



Federal Home Loan Bank  
NEW YORK

# Affordable Housing Advisory Council

## 2022 Annual Report

# Letter from the President and AHAC and Housing Committee Chairs



José R. González  
*President and Chief  
Executive Officer*



María Rodríguez-  
Collazo  
*Chairperson, Affordable  
Housing Advisory  
Council*



Richard Mroz  
*Chairperson, Housing  
Committee of the  
Board of Directors*

Dear Members,

One of the most rewarding experiences one can have working at the Federal Home Loan Bank of New York (“FHLBNY”) is to attend an event at a housing initiative that was supported by an Affordable Housing Program (“AHP”) General Fund grant. We take great pride in the numbers – through 2022, the FHLBNY has supported 2,008 projects with more than \$891 million in grants, helping to create or preserve nearly 99,000 units of affordable housing, leveraging an estimated \$16.3 billion in total development costs. But those are just numbers. When we attend an event – be it a groundbreaking, a ribbon-cutting or a site tour – we see the real impact these dollars have in the lives of so many. In the years leading up to the COVID-19 pandemic, the FHLBNY began encouraging employees from various functions across the organization to attend these events – fitting given that our housing programs are funded directly from our earnings and, as such, is supported by the work of every person at the FHLBNY. Understandably, such events were simply not possible in the grips of the pandemic in 2020 and 2021. We were excited in 2022 to see a return to more in-person engagement throughout our Community Investment efforts, but especially the opportunities to get back to AHP events – something we look forward to continuing to build on throughout 2023. There is a tremendous sense of hope at these events, hope for the better life that a stable home can provide. At the FHLBNY, we understand the importance of and understand that a stable home is the foundation from which we grow as individuals, families and communities, and are proud to be a part of helping to create that hope.

Despite the opportunity to enhance and increase engagement throughout the year, 2022 presented significant challenges to affordable housing efforts across the country. Principally among these was inflation, driving the costs of building materials and labors ever upward, creating significant difficulties in not only getting new projects off the ground, but completing those already under construction. And even after construction was completed, continuing supply chain constraints limited developers’ capacity to bring affordable units online as basic amenities such as kitchen appliances and bathroom fixtures faced delays. Challenges also extended into the homeownership sphere, where both high housing costs and an increasing interest rate environment created difficulties in new home purchases, especially for first-time, low- and moderate-income homebuyers.

In such a challenging environment, we were proud to offer dependable support through our AHP and Homebuyer Dream Program® (“HDP”) – sources of funding that remain available every year no matter the broader market conditions. We launched the 2022 AHP Round on April 25, 2022, with more than \$25 million available, and on November 21, we announced grants for 30 affordable housing initiatives, working with 14 members to help create, rehabilitate, or preserve more than 1,700 affordable homes. And throughout the year, we worked with 61 members to award \$10.9 million in HDP grants, helping to create more than 1,200 homeownership opportunities across our region.

We also saw immediate returns on some of the new categories we implemented on our AHP General Fund scoring criteria in 2022. For example, in the second year of our Member Financial Participation category, which helps to bond members and sponsors together, 64 percent of AHP awardees received points in this category. Member Financial Participation encourages our members to participate in a project beyond facilitating its AHP application, awarding points to projects whose FHLBNY member partner is providing financing in the form of equity, construction financing, or a permanent loan. We were very excited to see the effectiveness of this new category in encouraging our members to provide even more support to these worthy initiatives.

There was also significant traction in the second year of the Green Building Innovation category. Six 2022 AHP awardees totaling 285 units received Green Building Innovation points, a scoring category we first introduced in 2021 to incentivize the development of affordable housing designed to meet highly efficient energy standards. We were especially excited to see one such project utilizes Passive House design standards, one of the most rigorous and difficult to achieve energy efficiency construction models in the industry, hopefully, a sign of more to come.

Our scoring category updates are just one of the many results of the close collaboration between our Community Investment team, our Affordable Housing Advisory Council (“Advisory Council”), led in 2022 by Chair María Rodríguez-Collazo and Vice Chair Gwen O’Shea and the Housing Committee of our Board of Directors, led in 2022 by Chair Richard S. Mroz and Vice Chair Charles E. Kilbourne, III. This partnership helps ensure that our housing programs are more responsive to our members and sponsors, and more reflective of the communities we serve.

The Advisory Council was also instrumental in guiding our charitable contributions in 2022. A common practice of our quarterly Advisory Council meetings is an open forum wherein the Advisory Council members share the challenges and opportunities they are experiencing in the communities they serve. In these conversations throughout the year, Advisory Council members continued to emphasize and advocate for several needs throughout our District. As a result, in 2022, the FHLBNY provided a total of \$2.55 million to nine community-focused organizations to help address issues such as building capacity for Minority and Women-Owned Business Enterprises in the developer space, promote growth in the U.S. Virgin Islands’ affordable housing ecosystem, and provide legal assistance for foreclosure-prevention efforts in vulnerable communities in New York City. We also provided funding to several ground-level organizations providing relief in the Caribbean following Hurricane Fiona. The FHLBNY’s commitment to the communities we serve does not start or end with the AHP General Fund, and we are grateful for the opportunities to make an impact in many different ways.

On behalf of the Advisory Council, the Board of Directors, and the entire team at the FHLBNY, we thank you for the successful and meaningful partnerships described in this report, and we look forward to working with you in 2023 to advance our housing mission and to keep our region strong.

Sincerely,



María Rodríguez-Collazo  
Chairperson  
*Affordable Housing Advisory Council*



Richard Mroz  
Managing Director  
Chairperson  
*Housing Committee of the Board of Directors*



José R. González  
*President and Chief Executive Officer*

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# Summary of Housing & Community Lending Programs

The Federal Home Loan Bank’s Second District encompasses New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands, areas with extreme needs for affordable housing and economic development and ever-present funding constraints, but also areas with strong networks of organizations and advocates working on innovative solutions.

