

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, May 3, 1928 at 10:45 a.m.

PRESENT: The Chairman
Governor Young
Mr. Platt
Mr. Hamlin
Mr. James
Mr. McClelland, Asst. Secretary

PRESENT ALSO: Governor Calkins, Federal Reserve Bank
of San Francisco

The Governor stated that Mr. Miller is again today appearing before the Banking and Currency Committee of the House of Representatives on the so-called Strong Stabilization Bill.

Governor Calkins advised the Board of the desire of the directors of the Federal Reserve Bank of San Francisco and its Los Angeles Branch to proceed with the erection of a building to house the Branch, on the site recently acquired. He stated that the estimated cost of the proposed building, exclusive of the cost of the vaults, permanent equipment, furnishings and fixtures, will be in excess of the \$250,000 limitation imposed by Section 10 of the Federal Reserve Act and that it is the desire of his directors to secure from Congress before the end of the present session authority for the expenditure of a greater amount. He advised the Board that the directors of the San Francisco bank secured the services of an architect for the preparation of preliminary plans and specifications, on the basis of which it is estimated that the total cost of the building will be approximately \$1,192,410 - \$721,933 for the building proper and \$470,477 for the vaults, permanent equipment, furnishings and fixtures. He stated that the arrangement of the San Francisco bank with the architect engaged was that in the event the bank should fail to secure Congressional

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authority for the erection of the building, the architect would be compensated only for the actual work done in preparing preliminary drawings and making estimates. He stated that the directors of the San Francisco bank request authority from the Board to endeavor to secure from Congress authority for the expenditure of not to exceed \$800,000 in the construction of the building proper at Los Angeles, although it is not believed that the actual expenditure will be greatly in excess of the estimate of \$721,933. Discussion ensued regarding the operations and present housing of the Los Angeles Branch, as related to the operations and cost of buildings erected at other points.

Governor Calkins then withdrew from the meeting.

After further discussion, upon motion by Mr. James, the following motion was adopted:

"That the Federal Reserve Board interpose no objection to the Federal Reserve Bank of San Francisco taking steps to secure from Congress authority to proceed with the erection of a building to house its Los Angeles Branch, on the site now owned, provided that the total cost of the building proper, exclusive of the cost of vaults, permanent equipment, furnishings and fixtures, shall not exceed the amount of \$800,000; and provided further that the character and type of building to be erected and the amount to be expended for the vault, permanent equipment, furnishings and fixtures shall be subject to the approval of the Board."

Governor Calkins was then called back into the meeting and submitted the following form of resolution which it is desired to have enacted by Congress:

"RESOLVED by the Senate and House of Representatives of the United States of America in Congress assembled, that the Federal Reserve Bank of San Francisco be, and it is hereby authorized to contract for and erect a building in the City of Los

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"Angeles for its Los Angeles Branch on the site now owned, provided the total amount expended in the erection of said building, exclusive of the cost of vaults, permanent equipment, furnishings and fixtures shall not exceed the sum of Eight Hundred Thousand Dollars; provided, however, that the character and type of building to be erected, the amount actually to be expended in the construction of said building, and the amount actually to be expended for the vaults, permanent equipment, furnishings, and fixtures for said building shall be subject to the approval of the Federal Reserve Board."

Upon motion, the resolution submitted was approved as to form.

Upon motion, by Mr. James, it was also voted to approve the action of the directors of the Federal Reserve Bank of San Francisco in securing the services of an architect for the purpose of preparing preliminary drawings, on the basis of which the estimates submitted by Governor Calkins were determined.

The meeting adjourned at 11:30 a.m.

E. M. McClelland
 Assistant Secretary.

Approved:

A. W. Nelson
 Chairman.