Pursuant to 12 C.F.R. Sections 1290.6 and 1292.4, the Federal Home Loan Bank of Chicago (the “Bank”) presents its 2015 Community Lending Plan (the “Plan”) for the Bank’s district, which is composed of the states of Illinois and Wisconsin (the “District”).

In 2014, the District’s housing market continued to strengthen and saw a sustained decline in the unemployment rate. The Bank’s Community Investment management and staff made numerous visits to members, sponsors, and other stakeholders across the district, and offered personalized technical assistance to support participation in the Community Investment programs. In addition, the Community Investment staff offered training and webinars for its grant programs, and in November the Bank co-hosted a Regional Housing Forum for the first time. Over the past year, staff has continued to make progress on the goal of creating more efficient internal systems to support growing interest in the Bank’s programs. New functionalities in AHP Online were rolled out and staff updated policies and procedures for Community Investment programs to fit the new system. Also, the Bank's Community First™ Fund, which is managed by Community Investment, funded its first partner in June. Finally, the Bank continues to address a challenging market by furthering its mission of supporting community investment.

The 2015 Plan consists of four parts: Part I - Mission; Part II - Market Research, Analysis and District Needs; Part III - Initiatives and Goals for 2015; and Part IV - Community Support.

I. Mission

The mission of the FHLB Chicago is to partner with its member shareholders in Illinois and Wisconsin to provide them with competitively priced funding, a reasonable return on their investment in the Bank, and support for community investment activities.

The Bank is focused on building a member-focused Bank by enhancing service to its members and increasing their utilization of its products and services. In response, and in support of the Bank’s mission, the Community Investment Group has collaborated with the Bank’s Members & Markets Group to increase outreach to members and public and community organizations. The Bank will continue to expand its outreach efforts in 2015. By expanding its outreach, the Bank aims to (1) increase the visibility and understanding of Community Investment programs among its members and the District’s communities as a whole, (2) broaden utilization of its programs, and (3) establish strategic partnerships with community organizations that help to further the Bank’s housing and economic development missions. From these accomplishments, the Bank expects to also achieve a deeper understanding of market conditions and District needs.

II. Market Research, Analysis and District Needs

The Bank will continue to monitor the current market conditions of its District and assess unmet credit needs and opportunities for community lending and affordable housing.

To remain relevant to the community development field and to ensure Community Investment programs are responsive to District needs, the Bank will consult with its Board of Directors, Community Investment Advisory Council, members, and public and private community
development organizations to identify District needs and to propose strategic actions and initiatives for its community lending and affordable housing programs. Community Investment staff will reference primary and secondary resources, and leverage the expertise of housing finance agencies and community development organizations, and will attend and participate in relevant workshops and conferences. Program users, both members and community organizations, will be solicited for feedback on their experience and satisfaction with the Bank’s programs and services. On-going research and outreach with members, partners, and communities will enable the Bank to develop and offer programs that support District needs.

**National Legislation**
In September, a Continuing Resolution was passed to fund the federal government at Fiscal Year (FY) 2014 levels through December 11th. After the election, Congress will return to debate the final FY15 budget. Many of HUD’s programs received an increase in funding in FY14, after significant budget cuts due to sequestration in 2013. HUD’s largest programs, tenant-based and project-based rental assistance, saw an increase of $2.2 billion from their 2013 levels. The minimum 9% credit floor for the Low Income Housing Tax Credit (“LIHTC”) program, which expired at the end of 2013, has not been extended despite advocates’ efforts to get one approved.

Freddie Mac has closed its first deal on its new initiative, the Tax Exempt Loan Program. The program, which securitizes tax exempt loans, aims to reduce closing costs on bond-financed multifamily housing and shift risks from taxpayers to private investors. Freddie Mac executives stated that the program will be particularly attractive to developments financed with 4% low income housing tax credits.

