



### **Economic Development Survey for FHLBank of Pittsburgh Participants**

Please respond to the following questions to assist the Federal Housing Finance Agency in identifying the nation's unmet economic development credit needs. Your responses are important to us. The Federal Housing Finance Agency is administering this voluntary survey. Your responses will be anonymous and will only be associated with the type of your organization. Your responses will also be provided to the Federal Home Loan Bank (FHLBank) as written (i.e., unedited) to facilitate the open-forum discussion.

This survey should take no more than 10 to 15 minutes to complete. Thank you very much for taking part in this survey.

OMB No. 2590-XXXX, Exp. Date: MM/DD/2010.

- 1** Please check the federal, state, or local economic development funding programs that your organization participates in? (select all that apply)

Small Business Administration (SBA) 7(a) Program

Small Business Administration (SBA) 504 Program

U.S. Department of Agriculture (USDA) Rural Community Development Initiatives

U.S. Economic Development Administration (EDA)

State/local economic development authorities

Other (please specify):

- 2** What are the biggest economic problems your market has faced in the past 2 years? (please select only your top three)

Decline of a major industry (e.g. auto) - If selected, please identify the major industry in the "other" field below.

Decline in sources of funds

Decline in private sources of funds

Decline in Federal sources of funds

Decline in state sources of funds

Decline in local sources of funds

Decline in business credit demand

- General decline in small business activity
- High unemployment
- Lack of public infrastructure to support development
- Lack of local government concessions (e.g., tax abatements)
- More restrictive credit requirements
- Other (please specify):

**3** Rank the following purposes of business credit for which there is an unmet demand in your market. (1 = Most Important, 4 = Least Important).

	1	2	3	4
Equipment				
Expansion				
Permanent Working Capital				
Premises/Real Estate				

**4** What is currently the most difficult portion of an economic development funding package for your organization to obtain?

- Loan from private lender
- Guarantees/credit enhancements
- Gap financing
- Equity
- Other (please specify):

**5** Please describe the types of economic development initiatives that you think will be creating demand for long-term financing (maturities of 5 years or more) in your market area in the next five years (e.g., evolving industries, small businesses, relocation packages for regional or national business headquarters, local government expansion).

**6** What types of economic development initiatives have been successful in your organization's service area; for example, initiatives that have

created jobs, provided new public services, or revitalized a specific geographical area?

7 Are you familiar with the FHLBank's targeted economic development funding program?

Never heard of the program.

Yes, but have not obtained funding through it.

Yes, have worked with an FHLBank member to obtain funding.

8 If your organization has obtained funding from a member using a FHLBank's targeted economic development program, what are the features of the FHLBank's program that you are most satisfied with? (1 = Very Satisfied, 5 = Least Satisfied)

1 2 3 4 5

Term

Additional Comments:

Pricing

Additional Comments:

Targeting of purpose

Additional Comments:

Eligible ways to use funds for targeted purposes

Additional Comments:

Other (please specify the "other" in the additional comments box below)

Additional Comments:

- 9 What economic development needs (e.g., types of industries, geographic areas, or other) do you think should be targeted for FHLBank economic development funding?

- 10 Does your institution have small business, small farm, or agribusiness and other community development loans/assets to use as collateral for economic development advances from the FHLBank?

- 11 Please identify your organization type from the drop down list below.



Additional Comments:

Eligible ways to use funds for targeted purposes

- 1  2  3  4  5

Additional Comments:

Other (please specify the "other" in the additional comments box below)

- 1  2  3  4  5

Additional Comments:

9 What economic development needs (e.g., types of industries, geographic areas, or other) do you think should be targeted for FHLBank economic development funding?

#11 Drop down list

- 10 Community Development Financial Institution (CDFI) agribusiness  
Certified CDFI s collateral for  
Economic Development Corporation  
Community Development Organization  
Local Agency  
County Agency  
State Agency  
Housing Organization  
11 Non-Profit Organization n list below.  
U.S. Federal Government Agency





**FHLBank Member Economic Development Survey for FHLBank of Pittsburgh Participants**

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This survey should take no more than 10 to 15 minutes to complete. Thank you very much for taking part in this survey.

