



KIRWAN INSTITUTE
for the Study of Race and Ethnicity

October 28, 2014

To: Federal Housing Finance Agency

Re: **2015-2017 Enterprise Housing Goals / RIN 2590-AA65**

Via electronic submission

Thank you for the opportunity to comment on the proposed Enterprise Housing Goals for 2015-2017. Fannie Mae and Freddie Mac are chartered to provide a stable source of housing finance, and they have an obligation to fully serve all markets, especially low and moderate income families. Conservatorship does not diminish or negate this responsibility. The housing goals are an essential means to measure the Enterprises' success at meeting their public purpose, and to encourage the Enterprises to responsibly innovate in serving underserved borrowers and communities. We encourage FHFA to set strong goals for the Enterprises.

In fact, from our viewpoint in Columbus (Franklin County), Ohio, it has never been more important to use every tool at FHFA's disposal to incentivize more affordable housing and rental options for individuals and families facing housing insecurity due to a surge in poverty and low-wage work.

Although more people are working since the worst of the recession, fewer families are able to earn wages to stay above the poverty line. **The number of working people in poverty (at 100% of the poverty level) in Franklin County has doubled since the recession.** For Franklin County in 2013, 1 in 20 full time workers and 1 in 3 part time workers live at 125% of the poverty rate. For female-headed households in Franklin County, approximately 1 in 2 who work part time and 1 in 10 who work full time live at 125% of the poverty level.

The population in poverty in Franklin County is younger, more diverse, more likely to be immigrant, be disabled and have greater economic and educational challenges. For example, **those earning incomes of less than 125% of the poverty rate in Franklin County in 2013 included roughly 1 in 3 African Americans, 1 in 3 Latinos, 1 in 3 people with a disability, and nearly 1 in 3 foreign-born immigrant residents.**

Urban neighborhoods on the East, South and West side of central Columbus together have a poverty rate of 41%, unemployment rates of 21%, and median household incomes of \$24,000

annually (less than half of the median income for Franklin County). These neighborhoods exhibit considerable housing stress, with an overall 28% vacancy rate. Of those families who have housing, 38% of homeowners and 58% of renters in these neighborhoods are cost burdened.

In fact, in the six county region comprising metro Columbus (Delaware, Franklin, Madison, Marion, Morrow and Union Counties), one in three residents is living at 200% of the poverty level -- roughly 504,000 people – an increase of 56% since 1999. In Franklin County, the population at 200% of poverty has increased by 52% since 1999, a growth of 142,000 people.

As we have seen, housing insecurity and rising poverty lead to educational, health, and economic disparities and crises that undermine our ability to build healthy, sustainable, inclusive and growing communities. The Enterprises can provide invaluable supports to struggling communities by using its regulatory and conservatorship powers to promote responsible innovation and market expansion for underserved borrowers and thus stabilizing safe, decent and affordable housing.

Sincerely,

Christy Rogers

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