

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS
ACTING WITHOUT A QUORUM

Date: December 13, 1994
No. 94-DM -55

ISSUE:

The Board of Directors of the Federal Home Loan Bank of San Francisco has requested the Federal Housing Finance Board to approve a change in its 1994 District Priority for the Affordable Housing Program.

FACTORS CONSIDERED:

Subsection 10(j) of the Federal Home Loan Bank Act (12 U.S. C. §1430(j) (Bank Act) requires that each Federal Home Loan Bank (Bank) establish an Affordable Housing Program (AHP).

The Federal Housing Finance Board (Housing Finance Board) has adopted regulations for the operation of the AHP by the Bank, codified at 12 C.F.R. Part 960, that include at 12 C.F.R. §960.5(b)(7) a Bank AHP priority recommended by the Bank's Advisory Council, adopted by the Bank's Board of Directors and approved by the Housing Finance Board.

On November 18, 1994, the Board of Directors of the Federal Home Loan Bank of San Francisco (San Francisco Bank) approved a change in its 1994 AHP priority recommended by its Advisory Council.

The San Francisco Bank has submitted a request to the Housing Finance Board for approval of a change in its 1994 AHP priority recommended by its Advisory Council and adopted by the San Francisco Bank's Board of Directors.

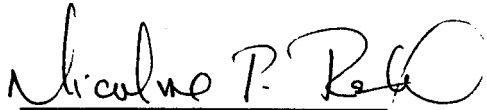
The Housing Finance Board staff recommends approval of the San Francisco Bank's change in its 1994 AHP priority.

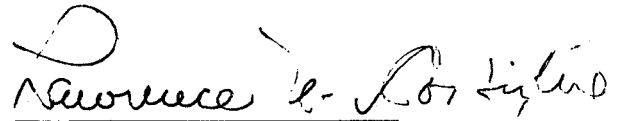
The Housing Finance Board reviewed the proposed priority in accordance with the Bank Act, the AHP regulations and existing policy.

DECISION:

Based on the factors set forth above and the authority provided in 12 C.F.R. §960.5(b)(7), the San Francisco Bank's 1994 AHP priority for "... projects that provide housing in areas previously underserved by the Bank's Affordable Housing Program, for example, in Arizona, Nevada, Native American, and rural areas; and,

projects that provide housing in areas still officially designated as affected by the January 17, 1994 Southern California earthquake” as provided by a resolution adopted at a meeting of the Board of Directors of the Federal Home Loan Bank of San Francisco on November 18, 1994, and attached to the decision memorandum as Attachment A, is approved.


Nicolas P. Retsinas
Nicolas P. Retsinas


Lawrence U. Costiglio
Lawrence U. Costiglio

FEDERAL HOME LOAN BANK OF SAN FRANCISCO

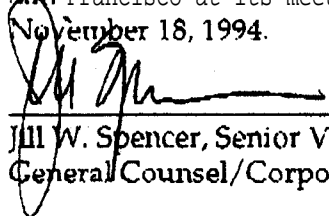
RESOLUTION

WHEREAS, for the second round of 1994 AHP applications, the Affordable Housing Advisory Council and the Board of Directors of the Federal Home Loan Bank of San Francisco have selected a new District Priority for the Eleventh District; therefore be it

RESOLVED, that the new District Priority shall be as follows:

Projects that provide housing in areas previously underserved by the Affordable Housing Program, for example, in Arizona, Nevada, Native American, and rural areas; and projects that provide housing in areas still officially designated as affected by the January 17, 1994 Southern California earthquake.

I certify that this is a true and correct copy
of a resolution adopted by the Board of
Directors of the Federal Home Loan Bank of
San Francisco at its meeting on
November 18, 1994.



Jill W. Spencer, Senior Vice President and
General Counsel/Corporate Secretary