



Q&A About COVID-19's Impact on the 2020 Affordable Housing Program Funding Round

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FHLBank Pittsburgh (FHLBank) is closely monitoring the evolution of the COVID-19 pandemic and its impact on the market. As questions related to COVID-19 and the Affordable Housing Program (AHP) funding round are received, FHLBank will issue responses and share them with our members and affordable housing developers. Below is a summary of the questions and answers we have addressed to date.

1. Regarding the Major Disaster Declaration Area scoring component (within Community Stability category), with the declaration of full states as COVID-19 disaster areas, it looks like nearly every application may be eligible for these points. Is FHLBank Pittsburgh considering any modifications to this category or providing any other guidance?

FHLBank will not accept COVID-19 as an eligible Major Disaster Declaration Area as it would not distinguish applications from each other. If the project is located in an alternative major disaster area, as determined by Federal Emergency Management Agency (FEMA), and meets the requirements as outlined in the AHP Implementation Plan, FHLBank will consider the application for the three points under Community Stability for Major Disaster Declaration Area.

2. Has FHLBank Pittsburgh made any changes to the application process due to COVID-19?

On April 24, 2020, FHLBank's Board of Directors approved a change to the AHP Implementation Plan to address operational challenges expected to be faced by sponsors applying for AHP funds in the 2020 funding round. Specifically, it was acknowledged that it may be difficult for sponsors to secure some third-party signatures on forms required to certify compliance with AHP scoring categories. Therefore, a change was made to the AHP Implementation Plan to accept signatures on certain application forms from an attorney or one of the sponsor's executives in lieu of a third party. Sponsors will still be required to provide all other supporting document to demonstrate scoring compliance. Sponsors will also be required to secure all third-party signatures to validate all scoring categories during the funding round or prior to disbursing funds to projects receiving an AHP award. See page 32 of the AHP Implementation Plan for details.

3. The funding sources that are part of the project's development budget have had delays in processing by various funders. The commitment will occur after FHLBank's August 11 due date. Is there any consideration for an exception?

FHLBank Pittsburgh (FHLBank) has granted an extension for submitting funding commitment documentation (Commitment Letters) from any funding source, as outlined in the AHP Implementation Plan, related to 2020 Affordable Housing Program (AHP) applications. This change is in response to COVID-19-related issues that may have delayed financial awards/commitments by housing project funders. Funding Commitment Letters listed in a 2020 AHP applicant's Sources of Funds Financial Feasibility Workbook must be submitted to FHLBank by 5 p.m. Eastern on Friday, Sept. 4, 2020. The deadline for 2020 AHP applications remains 5 p.m. Eastern on Tuesday, Aug. 11, 2020, and all funding commitment letters available at that time should be submitted with the application.

AHP applicants who submit Commitment Letter(s) after their 2020 AHP applications (i.e., after Aug. 11), must email such Commitment Letter(s) to ahp@fhlb-pgh.com by Sept. 4 at 5 p.m. The email must include the AHP application name and number that each Commitment Letter supports in order for the Commitment Letter to be considered by FHLBank. In addition, applicants must be sure that the source(s) of funds listed in the Feasibility Workbook are specific, not a general reference to a source. Commitment Letters provided for sources not listed in the Feasibility Workbook at the time of application will not be considered.

Applicants should refer to page 45 of the AHP Implementation Plan for all other information on funding commitment documentation. FHLBank will still complete a full review of the Commitment Letter(s). All other documentation referenced in the Implementation Plan should be included in the AHP Online application, which must be in "member approved" status by the Aug. 11 due date – no other extensions for additional application documentation will be granted.

UPDATE: To complete the AHP Online application, applicants reasonably expecting Commitment Letters by Sept. 4, which confirm project funding, should answer funding commitment questions as though funding has been committed and Commitment Letters are already received. This process should only be followed for funding commitments for which applicants expect to provide Commitment Letters by the Sept. 4 deadline.

There are no further deadline extensions on any additional documentation in the 2020 AHP application. AHP applications must be in the "member approved" status by 5 p.m. Eastern on Tuesday, Aug. 11, 2020, to be considered by FHLBank.

4. Can project points be awarded for "promotion of empowerment" if online workshops are offered in lieu of face-to-face workshops?

Unless the empowerment activity (i.e., empowerment technique) requires face-to-face interaction (such as Daycare Services, Transportation and/or Youth or After-School Programs), online workshops can be considered eligible to provide the committed empowerment services to the project, provided that the online workshops meet the empowerment technique definitions within FHLBank's AHP Implementation Plan.

5. Regarding the Plan Consistency technique within the Community Stability category, my project's location has a municipal five-year plan that runs through the end of June 2020, and the new consolidated plan has not yet been approved. Since the new plan's approval has potentially been delayed due to COVID-19, would the plan that is no longer in effect (as of the application due date) be acceptable for making the case for consistency with a community plan?

Since the five-year plan will no longer be in effect as of the application due date, the plan would not be considered eligible for community stability points under FHLBank's AHP Implementation Plan. Therefore, no deviation will be accepted.

6. Will FHLBank accept digital signatures from third parties on AHP forms due to COVID-19?

As provided in the AHP Implementation Plan, where a signature is required, FHLBank accept either a wet signature or an electronic signature (which includes a digital signature) on AHP forms.