



March 11, 2022

Ms. Sandra Thompson  
Acting Director of FHFA  
Federal Housing Finance Agency  
400 Seventh Street, SW Room 10276  
Washington, DC 20219

RE: Comments on FHFA's Strategic Plan, Fiscal Years 2022–2026

Dear Acting Director Thompson,

Enterprise Community Partners is pleased to submit this letter in response to the FHFA's invitation to provide comment on the agency's draft strategic plan for fiscal years 2022–2026. We commend you for setting out strategic goals and objectives in a manner that balances the agency's multiple statutory obligations as regulator of the Federal Home Loan Bank (FHLB) system, Fannie Mae and Freddie Mac (collectively, the Government Sponsored Enterprises, or GSEs) and conservator of the GSEs, putting facilitating the FHLBs' and GSEs' statutory mission obligations related to improving affordable housing opportunities on an equal footing with other strategic goals.

As you are aware, Enterprise is a national nonprofit on a mission to make home and community places of pride, power and belonging for all. To make that possible, we operate the only organization designed to address America's affordable housing crisis from every angle: we develop and deploy programs and support community organizations on the ground; we advocate for policy on a nonpartisan basis at every level of government; we invest capital to build and preserve rental homes people can afford; and we own, operate and provide resident services for affordable communities. All so that people not only make rent, they build futures.

Enterprise is organized around three central goals: to increase housing supply, advance racial equity and build resilience and upward mobility. To achieve these goals, we operate across three divisions – Solutions, Capital and Communities – that unify and leverage a family of companies together to execute our work:

- Our Solutions division operates a 501(c)(3) nonprofit nationwide with programmatic, policy, advisory and capacity-building arms at the national, state and local level, working in more than 800 communities and in collaboration with thousands of partners in the nonprofit, public and for-profit sectors.
- Our Capital division comprises several subsidiaries: a 501(c)(4) nonprofit that invests and asset manages a range of tax credits and equity; a 501(c)(3) nonprofit that is one of the country's largest publicly-rated Community Development Financial Institutions (CDFI); and an

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equity interest in Bellwether Enterprise, through which we also provide access to conventional mortgage products. Bellwether Enterprise is a Fannie Mae Delegated Underwriting and Servicing (DUS) Lender and Multifamily Affordable Housing Lender, a Freddie Mac Program Plus Seller Servicer and Targeted Affordable Housing Lender, among others.

- Our Communities division operates a 501(c)3 nonprofit that is the nation's fifth-largest affordable housing nonprofit developer, owner, operator and provider of resident services.

Our comments on the strategic plan are based on the aforementioned three pillars of our own goals to increase housing supply, advance racial equity and build resilience and upward mobility. We see these same priorities reflected throughout the strategic plan and commend you for the revamped approach to the agency's strategic goals. We are heartened that enhancing support for mission borrowers, internalizing and measuring DEI practices, and accounting for climate risk and resilience are incorporated into the first strategic goal of securing the regulated entities' safety and soundness. This marks an important recognition that mission and safety and soundness are positively intertwined rather than at odds with each other.

With safety and soundness in mind, however, we believe more can be done to facilitate the capital needs of affordable rental properties and other underserved segments of the market by the regulated entities. Near-term activities consistent with the strategic plan should include providing regulated entities the flexibility (if not the outright encouragement) to develop and deploy new products and programs targeting underserved markets and populations. Scalable pilots that prove successful will be critical to addressing the need to increase the supply of housing affordable to low- and moderate-income households, including support for small multifamily properties, manufactured housing, and accessory dwelling units. At the same time however, the need to preserve the long-term affordability and viability of units that are affordable today with and without subsidy, cannot be understated; objectives focused on facilitating greater availability of affordable homes must incorporate mechanisms to enable and prioritize preservation across the entire rental market and for the long term.

Within the second strategic goal of fostering housing finance markets that promote equitable access to affordable and sustainable housing, we want to highlight several important objectives. As we noted in our response to FHFA's request for input on the GSEs' required Equitable Housing Finance (EHF) Plans, we believe that the EHF framework has the potential to effect systemic change, and we view the oversight of the EHF plan implementation and the commitment to fair lending, fair housing, and equity embedded in the strategic plan very positively. We would, however, encourage the explicit incorporation of climate change and resilience into the goal of promoting equitable access to affordable and sustainable housing. FHFA should affirmatively work to avoid the very real risk that BIPOC and low- and moderate-income individuals and communities will be subject to climate-based redlining and/or climate gentrification.

As we see pressure from rapid rent growth with destabilizing effects on renters, we appreciate the explicit focus on monitoring the GSEs' support for affordable multifamily housing needs. This monitoring should extend to affordability across the entire multifamily portfolios at origination and over the life of each loan. Likewise, FHFA's leadership on publishing data on affordability in GSE-backed rental units and a commitment to publishing and convening on critical housing and housing finance issues will help improve public policy and allow stakeholders to monitor and advocate for progress on affordable housing, including renter stability; racial equity, including the homeownership and wealth gaps; and climate resilience. A commitment to acting on the lessons learned about the systemic impacts of any regulated entity's products and programs should be included in the strategic plan.

Over the past year, Enterprise has provided formal comments on climate and natural disaster risk management at the GSEs, Duty to Serve and Equitable Housing Finance Plans, and we have engaged with FHFA on strengthening tenant site lease protections in manufactured housing communities. We see the priorities we advocated for in those comments as wholly consistent with the direction laid out in the 2022–2026 strategic plan and hope to see them implemented soon.

We are proud to play an active role in the Underserved Mortgage Markets Coalition and incorporate their comments by reference. We also encourage the release of the GSEs' EHF and revised DTS plans as soon as possible and look forward to engaging with you as they are implemented and iterated upon.

Again, thank you for the opportunity to comment on the agency's strategic plan. If you have any questions, please contact me directly at [ajakabovics@enterprisecommunity.org](mailto:ajakabovics@enterprisecommunity.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Jakobovics", with a long horizontal flourish extending to the right.

Andrew Jakobovics  
Vice President, Policy Development  
Enterprise Community Partners, Inc.