



December 15, 2014

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA39
Federal Housing Finance Agency - Fourth Floor
1700 G Street, NW
Washington, D.C. 20552

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

Dear Mr. Pollard:

Thank you for the opportunity to provide feedback on the proposed rule listed above. Developing sustainable affordable housing is challenging in any community and requires a multitude of sources to complete. I fear that the proposed rule, while well-intentioned, has the potential to significantly impact affordable housing grant dollars that are available to communities across the country.

The City of Indianapolis has worked relentlessly to bring in private-sector partners to help us meet the incredible affordable housing challenges we, like many other cities, face. This has become particularly important as we continue to rebound from the most recent financial crisis. My model has always been one of encouraging public-private partnerships to improve our city, because when multiple players have skin in the game, it makes a huge difference in how our communities grow and thrive. That's why I'm so proud of the many affordable housing successes we've had since I became Mayor of Indianapolis in January 2008.

The Federal Home Loan Bank of Indianapolis's (FHLBI) Affordable Housing Program (AHP) has been a vital source of funding needed to help provide housing that is affordable for low- to moderate-income families and seniors. Also, it has been a great model – small-to medium sized local banks providing grant money designed to work in their own communities. As a result, the citizens of Indianapolis have benefitted from nearly \$10 million in AHP grants since January of 2008. These grants play an important and ongoing role in ensuring that everyone has a safe and affordable place to live here in Indianapolis.

It is my belief that the proposed rule, once enacted, would severely harm affordable housing in Indianapolis. As you know, by law each of the 12 Federal Home Loan Banks across the country sets aside 10% of net earnings annually into the AHP grant program to be used to help finance the local development of affordable housing. This proposed rule would impose burdens on FHLBI member financial institutions, specifically small- and medium-sized financial institutions and insurance companies, thereby disqualifying them from FHLBI membership, reducing the dollars available to fund AHP grants, and limiting the number of banks available to champion these vital affordable housing projects that make such a difference for families and seniors in our community.

I respectfully request that you reconsider this proposal and continue efforts to support small-to medium sized banks and the development of affordable housing projects across the country and specifically in Indianapolis.

Sincerely,

Gregory A. Ballard
Mayor
City of Indianapolis

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