



MAILING LABEL

Advancing Housing and Community Growth

Winter 2011

# A NEW VOICE FOR HOUSING

## Housing Commission to Address Challenges Facing Industry

Housing policy advocates found a new voice in December when the Bipartisan Policy Center announced the full membership of its Housing Commission, which will work to develop recommendations to address the nation's troubled housing sector.

The Housing Commission is comprised of experts from across all disciplines affecting the housing industry; from banking and civic leaders to non-profit organizations, and from academics to former senior political figures from both parties, its membership features those who are on the front lines of the housing crisis. In October 2011, former U.S. Secretaries of Housing and Urban Development Henry Cisneros and Mel Martinez, also a former U.S. Senator; former U.S. Senator Kit Bond; and former U.S. Senate Majority Leader and BPC Founder George Mitchell were named to lead the Commission.

"Housing is a highly-complex issue and a critical component of our economy. It will take a truly bipartisan group to look at the challenges ahead and develop solutions," said Housing Commission Co-Chair George Mitchell in a press release announcing the new members.

Founded in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell, the Bipartisan Policy Center ("BPC") is a non-profit organization that drives principled solutions through rigorous analysis, reasoned negotiation, and respectful dialogue. With projects in multiple issue areas, the BPC combines politically-balanced policymaking with strong, proactive advocacy and outreach.



In October 2011, former U.S. Senator Kit Bond and former U.S. Senate Majority Leader and BPC Founder George Mitchell, and former U.S. Secretaries of Housing and Urban Development Henry Cisneros and Mel Martinez, also a former U.S. Senator, were named to lead the Commission  
(Photo Credit: Greg Gibson for the Bipartisan Policy Center)

Over the course of the next year, the Housing Commission will craft a package of realistic and actionable policy recommendations that will address the future housing needs of an increasingly diverse American society. The final recommendations will be released in 2013.

Recognizing the need for a new vision for federal housing policy, the Housing Commission aims to bring new approaches and fresh thinking to today's housing issues. The Housing Commission will assess the appropriate role of the federal government in housing by reviewing the effectiveness of the full range of current federal housing supports.

In addition to drawing from its internal expertise, the Housing Commission will actively seek input and ideas from the public and thought leaders by hosting regional forums across the country in 2012.

"As the U.S. population continues to grow and change, we face new challenges for which we need a thoughtful, well-reasoned plan that addresses the short-term problems and long-term consequences of our current policies," said former Secretary Martinez. "This group of commissioners is positioned to do just that." ■

In addition to its four co-chairs, the Housing Commission features an impressive membership of leaders drawn from every corner of the housing industry. The 17 Commissioners are:

#### COMMISSIONERS

- Carin M. Barth, Co-Founder and President, LB Capital, Inc.
- Ed Brady, President, Brady Homes
- Alfred DelliBovi, President and CEO, Federal Home Loan Bank of New York
- Robert M. Couch, Counsel, Bradley Arant Boult Cummings
- Laurie Goodman, Senior Managing Director, Amherst Securities
- Renee Lewis Glover, President and CEO, Atlanta Housing Authority
- Frank Keating, President and CEO, American Bankers Association
- Bruce Morrison, Former Congressman from Connecticut
- Janet Murguia, President and CEO, National Council of La Raza
- Nicolas P. Retsinas, Senior Lecturer, Business Administration, Harvard Business School
- Nan Roman, President and CEO, National Alliance to End Homelessness
- Ronald A. Rosenfeld, Former Chairman, Federal Housing Finance Board
- Robert M. Rozen, Partner, Ernst & Young's Washington Council
- Richard A. Smith, President and CEO, Realogy Corporation
- Marilyn Jordan Taylor, Dean of School of Design, University of Pennsylvania
- J. Ronald Terwilliger, Chairman Emeritus, Trammell Crow Residential
- Barry Zigas, Director of Housing Policy, Consumer Federation of America

## AL DELLIBOVI NAMED TO HOUSING COMMISSION

The Federal Home Loan Bank of New York has long been both an active member of the local housing community and a strong supporter of housing initiatives, both local and nationwide. These efforts have been driven by FHLBNY President Al DelliBovi, and on December 13, Mr. DelliBovi was named to the Bipartisan Policy Center's Housing Commission, bringing his significant experience in the housing sector to a group of leaders from across the housing spectrum.

