BBC & RESEARCH CONSULTING

Analysis of Impediments to Fair Housing Choice

Shelby County
City of Memphis

Revised Report
March 25, 2019

Analysis of Impediments to Fair Housing Choice

Prepared for
Shelby County
City of Memphis

Prepared by
BBC Research & Consulting
1999 Broadway, Suite 2200
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com

and

International Development and Planning
504.319.4233 fax 301.608.3306
internationaldevelopmentandplanning.com
info@intldp.com

BBC RESEARCH & CONSULTING

Table of Contents

ES. Executive Summary

Study Background ES–1
Community Participation Process ES–3
What are the primary fair housing challenges in Memphis and Shelby County? What factors contribute to the creation and/or persistence of those challenges? ES–3
Ongoing Efforts to Affirmatively Further Fair Housing ES–6
Goals and Strategies: How can those fair housing issues be addressed? ES–7

I. Demographics and Segregation

Data Notes I–1
Demographic Summary I–1
Segregation/Integration I–6
Racially/Ethnically Concentrated Areas of Poverty I–20
Key Fair Housing Findings from Section I I–26

II. Housing Patterns

Housing Market Trends II–1
Patterns in Tenure and Affordability II–3
Disproportionate Housing Needs II–6
Mortgage Lending II–11
Land Use and Zoning II–20
Key Fair Housing Findings from Section II II–28

III. Publicly Assisted Housing

HUD Assisted Housing III–1
Patterns in Location by Program III–5
Low Income Housing Tax Credit Housing III–10
Publicly Supported Housing in Predominantly White Neighborhoods III–12
Key Fair Housing Findings from Section III III–13

IV. Disparities in Access to Opportunity

How does economic opportunity relate to fair housing? IV–1
Measuring "Opportunity" IV–1
Access to Low-Poverty Neighborhoods IV–5
Access to Proficient Schools IV–6
Access to Employment Opportunities IV–11
Access to Transportation IV–15
Access to Environmentally Healthy Neighborhoods IV–21
Key Fair Housing Findings from Section IV IV–26

Table of Contents

V. Disability and Access Analysis

Population Profile V–2
Housing Accessibility V–5
Integration of Persons with Disabilities Living in Institutions and Other Segregated Settings V–8
Disparities in Access to Opportunity for Persons with Disabilities V–9
Key Fair Housing Findings from Section V V–10

VI. Community Engagement Findings

Resident Survey VI–1
Current Housing Choice VI–2
Displacement & Recent Experience Seeking Housing VI–13
Neighborhood and Community VI–21
Key Fair Housing Findings from Section VI VI–36

VII. Fair Housing Environment

Fair Housing Laws, Statutes, and Ordinances VII–1
Fair Housing Complaint Trends VII–5
Legal Cases VII–7
Assessment of Past Goals and Actions VII–9
Key Fair Housing Findings from Section VII VII–20

VIII. Fair Housing Issues and Goals

Summary of Fair Housing Issues and Contributing Factors VIII–1
Goals Development VIII–4
Potential Goals and Strategies VIII–4

Appendix A. Assessment of Progress to Goals Matrix A–1

SECTION ES.

Executive Summary

EXECUTIVE SUMMARY

This section summarizes the main findings from the regional Analysis of Impediments to Fair Housing Choice (AI) conducted for the City of Memphis and Shelby County. This Executive Summary provides background on the study, highlights key fair housing issues, and summarizes the goals and strategies to address barriers to fair housing choice.

Study Background

The city of Memphis sits within Shelby County, which is made up of the urban core, suburban and rural areas. The city and county border the Mississippi River and are located in the southwest corner of the State of Tennessee.

In 2017, the City of Memphis and Shelby County agreed to collaborate to fulfill a requirement by the U.S. Department of Housing and Urban Development (HUD) to analyze barriers to housing choice. This fair housing analysis is required of any city, county, and state receiving certain HUD funding, including such sources as Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME). HUD encourages regional collaboration on these studies, recognizing that housing challenges do not end at jurisdictional borders—and that regional partnerships are key to addressing housing needs and sustaining economic growth.

The overall goal of the Regional AI approach is to help communities analyze challenges to fair housing choice and establish goals and priorities to address fair housing barriers. A secondary goal is to help communities move toward an economic opportunity philosophy when making planning and housing policy decisions.

How does economic opportunity relate to fair housing? Historically, housing policies and programs have focused on creating new units, with limited regard to location. This approach has shifted in recent years, as a result of legal challenges and research showing that where housing is located has a lasting effect on the economic outcomes of residents—and, consequently, the economic health of neighborhoods and entire communities.

Many studies have found long-term public savings related to improvements in housing stability and economic inclusion. For example:

- Dr. Raj Chetty's well known Equality of Opportunity research found economic gains for adults who moved out of high poverty neighborhoods when they were children. Gains were larger the earlier the children were moved from these high poverty neighborhoods.[1]
- A companion study on social mobility isolated the neighborhood factors that led to positive economic mobility for children: lower levels of segregation, lower levels of income

[1] http://www.equality-of-opportunity.org and http://www.equality-of-opportunity.org/images/mto_exec_summary.pdf

inequality, high quality education, greater community involvement ("social capital"), and greater family stability.

- A 2016 study by the National Bureau of Economic Research (NBER) found positive economic and social outcomes for children raised in publicly subsidized housing, regardless of the poverty level of the neighborhood.[2] Another research project had a slightly different conclusion. A study by researchers at Johns Hopkins University found that when assisted housing is located in higher quality neighborhoods, children have better economic outcomes. The study also concluded that because low income African American children are more likely than low income white children to live in assisted housing, the location of assisted housing in poor quality neighborhoods has a disproportionate impact on African American children's long term economic growth.[3]

An economically inclusive approach to fair housing planning is also consistent with the "affirmatively furthering fair housing" clause in the Federal Fair Housing Act (FHA). The FHA requires that HUD programs and activities be administrated in a manner that affirmatively furthers the intent of the Act. Federal courts have interpreted this to mean doing more than simply not discriminating: The obligation also requires recipients of federal housing funds to take meaningful actions to overcome historic and current barriers to accessing economically stable communities.

"Home" encompasses a variety of factors—good neighbors, safe environments, quality schools, social services, jobs, and transportation—all of which affect the economic health of a neighborhood and its residents.

Fair Housing law and enforcement. The Federal Fair Housing Act (FFHA) was part of the federal Civil Rights Act of 1968. The original language in the FFHA prohibited discrimination in the sale, rental and financing of dwellings in housing-related transactions based on race, color, national origin and religion. The FFHA was amended 20 years later, in 1988, to prohibit discrimination on the basis of disability or familial status, and to require accessible units in multifamily developments built after 1991.

Developments exempted from the FFHA include: housing developments for seniors, housing strictly reserved for members of religious organizations or private clubs, and multifamily housing of four units or less with the owner occupying one unit.

Organization of this AI. The research in the AI covered demographic patterns, including racial and ethnic segregation and concentrated areas of poverty; housing patterns, including the provision of publicly assisted housing; land use regulations and zoning ordinances that affect the siting and types of housing; access to housing and community amenities by residents with disabilities; and enforcement of fair housing laws and fair housing resources in the region.

Following this Executive Summary, the report is organized around the following sections:

---

[2] http://www.nber.org/papers/w19843.pdf
[3] https://jhu.pure.elsevier.com/en/publications/race-and-assisted-housing

- Section I. Demographics and Segregation
- Section II. Housing Patterns
- Section III. Publicly Assisted Housing
- Section IV. Access to Opportunity
- Section V. Disability and Access
- Section VI. Community Engagement Findings
- Section VII. Fair Housing Environment
- Section VIII. Fair Housing Goals

Community Participation Process

Residents of Memphis and Shelby County had the opportunity to share their experiences with housing choice and access to opportunity through a resident survey. Offered in English and Spanish, the resident survey was available online and in a postage-paid mail version. A total of 508 Memphis-Shelby County residents participated. The survey instrument included questions about residents' current housing situation, experience with seeking housing, access to opportunity, and experience with housing discrimination.

Stakeholders, including fair housing advocates, housing and social service providers, and housing professionals, participated in the study by promoting the resident survey to their clients, participating in a project kick-off discussion to help guide the analysis, reviewing the draft AI, and providing feedback on identified barriers and goals.

Findings from this outreach, in addition to the quantitative analysis conducted for the study, were used in the formation of impediments and highest priority fair housing issues.

What are the primary fair housing challenges in Memphis and Shelby County? What factors contribute to the creation and/or persistence of those challenges?

The primary fair housing issues and the contributing factors in the Memphis and Shelby County include:

- **Segregation persists.** There is relatively high racial/ethnic segregation in the region—particularly of African American residents. This is true both at the macro-level (between the city and county) and at the mirco-level (neighborhood by neighborhood). There is also evidence of segregation by national origin, though these residents are less likely than African American residents to live in areas of concentrated poverty.

  Contributing factors *to segregation include historical settlement patterns, distribution of attainable/affordable housing (both market-rate and publicly assisted housing), land use and zoning regulations, disparities in mortgage lending, and economic factors.*

- **Disparities in housing needs.** Minority households, particularly African American and Hispanic households, experience housing problems at higher rates than non-Hispanic white

and Asian households in Memphis, and, to a lesser extent in Shelby County. Large family households also experience housing problems at relatively high rates.

African Americans and other non-Asian minorities also have a harder time accessing capital for home purchase loans, home improvement loans and refinances. Non-Asian minority borrowers who are successful in getting a loan are more likely to receive subprime (higher than average) interest rates on their loans.

Minority residents (particularly African Americans), residents with a disability, and large households were more likely than other groups to have experienced displacement (having to move when they did not want to move) in the past five years. The most common reasons were reduced household income (i.e., lost job, hours reduced), being evicted for being behind on the rent, personal reasons (e.g., divorce), or moving due to mold or other unsafe conditions.

Minority residents and those with disabilities were also more likely to report poor condition of housing in their neighborhoods.

Contributing factors *to disparities in housing needs include lower homeownership rates among most minority groups, low availability of affordable units in a range of sizes, lack of private investments in specific neighborhoods, economic factors, and lending discrimination.*

- **Disparities in access to opportunity.** Regional data for the Memphis metro area show racial disparities in resident access to low poverty neighborhoods, school quality, labor market engagement, and to a lesser extent, job proximity. Disparities are most pronounced for African American, Hispanic, and Native American residents relative to non-Hispanic white residents. Trends are similar in both Memphis and Shelby County outside Memphis, though the gap is wider between groups in the city of Memphis—particularly for labor market engagement and poverty exposure. Disparities persist even when comparing income-similar residents of different races/ethnicities.

  - There are wide economic disparities between the city and county, as reflected by the location of R/ECAPs and poverty rates overall. The African American population is disproportionately impacted by poverty concentrations, more so than other racial/ethnic minorities and more so than immigrant and limited English proficient populations.
  - Access to proficient elementary schools is a key concern for families in Memphis and Shelby County, as is racial/economic segregation in schools. Non-Asian minority students have lower access to quality schools, even when comparing income-similar residents.
  - Even when minority groups live close to jobs, they have trouble actually accessing the jobs, most likely due to a skills and/or education mismatch with job requirements. Racial/ethnic disparities in labor market engagement are present in Shelby County outside Memphis but are much more pronounced within the city of Memphis.

- The data do not indicate significant disparities in access to transportation by race/ethnicity; however, public transit options are limited for all residents. This has a disproportionate impact on residents that rely on public transportation (low income and people with disabilities) to access jobs and other services.
- Resident survey responses also highlight crime and safety as a key neighborhood concern, particularly for residents with disabilities and racial/ethnic minorities.

Contributing factors *to disparities in access to opportunity include availability of affordable units in a range of sizes, limited support for multifamily housing, distribution of publicly assisted housing, NIMBYism, lack of private investments in specific neighborhoods, lending discrimination, steering, land use and zoning laws, limited/lack of public transit in certain areas, and economic disparities.*

- **Barriers to housing choice for people with disabilities.** There is a shortage of affordable accessible housing for those with disabilities—one in four households that include a member with a disability are living in housing that does not meet their accessibility needs. Top needs for these households include need for modification funding for grab bars, ramps, etc; need for modification and accommodation training for landlords, especially around service animals/emotional support animals and accessibility modifications; and need for education/outreach to residents explaining rights and resources related to requesting modifications and accommodations.

  Transportation is the biggest barrier to accessing community amenities and facilities, health care, and employment for people with disabilities.

  Households that include people with disabilities experience higher levels of the following housing challenges than other residents:

  - Worry about rent increasing to an amount they can't afford;
  - Live in what they consider to be high crime neighborhoods;
  - Live in neighborhoods with buildings in poor condition;
  - Live in neighborhoods with inadequate sidewalks, street lights, drainage, or other infrastructure.

  Contributing factors *include a lack of accessible housing across the region; lack of fair housing knowledge/compliance among landlords; limited public transportation in many neighborhoods, lack of public and private investment.*

- **Location and utilization of publicly assisted housing.** Disparities by race/ethnicity in program utilization relative to eligible households are evident in Memphis and Shelby County outside of Memphis. Generally, African American residents are overrepresented among housing program participants relative to their representation among all households earning less than 50 percent of Area Median Income (AMI). Conversely, Hispanic households tend to be underrepresented among program participants.

Patterns in location of publicly supported housing programs indicate that a relatively high proportion of location-specific housing program units (LIHTC, project-based section 8 and other multifamily) are located in areas with high poverty. In general, there is a concentration of public housing near downtown Memphis while other types of publicly assisted housing are distributed throughout North and South Memphis and Midtown. There is a notable lack of publicly assisted housing developments in East Memphis, Germantown, Cordova, and Collierville.

Contributing factors *include lack of affordable housing in a range of unit sizes, NIMBYism, land use and zoning regulations.*

- **Lack of fair housing capacity.** Survey responses, complaint, and legal case data indicate potential discrimination in the housing market.

  - Fifteen percent of resident survey respondents felt they experienced discrimination when they looked for housing in the region; rates are highest among households living in publicly assisted housing (38%), large families (29%), households which include a member with a disability (23%), African American residents (23%), families with children (23%), and low income households (23%).
  - About 1 in 10 people who seriously looked for housing report steering by a real estate professional. Perceived steering was higher in Shelby County outside Memphis than in the city of Memphis.
  - Resident survey responses highlighted NIMBYism as a concern in the region noting limited community support for different types of housing—low income housing and apartment buildings—and housing uses—housing for low income seniors, housing for people recovering from substance abuse, and housing for persons with disabilities. Some survey responses indicate people of different races not being welcome in certain neighborhoods due to race.
  - Legal cases and investigations indicate potential fair housing concerns in the banking and lending industry related to predatory lending, redlining, and maintenance (or lack thereof) of Real Estate Owned (REO) properties.

Contributing factors *include perceived and actual housing discrimination, lack of fair housing knowledge among landlords and real estate professionals, and fair housing violations within the banking industry.*

Ongoing Efforts to Affirmatively Further Fair Housing

Both the City of Memphis and Shelby County have taken actions to affirmatively further fair housing choice and address fair housing issues in their community. Their past actions were guided by a 2011 Analysis of Impediments to Fair Housing Choice, completed by the City of Memphis and Shelby County in 2011 and a regional Fair Housing Equity Assessment completed in 2014. Specific efforts by the City and the County to improve fair housing choice include:

- Initiatives aimed at increasing housing choice for HCV participants—both through efforts to increase information and resources for voucher holders and outreach to recruit/retain landlords accepting vouchers in high opportunity areas;
- Funding for fair housing outreach, education, investigation and enforcement activities;
- Efforts to improve access to transportation and employment for protected class populations;
- Down payment assistance to assist low and moderate income homebuyers, many of whom are protected classes;
- Home repair and rehabilitation programs for low and moderate income owners, many of whom are protected classes;
- Incorporated visitability/accessibility standards for housing created with government funding;
- Affirmative marketing of programs to protected class groups including people with disabilities and Spanish-speaking residents; and
- Partnerships with organizations that provide people with disabilities with the advocacy, training, resources and peer support needed to live independently.

Goals and Strategies: How can those fair housing issues be addressed?

The City of Memphis and Shelby County identified the following goals and strategic partnership opportunities to address fair housing concerns in the region.

Figure ES-1.
Goals and Strategic Partnership Opportunities

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES
Goal 1. Address fair housing concerns in the ownership market:
A. Continue to improve housing quality and increase housing accessibility through housing rehabilitation, repair and accessibility grant programs and low cost lending.
B. Continue to improve ownership affordability and access to capital through down payment assistance programs.
C. Continue to create affordable housing opportunities through partnerships with local non-profits by using HOME CHDO set-aside funds
D. Consider the following strategic partnership opportunities: • Boost residents' access to residential capital through partnerships with local lenders (to understand and address lending disparities). • Boost residents' access to residential capital by providing credit counseling and financial literacy classes.

Figure ES-1 (continued).
Goals and Strategic Partnership Opportunities

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES
Goal 2. Address fair housing concerns in the rental market:
A. Shelby County only: Increase staff capacity to more immediately address fair housing concerns of tenants; become a HUD Certified Housing Counseling Agency, have 2 HUD certified Housing Counselors on staff, and develop a tenants rights counseling curriculum.
B. Consider the following strategic partnership opportunities: • Develop an eviction prevention program. This could include one-time emergency rental assistance, renter basic skills training, financial counseling, mediation between landlords/tenants, etc. This could be developed in conjunction with the existing rapid rehousing program and/or in partnership with Memphis Area Legal Services (MALS). • Work with the Memphis Housing Authority to encourage housing choice voucher use in high opportunity areas through mobility counseling and landlord recruitment in high opportunity areas.
Goal 3. Address fair housing concerns related to land use and development policies:
A. City of Memphis only: Develop community priorities for siting LIHTC and other publicly supported housing developments and work to promote community support of such developments in high opportunity areas. To the extent possible, provide comments on the State's Qualified Allocation Plan (QAP) which governs LIHTC allocation.
B. Consider the following strategic partnership opportunities: • Develop policies and procedures that support balanced housing opportunities, including affordable/workforce housing (e.g., adopt an anti-NIMBY policy, incorporate developer incentives for affordable development, inclusionary zoning ordinance). • Review zoning/land use regulations to ensure that a diversity of housing choices is allowable throughout residential districts. Improve clarity in code related to siting multifamily development and compliance with fair housing and accessibility standards. • Adoption of a visitability ordinance and/or developer incentives to encourage or require universal design to improve accessibility/adaptability in market-rate new construction.
Goal 4. Continue to increase fair housing knowledge and capacity in the region in partnership with
A. Continue to support fair housing outreach and education through fair housing events and training, fair housing materials in multiple languages and mediums, and landlord/tenant resources.
B. Improve training for real estate professionals with a focus on reducing perceived racial steering.
C. Collaborate with local fair housing organizations to conduct regional fair housing testing as a tool for fair housing enforcement and to better understand private discrimination in the housing market.

Figure ES-1 (continued).
Goals and Strategic Partnership Opportunities

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES
Goal 5. Utilize economic development tools to promote fair housing choice and access to opportunity:
A. City of Memphis only: Identify opportunities for collaboration with economic development initiatives (e.g., EDGE) to help focus investment and job training resources to address fair housing concerns in an effort to improve access to opportunity in under-resourced areas.
B. Increase access to job training resources for under-employed residents and for residents with disabilities through partnerships with regional service providers and employers.
C. City of Memphis only: Promote economic investment (public and private) in distressed areas that have high minority concentrations: • Explore partnerships with lenders such as community development financial institutions (CDFIs) that serve the region to discuss potential partnership opportunities for 1) Developing the capacity of small businesses in distressed areas and 2) Are committed to helping transform distressed communities. • Identify areas where new construction of affordable housing could serve as an economic catalyst for revitalization. Leverage county-owned land banked properties for catalytic development and affordable housing. The development approach should encourage infill and higher density residential use (missing middle housing and/or higher density). • Coordinate investments with the Memphis Blight Elimination Steering Team to leverage efforts.
Goal 6. Promote equity in access to community assets:
A. Strengthen regional transportation planning and expand public transit service to increase access to jobs and services for all residents. Continue to coordinate with the MPO to ensure transportation planning activities take housing issues into consideration and support Memphis 3.0 initiative to improve job access for minority residents through transit services.
B. Consider pedestrian improvements like sidewalks and street lighting to improve accessible infrastructure and promote safety.
C. Collaborate with Shelby County School District and other districts in Shelby County to improve equity in school quality and access to high performing schools for all residents.
D. Complete a Regional Resilience Plan and implement resilience projects in areas susceptible to flooding in order to preserve and create community assets such as parks.
E. Consider the following strategic partnership opportunities: • Strengthen regional transportation planning and expand public transit service to increase access to jobs and services for all residents. Continue to coordinate with the MPO to ensure transportation planning activities take housing issues into consideration and support Memphis 3.0 initiative to improve job access for minority residents through transit services. • Collaborate with Shelby County School District and other districts in Shelby County to improve equity in school quality and access to high performing schools for all residents.

SECTION I.

Demographics and Segregation

SECTION I.
Demographics and Segregation

This section discusses demographic patterns, segregation, and poverty concentrations in the study area, with a specific focus on the distribution of protected class populations. After brief notes on data sources and terminology, this section begins with a demographic summary, which is followed by detailed demographic pattern and segregation analyses as well as a discussion of racially and ethnically concentrated areas of poverty.

Data Notes

Sources. Data from HUD's Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) are used throughout this section and the report as a whole to help describe demographic, socioeconomic, and housing characteristics as well as access to opportunity areas.[1] Those data focus on jurisdiction level, Census tract level, and block group level data; the most recent year available in the HUD AFFH-T is 2013. More recent data for the U.S. Census Bureau's American Community Survey (ACS) are included where possible, along with other publicly available datasets.

Participating jurisdictions. This AI focuses on the City of Memphis and Shelby County, the participating CDBG entitlement entities. Data for the Memphis Metro Area are included where appropriate to provide context for the analysis. The Memphis Metro Area consists of nine counties in three states: Crittenden County, Arkansas; Benton County, Mississippi; DeSoto County, Mississippi; Marshall County, Mississippi; Tate County, Mississippi; Tunica County, Mississippi; Fayette County, Tennessee; Shelby County, Tennessee; and Tipton County, Tennessee.

Demographic Summary

The City of Memphis is home to 652,752 residents, accounting for about 70 percent of the total Shelby County population (940,466). The Memphis Metro Area has a population of 1.35 million (69% of whom live in Shelby County).

Race and ethnicity. The racial/ethnic distribution is distinct between the city and the balance of Shelby County, as shown Figure I-1. Figure data for Shelby County exclude Memphis and figure data for the Memphis Metro exclude Shelby County to highlight the differences in their demographic compositions.

Nearly two thirds of the Memphis population are African American compared to less than one-third in the balance of the county and in the metro area outside of Shelby County. Hispanic

[1] For more information on the data documentation in the AFFH-T visit www.hudexchange.info/resource/4848/affh-data-documentation.

residents also account for a larger portion of the Memphis population (7%) compared to the balance of county (5%) and metro (3%).

Figure I-1.
Population by Race and Ethnicity, 2016

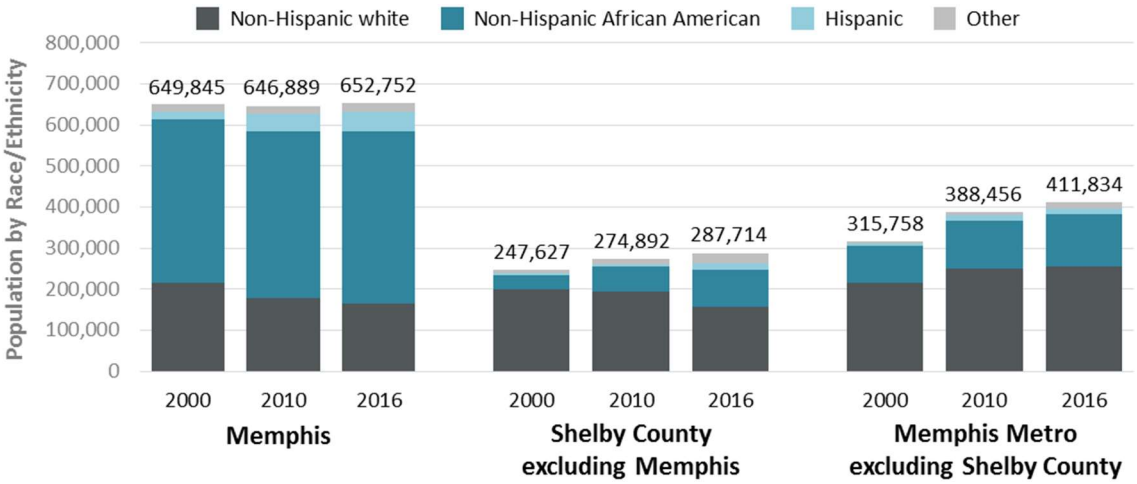
	Memphis		Shelby County excluding Memphis		Memphis Metro excluding Shelby County	
	Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*
Total Population	**652,752**	**100%**	**287,714**	**100%**	**411,834**	**100%**
White, Non-Hispanic	165,658	25%	158,287	55%	254,751	62%
African American, Non-Hispanic	420,273	64%	90,015	31%	127,550	31%
Hispanic	46,198	7%	15,410	5%	14,164	3%
Asian or Pacific Islander, Non-Hispanic	10,492	2%	12,594	4%	4,743	1%
Native American, Non-Hispanic	500	0%	57	0%	1,017	0%
Other or Two or more Races	9,631	1%	11,351	4%	9,609	2%

Source: 2016 ACS and BBC Research & Consulting.

The population of the Memphis Metro Area grew by 25 percent between 1990 and 2016, increasing from 1.075 million to 1.346 million—but growth was uneven across geographies. The population of Memphis increased by 7 percent over that period (most of that growth occurred between 1990 and 2000) while the balance of Shelby County grew by 33 percent. Within the metro, growth was even more rapid outside of Shelby County.

The racial and ethnic changes in population were also uneven. Figure I-2, which focuses on racial/ethnic changes between 2000 and 2016, indicates a decline in non-Hispanic white residents over that period in both the City of Memphis and the balance of Shelby County. The decline in non-Hispanic white residents was offset by an increase in African American, Hispanic, and other minority residents. In the balance of the metro area, all racial/ethnic groups increased in population.

Figure I-2.
Changes in Population by Race and Ethnicity, 2000 through 2016



Source: 2000 and 2010 Census, 2016 ACS, and BBC Research & Consulting.

The decline in non-Hispanic white residents in the city and county may reflect those residents moving to other areas of the metro and/or leaving the region entirely.

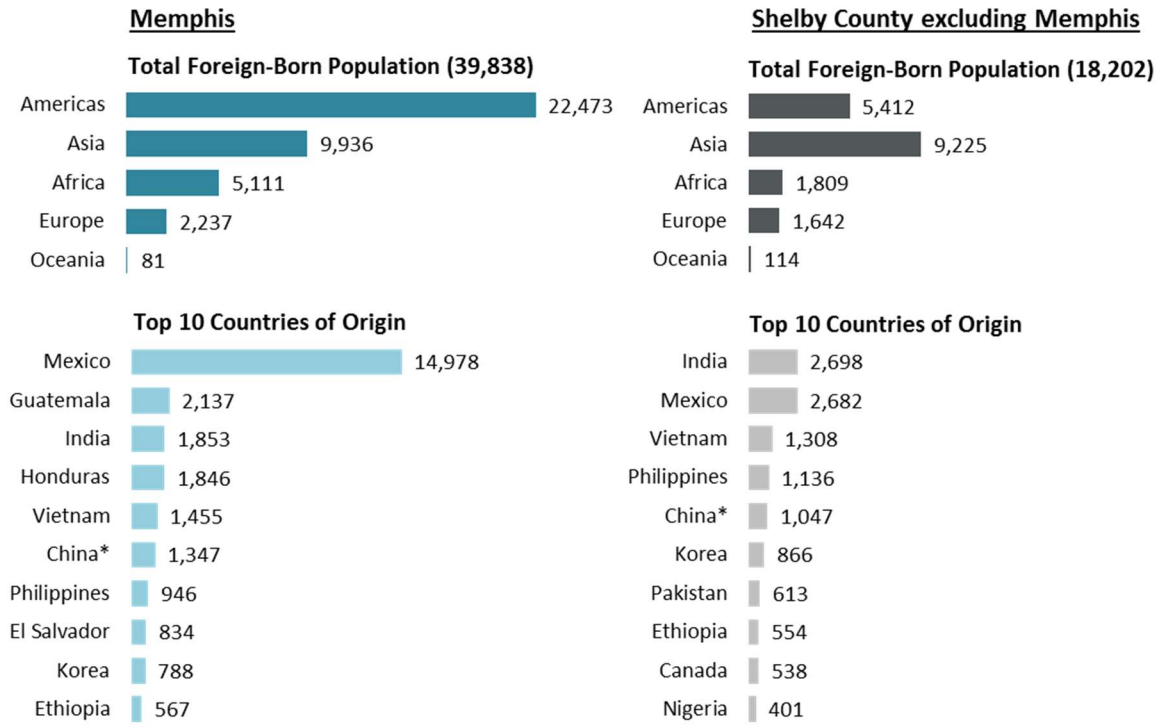
National origin. National origin, a protected class in Federal Fair Housing Law, is based on either the country of an individual's birth or where his or her ancestors originated. Census data available to analyze segregation by national origin are more limited in definition—they represent the foreign-born population, not ancestry.

In 2016, approximately 39,800 residents of Memphis were born in a country outside of the U.S. These residents represented about 6 percent of the city's total population. In Shelby County outside Memphis an additional 18,200 residents (6% of the population) were born outside the U.S.

Figure I-3 shows the top regions and countries of origin for foreign-born residents living in Memphis and Shelby County. As shown by the figure, most foreign-born residents in Memphis are from the Americas (primarily Central America) but most foreign-born residents in the balance of the county are from Asian countries.

Individual countries with the highest representation in Memphis are Mexico (with nearly 15,000 residents), Guatemala (2,100 residents), India (1,850 residents), and Honduras (also 1,850). In Shelby County excluding Memphis the largest foreign-born populations are from India (2,700), Mexico (2,700), Vietnam (1,300), and the Philippines (1,100).

Figure I-3.
Country of Origin for Foreign-Born Residents of Memphis and Shelby County, 2016



Note: *Data for China exclude Hong Kong and Taiwan

Source: 2016 ACS and BBC Research & Consulting.

Limited English proficiency residents. While people with limited English proficiency (LEP) are not a protected class under the Fair Housing Act, HUD has determined that the ability to communicate proficiently in English is closely related to national origin, which is a protected class.

In Memphis, Shelby County, and the Memphis Metro as a whole, those who have limited English proficiency and speak Spanish as their native language are the largest single group but still represent a small percentage of the total population (3% or less). Asian and Pacific Islander languages are the next largest LEP groups, but are represented by a variety of native tongues, including Chinese, Korean, Vietnamese, Tagalog and other Asian languages.

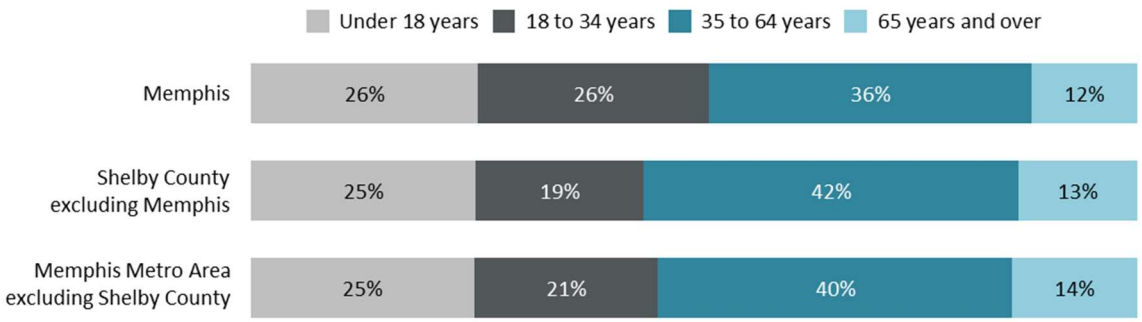
Figure I-4.
Language Spoken at Home, Memphis and Shelby County, 2016

	Memphis			Shelby County excluding Memphis		
	Number of Speakers	Limited English Proficient	LEP as a % of Total Population	Number of Speakers	Limited English Proficient	LEP as a % of Total Population
Total Population 5 years and over	**604,868**	**23,881**	**3.9%**	**262,667**	**7,335**	**2.8%**
Speak only English	544,729	0	0.0%	239,714	0	0.0%
Speak a language other than English at home	60,139	23,881	3.9%	22,953	7,335	2.8%
Spanish	39,525	16,648	2.8%	8,015	3,033	1.2%
Other Indo-European languages	7,530	1,888	0.3%	5,607	1,127	0.4%
Asian and Pacific Island languages	5,833	2,702	0.4%	7,492	2,446	0.9%
Other languages	7,251	2,643	0.4%	1,839	729	0.3%

Source: 2016 ACS and BBC Research & Consulting.

Age and Disability. Figure I-5 compares the age distribution of Memphis and the balance of Shelby County. Children account for about one quarter of all residents in both the city and balance of county. Seniors also reflect roughly the same proportion of the population in both the city (12%) and balance of county (13%). However, the city has a higher representation of young adults (aged 18 to 34) than the balance of county, offset by a lower proportion of middle-aged residents (aged 35 to 64).

Figure I-5.
Age Distribution, 2016



Source: 2016 ACS and BBC Research & Consulting.

Age distribution is strongly correlated with disability—a protected class under the fair housing act—as incidence of disability increases substantially for residents aged 65 and older. Figure I-6 shows disability by age for Memphis, Shelby County (excluding Memphis) and the Memphis Metro (excluding Shelby County).

Overall, about 16 percent of Memphis residents and 13 percent of Shelby County residents (excluding Memphis) have some type of disability.

Figure I-6.
Disability by Age, 2016

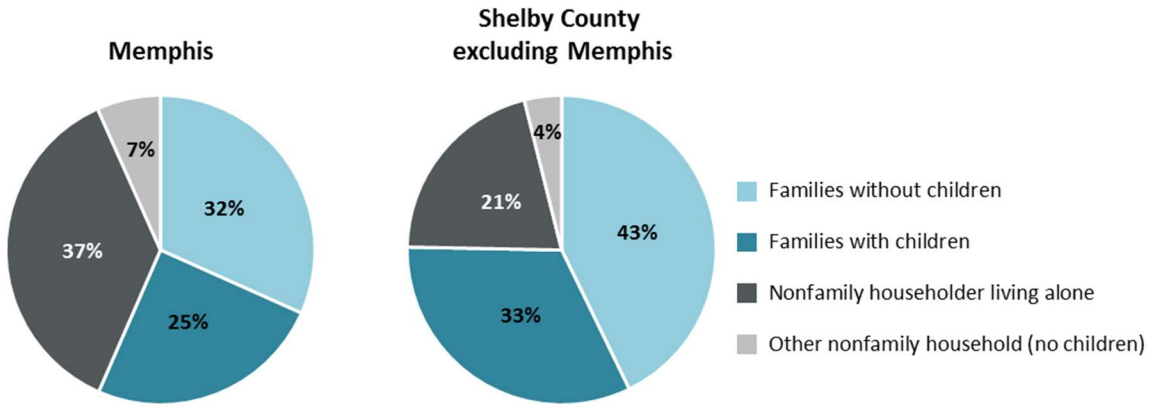
	Memphis		Shelby County excluding Memphis		Memphis Metro excluding Shelby County	
	Number with a Disability	% of Age Cohort with a Disability	Number with a Disability	% of Age Cohort with a Disability	Number with a Disability	% of Age Cohort with a Disability
Total	**114,232**	**16%**	**39,964**	**13%**	**80,289**	**17%**
Under 18 years	7,130	4%	2,026	3%	6,215	6%
18 to 34 years	12,480	7%	2,693	5%	4,667	6%
35 to 64 years	38,414	16%	10,781	9%	27,341	17%
65 years and over	28,104	37%	12,232	33%	21,033	37%
65 to 74 years	11,805	26%	5,028	21%	9,661	26%
75 years and over	16,299	52%	7,204	54%	11,372	56%

Source: 2016 ACS and BBC Research & Consulting.

Households with children. Federal familial status protections apply to families with children, a person who is pregnant and anyone in the process of securing legal custody of any individual who has not attained the age of 18 years.

Figure I-7 shows the arrangements of households in Memphis and the balance of Shelby County. About one quarter of all Memphis households are families with children and one-third of all Shelby County (excluding Memphis) households are families with children.

Figure I-7.
Household Composition, Memphis and Shelby County, 2016



Source: 2016 ACS 1-year estimates.

Segregation/Integration

This section discusses racial and ethnic segregation in the city, the county and the region, including the history of segregation patterns. This history is important not only to understand how residential settlement patterns came about—but also, and more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field, in part, determines why residents have different housing needs today.

> *"Educating the public about the history of federal, state and local government-sponsored housing segregation is necessary to achieve support for policies that will effectively target entrenched patterns of residential segregation. We will explore the forgotten history of government policies that established, fostered, and perpetuated racially segregated communities around the country, and discuss the present-day challenges to making the Fair Housing Act's commitment to removing racial barriers to equal housing opportunities a reality."*
> *--Forward from HUD's 2015 Fair Housing Policy Conference*

History of segregation. The greater Memphis region, like most of America, has a long history of government sponsored and supported laws, ordinances, policies and programs which have resulted in denial of the most basic human and civil rights for persons of color and women. This systemic and institutionalized discrimination has taken many forms including: taking the land from the native population by force and deception; enslavement of people of African descent to use them as the underpinning of its economy; state constitutions which deny civil rights to people of color; "black codes" and "Jim Crow" laws which controlled every aspect of the lives of African Americans; and various other forms of state sponsored discrimination and segregation against African Americans, Native Americans, Latino immigrants, women, and people with disabilities.

One of the most notable results of these state sponsored or sanctioned actions are the resulting segregated housing patterns that often relegate people of color to living in segregation, racially and ethnically concentrated areas of poverty, and in communities with limited access to opportunity. The segregated housing patterns and externalities of living in racially concentrated areas of poverty are documented by the extensive data in this report. To put the data in perspective and to understand the housing discrimination and segregation that currently exists we must examine Memphis' racial history.

Elimination of native population. Spanish explorers Hernando De Soto (1540), Tristan de Luna (1559), and Juan Pardo (1567) led the first European expeditions into western Tennessee. Upon arrival, they encountered various native tribes or nations who had inhabited the region for centuries including the Muscogee, Yuchi, Cherokee, Choctaw, and Chickasaw.[2] By the 1760's the British arrived in western Tennessee. As the Europeans presence increased in the area, the native population was decimated by disease; and later, forcibly displaced to the South and West.

---

[2] Dye, David (2009). "TN Encyclopedia: Pardo Expedition". The Tennessee Encyclopedia of History and Culture.

In the late 1830's, most of the remaining natives and the Black slaves they owned were forcibly relocated to Oklahoma as part of the "Trail of tears".[3]

Legal slavery in Memphis. Tennessee was founded as a slave state in 1796. However, slavery in Tennessee predates the founding of the state. Similarly, the enslavement of Africans in Memphis and Shelby County began before the founding of Memphis in 1819. It lasted almost 100 years until the abolishment of slavery with the passage of the 13th amendment to the U.S. Constitution in 1865. By 1860 Tennessee's 275,719 slaves represented just fewer than 25 percent of the total population.[4] The legacy of legal slavery and the 100 years of neo-slavery, which followed has had a profound effect on the creation of communities defined by segregation and racially concentrated areas of poverty.

The Civil War, the end of slavery, and reconstruction. Tennessee was the last state to secede from the Union and join the Confederacy on June 8, 1861. It was the first state to rejoin the Union on July 24, 1866. The causes of secession that lead to the Civil War are complex. However, clearly at the root of secession and the Civil War was the desire for Tennessee and the other southern states to maintain slavery.

The Civil War was waged from 1861 to 1865 and devastated both North and South. The War ended with the surrender of the Confederacy on May 9, 1865. The end of the war meant the end of legalized chattel slavery. During this period, Congress also developed a program to reconstruct the south and to protect the new freedoms and rights of the Black population. This period and its federal programs are commonly referred to as "Reconstruction". One of the main programs of reconstruction was the Freedman's Bureau.

The US Constitution was amended in 1865 with the passage of the 13th Amendment, which outlawed involuntary servitude (slavery) except for punishment of a crime after having been duly convicted. However, Tennessee had a pressing desire to re-enter the Union and end the occupation. When the Tennessee legislature began to debate a Black Code; it received such negative attention in the Northern press that no comprehensive Code was ever established. Instead, the State legalized Black suffrage and passed a civil rights law guaranteeing Blacks equal rights in commerce and access to the Courts.[5]

The assassination of President Lincoln in 1865 was in effect a coup d'état. President Lincoln was succeeded by Vice President Andrew Johnson, a founder of Memphis, former Senator from Tennessee, slave owner, and southern sympathizer. President Johnson made it clear that he intended to hand as much power as possible back to those who formerly controlled the southern states.

In response to President Johnson's actions and the post war actions of the South to nullify the outcome of the war, the "Radical Republicans" who controlled congress passed a series of civil

---

[3] Satz, Ronald, 1979, *Tennessee's Indian Peoples*. Knoxville, TN: University of Tennessee Press.

[4] W.E.B. Du Bois, 1935, *Black Reconstruction in America, 1860–1880,* New York: Oxford University Press,

[5] Forehand, 1996, "Striking Resemblance"

rights laws to give citizenship and basic human and civil rights to the newly freed slaves. The Civil Rights Act of 1866 was passed by Congress, which provided for citizenship for all persons including the newly freed slaves, and gave the newly freed slaves the same property and contracting rights as White citizens.

Race Riot of 1866. Commonly referred to as the Memphis massacre of 1866 was a 3-day series of violent attacks by white police officers and a white mob on Black Union soldiers and the Black community of Memphis, which took place early in the reconstruction era. This event was shocking even at a time when mob violence in the south as a means of enforcing white supremacy was common. During three days of mob violence, 46 blacks and 2 whites were killed, 75 blacks injured, over 100 black persons robbed, 5 black women raped, and 91 homes, 4 churches and 8 schools burned in the black community.[6] The public outcry after this event and other like it other southern cities sped the passage of the reconstruction era legislation and the passage of the 14th amendment. This riot or massacre also affected housing patterns as Blacks began settling in the South Memphis neighborhoods.

Tennessee "Jim Crow" Laws. The State of Tennessee enacted 20 Jim Crow laws between 1866 and 1955, including six requiring school segregation, four which outlawed miscegenation, three which segregated railroads, two requiring segregation for public accommodations, and one which mandated segregation on streetcars.[7] The 1869 law declared that no citizen could be excluded from the University of Tennessee because of race or color, but then mandated that instructional facilities for Black students be separate from those used by White students.[8] As of 1954, segregation laws for miscegenation, transportation and public accommodation were still in effect.[9]

Racial violence and lynching. Memphis has a long history of enforcing Jim Crow laws through law enforcement. These laws were also enforced through vigilantism, private force, terrorism, intimidation and violence.

The Ku Klux Klan was founded in Pulaski, Tennessee in 1865 by six former Confederate officers including Nathan Bedford Forrest who was a former Confederate general, slave owner and trader. (Statutes and parks named after Forrest and other Confederate heroes have caused major controversies in recent years as localities have sought to have them removed and state legislatures have protected them in the interest of historical preservation.) The "Klan" was notorious for its racial violence, intimidation, lynching, and actions which served to deprive people of color, Jews, and immigrants of their civil and human rights. The Klan and other White citizen organizations often enforced the racist social policies and segregationist policies of the white community.

---

[6] United States Congress, House Select Committee on the Memphis Riots, Memphis Riots and Massacres, 25 July 1866, Washington, DC: Government Printing Office (reprinted by Arno Press, Inc., 1969)

[7] Pauli Murray, 1950, States Laws on Race and Color

[8] Pauli Murray, 1950, States Laws on Race and Color

[9] https://blackpast.org/primary/jim-crow-laws-tennessee-1866-1955

Lynching was a common method of enforcing the racial, political, economic and social status quo. The purpose of lynching was to incite fear in the hearts and minds of people of color. It was a common practice during slavery. It was utilized during reconstruction against both Blacks and White Republicans as a means to overturn Republican rule. It was also utilized to deal with Blacks whose economic success or attitude offended the local White population or government. Lynching was often a public spectacle with advertising of the event, hundreds of witnesses in attendance, including women and children. Photographs were taken and the event memorialized. The savagery of lynchings is hard to overstate.

Ida B. Wells, a notable Memphian and crusading anti-lynching journalist set out to debunk the myth that lynching was a result of black sexual predation and show that lynching was, in fact, a tool of economic terrorism and disenfranchisement.

Segregation during the Boss Crump era. For most of the first half of the twentieth century the political machine of Edward Hull "Boss" Crump ran Memphis. Crump was mayor of Memphis for a short time but later controlled every aspect of public and private decision making in the Memphis region for decades. Boss Crump's impact on Memphis cannot be overstated, nor can his influence on race relations and housing patterns. His impact on racial housing patterns was documented in an article entitled "Memphis Burning."[10]

Crump oversaw the beginning of public housing in Memphis and was largely responsible for its placement and design which often was used as a tool to destroy stable Black neighborhoods and dramatically increased the density of previously stable Black neighborhoods. A short litany of Boss Crumps attacks on the Black community related to housing that was documented in "Memphis Burning" exemplifies the cycle of fight, flight, and blight that has made Memphis what it is today include the following:

- In the 1930s, the Crump machine initiated the federally funded "slum clearance" of ten blocks across the street from the Church family home. The problem was that it was no slum at all, but a stable, middle-class, black neighborhood. Decades later, a Black Memphis resident, Lester Lynom, described it as "almost a lynching of the Negroes of Memphis." He added, "It wasn't just the house, it was what the house represented."

- The Memphis Housing Authority—established in the mid-1930s as part of the wave of local authorities begun under Roosevelt's New Deal—leveled a 46-acre area and replaced the single-family homes with a low-rise, 900-unit public housing complex. As justification, the Housing Authority cited statistics showing that the city's black population had doubled in less than thirty years. Densifying an existing black neighborhood was a racist strategy to prevent African Americans from encroaching on predominantly white areas. The complex, known as William H. Foote Homes, opened in 1940—directly across the street from the Robert Church house.

[10] Preston Lauterbach, March 2016, Memphis Burning. "The Inequality Chronicles."

- What was left of the city's most prosperous, integrated neighborhood began to deteriorate. Surrounded by dense, low-income housing, the fine Victorian homes were subdivided and turned into cheap rooming houses.

- Another slum clearance program demolished the area east of Lauderdale, including the vacant lot where the Church mansion had stood, and in 1955 the MHA opened the 650-unit Edward O. Cleaborn Homes. Both public housing complexes were designated exclusively for African Americans.

- A house was firebombed by a White Mob, at 430 East Olive Avenue, which had been recently sold to the Williams family, the sixth or seventh black household to move into a neighborhood of small cottages occupied mainly by whites. Apparently, that was one black family too many. Soon after they moved in, white neighbors formed a violent, reactionary mob, shouting epithets at the new residents, patrolling the streets and taking down *For Sale* signs. They threatened to tar and feather homeowners who sold to black buyers. "When they see a house being shown, they round up the mob," said Mrs. L.C. Hauser, a white resident of East Olive. "It's like the Paul Revere signal."

Racially restrictive covenants. "Racially restrictive covenants in Deeds" started to appear in the U.S. circa 1890, expanded around 1910, then expanded greatly after the *Buchanan v. Warley* case outlawed racial zoning in 1917. The covenants aimed to keep Blacks (and other undesirables) out of White neighborhoods. Builders included these covenants in deeds to new subdivisions and neighborhood associations enlisted existing homeowners to subscribe to them to try to halt expanding Black neighborhoods. The real estate industry enthusiastically supported racially restrictive covenants.[11]

Like other neighborhoods in Memphis, the Sherwood Forest subdivision near Park and Getwell had 1946 covenants prohibiting people of "any race other than the white race" from living on any of the lots except in servants' quarters.[12]

While the enforcement of these covenants was held to be an unconstitutional violation of the equal protection clause of the 14th Amendment in *Shelly v. Kramer* in 1948, these clauses continued to be placed in deeds and informally enforced and respected by neighborhood and homeowner associations for decades after the Shelly case.

Real estate agents role in segregation. Realtors played an important role in segregating Memphis and every other major city. The realtor's code of ethics beginning in the 1920's prohibited realtors from introducing members of races or nationalities that would be detrimental to neighborhood property values.[13] Later realtors would engage in Blockbusting, a process that encourages "White flight" by inducing Whites to move based on representations

---

[11] City of Memphis: Analysis of Impediments to Fair Housing Choice, 2011, the Metropolitan Milwaukee Fair Housing Council

[12] http://archive.commercialappeal.com/news/segregation-persists-in-memphis-area-neighborhoods-experts-say-but-solutions-are-elusive-ep-11794730-324362081.html/

[13] City of Memphis: Analysis of Impediments to Fair Housing Choice, 2011, the Metropolitan Milwaukee Fair Housing Council

that Blacks or Latinos were moving into their neighborhood and would lower their property values and destroy their quality of life. Realtors also heavily engaged in steering, a practice of encouraging people to buy or rent in neighborhoods where the realtor thought they belonged or would be most comfortable based on their race or ethnicity.

It should be noted that Realtors and other real estate organizations did not allow Black membership. As a result of racially exclusionary practices of the real estate industry, Black real estate professional founded the National Association of Real Estate Brokers (NAREB) commonly, referred to as Realists in 1947.

White flight from Memphis. White flight from Memphis has taken place a number of times in Memphis' history. It occurred during the civil war when Blacks moved to Union controlled Memphis to seek their freedom and protections of the Union army. White Flight occurred after the riots of 1866 and during the reconstruction period of that era. White flight occurred after the riots of 1968 in response to Dr. King's assassination, and White flight occurred after busing began in Memphis in the 1960's and 70's.

Beginning in the 1950s, working-class whites moved just beyond the city's boundaries, first north to Frayser and south to Whitehaven, and then "out East" to Germantown, Collierville, and Cordova, where they built roads, schools, shopping centers, and hospitals — all the features of a city, spread over small rural communities. The completion of the I-240 freeway loop, in 1984, directed commerce away from the urban core of Memphis and toward the suburbs. Today, the highest concentrations of wealth, educational attainment, and jobs are on the eastern edge.[14]

Many White Memphians responded to the advent of busing in the 1970s by fleeing to the suburbs and forming segregated academies. In 2010, Memphis public schools remained overwhelmingly Black, and county schools continued to be predominately White. Blacks made up a majority of the city population, and whites made up a majority of the county population.[15]

In an ongoing effort to recapture its lost revenue base, Memphis has annexed this ever-expanding "crabgrass frontier".[16]

When county and city schools were finally merged, in 2011 that sparked a new segregationist revolt. Within two years, six suburban municipalities withdrew from the consolidated system and established their own schools (with a huge assist from the state legislature, which changed a law that had prohibited new school districts), and now those suburban districts no longer need to share their resources with the city.[17]

The remainder of this section discusses recent and current racial/ethnic segregation in Memphis and Shelby County using data from HUD and the U.S. Census Bureau.

---

[14] Preston Lauterbach, March 2016, Memphis Burning. "The Inequality Chronicles."

[15] https://cdr.lib.unc.edu/indexablecontent/uuid:be5cba8a-d668-4b37-aac0-8cfcefe13d9f

[16] Preston Lauterbach, March 2016, Memphis Burning. "The Inequality Chronicles."

[17] Preston Lauterbach, March 2016, Memphis Burning. "The Inequality Chronicles."

Trends in racial/ethnic distribution. Figures I-8 and I-9 (on the following page) show trends in racial/ethnic distribution from 1990 to 2010 in Memphis and Shelby County.

Seen side-by-side, the maps show the growth of the African American residents of Memphis and Shelby County, and the ebbing non-Hispanic White population, as well as the segregation that continues to exist over this period. Specifically:

- The maps broadly show non-Hispanic white residents moving out of some parts of Memphis—particularly South Memphis—and into less populated areas in eastern Shelby County as well as outside of Shelby County.

- African American residents also move east (both within the city and into Shelby County), but did not vacate the city to the same extent as non-Hispanic white residents. Within Shelby County, the areas showing the highest increase in African American residents are East of Memphis both north and south of Germantown.

- Other minority residents, including Native American, Asian, and Hispanic residents, had substantial increases in population between 1990 and 2010 and largely settled within the City of Memphis, particularly in north east and south east neighborhoods in the city.

The maps illustrate that racial and ethnic diversity is increasing in the Memphis Metro. However, diversity and residential integration are not the same. While ethnic/racial diversity grows, neighborhood integration lags behind for most groups.

Figure I-8.
Memphis Metro Area Demographic Trends

Source:

HUD, Affirmatively Furthering Fair Housing, https://egis.hud.gov/affht/.

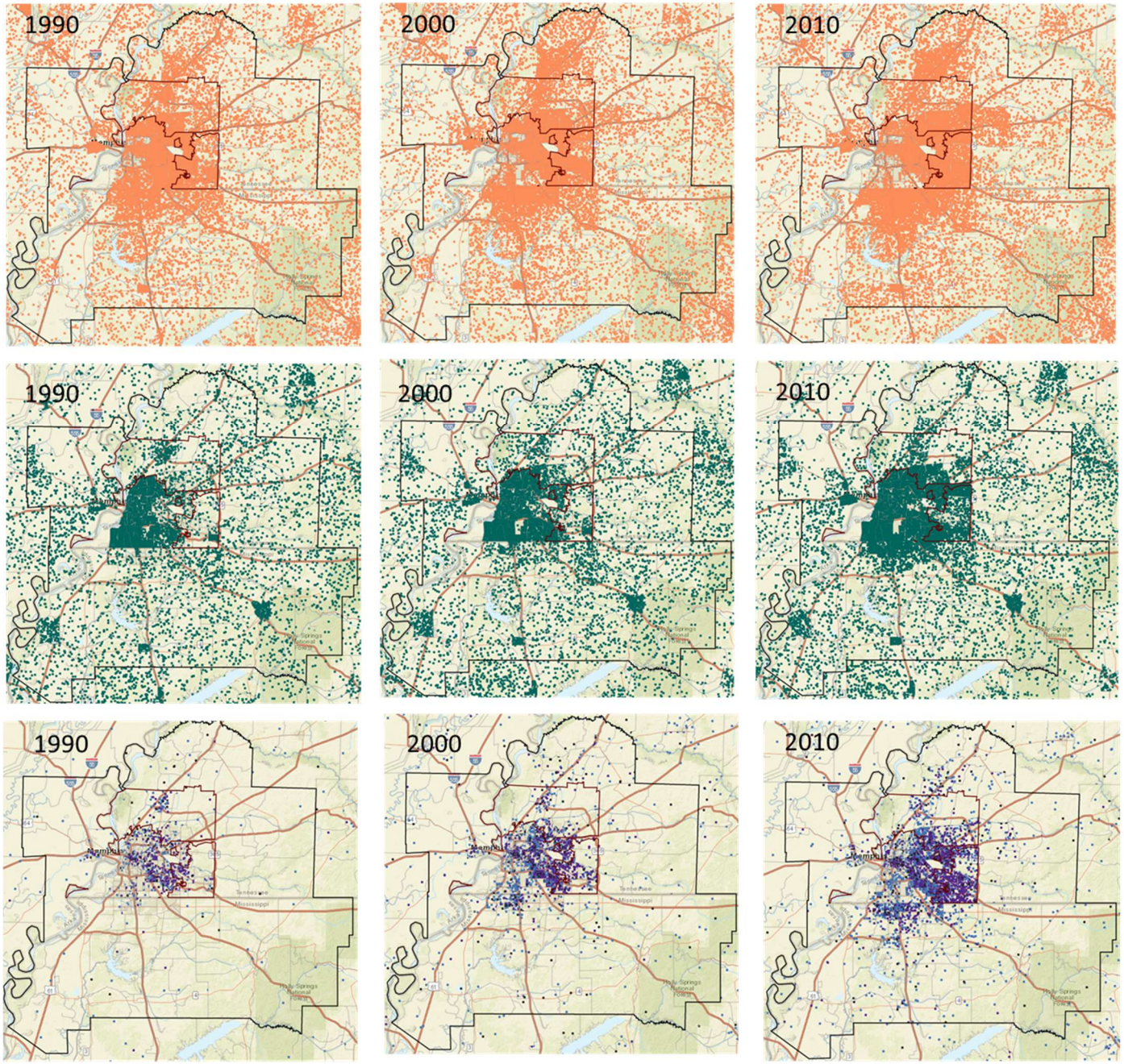
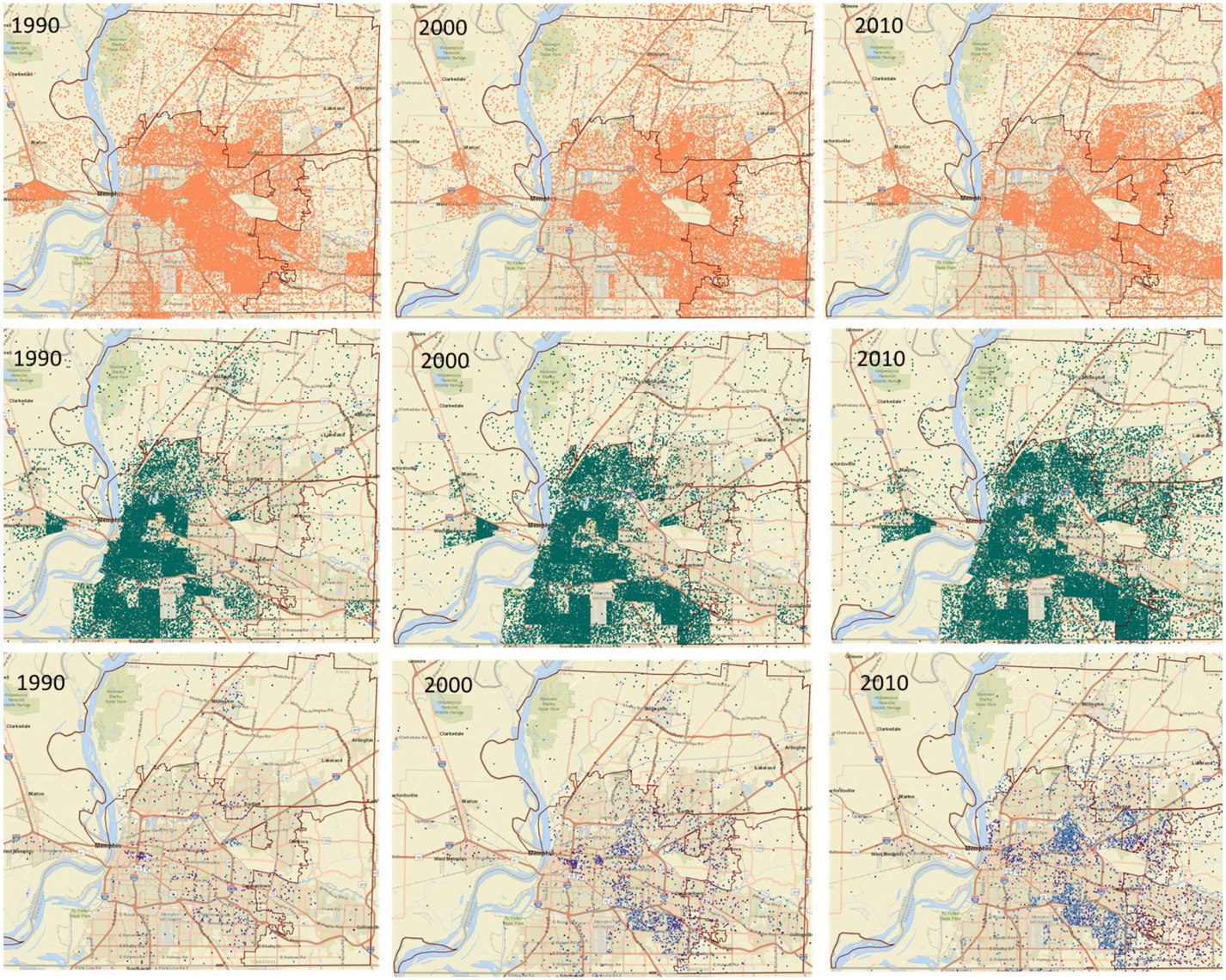


Figure I-9.
City of Memphis and Shelby County Demographic Trends

Source:

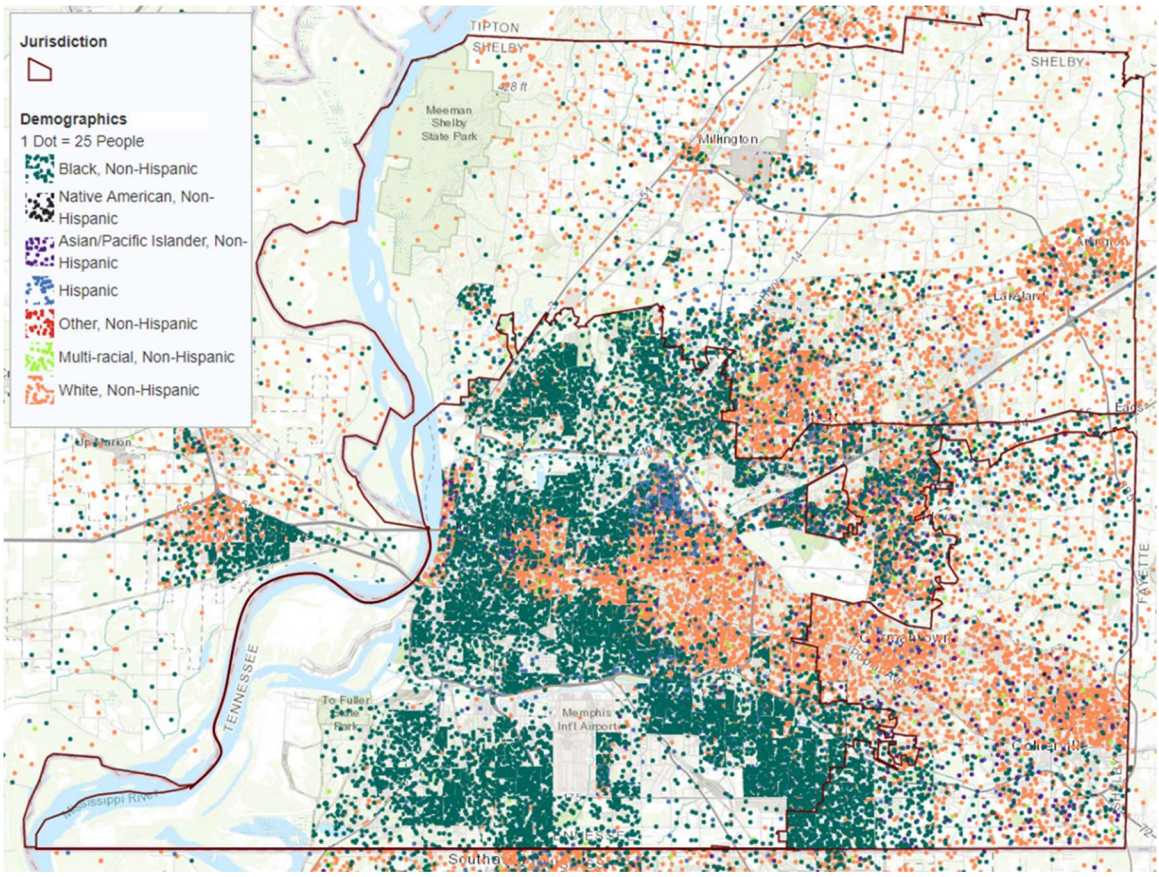
HUD, Affirmatively Furthering Fair Housing, https://egis.hud.gov/affht/.