**National Market Trends**
The overall national economy continued to expand during 2014 as most Federal Reserve Bank Districts reported growth in consumer spending, service sector activity, and lending. The September issue of the Federal Reserve’s Beige Book reported mixed performance in residential real estate activity, although it largely continued to improve. The markets for condos and apartment rentals remained particularly strong in 2014, as did multifamily construction. Since 2009, LIHTC demand has continue to improve, reaching all-time highs and the average tax credit price returning to pre-recession levels.

Multifamily construction has outperformed the single-family market since 2011; however, low inventory and increased sales activity have led to amplified bargaining power for single-family home sellers. This bargaining power, coupled with higher interest rates, has led to higher sales values across the country according to the State of the Nation’s Housing 2014 and Out of Reach 2014. Homeownership rates still lag and can be partially attributed to higher sales values, tight credit restrictions, and high student loan debt, which are all seen as deterrents to homeownership. Exacerbating the issue of low homeownership rates, which have declined to 1995 levels, investors have continued to purchase potential starter homes that are typically attractive to first-time or new homebuyers, converting them into rentals.

Nationally, the total number of vacant units declined by 4.2% between the first quarter of 2010 and the first quarter of 2014. This has led to sustained price and rent increases, but at the expense of affordability in the short-term, according to Freddie Mac. The State of the Nation’s Housing 2014 reports that there are still an alarming number of cost-burdened renters (those paying more than 30% of household income on housing, including utilities). More than half of renters met this definition in 2011. Of those, 28% are considered extremely cost burdened as they are spending
more than half of their income on housing. While the number of cost-burdened homeowners continues to decline, the percentage is still above 2000 levels.

**District Market Trends**

According to the 2014 *Beige Books*, the Seventh Federal Reserve District, which includes the Bank’s District states of Illinois and Wisconsin, has seen moderate growth in economic activity through 2014 after a slow first quarter due to severe weather. The economic recovery in the District has been slower than expected, but there is a general optimistic outlook for 2015.

Illinois has seen a 14% decrease in foreclosures since August of 2013, while Wisconsin has seen a 23% decrease, and both states have seen a modest increase in median sales prices according to RealtyTrac.com. As of August 2014, Illinois still had a foreclosure rate above the national rate, with an estimated one in every 842 housing units in Illinois in some stage of the foreclosure process, compared to one in every 1,126 housing units nationwide and one in every 1,233 housing units in Wisconsin. The Federal Housing Finance Agency’s (“FHFA”) Housing Price Index shows increasing home prices in the District since 2013 (see graph below), aside from a 0.14% decrease in Illinois in the first quarter of 2014.

![Percent Change in Quarterly Housing Price Index, 2000 – 2014](source: Federal Housing Finance Agency)

Building permit data from HUD shows that both the multifamily and single-family sectors have improved since hitting their lowest levels in 2009 and 2011, respectively. The *State of the Nation’s Housing Report 2014* states that nationally, multifamily construction has outperformed single-family since 2011, however that has not been the case in the Seventh District, where both Illinois and Wisconsin have seen a sharp rise in single-family permits since 2012, and that number has continued to increase at higher rates than multifamily (see graphs below). While the District has seen substantial improvement, the *Illinois Commission on Government Forecasting and Accountability’s June 2014 briefing notes* that housing sales and prices in Illinois continue to rise, yet permits for single-family housing mirror national trends, seeing an increase of only 1.6% from a year ago. The Federal Reserve *Beige Book* reports that most of this increased activity in construction and real estate in the Seventh District has been concentrated in high-income urban areas.
Nationally the unemployment rate continues to decline after peaking in February of 2010 at 11.3%; a similar trend has been seen in the District (see graph below). Unemployment in Illinois remained elevated through 2013, although it dropped dramatically to 6.8% in July 2014; 2.4% lower than in July 2013. Wisconsin has seen more modest improvements in unemployment when compared to Illinois, and Wisconsin’s unemployment rate is still consistently below national levels. Although unemployment in the District is declining, the poverty rate remains high. According to the American Community Survey 1-Year Estimates for 2013, the poverty rate for all people in the District remains virtually unchanged since 2011 at 14.3%, and while Illinois has seen a slight decline during that time period, Wisconsin’s poverty rate actually increased in 2013 to 13.5%. An estimated 45% of renting households in the District are considered cost burdened, and while this number is declining, it still remains well above pre-recession levels.

