

AHP for Recently Awarded Projects

2024



HCI Mission

- The primary mission of the Housing and Community Investment Department is to support our members' community investment efforts through the responsible investment of available funds in sustainable affordable housing and economic development activities benefiting low- and moderate-income households across the Fifth District.

Goals

- Inform the following project participants of FHLB's expectations:
 - Members
 - Developers/project managers
 - Project owners
 - Sponsors
- Introduce documents and resources that project participants will need to access and use over the course of the AHP lifecycle.
- Provide a reminder of AHP deadlines/timeline.

AHP Review and Acceptance Email

- All sponsors and all members who are party to any approved AHP application must sign the AHP Final Application Review and Acceptance form **within two days** of receipt of the email.
- For questions about any changes made to the final application, request a conference call with FHLB.
- FHLB will not send an email if no changes were made to the AHP application.

AHP Final Application Review and Acceptance



Project Number: 202301- _____

Project Name: _____

Sponsor/Owner Application Acceptance

I have received and reviewed the Application Evaluation form for the project identified above and the changes it notes. I understand these changes represent the final approved AHP application as modified by the Federal Home Loan Bank of Cincinnati, and I agree to the terms and conditions of the amended application.

Primary Sponsor/Owner Organization _____ Secondary Sponsor/Owner Organization _____

Sponsor/Owner Contact Name _____ Secondary Sponsor/Owner Contact Name _____

Sponsor/Owner Signature _____ Secondary Sponsor/Owner Signature _____

Date _____ Date _____

Member Application Acceptance

I have received and reviewed the Application Evaluation form for the project identified above and the changes it notes. I understand these changes represent the final approved AHP application as modified by the Federal Home Loan Bank of Cincinnati, and I agree to the terms and conditions of the amended application.

Primary Member Institution _____ Secondary Member Institution _____

Member Contact Name _____ Secondary Member Contact Name _____

Member Signature _____ Secondary Member Signature _____

Date _____ Date _____

Sample AHP Final Review and Acceptance Form



AHP Award Packages


- Member AHP contacts will receive:
 - Award Letter
 - Affordable Housing Program Agreement
 - Direct Subsidy Agreement
- AHP sponsors/owners will receive:
 - Award Letter
 - Affordable Housing Program Agreement
- Application preparers and member CEOs get:
 - Award Letter

AHP Agreement

- This legally-binding contract outlines certain project commitments, including:
 - The member's agreement to pass on the full amount of the approved AHP subsidy to the project.
 - The member and sponsor's agreement to use the subsidy according to the commitments made in the approved AHP application.
 - The member's and sponsor's willingness to comply with FHFA regulations and FHLB policies.

AHP Agreement

- Submit the signed AHP Agreement to FHLB with **original signatures** within 30 calendar days of the date on the AHP award letter.
- Send the signed agreement to FHLB by sending it to the Housing@fhlbcin.com email inbox.
- Contact FHLB to report any contact person changes before submitting the agreement.
- The agreement must be submitted prior to requesting any funds.

 **FEDERAL HOME LOAN BANK OF CINCINNATI**
Affordable Housing Program Agreement
for a Rental Project

The Federal Home Loan Bank of Cincinnati ("FHLBank"), _____ ("Member"), and _____ ("Project Owner") enter into this Affordable Housing Program Agreement ("Agreement") for a Rental Project, effective _____, which sets forth the respective duties and obligations of the Member and Project Owner with regard to the approval and funding of the Member's Affordable Housing Program ("AHP") Application ("Application") by the FHLBank.

This Agreement shall be binding upon the parties and upon any successor in interest to the parties.

