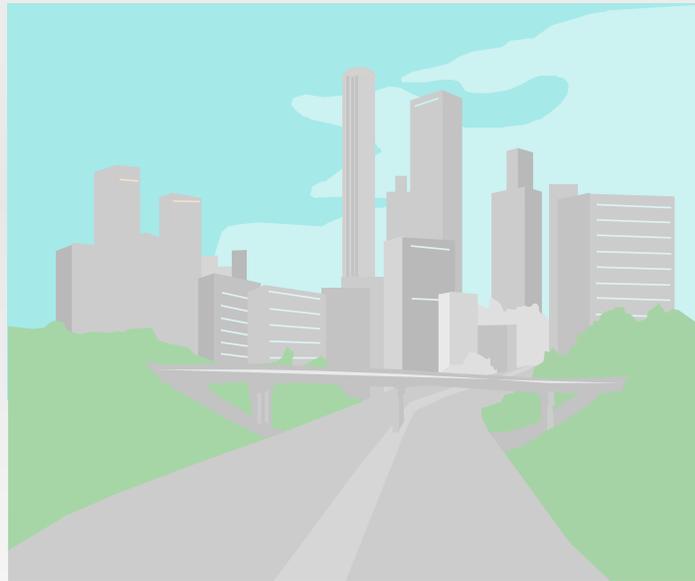


Economic Development Partnership Program



Program Background:

- CICA Credit Needs Assessment demonstrated need for economic development and job creation in Appalachia and the Mississippi Delta
- Need to expand economic development outreach
- Strong Board support

Program Description:

Creation of Formal Partnerships with economic development providers to assist economic development and job creation/retention.

Partners

- Appalachian Regional Commission
 - Kentucky Highlands Investment Corporation
 - Tech 2020
 - Ohio Appalachian Fund
- Kentucky Housing Corporation
- Ohio Community Development Finance Fund
- Renaissance Kentucky
- TN Dept. of Mental Health & Developmental Disabilities
- USDA Rural Development - Ohio

Partners commit to jointly foster and promote others' initiatives through:

- Web posting
- Training
- Partnership meetings
- Program development

Achievements:

Kentucky Highlands Investment Corporation

- Integrity Mold & Die
 - Business retention/relocation/expansion
 - ED advance to member - \$500,000
- New Markets Tax Credit training for members

Achievements (continued):

Tech 2020

- \$50 million Small Business Loan Pool
 - City of Memphis
 - Member participation
 - Administration/Funding/TA by Tech 2020

Lessons Learned

- Benefit of partner knowledge and experience and relationships
- Integral to FHLBank business strategy
- Partner as intermediary enables development of programs tailored to local needs

Next Steps

- Assess demand for Bank programs
- Assess other opportunities
- Develop or refocus programs