"The Bipartisan Policy Center has assembled an outstanding Housing Commission to deal head-on with one of the main challenges facing our nation's economy, and we are proud that Al DelliBovi's outstanding credentials are being utilized to assist in the effort," said Michael Horn, chairman of the FHLBNY. "Al believes in the principle that a stable home is the foundation for what makes our country great, and I am confident that the Housing Commission is well-equipped to repair any cracks that have weakened that foundation."

Mr. DelliBovi has served as president and chief executive officer of the Federal Home Loan Bank of New York since November 1992. In his current role, he leads a team of professionals at the \$100 billion wholesale bank, which provides funding for housing and economic development to 330 neighborhood-based lenders in New Jersey, New York, Puerto Rico, and the U.S. Virgin Islands.



Mr. DelliBovi has been President and CEO of the Federal Home Loan Bank of New York since 1992.

Previously, Mr. DelliBovi served as Deputy Secretary of the U.S. Department of Housing and Urban Development, from 1989 until 1992. He was a senior official at the U.S. Department of Transportation in the Reagan Administration and was appointed Administrator of the Urban Mass Transportation Administration from 1987 until 1989. Mr. DelliBovi, a native New Yorker, was elected to four terms in the New York State Assembly. He has earned national recognition as an authority on banking, the lending industry, housing, and public finance.

"Housing is not only the cornerstone of our nation's economy, but vital to the stability of our communities and families, as well," said Mr. DelliBovi. "We must create sensible and responsible policies that revitalize our country's housing sector." ■

## A HOUSING FIRST IN BROOKLYN

In the current economic environment, housing organizations are developing new and creative ways to provide affordable homes to those who need them most. In November, CAMBA Housing Ventures, Inc. broke ground in Brooklyn on CAMBA Gardens, an exciting new development that is one of the few in the country to use underutilized hospital property for affordable housing.

CAMBA Gardens, a 209-unit LEED Platinum-Certified affordable and supportive housing development, will be built on two underused sites on the Kings County Hospital Center grounds. The homes will be made available to formerly homeless individuals and families, as well as low-income families. On-site services provided by CAMBA through funding with the New York City Department of Health and Mental Hygiene will include case management services, medical care and mental health services referrals, job training and educational opportunities.

The development will serve as a model for partnership between public hospitals, non-profit developers and social service providers to redevelop surplus hospital property. This model connects patients with stable housing and social services while creating much-needed affordable and supportive housing opportunities.

In 2010, the Federal Home Loan Bank of New York announced that it had partnered with its member, HSBC Bank, to provide a \$1.4 million Affordable



The FHLBNY provided a \$1.4 million AHP grant to CAMBA Gardens, one of the few developments in the country to use underutilized hospital property for affordable housing.  
Rendering: Harden Van Arnam Architects PLLC

Housing Program grant to the CAMBA Gardens project. HSBC has been very active in the FHLBNY's Affordable Housing Program, working with the Bank to provide more than \$45 million in grants to nearly 200 affordable housing initiatives. This funding has helped create more than 6,200 affordable homes across the region.

CAMBA has long been a vital support system for many New Yorkers. Founded in 1977 as a small merchants' block association, CAMBA, Inc. now has more than 1,400 employees serving more than 35,000 clients at 50 sites. In 2005, the organization

created CAMBA Housing Ventures, Inc. to create permanent, stable and affordable housing for Brooklyn residents. Since 2005, 665 units of permanent affordable and supportive housing have been completed by the organization or are in development.

