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Alfred M. Pollard, General Counsel  
Attention: Comments/RIN 2590-AA39  
Federal Housing Finance Agency  
400 Seventh Street SW, Eighth Floor  
Washington, D.C. 20024

**Re: Notice of Proposed Rulemaking and Request for  
Comments – Members of Federal Home Loan  
Banks (RIN 2590-AA39)**

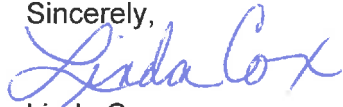
Mr. Pollard:

The Arc of Delaware is an affordable housing partner that works closely with community lenders. We know the crucial role FHLBanks serve in providing funding for community banks. This proposed rule would alter the relationship between FHLBanks and their member banks and potentially harm affordable housing. The Arc of Delaware provides affordable housing to people who have Intellectual and Developmental Disabilities (I/DD) and we depend on community lending partners in order to provide services to people who require our supports.

This rule will make membership in the FHLBank less attractive to banks and credit unions since continued access to FHLBank funding will be contingent on new ongoing asset tests. This will no doubt result in decreased lending by the FHLBanks which will hurt earnings. Ten percent of the net earnings of each FHLBank are directed to fund its Affordable Housing Program (AHP). Since 1990, FHLBank Pittsburgh has provided approximately \$183 million in AHP grant awards to create more than 28,000 units of housing for low or very low-income residents. Should current and prospective membership in an FHLBank be threatened, FHLBank Pittsburgh's ability to provide AHP grants to affordable housing partners will be diminished. Fewer funds will thus be available to provide AHP grants to support very-low and low-income housing. There exists a stable partnership between banks, affordable housing groups and FHLBanks through the AHP program that keeps at-risk families, veterans, senior citizens and people with disabilities from falling through the cracks.

The neighborhoods we serve require access to credit to build new housing, rehab existing stock and stimulate community investment. An arbitrary asset test for continued FHLBank membership will achieve the opposite effect and hurt communities in the process. The Arc of Delaware desires to partner with FHLBank AHP in order to continue our mission to improve and enhance the quality of life for individuals with intellectual and developmental disabilities and their families. The Arc of Delaware strongly urges the FHFA to withdraw RIN 2590-AA39.

Sincerely,



Linda Cox  
The Arc of Delaware  
Director of Housing and Community Relations  
2 S. Augustine Street, Suite B  
Wilmington, DE 19804