

No.: 96-38
Date: June 5, 1996

FEDERAL HOUSING FINANCE BOARD

Increase in Affordable Housing Program (AHP) Subsidy
for West Boulevard Apartments

WHEREAS, subsection 10(j) of the Federal Home Loan Bank Act (Bank Act)(12 U.S.C. 1430(j)) requires that each Federal Home Loan Bank (Bank) establish an AHP;

WHEREAS, the Federal Housing Finance Board (Finance Board) has adopted a regulation for the operation of the AHP by each Bank, 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 December 13, 1995, the Finance Board approved an AHP application from California Federal Savings and Loan, for an AHP subsidy of \$3,168 from the Federal Home Loan Bank of San Francisco (San Francisco Bank) to help reduce the cost of constructing the West Boulevard Apartments, a rental project in Los Angeles, sponsored by the Catholic Charities Community Development Corporation. See Board Resolution No. 95-75;

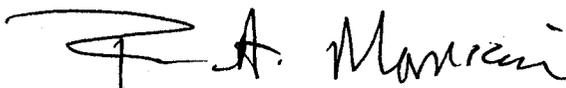
WHEREAS, according to the approved application, the West Boulevard Apartments would provide 10 affordable rental housing units to very-low households for 55 years;

WHEREAS, the FHLBank is requesting approval of a modification in the AHP subsidy which increases the total amount of AHP subsidy from \$3,168 to \$24,500, to correct the computation error which occurred during the review process which resulted in an incorrect subsidy recommendation. The proposed modification would result in the average AHP subsidy per unit of the Project increasing from \$317.00 to \$2,450 per unit. The increase in the subsidy will reduce both the effectiveness and total score of the Project but the Project would continue to score high enough to have been funded in its original AHP funding round;

WHEREAS, the Finance Board has determined that the request to increase the AHP award was in accordance with the Bank Act, the AHP regulation, and existing policy;

NOW, THEREFORE, BE IT RESOLVED, that based on the factors set forth above and the authority provided in 12 C.F.R. 960.5(f), the Finance Board approves the increase in AHP funds from the \$3,168 to \$24,500 to correct the miscalculation which resulted in an incorrect subsidy for the Project sponsored by the Catholic Chairities Community Development Corporation.

By the Board of Directors of the
Federal Housing Finance Board

A handwritten signature in black ink, appearing to read "B. A. Morrison". The signature is written in a cursive, somewhat stylized font.

Bruce A. Morrison, Chairman