

Speaker's Task Force on Racial Disparities

Subcommittee on Education and Economic Development

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WHEDA

TOGETHER WE BUILD WISCONSIN®

HOW WHEDA WORKS

Our mission:

To stimulate the state's economy and improve the quality of life for Wisconsin residents by providing affordable housing and business financing products.

Our work:

WHEDA offers financing and expertise to expand equitable access to affordable housing and economic opportunity.





2019 WHEDA ACCOMPLISHMENTS



Through our WHEDA Advantage loan program targeting first-time homebuyers and working families, during fiscal 2019, WHEDA issued

3,703

mortgage loans valued at

\$480M

an increase from 2018 of

7%

Our multifamily programs also have seen tremendous success. In fiscal 2019, WHEDA financing created

2,003

units through loans totaling

\$216M

an increase from 2018 of

22%

In addition, federal housing tax credits produced

3,829

units totaling

\$36M

in multifamily housing loans



WHEDA provides direct support to entrepreneurs, established businesses and farms through a variety of loan and guarantee programs.

HOW WHEDA WORKS

- WHEDA's traditional financing tools and programs are effective, yet our market share alone is not sufficient to drive change.
- Collaborative, adaptive, innovative, approaches are needed to address evolving challenges.



WHEDA



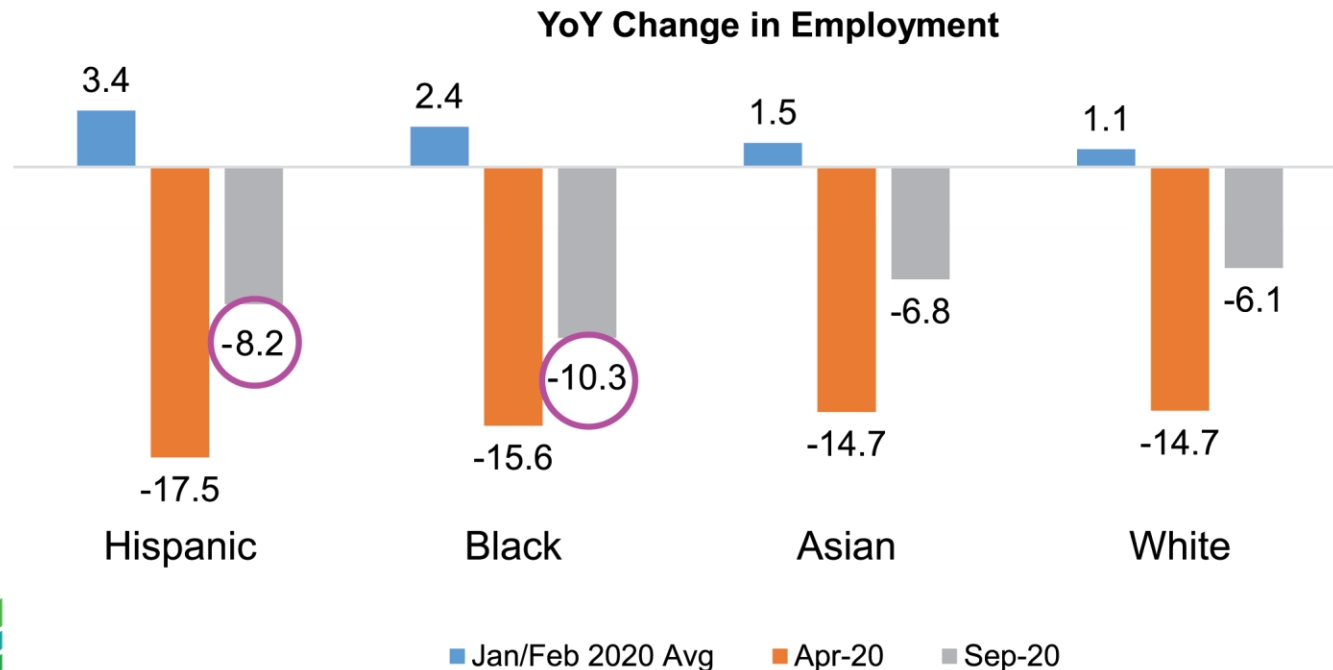
HOW WHEDA WORKS



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THE CURRENT ENVIRONMENT

Blacks & Hispanics have experienced the largest declines in employment and unequal recovery.