"For more than three decades, CAMBA has worked tirelessly to provide so many families and individuals across New York with affordable and supportive homes," said Al DelliBovi, president of the FHLBNY. "We are proud to help support their efforts." ■

## FROM BROWNFIELD TO GREEN HOMES

In the Bradhurst section of Harlem, a former Brownfield site has been reborn as a state-of-the-art, green-designed housing development that will provide 65 homes for low-income seniors.

On November 30, 2011, New York's housing leaders gathered on West 146<sup>th</sup> Street to celebrate the ribbon-cutting for Dr. Muriel Petioni Plaza, a building that reflects the power of partnership between public, private and non-profit affordable housing advocates. The development is a joint effort among the U.S. Dept. of Housing and Urban Development, New York City Dept. of Housing Preservation & Development, New York State Homes and Community Renewal, Jonathan Rose Companies and Harlem Congregations for Community Improvement ("HCCI").

Dr. Petioni Plaza was created under the New Housing Marketplace Plan, an initiative developed by the administration of New York City Mayor Michael Bloomberg. The plan, launched in 2003, is a multi-billion dollar initiative to finance 165,000 units of affordable housing for 500,000 New Yorkers by the close of the 2014 fiscal year. Thus far, the plan has funded the creation or preservation of more than 125,700 units of affordable housing across the five boroughs, including more than 43,200 units in Manhattan.

Dr. Petioni Plaza makes use of an abandoned film storage warehouse formerly known as the Erbograph Building. High levels of asbestos and other contaminants were found at the site, leading to its designation as a Brownfield location. The site, which had been owned by the city prior to its sale – for \$1 from the New York City Department of Housing Preservation & Development to HCCI – has gone through extension remediation in partnership with the New York City Department of Environmental Protection.

The eight-story building was designed to accommodate aging-in-place seniors, earning no more than 50 percent of the area median income. Dr. Petioni Plaza has many green features, and is Harlem's first LEED-Silver affordable housing development for low-income seniors. In addition, HCCI will offer health and wellness services to building residents.



Supporters cut the ribbon at Dr. Muriel Petioni Plaza, once a Brownfield site and now a state-of-the-art, green-designed housing development that will provide 65 homes for low-income seniors.

In 2008, the Federal Home Loan Bank of New York partnered with its member, Carver Federal Savings, to provide HCCI Improvement with a \$1.28 million Affordable Housing Program grant to help fund the construction costs of Dr. Petioni Plaza. Carver Federal Savings has partnered with the Home Loan Bank 11 times to provide nearly \$9 million in grants through the Affordable Housing Program. With these grants, Carver has helped build more than 700 affordable homes across New York City.

Dr. Petioni Plaza is named in honor of Dr. Muriel Petioni, an active member of HCCI's Board who has served as a doctor in Harlem for more than 60 years. Dr. Petioni received the Ellis Island Medal of Honor for significant contributions to the nation in recognition of her work in the medical community.

"This project fulfills and emphasizes the need for housing devoted to seniors and increased services for seniors," Dr. Petioni stated in a press release on the ribbon-cutting event.

The transformation that Dr. Petioni Plaza underwent – from an abandoned Brownfield site to Harlem's first LEED-Silver designed housing development – is an example of what is possible when organizations and individuals focused on creating high-quality affordable housing in New York come together.

"We are proud to join so many of New York's housing visionaries in working together to create this much-needed housing for Harlem's seniors," said Al DelliBovi, president of the Federal Home Loan Bank of New York. ■

## FHLB NY MEMBERS RAISE COMMUNITY LENDING TO NEW HEIGHTS

The Federal Home Loan Bank of New York (“FHLB NY”) experienced near-record activity in its Community Lending Programs (“CLP”) in November. The month closed with more than \$109 million in advances drawn by FHLB NY members. Not since January of 2008, when \$110.2 million in CLP advances were drawn, has volume been so high.

