



Federal Home Loan Bank
NEW YORK

AFFORDABLE HOUSING ADVISORY COUNCIL

2020 ANNUAL REPORT

Letter from the President and AHAC and Housing Committee Chairs



José R. González
*President and Chief
Executive Officer*



Wayne Meyer
*Chairperson, Affordable
Housing Advisory
Council*



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

Dear Members,

The COVID-19 pandemic and resulting health and economic crises have shown just how prevalent housing instability is, both in our region and across the country. At the Federal Home Loan Bank of New York (FHLBNY), we know the importance of creating and preserving affordable housing opportunities, and the value of having a safe and stable home. It is the foundation from which we grow as individuals, families and communities. And at the FHLBNY, we rely heavily on the guidance and insight we receive from both our Affordable Housing Advisory Council (AHAC) and the Housing Committee of our Board of Directors into the housing needs and challenges facing our District. In 2020, this partnership helped position our cooperative to respond quickly and effectively to a fast-moving, wide-reaching and unprecedented crisis.

This is a crisis that has impacted virtually every community in our country, and at every level of each community. In mid-March, our institution – like so many across the nation – moved to a remote posture for the health and safety of our employees. That month, we held the joint meeting of our AHAC and our Housing Committee over a tenuous conference call connection. And though the call was marked by static, its purpose was clear: our region was hurting and the FHLBNY had the opportunity to provide help.

On May 1, we launched our COVID-19 Relief Program, a Board-approved combination of Disaster Relief Funding, charitable donations and grants. The AHAC was especially essential to this Program, with AHAC members assisting in identifying organizations serving the most vulnerable populations in our District, allowing the FHLBNY to immediately distribute more than \$500,000 in charitable donations to front-line organizations at the onset of the crisis.

AHAC and Housing Committee members also provided insight into the needs of small businesses and especially non-profits, struggling in the wake of the pandemic, which helped inform the FHLBNY's approach to relaunching our Small Business Recovery Grant Program to provide working capital to affected businesses across the District through our members. Through this Program, FHLBNY members were able to provide grants of up to \$10,000 to qualifying small businesses and non-profit organizations that suffered a significant loss of revenue related to the pandemic. The FHLBNY experienced significant interest in the program, with



members accessing the full \$8 million allotment to provide grants to help more than 1,200 small businesses and nonprofit organizations address the challenges presented by the pandemic.

The Federal Housing Finance Agency's (FHFA) regulation on the Federal Home Loan Banks' Affordable Housing Program (AHP) went fully into effect on January 1, 2021. This regulation marks the most significant change to the AHP in its thirty-year history, and with the assistance of the AHAC and guidance from our Board, our cooperative was fully prepared to implement these changes in our own offerings. To address the regulation, the AHAC formed a pair of working groups - one focused on the AHP and another focused on our Homeownership Set-Aside Program, the Homebuyer Dream Program® (HDP). The resulting recommendations and guidance helped shape our programs to conform to the new regulations while still maintaining the flexibility to meet the ever-changing housing needs of our District.

Despite the challenges presented by the pandemic, our Community Investment team, while operating remotely, was able to launch and complete the 2020 AHP and HDP rounds.

We launched the 2020 Round of our Homebuyer Dream Program in June with \$12 million available in four installments at the beginning of June, July, August and September. But as the months went on, we continued to experience more and more demand for these grants, which our members use to provide down payment and closing cost assistance to first-time homebuyers earning at or below 80 percent of Area Median Income. With the support of our Board, we made the decision to increase the grant funding available in the final installment to \$5.25 million, raising the total 2020 Round to \$14.25 million. Together with our sunsetting First Home Club program activity, we provided \$17.8 million to more than 1,400 first-time homebuyers in 2020.

We also experienced significant activity in our 2020 AHP Round, reflecting just how vital this funding is, as our members and housing partners overcame their own remote work challenges to complete more than 100 grant applications. The 2020 AHP Round, which we announced on November 23, awarded \$38.5 million in grants to 47 affordable housing initiatives that will help create, rehabilitate or preserve more than 3,100 affordable homes.

These grants can and do make a real, tangible impact on the lives of households and families who are facing unprecedented challenges. We are grateful to the FHLBNY's Community Investment team and their counterparts at our members and housing partners for working through the challenges of remote operations and shuttered offices to get these grant dollars to projects and households without delay, helping to provide stability and security for so many across a volatile landscape.

We look forward to the leadership of María Rodríguez-Collazo, Director of Housing Programs at PathStone Corporation in Puerto Rico, and Gwen O'Shea, president and CEO of Community Development Corporation of Long Island, who take on the roles of Chair and Vice Chair of the AHAC, respectively, for 2021-2022. And the FHLBNY thanks former AHAC Chair Wayne Meyer, president of New Jersey Community Capital, whose two-year term concluded at year-end. Between preparing for the FHFA's AHP regulation and responding to the pandemic, Mr. Meyer's term as chair was certainly marked with challenges, but his leadership kept the AHAC focused on the tasks at hand.



We are also looking forward to the contributions of our two newest AHAC members – Robert Graham, Executive Director of the Virgin Islands Housing Authority, and Bakari Lee, of the law firm McManimon, Scotland & Baumann, LLC. Mr. Graham will provide firsthand insights into the housing needs and challenges of the U.S. Virgin Islands, while Mr. Lee’s work on eviction protections will help inform the AHAC and FHLBNY staff as our region faces foreclosure and eviction challenges resulting from the pandemic. Mr. Graham and Mr. Lee, whose terms both began on January 1, 2021, replace outgoing AHAC members Robert DiVincent and Daniel Martin who, through 14 years of combined service to the Council, made tremendous contributions toward our housing mission.

This past year has driven home the importance of our housing and community support programs. These programs have been strengthened and supported by the guidance and hard work of the AHAC, our Housing Committee and the FHLBNY’s Community Investment team. Our nation and our region are hurting, and these struggles will continue even as we emerge from this pandemic. Our cooperative can and will play an important role in recovery and rebuilding efforts, and we will continue to rely on the guidance and insights we receive from the Affordable Housing Advisory Council and our Housing Committee so that we are able to make the greatest impact where it is needed most. We make this impact through our members, who are committed to the communities they serve. On behalf of the AHAC and the Board of Directors, management and the staff of the FHLBNY , we thank you for the successful and meaningful partnerships described in this report, and we look forward to working with you in 2021 as our region recovers.

