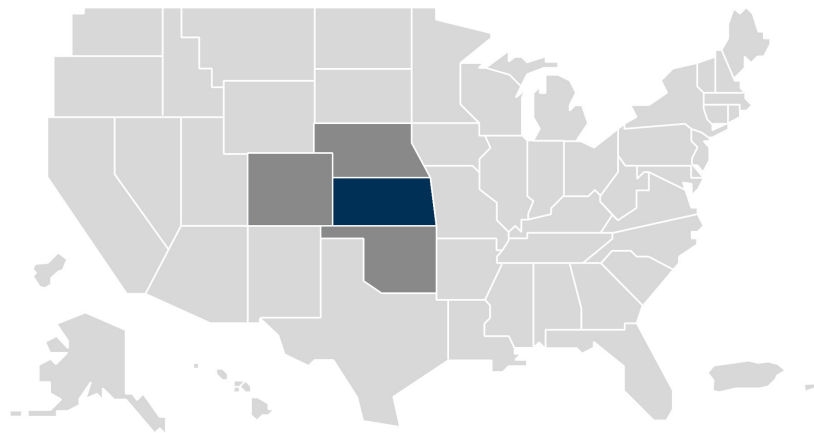


# ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



**KANSAS**  
STATE REPORT

# KANSAS STATE REPORT

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Since its creation in 1989, the Federal Home Loan Bank System’s Affordable Housing Program (AHP) has been a substantial and valuable source of real estate equity for the financing of affordable housing in the United States. From 1990 through 2016, the 11 Federal Home Loan Banks (FHLBanks) collectively contributed more than \$4.1 billion (\$5.4 billion in inflation-adjusted dollars) in AHP real estate finance equity for rental, home construction and rehabilitation activities. This equity was combined with \$65.7 billion (\$83.9 billion in inflation-adjusted dollars) in leveraged dollars from other private and public sources, enabling \$69.9 billion (\$89.3 billion in inflation-adjusted dollars) in total development funding for more than 601,000 housing units. From 1995 through 2016, the FHLBanks also collectively contributed approximately \$1.0 billion (\$1.2 billion in inflation-adjusted dollars) in AHP equity for down payment assistance and mortgage principal reduction, assisting more than 183,000 home purchase activities. Each FHLBank allocates at least 10 percent of its annual net earnings to fund its AHP. As such, the continued operating and mission success of the FHLBanks has directly enhanced the development and purchase of affordable housing throughout the country and has had a positive impact on local and state economies and on the national economy. The state of Kansas is in the Topeka district. This report details the economic impact of housing within Kansas that has been enhanced by AHP funding from 1990 through 2016.\*

\* Note: some projects within Kansas may have received AHP funding from a Federal Home Loan Bank other than FHLBank Topeka. For further detail on the economic impact study methodology, please see: Study Methodology and Appendices Report.

# KANSAS Rental, Home Construction and Rehabilitation Activities

## Economic Basis



**\$54.80** MILLION

### TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

**\$69.94** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$748.28** MILLION

### DEVELOPMENT COST

Development Cost refers to the cost of acquiring land or pre-existing housing units, demolition and/or relocation costs and any costs incurred while constructing, rehabilitating or redeveloping housing.

**\$962.15** MILLION

### DEVELOPMENT COST INFLATION-ADJUSTED

 **290**

### PROJECTS

Projects refers to the distinct use of AHP funding for a specific acquisition, construction or rehabilitation of building(s) or housing unit(s).

 **10,521**

### TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

**Inflation-Adjusted** refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

# KANSAS Home Purchase Activities

## Economic Basis



**\$23.28** MILLION

### TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

**\$27.85** MILLION

### TOTAL AHP SUBSIDY INFLATION-ADJUSTED



**\$261.88** MILLION

### FIRST MORTGAGES

First Mortgages refers to the volume and value of first-lien position mortgages financed by lenders in a home purchase activity.

**\$304.74** MILLION

### FIRST MORTGAGES INFLATION-ADJUSTED



**5,154**

### TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

**Inflation-Adjusted** refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

# KANSAS Rental, Home Construction and Rehabilitation Activities

## Economic Impact



**\$1.81** BILLION

### TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with rental, home construction and rehabilitation enhanced by AHP funding.



**14,266** JOBS

### JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced rental, home construction and rehabilitation activities.



**\$629.76** MILLION

### LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

**1.88**

### MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home construction and rehabilitation of affordable rental and housing units.

**\$57.39** MILLION

### TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

All dollars are in inflation-adjusted dollars.

# KANSAS Home Purchase Activities

## Economic Impact



**\$793.13** MILLION

### TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with home purchases, enhanced by AHP funding.



**6,541** JOBS

### JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced home purchase activities.



**\$173.04** MILLION

### LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

**1.87**

### MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home purchases of affordable housing units.

**\$25.62** MILLION

### TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

# Closing Cost Assistance to New Homeowners



## Topeka Opportunity to Own

Since 1992, FHLBank Topeka has supported the Topeka Opportunity to Own (TOTO) program through its Affordable Housing Program. TOTO helps families with low to moderate incomes purchase homes in Topeka. The FHLBank Topeka grants provide up to \$4,650 in closing cost assistance to qualifying homebuyers.