1. The Member and the Project Owner shall be bound by the terms and conditions governing the approval and funding of the Application, including any and all representations made in said Application. Certain of the Application's features are as follows:

Project Name:

Project Number:

Project Sponsor:

Grant Amount:

Total Approved Project Units: 4

Income Targeting:

Units above 80% of Median Income: 0

Units between 71% - 80% of Median Income: 0

Units between 61% - 70% of Median Income: 1

Units between 51% - 60% of Median Income: 0

Units at or below 50% of Median Income: 3

Total:

Sample AHP Agreement

Direct Subsidy Agreement (DSA)

- The DSA is an agreement made between the Member and FHLB that allows FHLB to credit funds to the Member's account at FHLB.
- Commitments the DSA outlines include:
 - The Member agreeing to be bound by the AHP regulations of the FHFA.
 - The member signing reports as requested.
 - The member monitoring use of AHP funds.
 - If the project is found to be non-compliant, the Member agrees to assist in the recapturing funds.

DSA

- The Member should submit the signed DSA to FHLB within 30 calendar days of the date on the AHP award letter.
- The DSA requires **two signatures** from FHLB **authorized signers**.
- If the Member needs a list of authorized signers, they should contact the HCI team at (888) 345-2246.
- Send the signed agreement to FHLB by sending it to the Housing@fhlbcin.com email inbox.
- The DSA must be submitted prior to requesting any funds.

COMMITMENT PERIOD:
PROJECT NUMBER:

AFFORDABLE HOUSING DIRECT SUBSIDY AGREEMENT

_____, ("Member") pursuant to its Application for the Affordable Housing Program ("AHP"), as approved by the Federal Home Loan Bank of Cincinnati ("FHLB"), hereby requests and the FHLB hereby grants a direct subsidy in the amount of \$_____ subject to the terms and conditions below.

TERMS AND CONDITIONS

1. REGULATIONS. Member agrees to be bound by the AHP regulations of the Federal Housing Finance Agency as same may be amended from time to time.
2. MONITORING. Member shall monitor the use of funds granted hereunder in accordance with AHP regulations of the Federal Housing Finance Agency. The Member shall certify to the FHLB that the AHP project and use of subsidy funds supplied by the FHLB continue to be in compliance with statutory and regulatory requirements.
3. REPORTING. Member shall report to the FHLB its monitoring efforts and results from time to time as requested by the FHLB. Member shall provide any additional relevant reports or information as may be required by the FHLB or the Federal Housing Finance Agency.
4. RECAPTURE. If the recapture of the subsidy is required pursuant to the AHP regulations of the Federal Housing Finance Agency, the amount of the subsidy granted and paid to Member shall be immediately paid or, at the FHLB's option, converted to an advance which would be subject to the Blanket Agreement for Advances and Security Agreement ("Blanket Agreement") and the FHLB's credit and collateral policies. Member agrees to fully cooperate with respect to any action taken including the execution of additional Advances documentation and provision of additional collateral security.
5. REPRESENTATIONS AND WARRANTIES. Member represents and warrants to FHLB that, (i) it has full corporate power and authority and has received all corporate and governmental authorizations and approvals as may be required to enter into and perform its obligations under this Agreement; (ii) it will maintain the terms of this Agreement on its records; (iii) it has executed a Blanket Agreement for Advances and Security Agreement with the FHLB and such agreement is in full force and effect; and (iv) it will insure that the subsidy will not be used for arbitrage purposes and that the subsidy will be used only for authorized purposes under, and is not in excess of that allowed by, the aforesaid Regulations or the Federal Home Loan Bank Act.

Date: _____

Member: _____ Federal Home Loan Bank of Cincinnati
DDA #: _____

BY: _____ BY: _____
Member Signature FHLB Signature

AND: _____ AND: _____
Member Signature FHLB Signature

Sample DSA

Periodic Progress Reports

- FHLB makes available Periodic Progress Reports (PPR) to each project's primary Member and Sponsor contacts through the Member Portal in OASYS.
- The Sponsor must complete the report online using the instructions provided in the “AHP Periodic Monitoring Prior to Project Completion” webinar.
- The Member must sign the report in OASYS after reviewing the information that the Sponsor has entered and submit the report to FHLB **within two weeks** of the report becoming available.