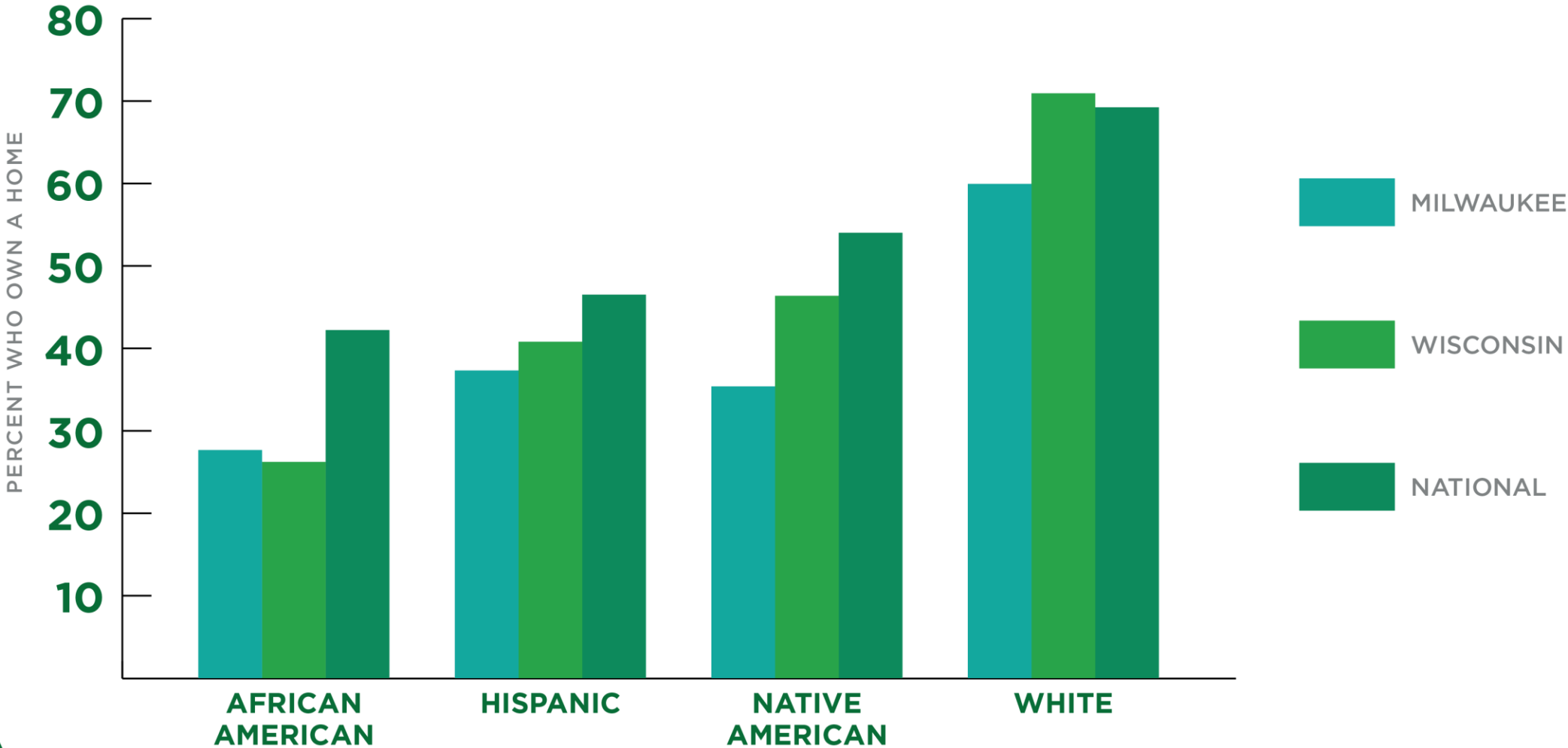
Race/Gender	Jobs Recovered since April
Black Men	34%
Black Women	39%
White Men	60%
White Women	60%
Asian	59%
Hispanic	55%

Source: BLS; Economic and Housing Research, Freddie Mac

THE CURRENT ENVIRONMENT: SINGLE FAMILY

WISCONSIN'S RACIAL HOMEOWNERSHIP GAP: 2014-2018 (est)

