

DECISION MEMORANDUM OF THE BOARD OF DIRECTORS  
ACTING WITHOUT A QUORUM

Date: March 22, 1995

No. 95-DM-19

ISSUE:

The Board of Directors of the Federal Home Loan Bank of Chicago 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. §960.5(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 February 21, 1995, the Board of Directors of the Federal Home Loan Bank of Chicago (Chicago Bank) on the recommendation of its Advisory Council, adopted the following 1995 AHP priority: "Projects that are part of a strategy to end isolation of the poor and provide opportunities for economic diversity. This would include but not be limited to:

1. The development of mixed-income housing in low-income inner city, suburban or rural areas that are characterized by the loss of population, housing, jobs and/or business enterprises.
2. Development of homeownership housing in lower-income and economically impacted areas to provide a mix of incomes and to create a balance between rental and homeownership properties.
3. Development of mixed-income multifamily housing projects to promote stabilization of the property and the community in which it is located.
4. Development of mixed-income housing in middle- or upper-income areas to promote diversity, provide housing near areas of employment and/or services for lower-income households."

The Chicago 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 resolution of the Chicago Bank's Board of Directors, a copy of which is included in this Decision Memorandum as Attachment A.

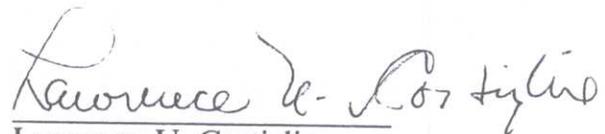
The Housing Finance Board staff recommends approval of the Chicago Bank's 1995 AHP priority.

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 Chicago Bank's 1995 AHP priority as stated above is approved.

  
Nicolas P. Retsinas

  
Lawrence U. Costiglio

CERTIFIED RESOLUTION OF THE  
BOARD OF DIRECTORS OF THE  
FEDERAL HOME LOAN BANK OF CHICAGO

RESOLVED, that the Federal Home Loan Bank of Chicago Community Investment - Affordable Housing Plan for 1995, as presented in the agenda material, is hereby approved.

FURTHER RESOLVED, that the 1995 Affordable Housing Program district priority, as presented in the agenda material, is hereby approved.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Board of Directors of the Federal Home Loan Bank of Chicago on February 21, 1995, a quorum being present.



Peter E. Gutzmer, Senior Vice  
President, General Counsel  
& Corporate Secretary

The District Priority selected for 1995 calls for the following:

\* Projects that are part of a strategy to end isolation of the poor and provide opportunities for economic diversity. This would include but not be limited to:

1. The development of mixed income housing in low income inner city, suburban or rural areas that are characterized by the loss of population, housing, jobs and/or business enterprises.
2. Development of homeownership housing in lower income and economically impacted areas to provide a mix of incomes and to create a balance between rental and homeownership properties.
3. Development of mixed income multifamily housing projects to promote stabilization of the property and the community in which it is located.
4. Development of mixed income housing in middle or upper income areas to promote diversity, provide housing near areas of employment and/or services for lower income households.

\* The district priority is subject to approval by the Board of Directors of the Federal Home Loan Bank and the Federal Housing Finance Board.