

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS
ACTING WITHOUT A QUORUM

Date: February 23, 1995
No. 95-DM-13

ISSUE:

The Board of Directors of the Federal Home Loan Bank of Des Moines has requested the Federal Housing Finance Board to approve its 1995 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. § 960S(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 December 15, 1994, the Board of Directors of the Federal Home Loan Bank of Des Moines (Des Moines Bank) adopted its 1995 AHP priority recommended by its Advisory Council.

The Des Moines Bank has submitted a request to the Housing Finance Board for approval of the 1995 AHP priority recommended by its Advisory Council and adopted by the Des Moines Bank's Board of Directors.

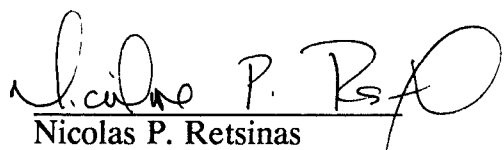
The Housing Finance Board staff recommends approval of the Des Moines Bank's 1995 AHP priority.

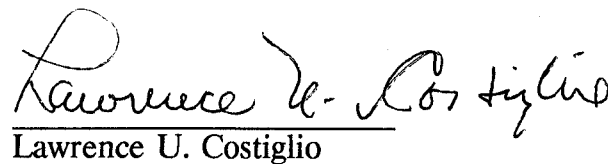
The Housing Finance Board reviewed the proposed priority in accordance with the Bank Act, the AHP regulations and existing policy.

DECISION:

Based on the factors set forth above and the authority provided in 12 C.F.R. §960.5(b)(7), the Des Moines Bank's 1995 AHP priority for "...projects that achieve economic integration by providing a mix of income in very low-income areas and/or projects that provide the very low-income with housing opportunities in moderate or

upper-income areas..." as provided by a resolution adopted at a meeting of the Board of Directors of the Federal Home Loan Bank of Des Moines on December 15, 1994, and attached to the decision memorandum as Attachment A, is approved.


Nicolas P. Retsinas


Lawrence U. Costiglio

FEDERAL HOME LOAN BANK OF DES MOINES

Des Moines, Iowa

12-15-94
 No. 26 B-16
 Revised 1995
 District Scoring
 Priority

The council and committee spent a considerable amount of time discussing the district scoring priority. In September, the council recommended that the priority be given to projects that document that the member has been or will be significantly involved in the nonprofit organization who is the sponsor. Following the submission of our request to the Housing Board, staff was advised that it was the opinion of the Housing Board staff that the priority was too subjective and would be too difficult to score. Both the council and the committee felt the priority should be refined and resubmitted but opined that it might be best, in the consideration of timeframes, to submit a new priority and refine and resubmit this priority in 1996. After discussion, it was the recommendation of the council and the committee that the 1995 district scoring priority be given to projects that achieve economic integration by providing housing to very low income households as well as moderate upper income households and/or projects that provide the very low income with housing opportunities in moderate or upper income areas. The committee also directed staff to express to the Housing Board their support of the original request and to subjectively refine the priority so that it can be submitted and approved for the 1996 priority.

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


RESOLVED, That the 1995 district scoring priority for the Federal Home Loan Bank of Des Moines be given to projects that achieve economic integration by providing a mix of incomes in very low income areas and/or projects that provide the very low income with housing opportunities in moderate or upper income areas.

RESOLVED FURTHER, That the staff is to continue to work on the original priority as suggested in September 1994 whereby the priority would be given to projects that document that the member has been or will be significantly involved

in the nonprofit organization who is the sponsor
and refine the concept so that it can be submitted
in 1995 for the 1996 priority.

* * * * *

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, December 15, 1994, as I have recorded them, subject to ratification and approval by the Board of Directors at their January 26, 1995 meeting.


Ruth A. Griggs, Corporate Secretary