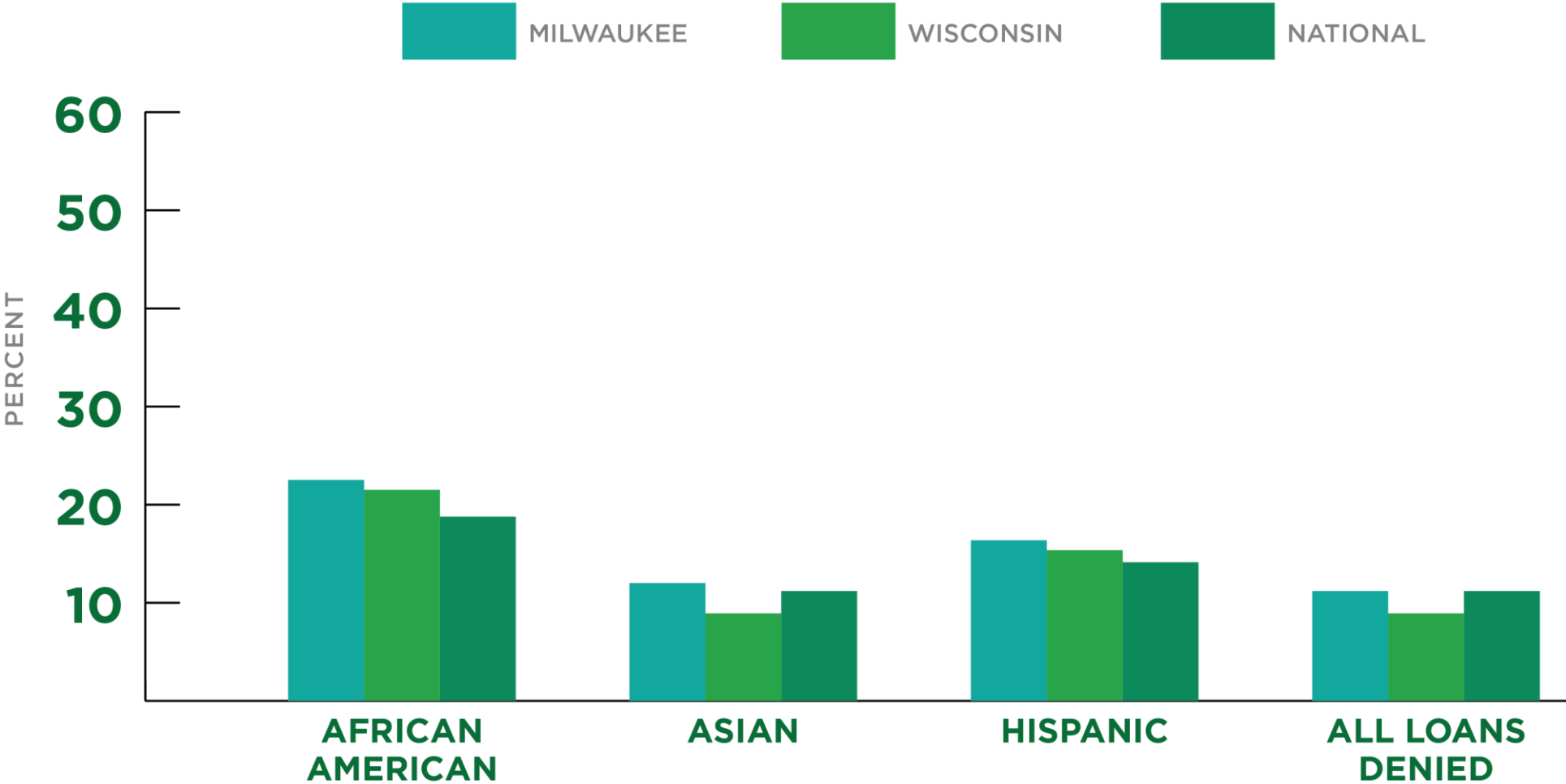
SOURCE: U.S. Census Data



THE CURRENT ENVIRONMENT: SINGLE FAMILY

HOME PURCHASE LOAN DENIAL RATES 2018

SOURCE: PolicyMap and Federal Financial Institutions Examination Council

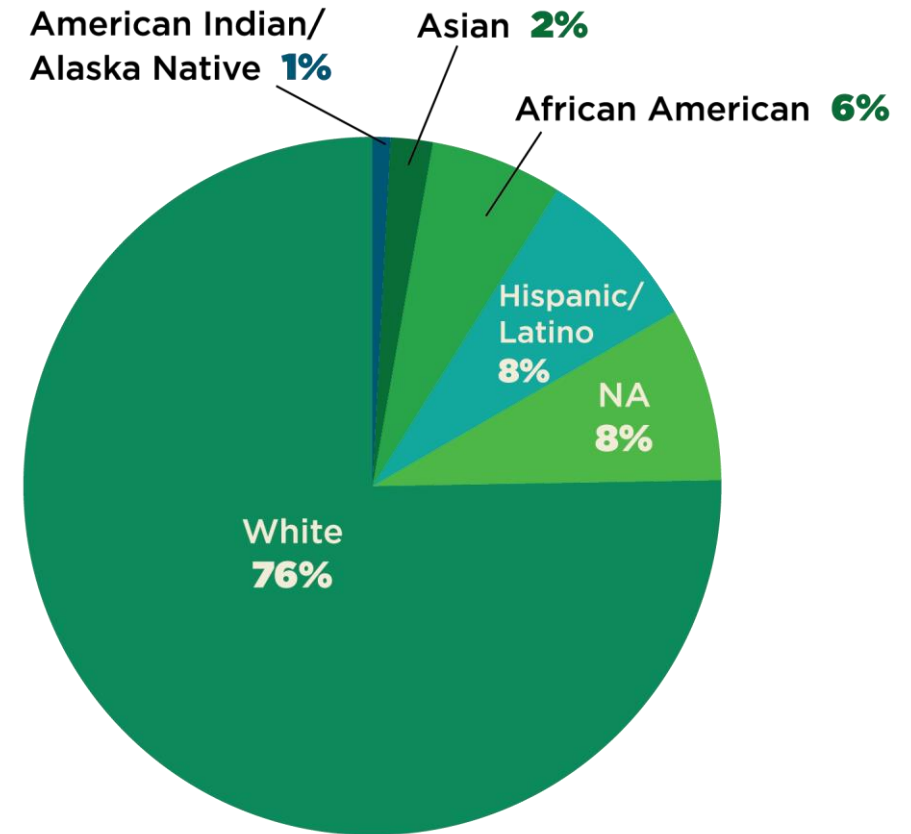


THE CURRENT ENVIRONMENT: SINGLE FAMILY

- Defaults on mortgage loans are rising more rapidly for people of color than for whites.
- WHEDA uses forbearance plans to help borrowers avoid defaults and keep people in their homes.

WHEDA SINGLE FAMILY FORBEARANCE PLANS IN PLACE/RECENTLY SATISFIED

1st Mortgages As of 10/31/2020 - Breakdown by Race



% OF FORBEARANCES



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THE CURRENT ENVIRONMENT: MULTIFAMILY





THE CURRENT ENVIRONMENT: MULTIFAMILY



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THE CURRENT ENVIRONMENT: MULTIFAMILY

RENTAL HOUSING AFFORDABILITY ANALYSIS BASED ON MONTHLY MEDIAN INCOMES AND RENTS, 2016

Location	Renter Median Household Income	Median Rent	MAR*	MMedian RTI Gap**	
Milwaukee County	\$2,631	\$834	\$789	-\$45	
Wisconsin	\$2,820	\$802	\$846	\$44	