Concentrations. Segregation can occur on the macro level (between municipalities or between a municipality and the surrounding county) or on the micro level (by neighborhood). The Demographic Overview at the beginning of this section shows macro segregation between the City of Memphis (majority African American) and the balance of Shelby County (majority non-Hispanic white). The following analysis uses HUD-provided maps to illustrate the spatial distribution of different groups in both the City of Memphis and Shelby County. The maps illustrate neighborhood-level (micro) segregation by showing geographic concentrations of protected class residents.

Racial/ethnic minorities. Figure I-10 shows the representation of racial/ethnic minorities (collectively) by Census tract in the region, illustrating the higher concentration of minorities in the city surrounded by predominantly non-Hispanic white populations in the balance of county and region. Within the city, East Memphis has the highest concentration of non-Hispanic white residents, while African American residents are concentrated in downtown, North Memphis, and South Memphis. A small concentration of Hispanic residents is also apparent in the north edge of East Memphis.

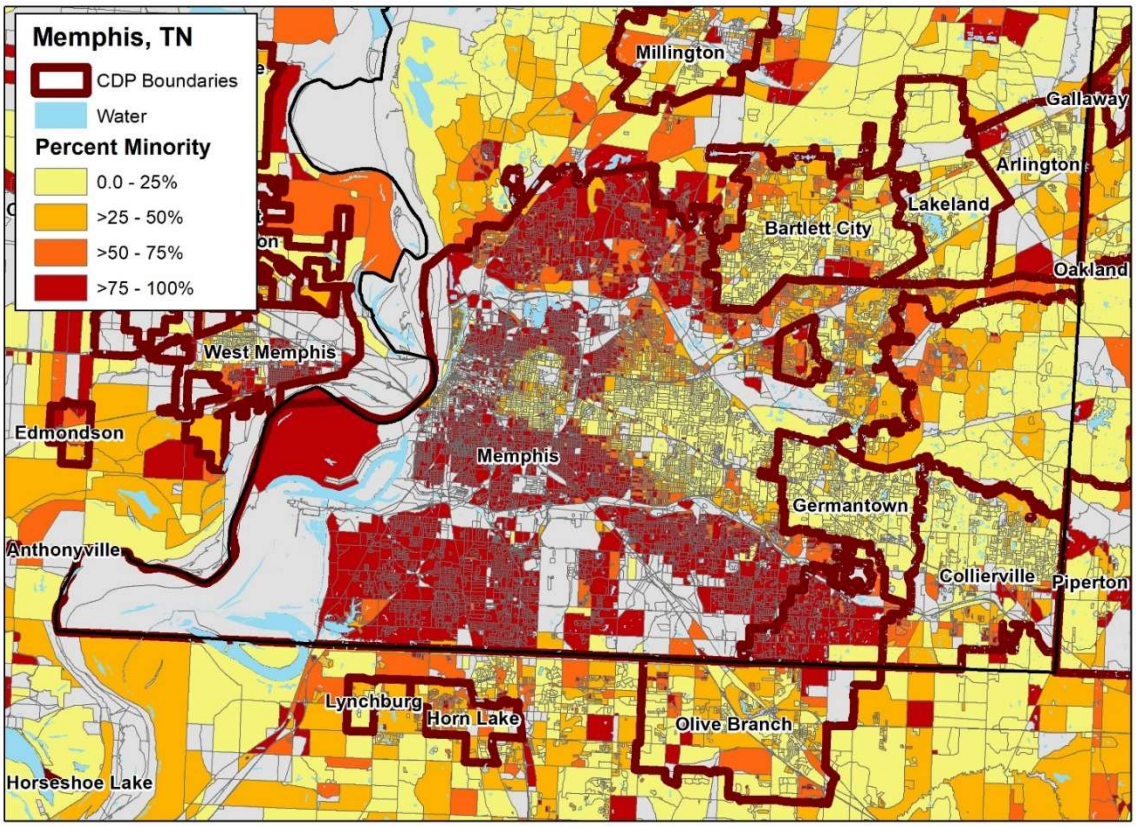
Figure I-10.
Racial and Ethnic Distribution, 2013



Source: HUD AFFH-T.

Figure I-11 shows similar trends by shading the Census blocks according to the percentage of residents identifying as a racial/ethnic group other than non-Hispanic white. Many of the neighborhoods across North Memphis and across South Memphis are minority populations that account for 75 percent or more of the total block population. In contrast, neighborhoods in east central Memphis and in surrounding suburbs have minority populations below 25 percent.

Figure I-11.
Memphis and Other Municipalities in Shelby County, TN (2010)



Source: 2010 Census and IDP.

National origin. As discussed in the demographic overview, about 6 percent of both the city's and county's populations are foreign-born residents. Figure I-12 (on the following page) shows the geographic distribution of foreign-born populations from Vietnam, India, Honduras, Guatemala, and Mexico (the five most populous countries of origin for the region's foreign-born residents).

The map illustrates that there are several neighborhoods in Memphis with a predominance of foreign-born residents:

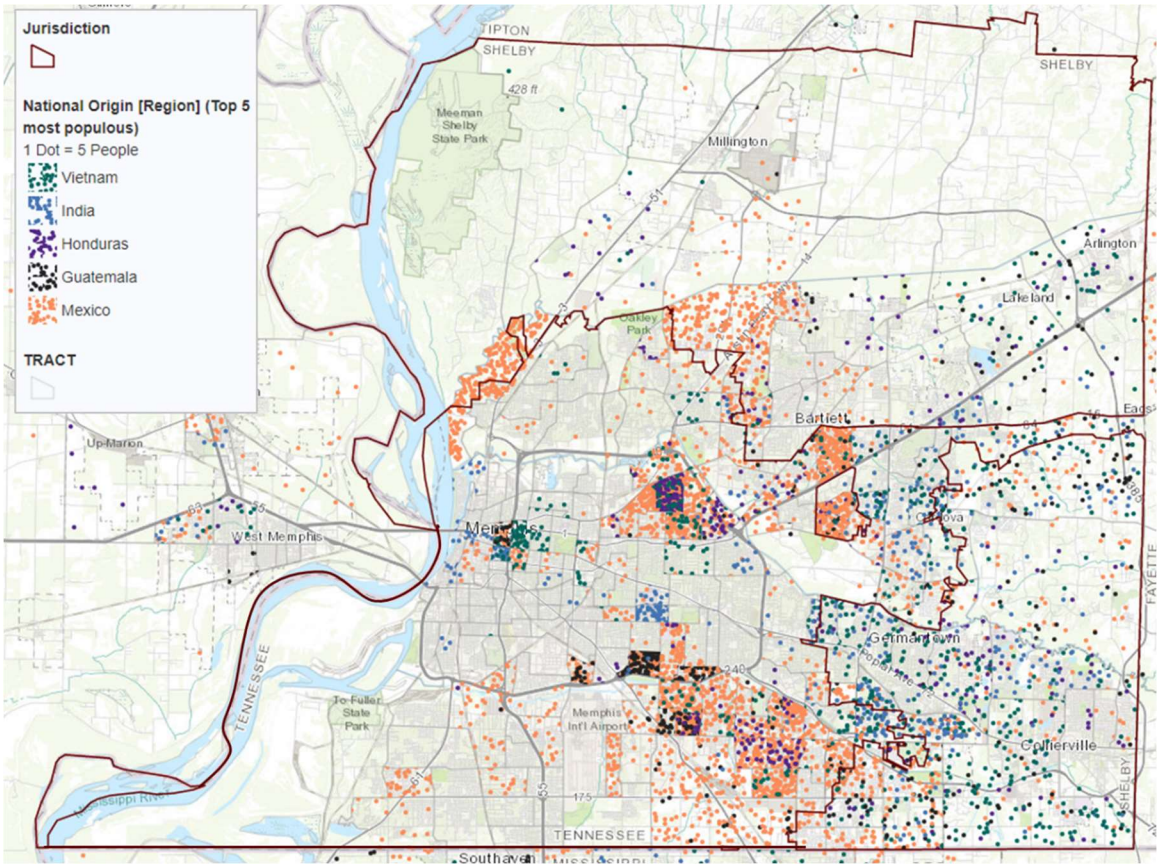
- Clusters of Vietnamese, Indian, and Guatemalan residents are apparent in midtown;
- Guatemalan residents are also prominent in several neighborhoods in southeast Memphis;
- There are concentrations of Mexican and Honduran residents on the north side of East Memphis;

- Additional Mexican residents are scattered throughout South Memphis, with a concentration in southeast Memphis, and

- A small cluster of Indian residents is evident on the south side of East Memphis.

In Shelby County, outside of the City of Memphis, clusters of Mexican-born residents live on the fringes of the city, with foreign-born Vietnamese and Indian residents dispersed throughout the county. Note, however, the lack of foreign-born residents in the City of Millington (estimated to be 61% non-Hispanic white in 2017) and the rural northeastern corner of the County.

Figure I-12.
Distribution of Foreign-Born Residents (from the Five Most Populous Countries of Origin), 2013

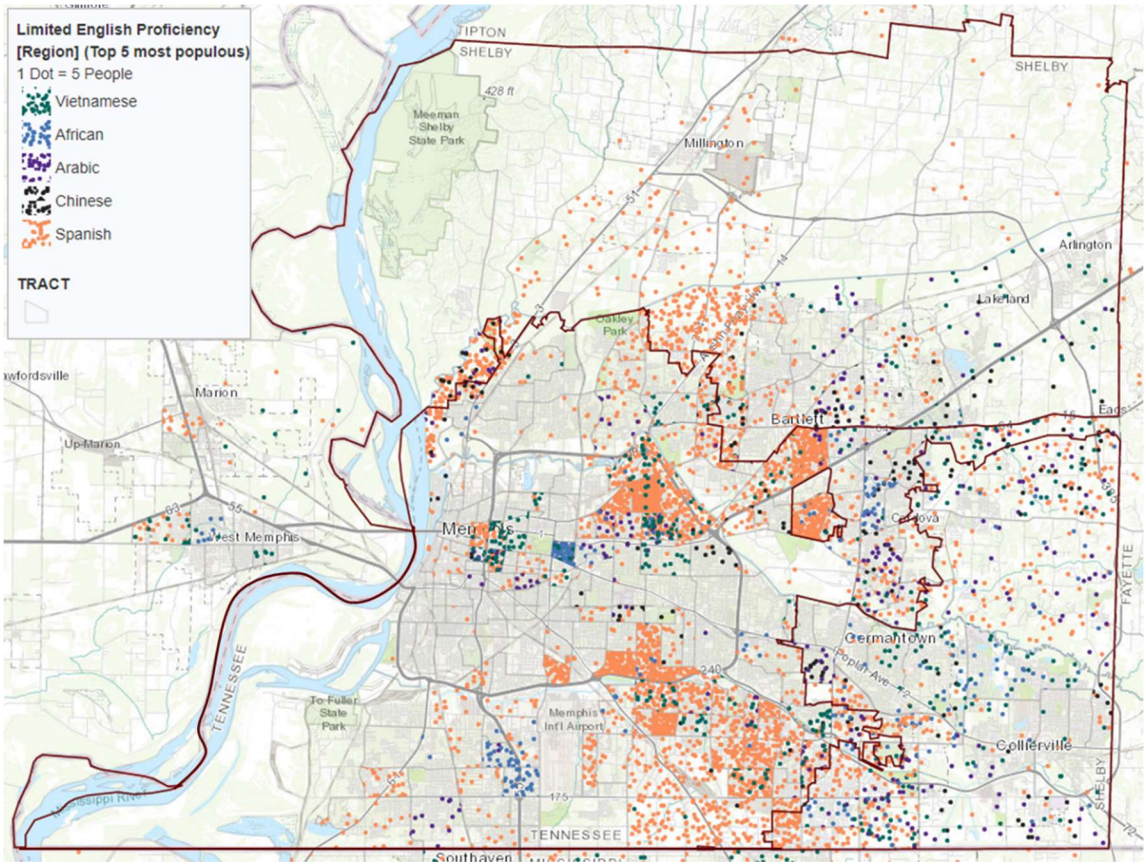


Source: HUD AFFH-T.

Though not shown in the map above, the foreign-born population in the region reflects the pattern evidenced in the City and Shelby County, with the majority of foreign-born groups residing close to Memphis, and residents from Mexico dispersed throughout the region (albeit very few in Arkansas and Tipton County, TN).

Limited English proficiency residents. As stated by HUD in its 2016 Directive, "The link between national origin and LEP is fairly intuitive but is also supported by statistics." This is the case in Memphis, Shelby County, and the broader region, where these groups follow closely the largest groups of foreign-born residents, with the exception of natives of India, most of whom speak English. A comparison of the dispersion of these two groups illustrates the relationship.

Figure I-13.
Distribution of Limited English Proficient Residents, 2013



Source: HUD AFFH-T.

Segregation levels. The dissimilarity index (DI) is a widely used measure of racial residential segregation that measures the degree to which two distinct groups are evenly distributed across a geographic area. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

It is important to note that the DI that HUD provides for AI completion uses non-Hispanic white residents as the primary comparison group. That is, all DI values compare a particular racial group's distribution in the jurisdiction against the distribution of non-white Hispanic residents.

Measured at the Census tract level, the Memphis Region was ranked as the 30th most segregated metropolitan area in the nation (of 102 areas measured) in 2010, with a Dissimilarity Index for whites relative to the black population of 62.[18] According to HUD data, the DI value in the Memphis metro is now 65.

[18] William H. Frey, Brookings Institution and University of Michigan Social Science Data Analysis Network's analysis of 1990, 2000, and 2010 Census Decennial Census tract data. https://www.psc.isr.umich.edu/dis/census/segregation2010.html

Figure I-14 shows the DI for Memphis, Shelby County excluding Memphis, and the Memphis Metro overall. Trends indicate consistently high black/white segregation in the City of Memphis and the Metro overall and moderate to high black/white segregation in Shelby County neighborhoods outside Memphis. Hispanic/white segregation has increased in the city and the metro overall, though this trend may simply reflect the increasing number and proportion of Hispanic residents as opposed to purely indicating increasing segregation of that population.

Figure I-14.
Dissimilarity Index of Segregation, 1990 - 2013

Racial/Ethnic Dissimilarity Index	Memphis				Shelby County excluding Memphis			
	1990	2000	2010	Current	1990	2000	2010	Current
Non-White/White	70.0	64.0	63.4	65.2	36.2	41.8	46.4	49.7
Black/White	71.7	67.2	68.5	70.2	42.4	49.9	52.7	56.0
Hispanic/White	32.3	48.2	54.9	57.5	38.1	26.0	39.2	39.7
Asian or Pacific Islander/White	30.4	32.0	31.4	37.6	30.9	26.3	29.9	35.4

Racial/Ethnic Dissimilarity Index	Memphis Metro Area			
	1990	2000	2010	Current
Non-White/White	62.9	61.9	57.0	60.3
Black/White	65.0	65.3	61.9	65.1
Hispanic/White	32.1	46.0	50.7	54.1
Asian or Pacific Islander/White	37.3	38.6	37.6	43.6

Interpreting the index:

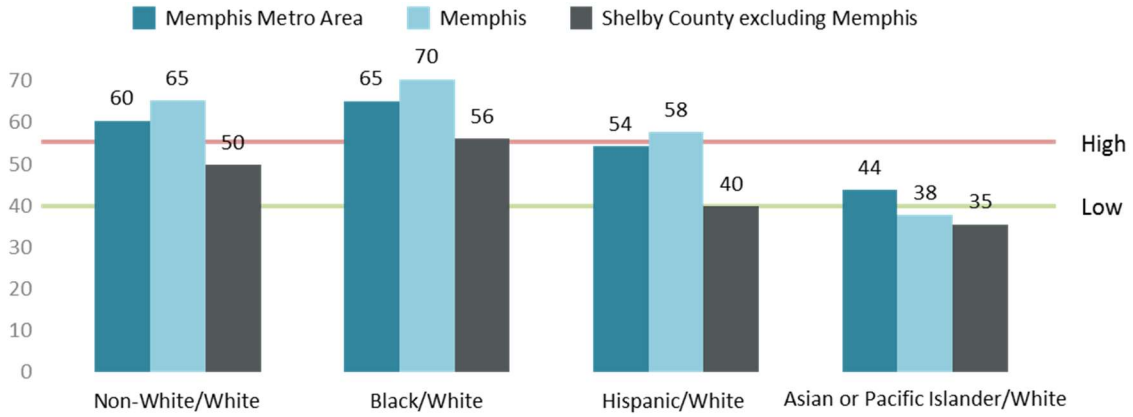
- 0-39 Low Segregation
- 40-54 Moderate
- 55-100 High

Note: Refer to the Data Documentation for details (www.hudexchange.info).

Source: HUD AFFH-T.

Figure I-15 graphically depicts the current dissimilarity index for each jurisdiction, showing high black/white segregation for all jurisdictions as well as high Hispanic/white segregation in Memphis.

Figure I-15.
Dissimilarity Index of Segregation, 2013



Note: Refer to the Data Documentation for details (www.hudexchange.info).

Source: HUD AFFH-T.

While the dissimilarity index may indicate a level of segregation between whites and minority residents, it does not identify the underlying causes for the segregation. It is plausible that some minority residents actively seek housing in neighborhoods (Census tracts) where individuals with similar backgrounds as themselves are living and where familiar cultural amenities can be found (religious centers, specialized supermarkets, etc.). On the other hand, discriminatory practices could be occurring that result in minority residents concentrating in certain neighborhoods regardless of their actual preferences.

Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)

This section expands on the segregation analysis by adding a layer of economic consideration. A Racially or Ethnically Concentrated Area of Poverty (R/ECAP) is a neighborhood with a poverty rate of 40 percent and a racial and/or ethnic concentration.

It is very important to note that R/ECAPs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity.

HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:

- A census tract that has a non-white population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

Areas of racial and ethnic concentration are not, per se, areas lacking opportunity. Many areas that are racially and ethnically concentrated offer high opportunity amenities. It is therefore important to examine racial and ethnic concentrations in the context of other variables: poverty and income diversity, existence of affordable housing, neighborhood safety, and location of community amenities. This section of the report examines racially and ethnically concentrated areas and areas of concentrated poverty. Section IV, the Access to Opportunity analysis, examines minority concentrations and access to affordable housing, quality schools, neighborhood conditions and transit.

Poverty trends. Sixteen percent of Memphis Metro residents are living in poverty. The poverty rate in the City of Memphis (27%) is nearly four times that of the balance of Shelby County (7%)—indicating high levels of economic disparity between the city and county.

Figure I-16 shows poverty rates in Memphis, Shelby County excluding Memphis, and the Memphis Metro overall in 2000, 2010, and 2016. Poverty has increased in all jurisdictions in the past 16 years but is substantially higher in the city than the balance of the county and metro.

Figure I-16.
Poverty Rate, 2000, 2010 and 2016

Source:
2000 Census, 2010 ACS, 2016 ACS and BBC Research & Consulting.

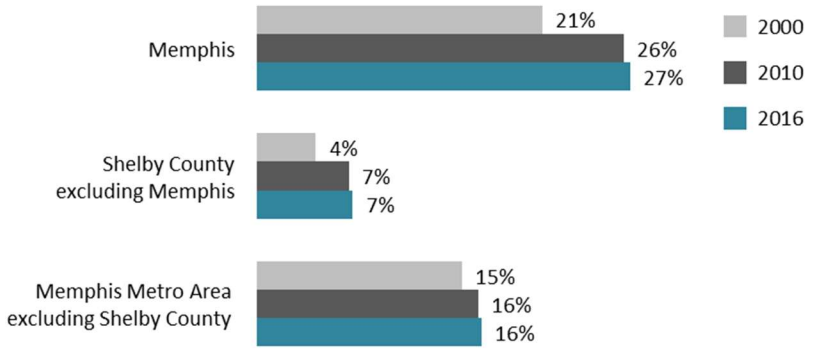


Figure I-17 shows poverty rates by age and race/ethnicity for the city, county, and region. Poverty rates are highest for the region's children: 22 percent of children region-wide are living in poverty, 45 percent of Memphis children are living in poverty, and 11 percent of children in the balance of the county are living in poverty.

Poverty data by race/ethnicity reveal high levels of poverty for racial/ethnic minority groups—particularly African American and Hispanic residents—compared to non-Hispanic white residents.

Figure I-17.
Poverty by Age and Race/Ethnicity, 2016

	Memphis		Shelby County excluding Memphis		Memphis Metro excluding Shelby County	
	Number	Percent	Number	Percent	Number	Percent
Total Population	**171,210**	**27%**	**19,273**	**7%**	**65,533**	**16%**
By Age						
Under 18 years	72,526	45%	7,614	11%	22,707	22%
18 to 64 years	89,897	23%	9,413	5%	37,560	15%
65 years and over	8,787	11%	2,246	6%	5,266	9%
By Race/Ethnicity						
Non-Hispanic White	21,354	13%	6,078	4%	26,949	11%
African American	132,969	32%	9,143	12%	31,378	25%
Hispanic/Latino	13,752	31%	2,357	21%	4,881	35%
Asian	1,484	14%	1,004	8%	132	3%
Other minority	1,651	18%	691	7%	2,193	21%

Source: 2016 ACS.

Neighborhood poverty. At the neighborhood level, research has shown that a 40 percent poverty threshold is the point at which an area becomes socially and economically dysfunctional. Conversely, research has shown that areas with up to 14 percent of poverty have no noticeable effect on community opportunity.[19]

[19] The Costs of Concentrated Poverty: Neighborhood Property Markets and the Dynamics of Decline." In Nicolas P. Retsinas and Eric S. Belsky, eds., Revisiting Rental Housing: Policies, Programs, and Priorities. Washington, DC: Brookings Institution, 116–9.

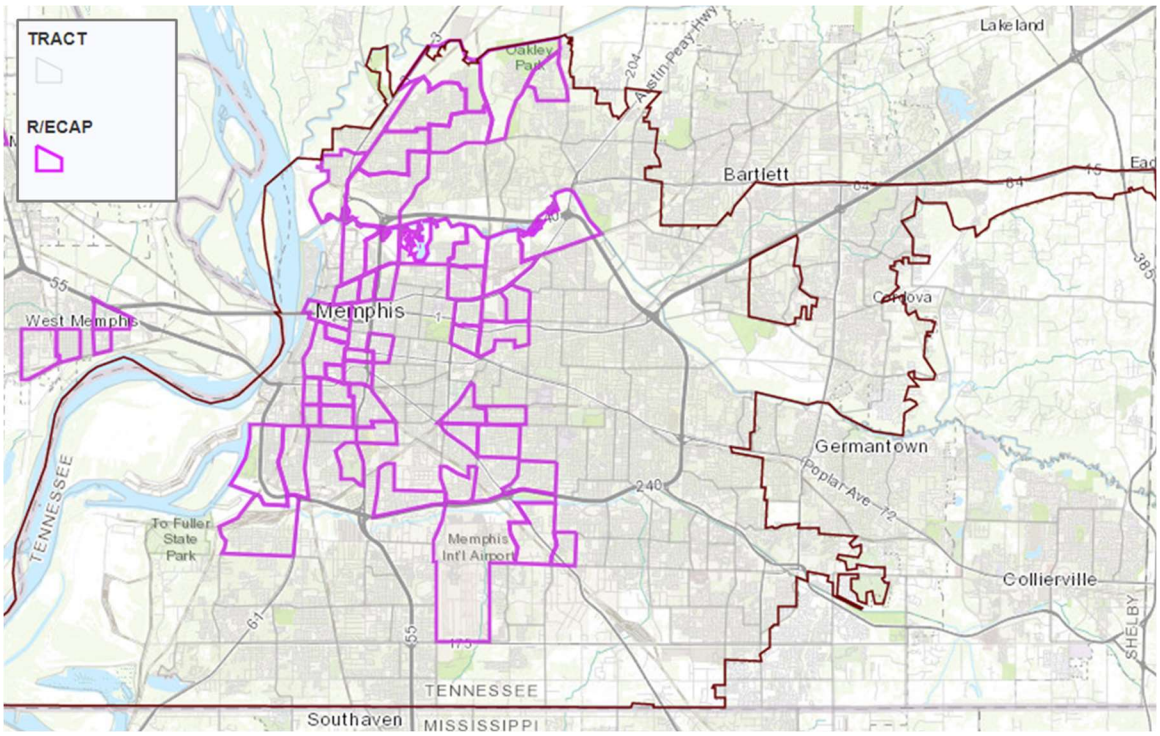
As noted previously, R/ECAPs are areas in which there are both racial concentrations and high poverty rates. Specifically, they are Census tracts that have poverty rates exceeding 40 percent or three times the regional poverty rate and are majority minority (minorities account for 50% or more of the total population).[20]

The City of Memphis is comprised of 168 total Census tracts.[21] One hundred twenty-four of those tracts (74%) have a majority non-white population and 48 tracts (29% of all tracts) have a poverty rate of 40 percent or higher. All of the high poverty tracts are also majority minority tracts and thus meet the definition of racially/ethnically concentrated areas of poverty.

Shelby County has an additional 48 Census tracts in the area outside the City of Memphis. Of those, 13 Census tracts (27%) have majority minority populations. However, there are no tracts in the balance of Shelby County with poverty greater than 40 percent so there are no HUD-defined R/ECAPs.

Figure I-18 maps the R/ECAPs in Memphis, as of 2013 (the most recent year available from HUD's AFFH-T). As shown, they are primarily located downtown and across north and south Memphis.

Figure I-18.
Racially/Ethnically Concentrated Areas of Poverty, 2013



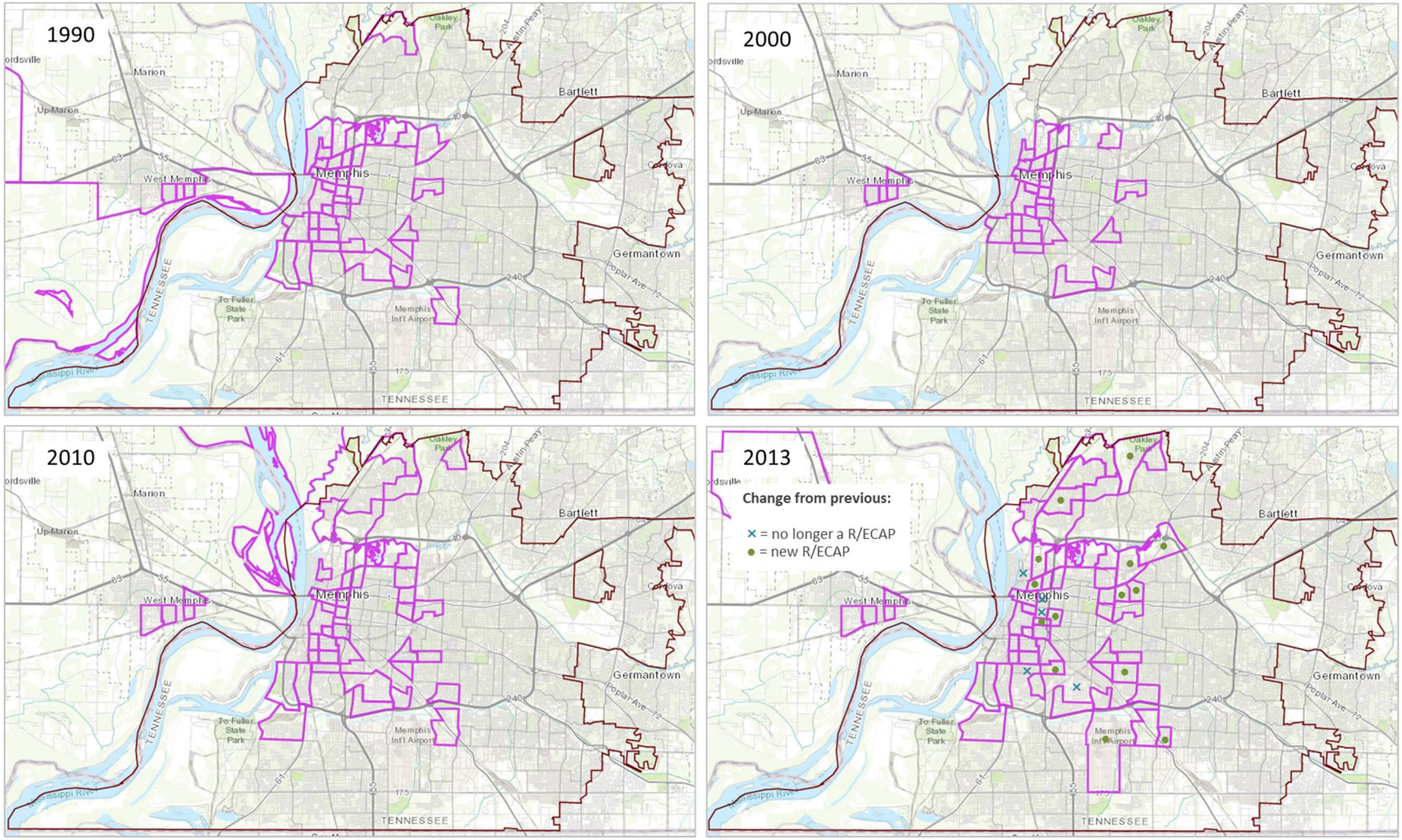
Source: HUD AFFH-T.

[20] The regional poverty measure is defined by core based statistical area (CBSA) and is 9 percent for all portions of the Denver region, excluding Boulder (7%) and Weld (10%) counties.

[21] Tracts with fewer than 10 housing units are excluded. Census tract boundaries are not perfectly aligned with municipal boundaries; tracts in which a majority of the population was in city boundaries are considered to be in Memphis.

R/ECAPs are not static. The figures below illustrate the change in R/ECAP neighborhoods between 1990 and 2013. Changes in R/ECAPs status can reflect economic shifts (changes in the poverty rate) and/or demographic shifts (changes in percent minority). The number of R/ECAPs in Memphis declined between 1990 and 2000 but then increased by 2010. Most of the fluctuations in R/ECAP designation since 2010 reflect shifts in the poverty rate by neighborhood, as opposed to racial/ethnic shifts. Many of the newly designated R/ECAPs had poverty rates near 40 percent in 2010 and by 2013 poverty had increased to cross the R/ECAP threshold.

Figure I-19. Racially/Ethnically Concentrated Areas of Poverty, 1990-2013



Source: HUD AFFH-T.

R/ECAP demographics. Memphis R/ECAP neighborhoods are home to 145,454 residents (22% of the city's total population). Figure I-20 compares the demographics of R/ECAP residents to the city's population overall.

Eighty-seven percent of R/ECAP residents are African American, compared to 62 percent of Memphis residents overall. In contrast, just 7 percent of R/ECAP residents are non-Hispanic white compared to 28 percent of Memphis residents overall. These disparities indicate an overrepresentation of African American residents and an underrepresentation of non-Hispanic white residents in R/ECAPs.

Hispanic residents and other minority groups are slightly underrepresented in R/ECAPs—collectively these residents account for 5 percent of the R/ECAP population and 9 percent of the city population overall. Mexican immigrants are also slightly underrepresented in R/ECAPs.

Families with children account for 46 percent of all families in R/ECAPs—the same proportion as in the city overall.

Figure I-20. R/ECAP Demographics, 2013

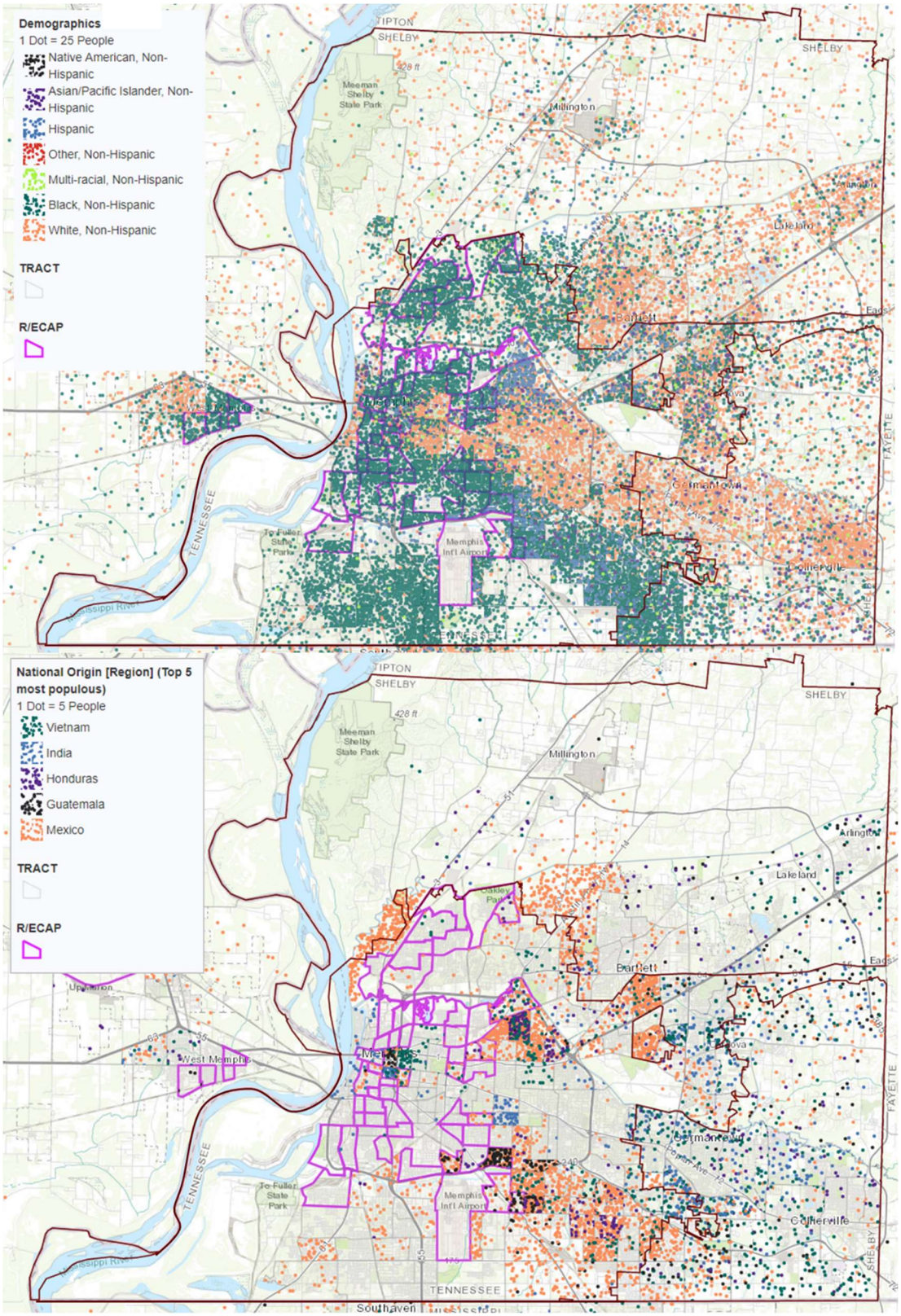
Source: HUD AFFHT.

	City of Memphis R/ECAPs		City of Memphis Overall	
	Number	Percent	Number	Percent
Race/Ethnicity				
Total Population	145,454	100%	651,698	100%
White, Non-Hispanic	10,822	7%	184,008	28%
Black, Non-Hispanic	125,967	87%	406,902	62%
Hispanic	6,049	4%	41,127	6%
Other minority	1,317	1%	19,661	3%
Family Type				
Total Families	32,579	100%	154,879	100%
Families with children	14,867	46%	70,532	46%
National Origin				
Total Population	145,454	100%	651,698	100%
Mexico	2,126	1%	16,309	3%
Vietnam	313	0%	2,144	0%
India	107	0%	1,749	0%
Honduras	153	0%	1,625	0%
Guatemala	836	1%	1,571	0%

Figure I-21 maps the Memphis R/ECAPs along with race/ethnicity and national origin.

- R/ECAPs generally overlay neighborhoods that have a very high proportion of African American residents; however, there are also many neighborhoods that are predominantly African American and are not R/ECAPs;
- Most areas of Hispanic concentration in Memphis and most areas with concentrations of foreign-born residents are located outside R/ECAPs; and
- The notable exceptions are three R/ECAP tracts to the north and east of the Memphis Airport that have a high concentration of residents from Guatemala and Mexico.

Figure I-21.
R/ECAP Overlay with Race/Ethnicity and National Origin, 2013



Source: HUD AFFH-T

Key Fair Housing Findings from Section I

- There is relatively high racial/ethnic segregation in the region—particularly of African American residents. This is true both at the macro-level (between the city and county) and at the mirco-level (neighborhood by neighborhood).

- There is also evidence of segregation by national origin, though these residents are less likely than African American residents to live in areas of concentrated poverty.

- There are wide economic disparities between the city and county, as reflected by the location of R/ECAPs and poverty rates overall. The African American population is disproportionately impacted by poverty concentrations, more so than other racial/ethnic minorities and more so than immigrant and limited English proficient populations.

SECTION II.

Housing Patterns

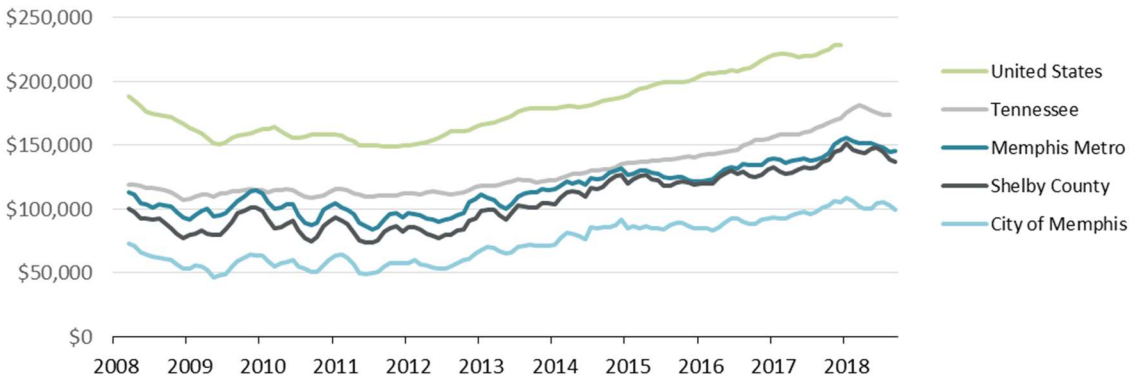
SECTION II.
Housing Patterns

This section examines which protected classes experience the highest rates of housing problems compared to other groups and examines how tenure and housing burden vary geographically. It begins with a discussion of housing market trends in general.

Housing Market Trends

The Memphis Metro Area is known as a relatively affordable housing market with median home prices typically below national medians and median rents at or below national rates. Figure II-1 illustrates these trends by plotting median sale prices for the United States, the State of Tennessee, the Memphis Metro, Shelby County, and the City of Memphis over the past 10 years.

Figure II-1.
Median Home Price Trends



Source: Zillow Research Data.

However, housing prices relative to national markets is not the best indicator of affordability in a given market. Rather, housing prices should be considered relative to the incomes of residents within that market. Figure II-2 shows trends in median rent and median home values relative to median incomes of renters and owners in the Memphis metro. Changes over time demonstrate that home prices in the rental and ownership markets are increasing at about the same rate as incomes, resulting in consistent levels of affordability since 2005—as measured at the median.

Figure II-2.
Housing Price and Income, Memphis Metro

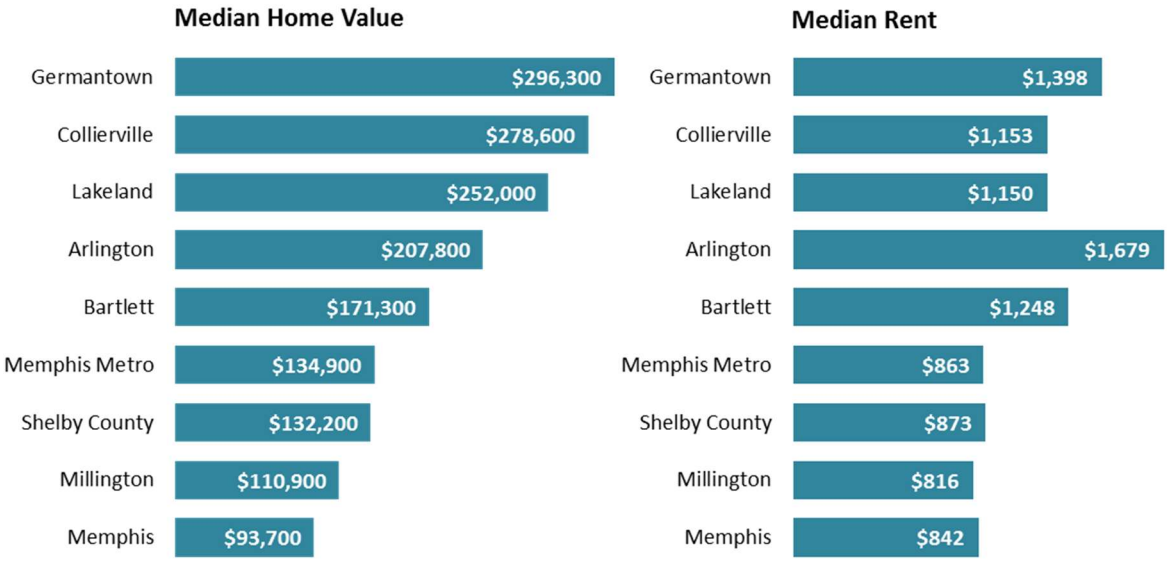
Source:
2005, 2010, and 2016 ACS and BBC Research & Consulting.

	2005	2016	Total Change	Compound Annual Growth Rate
Median gross rent	$683	$872	28%	2.2%
Median renter household income	$23,622	$30,914	31%	2.5%
Median home value	$117,500	$142,400	21%	1.8%
Median owner household income	$54,314	$67,766	25%	2.0%

Figure II-3 shows the median rent and home value for the metro, the City of Memphis, Shelby County, and towns/cities in Shelby County. Note that the Shelby County data do include the City of Memphis (median price data are not available for the county excluding Memphis).

Germantown has the highest median home value at $296,300 and one of the highest median rents at $1,398 per month (including utilities). The City of Memphis has both the lowest median home value ($93,700) and one of the lowest median rents ($842).

Figure II-3.
Median Rent and Median Home Value by Jurisdiction, 2016

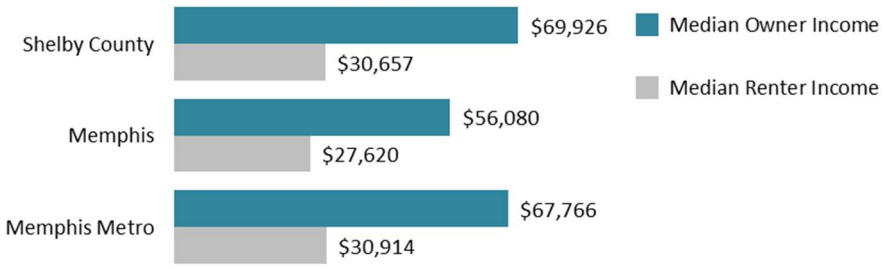


Source: 2016 5-year ACS.

Figure II-4 shows the difference in incomes for renters and owners in Memphis, Shelby County, and the Metro. Not surprisingly, renter incomes are much lower than owner incomes—in each jurisdiction shown, median renter incomes are less than half that of owners. In general, Memphis households—both owners and renters—have a lower median income than county households.

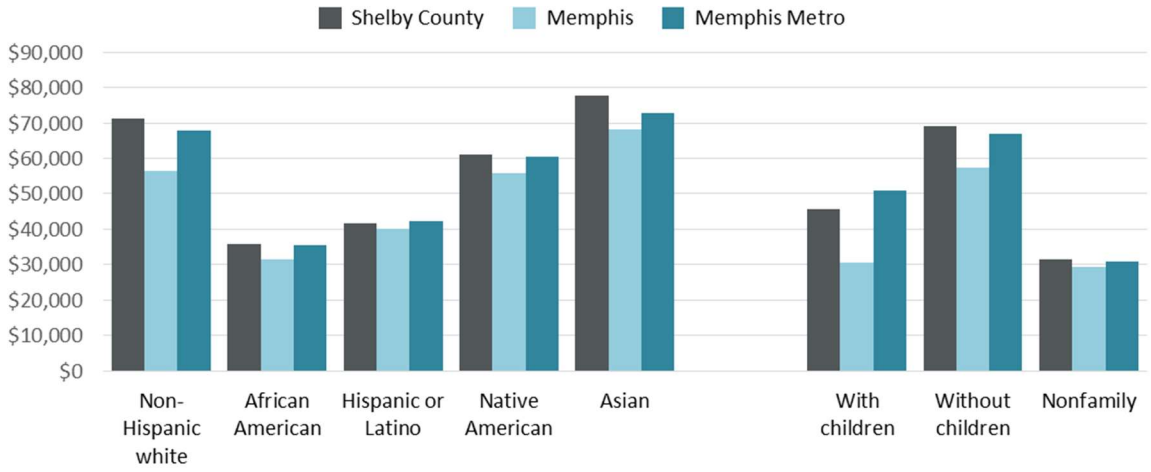
Figure II-4.
Median Renter and Owner Incomes

Source:
2016 ACS.



In the context of this fair housing analysis, affordability concerns and housing needs are viewed through the perspective of disparities by protected class. Affordability can become a fair housing issue if/when protected class groups are disproportionately impacted by housing prices and problems. Figure II-5 shows median income by race/ethnicity and by family status to identify which groups may be most vulnerable to affordability changes.

Figure II-5.
Median Income by Race/Ethnicity and Housing Type, 2016



Source: 2016 ACS.

In both Memphis and Shelby County, African American and Hispanic households have significantly lower median incomes than non-Hispanic white households. Family households have higher median incomes than non-family households but among families, those without children have higher median incomes than those with children.

Patterns in Tenure and Affordability

In the Memphis Metro Area overall, 58 percent of all households are owners and 42 percent are renters. The City of Memphis has a much lower ownership rate (44% of households are owners) compared to the balance of Shelby County, in which 77 percent of households are owners.

Figure II-6 displays the total households and the percent of those households that are owners (ownership rate) by household type and by racial/ethnic group. It also calculates the difference in ownership rates between families with and without children and between non-Hispanic whites and the largest racial/ethnic groups (African American and Hispanic). Differences of 20 percentage points or more are considered substantial disparities and are highlighted for emphasis.

In the City of Memphis disparities in ownership are evident by household type and by race/ethnicity:

- Families without children are nearly twice as likely to own their homes as families with children;
- Sixty-two percent of non-Hispanic white householders are owners, compared to just 36 percent of African American householders and 31 percent of Hispanic householders.

In Shelby County outside of Memphis ownership rates are significantly higher across all household types and racial/ethnic groups than in the City of Memphis. Even so some disparities persist, particularly for Hispanic householders (57% owners) compared to non-Hispanic white householder (81% owners). There are also differences between non-Hispanic white and African

American ownership rates (11 percentage point difference) and between families with and without children (15 percentage point difference).

Figure II-6.
Homeownership Rates by Household Type and Race/Ethnicity, 2016

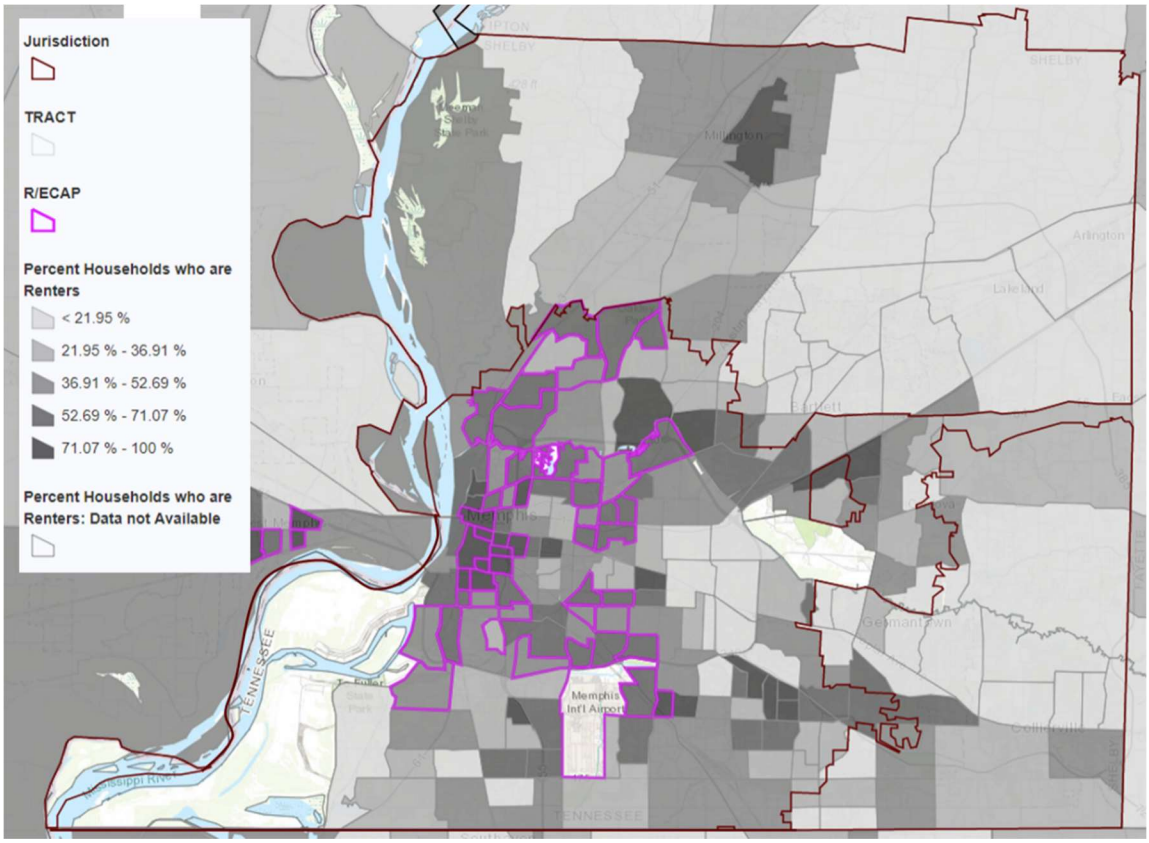
Household Type and Race/Ethnicity of Householder	Memphis		Shelby County excluding Memphis		Memphis Metro excluding Shelby County	
	Total Households	*Ownership Rate*	*Total Households*	*Ownership Rate*	*Total Households*	*Ownership Rate*
Homeownership Rates						
All Households	**256,973**	**44%**	**97,693**	**77%**	**146,441**	**70%**
Families with children	63,879	31%	31,765	73%	43,514	59%
Families without children	81,441	62%	41,808	87%	64,108	84%
Non-family households	111,653	38%	24,120	63%	38,819	60%
Race/Ethnicity of Householder						
Non-Hispanic white	78,193	62%	63,348	81%	95,855	79%
Black or African American	161,189	36%	25,262	70%	42,993	53%
Hispanic	10,713	31%	3,436	57%	4,105	46%
Asian or Pacific Islander	3,826	56%	3,803	73%	1,106	65%
Some other race	5,314	28%	837	63%	1,381	16%
Two or more Races	2,873	29%	1,452	52%	2,047	74%
Differences in Ownership Rates						
Families with/without children difference		*-32%*		*-15%*		*-24%*
Black/non-Hispanic white difference		*-27%*		*-11%*		*-27%*
Hispanic/non-Hispanic white difference		*-32%*		*-24%*		*-33%*

Note: Data presented are numbers of households, not individuals.

Source: 2016 ACS.

Figure II-7 maps tenure by neighborhood in Shelby County. Darker shading indicates a higher proportion of renters. Not surprisingly, R/ECAP neighborhoods tend to have high proportions of renters. Within the county (outside of Memphis), there are relatively few neighborhoods with high proportions of renters. One notable exception is the neighborhood surrounding the Millington Airport (in north central Shelby County). This neighborhood includes the Mid-South Naval Base and its high percentage of renters is primarily related to military housing in the Census tract.

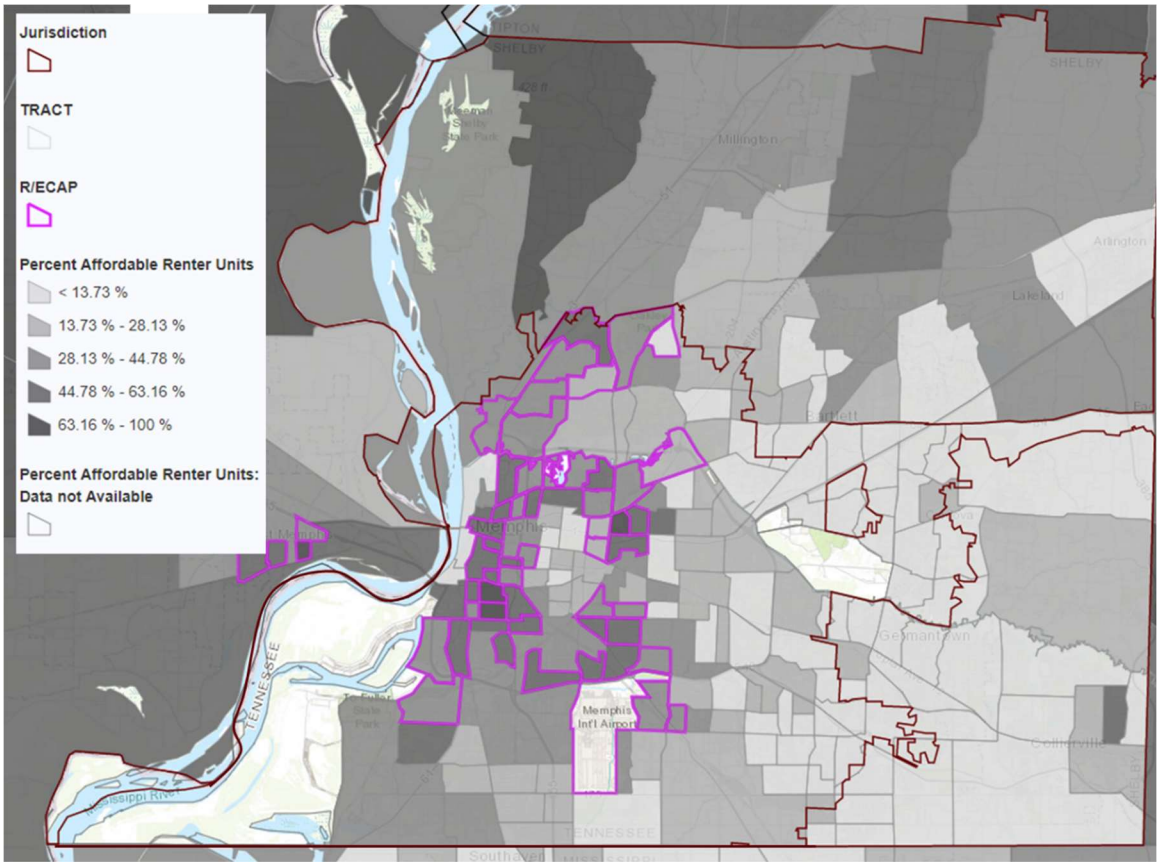
Figure II-7.
Proportion of Renters by Census Tract, 2013



Source: HUD AFFH-T.

HUD also provides a map of "affordable rental housing" defined as "units renting at or less than 30% of household income for a household with income at 50% of AMI" (Area Median Income). Figure II-8 shows the affordable rental housing HUD map for Shelby County and Memphis. The most affordable areas in the City of Memphis are also those with the highest poverty rates, commonly R/ECAPs. Within Shelby County, the area containing the highest proportion of affordable rental units is north of the City of Memphis and East of Millington. As noted earlier, this area is home to the Mid-South Naval base and the high proportion of affordable rentals is driven primarily by military housing.

Figure II-8.
Location of Affordable Rental Housing (% Rental Units Affordable to 50% AMI)



Note: Darker shading indicates higher proportions of affordable rental units.

Source: HUD AFFHT.

Disproportionate Housing Needs

HUD provides data tables through the AFFH-T to assess the differences in housing needs among household groups. "Housing problems" are defined by HUD as units having incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and households with cost burden greater than 30 percent. "Severe" housing problems include all of the above except that cost burden is greater than 50 percent.

Housing needs by household type and race/ethnicity. Figure II-9 shows the percentage of households (by race/ethnicity and household type size) with housing needs according to HUD AFFH-T data.

In the metro area as a whole, 37 percent of households experience at least one of the four housing problems. The percentage of all households with a housing problem is higher in the City of Memphis (44%) than in the balance of the county (28%). Hispanic and black residents are also much more likely to face severe housing burdens than are other groups.

Housing problems are much higher for minority residents (especially Black and Hispanic residents) in the city and—to a lesser extent—in the county, while non-Hispanic white and Asian residents are less likely to suffer from housing problems.

Analyzed by household type and size, larger families and non-family households are more likely to experience housing problems than smaller families.

Figure II-9. Demographics of Households with Housing Needs

Note:

The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%.

Source:

CHAS data from the HUD Affirmatively Furthering Fair Housing Data and Mapping Tool.