PPR Benchmarks

Number of Months from AHP Award Date	Benchmark(s) Projects Must Meet By This Month
12	<ul style="list-style-type: none">• One non-AHP funding source must have been committed to the project• Project must be incurring AHP-eligible expenses
18	<ul style="list-style-type: none">• All funding sources must be committed to the project
24	<ul style="list-style-type: none">• Construction on the project must have started
36	<ul style="list-style-type: none">• Construction on the project should be complete
48	<ul style="list-style-type: none">• Project must have drawn all AHP funds

AHP Application Scoring Sheet

- The AHP Application Scoring Sheet will be sent out with the Periodic Progress Report.
- It should be displayed prominently for all project contacts to refer to since it outlines the scoring commitments the project will have to verify to receive AHP funds.
- Refer to the Score Sheet early and often!

2013 FHLBANK OF CINCINNATI - AHP APPLICATION SCORING SHEET

APPLICANT: _____ RANK
 PROJECT: _____ 1
 DESCRIPTION: _____

Grant Amount: \$1,000,000 Development Cost: \$13,434,030 Housing Dev. Cost: \$13,434,030 Cost per Unit: \$149,267 Leverage Ratio: 13.43 Project Number: 201301-0005

CRITERIA	SCORE	SCORE
First District Priority (50)		
Member Financial Participation (5)	3.00	Project Sponsorship (5) 4
First Mortgage Permanent Loan	0	Primary Sponsor a Non-Profit 501(C)(3) or (C)(4)
Construction Loan	1	Financial Contribution
Cash Contribution	1	Predevelopment Activities
Servicing of Borrower Loans	0	Construction Retain by the Sponsor
Reduced Rate (on permanent loan)	0	First Mortgage / Permanent Financing by Sponsor
Reduced Rate (on construction loan)	1	Marketing/outreach activities
		Management of Project
First-Time Homebuyers (5)	0.00	
		Promotion of Empowerment (5) 3
Community Involvement (5)	4.00	Credit Counseling/Budgeting/Financial Literacy
Construction Labor by Member/Community Group	2	Mandatory Homebuyer Counseling
Landscaping by Member/Community Group	1	Employment Training
Donation of Goods/Services	1	Education Services
Fee Waivers from Local Government	0	Skills Training/Workforce Re-Entry
		Daycare Services

Sample Scoring Sheet

Requesting an AHP Disbursement

- FHLB must receive documentation sufficient to verify that a project meets FHLB requirements in order to disburse funds.
- Requirements differ depending on project type.
- FHLB publishes webinars at www.fhlbcin.com to outline the disbursement requirements and hosts live trainings for those who would like to attend.
- Access training materials as early in the process as possible to avoid issues later!