Source: Wisconsin Policy Forum

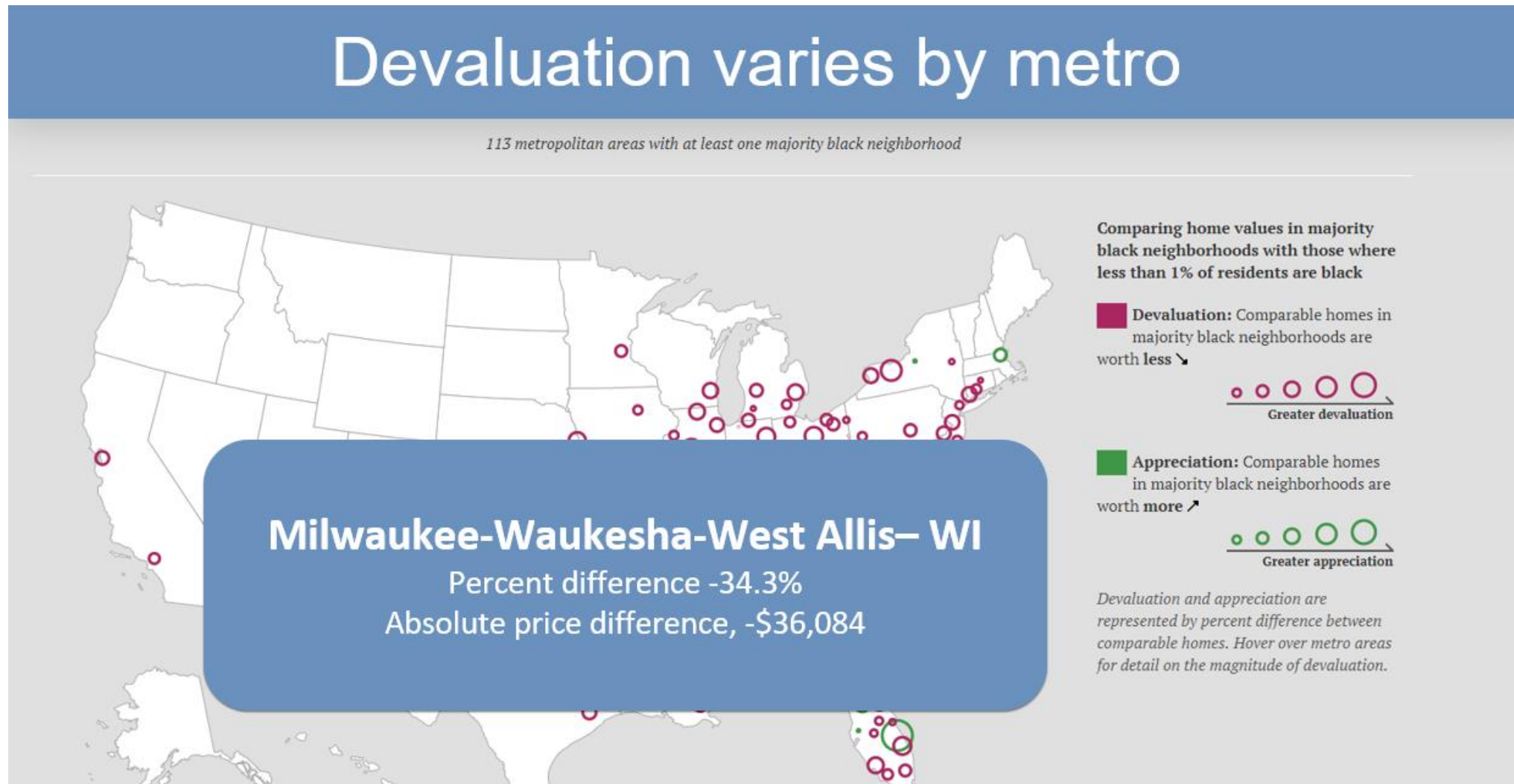
*MAR is the median maximum affordable rent based on a 30% RTI.

** Source: Wisconsin Policy Forum analysis of difference between the median rent and MAR based on U.S. Census data. A red sign means the MAR is below the median rent. Yellow means the MAR is less than \$100 above the median rent. Green means the MAR is more than \$100 above the median rent.



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THE CURRENT ENVIRONMENT: ECONOMIC OPPORTUNITY



POLICIES & PRACTICES

PROGRAMS

PARTNERS

PEOPLE

PARTNERS

PROGRAMS

POLICIES & PRACTICES



WHEDA

CULTIVATING AN ECOSYSTEM OF OPPORTUNITY

WHEDA's Culture Steering Committee recognizes our own people are critical for change



Employee and Community Engagement

We see success when all of us at WHEDA and the communities we serve are energized by our mission and our daily work.



Innovation

We find new solutions and use resources more effectively when we listen to diverse perspectives and challenge ourselves to innovate.



Learning and Development

We create opportunities for ourselves and others when we remain open to lifelong learning and personal development.



Equity, Diversity and Inclusion

We deliver greater value when our strategic decisions and daily work are informed by the experiences of people from all background and walks of life.



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CULTIVATING AN ECOSYSTEM OF OPPORTUNITY

The next level of WHEDA's ecosystem work focuses on our programs, including procurement efforts with vendors.

We are:

- Improving procurement practices;
- Strengthening vendor relationships;
- Extending our network of business partners;
- Working with our business partners to encourage best practices.



CULTIVATING AN ECOSYSTEM OF OPPORTUNITY



WHEDA's administration of federal and state housing tax credit programs represents another way in which our programs are evolving to drive equity. Key QAP changes for 2021-22 include:

- Increased scoring for projects that include diverse developers;
- A set-aside of 25% of state housing tax credits for rural projects;
- Greater flexibility to encourage supportive services; and
- Increased scoring for sustainability features.

CULTIVATING AN ECOSYSTEM OF OPPORTUNITY



&



present:

CDFI Study Webinar



WHEDA WEBINARS

Buying Your First Home

For upcoming webinars, visit WHEDA.com and search “webinar”

CULTIVATING AN ECOSYSTEM OF OPPORTUNITY

By working together, WHEDA is cultivating an ecosystem of equity in housing and economic opportunity.



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QUESTIONS?



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THANK YOU!



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