The Illinois Housing Development Authority’s (IHDA) 2014 Annual Comprehensive Housing Plan identified several focus areas that outlined Illinois’ priorities, including continuing to revitalize communities impacted by foreclosures, increasing homeownership, and capacity building efforts. Permanent supportive housing is once again stressed in the annual plan as state institutions are closed in favor of integrating special needs populations into community-based living facilities. IHDA has also prioritized job creation by providing subsidies to housing developments near job centers and transportation. The Wisconsin Housing and Economic Development Authority’s 2015-2016 Qualified Allocation Plan (“QAP”) reflects many of these same efforts, including prioritizing the preservation of existing affordable rental housing, creating supportive housing, and developing housing near employment centers.
The market trends in the District suggest that the region continues to make gains in its recovery from the 2008 recession. Key trends include:

- A continued recovery in the single-family housing market that has slowed in the past year and may not be widespread. Additionally, homeownership rates are lagging;
- Elevated foreclosure rates in Illinois;
- A strong multifamily market has made an affordability crisis in the District where an estimated 1,078,880 renters are spending more than 30% of their household income on rent;
- Employment continues to show modest improvements, but Illinois lags behind the nation;
- A continued need for the preservation of existing affordable units and development of supportive housing has been stressed by both state housing authorities.

III. Initiatives and Goals for 2015

The Bank continues to support the following strategic goals:

- Building a member-focused Bank, which involves all areas of the Bank coming together to deliver excellent products and services to its members;
  - Increase the value proposition for members by building new relationships with members, expanding training, and using market research to inform development and expansion of programs;
  - Efficiently deliver products and services to members and sponsors using new systems and processes, better articulate policies and program guidelines, and leverage expertise;
  - Conduct business operations in a more efficient and cost effective manner by building and implementing a strategic reporting framework and program systems.
- Building the MPF business, which is rapidly becoming accepted by most of the other FHLBanks as the mortgage aggregation platform for the System; and
- Using Community Investment’s programs and outreach to support the strategic goals and address market needs through:
  - Prioritizing projects that address market needs by awarding points in the Competitive Affordable Housing Program for the following activities:
    - Elimination of blight through the development of foreclosed and vacant properties and infill sites;
    - Return of vacant and foreclosed properties to productive use through rehabilitation of single-family properties for both ownership and rental uses;
    - Supporting homeownership;
    - Preservation of existing housing, both rental and owner-occupied;
    - Development and preservation of permanent supportive housing; and
  - Supporting job creation by facilitating investment in small businesses through its various community lending programs.

These goals are described in more detail as they pertain to the following initiatives.
A. Community Lending Programs

1. Community First™ Fund (“Fund”)

In January of 2012, the Bank began the planning phase for a new revolving loan fund, which has been charged with the mission of providing access to capital that supports meeting economic development and affordable housing needs in communities within Illinois and Wisconsin. In June of 2014, the Community First™ Fund was formally implemented with the closing of its first loan. The Fund will assist communities experiencing the challenge of market conditions that have resulted in an unstable housing market and loss of jobs. It is intended to provide opportunities to support housing markets, business development, and expansion that will result in more vital, sustainable communities.

The strategy for the Fund is to provide capital financing to community development intermediary organizations (“Partners”) through longer term, unsecured loans. The Bank will use the Fund to provide flexible financing solutions to Partners that, in turn, finance or invest in affordable housing, commercial real estate, community facilities, or businesses. This strategy leverages the expertise and deep knowledge of Partners working in, and with, the diverse communities in the District. Partners may include community development financial institutions, community development loan funds, or state housing finance agencies. Community development intermediary organizations working at the regional and national levels, which have a footprint in the District, may also be eligible. Member involvement will be a critical objective, but not necessarily a determining factor. Geographic distribution will also be weighed, although the Bank will put greater emphasis on need and impact.