Figure 1: FHLBNY’s Community Investment Programs in 2022

	PROGRAMS	PURPOSE	USES	BENEFICIARIES	TYPES OF FUNDING	TERMS/ CONDITIONS	APPLYING
HOUSING	Affordable Housing Program (“AHP”) General Fund	Creation of owner-occupied and rental housing for very low-, low-, and moderate income households.	Finance acquisition, rehabilitation, or new construction of owner-occupied or rental housing.	Rental housing in which at least 20% of the project’s occupants earn 50% or less of the Area Median Income (“AMI”); owner occupied households with incomes ≤ 80% of the AMI.	Grants up to \$40,000 per unit or \$1,500,000 per project.	Competitive program; must meet regulatory guidelines, eligibility requirements, and feasibility guidelines.	Competitive round offered annually; deadlines are announced on the FHLBNY website.
	Homebuyer Dream Program® (“HDP”) †	Assist very low-, low-, and moderate-income first-time homebuyers to purchase their first home.	Provide down-payment and closing-cost assistance for the purchase of principal residence within the FHLBNY’s District.	First-time homebuyer household with incomes ≤ 80% of the AMI.	Grants up to \$9,500 per household, as determined by the member, and up to \$500 to offset the cost of homeownership counseling.	First-time homebuyer program; must meet regulatory and program guidelines.	Members must enroll to participate. Rounds and deadlines are announced on the FHLBNY website.*
	Community Investment Program (“CIP”)	Home ownership and rental housing development.	Purchase, construction, rehabilitation, refinance, and predevelopment.	Individuals/ families with incomes ≤ 115% of the AMI.	Discounted rate advances based on the lesser of 3% of asset size or \$100 million.*	Income requirements apply.	Submit applications any time.

	PROGRAMS	PURPOSE	USES	BENEFICIARIES	TYPES OF FUNDING	TERMS/ CONDITIONS	APPLYING
ECONOMIC DEVELOPMENT	Rural Development Advance ("RDA")	Finance economic development/ commercial lending activities in areas with a population ≤ 25,000.	Commercial, industrial, manufacturing, social service, public facility, and public or private infrastructure projects.	Individuals/ families with incomes ≤ 115% of the AMI.	Discounted rate advances based on the lesser of 3% of asset size or \$100 million.*	Income, geographic or small business criteria apply.	Submit applications any time.
	Urban Development Advance ("UDA")	Finance economic development/ commercial lending activities in areas with a population > 25,000.	Commercial, industrial, manufacturing, social service, public facility, and public or private infrastructure projects.	Individuals/ families with incomes ≤ 100% of the AMI.	Discounted rate advances based on the lesser of 3% of asset size or \$100 million.*	Income, geographic or small business criteria apply.	Submit applications any time.
	Business Development Advance ("BDA")	Finance lending to entities that meet the Small Business Administration's definition of a small business for their industry.	Not limited by use beyond basic program eligibility.	Small businesses in the communities served by FHLB NY members.	Interest-rate credit to provide in effect a zero-rate advance for certain fixed-rate products.*	Member loans must comply with maximum limit on rate charged to borrowers.	Submit applications while program funds are available.

\*Other member limits apply.

†The Homebuyer Dream Program replaced the First Home Club in early 2019 as the FHLB NY's set-aside program for first-time homebuyers. The FHLB NY continued to fund households already enrolled in the First Home Club in 2021. No First Home Club commitments were made in 2022.

Note: The Disaster Relief Funding program, tied to federally declared disaster areas, is included in the CIP, UDA, and RDA programs and was made available to members to fund loans in Puerto Rico and U.S. Virgin Islands in September 2017; re-launched in January 2020 following earthquakes in Puerto Rico; made available district-wide in response to the COVID-19 pandemic in May 2020; and then made available to fund lending for recovery efforts in response to Tropical Storm Ida in the fall of 2021.

# Affordable Housing Program

The Affordable Housing Program (“AHP”) General Fund, created by Congress in 1989, provides subsidies to support the creation and preservation of housing for very-low, low, and moderate-income families and individuals. AHP funds are awarded to FHLBNY members that submit applications on behalf of project sponsors that are planning to purchase, rehabilitate, or construct affordable homes or apartments. Funds are awarded through a competitive process which typically takes place once a year.

Across our District, (New Jersey, New York, Puerto Rico, and the U.S. Virgin Islands), the AHP helps to provide for safe, decent, and affordable homes for moderate-, low- and very low-income families, senior citizens, the homeless, and other individuals with special needs. Since the inception of the AHP program, the FHLBNY, through its member lenders and their local partners (non-profit and for-profit affordable housing developers), has supported 2,008 projects with more than \$891 million in grants, helping to create or preserve nearly 99,000 units of affordable housing, leveraging an estimated \$16.3 billion in total development costs.

Unless otherwise noted, the numbers in this section correspond to projects at the time of the award. Subsequent modifications are not included in these figures.

## AHP General Fund Awards in the 2022 Round

Figure 2 below lists the 2022 AHP Round awards, sorted by subsidy amount within each state. Thirty (30) projects were awarded in 2022, including fifteen (15) in New Jersey and nine in New York. Six (6) out-of-district projects were also granted funds.

*Figure 2: 2022 AHP Round - Approved Projects*

PROJECT NAME	SPONSOR	MEMBER	STATE	UNITS	SUBSIDY
Amity Heights	Riverside Charitable Corporation	OceanFirst Bank, National Association	NJ	196	\$1,500,000
Bethany Manor	House of David Preservation, Inc.	Valley National Bank	NJ	331	\$1,500,000
Fairmount Commons	Urban League of Essex County	Valley National Bank	NJ	69	\$1,500,000
Freedom Village at Historic Roebling	Project Freedom, Inc.	First Bank	NJ	72	\$1,500,000
Willows at Flemington Junction South	Premier Housing Services, Inc.	Citibank, N.A.	NJ	100	\$1,500,000
Chatham Family Apartments	Fair Share Housing Development, Inc.	OceanFirst Bank, National Association	NJ	62	\$1,170,000

Maple Shade Senior	ReBuild Metro, Inc.	Valley National Bank	NJ	59	\$1,000,000
Veterans Center of Hoboken Phase II	Hoboken World War Veterans Holding Corp	BCB Community Bank	NJ	18	\$720,000
South Orange Commons	PENWAL Affordable Housing Corp.	Valley National Bank	NJ	26	\$700,000
Island Road Apartments	BCUW/Madeline Hsg. Partners, LLC	Manufacturers and Traders Trust Company	NJ	19	\$600,000
Camden Home Repair Program	St. Joseph's Carpenter Society	Manufacturers and Traders Trust Company	NJ	25	\$431,000
Bridge House Supportive Housing	Visions and Pathways	BCB Community Bank	NJ	10	\$400,000
Rock Road Affordable Housing	Nouvelle, LLC	Provident Bank	NJ	11	\$250,000
Prospect Street Supportive Housing	Children's Aid and Family Services, Inc.	Provident Bank	NJ	5	\$150,000
Mountain Lakes Supportive Housing	Nouvelle, LLC	Unity Bank	NJ	4	\$120,000
416 Clinton Renovation	Teen Challenge, Inc.	Cross River Bank	NY	58	\$1,500,000
Hoving Home Renovation	Hoving Home	M&T Bank	NY	40	\$1,500,000
Jericho House	Jericho Project	M&T Bank	NY	56	\$1,451,345
The Riverview Apartments at Corinth	RISE Housing and Support Services, Inc.	Hudson River Community Credit Union	NY	60	\$1,000,000
Richard F. Salyer House Apartments	Volunteers of America/Greater New York	New York Community Bank	NY	146	\$960,900
Westfall/Norlane/Knic kerbocker Group Homes	Lifetime Assistance, Incorporated	M&T Bank	NY	22	\$330,000
Flower City Habitat Critical Home Repairs 2022	Habitat for Humanity of Flower City	ESL Federal Credit Union	NY	10	\$200,000