*OMB No. 2590-XXXX, Exp. Date: MM/DD/2010*

**1** Is your institution a/an?

- Certified Community Development Financial Institution (housing)
- Certified Community Development Financial Institution (business)
- Certified Community Development Financial Institution (both: housing & business)
- Credit union (Regulated by NCUA)
- Commercial bank (regulated by OCC, the Federal Reserve, or the FDIC)
- Housing associate (state or local housing finance or economic development finance authority)
- Insurance company
- Savings association (regulated by OTS)

**2** Please check the federal, state or local economic development funding programs that your institution participates in. (select all that apply)

- Small Business Administration (SBA) 7(a) Program
- Small Business Administration (SBA) 504 Program
- U.S. Department of Agriculture (USDA) Rural Community Development Initiatives
- U.S. Economic Development Administration (EDA)
- State/local economic development authorities
- Other (please specify):



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Guarantees/credit enhancements

6 What do you view as the biggest hurdle to borrowers trying to qualify for economic development financing at your institution?

- Borrower's weak financial position
- Cost (interest rates, fees, short amortization) of private loan
- Subordination of loans
- Lack of collateral
- Lack of private credit
- Lack of public credit
- Other (please specify):

7 Does your institution provide any of the following financing products for economic development projects? (select all that apply)

- Gap Financing
- Grants
- Guarantee
- Loans
- Letters of Credit
- Does Not Provide Economic Development Financing
- Other (please specify):

8 What is the annual volume (number of loans and dollar amount of loans) of economic development lending done by your institution?

Number of  
Economic  
Development  
Loans:

Dollar Amount of  
Economic  
Development  
Loans:

9 Does your institution offer loans or other credit products for the following types of activities? (select all that apply)

- Agribusiness
- CDFI Intermediaries
- Farms



Infrastructure

Small Businesses (as defined by SBA or less than 100 employees)

Medium Sized Businesses (100-499 employees)

Large Sized Businesses (500 or more employees)

Social Services

Other (please specify):

**10** If yes to question 9, what are the loan maturities? (select all that apply)

1 year or shorter

From 1 to 5 years

From 5 to 10 years

From 10 to 20 years

Longer than 20 years

**11** Please describe the types of economic development initiatives that you think will be creating demand for long-term financing (maturities of 5 years or more) in your market area in the next five years (e.g., evolving industries, small businesses, relocation packages for regional or national business headquarters, local government expansion).

**12** What types of economic development initiatives have been successful in your institution's service area; for example, initiatives that have created jobs, provided new public services, or revitalized a specific geographical area?

**13** When was the last time that your institution applied for or obtained a targeted economic development advance, grant or letter of credit from an FHLBank?

Never applied for an advance, grant, or letter of credit

Within the last year

Within the last 3 years

- Within the last 5 years
- Within the last 10 years

14 How many FHLBank targeted economic development advances were you approved for within the last five years?

- Never applied for targeted economic development advances
- Less than 5 advances
- 5 advances to less than 10 advances
- 10 advances to less than 20 advances
- 20 or more advances

15 Is there a feature of the FHLBank's targeted economic development advances program that deters your institution from obtaining these advances to fund your economic development and small business credit activities?

- Regulation is too confusing
- Targeting requirements for use of advances doesn't target the economic development needs in my service area
- Not inclined to use housing assets as collateral for economic development loans
- Don't have sufficient housing assets to collateralize economic development advances
- Paperwork/Documentation
- Other (please specify):

16 What economic development needs (e.g., types of industries, geographic areas, or other) do you think should be targeted for the use of FHLBank economic development funding?

17 In your opinion, what would be the characteristics of successful targeted economic development advances from your FHLBank, that your institution would be willing and able to access regularly to support economic development and business financing in your market area?

**18** Does your institution qualify as a community financial institution (CFI) (i.e., assets at or below \$1.01 billion?)

**19** If your institution is a CFI, does your institution have small business, small farm, agribusiness and other community development loans/assets to use as collateral for economic development advances from the FHLBank?

**20** Please provide your total assets as of 12/31/09.



**PROPOSED SURVEY QUESTIONS FOR ECONOMIC and COMMUNITY DEVELOPMENT TRADE GROUPS**  
**(For October Open-Forum Discussion)**

**What type of organizations do your association represent? (check all that apply)**

- Economic development
- Social services or facilities
- Public/government-related services or facilities
- Owner-occupied development/preservation
  - Single-family
  - Multifamily
- Rental development/preservation
  - Single-family
  - Multifamily
- Private
- Governmental/quasi-government
- Public/private partnership

**Are your members primarily**

- Not-for-profits
- For-profits
- Both not-for-profit and for-profit
- Government

**Do your members rely primarily on funding for economic development from**

- Government sources
- Private sources
- Both

**Do your members primarily focus on**

- Revitalizing declining areas
- Businesses in newly developing areas
- Sustaining existing communities

**Do your members primarily use economic development financing for**

- small businesses (SBA defined)
- expansion of medium businesses
- relocations of large businesses from other areas
- farms and agribusinesses

**What are the uses of and need for economic development funding by your members? Please rank from 1 (most important) to 5 (least important)**

	<b>Uses</b>	<b>Needs</b>
Premises		
Equipment		

Expansion  
Permanent  
Working  
Capital  
Other

**What federal, state or local economic development programs or sources of funding are most important to your member organizations for funding economic development activities?**

Please list the three most useful attributes of these government-related programs for your members (e.g., no restriction on working capital, fixed interest rate, etc)

Please list the three most difficult requirements of these government-related programs for your members (e.g., equity requirements too high, collateral requirements, subordination requirements, minimum loan amounts too high).

