

To Be Strong Again: Renewing the Promise in Smaller Industrial Cities

Now, smaller industrial cities struggle to find their way in the face of an ever-changing global economy and the inequitable effects of sprawling growth patterns. Residents of these cities are some of the most isolated in neighborhoods that lack good jobs,

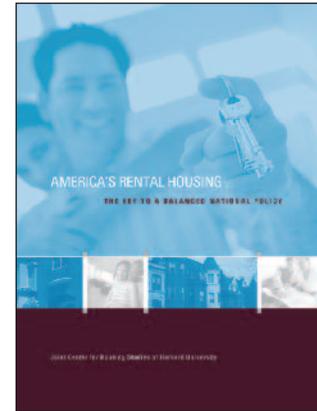
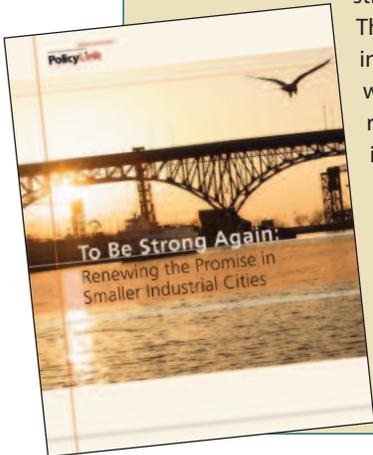
strong schools and quality housing. This report spotlights the wisdom, innovation and successes of those working to promote equitable renewal of smaller industrial cities. It offers a forward-looking vision of what these cities can become with the right set of policies, programs and investments.

Economically smaller industrial cities can fill a gap in location options for businesses and households in the nation: opportunity-rich, dynamic cities, well-linked to the larger region, but offering the intimacy of a smaller scale. — *Excerpt from the report.*

www.policylink.org/ToBeStrongAgain.pdf

AUTHORS

RADHIKA FOX AND
MIRIAM AXEL-LUTE



America's Rental Housing: The Key to a Balanced National Policy

The report examines recent mortgage market events in the context of long-standing affordability problems that

plague millions of renters. Fueled by record foreclosures and sluggish home sales, the share of

households owning a home is declining, while the number of renter households jumped by nearly one million last year, or more than four times the pace of renter growth over the 2003 to 2006 period. Despite the growing signs of economic weakness, monthly rents last year reached a record high of \$775.

The report also observes that rising foreclosures and the resulting turmoil in credit markets raises the costs of financing rental housing construction and preservation. Last year, completions of multifamily units for rent fell to 169,000 units—just two-thirds of the 2002 figure and only one-third of the 1986 record high. The blighting influence of vacant and foreclosed properties also will accelerate the abandonment of low-cost rental properties in distressed neighborhoods, further limiting the supply of affordable housing.

— *Excerpt from the report.*

www.jchs.harvard.edu/publications/rental/rh08_americas_rental_housing/index.html

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THE JOINT CENTER FOR
HOUSING STUDIES

Federal Reserve System Conference on Housing and Mortgage Markets

Over the past 15 years, there have been dramatic changes in housing and mortgage markets, including broader access to credit, increased homeownership, appreciation of housing prices and the recent large increase in mortgage foreclosures. As part of its Homeownership and Mortgage Initiatives, on December 4, the Federal Reserve System sponsored a research conference to advance the understanding of the causes and consequences of these developments as well as potential policy responses. The program included presentations of research papers with discussants and a policy panel that

included Governor Randall S. Kroszner. The following papers were discussed:

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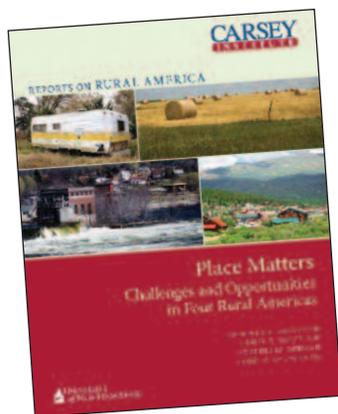
- "Subprime Mortgages"
- "Consumption and Savings of First-Time House Owners: How Do They Deal with Adverse Income Shocks?"
- "Stochastic House Appreciation and Optimal Mortgage Lending"
- "Lending in Low- and Moderate-Income Neighborhoods in California: The Performance of CRA Lending During the Subprime Meltdown"
- "Forced Sales and House Prices"
- "Interest Rate Fluctuations and Equilibrium in the Housing Market"
- "Household Expenditures, Wages, Rents"
- "State Mortgage Foreclosure Policies."