Sincerely,



Wayne Meyer
Chairperson
Affordable Housing Advisory Council



Richard Mroz
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

District II 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.

Table 1: FHLBNY's Community Investment Programs in 2020

	PROGRAMS	PURPOSE	USES	BENEFICIARIES	TYPES OF FUNDING	TERMS/ CONDITIONS	APPLYING
HOUSING	Affordable Housing Program (AHP)	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 \leq 80% of the AMI	Grants and/or discounted advances; up to \$40,000 per unit or \$2,500,000 per project	Competitive program; must meet regulatory guidelines, eligibility requirements, and feasibility guidelines	Competitive rounds 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 \leq 80% of the AMI	Grants up to \$15,000 per household, as determined by the member	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 \leq 115% of the AMI	Discounted advances based on volume as a ratio to total advances outstanding (excluding overnight advances)*	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 advances based on volume as a ratio to total advances outstanding (excluding overnight advances)*	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 advances based on volume as a ratio to total advances outstanding (excluding overnight advances)*	Income, geographic or small business criteria apply	Submit applications any time

*Other member limits apply.

†The Homebuyer Dream Program replaced the First Home Club in early 2019 as the FHLBNY's set-aside program for first-time homebuyers. The FHLBNY will continue to fund households already enrolled in the First Home Club.

Note: The CIP, UDA and RDA Programs are included in the Disaster Relief Funding program, 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; and made available district-wide in response to the COVID-19 pandemic in May 2020.



Affordable Housing Program

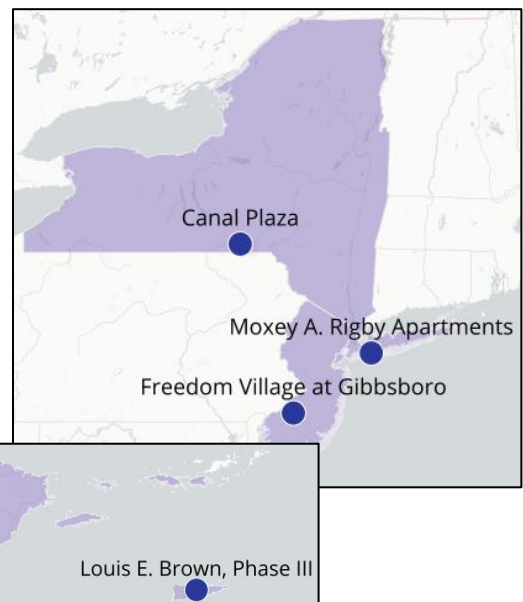
The Affordable Housing Program (AHP), created by Congress in 1989, provides subsidies to support the creation and preservation of housing for very-low, low, and moderate-income families and individuals. AHP funds are awarded to FHLBNY members that submit applications on behalf of project sponsors that 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 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 awarded approximately \$828 million in AHP grants, across over 1,900 projects, for the creation of over 94,000 units of affordable housing. These figures encompass awards to projects originally designated as alternates.

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

AHP Success Stories Across the District in 2020

In 2020, many projects in the AHP portfolio from previous program rounds achieved significant milestones. In a typical year, FHLBNY staff are proud to attend many celebration events across the district, such as ribbon-cutting and grand-opening ceremonies. These events provide opportunities to recognize the contributions of the many project partners, to learn about upcoming projects and offer technical assistance, and to conduct site visits for monitoring purposes. Although the COVID-19 pandemic brought these activities to a halt, the FHLBNY recognizes the success of the following projects:



Canal Plaza – Binghamton, New York



Photo courtesy Community Potential.

Canal Plaza, a 48-unit new construction project in Binghamton, New York, began leasing units in 2020. The project received an approximately \$400,000 commitment in the 2019 AHP round. One-fourth of the project’s units are reserved for persons diagnosed with serious mental illness. The AHP began rewarding projects that provide supportive services to special needs populations in the 2018 round, and the scoring category has been extensively utilized and proven effective at increasing the competitiveness of those projects. For the 2021 round, the scoring bonus for supportive housing will be further increased, recognizing the significant needs in the district as described in the 2021 Targeted Community Lending Plan.

	AHP AWARDS (1990-2020)	UNITS OF AFFORDABLE HOUSING	TOTAL AHP SUBSIDY AWARDED	TOTAL DEVELOPMENT COST OF AHP PROJECTS
Sponsor: Community Potential	1	48	\$427,671	\$20.6 million
Member: NBT Bank, N.A.	32	1,610	\$21.9 million	\$224.8 million

Freedom Village at Gibbsboro – Gibbsboro, New Jersey

Freedom Village at Gibbsboro completed construction in 2020. The project, which received a \$1.7 million commitment in the 2017 AHP round, involved the construction of 72 units of affordable housing for the physically disabled with 18 one-bedroom units, 36 two-bedroom units, and 18 three-bedroom units. The project’s open design and amenities will allow residents confined to wheelchairs to live independently. The project features wider doors and hallways, accessible kitchens and baths with roll-in-showers, and elevator access.



Photo courtesy Project Freedom.

	AHP AWARDS (1990-2020)	UNITS OF AFFORDABLE HOUSING	TOTAL AHP SUBSIDY AWARDED	TOTAL DEVELOPMENT COST OF AHP PROJECTS
Sponsor: Project Freedom, Inc.	9	497	\$6.1 million	\$112.5 million
Member: Investors Bank	52	2,033	\$16.9 million	\$310.3 million



Louis E. Brown, Phase III – St. Croix, U.S. Virgin Islands



Photo courtesy VIHA.

Louis E. Brown, Phase III, which received a \$1 million commitment in the 2017 AHP round, completed construction in 2020. It was just the sixth AHP award to a project in the U.S. Virgin Islands. The project is the third and final phase of the re-development of a former public housing development. This phase involved the construction of 12 buildings that contain 90 units of housing for very-low-income families. One of the two new members to join the AHAC in 2021 will be Robert Graham, the Executive Director of the Virgin Islands Housing Authority. He will advise the FHLBNY on strategies to expand the utilization of the AHP and other programs in the territory.