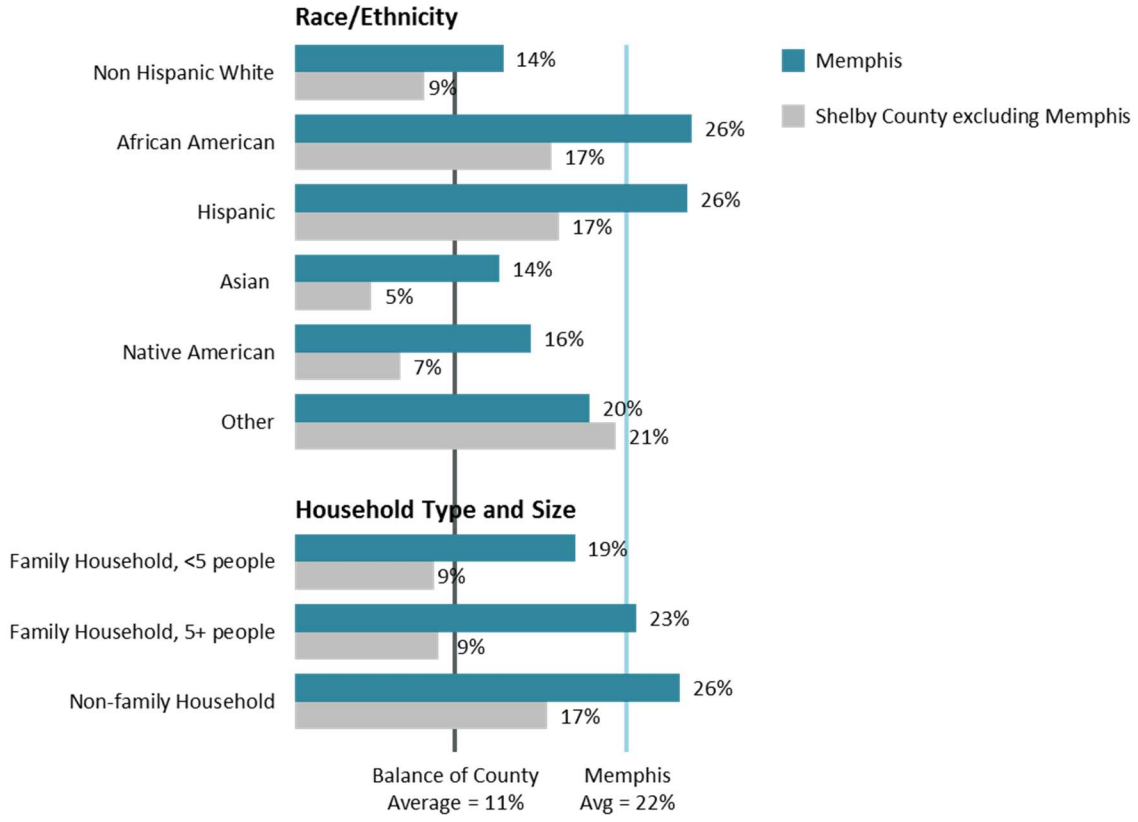
	Memphis			Shelby County excluding Memphis			Memphis Metro Area		
Households Experiencing Any of 4 Housing Problems	**Total Households**	**# with Problems**	**% with Problems**	**Total Households**	**# with Problems**	**% with Problems**	**Total Households**	**# with Problems**	**% with Problems**
Total	**245,180**	**108,505**	**44%**	**98,330**	**27,915**	**28%**	**486,205**	**179,965**	**37%**
Race/Ethnicity									
Non-Hispanic White	83,175	26,495	32%	66,097	15,429	23%	245,494	64,933	26%
African American/Black	144,529	73,005	51%	25,139	10,025	40%	209,423	100,829	48%
Hispanic	10,418	6,230	60%	2,599	1,093	42%	16,263	8,975	55%
Asian or Pacific Islander	3,798	1,264	33%	3,461	1,043	30%	8,519	2,626	31%
Native American	410	166	40%	144	20	14%	916	307	34%
Other, Non-Hispanic	2,820	1,327	47%	914	319	35%	5,584	2,317	41%
Household Type and Size									
Family households, <5 people	122,818	47,250	38%	65,553	15,655	24%	278,945	85,995	31%
Family households, 5+ people	22,910	13,695	60%	10,414	3,720	36%	47,735	23,155	49%
Non-family households	99,480	47,575	48%	22,425	8,555	38%	159,553	70,830	44%
Households Experiencing Any of 4 Severe Housing Problems	**Total Households**	**# with Severe Problems**	**% with Severe Problems**	**Total Households**	**# with Severe Problems**	**% with Severe Problems**	**Total Households**	**# with Severe Problems**	**% with Severe Problems**
Total	**245,180**	**61,115**	**25%**	**98,330**	**12,640**	**13%**	**486,205**	**95,645**	**20%**
Race/Ethnicity									
Non-Hispanic White	83,175	12,815	15%	66,097	6,413	10%	245,494	29,574	12%
African American/Black	144,529	42,830	30%	25,139	4,949	20%	209,423	57,778	28%
Hispanic	10,418	4,135	40%	2,599	596	23%	16,263	5,790	36%
Asian or Pacific Islander	3,798	636	17%	3,461	469	14%	8,519	1,223	14%
Native American	410	58	14%	144	10	7%	916	75	8%
Other, Non-Hispanic	2,820	648	23%	914	204	22%	5,584	1,197	21%

.

Figure II-10 focuses on households with severe cost burden—spending 50 percent or more of their income on housing costs. At this level, households live on the edge, just one medical bill, accident, natural disaster, or job layoff away from homelessness. In both Memphis and the balance of Shelby County, Hispanic and Black residents are nearly twice as likely to experience severe housing cost burden as non-Hispanic white residents.

Analyzed by household type and size, larger families and non-family households are more likely to experience severe housing cost burden than smaller families in Memphis, with more than one-fourth of non-family households severely burdened. Non-family households are the most likely to experience severe housing cost burden in balance of the County.

Figure II-10.
Severe Cost Burden by Race/Ethnicity and Household Type and Size, Harris County Service Area



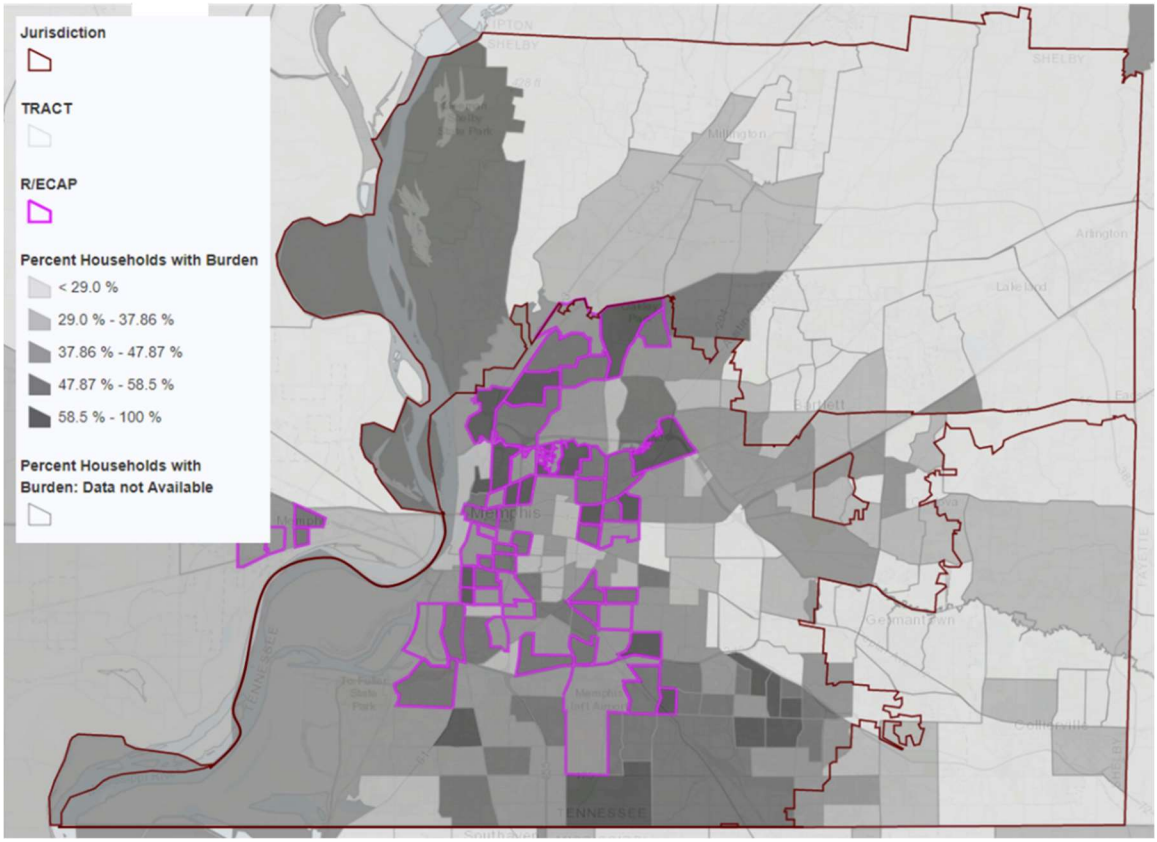
Note: Percent shown reflects proportion of households in each category that spend 50% or more of their income on housing costs.

Source: CHAS data from the HUD Affirmatively Furthering Fair Housing Data and Mapping Tool and BBC Research & Consulting.

Housing burden by neighborhood. The most frequently-experienced housing problem is housing burden (monthly housing costs including utilities exceeding 30% of monthly income). Looking at housing burden alone, the patterns documented above hold up geographically across neighborhoods within Memphis, but less so in the County (outside of the City) and in the Region.

Looking at housing burden within R/ECAP neighborhoods (Figure II-11), it is clear that these neighborhoods as a whole experience higher housing burden rates than non-R/ECAP neighborhoods, but some fare worse than others.

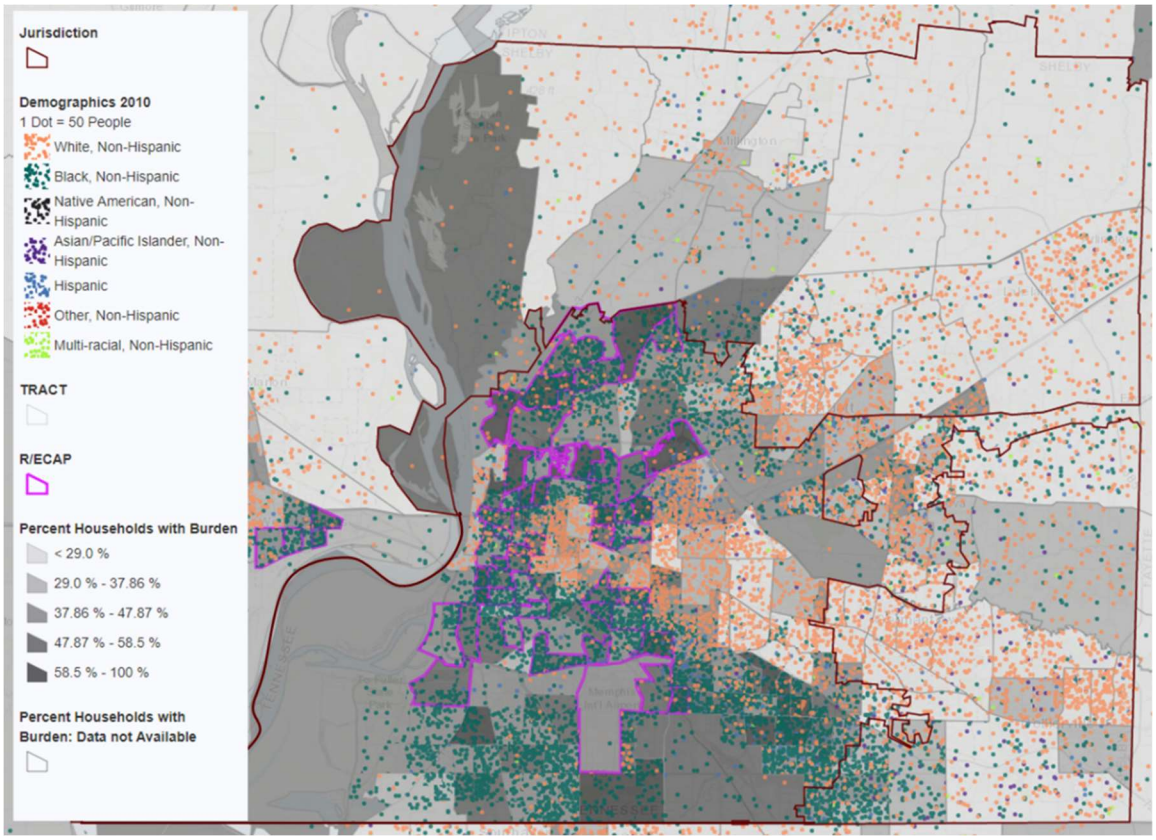
Figure II-11.
Percent of Households with Housing Burden



Source: HUD AFFH-T.

Figure II-12, on the following page, shows housing burden along with race/ethnicity for Memphis and Shelby County. Many areas with high housing burden (shown by darker shading) align with areas that have a high proportion of African American residents.

Figure II-12.
Percent of Households with Housing Burden and Race/Ethnicity

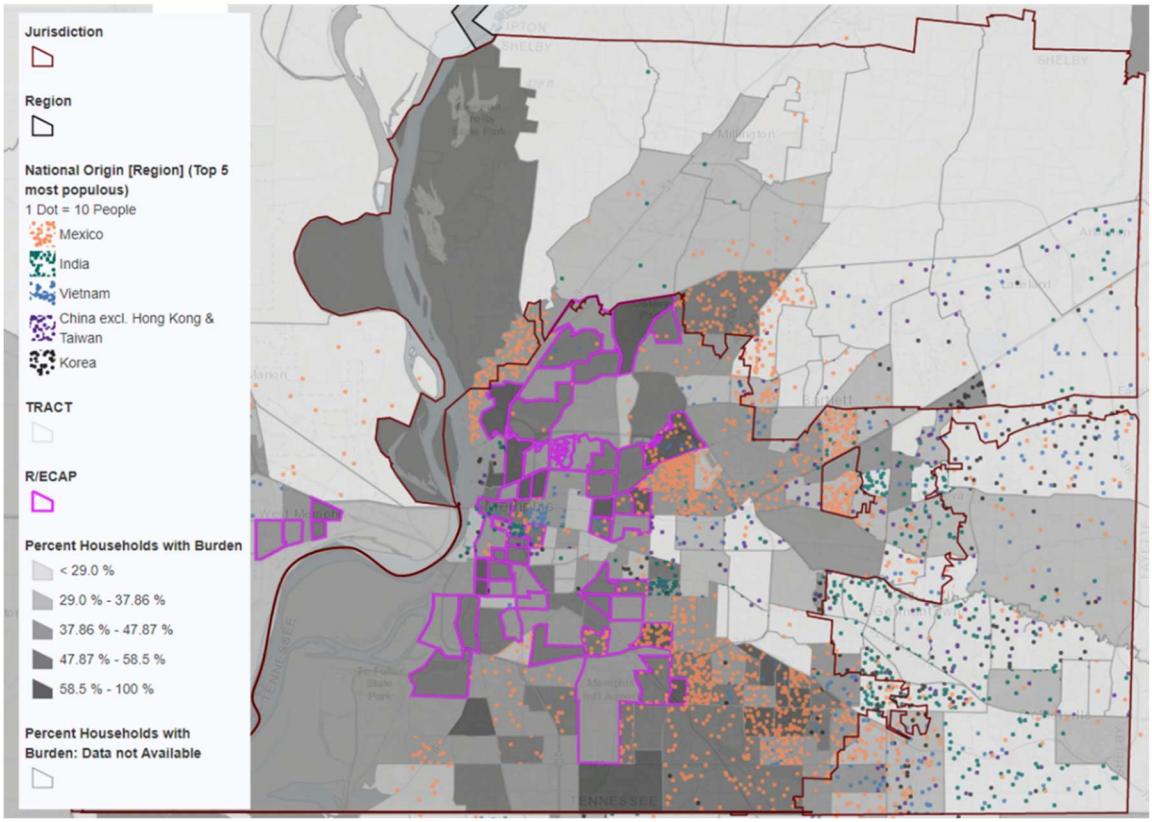


Source: HUD AFFH-T.

Figure II-13 assesses housing burden and national origin. The map shows that, within the City of Memphis, natives of Mexico and Guatemala are most likely to live in neighborhoods with a high likelihood of housing burden.

Shelby County has one neighborhood where approximately half (49.4%) of the residents are foreign-born, with Mexican natives being the largest group of the 1,710 households residing there. This neighborhood is bounded on the east by Howard Creek, on the north by the Loosahatchie River and on the west and south by the City.

Figure II-13.
Percent of Households with Housing Burden and National Origin



Source: HUD AFFH-T.

Mortgage Lending

This portion of the Housing Patterns section focuses on private sector actions that could present barriers to fair housing choice, specifically considering barriers to ownership based on trends in mortgage lending. It begins with input from the National Fair Housing Association (NFHA), which has been investigating lending institutions in the region for potential violations of the Fair Housing Act and was interviewed as a stakeholder for this study. Their input is followed by an analysis of Home Mortgage Disclosure Act (HMDA) data, which report lending activity of financial institutions.

NFHA Input. The NFHA was interviewed by the study team as part of this fair housing analysis to provide feedback on barriers to ownership caused by lending institutions in the Memphis Region. The core findings from NFHA's evaluation are below.

- There are disparities in maintenance of real estate owned (REO) properties in Memphis, specifically a lack of maintenance and marketing of properties located in communities of color.

- Modern-day redlining appears to be occurring in North and South Memphis, despite recent legal actions against lending institutions.[1]

- Minimum loan amounts—typically set around $50,000—have a disproportionate impact on communities of color in Memphis, notably in North and South Memphis where home values are relatively low.[2]

- Some developers noted challenges in getting a fair appraisal for new construction in redevelopment areas where there are not enough appropriate comps to correctly value new construction projects. This impacts potential buyers ability to secure a mortgage.

- Some residents and stakeholders feel that insurance companies are inflating replacement values which results in paying higher insurance rates.

Mortgage lending. HMDA data are widely used to examine potential discrimination in mortgage lending. Financial institutions have been required to report HMDA data since the 1970s, when civil rights laws prompted higher scrutiny of lending activity. The variables contained in the HMDA dataset have expanded over time, allowing for more comprehensive analyses and better results. However, despite expansions in the data reported, public HMDA data remain limited because of the information that is *not* reported. As such, studies of lending disparities that use HMDA data carry a similar caveat: HMDA data can be used to determine disparities in loan originations and interest rates among borrowers of different races, ethnicities, genders, and location of the property they hope to own. The data can also be used to explain many of the reasons for any lending disparities (e.g., poor credit history). Violations of fair lending, practices, however, generally originate with federal regulators who have access to a broader set of information (e.g., borrower loan files) related to lending practices.

This section uses the analysis of HMDA data to determine if disparities in loan approvals and terms exist for loan applicants of different races and ethnicities. The HMDA data analyzed in this section reflect loans applied for by residents in 2017, the latest year for which HMDA were publicly available at the time this document was prepared.

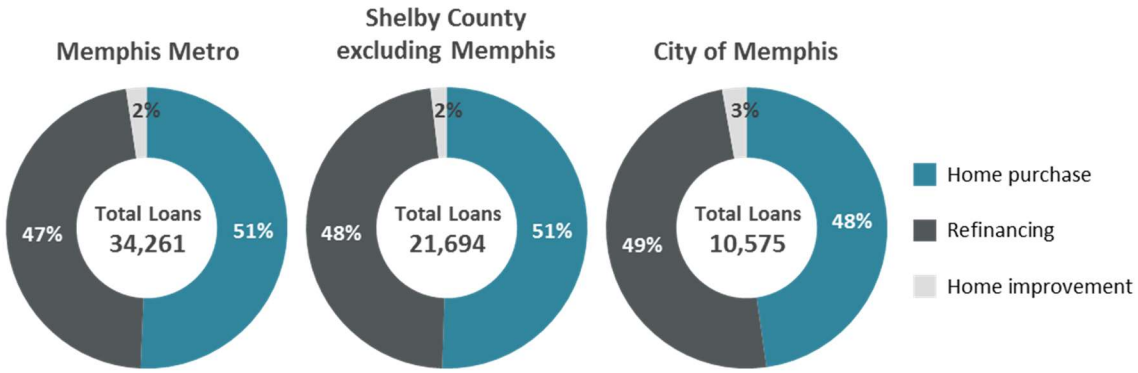
Loan applications. In 2017, there were 10,575 loan applications filed in Memphis and another 11,119 loan applications filed elsewhere in Shelby County for owner-occupied homes. Between 2 and 3 percent were home improvement applications and the remainder were nearly evenly split between refinance applications and home purchase applications.

---

[1] NFHA also cited the following article in discussing this finding: https://www.revealnews.org/article/is-this-the-new-redlining-how-people-of-color-are-being-shut-out-of-buying-homes/

[2] Minimum loan amounts are a threshold below which the financial institution will not underwrite a mortgage loan.

Figure II-14.
Loan Application Purpose, 2017



Note: Does not include loans for multifamily properties or non-owner occupants..

Source: FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting.

Outcome of loan applications. Figure II-15 shows the result of loan applications, by location of the property. In Shelby County excluding Memphis 62 percent of loan applications were originated—meaning the loan was approved by the financial institution and accepted by the application. That compares to 54 percent in the City of Memphis.

In addition to the distribution of loan outcomes, BBC calculates a separate "denial rate," defined as the number of denied loan applications divided by the total number of applications excluding withdrawn applications and application files closed for incompleteness. This measure of denial provides a more accurate representation of applications with an opportunity for origination and is consistent with the methodology used by the Federal Reserve in analyzing HMDA denial data.

The denial rate was substantially higher in the City of Memphis (27%) than in the remainder of Shelby County (17%).

Figure II-15.
Action Taken on Loan Applications, 2017

	Memphis Metro		Shelby County excluding Memphis		City of Memphis	
Action Taken	Frequency	Percent	Frequency	Percent	Frequency	Percent
Application approved but not accepted	1,498	4%	484	4%	478	5%
Application denied by financial institution	5,765	17%	1,552	14%	2,273	21%
Application withdrawn by applicant	4,756	14%	1,673	15%	1,581	15%
File closed for incompleteness	1,657	5%	515	5%	538	5%
Loan originated	20,585	60%	6,895	62%	5,705	54%
Total	34,261	100%	11,119	100%	10,575	100%
Denial rate*	**21%**		**17%**		**27%**	

Note: Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting.

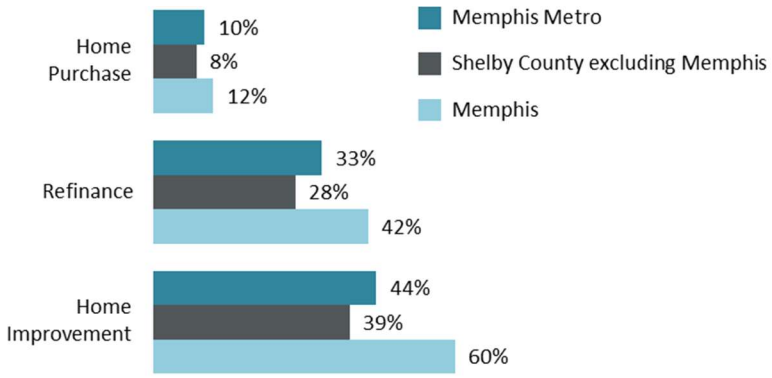
Figure II-16 shows denial rates by loan type. Home improvement and refinance loans have much higher denial rates than do home purchase loans: metro wide denial rates were 44 percent for improvement loans and 33 percent for refinance loans originated compared to 10 percent for home mortgage loans.

The denial rates for each loan purpose were higher in the City of Memphis than in the balance of Shelby County.

Figure II-16
Denial Rate by Loan Purpose, 2017

Note:
Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source:
FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting.



Outcome of applications by race and ethnicity. In 2017, 55 percent of applicants for residential mortgage, home improvement or refinance loans classified their race/ethnicity as non-Hispanic white. Twenty-eight percent was African American, 2 percent was Asian, 3 percent was Hispanic and 1 percent identified as another non-Hispanic minority (Native American or Native Hawaiian/Pacific Islander). Ten percent did not provide race information.

Figure II-17 shows the outcome of applications, along with the denial rate, by race and ethnicity for the Memphis metro overall. Among applicants that disclosed their race/ethnicity, denial rates were highest for other non-Hispanic minority (34%), followed by African American (32%). The denial rate for non-Hispanic white and Asian applicants was much lower at 13 percent and 12 percent, respectively.

Figure II-17.
Action Taken on Loan Applications by Race/Ethnicity, Memphis Metro, 2017

	Non-Hispanic White	African American	Asian	Hispanic	Other Non-Hispanic Minority	Racial/Ethnic Information not Provided by Applicant
Number of loan applications	18,939	9,747	836	955	228	3,556
Percent approved but not accepted	4%	5%	5%	5%	7%	4%
Percent denied by financial institution	11%	25%	10%	15%	27%	27%
Percent withdrawn by applicant	13%	15%	14%	12%	17%	17%
Percent closed for incompleteness	4%	6%	5%	4%	4%	7%
Percent originated	68%	49%	66%	64%	44%	44%
Denial Rate	**13%**	**32%**	**12%**	**18%**	**34%**	**36%**

Note: Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting

Figure II-18 shows denial rates by race/ethnicity and geography. The figure also calculates the percentage point difference in denial rates between non-Hispanic white applicants and applicants of other races/ethnicities. Differences of 10 percentage points or more are highlighted for emphasis.

Across all jurisdictions African American applicants and other minority applicants have disproportionately high denial rates compared to non-Hispanic whites. Disparities by race/ethnicity are greatest in the City of Memphis.

Figure II-18.
Action Taken on Loan Applications by Race/Ethnicity, Metro, 2017

	Memphis Metro Area		Shelby County Excluding Memphis		City of Memphis	
	2010	2017	2010	2017	2010	2017
Denial Rate						
All Applicants	23%	21%	20%	17%	29%	27%
Non-Hispanic white	16%	13%	13%	12%	16%	13%
Asian	17%	12%	15%	10%	23%	14%
African American	37%	32%	32%	26%	48%	40%
Hispanic	23%	18%	17%	14%	26%	21%
Other non-Hispanic minority	33%	34%	27%	31%	35%	48%
Racial/ethnic information not provided by applicant	37%	36%	33%	30%	46%	43%
Percentage Point Difference in Denial Rate						
Asian/NHW Difference	*2%*	*-1%*	*2%*	*-2%*	*7%*	*1%*
African American/NHW Difference	*22%*	*19%*	*19%*	*14%*	*31%*	*27%*
Hispanic/NHW Difference	*7%*	*5%*	*4%*	*2%*	*10%*	*8%*
Other/NHW Difference	*17%*	*21%*	*13%*	*19%*	*19%*	*35%*

Note: Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source: FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting

Reasons for differences and trends. There are many reasons why denial rates may be higher for certain racial and ethnic groups. First, some racial and ethnic groups are very small, so the pool of potential borrowers is limited and may skew towards lower income households, since minorities typically have lower incomes. Figure II-19 examines differences in loan denial rates by income range. Loan applicants were grouped into one of three income ranges:

- Applicants earning less than 80 percent of the HUD Median Family Income (MFI) at the time—or less than $48,000;
- Applicants earning between 80 and 120 percent MFI—$48,000 and $72,000; and
- Applicants earning greater than 120 percent MFI—$72,000 and more.

As shown by Figure II-19, the disparity in denial rates persists for African American and other non-Hispanic minority applicants, even at higher incomes.

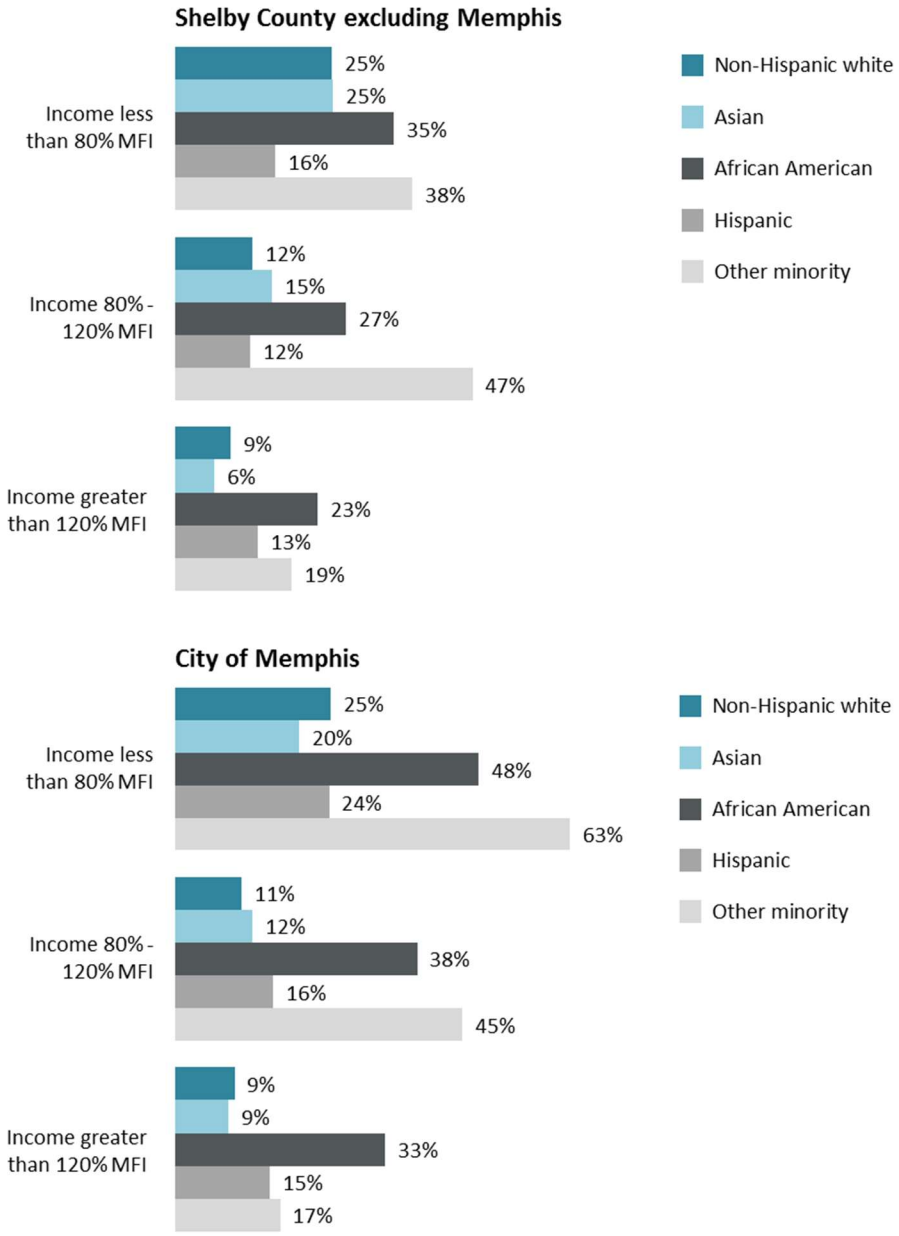
Figure II-19. Denial Rate by Race/Ethnicity and Income, Shelby County and City of Memphis, 2017

Note:

Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness.

Source:

FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting.



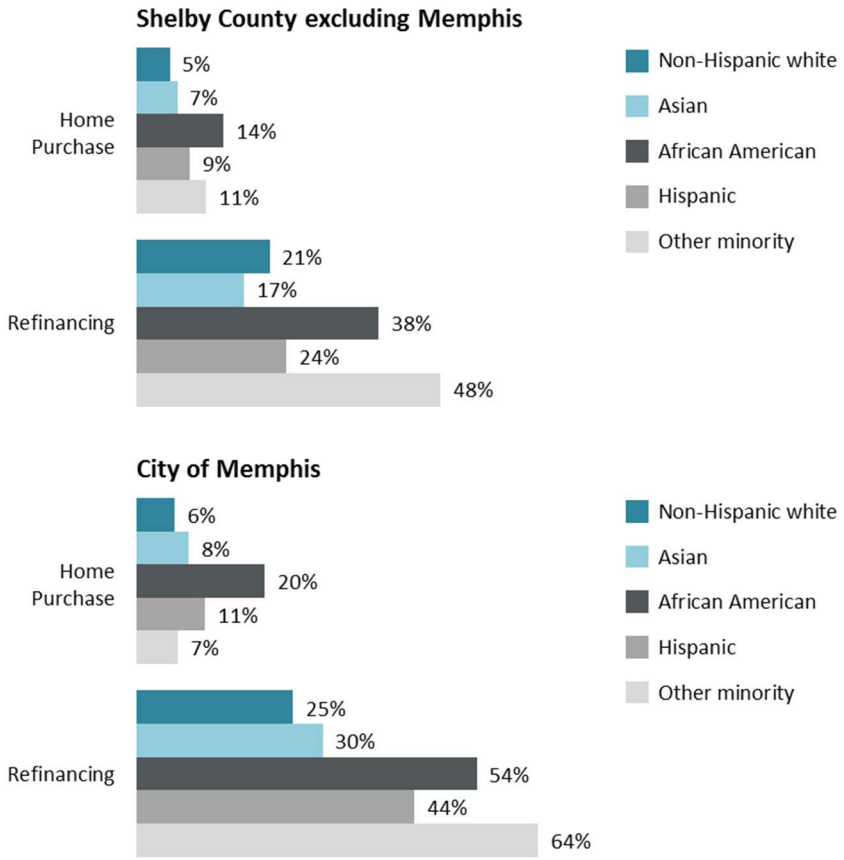
Second, loan denial rates can also vary by race and ethnicity based on the type of loans applied for by applicants. Denial rates are typically highest for home improvement loans, often because the additional debt will raise the loan to value ratios above the levels allowed by a financial institution.

In the region as a whole, African American applicants were less likely to apply for home purchase loans than non-Hispanic white and Hispanic applicants: 46 percent of loan African American applications were for home purchases compared to 55 percent of non-Hispanic white applications and 63 percent of Hispanic applications.

African American applicants were more likely to apply for refinancing loans (51% of loan applications) than non-Hispanic whites (42%) and Hispanic applicants (36%).

Figure II-20 displays the denial rate by race and ethnicity and loan purpose. Denial rates for home purchases are very low across racial and ethnic groups but are highest for African Americans. Both African Americans and other minority groups experience higher rates of denial for refinancing applications than non-Hispanic whites. (There were too few home improvement loan applications for individual racial/ethnic categories for analysis).

Figure II-20. Denial Rate by Race/Ethnicity and Loan Purpose, Shelby County and City of Memphis, 2017



Note:

Does not include loans for multifamily properties or non-owner occupants. Denial Rate is the number of denied loan applications divided by the total number of applications, excluding withdrawn applications and application files closed for incompleteness. Excludes denial rates when fewer than 20 loans were made; denoted as N/A.

Source:

FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting.

HMDA data contain some information on why loans were denied, which can help to explain differences in denials among racial and ethnic groups. Figure II-21 shows the reasons for denials in the Memphis Metro by race/ethnicity.

Among non-Hispanic white applicants and African American applicants, the most common reason for denial was credit history (22% and 30%, respectively). Among Asian and Hispanic applicants, the most common reason was debt-to-income ratio. That reason also ranked highly among Hispanic applicants (24%) but credit history was the top reason (28%). The most common reason for denial among other minority groups was collateral (38%).

Figure II-21.
Reasons for Denial by Race/Ethnicity, Memphis Metro, 2017

	Non-Hispanic White	African American	Asian	Hispanic
Collateral	20%	15%	17%	14%
Credit application incomplete	17%	11%	8%	9%
Credit history	22%	30%	13%	25%
Debt-to-income ratio	20%	22%	32%	31%
Employment history	3%	2%	5%	1%
Insufficient cash (downpayment, closing costs)	4%	6%	2%	10%
Mortgage insurance denied	0%	0%	0%	0%
Other	10%	12%	8%	8%
Unverifiable information	3%	3%	15%	2%
n=	1,481	1,660	60	100

Note: Does not include loans for multifamily properties or non-owner occupants.

Source: FFIEC HMDA Raw Data, 2017 and BBC Research & Consulting

Subprime analysis. The subprime lending market declined significantly following the housing market crisis. Subprime lending has increased in the last few years, though not back to its peak of 25 percent in 2006. Nationally, in 2017, about 4 percent of conventional home purchases and 2 percent of refinance loans were subprime.[3,4]

In 2017, in the Memphis Metro 6.5 percent of originated loans were subprime, up from 2.5 percent in 2010. As shown in Figure II-22, the incidence of subprime loans increased for all racial/ethnic groups in the Memphis metro between 2010 and 2017.

[3] For the purposes of this section, "subprime" is defined as a loan with an APR of more than three percentage points above comparable Treasuries. This is consistent with the intent of the Federal Reserve in defining "subprime" in the HMDA data.

[4] https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/bcfp_hmda_2017-mortgage-market-activity-trends_report.pdf

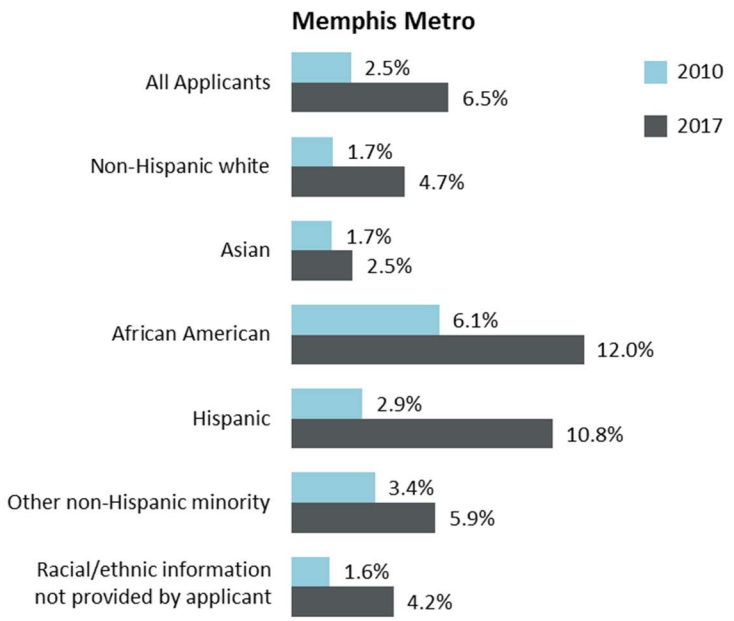
Figure II-22.
Subprime Loans by Race/Ethnicity, Memphis Metro, 2010 and 2017

Note:

Does not include loans for multifamily properties or non-owner occupants.

Source:

FFIEC HMDA Raw Data, 2010 and 2017 and BBC Research & Consulting.



African American and Hispanic borrowers were much more likely than non-Hispanic whites to receive subprime rates in 2017—particularly in the City of Memphis. Figure II-23 shows the proportion of originated loans that have subprime interest rates by race/ethnicity and geography.

Figure II-23.
Subprime Loans by Race/Ethnicity, Memphis and balance of Shelby County, 2010 and 2017

	Memphis Metro Area		Shelby County excluding Memphis		City of Memphis	
	2010	2017	2010	2017	2010	2017
Percent of Originated Loans that are Subprime						
All Applicants	2.5%	6.5%	1.4%	5.1%	3.2%	7.8%
Non-Hispanic white	1.7%	4.7%	0.9%	3.6%	1.4%	4.1%
Asian	1.7%	2.5%	0.9%	1.9%	4.3%	2.5%
African American	6.1%	12.0%	3.3%	9.9%	8.6%	15.3%
Hispanic	2.9%	10.8%	1.7%	8.9%	3.0%	13.8%
Other non-Hispanic minority	3.4%	5.9%	3.0%	6.5%	4.0%	9.5%
Racial/ethnic information not provided by applicant	1.6%	4.2%	0.9%	3.4%	3.5%	5.5%
Percentage Point Difference in Subprime Loans						
Asian/NHW Difference	*0%*	*-2%*	*0%*	*-2%*	*3%*	*-2%*
African American/NHW Difference	*4%*	*7%*	*2%*	*6%*	*7%*	*11%*
Hispanic/NHW Difference	*1%*	*6%*	*1%*	*5%*	*2%*	*10%*
Other/NHW Difference	*2%*	*1%*	*2%*	*3%*	*3%*	*5%*

Note: Does not include loans for multifamily properties or non-owner occupants.

Source: FFIEC HMDA Raw Data, 2010 and 2017 and BBC Research & Consulting.

Bank on Memphis. Shelby County and the City of Memphis participate in the Bank On Memphis Financial Literacy Program. Bank On Memphis is a public-private partnership between the City of Memphis, Shelby County government, financial institutions and nonprofits to encourage the unbanked to establish an account at a mainstream financial institution. According to Bank On Memphis 40% of the Memphis Metro Area is unbanked or underbanked.

Downpayment Assistance Program. In an effort to address lending discrimination, Shelby County's Down Payment Assistance (DPA) Program assists low-to- moderate income individuals in covering a portion of the down payment and closing costs associated with purchasing a home. Funds may be used to purchase an existing home or a newly constructed home anywhere within the boundaries of Shelby County as long as the purchase price does not exceed $200,160. Up to $3,500 is available as a 5 percent loan and repayment terms can extend up to five years months.

Land Use and Zoning

A matrix listing types of regulations and policies in land development codes that are indicators of impediments to fair housing was developed to show some areas where potential barriers to fair housing may exist. The review considered land development policies, zoning and subdivision regulations. Building codes were also reviewed to determine if nationally-recognized building codes are adopted and the relationship of those codes to HUD-accepted codes (called "safe harbor" codes).

Shelby County and the City of Memphis share a zoning Code, called the Unified Development Code (UDC), which governs land use in the City of Memphis and unincorporated Shelby County. Incorporated portions of Shelby County outside Memphis are governed by land use and zoning codes of their respective municipalities. The analysis below focuses on the UDC, since this AI is being conducted specifically for the City of Memphis and the Shelby County governments.

Some of the key factors in land development codes that most commonly result in barriers to fair housing choice and reasonable accommodation include:

- Site Standards: Large lots or excessive setbacks between structures or from streets that can increase development costs, e.g., special infrastructure;
- Density Limits: Restriction on or prohibition of multifamily housing, low floor area ratios (FAR) for multifamily or mixed-use development, or low density requirements;
- Use-Specific Standards: Special site or operational requirements for group homes for protected classes, e.g., persons with disabilities, that are not required for other residences or groups;
- Public Services: Additional requirements for infrastructure or essential municipal services not required for other residences or dwelling units;
- Definitions and Occupancy: Definitions of family or occupancy limits that prohibit or limit the number of unrelated persons in a household;

- Procedures: Review procedures, public hearings, or notice requirements for different housing types, housing for protected classes, or low-income housing;
- Housing Choice: Limits or prohibitions on alternative affordable housing options such as accessory dwelling units, modular or manufactured homes, and mixed-use developments;
- Spacing: Minimum distance between group homes for protected classes, e.g., persons with disabilities, that are not required for other residences or groups;
- Reasonable Accommodation: Regulations inhibiting modifications to housing for persons with disabilities or their ability to locate in certain neighborhoods; and
- Codes: Local land development codes and standards that are not aligned with federal and state regulations governing fair housing and reasonable accommodation.

The matrix in Figure II-24 groups indicators into four categories based on the common barriers to fair housing choice and drawn from the questions in HUD's Fair Housing Planning Guide, Chapter 5, related to public policies and actions and zoning laws and policies. A review of comprehensive plans (where adopted) and other ordinances affecting land development, and equitable infrastructure requirements and distribution was beyond the scope of this analysis.

Please note, an observation made by the writers was the particular challenge in reviewing and interpreting of the zoning codes. The layout and cross-referencing proved challenging at times for our planning and development professionals with decades of experience in this field. As we completed this section a concerning question emerged, is this difficulty to review and interpret the zoning codes an obstacle for other planning and development professionals as well as the general public attempting to use them. Furthermore, this dynamic could lead to over-dependency of builders, developers and the general public upon the government staff and departments of the various jurisdictions to determine what uses are permitted by right or not.

Figure II-24.
Indicators of Land Development Code Barriers and Impediments to Fair Housing

INDICATOR	Memphis – Shelby County UDC
CODES	
1. Zoning Code	**Yes**
Do zone districts allow a range of density and dwelling unit types? (Supports the placement of new or rehabilitated housing for lower-income households in a wide spectrum of neighborhoods)	Districts allow a wide range of dwelling unit and density types. Yes, multifamily/apartments are allowed by right in RU-3, RU-4, RU-5, and Central Business Districts, and as a Special Use in Commercial zones. However, the potential prevalence of medium to high density residential use development through the City and County is restricted. See further discussion of "multifamily development in zoning code" after this matrix.
2. Building Code	**Yes**
Are nationally recognized building codes adopted? (Indicates that FHAA and ADA requirements for accessibility are followed)	International Building Code (IBC) contains Accessibility Standards. Note: ADA does not apply to single family residential properties.
SITE STANDARDS	
3. Large Lot Sizes, Dimensions, or Dwelling Unit Size	**Limitations**
Are there large lot size, setbacks, or lot widths or minimum standards for size of dwelling units? (Contributes to increased development costs and discourages attached or multifamily housing)	For subdivisions of ≥10 acres, detached housing must be at least 60% of the allowed housing types. These require larger lots with increased setbacks, lot widths, etc.
4. Requirements Favoring Low Density	**No**
Are the maximum densities, Floor Area Ratios (FAR) or building heights low? (Indicator that certain housing types and densities cannot be achieved in a wide spectrum of neighborhoods)	No, not by definition. The maximum density for the FAR or minimum heights appear favorable to multifamily or apartment developments. However, the zoning districts where this type of housing can be developed is restricted.
5. Site Improvements for New Construction	**Yes**
Are there special design requirements for buildings or site improvements that increase development costs? (Contributing factor in increased construction costs and increased housing costs which disproportionately affect lower-income households)	There are landscaping and architectural standards and requirements that do not apply to single-family homes. Though the cost of constructing these added features would potentially not be prohibitive for market rate medium to high density residential use development, that would be used by protected class members. It could potentially be burdensome and an obstacle for development of affordable housing.

6. Spacing or Dispersal Requirements	**No**
Are there minimum distances required between group homes or other housing for FHAA protected individuals or groups? (Indicates exclusion or limits to housing choice for FHAA protected groups)	
7. Single Family Development Pattern	**Limitations**
Do development codes favor single-family lot development over cluster development? (Indicates lack of housing options for a wide spectrum of residents)	Yes. However, Mixed Use Districts may contain a Campus Master Plan zone which permits clustering
8. Floodplain Construction	**Yes**
Does the zoning code allow construction in floodplains (which is often used for affordable housing and thus is likely to have a disparate impact on FHA-protected residents).	Yes (Sec. 36-108)
USES AND DEFINITIONS	
9. Multifamily Units	**Limitations**
Are multifamily units allowed? (Exclusion of or prohibition of multifamily residences indicates limited housing options)	Yes, apartments are allowed by right in RU-3, RU-4, RU-5, and Central Business Districts, and as a Special Use in Commercial zones. However, the potential prevalence of medium to high density residential use development through the City and County is restricted.
10. Accessory Dwelling Units (ADUs)	**Limitations**
Are ADUs allowed? (Indicates flexibility in code for a wide array of housing options)	Yes. A) On lots≥ 10,000 sq. ft. B) Container homes are allowed as ADUs only as a Conditional Use. C) One additional parking space required for 500 sq. ft. of ADU. D) Must be detached.
11. Mobile/Manufactured Homes	**Limitations**
Are mobile or manufactured homes allowed? (Indicates flexibility in code for a wide array of housing options)	Mobile home parks are a conditional use; manufactured homes are Permitted by Right.
12. Facilities for Persons with Disabilities and Other FHAA Groups Allowed in a Wide Array of Locations	**Limitations**
Are facilities for FHAA protected individuals or groups excluded from residential zone districts either by use or occupancy restrictions? (If excluded indicates disparate treatment)	Rooming houses are Permit-ted by Right in 2 commercial zones and by special or conditional use in some zones. Supportive Living and Personal Care Homes for the Elderly are Permitted by Right in 12/13 (respectively) zones, unless in an Overlay District. Transition-al homes (for those in rehab. from mental/ drug/alcohol treatment) are Special Use or not allowed in Districts (e.g. Medical Overlay) regardless of underlying zone.

13. **Definition of Family**	**Limitations**
Is there a definition of family and does it allow unrelated individuals, including persons with disabilities to share the same residence?	A Family is ≤ 4 unrelated persons or 8 unrelated mentally retarded, mentally handicapped or physically handicapped persons (+ 3 house parents or guardians). This definition of "family" does not apply to residences wherein mentally retarded, mentally handicapped or physically handicapped persons reside when such residences are operated on a commercial basis.
14. **Occupancy Limits or Requirements**	**Limitations**
Are there occupancy limits on the number of persons residing in a dwelling unit (Indicates exclusion of for group or congregate living facilities for persons protected under FHAA)	Restricted to not more than 4 unrelated persons or 8 disabled persons, unless commercial group home. As mentioned, above, Transitional homes (for those in rehab. from mental/ drug/alcohol treatment) are Special Use or not allowed in Districts (e.g. Medical Overlay) regardless of underlying zone.
15. **Vague Language**	**Yes**
Does the document use vague language or categories (allows arbitrary or discriminatory interpretation and/or enforcement and may be used to block housing for protected groups)?	The layout and cross-referencing throughout the code could be an obstacle to the general public, planning and development professionals using it independent of government staff. PUDs are subject to requirements for "the screening of objectionable views or uses and reduction of noise…"
POLICIES AND PROCEDURES	
16. **Special review, public hearing, or notice?**	**Yes**
Is public input required for exceptions to zoning and land-use rules? (Indicates different treatment of an FHAA protected class if the process is not the same for all applicants)	Overlay district development requires public notice to neighbors within 1000'.
17. **Conditional/Special Use**	**Yes**
Is a conditional use or special use process employed (which adds additional risks and requirements such as additional open space, recreation, landscaping, buffers, limits on scale, all of which can increase costs and decrease affordability, and may affect FHAA-protected classes such as residences, group homes, mobile home parks)?	A) Mobile homes, mobile home parks, group homes and rooming houses are by conditional use permit B) Stacked townhomes, apartments, large-home multifamily, and boarding houses/SROs, are by special use approval in most zones.
18. **References to Fair Housing Act and Americans with Disabilities Act**	**Limitations**
Do local codes include language that indicates they are instituting regulations that adhere to the provisions of these acts? (Indicates that federal and state provisions are being followed)	Code refers to ADA in general and in regard to sidewalks, street trees and parking; There is no reference to FHA or affordable housing.

19. Able to modify or vary zoning and building standards for reasonable accommodation in residences	**Unclear**
Do regulations allow persons with disabilities to make modifications to residences for reasonable accommodation? (Indicates flexibility to make housing accessible to disabled persons)	No mention in regulations

Multifamily development in the zoning code. It is difficult to discern where multi-family/multifamly uses are allowed by Memphis/Shelby County. Within the zoning ordinance, the "Multi-family" use is discussed in general, in regard to parking and setbacks and a few other details; however, these sections do not define what categories allow multifamily and whether it is permitted by right or by conditional use. A search on "Multifamily" gives that information.

However, even with this spelling, the results are confusing. Multifamily is universally used to include apartment construction, but Memphis/Shelby County uses it in such a way that the user cannot assume that apartments are allowed. For example, while Residential Urban – 3, 4 and 5 (RU-3, RU-4 and RU-5) allow multifamily uses including apartments, Residential Urban 1 and 2 (RU-1 and RU-2) do not allow apartments. Moreover, because of the nature of past development patterns and the lack of multifamily construction, the definition of new RU-3, RU-4 and RU-5 restricts the availability of multifamily zoning:

"New RU-3 districts are generally located in an infill or redevelopment location where similar lot sizes are part of the original fabric of development. Additionally, RU-3 districts should have a shared street network with and are generally located at least 500 feet from a CMU-1, CMU-2, CMU-3, or CBD district or are within 500 feet of an arterial."

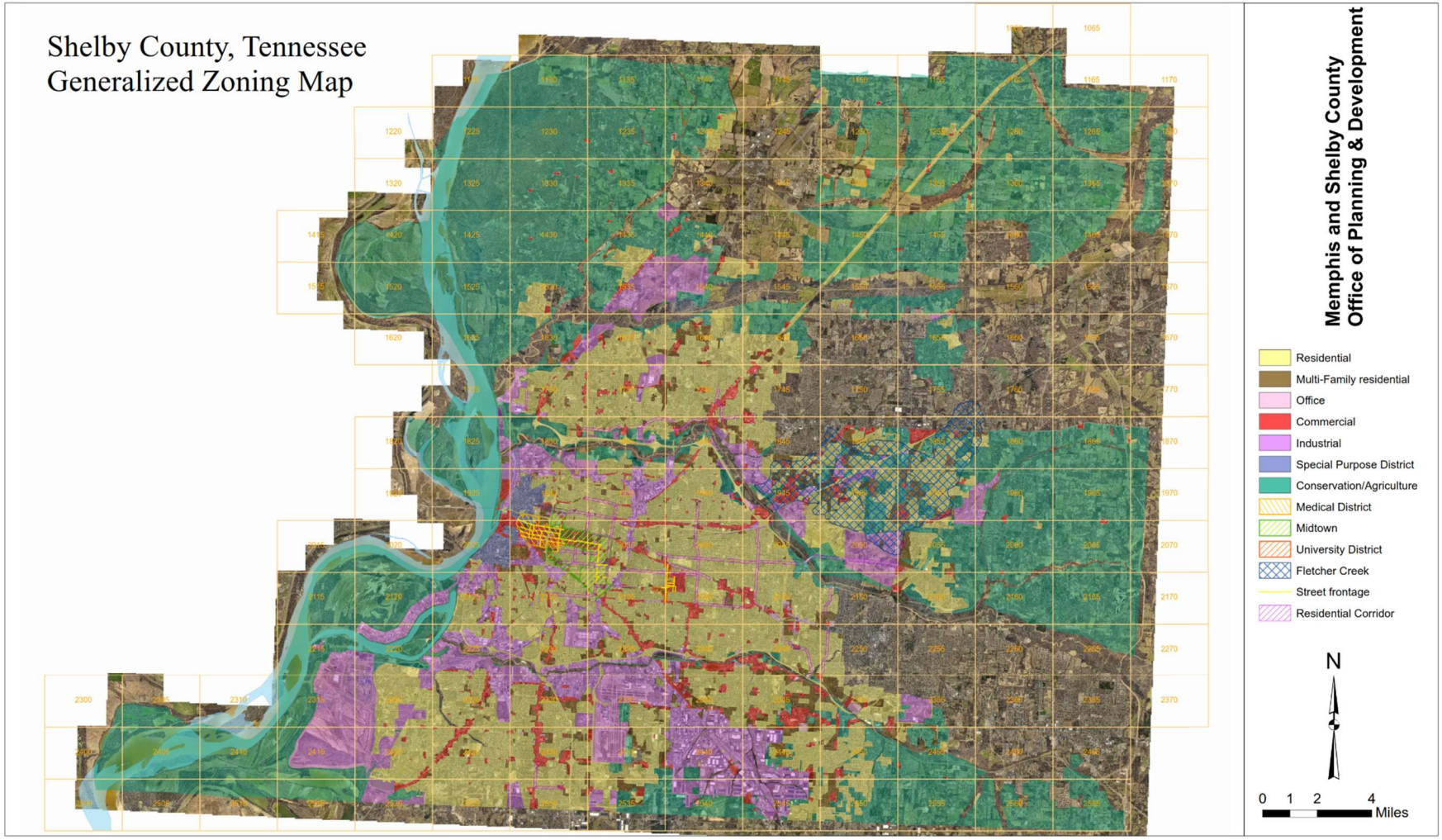
Apartments are generally the most affordable form of multifamily rental housing. However, Memphis/Shelby County's zoning ordinance and maps cannot be used by a developer to understand where apartments might be allowed. Along with other uses, apartments are allowed by right in RU-3, RU-4, RU-5, and Central Business Districts, and as a Special Use in Commercial zones. Using the Planning Department's zoning maps to discern availability is difficult. There is one large "wall map" which provides a legend for each zone, but the scale is not usable to determine anything regarding specific properties or even neighborhoods because all multifamily residential is one shade of brown.[5] There are individual "grid" maps that solve the scale problem, but they lack the legend which is necessary to understand the zones shown.[6]

Figure II-25, on the following page shows the generalized zoning map for Shelby County under the UDC.

[5] See http://www.shelbycountytn.gov/DocumentCenter/View/20840/Zoning-Atlas-wall-map?bidId=

[6] See http://www.shelbycountytn.gov/DocumentCenter/View/20724/Zoning-Atlas-Page-1655?bidId=

Figure II-25.
UDC Generalized Zoning Map



Source: City of Memphis and Shelby County Unified Development Code.

Memphis 3.0. The City is currently in the middle of a two-year Comprehensive Planning process, call Memphis 3.0. Though Memphis 3.0 is not intended to be completed until 2019, the Public Findings document available online lists goals for "Plan Element: Land." These goals include: Promote and protect housing affordability" and "Reduce combined housing, transportation, and energy cost burden for all households." Both of these goals would be supported by increasing availability of multifamily rental development.

In addition, three findings, "Improve access and use of existing parks, green space, greenways, and open space," and "Create greater access to a network of greenways, bikeways, sidewalks, and other modes of active transportation," and "Establish a transit network design that shifts service toward goals of ridership and frequency," would be facilitated by creating these amenities adjacent to multifamily housing, so that fewer residents would have to drive to access parks, greenways and these alternate modes of transportation.

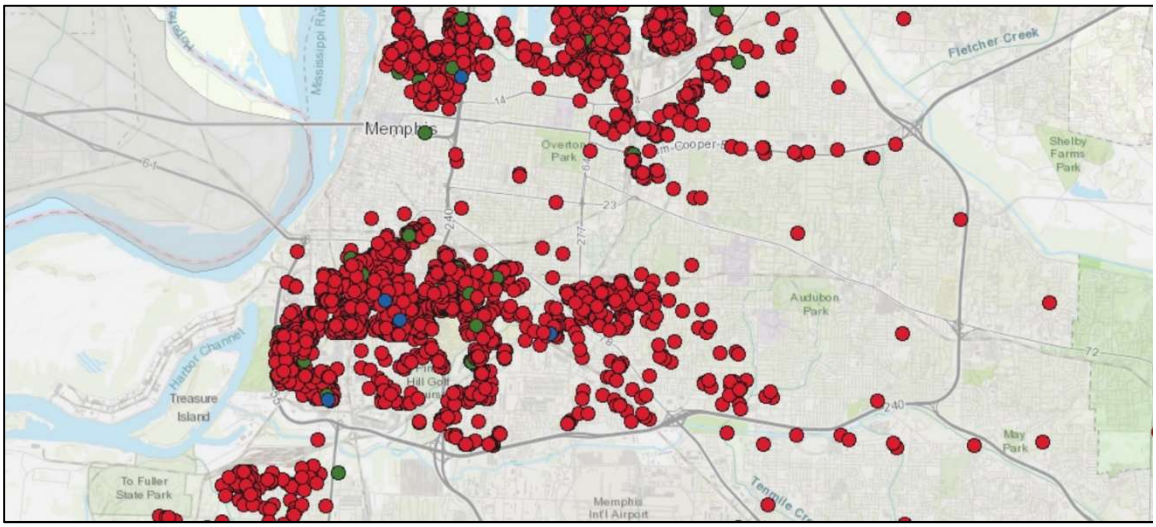
Lastly, the Memphis 3.0 goal, "Increase support and resources for community-based developers and businesses," would be facilitated by simplifying the zoning code and by providing detailed zoning information available on zoning maps.

Shelby County Lank Banking Program. Land banking in the City of Memphis and in Shelby County is administered by the County. The County's online list for September 2018 listed approximately 3,400 land banked parcels, the great majority of which are zoned residential, located in predominantly-minority neighborhoods.[7] All but 20 were listed as vacant. During September of 2018, the County is hosting a "sale" on approximately 500 of its vacant land banked properties and most of the prices are set at between $50 and $300.8 Figure II-26 maps the location of the County's land banked properties as of April 2018.

[7] https://landbank.shelbycountytn.gov/sites/default/files/ZoningDistricts.11-0928.pdf accessed 9/5/2018.

[8] https://landbank.shelbycountytn.gov/sites/default/files/September%20Price%20Reduction%20Sale%20List.18-Sep_0.pdf accessed 9/5/2018.

Figure II-26.
Land Banked Properties (April 19, 2018)



Source: https://gisapps.shelbycountytn.gov/landbank/.

The County's 2011 Analysis of Impediments to Fair Housing recommended land banking to facilitate development of affordable housing in "areas of potentially higher opportunity" using properties acquired at tax sales. Though many of these parcels are not located in areas of high opportunity they do represent a resource available for redevelopment in racially/ethnically concentrated areas of poverty. The city and county should consider strategies that leverage these assets to help guide investment in areas of lower opportunity as well as create affordable housing in areas of high opportunity.

Key Fair Housing Findings from Section II

In the City of Memphis disparities in ownership are evident by household type and by race/ethnicity:

- Disparities in home-ownership are evident by household type and by race/ethnicity in both Memphis and Shelby County:
    - In Memphis, families with children and minority households are significantly less likely to own their homes than other households.
    - In Shelby County outside of Memphis ownership rates are significantly higher across all household types and racial/ethnic groups than in the City of Memphis but some disparities persist, particularly for Hispanic householders.
- The most affordable areas in the City of Memphis are also those with the highest poverty rates, commonly R/ECAPs.
- Minority households, particularly African American and Hispanic households, experience housing problems at higher rates than non-Hispanic white and Asian households in Memphis, and, to a lesser extent in Shelby County. Large family households also experience housing problems at relatively high rates.

- African Americans and other non-Asian minorities also have a harder time accessing capital for home purchase loans, home improvement loans and refinances. Non-Asian minority borrowers who are successful in getting a loan are more likely to receive subprime (higher than average) interest rates on their loans.

- The zoning review conducted for this analysis indicates that limitations on multifamily development may create barriers to fair housing choice by limiting the diversity of housing choices is allowable throughout residential districts. The review also suggests there is opportunity to improve clarity in code related to fair housing and accessibility standards.

- The City is currently in the middle of a two-year Comprehensive Planning process, call Memphis 3.0, which presents a clear opportunity to include fair housing objectives in the region's long term planning process.

SECTION III.

Publicly Assisted Housing

SECTION III.
Publicly Supported Housing Analysis

This section provides an analysis of publicly-supported housing, including publicly supported housing demographics, location and occupancy, and access to opportunity. The analysis discusses all types of publicly supported housing, including HUD-funded programs as well as developments supported through the Low Income Housing Tax Credit, or LIHTC, program.[1]

HUD Assisted Housing

Publicly-supported housing in the City of Memphis (excluding LIHTC) represents six percent of the total housing units in the jurisdiction. Forty-three percent of this number (or 7,504 units) is obtained through HUD's voucher program, which addresses demand for affordable housing but does not address supply. Memphis' voucher program is 3 percent of its households, while Shelby County's serves 0.4 percent of its households (excluding the city).

