



October 5, 2010

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
Fourth Floor
1700 G Street, NW
Washington, DC 20552

RE: Guidance on Private Transfer Fee Covenants (No. 2010-N-11)

Dear Mr. Pollard:

The Partnership for Working Families is a national nonprofit organization, comprising a network of over fifteen local organizations in urban areas around the country. The Partnership is dedicated to building power and reshaping the economy and urban environment for workers and communities. Our organizations around the country share a commitment to expanding and connecting community and labor for quality jobs, affordable housing, shared prosperity, and a healthy environment.

We appreciate the opportunity to comment on the proposed guidance referenced above. Many of the Partnership's local organizations have entered into community benefits agreements (CBAs) with private developers of large, multi-use projects in urban areas. These agreements promote responsible land use development in situations involving multiple stakeholders. CBAs provide a legal and political mechanism to build public support for large urban development projects that are often controversial, and to provide legally-enforceable commitments regarding benefits that such projects can provide to the surrounding community. They have proven to be an important tool that has transformed community attitudes to private development, benefitting private developers and public entities involved in these projects as well.

While our local organizations have not to date entered into CBAs containing transfer fees as a source of community benefits funding, we believe that private transfer fee covenants are a creative and important mechanism to help private projects fit into their communities, serving both public and private needs. We are of course in agreement with the National Association of Realtors and others regarding irresponsible use of private transfer fees. However, a bright line should be drawn between such fees that benefit only private developers, and those that ensure a reliable funding stream for community benefits.

For these reasons, the Federal Housing Finance Agency should implement standards for private transfer fee covenants based on the purposes and recipients of the fees, to protect the socially valuable uses of such fees while eliminating abuses. At a minimum, the FHFA should extend the comment deadline for the proposed guidance to ensure full public disclosure and discourse on this important issue.

Many thanks for considering our views. Please contact me if I can answer any questions or provide further information regarding community benefits agreements and this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Leslie Moody".

Leslie Moody
Executive Director
The Partnership for Working Families