	AHP AWARDS (1990-2020)	UNITS OF AFFORDABLE HOUSING	TOTAL AHP SUBSIDY AWARDED	TOTAL DEVELOPMENT COST OF AHP PROJECTS
Sponsor: Virgin Islands Housing Authority	4	311	\$3.3 million	\$73.8 million
Member: Banco Popular de Puerto Rico	15	953	\$10.2 million	\$138 million

Moxey A. Rigby Apartments – Freeport, New York

The Moxey A. Rigby Apartments project is a one-to-one replacement of an existing public housing development in Freeport, Long Island, which was badly damaged by Superstorm Sandy in 2012. The project, which received a \$2 million commitment in the 2017 AHP round, completed construction in 2020. The new development is a storm-resistant building with 100-units, all for very-low-income households.



Photo courtesy Freeport Housing Authority.

	AHP AWARDS (1990-2020)	UNITS OF AFFORDABLE HOUSING	TOTAL AHP SUBSIDY AWARDED	TOTAL DEVELOPMENT COST OF AHP PROJECTS
Sponsor: Freeport Housing Authority	1	100	\$2 million	\$66.1 million
Member: Flushing Bank	3	319	\$4.8 million	\$210.6 million



AHP Awards in the 2020 Round

Table 2 below lists the 2020 AHP awards, sorted by subsidy amount within each state, and Table 3 shows the four projects that were listed as alternates.

Table 2: 2020 AHP Round - Approved Projects

PROJECT NAME	SPONSOR	MEMBER	SUBSIDY	STATE
Lakewood Commons Phase V	NJ HAND, Inc.	Amboy Bank	\$1,200,000	NJ
Concord Residences	Life Management, Inc.	Valley National Bank	\$1,062,018	NJ
Upper Saddle River Supportive Housing	Housing Development Corp./Bergen County	Freedom Bank	\$1,050,000	NJ
Little Ferry Senior Supportive Housing	Collaborative Support Prog. of NJ	BCB Community Bank	\$850,000	NJ
Gesher House	House of David Preservation, Inc.	The Westchester Bank	\$740,000	NJ
Closter Family Housing	Housing Development Corp./Bergen County	Freedom Bank	\$525,000	NJ
Brookside at the Station	BCUW/Madeline Hsg. Partners, LLC	Valley National Bank	\$520,000	NJ
My Home Home Repair Program	St. Joseph's Carpenter Society	Manufacturers and Traders Trust Company	\$431,000	NJ
Cranford Supportive Housing	Avidd Community Services of NJ, Inc.	RSI Bank	\$320,000	NJ
RAIN Foundation Supportive Housing	Essex County LGBT RAIN Foundation, Inc.	BCB Community Bank	\$275,000	NJ
Zeek Road Supportive Housing	Avidd Community Services of NJ, Inc.	Investors Bank	\$100,000	NJ
Vail Place Supportive Housing	Children's Aid and Family Services, Inc.	Investors Bank	\$100,000	NJ
Shepard Avenue Supportive Housing	Children's Aid and Family Services, Inc.	Investors Bank	\$100,000	NJ
Locust Street Supportive Housing	Children's Aid and Family Services, Inc.	Investors Bank	\$100,000	NJ
Wayne Nouvelle Supportive Housing	Nouvelle Housing Solutions, Inc.	Investors Bank	\$60,000	NJ
Kenmore Place Supportive Housing	Kenmore Place, LLC	Investors Bank	\$60,000	NJ
Betances VI Family Residences	The Bridge, Inc.	Sterling National Bank	\$2,500,000	NY
Covenant House Flagship	Covenant House	Manufacturers and Traders Trust Company	\$2,400,000	NY
90 Sands	Breaking Ground II HDFC	Sterling National Bank	\$2,000,000	NY



PROJECT NAME	SPONSOR	MEMBER	SUBSIDY	STATE
Southeast Towers	Volunteers of America of Western New York	Citibank, N.A.	\$2,000,000	NY
IDA Yarbrough Midrise (IDA IV)	Albany Housing Authority	Manufacturers and Traders Trust Company	\$2,000,000	NY
The Hart (Vital Brooklyn Site C)	CAMBA Housing Ventures, Inc.	HSBC Bank USA, National Association	\$1,750,000	NY
Jewish Federation Apartments	House of David Preservation, Inc.	The Westchester Bank	\$1,500,000	NY
Landmark Place	RUPCO, Inc.	Ulster Savings Bank	\$1,351,220	NY
The Bedford	Housing and Services, Inc.	Sterling National Bank	\$1,196,732	NY
Dunkirk Renovation and Ownership Program (DRO)	Southern Tier Environments for Living, Inc.	Evans Bank, National Association	\$1,060,212	NY
Canal Street Apartments	East House Corporation	Manufacturers and Traders Trust Company	\$1,030,447	NY
Cara House	Bethesda House of Schenectady	SEFCU	\$1,000,000	NY
Cornerstone Housing	City Mission of Schenectady	SEFCU	\$960,000	NY
178 Warburton	The Community Builders	Manufacturers and Traders Trust Company	\$738,639	NY
784 Courtlandt Manor	Community League of the Heights	Manufacturers and Traders Trust Company	\$700,000	NY
Westminster Commons	Buffalo Federation of Neighborhood Centers, Inc.	Evans Bank, National Association	\$621,969	NY
Villa House Apartments	The Doe Fund, Inc.	Apple Bank for Savings	\$600,000	NY
Harison Place	Citizen Advocates, Inc.	NBT Bank, N.A.	\$600,000	NY
Housing First 2.0	Warren Washington Assoc. Mental Health Inc.	NBT Bank, N.A.	\$555,130	NY
Hudson River Lodge Renovations	Hudson River Housing, Inc.	Manufacturers and Traders Trust Company	\$511,775	NY
Silver Lake Meadows	Wyoming County Community Action	Family First of NY Federal Credit Union	\$453,646	NY
Atlas Heights	Plattsburgh Community Housing, Inc.	NBT Bank, N.A.	\$449,400	NY
Folwell Senior Apartments	People Community Housing Development Corp.	Evans Bank, National Association	\$401,236	NY
Buffalo Neighborhood Renewal 2020	Habitat for Humanity of Buffalo, Inc.	Manufacturers and Traders Trust Company	\$300,000	NY
Homes for Heroes Veterans Apartments	Homes for Heroes	Sterling National Bank	\$280,000	NY
Flower City Habitat Homes 2020	Habitat for Humanity of Flower City	ESL Federal Credit Union	\$210,000	NY