Affordable housing units added to the Memphis jurisdiction's housing stock (public housing, project based Section 8, and other HUD-supported multifamily housing) equals 3 percent of the jurisdiction's total housing, but this is 17 times the amount that Shelby County's publicly-supported housing adds to the County's total housing.

The total HUD assisted units/vouchers in Shelby County excluding Memphis account for less than 1 percent of all housing units in the county excluding Memphis.

Figure III-1 shows the total units by program in both the City of Memphis and Shelby County outside Memphis.

[1] The LIHTC program originated in 1986 under the Tax Reform Act and was part of an effort by the federal government to devolve the obligation of publicly-supported housing to states and local governments. Today, the LIHTC is the largest single producer of affordable rental housing in the country.

Figure III-1. Section 8, Public Housing, and Other Rental Assistance Programs

Source: HUD AFFH-T.

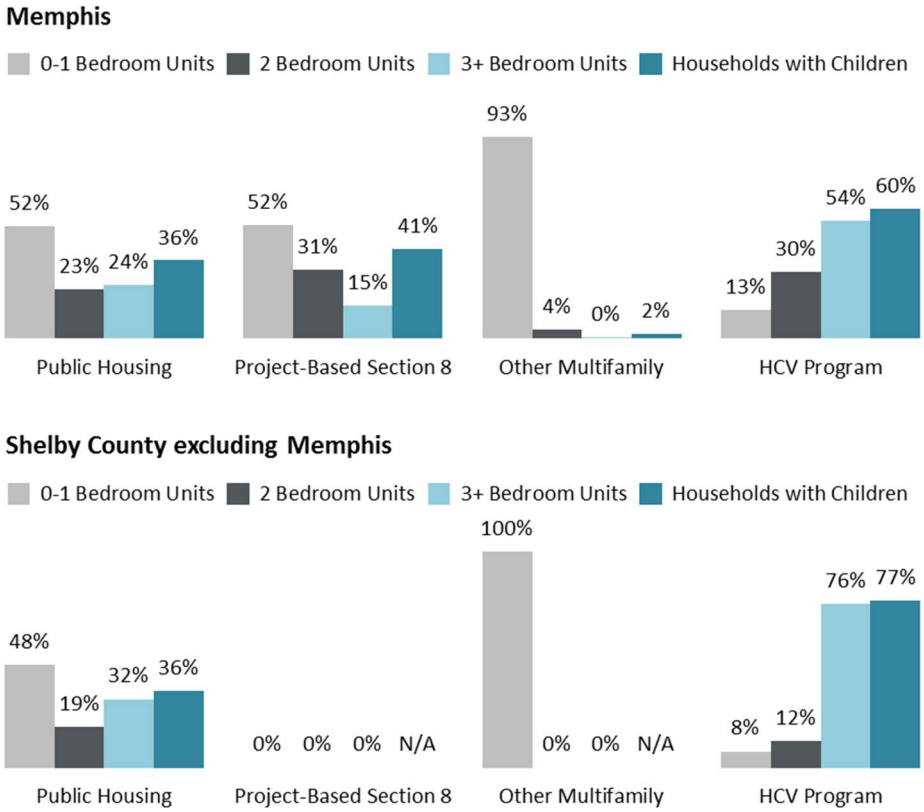
	Memphis	Shelby County excluding Memphis
Public Housing	2,943	131
Project-based Section 8	6,474	0
Other Multifamily	547	80
HCV Program	7,504	510
Total HUD Assisted Units/Vouchers	**17,468**	**721**
Total Housing Units	293,196	105,078
Assisted Units as a % of all Units	6.0%	0.7%

Families in HUD-assisted housing. Within the City of Memphis, 48 percent of households living in publicly-supported housing include children and 63 percent of all publicly-supported units contain at least 2 bedrooms.

Of all of the publicly supported housing programs, Housing Choice Vouchers do the best in accommodating families with children and/or households who need larger units. Figure III-2 shows unit size and occupancy of families with children by program type.

Figure III-2. Publicly-supported Housing by Program Category: Units by Number of Bedrooms and Presence of Children

Source: HUD AFFH-T.



Persons with disabilities in HUD-assisted housing. Persons with disabilities represent 14 percent of residents aged five or older in the City of Memphis as 10 percent of resident's five or older in the balance of Shelby County. As shown below, in Figure III-3, people with disabilities are slightly overrepresented in HUD programs overall but are significantly overrepresented in public housing (in both Memphis and Shelby County).

Figure III-3.
Disability by Publicly Supported Housing Program Category

Disability by Publicly Supported Housing Program Category	Memphis		Shelby County excluding Memphis		Memphis Metro	
	Num.	*Pct.*	*Num.*	*Pct.*	*Num.*	*Pct.*
Public Housing	859	33%	38	30%	965	31%
Project-Based Section 8	939	16%	n/a	n/a	960	16%
Other Multifamily	107	20%	0	0%	109	17%
HCV Program	1,091	15%	44	9%	1,399	15%
Total all programs	**2,996**	**19%**	**82**	**13%**	**3,433**	**18%**

Note: The definition of "disability" used by the Census Bureau may not be comparable to reporting requirements under HUD programs.

Source: HUD AFFH-T.

Representation of racial and ethnic groups by housing program. HUD provides data on the racial and ethnic make-up of households assisted by housing authorities; these are shown below in Figure III-4, along with the racial/ethnic make-up of all households earning less than 50 percent of AMI (that is, households likely to be eligible for housing authority assistance).

Disparities by race/ethnicity in program utilization relative to eligible households are evident in the City of Memphis as well as Shelby County outside of Memphis. Most notably, African Americans are participating in HUD programs at rates higher than would be expected, given their representation among income eligible households:

- 93 percent of housing program participants in Memphis are African American compared to 76 percent of total households earning less than 50 percent of AMI; and

- 82 percent of housing program participants in Shelby County excluding Memphis are African American compared to 49 percent of total households earning less than 50 percent of AMI.

Hispanic/Latino residents, on the other hand, are underrepresented in HUD programs, as are non-Hispanic white residents:

- Hispanic households account for 2 percent of program participants in Memphis and 3 percent of program participants in the balance of County but account for 6 percent of households earning less than 50 percent AMI in both the city and county.

- Non-Hispanic white householders account for 5 percent of program participants but 17 percent of income eligible households in Memphis. In the balance of county non-Hispanic white householders account for 15 percent of program participants but 42 percent of in the households earning less than 50 percent AMI.

Figure III-4. Publicly Supported Households by Race/Ethnicity

Source:
HUD AFFH-T.

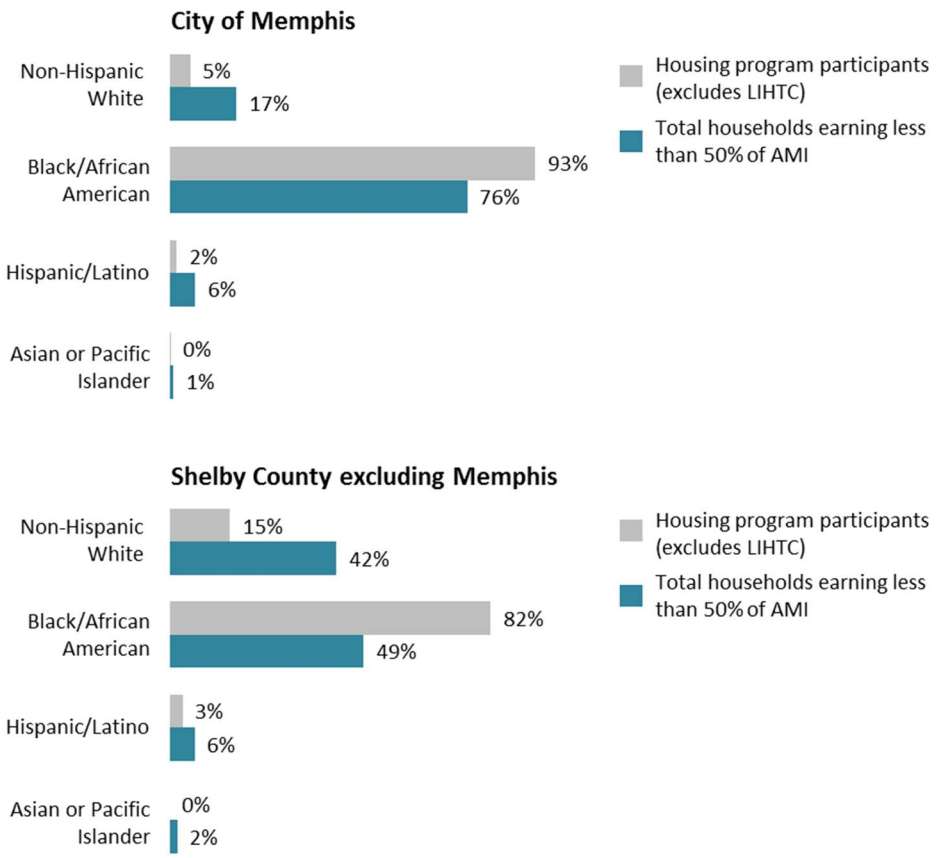


Figure III-5 shows the racial/ethnic distribution of participants by program for Memphis and the balance of Shelby County. The figure highlights underrepresented populations in blue and overrepresented populations in orange, based on comparisons between program participation and the total proportion of households earning less than 50 percent AMI.

Disparities in program participation are particularly apparent in public housing and in the HCV program.

Figure III-5.
Publicly Supported Households by Race/Ethnicity and Program Type, Memphis and Shelby County

Memphis	Non-Hispanic White		Black or African American		Hispanic or Latino		Asian or Pacific Islander	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Program Participants by Housing Type								
Public Housing	18	1%	2,573	98%	28	1%	0	0%
Project-Based Section 8	667	12%	4,997	87%	42	1%	9	0%
Other Multifamily	81	16%	418	83%	4	1%	0	0%
HCV Program	68	1%	6,777	96%	201	3%	6	0%
Total Households by Income	**83,175**	**34%**	**144,529**	**59%**	**10,418**	**4%**	**3,798**	**2%**
0-30% of AMI	7,650	17%	33,604	74%	2,884	6%	443	1%
0-50% of AMI	12,970	16%	58,504	72%	4,939	6%	733	1%
0-80% of AMI	24,820	20%	88,809	70%	7,019	6%	1,190	1%

Shelby County excluding Memphis	Non-Hispanic White		Black or African American		Hispanic or Latino		Asian or Pacific Islander	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Program Participants by Housing Type								
Public Housing	35	29%	87	71%	0	0%	0	0%
Project-Based Section 8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Multifamily	57	74%	16	21%	4	5%	0	0%
HCV Program	10	2%	444	94%	18	4%	0	0%
Total Households by Income	**66,097**	**67%**	**25,139**	**26%**	**2,599**	**3%**	**3,461**	**4%**
0-30% of AMI	1,949	44%	2,165	49%	178	4%	59	1%
0-50% of AMI	3,228	35%	3,855	41%	592	6%	168	2%
0-80% of AMI	9,478	50%	6,549	34%	1,047	5%	437	2%

Interpretation of Shading:

Underrepresented by at least 5 percentage points relative to 0-50% AMI

Overrepresented by at least 5 percentage points relative to 0-50% AMI

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool and BBC Research & Consulting.

Patterns in Location by Program

Figure III-6 maps the location of publicly supported housing units in Memphis and elsewhere in Shelby County by type and identifies the percentage of rental units that house voucher holders. The icons and shading on the map represent different types of publicly supported housing:

- Blue icons—dark blue and light blue—indicate housing that is owned and operated by a public housing authority (public housing developments and scattered sites).
- Orange icons represent affordable rental housing that offers Housing Choice Voucher/Section 8 subsidies (project-based Section 8).

- Purple icons represent Low Income Housing Tax Credit (LIHTC) developments.
- Green icons show other types of publicly supported rental housing.
- Grey shading shows the percentage of rental units in that Census tract that house Housing Choice Voucher holders.

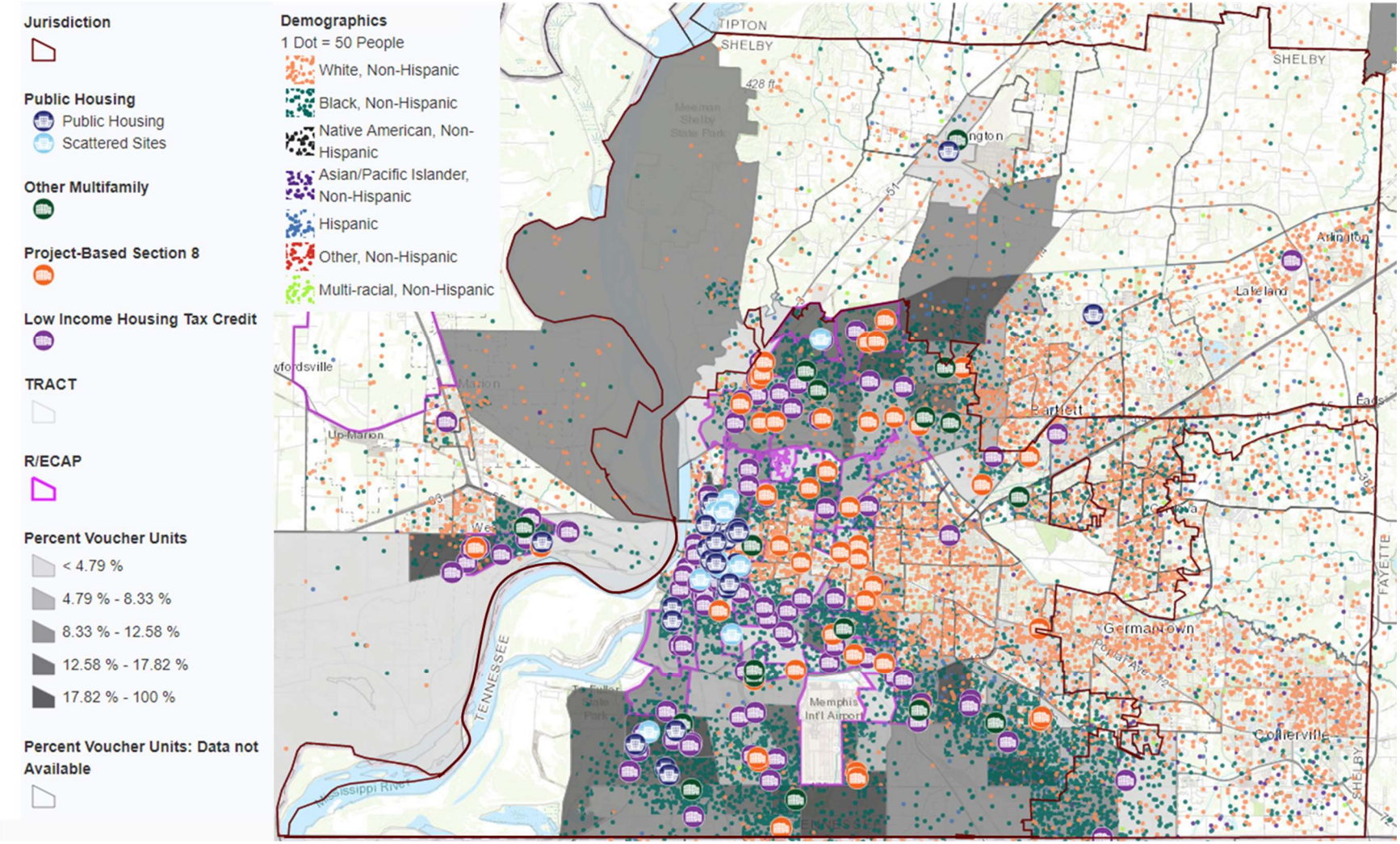
Most of the icons shown on the map fall within the City of Memphis, but there are two public housing sites, three LIHTC developments, and one other publicly supported multifamily developments in Shelby County outside of Memphis.

Within the City of Memphis, the map shows a concentration of public housing near downtown but the other types of publicly assisted housing are distributed throughout North and South Memphis and Midtown. However, the map does indicate an absence of publicly assisted development in East Memphis. Voucher use is highest across North Memphis and South Memphis.

In general, publicly assisted housing units (and high housing choice voucher use) tend to be located in neighborhoods that also have large minority—particularly African American—populations, which could contribute to patterns of segregation for publicly assisted housing residents.

In Shelby County outside Memphis voucher use is highest north of the City of Memphis, though for many Census tracts in the county there was not data available for voucher use. There is a notable lack of publicly assisted housing developments in Germantown, Cordova, and Collierville.

Figure III-6.
Publicly Assisted Housing in Memphis and Shelby County



Source: HUD AFFH-T.

Overall, 44 percent of the publicly-supported occupied housing units in Memphis are located in R/ECAPs. This compares to 23 percent of all housing units (publicly assisted and not publicly assisted) located in R/ECAPs in Memphis. Figure III-7 shows the proportion of the population living in R/ECAPs for the Memphis population overall and for housing program beneficiaries. Note that there are no R/ECAPs in Shelby County outside of Memphis so this portion of the analysis focuses solely on Memphis units.

The figure illustrates that residents living in publicly assisted housing units—of all racial/ethnic groups—are more likely than their counterparts in market-rate housing to be living in areas that are racially/ethnically concentrated areas of poverty.

Figure III-7.
Percent of Units located in R/ECAPs, Memphis

Note:
There are no R/ECAPs in Shelby County outside Memphis.
Housing programs include public housing, project based section 8, HCV program and other multifamily; does not include LIHTC.

Source:
HUD AFFH-T.

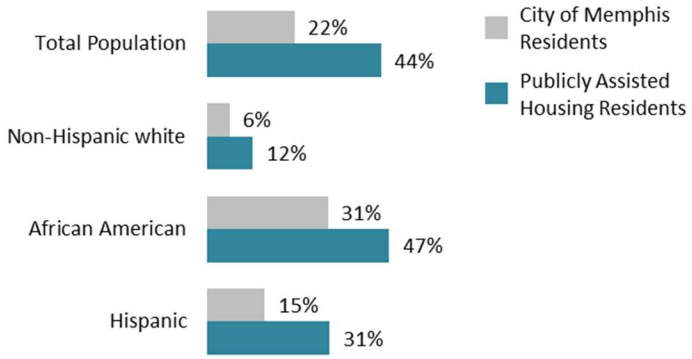


Figure III-8 shows the proportion of assisted units by program type that are located in R/ECAPs in the City of Memphis. Over three quarters of public housing units and nearly half of project-based section 8 units are located in R/ECAPs compared to 30 percent of housing choice vouchers and 27 percent of other multifamily units.

Figure III-8.
Percent of Units located in R/ECAPs, Memphis

Note:
There are no R/ECAPs in Shelby County outside Memphis.

Source:
HUD AFFH-T.

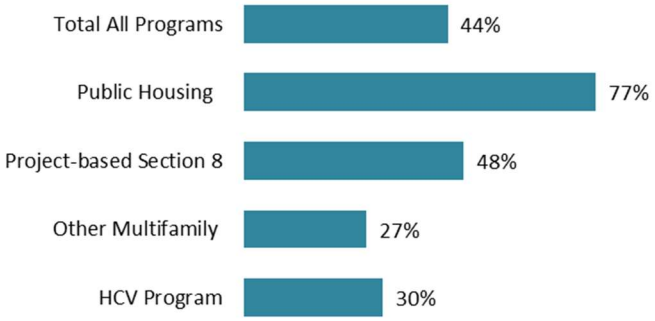


Figure III-9 shows demographic characteristics by program of publicly supported housing located in R/ECAPs and located outside R/ECAPs for the City of Memphis. Characteristics for the total of all programs indicate that African American residents and residents with a disability are more likely to be housed in units sited in R/ECAP neighborhoods whereas white residents and the elderly are less likely to be housing in units sited in R/ECAP neighborhoods.

An overrepresentation of elderly residents in non-R/ECAPs follows national trends of restricting publicly supported housing to elderly (and sometimes disabled) residents when that housing is located in predominantly non-Hispanic white or higher opportunity areas. Age-restrictions are one way for low income housing developers to minimize neighborhood opposition to income-qualified housing.

Figure III-9.
R/ECAP and Non-R/ECAP Demographics by Publicly Supported Housing Program Category

	Total Number of Units	Percent White	Percent Black	Percent Hispanic	Percent Families with Children	Percent Elderly	Percent with a Disability
Public Housing							
R/ECAP	2,013	1%	98%	1%	30%	33%	39%
Non R/ECAP	609	0%	99%	1%	55%	34%	10%
Project-based Section 8							
R/ECAP	2,827	2%	97%	1%	57%	18%	14%
Non R/ECAP	3,063	20%	79%	1%	27%	50%	18%
Other HUD Multifamily							
R/ECAP	136	1%	98%	1%	1%	78%	20%
Non R/ECAP	372	22%	78%	1%	2%	82%	20%
HCV Program							
R/ECAP	2,067	1%	97%	2%	54%	12%	17%
Non R/ECAP	4,763	1%	96%	3%	62%	9%	15%
Total All Programs							
R/ECAP	7,043	1%	97%	1%	48%	22%	22%
Non R/ECAP	8,807	8%	89%	2%	47%	28%	16%

Note: Disability information is often reported for heads of household or spouse/co-head only. Here, the data reflect information on all members of the household.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool.

The figure also highlights disparities by specific HUD program:

- **Public housing.** Public housing is almost exclusively occupied by African American residents both in and outside R/ECAPs. As such, there is not a stark difference in the racial/ethnic composition of public housing by R/ECAP designation. However, families with children are much more likely to be in non-R/ECAPs tracts than in R/ECAP tracts. The opposite is true for persons with a disability, who are much more likely to be in R/ECAP tracts than non-R/ECAP tracts.

- **Project based section 8.** According to HUD's aggregated data, there are 5,890 occupied units in project-based section 8 (PBS8) housing in Memphis' CDBG Jurisdiction. Almost half (48%) are located in R/ECAP neighborhoods. The profile of those in R/ECAP neighborhoods differs markedly from those in units which are not in R/ECAP neighborhoods:

  - Only 2 percent of the residents in R/ECAP units are white, while 20 percent of project-based section 8 resident e in non-R/ECAP neighborhoods are white.
  - African American households make up 97 percent f R/ECAP unit occupants but only 79 percent of non-R/ECAP neighborhoods.
  - Families with children are over twice as likely to live in project-based section 8 units in R/ECAP neighborhoods, while the elderly are almost three times more likely to live in non-R/ECAP neighborhoods.

- Those with disabilities are fairly evenly distributed.

- **Other multifamily.** The demographic profile of other multifamily occupants located in and outside of R/ECAPs mirrors the disparities highlighted in project-based section 8 developments, with black residents over-represented in R/ECAP tracts while whites and the elderly have higher representation in non-R/ECAPs than in R/ECAPs.

  - Very few (1%) of the residents in R/ECAP units are white, while one in five (22%) of other multifamily residents in non-R/ECAP neighborhoods are white.
  - While black households make up 97 percent of R/ECAP unit occupants, they represent a much lower 78 percent of non-R/ECAP neighborhoods.
  - Disparities for the elderly are smaller but evident: they comprise 78 percent of R/ECAP occupants and 82 percent of non-R/ECAP occupants. Those with disabilities are also evenly distributed, making up 20 percent of each group.
  - Only 2 percent of all other multifamily units are families with children, though these families are evenly distributed between R/ECAPs and non-RECAPs.

- **Housing choice vouchers.** HUD data show that 70 percent of all voucher holders use their vouchers in areas that do no have concentrated poverty (non-R/ECAPs). Racial and ethnic distribution of voucher holders in and outside of R/ECAPs are similar (1% white, 96-97% black, and 2-3% Hispanic) but there are some differences by other demographic characteristics. Specifically, elderly voucher holders and, to a lesser extent, voucher holders with a disability, are more likely to live in R/ECAPs while families with children are more likely to live in non-R/ECAPs.

Low Income Housing Tax Credit Housing

The LIHTC program originated in 1986 under the Tax Reform Act and was part of an effort by the federal government to devolve the obligation of publicly-supported housing to states and local governments. Today, the LIHTC is the largest single producer of affordable rental housing in the country. The LIHTC program is distinct from the programs discussed above in that it is not necessarily administered by local housing authorities, although housing authorities can apply for LIHTC funds. Tax credits in the State of Tennessee are allocated by the Tennessee Housing Development Agency (THDA) based on applications received and the standards outlined in the Qualified Allocation Plan (QAP).[2]

HUD's AFFH-T shows the location of LIHTC developments and HUD's LIHTC database provides latitude and longitude for LIHTC locations. According to these HUD sources, there 153 LIHTC developments supplying 14,042 units in the City of Memphis and another 6 developments supplying 851 affordable units in Shelby County outside Memphis.

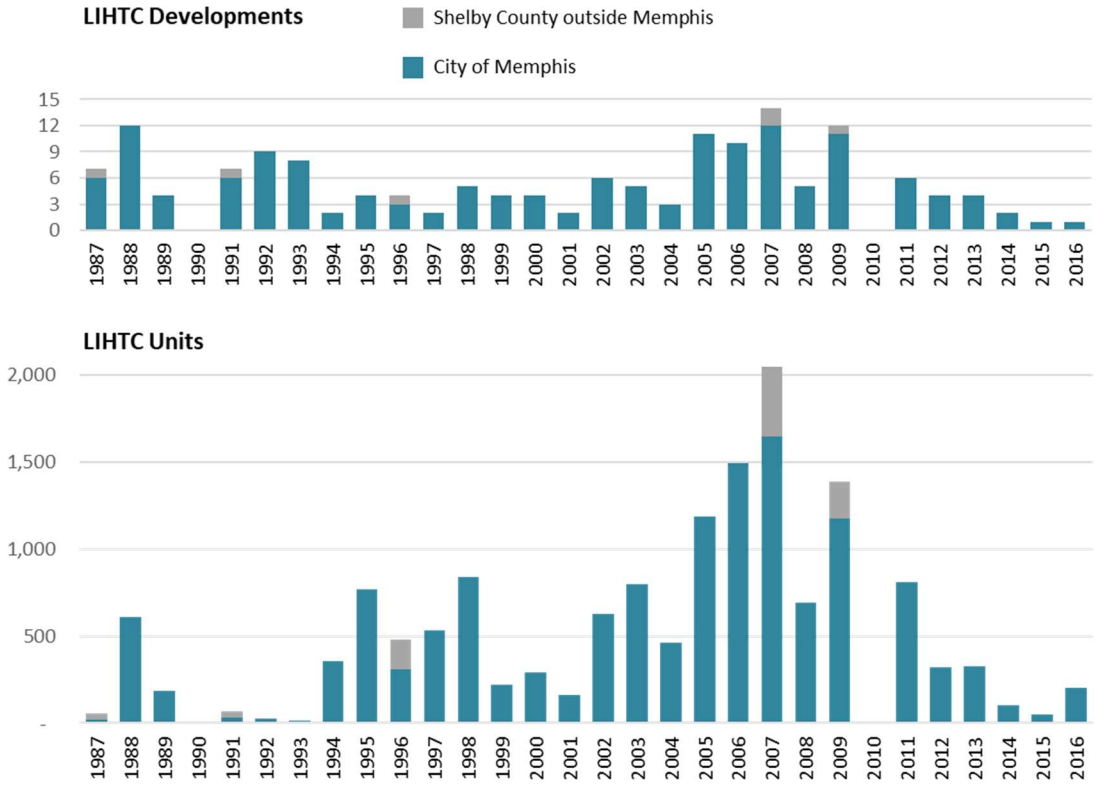
[2] https://thda.org

GIS was used to geocode HUD's LIHTC Database by address and add Census data (2010) by block group for each property listed.[3] The results indicate siting patterns than may perpetuate segregation in the City of Memphis and the balance of the County:

- LIHTC properties in Memphis are located in neighborhoods which average 90 percent minority. About half of LIHTC developments (46%) are located in R/ECAPs.
- LIHTC developments in Shelby County outside of Memphis are sited in neighborhoods which average 60 percent minority. However, three of the neighborhoods were over 85 percent minority, in a county that was 61 percent minority.

Figure III-10 shows the number of LIHTC developments and units by year built in Memphis and Shelby County. The most concentrated development period was between 2005 and 2009. Relatively few properties have been placed in service in the past three years.

Figure III-10.
Number of LIHTC Developments and Units, Shelby County and City of Memphis



Source: HUD LIHTC Database and IDP.

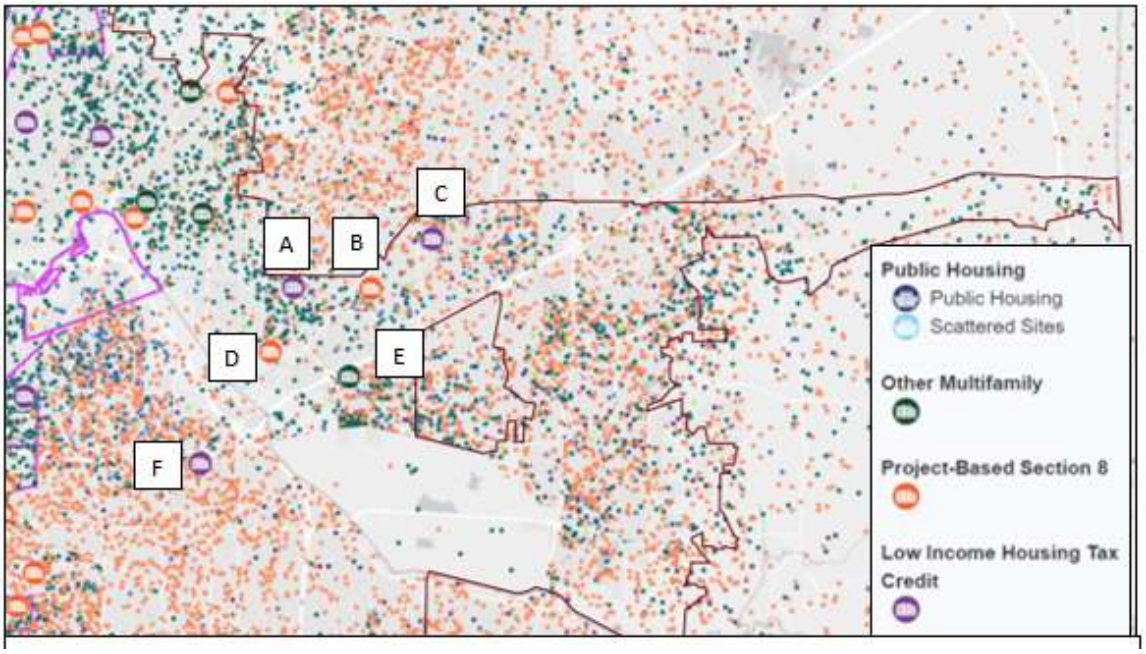
[3] Geocoding points which are very close to a boundary could be allocated to the wrong "place" (one side of a street versus another may indicate a different Census tract). However, the large number of locations is likely to cancel out any major distortion when calculating average figures such as average percent minority.

Publicly Supported Housing in Predominantly White Neighborhoods

Although this section does highlight that many publicly supported housing units are located in predominantly minority and/or poverty concentrated areas, there are some publicly assisted developments located in predominantly white neighborhoods. Detailed examination of a sample of those publicly-supported housing facilities that from a "distance" appear to be located in predominantly-white neighborhoods show that the city follows the nationwide-trend of restricting units to the disabled and/or elderly and often keeping the projects smaller when placing them in predominantly-minority neighborhoods—or in integrated neighborhoods—relative to minority majority neighborhoods.

For example, the Section 8 housing represented by A, B and C below appears to be located in a predominantly-white area of the City. However, A is a Low-Income Housing Tax Credit (LIHTC) project located in a block group that is 79 percent minority. The Section 8 housing (Raleigh/Gillespie) represented by B is actually located in a block group that is 66 percent minority and residents are restricted to the disabled.

Figure III-11.
Publicly Supported Housing and Percent Minority



Source: HUD AFFHT.

The LIHTC property represented by C in FigureIII-11 above is located in a block group which is 55 percent minority (of whom 62 percent are Hispanic). Crestview, the Project-based Section 8 housing represented by D is located in a single-family neighborhood that is 59 percent minority and available exclusively for the disabled population.[4] McCullough Place (E) is the only project in the sample that is mid-size, serving 24 households and the only project in the sample that is

[4] https://www.publichousing.com/city/tn-memphis accessed 9/6/2018.

located in a predominantly-white (67%) neighborhood. To be eligible to rent there, however, residents must have a "qualifying disability."[5]

Thus, while these properties may represent neighborhoods of more "opportunity," they are still, for the most part, in predominantly-minority neighborhoods. In a predominantly-minority City like Memphis, this might be expected, but as the City has such a high level of segregation, there are predominantly-white neighborhoods. These neighborhoods, however, appear to lack publicly-supported housing that serves the general low-income population, being restricted to small-scale projects for residents who are disabled or elderly.

Key Fair Housing Findings from Section III

- Disparities by race/ethnicity in program utilization relative to eligible households are evident in Memphis and Shelby County outside of Memphis.
    - Generally, African American residents are overrepresented among housing program participants relative to their representation among all households earning less than 50 percent of Area Median Income (AMI).
    - Conversely, Hispanic households tend to be underrepresented among program participants.
- Patterns in location of publicly supported housing programs indicate that a relatively high proportion of location-specific housing program units (LIHTC, project-based section 8 and other multifamily) are located in areas with high poverty.
- In general, there is a concentration of public housing near downtown Memphis while other types of publicly assisted housing are distributed throughout North and South Memphis and Midtown. There is a notable lack of publicly assisted housing developments in East Memphis, Germantown, Cordova, and Collierville.

[5] http://www.accessiblespace.org/mccullough-place accessed 9/6/2018.

SECTION IV.

Disparities in Access to Opportunity

SECTION IV.
Access to Opportunity

The access to opportunity section of the AI expands the fair housing analysis beyond housing to examine conditions that affect economic opportunity more broadly. This section examines access to opportunity in education, employment, transportation, low-poverty environments, and environmentally healthy neighborhoods through the lens of race and ethnicity, national origin, and family status.

How does economic opportunity relate to fair housing?

The Federal Fair Housing Act requires that HUD programs and activities be administrated in a manner that affirmatively furthers (AFFH) the policies of the Fair Housing Act. Federal courts have interpreted this to mean doing more than simply not discriminating: The AFFH obligation also requires recipients of federal housing funds to take meaningful actions to overcome historic and current barriers to accessing housing and economically stable communities.

Recent research has demonstrated that fair housing planning has benefits beyond complying with federal funding obligations:

- Dr. Raj Chetty's well known Equality of Opportunity research found economic gains for adults who moved out of high poverty neighborhoods when they were children. The gains were larger the earlier the children were when they moved.[1]
- A companion study on social mobility isolated the neighborhood factors that led to positive economic mobility for children: lower levels of segregation, lower levels of income inequality, high quality education, greater community involvement ("social capital"), greater family stability.
- A 2016 study by the National Bureau of Economic Research (NBER) found positive economic and social outcomes for children raised in publicly subsidized housing, regardless of the poverty level of the neighborhood.[2]

This has been articulated by HUD as: "the obligations and principles embodied in the concept of fair housing are fundamental to healthy communities…and…actions in the overall community planning and development process lead to substantial positive change."

Measuring "Opportunity"

To facilitate the Access to Opportunity analysis, HUD has developed a series of indices that measure access to opportunity and allow comparison of opportunity indicators by race and

[1] http://www.equality-of-opportunity.org and http://www.equality-of-opportunity.org/images/mto_exec_summary.pdf

[2] http://www.nber.org/papers/w19843.pdf

ethnicity, for households below and above the poverty line, among jurisdictions, and to the region. HUD maps and tables are available through the AFFH data and mapping tool and are based on data from the Decennial U.S. Census, American Community Survey (ACS), Great Schools, Common Core of Data, School Attendance Boundary Information System (SABINS), Location Affordability Index (LAI), Longitudinal Employer-Household Dynamics (LEHD), and National Air Toxics Assessment (NATA). Additional data sources include Census Transportation Planning Products data from the Federal Highway Administration, local governments, and transit authorities.

The specific indices developed by HUD are defined below. In general, higher values of each index can be interpreted as greater access to opportunity.

- **Low-Poverty Index.** The low poverty index captures poverty in a given neighborhood. The index is based on the poverty rate. Values are inverted and ranked nationally to obtain percentiles. The resulting values range from 0 to 100. The higher the index score, the less exposure to poverty in a neighborhood.

- **School Proficiency Index.** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. Values are ranked nationally to obtain percentiles and range from 0 to 100. The higher the score, the higher the school system quality is in a neighborhood.

- **Jobs Proximity Index.** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a Core-Based Statistical Area (CBSA), with larger employment centers weighted more heavily. Values are ranked nationally to obtain percentiles with values ranging from 0 to 100. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.

- **Labor Market Engagement Index.** The labor market engagement index provides a summary description of the relative intensity of labor market engagement in a neighborhood. This is based upon the level of employment, labor force participation, and educational attainment in a Census tract. Values are percentile ranked nationally and range from 0 to 100. The higher the score, the higher the labor force participation and human capital in a neighborhood.

- **Transit Trips Index.** The transit trips index is based on estimates of transit trips taken by a family that meets the following description: a three-person single-parent family with income at 50 percent of the median income for renters for the region. The estimates come from the LAI. Values are ranked nationally to obtain percentiles, with values ranging from 0 to 100. The higher the transit trips index score, the more likely residents in that neighborhood utilize public transit. The index controls for income so a higher index value will often reflect better access to public transit.

- **Low Transportation Cost Index.** The low transportation cost index is based on estimates of transportation costs for a three-person single-parent family with income at 50 percent of

the median income for renters for the region (i.e., the CBSA). The estimates come from the LAI. Values are inverted and ranked nationally to obtain percentiles, with values ranging from 0 to 100. The higher the index score, the lower the cost of transportation in that neighborhood. Transportation costs may be low for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in the neighborhood and surrounding community.

- **Environmental Health Index.** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The index is a linear combination of standardized EPA estimates of air quality carcinogenic, respiratory, and neurological hazards. Values are inverted and ranked nationally to obtain percentiles, with values ranging from 0 to 100. The higher the index value, the less exposure to toxins harmful to human health and the better the environmental quality of a neighborhood, where a neighborhood is a Census block-group.

Figure IV-1 shows the HUD opportunity indices for Memphis, Shelby County excluding Memphis, and the region overall. Across all racial and ethnic groups, exposure to low poverty areas, school quality, labor market engagement, and environmental health are higher in Shelby County outside Memphis than within the City of Memphis. However, exposure to transit, low transportation costs, and job proximity is higher in the City of Memphis than the balance of County.

In general, the data show the largest racial disparities are related to poverty, school quality, labor market engagement, and to a lesser extent, job proximity. Disparities are most pronounced for African American, Hispanic, and Native American residents relative to non-Hispanic white residents. Trends are similar in Memphis and Shelby County outside Memphis, though the gap is wider between groups in the City of Memphis—particularly for labor market engagement and poverty.

To interpret the indices in the tables, use the rule that a higher number is always a better outcome. The index should not be thought of as a percentage—but as an "opportunity score."

Figure IV-1.
Opportunity Indicators by Race/Ethnicity

Memphis	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population							
Non-Hispanic White	53.24	39.28	65.54	49.05	46.29	59.90	27.40
African American	19.92	13.91	23.46	51.71	45.41	46.65	20.20
Hispanic	26.09	23.95	34.71	47.43	46.03	51.18	26.59
Asian or Pacific Islander	51.25	39.52	63.41	50.37	48.63	57.13	28.87
Native American	32.24	24.77	41.21	51.31	47.06	52.71	23.25
Population below federal poverty line							
Non-Hispanic White	38.05	29.92	51.66	52.86	49.34	56.27	23.47
African American	11.44	10.58	14.80	53.58	46.61	45.97	16.89
Hispanic	17.79	19.90	27.33	49.20	46.74	50.31	23.78
Asian or Pacific Islander	38.10	27.91	52.45	56.83	57.78	70.36	19.70
Native American	5.92	9.56	15.46	50.21	44.58	37.10	22.40
Shelby County excluding Memphis							
Total Population							
Non-Hispanic White	78.37	76.09	77.12	24.87	22.40	47.36	42.17
African American	63.75	45.93	67.53	28.16	26.07	37.90	40.27
Hispanic	64.22	57.39	67.69	27.75	25.77	41.28	40.19
Asian or Pacific Islander	78.66	72.13	82.68	25.57	25.60	53.41	43.83
Native American	69.99	61.84	68.73	26.04	24.65	45.05	40.38
Population below federal poverty line							
Non-Hispanic White	60.12	60.62	64.02	25.87	25.84	40.75	39.31
African American	42.21	40.23	49.00	27.05	25.57	35.04	36.40
Hispanic	45.82	40.24	55.20	29.55	29.36	38.05	37.30
Asian or Pacific Islander	82.53	66.39	83.00	28.82	22.20	53.97	37.97
Native American	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Memphis Metro Area							
Total Population							
Non-Hispanic White	60.43	59.12	60.26	27.88	26.44	53.87	40.66
African American	28.48	24.18	30.75	42.67	37.35	45.63	27.88
Hispanic	37.22	37.33	41.75	38.29	36.92	49.36	32.32
Asian or Pacific Islander	64.64	58.04	70.75	34.79	34.48	55.34	37.43
Native American	46.24	43.88	46.96	33.77	31.41	50.29	35.68
Population below federal poverty line							
Non-Hispanic White	43.59	46.22	46.67	32.04	30.38	50.34	37.89
African American	15.74	18.05	18.32	46.39	40.09	47.49	23.40
Hispanic	24.44	28.21	32.29	42.53	40.66	49.18	28.42
Asian or Pacific Islander	49.16	40.59	58.77	45.72	43.84	65.05	27.48
Native American	14.68	21.03	21.51	41.85	38.09	42.11	28.73

Note: Refer to the Data Documentation for details (www.hudexchange.info).

Source: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA.

Opportunity indicators are mapped and discussed by topic throughout the remainder of this section.

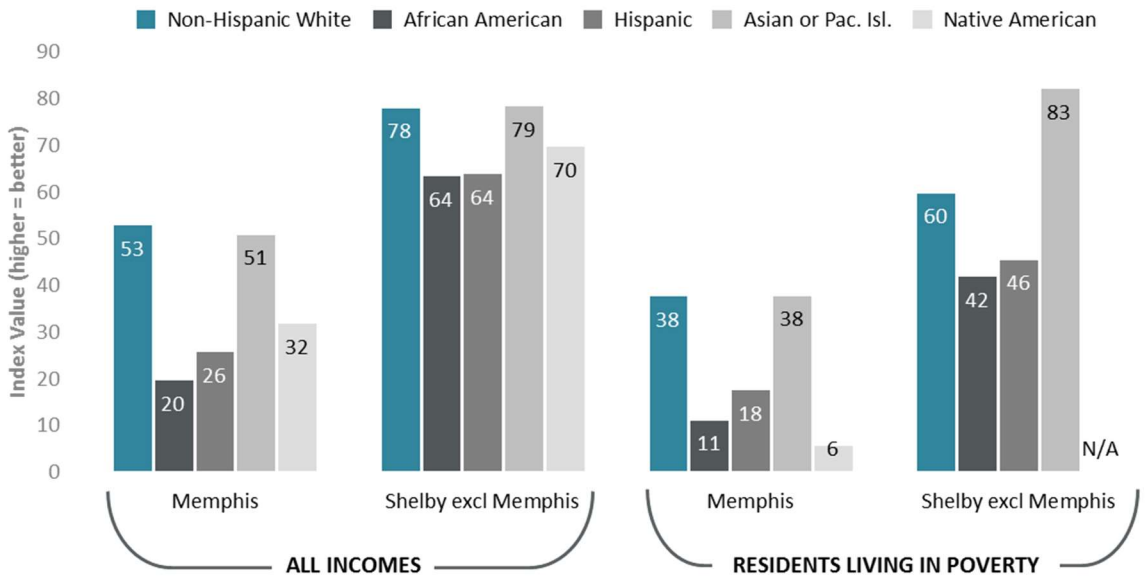
Access to Low Poverty Neighborhoods

HUD's Low Poverty Index is based upon poverty in a Census tract (Source ACS 2009-2013) and percentiles are ranked nationally. The higher the score, the less exposure to poverty in a neighborhood. Figure IV-2 shows HUD's poverty index by race/ethnicity in Memphis and Shelby County outside Memphis.

In both Memphis and Shelby County outside Memphis, African American and Hispanic residents have less exposure to low poverty areas than non-Hispanic white and Asian residents.

This trend holds true even when considering residents living in poverty. In other words, non-Hispanic white residents who have incomes below poverty are less likely to live in *neighborhoods* with high poverty than their African American and Hispanic counterparts.

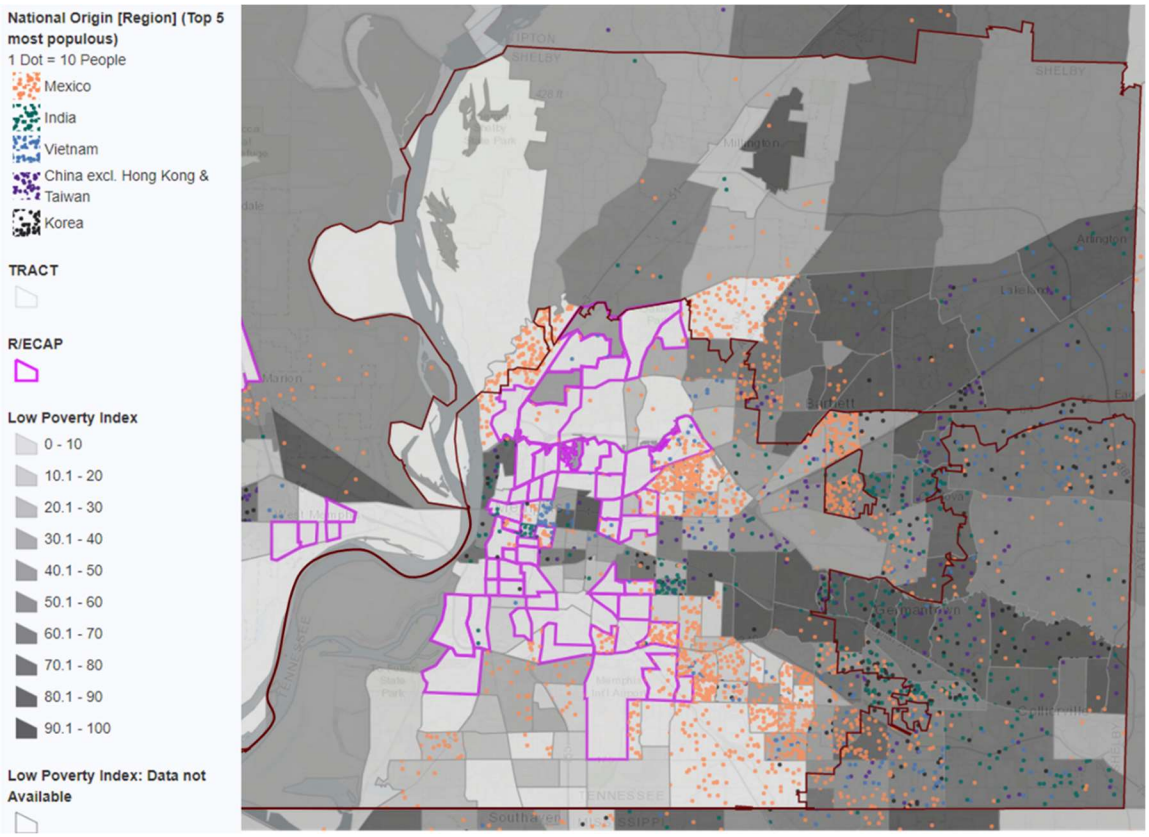
Figure IV-2.
Low Poverty Index by Race Ethnicity



Source: HUD AFFHT.

Figure IV-3 maps HUD's poverty index by neighborhood along with the top five most population foreign born groups. Among those groups, Mexican immigrants have the least exposure to low poverty neighborhoods.

Figure IV-3.
Low Poverty Index by Census Tract



Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

Access to Proficient Schools

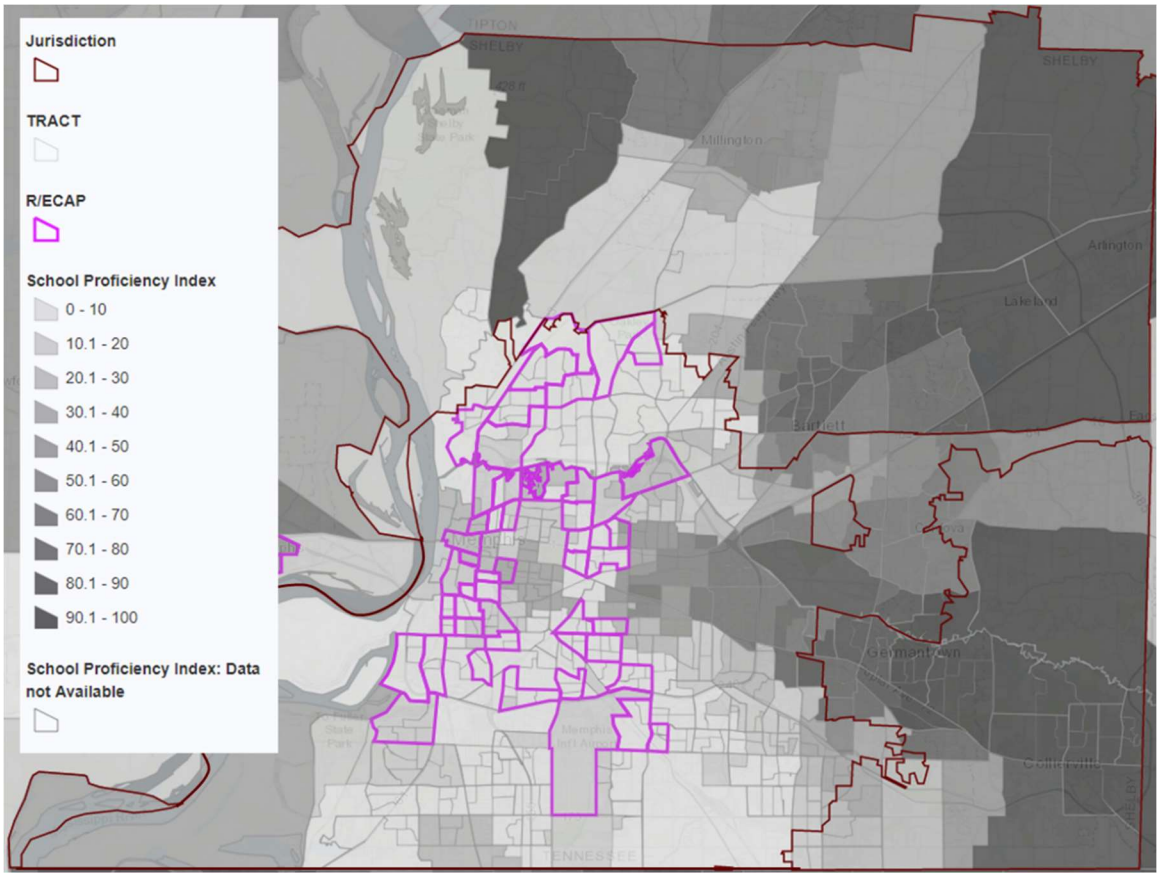
Memphis and Shelby County share a school system – the largest in the state. Although many of its schools have won and continue to win awards, prior to the merger of Memphis City School District and the Shelby County School District in 2011, the quality of the city schools were often put forth as a rationale for residents of the county who did not want to be annexed to the city.

Since that merger, Shelby County municipalities have created six more school districts, one as small as 888 students (2016, NCES), and the state created a predominantly-minority (99%) charter district, "established to turn around Tennessee's lowest performing schools… the majority of which are located in Shelby County."[3]

[3] Memphis School Guide, Achievement School District, http://memphisschoolguide.org/how-do-i-enroll/greater-memphis-school-districts/ accessed 10/4/2018.

HUD school proficiency index. Research shows a correlation between school performance and poverty[4] and between school performance and segregation.[5] Following this trend, those schools in the Shelby County School District located in predominantly-minority neighborhoods are more likely to have low scores on HUD's school proficiency index. Moreover, schools in R/ECAPs are also less likely to be proficient. Figure IV-4 maps HUD's school proficiency index for neighborhoods in Shelby County, including Memphis. Recall that areas with the highest concentration of African American and other racial/ethnic minorities run across North and South Memphis.

Figure IV-4.
School Proficiency Index by Census Tract



Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

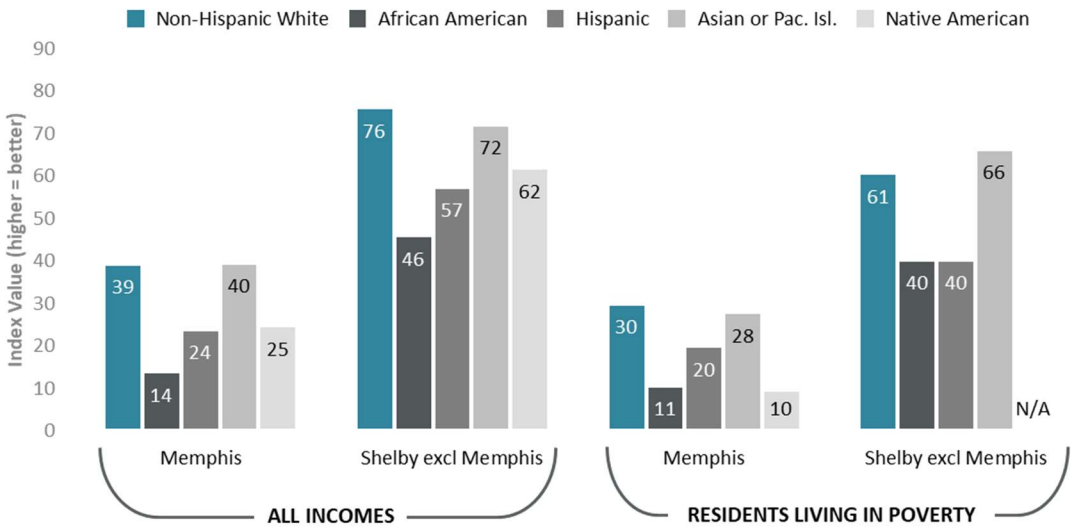
Figure IV-5 shows HUD's opportunity index values by race/ethnicity and income in both Memphis and Shelby County excluding Memphis. Across the board, values are lower for residents living in poverty. However racial/ethnic disparities—which show lower exposure to

[4] Ansell, Susan. "Achievement Gap," *Education Week*, July 7, 2011. https://www.edweek.org/ew/issues/achievement-gap/index.html accessed 12/16/2017.

[5] Joyner, Ann et al., "The Effects of Racially- and Economically-Isolated Schools on Student Performance: Summary," *Poverty and Race*, 2010.

high performing schools for African American, Hispanic, and Native American residents—persist regardless of incomes.

Figure IV-5.
School Proficiency Index by Race Ethnicity

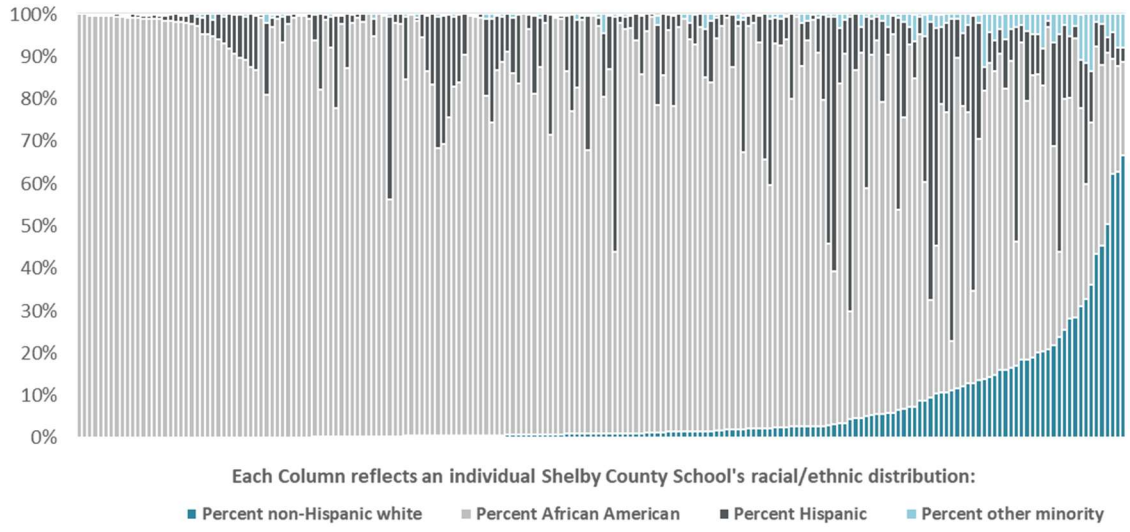


Source: HUD AFFHT.

Racial/ethnic and economic distribution of student population. Of the 197 schools in the Shelby County School District reporting race and ethnicity information for 2016-2017,[6] only one (one half of one percent) had a student body that was as white as the state average (63% non-Hispanic white), and only one in five (20%) had a student body that was as white or whiter than the District average of 8 percent.

[6]Tennessee Department of Education, "Profile Data Files Updated 2/5/18," https://www.tn.gov/content/tn/education/data/data-downloads.html accessed 4/17/2018.

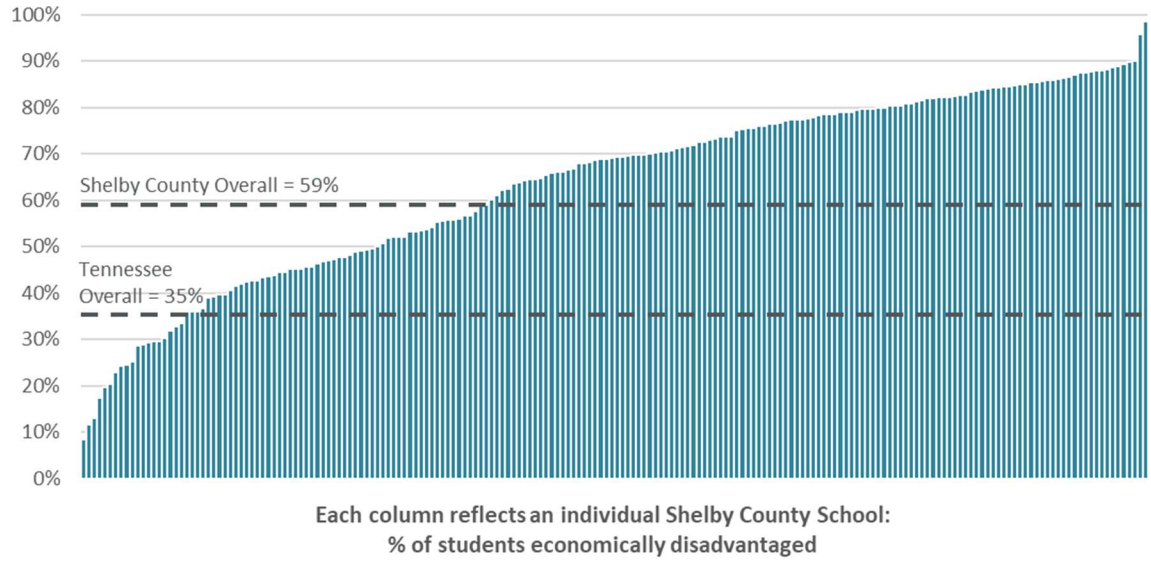
Figure IV-6.
Racial/Ethnic Distribution of Shelby County School District Students by Individual School, 2016-17



Source: Tennessee Department of Education and IDP.

The schools are segregated economically as well, but not to the same extents as they are racially/ethnically segregated. Of the 196 schools in the Shelby County School District reporting Economic Disadvantage[7] information for 2016-217, only 19 (10%) had a student body that was as wealthy as the state average, and only 76 (39%) had a student body that was as wealthy or wealthier than the District average.

Figure IV-7.
Economically Disadvantaged Shelby County School District Students by Individual School, 2016-17



Source: Tennessee Department of Education and IDP.

[7] % of students eligible for the federal Free and Reduced Price Lunch program.

This stratification and school segregation occurred through a combination of settlement patterns, attendance of private schools, and the creation and protection of predominantly-white school systems in other municipalities within the County (all of which opened since the merger), as well as creation of the district of charter schools known as the Achievement School District.

Figure IV-8 shows the stark difference in racial/ethnic composition of Shelby County District schools and other districts in the county that formed after the merger of the city and county school district (districts marked with an asterisk were formed after the merger).

Figure IV-8. Race and Ethnicity of Students by District, 2016-17 School Year

Note:
* indicates district was formed after the city and county merger.

Source:
National Center for Education Statistics and IDP.

School District	Total Students	White Students	Students of Color	Percent White	Percent Non-White
Shelby County	112,020	8,668	103,352	8%	92%
Germantown*	5,780	4,299	1,481	74%	26%
Lakeland*	888	676	212	76%	24%
Millington*	2,688	1,206	1,482	45%	55%
Collierville*	8,110	5,300	2,810	65%	35%
Bartlett*	8,635	5,386	3,249	62%	38%
Arlington*	5,016	3,767	1,249	75%	25%
Achievement*	9,626	119	9,507	1%	99%
Total	152,763	29,421	123,342	19%	81%

In many instances, neighborhood segregation creates school segregation. However, district boundaries influence the racial imbalance of schools. Nationwide racial segregation of schools *within* districts has declined in recent decades but segregation *between* districts has increased.[8] Shelby County's school districts illustrate this trend. Such school district segregation may have the effect of exacerbating residential segregation.