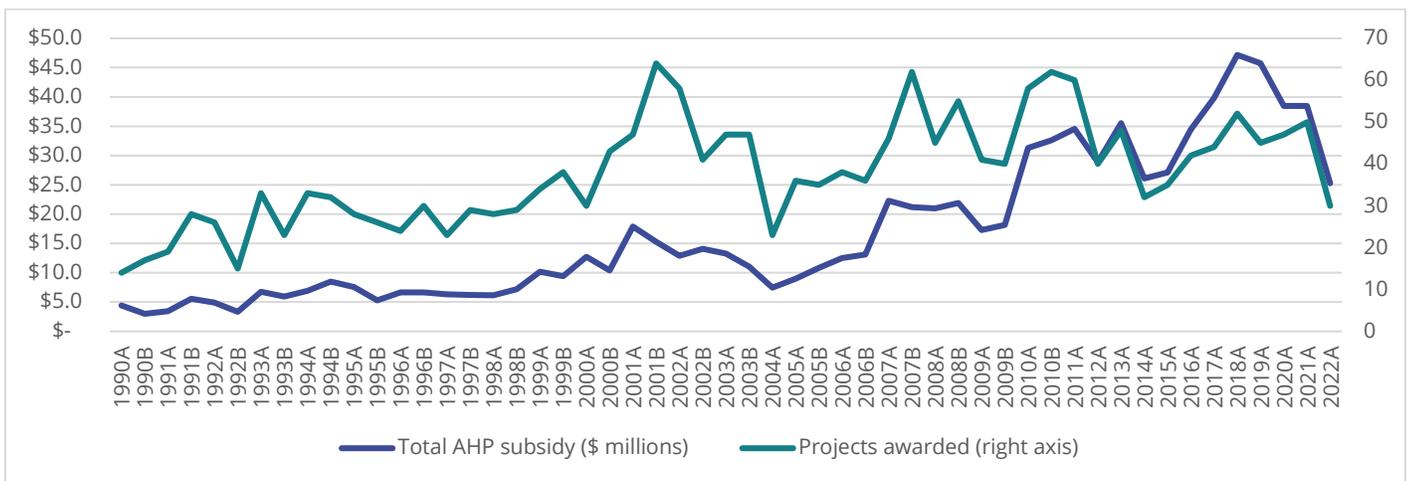
Housing Preservation for People with Disabilities	Community Options NY, Inc.	Valley National Bank	NY	5	\$125,000
Lifetime Community Apartments	Lifetime Community Apartments, Inc.	M&T Bank	NY	8	\$104,552
Moodus Center	Adult & Teen Challenge New England and New Jersey	M&T Bank	CT	25	\$975,000
Village at Park River Phase IV	Overlook Development Corporation	Citibank, N.A.	CT	60	\$704,337
South Center and Brookline Court Preservation	A Partnership in Housing, Inc.	Cattaraugus County Bank	PA	66	\$1,500,000
Dunlap-Walnut Hill Home Preservation 2022-23	Rebuilding Together Philadelphia	M&T Bank	PA	20	\$346,513
Haddington Home Preservation 2022-23	Rebuilding Together Philadelphia	M&T Bank	PA	20	\$346,513
Balcones Terrace	Foundation Communities	The Disability Fund, Inc.	TX	123	\$1,171,206

## Trends in AHP General Fund Awards

This section describes the distribution of AHP General Fund awards since the program’s inception. As required by statute and regulation, each year the FHLBNY allocates 10% of its prior year’s net income to support its General Fund and its Homeownership Set-aside Programs, the Homebuyer Dream Program® (“HDP”) and, previously, the First Home Club<sup>SM</sup> (“FHC”). Within the overall allocation, the Homeownership Set-aside Programs may be allocated at most 35% of the total amount, and the FHLBNY makes an annual determination based on identified needs in the district and the guidance of its Board of Directors.

Figure 3 below shows the largely consistent, nominal growth in available AHP General Fund subsidy, as well as the number of projects that received an AHP award in each program round. A drop off in AHP funding occurred in 2022, due mainly to historically low interest rates in 2021 from the Federal Reserve and substantial fiscal stimulus provided by Congress in response to the COVID-19 pandemic that reduced member demand for FHLBNY advances. This anomaly is not expected to continue.

Figure 3: AHP General Fund Total Annual Subsidy and Number of Awards



The increased cost of development has meant a greater need for funding from all sources, including the AHP General Fund. Figure 4 below shows how the average (mean) subsidy to projects has climbed, especially in the past 15 years, yet on average the AHP subsidy remains at or below 5% of projects’ total development cost (“TDC”). An increase in 2022 to approximately 7% of TDC can likely be attributed to increased development costs and thus greater need for AHP subsidy to fill a critical funding gap.