TOTO is a collaboration between Housing and Credit Counseling, Inc. (HCCI), the city of Topeka, FHLBank Topeka and Capitol Federal as the lead TOTO lending institution and a lead sponsor for HCCI's Homebuyer Program. Two other local FHLBank Topeka members, Capital City Bank and CoreFirst Bank and Trust, also provide TOTO loans.

The TOTO program doesn't just stop at funding. HCCI staff counsels and educates homebuyers to help them budget and save, raise their credit score, navigate the home-buying process, get preapproved by a lender and close the purchase.

The city of Topeka uses Community Development Block Grants and HOME Investment Partnership Program funds to rehab homes available for purchase through TOTO. The maximum purchase price of a TOTO home is \$65,000.

In 2014, TOTO celebrated the 425th homeowner helped through the program. Emma Martinez-Hopp purchased her home in May 2014. She works as a paraprofessional in the local school district and is the mother of three children ranging in age from 13 to 20 years old. She purchased a recently renovated home on a tree-lined street for her family.

Chris Burk, HCCI homebuyer counselor, says, "All TOTO homebuyers personally make a \$500 down payment. It would be very difficult for most first-time TOTO homebuyers to come up with \$4,650 for closing costs. Federal Home Loan Bank of Topeka is a fairy godmother and Santa Claus all rolled into one for these TOTO homebuyers."

Emma received her 30-year fixed-rate mortgage through FHLBank Topeka—member Capitol Federal. Lloyd Rainge, vice president/community development for Capitol Federal, says, "We are proud to be the bank of choice for the 425th TOTO homebuyer and for many other TOTO homebuyers."

**Topeka  
Kansas**

# KANSAS

## Project Profile: Home Purchase Activity



### Emporia Homeowner Repair

The Emporia Homeowner Repair Program, administered by the city of Emporia, has received four Affordable Housing Program grants since 2004 totaling \$786,000 and serving 222 households. The grants were secured through FHLBank Topeka—member ESB Financial. The latest grant in 2016 was for \$100,000. Twenty homeowners with incomes below 50 percent of the area median across Emporia benefited from the funding. Repair projects included installing a new roof, replacing windows, furnaces or air conditioners and repairing plumbing and electrical issues. Many of the recipients are disabled or elderly. Each home is allocated \$5,000 to complete needed repairs.

<b>SOURCES</b>		
<b>AHP</b>	<b>\$</b>	<b>100,000</b>
<b>Other</b>	<b>\$</b>	<b>6,540</b>
<b>Total</b>	<b>\$</b>	<b>106,540</b>



# Kansas Elks Training Center for the Handicapped



## Country Acres

RelianzBank received a \$150,000 Affordable Housing Program (AHP) grant in 2009, sponsoring a project by the Kansas Elks Training Center for the Handicapped (KETCH). The Country Acres project rehabilitated 20 existing apartments and the construction of 10 new units for the property, catering to residents with special needs. The property upgrade allows KETCH to provide an independent living environment for developmentally disabled individuals.

Residents attend educational programs and job-skills and placement training, learning how to survive and thrive on their own. Janet Hopkins is a newcomer to Country Acres. The 52-year-old has a seizure disorder and mild intellectual disability and is partially blind. But she enthusiastically completed a work-skills program, learning how to cook, clean, shop for groceries and find transportation. Janet relies on the onsite support staff, but more important, she relies on herself. Her older sister Jeannie is amazed at the change: “Knowing she has support available when she needs it has really helped her confidence in trying new things. Her self-worth has increased tremendously.”

RelianzBank is no stranger to FHLBank’s housing programs. It has previously been approved for approximately \$4 million for five Community Housing/Development Program projects, covering financing for senior housing duplexes, commercial loan pools and studio apartments for residents with disabilities, among other projects.

Ron Pasmore, president/CEO of KETCH, said during a rededication ceremony for Country Acres, “The people we serve have very low income. On their own, they cannot afford quality housing. KETCH will be able to more efficiently provide residential services in these new settings.”

KETCH has 161 clients like Janet in its program. Every dollar helps, and FHLBank Topeka is proud to be a part of such projects.

**Wichita**

# KANSAS

## Project Profile: Rental Activity



### House to Home Riverview

House to Home Riverview, sponsored by Community Housing of Wyandotte County, consists of 15 three-bedroom, single-family homes in Kansas City, Kansas on multiple scattered infill lots. The AHP grant for this project was sponsored by Horizon Bank, Waverly, Nebraska.

All the units have approximately 2,300 square feet of living space with an attached two-car garage, range, dishwasher, refrigerator, washer/dryer hook-up and disposal. All units are adaptable for persons with disabilities and all units meet visit-ability standards. One of the homes is fully accessible for mobility impairment and one home includes equipment for sensory impairment.

#### SOURCES

LIHTC	\$	4,394,245
Permanent Loan / 1st Mortgage	\$	866,199
AHP	\$	346,559
Owner Equity / Owner DP	\$	276,000
<b>Total</b>	<b>\$</b>	<b>5,883,003</b>