PROJECT NAME	SPONSOR	MEMBER	SUBSIDY	STATE
Ida III Homeownership Project	Albany Community Land Trust	SEFCU	\$90,000	NY
El Zorzal Apartments	Lucha Contra El Sida, Inc.	Banco Popular de Puerto Rico	\$703,540	PR
Torrington Riverfront	Pennrose Holdings, LLC	Citibank, N.A.	\$500,000	CT
1550 First Street	United Planning Organization CDC	Citibank, N.A.	\$1,000,000	DC

Table 3: 2020 AHP Round - Approved Alternate Projects

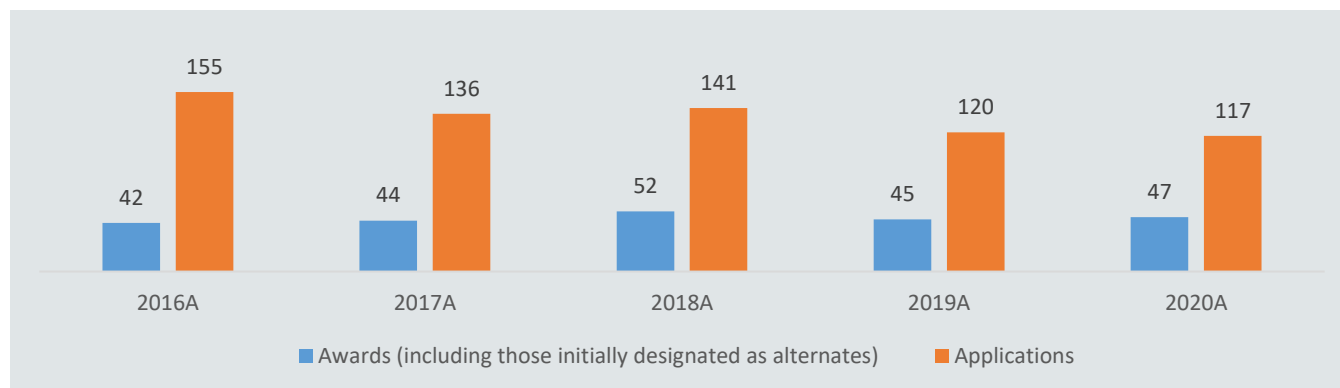
PROJECT NAME	SPONSOR	MEMBER	SUBSIDY	STATE
Warren Street Housing*	The Open Door	Glens Falls NB & Trust Company*	\$1,500,000	NY
Mt. Aaron Village	Community Hope Builders CDC Inc.	Manufacturers and Traders Trust Company	\$929,117	NY
St. Bernard's Park	St. Bernard's Housing Development Fund Co., Inc.	Manufacturers and Traders Trust Company	\$748,840	NY
Worthington La Luna Family Apartments	Metropolitan Area Advisory Committee (MAAC)	Citibank, N.A.	\$592,735	CA

*Subsequently approved for an AHP award from de-obligated and recaptured funds.

AHP Facts & Figures

Figure 1 below shows the number of AHP applications that have been submitted and approved since 2016:

Figure 1: AHP applications and awards (2016-2020)

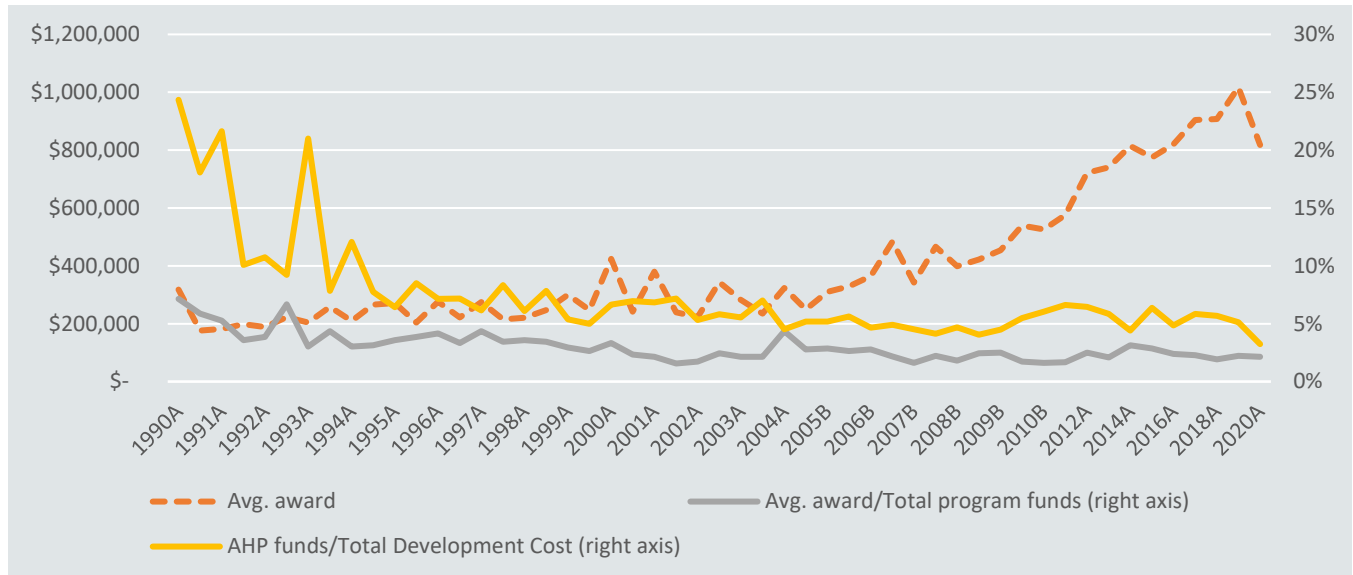


Note: Figures reflect projects designated as primary submissions and subsequent commitments to alternate projects from de-obligated or recaptured funds. Figures do not include subsequent project modifications or cancellations.



Figure 2 below shows the steep increase in the average AHP subsidy awarded in recent years. Even with the slight decrease in the 2020 AHP round, the low proportion of total project costs funded by the AHP demonstrates the value of partnerships with state housing finance agencies and other funders and the persistent need for gap financing in the industry.