The Fund’s critical objectives are to maximize community impact, achieve a member nexus, support Partner and member opportunities in rural, urban, and suburban areas, and promote the Fund’s impact and achievements to the Bank’s members and the communities they serve.

The Bank began the evaluation and selection of Partners through a request for information in the fall of 2012. This was followed by a request for proposal in the spring of 2013. Proposals were reviewed throughout 2013 and 2014. This included the underwriting and eventual funding of the first loan Partner in June 2014. The continued pace of program implementation, partner selection, underwriting, and funding will be governed by safety and soundness.

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<th>2015 Fund Goals</th>
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<tr>
<td>Qualitative</td>
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<tr>
<td>1. Complete loan commitments governed by safety and soundness.</td>
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<tr>
<td>2. Continue updating and evaluating remaining proposals and disburse a portion of the funds on a rolling basis.</td>
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<tr>
<td>3. Establish reporting on performance of individual funded Partners and on the Fund's critical objectives.</td>
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</tbody>
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2. **Community Investment Cash Advances (“CICA”) and Letters of Credit Program**

The CICA program offers discounted advances and standby letters of credit to fund affordable housing development for low- and moderate-income households, and to help develop and revitalize communities. As a result of the discount, the member and its customer may realize an interest rate savings that lowers the overall cost of the transaction.

While authority over the CICA program remains with Community Investment, in 2014, eligibility review was transitioned to the Member Trade Desk (for advances) and Member Support Desk (for letters of credit). CICA application final review and approval is maintained by Community Investment. This has reduced the number of contact points for members to apply for and obtain an advance or letter of credit.

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<th>2015 CICA Goals</th>
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<td><strong>Qualitative</strong></td>
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<tr>
<td>1. Update CICA policy and procedures.</td>
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<td>2. Explore opportunities to establish targeted CICA advance or grant programs.</td>
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<tr>
<td>3. Increase utilization of CICA products through expanded outreach and training.</td>
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3. **Community First™ Disaster Relief Program**

The Community First™ Disaster Relief Program was developed to assist several communities in Illinois that were struck by tornados and severe storms in November 2013. The program is designed to offer direct disaster relief funding to the Bank’s members and the communities they support. The financial assistance provided in response to the November 2013 storms will serve as a blueprint for future disasters across Illinois and Wisconsin, should they occur.

The Bank donated $500,000 to provide financial assistance through Bank members to people living and working in the affected November 2013 FEMA-declared disaster area. One hundred homeowners and businesses, including those located in the hardest hit counties of Tazewell and Champaign, were able to access grants through 16 Bank member financial institutions. The disaster relief grants were in addition to assistance extended through the established Community Investment Cash Advances and Downpayment Plus® Programs.

How the Program Works:

- Disaster relief funding is provided by the Bank and administered directly through member financial institutions to communities in designated disaster areas.
• Financial assistance is designed to address the specific needs of the district based on the impact of the declared disaster; this includes assistance to homes and/or businesses in the affected communities.
• Households and businesses must meet specific eligibility requirements to qualify for program assistance.
• Programs offered may be limited in their combined use with other Bank products.
• Although an event may be declared a disaster by FEMA, the determination to provide assistance, programs offered, where funds can be utilized, and program availability is governed by the Bank.
• In the event of a disaster, as authorized by the Bank’s Board of Directors, funding availability will be announced on the Bank’s public website and through targeted communications to members.

2015 Disaster Relief Program Goals

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<th>Qualitative</th>
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<tr>
<td>1. Complete policy and procedures governing the administration of the disaster relief program.</td>
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<tr>
<td>2. If a disaster occurs in the district, Community Investment will coordinate efforts with the Executive Team and Communications in response development, and awareness and utilization of the program with members.</td>
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</table>

4. Financing to Small Business Investment Companies

The Bank partners with the SBA in providing "Just-in-Time" funding to over 300 Small Business Investment Companies (“SBICs”). Through the "Just-in-Time" funding program, the Bank makes bridge financing available to SBICs in support of their small business initiatives, until longer term financing can be arranged by the SBA. The SBIC securities purchased by the Bank are guaranteed by the SBA, which carries the full faith and credit of the U.S. Government.