**What private economic development programs or sources of funding are most important to your member organizations for funding economic development?**

Please list the three most useful attributes of these private programs for your members (e.g., no restriction on working capital, fixed interest rate, etc)

Please list the three most difficult requirements of these private programs for your members (e.g., equity requirements too high, limited availability, subordination requirements).

**What is the biggest economic problem your members have faced in the past 2 years?**

Decline of a major industry (e.g., auto)

Decline in sources of funds

Private sources

Government sources

More restrictive credit requirements

Lack of public infrastructure to support development

Lack of local government concessions (e.g., tax abatements)

Other

**What do you view as the most important industries for economic development funding (please rank from 1 (most important) to 7 (least important))**

- a. Commercial
- b. Industrial
- c. Manufacturing
- d. Farming/agribusiness
- e. Social Services
- f. Public facility projects and activities
- g. Public or private infrastructure projects such as roads, utilities and sewers

**Please describe the types of economic development initiatives that will require long-term financing, create jobs and spur economic growth (e.g., hospitals, fire companies, energy and/or telecommunications industries):**

**What types of economic development initiatives have been successful in your organization's service area, for example, initiatives that have created jobs in certain industries (green jobs, energy), provided for social services (parks, day care centers), and/or located in a specific geographical area (unemployment, population loss census tracts, or empowerment zone etc.)**

**Is your organization familiar with the Federal Home Loan Banks?**

**Is your organization familiar with the economic development lending programs of the Federal Home Loan Banks for advancing funds to banks and thrifts to lend to businesses and organizations for economic development activities?**

**Does your organization have a working relationship with one or more Federal Home Loan Banks on behalf of your members?**

**Has your organization discussed issues or problems with the FHLBanks regarding economic development activities? If so, what were the issues/problems?**

**SURVEY QUESTIONS FOR STATE AND LOCAL ECONOMIC DEVELOPMENT AUTHORITIES —**  
**(For October Open-Forum Discussion)**

- 1) What is currently the most difficult portion of an economic development funding package for the borrower to come up with? (select one response)**
  - Loan from private lender
  - Guarantees/credit enhancements
  - Gap financing
  - Equity
  - Other
  
- 2) What do you view as the biggest hurdle to obtaining economic development financing? (select one response)**
  - Cost (interest rates, fees, short amortization) of private loan
  - Subordination
  - Collateral
  - Lack of private credit
  - Lack of public credit
  - Other
  
- 3) What would be useful attributes of private economic development funding that would complement your agency's programs? (check all that apply)**
  - Long-term funding
  - Short-term/bridge funding
  - Fixed-rate funding
  - Funding for premises
  - Funding for equipment
  - Funding for permanent working capital
  - Subordination
  - Guarantees/Credit enhancements
  - Equity
  - Small loans
  - Other
  
- 4) What do you see as the more critical needs for economic development? (check all that apply)**
  - Rural Areas
  - Urban Areas
  - Particular states or regions of the country (please specify)
  - Small businesses
  - Expansion of medium businesses
  - Redevelopment of declining areas
  - Development of new areas
  - Sustaining existing communities

Development of new industries (e.g., “green” products and services) to replace declining industries  
Micro and small business incubation

**5) What do you view as the most important industries for economic development funding (please rank from 1 = most important to 7 = least important)**

Commercial  
Industrial  
Manufacturing  
Farming/agribusiness  
Social Services  
Public facility projects and activities  
Public or private infrastructure projects such as roads, utilities and sewers

**6) Does your agency primarily focus on? (please rank 1 = most important, 2 = very important, 3 = important)**

Revitalizing declining areas  
Businesses in newly developing areas  
Sustaining existing communities

**7) Does your agency primarily use economic development financing for? (please rank 1= most important, 2 = very important, 3 = important, 4 = somewhat important)**

Small businesses (SBA defined)  
Expansion of medium businesses  
Relocations of large businesses from other areas  
Farms and agribusinesses

