



SOUTH DAKOTA
Native Homeownership
Coalition

www.sdnativehomeownershipcoalition.org

June 12, 2018

Mr. Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
400 Seventh Street, SW, 8th Floor
Washington, DC 20219

Attention: Comments/RIN 2590-AA83

Dear Mr. Pollard:

We are pleased to have the opportunity to provide comments on behalf of the South Dakota Native Homeownership Coalition (Coalition) about the proposed Affordable Housing Program (AHP) regulation published by the Federal Housing Finance Agency (FHFA). Created in 2013, the Coalition is a collaborative group with a mission to increase homeownership opportunities for South Dakota's Native people to build strong and healthy communities. Our stakeholders include approximately 75 representatives of South Dakota's tribes, federal and state agencies, tribally designated housing entities (TDHEs), nonprofit organizations, housing developers, residential construction providers, lenders, and community development financial institutions.

Our members actively support and participate in the Federal Home Loan Bank of Des Moines' Native American Homeownership Initiative (NAHI). The success of this program drives our comments on this proposed effort to modernize the AHP regulations.

- **Maintain local flexibility.** We appreciate the ability of the Federal Home Loan Banks (FHLBanks) to respond to their districts' local affordable housing needs, especially in areas with high Native American populations. Therefore, we support maintaining the current AHP scoring model that would allow FHLBanks and their Affordable Housing Advisory Councils to address emerging needs in their districts and allow for regional differences across the FHLBank system. Maintaining the current AHP scoring methodology would also allow FHLBanks flexibility to amend district priorities, as needed, rather than have the priorities set by static regulations.

- **Improve ability to work with other funding sources.** Affordable housing development on Indian reservations in South Dakota and across Indian Country requires a diverse mix of federal, state and tribal resources. Given the complexity of these developments, we encourage the FHFA to provide as much flexibility as possible with their requirements so that the addition of much need AHP subsidies do not complicate financing structures further. For example, we appreciate the option for developers in Native communities to utilize either the federal or area median income levels depending on the circumstances of their geographies.
- **Preserve the Advisory Councils' voice.** Affordable Housing Advisory Councils are important stakeholders in the AHP arena. They provide a conduit for the voice of community practitioner experts and advocates to inform the FHLBanks about how best to meet the unique needs of each district, especially underserved areas on and near Indian reservations.
- **Increase maximum grant amount.** The proposed rule would increase the maximum grant from \$15,000 per household to up to \$22,000 per household. We support this proposal to provide a higher grant amount, which would benefit households requiring a deeper subsidy, such as Native families with lower incomes or those living in remote areas with higher development costs due to the lack of existing physical infrastructure.

Thank you once again for your consideration of our input. Our hope is that this modernization effort will lead to an increase in FHLB member banks utilizing the AHP program to support Native homeownership opportunities in South Dakota and nationwide.

Sincerely,



James "JC" Crawford
Executive Director

Sisseton Wahpeton Housing Authority

Policy Committee Co-Chair

SD Native Homeownership Coalition



Sharon Vogel
Executive Director

Cheyenne River Housing Authority

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