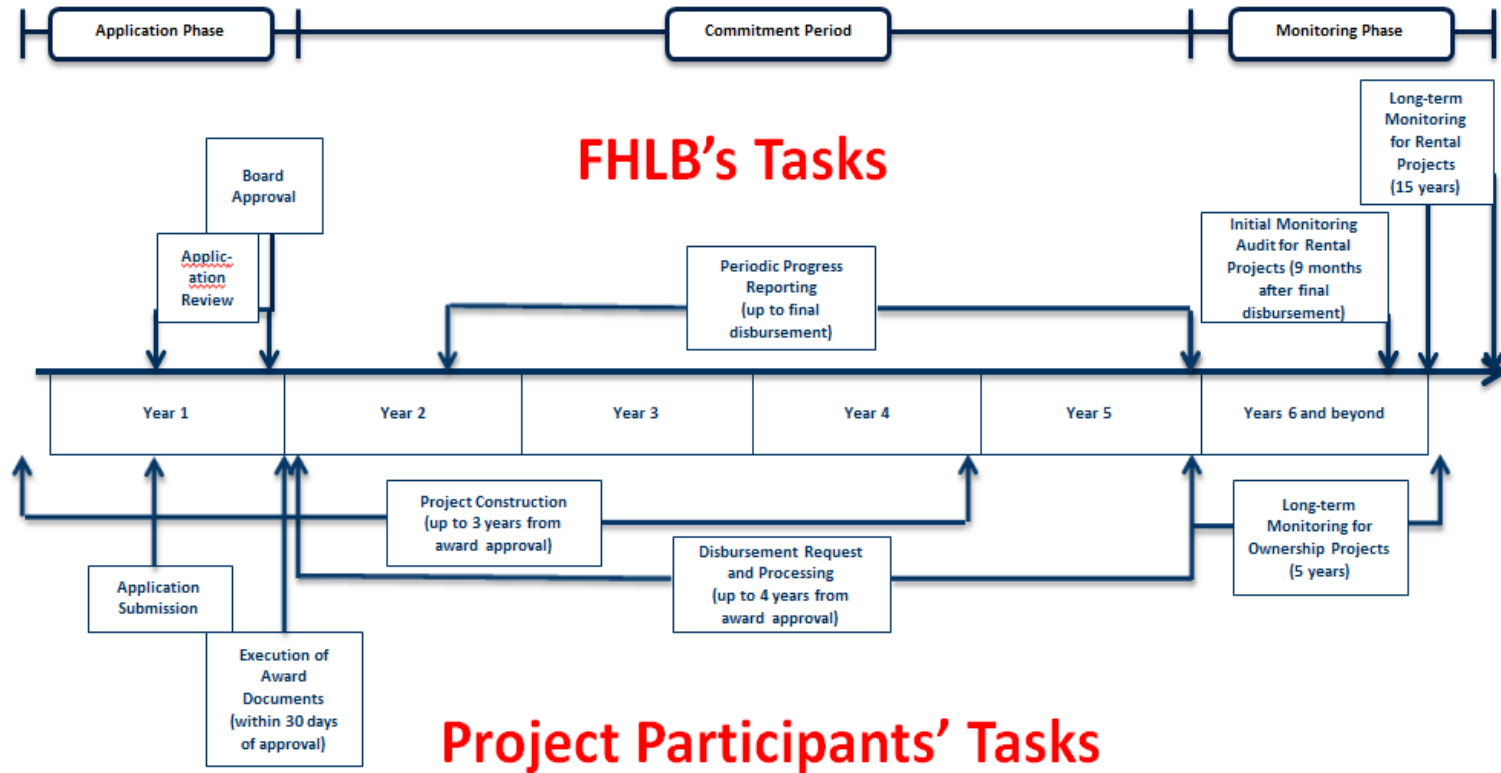
For Ownership Projects

- Each household must receive pre-approval via an AHP Pre-approval Request prior to submission of a disbursement request for the household.
 - **Please note:** as of 2021, FHLB Cincinnati no longer accepts/ processes pre-approval requests for owner-occupied rehab projects. Information normally sent at pre-approval must be sent with disbursement request.
- FHLB expects to receive a disbursement request for each pre-approved household within 60 days of closing or completion of the work on the home.
- Webinars required:
 - AHP Pre-approval Requests for Ownership Projects
 - AHP Disbursements for Ownership, Habitat, or Owner-occupied Rehab Projects (depending on project type)

For Rental Projects

- Projects may be eligible for an AHP draw prior to completion; see the AHP Early Disbursements for Rental Projects webinar for details.
- FHLB expects to receive a final disbursement request for each project within 90 days of completion of the work on the project.
- Webinars required (projects receiving tax credits have their own versions of these):
 - AHP Disbursements for Rental Projects –Documentation Details
 - AHP Disbursements for Rental Projects – Attachments and Financials


AHP Timeline



Initial Monitoring Certification

- Rental project contacts receive an electronic copy of the Owner's/Member's Certificate of Program Compliance nine months after receipt of the final disbursement of AHP funds.
- Owners must complete the certification, the corresponding occupancy report, and send their work to the Member for review.
- Members must sign the certification and provide it along with the occupancy report to FHLB.

