

# Applying for AHP 2020



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## Affordable Housing Program

- Provides direct grants to support development of ownership and rental housing for very low- to moderate-income households
  - Federally-regulated; new rule takes effect 1/1/2021
  - AHP Implementation Plan sets forth policies for administering the federal regulations
- Competitive application process; projects are evaluated based on:
  - \* Eligibility and threshold requirements
  - \* Financial feasibility
  - \* Scoring criteria

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## 2020 Program Changes to Comply with Federal Regulation

- Retention language updated
- Note/mortgage requirement for rental retention removed
- Projects must verify an attempt to fulfill requirements before modifying projects to remove commitments
- Less compliance audits for rental projects
- Calculation of recapture amount updated to benefit households

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## 2020 Threshold/Feasibility Changes

- Relocation plans for occupied rental projects must conform to the requirements of government funders
- Increased limit for operating costs per rental unit
  - Traditional apartment units may now go up to \$5,500
  - Permanent supportive housing units may go up to \$6,000
- Homeownership association dues, lot rent, leasehold payments, mortgage insurance premiums, and other predetermined housing expenses are now included in the affordability calculation for ownership projects as part of the household's payment

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## AHP Subsidy Limits for 2020

- Total limit of AHP subsidy per project is \$1,000,000 or 75% of total residential costs, whichever is **less**
- Home purchase and traditional rental projects may not receive more than \$50,000 in AHP subsidy per **unit**
- Owner-occupied rehab projects may not receive more than \$15,000 in AHP subsidy per **unit**
- Group homes/special purpose housing/shelters may not receive more than \$15,000 in AHP subsidy per **bed**
- Subsidy limit per Member is \$5,000,000

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## AHP Steps for Sponsors

- Sponsors conceptualize and plan project aspects like:
  - Project location;
  - Project type (ownership, owner-occupied rehab, rental);
  - Income and occupancy targets (elderly, homeless, etc.);
  - Size and number of housing units or beds (floor plan);
  - Sources of funds for development;
  - Development costs (valid cost estimates);
  - Rent or mortgage payment for targeted households; and,
  - Operating costs and source(s) of funds (if rental).
- Find a Member and complete the AHP online application

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## Application Process for Sponsors

- Access OASYS from [www.fhlbcin.com/housing-programs/](http://www.fhlbcin.com/housing-programs/)
- Login using pre-established credentials *or* register new organizations for the system by:
  - Uploading organizational documents (e.g., IRS 501(c)3 designation)
  - Establishing a Sponsor Administrator (the initial registrant)
  - Receiving approval from FHLB via email prior to beginning an application (*allow 24 hours!*)
  - Adding Administrators or other Sponsor Users and their permissions for the organization
- Do *not* share login information

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## New Look of www.fhlbcin.com

The screenshot displays the FHLB Cincinnati website's 'HOUSING PROGRAMS' page. The navigation menu includes 'Who We Are', 'Our Members', 'Housing Programs', 'Careers', and 'Login'. The main content area lists several programs, with a blue box highlighting the 'AHP Application OASYS Login' button. Below this, there are two program cards: 'Affordable Housing Program' and 'Welcome Home Program'. The Affordable Housing Program card includes a photo of a house and text stating it is the largest initiative with grants of up to \$1 million. The Welcome Home Program card includes a photo of a family and text stating it is the most widely used program, providing grants of up to \$5,000.

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## OASYS Dashboard

**Welcome to OASYS**

Welcome to FHLB's new Housing and Community Investment (HCI) online application system, OASYS! This dashboard is composed of fields that allow Sponsors and Members to apply for funding and manage projects funded through any HCI program. Currently, the dashboard only provides access to the new Affordable Housing Program (AHP) online application. In the future, OASYS will provide access to applications for other HCI programs, submission portals for monitoring reports and disbursement requests, and an overview of all of your organization's HCI program applications and projects.

Please familiarize yourself with this dashboard and the information provided in each of the different fields. Refer to the **Announcements** field each time you login, as FHLB will use this field to communicate important messages. Use the **Sponsor Profile** link above to view organization and user information, contact HCI, or access information on frequently asked questions.

**Apply**

AHP closes 07/31/2020 5:00 PM **APPLY**

**Announcements**

- February 05, 2020  
2020 AHP Offering - Important Information > [Read More](#)
- July 23, 2019  
Area Median Incomes > [Read More](#)
- June 17, 2019  
Guidance Documents > [Read More](#)
- April 01, 2019  
2019 AHP Offering - Important Information > [Read More](#)
- July 31, 2018  
AHP Application: Exhibit N Reminder > [Read More](#)
- May 03, 2018  
Disaster Reconstruction Program funds still available > [Read More](#)

**Projects and Online Applications**

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## OASYS Organizational Management

- Only OASYS Users can be selected as project contacts in an AHP application
- Only Users with View/Alter/Submit permission can submit an application