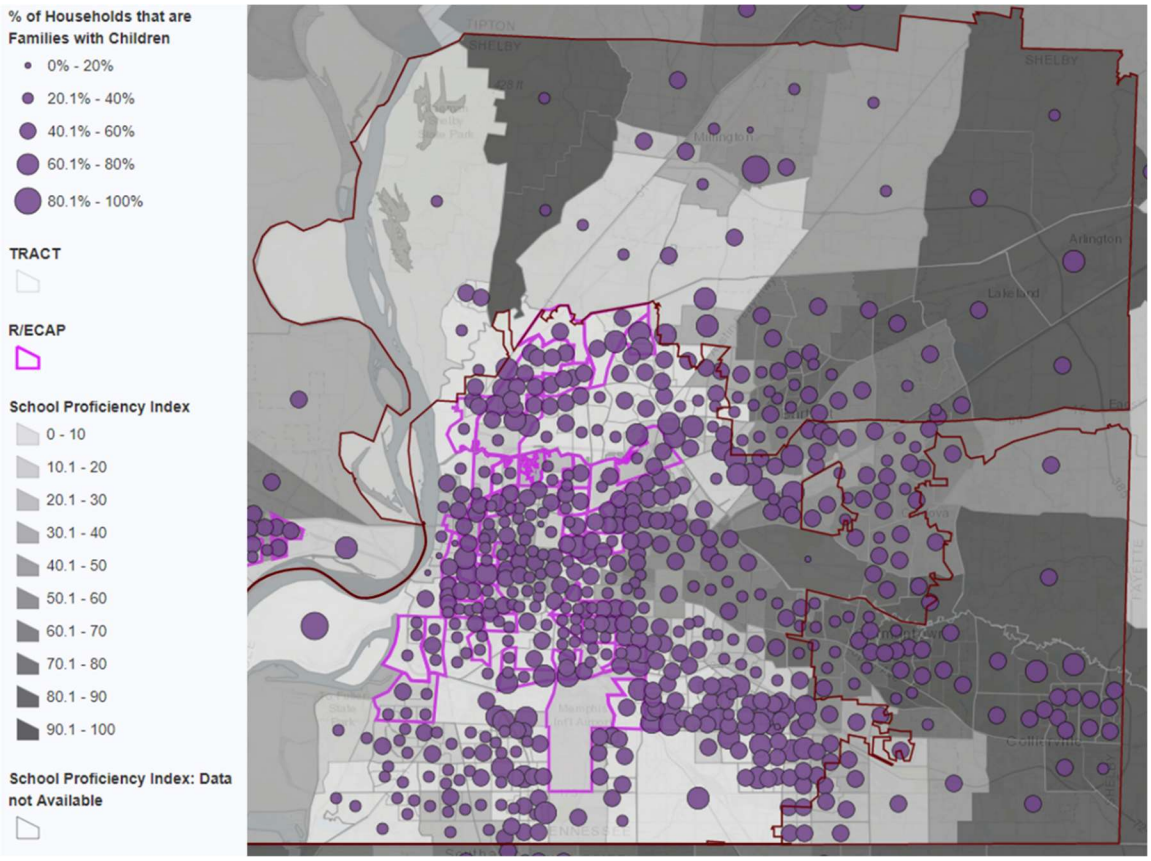
School proficiency and family status. Figure IV-9 maps the HUD school proficiency index along with the proportion of Census tract households that are families with children (indicated by varying sizes of purple dots). Note that in this case, the number of purple dots is less important than the size—there is one dot per Census tract but larger dots indicate a higher proportion of families with children.

Families with children are less likely to be dispersed in the rural parts of the county (north of Memphis), and in the predominantly-white portions of the city. The southwest corner of Memphis also has lower proportions of families with children.

Overall there does not appear to be a strong correlation between presence of families with children and school quality.

[8] Whitehurst, Grove J. et al., "Balancing Act: Schools, Neighborhoods and Racial Imbalance," Economic Studies at Brookings, The Brookings Institute, Nov. 2017.

Figure IV-9.
School Proficiency Index and Households with Families by Census Tract



Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

Access to Employment Opportunities

The Memphis & Shelby County Regional Economic Development plan highlights economic growth in the region over the past three decades (with job growth outpacing population growth) but it also identifies challenges related to lack of industry diversity and a mismatch in labor market skills and employer needs.[9] Though employment opportunities are largely driven by the private sector, public policy can effect both job proximity and labor market engagement through job training, zoning, and job siting incentives. For the purposes of this fair housing analysis, the following discussion focuses on disparities in access to employment by protected class populations.

HUD provides two opportunity indices related to employment to examine disparities that may exist in access to jobs and labor markets:

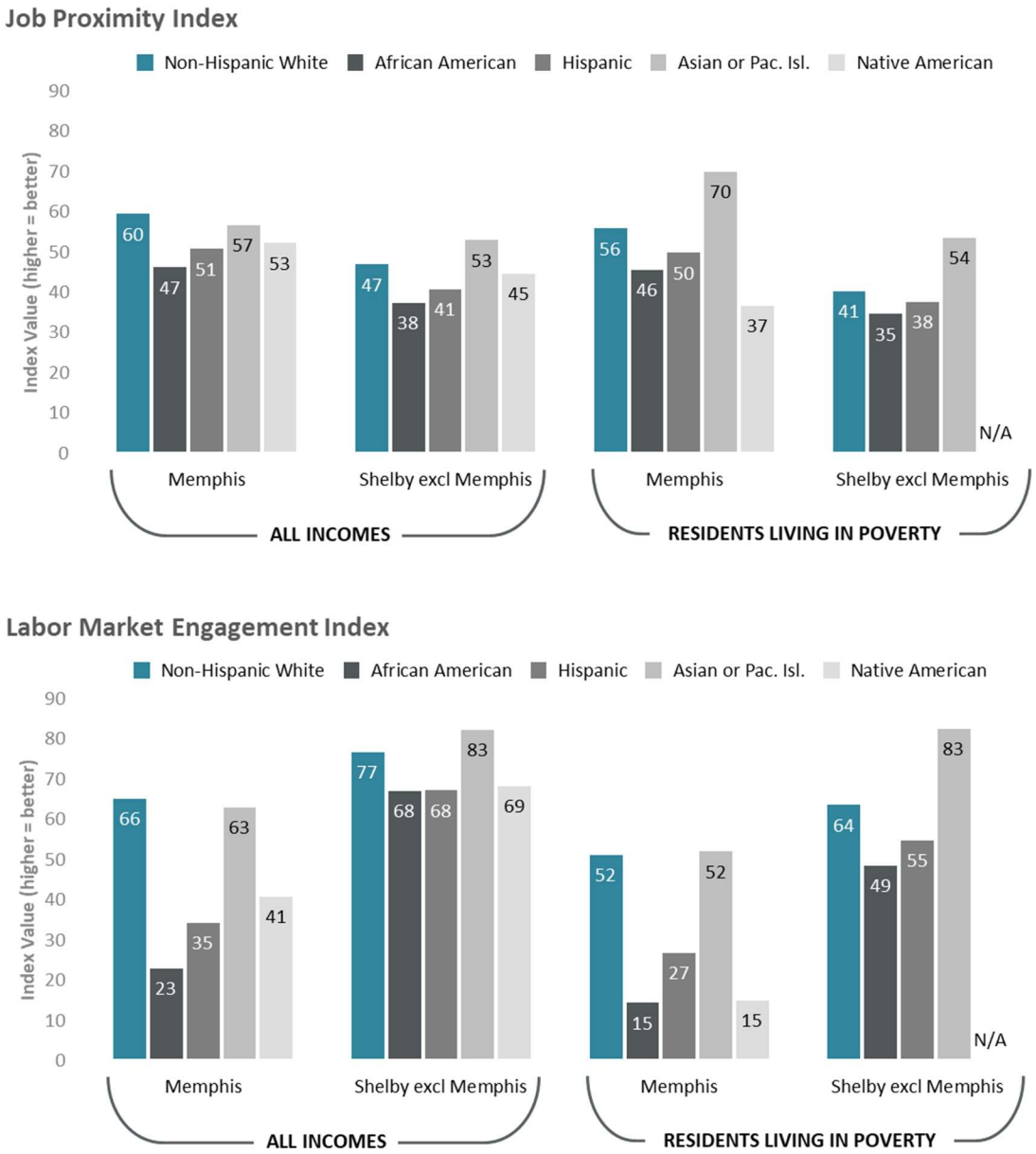
- The job proximity index measures the distance between a residency and jobs; and

[9] http://www.metromemphisplan.com/

- The labor market engagement index measures relative intensity of labor market engagement in a neighborhood based on the unemployment rate, participation rate in the labor-force, and the percent of the population with a bachelor's degree aged 25 and above.

Figure IV-10 shows the index values for both the job proximity index and the labor market engagement index by race/ethnicity for Memphis and the balance of Shelby County. Racial/ethnic disparities are apparent in both indices but are most stark in the labor market engagement index—particularly in the City of Memphis.

Figure IV-10.
Jobs Proximity and Labor Market Engagement Indices by Race Ethnicity



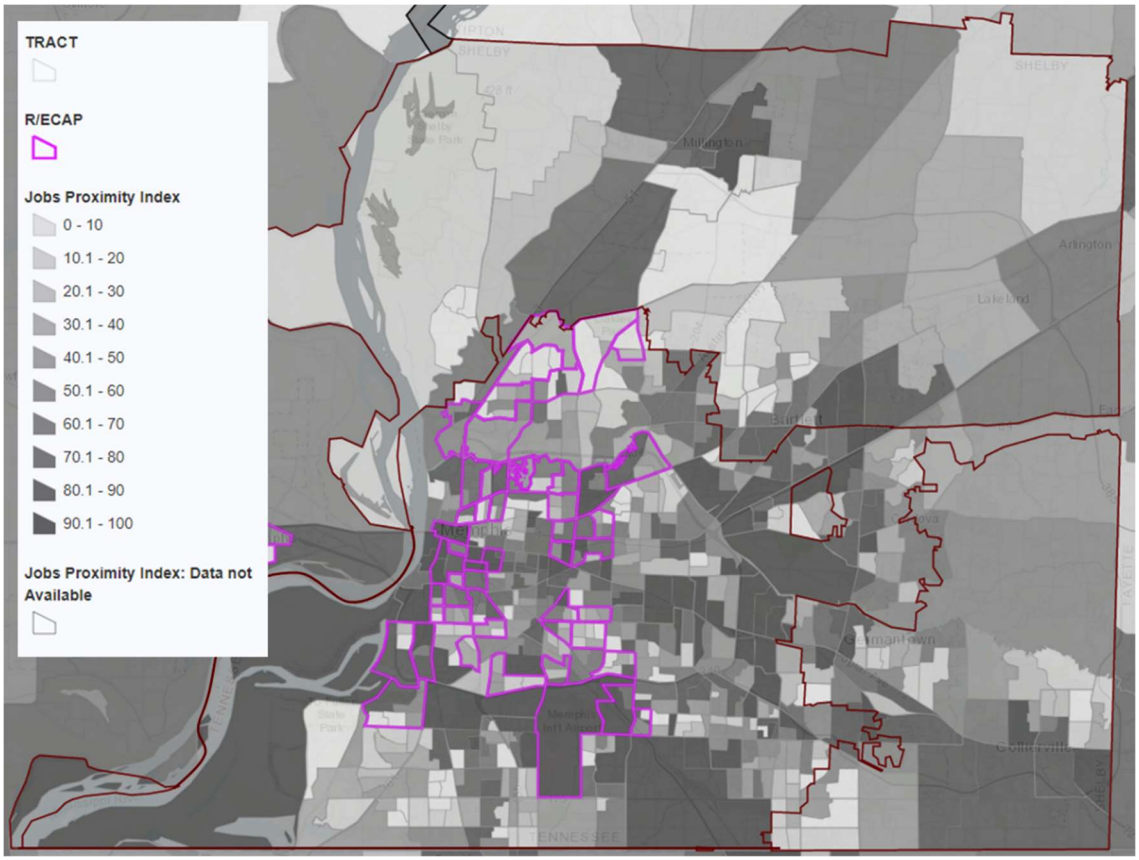
Source: HUD AFFHT.

As shown in the figure, access to jobs is differentiated by race and ethnicity in both Memphis and the balance of Shelby County. Among residents of all incomes and those living in poverty, white and Asian residents fare better than any other groups. African Americans tend to have the lowest score for job proximity, following by Hispanic residents.

The Labor Market Engagement index shows more severe disparities between racial/ethnic groups than the job proximity index. This indicates that even when minority groups live close to jobs, they have trouble actually accessing the jobs, most likely due to a skills and/or education mismatch with job requirements. Racial/ethnic disparities in the labor market engagement index are present in Shelby County outside Memphis but are much more pronounced within the City of Memphis.

Figure IV-11 shows residents proximity to jobs by block group. The map does show differentiation by block group but does not indicate a clear pattern of differences by minority or poverty area. That is, some R/ECAPs have relatively high index values while others have low values. Overall, Memphis and Shelby County provide decent access to opportunities for proximity to jobs.

Figure IV-11.
Jobs Proximity Index by Census Tract

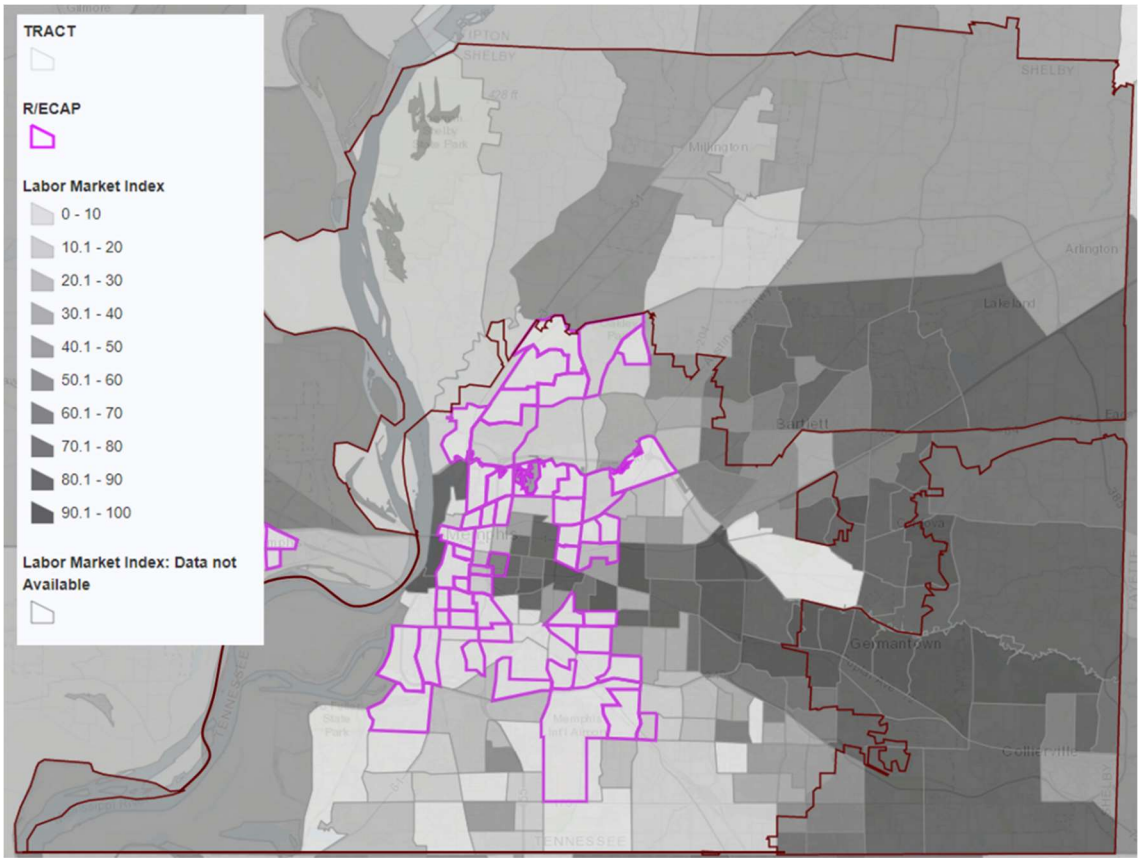


Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

Figure IV-12 maps HUD's labor market engagement index by Census tract. This map clearly illustrates lower labor market engagement opportunity across downtown and north and south Memphis—neighborhoods with a high proportion of minority residents and most of the city's R/ECAPs. Midtown and East Memphis, which tend to have more non-Hispanic white residents, have higher labor market engagement, as do most Census tracts in Shelby County outside Memphis.

Figure IV-12.
Labor Market Engagement Index by Census Tract



Note: Darker shading indicates higher opportunity index values.

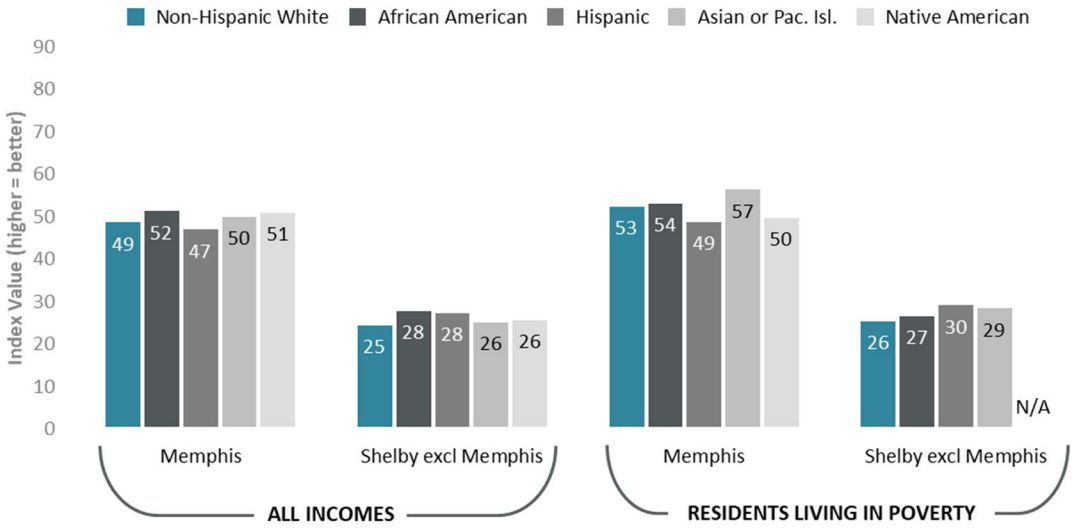
Source: HUD AFFHT.

Access to Transportation

The Memphis region largely reflects a suburban growth pattern which can pose challenges for transit services, transportation networks, and access to low-cost transportation. Overall, just 1 percent of residents metro-wide commute to work using public transportation. That rate is slightly higher in the City of Memphis (2%) but much lower in Shelby County outside Memphis (0.2%). Use of public transit to get to work also varies by age, race, and income: younger residents (aged 16 to 24), African American residents, and residents living in poverty are all more likely to use transit than the population overall.

HUD provides information on disparities in transit access by way of the transit trip index, shown by race/ethnicity in Figure IV-13. The index indicates relatively equitable access to transit by race/ethnicity. However, it is important to note that the index does not consider service times, frequency, or reliability into the index measure. Even if transit is available in one's neighborhood, it may not be an effective means of transportation to work, services, or community amenities.

Figure IV-13.
Transit Trip Index by Race Ethnicity



Source: HUD AFFHT.

As part of Memphis 3.0 (the city's ongoing comprehensive planning process), the city has identified challenges related to the current transit system and outlined a vision for future transit, incorporating input from a large-scale community engagement effort. The Memphis 3.0 Transit Vision Choice report, which outlines existing conditions of the transit system, reports substantial and self-reinforcing declines in transit ridership and services between 2005 and 2015. During that period the Memphis Area Transit Authority (MATA) cut services by 22 percent and ridership declined by 28 percent. The report also notes limitations in frequency of service—only a few MATA routes offer 30-minute frequency and only one offers 20-minute frequency.[10]

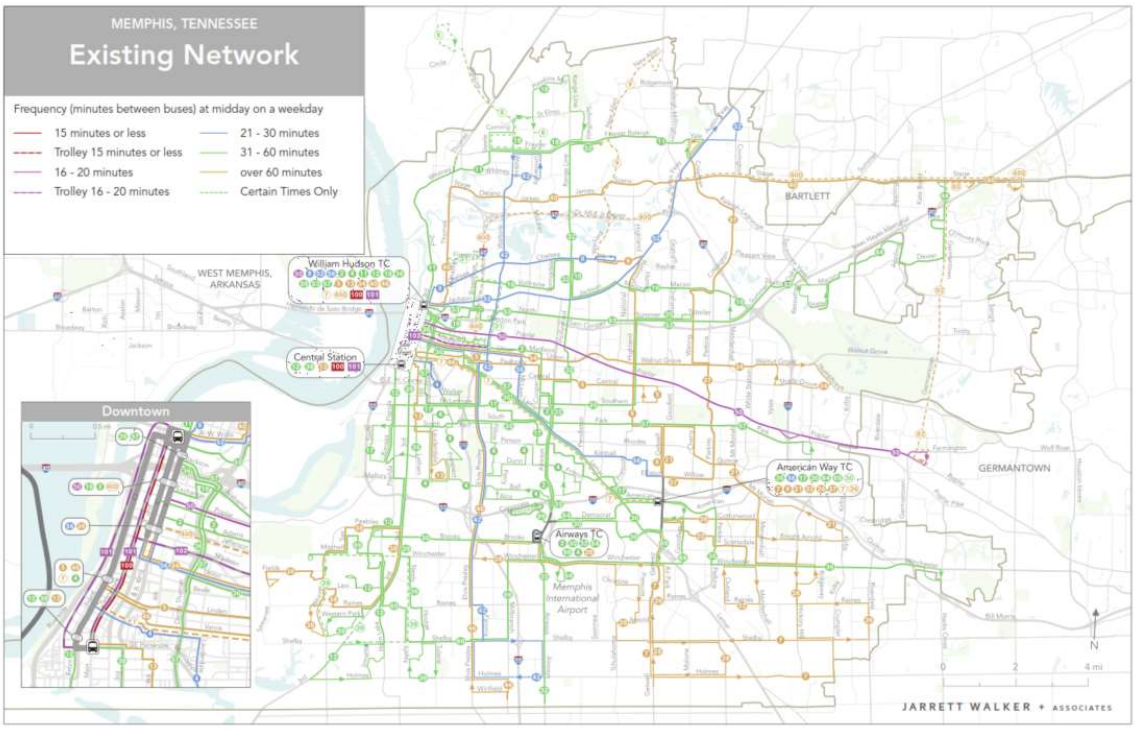
Memphis 3.0 also offers a vision for the future of transit in the city which features the following improvements:

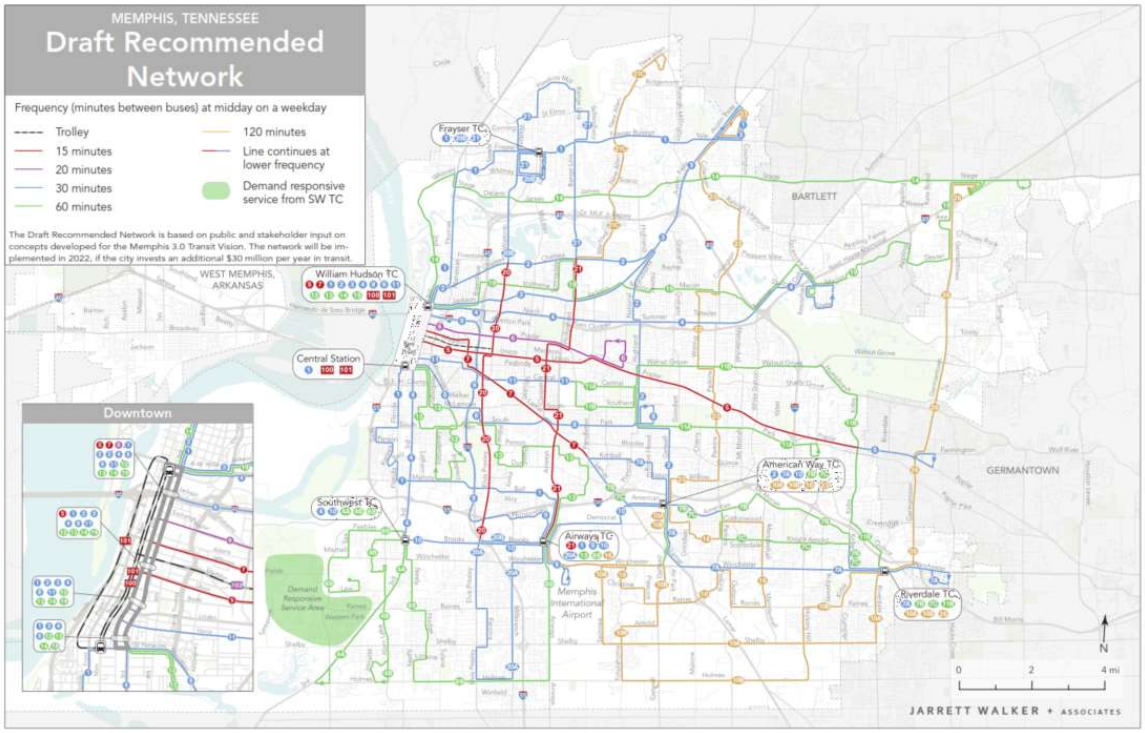
- More buses arriving more often;
- 39 percent more jobs reachable in an hour by transit for the average Memphian (17,000);
- 45 percent more jobs reachable in an hour for minority residents and 49% for low-income residents; and
- 79,000 more people and 103,000 more jobs near frequent service (every 15 minutes).

[10] Memphis Transit Choices Report, available online at http://www.memphis3point0.com/transit

Figure IV-14 shows the exiting MATA network and the proposed network as part of Memphis 3.0. It should be noted that the draft recommended network would require a new investment of $30 million per year in transit.

Figure IV-14
Existing and Proposed MATA Network



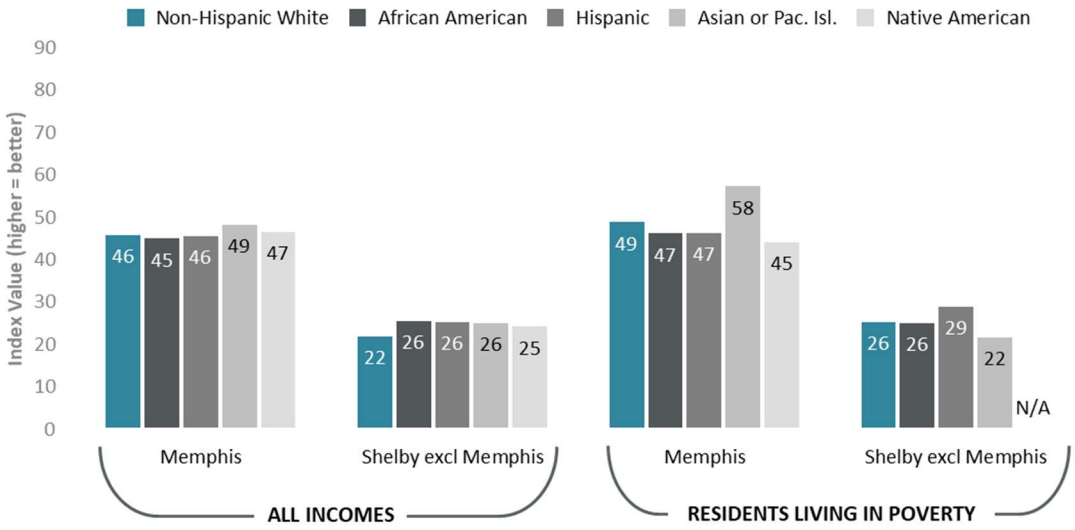


Source: Memphis 3.0 Transit Vision.

The second HUD index related to transportation provides a measure of transportation cost regardless of the means of transportation—in other words, it is a cost-based measure instead of a method-based measure. The low transportation cost index is based on estimates of transportation costs for a three-person single-parent family with income at 50 percent of the median income for renters for the region (i.e., the CBSA). The estimates come from the LAI. Values are inverted and ranked nationally to obtain percentiles, with values ranging from 0 to 100. The higher the index score, the lower the cost of transportation in that neighborhood.

Figure IV-15 shows the transportation cost index by race ethnicity and income in Memphis and the balance of Shelby County. Similar to the transit index, the low transpiration cost index shows parity by race/ethnicity in the city and the county, even for residents living in poverty. In general, transportation costs are lower in Memphis than the county, primarily due to shorter commutes for city residents.

Figure IV-15.
Transportation Cost Index by Race/Ethnicity

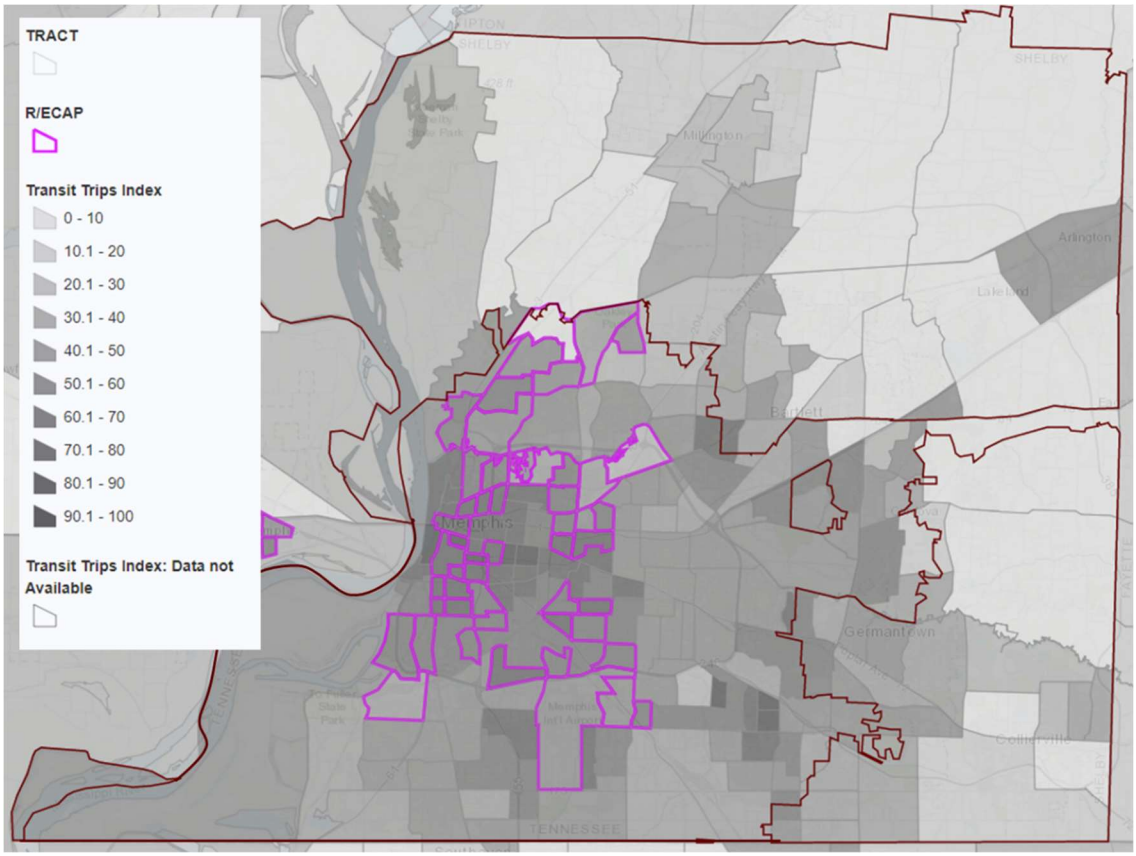


Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

The HUD maps for transportation-related indices reflect similar patterns: higher access to transit and low transportation costs in the city than the county but relatively equitable between neighborhoods within those areas.

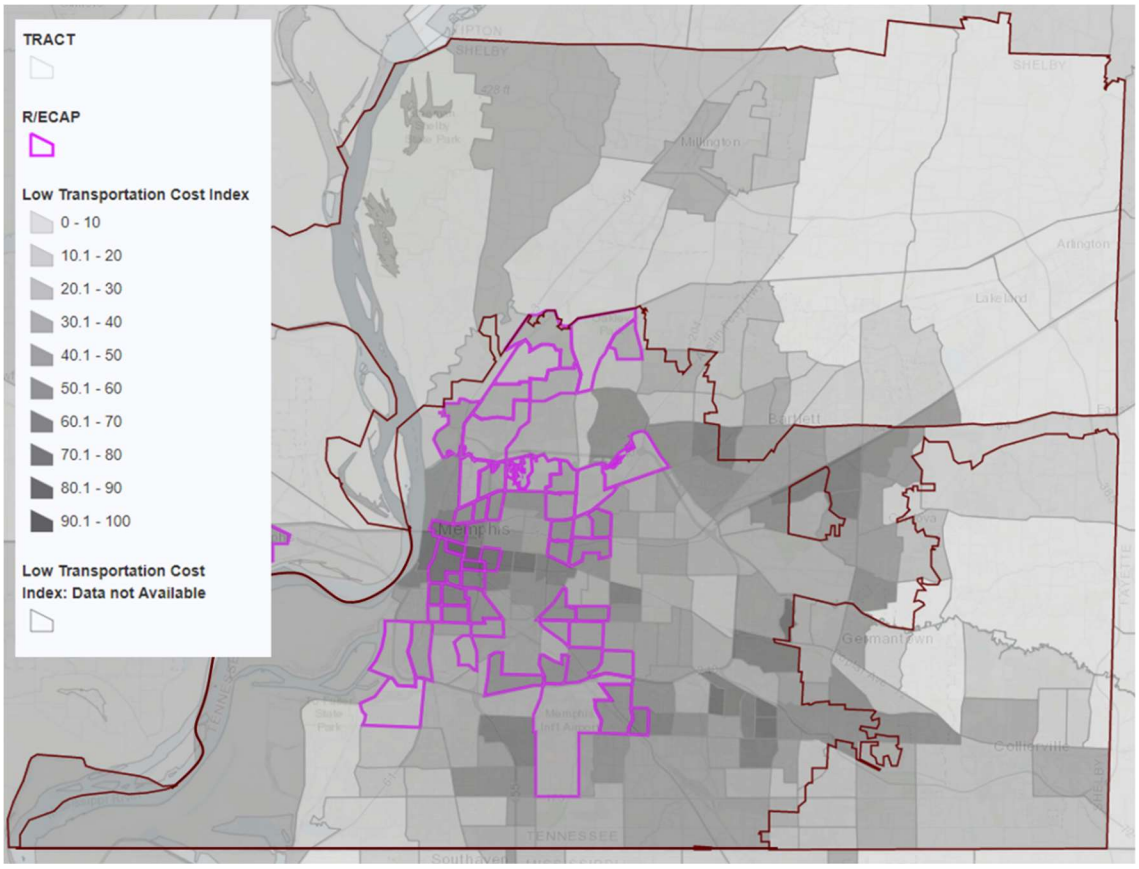
Figure IV-16.
Transit Trips Index by Census Tract



Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

Figure IV-17.
Low Transportation Cost Index by Census Tract



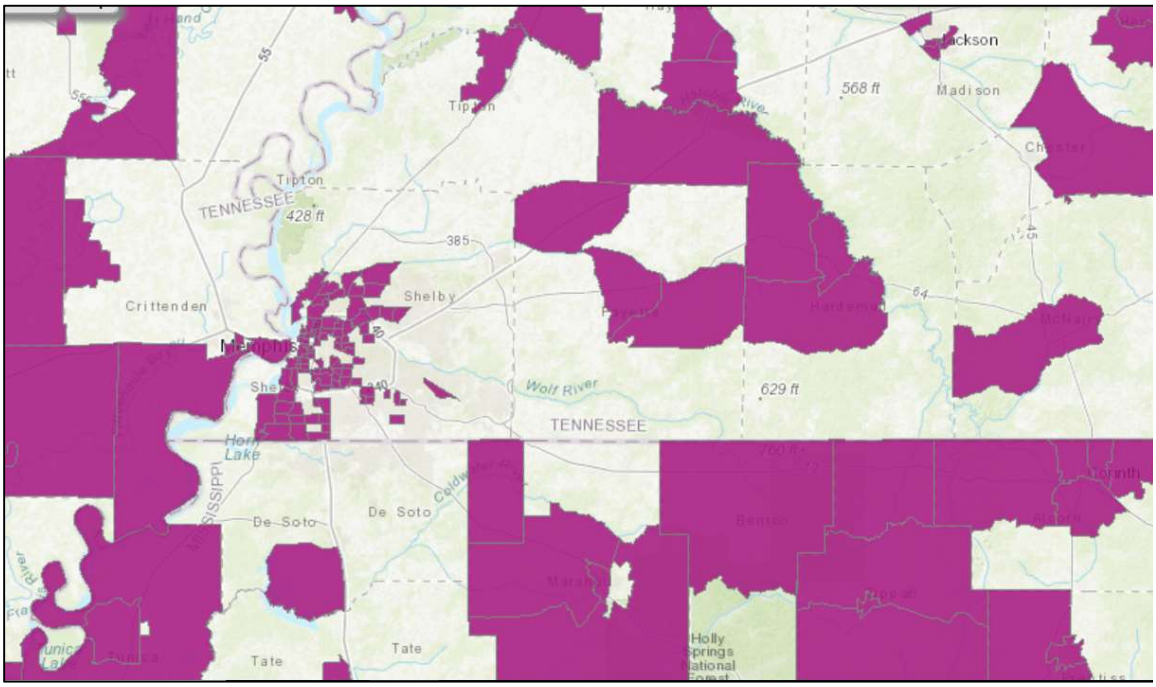
Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

Transportation challenges are commonly associated with access to employment but transportation also has impacts residents' ability to access other services and amenities, including health foods, for example.

Figure IV-18 depicts census tracts in which more than 100 households have no access to a vehicle and are more than a half mile from the nearest supermarket. This problem—pervasive in both Memphis and the region—affects both health and allocation of resources.

Figure IV-18.
Census Tracts with Low Vehicle Access and Limited Access to Healthy Food, 2015



Note: Pink shading indicates census tracts in which more than 100 households have no access to a vehicle and are more than a half mile from the nearest supermarket.

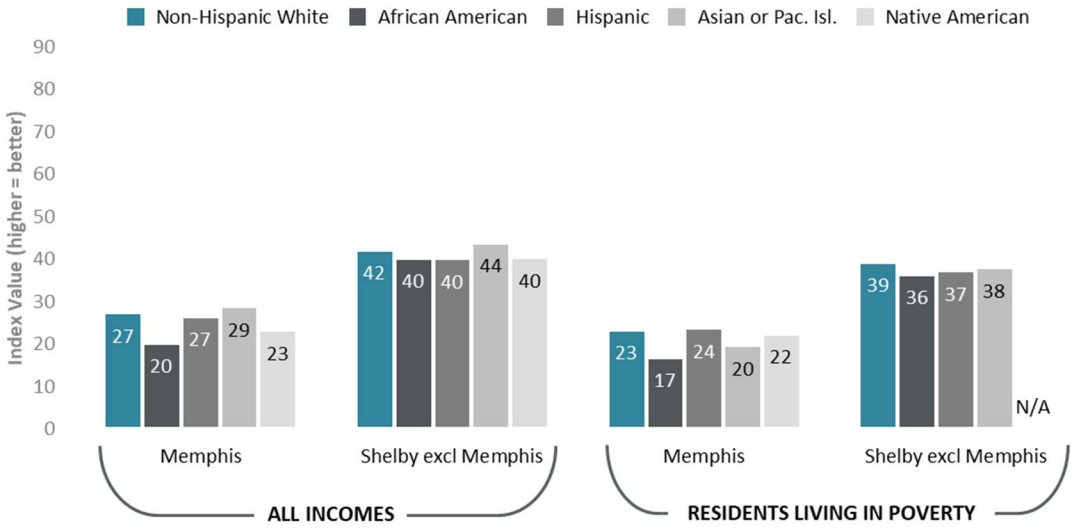
Source: US Dept. of Ag Economic Research Service: Food Access Research Atlas.

Access to Environmentally Healthy Neighborhoods

Air quality. HUD's Environmental Health index is limited to data on EPA-measured carcinogenic, respirator and neurological hazards from the National Air Toxics Assessment. It does not reflect toxins transmitted through water, soil, food, products or indoor exposures. Nor does it capture exposure to lead, radon, neighborhood crime and other environmental factors which affect health. In general, these factors have been shown to have disparate impacts on minorities and especially the poor.

HUD's Environmental Health (air quality) values range from 1 to 100 and the percentiles are ranked nationally. The higher the value, the better the environmental quality of a neighborhood's air. Within Shelby County, there is very little difference between exposure by race/ethnicity. In the City of Memphis, however, African American residents rank lower (20) than non-Hispanic whites (27) and other minority groups.

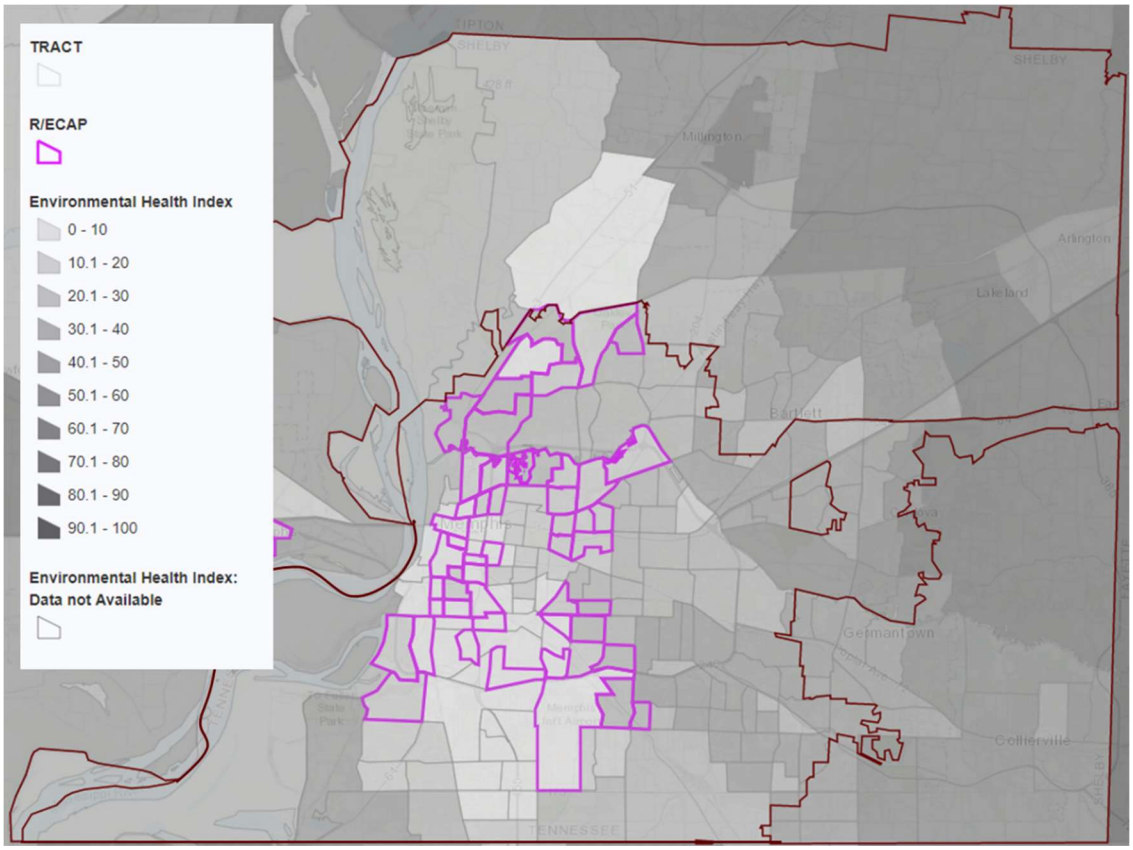
Figure IV-19.
Environmental Health Index by Race Ethnicity



Source: HUD AFFHT.

Figure IV-20 shows HUD's environmental health index by Census tract; the darker the census tract, the better the air quality. The primary areas with low air quality (lightest shading) are downtown, South Memphis, and between the northern border of Memphis and Millington. Within Memphis, these areas do have a higher concentration of minority—primarily African American—residents and include a number of R/ECAPs.

Figure IV-20.
Environmental Health Index by Census Tract



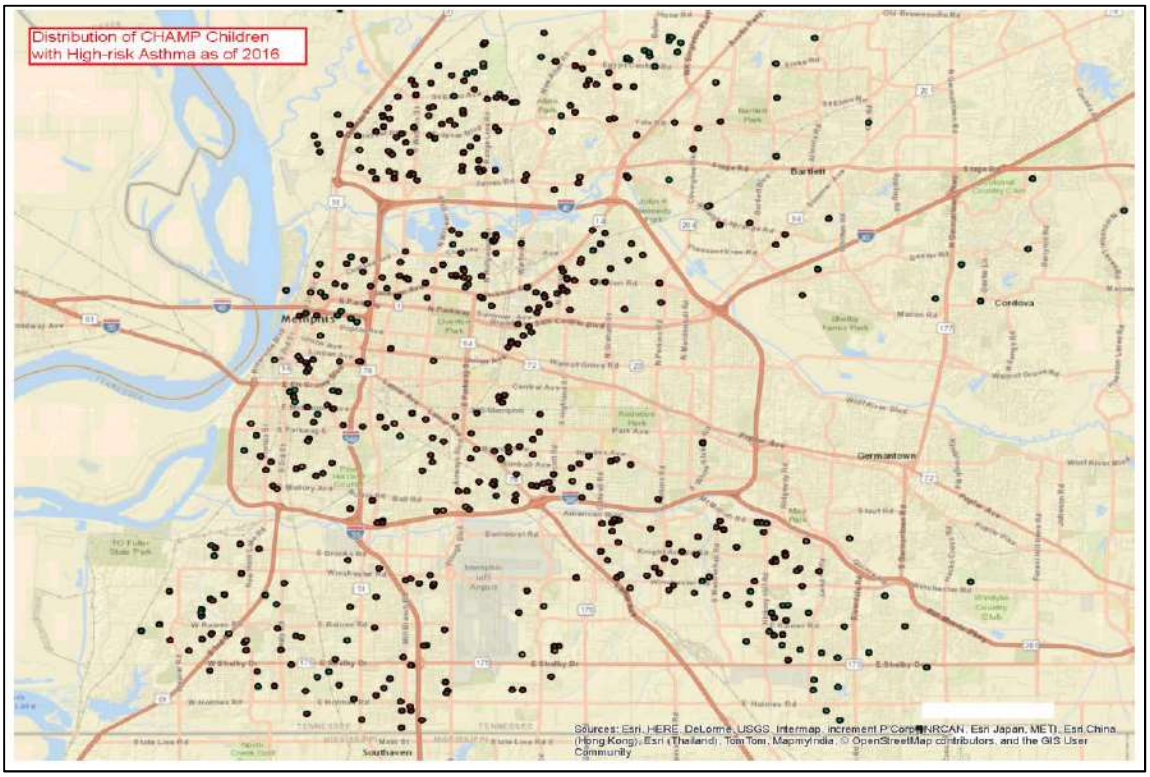
Note: Darker shading indicates higher opportunity index values.

Source: HUD AFFHT.

The 2017 Governor's Housing Conference[11] stated that asthma (a respiratory disease) was the most common reason for admission to Memphis' Le Bonheur Children's Hospital, and Figure IV-21 on the following page, produced for the Conference, shows that these patients come primarily from areas shown in HUD's maps to have low air quality and be predominantly-minority.

[11] Governor's Housing Conference, Ibid.

Figure IV-21.
Distribution of CHAMP Asthma Patients



Source: 2017 Governor's Housing Conference presentation.

A federally-funded program to address these issues reduced emergency room visits by 55 percent, hospitalizations by 70 percent, and asthma exacerbations by 53 percent. The improvement was attributed, in part, to the "growing awareness of need for [the] collaboration of health, housing and legal service providers."[12] This collaboration involved both Memphis and Shelby County entities.

Climate change. While the Memphis region is not subject to sea level rise, it is exposed to extreme flooding events, high winds, tornedos and extreme heat[13], all of which have been shown to increase in frequency and severity as climate change occurs.

The vulnerability of the general population of the Memphis Region was recognized by the provision of a $60 million HUD National Disaster Resilience (NDR) grant to Shelby County "to increase its resiliency over the next three years. The funds will be used in local areas with recover needs from 2011 flooding in addition to developing a Regional Resilience Strategy."[14]

---

[12] Ibid.

[13] Abkowitz, Mark, et al., "Assessing the Vulnerability of Tennessee Transportation Assets to Extreme Weather: Final Report," Feb. 13, 2015. http://environment.transportation.org/pdf/infrastructure_resilience/tdot_extreme_weather_vulnerability-final_report_complete_opt.pdf accessed 10/31/2018.

[14] https://resilientshelby.com/ accessed 11/1/2018.

The grant has identified various needs for conservation and resilience strategies, including flood control and mitigation (including the creation of wetlands, storm water lots, and protective berms, along with buyout of vulnerable homes and stream restoration), creation of wildlife habitats and increasing green space. These activities are necessary and laudable.

The NDR grant was highly competitive and the County was funded to undertake two phases of activities. These funds are restricted in-use for awarded activities only. Though the focus of these two phases has been on planning and creation of floodways and flood control, funds have allocated to buyout properties in only one low-income neighborhood (Weaver Park in South Memphis).[15] Resiliency activities listed include "affordable rehabilitation or infill housing." But, the buyout option is voluntary and must met narrow NDR grant requirements. The way in which the Resilience activities have been carried out have benefited Low-to-Moderate Income (LMI) populations in the targeted areas. However, the County should view through a fair housing lens, how the next phase of Resiliency activities can meet its Fair Housing obligation.

Residents of all low-lying areas are most vulnerable to flooding events. Shelby County's 1999 Growth Plan noted that floodplains "are generally scattered Countywide. Measures can be taken to protect them within urban growth boundaries."[16] Between 2000 and 2016, residents living in a Shelby County 100-year-floodplain increased by 10.5 percent.[17] "But for low-income minority communities, which historically struggle more to recover from disasters, buyouts can be especially promising—and especially difficult to execute," according to one study of FEMA buy-outs in Harris County, TX.[18]

Clearly the impacts of climate change are disproportionate to those in various geographies[19] but also to those with limited access to information and resources. In many cases, these two factors combine, as pointed out in a description of the neighborhood targeted for HUD Resiliency funds: "Recurrent flooding has resulted in a high levels of flood risk, vacancy, and blight in this Southwest Memphis low-income community."[20]

According to "Assessing the Vulnerability of Tennessee Transportation Assets to Extreme Weather," a study by the Federal Highway Administration (FHA),[21]

---

[15] https://agencylp.com/projects/shelbycounty/ accessed 11/1/2018.

[16] Memphis and the Shelby County Division of Planning and Development, "Recommendations for Planned Growth and Rural Areas: Shelby County Growth Plan," Nov. 13, 1999.

[17] Maciag, Mike, "Analysis: Areas of the U.S. with Most Floodplain Population Growth," *Governing*, August 2018. http://www.governing.com/gov-data/census/flood-plains-zone-local-population-growth-data.html accessed 11/1/2018.

[18] Thompson, Laura, "Buyouts Bring promise and Challenges to Flood-Affected Homeowners," Rice/Kinder Institute for Urban Research, August 21, 2018. https://kinder.rice.edu/2018/08/20/buyouts-bring-promise-and-challenges-flood-affected-homeowners accessed 11/1/2018.

[19] Abkowitz, Mark, et al., "Assessing the Vulnerability of Tennessee Transportation Assets to Extreme Weather: Final Report," Feb. 13, 2015. http://environment.transportation.org/pdf/infrastructure_resilience/tdot_extreme_weather_vulnerability-final_report_complete_opt.pdf accessed 10/31/2018.

[20] https://agencylp.com/projects/shelbycounty/ accessed 11/1/2018.

[21] Abkowitz, ibid.

The results indicated that portions of Tennessee are likely to experience dramatic warming coupled with an increase in precipitation; an increase in strong straight-line winds and tornadic activity are also anticipated… Shelby County (Memphis) and Davidson County (Nashville) are the locations in the state with the most vulnerability to extreme weather.

Extreme heat is another facet of increased vulnerability which to which socially-vulnerable populations are most susceptible. The FHA study noted previously predicts substantial increases in seasonal and annual extreme heat in the Memphis region: the average number of days per year with temps over 95 degrees increases from 14 to 72 by 2065, and the average number of days per year with temps over 100 degrees increases from 1 to 23 by 2065).

For those with no air conditioning or the inability to pay a higher power bill, these figures can make the difference between life and death. According to the EPA, "Heat islands can affect communities by increasing summertime peak energy demand, air conditioning costs, air pollution and greenhouse gas emissions, heat-related illness and mortality, and water quality."[22] The EPA recommends five strategies to reduce the heat island effect: trees and vegetation, green roofs, cools roofs, cool pavements, and smart growth. The County is using HUD funds to construct greenways, but should also consider other heat-reducing components.

A mega-study of climate change and social vulnerability by the USDA [23] concludes "Climate change decision-making processes that do not consider climate vulnerability, equity, and justice may fail to adequately provide services, information, education, and support to key segments of society."[24]

Key Fair Housing Findings from Section IV

- Regional data for the Memphis metro area show racial disparities in resident access to low poverty neighborhoods, school quality, labor market engagement, and to a lesser extent, job proximity.
- Disparities are most pronounced for African American, Hispanic, and Native American residents relative to non-Hispanic white residents. Trends are similar in both Memphis and Shelby County outside Memphis, though the gap is wider between groups in the city of Memphis—particularly for labor market engagement and poverty exposure.
- Disparities persist even when comparing income-similar residents of different races/ethnicities.
- Access to proficient elementary schools is a key concern for families in Memphis and Shelby County, as is racial/economic segregation in schools. Non-Asian minority students have lower access to quality schools, even when comparing income-similar residents.

---

[22] EPA, Heat Island Effect: Heat Island Mitigation Strategies," https://www.epa.gov/heat-islands accessed 11/1/2018.

[23] Lynn, Kathy, Katherine MacKendrick and Ellen M. Donoghue, "Social Vulnerability and Climate Change: Synthesis of Literature," USDA, August 2011. https://www.fs.fed.us/pnw/pubs/pnw_gtr838.pdf accessed 10/31/2018.

[24] United Nations Development Program, "Mapping Climate Change Vulnerability," Nov.1, 2010.

- Even when minority groups live close to jobs, they have trouble actually accessing the jobs, most likely due to a skills and/or education mismatch with job requirements. Racial/ethnic disparities in labor market engagement are present in Shelby County outside Memphis but are much more pronounced within the city of Memphis.

- The data do not indicate significant disparities in access to transportation by race/ethnicity; however, public transit options are limited for all residents. This has a disproportionate impact on residents that rely on public transportation (low income and people with disabilities) to access jobs and other services.

SECTION V.

Disability and Access Analysis

SECTION V.
Disability and Access Analysis

This section provides a focused fair housing analysis for people with disabilities living the Memphis metro area. The section begins with a population profile of persons with disabilities then discusses housing accessibility, integration of persons with disabilities living in institutions and other segregation settings, disparities in access to opportunity for people with disabilities, and disproportionate housing needs of people with disabilities.

HUD defines a person with disabilities as a person who:

- has a disability as defined in Section 223 of the Social Security Act, or
- is determined by HUD regulations to have a physical, mental or emotional impairment that: a) is expected to be of long, continued, and indefinite duration; b) substantially impedes his or her ability to live independently; and c) is of such a nature that such ability could be improved by more suitable housing conditions, or
- has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act, or
- has the disease acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome (HIV).

For the purpose of qualifying for low income housing under HUD public housing and Section 8 voucher programs, the definition does not include a person whose disability is based solely on any drug or alcohol dependence.

The U.S. Census Bureau, which provides much of the data on the number of people living with a disability uses the following self-reported definitions in the decennial Census and ACS datasets:

- **Hearing difficulty:** Deaf or having serious difficulty hearing.
- **Vision difficulty:** Blind or having serious difficulty seeing, even when wearing glasses.
- **Cognitive difficulty:** Because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.
- **Ambulatory difficulty:** having serious difficulty walking or climbing stairs.
- **Self-care difficulty:** Having difficulty bathing or dressing.
- **Independent living difficulty:** Because of a physical, mental, or emotional problem, having difficulty doing errands alone, such as visiting a doctor's office or shopping.

Population Profile

Individuals with disabilities represent 14 percent of the total population of Memphis and 10 percent in Shelby County outside of Memphis. In the balance of the metro (Memphis Metro excluding Shelby County), the incidence of disability is similar to the City of Memphis: 14 percent for the population overall. Figure V-1 shows the number and percent of people with disabilities in the region and in each participating jurisdiction by type of disability and by age.

In both Memphis and the balance of the county, residents aged 65 and older have much higher rates of disability (40% in Memphis and 33% in the balance of county) than other age groups. Ambulatory disability is the most common type of disability in both jurisdictions, followed by cognitive and independent living difficulties.

Figure V-1.
People with A Disability by Age and Type of Disability, 2016

	Memphis		Shelby County excluding Memphis		Memphis Metro excluding Shelby	
	Number of People with a Disability	Percent of Age Cohort with a Disability	Number of People with a Disability	Percent of Age Cohort with a Disability	Number of People with a Disability	Percent of Age Cohort with a Disability
Total Population	**88,644**	**14%**	**29,214**	**10%**	**143,131**	**14%**
By Age						
Under 5 years	236	0%	0	0%	322	0%
5 to 17 years	9,965	9%	2,399	5%	13,767	7%
18 to 64 years	46,513	12%	13,582	8%	76,842	12%
65 years and over	31,930	40%	13,233	33%	52,200	38%
By Type of Disability (All Ages)						
Hearing difficulty	16,208	3%	7,827	3%	29,259	3%
Vision difficulty	17,353	3%	5,179	2%	25,648	2%
Cognitive difficulty	38,532	6%	9,919	4%	59,427	6%
Ambulatory difficulty	48,364	8%	15,797	6%	78,864	8%
Self-care difficulty	21,912	3%	6,036	2%	34,026	3%
Independent living difficulty	35,247	5%	10,742	4%	54,807	5%

Source: 2016 ACS and BBC Research & Consulting.

There is limited information on the living arrangements of persons with disabilities. Results from the resident survey conducted for the AI (see Section VI for more detail) provide some information about living arrangements. Among the survey respondents whose household includes a member with a disability:

- Nearly one in four (23%) are single and living with children;
- About one in four (24%) live in households that include other adult family members (e.g., mother, father, adult siblings or other adult extended family members)
- About one in five (19%) live alone;

- About one in 10 (10%) live with a partner and children and 15 percent live with a partner and no children;
- Two in five (41%) have children under the age of 18 living in the home; and
- Nearly one in five (67%) live in households with five or more members.

It is important to note that, just like any household, not all persons with disabilities need or desire the same housing choices. Fair housing analyses often focus on how zoning and land use regulations govern the siting of group homes. Although group homes should be an option for some persons with disabilities, other housing choices—particularly scattered site units—must be available to truly accommodate the variety of needs of residents with disabilities.

The following maps show where persons with disabilities reside in Shelby County. Figures V-2 and V-3 present where residents with disabilities live based on disability type; and Figure V-4 maps the distribution of residents with disabilities by age.

The maps do not suggest that residents with disabilities are segregated by type of disability or by age. The maps do show a slightly higher density of residents with disabilities in some areas—particularly downtown Memphis and in Southeast Memphis—but these areas generally have a higher density of residents overall and therefore do not indicate a fair housing concern related to segregation of people with disabilities. Although people with disabilities are not geographically concentrated, they do experience unique challenges to accessing housing. Housing challenges specific to people with disabilities and disparities in access to opportunity for people with disabilities are discussed in more detail in the remainder of this section.