Figure 4: AHP General Fund Subsidy as a Share of Total Development Cost

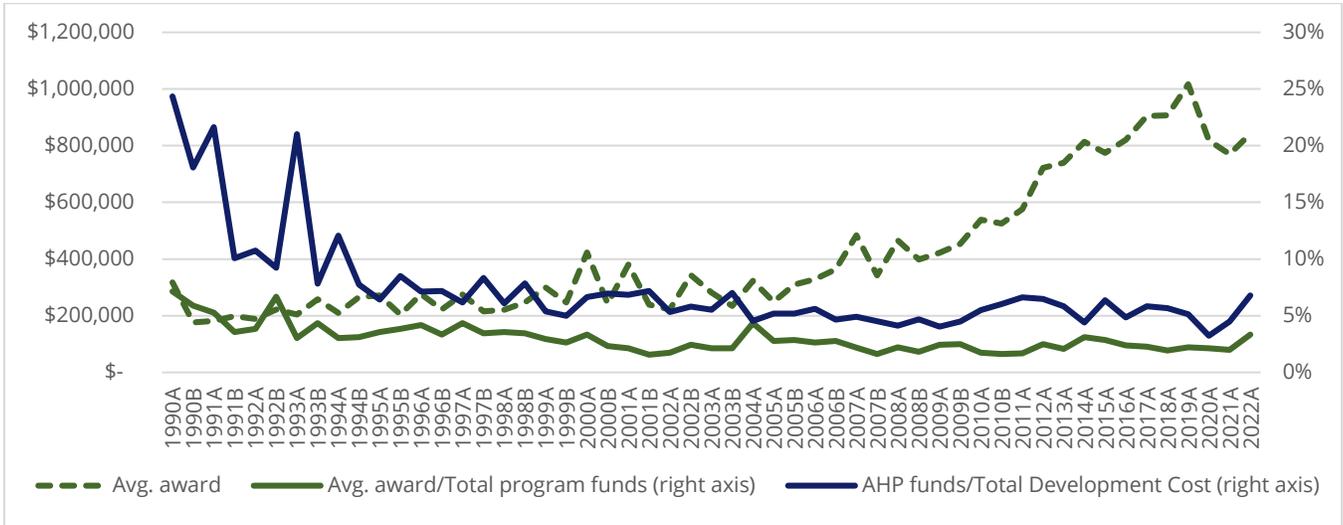
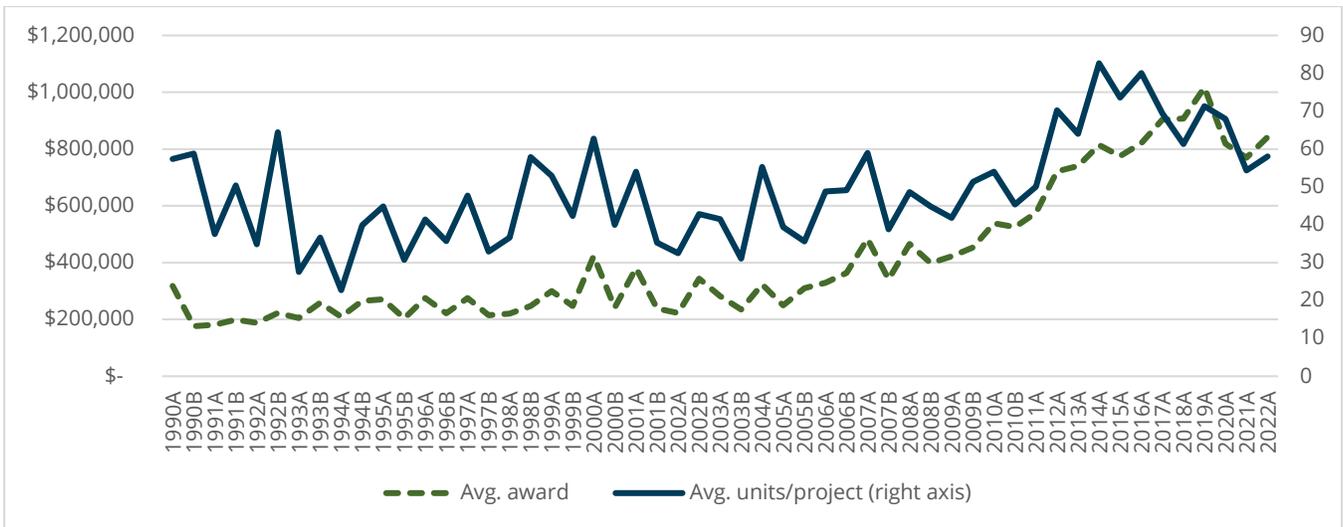


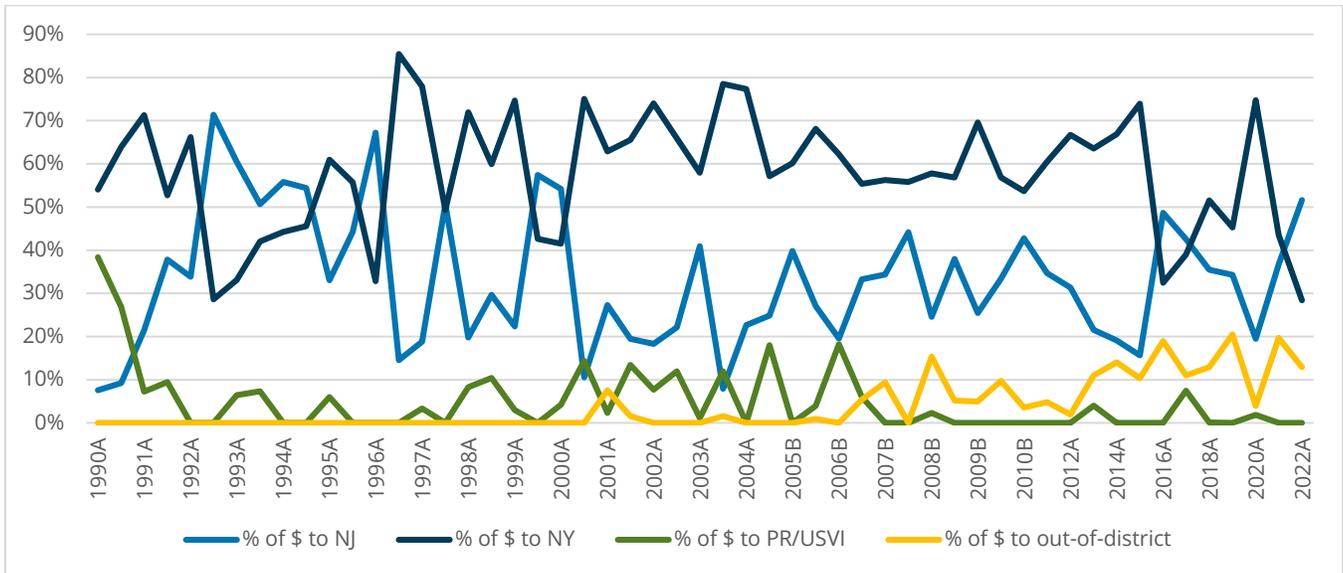
Figure 5 below shows the AHP General Fund average size by units since inception. Between 2020 and 2021 AHP experienced a dip in the average award, or the average subsidy requested by projects that received an award. However, as the figure shows, there was a slight increase in 2022.

Figure 5: AHP General Fund Project Size Over Time



The geographic distribution of AHP General Fund awards depends on factors including underlying needs for affordable housing, the availability of tax credit programs from housing finance agencies and operational subsidies from other government programs, the capacity of local developers, and their partnerships with FHLB NY members. As Figure 6 below shows, most program funds typically flow to projects in New York and New Jersey, with New Jersey perhaps receiving a greater share per capita in recent years, especially in 2022. In that same time, few projects in Puerto Rico or the U.S. Virgin Islands have received awards (or submitted applications), while some FHLB NY members' markets span to areas out of district.