First Page



Affordable Housing Program
Owner's/Member's Certificate of Program Compliance
 Initial Monitoring

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

Project Name: _____
 Project Address: _____

CERTIFICATION PERIOD: MM/DD/YYYY THROUGH MM/DD/YYYY Project#: _____

Member Name: _____
 Member Address: _____
 City: _____ State: _____ Zip: _____
 Contact Person: _____ Phone: _____ Fax: _____
 Owner Name: _____
 Owner Address: _____
 City: _____ State: _____ Zip: _____
 Contact Person: _____ Phone: _____ Fax: _____
 Management Company: _____
 Management Co. Address: _____
 City: _____ State: _____ Zip: _____
 Contact Person: _____ Phone: _____ Fax: _____
 Email Address: _____

Total Number of units	(Complete this Column)	
	Approved	Occupancy as of «Certification»
Number of units at or below 50% of median	_____	_____
Number of units between 51%-60% of median	_____	_____
Number of units between 61%-70% of median	_____	_____
Number of units between 71%-80% of median	_____	_____
Number of units above 80% of median	_____	_____
Number of units reserved for homeless persons	_____	_____
Number of units reserved for special needs persons	_____	_____
Number of units reserved for elderly persons	_____	_____

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Second Page

I, the undersigned _____ (print name of managing general partner/owner contact), certify that I am a duly authorized officer or representative of _____ (the "Owner"), and hereby certify that:

- The tenant rents and incomes are accurate and in compliance with the rent and income targeting commitments made in the AHP application and special needs and/or homeless occupancy commitments have been met:
 Yes No
- The owner has obtained a Tenant Income Certification from each low-income resident at initial occupancy and documentation to support that certification:
 Yes No
- The rents charged for income-targeted units do not exceed the maximum levels under Section 10(j) and 12 CFR Part 951 (30% of AMI as adjusted for family size):
 Yes No
- The services and activities committed to in the approved AHP application have been provided in connection with the project:
 Yes No
- Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards):
 Yes No

ATTACH AN OCCUPANCY REPORT for the Certification Period using the FHLB Occupancy Report form located at www.fhlbcin.com under Community Investment Documents and Presentations. Occupancy reports must include information on ALL households that occupied the property at ANY TIME during the certification period. If units are vacant, provide the information on the most current tenant's occupancy. SUBMIT THE OCCUPANCY REPORT VIA EMAIL TO AHPMonitoring@fhlbcin.com in EXCEL format.

Certification by Owner

The information provided herein is true, accurate and in compliance with the approved application and 12 CFR 1.291 and Section 10(j) of the Federal Home Loan Bank Act. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

Signature: _____ Title: _____

Print Name: _____ Date: _____

Email Address: _____

THIS CERTIFICATION AND THE OCCUPANCY REPORT MUST BE FORWARDED TO THE MEMBER FOR THEIR REVIEW AND EXECUTION.

Initial Monitoring Audit

- FHLB collects the following items for specified households to verify the information provided on the certification and occupancy report:
 - The housing intake/tenant application form.
 - The tenant’s lease or rental agreement (not for shelters).
 - Verification of income for each income source listed on the housing intake/tenant application form.
 - Verification that the household meets FHLB’s definitions of “Special needs” and “Homeless household” if applicable to the project.
 - **Note** - The audit does not apply to some government funded projects.

Long-term Monitoring Certification

- Contacts for rental projects that did not receive equity from Low Income Housing Tax Credits will receive an electronic copy of the Owner's Certificate of Continuing Program Compliance **annually** starting 24 months after completion.
- Owners/property managers must complete the certification and provide it to FHLB for review.
- Members are not involved in this process.
- FHLB does not monitor projects that receive tax credits past initial monitoring.

First Page

Affordable Housing Program
Owner's Certificate of Program Compliance
 Long-term Monitoring



PLEASE ANSWER ALL QUESTIONS COMPLETELY.

