



CITY OF COLUMBIA  
SOUTH CAROLINA  
OFFICE OF THE MAYOR

June 7, 2018

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

**Re: Notice of Proposed Rulemaking – Affordable Housing Program**

Dear Mr. Pollard:

I am writing to express concerns about the Federal Housing Finance Agency's (FHFA) notice of proposed rulemaking published in the Federal Register on March 14, 2018. In this notice, the FHFA is proposing to amend its regulation on the Federal Home Loan Banks' (Banks) Affordable Housing Program (AHP).

I sincerely appreciate the FHFA's work to support modernization of AHP, but I am concerned about language in the proposed rule that requires each FHLBank to design a scoring system that results in a majority of AHP funds being awarded to FHFA-established priority categories. In my opinion, this new outcomes framework would make the process for selecting projects more complex and less transparent. Moreover, by requiring a significant percentage of AHP funds to be awarded to certain types of projects and sponsors, the outcomes framework envisioned by the proposed rule will become the de facto scoring and needs allocation in each FHLBank district, creating a national, prescriptive program. This undermines the Banks' and their members' desire to be responsive to the local affordable housing needs in their districts and runs counter to the stated objective in the proposed rule of providing flexibility and modernizing AHP.

As you are aware, AHP is a critical source of funds for housing development. Any regulation that has the potential to discourage innovation by the Banks would be counterproductive and potentially damaging to local economies and local governments that seek to work with the Banks to leverage the AHP for creation of affordable housing and economic development opportunities.

Sincerely,

Stephen K. Benjamin  
Mayor  
Columbia, South Carolina

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