**8) Please check the purposes of business credit for which there is unmet demand in your market. (Please rank from 1 = most important to 5 = somewhat Important?)**

Premises  
Equipment  
Expansion  
Permanent Working Capital

Other(please specify)

**9) Do you restrict funding for any of these purposes?**

- No
- Yes (please specify)

**10) What do you think are the three most useful attributes of your program for borrowers (e.g., no restriction on working capital, fixed interest rate, etc.)? (Comment Box)**



**11) What do you think are the three most difficult requirements of your program for borrowers to meet (e.g., equity requirements, collateral requirements, subordination requirements, minimum loan amounts)? (Comment Box)**

**12) What is the biggest economic problem your market has faced in the past two years? (please select only your top three)**

Decline of a major industry (e.g., auto) – If selected, please identify the major industry in the “other” field below.

Decline in Private sources

Decline in Government sources

More restrictive credit requirements

General decline in small business activity

High unemployment

Lack of public infrastructure to support development

Lack of local government concessions (e.g., tax abatements)

Other (please specify):

**13) What do you view as the most important industries for economic development funding? (please rank from 1 = most important to 7 = least important)**

Commercial

Industrial

Manufacturing

Farming/agribusiness

Social Services

Public facility projects and activities

Public or private infrastructure projects such as roads, utilities and sewers

**14) Please describe the types of economic development initiatives that will require long-term financing, create jobs and spur economic growth (e.g., hospitals, fire companies, energy and/or telecommunications industries): (Comment Box)**

**15) What types of economic development initiatives have been successful in your organization’s service area, for example, initiatives that have created jobs in certain industries (green jobs, energy), provided for social services (parks, day care centers), and/or located in a specific geographical area (unemployment, population loss census tracts, or empowerment zone etc.) (Comment Box)**

**16) Are you familiar with the FHLBanks’ targeted economic development programs which advances funds to banks and thrifts to lend to businesses and organizations for economic development activities? (Select one response)**

Never heard of the program

We regularly partner with FHLBank member lenders

Member lender regularly uses FHLBank economic development programs

Do not know if this funding is provided through special FHLBank economic development programs

**17) Which type of financial assistance from the Federal Home Loan Banks might be of potentially greatest use to the grantees/borrowers/beneficiaries of your agency/department? (Please rank from 1 = highest to 4 = lowest).**

Loan

Letter of Credit

Grant

Guarantee

**18) How could the FHLBanks programs used for economic development be improved? Please consider use of funding for targeted economic development programs. (Comment Box)**

**Questions for Economists — (For October Open-Forum Discussion)**

**If you were to construct an Economic Development (ED) funding program what aspects would you emphasize and/or what areas would you target? List 3 aspects or areas.**

**What role can the FHLBanks play in economic development funding?**

**What programs are you aware of that could benefit from new or increased economic development funding?**

**Rank order this list by importance or need for ED funding:**

- a. Commercial
- b. Industrial
- c. Manufacturing
- d. Social Services
- e. Public facility projects and activities
- f. Public or private infrastructure projects such as roads, utilities and sewers

Is the order dependent on geography or some other characteristic? Describe.

**Please describe the types of economic development initiatives that will require long-term financing, create jobs and spur economic growth (e.g., hospitals, fire companies, energy and/or telecommunications industries):**

**What types of economic development initiatives have been successful in your organization's service area, for example, initiatives that have created jobs in certain industries (green jobs, energy), provided for social services (parks, day care centers), and/or located in a specific geographical area (unemployment, population loss census tracts, or empowerment zone etc.)**

**Is the FHLBank model for private funding for bank and thrift lending for housing an appropriate model for private funding for bank and thrift lending for economic development and small businesses?**

**What potential impact can a well designed FHLBank system economic development funding program have on the development or revitalization of a local community?**

- g. Very positive
- h. Somewhat positive
- i. Neutral (no impact)
- j. Somewhat negative
- k. Very negative

Please provide additional explanation if desired:

## **Survey Questions for FHLBank Member Lenders — (For October Open-Forum Discussion)**

Questions marked with an asterisk (\*) are mandatory.