Figure V-2. Disability by Type: Ambulatory, Self-Care, and Independent Living Disabilities

Source:

HUD AFFH-T

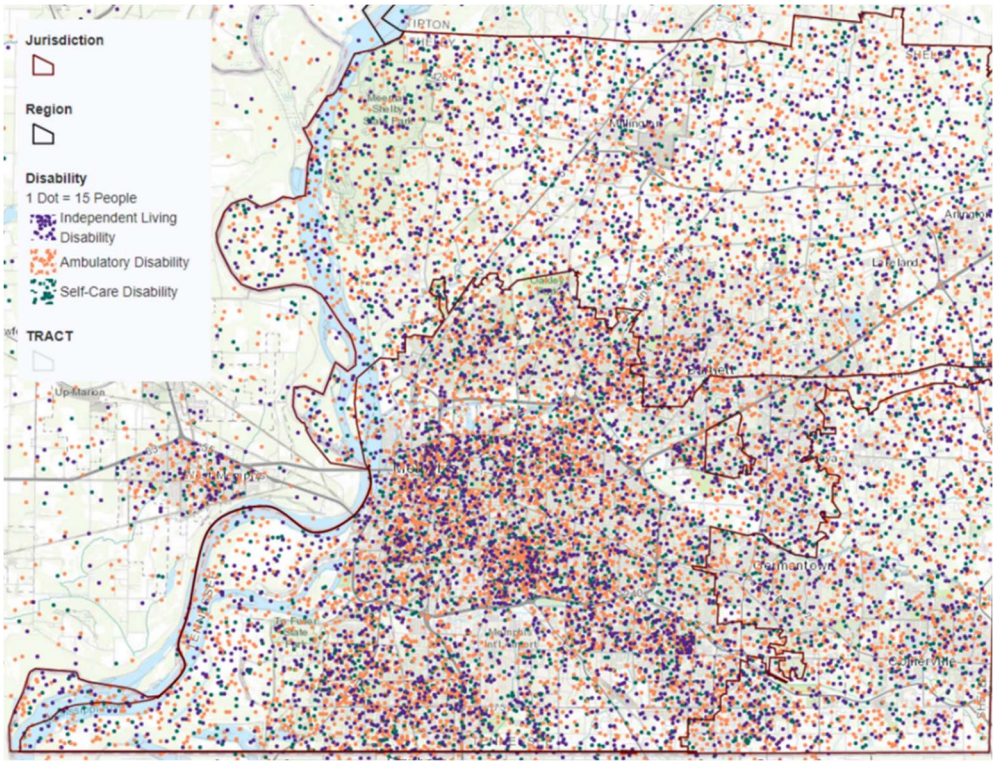


Figure V-3. Disability by Type: Hearing, Vision, and Cognitive Disabilities

Source:

HUD AFFH-T

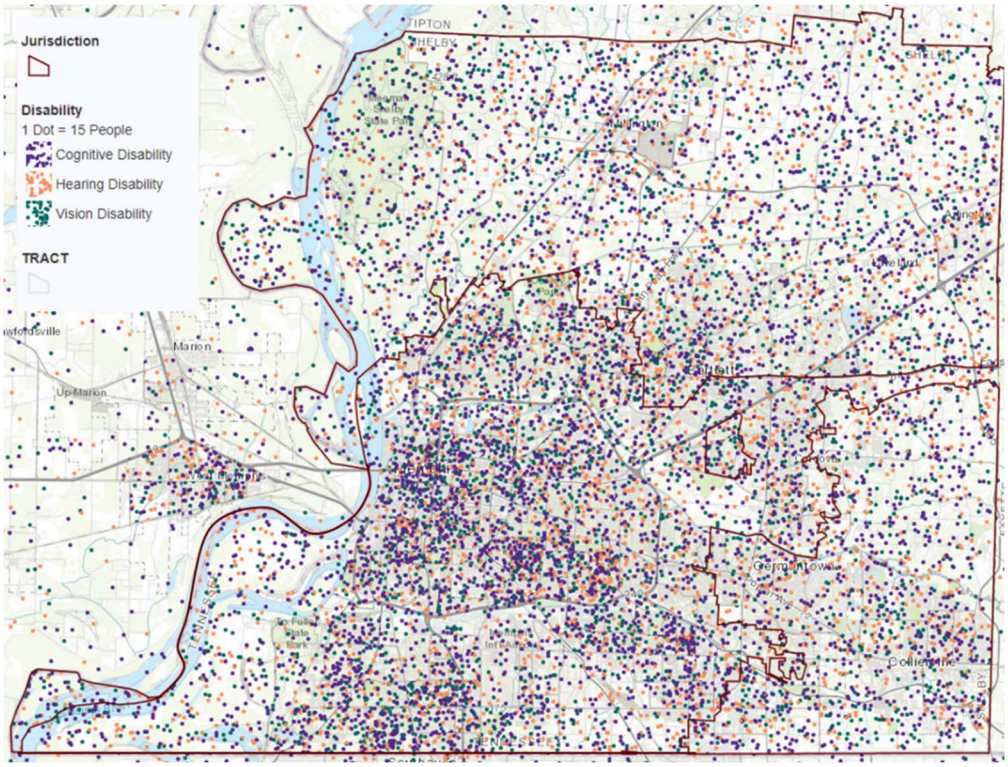
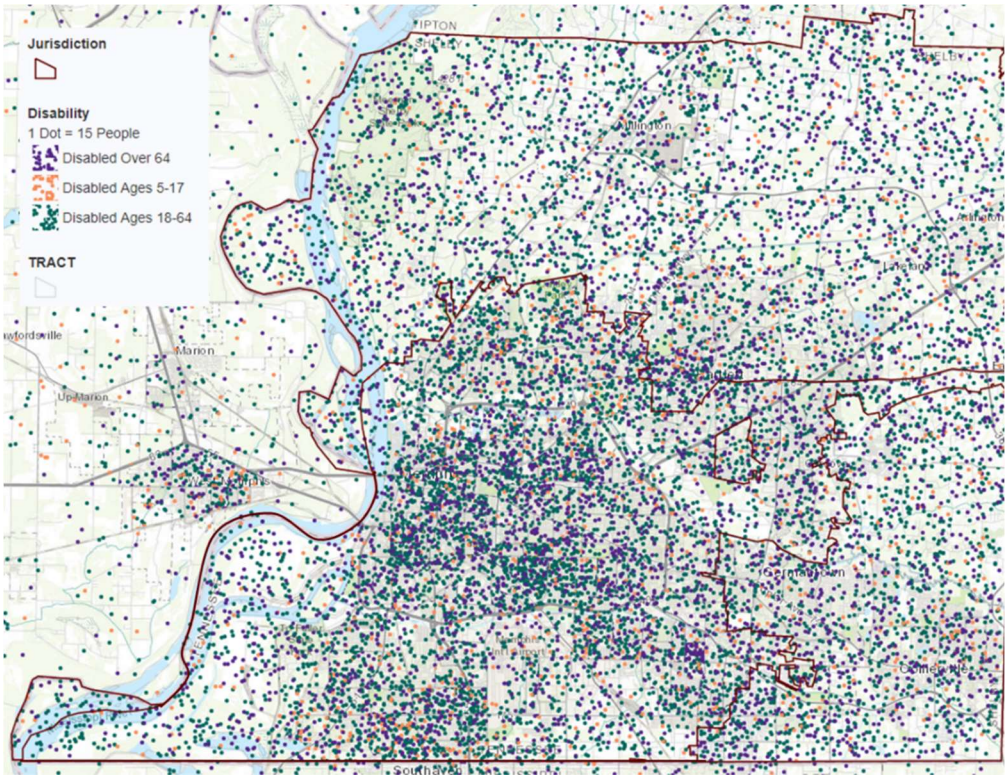


Figure V-3. Disability by Age

Source:

HUD AFFH-T



Housing Accessibility

Affordable accessible housing. Overall, 74 percent of residents with disabilities would move if they had the opportunity and 55 percent seriously looked for housing to rent or buy in the region in the past five years. Moving to safer neighborhoods or areas with less crime is a top priority for residents with disabilities (this was also important actor for other resident groups).

The most common reasons why residents who want to move but haven't are associated with housing affordability, the cost of moving, or barriers associated with personal history. Difficulty finding a landlord willing to rent to them is a top five factor for respondents with a disability. Two in five renters with a disability have difficulty finding a place to rent due to bad credit/history of evictions/foreclosures—higher than renters overall (21%).

Stakeholders in the region identified a lack of accessible housing to be a challenge in the region, specifically citing a need for more funding for accessibility improvements to owner-occupied homes and the desegregation of people with disabilities living in public housing (public housing tends to be concentrated in disadvantaged neighborhoods).

Residents with disabilities living in housing that does not meet their needs. These issues—limited supply of accessible units, including a lack of ADA-compliant accessible housing in the public and private housing markets, may explain why one in four households that include a member with a disability of any type are living in housing that does not meet that member's accessibility needs.

Types of improvements or modifications needed by these households include:

- Grab bars in the bathroom;
- Wider doorways;
- Fire alarm/doorbell made accessible for deaf or hearing impaired resident;
- Service or emotional support animal allowed in home;
- Ramps; and
- Reserved accessible parking spot by entrance.

As shown in Figure V-5, about one in seven residents with disabilities live neighborhoods where they cannot get around due to inadequate infrastructure (e.g., missing/broken sidewalks, poor street lighting, dangerous traffic). A similar proportion have not requested needed accommodations out of fear that their rent will increase or they will be evicted.

Figure V-5.
Housing Challenges Experienced by Residents with Disabilities

Percent of Residents Experiencing a Housing Challenge	Disability
My home does not meet the needs of the household member with a disability	25%
I have a disability or a household member has a disability and cannot get around the neighborhood because of broken sidewalks/no sidewalks/poor street lighting/dangerous traffic	15%
I worry if I request an accommodation for my disability my rent will go up or I will be evicted	13%
I can't afford the housing that has accessibility features I need	10%
My landlord refused to make a modification (e.g., grab bar, ramp, etc.) for my or my household member's disability	6%
My landlord refused to accept my therapy/companion/ emotional support animal	3%
I am afraid I will lose my in-home health care	2%

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Housing denial and discrimination. Overall, 26 percent Memphis Metro survey respondents who seriously looked for housing to rent or buy experienced a denial. Households that include a member with a disability were more likely than other residents to experience denial when looking for housing (46%). The top five reasons why these residents believe they were denied housing to rent or buy were:

- Bad credit;
- Income too low;
- Eviction history;
- Landlord didn't accept the type of income I earn (social security or disability benefit); and
- Lack of stable housing record.

About 15 percent residents of the Memphis Metro area who responded to the survey felt they were discriminated against when they looked for housing in the region. That rate was much higher for households including someone with a disability, 23 percent of which said they felt they were discriminated against.

Access to publicly supported housing. Figure V-6 shows the number and percent and percent of HUD program participants living in various types of publicly assisted housing. In the Memphis metro overall about 30 percent of public housing residents have a disability, compared to 15 percent of housing choice voucher holders. A similar trend is evident in the City of Memphis where one-third of all public housing residents have a disability compared to 15 percent of voucher holders.

Figure V-6.
Disability by Publicly Supported Housing Program Category

Disability by Publicly Supported Housing Program Category	Memphis		Shelby County excluding Memphis		Memphis Metro	
	Num.	*Pct.*	*Num.*	*Pct.*	*Num.*	*Pct.*
Public Housing	859	33%	38	30%	965	31%
Project-Based Section 8	939	16%	n/a	n/a	960	16%
Other Multifamily	107	20%	0	0%	109	17%
HCV Program	1,091	15%	44	9%	1,399	15%
Total all programs	**2,996**	**19%**	**82**	**13%**	**3,433**	**18%**

Note: The definition of "disability" used by the Census Bureau may not be comparable to reporting requirements under HUD programs.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool.

Location of housing. A detailed discussion of the location of publicly supported housing in relation to areas of racial/ethnic concentrations as well as poverty concentrations is included in Section III Publicly Assisted Housing. That analysis reveals that publicly supported housing developments—particularly public housing—ten to be located in higher poverty areas. For residents with disabilities that live in publicly assisted units, the development locations may create a barrier to housing choice, especially considering the program with the highest proportion of residents with a disability (public housing) is also the most likely to located in R/ECAPs in Memphis.

Difficulty using Section 8 vouchers. Overall, 14 percent of survey respondents whose household includes a member with a disability live in publicly-supported housing. The number of Section 8 voucher holders with a disability who participated in the survey is very small (n=5). Of these, four in five consider it somewhat or very difficult to find a landlord that accepts a housing voucher. All of these voucher holders identify "condition of housing unit does not pass Housing Quality Standards (HQS)" as a reason for their difficulty. Three out of four identified "not enough properties available," "voucher is not enough to cover the rent for places where I want to live" as other factors that make it difficult to use a voucher.

Among the residents with disabilities who seriously looked for housing in the past five years, 60 percent were denied housing to rent or buy. Landlords being unwilling to accept the type of income (social security or disability benefits) was one of the top five reasons these residents were denied housing to rent. The other reasons were "income too low," "bad credit and eviction history," and "lack of a stable housing record."

Memphis Housing Authority's reasonable accommodations policy. Under the Fair Housing Act, a Housing Authority "must grant the accommodation unless doing so would impose an undue financial and administrative burden to the PHA (Notice PIH 2016 – 09 (HA))." PHAs must consider requests for reasonable accommodations that are necessary for a qualified individual with a disability to benefit from the program (HUD's implementing regulations at 24 CFR 100.204, 24 CFR 8.33, and 28 CFR 35.130). An individual with a disability can request a reasonable accommodation to any rules, policies, practices or services at any time.

The Memphis Housing Authority requires residents to submit evidence of their disability and need for an accommodation from "a qualified professional (not necessarily a physician) having knowledge of a person's disability who can verify the person's disability and need for a reasonable accommodation."

The Memphis Housing Authority states in its policy and procedural manual that "[r]equested accommodations will not be approved if the person's disability is not verified by a health care professional, the individual is not a person with a disability, or the requested accommodation is not necessary and reasonable based on the health care provider's responses."

The procedures outlined in the Reasonable Accommodation Policy and Procedures appear to be unduly cumbersome. Authorized members of the Housing Authority staff should have the authority to approve accommodations where the disability and the need are apparent without placing the request on a waiting list or requiring further documentation.

Integration of Persons with Disabilities Living in Institutions and Other Segregated Settings

The Money Follows the Person (MFP) demonstration program was created to help assign funding in a way that allows people with disabilities to transition out of institutions but still receive the care they need in a more integrated setting. MFP is a federally funded grant administered by states; in Tennessee the program is managed by the TennCare.

According to the 2016 Cross State MFP report, 1,869 residents were able to transition from institutional care to living in integrated settings through the MFP program since the state began receiving funding in 2011. Of those, 951 were older adults, 816 were non-seniors with physical disabilities and 102 were non-seniors with intellectual or developmental disabilities. In 2016 alone (the most recent reporting year) 458 residents statewide transitioned from institutional to integrated living situations through the MFP program.[1]

Though the progress of MFP is notable, some Memphis stakeholders and disability advocates expressed concern that some residents with disabilities may be vulnerable to abuse through the program. Specifically, the advocates cited instances in which host homes for people with disabilities provide inadequate living conditions but take control of the resident's income in addition to collecting MFP payments.

The Memphis Center for Independent Living (MCIL) is a key resource locally for residents with disabilities in the region and has helps about 2,000 local residents transition from nursing homes to independent living situations.[2]

---

[1] https://www.medicaid.gov/medicaid/ltss/downloads/money-follows-the-person/2016-cross-state-report.pdf

[2] https://sites.google.com/site/mcilaction/home

Disparities in Access to Opportunity for Persons with Disabilities

As discussed earlier in this section, there does not appear to be a geographic concentration of people with disabilities in the City of Memphis or the balance of Shelby County. In theory, that means that residents with disabilities have similar exposure to community assets and stressors as the population at large. However, it is important to note that there are some neighborhood characteristics which can have a greater impact on residents with disabilities. For example, public transit is a much more critical asset to a person whose disability prevents them from driving a car than it might be to an otherwise similarly situated resident.

Survey respondents whose household includes a member with a disability described what is needed in the Memphis Metro area to help the person with a disability in their household to access community amenities, facilities or services such as parks, libraries, government buildings, cultural facilities, and festivals/events and to receive better health services.

Barriers to accessing community amenities, facilities or services. When asked what is most needed for the member of the household with a disability to better access community amenities, facilities or services, transportation was the barrier identified by the greatest proportion of respondents. Transportation barriers include access to accessible fixed route bus and paratransit services, accessible parking, and pedestrian infrastructure such as sidewalks, curb cuts/ramps, and crosswalks. In addition to transportation, these residents expressed a need for better outreach to the disability community about community amenities and events and a greater emphasis on public safety.

- *"More services made available to transport people with a disability to services." (Resident with a disability)*
- *"More sidewalk with ramps." (Resident with a disability)*
- *"Safe streets, walkable neighborhoods with easy public transport." (Resident with a disability)*

Barriers to better health services. Disability households were somewhat less likely than Memphis Metro respondents to agree that health care facilities are convenient to where they live. As with access to community amenities and facilities, transportation poses a barrier to receiving better health services for residents with disabilities. In addition to transportation access, a number of respondents noted a need for improved access to mental health services. Several respondents suggested a need for increasing public awareness about people who live with disabilities.

- *"Reliable, consistent, safe transportation." (Resident with a disability)*
- *"More programs for low incomed families that have a child with autism." (Resident with a disability)*
- *"Accessible transportation that is affordable." (Resident with a disability)*

- *"More mental health practitioners who practice after business hours. A recent search showed me this is rare."*

Barriers to employment. For those residents with a disability who are of working age, job training and coaching, transportation, and outreach to employers encouraging hiring of residents with disabilities are the most common suggestions for what is needed for the resident with a disability to become employed or to move to a better job. In addition to working with employers to hire residents with disabilities, several participants emphasized the importance of employers' understanding of and willingness to make reasonable accommodations for residents with disabilities to get and stay employed.

- *"More training for the disabled." (Resident with a disability)*
- *"I just need help finding a job. I have had no luck and I'm afraid me and my 3 year old will be homeless again." (Resident with a disability)*
- *"More companies willing to work with the mentally ill." (Resident with a disability)*
- *"More education about autism accommodations in the workplace." (Resident with a disability)*
- *"Part-time, close by, easy hours and conditions." (Resident with a disability)*

Households that include a member with a disability were one of the least likely groups to agree with the statement "The location of job opportunities is convenient to where I live."

Key Fair Housing Findings from Section V

- People with disabilities are not geographically concentrated in Memphis and Shelby County, but do experience unique and disproportionate housing needs and face discrimination in the market.
- People with disabilities also report higher levels of housing denial than other residents. Among survey respondents with disabilities who seriously looked for housing in the past five years, 60 percent were denied housing to rent or buy. Landlords being unwilling to accept the type of income (social security or disability benefits) was one of the top five reasons these residents were denied housing to rent.
- There is a shortage of affordable accessible housing for those with disabilities—one in four households that include a member with a disability are living in housing that does not meet their accessibility needs.
- Top needs for these households include need for modification funding for grab bars, ramps, etc; need for modification and accommodation training for landlords, especially around service animals/emotional support animals and accessibility modifications; and need for education/outreach to residents explaining rights and resources related to requesting modifications and accommodations.

- Transportation is the biggest barrier to accessing community amenities and facilities, health care, and employment for people with disabilities.
- Households that include people with disabilities experience higher levels of the following housing challenges than other residents:
    - Worry about rent increasing to an amount they can't afford;
    - Live in what they consider to be high crime neighborhoods;
    - Live in neighborhoods with buildings in poor condition;
    - Live in neighborhoods with inadequate sidewalks, street lights, drainage, or other infrastructure.

SECTION VI.

Community Engagement Findings

SECTION VI.
Community Engagement Findings

This section reports the findings from the community engagement process for the Memphis-Shelby County AI.

Resident Survey

Residents of Memphis and Shelby County had the opportunity to share their experiences with housing choice and access to opportunity through a resident survey. Offered in English and Spanish, the resident survey was available online and in a postage-paid mail version. A total of 508 Memphis-Shelby County residents participated. The survey instrument included questions about residents' current housing situation, experience with seeking housing, access to opportunity, and experience with housing discrimination.

Survey outreach and promotion. The City of Memphis, Shelby County and the project team promoted the resident survey and focused their efforts on outreach to members of protected classes.

City of Memphis outreach activities. Survey promotion and outreach efforts conducted by the City of Memphis included:

- Press release through communications office;
- Posted a link to the survey on the City's website;
- Distributed the survey to Memphis Housing Authority, who subsequently distributed to public housing and housing choice voucher clients;
- Distributed survey link to the master email list for HCD, which includes partner agencies, neighborhood organizations, stakeholders, and citizens.

Shelby County outreach activities. Survey promotion and outreach efforts conducted by the Shelby County included:

- Press release through communications department;
- Posted a link to the survey on the Shelby County Department of Housing's website;
- Emailed the survey to distribution stakeholder list; and
- Emailed the survey to all County employees.

Geographic note. Throughout this section, survey data for Shelby County ***excludes*** responses from residents of Memphis. Shelby County data includes residents living in unincorporated Shelby County as well as other cities and towns in the County. Data for Memphis Metro is comprised of Memphis and Shelby County respondents.

Sampling note. The survey respondents do not represent a random sample of the Memphis Metro population. A true random sample is a sample in which each individual in the population has an equal chance of being selected for the survey. The self-selected nature of the survey prevents the collection of a true random sample. Important insights and themes can still be gained from the survey results however, with an understanding of the differences of the sample from the larger population.

Sample size note. When considering the experience of members of certain protected classes, the sample sizes are too small (n<25 respondents) to express results quantitatively. In these cases, we describe the survey findings as representative of those who responded to the survey, but that the magnitude of the estimate may vary significantly in the overall population (i.e., large margin of error). Survey data from small samples are suggestive of an experience or preference, rather than conclusive. Figure VI-1 presents the sample sizes for Memphis and Shelby County respondents overall and by selected characteristics.

Figure VI-1.
Resident Survey Sample Sizes by Jurisdiction and Selected Characteristics

	Memphis	Shelby County
Total Responses	**438**	**70**
Race/ethnicity		
African American	164	19
Other Minority	25	9
Non-Hispanic White	98	15
LEP (Spanish)	13	5
Children under 18	103	20
Large family	38	3
Disability	80	7
Tenure		
Homeowner	167	44
Renter	129	12
Precariously housed	69	6
Household Income		
Less than $25,000	99	4

Note: Precariously housed includes residents who are currently homeless, those staying with friends or family ("couch-surfing"), or living in transitional or temporary housing. Disability indicates that a member of the household has a disability.

Source:

BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Current Housing Choice

This section explores residents' housing preferences, including the factors most important to them when they chose their current housing; their desire to move; and their experience with housing challenges.

Most important factors in choosing current home. Figures VI-2 and VI-3 present the most important factors in their current home choice for residents overall, by housing tenure, and

for members of selected protected classes. With two exceptions, "cost/I could afford it" was the most important factor in choosing current housing for all resident groups. The most important factor in choosing their current home for Shelby County residents is "low crime rate/safe". The most important factor to residents who are precariously housed—staying with friends or family ("couch-surfing"), living in transitional housing, staying in hotels/motels, or currently homeless—is that the housing was available. Housing availability was one of the top five more important factors for all protected classes examined except non-Hispanic Whites.

Figure VI-2.
Most Important Factors in Choosing Current Home, by Jurisdiction and Selected Characteristics

What are the three factors that were most important to you in choosing your current home or apartment in your community? (Top 5 Factors)

MEMPHIS

1. Cost/I could afford it
2. Like the neighborhood
3. Close to work/job opportunities
4. Low crime rate/safe
5. Number of bedrooms (tie)
5. Needed somewhere to live and it was available (tie)
5. Close to family/friends (tie)

SHELBY COUNTY

1. Low crime rate/safe
2. Close to quality public schools
3. Cost/I could afford it
4. Like the neighborhood
5. Close to family/friends

HOMEOWNERS

1. Like the neighborhood
2. Cost/I could afford it
3. Low crime rate/safe
4. Type of home/layout of home
5. Close to family/friends

RENTERS

1. Cost/I could afford it
2. Needed somewhere to live and it was available
3. Close to work/job opportunities
4. Low crime rate/safe
5. Like the neighborhood (tie)
5. Number of bedrooms (tie)

PRECARIOUSLY HOUSED

1. Needed somewhere to live and it was available
2. Cost/I could afford it
3. Low crime rate/safe
4. Close to family/friends
5. Like the neighborhood

HOUSEHOLD INCOME LESS THAN $25,000

1. Cost/I could afford it
2. Needed somewhere to live and it was available
3. Close to work/job opportunities
4. Low crime rate/safe
5. Like the neighborhood

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-3.
Most Important Factors in Choosing Current Home, Selected Protected Classes

What are the three factors that were most important to you in choosing your current home or apartment in your community? (Top 5 Factors)

AFRICAN AMERICAN

1. Cost/I could afford it
2. Like the neighborhood
3. Low crime rate/safe
4. Close to work/job opportunities
5. Needed somewhere to live and it was available

OTHER MINORITY

1. Cost/I could afford it
2. Close to quality public schools/school district
3. Low crime rate/safe
4. Needed somewhere to live and it was available
5. Like the neighborhood (tie)
5. Number of bedrooms (tie)

NON-HISPANIC WHITE

1. Cost/I could afford it
2. Like the neighborhood
3. Close to work/job opportunities
4. Close to family/friends
5. Low crime rate/safe

DISABILITY

1. Cost/I could afford it
2. Needed somewhere to live and it was available
3. Number of bedrooms
4. Like the neighborhood
5. Close to family/friends

CHILDREN UNDER 18

1. Cost/I could afford it
2. Low crime rate/safe
3. Like the neighborhood
4. Close to quality public schools
5. Needed somewhere to live and it was available

LARGE FAMILY

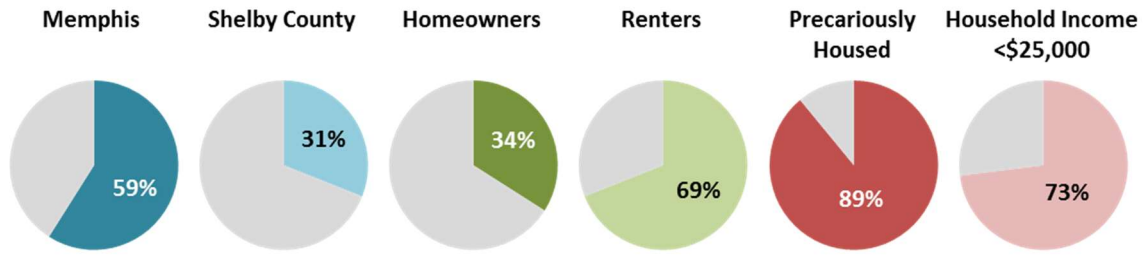
1. Cost/I could afford it
2. Needed somewhere to live and it was available
3. Low crime rate/safe
4. Close to work/job opportunities
5. Number of bedrooms

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

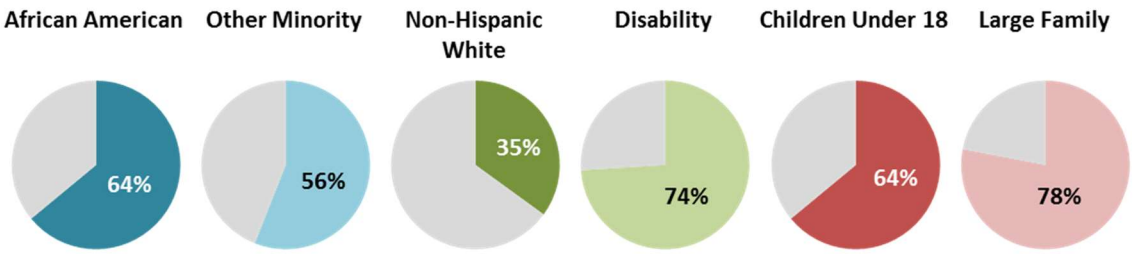
Desire to move. As shown in Figure VI-4, Memphis residents who participated in the survey are more likely than Shelby County respondents to want to move if they had the opportunity (59% versus 31%). Not surprisingly, 9 in 10 precariously housed residents would move if they could. Among members of protected classes, large families and households that include a member with a disability are most likely to want to move and non-Hispanic White households are least likely to move.

Figure VI-4.
Percent Who Would Move if Given the Opportunity

By Jurisdiction and Selected Characteristics



By Selected Protected Classes



Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Why do residents want to move? Most people want to move so they can live in a bigger home or live in a different neighborhood. Other factors vary by housing tenure—renters want to buy; those who are precariously housed want their own place. Moving to safer neighborhoods or areas with less crime is a top priority for residents with disabilities, and an important factor for most resident groups. Other reasons for wanting to move include a desire to move up or downsize, poor housing conditions, and accommodating changes in family size.

- *"House is in bad condition." (African American resident)*
- *"I bought this home as a starter home. I need to move to have a home large enough for my father. With also limited job opportunities my daughter may be living with me longer. I would love a greener more energy efficient home and this house was built in 1960s." (Resident with a disability)*
- *"I want central heat and air conditioning; my apartment has mold really bad." (Resident with a disability)*
- *"Too much land and grass to cut." (Resident with a disability)*

Figure VI-5.
Why do you want to move? Top 5 Reasons

By Jurisdiction and Selected Characteristics

MEMPHIS	SHELBY COUNTY
1 Want to move to different neighborhood	1 Bigger house/apartment
2 Bigger house/apartment	2 Want to buy a home
3 Crime/safety reasons	3 Want to move to different city/county
4 Want to buy a home	4 -
5 Get own place	5 -

HOMEOWNERS	RENTERS
1 Want to move to different neighborhood	1 Want to buy a home
2 Bigger house/apartment	2 Bigger house/apartment
3 Crime/safety reasons	3 Want to move to different neighborhood
4 Want to move to different city/county	4 Crime/safety reasons
5 My neighborhood is changing and I no longer feel welcome	5 Get something less expensive

PRECARIOUSLY HOUSED	HOUSEHOLD INCOME >$25,000
1 Get own place	1 Get own place
2 Bigger house/apartment	2 Want to move to different neighborhood
3 Get something less expensive	3 Crime/safety reasons
4 Family/friends I was living with kicked me out	4 Bigger house/apartment
5 -	5 Get something less expensive

By Selected Protected Classes

AFRICAN AMERICAN	OTHER MINORITY
1 Want to move to different neighborhood	1 Want to buy a home
2 Bigger house/apartment	2 Crime/safety reasons
3 Crime/safety reasons	3 Want to move to different neighborhood
4 Want to buy a home	4 Get own place
5 Get own place	5 -

NON-HISPANIC WHITE	DISABILITY
1 Bigger house/apartment	1 Crime/safety reasons
2 Want to move to different neighborhood	2 Want to move to different neighborhood
3 Want to buy a home	3 Want to buy a home
4 Crime/safety reasons	4 Bigger house/apartment
5 Want to move to different city/county	5 Get own place

CHILDREN UNDER 18	LARGE FAMILY
1 Bigger house/apartment	1 Get own place
2 Want to move to different neighborhood	2 Want to move to different neighborhood
3 Crime/safety reasons	3 Bigger house/apartment
4 Want to buy a home	4 Crime/safety reasons
5 Get own place	5 Want to buy a home

Note: - indicates too few responses

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Why haven't they moved yet? The most common reasons why residents who want to move but haven't are associated with housing affordability, the cost of moving, or barriers associated with personal history. Figure VI-6 presents the top five reasons why those residents who want to move have not.

Cost factors. Most respondents from Memphis or Shelby County who want to move have not yet done so because they "can't afford to live anywhere else." For renters and the precariously housed, the top reason for not moving is "can't pay for moving expenses or deposits". These cost factors—not being able to afford to live anywhere else or not being able to pay moving expenses or deposits—are also the top two reasons given by the greatest proportion of members of protected classes, except non-Hispanic White residents whose second most common reason for not yet moving is "job is here."

Past rental or personal history. Renters and the precariously housed also express difficulty finding a "landlord willing to rent to me due to my history" (e.g., credit history, eviction history, or criminal history). Difficulty finding a landlord willing to rent to them is a top five factor for African American respondents, respondents with a disability, and respondents with children under age 18.

- *"Applied for housing but got denied due to me not working my new job long when I transferred jobs for a better pay." (Resident with children under 18)*

Other reasons. Other reasons for not moving include needing to find a different job, not being able to find anyplace else to live, and other members of the household not wanting to move.

- *"I need help finding a place." (Resident with a disability)*
- *"El cartrado me oblige a permanecer mas tiempo."* (The lease requires me to stay.) *(LEP Hispanic resident)*

Figure VI-6.
Why haven't you moved yet? Top 5 Responses

By Jurisdiction and Selected Characteristics

MEMPHIS	SHELBY COUNTY
1 Can't afford to live anywhere else	1 Can't afford to live anywhere else
2 Can't pay moving expenses/deposits	2 Need to find a new job
3 Need to find a new job	3 Can't pay moving expenses/deposits
4 Can't find a better place to live	4 Job is here
5 Can't find a landlord to rent to me due to my history	5 -

HOMEOWNERS	RENTERS
1 Can't afford to live anywhere else	1 Can't pay moving expenses/deposits
2 Job is here	2 Can't afford to live anywhere else
3 Can't sell house	3 Need to find a new job
4 Can't find a better place to live	4 Can't find a better place to live
5 Family members do not want to move	5 Can't find a landlord to rent to me due to my history

PRECARIOUSLY HOUSED	HOUSEHOLD INCOME >$25,000
1 Can't pay moving expenses/deposits	1 Can't pay moving expenses/deposits
2 Can't afford to live anywhere else	2 Can't afford to live anywhere else
3 Need to find a new job	3 Need to find a new job
4 Can't find a landlord to rent to me due to my history	4 Can't find a better place to live
5 -	5 Can't find a landlord to rent to me due to my history

By Selected Protected Classes

AFRICAN AMERICAN	OTHER MINORITY
1 Can't afford to live anywhere else	1 Can't afford to live anywhere else
2 Can't pay moving expenses/deposits	2 Can't pay moving expenses/deposits
3 Need to find a new job	3 Can't find a better place to live
4 Can't find a better place to live	4 Need to find a new job
5 Can't find a landlord to rent to me due to my history	5 -

NON-HISPANIC WHITE	DISABILITY
1 Can't afford to live anywhere else	1 Can't pay moving expenses/deposits
2 Job is here	2 Can't afford to live anywhere else
3 Can't find a better place to live	3 Can't find a landlord to rent to me due to my history
4 Can't pay moving expenses/deposit	4 Need to find a new job
5 Family members reasons	5 Can't find a better place to live

CHILDREN UNDER 18	LARGE FAMILY
1 Can't pay moving expenses/deposits	1 Can't pay moving expenses/deposits
2 Can't afford to live anywhere else	2 Can't afford to live anywhere else
3 Need to find a new job	3 Need to find a new job
4 Can't find a better place to live	4 Can't find a better place to live
5 Can't find a landlord to rent to me due to my history	5 Other family reasons

Note: - indicates too few responses

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Housing challenges. Figures VI-7 and VI-8 present the top 12 housing challenges (out of 30) experienced by residents of the Memphis Metro region. These challenges range from 45 percent of renters wanting to buy a home, but cannot afford the downpayment to 22 percent of respondents concerned about crime in their neighborhood to 12 percent of respondents living in areas with inadequate sidewalks, street lights, drainage or other infrastructure in their neighborhood.

Housing challenges—tenure and income. Figure VI-6 presents the housing challenges experienced by residents for Memphis and Shelby County, by tenure, and households with incomes less than $25,000. In general, renters are more likely than homeowners to experience housing or neighborhood challenges.

- Precariously housed residents are more likely than others to have difficulty finding a place to rent due to bad credit/foreclosure/eviction history; these households are also more likely to live in crowded conditions.

- Households with incomes less than $25,000 are more likely than the typical respondent to be challenged by high crime in their neighborhood. These lowest income households are also more likely to be challenged by a lack of job opportunities in their neighborhoods.

Housing challenges—members of protected classes. Figure VI-7 shows the differences in housing challenges experienced by members of selected protected classes compared to regional respondents. Differences include:

- Nearly one in four African American residents live in neighborhoods with no or few grocery stores, compared to 14 percent of regional respondents.

- Residents with disabilities are more likely to experience the following housing challenges than residents of the Memphis Metro region:
    - Worry about their rent increasing to an amount they can't afford (37% versus 27% of Memphis Metro residents);
    - Live in what they consider to be high crime neighborhoods (36% v. 22%);
    - Live in neighborhoods with buildings in poor condition (24% v. 14%);
    - Live in neighborhoods with inadequate sidewalks, street lights, drainage, or other infrastructure (24% v. 12%).

- Large families are more likely to live in housing that is not large enough for their family (32% v. 12%), in neighborhoods with few grocery stores (24% v. 14%) and not enough job opportunities (22% v. 12%); and
- Households with children are more likely to live in neighborhoods with poor school quality (28% v. 14%) and in housing that is too small for their family (24% v. 12%).

Two in five renters with a disability, and nearly the same proportion of large families (37%) have difficulty finding a place to rent due to bad credit/history of evictions/foreclosures than renters overall (21%).

Figure VI-7.
Top 12 Housing Challenges Experienced by Residents

Higher than Memphis Metro (>10 ppt)
About the same as Memphis Metro (+/- 10 ppt)
Lower than Memphis Metro (<10 ppt)

Percent of Residents Experiencing a Housing Challenge	Memphis	Shelby County	Homeowners	Renters	Precariously Housed	HH Income <$25,000	Memphis Metro
I want to buy a house but can't afford the down payment	42%	-	N/A	49%	25%	37%	45%
I worry about my rent going up to an amount I can't afford	28%	-	N/A	33%	13%	26%	27%
High crime in my neighborhood	25%	4%	23%	31%	27%	33%	22%
I have bad credit/history of evictions/foreclosure and cannot find a place to rent	21%	-	N/A	14%	31%	28%	21%
My landlord refuses to make repairs despite my requests	18%	-	N/A	22%	7%	19%	17%
Poor/low school quality in my neighborhood	16%	7%	18%	22%	5%	18%	14%
Buildings in my neighborhood are in poor condition	15%	3%	16%	17%	15%	19%	14%
No or few grocery stores/healthy food stores in the area	14%	10%	17%	20%	8%	17%	14%
My house or apartment isn't big enough for my family members	14%	6%	7%	20%	27%	19%	12%
Not enough job opportunities in the area	13%	7%	13%	14%	20%	23%	12%
I am afraid I may get evicted	13%	-	N/A	15%	7%	15%	12%
Inadequate sidewalks, street lights, drainage, or other infrastructure in my neighborhood	13%	6%	15%	15%	11%	12%	12%

Note: Where appropriate, sample sizes are adjusted for the number of homeowners, or renters and precariously housed residents. - Sample size too small to report (<25 respondents).

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-8.
Housing Challenges Experienced by Residents who are Members of Selected Protected Classes and Regional Residents

Higher than Memphis Metro (>10ppt)
About the same as Memphis Metro (+/- 10 ppt)
Lower than Memphis Metro (<10 ppt)

Percent of Residents Experiencing a Housing Challenge	African American	Other Minority	Non-Hispanic White	Disability	Children Under 18	Large Family	Memphis Metro
I want to buy a house but can't afford the down payment	48%	-	37%	58%	45%	40%	45%
I worry about my rent going up to an amount I can't afford	25%	-	32%	37%	31%	27%	27%
High crime in my neighborhood	29%	18%	21%	36%	28%	29%	22%
I have bad credit/history of evictions/foreclosure and cannot find a place to rent	26%	-	5%	40%	29%	37%	21%
My landlord refuses to make repairs despite my requests	19%	-	13%	23%	24%	13%	17%
Poor/low school quality in my neighborhood	19%	15%	22%	23%	28%	20%	14%
Buildings in my neighborhood are in poor condition	19%	21%	16%	24%	17%	15%	14%
No or few grocery stores/healthy food stores in the area	24%	9%	12%	22%	15%	24%	14%
My house or apartment isn't big enough for my family members	18%	12%	7%	21%	24%	32%	12%
Not enough job opportunities in the area	21%	15%	4%	18%	18%	22%	12%
I am afraid I may get evicted	12%	-	11%	21%	13%	7%	12%
Inadequate sidewalks, street lights, drainage, or other infrastructure in my neighborhood	18%	18%	12%	24%	15%	7%	12%

Note: Where appropriate, sample sizes are adjusted for the number of homeowners, or renters and precariously housed residents. - Sample size too small to report (<25 respondents).

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Disability-related housing challenges. Households that include a member with a disability may experience housing challenges related to needed modifications to the home or accommodations from their housing provider. Overall, **one in four households** that include a member with a disability **live in a home that does not meet the needs of the resident with a disability**. Among these households, the improvements or modifications needed include:

- Grab bars in the bathroom;
- Wider doorways;
- Fire alarm/doorbell made accessible for deaf or hearing impaired resident;
- Service or emotional support animal allowed in home;
- Ramps; and
- Reserved accessible parking spot by entrance.

As shown in Figure VI-9, about one in seven residents with disabilities live neighborhoods where they cannot get around due to inadequate infrastructure (e.g., missing/broken sidewalks, poor street lighting, dangerous traffic). A similar proportion have not requested needed accommodations out of fear that their rent will increase or they will be evicted.

Figure VI-9.
Housing Challenges Experienced by Residents with Disabilities

Percent of Residents Experiencing a Housing Challenge	Disability
My home does not meet the needs of the household member with a disability	25%
I have a disability or a household member has a disability and cannot get around the neighborhood because of broken sidewalks/no sidewalks/poor street lighting/dangerous traffic	15%
I worry if I request an accommodation for my disability my rent will go up or I will be evicted	13%
I can't afford the housing that has accessibility features I need	10%
My landlord refused to make a modification (e.g., grab bar, ramp, etc.) for my or my household member's disability	6%
My landlord refused to accept my therapy/companion/ emotional support animal	3%
I am afraid I will lose my in-home health care	2%

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

"I feel discouraged when landlords say no pets because I fear they won't allow my ESA (Emotional Support Animal). My current landlord changed me a pet fee for my ESA and claimed he never knew I had one. I gave him the paperwork and he still charged me to have my ESA and said if I couldn't afford it or didn't want to pay I could move out in 5 days." (Disability respondent)

Displacement & Recent Experience Seeking Housing

This section explores residents' experience seeking a place to rent or buy in the region and the extent to which displacement—having to move when they do not want to move—is prevalent.

Displacement experience. In the past five years, 17 percent of survey respondents had to move from a home when they did not want to move. The reasons for having to moved varied, but the greatest proportions of respondents attributed their displacement experience to reduced household income (i.e., lost job, hours reduced), being evicted for being behind on the rent, personal reasons (e.g., divorce), or moving due to mold or other unsafe conditions.

One in three precariously housed residents experienced displacement in the past five years, the highest rate among the resident segments examined. Large families and households that include a member with a disability are more likely to have experienced displacement.

- Two in five African American residents, large family households, and households with incomes less than $25,000 were displaced due to a lost job or reduction in hours in the past five years.
- Two in five large families were displaced due to mold or other unsafe conditions, the highest proportion of households displaced for this reason.
- Nearly half (45%) of the families with children who experienced displacement did so due to eviction for being behind on the rent.

Figure VI-10.
Displacement Experience and Reasons for Displacement by Jurisdiction, Selected Characteristics

	Percent Displaced	Reason for Displacement		
		Had to Move Due to Mold or Unsafe Conditions	Evicted: Behind on Rent	Lost Job/Hours Reduced
Jurisdiction				
Memphis	17%	16%	25%	28%
Shelby County	7%	-	-	-
Memphis Metro	16%	15%	23%	26%
Tenure				
Homeowners	4%	-	-	-
Renters	23%	13%	26%	23%
Precariously housed	35%	20%	28%	32%
Race/ethnicity				
African American	17%	17%	40%	43%
Other Minority	13%	-	-	-
Non-Hispanic White	9%	-	-	-
Children under 18	18%	27%	45%	36%
Large family	24%	40%	30%	40%
Disability	24%	29%	38%	33%
Household income less than $25,000	23%	21%	38%	42%

Note: Displacement did not necessarily occur within current community of residence. - Sample size too small to report.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Impact on children's schools. For those households with school-age children, displacement may result in children changing schools due to the move. Among all of the respondents that experienced displacement in the past five years, half had school-age children. Of these families, two in five had children who changed schools as a result of the unwanted move.

Recent experience seeking housing. Figures VI-11 and VI-12 present the proportion of residents who seriously looked for housing in the past five years and aspects of their experience with the search process. "Seriously looking" for housing includes touring homes or apartments, putting in applications, or applying for mortgage financing. Overall, about half of the survey respondents "seriously looked" for housing in the region the past five years. In most housing markets, renters are more mobile than homeowners, so it is not surprising that a greater proportion of renters than homeowners seriously looked for housing (67% v. 43%).

- About one in four current renters who looked for housing in the past five years experienced landlords not responding to phone or email inquiries.
- About one in 10 residents who looked for housing experienced "steering"—only being shown homes in neighborhoods "where most people were of my same race or ethnicity". This proportion was fairly consistent across different protected classes.
- About one in five respondents from large families, households with children under age 18, African American residents, and residents whose household includes a member with a disability who looked for housing report being denied mortgage lending—much higher rates than non-Hispanic White respondents.

Figure VI-11.
Experience Looking for Housing the Memphis Metro in the Past Five Years by Jurisdiction and Selected Characteristics

Higher than Memphis Metro (>10 ppt)
About the same as Memphis Metro (+/- 10 ppt)
Lower than Memphis Metro (<10 ppt)

Percent of Residents Experiencing a Challenge in Recent Housing Search	Memphis	Shelby County	Homeowners	Renters	Precariously Housed	HH Income <$25,000	Memphis Metro
Respondents who seriously looked for housing in the region in the past five years	54%	35%	43%	67%	48%	54%	52%
Landlord did not return calls asking about a unit	16%	14%	4%	26%	21%	29%	16%
Landlord did not return emails asking about a unit	15%	0%	2%	26%	18%	21%	15%
A bank or other lender would not give me a loan to buy a home	14%	10%	12%	16%	9%	14%	13%
I was told the unit was available over the phone, but when I showed up in person, the landlord told me it was no longer available	13%	5%	4%	20%	12%	16%	12%
The real estate agent only showed me homes in neighborhoods where most people were of my same race or ethnicity	8%	14%	9%	10%	3%	7%	9%
A bank or other lender charged me a high interest rate on my home loan	4%	0%	3%	5%	3%	2%	4%
I requested a disability accommodation for myself or my family and it was not made	2%	0%	0%	3%	0%	2%	1%

Note: Includes only those respondents who seriously looked for housing in the past five years. Experience with housing provider occurred in the region, but not necessarily in the resident's current community. Note that only 21 Shelby County respondents seriously looked for housing in the region in the past five years. Interpret these results with caution.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-12.
Experience Looking for Housing in the Memphis Metro in the Past Five Years by Selected Protected Class Characteristics

Higher than Memphis Metro (>10 ppt)
About the same as Memphis Metro (+/- 10 ppt)
Lower than Memphis Metro (<10 ppt)

Percent of Residents Experiencing a Challenge in Recent Housing Search	African American	Other Minority	Non-Hispanic White	Disability	Children Under 18	Large Family	Memphis Metro
Respondents who seriously looked for housing in the region in the past five years	49%	52%	47%	55%	54%	59%	52%
Landlord did not return calls asking about a unit	20%	-	11%	27%	21%	21%	16%
Landlord did not return emails asking about a unit	20%	-	9%	27%	21%	21%	15%
A bank or other lender would not give me a loan to buy a home	19%	-	4%	19%	21%	29%	13%
I was told the unit was available over the phone, but when I showed up in person, the landlord told me it was no longer available	18%	-	8%	21%	17%	21%	12%
The real estate agent only showed me homes in neighborhoods where most people were of my same race or ethnicity	10%	-	9%	13%	12%	8%	9%
A bank or other lender charged me a high interest rate on my home loan	6%	-	0%	6%	2%	0%	4%
I requested a disability accommodation for myself or my family and it was not made	1%	-	4%	6%	2%	0%	1%

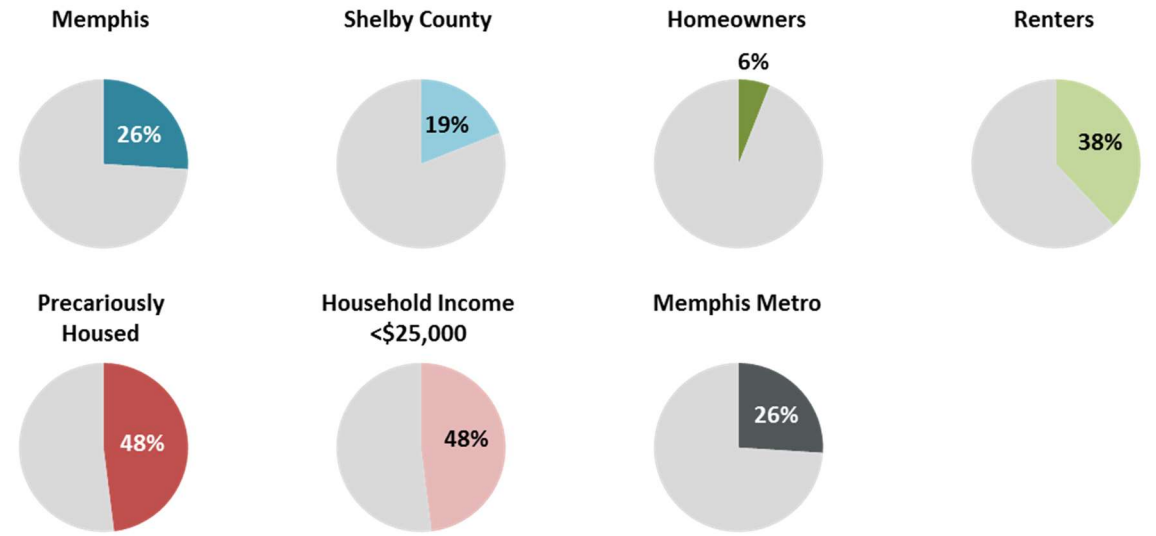
Note: - sample size too small to report. Experience with housing provider occurred in the region, but not necessarily in the resident's current community. Note than only 24 large family respondents seriously looked for housing in the Memphis Metro in the past five years; interpret these results cautiously.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

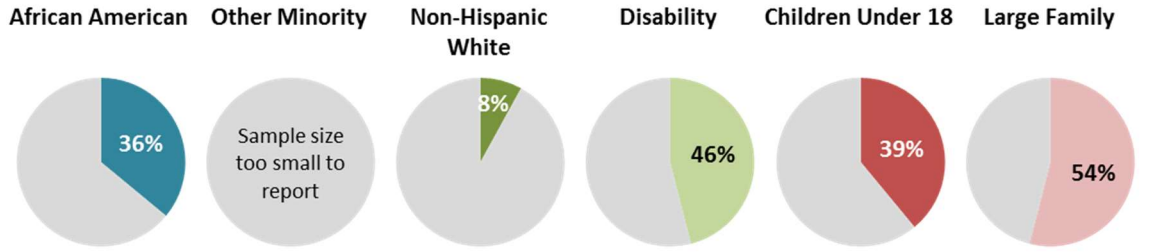
Denial of housing to rent or buy. Overall, one in four Memphis Metro respondents who seriously looked for housing to rent or buy experienced a denial. Figure VI-13 presents the proportion of respondents who were denied housing to rent or buy by jurisdiction, current housing situation, income, and for selected protected classes. Large families, low income households, and households that include a member with a disability were more likely than other residents to experience denial when looking for housing.

Figure VI-13.
Percent Denied Housing to Rent or Buy in the Region in the Past Five Years

By Jurisdiction and Selected Characteristics



By Selected Protected Classes



Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figures VI-14 and VI-15 present the top five reasons why these residents believe they were denied housing to rent or buy. As shown, bad credit and "income too low" are the most common reasons for housing denial. For a number of renters, residents with disabilities, and low income households, the "landlord didn't accept the type of income I earn (e.g., social security or disability benefits)" is a reason for denial. A history of eviction is a top barrier for African American respondents, households with children under age 18, and households that include a member with a disability.

Figure VI-14.
When you looked for housing the Memphis Metro in the past five years, were you ever denied housing to rent or buy? Why were you denied? By Jurisdiction and Selected Characteristics

Why were you denied housing to rent or buy? (Top 5 Reasons)

MEMPHIS	SHELBY COUNTY
1 Bad credit	1 Bad credit
2 Income too low	2 -
3 Eviction history	3 -
4 Lack of stable housing record	4 -
5 Landlord didn't accept the type of income I earn (social security or disability benefit)	5 -

HOMEOWNERS	RENTERS
1 Bad credit	1 Income too low
2 -	2 Bad credit
3 -	3 Eviction history
4 -	4 Landlord didn't accept the type of income I earn (social security or disability benefit)
5 -	5 Landlord didn't allow pets

PRECARIOUSLY HOUSED	HOUSEHOLD INCOME LESS THAN $25,000
1 Bad credit	1 Income too low
2 Eviction history	2 Bad credit
3 Income too low	3 Eviction history
4 Lack of stable housing record	4 Lack of stable housing record
5 Because I am homeless	5 Landlord didn't accept the type of income I earn (social security or disability benefit)

MEMPHIS METRO
1 Bad credit
2 Income too low
3 Eviction history
4 Landlord didn't accept the type of income I earn (social security or disability benefit)
5 Lack of stable housing record

Note: Experience of housing denial occurred in the region but not necessarily in the place of current residence. Only four homeowners and five Shelby County respondents experienced denial of housing to rent or buy so the reasons for denial are based on a very small sample and should be interpreted cautiously.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-15.
When you looked for housing in the Memphis Metro in the past five years, were you ever denied housing to rent or buy? Why were you denied? By Selected Protected Classes

Why were you denied housing to rent or buy? (Top 5 Reasons)

AFRICAN AMERICAN	OTHER MINORITY
1 Bad credit	1 -
2 Income too low	2 -
3 Eviction history	3 -
4 Lack of stable housing record	4 -
5 Currently homeless	5 -

NON-HISPANIC WHITE	DISABILITY
1 Bad credit	1 Bad credit
2 -	2 Income too low
3 -	3 Eviction history
4 -	4 Landlord didn't accept the type of income I earn (social security or disability benefit)
5 -	5 Lack of stable housing record

CHILDREN UNDER 18	LARGE FAMILY
1 Bad credit	1 Income too low
2 Income too low	2 Eviction history
3 Eviction history	3 Bad credit
4 Other buyer offered a higher price (tie)	4 Other buyer offered a higher price
5 Lack of stable housing record (tie)	5 -
5 Because I am homeless (tie)	

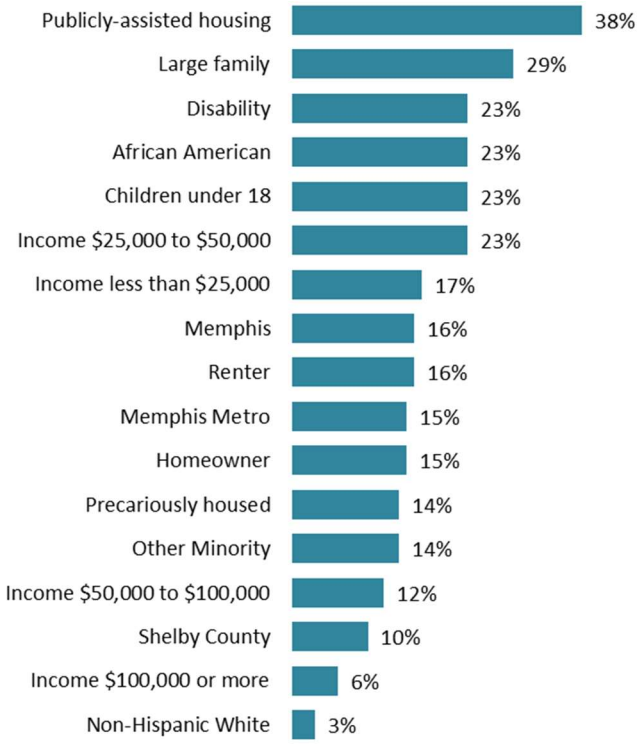
Note: - sample size too small to report. Experience of housing denial occurred in the region but not necessarily in the place of current residence. Only 13 large family respondents and four Non-White Hispanic respondents experienced denial of housing to rent or buy so the reasons for denial are based on a very small sample and should be interpreted very cautiously.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Experience with housing discrimination. About one in seven residents of the Memphis Metro area who responded to the survey felt they were discriminated against when they looked for housing in the region. This experience is not limited to those who looked for housing in the past five years, but is drawn from all survey respondents. Figure VI-16 shows the proportion of residents who say they experienced housing discrimination in the Memphis Metro area at some point in the past. Nearly two in five current residents of publicly-assisted housing, including voucher holders, and three in 10 large families feel they have experienced housing discrimination. The same is true for nearly one in four households that include a member with a disability, African American respondents, households with children under age 18 and households with incomes from $25,000 up to $50,000. Shelby County residents, households with

incomes greater than $100,000 and non-Hispanic White respondents were least likely to say they had experienced housing discrimination in the region.

Figure VI-16.
When you looked for housing in the region, did you ever feel you were discriminated against?



Note:

Experience with housing discrimination occurred in the region, but not necessarily in the place of current residence.

Source:

BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Residents who think they experienced housing discrimination when looking for housing in the region had the opportunity to describe, in their own words, the reason for the discrimination. Overall, the greatest proportion of respondents identified as the reason for the discrimination:

- Race;
- Familial status—having a child under age 18; and
- Disability.

Other factors included income too low, history of evictions/foreclosures, and being a Section 8 voucher holder; one respondent mentioned discrimination on the basis of national origin and one specified their criminal history as the reason for discrimination. As indicated by responses to questions about their housing search experience, a number of respondents indicated that the type of discrimination they experienced was steering by a real estate professional.

- *"The real estate agent told us we could not purchase in the area that we wanted. It seemed he wanted us in a certain part of town. We found another agent and moved in the neighborhood of our choice." (African American resident)*
- *"I was told a house was not for rent; it was empty for months until a person of another race moved in." (African American resident)*

- *"Because of my race and having a small child. Said my child would destroy home." (African American resident with children under 18)*

- *"I have an emotional service animal and my landlord made me pay a pet fee to continue living at my house. He has my paperwork and still made me pay. He said if I couldn't afford it I could move out. When I asked for a railing to be extended on the stairs I felt like I had to tell him my medical history to prove why I needed it." (Resident with a disability)*

- *"Because I had only lived in low income establishments, I didn't have a solid renters history." (Resident with a disability)*

- *"Because I am not American."*

Neighborhood and Community

Fair housing choice is more than just choice in a home, it is also about access to opportunity, including proficient schools, employment, transportation, services, and other community amenities that contribute to quality of life. This section explores a number of measures of access to opportunity including equal treatment of all residents, the extent to which residents would welcome different types of people moving to their neighborhood, healthy neighborhood indicators, and access to proficient schools, employment and transportation. We conclude with an analysis of indicators of Not-In-My-Backyard (NIMBY) attitudes that may impact land use and planning decisions related to housing.

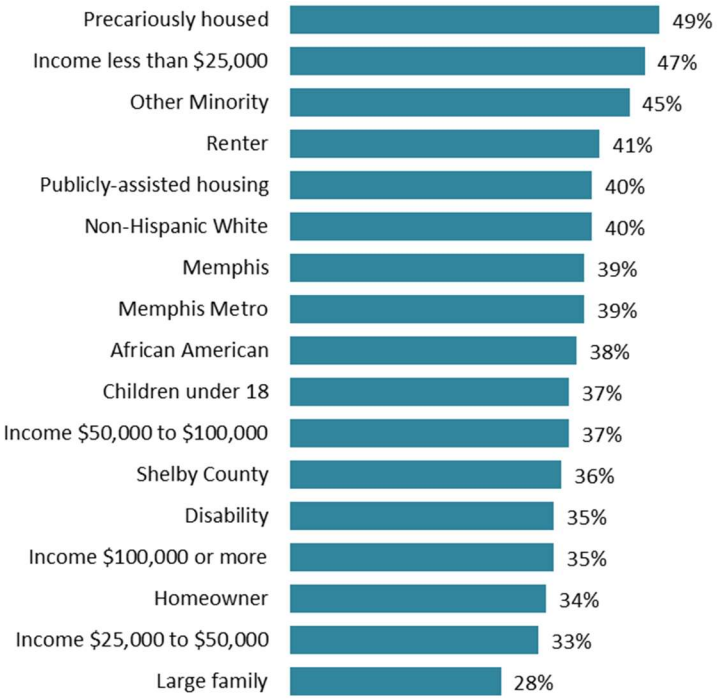
Welcoming neighborhoods. To understand the extent to which Memphis Metro residents would feel welcome across the community, respondents rated their degree of agreement with the following statement: *"I feel that people like me and my family are welcome in all neighborhoods in my city."*

Figure VI-17 presents the proportion of respondents who Agreed or Strongly Agreed with the statement, meaning people like themselves and their family would be welcome in all neighborhoods in the region. Agreement is shown in the figure by jurisdiction and for different resident cohorts. As shown, the precariously housed and respondents with the lowest household incomes are most likely to agree that people like themselves are welcome in all neighborhoods. It is important to note that the majority of respondents of all cohorts were neutral or disagreed with the statement, and respondents with large families are least likely to agree.

Figure VI-17.
"I feel that people like me and my family are welcome in all neighborhoods in my city."
(% Strongly Agree/Agree)

Source:

BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.



When asked why they disagreed and felt that people like themselves were not welcome in all neighborhoods, respondents provided a host of reasons including their race or ethnicity, socioeconomic status/class, and sexual orientation.