All advances within the Community Lending Programs provide a source of funding for projects that are located in low- and moderate-income neighborhoods, or benefit families in these areas. There are three programs that comprise the CLP: the Community Investment Program (“CIP”); the Rural Development Advance (“RDA”); and the Urban Development Advance (“UDA”).

CIP advances may be used for the acquisition, construction, rehabilitation, and financing of housing for families whose income does not exceed 115 percent of the area median income. RDA and UDA advances are designed to finance the economic development needs of members’ communities, including commercial, small business, social service, and public facility projects and activities. The construction and rehabilitation of public or private infrastructure, as in roads, utilities, and sewers, is also an eligible use. While the type of activity will vary based upon the needs of the community, the individuals benefiting must have median incomes of no more than 115 percent (RDA) or 100 percent (UDA), or be located in neighborhoods sharing these respective income targets.

All of the CLP programs are offered on an ongoing basis throughout the year, with applications available on the Bank’s website at [www.fhlbny.com/community](http://www.fhlbny.com/community). If you are interested in learning how CLP advances can help increase your profitability, enhance CRA performance, and improve your community visibility and public relations, contact your Calling Officer at (212)-441-6700 or the Community Lending Department at (212)-441-6850.



The FHLB NY’s members utilized a near-record amount of CLP funding in November 2011. This funding will serve to strengthen communities across the region. Cook’s World, a small business in Rochester, and the New Community Workforce Development Center, a continuing education facility in Newark, both benefited from CLP funding.

Two additional programs, the Fresh Start Home Finance Program and the Disaster Relief Funding Program are also available under the umbrella of the CLP. Fresh Start Home Financing assists members in providing foreclosure prevention assistance to low- to moderate-income households facing unaffordable, or soon-to-be unaffordable, mortgage payments. Disaster Relief Funding offers financial assistance to communities affected by natural disasters and severe weather, in accordance with FEMA declarations.

CLP advances are roughly 23 basis points lower than both the FHLB NY’s Fixed-Rate and Amortizing Advances, depending on maturity. These discounted rates present several price advantages for FHLB NY members, helping them preserve or enhance their net interest margins, and enabling them to become more competitive within their markets. One of the most significant benefits of using CLP advances, however, is the opportunities they present to help members manage asset/liability risk or pool fund assets. CLP advances offer longer-term maturities

so members can match-fund the duration and structure of the end loan better, locking in a spread for the life of the loan to mitigate interest rate risk.

CLP advances fund projects that create housing, improve business districts and strengthen neighborhoods. These programs provide FHLB NY members with another way to benefit their communities and customers; as November’s activity reflects, these local lenders remain committed and active members of their communities. ■



## FHLB NY HOUSING COUNCIL ADDS NEW MEMBERS

The Federal Home Loan Bank of New York is an active member in its region’s affordable housing community. The FHLB NY supports housing initiatives across New Jersey, New York, Puerto Rico, the U.S. Virgin Islands and beyond through its Affordable Housing Program, Community Lending Programs, and other community-focused activities. One of the reasons why the FHLB NY is able to be such an effective partner with the region’s leading affordable housing organizations is the advice and guidance it receives from its Affordable Housing Advisory Council.

The FHLB NY’s Affordable Housing Advisory Council is made up of the leaders of community and non-profit organizations that are actively involved in either providing or promoting low- and moderate-income housing or community lending in the FHLB NY’s district.

The members of the Council are appointed by the FHLB NY Board of Directors to serve terms of three years. Each quarter, the Council members meet with the Board’s Housing Committee to provide counsel on ways in which the FHLB NY can better carry out its housing finance and community lending mission. The Council members lend their expertise on a variety of topics, including, but not limited to, the operation of the Bank’s low- and moderate-income housing and community lending programs. A vital role for the Council is to help the FHLB NY stay connected with the ever-changing housing and community development needs in its district and to advise the FHLB NY on how to shape its programs to address those needs.