**1. \* Is your institution a/an?**

- Certified Community Development Financial Institution (housing)
- Certified Community Development Financial Institution (business)
- Certified Community Development Financial Institution (both: housing & business)
- Credit union
- Commercial bank (regulated by OCC, the Federal Reserve or the FDIC)
- Housing associate (state or local housing finance or economic development finance authority)
- Insurance company
- Savings association (regulated by OTS)

**2. \* Please check the federal, state or local economic development funding programs that your institution participates in. (check all that apply)**

- Small Business Administration (SBA) 7(a) Program
- Small Business Administration (SBA) 504 Program
- U.S. Department of Agriculture (USDA) Rural Community Development Initiatives
- U.S. Economic Development Administration (EDA)
- State/local economic development authorities
- Other (please specify):

**3. \* What is the biggest economic problem your market has faced in the past 2 years? (please select only your top three)**

- Decline of a major industry (e.g., auto) – If selected, please identify the major industry in the “other” field below.
- Decline in sources of funds
- Decline in private sources of funds
- Decline in Federal sources of funds
- Decline in state sources of funds
- Decline in local sources of funds
- Decline in business credit demand
- General decline in small business activity
- High unemployment
- Lack of public infrastructure to support development
- Lack of local government concessions (e.g., tax abatements)
- More restrictive credit requirements
- Other (please specify):

**4. \* Rank the following purposes of business credit for which there is an unmet demand in your market (1 = most important, 4 = least important).**

- Equipment
- Expansion
- Permanent Working Capital
- Premises/Real estate

**5. \* What is currently the most difficult portion of an economic development funding package for the borrower to come up with? (1 = Most difficult, 3 = Least difficult)**

- Equity Loan from private lender
- Gap financing
- Guarantees/credit enhancements

**6. \* What do you view as the biggest hurdle to borrowers trying to qualify for economic development financing from your institution?**

- Borrower's weak financial position
- Cost (interest rates, fees, short amortization) of private loan
- Subordination of loans
- Lack of collateral
- Lack of private credit
- Lack of public credit
- Other (please specify):

**7. \* Does your institution provide any of the following financing products for economic development projects (select all that apply)**

- Gap Financing
- Grants
- Guarantee
- Loans
- Letters of Credit
- Does Not Provide Economic Development Financing
- Other (please specify):

**8. What is the annual volume (number of loans and dollar amount of loans) of economic development lending done by your institution?**

- Number of Economic Development Loan:
- Dollar Amount of Economic Development Loans:

**9. \* Does your institution offer loans or other credit products for the following types of activities (select all that apply)**

- Agribusiness
- CDFI Intermediaries
- Farms
- Infrastructure
- Small Businesses (as defined by SBA or less than 100 employees)
- Medium Sized Businesses (100-499 employees)
- Large Sized Businesses (500 or more employees)
- Social Services
- Other (please specify):

**10. \* If yes to Question 9, what are the loan maturities? (select all that apply)**

- 1 year or shorter
- From 1 to 5 Years
- From 5 to 10 years
- From 10 to 20 years
- Longer than 20 Years

**11. \* Please describe the types of economic development initiatives that you think will be creating demand for long-term financing (maturities of 5 years or more) in your market area in the next five years (e.g., evolving industries, small businesses, relocation packages for regional or national business headquarters, local government expansion).**

**12. \* What types of economic development initiatives have been successful in your institution's service area; for example, initiatives that have created jobs, provided new public services, or revitalized a specific geographical area?.**

**13. \* When was the last time that your institution applied for or obtained a targeted economic development advance, grant or letter of credit from an FHLBank?**

- Never applied for an advance, grant, or letter of credit
- Within the last year
- Within the last 3 years
- Within the last 5 years
- Within the last 10 years

**14. \* How many FHLBank targeted economic development advances were you approved for within the last five years?**

- Never applied for a targeted economic development advances
- Less than 5 advances
- 5 advances to less than 10 advances
- 10 advances to less than 20 advances
- 20 or more advances

**15. \* Is there a feature of the FHLBank's targeted economic development advances program that deters your institution from obtaining these advances to fund your economic development and small business credit activities?**

- Regulation is too confusing
- Targeting requirements for use of advances doesn't target the economic development needs in my service area
- Not inclined to use housing assets as collateral for economic development loans
- Don't have sufficient housing assets to collateralize economic development advances
- Paperwork/Documentation
- Other (please specify):

**16. \* What economic development needs (e.g., types of industries, geographic areas, or other) do you think should be targeted for the use of FHLBank economic development funding?**

17. \* In your opinion, what would be the characteristics of successful targeted economic development advances from your FHLBank, that your institution would be willing and able to access regularly to support economic development and business financing in your market area?
18. \* Does your institution qualify as a community financial institution (CFI) (i.e., assets at or below \$1.01 billion? Yes \_\_\_\_\_ No \_\_\_\_\_
19. \* If your institution is a CFI, does your institution have small business, small farm, agribusiness or other community development loans/assets to use as collateral for economic development advances from the FHLBank? Yes \_\_\_\_\_ No \_\_\_\_\_
20. Please provide your total assets as of 12/31/09.