The Bank also worked with the SBA in the development of the Low- and Moderate-Income (“LMI”) Debenture Program. Through this program, the Bank provides long-term funding to SBICs that invest in, and provide management expertise to, small businesses that operate in low- and moderate-income areas, or that provide employment opportunities to low- and moderate-income individuals. LMI debentures are privately placed with the Bank, are guaranteed by the SBA, and have payment and prepayment features customized to assist the SBIC. These securities have a term to maturity of 5 or 10 years.

In 2009, the Bank added an investment program for SBA 10-year Rural Business Investment Company (“RBIC”) debentures. The Rural Business Investment Program (“RBIP”) is a joint initiative between USDA and the SBA. The RBIP was created to promote economic development and job creation in rural areas. The 10-year RBIC debentures have a similar structure to the 10-year LMI debentures.
In 2012, the Bank signed new agreements with the SBA to add Energy Saving Debentures and Early Stage Debentures to the LMI Debenture Program. The purchase of these securities by the Bank provides long-term funding to new types of small businesses operating in the energy field and providing start-up capital funding at a very early stage in a new business’s development. These securities are structured similarly to the LMI Debentures and are also guaranteed by the full faith and credit of the U.S. Government.

In 2013, the Bank added the Early Stage SBIC program to the current product mix. The Early Stage program was initiated to address seed/early stage investment gaps. There are two types of Early Stage debentures: Discount (first five years are discount, and par after) and Standard (no discount period) with no lockout period. Payments are quarterly.

5. **Financing to SBA New Market Venture Capital Companies**

The SBA’s New Markets Venture Capital (”NMVC”) Program is designed to offer long-term funding assistance to NMVC companies and specialized SBICs that provide equity capital investment and operational assistance to small business enterprises located in low-income rural and urban areas of the country. At the SBA's request, this program incorporates a funding structure that replicates that employed in the LMI Debenture Program, with the exception that all NMVC debentures have a 10-year term to maturity. At this time, the NMVC program is no longer active for new funding.

6. **WHEDA and IHDA Stand-By Bond Purchase Facilities**

WHEDA and IHDA, both housing associate members of the Bank, issue variable-rate bonds in the capital markets to raise funds to make mortgage loans to low- and moderate-income households. In the event that a bondholder does not wish to continue to hold the bond during the variable-rate period, it has the right to tender the bond to a remarketing agent, which attempts to sell the bond to another investor. The market for these bonds is such that, if the remarketing agent is unable to remarket the bond, either temporarily or permanently, then another investor must step in to purchase the bond.

Under the standby bond purchase facilities into which the Bank has entered with WHEDA and IHDA, respectively, the Bank agrees to purchase bonds that have not been remarketed within the allotted time. The Bank holds such bonds while the remarketing agent continues its remarketing efforts. If such efforts are unsuccessful, the Bank holds the bonds for a period of five years, receiving interest and semi-annual principal payments.

7. **Government-Insured or Government-Guaranteed Loans**

The Bank’s MPF Government™ product will provide its members with an alternative to holding mortgages insured or guaranteed by government agencies in their portfolios or selling them to secondary market investors. Government mortgages eligible for delivery will be fixed-rate mortgages under the following programs: FHA,
VA, HUD Section 184, and Rural Development Section 502. The risks associated with financing the mortgages are shared between the member institution and the Bank, and the member institution may choose to service the mortgages or sell the servicing. Investment in government-guaranteed and government-insured mortgages constitutes yet another way for the Bank to pursue its mission of assisting members with providing affordable housing financing in their communities.

B. Affordable Housing Programs (“AHP”)

1. **Competitive Affordable Housing Program**

Members can apply for funds on behalf of community projects, which the Bank awards through a competitive process. Member institutions are encouraged to work with not-for-profit organizations, for-profit entities, and public agencies in developing AHP applications for the purchase, construction, and/or rehabilitation of rental or owner-occupied housing.