The Council’s advice includes recommendations on the amount of AHP subsidies to be allocated to the



FHLB NY Director of Community Lending Joseph Gallo; FHLB NY President Al Dellibovi; Incoming AHAC Chairman Peter Elkowitz, Jr.; and FHLB NY Director and Housing Committee Chairman Kevin Lynch honor outgoing AHAC member Jean Lowe at the AHAC’s December meeting.

FHLB NY’s competitive application program and any FHLB NY homeownership set-aside programs; amendments to the AHP Implementation Plan, which governs the operation of the program, including revisions to the AHP scoring criteria, and district eligibility requirements; and providing guidance for various operational and eligibility requirements for the FHLB NY homeownership set-aside program.

At its December 2011 meeting, the FHLB NY’s Board appointed five new members to three-year terms on the Affordable Housing Advisory Council which will begin on January 1, 2012. These five members were:

- Deborah Boatwright – Regional Director, NeighborWorks America Northeast Region;
- Robert Di Vincent – Executive Director, West New York Housing Authority;
- Tyrone Garrett – Executive Director, Long Branch Housing Authority;
- Martin Mucher – Executive Director, Wyoming County Community Action, Inc.; and

- Lee Warshavsky – Associate Director and General Counsel, Settlement Housing Fund

Additionally, the Board also approved the reappointments of two current Council members, Nancy Berkowitz, Executive Administrator, New York State Rural Advocates; and Kerry Quaglia, Executive Director, Home Headquarters, Inc.

The December meeting also noted two departures from the Council. Council Chairman Charles Kalthoff, executive director of ACCORD Corp., and Jean Lowe, president of the Greater Rochester Housing Partnership, had each served the maximum nine years on the Council.

The Federal Home Loan Bank of New York has remained an active and reliable supporter of affordable housing initiatives across the region, and it is very good at what it does. But, as the Council’s roster reflects, it never hurts to have some expert advice. ■

## FHLBNY TO ANNOUNCE AHP AWARDS

In January 2012, the Federal Home Loan Bank of New York will announce nearly \$28 million in Affordable Housing Program awards. This funding represents the total offering for 2011. In an effort to better serve its members and the developers of eligible housing initiatives who utilize the Affordable Housing Program, the FHLBNY upgraded its internal processing systems during 2011 and, as a result, its 2011 Affordable Housing Program offering will be announced in one round as opposed to two separate rounds as in prior years.

Through its Affordable Housing Program, the FHLBNY is a key partner to its region's affordable housing community. The FHLBNY is committed to maintaining the Affordable Housing Program as an essential and efficient funding source for sponsors and developers of safe, decent and affordable housing initiatives in New Jersey, New York, Puerto Rico, the U.S. Virgin Islands and beyond.

Since the program's inception in 1990, the FHLBNY has worked with its members to provide nearly \$400 million in grants to help with more than 1,275 affordable housing developments. These projects have created or preserved nearly than 53,500 affordable homes for low-income families, seniors and individuals. ■



The FHLBNY will announce its 2011 Affordable Housing Program awards in January 2012. The AHP has helped build or preserve nearly 53,000 homes across the region. In 2009, the FHLBNY provided a \$702,000 grant to help build the Ogden Heights Senior Apartments, which provides 88 homes for seniors.



In 2009 and 2010, the FHLBNY provided two grants totaling nearly \$1 million to help fund construction of St. Martin Village. The development, in Buffalo, New York, combined the rehabilitation of 24 apartments with the new construction of 36 townhomes to create affordable housing for very low-income households.



Parker House, in Utica, New York, received a \$700,000 AHP grant in 2008 to help fund the renovation of a homeless housing facility in a Victorian home built in the 1800s that had been converted to multi-family housing. The funding helped increase the number of housing units, and narrowed a critical gap in local homeless housing services.

### For more information...

about any of the FHLBank of New York's affordable housing and community investment programs, contact the Community Investment Department at 212-441-6850 or visit our website at [www.fhlbny.com](http://www.fhlbny.com).



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