



Federal Housing Finance Agency

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Roundtable Recap: FHLBank Support for Affordable Housing and Community Development in Financially Vulnerable Communities

Chicago, IL | November 17, 2022

This *FHLBank System at 100: Focusing on the Future* regional roundtable brought together stakeholders in Chicago, Illinois to discuss FHLBank support for affordable housing and community development in financially vulnerable communities. Participants described challenges in their communities and expressed an urgency with which action should be taken. While acknowledging the value of the current FHLBank programs and products, participants expressed interest in increasing the FHLBanks' support for the many funding gaps in neighborhoods they serve -- not just for affordable housing but also for community development.

Participants stressed the need for patient, long-term capital, and capital for entrepreneurship, including for small businesses owned by people of color. They shared the importance in building generational wealth through homeownership and mentioned opportunities to assist small multi-family properties and higher income households (up to 120 percent of area median income). Participants stressed looking beyond qualified census tracts and creating opportunities for those historically left behind. Also, participants encouraged streamlining application and compliance requirements for FHLBank programs, especially for smaller organizations requesting more limited funding.

Participants proposed reassessing access and increasing FHLBank support of CDFIs, and specifically recommended reviewing CDFI collateral eligibility and haircuts and other barriers to CDFI participation. Participants offered ideas for programs responsive to CDFI needs, such as a loan loss reserve fund to generate secondary market access and attract other investment, and also suggested providing capital to CDFIs and allowing them to build programs responsive to their communities' needs.

In conjunction with the Chicago roundtable, FHFA staff participated in site visits hosted by Community Investment Corporation (CIC) and Neighborhood Housing Services (NHS) Chicago. CIC is a CDFI that provides financing for the acquisition, rehabilitation, and preservation of affordable



Photo courtesy of Community Investment Corporation (CIC)



Photo courtesy of CIC

rental housing in Chicago neighborhoods and suburban communities. NHS Chicago is a nonprofit organization that helps middle-class and working-class families purchase and maintain their own homes. Staff visited CIC-financed properties in the Grand Boulevard and Washington Park neighborhoods, and NHS Chicago-supported properties in the Woodlawn neighborhood, all on the Chicago's South Side.

FHFA prepared this roundtable recap to summarize key discussion points. Please [visit the website](#) to view the full roundtable transcript and video recording.