



Tennessee Housing Development Agency Issue Brief: Fair Housing Perspective & Analysis Supporting the Fair Housing Plan

Part One of a Six Part Series Examining Issues of Fair Housing in Tennessee

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Key Findings

- There is a statewide shortage of both rental and for sale housing opportunities affordable at a variety of income levels, particularly affordable to lower income households.
- People of color in Tennessee experience higher poverty rates and lower median incomes, which may present a barrier to housing choice.
- Black respondents to a recent THDA survey reported being discouraged or denied housing at a higher rate than White respondents, whether searching for a home to rent or buy.
- The homeownership rate among Black Tennesseans is 27 percentage points below that of their White counterparts.
- Focus groups discussing fair housing impediments called attention to potential racial bias in home sales and the lack of Spanish language marketing materials as possible barriers to homeownership.
- Almost 19 percent of adults in Tennessee have a disability with almost a quarter falling below the poverty level. Focus groups stressed the need for additional resources to improve housing accessibility and proximity to supportive services.
- Fair housing education and outreach may improve awareness of fair housing impediments and the statewide need for more affordable and accessible housing.

Introduction

The Fair Housing Act makes it unlawful to discriminate in the sale, rental or financing of housing on the basis of membership in one of seven *protected classes*: race, color, religion, national origin, sex (gender), disability and familial status (presence of children or pregnancy). The Tennessee Human Rights Act mirrors the federal law and contains the

additional protected class of creedⁱ. State and federal fair housing laws apply to most housing activities (rental and for sale) and both publicly funded and private transactions.

The State of Tennessee, as a recipient of federal block grant funds, is required to take meaningful action to further fair housing choiceⁱⁱ. The Department of Housing and Urban Development (HUD) requires that states and localities who receive community planning and development block grant funding assess the affordable housing and community development needs within their jurisdiction and establish priorities through a Consolidated Plan. State agencies that are recipients of HUD block grants, the Tennessee Housing Development Agency (THDA), the Department of Economic and Community Development (ECD) and the Department of Health (TDOH), engage in consolidated planning every five years, with THDA serving as the lead agencyⁱⁱⁱ.

Prior to September 2020, HUD required grantees to perform an Analysis of Impediments to Fair Housing Choice (AI) as part of the consolidated planning process. The purpose of the AI is to identify barriers or conditions that affect equity in housing choice. While recent federal guidance no longer requires an AI or similar formal assessment of housing barriers, the State completed AI research in 2019, prior to the new rulemaking, and developed a Fair Housing Plan with actions and strategies to eliminate or reduce the negative effects of impediments to fair housing choice identified through the AI process^{iv}. The Fair Housing Plan is a component of the 2020-2024 Consolidated Plan.

The purpose of this brief is to present a summary of the State's AI research and Fair Housing Plan and to serve as an introduction to other briefs in a series

examining fair housing issues in Tennessee. The issue brief series is one example of a more flexible and innovative approach to fulfilling the State’s duty to affirmatively further fair housing as allowed under the new rulemaking.

State of Fair Housing in Tennessee

THDA conducted both primary and secondary research to identify trends that may indicate or underlie impediments to fair housing choice in Tennessee. Secondary data sources include a review of Census Bureau data^v on demographic, income, and housing cost burdens in Tennessee by protected classes, and an analysis of housing discrimination complaints filed in Tennessee over the past ten years. The results of the secondary data analysis help to establish an understanding of the current state of fair housing in Tennessee and to contextualize findings from the primary research conducted in 2019. Primary research included a fair housing survey^{vi} on the experiences of individual Tennesseans in the housing market and key takeaways from 17 focus group discussions across the state with housing professionals and other stakeholders^{vii}.

Demographic & Socio-Economic Observations

Understanding the demographic composition and reviewing select measures of socio-economic status, such as median income, poverty and housing cost burdens among the protected classes in Tennessee provides meaningful context for the survey and focus group discussions on fair housing opportunities and obstacles. For example, income disparities among different households, particularly those within a protected class, may create a barrier to fair housing choice.

