

May 10, 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 Executive Director of Freeport Housing Trust. Freeport Housing Trust is a non-profit housing developer and owner headquartered in Freeport, Maine that sees the important impact AHP projects through Federal Home Loan Bank of Boston (FHLBank Boston) have on Maine's low-income residents.

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

The FHFA recommendation to allow for a re-ranking process fundamentally goes against the predictability and fairness that the current points-based system brings to an affordable housing landscape already fraught with challenges and complications. The certainty that the current system provides allows for potential applicants to understand if their development meets the goals and priorities outlined by the member banks. Understanding where the development will score provides some certainty enough for a sponsor to commit scarce resources putting together an application. **I recommend that the FHFA does not add a re-ranking process since it will decrease the certainty of getting funded and therefore reduce the likelihood that good scoring applications will be submitted. This will reduce the effectiveness of the program to deliver homes that meet the needs identified by member banks.**

The current flexibility for the individual regional FHLBanks to determine priorities and requirements for their allocation acknowledges the strengths of letting the members and advisory boards representing those regions know the most about the unmet housing challenges and the best way to fix them. Adding additional program requirements will reduce the programs effectiveness to meet regional needs. **I recommend that no additional national program requirements be added and in particular that thresholds for targeted populations be left as is.**

One opportunity that the FHFA does not address enough in the proposed regulations is to align the AHP program reporting requirements with existing affordable housing programs. Additional, non-aligned requirements increase reporting burden and distracts from the real goal of providing high value homes with the least amount of scarce resources to help solve a local housing need. **I recommend that additional streamlining of reporting, perhaps using other reports already generated for housing finance agencies, HUD, or other funding institutions be prioritized.**

Homeownership is heavily incentivized throughout the cultural landscape, and providing looser restrictions for home ownership units versus rental apartments is not consistent with providing long term affordability and reducing the use of scarce public and private resources to meet regional housing

needs. **I recommend that the requirement for owner-occupied units be extended to a ten-year retention agreement from the current five-year term.**

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 [matt@freeporthousingtrust.org](mailto:matt@freeporthousingtrust.org) or (207) 865-1652.

Sincerely,

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