Figure 6: AHP General Fund Subsidy Awarded by State/Territory

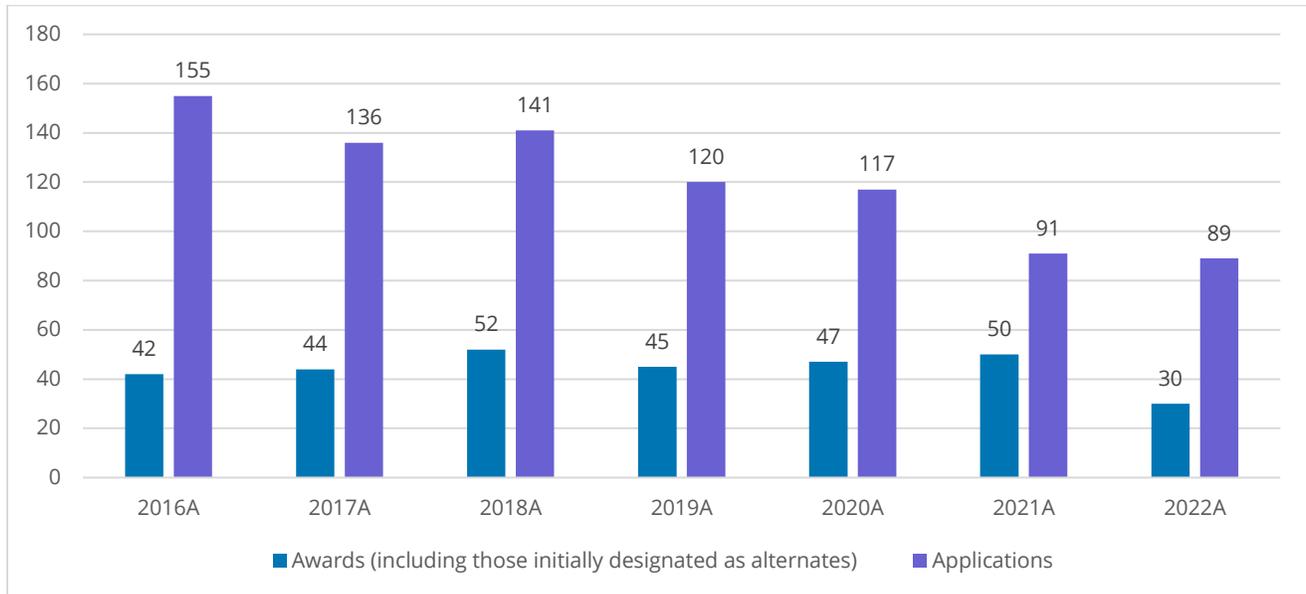


## Competitive Scoring for the AHP General Fund

This section gives insights into the types of projects receiving awards in the AHP General Fund. FHLBNY members submit project applications, on behalf of sponsors. Those applications are evaluated by FHLBNY staff according to criteria, described in the AHP Implementation Plan applicable to each AHP Round, across three dimensions: 1) Project eligibility, as per statutory and regulatory requirements and additional FHLBNY criteria; 2) Project scoring, whereby applications are ranked in accordance with how they respond to needs established by statute, the Federal Housing Finance Agency, and the FHLBNY in its annual Targeted Community Lending Plan; and 3) Financial feasibility, or the extent to which projects' budgets suggest long-term viability and alignment with industry-standard metrics.

Each round, the FHLBNY typically receives many more applications than it can grant awards with the available subsidy through the AHP General Fund. Figure 7 below shows that though the program remains highly competitive, the number of applications has declined in recent years, reaching a low for the period in the 2022 AHP Round. Members of the Advisory Council, project sponsors, and FHLBNY members indicate a number of likely causes, including heightened pressures on developers during the COVID-19 pandemic, such as higher development costs for materials and labor, slower approvals processes from overwhelmed agencies and municipalities, and general uncertainty about long-term planning. Additionally, it was noted that improved outreach and education efforts by FHLBNY staff ensured submission of higher quality, competitive projects, resulting in fewer "long-shot" applications.

Figure 7: AHP General Fund Applications and Awards (2016-2022)



The outreach efforts – ranging from large-scale webinars to one-on-one technical assistance calls with sponsors and their development teams – typically focus on the competitive scoring phase of the application review process. To note, 2022 was the second Round with a substantially modified scoring rubric and the changes from 2021 reflected the revised structure and additional requirements of a new Regulation governing the program, with which all Federal Home Loan Banks had to comply fully by January 1, 2021, as well as including FHLBNY policy priorities in light of specific District needs.

In the 2022 AHP Round, the lowest total score (out of a possible 100) for a project receiving an award was 61.55. This compares with 64.46, 66.37, 68.23, and 58.19 in 2018, 2019 and 2020, and 2021 respectively. The lower scores in the most recent AHP Rounds could be partially attributable to the addition of the new scoring categories. Among other changes, the rubric has fewer categories by which most or nearly all projects accumulated points in previous rounds, such as those for projects located in a Difficult to Develop Area or Qualified Census Tract or those located nearby public transit or a food retailer, categories which were discontinued in 2021. Here are some other highlights from the 2022 AHP General Fund Round:

- The scoring range of successful projects was between 61.55 and 80.00 points. The average score among the 30 winning projects was 67.74 points.
- All but two awardees received points for non-profit sponsorship and among the projects that did receive points in that scoring category, 80% of them received the full seven points available.
- 86.6% of award winners received the maximum 20 points in Targeting to Lower Income Households, an indication of the AHP General Fund's ability to reward projects that are serving the greatest share of households earning  $\leq$  50% of area median income.
- All but four award winners received at least six points in Underserved Communities and Populations, indicating a strong competitive advantage for projects serving homeless households, special needs populations, and/or extremely low-income renters.

- 63.3% of 2022 winners received credit for FHLBNY Member Financial Participation, a sign that members and sponsors are partnering to bring much-needed affordable housing to their communities. The most common form of member financing was a construction loan, occurring in 11 of these projects.
- The average subsidy per unit (“SPU”) request in the 2022 Round was \$21,710 out of the maximum SPU cap of \$40,000.



*On July 21, 2022, Grace Brown Housing, a 2019 Affordable Housing Program General Fund subsidy recipient, held a ribbon cutting in Cortland, New York. The project’s sponsor, Christopher Community was awarded \$500,000 for the new construction of 25 supportive housing apartments for women recovering from domestic violence through the Bank’s member bank, M&T Bank. Tenants have access to case management, legal services, education, job training, mental health, and other services.*



*Central Islip Supportive Housing Complex (Mercy Gardens), Central Islip, NY. The FHLBNY received an appreciation plaque at the project’s grand opening celebration on October 7, 2022. In 2018, the AHP General Fund in partnership with FHLBNY member Flushing Bank awarded the non-profit organization Mercy Haven with \$310,825 in funding for the construction of 19 units of affordable housing with a permanent supportive service component. The project was designed as a multi-faceted program for homeless individuals with severe and persistent mental illness, as well as for single adults and families struggling with chronic homelessness.*

# Homebuyer Dream Program®

The Homebuyer Dream Program (“HDP”) supports homeownership for low- and moderate-income, first-time homebuyers. Participating FHLBNY members are issued allotments of funds and then submit reservation requests for qualified first-time homebuyers. The FHLBNY provides grants of up to \$9,500 towards down-payment and closing-cost assistance and up to an additional \$500 to cover the cost of homeownership counseling.