Demographically, a majority of Tennesseans (73.5 percent) are White, non-Hispanic. The largest racial minority in Tennessee is Black, non-Hispanic, which comprises 17 percent of the population. Tennesseans (of any race) who identify as Hispanic/Latino, comprise 5.7 percent of the population. Both Asian and persons of two or more races represent two percent of Tennessee’s population respectively. All other races are less than one percent^{viii}.

Almost 19 percent of adults 18 or older in Tennessee have a disability. The population over the age of 65 comprises a significant proportion (42 percent) of the

adult disabled population. More than one in every three Tennesseans over the age of 65 has a disability. Twenty-seven percent of Tennessee households are families with children under the age of 18. Approximately 92 percent of Tennesseans speak English only, with Spanish being the next most commonly spoken language. Among Spanish speakers in Tennessee, almost half speak English less than very well or have limited English proficiency^{ix}. THDA’s Language Access Plan offers a more detailed state and regional analysis of languages spoken and proficiency.

Census data reveal income disparities when comparing race and ethnic categories; family types and disability status (see Table 1). Black, Hispanic/Latino (of any race) and households with persons of two or more races in Tennessee have lower median incomes than Asian and White households. Similar disparities are present when reviewing poverty levels by race/ethnicity as displayed in Figure 1. Black, Hispanic/Latino and persons of two or more races are significantly more likely to experience poverty as White or Asian households^x.

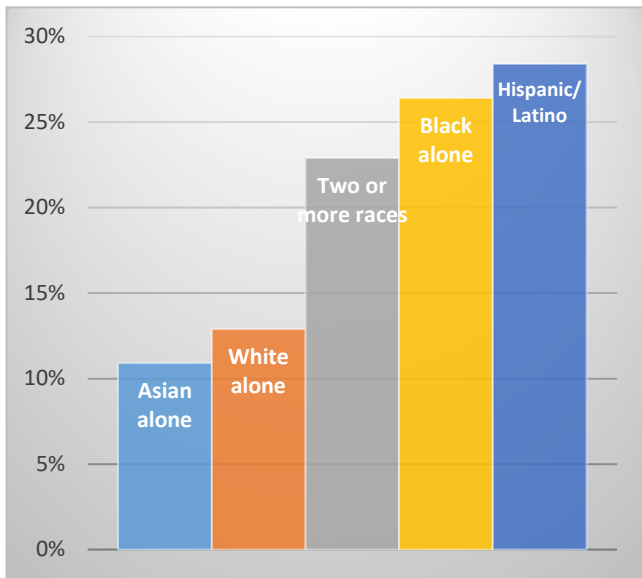
Table 1- Median Income by Select Protected Classes^{xi}

Protected Class	Median Income
Race/Ethnicity	
Asian alone	\$72,881
White alone	\$54,085
Two or More Races	\$42,803
Black alone	\$36,683
Hispanic/Latino origin (any race)	\$41,338
Familial Status	
Families with Children	\$76,120
Married Couples with Children	\$82,341
Single Male with Children	\$36,079
Single Female with Children	\$23,734
Disability Status	
Households with working age disabled member (21-64)	\$38,500
All Households	\$50,972

Households with a disabled member have a higher incidence of poverty than those without a disability, with almost a quarter of disabled households (22.7 percent) falling below the poverty threshold compared with 12.3 percent of the non-disabled population^{xii}. Single headed households also

experience lower median income than families or married couples with children, particularly single females with children, who also experience poverty more frequently than other types of families.

