



Federal Housing Finance Agency

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Roundtable Recap: Affordable Housing and Community Development in Rural and Underserved Communities

Athens, OH | February 27, 2023

Participants in this *FHLBank System at 100: Focusing on the Future* roundtable included housing and community development advocates and practitioners with extensive knowledge of the housing finance and community support needs within Middle Appalachia. When sharing challenges faced by rural communities they work in, participants mentioned infrastructure issues, low housing inventory, access to services, substandard housing, and cost-burdened families. Rural communities also have been adversely impacted significantly by the opiate crisis.

With the limited supply of affordable housing, it was mentioned that, in rural communities, there are more employed people experiencing homelessness than ever before. Further, aging populations in rural communities on fixed incomes are not able to keep up with rising taxes and home repairs. An observation was offered that the market is driven to serving people at the highest price point, so there is a critical need to think about how to incentivize development of housing and support for those at the other end of the spectrum.

The participants spoke favorably about access to capital and program offerings provided by the FHLBanks. A common theme throughout the discussion was the need for flexible funding to be responsive to community needs. A participant offered that increasing communication and awareness of the FHLBanks' programs and how to access and leverage those programs would benefit members and communities in addressing rural housing and economic development needs. Participants mentioned barriers in accessing FHLBank products and services such as the administrative burdens of Affordable Housing Program (AHP) and a zero tolerance for risk.

Considerations offered going forward included increasing the AHP annual required contribution, expanding letters of credit authority, offering loan guarantees, and funding workforce initiatives. A suggestion was made to review FHLBank mortgage purchase program for rural mortgages with acreage. Participants also noted differential treatment of CDFIs by FHLBanks due to the markets and customers they serve and suggested that CDFIs should be looked at under a different lens which includes the asset class and portfolio performance. Finally, participants encouraged the FHLBanks to provide flexible investments, explore use of pilot programs, and establish measurable targets for how a FHLBank invests in rural communities.

In conjunction with the Athens, OH roundtable, FHFA staff participated in a site visit hosted by the Washington County Department of Job and Family Services Agency. The site visit featured a visit to the future site of Buckeye Fields Senior Apartments, which will be an affordable independent living facility for older adults in rural Ohio.

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