



OHIO CAPITAL FINANCE CORPORATION
88 East Broad Street, Suite 1800
Columbus, Ohio 43215
614.224.8446 (p) 614.224.8452 (f)

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Delivery Via Email: <https://www.fhfa.gov/AboutUs/Contact/Pages/Request-for-Information-Form.aspx>

Federal Housing Finance Agency
400 7th Street, SW
Washington, DC 20024

RE: FHLBank System at 100: Focusing on the Future

To Whom it May Concern:

It is my privilege to provide this comment letter regarding our work with the FHLB of Cincinnati (“FHLBC”). Ohio Capital Finance Corporation, became a certified CDFI in 2002, with a purpose of serving the low income populations of Ohio and Kentucky. OCFC provides flexible financing products and utilizes partnerships for the expansion and preservation of affordable housing. With net assets of \$60M, OCFC has provided over \$800M in financing for the creation or preservation of over 36,000 units of affordable housing.

In 2012, OCFC became the third CDFI to become a member of the FHLBC. Having used FHLBC housing programs since 2000, I knew and was greatly aware the value of membership. Becoming a member of the FHLBC in 2012 deepened the relationship from a user to a member.

With ever tightening budgets, AHP funding is needed more than ever to create safe, sound and financially feasible transactions. Since becoming a member, OCFC has applied for and received on behalf of sponsors, over \$10M in AHP funds creating over 1,700 affordable housing units.

Just one example is ABCAP Housing, a 43-unit project located in the Appalachian region of Southern Ohio. The FHLBC awarded \$750,000 of AHP funds to the development which serves families with incomes around of \$31,000 per year or 60% of adjusted median gross income. The AHP funds were the critical gap filler within the \$6.3M capital stack.

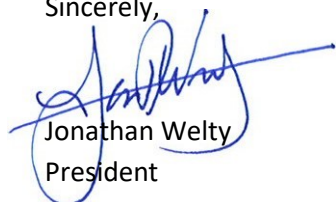
OCFC also utilizes the Zero Interest Fund program. The program allows us to borrow up to \$100,000 at 0% which we re-lend to non-profit developers with no mark-up. This funding is greatly needed to reduce the interest expense of many projects.

In addition to the funding programs, OCFC also appreciates its relationship with the Member Services department. The staff provides thoughtful assistance in providing new financing tools and ideas for our organization. In addition we appreciate participation in members activities and seminars which have assisted in growing our lending platforms.

With an eye towards the future, I offer a recommendation to consider providing additional flexibility in administering the AHP. For example, allowing the FHLBC greater discretion to align their underwriting requirements and cost caps with other funders, including local municipalities, HFA's, the USDA, and HUD. The "tight AHP underwriting box" can make it difficult for many projects to utilize the funding. Providing greater latitude for staff during application and operations would create a more usable product. It is important to note, that in most AHP funded projects, there are multiple sources and funder requirements. Layering additional requirements only increases the end cost of producing affordable housing.

Please let me know if I can assist with any additional information.

Sincerely,



Jonathan Welty
President

Ohio Capital Finance Corporation