Figure 1- Incidence of Poverty by Race/Ethnicity in TN



Source: American Community Survey 2014-2018, table S1701

Fair Housing Complaint Patterns

Trends or patterns of alleged discrimination that emerge from fair housing complaint data provide a window into the current barriers to housing choice faced by protected classes in Tennessee. Figure 2 displays the results of a review of complaints filed

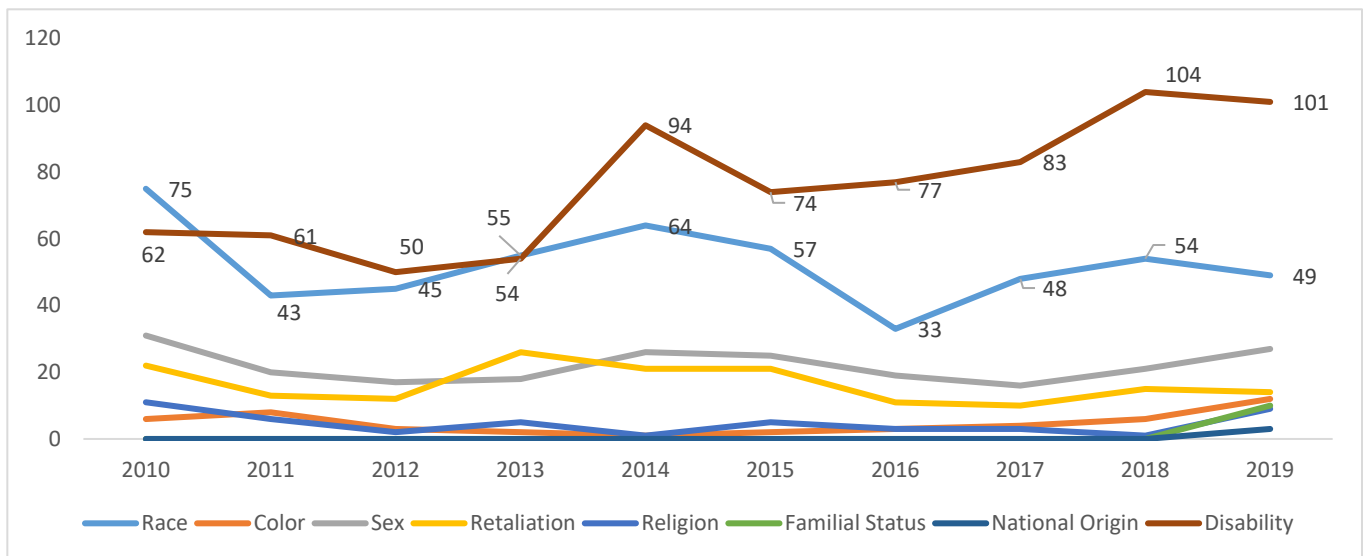
with HUD’s Office of Fair Housing and Equal Opportunity (FHEO) and the Tennessee Human Rights Commission (THRC) over the past ten years^{xiii}. Disability and race are the protected classes associated with the most reports of alleged housing discrimination in Tennessee.

Among all protected classes, the most frequently reported type of complaint (by FHEO categorization) is, “Discrimination in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities”. For disability-related complaints, “Failure to make a reasonable accommodation” is the second most common complaint. “Discriminatory refusal to rent” is the second most commonly reported complaint type for persons alleging discrimination based upon race.

Fair Housing Trends & Impediments

A statewide lack of housing opportunities, rental or for sale, affordable at a variety of income levels, is a prevailing trend influencing the analysis. While focus group discussions varied across different parts of Tennessee, housing affordability dominated almost every discussion to the point that it was often difficult for moderators to steer the conversations to fair housing (or disparities in housing opportunities specific to the protected classes). However, the socio-economic analysis shows that certain protected classes are more likely to experience lower income levels in Tennessee, particularly people of color and persons with disabilities. As would be expected,

Figure 2- Complaints by Protected Class, 2010-2019



access to housing opportunities worsens at lower income levels.

Thus, income disparities may lead to impediments to housing choice among protected classes based upon affordability, particularly in higher cost areas. Where disparities exist in income, housing cost burden disparities follow. HUD defines cost burden as those households paying more than 30 percent of monthly adjusted income toward rent and utilities. Housing cost burdens are most significant among renters in Tennessee, with 42 percent of renters facing cost burdens compared with 21 percent of homeowners.

