

FHLB

**Vital Role in Producing Affordable Housing
Comments by Steven D. Gladman**

Work Experience

- From 2006 -2021 I was the CEO of the Affordable Housing Trust for Columbus and Franklin County. (AHT)
 - Private non profit organization that provides specialized financing for affordable housing
 - \$100 million assets plus additional \$100 million loan fund
 - CDFI
 - AHT Member of FHLB since 2017
 - From 2001-2021 AHT made over 202 million in affordable housing loans that created or preserved over 11,00 units

Work and Experience with FHLB Cincinnati

- **Experience with FHLB Cincinnati**

- Affordable Housing Advisory Council Member, 2008 - 2017, Chair 2015-16.

- The FHLB Cincinnati Advisory Council is a diverse group of up to 15 housing and community development leaders providing guidance to the board and management regarding local affordable housing and community investment needs and trends.

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- As the former CEO of a CDFI and through my 35-year career in affordable housing provision, my work's success depends upon accurate financial planning and reporting, prudent risk management, strong internal controls, excellent staff and reliable partners. In my decade of working with FHLB Cincinnati management, staff, member institutions, and their partner nonprofits, I experienced those same measures of success throughout their organization.
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Examples of Developments made possible by AHP

- **The FHLB provides a reliable source of gap financing needed to complete certain housing projects.**
- **Sometimes those grant funds were first-in, and helped attract other funding; other times, FHLB grants served as the final piece of the funding puzzle.**
- **AHP grant makes it much easier to attract other equity**

Touchstone Field Place

A 56-unit new construction permanent supportive housing development.. All units are prioritized for the residency of individuals who meet the HUD definition of chronic homelessness



Made possible because of APH

<p>Construction:</p> <hr/> <p>Financing Overview <i>(please see attached Pro Forma)</i></p>	<p>\$5,229,404 – Huntington National Bank \$500,000 – City of Columbus HOME \$300,000 – OHFA HDAP \$250,000 – Franklin County HOME \$250,000 – FHLB AHP</p>
<p>Investor Equity: \$9,500,000 – 9% LIHTC (OCCH)</p> <p>Permanent:</p>	<p>\$500,000 – City of Columbus HOME \$300,000 – OHFA HDAP \$250,000 – Franklin County HOME \$1,000,000 – FHLB AHP \$503,080 – Deferred Developer Fee \$1,000 – Donations</p>
<p>Bridge:</p>	<p>\$3,000,000 – AHT \$1,750,000 – OHFA Housing Development Loan Program</p>

Community Impact

- FHLB Cincinnati is more than a funding source. It is a network of subject-matter experts, financial partners, and diverse community leaders working together to identify and address local and regional needs.
- It is a rare business model that successfully brings together financial institutions, AH providers and regulators – as partners, not adversaries. .
- The public-private partnerships inherent to the FHLB cooperative business model keeps affordable housing project developers on the ground with a running start.

FHLB Cincinnati has awarded over \$829 million in subsidies towards the creation of more than 103,000 units of affordable housing since the program's inception in 1990.

CHN has requested AHT join as a co-sponsor along with Huntington Bank in a funding application to the Federal Home Loan Bank (FHLB) of Cincinnati Affordable Housing Program.

- **Creekside Place Apartments**

- AHP \$1,000,000



Project Overview

- **Creekside Place Apartments is a new construction project that will provide permanent supportive housing to individuals who have histories of homelessness and disability. The project will contain 63, one-bedroom/one-bathroom units in a three-story, elevator-served building. All 63 units will have rental assistance to limit the portion of rent paid by residents to 30% of their incomes. Common area spaces will include a community room and kitchen, supportive service offices, wellness office, bike room, programs room, laundry rooms, computer room, lounges, and fitness room.**
- **Collaboration with another non profit to provide services and with CMHA to supply housing vouchers**

More than Minimum- Strong Board Commitment

- FHLB Cincinnati has awarded over \$829 million in subsidies towards the creation of more than 103,000 units of affordable housing since the program's inception in 1990.
- . The FHLB Cincinnati has identified a specific need for funds to assist in the repair and rehab of homes owned by elderly and/or special needs low-income families. The Carol M. Peterson Housing Fund assists low-income elderly and special needs households with accessibility rehab and emergency repairs to their homes, allowing these households to safely remain in in their homes. Since its inception, in 2010, the FHLB Cincinnati has provided more than \$14 million in grants on behalf of 2,502 families. The program was renewed in 2022 with another \$1 million in funding authorized by the FHLB Cincinnati's Board of Directors. Additionally, the voluntary Disaster Reconstruction Program (DRP) has been used to help communities recover from tornadoes, flooding, landslides and other disaster events. Since its inception in 2012, the FHLB Cincinnati has provided more than \$6.2 million in DRP funds.

Recommendations

- As you consider the future of the FHLBanks, I urge you to preserve the regional nature of the district offices, provide the Federal Home Loan Banks with additional flexibility and discretion in administering the AHP, and to continue this successful cooperative business model that has safely and effectively served community lenders and their customers, and housing providers and their clients