The 2014 round had an allocation of approximately $21.9 million compared to $28.6 million in 2013. Overall, 120 applications were submitted by 51 members and 79 sponsors. The applications requested more than $54 million in AHP subsidy to construct, rehabilitate, and/or acquire 4,773 affordable housing units. Reviews are ongoing as of the writing of this plan, but 43 awards are expected to be made.

<table>
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<th>2015 AHP Goals</th>
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<td><strong>Qualitative</strong></td>
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<tr>
<td>1. Meet market needs by awarding points to projects that preserve existing affordable housing, develop foreclosed or vacant properties, and offer permanent supportive housing units.</td>
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2. **Set-Aside**

Downpayment Plus® and Downpayment Plus Advantage® (collectively, “DPP®”) offer members easy-to-access down payment and closing cost assistance programs for low- and moderate-income home buyers.

A total of 277 members enrolled in 2014, up from 224 in 2013. Demand for DPP was very high in 2014 with available funds initially reserved by mid-June. Utilization of all funds will result in approximately 1,500 households assisted.

C. **Other Activities**

1. **Community First™ Newsletter**

Community Investment published the first quarterly edition of the Community First™ newsletter in October 2008. The newsletter continues to highlight member activities successfully utilizing the Bank’s community lending and affordable housing products.

The Bank began publishing the newsletter bi-monthly in 2013 and will continue to do so through 2015. It will be electronically distributed to over 3,700 interested parties –
more than an 18% increase when compared to 2014. It will continue to feature program updates and guidance, information about the Community Investment Advisory Council, groundbreakings and ribbon-cuttings, and community development trends within the District.

2. **Community First™ Awards**

The Community First™ Awards were established in 2009 to recognize outstanding achievement in affordable housing and/or community economic development by a member bank and a not-for-profit community organization working in partnership to revitalize communities in Illinois or Wisconsin.

Community First™ awards were not made in 2014; however, they will be re-introduced in 2015 and presented in conjunction with the Bank’s regional membership meetings.

3. **Community Investment Advisory Council**

The Community Investment Advisory Council (“CIAC”) consists of up to 15 representatives from community and not-for-profit organizations actively involved in providing or promoting affordable housing, economic development, and/or community lending in Illinois or Wisconsin. The CIAC meets quarterly with Community Investment staff and representatives from the Bank’s Board of Directors to advise the Bank on ways in which it can better carry out its housing finance and community investment missions.

One-third of councilmembers’ terms, on a rolling basis, end annually. Staff will continue to solicit nominations from a diverse pool of professionals in an effort to have a CIAC that is well-versed in community development trends and local needs. Furthermore, staff will continue supporting an online venue – the Community Investment Advisory Council Forum – that makes it easy to engage the CIAC throughout the year, and promotes the sharing of ideas.

In 2014, members of the Advisory Council participated on a bus tour during which various Affordable Housing Program projects in Milwaukee were highlighted.

4. **Public Relations and Outreach**

Community Investment builds and maintains relationships with both members and housing and community development organizations. This is achieved through sponsorship of, and attendance at, conferences and other events, sponsor and member visits, and the technical assistance and training described in more detail below.

In 2014, Community Investment sponsored 18 events, and presented and/or exhibited at seven of them. Community Investment staff made multiple member visits during 2014, during which opportunities available through AHP, DPP, and CICA were promoted.

Also in 2014, the Bank partnered with the National Housing Conference (“NHC”) to co-present a regional housing forum; this was the first such event for the Bank. It was
extremely well-received, drawing approximately 150 industry professionals from throughout the district and beyond.