Figure 3- TN Cost Burdened Renters by Race/Ethnicity

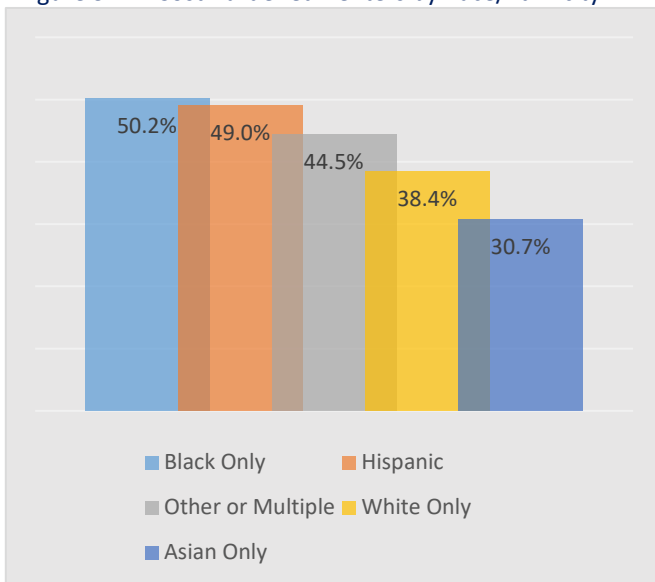
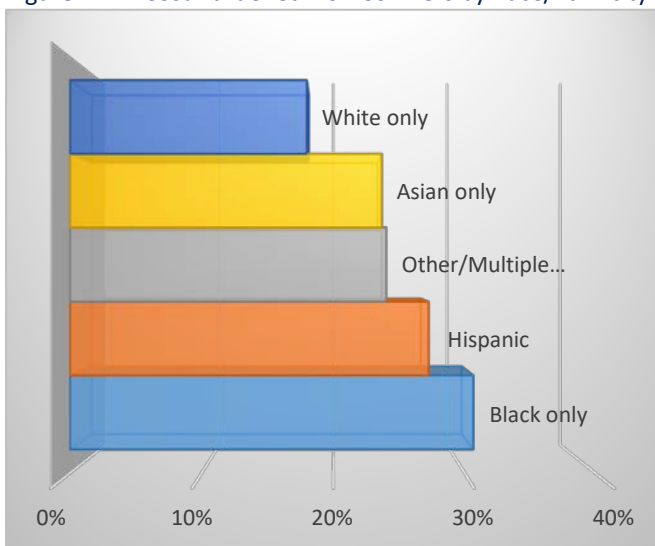


Figure 4- TN Cost Burdened Homeowners by Race/Ethnicity



HUD's Comprehensive Housing Affordable Strategy (CHAS)

As the graphs above illustrate, Black and Hispanic renter households in Tennessee experience the greatest housing cost burdens with 50 percent experiencing cost burdens compared with 38 percent of White renter households. Notable differences in housing cost burden among race categories are present among homeowners as well, with almost 31 percent of Black homeowners and 27 percent of Hispanic homeowners facing cost burdens compared with 18 percent of White homeowners.

Among survey respondents, 37 percent seeking rental housing and 40 percent seeking to buy a home reported not finding housing that worked for them. Affordability was a leading concern in comments among survey respondents seeking housing. The majority of survey respondents who reported being discouraged or denied a housing opportunity, rental or for sale, indicated that insufficient income or credit was the main reason for their denial or discouragement. Notably from a fair housing perspective, Black survey respondents reported being discouraged or denied at a higher rate than their White counterparts, whether searching for a home to rent or buy^{xiv}.

The AI research revealed more specific concerns related to the cost and availability of housing, along with other trends influencing housing choice. Each of the impediment areas included in the State's Fair Housing Plan along with a brief summary of the findings from the survey and focus groups that related to the impediment is described below.