Since inception of the Set-Aside programs, the two programs together have made commitments of grant subsidy to over 22,000 households, for a total of over \$182 million.

Figure 8 below shows the number and dollar amount of household commitments in the First Home Club and HDP each year since 2016. In the FHC, commitments were issued when the FHLBNY confirmed household eligibility following the systematic savings period; in HDP, the FHLBNY confirms eligibility when a reservation request is submitted, at which time a household is already under contract for a house. In both programs, the home purchase may ultimately fall through after the commitment is issued.

*Figure 8: FHC and HDP Commitments (2016-2022)*

	FHC HOUSEHOLD COMMITMENTS	HDP HOUSEHOLD COMMITMENTS	FHC GRANT FUNDS COMMITTED	HDP GRANT FUNDS COMMITTED
<b>2016</b>	1,701	-	\$13,518,866	\$-
<b>2017</b>	1,632	-	\$12,974,583	\$-
<b>2018</b>	1,559	-	\$12,406,381	\$-
<b>2019</b>	1,293	661	\$10,291,570	\$9,683,623
<b>2020</b>	372	1,106	\$2,948,308	\$14,848,902
<b>2021</b>	34	1,424	\$267,500	\$13,534,559
<b>2022</b>	0	1,217	\$-	\$10,943,945

*Note: Figures represent commitments in a given calendar year. FHC households typically enrolled at least a year prior to receiving a commitment. Data as of December 31, 2022.*

## HDP Commitment Analysis

The AHP Implementation Plan and the HDP Program Guidelines contain detailed documentation requirements and underwriting limits with which participating members must comply. Within these HDP baseline criteria, FHLBNY members have flexibility to offer the program within their business footprint, aligned to their strategic initiatives and business/housing environment.

Under the allotment methodology, even new member participants in the HDP are allotted a minimum level of funds to match with eligible households during the course of the buying season, and the program allows for those members who successfully utilize the program to grow their allotments over time. And members that serve a large geographic area can make strategic decisions about where to target their efforts, in line with their fair lending obligations and the dynamics of local housing markets. In this context, the program's households were largely concentrated in the same areas in 2021 as in prior rounds of the HDP and the FHC, namely Western and Upstate New York. And Figure 9 below shows the degree of concentration in HDP commitments issued in 2022.

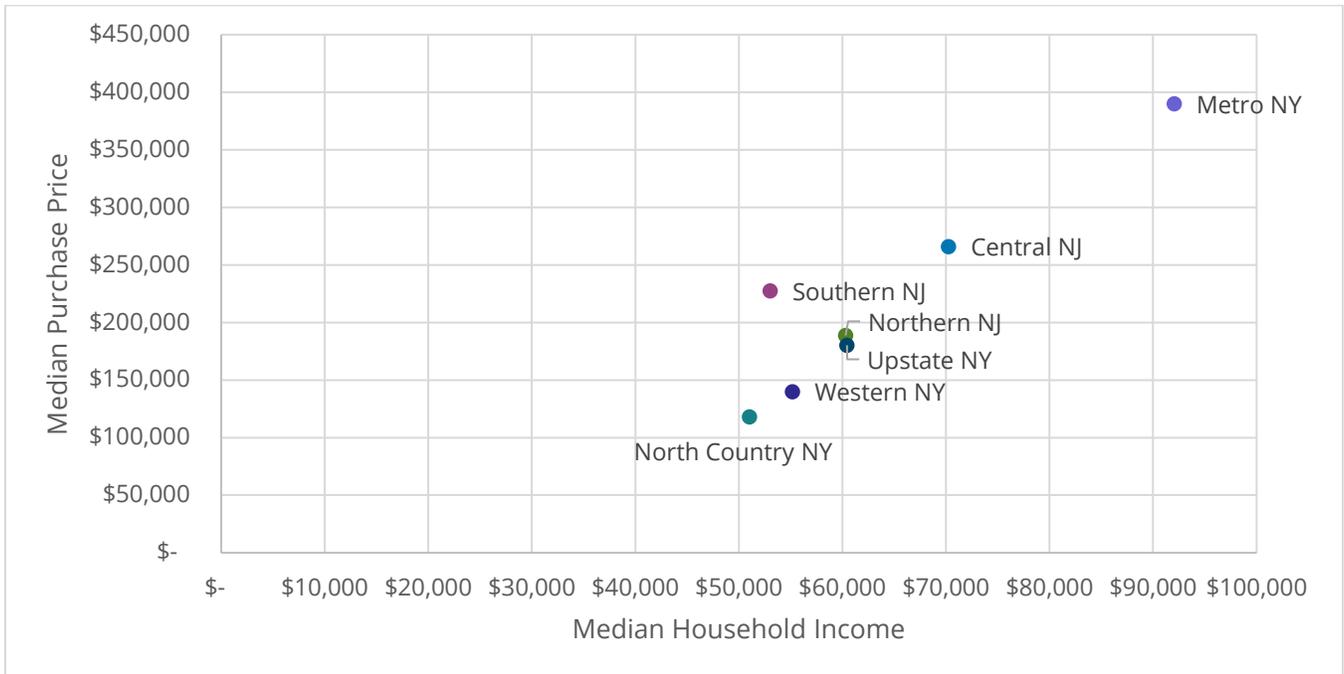
*Figure 9: Regions with the Highest Percentages of HDP Commitments in 2022*

<b>WESTERN NY</b>	<b>70.64%</b>
Upstate NY	14.51%
Central NJ	3.94%
Northern NJ	3.06%
Metro-Area (NY)	2.75%
North Country, NY	2.75%

HDP staff actively engage with the membership to educate their staff, in particular loan officers, and to identify opportunities to make the grant subsidy more widely available to eligible households in historically less-represented parts of the District. The Community Investment Strategy Group in 2022 held numerous phone calls with HDP participating members and found that while by and large the allotment methodology proved favorable, housing market conditions experienced at the height of the pandemic had not abated sufficiently enough to improve the experience for first time home buyers in 2022. However, even members that had difficulty submitting reservation requests due to the challenging market still expressed optimism and an intent to continue their HDP participation in 2023.