Project Name : _____

Project Address : _____

CERTIFICATION PERIOD : MM/DD/YYYY THROUGH MM/DD/YYYY Project# : XXX01-0XXX

Owner Name : _____

Owner Address : _____

City : _____ State: _____ Zip: _____

Contact Person : _____ Phone: _____ Fax: _____

Owner Email : _____

Management Company : _____

Management Co. Address : _____

City : _____ State: _____ Zip: _____

Contact Person : _____ Phone: _____ Fax: _____

Management Email: _____

	Approved	Occupancy at year end
Total Number of units	_____	_____
Number of units at or below 50% of median	_____	_____
Number of units between 51%-60% of median	_____	_____
Number of units between 61%-70% of median	_____	_____
Number of units between 71%-80% of median	_____	_____
Number of units above 80% of median	_____	_____

Second Page

I, the undersigned _____ (print name of managing general partner/owner), certify that I am a duly authorized officer or representative of _____ (the "Owner"), and hereby certify that:

- The tenant incomes are accurate and in compliance with the income targeting commitments made in the approved AHP application.
 Yes No
- The Owner has obtained and maintains a Rental Application or Tenant Income Certification from each low-income resident, along with supporting third-party income documentation verifying income eligibility prior to initial occupancy.
 Yes No
- The contract rents charged for income-targeted units meet the affordability commitments made in the approved AHP application (rents are between 20% - 30% of AMI as adjusted for unit size).
 Yes No
- The project is free of any discrimination findings under the Fair Housing Act, 42 U.S.C 3601-3619. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 18.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C 3616a(a)(1), or an adverse judgement from a federal court.
 Yes No
- Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of violation for any building or low income unit in the project:
 Yes No
 If "No", state the nature of the violation on page 3 and attach a copy of the violation report and any documentation of correction.
- The project is current on all taxes and outstanding "Hard debt," if applicable.
 Yes No
- There has been no change in the ownership or management of the project:
 No Change Change
 If "Change", complete page 3 detailing the changes in ownership or management of the project.

Certification by Owner

The information provided herein is true, accurate and in compliance with the approved application and 12 CFR 1291 and Section 10(i) of the Federal Home Loan Bank Act. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

Signature: _____ Title: _____

Print Name: _____ Date: _____

Please submit the complete and fully executed Certification to the FHLB at AHPmonitoring@fhlbcin.com, by fax to (513) 852-7647, or by mail to Housing & Community Investment, P.O. Box 598, Cincinnati, OH 45201-00598, no later than April 15, 2015. If you have any questions, please call toll free to (888) 345-2246.

Long-term Monitoring Audit

- Frequency of long-term monitoring audits is derived from the risk level of the project as determined by FHLB.
- Audits will take place in one of two ways:
 - Site visit from FHLB staff.
 - Request for documentation to be sent electronically to FHLB.
- FHLB collects the same documentation for long-term monitoring audits as it did for initial audits with the exception of special needs and homeless verification.

AHP Modifications

- Modifying nearly **any** major aspect(s) of an AHP application requires formal approval by FHLB.
- Request changes via the Modification Request Form available at www.fhlbcin.com.
- Approval is contingent on the following:
 - The project's score remaining high enough to have received funding in the offering in which the project was originally scored and approved.
 - Continued need for AHP subsidy (feasibility).
 - Demonstration of “Good cause” for the modification.

Does My Project Need Modification?

To determine the answer to this question, ask:

- Will the change impact the points the project received in the AHP scoring system?
- Have the project's costs (development or operational) changed positively or negatively by more than 10% since the AHP award?
- Is the project's operating income still within 10% of what was reported in the AHP application?
- Are the same organizations involved in the project?
- Is there good cause for modification?
- Has the project Owner done everything possible to cure the issue first?