- *"After viewing homes in different neighborhoods when doing my home search, I noticed that when I pulled up to a house in a certain neighborhood, people would come outside and stand around. The local neighborhood associations are more concerned with who moves into their neighborhood. There is also a stigma that a historic district has to only have a certain stereotypical person or family living in it." (African American resident)*

- *"I feel like if you have little income you are judged, you're not given a chance. It is an automatic 'no' in the better, safer neighborhoods because of the way you look or talk." (Resident with children under age 18)*

- *"Memphis is very racially divided. We would not be welcome in some neighborhoods, but I love how mixed my neighborhood is!" (African American resident)*

- *"This City still struggles with segregation. White people do not feel welcome in Black areas and Black people do not feel welcome in White areas. There are areas that are mixed, that are welcoming all, but it is not all over town." (Non-Hispanic White resident)*

- *"My kids were treated badly in Bartlett." (Resident with a disability)*

- *"Discriminacion por nacionalidad."* (Discrimination by nationality.) *(LEP Hispanic resident)*

- *"Many neighborhoods in Memphis are all White or all Black and when you go to a neighborhood that's is predominantly one race or the other it can be very uncomfortable. I*

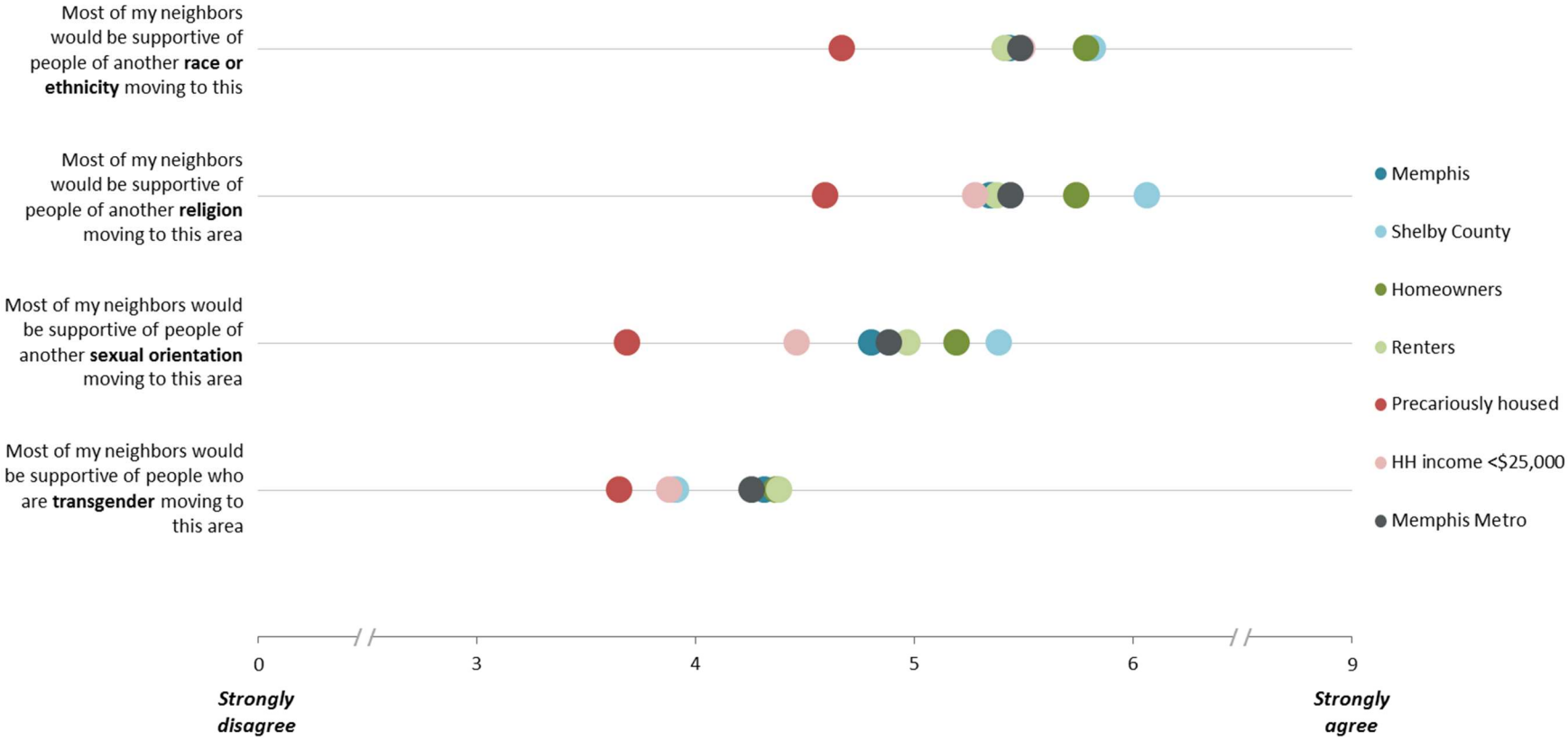
think that communities should do a better job making sure everyone is welcome, regardless of race." (Non-Hispanic White resident)

- *"People think because you have a voucher you will run down their neighborhood." (Resident with a disability)*
- *"Unfortunately, I do disagree but not for my own personal preferences, more the responses of others when I'm looking for housing in certain places and am told that is not an option. Two white lesbians and a dog should consider where they live and safety issues associated with that." (Non-Hispanic White resident)*

Figures VI-18 and VI-19 further explore survey respondents' perceptions of how their neighbors would respond to different types of people moving into their neighborhood. Respondents rated their level of agreement with a series of statements that began with "Most of my neighbors would be supportive of people of another…" on a scale from 0-9 where a rating of 0 represented "strongly disagree" and a rating of 9 indicated "strongly agree'. Reflective of the previous discussion, average ratings for neighbor support for people of a different race or ethnicity, religion, sexual orientation, or people who are transgender ranged from neutral (neither agree nor disagree, scores of 4-6) to less supportive (scores of 0-3).

On average, residents were more likely to think their neighbors would be supportive of people of another race/ethnicity or religion moving to the neighborhood than people of a different sexual orientation or who are transgender. This pattern persists by jurisdiction, housing tenure, income, and protected class, although there is variation among different types of respondents for each measure. For example, homeowners and Shelby County respondents are more likely to think their neighbors would be supportive of a person of another race or ethnicity moving to their neighborhood than Memphis Metro residents overall and respondents who are precariously housed. Among protected classes, non-Hispanic White respondents are more likely to agree their neighbors would be supportive of different types of people moving into the neighborhood than other resident cohorts.

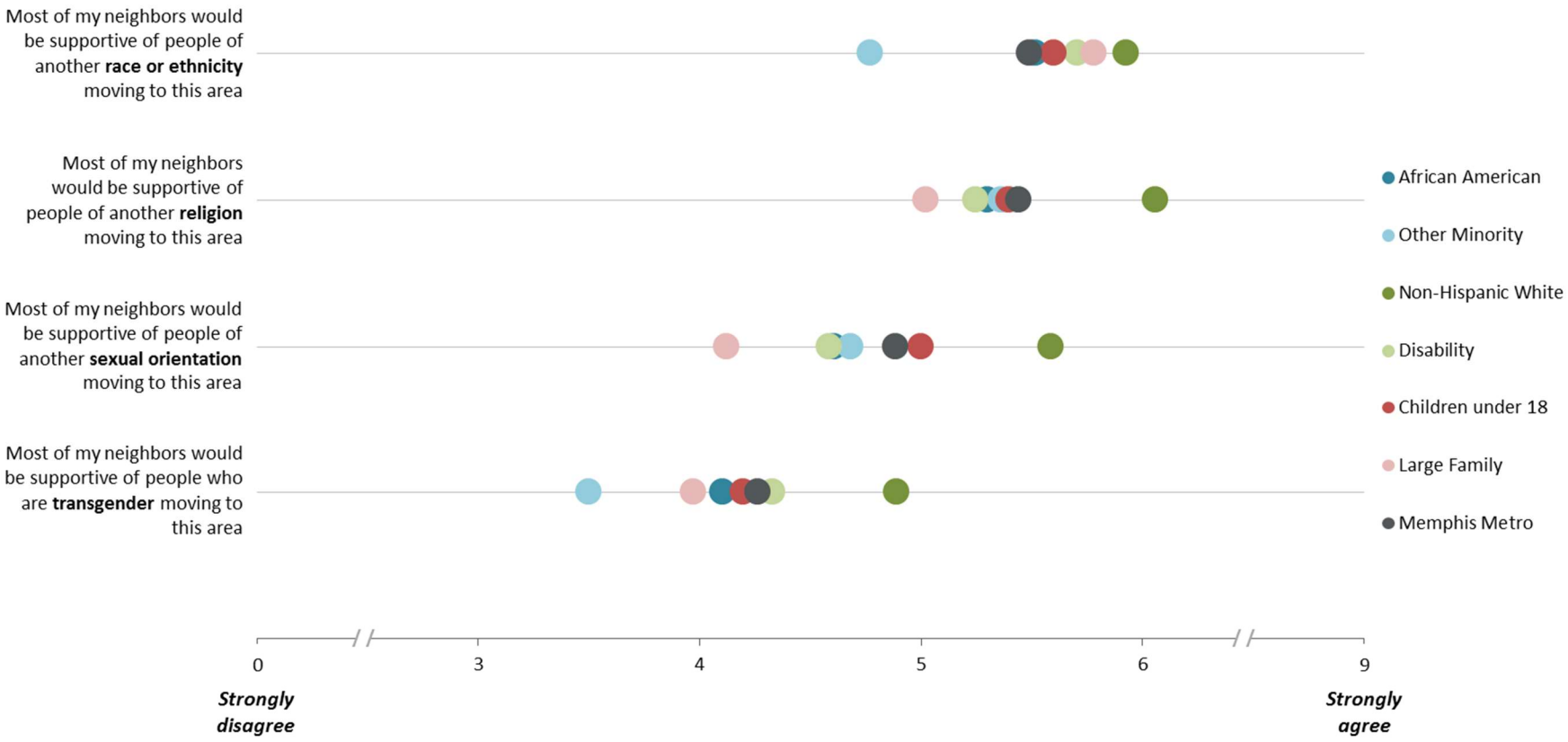
Figure VI-18.
Most of my neighbors would be supportive of people of another … race or ethnicity, religion, sexual orientation, or people who are transgender … moving to this area.



Note: * Data for Shelby County exclude residents of Memphis.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-19.
Selected Protected Classes: Most of my neighbors would be supportive of people of another … race or ethnicity, religion, sexual orientation, or people who are transgender … moving to this area.



Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Healthy neighborhood indicators. Survey respondents indicated their level of agreement with a series of healthy neighborhood indicators. Figures VI-20 and VI-21 present average ratings by jurisdiction, housing tenure, income, and for members of selected protected classes.

Quality of parks and recreation facilities. On average, most residents neither agree nor disagree (ratings of 4, 5, or 6) with the statement "All neighborhoods in my area have the same quality of parks and recreation facilities." There were no meaningful differences by housing tenure or protected class; on average, only Shelby County residents agreed with the statement. This suggests that when Shelby County residents observe the quality of these facilities across the community, they do not observe appreciable differences by neighborhood.

Convenient access to grocery stores. Among all the healthy neighborhood indicators considered, respondents were most likely to agree that "There are grocery stores with fresh and healthy food choices convenient to where I live." Non-Hispanic White residents were more likely to strongly agree with this statement and residents with disabilities were most likely to somewhat agree.

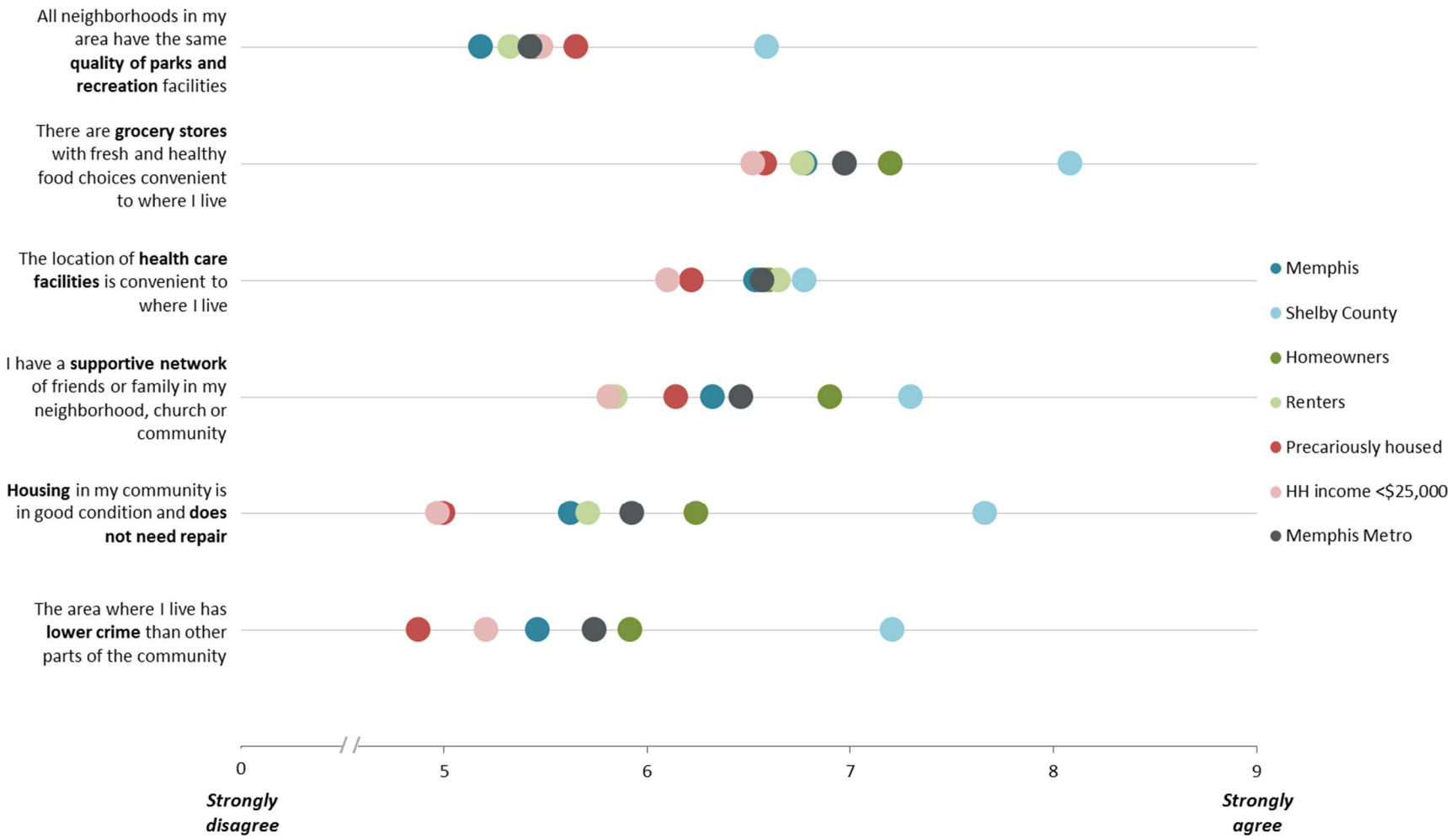
Convenient access to health care facilities. On average, Memphians and Shelby County residents agree that "the location of health care facilities is convenient to where I live." The lowest income residents are those who are precariously housed rated this indicator slightly lower than respondents overall (Memphis Metro). When examined by protected class, Other Minority respondents were the least likely to agree with the statement, neither agreeing nor disagreeing. Respondents with large families, households with children under 18 and disability households were somewhat less likely than Memphis Metro respondents to agree that health care facilities are convenient to where they live.

Supportive network of friends or family. On average, Memphis Metro residents agree that they "have a supportive network of friends or family in my neighborhood, church or community". This measure of social cohesion or connectiveness is strongest among Shelby County residents and homeowners. Lower income households and renters are more neutral in their rating of this statement. Among members of protected classes, residents with disabilities are more neutral than others in their rating of agreement on this social connectiveness indicator.

Housing condition. Among the healthy neighborhood indicators, some of the greatest variation was found in how respondents rated their agreement with the statement, "Housing in my neighborhood is in good condition and does not need repair." Shelby County residents strongly agreed with this statement, while the lowest income households and those who are precariously housed were more likely to disagree. Other than non-Hispanic White respondents, members of protected classes were less likely to agree with this statement than Memphis Metro respondents overall. Households that include a member with a disability and large families were least likely to agree.

Crime. Shelby County residents were more likely than Memphis residents to strongly agree with the statement, "The area where I live has lower crime than other parts of the community. Residents with disabilities were least likely to agree that their neighborhood has lower crime.

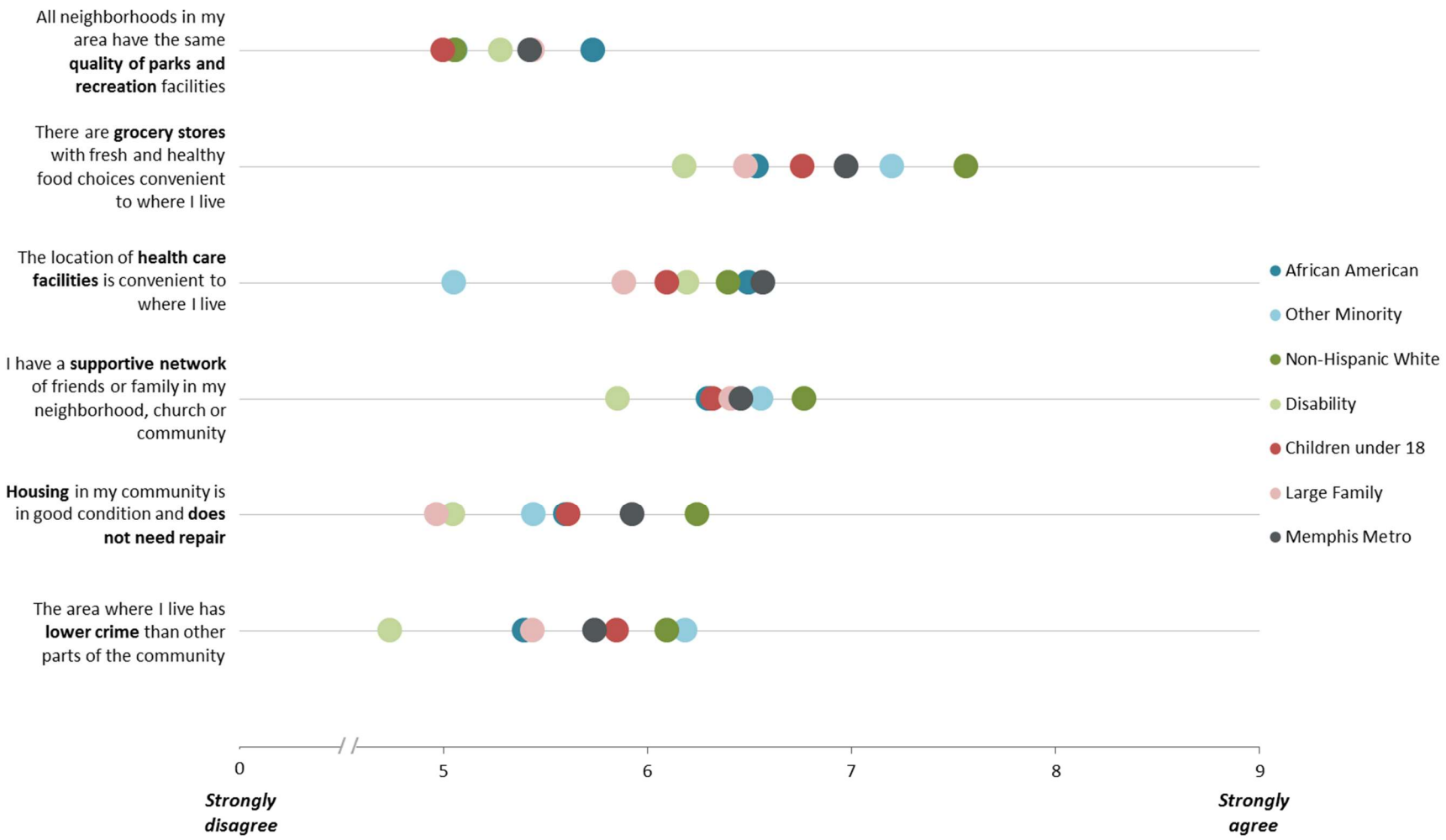
Figure VI-20.
Resident Perspectives on Healthy Neighborhood Indicators, by Jurisdiction and Selected Characteristics



Note: * Data for Shelby County exclude Memphis residents.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-21.
Resident Perspectives on Healthy Neighborhood Indicators, by Selected Protected Classes



Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

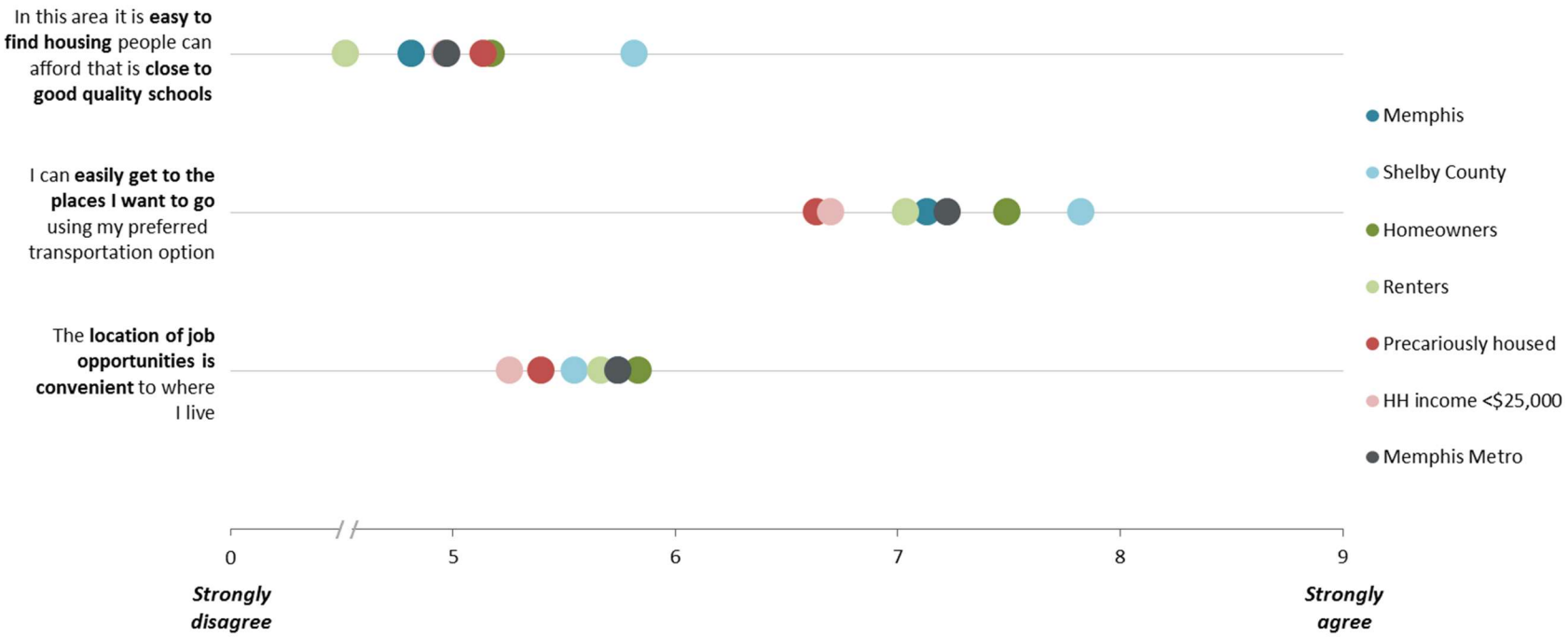
Access to quality schools, transportation and employment. Survey respondents rated their level of agreement with statements about their access to quality schools, transportation and employment. These provide an indicator of access to economic opportunity for respondents overall and different resident cohorts, as shown in Figures VI-22 and VI-23.

Quality schools. On average, survey respondents neither agree nor disagree with the statement, "In this area, it is easy to find housing people can afford that is close to good quality schools." Compared to renters and Memphis residents, Shelby County residents are more likely to agree with this statement. The average rating by members of protected classes clusters around that of respondents overall; households with children under age 18 are least likely to agree that it is easy to find housing people can afford close to good quality schools.

Transportation access. Memphis Metro residents, on average, agree with the statement, "I can easily get to the places I want to go using my preferred transportation option." Shelby County residents and non-Hispanic White respondents strongly agree while low income households, those who are precariously housed, Other Minority respondents and households that include a member with a disability are more neutral.

Convenient access to employment. Most residents neither agree nor disagree that "The location of job opportunities is convenient to where I live," and these ratings are fairly consistent by geography, housing tenure and income. There is slightly more variation in agreement when examined by protected class—on average, non-Hispanic White residents are the only cohort to agree that job opportunities are convenient to where they live. On the other end of the spectrum, Other Minority respondents and households that include a member with a disability are the least likely to agree.

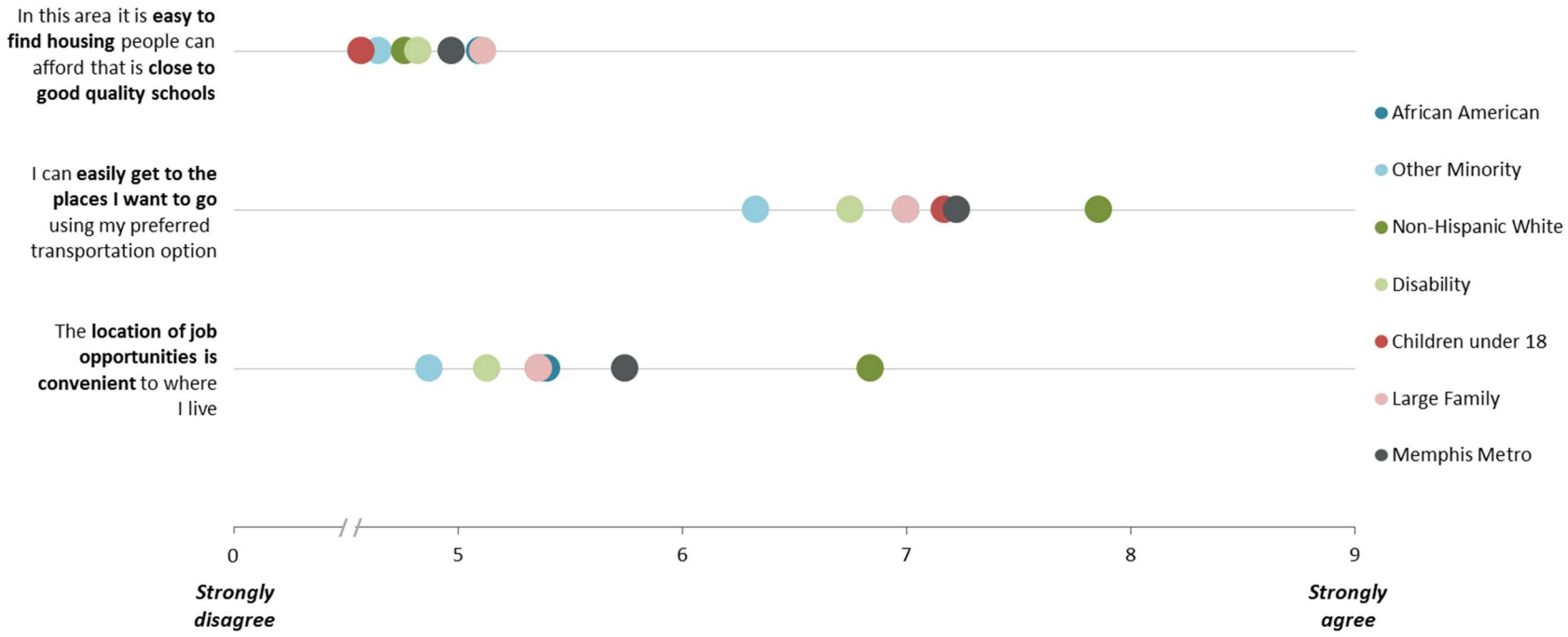
Figure VI-22.
Access to Quality Schools, Transportation and Employment, Jurisdiction and Selected Characteristics



Note: * Data for Shelby County exclude Memphis residents. Not all groups had a sufficient number of responses to report results.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-23.
Access to Quality Schools, Transportation and Employment, Selected Protected Classes



Note: * Data for Shelby County exclude Memphis residents. Not all groups had a sufficient number of responses to report results.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Access for residents with disabilities. Survey respondents whose household includes a member with a disability described what is needed in the Memphis Metro area to help the person with a disability in their household to access community amenities, facilities or services such as parks, libraries, government buildings, cultural facilities, and festivals/events and to receive better health services.

Barriers to accessing community amenities, facilities or services. When asked what is most needed for the member of the household with a disability to better access community amenities, facilities or services, transportation was the barrier identified by the greatest proportion of respondents. Transportation barriers include access to accessible fixed route bus and paratransit services, accessible parking, and pedestrian infrastructure such as sidewalks, curb cuts/ramps, and crosswalks. In addition to transportation, these residents expressed a need for better outreach to the disability community about community amenities and events and a greater emphasis on public safety.

- *"More services made available to transport people with a disability to services." (Resident with a disability)*
- *"More sidewalk with ramps." (Resident with a disability)*
- *"Safe streets, walkable neighborhoods with easy public transport." (Resident with a disability)*

Barriers to better health services. As with access to community amenities and facilities, transportation poses a barrier to receiving better health services for residents with disabilities. In addition to transportation access, a number of respondents noted a need for improved access to mental health services. Several respondents suggested a need for increasing public awareness about people who live with disabilities.

- *"Reliable, consistent, safe transportation." (Resident with a disability)*
- *"More programs for low incomed families that have a child with autism." (Resident with a disability)*
- *"Accessible transportation that is affordable." (Resident with a disability)*
- *"More mental health practitioners who practice after business hours. A recent search showed me this is rare."*

Barriers to employment. For those residents with a disability who are of working age, job training and coaching, transportation, and outreach to employers encouraging hiring of residents with disabilities are the most common suggestions for what is needed for the resident with a disability to become employed or to move to a better job. In addition to working with employers to hire residents with disabilities, several participants emphasized the importance of employers' understanding of and willingness to make reasonable accommodations for residents with disabilities to get and stay employed.

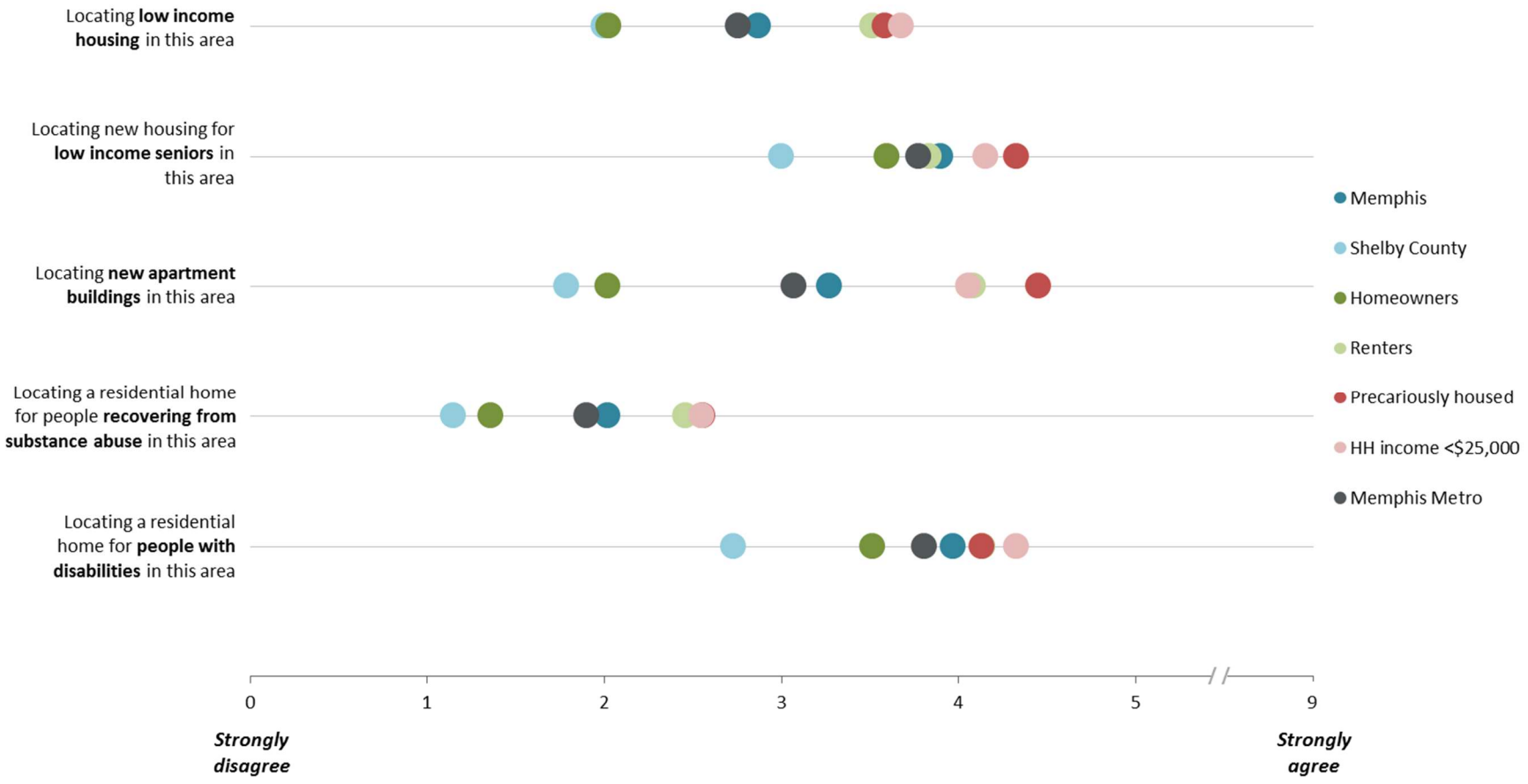
- *"More training for the disabled." (Resident with a disability)*

- *"I just need help finding a job. I have had no luck and I'm afraid me and my 3 year old will be homeless again." (Resident with a disability)*
- *"More companies willing to work with the mentally ill." (Resident with a disability)*
- *"More education about autism accommodations in the workplace." (Resident with a disability)*
- *"Part-time, close by, easy hours and conditions." (Resident with a disability)*

NIMBY. Figures VI-25 and VI-25 present respondents' perceptions of community support for different types of housing—low income housing and apartment buildings—and housing uses—housing for low income seniors, housing for people recovering from substance abuse, and housing for persons with disabilities. On average, survey participants disagreed with each statement, suggesting that these housing types and uses would not be supported in their neighborhood. This disapproval was consistent by housing tenure, income, and protected class, although the degree of disapproval varied somewhat among groups.

While still disapproving, respondents were slightly more supportive of housing designated for low income seniors or people with disabilities. Low income residents and those who are precariously housed were more likely than other respondents to think their neighbors would support these housing types and uses; homeowners and Shelby County residents disagreed most strongly. When examined by protected class, non-Hispanic White residents were least likely to agree that their neighbors would support these housing uses and types; residents with disabilities and those with large families were more likely to think their neighbors would be supportive.

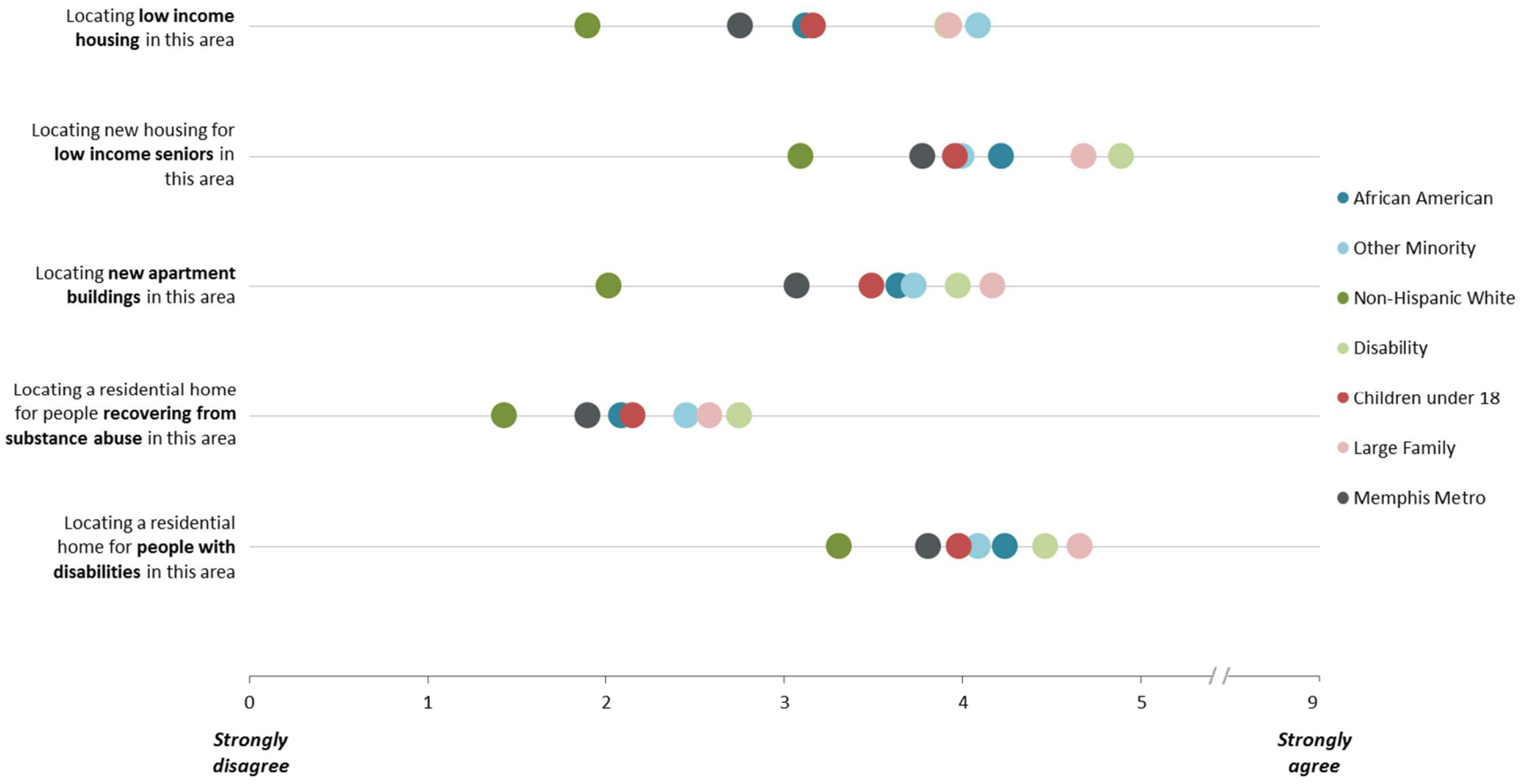
Figure VI-24.
Most of my neighbors would be supportive of locating…low income housing…housing for low income seniors…new apartment buildings…a residential home for people recovering from substance abuse… a residential home for people with disabilities … in this area.
By Jurisdiction and Selected Characteristics



Note: * Data for Shelby County exclude Memphis residents.

Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Figure VI-25.
Most of my neighbors would be supportive of locating…low income housing…housing for low income seniors…new apartment buildings…a residential home for people recovering from substance abuse… a residential home for people with disabilities … in this area.
By Selected Protected Class Characteristics



Source: BBC Research & Consulting from the 2018 Memphis-Shelby County Fair Housing Survey.

Key Fair Housing Findings from Section VI

- Survey results show the differences in housing challenges experienced by members of selected protected classes compared to regional respondents. Differences include:
    - Nearly one in four African American residents live in neighborhoods with no or few grocery stores, compared to 14 percent of regional respondents.
    - Residents with disabilities are more likely to experience the following housing challenges than residents of the Memphis Metro region:
        - Worry about their rent increasing to an amount they can't afford (37% versus 27% of Memphis Metro residents);
        - Live in what they consider to be high crime neighborhoods (36% v. 22%);
        - Live in neighborhoods with buildings in poor condition (24% v. 14%);
        - Live in neighborhoods with inadequate sidewalks, street lights, drainage, or other infrastructure (24% v. 12%).
    - Large families are more likely to live in housing that is not large enough for their family (32% v. 12%), in neighborhoods with few grocery stores (24% v. 14%) and not enough job opportunities (22% v. 12%); and
    - Households with children are more likely to live in neighborhoods with poor school quality (28% v. 14%) and in housing that is too small for their family (24% v. 12%).
    - Two in five renters with a disability, and nearly the same proportion of large families (37%) have difficulty finding a place to rent due to bad credit/history of evictions/foreclosures than renters overall (21%).
- Minority residents and those with disabilities were also more likely to report poor condition of housing in their neighborhoods.
- Minority residents (particularly African Americans), residents with a disability, and large households were more likely than other groups to have experienced displacement (having to move when they did not want to move) in the past five years. The most common reasons were reduced household income (i.e., lost job, hours reduced), being evicted for being behind on the rent, personal reasons (e.g., divorce), or moving due to mold or other unsafe conditions.
- Fifteen percent of resident survey respondents felt they experienced discrimination when they looked for housing in the region; rates are highest among households living in publicly assisted housing (38%), large families (29%), households which include a member with a disability (23%), African American residents (23%), families with children (23%), and low income households (23%).

- About 1 in 10 people who seriously looked for housing report steering by a real estate professional. Perceived steering was higher in Shelby County outside Memphis than in the city of Memphis.

- Households with children under age 18 are least likely to agree that it is easy to find housing people can afford close to good quality schools.

- On average, non-Hispanic White residents are the only cohort to agree that job opportunities are convenient to where they live. On the other end of the spectrum, Other Minority respondents and households that include a member with a disability are the least likely to agree.

- Crime and safety was another key neighborhood concern, particularly for residents with disabilities and racial/ethnic minorities.

- Transportation is the biggest barrier to accessing community amenities and facilities, health care, and employment for people with disabilities.

- Resident survey responses highlighted NIMBYism as a concern in the region noting limited community support for different types of housing—low income housing and apartment buildings—and housing uses—housing for low income seniors, housing for people recovering from substance abuse, and housing for persons with disabilities. Some survey responses indicate people of different races not being welcome in certain neighborhoods due to race.

SECTION VII.

Fair Housing Environment

SECTION VII.
Fair Housing Environment

This section of the City of Memphis/ Shelby County AI begins with an overview and analysis of the fair housing protections available to local residents and future residents of the City of Memphis, and Shelby County. This section also addresses fair housing and fair lending complaints by examining complaint data and legal cases related to fair housing violations in the City of Memphis and in Shelby County.

Fair Housing Laws, Statutes and Ordinances

Federal laws. The following federal laws apply:

- **The Fair Housing Act.** Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in housing and housing related services on the basis of race, color, religion, sex, national origin, handicap or familial status.

  The Fair Housing Act also includes affirmative requirements related to persons with disabilities. It is unlawful to refuse to make reasonable accommodations in rules, policies, practices or services, if such an accommodation is necessary for a handicapped person to use the housing. Further, landlords must allow reasonable modifications of a dwelling or common use areas, if necessary for the handicapped person to use the housing.

  The Fair Housing Act also contains requirements for multifamily dwellings containing four or more units ready for first occupancy after March 13, 1991. All ground floor units must have:

  - an accessible route into and through the unit;
  - accessible lights switches, electrical outlets, thermostats, and other environmental controls;
  - reinforced bathroom walls to allow later installation of grab bars; and
  - kitchens and bathrooms that can be used by people in wheelchairs.

  In addition, all public and common area must be accessible to persons with disabilities and all doors and hallways must be wide enough for wheelchairs.

- **Title VI of the Civil Rights Act of 1964.** Title VI of the Civil Rights Act of 1964 provides for nondiscrimination in federally assisted programs on the basis of race, color, or national origin. Title VI states that no person should be excluded from participation in, denied the benefit of, or subjected to discrimination in any program or activity receiving federal financial assistance.

- **Title I of the Housing and Community Development Act of 1974.** Title I states that no person shall be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available through the Housing and Community Development Act on the basis of race, color, national origin, sex, age or handicap.

- **Housing for Older Persons Act.** HOPA makes several changes to the 55 and older exemption under the Fair Housing Act. Since the 1988 Amendments, the Fair Housing Act has exempted from its familial status provisions (55 and older properties are NOT exempt from other provisions of the law including providing reasonable accommodations to persons with disabilities) properties that satisfy the Act's 55 and older housing condition.

    - First, it eliminates the requirement that 55 and older housing have "significant facilities and services" designed for the elderly.
    - Second, HOPA establishes a "good faith reliance" immunity from damages for persons who in good faith believe that the 55 and older exemption applies to a particular property, if they do not actually know that the property is not eligible for the exemption and if the property has formally stated in writing that it qualifies for the exemption. HOPA retains the requirement that senior housing must have one person who is 55 years of age or older living in at least 80 percent of its occupied units.

- **Section 504 of the Rehabilitation Act of1973.** Section 504 states that no person because of their disability can be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

  Any individual who has a physical or mental disability which for that individual constitutes or results in a substantially limits one or more major life activities; has a history of such an impairment or is regarded as having such an impairment is covered under Section 504. Current drug abusers and alcoholics who are not in recovery are not covered.

- **Section 508 of the Rehabilitation Act of 1973.** Section 508 was enacted to eliminate barriers in information technology, to make available new opportunities for people with disabilities, and to encourage development of technologies that will help achieve these goals.

    - The law applies to all Federal agencies when they develop, procure, maintain, or use electronic and information technology.
    - Agencies must give disabled employees and members of the public access to information that is comparable to the access available to others.

- **Architectural Barriers Act of 1968.** The Architectural Barriers Act (ABA) requires that certain buildings financed with federal funds be designed and constructed to be accessible to persons with disabilities. This Act covers

    - Any building that is constructed or altered by or on behalf of the United States;

- that is leased by the Federal Government; or
- which is financed in whole or in part by a grant or a loan made by the United States.

The third application of this Act only applies to loans or grants which have specific design, construction or alteration requirements attached to the performance of the grant or loan. In 1989 the HUD Secretary made a policy decision that the ABA would also apply to programs and activities funded under the CDBG program.

- **Section 3 of the Housing and Urban Development Act of 1968.** The purpose of Section 3 of the Housing and Urban Development Act of 1968 is to ensure that low income and persons receiving public assistance for housing benefit from employment and economic opportunities generated by HUD financed projects. Section 3 requires that a grantee;

  - Implement procedures to notify eligible residents within the community of training and employment opportunities generated by the grant award.
  - Notify potential contractors and subcontractors of their responsibilities under this Act.
  - Facilitate the training and employment of qualified residents.
  - Insure that all contractors and subcontractors are in compliance with Section 3 requirements.
  - Document all actions taken to comply, report any impediments encountered and the results of any actions taken as a result of Section 3 requirements.

  Section 3 requirements must be met only for Section 3 covered assistance, which is defined as:

  - Public and Indian Housing Assistance;
  - Section 8 and other housing assistance;
  - housing rehabilitation;
  - housing construction; and
  - other housing assistance.

  Both the grantee and subcontractors are covered if the grantee receives over $200,000 and the subcontractor receives over $100,000. Only the grantee is covered if the contractor or subcontractor receives less than $100,000. All grantees, contractors and subcontractors receiving Public and Indian Housing Assistance MUST comply with Section 3 requirements regardless of the amount of the award.

- **Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency).** Executive Order 13166 seeks to eliminate to the extent possible limited English proficiency as a barrier to full and meaningful participation in federally funded programs and services.

- **Executive Order 13217 (Community Based Alternatives for Individuals with Disabilities).** Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

These federal laws and orders are investigated by the U. S. Department of Housing and Urban Development's (HUD) Fair Housing and Equal Opportunity Division (FHEO). The local HUD FHEO office is located at 200 Jefferson, Suite 300, Memphis, TN 38103. Phone: (901) 544-3367, Fax: (901) 544-3697, TTY: 1 (800) 855-1155.

State and local statutes and ordinances. There are also a number of state and local statutes related to fair housing:

- **State of Tennessee Human Rights Act.** The Tennessee Human Rights Act prohibits discrimination in Housing and Finance (GS 4-2-600). It prohibits discrimination on the basis of race, color, creed, religion, sex, disability, familial status or national origin.

  The Tennessee Human Rights Commission (THRC) enforces the Tennessee Human Rights Act and is designated as a Fair Housing Assistance Program by the U. S. Department of Housing and Urban Development. As Substantially Equivalent to HUD, it is possess similar powers as HUD to enforce the federal Fair Housing Act, as amended.

  Despite being substantially equivalent to the federal law, the TN Human Rights Act only allows aggrieved parties 180 days to file a complaint with the agency as opposed to the one-year statute of limitation under the federal law.

  The local THRC office is located at 40 S Main St 2nd Floor Suite 200, Memphis, TN 38103

- **City of Memphis Fair Housing Ordinance.** The City of Memphis prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, age, familial status, source of income, or handicap/disability (10-36-3).

  The City of Memphis' Fair Housing Ordinance is not substantially equivalent with federal or state fair housing laws. There is no provision for equitable relief for aggrieved persons under the Ordinance. The Ordinance does not provide for a private right of action which means that an aggrieved person cannot file a lawsuit based on a violation of the Ordinance. The ordinance only allows for the collection of a fine of $50.00 and a penalty not to exceed $200.00 per violation. The Ordinance states that each day of a continuing violation constitutes a new violation for the purpose of the fine and penalty (10-36-7).

  The Ordinance requires the designated Fair Housing Officer to notify aggrieved persons of their right to file with state and federal agencies. The current designated fair housing officer for the City of Memphis is the Memphis Fair Housing Center which is a project of the Memphis Area Legal Services, Inc. located at 22 N. Front Street, Suite 1100 Memphis, TN 38103 Phone: 901.432.4663

- **Memphis Fair Housing Center (MFHC).** The Memphis Fair Housing Center (MFHC) was established as a project of Memphis Area Legal Services, Inc. in 1997 with a grant from the City of Memphis. MFHC provides fair housing education and enforcement services and offers comprehensive housing counseling services. The staff is authorized to give information and legal guidance on housing issues. MFHC is a HUD approved Housing Counseling Agency and provides homebuyer education, Mortgage delinquency and default counseling, and advice in the areas of fair lending, housing accessibility and landlord/tenant issues. MFHC is located at 22 N. Front Street, Suite 1100 Memphis, TN 28103 Phone: 901.432.4663

Fair Housing Complaint Trends

One hundred and Twenty- Six (126) complaints have been filed in Shelby County during the period October 1, 2011 through September 30, 2018—an average of 18 complaints per year. Ninety percent of those complaints filed were filed with THRC and 10 percent were filed directly with HUD. About one quarter (26%) of complaints filed with HUD in Shelby County resulted in Conciliations.

Figure VII-1 shows the basis of complaints (number and percent). Note that many individual complaints have multiple bases.

- 52 percent of the total complaints filed included an allegation of race discrimination;
- 48 percent of the total complaints filed included an allegation of disability discrimination;
- 21 percent of the total complaints filed included an allegation of sex discrimination;
- 19 percent of the total complaints filed included an allegation of retaliation;
- 13 percent of the total complaints filed included an allegation of familial status discrimination;
- 4 percent of the total complaints filed included an allegation of discrimination based upon National Origin;
- 3 percent of the total complaints filed included an allegation of discrimination based upon religion;
- 2 percent of the total complaints filed included an allegation of discrimination based upon color.

Figure VII-1.
Basis of Complaints, Oct 1, 2011 through Sept 30, 2018

Note:

Complaints can have more than one basis; percentage shown reflect percent of total complaints not total bases.

Source:

THRC, HUD, and IDP.

	Shelby County Total		Memphis		Shelby County excluding Memphis	
	Number	Percent	Number	Percent	Number	Percent
Race	66	52%	54	51%	12	57%
Disability	60	48%	52	50%	8	38%
Sex	27	21%	24	23%	3	14%
Retaliation	24	19%	19	18%	5	24%
Familial Status	16	13%	12	11%	4	19%
National Origin	5	4%	3	3%	2	10%
Religion	4	3%	2	2%	2	10%
Color	2	2%	2	2%	0	0%
Total Bases	**204**		**168**		**36**	
Total Complaints	**126**		**105**		**21**	

Figure VII-2 shows the reason complaints were files in Memphis and Shelby County excluding Memphis over the same period (October 1, 2011 through Sept 30, 2018).

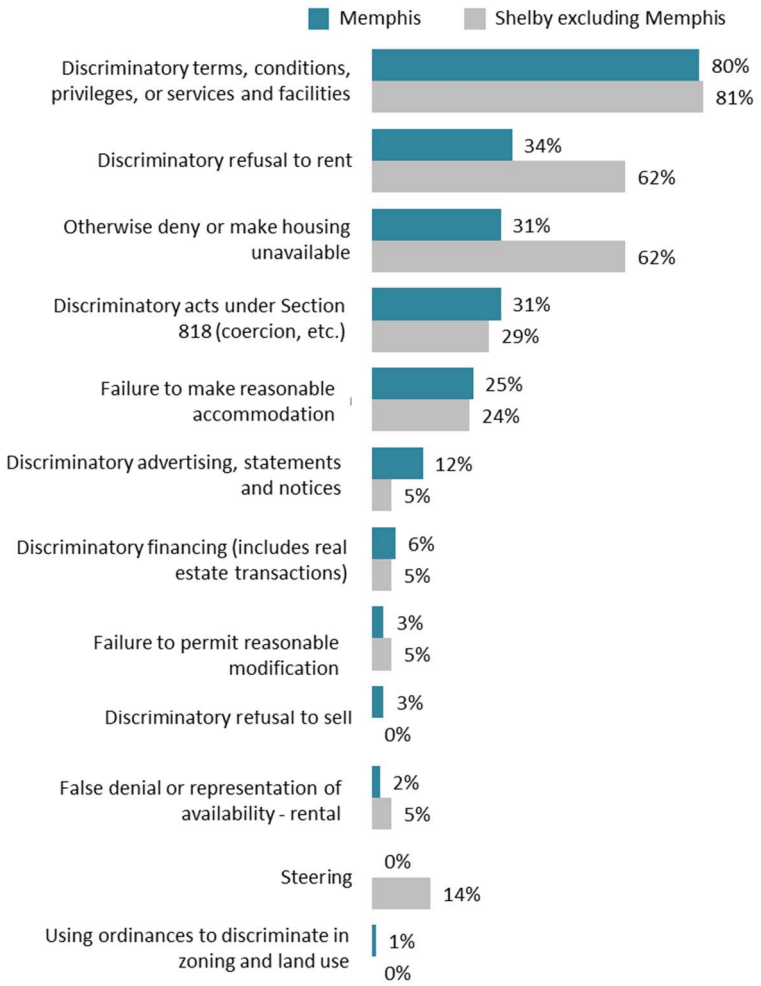
Figure VII-2.
Complaints by Reason Filed, Oct 1, 2011 through Sept 30, 2018

Note:

Some complaints have more than one reason for filing

Source:

THRC, HUD, and IDP.



Legal Cases

As part of the fair housing analysis, legal cases involving fair housing issues were reviewed to determine significant fair housing issues and trends in. Case searches were completed using the National Fair Housing Advocate's case database and the U.S. Department of Justice's fair housing database.

The legal cases presented in the databases include those that involved a court decision and have been reported to legal reporting services. (Open or ongoing cases would not be represented unless a prior court decision on the case has been made.) Additionally, disputes that are settled through mediation are not included in the reported cases.

Predatory Lending: City of Memphis v Wells Fargo (2012). On April 7, 2010, the City of Memphis filed a lawsuit in the United States District Court for the Western District of Tennessee, Western Division under Tennessee state law and the Fair Housing Act against Wells Fargo Bank. The Plaintiff, represented by private counsel, asked the court for injunctive, monetary, and declaratory relief, claiming that the Defendant's unlawful, irresponsible, unfair, deceptive, and discriminatory lending practices resulted in injuries to Memphis's minority neighborhoods. Two other cases -- Baltimore v. Wells Fargo and U.S. v. Wells Fargo made essentially equivalent allegations.

The Plaintiffs alleged that since 2000, the Defendant had engaged in a pattern or practice of targeting African-American neighborhoods in Memphis and Shelby County for deceptive, predatory, or otherwise unfair lending practices.

In 2012, according to newspaper reports, the parties reached a settlement in which the Defendant agreed to pay $3 million to the city and county to support economic development and $4.5 million in grants for mortgage down payments and home renovations. The Defendant also set a lending goal of $425 million for residents of Memphis and Shelby County over the next five years. This figure included $125 million earmarked for low and moderate-income borrowers. On July 3, 2012, the case was dismissed with prejudice on the plaintiffs' motion. The consent decree ran its course with no further activity in the court.

Redlining: National Community Reinvestment Coalition v. First Tennessee Bank, NA (2015). On October 5, 2015 the National Community Reinvestment Coalition filed with the United States Department of Housing and Urban Development a complaint alleging that First Tennessee Bank, National Association violated Section 805 of the Fair Housing Act as amended in 1988. NCRC ascertained that First Tennessee Bank was responsible for discriminatory terms and conditions for making loans, discrimination in the making of loans, and discriminatory financing, with respect to real estate transactions. NCRC further alleged that First Tennessee Bank denied loan applications submitted by African American and Hispanic borrowers at higher rates than applications submitted by non- Hispanic white borrowers. The alleged violations relate to First Tennessee Bank's lending practices in census tracts with a majority of minority (African American or Hispanic) residents of the four Metropolitan Statistical Areas containing the Tennessee cities of Chattanooga, Knoxville, Memphis, and Nashville.

Justice Department and Consumer Financial Protection Bureau Reach Settlement with Bancorp South Bank to Resolve Allegations of Mortgage Lending Discrimination

On June 29, 2016, the United States filed a complaint and a consent order in United States and Consumer Financial Protection Bureau v. BancorpSouth Bank (N.D. Miss.). The joint complaint with the Consumer Financial Protection Bureau (CFPB) alleges that the bank failed to provide its home mortgage lending services to majority-minority neighborhoods on an equal basis as it provided those services to predominantly white neighborhoods, a practice commonly known as "redlining," throughout its major market areas in the Memphis Metropolitan Statistical Area; discriminated on the basis of race in the pricing and underwriting of mortgage loans originated by its Community Banking Department; and implemented a discriminatory loan policy or practice of denying applications from minorities more quickly than similarly-situated white applicants in its Mortgage Department, in violation of ECOA and FHA. The consent order requires the bank to amend its pricing and underwriting policies, establish a monitoring program, have employees undergo fair housing and fair lending training, extend credit offers to unlawfully denied applicants, and open a new full-service branch or Loan Processing Office (LPO) in a high-minority neighborhood, among other injunctive relief. The consent order also includes a $2.78 million settlement fund to remediate harmed borrowers for pricing and underwriting discrimination; a $4 million loan subsidy program to extend mortgage loans to qualified applicants in the Memphis MSA; at least $800,000 in advertising, outreach, and community partnerships; and a $3 million civil money penalty to the CFPB. The court entered the consent order on July 25, 2016.

Community Benefit Agreements. First Tennessee Bank and NCRC also entered into a five-year Community Benefits Agreement on April 8, 2018 worth $3.95 billion dollars.

- **Increasing home ownership:** Fund $515 million in home purchase and rehabilitation mortgage lending. This will translate into approximately 967 new homes owned by people of color and 533 homes owned by low- or moderate-income people.

- **Building small business:** Fund $1.9 billion in small business lending to businesses in low-to-moderate areas and businesses with less than $1 million in annual revenue.

- **Fostering community development**: Fund $1.5 billion in community development and multi-family lending and investments.

- **Strengthening communities:** Fund $40 million in grants and philanthropy, including supporting workforce development, small business, housing counseling, Community Development Corporations (CDC), Community Development Financial Institutions (CDFI), and funding financial literacy and education programs for children, young adults and small business entrepreneurs.

- **Supporting supplier diversity:** Devote 3%-6% of the bank's supplier spending to minority-owned businesses.

- **Partnering with minority-owned marketing firms:** Earmark a portion of the bank's marketing budget to minority-owned firms.

Several Memphis area non-profits participated in the planning and crafting of the Community Benefits Plan including Advance Memphis, Memphis Area Legal Services, Inc., Memphis Urban League, and the Memphis Area Housing Authority.

"The Memphis Housing Authority is excited to support the First Tennessee Community Benefit Plan. The population we serve in Memphis are by definition low-income households who have not always had the ability to benefit from a true banking relationship. The Memphis Housing Authority feels this plan will provide them access to services that will build their self-sufficiency, independence from government assistance and improve their future," said Marcia Lewis, Executive Director, Memphis Housing Authority."

Assessment of Past Goals and Actions

The City of Memphis and Shelby County completed an Analysis of Impediments to Fair Housing Choice (AI) in 2011 and the broader region completed a Fair Housing Equity Assessment (FHEA) in 2014. Both of those efforts identified a number of impediments and goals to address fair housing concerns in the jurisdictions and the region. Both Memphis and Shelby County have taken actions since those reports to address fair housing concerns, though some impediments do persist. The remainder of this section highlights the actions taken in the past few years in response to recommendations from the 2011 AI and 2014 FHEA. The language used to describe the actions is taken directly from the Memphis and Shelby County Consolidated Annual Performance and Evaluation Reports (CAPERs).

City of Memphis actions, 2015.

- Memphis Housing Authority (MHA) has undertaken the following initiatives aimed at increasing housing choice for HCV participants.
    - Updated its Payment Standards from 90 percent to 110 percent of Fair Market Rent (FMR)
    - Created maps that identify locations that match client needs
    - Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing
    - Committed Project-Based assistance for 50 multi-family apartments in 2 communities.
    - Continued to provide mobility assistance to families. By following the proper guidelines families can port (move) to any other city that has a comparable HCV program
    - Continued the aggressive identification of rental opportunities in low poverty areas through the landlord outreach program
- Memphis Housing and Community Development (HCD) held technical assistance sessions and workshops about Section 3 requirements for CHDOs, Lead Contractors, and general construction projects; planning meetings for community leaders and business and non-

profit representatives; placed information on HCD's webpage, and participated in career fairs.

- HCD funded Memphis Area Legal Services to operate the Memphis Fair Housing Center. The contract provides funding for outreach, education, investigation and enforcement activities. In FY2015, HCD allocated $214,315.00 in CDBG funds for activities that affirmatively furthered fair housing in Memphis. MALS assisted 49 people with fair housing complaints and provide outreach activities to 444 people.