To access these papers, visit: www.richmondfed.org/conferences_and_events/research/2008/housing_and_mortgage_markets.cfm?cc_view=print

ORGANIZATION

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SYSTEM

Place Matters: Challenges and Opportunities in Four Rural Americas



In 2007, researchers at the Carsey Institute at the University of New Hampshire completed the first stages of the Community and Environment in Rural America (CERA) survey.

Nearly 8,000 residents in 19 carefully selected rural counties were

interviewed in the comprehensive survey to determine their opinions, experiences and attitudes about the changes occurring in their lives, in the lives of their families and in their communities.

Carsey also examined rural life using socioeconomic, cultural and demographic indicators as guides, rather than notions of what “rural” means. The CERA survey analysis focused on five main issues that have emerged as particularly salient for understanding the state of rural areas of America today.

- Economic changes, challenges and realities
- Migration and demographic changes
- Religion, trust and civil institutions
- Environment, natural resources and energy and
- Infrastructure and changing populations.

Carsey examined communities in the Rocky Mountain, the Midwest, the Southeast and the Northwest/Northeast.

— *Excerpt from the report.*

http://carseyinstitute.unh.edu/publications/Report_PlaceMatters.pdf

Tackling the Mortgage Crisis: 10 Action Steps for State Government

The mortgage foreclosure crisis has become an issue of growing concern over the past two years. While most attention has focused on what the federal government should do to manage the fallout, states, too, play a vital role in the process. This paper describes the beginnings of the mortgage crisis and

AUTHOR

ALAN MALLACH

the damage it has inflicted thus far. It then provides a set of concrete action steps that states can take to mitigate its impact on families and neighborhoods and prevent a similar situation from occurring in the future.

— *Excerpt from the report.*

www.brookings.edu/~media/Files/rc/papers/2008/0529_mortgage_crisis_vey/0529_mortgage_crisis_vey.pdf

Consumer and Mortgage Credit at a Crossroads: Preserving Expanded Access While Informing Choices and Protecting Consumers

AUTHORS

ERIC BELSKY AND
REN S. ESSENE

This paper briefly explores trends in the use of debt by consumers in the United States and the reasons for these trends, as well as their possible implications. It then traces the evolution of the risk-based pricing and unbundled, capital-market funded credit systems. The paper also examines the special challenges, risks and opportunities that the relatively new and rapidly evolving risk-based pricing system poses for consumers, credit providers, financial intermediaries, regulators and community groups. Lastly, it examines how these constituencies can respond to these challenges, risks and opportunities and to the difficulties they face in doing so. — *Excerpt from the report.*

www.jchs.harvard.edu/publications/finance/understanding_consumer_credit/papers/ucc08-1_belsky_essene.pdf

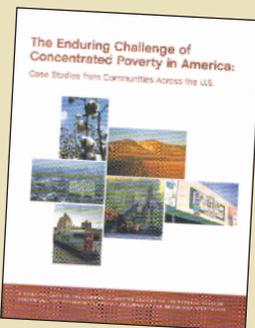
The Enduring Challenge of Concentrated Poverty in America: Case Studies from Communities Across the U.S.

The Community Affairs Offices of the Federal Reserve System partnered with the Brookings Institution to examine the issue of concentrated poverty. The resulting report, *The Enduring Challenge of Concentrated Poverty in America: Case Studies from Communities Across the U.S.*, profiles 16 high-poverty communities from across the

country, including immigrant gateway, Native American, urban, and rural communities. Through these case studies, the report contributes to our understanding of the dynamics of poor people living in poor communities and the policies that will be needed to bring both into the economic mainstream.

The Fifth District Communities of West Greenville, North Carolina and McDowell County, West Virginia, were studied for this report.

www.richmondfed.org/community_development/emerging_issues/reports/concentrated_poverty_report.cfm



AUTHORS

THE COMMUNITY AFFAIRS
OFFICES OF
THE FEDERAL RESERVE
SYSTEM AND THE
METROPOLITAN POLICY
PROGRAM AT THE
BROOKINGS INSTITUTION