

No.: 97-28  
Date: March 17, 1997

FEDERAL HOUSING FINANCE BOARD

Increase in Affordable Housing Program Funding  
(AHP) Subsidy for East Bay Asian Local Development  
Corporation (EBALDC) First-time Homebuyer Project (96A1129)

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

WHEREAS, the Federal Housing Finance Board (Finance Board) has adopted regulations for the operation of the AHP by the FHLBanks codified at 12 C.F.R. Part 960. The AHP regulation requires that the Finance Board determine which applications for AHP awards are to be funded. (12 C.F.R.960.5(f));

WHEREAS, on June 19, 1996, the Finance Board approved an AHP application from First Nationwide Bank, for an AHP subsidy of \$75,000 from the Federal Home Loan Bank of San Francisco (San Francisco Bank) to provide down payment assistance to fifteen first-time homebuyers in the City of Oakland, sponsored by the East Bay Asian Local Development Corporation (EBALDC) (Project). See Board Resolution 96- 41;

WHEREAS, the San Francisco Bank is requesting approval of a modification in the AHP subsidy which will increase the total amount of AHP subsidy from \$75,000 to \$85,000 to compensate for increased construction costs and environmental abatement costs; the proposed modification would result in the average AHP subsidy per unit of the Project increasing from \$5,000 to \$5,667 per unit. The Project has been restored and both the effectiveness and total scores are reduced but the Project will continue to score high enough to have been funded in its original AHP funding round; and

WHEREAS, the Finance Board has determined that the Project, as modified by the requested increase in AHP subsidy, would be in accordance with the Bank Act, the AHP regulation, and existing Finance Board policy;

NOW, THEREFORE, IT IS RESOLVED, that based on the factors set forth above and the authority provided in 12 C.F.R. § 960.5(f)(3), the Finance Board approves the increase in AHP subsidy from \$75,000 to \$85,000 with the condition that the Finance Board will not approve any further additional AHP subsidy for this project.

By the Board of Directors of the  
Federal Housing Finance Board



Bruce A. Morrison, Chairman