- On April 10,2015, HCD partnered with the Fair Housing Alliance of Greater Memphis, the local HUD office, Memphis Consumer Credit, Shelby County Government and other local organizations to present the 13th Annual Fair Housing Conference.

- HCD funded the Memphis Area Transit Authority to provide match funding for a Job Access and reverse Commute program to operate a new route from the urbanized area of the City to a suburban employment center in Shelby County. The service was designed to transport low-income individuals to and from jobs and employment related activities. This project provided transit to 2790 people in FY2015.

City of Memphis actions, 2016.

- Identification and mapping of non-impacted areas. HCD worked with MHA to prepare maps to identify non-impacted areas with housing opportunities in low-poverty and/or opportunity neighborhoods. These maps are provided to voucher holders at their briefing and are used to educate them about the full range of areas where they may look for housing in areas with more opportunities for their families. In the past year, these maps have helped 922 (51.5%) families move to areas where there is better educational and employment opportunities.

- Housing provider outreach especially in non-impacted areas. The maps described above enabled the HCV Department to determine where additional outreach was necessary to identify and recruit owners with rental units in low-poverty and/or opportunity neighborhoods. As a result, MHA conducted landlord outreach in these targeted areas and resulted in many new owners.

- Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing

- Education for Affirmatively Further Fair Housing. In FY2016, HCD has allocated $205,000.00 in CDBG funds for activities that affirmatively furthered fair housing in Memphis. HCD continued its agreement with Memphis Area Legal Services to operate the Memphis Fair Housing Center, which is located at 109 North Main Street. The contract called for outreach, education, investigation and enforcement activities. FY16 funds were used to help pay for operating costs of the Center, including a portion of staff salaries. HCD also provided funding to the Memphis Community Development Council to continue updates of their lending studies to determine trends by banks, savings and loans, credit

unions, mortgage companies and finance companies that do business in Shelby County. MALS assisted 105 people with fair housing complaints and provide outreach activities to 397 people.

- On April 15, 2016, HCD participated in the 14th Annual Fair Housing Conference. The conference held sessions related to Accessibility, HUD's Fair Housing Assessment Tool and other Fair Housing topics.

- Incorporate Visitability and Home Modification Requirements into City Subsidies/Funding. HCD worked with the Mayor's Committee for Citizens with Disabilities on an ordinance that would incorporate certain features in construction make new houses funded through HCD or MHA visitable, and in many cases livable, for persons with mobility impairments. During FY16, the committee recognized a need to incorporate additional features into the ordinance, so HCD will work to amend the ordinance during FY17 to incorporate these features.

City of Memphis actions, 2017.

- Identification and mapping of non-impacted areas. HCD worked with MHA to prepare maps to identify non-impacted areas with housing opportunities in low-poverty and/or opportunity neighborhoods. These maps are provided to voucher holders at their briefing and are used to educate them about the full range of areas where they may look for housing in areas with more opportunities for their families. In the past year, these maps have helped 922 (51.5%) families move to areas where there is better educational and employment opportunities.

- Housing provider outreach especially in non-impacted areas. The maps described above enabled the HCV Department to determine where additional outreach was necessary to identify and recruit owners with rental units in low-poverty and/or opportunity neighborhoods. As a result, MHA conducted landlord outreach in these targeted areas and resulted in many new owners.

- Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing.

- Education for Affirmatively Furthering Fair Housing. In FY2017, HCD has allocated $139,688.00 in CDBG funds for activities that affirmatively furthered fair housing in Memphis. HCD continued its agreement with Memphis Area Legal Services to operate the Memphis Fair Housing Center, which is located at 22 N Front Street #1100, Memphis, TN 38103. The contract called for outreach, education, investigation and enforcement activities. FY2016 funds were used to help pay for operating costs of the Center, including a portion of staff salaries. HCD also provided funding to the Memphis Community Development Council to continue their lending studies to determine trends by banks, savings and loans, credit unions, mortgage companies and finance companies that do business in Shelby County. MALS assisted 105 people with fair housing complaints and provide outreach activities to 397 people.

- On April 5, 2017, HCD participated in the 14th Annual Fair Housing Conference. The conference held sessions related to Accessibility, HUD's Fair Housing Assessment Tool and other Fair Housing topics.

- Incorporate Visitability and Home Modification Requirements into City Subsidies/Funding. HCD worked with the Mayor's Committee for Citizens with Disabilities on an ordinance that would incorporate certain features in construction make new housing funded through HCD or MHA visitable, and in many case livable, for persons with mobility impairments. In FY2017, HCD worked with the committee to make a request to be included in the regular revision to the building code.

- The City, Shelby County, and the Memphis Housing Authority have entered into an MOU to work collaboratively on the Assessment of Fair Housing due in October 2018. The parties are currently in the process of selection a consultant to assist in the development of the assessment.

Shelby County actions, 2015. During the reporting period, Shelby County utilized $1,360,894.48 in direct efforts associated with Fair Housing impediments and issues including education on homeownership/mortgage lending, rehabilitation to lower income residents and clients, and making affordable housing of choice available to first-time low to moderate income homebuyers. These expenditures are discussed in more detail below.

- **Outreach, Education, Investigation, Enforcement ($50,000).** Shelby County utilized $50,000.00 to contract and work with Memphis Area Legal Services' Memphis Fair Housing Center (MALS/MFHC) to address Fair Housing Complaints and carryout Outreach, educational activities, investigation and enforcement activities designed to increase awareness of fair housing requirements within the Urban County.

    - During the program year, MALS/MFHC utilized a pool of 20 investigators to look into over 99 potential fair housing complaints. Of investigations by MALS/MFHC none required enforcement action during the reporting period.
    - Also, for the reporting period, MALS/MFHC directly served 120 households (254 individuals) as part of their efforts. These assisted households can further broken down as follows: 106 (88.3%) were Black/African American; 9 (7.5%) were White; 4 (3.3%) were Hispanic/Latino: and 1 (less than 1%) was Asian American.
    - Similarly, household types receiving assistance during the year were: 100 (83.3%) Female Headed Households and 20 (16.6%) Male Headed Households;
    - Of households served by MALS/MFHC during the reporting period, 21 (17.5%) of the households include family members with disabilities. Working with MALS/MFHC and the Neighborhood Assistance Corporation of America (NACA), the Department assisted in sponsoring seminars and trainings designed to educate about fair housing, fair housing laws, and assist interested individuals in purchasing a home of their choice.

- Seminars and workshops where held on the following topics during the course of the July 2015 — June 30,2016 period: Landlord/Tenant: Rights and Obligations; Renter's Rights and Responsibilities; The Fair Housing Act; Bed Bug Training; Fair Housing-Affirmatively Furthering Fair Housing; Homebuyers Workshop; West Tennessee Fair Housing Conference; Reasonable Accommodations.
- During the program year, Shelby County continued to work with the Code Enforcement offices within the Urban County, to identify accessibility violations and complaints in multi-family housing complexes.
- The Department is continuing to work on the development of a potential visitability ordinance which could assist in expanding the availability of housing units for individuals who are disabled or have family members who need modifications in housing construction. Such an ordinance would require that housing units developed with Federal, State, or Local Government funding would include basic design standards that would make the home accessible to individuals who may experience some form of disability. Currently, the Division of Planning and Development, the Department of Housing, the Department of Code Enforcement, Memphis Area Legal Services, and County Attorneys are reviewing the viability of such a program.

- **First-Time Homebuyers/Down payment Assistance ($531,675).** In efforts to assist low to moderate income homebuyer's purchase housing of with Shelby County. the Department of Housing continued to operate its Down Payment Assistance Program which provides up to $3,500 in down payment and closing cost assistance to first-time homebuyers in the form of a low interest loan. During the program year, 162 down payment assistance loans totaling $531,675.00 were provided to first-time homebuyers. Of those homebuyers receiving assistance: 116 (72%) Were Black/African American; 44 (27%) were white; and 2 (1%) were Hispanic.

- **Rehabilitation for Protected Classes ($709,823).** Also, during the reporting period, work was completed on 46 low to moderate income owner-occupied housing units (either full rehabilitation or minor home repair). This assistance came to a total of $898,778.00 in rehabilitation assistance through the CDBG and HOME programs. Of this amount, $709,823.00 (79%) assisted households within the protected classes (minorities or disabled owners). For reporting purposes, these 46 households receiving assistance can be broken out as follows: 37 (80%) receiving assistance were Black/African American; 9 (20%) receiving assistance were White; 33 (72%) were Female Head of Households; 21 (68%) were Elderly Households; 13 (28%) were extremely low income; 12 (26%) were very low income; 21 (46%) were low income. Of the total rehab expenditures, the Department provided $223,702.00 in housing rehabilitation assistance to 7 disabled homeowners in the Urban County. This equates to 25 percent of the total rehabilitation funds available and represents of homeowners assisted during PY 16 with these funds.

- **Advertising ($24,372.60).** The Department continues to make information available in English and Spanish on its Housing programs. The Shelby County website can be converted to a number of languages for use by the public. The Department works to insure that the

Hispanic community is aware of programs, bid opportunities and public hearings. During the reporting period, the Department expended $24,372.60 on advertisements, bid opportunities and public notices which were published in La Prensa and The Tri-State Defender (both are local papers targeting minority citizens). All advertisements and public notices contain the phone number of Shelby County's Minority and Hispanic Affairs Office. Ms. Ivette Baldizon (Assistant to the Mayor for Hispanic Affairs) provides assistance to all ethnic groups living in Shelby County. The offices' mission is to improve policies, programs, and procedures that focus on the special needs of multicultural and Hispanic citizens. The office also provides technical assistance regarding language barriers and access to services.

- **Fair Housing Officer ($45,023.88).** Shelby County's Fair Housing Officer's salary ($45,023.88) is paid for by local funds. During the course of the year, this individual works with Memphis Area Legal Services/Memphis Fair Housing Center (MALS/MFHC). Neighborhood Assistance Corporation of America (NACA), and other partners to schedule events target to fair housing awareness and training. This individual also serves as a resource to individuals seeking information on Fair Housing issues.

- **Policy Related Issues.** Shelby County is currently looking into adopting a form of policy that will insure that newly constructed housing utilizing governmental assistance (local, state, and federal) will meet accessibility standards for all constructed owner-occupied and rental housing. Shelby County is also working with the Department of Planning and to identify and address Fair Housing issues as part of its Resiliency Activities which can have an impact on policies related to Fair Housing for the protected classes.

  The County is also in discussion with the City of Memphis (who issues/controls Vouchers and operates local Public Housing) to work more closely to address Fair Housing issues on a larger basis at the local level. During the course of the year, Shelby County and the City of Memphis's Entitlement Division (Housing and Community Development) began meeting to address Fair Housing locally and to move toward the development of the new Fair Housing Assessment jointly on the local level in order to provide more comprehensive Fair Housing efforts and activities locally. It is intended that this will lead to a comprehensive local Fair Housing Assessment which will enable Shelby County as a whole to better implement Fair Housing activities and initiatives and address Fair Housing issues. In the year ahead, both Shelby County and the City of Memphis will be seeking guidance and assistance from HUD's Fair Housing Officer to insure that this joint initiative is carried out in correct manner.

Shelby County actions, 2016.

- **Actions taken to address Impediment #1. There is an inadequate supply of decent, affordable housing for people of low and moderate income in Shelby County, as a whole, and particularly in areas outside the City of Memphis.** During the 2016 PY, Shelby County Department of Housing (SCDH) completed 23 homeowner rehabilitations in an effort to preserve the affordable housing stock in Shelby County. SCDH provided 124 Down Payment Assistance loans to qualified low and moderate income homebuyers totaling $422,418 through the DPA Program.

Actions taken to address Impediment # 2. There is a lack of accessible housing for people with disabilities throughout Shelby County. SCHD worked with organizations such as The Memphis Center For Independent Living and others groups who work with citizens with disabilities to market our in-house programs such as rehab and down payment assistance to help individuals get into affordable housing and make their existing homes more visitable and handicap accessible. Shelby County also worked with The Fair Housing Center through a $50,866 contract to sponsor more quality training on accessibility issues.

Any residential housing supported with CDBG or HOME Funds was done so on compliance with Visitability standards. The Department incorporated Handicapped and Visitability standards into rehabilitation activities when the opportunity presented itself. This was a specific recommendation of the new AI and Shelby County will utilize its rehab program to take advantage of this opportunity when it presented itself. By modifying individual housing units through the rehab program, Shelby County can increase accessibility of housing stock over the long term for individuals in need of modified housing in order to live independently. Such modifications include: grab bars in the bathtub/shower, accessible toilets, wheelchair ramps etc. Such modifications were made in a total of 8 homes during PY 2016.

- **Actions taken to address Impediment # 3. Rental property managers throughout Shelby County do not understand the duty to make reasonable accommodations for people with disabilities.** SCDH and the Fair Housing Officer used funds to contract with the Memphis Area Legal Services/Memphis Fair Housing Center to provide 16 workshops and seminars. Of the various training opportunities, the following were on topics related to reasonable accommodations for people with disabilities: HUD VASH, Landlord/Tenant and Disability training given at Center for Independent Living, Renters' Rights outreach at Memphis Towers, and Fair Housing Presentation at the Memphis Central Library.

- **Actions taken to address Impediment # 4. There is abundant evidence of discriminatory lending throughout Shelby County, which ultimately denies protected class members housing choice and quality of life.** The Department contracted with Memphis Area Legal Services/Memphis Fair Housing Center to: (1) provide assistance to low-income individuals who believe that they have experienced discriminatory actions related to securing housing within the Urban County; (2) assist the Housing Department in carrying out fair housing related workshops/seminars on relevant fair housing topics, (3) work to expand fair housing awareness throughout the Urban County, the public sector, and private sector. $50,886.74 was invested in this activity that also included (4) exploring various testing procedures with landlords and housing agencies. A total of 175 households which equals 372 individuals were assisted by Memphis Area Legal Services/Memphis Fair Housing Center during PY 2016.

- **Actions taken to address Impediment # 5. Discrimination and redlining in homeowner's insurance affects housing affordability and quality of life for many protected class members.** During the 2016 PY, this impediment was not addressed. The total eradication of this impediment is outside of the capabilities of SCDH. Shelby County will engage in discussions with the City of Memphis and others to explore ways to execute an in-depth

study of homeowner's insurance underwriting and how it affects affordability and quality of life for protected class members as part of the Assessment of Fair Housing (AFH) to be under development during the 2017 program year. This discussion and resulting AFH will be used to influence subsequent planning in regard to Affirmatively Furthering Fair Housing.

- **Actions taken to address Impediment # 6. Members of the Hispanic community in Shelby County are heavily concentrated in mobile home parks, which are in flood plains, where they are exploited because of language barriers and lack of sophistication in consumer issues.** According to the office of Construction Code Enforcement there are currently requirements in place that require mobile home parks which are in flood plains to be two feet above the flood plain. This was put in place after flooding that took place in certain areas.

- **Actions taken to address Impediment # 7. There is a critical shortage of appropriate rental housing for large families throughout Shelby County.** During the 2016 PY, this impediment was not addressed. SCDH is extremely limited by the fact that it (1) has no Housing Authority or access to Housing Choice Vouchers (both the City of Memphis), (2) does not issue Low Income Housing Tax Credits (the State of Tennessee), and (3) does not finance or directly subsidize housing construction (the result of limited funding and authority); the Department will not ignore these issues. This impediment will be addressed during the 2017 Program Year by building on dialogue and partnerships between the public and private sector that were developed out of the Shelby County Greenprint and the Fair Housing Equity Assessment (FHEA) that was a part of that Regional Planning effort and seek new strategic opportunities through the development of the Assessment of Fair Housing, in partnership with the City of Memphis, to get underway during the program year.

- **Actions taken to address Impediment # 8. There is an inadequate public transit system throughout Shelby County, but particularly in areas outside the City of Memphis.** This impediment was not addressed during the 2016 Program Year. In order to address this impediment in PY 2017, the Department will attend local Metropolitan Planning Organization (MPO) meetings in order to ensure that transportation planning activities take housing issues in to consideration as part of the overall long range transportation planning process. As pointed out in the AI, transportation can be a major factor in a person's ability to secure housing of their choice. Typically, the MPO's Transportation Policy Board and its Engineering and Steering Committee meets each quarter during the year to focus on transportation and planning issues. Involvement in these meetings will increase the Department's involvement in the overall planning process and allow the Department greater input into how planning decisions can impact Fair Housing efforts in the community.

- **Actions taken to address Impediment #9. Exclusionary zoning prevents many members of protected classes from living in cities in the consortium.** During the 2016 PY, this impediment was not addressed. In the 2017 PY, the Shelby County Fair Housing Officer will work with the Office of Construction Code Enforcement to review zoning codes in

municipalities within the consortium to identify any provisions that would unnecessarily exclude protected class members and meet with local officials to consider alternatives.

- **Actions taken to address Impediment #10. Restrictive covenants in many planned developments in unincorporated Shelby County and cities in the consortium prevent many protected class members from living in the areas.** The SCDH partnered with the Memphis Area Legal Services/Memphis Fair Housing Center to sponsor training targeted at local developers.

- **Actions taken to address Impediment #11. There are virtually no traditional public housing units in Shelby County outside the City of Memphis.** Shelby County Department of Housing does not receive funds for public housing nor is the Department an official part of public housing in Shelby County. However, SCDH continued to provide technical assistance to the Millington Housing Authority when needed. The Millington Housing Authority is fully functioning and required no other assistance from the Housing Department.

- **Actions taken to address Impediment #12. Shelby County does not have a Fair Housing Ordinance.** During the 2016 PY, a Fair Housing Ordinance was drafted for consideration but it has not yet been adopted.

- **Actions taken to address Impediment # 13. Shelby County no longer has a Fair Housing Officer.** The position for Fair Housing Officer has been filled since 2012.

- **Actions taken to address Impediment #14. Many governmental actions have an unintended adverse effect on housing choice or create an unintended barrier or impediment to Fair Housing.** SCHD provided Down Payment Assistance to low-to-moderate individuals and families throughout Shelby County in an effort to increase their ability to secure homes of their choosing in a community of their choice. The Department of Housing provided a total of $422,718.00 in Down Payment Assistance funding during the program year which assisted 124 individuals/families in purchasing a home of their choice.

Additional Narrative on Program Year 2016 fair housing activities and projects is available in the county's CAPER, available online on the Shelby County Department of Housing website.

Shelby County actions, 2017.

Actions taken to address Impediment #1. There is an inadequate supply of decent, affordable housing for people of low and moderate income in Shelby County, as a whole, and particularly in areas outside the City of Memphis. During the 2017 PY, SCDH completed 28 homeowner rehabilitations in an effort to preserve the affordable housing stock in Shelby County. SCDH provided 68 Down Payment Assistance loans to qualified low and moderate income homebuyers totaling $227,349 through the DPA Program. Additionally, the Fair Housing Officer engaged in groups such as the West TN Affordable Housing Coalition to learn what other communities are doing to further activities in regards to affordable housing.

- **Actions taken to address Impediment # 2. There is a lack of accessible housing for people with disabilities throughout Shelby County.** SCHD worked with organizations such as The Memphis Center For Independent Living and others groups who work with citizens with disabilities to market our in-house programs such as rehab and down payment assistance to help individuals get into affordable housing and make their existing homes more visitable and handicap accessible.

  Any residential housing supported with CDBG or HOME Funds was done so in compliance with Visitability standards. The Department incorporated Handicapped and Visitability standards into rehabilitation activities when the opportunity presented itself. This was a specific recommendation of the new AI and Shelby County will utilize its rehab program to take advantage of this opportunity when it presented itself. By modifying individual housing units through the rehab program, Shelby County can increase accessibility of housing stock over the long term for individuals in need of modified housing in order to live independently. Such modifications include: grab bars in the bathtub/shower, accessible toilets, wheelchair ramps etc.

- **Actions taken to address Impediment # 3. Rental property managers throughout Shelby County do not understand the duty to make reasonable accommodations for people with disabilities.** When SCDH or the Fair Housing Officer receive calls in regards to renters' rights for people with disabilities, those callers are referred to The Memphis Center for Independent Living and Memphis Area Legal Services. The Memphis Center for Independent Living offers comprehensive Independent Living Programs that provide people with disabilities with the advocacy, training, resources and peer support needed to live independently. Memphis Area Legal Services is the primary provider of civil legal representation to low income families in the western Tennessee counties of Shelby, Fayette, Tipton and Lauderdale; no fees are accepted for services. The Fair Housing Officer is currently studying to be a HUD Certified Housing Counselor. With this training, SCDH will be able to offer more extensive training in areas of concern, such as renters' rights.

- **Actions taken to address Impediment # 4. There is abundant evidence of discriminatory lending throughout Shelby County, which ultimately denies protected class members housing choice and quality of life.** SCDH continued to operate its Down Payment Assistance Program in an effort to promote housing of choice; 68 loans were issued to low to moderate income citizens of Shelby County.

- **Actions taken to address Impediment # 5. Discrimination and redlining in homeowner's insurance affects housing affordability and quality of life for many protected class members.** During the 2017 PY, this impediment was not addressed. The total eradication of this impediment is outside of the capabilities of SCDH. Shelby County and the City of Memphis contracted with a consultant in order to explore ways to execute an in-depth study of homeowners' insurance underwriting and how it affects affordability and quality of life for protected class members as part of the Analysis for Impediments (AI). The finalized AI will be completed during PY 2018 and will influence subsequent planning in regard to Affirmatively Furthering Fair Housing.

- **Actions taken to address Impediment # 6. Members of the Hispanic community in Shelby County are heavily concentrated in mobile home parks, which are in flood plains, where they are exploited because of language barriers and lack of sophistication in consumer issues.** According to the office of Construction Code Enforcement there are currently requirements in place that require mobile home parks which are in flood plains to be two feet above the flood plain. This was put in place after flooding that took place in certain areas.

- **Actions taken to address Impediment # 7. There is a critical shortage of appropriate rental housing for large families throughout Shelby County.** This impediment was addressed during the 2017 Program Year by building on dialogue and partnerships between the public and private sector that were developed out of the Shelby County Greenprint and the Fair Housing Equity Assessment (FHEA) that was a part of that Regional Planning effort and seek new strategic opportunities through the development of the joint Analysis of Impediments, in partnership with the City of Memphis.

- **Actions taken to address Impediment # 8. There is an inadequate public transit system throughout Shelby County, but particularly in areas outside the City of Memphis.** During PY 2017 SCDH staff attended local Metropolitan Planning Organization (MPO) meetings in order to ensure that transportation planning activities take housing issues in to consideration as part of the overall long range transportation planning process. As pointed out in the AI, transportation can be a major factor in a person's ability to secure housing of their choice. Typically, the MPO's Transportation Policy Board and its Engineering and Steering Committee meets each quarter during the year to focus on transportation and planning issues. Involvement in these meetings will increase the Department's involvement in the overall planning process and allow the Department greater input into how planning decisions can impact Fair Housing efforts in the community.

- **Actions taken to address Impediment #9. Exclusionary zoning prevents many members of protected classes from living in cities in the consortium.** During the 2017 PY, this impediment was not addressed. In the 2018 PY, the Shelby County Fair Housing Officer will work with the Office of Construction Code Enforcement to review zoning codes in municipalities within the consortium to identify any provisions that would unnecessarily exclude protected class members and meet with local officials to consider alternatives.

- **Actions taken to address Impediment #10. Restrictive covenants in many planned developments in unincorporated Shelby County and cities in the consortium prevent many protected class members from living in the areas.** During PY 2017, developers were referred to MALS for information concerning their role in fostering housing of choice.

- **Actions taken to address Impediment #11. There are virtually no traditional public housing units in Shelby County outside the City of Memphis.** Shelby County Department of Housing does not receive funds for public housing nor is the Department an official part of public housing in Shelby County. However, SCDH continued to provide technical assistance to the Millington Housing Authority when needed. The Millington Housing Authority is fully functioning and required no other assistance from the Housing Department.

- **Impediment #12. Shelby County does not have a Fair Housing Ordinance.** During the 2016 PY, a Fair Housing Ordinance was drafted for consideration but it has not yet been adopted.

- **Impediment # 13. Shelby County no longer has a Fair Housing Officer.** The position for Fair Housing Officer has been filled since 2012.

- **Impediment #14. Many governmental actions have an unintended adverse effect on housing choice or create an unintended barrier or impediment to Fair Housing.** SCHD provided Down Payment Assistance to low-to-moderate individuals and families throughout Shelby County in an effort to increase their ability to secure homes of their choosing in a community of their choice. The Department of Housing provided a total of $227,349.00 in Down Payment Assistance funding during the program year which assisted 68 individuals/families in purchasing a home of their choice.

Additional Narrative on Program Year 2016 fair housing activities and projects is available in the county's CAPER, available online on the Shelby County Department of Housing website.

Comprehensive assessment of past goals. Based on the actions described above and discussion with the City of Memphis and Shelby County staff, the study team evaluated progress on all past impediments/goals listed in the jurisdictions' AIs and FHEA. A matrix showing that evaluation is included in Appendix A.

Key Fair housing Findings from Section VII

- The top two bases for fair housing complaints filed in the past year in the region were race and disability, followed by sex, retaliation, and family status. The most common reasons were discriminatory terms and conditions and discriminatory refusal to rent.

- Legal cases and investigations indicate potential fair housing concerns in the banking and lending industry related to predatory lending, redlining, and maintenance (or lack thereof) of Real Estate Owned (REO) properties.

- Both the City of Memphis and Shelby County have taken actions to affirmatively further fair housing choice and address fair housing issues in their community. Their past actions were guided by a 2011 Analysis of Impediments to Fair Housing Choice, completed by the City of Memphis and Shelby County in 2011 and a regional Fair Housing Equity Assessment completed in 2014. Specific efforts by the City and the County to improve fair housing choice include:

    - Initiatives aimed at increasing housing choice for HCV participants—both through efforts to increase information and resources for voucher holders and outreach to recruit/retain landlords accepting vouchers in high opportunity areas;
    - Funding for fair housing outreach, education, investigation and enforcement activities;
    - Efforts to improve access to transportation and employment for protected class populations;

- Down payment assistance to assist low and moderate income homebuyers, many of whom are protected classes;
- Home repair and rehabilitation programs for low and moderate income owners, many of whom are protected classes;
- Incorporated visitability/accessibility standards for housing created with government funding;
- Affirmative marketing of programs to protected class groups including people with disabilities and Spanish-speaking residents; and
- Partnerships with organizations that provide people with disabilities with the advocacy, training, resources and peer support needed to live independently.

SECTION VIII.

Fair Housing Issues and Goals

SECTION VIII.
Fair Housing Issues and Goals

This section presents goals for how Memphis and Shelby County can address the fair housing challenges identified in this AI. This section begins with a summary of fair housing issues and contributing factors, then presents goals to address those issues.

Summary of Fair Housing Issues and Contributing Factors

The primary fair housing issues and the contributing factors in the City of Memphis and Shelby County include:

- **Segregation persists.** There is relatively high racial/ethnic segregation in the region—particularly of African American residents. This is true both at the macro level (between the city and county) and at the mirco level (neighborhood by neighborhood). There is also evidence of segregation by national origin, though these residents are less likely than African American residents to live in areas of concentrated poverty.

  Contributing factors *to segregation include historical settlement patterns, distribution of attainable/affordable housing (both market-rate and publicly assisted housing), land use and zoning regulations, disparities in mortgage lending, and economic factors.*

- **Disparities in housing needs.** Minority households, particularly African American and Hispanic households, experience housing problems at higher rates than non-Hispanic white and Asian households in the City of Memphis, and, to a lesser extent in Shelby County. Large family households also experience housing problems at relatively high rates.

  African Americans and other non-Asian minorities also have a harder time accessing capital for home purchase loans, home improvement loans and refinances. Non-Asian minority borrowers who are successful in getting a loan are more likely to receive subprime (higher than average) interest rates on their loans.

  Minority residents (particularly African Americans), residents with a disability, and large households were more likely than other groups to have experienced displacement (having moving when they did not want to move) in the past five years. The most common reasons were reduced household income (i.e., lost job, hours reduced), being evicted for being behind on the rent, personal reasons (e.g., divorce), or moving due to mold or other unsafe conditions. Minority residents and those with disabilities were also more likely to report poor condition of housing their neighborhoods.

  Contributing factors *to disparities in housing needs include lower homeownership rates among most minority groups, availability affordable units in a range of sizes, lack of private investments in specific neighborhoods, economic factors, and lending discrimination.*

- **Disparities in access to opportunity.** Regional data for the Memphis metro area show racial disparities in resident access to low poverty neighborhoods, school quality, labor market engagement, and to a lesser extent, job proximity. Disparities are most pronounced for African American, Hispanic, and Native American residents relative to non-Hispanic white residents. Trends are similar in both Memphis and Shelby County outside Memphis, though the gap is wider between groups in the City of Memphis—particularly for labor market engagement and poverty exposure. Disparities persist even when comparing income-similar residents of different races/ethnicities.

    - There are wide economic disparities between the city and county, as reflected by the location of R/ECAPs and poverty rates overall. The African American population is disproportionately impacted by poverty concentrations, more so than other racial/ethnic minorities and more so than immigrant and limited English proficient populations.
    - Access to proficient elementary schools is a key concern for families in Memphis and Shelby County, as is racial/economic segregation in schools. Non-Asian minority students have lower access to quality schools, even when comparing income-similar residents.
    - Even when minority groups live close to jobs, they have trouble actually accessing the jobs, most likely due to a skills and/or education mismatch with job requirements. Racial/ethnic disparities in labor market engagement are present in Shelby County outside Memphis but are much more pronounced within the City of Memphis.
    - The data do not indicate significant disparities in access to transportation by race/ethnicity; however, public transit options are limited for all residents. This this a disproportionate impact on residents that rely on public transportation (low income and people with disabilities) to access jobs and other services.
    - Resident survey responses also highlight crime and safety as a key neighborhood concern, particularly for residents with disabilities and racial/ethnic minorities.

  Contributing factors *to disparities in access to opportunity include availability of affordable units in a range of sizes, limited support for multifamily housing, distribution of publicly assisted housing, NIMBYism, lack of private investments in specific neighborhoods, lending discrimination, steering, land use and zoning laws, limited/lack of public transit in certain areas, and economic disparities.*

- **Barriers to housing choice for people with disabilities.** There is a shortage of affordable accessible housing for those with disabilities—one in four households that include a member with a disability are living in housing that does not meet their accessibility needs. Top needs for these households include need for modification funding for grab bars, ramps, etc; need for modification and accommodation training for landlords, especially around service animals/emotional support animals and accessibility modifications; and need for education/outreach to residents explaining rights and resources related to requesting modifications and accommodations.

  Transportation is the biggest barrier to accessing community amenities and facilities, health care, and employment for people with disabilities.

Households that include people disabilities experience higher levels of the following housing challenges than other residents:

- Worry about rent increasing to an amount they can't afford;
- Live in what they consider to be high crime neighborhoods;
- Live in neighborhoods with buildings in poor condition;
- Live in neighborhoods with inadequate sidewalks, street lights, drainage, or other infrastructure.

Contributing factors *include a lack of accessible housing across the region; lack of fair housing knowledge/compliance among landlords; limited public transportation in many neighborhoods, lack of public and private investment.*

- **Location and utilization of publicly assisted housing.** Disparities by race/ethnicity in program utilization relative to eligible households are evident in Memphis and Shelby County outside of Memphis. Generally, African American residents are overrepresented among housing program participants relative to their representation among all households earning less than 50 percent of Area Median Income (AMI). Conversely, Hispanic households tend to be underrepresented among program participants.

  Patterns in location of publicly supported housing programs indicate that a relatively high proportion of location-specific housing program units (LIHTC, project-based section 8 and other multifamily) are located in areas with high poverty. In general, there is a concentration of public housing near downtown Memphis while other types of publicly assisted housing are distributed throughout North and South Memphis and Midtown. There is a notable lack of publicly assisted housing developments in East Memphis, Germantown, Cordova, and Collierville.

  Contributing factors *include lack of affordable housing in a range of unit sizes, NIMBYism, land use and zoning regulations.*

- **Lack of fair housing capacity.** Survey responses, complaint, and legal case data indicate potential discrimination in the housing market.

  - Fifteen percent of resident survey respondents felt they experienced discrimination when they looked for housing in the region; rates are highest among households living in publicly assisted housing (38%), large families (29%), households which include a member with a disability (23%), African American residents (23%), families with children (23%), and low income households (23%).
  - About one in 10 people who seriously looked for housing report steering by a real estate professional. Perceived steering was higher in Shelby County outside Memphis than in the City of Memphis.
  - Resident survey responses highlighted NIMBYism as a concern in the region noting limited community support for different types of housing—low income housing and apartment buildings—and housing uses—housing for low income seniors, housing for people recovering from substance abuse, and housing for persons with disabilities.

Some survey responses indicate people of different races not being welcome in certain neighborhoods due to race.

- Legal cases and investigations indicate potential fair housing concerns in the banking and lending industry related to predatory lending, redlining, and maintenance (or lack thereof) of REO properties.

Contributing factors *include perceived and actual housing discrimination, lack of fair housing knowledge among landlords and real estate professionals, and fair housing violations within the banking industry.*

Goals Development

This section presents goals for how the City of Memphis and Shelby County can address the fair housing challenges and contributing factors identified in this AI.

To the extent possible, the goals and strategies address those challenges that disproportionately affect certain protected classes. However, given the pressures in the existing housing market—and because the jurisdictions cannot apply housing preferences for certain protected classes without violating the Fair Housing Act—many of the goals and strategies will improve access to housing for all residents with housing challenges, and to the extent allowable, focus on the protected classes with the greatest housing needs.

In developing the goals, the participating partners recognized that the public sector faces some limitations in how it can influence housing prices. The public sector's primary "sphere of influence" lies in:

- Using its regulatory authority to encourage a range of housing prices and types;
- Funding/managing the development of housing that contains affordability restrictions; and
- Making resources available—monetary, staff, land, existing buildings—and working with partner organizations to address housing challenges.

The Federal Fair Housing Act (FHA) can make it challenging to specifically direct funding to address the housing needs of specific protected classes. Other than senior housing, housing for persons with disabilities, and larger units that can accommodate families, housing cannot be specifically reserved for members of a protected class, even if they face disproportionate housing needs. Yet the public sector can be mindful of how its decisions and allocation of resources can negatively or positively affect certain protected classes.

Goals and Strategies

The City of Memphis and Shelby County identified the following goals and strategic partnership opportunities to address fair housing concerns in the region. Figure VIII-1 lists those goals and partnership opportunities along with the fair housing issue to be addressed by each goal. Unless otherwise specified, both the City and the County intend to pursue the stated goal.

Figure VIII-1.
Goals and Strategic Partnership Opportunities

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES	FAIR HOUSING ISSUES/IMPEDIMENTS TO BE ADDRESSED BY GOAL
Goal 1. Address fair housing concerns in the ownership market:	
A. Continue to improve housing quality and increase housing accessibility through housing rehabilitation, repair and accessibility grant programs and low cost lending.	Disparities in Housing Needs; Barriers to Housing Choice for People with Disabilities
B. Continue to improve ownership affordability and access to capital through down payment assistance programs.	Segregation; Disparities in Hsg Needs; Disparities in Access to Opp
C. Continue to create affordable housing opportunities through partnerships with local non-profits by using HOME CHDO set-aside funds	Segregation; Disparities in Hsg Needs; Disparities in Access to Opp
D. Consider the following strategic partnership opportunities: • Boost residents' access to residential capital through partnerships with local lenders (to understand and address lending disparities). • Boost residents' access to residential capital by providing credit counseling and financial literacy classes.	Segregation; Disparities in Hsg Needs; Disparities in Access to Opp
Goal 2. Address fair housing concerns in the rental market:	
A. Shelby County only: Increase staff capacity to more immediately address fair housing concerns of tenants; become a HUD Certified Housing Counseling Agency, have 2 HUD certified Housing Counselors on staff, and develop a tenants rights counseling curriculum.	Lack of Fair Housing Capacity
B. Consider the following strategic partnership opportunities: • Develop an eviction prevention program. This could include one-time emergency rental assistance, renter basic skills training, financial counseling, mediation between landlords/tenants, etc. This could be developed in conjunction with the existing rapid rehousing program and/or in partnership with Memphis Area Legal Services (MALS).	Disparities in Housing Needs
• Work with the Memphis Housing Authority to encourage housing choice voucher use in high opportunity areas through mobility counseling and landlord recruitment in high opportunity areas.	Segregation; Disparities in Access to Opp; Location and Utilization of Publicly Assisted Housing

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES	FAIR HOUSING ISSUES/IMPEDIMENTS TO BE ADDRESSED BY GOAL
Goal 3. Address fair housing concerns related to land use and development policies:	
A. City of Memphis only: Develop community priorities for siting LIHTC and other publicly supported housing developments and work to promote community support of such developments in high opportunity areas. To the extent possible, provide comments on the State's Qualified Allocation Plan (QAP) which governs LIHTC allocation.	Segregation; Disparities in Access to Opportunity; Location and Utilization of Publicly Assisted Housing
B. Consider the following strategic partnership opportunities: • Develop policies and procedures that support balanced housing opportunities, including affordable/workforce housing (e.g., adopt an anti-NIMBY policy, incorporate developer incentives for affordable development, inclusionary zoning ordinance).	Segregation; Disparities in Hsg Needs; Disparities in Access to Opp; Location and Utilization of Publicly Assisted Housing
• Review zoning/land use regulations to ensure that a diversity of housing choices is allowable throughout residential districts. Improve clarity in code related to siting multifamily development and compliance with fair housing and accessibility standards.	Segregation; Disparities in Housing Needs; Disparities in Access to Opportunity
• Adoption of a visitability ordinance and/or developer incentives to encourage or require universal design to improve accessibility/adaptability in market-rate new construction.	Disparities in Access to Opportunity; Barriers to Housing Choice for People with Disabilities
Goal 4. Continue to increase fair housing knowledge and capacity in the region in partnership with	
A. Continue to support fair housing outreach and education through fair housing events and training, fair housing materials in multiple languages and mediums, and landlord/tenant resources.	Lack of Fair Housing Capacity
B. Improve training for real estate professionals with a focus on reducing perceived racial steering.	Lack of Fair Housing Capacity
C. Collaborate with local fair housing organizations to conduct regional fair housing testing as a tool for fair housing enforcement and to better understand private discrimination in the housing market.	Lack of Fair Housing Capacity

REGIONAL FAIR HOUSING GOALS & STRATEGIC PARTNERSHIP OPPORTUNITIES	FAIR HOUSING ISSUES/IMPEDIMENTS TO BE ADDRESSED BY GOAL
Goal 5. Utilize economic development tools to promote fair housing choice and access to opportunity:	
A. City of Memphis only: Identify opportunities for collaboration with economic development initiatives (e.g., EDGE) to help focus investment and job training resources to address fair housing concerns in an effort to improve access to opportunity in under-resourced areas.	Disparities in Access to Opportunity
B. Increase access to job training resources for under-employed residents and for residents with disabilities through partnerships with regional service providers and employers.	Disparities in Access to Opp; Barriers to Housing Choice for People with Disabilities
C. City of Memphis only: Promote economic investment (public and private) in distressed areas that have high minority concentrations: • Explore partnerships with lenders such as community development financial institutions (CDFIs) that serve the region to discuss potential partnership opportunities for 1) Developing the capacity of small businesses in distressed areas and 2) Are committed to helping transform distressed communities. • Identify areas where new construction of affordable housing could serve as an economic catalyst for revitalization. Leverage county-owned land banked properties for catalytic development and affordable housing. The development approach should encourage infill and higher density residential use (missing middle housing and/or higher density). • Coordinate investments with the Memphis Blight Elimination Steering Team to leverage efforts.	Disparities in Housing Needs; Disparities in Access to Opportunity; Location and Utilization of Publicly Assisted Housing
Goal 6. Promote equity in access to community assets:	
A. Strengthen regional transportation planning and expand public transit service to increase access to jobs and services for all residents. Continue to coordinate with the MPO to ensure transportation planning activities take housing issues into consideration and support Memphis 3.0 initiative to improve job access for minority residents through transit services.	Segregation; Disparities in Access to Opportunity; Barriers to Housing Choice for People with Disabilities
B. Consider pedestrian improvements like sidewalks and street lighting to improve accessible infrastructure and promote safety.	Disparities in Access to Opp; Barriers to Housing Choice for People with Disabilities
C. Collaborate with Shelby County School District and other districts in Shelby County to improve equity in school quality and access to high performing schools for all residents.	Disparities in Access to Opportunity
D. Complete a Regional Resilience Plan and implement resilience projects in areas susceptible to flooding in order to preserve and create community assets such as parks.	Disparities in Access to Opportunity
E. Consider the following strategic partnership opportunities: • Strengthen regional transportation planning and expand public transit service to increase access to jobs and services for all residents. Continue to coordinate with the MPO to ensure transportation planning activities take housing issues into consideration and support Memphis 3.0 initiative to improve job access for minority residents through transit services.	Segregation; Disparities in Access to Opportunity; Barriers to Housing Choice for People with Disabilities
• Collaborate with Shelby County School District and other districts in Shelby County to improve equity in school quality and access to high performing schools for all residents.	Disparities in Access to Opportunity

Appendix A.

Assessment of Progress to Goals Matrix

APPENDIX A.
Assessment of Progress to Goals Matrix

Based on the actions described in Section VII and discussion with the City of Memphis and Shelby County staff, the study team evaluated progress on all past impediments/goals listed in the jurisdictions' AIs and FHEA. A matrix showing that evaluation below. The "Source" field indicates the document in which the impediment/barrier was identified; "FHEA" is the 2014 Fair Housing Equity Assessment, "COM AI" is the 2011 City of Memphis AI, and "SC AI" is the 2011 Shelby County AI.

Impediment	Source	Assessment of Progress to Goals
Barrier #1: Public Disinvestment in Minority and Low-Income Areas	**FHEA**	Memphis 3.0 appears to provide vision plan; Input from community was sought; There are several sections in Memphis 3.0 that intent to address the disinvestment of public and private in minority and low-income areas. According to Shelby County CAPERs, it investment downpayment assistance, rehabilitation of properties for Disabled Homeowners and minorities in 2014 through 2017. Memphis and Shelby County partnered to draft the Greenprint 2014 and the Analysis of Impediments in
Barrier #2: Inadequate Public Transportation Choices (Impediment #5: Inadequacies of the Transit System)	**FHEA**	HCD funded the Memphis Area Transit Authority to provide match funding for a Job Access and reverse Commute program to operate a new route from the urbanized area of the City to a suburban employment center in Shelby County. The service was designed to transport low-income individuals to and from jobs and employment related activities. This project provided transit to 2790 people in FY2015.
Barrier #3: Predatory & Discriminatory Lending Practices	**FHEA**	HCD also provided funding to the Memphis Community Development Council to continue updates of their lending studies to determine trends by banks, savings and loans, credit unions, mortgage companies and finance companies that do business in
Barrier #4: Lack of Knowledge of Fair Housing Rights and Responsibilities	**FHEA**	HCD and Shelby County have funded Memphis Area Legal Services to operate the Memphis Fair Housing Center. The contract provides funding for outreach, education, investigation and enforcement activities. On HCD and Shelby County partnered with the Fair Housing Alliance of Greater Memphis, the local HUD office, Memphis Consumer Credit, and other local organizations to present the to host an Annual Fair Housing Conference.
Barrier #5: Prevalence of Racially Prejudiced Attitudes and Patterns of Segregation	**FHEA**	HCD and Shelby County have advertised to Hispanic/Latino and other protected classes in niche publications to increase awareness of their Fair Housing rights; and education the general public at large about the Fair Housing Law;
Barrier #6: Limited Housing Options for People with Disabilities	**FHEA**	Incorporate Visitability and Home Modification Requirements into City Subsidies/Funding. HCD worked with the Mayor's Committee for Citizens with Disabilities on an ordinance that would incorporate certain features in construction make new houses funded through HCD or MHA visitable, and in many cases livable, for persons with mobility impairments. During FY16, the committee recognized a need to incorporate additional features into the ordinance, so HCD will work to amend the ordinance during FY17 to incorporate these features. Shelby County has invested funds directly in to rehabilitation assistance for persons with disabilities 2014 through 2017. Shelby County also has partnered with Plough Foundation to publish a guide
Barrier #7: Insufficient Affordable Housing Options	**FHEA**	• Increase of Fair Market Rent • Created maps that identify locations that match client needs • Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing • Continued to provide mobility assistance to families. By following the proper guidelines families can port (move) to any other city that has a comparable HCV program

Impediment	Source	Assessment of Progress to Goals
Impediment #1: Flawed City Fair Housing Ordinance	**COM AI**	The City of Memphis' Fair Housing Ordinance is not substantially equivalent with federal or state fair housing laws. There is no provision for equitable relief for aggrieved persons under the Ordinance. The Ordinance does not provide for a private right of action which means that an aggrieved person cannot file a lawsuit based on a violation of the Ordinance. The ordinance only allows for the collection of a fine of $50.00 and a penalty not to exceed $200.00 per violation. The Ordinance
Impediment #2: Lack of Housing Accessible to Persons with Disabilities	**COM AI**	Incorporate Visitability and Home Modification Requirements into City Subsidies/Funding. HCD worked with the Mayor's Committee for Citizens with Disabilities on an ordinance that would incorporate certain features in construction make new houses funded through HCD or MHA visitable, and in many cases livable, for persons with mobility impairments. During FY16, the committee recognized a need to incorporate additional features into the ordinance, so HCD will work to amend the
Impediment #3: Inadequate Affordable Housing Supply Relative to Resident Income	**COM AI**	• Increase of Fair Market Rent • Created maps that identify locations that match client needs • Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing • Continued to provide mobility assistance to families. By following the proper guidelines families can port (move) to any other city that has a comparable HCV program
Impediment #4: Need for a Critical Review of Memphis Housing Authority's Policies & Practices	**COM AI**	Identification and mapping of non-impacted areas. HCD worked with MHA to prepare maps to identify non-impacted areas with housing opportunities in low-poverty and/or opportunity neighborhoods. These maps are provided to voucher holders at their briefing and are used to educate them about the full range of areas where they may look for housing in areas with more opportunities for their families. In the past year, these maps have helped 922 (51.5%) families move to areas where there is better educational and employment opportunities. Housing provider outreach especially in non-impacted areas. The maps described above enabled the HCV Department to determine where additional outreach was necessary to identify and recruit owners with rental units in low-poverty and/or opportunity neighborhoods. As a result, MHA conducted landlord outreach in these targeted areas and resulted in many new owners.
Impediment #5: Inadequacies of the Transit System	**COM AI**	HCD funded the Memphis Area Transit Authority to provide match funding for a Job Access and reverse Commute program to operate a new route from the urbanized area of the City to a suburban employment center in Shelby County. The service was designed to transport low-income individuals to and from jobs and employment related activities. This project provided
Impediment #6: Shelby County does not have a Fair Housing Ordinance	**COM AI**	During the 2016 PY, a Fair Housing Ordinance was drafted for consideration but it has not yet been adopted.
Impediment #7: Historically Inadequate Code Enforcement by Shelby County	**COM AI**	Though Shelby County continued to work with the Code Enforcement offices within the Urban County, to identify accessibility violations and complaints in multi-family housing complexes. There have been very few complaints that have been filed during the reporting period.
Impediment #8: Limited Transit in County	**COM AI**	HCD funded the Memphis Area Transit Authority to provide match funding for a Job Access and reverse Commute program to operate a new route from the urbanized area of the City to a suburban employment center in Shelby County. The service was designed to transport low-income individuals to and from jobs and employment related activities. This project provided
Impediment #9: Limited LIHTC development in County	**COM AI**	According to a document regarding parcels owned by the Memphis Housing Authority (MHA), 16 of 173 properties appear to be vacant lots (building tax value = $0), with a total tax value of more than $4.5 million. These appear to be the former Paul Borda Towers, Jefferson Square, Barry Towers, Dr. R. Q. Vinson Center, South City (formerly Foote Homes), College Park, Montgomery Plaza, and Kefauver Terrace properties. They are located in neighborhoods that average 91.0% minority. Sale of these properties and investment in more diverse neighborhoods is recommended. Of the properties with buildings on them, at least 15 are located in a census blocks which was unpopulated in 2010. However, 9 of these comprise Legends Park, a 100-unit LIHTC multifamily development built in 2011 with a tax value of $24.7

Impediment	Source	Assessment of Progress to Goals
Impediment #10: NIMBY attitudes	**COM AI**	N/A
Impediment #11: State Limitations to Fair Housing	**COM AI**	The State of Tennessee Fair Housing Law is considered substantially eqiuvalent.
Impediment #12: Frequent Attacks on the Community Reinvestment Act (CRA) by Banking Regulators	**COM AI**	N/A
Impediment #13: Lack of Resources/Incentives for Developers to Build for the Lowest Income Households (Duplication of Affordable Housing supply and reword potentially)	**COM AI**	Some of the key factors in land development codes that most commonly result in barriers to fair housing choice and reasonable accommodation include: - Site Standards: Large lots or excessive setbacks between structures or from streets that can increase development costs, e.g., special infrastructure; - Density Limits: Restriction on or prohibition of multifamily housing, low floor area ratios (FAR) for multifamily or mixed-use development, or low density requirements; - Use-Specific Standards: Special site or operational requirements for group homes for protected classes, e.g., persons with disabilities, that are not required for other residences or groups; - Public Services: Additional requirements for infrastructure or essential municipal services not required for other residences or dwelling units; - Definitions and Occupancy: Definitions of family or occupancy limits that prohibit or limit the number of unrelated persons in a household; - Procedures: Review procedures, public hearings, or notice requirements for different housing types, housing for protected
Impediment #14: U.S. Department of Housing and Urban Development does not adequately fund or incentivize PHAs to utilize mobility strategies	**COM AI**	N/A
Impediment #15: Racial Segregation of Project Based Housing	**COM AI**	According to a document regarding parcels owned by the Memphis Housing Authority (MHA), 16 of 173 properties appear to be vacant lots (building tax value = $0), with a total tax value of more than $4.5 million. These appear to be the former Paul Borda Towers, Jefferson Square, Barry Towers, Dr. R. Q. Vinson Center, South City (formerly Foote Homes), College Park,
Impediment #16: Mortgage Lending	**COM AI**	HCD provided funding to the Memphis Community Development Council to continue updates of their lending studies to determine trends by banks, savings and loans, credit unions, mortgage companies and finance companies that do business in Shelby County. Hewever, there are three notable lending discrimination cases that have occurred in Memphis area: City of
Impediment #17: Homeowners Insurance	**COM AI**	N/A
Impediment #18: Housing Sales and Rental Market	**COM AI**	N/A
Impediment # 1. There is an inadequate supply of decent, affordable housing for people of low and moderate income in Shelby County, as a whole, and particularly in areas outside the City of Memphis.	**SC AI**	• Increase of Fair Market Rent • Created maps that identify locations that match client needs • Maintained an on-line property listing service for all landlords in Memphis and Shelby County. This service allows property owners with available rental units to list their vacancies in an easily accessible format for HCV families who are actively looking for housing • Continued to provide mobility assistance to families. By following the proper guidelines families can port (move) to any other city that has a comparable HCV program
Impediment # 1. a) Standard rents exceed the Fair Market Values established by HUD and Memphis Housing Authority for Housing Choice Voucher holders	**SC AI**	N/A

Impediment	Source	Assessment of Progress to Goals
Impediment # 1. b) There is a limited amount of Low Income Housing Tax Credit Development in Shelby County	**SC AI**	N/A
Impediment # 1. c) Land Acquisition Costs	**SC AI**	N/A
Impediment # 1. d) Tax Rates for Rental Housing Make It Difficult to Provide Decent, Affordable Housing.	**SC AI**	N/A
Impediment # 1. e) The Rural Urban Consortium Gets a Relatively Small Amount of Community Development Block Grant and HOME Funds	**SC AI**	N/A
Impediment # 1. f) Lack of Other Resources and Incentives to Develop Affordable Housing in the Consortium Area.	**SC AI**	N/A
Impediment # 2. There is a Lack of Accessible Housing for People with Disabilities Throughout Shelby County.	**SC AI**	SCHD worked with organizations such as The Memphis Center For Independent Living and others groups who work with citizens with disabilities to market our in-house programs such as rehab and down payment assistance to help individuals get into affordable housing and make their existing homes more visitable and handicap accessible. Any residential housing supported with CDBG or HOME Funds was done so on compliance with Visitability standards. The Department incorporated Handicapped and Visitability standards into rehabilitation activities when the opportunity presented itself. This was a specific recommendation of the new AI and Shelby County will utilize its rehab program to take advantage of this opportunity when it presented itself. By modifying individual housing units through the rehab program, Shelby County can increase accessibility of housing stock over the long term for individuals in need of modified housing in
Impediment # 2. a) The Construction Code Office Should Take a Much More Active Role in Inspecting for Compliance with the Fair Housing Amendments Act in New Residential Construction.	**SC AI**	SCHD worked with organizations such as The Memphis Center For Independent Living and others groups who work with citizens with disabilities to market our in-house programs such as rehab and down payment assistance to help individuals get into affordable housing and make their existing homes more visitable and handicap accessible. Any residential housing supported with CDBG or HOME Funds was done so on compliance with Visitability standards. The Department incorporated Handicapped and Visitability standards into rehabilitation activities when the opportunity presented itself. This was a specific recommendation of the new AI and Shelby County will utilize its rehab program to take advantage of this opportunity when it presented itself. By modifying individual housing units through the rehab program, Shelby County can increase accessibility of housing stock over the long term for individuals in need of modified housing in
Impediment # 3. Rental Property Managers Throughout Shelby County do not Understand the Duty to Make Reasonable Accommodations for People with Disabilities.		SCDH and the Fair Housing Officer used funds to contract with the Memphis Area Legal Services/Memphis Fair Housing Center to provide 16 workshops and seminars. Of the various training opportunities, the following were on topics related to reasonable accommodations for people with disabilities: HUD VASH, Landlord/Tenant and Disability training given at Center for Independent Living, Renters' Rights outreach at Memphis Towers, and Fair Housing Presentation at the Memphis Central Library. When SCDH or the Fair Housing Officer receive calls in regards to renters' rights for people with disabilities, those callers are referred to The Memphis Center for Independent Living and Memphis Area Legal Services. The Memphis Center for Independent Living offers comprehensive Independent Living Programs that provide people with disabilities with the advocacy, training, resources and peer support needed to live independently. Memphis Area Legal Services is the primary provider of civil legal representation to low income families in the western Tennessee counties of Shelby, Fayette, Tipton and Lauderdale; no fees are accepted for services.

Impediment	Source	Assessment of Progress to Goals
Impediment # 4. There is Abundant Evidence of Discriminatory Lending Throughout Shelby County, Which Ultimately Denies Protected Class Members Housing Choice and Quality of Life.		The Department contracted with Memphis Area Legal Services/Memphis Fair Housing Center to: (1) provide assistance to low-income individuals who believe that they have experienced discriminatory actions related to securing housing within the Urban County; (2) assist the Housing Department in carrying out fair housing related workshops/seminars on relevant fair housing topics, (3) work to expand fair housing awareness throughout the Urban County, the public sector, and private sector. $50,886.74 was invested in this activity that also included (4) exploring various testing procedures with landlords and housing agencies. A total of 175 households which equals 372 individuals were assisted by Memphis Area Legal Services/Memphis Fair Housing
Impediment # 4. c) Foreclosures	**SC AI**	In 2017, the National Fair Housing Alliance announce a study it undertook to identify disparities in maintenance of real estate owned (REO) properties in Memphis, specifically a lack of maintenance and marketing of properties located in
Impediment # 4. d) Shadow inventory/ bank owned properties	**SC AI**	In 2015, Memphis and Shelby County passed the Memphis Blight Elimination Charter in 2015 to more effectively and permanently remove blight from neighborhoods – and prevent its spread. In 2017, the National Fair Housing Alliance announce a study it undertook to identify disparities in maintenance of real estate owned (REO) properties in Memphis, specifically a lack of maintenance and marketing of properties located in
Impediment # 4. e) Other Predatory Consumer Lending	**SC AI**	N/A
Impediment # 4. f) Absence of Full Service Banks in Racial and Ethnic Minority Communities	**SC AI**	N/A
Impediment # 5. Discrimination and Redlining in Homeowners Insurance Affects Housing Affordability and Quality of Life for Many Protected Class Members.	**SC AI**	During the 2016 PY, this impediment was not addressed. The total eradication of this impediment is outside of the capabilities of SCDH. Shelby County will engage in discussions with the City of Memphis and others to explore ways to execute an in-depth study of homeowner's insurance underwriting and how it affects affordability and quality of life for protected class members as part of the Assessment of Fair Housing (AFH) to be under development during the 2017 program year. This discussion and resulting AFH will be used to influence subsequent planning in regard to Affirmatively Furthering
Impediment # 6. Members of the Hispanic Community in Shelby County are Heavily Concentrated in Mobile Home Parks, Which are in Flood Plains, Where They are Exploited Because of Language Barriers and Lack of Sophistication in Consumer Issues.	**SC AI**	According to the office of Construction Code Enforcement there are currently requirements in place that require mobile home parks which are in flood plains to be two feet above the flood plain. This was put in place after flooding that took place in certain areas.
Impediment # 7. There is a Critical Shortage of Appropriate Rental Housing for Large Families Throughout Shelby County.	**SC AI**	During the 2016 PY, this impediment was not addressed. SCDH is extremely limited by the fact that it (1) has no Housing Authority or access to Housing Choice Vouchers (both the City of Memphis), (2) does not issue Low Income Housing Tax Credits (the State of Tennessee), and (3) does not finance or directly subsidize housing construction (the result of limited funding and authority); the Department will not ignore these issues. This impediment will be addressed during the 2017 Program Year by building on dialogue and partnerships between the public and private sector that were developed out of the Shelby County Greenprint and the Fair Housing Equity Assessment (FHEA) that was a part of that Regional Planning effort and seek new strategic opportunities through the development of the Assessment of Fair Housing, in partnership with the City of Memphis, to get underway during the program year. This impediment was addressed during the 2017 Program Year by building on dialogue and partnerships between the public

Impediment	Source	Assessment of Progress to Goals
Impediment # 8. There is an Inadequate Public Transit System Throughout Shelby County, but Particularly in Areas Outside the City of Memphis.	**SC AI**	This impediment was not addressed during the 2016 Program Year. In order to address this impediment in PY 2017, the Department will attend local Metropolitan Planning Organization (MPO) meetings in order to insure that transportation planning activities take housing issues in to consideration as part of the overall long range transportation planning process. As pointed out in the AI, transportation can be a major factor in a person's ability to secure housing of their choice. Typically, the MPO's Transportation Policy Board and its Engineering and Steering Committee meets each quarter during the year to focus on transportation and planning issues. Involvement in these meetings will increase the Department's involvement in the overall planning process and allow the Department greater input into how planning decisions can impact Fair Housing efforts in the community. During PY 2017 SCDH staff attended local Metropolitan Planning Organization (MPO) meetings in order to insure that transportation planning activities take housing issues in to consideration as part of the overall long range transportation planning process. As pointed out in the AI, transportation can be a major factor in a person's ability to secure housing of their choice. Typically, the MPO's Transportation Policy Board and its Engineering and
Impediment # 9. Exclusionary Zoning Prevents Many Members of Protected Classes From Living in Cities in the Consortium.	**SC AI**	During the 2016 PY and 2017 PY, this impediment was not addressed. In the 2018 PY, the Shelby County Fair Housing Officer will work with the Office of Construction Code Enforcement to review zoning codes in municipalities within the consortium to identify any provisions that would unnecessarily exclude protected class members and meet with local officials to consider alternatives.
Impediment #10. Restrictive Covenants in Many Planned Developments in Unincorporated Shelby County and Cities in the Consortium Prevent Many Protected Class Members From Living in the Areas.	**SC AI**	The SCDH partnered with the Memphis Area Legal Services/Memphis Fair Housing Center to sponsor training targeted at local developers. During PY 2017, developers were referred to MALS for information concerning their role in fostering housing of choice.
Impediment # 11. There are Virtually No Traditional Public Housing Units in Shelby County Outside the City of Memphis.	**SC AI**	Shelby County Department of Housing does not receive funds for public housing nor is the Department an official part of public housing in Shelby County. However, SCDH continued to provide technical assistance to the Millington Housing Authority when needed. The Millington Housing Authority is fully functioning and required no other assistance from the Housing Department.
Impediment # 12. Shelby County Does Not Have a Fair Housing Ordinance	**SC AI**	During the 2016 PY, a Fair Housing Ordinance was drafted for consideration but it has not yet been adopted.
Impediment # 13. Shelby County no longer has a Fair Housing Officer.	**SC AI**	Shelby County has had a Fair Housing Officer since 2012.
Impediment #14. Many Governmental Actions Have an Unintended Adverse Effect on Housing Choice or Create an Unintended Barrier or Impediment to Fair Housing.	**SC AI**	in 2016, SCHD provided Down Payment Assistance to low-to-moderate individuals and families throughout Shelby County in an effort to increase their ability to secure homes of their choosing in a community of their choice. The Department of Housing provided a total of $422,718.00 in Down Payment Assistance funding during the program year which assisted 124 individuals/families in purchasing a home of their choice. In 2017, SCHD provided Down Payment Assistance to low-to-moderate individuals and families throughout Shelby County in an effort to increase their ability to secure homes of their choosing in a community of their choice. The Department of Housing provided a total of $227,349.00 in Down Payment