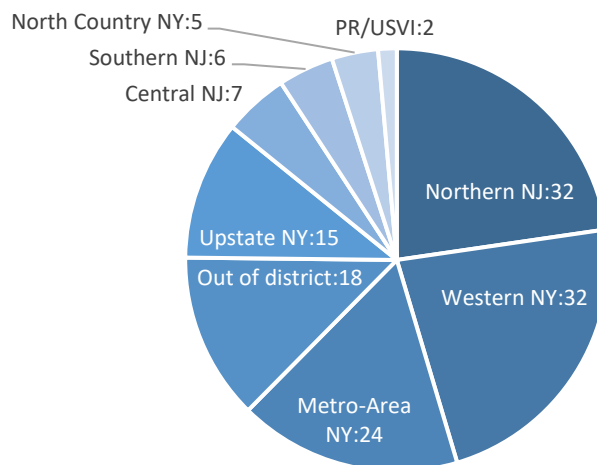
Figure 2: Growth in need for funds from AHP and all other sources



Note: Figures reflect projects designated as primary submissions and subsequent commitments to alternate projects from de-obligated or recaptured funds. Figures do not include subsequent project modifications or cancellations.

Figure 3 below shows the geographic distribution of AHP awards during the period 2018-2020. In these rounds the scoring criteria used for determining awards was consistent.

Figure 3: AHP awards by region (2018-2020)



Note: Figures reflect projects designated as primary submissions and subsequent commitments to alternate projects from de-obligated or recaptured funds. Figures do not include subsequent project modifications or cancellations.



Homebuyer Dream Program®

The Homebuyer Dream Program® (HDP), launched by the FHLBNY in 2019, supports homeownership for low- and moderate-income, first-time homebuyers. HDP is a first-come, first-served program in which members submit reservation requests on behalf of their mortgage customers who are currently under contract for their first home. When a household closes on its home purchase, the FHLBNY reimburses the member for a grant of up to \$14,500 and up to an additional \$500 to cover the cost of homeownership counseling.

This program replaced a similar program, called the First Home ClubSM, through which the FHLBNY provided up to \$7,500 in the form of matching funds based on the household's systematic savings within a dedicated savings account. The final First Home Club enrollments were accepted in March 2019, and the FHLBNY will continue funding successful enrollees through mid-2021. As of year-end 2020, the total number of active households remaining in the FHC pipeline was 544.

Since inception of the First Home Club program, the two programs together have made disbursements of grant subsidy to over 19,350 households, for a total of over \$153 million.

A New Homeowner and Her Family in the District



Ms. Calderon (center), with Valley Bank's Community Mortgage Officer Sofi Cordero (right) at the closing (courtesy Valley Bank).

One of the successful households supported by the Homebuyer Dream Program recently was that of Nova Calderon. Ms. Calderon initially enrolled in the First Home Club Program prior to the launch of HDP but transferred to the new program when she found a home, allowing her access to a higher grant amount. She received her mortgage from, and was able to access the program via, FHLBNY member Valley Bank. Ms. Calderon shared her story with the FHLBNY team:

Homeownership has been my lifelong dream. With my growing family, moving from one apartment to another every three years motivated me to find a permanent home through homeownership. In 2014, my life turned upside down when my husband suddenly passed away. I was left with five small children ranging from 18 months old to 9 years old at that time. Because of the many struggles in raising my children on my own, I decided to relocate to New York from Guam and move in with my parents together with my sister and her family. In 2018, my sister and her family decided to relocate to



California. Due to high costs and unaffordability of house rentals in New York, my other younger sister offered her home in Bloomfield, New Jersey. Knowing that our move was just temporary, I started my home search again. I researched and came across Valley Bank's First Home Club. One day, I got approved for a 3-bedroom home purchase in Lincoln Park. It was a perfect home situated right next to an elementary school where two of my children were attending. My children love the place so much because of the amenities the community has to offer such as pool and playground. The homebuying process requires a lot of research, time and patience but is truly rewarding. My family finally has a place we can call home and become a part of a welcoming community and a great town. I am forever thankful to Valley Bank and the Federal Home Loan Bank of New York for making my family's homeownership dream a reality.

FHC/HDP Facts & Figures

Table 4 below shows the number and dollar amount of household commitments each year in the First Home Club and Homebuyer Dream Program each year since 2016. In the FHC, commitments are issued when the FHLBNY confirms 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.

Table 4: FHC and HDP commitments (2016-2020)

	FHC HOUSEHOLD COMMITMENTS	HDP HOUSEHOLD COMMITMENTS	FHC GRANT FUNDS COMMITTED	HDP GRANT FUNDS COMMITTED
2016	1,701	-	\$13,518,866	\$-
2017	1,632	-	\$12,974,583	\$-
2018	1,559	-	\$12,406,381	\$-
2019	1,293	661	\$10,291,570	\$9,683,623
2020	372	1,106	\$2,948,308	\$14,848,902

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, 2020.



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 AHP and HDP, both of which are grant programs. There are three Community Lending Programs:

- 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).
- 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 area median income level.
- 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 area median income 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 programs help members meet their Community Reinvestment Act requirements.

Under the Community Lending Program 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 re-launched in January 2020 to support members lending in Puerto Rico following the earthquakes in the territory; the program was made available district-wide in May 2020 in response to the COVID-19 pandemic.

CLP Facts & Figures

The CLP remains popular with our member banks, and the staff manage the programs within the limits established by the FHLBNY's Board of Directors.

Table 5 shows program performance for each of the past three years. Note that the Rural Development Advance is infrequently used by the membership.

