

AFFORDABLE HOUSING ADVISORY COUNCIL

2012 Operating Charter

Board Approved, January 19, 2012



FEDERAL HOME LOAN BANK OF INDIANAPOLIS

Building Partnerships. Serving Communities.

Affordable Housing Advisory Council
Of The Federal Home Loan Bank of Indianapolis
Board Reviewed and Approved January 19, 2012

Section 1291.4 of the AHP regulation governs the operation of the FHLBI Affordable Housing Advisory Council (Council). It is comprised of twelve members to ensure a broad range of geographic representation and experiences in affordable housing and community economic development.

The following operating guidelines shall be followed by the Council and by the FHLBI in relationship to the activities of the Council.

Nomination and Selection Process (§1291.4(a))

Advisory Council nominees must be persons who reside in the Bank's District (Indiana or Michigan) and are drawn from community and not-for-profit organizations that are actively involved in providing or promoting low- and moderate-income housing, and community and not-for-profit organizations that are actively involved in providing or promoting community lending, in the District.

Requests for nominations of qualified individuals for the Council shall be made periodically to the Board of Directors (Board) and in the publications of the FHLBI. Nominations or expressions of interest by prospective members of the Council shall be accepted on an ongoing basis. In order to make the process as broad and participatory as possible, these nominations may be submitted by members, community organizations, or any other interested parties. The nominations shall be reviewed by FHLBI staff and the Board. FHLBI staff and the Council may make independent recommendations to the Board for positions to be filled. The Board shall appoint Council members based upon the recommendation of the Affordable Housing Committee of the Board (Committee).

Council Term (§1291.4(b))

Council members shall be appointed by the Board to serve three-year terms, and such terms shall be staggered to provide continuity in experience and service to the Council. As a matter of Board policy, Council members shall be allowed to serve only two consecutive terms, but may be reappointed following a minimum absence of three years. A Council member appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office. Beginning in 2005, appointments to the Council may be made for a term less than three years in order to accomplish the staggering of Council positions in accordance with Regulation §1291.4.

Resignation

- Any member of the Council may resign at any time by sending a written notice of such resignation to the FHLBI. Unless otherwise specified, such resignation shall take effect upon receipt by the FHLBI.
- More than two consecutive absences from meetings of the Council may constitute a resignation, effective when such resignation is declared by the Council Chair and reported to the Board.
- If a Council member is more than 90 days late in providing complete monitoring reporting to the FHLBI on projects the Council member (or his or her sponsoring organization) is under contract with the FHLBI to provide, the Council member is hereby automatically removed from the Council.
- In the event of a vacancy in any position on the Council, the Board shall fill the vacancy through the appointment process.

Selection of Officers (§1291.4(c))

The Council members shall nominate and elect, either by vote or consensus, representatives to serve as Chair and Vice Chair of the Council with results of said elections to be reported to the Committee. The Committee shall report the elections to the Board.

- Duties of the Council Chair include, but are not limited to, co-chairing, along with the Committee Chair, the Council and Committee joint meetings; chairing independent Council meetings; and representing the Council at System-wide Council Chair meetings.
- Duties of the Vice Chair are, when the Chair is unable to participate, to act as chair of Council meetings, and to represent the Council at System functions.

Duties (§1291.4(d))

The purpose of the Council, as in 12 U.S.C. §1430(j)(11) is to meet quarterly with representatives of the Board of the FHLBI to advise the FHLBI on low- and moderate-income housing programs and housing needs in the district (Indiana and Michigan). Section 1291.4(f) (1) also states that representatives of the Board shall obtain the Council's advice on ways in which the FHLBI can better carry out its housing finance and community investment mission, including, but not limited to, advice on the low- and moderate-income housing and community investment programs and needs in the district, and on the use of AHP subsidies, FHLBI advances, and other FHLBI credit products for these purposes. The Council's advice shall include recommendations on:

- The amount of AHP subsidies to be allocated to the FHLBI's competitive application and homeownership initiatives programs.
- The scoring criteria, related definitions and any additional optional district eligibility requirements for the competitive program.
- The eligibility requirements and any priority criteria for any homeownership initiatives programs.

Independent Director Election (§1261.6(d)(2))

The FHLBI board of directors shall consult with the Council before nominating any individual for any independent directorship.

Summary of AHP Applications

The FHLBI shall comply with requests from the Council for summary information regarding AHP applications from prior funding rounds.

Annual analysis; public access

Each Council annually shall submit to the Federal Housing Finance Agency (FHFA) by May 1 its analysis of the low- and moderate-income housing and community lending activity of the FHLBI.

Expenses (§1291.4(e))

Council members shall be paid \$250.00 plus travel expenses, including reasonable transportation, subsistence, and incidental expenses for attending meetings scheduled by the FHLBI with the Committee; for meetings requested by the FHFA; or to represent the FHLBI at public events as requested by the FHLBI staff.

Scheduling and Notice of Meetings (§1291.4(d)(1)(i))

The Council shall, at a minimum, meet quarterly with the Committee. These meetings shall typically be held on the first day of the regularly scheduled Board meeting. Meeting formats can be face-to-face or teleconference.

Meeting Minutes

The minutes of all Council meetings shall be taken and maintained by the FHLBI's Community Investment Officer (CIO) or other designated staff. The full minutes shall be retained in the same manner as Board minutes. The minutes of such meetings shall be made available to those outside the Council at the discretion of the Council.

Council Code of Conduct (§1291.10(b)(1))

The Council shall be subject to the FHLBI's code of conduct for directors, officers, and employees.

Restricted Activities of Members of the Affordable Housing Advisory Council

In order to avoid a potential conflict of interest, a Council member shall not participate in or attempt to influence any decision to be made by the FHLBI regarding the evaluation, approval, funding, monitoring or any remedial process for any project that is the subject of a pending or approved FHLBI AHP, CIP or CICA program application or modification, if such Council member or any Council member's immediate family member has a financial interest in, or is a director, officer or employee of an organization involved in the project. In addition, the member of the Council must not:

- Attempt to influence FHLBI staff in its evaluation, approval or review of such application;
- Lobby against competing projects; or
- Use FHLBI information about the FHLBI's AHP, CIP or CICA programs that is generally unavailable to other institutions submitting applications in order to provide the organization with which the employee, director or Council member is involved or has an interest with additional technical assistance in completing its applications.

Role of the Community Investment Department (§1291.4(f)(2))

The Community Investment Department of the FHLBI shall

- Schedule and organize meetings of the Council;
- Provide staff support to the Council as needed;
- Serve as the public spokesperson for the Council, providing all media relations support as required;
- Provide reports to the Council on the community investment activities of the FHLBI and summaries of AHP applications from prior funding periods (§1291.4(f) (2)).