To the extent that HDP supports homeownership opportunities in different areas across our District, the households are diverse. Figure 10 below shows the median purchase price and median household income for commitments issued in 2022. The households are similar relative to their surrounding areas but they are quite distinct from each other. Eligible households in New Jersey can earn significantly more and must compete for homebuying opportunities at significantly higher values, than households in Western New York.

Figure 10: Median Purchase Price and Household Income for HDP Commitments in 2022 by Region of Purchase



# Community Lending Programs

The Community Lending Programs (“CLP”) allow member institutions to take advantage of a set of discounted rate advances to fund housing and economic development activities in the communities they serve. This differs from the FHLBNY’s Affordable Housing Program General Fund and Homebuyer Dream Program, both of which are grant programs. There are three Community Lending Programs:

1. The Community Investment Program (“CIP”) provides discounted rate advances, primarily for housing related activities, for households whose incomes do not exceed 115% of the Area Median Income (“AMI”).
2. The Urban Development Advance (“UDA”) provides financing for economic development projects or programs in urban areas (area population of greater than 25,000), benefitting individuals or families in areas where the census tract median family income is at or below 100% of the overall AMI level.
3. The Rural Development Advance (“RDA”) provides financing for economic development projects or programs in rural areas (area population of 25,000 or less), benefitting individuals or families in areas where the tract median family income is at or below 115% of the overall AMI level.

For each program, members can request advances on a program-specific basis to fund a portfolio of recently closed loans (within the prior 90 days of the requested advance). The CLP helps members meet their Community Reinvestment Act requirements.

Under the CLP umbrella, the FHLBNY can make available the Disaster Relief Funding (“DRF”) program. The DRF allows members to qualify for the CLP rate on advances against loans made in federally declared disaster areas. In response to Hurricanes Irma and Maria in August and September 2017, the FHLBNY made \$1 billion in DRF advances available to its members to help rebuild communities in Puerto Rico and the U.S. Virgin Islands. This window was utilized again in January 2020 to support members lending in Puerto Rico following the earthquakes in the territory; the program was also made available district-wide in May 2020 in response to the COVID-19 pandemic; and then made available to fund lending for recovery efforts in response to Tropical Storm Ida in the fall of 2021.

In November 2021, the FHLBNY launched a new program, the Business Development Advance (“BDA”). The BDA is an interest-rate credit that provides members in effect with a zero-rate advance for lending to qualified small businesses. To be eligible for the program, members must lend at or below a designated spread, meaning they pass along the benefit of the discounted borrowing to their small business customers. BDA activity increased significantly in 2022 compared to 2021, with an increase from \$6,344,247 to \$25,730,848.

As described in the 2022 Targeted Community Lending Plan, the business environment of many FHLBNY members, in particular their access to substantial deposits and a generally low-rate environment for funding their lending activity, made them less likely than in previous years to utilize the products of the CLP suite. Figure 11 shows program performance for each of the past four years. Note that the RDA is infrequently used by the membership.

Figure 11: CLP Advances by Program (2018-2022)

	2018	2019	2020	2021	2022
Community Investment Program	\$905,104,797	\$987,987,960	\$742,515,393	\$341,791,163	\$318,239,846
Urban Development Advance	\$1,051,039,059	\$767,948,010	\$756,925,336	\$428,871,242	\$470,060,900
Rural Development Advance	\$6,710,000	\$9,821,000	\$3,150,000	-	-
Disaster Relief Funding	\$35,860,000	\$4,460,000	\$609,835,846	\$96,975,283	-
Business Development Advance	-	-	-	\$6,344,247	\$25,730,848
<b>Total</b>	<b>\$1,998,713,856</b>	<b>\$1,770,216,970</b>	<b>\$2,112,426,575</b>	<b>\$873,981,935</b>	<b>\$814,031,594</b>

Data as of December 31, 2022.

## Charitable Contributions

FHLBNY charitable contributions made in 2022 reflect strategic support for organizations working specifically to further goals aligned with the FHLBNY's core mission and to address district needs that may fall outside the scope of the statutory programs, yet still warrant attention. Two of the largest donations, \$500,000 each to Enterprise Community Partners and Local Initiatives Support Corporation ("LISC") Newark, will help the Bank advance goals to assist MWBE organizations in the District to become successful affordable housing developers and operators. Enterprise Community Partners will use FHLBNY funding to re-launch a previously successful initiative named Asset Management University, which trains MWBE and BIPOC affordable housing operators on financial management, how to improve operations, and how to plan for growth and staff turnover. LISC Newark will use its allocation to sustain its Affordable Housing Ecosystem Building Fund, which provides pre-development financing to MWBE developers, particularly those working on smaller projects less likely to attract other sources of funding. The FHLBNY also directed \$250,000 to the Legal Aid Society which will use our funds to establish an Economic Equity unit that will provide foreclosure-prevention and estate-planning services for minority homeowners. The Partnership to End Homelessness also received \$250,000 to expand its Save Homes Fund, a homelessness prevention program, which provides rental and financial assistance as well as crisis, counseling, and education services. Together this \$500,000 in financial aid will help advance District needs in a manner that cannot be readily addressed by the statutory programs.

In response to the devastation wrought by Hurricane Fiona in September of 2022, FHLBNY made emergency donations to four non-profit organizations in Puerto Rico tasked with helping the island and individuals rebound from yet another catastrophic weather event. Taller Salud, a women's right and health organization, received a total of \$100,000 in donations to provide meals and health products to communities across all of Puerto Rico and the MMM Foundation was granted \$150,000 to provide support for seniors over 65, including home rehabilitation funding. Two other organizations, the Hispanic Federation and the Puerto Rico Community Foundation received \$200,000 each for similar disaster recovery efforts, including energy resiliency and solar energy initiatives in preparation for future natural disasters.



*In the wake of Hurricane Fiona, the Puerto Rico Communication Foundation mobilized to identify the needs of the community and provided immediate assistance by delivering basic needs including food, personal hygiene.*

One final donation at the end of 2022 will support affordable housing development in the U.S. Virgin Islands. While not a direct response to Hurricane Fiona, which did not impact U.S.V.I. on the scale it did Puerto Rico, a \$400,000 donation to Enterprise Community Partners will help support emerging affordable housing developers on the island with a focus on capacity building to promote growth in the territory's affordable housing ecosystem. Enterprise will design a curriculum with a focus on increasing the utilization of green/resilient building practices in the U.S. Virgin Islands. All told, the FHLBNY made \$2,550,000 in strategic charitable contributions in 2022 to trusted partners in support of a range of important health, disaster recovery, economic development, and affordable housing efforts across our District.