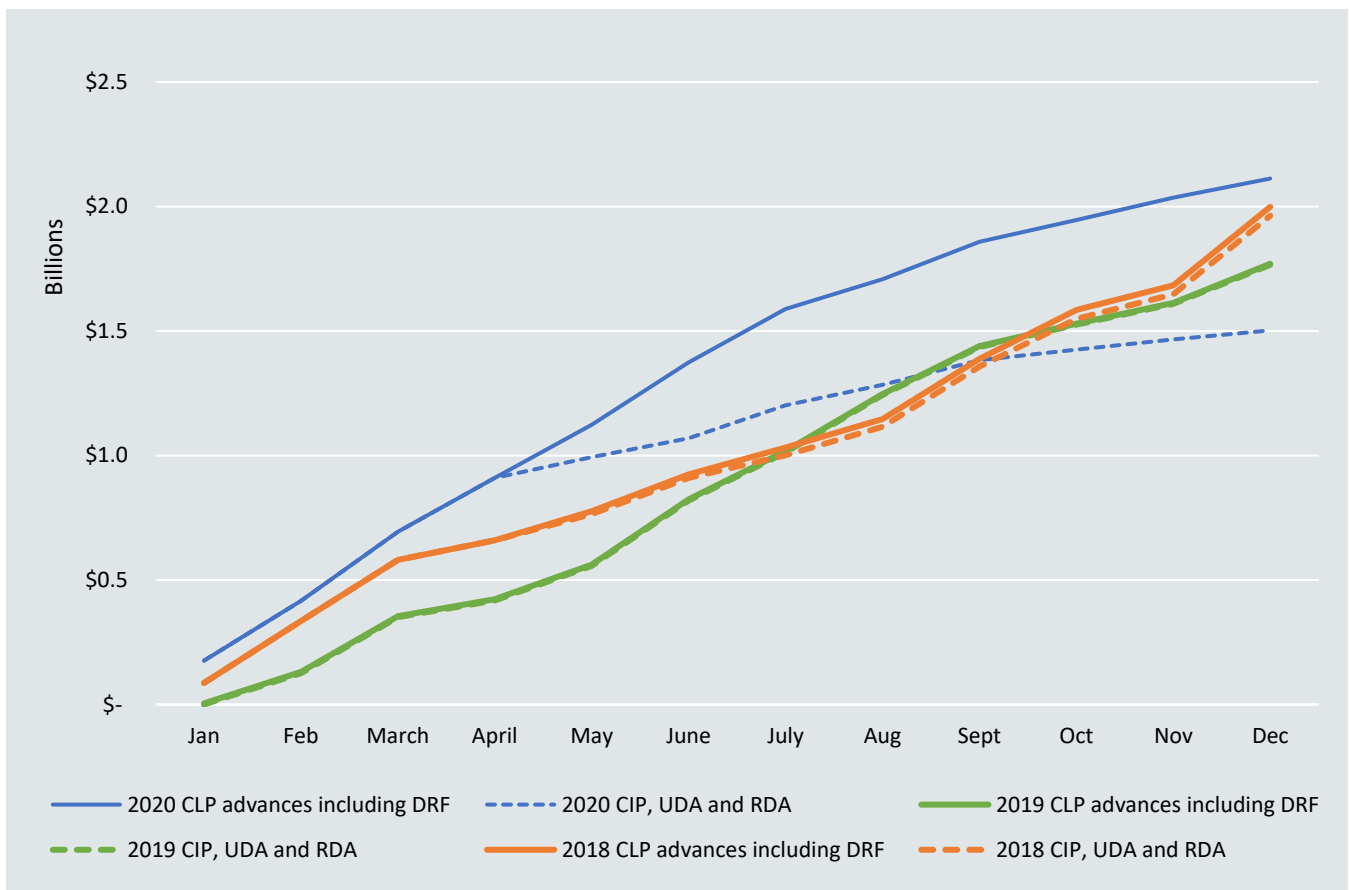


Table 5: CLP advances by program

	2018	2019	2020
Community Investment Program	\$905,104,797	\$987,987,960	\$742,515,393
Urban Development Advance	\$1,051,039,059	\$767,948,010	\$756,925,336
Rural Development Advance	\$6,710,000	\$9,821,000	\$3,150,000
Disaster Relief Funding	\$35,860,000	\$4,460,000	\$609,835,846
Total	\$1,998,713,856	\$1,770,216,970	\$2,112,426,575

In 2020, members utilized DRF advances heavily, and this activity offset a decline in the usage of CIP, UDA and RDA. Figure 4 below shows cumulative advances issued over the course of 2018, 2019 and 2020.

Figure 4: Cumulative discounted advances issued by month (2018-2020)



Data as of December 31, 2020.

