

SUBCHAPTER G—FEDERAL HOME LOAN BANK ASSETS AND OFF-BALANCE SHEET ITEMS

PART 952—COMMUNITY INVESTMENT CASH ADVANCE PROGRAMS

Sec. 952.1 Definitions.
952.2 Scope.
952.3 Purpose.
952.4 Targeted Community Lending Plan.
952.5 Community Investment Cash Advance Programs.
952.6 Reporting.
952.7 Documentation.


§ 952.1 Definitions.

As used in this part:
Champion Community means a community which developed a strategic plan and applied for designation by either the Secretary of HUD or the Secretary of the USDA as an Empowerment Zone or Enterprise Community, but was designated a Champion Community.
CICA program or Community Investment Cash Advance program means:
(1) A Bank's AHP;
(2) A Bank's CIP;
(3) A Bank's RDF program or UDF program using any combination of the targeted beneficiaries and targeted income levels specified in § 952.1 of this part; and
(4) Any other advance or grant program offered by a Bank using targeted beneficiaries and targeted income levels other than those specified in § 952.1 of this part, established by the Bank with the prior approval of the Finance Board.
Economic development projects means:
(1) Commercial, industrial, manufacturing, social service, and public facility projects and activities; and
(2) Public or private infrastructure projects, such as roads, utilities, and sewers.
Family means one or more persons living in the same dwelling unit.
Housing projects means projects or activities that involve the purchase, construction, rehabilitation or refinancing (subject to § 952.5(c) of this part) of, or predevelopment financing for:
(1) Individual owner-occupied housing units, each of which is purchased or owned by a family with an income at or below the targeted income level;
(2) Projects involving multiple units of owner-occupied housing in which at least 51% of the units are owned or are intended to be purchased by families with incomes at or below the targeted income level;
(3) Rental housing where at least 51% of the units in the project are occupied by, or the rents are affordable to, families with incomes at or below the targeted income level; or
(4) Manufactured housing parks where:
(i) At least 51% of the units in the project are occupied by, or the rents are affordable to, families with incomes at or below the targeted income level;
(ii) The project is located in a neighborhood with a median income at or below the targeted income level.
Median income for the area—(1) Owner-occupied housing projects and economic development projects. For purposes of owner-occupied housing projects and economic development projects, median income for the area means one or more of the following, as determined by the Bank:
(i) The median income for the area, as published annually by HUD;
(ii) The median income for the area obtained from the Federal Financial Institutions Examination Council;
(iii) The applicable median family income, as determined under 26 U.S.C. 143(f) (Mortgage Revenue Bonds) and published by a State agency or instrumentality;
(iv) The median income for the area, as published by the USDA; or
(v) The median income for the area obtained from another public entity or a private source and approved by the Board of Directors, at the request of a Bank, for use under the Bank's CICA programs.
(2) Rental housing projects. For purposes of rental housing projects, median income for the area means one or more of the following, as determined by the Bank:

(i) The median income for the area, as published annually by HUD;

(ii) The median income for the area obtained from the Federal Financial Institutions Examination Council;

(iii) The median income for the area obtained from another public entity or a private source and approved by the Board of Directors, at the request of a Bank, for use under the Bank's CICA programs.

MSA means a Metropolitan Statistical Area as designated by the Office of Management and Budget.

Neighborhood means:

(1) A census tract or block numbering area;

(2) A unit of local government with a population of 25,000 or less;

(3) A rural county; or

(4) A geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographic designation that is within the boundary of but does not encompass the entire area of a unit of general local government.

Provide financing means:

(1) Originating loans;

(2) Purchasing a participation interest, or providing financing to participate, in a loan consortium for CICA-eligible housing or economic development projects;

(3) Making loans to entities that, in turn, make loans for CICA-eligible housing or economic development projects;

(4) Purchasing mortgage revenue bonds or mortgage-backed securities, where all of the loans financed by such bonds and all of the loans backing such securities respectively, meet the eligibility requirements of the CICA program under which the member or housing associate borrower receives funding;

(5) Creating or maintaining a secondary market for loans, where all such loans are mortgage loans meeting the eligibility requirements of the CICA program under which the member or housing associate borrower receives funding;

(6) Originating CICA-eligible loans within 3 months prior to receiving the CICA funding; and

(7) Purchasing low-income housing tax credits.

RDF or Rural Development Funding program means an advance or grant program offered by a Bank for targeted community lending in rural areas.

Rural area means:

(1) A unit of general local government with a population of 25,000 or less;

(2) An unincorporated area outside an MSA; or

(3) An unincorporated area within an MSA that qualifies for housing or economic development assistance from the USDA.

Small business means a “small business concern,” as that term is defined by section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and implemented by the Small Business Administration under 13 CFR part 121, or any successor provisions.

Targeted beneficiaries means beneficiaries determined by the geographical area in which a project is located (Geographically Defined Beneficiaries), by the individuals who benefit from a project as employees or service recipients (Individual Beneficiaries), or by the nature of the project itself (Activity Beneficiaries), as follows:

(1) Geographically Defined Beneficiaries:

(i) The project is located in a neighborhood with a median income at or below the targeted income level;

(ii) The project is located in a rural Champion Community, or a rural Empowerment Zone or rural Enterprise Community, as designated by the Secretary of the USDA;

(iii) The project is located in an urban Champion Community, or an urban Empowerment Zone or urban Enterprise Community, as designated by the Secretary of HUD;

(iv) The project is located in an Indian area, as defined by the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.), Alaskan Native Village, or Native Hawaiian Home Land;
§ 952.2 Scope.

Section 10(j)(10) of the Act (12 U.S.C. 1430(j)(10)) authorizes the Banks to offer Community Investment Cash Advance (CICA) programs. This part establishes requirements for all CICA programs offered by a Bank, except for a Bank’s Affordable Housing Program (AHP), which is governed specifically by part 951 of this chapter.

§ 952.2 Scope.

The purpose of this part is to identify targeted community lending projects that the Banks may support through