Lack of Access to Affordable Rental Housing Opportunities

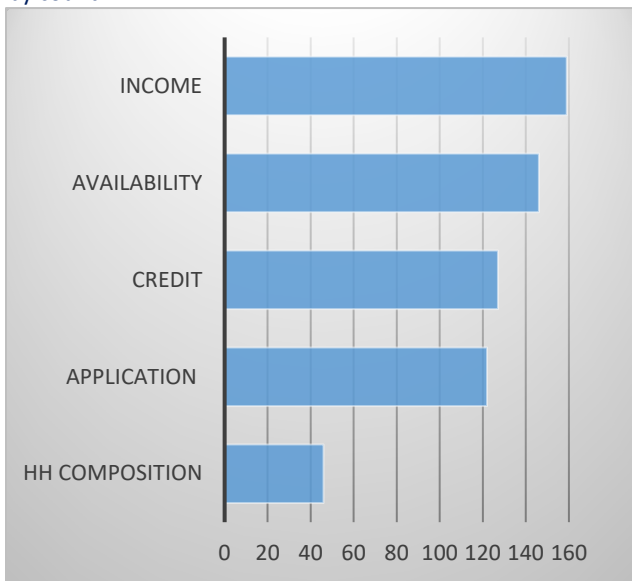
Focus groups across the state stressed the need for more affordable and available rental housing options. In rural areas, the discussions focused on the lack of rental housing at all price points and an over-reliance on mobile homes. In urban areas, in addition to affordable housing shortages, concerns also included gentrification in African-American neighborhoods and displacement.

Among the respondents to the fair housing survey, 44 percent seeking to rent reported being discouraged or denied a rental housing opportunity in the past five years. Fifty-seven percent of Black surveyed renters were discouraged or denied housing compared with

37 percent of White respondents. In terms of ethnicity, Hispanic renters reported almost the same rate of discouragement or denial as non-Hispanic renters at 41 and 43 percent, respectively.

Income was the most frequently reported reason for denial or discouragement among surveyed renters who answered additional questions on the reasons for their discouragement or denial^{xv}. The majority of that group reported not having enough income as the reason for denial or discouragement rather than source of income or other income issues. As income falls among surveyed renters, reports of discouragement or denial rise. Surveyed renters with less than \$14,999 income reported the highest rates of discouragement and denial.

Figure 5- Surveyed Renters: Denial/Discouragement Reason by count



Other reasons reported by surveyed renters for denial or discouragement, such as credit, application issues and availability of housing, also often have a relationship to income. Fifty-five percent of surveyed renters reported an availability issue as the reason for discouragement or denial, specifically, apartments that met their needs were too expensive or they could not find an apartment in the area they wanted. Almost half of surveyed renters indicated they were discouraged or denied based on credit (47 percent) or application issues (46 percent). Explanations among surveyed renters for discouragement during the application process included the need for a co-signer and difficulty affording the security deposit.

Almost half of surveyed renters with one or two children reported being discouraged or denied housing. As family size gets larger, respondents report a greater incidence of discouragement or denial when seeking housing. Focus groups also indicated that families with children struggle more often to find appropriate and affordable housing, particularly larger families. Additionally, while household composition is the least common reason for discouragement or denial among surveyed renters, among those who did report household composition issues, the most common concern was someone in the family having a criminal record. Household composition issues like these may suggest an impediment to fair housing choice.

The following impediments associated with a lack of affordable rental housing opportunities in Tennessee are included in the State’s Fair Housing Plan, all of which may disproportionately impact persons in a protected class:

- Discrimination on the basis of membership in a protected class when trying to lease a rental unit.
- An insufficient supply of decent, rental housing affordable to people with incomes 0-80 percent of AMI across the state;
- Lack of knowledge about available rental housing opportunities, especially those that are affordable and accept vouchers;
- Housing cost burden may be increased and access to quality housing limited by the cost of utilities.