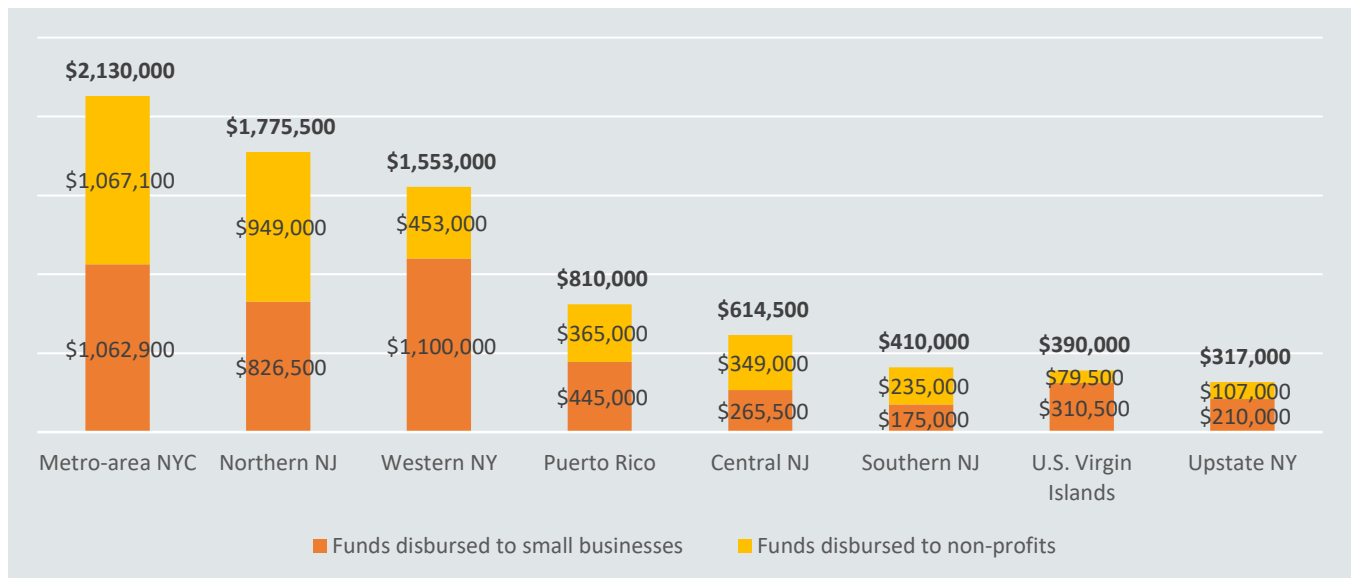


Disaster Recovery Grant Program

Given the dire situation of many small businesses in the district due to the COVID-19 pandemic, already evident early in the crisis, the FHLBNY in May 2020 re-launched the Small Business Recovery Grant (SBRG) program. Previously deployed in response to Hurricanes Irma and Maria, which struck Puerto Rico and the U.S. Virgin Islands in September 2017, the SBRG provided grants of up to \$10,000 each to eligible small businesses. Among other requirements, recipients had to document a decrease in revenue due to the pandemic. Encouraged by members of the Affordable Housing Advisory Council, who spoke to the comparable needs of non-profit organizations in a depressed environment for fundraising and revenue-generating activities, the program was also made available to non-profit organizations and a minimum of 10% of the funding for each geographic region was reserved for these groups.

In the end, FHLBNY members, which identified and qualified program recipients, disbursed a far greater share than the minimum to non-profits. The program launched with an initial allocation of \$5 million approved by the FHLBNY's Board of Directors, and the program was extended with an additional \$3 million in July. The full \$8 million in program funds were disbursed by 59 participating FHLBNY members to 750 small businesses and 486 non-profits. Figure 5 below shows how members across the district responded by selecting recipients in their areas.

Figure 5: Disbursement of SBRG funds by region



COVID-19 Grant Program Stories in 2020

Observing proper pandemic precautions, some FHLBNY members were able to present the grant funds to the program recipients in person, recognizing the important roles small businesses and non-profits play in their communities. Dime Community Bank disbursed \$200,000 across 40 entities, among them Beautiful Amore Skincare (pictured below left), a minority- and women-owned business in Brooklyn.



Above left: Community Investment Programs Officer Nina Demushkina, second from left, and Dime staff present a check to Beautiful Amore Skincare in September (photo courtesy Caroline Ourso for the Brooklyn Paper). Above right: Members 1st staff present a check to the Cumberland Cape Atlantic YMCA in July (courtesy Members 1st).

Members 1st of NJ Federal Credit Union disbursed \$140,000 across 33 entities, including the Cumberland Cape Atlantic YMCA (above right). The YMCA was closed for 168 days during the pandemic but was able to offer virtual fitness classes, educational resources and activities for youth and families, and emergency meal kits through a partnership with Y State Alliance and the Community Food Bank of NJ. The grant funds helped keep the organization afloat during this time and as it began to reopen in a limited capacity in the fall.

Puerto Rico Federal Credit Union, which became an FHLBNY member in 2020, disbursed \$100,000 in total to 10 non-profit organizations, such as children’s hospitals, an art museum and a community center. PRFCU hosted a reception for several recipient organizations in San Juan.



PRFCU Chief Executive Officer & President Jomar Martinez speaks at the reception for recipients (above left) and presents a check to Sister Norma Matar Acosta of Hogar Teresa Toda, an organization run by the Carmelite Teresas of San José to provide housing and supportive services to formerly homeless girls and young adults (above right). (Both photos courtesy PRFCU.)



Charitable Contributions

In January 2020 a series of significant earthquakes struck Puerto Rico, centered primarily in the southwest of the island. Following the disaster framework established in the wake of 2017's Hurricanes Irma and Maria, the FHLBNY made charitable contributions to organizations determined to be highly reputable and delivering vital, urgently needed services to affected communities. Donations in the amount of \$50,000 each were made to the Hispanic Federation, World Central Kitchen, the American Red Cross, and Americares. Subsequently, the FHLBNY contributed \$300,000 to a program led by PathStone Corporation to provide expert management and oversight for families who needed to repair or rebuild their damaged homes. These contributions were endorsed by the FHLBNY's Board of Directors and through its annual budget for Community Support Activities.

In response to the urgent health and economic needs exposed in the early weeks of the COVID-19 pandemic, the Board authorized a budget increase to allow for an additional set of charitable contributions, with the goal of supporting organizations providing services to homeless individuals and other at-risk populations. The members of the Affordable Housing Advisory Council played key roles in identifying relevant and meaningful recipient organizations, and in some cases organizations associated with AHAC members were best placed to utilize FHLBNY charitable funds for a given geographic region or target population.

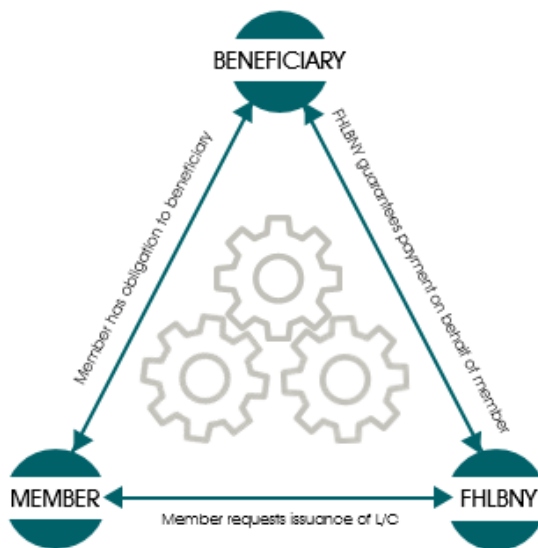
The Community Development Corporation of Long Island disbursed \$75,000 across seven organizations including food pantries and resource centers for domestic violence and child abuse; the New York State Rural Housing Coalition disbursed \$75,000 across fourteen organizations, many of them providing homeless housing services; and the Housing and Community Development Network of New Jersey disbursed \$75,000 to fourteen organizations that provide a range of services from food and shelter to personal protective equipment. Other FHLBNY contributions were made to CAMBA, an affordable housing provider in New York City with a focus on homeless housing, in the amount of \$75,000; the Gateway Family YMCA in Elizabeth, New Jersey and the YWCA of Rochester and Monroe County, each for \$50,000; the Food Bank for New York City and the United Way of Puerto Rico, also for \$50,000 each; and \$5,000 each to five organizations in the U.S. Virgin Islands: United Way, the Family Resource Center in St. Thomas, the Women's Coalition in St. Croix, My Brother's Workshop, and the Salvation Army.