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<th>2015 PR and Outreach Goals</th>
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<tr>
<td>1. Expand outreach to better link members and community organizations.</td>
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<tr>
<td>2. Community Investment staff will support the ongoing efforts of sales directors, new staff, and other colleagues within the Bank to ensure current and potential members are aware how to access and utilize community investment products.</td>
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<tr>
<td>3. Community Investment staff will proactively engage members, potential project sponsors, and other industry stakeholders to increase understanding and utilization of program resources through sales calls, visits, and extended technical assistance sessions.</td>
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<td>4. Community Investment staff will maintain public webpages with easily accessed, understood, and utilized program resources.</td>
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<tr>
<td>Quantitative</td>
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<tr>
<td>1. To the extent relevant opportunities present themselves, Community Investment staff will attend (but not sponsor or otherwise participate) at least seven industry-related events in the District.</td>
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<tr>
<td>2. To the extent relevant opportunities present themselves, Community Investment will sponsor, exhibit, and/or present at least 12 industry-related events in the District.</td>
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<tr>
<td>3. To the extent relevant opportunities present themselves, Community Investment staff will attend eight sponsor or member project-related events (e.g., groundbreakings, grand openings, press events, etc.).</td>
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5. Technical Assistance and Training

Staff are available at all times during the year to discuss program requirements and to provide technical assistance as needed. Various members of the Community Investment and other departments actively participate in workshops, seminars, conferences, and other events when their expertise will contribute to the success of the effort.

In 2014, four land-based training sessions – each of which included one-on-one technical assistance consultations – and two webinars were held to promote awareness of, and familiarity with, the Community Investment programs among members and their community partners. Staff also presented at seven conferences and attended numerous additional events and conferences throughout the year.
2015 TA and Training Goals

Qualitative

1. Community Investment staff will continue to be available in-person, telephonically, and via email to provide technical assistance to avoid potential monitoring and compliance issues in the Competitive AHP.

2. Track Competitive AHP applicants receiving substantial technical assistance, such as in-person assistance. The topic of the assistance will be logged in an effort to identify gaps in program guidance or resources.

3. Provide post-award training outlining Competitive AHP roles and responsibilities.

Quantitative

1. Community Investment staff will host at least four land-based training sessions and two webinars designed to increase understanding and utilization of the Bank’s community investment products.

6. Operations

The Bank is committed to increasing operational efficiency within its Community Investment programs through continued evaluation, revision, and implementation of policies and procedures. Internal efficiencies, such as improved turn-around times on disbursements, and improved response times to requests for technical assistance, will enhance the members’ and sponsors’ experiences and satisfaction with program utilization.

To this end, the Bank began implementation of the new AHP Online system in 2013, which, when complete, will have more extensive online capabilities to serve member and sponsor needs. In mid-2014, AHP Online functionalities for disbursements and modifications were rolled out and the remaining monitoring modules were deployed in October 2014. New guides were also rolled out with the new system functionalities. The AHP Online: Guide for Project Management was rolled out to sponsors in 2014 and will continue to be expanded in 2015. Additionally, the Documentation Matrix for the Competitive AHP was released externally to help sponsors and members understand documentation requirements throughout the project lifecycle.

7. Staff Capacity Building

There is a focus on education and training to further develop the knowledge and skills of Community Investment staff, particularly training geared toward conducting day-to-day business in a more efficient manner.

2015 TA and Training Goals

Qualitative

Increase training opportunities for staff.
IV. Community Support

Each year the Bank informs members and housing and community economic development organizations about the CICA financing program, Affordable Housing grant programs, and other Bank activities that enable members to engage in community lending and meet the FHFA Community Support requirements. When requested, staff are also available to provide guidance on the utilization of Bank products and other resources to improve first mortgage lending and otherwise support positive Community Reinvestment Act (“CRA”) exam results. Notification is provided using the following methods:

- Press releases
- Special mailings
- Community Investment Advisory Council Annual Report
- Bank publications, including the Community First™ bi-monthly newsletter
- The dedicated Community Investment section of the Bank’s website, [www.fhlbc.com](http://www.fhlbc.com)
- Informational seminars and webinars

Approved this 11th day of December, 2014

BOARD OF DIRECTORS

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Corporate Secretary

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i Sources: National Low Income Housing Coalition, *FY15 Budget Chart, Congress Returns with Full Agenda and Little Time*; Housing Assistance Council, *HAC News*; Freddie Mac; *Housing Wire*.
