

June 11, 2018

Mr. 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**

Dear 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 NeighborWorks Blackstone River Valley (NWBRV). NWBRV is a nonprofit community development corporation serving Northern Rhode Island. Over the past 22 years we have sponsored, in partnership with several local banks and credit unions, ten AHP projects that have produced 469 units of affordable rental and ownership housing. This production would not have been possible without the flexibility and partnership that has been a hallmark of the Federal Home Loan Bank of Boston's 'common sense' administration of the AHP. Over our 22-year FHLBB relationship we have appreciated how AHP scoring has evolved to meet our particular local needs at various points in time. We have developed projects that have addressed massive housing abandonment and foreclosure spurring neighborhood revitalization as well as suburban and rural housing developments that have promoted greater income diversity and Fair Housing. The scale and impact of the FHLB Boston's AHP investment in our target area cannot be minimized. Our affordable housing projects would not have been possible without this critical source.

As a longtime nonprofit sponsor of FHLBank Boston AHP projects, and in the interest of maintaining AHP Program accountability as a powerful neighborhood and regional affordable housing production catalyst, we suggest the following changes:

- 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;
- Remove the outcome requirements and allow continued reliance on AHP's current transparent scoring system, which is developed through a model governance structure by an elected Board of Directors, with expert advice from a 15-member 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 AHP scoring system is truly a model for other funders to emulate;
- Maintain a scoring-based methodology and do not increase the required number of units from 20 percent to 50 percent;

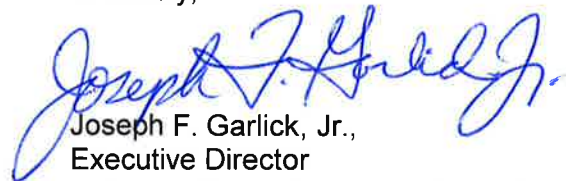
Affiliations:



- Allow the Bank to leverage the underwriting of State Housing Finance Agencies, and other significant funders with comparable standards, in order to assess cost reasonableness, feasibility and viability of operations, development team capacity and project subsidy need;
- 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;
- Allow the FHLBanks to evaluate the facts and circumstances of each project and determine a sponsor's track record of performance; and
- 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. Thank you for the opportunity to share our views on this very important program. If you have any questions, please feel free to contact me at 401-762-0993 x 221 or by email at JGarlick@NeighborWorksBRV.org.

Sincerely,

A handwritten signature in blue ink that reads "Joseph F. Garlick, Jr." The signature is fluid and cursive, with the first and last names being more prominent.

Joseph F. Garlick, Jr.,
Executive Director
NeighborWorks Blackstone River Valley
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Woonsocket, Rhode Island 02895