

January 5, 2015

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

805 Leonard St. NE  
Grand Rapids, MI  
49503-1138  
p | 616.451.2021  
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2355 Knapp St. NE  
Grand Rapids, MI  
49505-4415  
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**Re: Notice of Proposed Rulemaking and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)**


Dear Mr. Pollard:

D.A. Blodgett – St. John’s is a nonprofit providing a vast array of services to abused and neglected children in west Michigan. Last year we served nearly 8,000 vulnerable children and their families providing virtually every service an abused child could need, including shelter, foster care, adoption, residential care, Big Brothers Big Sisters and an array of nearly 20 other services in homes, schools, and the community. Without the availability of funding from the AHP program many projects would never have been developed and rent affordability levels would never have been achieved.

The proposed change to the membership requirements for the Federal Home Loan Bank (“FHLB”) will impose burdens on current FHLB member banks and will lead to a reduction in the number of FHLB members throughout the country. The proposed changes will disproportionately impact small- and medium-sized financial institutions which are critical partners in redeveloping underserved rural areas of the country by providing long term permanent debt and sponsoring Affordable Housing Program (“AHP”) grants. Small and medium sized financial institutions operating in rural areas are many times the only banks that will sponsor an AHP grant for a small project due to location and/or the size of the permanent debt that a project can support. Merchants Bank of Indiana, State Bank of Lizton, and IU Federal Credit Union are all examples of small to medium sized financial institutions that have stepped up to sponsor projects that serve low income seniors, families, and especially persons with special needs. If changes proposed by FHFA result in the loss of these members, these populations will no longer be adequately served in the rural areas.

The member institutions of the Federal Home Loan Bank have contributed to restoring economic vitality to our communities, creating jobs, and providing credit facilities that otherwise may not have been available. We are concerned that the proposed changes to the FHLB membership requirements will undermine the economic recovery in our community and throughout our state and reverse the progress we are making to revitalize our communities and provide safe, decent, and affordable housing. On behalf of the communities/clients we serve, I urge you to withdraw RIN 2590-AA39 from consideration.

Sincerely,



Sharon L. Loughridge  
President/CEO  
D.A. Blodgett – St. John’s

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