Lack of Access to Affordable Rental Housing in Areas of Opportunity

The location of existing affordable rental housing in areas of poverty or economic distress and the need for more affordable housing in areas of opportunity also may represent barriers to fair housing choice. Where affordable housing is located in areas of high poverty or economic distress, it may exacerbate the incidence of poverty by pushing low-income households further from jobs, schools, and services, such as broadband access (mentioned repeatedly in the focus groups, particularly in rural areas). A lack of infrastructure, aging infrastructure or the high cost of developing infrastructure, such as sewer systems, all were included in focus group discussions as factors that limit housing availability or increase housing related costs, particularly in rural communities.

Further analysis shows that affordable or income-qualified rental housing opportunities developed through the Low Income Housing Credit (LIHC) program and U.S. Department of Agriculture Rural Development in Tennessee are often concentrated in areas of high poverty^{vi}. The LIHC program is the largest source of capital available for the production of new affordable income-qualified rental housing in the state. Thus, the location of these affordable properties is significant to the housing choices for lower income households, including those in a protected class.

Lack of Access to Affordable Homeownership Opportunities

The analysis reinforced that while the majority of Tennesseans (66 percent)^{xvii} own their home, there is a shortage of affordable homeownership opportunities for prospective homebuyers, especially at lower income levels. Moreover, the ability to make improvements, repairs or modifications, which may improve home value, safety or accessibility is compromised among homeowners in protected classes who have lower income levels and higher housing cost burdens.

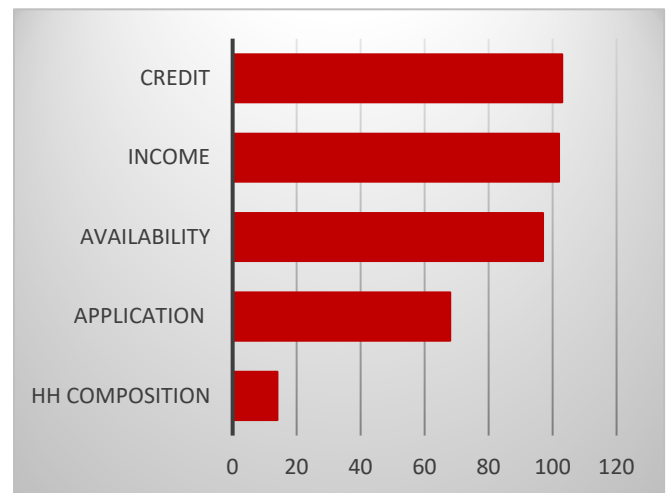
The analysis also revealed disparities in homeownership success among the protected classes in Tennessee that may be exacerbated by a lack of knowledge of the home buying process. Disparities in rates of homeownership indicate the existence of impediments to fair housing choice. A more detailed brief dedicated to the racial and ethnic disparities in home mortgage originations in Tennessee is forthcoming in this Fair Housing brief series. The brief presents disparities in homeownership rates and outlines the variations in disparities both regionally and across racial/ethnic groups. For example, the analysis found that the rate of homeownership among Black Tennesseans remains 27 percentage points below that of their White counterparts. Additionally, the analysis also shows that differences in income across racial groups in Tennessee do not explain racial disparities in loan denial rates. Black Tennesseans with the highest incomes are more than twice as likely as their White peers to experience a mortgage application denial.

Thirty percent of the respondents to the fair housing survey seeking housing to buy indicated that they were discouraged from buying or denied the

opportunity altogether. Thirty-eight percent of Black and half of Hispanic respondents reported being discouraged or denied a homeownership opportunity, while 26 percent of their White counterparts said the same. One survey respondent described the following experience with steering, which is illegal under the Fair Housing Act, “[t]he neighborhood was predominately White and the realtor stated that the seller had specific requirements on who he wanted to occupy the house, the realtor referred me to a different realty company.” Some focus groups also expressed a concern around potential racial bias in home sales, and the need for more Spanish language marketing and loan closing materials

Among the survey respondents that answered additional questions on the specific reasons for discouragement or denial, 62 percent of prospective homebuyers identified issues with both credit and income. The majority of the respondents who stated that income was a concern reported that income was too low. Among surveyed homebuyers reporting credit issues, 38 percent said their credit was not good enough; 15 percent said they faced another credit issue and the rest cited issues with either not having credit or having non-traditional credit. Similar to the renters surveyed, as income decreases among the potential homebuyers surveyed, reports of discouragement or denial increase. Respondents with incomes below \$50,000 reported a high incidence of discouragement or denial when trying to buy a home.

