

No. 97-19

Date: February 19, 1997

FEDERAL HOUSING-FINANCE BOARD

Federal Home Loan Bank of Des Moines 1997 District Priority  
for the Affordable Housing Program

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

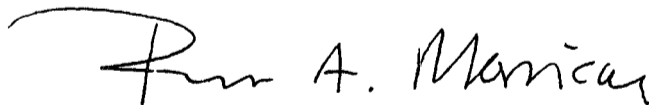
WHEREAS. the Federal Housing Finance Board (Finance Board) has adopted a regulation, 12 C.F.R. Part 960, for the operation of the AHP by the FHLBanks, that authorizes a FHLBank to include, among the criteria used to score program applications, a FHLBank objective that is recommended by the FHLBank's Advisory Council, adopted by the FHLBank's board of directors, and approved by the Finance Board (12 C.F.R. § 960.5(b)(7)). This objective is commonly known as a FHLBank's district priority or AHP priority; and

WHEREAS. on January 23, 1997. the Board of Directors of the Federal Home Loan Bank of Des Moines (Des Moines FHLBank) adopted a district priority recommended by its Advisory Council for 1997; and

WHEREAS, in accordance with regulatory requirements, the Des Moines FHLBank has submitted the district priority it adopted for 1997 to the Finance Board for approval;

NOW, THEREFORE. IT IS RESOLVED, that based on the factors set forth above and the authority provided in 12 C.F.R. § 960.5(b)(7), the Des Moines FHLBank's 1997 AHP priority for "points will be awarded based upon supportive services provided to the project. Supportive services generally refer to providing individuals help to stabilize or improve their personal or economic well being. The services will fall into two categories of case management and technical assistance: Case management will consist of and include social services, job training, day care, transportation, parenting skill training and chemical abuse training. Technical assistance will consist of a variety of services including credit and mortgage counseling; maintenance and repair training. landlord training; tenant assistance, coordinating volunteer labor; tool lending; home ownership counseling; and neighborhood and tenant organizing" as adopted at a meeting of the Board of Directors of the Des Moines FHLBank on January 23, 1997, and evidenced in Attachment A to this resolution. is approved.

By the Board of Directors of the  
Federal Housing Finance Board



Bruce A. Morrison  
Chairman

Federal Home Loan Bank of Des Moines  
Des Moines, Iowa

President Connell presented for discussion a recommendation from the Affordable Housing Advisory Council for the Bank's 1997 district scoring priority. (The material presented is in Minute Exhibit Book No. 97.)

The president reported that a telephone conference call meeting of the Housing Committee was held on Tuesday, January 21, 1997 with five of the six members present. He noted that due to a conflict, the chair of the Housing Committee was unable to participate and the president acted as the meeting moderator.

First Vice President Threlkeld stated that at the December meeting of the Affordable Housing Advisory Council, the Council discussed at length the 1997 district scoring priority. He noted the 1996 priority was to encourage smaller members to participate by awarding points based on the member's asset size. At their December meeting, the Council discussed that during the first round, several of the Bank's larger members did provide mentoring or other assistance to the smaller members, however during the second round, it became evident that the smaller members did not have the expertise to complete the application in a timely manner and consequently the applications did not score well.

Mr. Threlkeld indicated that following a review of the proposed AHP regulations, it was the consensus of the Council to structure the 1997 priority to encompass several of the special housing needs and support services outlined in the proposed regulation. The council, however, did not have adequate time during their December meeting to draft a priority. The Council asked staff to prepare a draft of the priority and schedule a conference call of the Council for final discussion.

As requested, staff prepared and distributed to the Council a priority based on their interpretation of the Council's discussions at their December meeting. A conference call of the Council was held on January 13, 1997 and five of the eleven Council members participated in this call. It was the recommendation of the Council that the following district scoring priority be adopted for 1997:

For 1997, points will be awarded based upon supportive services provided to the project. Supportive services generally refer to providing individuals help to stabilize or improve their personal or economic well being. The services will fall into two categories of case management and technical assistance:

Case management will consist of and include social services, job training, day care, transportation, parenting skill training and chemical abuse training.

Technical assistance will consist of a variety of services including credit and mortgage counseling; maintenance and repair training, landlord training; tenant

assistance, coordinating volunteer labor; tool lending; home ownership counseling; and neighborhood and tenant organizing.

Mr. Threlkeld stated that as the president has indicated, the Housing Committee discussed the priority at their January 21 conference call and voted to recommend adoption of the priority as adopted by the Affordable Housing Advisory Council.

The Board discussed the priority as presented. Concern was expressed that the priority appears to be similar to a priority recommended in previous years that was ultimately not approved by the Housing Board. Staff noted that the case management and technical assistance examples were extracted from the district scoring guidelines as contained in the proposed regulation which reflects the change in the Housing Board's direction in this area.

Following discussion, on motion made, seconded and unanimously carried, it was:

**RESOLVED, That subject to approval by the Federal Housing Finance Board, the 1997 district scoring priority be adopted as presented.**



I hereby certify that, as corporate secretary, the above is an accurate reflection of the actions of the Board of Directors' meeting held on Thursday, January 23, 1997, as I have recorded them, subject to ratification and approval by the Board of Directors at their March 27, 1997 meeting.