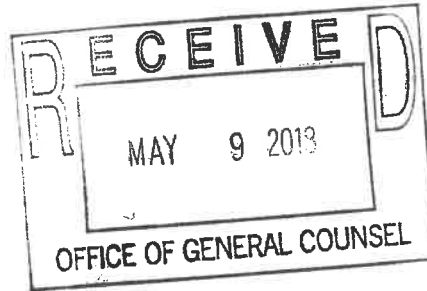




May 3, 2018



Alfred M. Pollard, General Counsel  
Attention: Comments/RIN 2590-AA83  
Federal Housing Finance Agency  
400 Seventh Street, SW, Eighth Floor  
Washington, D.C. 20219

**Re: Notice of Proposed Rulemaking and Request for Comments –  
RIN 2590-AA83 – Affordable Housing Program Amendments**

Mr. Pollard,

We appreciate the opportunity to comment on the FHFA's proposed rulemaking regarding the Affordable Housing Program ("AHP") of the Federal Home Loan Banks (FHLBanks). I am the Chief Executive Officer of Habitat for Humanity of Eastern Connecticut, Inc. (HFHECT). HFHECT is a nonprofit headquartered in New London, Connecticut that has previously sponsored AHP projects through Federal Home Loan Bank of Boston (FHLBank Boston).

Over the last 12 years, FHLB Boston has invested just over \$500,000 in Eastern Connecticut, supporting the development of 23 homes for very low income households.

As a sponsor of FHLBank Boston AHP projects, we are particularly concerned with the following:

**The Proposed Rule significantly complicates how AHP funds are allocated, and limits how responsive the program can be to local -- and changing -- housing needs.** *We prefer that the FHFA remove the required outcome requirements and retain the Bank's ability to meet its district housing needs with greater flexibility through a scoring-based methodology that incentivizes project development better aligned with the housing models and needs in its district.*

**The Proposed Rule introduces a re-ranking process that would allow the Bank to re-rank projects to meet the FHFA's outcome requirements.** *We request removing the FHFA outcome requirements and allow continued reliance on AHP's current transparent scoring system, which is developed through a model governance structure guided by an elected Board of Directors, with expert advice from a 15-person Advisory Council. The scoring criteria and framework are published annually in each FHLBank's AHP Implementation Plan, which is transparent and well understood by members and sponsors/developers.*

**The Proposed Rule increases the threshold requirements for projects to qualify as serving targeted populations, such as the homeless, those with special needs, or other targeted groups.** *The threshold*



*would increase the number of units reserved for these targeted populations from 20 percent to 50 percent. We request that FHFA maintain a scoring-based methodology and do not increase the required reserved number of units from 20 percent to 50 percent.*

**The Proposed Rule introduces unnecessary administrative burdens for sponsors by adding new provisions that will delay AHP modifications.** *We request that FHFA retain the current practice of verifying that any modified project, had it applied for AHP funding with the modifications in place, would still have scored high enough in the funding round to receive the AHP award.*

**Under the proposal, sponsors would be required to demonstrate that all members of the project development team, including all affiliates and team members such as the general contractor, satisfy FHLBank sponsor capacity requirements.** *We request that FHFA allow the FHLBanks to evaluate the facts and circumstances of each project and determine a sponsor's track record of performance*

**The Proposed Rule removes the requirement that owner-occupied units or households be subject to a five-year retention agreement.** *We request that FHFA allow the FHLBanks the discretion to use owner-occupied retention agreements in certain situations to effectively manage their programs and balance risk.*

We commend the Federal Housing Finance Agency for working to update the AHP regulation. However, in light of the concerns above, we respectfully ask that you reconsider parts of the proposed amendments, especially the required outcomes framework. Thank you for the opportunity to share our viewpoints on this very important program. If you have any questions, please feel free to contact me at [tourke@habitatect.org](mailto:tourke@habitatect.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Terri O'Rourke".

Terri O'Rourke  
CEO/Executive Director