



*League of Southeastern
Credit Unions & Affiliates*

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22 Inverness Parkway, Suite 200
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Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
400 Seventh Street S.W.
Washington, D.C. 20219

Re: Affordable Housing Program 2590-AA83

6/11/2018

Mr. Pollard,

The League of Southeastern Credit Unions and Affiliates (LSCU) appreciates the opportunity to comment on this notice of proposed rulemaking regarding the Federal Home Loan Banks' Affordable Housing Program (AHP). The League of Southeastern Credit Unions is a trade association that represents 244 credit unions in Florida and Alabama. Our mission is "to create an environment that enables credit unions to grow and succeed." We believe the Federal Home Loan Banks are a vital resource for credit unions and that the AHP, as one component of that resources, should not be altered under this proposed regulation.

Our primary concern is that the proposed rule does not produce enough flexibility in its scoring methodologies to adapt to the needs of the local districts funded by the AHP. Essentially, because the proposed rule prioritizes the FHFA's broader goals, this result may impact other projects negatively due to the resulting inflexibility, lack of transparency, and greater complexity of choosing projects for AHP

funding, thereby reducing the ability of Federal Home Loan Banks to address the shortages of affordable housing.

LSCU believes the outcomes framework prioritizes FHFA's overall housing goals, resulting in less flexibility, less transparency, and a more complex process for selecting projects for AHP funding. The unintended consequence of this approach is that it has the potential to severely restrict Federal Home Loan Banks' discretion in addressing local housing needs.

For the diversity of needs, especially considering the unique layout of particular communities whether urban or rural, AHP is a critical source of funds for housing development and should be flexible enough to support projects that address the specific challenge posed to communities in need. While the present framework may not be ideal, it provides more flexibility in addressing those issues than the proposed rule. Therefore, the FHFA should not proceed with this regulatory change as we think it will have a negative impact on our affiliated credit unions, the FHLBs, and those communities seeking AHP funds hoping to address shortages of affordable housing.

Sincerely,



Michael Lee