



June 12, 2018

Federal Housing Finance Agency
400 Seventh Street SW, 8th Floor
Washington, D.C. 20210

**Re: Comments on Proposed amendments to Affordable Housing Program Regulations,
(RIN) 2590-AA83**

Dear Mr. Pollard,

Since 1999, Beacon Development Group (BDG) has provided affordable housing development consulting services to nonprofit housing providers and housing authorities throughout Washington State, including many affordable housing projects that have utilized the Federal Home Loan Bank Affordable Housing Program (FHLB AHP). FHLB AHP has served as a critical gap funding source for BDG senior, farmworker, Native housing and supportive housing projects that serve the lowest income residents.

We understand that the proposed changes to the AHP Regulations were developed with the goal of streamlining the AHP process and aligning it with other federal funders; however, we see the proposed changes as doing just the opposite by creating administrative and compliance standards that may result in projects most in need of the AHP subsidy not being able to utilize the program in the future.

Specifically, the stricter rules around cash flow coming from operating and services subsidies would have a negative impact on projects that serve the lowest income populations. By establishing a standard that precludes the use of the cash flow from operating and services subsidies to pay for housing-based services, the AHP program would not be feasible for affordable housing projects that rely on these subsidies to pay for services that keep the most vulnerable populations stably housed.

We support the goals of the FHLB AHP program establishing transparency in the program but believe that the existing regulations already meet these goals.

Thank you for your review of our concerns.

Sincerely,

Beth Boram
Deputy Development Director