*Community members preparing and receiving hot meals in the aftermath of Hurricane Fiona.*



*MMM Foundation used FHLBNY's funds to provide direct assistance including home repairs to many families on the island.*

## Community Investment Cash Advance Letters of Credit

A Letter of Credit (“LOC”) is a credit instrument, issued by a bank, guaranteeing payment on behalf of its customer to a beneficiary for a stated period of time only when certain conditions are met. A FHLBNY LOC substitutes the issuing member bank’s credit for the credit of the FHLBNY. The FHLBNY is currently rated “AAA” and “AA+” by Moody’s Investors Service and Standard & Poor’s, respectively. These ratings are equivalent to those assigned to the U.S. Government. A FHLBNY LOC is collateralized in the same way as an advance. The FHLBNY charges a fee for issuing LOCs and for draws under the LOC.

Community Investment Cash Advance (“CICA”) LOCs, one among a suite of LOC types available to FHLBNY members and their business and municipal partners, are utilized to finance lending activity that also qualifies under the Community Lending Program. When LOCs are used for eligible housing and community development purposes, they facilitate transactions that promote housing financing or the financing of commercial and economic development.

As of December 31, 2022, the FHLBNY had a total of one outstanding CICA LOC amounting to \$26,800.

## Community Investment Leadership

The Housing Committee of the Board of Directors assists the Board on affordable housing and community/economic development issues, liaises on behalf of the Board with the FHLBNY's Advisory Council, evaluates housing needs within the FHLBNY's District, and monitors the administration of the FHLBNY's Community Investment programs. All of this is done considering the needs of multiple FHLBNY stakeholders, the FHLBNY's strategic plan, and the Federal Housing Finance Agency regulations.

The AHAC consists of representatives from housing and community-development organizations throughout the district. The AHAC advises the FHLBNY and its Board of Directors on ways in which the FHLBNY can better carry out its housing finance and community lending mission. In 2022, María G. Rodríguez-Collazo served her second year as AHAC Chairperson; and Gwen O'Shea served her second year as Vice-Chair.

## 2022 Board of Directors Housing Committee

**Richard Mroz (Chair)**

Managing Director  
Resolute Strategies LLC  
Haddonfield, New Jersey

**Thomas Cangemi**

Chairman, President & CEO  
New York Community Bank  
Hicksville, NY

**Gerald Reeves**

President & CEO  
Sturdy Savings Bank  
Cape May Court House, NJ

**Ángela Weyne**

Commissioner of Insurance of Puerto Rico  
(Retired)  
San Juan, Puerto Rico

**Charles E. Kilbourne, III (Vice-Chair)**

Managing Director  
Financial Services Volunteer Corps  
New York, New York

**Thomas J. Kemly**

President and CEO  
Columbia Bank  
Fair Lawn, New Jersey

**Josie Thomas**

Executive Vice President (Retired)  
ViacomCBS  
New York, NY

# 2022 Affordable Housing Advisory Council

**María G. Rodríguez-Collazo (Chair)**

Director of Housing Programs  
PathStone Corporation  
Ponce, Puerto Rico

**Staci A. Berger**

President and CEO  
The Housing and Community Development Network  
of New Jersey  
Trenton, New Jersey

**Susan Cotner**

Executive Director  
Affordable Housing Partnership & Albany Community  
Land Trust  
Albany, New York

**Jacqueline S. Jones**

Executive Director  
Vineland Housing Authority  
Vineland, New Jersey

**Daniel Kelly**

President  
Community Quest  
Egg Harbor Township, New Jersey

**Retha Leno**

Principal  
Ladyhawk Consulting, LLC  
Hogansburg, New York

**Wayne T. Meyer**

Senior Advisor  
New Jersey Community Capital  
New Brunswick, New Jersey

**David A. Rowe**

Chief Administrative Officer  
CAMBA Housing Ventures, Inc.  
New York, New York

**Gwen O'Shea (Vice-Chair)**

President and CEO  
Community Development Corporation of Long  
Island  
Centereach, New York

**Krystal R. Canady**

Chief Executive Officer  
The Gateway Family YMCA  
Elizabeth, New Jersey

**Robert Graham**

Executive Director  
Virgin Islands Housing Authority  
St. Thomas, U.S. Virgin Islands

**Lisa Kaseman**

Regional Vice President  
Conifer LLC  
Rochester, New York

**Bakari Lee**

Member  
McManimon, Scotland & Baumann, LLC  
Roseland, New Jersey

**Colin McKnight**

Director, Community Development Programs  
Flatley Read, Inc.  
Schuylerville, New York

**Carrie Michel-Wynne**

Vice President of Strategic Relations  
YWCA of Rochester & Monroe County  
Rochester, New York

## 2022 Affordable Housing & Community Investment Staff

### **Cynthia Palladino\***

SVP, Head of Affordable Housing and  
Community Investment

### **Michael A Volpe**

SVP, Chief Bank Operations Officer &  
Interim Community Investment Officer

### COMMUNITY INVESTMENT STRATEGY

#### **Daniel Randall\***

VP, Community Investment Officer

#### **Jacob Day**

Community Investment Business  
Development Associate

#### **Neela Hanuman**

Community Investment Specialist

### COMMUNITY INVESTMENT OPERATIONS

#### **Celena Núñez**

FVP, Director, Community Investment Operations

#### **Jennifer Alberto**

Program Administration Manager, Officer

#### **Nina Demushkina**

Programs Administration Officer

#### **D. Matthew Breazzano**

Program Administration Analyst I

#### **Tanesha Smith**

Program Administration Analyst III

#### **Jacob Fredi**

Program Administration Analyst I

#### **Holly Kelly**

AVP, Senior Manager, First Home Club

#### **Glenda Gunning**

Senior First Home Club Analyst

#### **Juan Carlos Esala**

First Home Club Analyst I

#### **Alfred Tuason III**

First Home Club Analyst I

#### **Kristy Seyfert**

Affordable Housing Program Portfolio Manager, Officer

#### **Zhuo Ru (Joey) Li**

Affordable Housing Program Lead Analyst

#### **Raveen Seaton**

Affordable Housing Program Lead Analyst

#### **Daniel Mattonelli**

Senior Affordable Housing Program Analyst

#### **Daniel Kaiserski**

Affordable Housing Program Analyst I

#### **Jahmila Martin**

Affordable Housing Program Analyst I

#### **Akil Mew**

Affordable Housing Program Analyst I

#### **Max Epstein**

Affordable Housing Program Analyst I

#### **Ariana Durkovic**

Affordable Housing Program Analyst II

*\*Upon the retirement of Ms. Palladino, Mr. Volpe became the head of Community Investment, and later designated Interim Community Investment Officer upon the resignation of Daniel Randall in November 2022.*