



# DANE COUNTY

**Joe Parisi**  
County Executive

The Honorable Jerome Powell  
Chairman  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Ave. NW  
Washington, DC 20551

The Honorable Martin Gruenberg  
Chair  
Federal Deposit Insurance Corporation  
550 17th Street NW  
Washington, DC 20429

November 16, 2023

Dear Chair Powell and Chair Gruenberg:

I am writing to urge you not to significantly increase capital standards on some mortgages with down payments of less than 20 percent. This policy change will hurt many first-time home buyers in Dane County who are already facing steep mortgage interest rates and high housing prices resulting from a shortage of available housing in our fast-growing county. Putting another hurdle in front of homeownership for first-time homebuyers will lock too many people out of the best way to build wealth for years to come.

Low- and moderate-income people already face significant barriers buying a home in Dane County. The median price for a Dane County home is now around \$400,000, which is a significant jump from just a few years ago. Many Black and Latino families in our area do not have the advantage of multi-generational wealth to take into this very competitive housing market as they try to become first-time homebuyers. Given all we know about the gaps in homeownership that already exist between White households and Black and Latino households, it would counterproductive for your agencies to start enacting new barriers to for first-time homebuyers.

Dane County has been working for years to build partnerships addressing housing access and affordability, especially among racial and ethnic minorities. We commissioned a housing assessment in 2019 that found disparities in homeownership rates for racial and ethnic minorities even when they have the same income rates as a White household. This no doubt is the result of generations of housing discrimination, which is why government entities at every level should strive to ensure policy changes don't compound the racial disparities already in our housing systems.

Homeownership is one of the best ways for families to build wealth and I urge you not put this out of reach for more families by making it more expensive for banks to lend to first-time homebuyers.

Sincerely,



Joe Parisi  
Dane County Executive