These contributions totaled \$525,000, bringing the full-year charitable contributions to \$1.025 million.



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 and when certain conditions are met. A FHLBNY LOC substitutes the issuing member bank's credit for the credit of the FHLBNY. FHLBNY LOCs are AAA-rated by both Moody's Investors Service and Standard & Poor's — the leading providers of independent credit ratings. According to Moody's Investors Service, AAA-rated is judged to be the best quality and carries the smallest degree of investment risk. 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.



The FHLBNY's Irrevocable Standby LOCs provide that the FHLBNY will make payment to the LOC beneficiary in the event of a member bank's default or failure to perform under a contract or other agreement between parties.

CICA LOCs are utilized to finance lending activities that also qualify under the FHLBNY's CLPs which promote community-oriented mortgage lending. When LOCs are used for eligible housing and community development purposes, they facilitate transactions that promote home financing, housing activity, or financing of commercial and economic development.

Municipal Letters of Credit (MULOC) enable member banks to more easily attract municipal deposits as additional forms of liquidity, which help member banks to better serve their communities. In addition, the FHLBNY offers Refundable MULOCs to provide member banks with more flexibility in collateralizing municipal transaction accounts, whose balances fluctuate over time.

Other purposes for which members may routinely use LOCs include:

- Provide credit enhancements for collateral subordinated obligations or other mortgage-backed securities
- Provide credit support in the sale of whole mortgage loan portfolios
- Facilitate the beneficiary's drawing of interest payments from a bond issue
- Support tax-exempt municipal bonds



As of December 31, 2020, the FHLBNY had a total of 597 outstanding LOCs amounting to \$20.1 billion, as Table 6 below shows:

Table 6: Total outstanding Letters of Credit by type

TYPE	NUMBER OUTSTANDING	CURRENT AMOUNT OUTSTANDING
CICA Letters of Credit	1	\$10.3 million
Standby Letters of Credit	10	\$29.5 million
Municipal Letters of Credit	522	\$18.9 billion
Refundable Municipal Letters of Credit	64	\$1.1 billion



Housing Finance Agency Credit Activity and Investments

The FHLBNY looks to further its mission to advance housing opportunity and local community development through its purchase of housing finance agency bonds. These investments serve to provide liquidity to various in-district municipalities as well as provide much needed financing for the support of housing needs of our district. In 2020, market conditions were unfavorable as the richness in fixed rate offerings failed to achieve the FHLBNY's required minimum net return and the FHLBNY's moratorium on Libor based Investments precluded the FHLBNY from considering alternative floating rate assets. As such, the FHLBNY had no activity for the year.



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 Affordable Housing Advisory Council (AHAC), evaluates housing needs within the FHLBNY's district, and monitors the administration of the FHLBNY's Affordable Housing and 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 2020, Wayne T. Meyer served his second year as AHAC Chairperson; and María G. Rodríguez-Collazo served her second as Vice-Chair.



2020 Board of Directors Housing Committee

Richard Mroz (Chair)

President
New Jersey Board of Public Utilities
Trenton, New Jersey

Reverend DeForest “Buster” Soaries, Jr. (Vice-Chair)

Senior Pastor
First Baptist Church of Lincoln Gardens
Somerset, New Jersey

David Huber

President
Huber Advisory Services
Red Bank, New Jersey

Charles E. Kilbourne, III

Managing Director
Financial Services Volunteer Corps
New York, New York

Jay M. Ford

Director
Crest Savings Bank
Wildwood, New Jersey

Stephen S. Romaine

Chairman of the Board
Tompkins Trust Company
Ithaca, New York

Ángela Weyne

Former Commissioner of Insurance
Commonwealth of Puerto Rico
San Juan, Puerto Rico



2020 Affordable Housing Advisory Council

Wayne T. Meyer (Chair)

President
New Jersey Community Capital
New Brunswick, New Jersey

Staci A. Berger

President and CEO
The Housing and Community Development Network of NJ
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

Colin McKnight

Deputy Director
New York State Rural Housing Coalition
Albany, New York

Gwen O'Shea

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

Carrie Michel-Wynne

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

María G. Rodríguez-Collazo (Vice-Chair)

Director of Housing Programs
PathStone Corporation
Ponce, Puerto Rico

Krystal R. Canady

Chief Executive Officer
The Gateway Family YMCA
Elizabeth, New Jersey

Robert A. DiVincent

Executive Director
West New York Housing Authority
West New York, New Jersey

Lisa Kaseman

Regional Vice President
Conifer LLC
Rochester, New York

Retha Leno

Principal
Ladyhawk Consulting, LLC
Hogansburg, New York

Daniel Martin

Chief Executive Officer
Housing Partnership Development Corp.
New York, New York

David A. Rowe

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



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SVP, Head of Affordable Housing and
Community Investment

Theresa Marshman

Community Investment Coordinator II

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Daniel Randall

VP, Community Investment Officer

Brian Loeb

Community Investment Policy and Research Advisor

Jacob Day

Community Investment Business
Development Associate

Neela Hanuman

Bank Operations Coordinator

HOUSING PROGRAMS

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VP, Director, Affordable Housing and
Community Investment Operations

Affordable Housing Program**Jennifer Alberto**

Program Administration Manager, Officer

Kristy Seyfert

Affordable Housing Program Portfolio Manager, Officer

Nina Demushkina

Community Investment Programs Officer

Zhuo Ru (Joey) Li

Lead Affordable Housing Program Analyst

Denney Minnillo

Program Administration Analyst I

Dominique Alexander

Affordable Housing Program Analyst I

D. Matthew Breazzano

Program Administration Analyst II

Max Epstein

Affordable Housing Program Analyst II

Akil Mew

Affordable Housing Program Analyst I

Jahmila Martin

Affordable Housing Program Analyst I

Homebuyer Dream Program/First Home Club Program**Holly Kelly**

AVP, Senior Manager, First Home Club

Steven Cohen

First Home Club Lead

Glenda Gunning

Senior First Home Club Analyst

Juan Esala

First Home Club Analyst I

Alfred Tuason

First Home Club Analyst I

Zenaida Quinones

First Home Club Analyst II

