



Steuben Churchpeople Against Poverty, Inc.

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Federal Home Loan Bank AHP Scoring & Priority Comments

Scoring & Priorities:

Steuben Churchpeople Against Poverty, Inc (SCAP has been successfully administering FHLB NY AHP programs since 1997. The scoring criteria and Bank Priorities have always been broad enough to allow all types of projects (large/small rental projects, first time home buyer & owner occupied rehab) an equal chance of being funded. Recently the scoring criteria shifted making it impossible for any Owner Occupied Rehabilitation Projects to get funded. All scoring categories in the Owner Occupied section are geared totally toward homeownership with no chance of a scattered site rehab projects scoring high enough to be funded. Here are few examples:

Category	Possible Points	
• Donated Property (5)	0	
• Homeless Housing (10)	0	
• Empowerment, (10) Rural scattered sites offering activities specifically to these households is virtually impossible.	1-3	
• Sponsorship by Nonprofit (10)	10	
• Targeting (20) if you don't serve any working poor families	20	
• Community Stability (10)		
Vacant buildings	0	Non
displacement	2.5	
Community Dev as part of plan	2.5	
Remediation of blight (rehab too minor if getting subsidy points)	0	
• First District Priority (10)		
Economic Diversity	0	
In District	5	
• Second District Priority (15)		
Homeownership education	0	
• Subsidy/unit (10) possible full points for minor rehab with other funds	10	

Total points possible for Owner Occupied Scattered Site Rehab is 50-53 points. Generally cut off scores for funding are approximately 67 points.

This eliminates any possibility of getting funded for this type of program! Please change the scoring criteria to make all types of projects possible.

Perhaps applications should compete against similar projects: Rental projects, Home Ownership and Owner Occupied Rehabilitation.

The AHP program has been a vital part of SCAP's Rehabilitation Program since 1997. We have utilized over \$1,000,000 of AHP funds to provide safe affordable housing to over 200 families in Steuben County and have been able to leverage over \$1,000,000 in other state & federal funds. Without FHLB funds to leverage other

funding sources such as NYS Affordable Housing Corporation, SCAP's rehab program is seriously diminished. Low income families on the waiting list will not get served.

Please take a serious look at the scoring process and revise it to make all types of housing projects have an equal chance of funding.

Draw Process:

The draw process takes way too long. I realize it is a reimbursement process, but 2-4 months is excessive. The longest lag time seems to be in reviewing the package. Once it is reviewed and we are notified of any document shortages, the process is fairly rapid. It has been a highly successful program and perhaps more staff is necessary to be able to process draws in a more timely fashion or allow up front draws similar to some state operated programs.

Multiple District Banks

I believe it is unfair to allow multiple district banks to utilize funds from various FHLB districts. Projects should only be funded from the region where the member bank headquarters are located. Allowing funds to be used from various districts can put undo stress on other regions when the member is only putting funds into the region where the headquarters are located.

Profit Borrowing::

Borrowing against future profits to make up for funding shortfalls should not be eliminated at this time. This helps make sure there is a minimum amount of funding available in any given year. I would like the use of "profit borrowing" to be re-visited in a couple of years to see if there are any negative long term effects before it is eliminated.

"Income Targeting" for Owner Occupied Projects:

Why are households between 50% and 80% AMI considered low income but organizations are penalized in the application process if we try to serve them? I realize that we all want to serve the lowest of the low, but what about all the rest of the struggling households- the working poor? Do they not deserve decent, safe, affordable housing also? I think so. The current FHLB scoring criteria scores each target income separately. The application clearly loses points if you serve households over 50%AMI. This is the income level that most homeowners can at least afford to pay their mortgage payments and taxes but may not be able to afford repairs.

And to make matters worse, you can now only select ONE target income for all project households! This often makes the difference between funded and not funded! However, if the districts would allow the use of "averaging" the target income, it would allow some of the underserved 50-80% households to benefit also.

For example: If maximum points were awarded for an average target income of <50% it might mean that you could serve 50 families in the following income brackets with an average income of 48%

15 households < 30%

25 households < 50%

10 households < 70%

Please consider this option so that all low income households have a chance of safe, affordable housing in the future.

The Federal Home Loan Bank Affordable Housing Program has been one of the best housing programs I have had the privilege of working with since 1997. I hope that with a few changes in the scoring & priorities

sections I will be able to continue using FHLB funds to better the lives of low income families in rural New York .

Thank you for your consideration in these matters.

Submitted by:

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