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April 25, 2006

Federal Housing Finance Board
1625 Eye Street, N.W.
Washington, DC 20006
ATTENTION: Public Comments

Subject: Federal Housing Finance Board. Proposed Rule: Affordable Housing Program Amendments. RIN Number 3069-AB26. Docket Number 2005-23

To the Federal Housing Finance Board:

The Delaware State Housing Authority (DSHA) is pleased to provide comments to the Federal Housing Finance Board ("Finance Board") on the proposed rule referenced above.

DSHA believes strongly in the importance of the Affordable Housing Program ("AHP") as a valuable financing tool in developing housing for low-income people in Delaware. In the past five years, Delaware has received over \$3 million in Affordable Housing Program Grants which credited 362 affordable units and leveraged in excess of \$13 million dollars.

DSHA also supports the Federal Home Loan Banks ("FHLBanks") additional flexibility in administering the AHP. As DSHA is involved with the administration of HUD and Department of Treasury funding programs, having regulatory terms consistent with current AHP practice is extremely helpful. Such consistency makes it easier for practitioners to process and communicate AHP program requirements.

Further, while we support the technical changes included in the proposed rule, we do believe that the Finance Board should consider additional changes to the scoring system to allow the FHLBanks flexibility consistent with the requirements of the FHLBank Act. The Finance Board should proscribe a scoring system that only goes as far as the statute requires. All other scoring discretion should be given to the FHLBanks to allow each Bank to set its own priorities after weighing its district's needs. This will enable the Banks to maximize their cooperation and participation with other public programs in affordable housing.

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We believe that such flexibility in scoring could strengthen the AHP to serve a wider range of needs and may allow requests for affordable housing preservation and workforce housing activities, which are critical needs in Delaware to be more competitive.

Given the energy crisis in this country, we applaud the inclusion of a threshold for energy efficiency. About three years ago, DSHA revised all its programs to include energy efficiency requirements. We look forward to working with FHLB to develop zero-energy homes in Delaware.

DSHA thanks the Finance Board for its efforts in revising the AHP regulation and granting us the opportunity to provide comments on the proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandra R. Johnson", written over a printed name and title.

Sandra R. Johnson

Director, Delaware State Housing Authority

CC: Mr. John J. Bendel, Federal Home Loan Bank of Pittsburgh