

THE RESOURCE FOR PEOPLE WITH DISABILITIES

# IndependenceFirst



April 27, 2006

Federal Housing Finance Board  
1625 Eye Street, NW  
Washington, DC 20006

Attention: Public Comments

To Whom It May Concern:

Please accept this letter as a public comment on the proposed changes to the Affordable Housing Program (AHP).

IndependenceFirst is a non-profit Independent Living Center directed and controlled by persons with disabilities, primarily serving the four county metropolitan Milwaukee area. Our mission is to effectively facilitate empowerment of individuals with disabilities through education, advocacy, independent living services, and coalition building.

Given that many people with disabilities are very low-income and served by projects and programs funded by AHP, IndependenceFirst has a strong interest in the changes to ensure that its priorities serve the needs of people with disabilities.

IndependenceFirst is very supportive of efforts to improve the AHP program. However, we are concerned about the impact that some changes may have on people with disabilities, whether it be immediate as they purchase a home, or long-term as the availability of affordable housing increases-or decreases. Many in the housing field, whether it be on the local, state, or federal level; whether private, public, or government, have been alarmed by the loss of affordable housing, mainly through conversion into market rate housing. There have not been enough housing created to replace units lost. For that reason, IndependenceFirst is supportive of using AHP funds for the creation, and preservation, of multi-family housing.

Although we recognizes homeownership as the most effective way of building wealth for families, homeownership is not yet a viable option for many people with disabilities. Accelerated set-asides for the homeownership program should be eliminated to avoid diverting too many dollars away from the rental housing development that is desperately needed.

Independence*First* is also concerned about the proposal to make homebuyer education and counseling optional rather than mandatory. It is rare that a homebuyer entering the process will be very knowledgeable about all the aspects of homebuying process. We believe that FHLB should err on the side of caution and require that all homebuyers undergo the counseling process, especially as default and foreclosure rates increase. Therefore, Independence*First* opposes making homebuyer education and counseling optional.

Among the proposed changes are regulatory changes concerning out-of-district banks and projects. Projects funded by a Bank should remain inside the Bank's district to ensure that there is not a disproportionate flow of funds toward some districts away from other districts. Independence*First* oppose rescinding the proposal to eliminate the in-district preference.

The proposal to allow a FHLB bank to appoint Advisory Council members to one-year and two-year terms is curious. The stated reason is to enhance the effectiveness of the Council, but a series of terms of one and two years would seem to contradict this goal as those terms could become a revolving door of Council members joining and then leaving just as they become more knowledgeable and effective. May we suggest staying with the traditional 3-year terms, but allowing appointments of interim members to replace those that leave before the end of their terms?

Independence*First* supports allowing the creation of revolving loan funds as this can an effective way for a program to assist people. A fixed amount of dollars can have a disproportionate impact as a greater number of people are served over the years. We are having great success with a revolving-loan program for accessibility equipment and modifications.

Although this may not be within the scope of the authority of the Board, Independence*First* proposes that the Housing Finance Board request, or require, that the FHLB banks do more to assist people with disabilities in a number of ways;

- ❑ Incentives for the use of Universal Design principles and requirement of Visitability
- ❑ Emphasis on integration of housing for people with disabilities into the community
- ❑ Proactively assess projects for compliance with the Fair Housing Act accessibility requirements

Thank you for the opportunity to comment on the proposed changes to the FHLB system.

Sincerely,

Brian Peters  
Housing Program Coordinator