

No.: 97-46
Date: July 16, 1997

FEDERAL HOUSING FINANCE BOARD

Increase in Affordable Housing Program Funding (AHP) Subsidy
for the Pittsburgh/Concord Project

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 Western Financial Savings Bank, for an AHP direct subsidy of \$28,000 from the Federal Home Loan Bank of San Francisco (San Francisco Bank) to help fund the rehabilitation of the Pittsburgh and Concord shelters (the Project), rental housing projects located in Concord and Pittsburgh, California, sponsored by Shelter, Inc. of Contra Costa County. See Board Resolution 96-41;

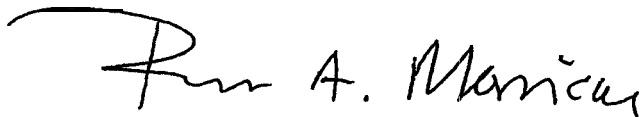
WHEREAS, since the approval of the AHP application, there have been unanticipated increases in the rehabilitation costs which resulted in revisions to the development budget for the Project;

WHEREAS, the San Francisco Bank is requesting approval of a modification to the AHP subsidy that would increase the total amount of AHP subsidy from \$28,000 to \$43,483, due to the increase in rehabilitation costs. The proposed modification will result in the average AHP subsidy increasing from \$2,800 to \$4,348 per unit. The Project has been restored and both the effectiveness and total scores are reduced, but the Project will continue to score highly 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 \$28,000 to \$43,478.

By the Board of Directors of the
Federal Housing Finance Board

A handwritten signature in black ink, appearing to read "Bruce A. Morrison". The signature is written in a cursive style with a large, sweeping initial "B".

Bruce A. Morrison
Chairman