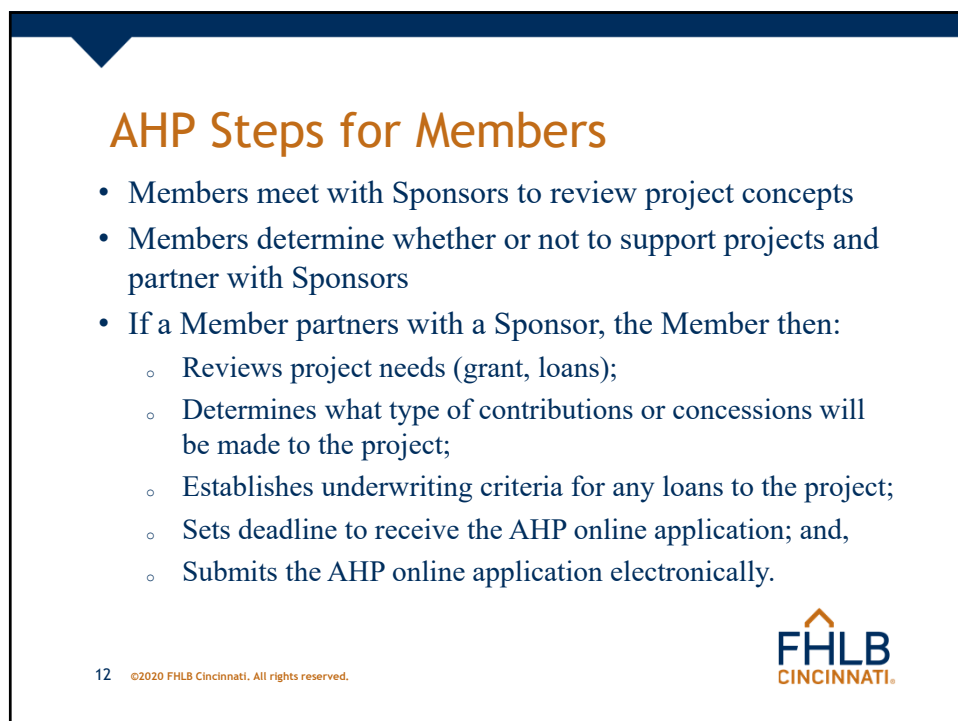
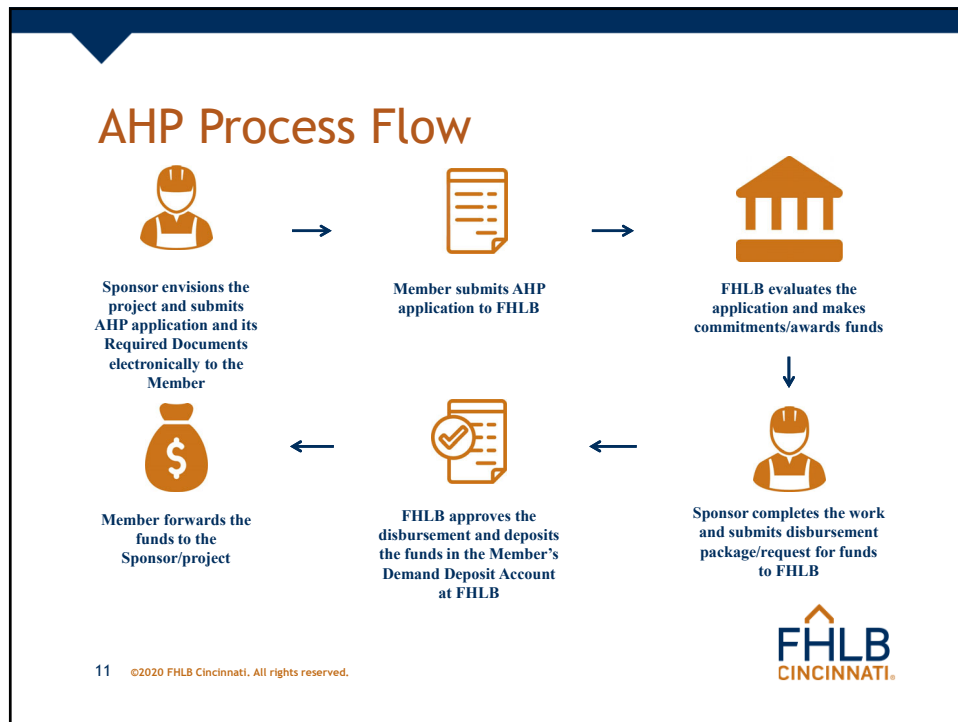
**Sponsor Permissions in OASYS**

- Sponsor Administrator (View/Alter/Submit)
  - Sponsor Users
    - Sponsor User (View/Alter/Submit)
    - Sponsor User (View/Alter)
    - Sponsor User (View)

**Member Permissions in Members Only**

- Member Administrator
- Members Only / OASYS Users

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## Application Process for Members

- Members can view applications but not edit them until Sponsors electronically submit applications to them
- Members will:
  - Review and complete the Member Certifications sections of the online application
  - Use the “Return to Sponsor” button to return applications to Sponsors for editing, if necessary
  - Submit applications to FHLB by 5:00 P.M. Eastern on Friday, July 31, 2020

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## Submitting Required Documents

- All Required Documents must be uploaded to OASYS prior to submitting an application to a Member
- Specific instructions are given for each exhibit explaining what is required

**Upload Document A1:** Exhibit A1 - Executed “Terms and Conditions for Member” document for the Primary Member in the project (this document is posted under Application Guidance). The document must be: A. Signed by a representative of the Member authorized to draw funds from the FHLB; and, B. Dated in the current year.