Reminders

- FHLB only corresponds with Sponsors and Members.
- Be on the lookout for the periodically-distributed documentation referenced in this webinar.
- Access the disbursement and monitoring webinars early in the AHP project life cycle to ensure that the project will be prepared to meet FHLB's requirements for documenting commitments.
- Contact FHLB if there are changes to project contacts, scoring parameters, or the financial structure of the project.

Connect with us!

Get the latest news, events, and updates at FHLB Cincinnati by connecting with us on social media.



@FHLBCin
www.twitter.com/fhlbcin



www.facebook.com/fhlbcincinnati



[www.linkedin.com/company/
federal-home-loan-bank-of-cincinnati](http://www.linkedin.com/company/federal-home-loan-bank-of-cincinnati)



@FHLBCin
www.intsagram.com/fhlbcin

Let's celebrate together!

We encourage all FHLB members and housing sponsors to notify us of plans to celebrate or recognize any FHLB funded housing or community investment project. The FHLB is often available to participate and to offer public relations assistance for community events such as ribbon cuttings, groundbreakings, and dedications. Please contact Marketing/Public Affairs, toll free at 877-925-FHLB(3453).



HCI Resources

- Access resources on www.fhlbcin.com by clicking through the following links:
 - “Housing Programs” at the top of the screen in the webpage header, then
 - “Affordable Housing Program” (on the left of the screen)
 - There you will be able to access AHP documents, forms, webinars, and presentations.
- Contact the FHLB staff if you have specific questions that are not answered in the materials available on the website.

HCI contacts

<u>Name</u>	<u>Phone</u>	<u>E-mail Address</u>
Damon v. Allen SVP, Chief Marketing & Community Investment Officer	(513) 852-7518	allendv@fhlbcin.com
Dawn E. Grace Vice President	(513) 852-7612	gracede@fhlbcin.com
Jill A. Cravens HCI Manager	(513) 852-7550	cravensja@fhlbcin.com
Cassandra L. Larcarte Compliance & Outreach Manager	(513) 852-7619	larcartecl@fhlbcin.com
Laura K. Overton Systems & Reporting Manager	(513) 852-7603	overtonlk@fhlbcin.com

HCI contacts

<u>Name</u>	<u>Phone</u>	<u>E-mail Address</u>
Jamie M. Board AHP Disbursement Manager	(513) 852-7629	boardjm@fhlbcin.com
Tabetha D. Boggs Housing Financial Analyst	(513) 852-7031	boggstd@fhlbcin.com
Connor B. Creaghead Housing Financial Analyst	(513) 852-5554	creagheadcb@fhlbcin.com
Andrew S. Ferrigno Housing Financial Analyst	(513) 852-7505	ferrignoas@fhlbcin.com
Jasmine P. Grant Housing Financial Analyst	(513) 852-7609	grantjp@fhlbcin.com
Kristina L. Jordan Housing Financial Analyst	(513) 852-7609	jordankl@fhlbcin.com

HCI contacts

<u>Name</u>	<u>Phone</u>	<u>E-mail Address</u>
Jalynn N. Lunsford Outreach & Compliance Analyst	(513) 852-7615	lunsfordjn@fhlbcin.com
Jodi M. Pendleton Housing Financial Analyst II	(513) 852-7602	pendletonjm@fhlbcin.com
David M. Samples Housing Financial Analyst	(513) 852-7612	samplesdm@fhlbcin.com
Ted C. Schumacher Systems & Reporting Analyst	(513) 852-5595	schumachertc@fhlbcin.com
Samantha M. Walker Housing Financial Analyst	(513) 852-7621	walkersm@fhlbcin.com
Crystal L. Woolard Housing Financial Analyst	(513) 852-7604	woolardcl@fhlbcin.com

Contact us

Federal Home Loan Bank of Cincinnati

221 East Fourth Street, Suite 600

P.O. Box 598

Cincinnati, OH 45201-0598

Toll free: (888) 345-2246

E-mail: **Housing@fhlbcin.com**

Website: **www.fhlbcin.com**

Thank You

