people with disabilities provides a foundation for the relationship between the FHLB system and CDFIs like DOF. Next the commitment to the overall community through the Small Business Grant Recovery Program exemplifies how the FHLBNY expands beyond affordable housing, in the same manner CDFIs view its work. Third, the FHLBs and CDFIs are financial organizations, yes, but also focused on the greater good.

Thank you for these few minutes to express our appreciation of the FHLBNY and its programs. Specifically, DOF successfully participated in the Small Business Recovery Grant Program, not once, not twice but three times between 2020 and 2021. The FHLBNY staff managing this program were efficient in its execution and provided excellent support to quickly get these funds into the recipients’ hands. In all three rounds it took less than 10 days – let me repeat that – less than 10 days (not weeks) from the moment our paperwork was approved to distribution of the funds to the end users. In our case, we were able to distribute $286,400 to a combined 33 small businesses and not-for-profit organizations in NY. The beauty of this program was 100% of the proceeds went to recipients. DOF did not retain any administrative fees.

Some examples: As we all know, COVID shut down the wedding and party planning industries. Through this program, we helped a wedding dress designer, a party planner, a hairdresser, a dry cleaner and a clothing shop pay their rent and staff. Each have told us we literally saved their lives. In another case, we almost caused a heart attack! A shoe repairman who has been operating his shop in town for over 30 years was in tears and uncontrollably emotional when presented with a $10,000 check which constituted over three ½ months of income. His daughter could not thank us enough and explained that this was “manna from heaven.”

We helped a Rescue Squad increase resources to respond to COVID emergencies, schools have additional funds to obtain partitions and other COVID mandated equipment, which was not in their original budgets and the most important food pantry in Nassau County respond to overwhelming demand.

Please know that membership has value in both directions – attracting additional CDFIs and expanding its product offerings should be a focus of the FHLB System as it celebrates its 90th anniversary and looks forward to the future. In turn, CDFIs with similar missions of the FHLB System should consider applying for membership. DOF’s Board of Directors unanimously supported our FHLBNY membership which required a financial and organizational investment. In the last three years, not only has DOF been rewarded with an annual dividend, but we have also expanded our reach into the community due to FFHLB Membership. Currently we are supporting an AHP application which could result in the development of innovative, inclusive and affordable housing solutions for people with disabilities.

At the risk of patronizing the FHLBNY, please know that the entire staff at the FHLBNY are exceptional professionals. Calls and emails are promptly responded, quarterly reporting is easy and when help is needed, staff jump in with no problems. Relationship Managers keep us informed of industry-related webinars, teach-ins and other helpful information. The entire staff make the DOF team feel like clients/customers for which we are most grateful.

My remarks will conclude with an Action Item which we hope this body will embrace. CDFIs which are FHLB members desperately seek avenues to utilize the FHLB financial products. Ironically, we have membership privileges but the products which require collateral simply do not fit the CDFI business model. We understand that these products were designed for more traditional depository institutions. We implore this body to re-examine the current situation. CDFIs are rising in stature and prominence throughout the country. In the last three alone, the United States Congress has provided the CDFI industry with billions of dollars of capital for the simple reason that our industry can quickly and efficiently deploy capital directly into the neediest communities and for the neediest populations. We encourage you to unleash the Power of CDFIs through Home Loan Bank products as well. A simple tweak of FHFA collateral requirements will allow our industry to increase its use of FHLB products. This will immediately result in higher social impacts, which at the end of the day, is what the FHLB and CDFIs are all about.

Thank you again for allowing me these few moments to speak.