



No.: **2002-02**

Date: **February 12, 2002**

## FEDERAL HOUSING FINANCE BOARD

### Denial of Saint Casimirs Savings Bank's Request to Waive the Restriction on Eligibility to Participate in Community Investment Cash Advance Programs Imposed Under the Community Support Requirements Regulation

WHEREAS, pursuant to the requirements of section 10(g) of the Federal Home Loan Bank Act (12 U.S.C. § 1430(g)), the Federal Housing Finance Board (Finance Board) has promulgated a Community Support Requirements (CSP) regulation (12 C.F.R. part 944) establishing standards for Community Reinvestment Act of 1977 (CRA) performance and record of lending to first-time homebuyers for Federal Home Loan Bank (FHLBank) members to meet in order to maintain access to long-term advances and eligibility to participate in Community Investment Cash Advance (CICA) programs.

WHEREAS, under the CSP regulation, the Finance Board selected Saint Casimirs Savings Bank (St. Casimirs), a member of the FHLBank of Atlanta located in Baltimore, Maryland, for community support review in 1998 and again in 2000.

WHEREAS, on the basis of St. Casimirs "Needs to Improve" and "Substantial Noncompliance" CRA ratings, which were issued by the Federal Deposit Insurance Corporation (FDIC) in 1998 and 2000, respectively, the Finance Board advised the FHLBank of Atlanta to restrict St. Casimirs access to long-term advances and eligibility to participate in CICA programs, effective December 22, 2000.

WHEREAS, under the Finance Board's Procedures regulation (12 C.F.R. § 907.2), the Board of Directors of the Finance Board may waive provisions of the agency's rules that are not required by statute upon a showing of good cause.

WHEREAS, St. Casimirs has asked the Finance Board to waive for good cause the restriction imposed under the CSP regulation on its eligibility to participate in the First Time Homebuyers Program and other CICA programs administered by the FHLBank of Atlanta.

WHEREAS, after careful and comprehensive review of St. Casimirs' request, supporting documentation submitted by the FHLBank of Atlanta and the FDIC, St. Casimirs CRA ratings dating back to 1993, the evaluation of St. Casimirs performance in the FDIC's most recent CRA evaluation, and the stated purposes for including in the CSP regulation a limitation on eligibility to participate in FHLBank CICA programs for members that do not meet the community support requirements, staff recommends that the Board of Directors deny St. Casimirs waiver request for failure to show good cause.

NOW, THEREFORE, IT IS RESOLVED THAT the Board of Directors of the Finance Board hereby denies St. Casimirs request to waive the restriction on eligibility to participate in CICA programs imposed under the CSP regulation.

By the Board of Directors of the  
Federal Housing Finance Board

*/s/ John T. Korsmo*

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John T. Korsmo  
Chairman