March 17, 2023

The Honorable Sandra Thompson

Director

Federal Housing Finance Agency

400 7th Street, SW

Washington, DC 20019

Re: FHLB at 100 Request for Comments

Dear Director Thompson,

I write to you today on behalf of Farmers & Merchants Bank of Long Beach, to emphasize the value of our FHLBank of San Francisco’s membership. Having access to the services provided allows us to offer not only quality bank products, but also allows us to make a significant difference in the communities that we serve. Our service area is currently Los Angeles County, Orange County, and Santa Barbara County.

The current structure of the FHLB, by region versus one national organization, has allowed us to form strong bonds with representatives that understand our local community’s needs. The FHLBank of San Francisco’s responses to natural disasters (fires and floods), the COVID-19 pandemic, economic struggles with homeownership, and targeted grant matching programs has allowed us to expand support for our community in ways that we would not have been able had it not be for our membership.

In the past three years (2020-2022), we have utilized the regional FHLBank of San Francisco in the following ways:

COVID-19 Pandemic Relief Grants

Provided funds to support 13 small businesses and community organizations that helped house the local homeless population, provide childcare for essential service providers (doctors, nurses, and teachers), support food distribution services, and more.

 2020:

 $2,500 Ironmen Basketball

 $3,500 Centro Documental

 $5,000 Flores Learning Child Care

 $2,500 Bons Dry Cleaners

 $1,500 B&M Printing

 $5,000 DeLeon Family Daycare

 $5,000 Women’s Economic Ventures

 2021:

 $5,000 Affordable Housing Clearinghouse

 $5,000 Food Finders

 $1,500 Friendship shelter

 $3,500 Illumination Foundation

 $2,500 LBCC Foundation

 $2,500 Stem Advantage

AHEAD Grants

Provided funds to five community partners in support of food distribution services, job skills development and job placement for homeless and/or previously incarcerated individuals, and childcare and after school services (including mental health support) for at-risk youth during the pandemic.

2020:

 $37,500 Boys and Girls Clubs of LB

 $30,000 Pathways of Hope

 $37,500 Good Soil Enterprises

 2021:

 $25,000 Second Chance Orange County

 2022:

 $27,500 Food Finders

WISH Grants

The programs provided have allowed us to create innovative products that we couple with down-payment assistance programs, special purpose credit programs, and under-market interest rate mortgages in order to close the homeownership gap.

AHP Grants

Provided $1 million in 2022 to support the development of a local project with 76 affordable rental units and on-site services to house and assist homeless individuals.

Empowering Black Homeownership Grants

Provided matching grant funds to three organizations to promote Black homeownership.

 2022:

$10,000 Affordable Housing Clearinghouse

 $20,000 Neighborhood Housing Services Los Angeles

 $10,000 NeighborWorks Orange County

Disaster Recovery Grants

 Provided matching grant funds to an organization in support of recovery efforts in response to the devastation caused by fires and floods.

 2021:

 $5,000 United Way Santa Barbara

FHLB Advances

From 2020-2022, F&M Bank has sought advances from the FHLBank of San Francisco in the amount of $953,000,000. These funds have been utilized to fund consumer mortgage loans, commercial real estate loans, and withdrawal requests from clients. In the current economic environment, having access to these funds is vital to our success. Our Finance & Accounting Department appreciates the relationship that they have developed with FHLBank of SF representatives. Representatives are easy to access, incredibly responsive, and provide consistent service, much like we try to provide to our own clients. The borrowing structures available via short-to-long term, and locked interest rates. These options enable F&M to strategize effectively, forecast for the year, and manage the institution’s liquidity levels with precision.

As you can see, the impact that these funding opportunities and services has had on the communities that we serve is vital. If we had not been able to access these programs, it would be to our community’s detriment. We take great pride in our ability to serve our community, and the programs provided have encouraged us to create innovative products to take advantage of the additional funding available from the FHLB, double our donation offerings via crisis response grants, and give our clients piece of mind that their monies are safe and secure. The current regional structure is of great value to us as a member bank, and if criteria should change due to asset size or our product suite, we may have less capacity to positively impact our communities as we have historically.

Sincerely,

Andrea Carlson, CRCM, CAMS

First Vice President, Fair & Responsible Lending Officer

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