UPLOAD DOCUMENT

Question: Primary Member Name

- What is requested for each exhibit may also be found by clicking on “**Full List of Required Documents**” in the Application Guidance of the AHP online application or from the OASYS “Application Tools” menu

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## New Required Documents

- B10 requires a letter specifying the Member's commitment to issue bonds for the project
- G5 requires a list of households currently in the Sponsor's pipeline who have been identified as potentially eligible for inclusion in the project
- J2 requires a signed commitment letter, agreement, or bond inducement from permanent lenders besides Members
- J6 requires a list of the income targeting systems currently projected to apply to the project
- L5 requires evidence from a funding source besides FHLB verifying its willingness to cover the development costs associated with the project's commercial space

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## OASYS Updates

- No major changes to appearance/functionality of the AHP online application
  - A few new questions
  - A few new rules to limit data entry
- Faster processing of award announcements
- Ability to submit disbursement requests sooner after award announcement
- Paperless disbursement process for ownership projects

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## AHP Scoring Criteria

### FHLB Cincinnati Priorities

- Member Participation (5)
- First-time Homebuyers (5)
- Community Involvement (3)
- Projects in OH, KY& TN (5)
- Special Needs Housing (10)
- Housing in Appalachia (3)
- Funding Commitments (4)
- AHP Leveraging (5)

### All FHLBs

- Donated Property (5)
- Sponsorship (5)
- Empowerment (5)
- AHP Subsidy per Unit (10)
- Income Targeting (20)
- Homeless Housing (5)
- Community Stability (10)

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## 2020 Scoring Changes

- Allowed bond deals and smaller loans to qualify for the construction/bridge loan point
- Removed the minimum term for the non-subsidized FHLB Advance point
- Project Sponsorship points will only be awarded if an “Eligible Sponsor” will be the sole provider
  - First Mortgage Permanent Loan to project’s borrowers
  - Construction/rehabilitation by Sponsor’s employees
- Expanded the definition of “Special needs” to include transition-aged youth

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## 2020 Scoring Changes (Continued)

- Changed the projects eligible for a point for being located in an area with a high Average Income Factor
- Limited the Economic Diversity point to rental projects serving higher-income households
- Added programs to those FHLB considers eligible for the point for energy-efficient new construction
- Allowed owner-occupied rehab projects to qualify for mandatory counseling point

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## Points That Funded Applications Typically Get

- More than 85% of project units will serve households with incomes at or below 60% AMI
- Project is located in Kentucky, Ohio, or Tennessee
- AHP equals 25% of TPC or less, and other funding is committed at time of application
- AHP subsidy per unit is \$13,000 to \$17,000
- Project includes \$10,000 or more per unit in rehabilitation or energy efficient new construction

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## Points You Didn't Request Last Year

- AHP Subsidy per Unit

AHP Subsidy per Unit	Points Awarded
≤ \$10,000	10.0
> \$10,000 - ≤ \$13,750	8.0
> \$13,750 - ≤ \$17,500	6.0
> \$17,500 - ≤ \$21,250	5.0
> 21,250 - ≤ \$25,000	4.0

- Empowerment

- Employment Training, Skills Training, or Job Placement
- Education Services (GED programs, programs)
- Credit Counseling/Budgeting or Financial Literacy
- Daycare Services

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## Other Strategies & Common Errors

- Tailor the application to the AHP scoring system
- Submit multiple applications
- Required Documents must meet FHLB's requirements
- Explain any contradictions between Required Documents and the questions answered in the AHP online application
- Support explanations for feasibility alerts with third-party back-up documentation

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## 2020 AHP Application Schedule

June 1	Online Application Opened
July 31	Application and Required Documents Deadline (5:00 P.M. EDT)
November 19	AHP Award Date

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## HCI Resources

- AHP Questions and Answers at [www.fhlbcin.com](http://www.fhlbcin.com)
- Information on all programs offered, as well as manuals, forms, and recorded webinars, can be found on the FHLB website at [www.fhlbcin.com/housing-programs/](http://www.fhlbcin.com/housing-programs/)
- Contact FHLB directly using one of the following:
  - [Oasys@fhlbcin.com](mailto:Oasys@fhlbcin.com) for registration questions
  - [AHPApplication@fhlbcin.com](mailto:AHPApplication@fhlbcin.com) for application questions (the AHP online application also communicates from this address)
  - [AHPDisbursement@fhlbcin.com](mailto:AHPDisbursement@fhlbcin.com) for disbursement questions

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## Contact Us

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# Questions & Answers



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