Figure 6- Surveyed Home Buyers: Denial/Discouragement Reason by Count



Sixty percent of buyers indicated that they were discouraged or denied because of availability issues, specifically that homes that met their needs were too expensive. The loan application process resulted in discouragement or denial for 43 percent of the prospective homebuyers. One specific reason given was the need for a co-borrower, which is an indication the buyer did not meet the lender's income or credit requirements.

Very few surveyed buyers reported household composition as a reason for discouragement or denial, but it is important to note that more than half of potential buyers surveyed with at least one child in the household felt discouraged or denied.

The following impediments were identified associated with the lack of access to homeownership opportunities in Tennessee, all of which may disproportionately impact persons based on membership in a protected class:

- Lack of knowledge of the home buying process and awareness of rights during home purchase that would allow the prospective homebuyer to recognize discriminatory lending practices;
- Less opportunity for people of color to achieve homeownership ;
- Lack of resources among low-income homeowners to make needed repairs, improve energy efficiency (reduce utility costs) or add accessibility features.

Lack of Accessible and Affordable Rental and For Sale Housing for Persons with Disabilities, including Service Enriched Housing Opportunities

The research reveals a concerning deficiency of affordable, accessible housing options for disabled Tennesseans. Focus groups across the state highlighted the lack of accessible for sale or rental housing units and the scarcity of resources for individuals with disabilities, including too few resources for home repairs and modifications to improve accessibility and insufficient services near affordable or available housing opportunities. Discrimination against individuals with mental or intellectual disabilities was also a concern noted among some focus groups.

Among surveyed households that include a disabled member, almost half (44.5 percent) reported

household income that is less than \$25,000. Within the almost 30 percent of survey respondents that indicated they, or a member of their household, have a disability, a significant number answered that they did not have more than one good option to choose from among accessible units. The following comments from survey respondents illustrate the concerns expressed by the disabled community: “[b]eing isolated and too far away from friends contributes to many issues affecting [their] well-being.” Additionally, “a poor housing environment has contributed to deterioration of [their] condition and well-being.”

Survey data also reflect disparities between disabled and non-disabled households in homeownership success rates. Less than half (45%) of surveyed households with a disabled member reported owning their homes, while with well over half (65.3%) of surveyed households not affected by disability own their homes. A more in-depth examination of the housing issues faced by persons with disabilities will follow in a forthcoming brief.

Lack of Understanding of Fair Housing Laws & Enforcement

The analysis highlighted that a lack of knowledge of fair housing laws may present a significant impediment to housing choice across Tennessee for both renters and homebuyers. The survey results and focus groups strongly support additional fair housing education and advocacy. Education related to the rights and responsibilities of renters under fair housing laws may benefit both renters and property owners, managers and developers. Potential homebuyers also may benefit from education that helps them recognize discriminatory lending practices. Promoting an understanding of the housing needs and rights of persons with disabilities, including older adults with disabling conditions, may improve housing conditions and potentially health outcomes among the most vulnerable populations.

Further, focus groups and survey responses support the need for both general fair housing education among local governments and decision makers and targeted education, for example, on how local ordinances, like zoning, may disproportionately impact persons in a protected class. The research also supports a need for more effective strategies to

educate all Tennesseans about the need for affordable housing at all price points and in all communities.

Importantly, focus group participants also noted a perceived or real issue with the length of time it takes to resolve fair housing complaints when reported (among renters and homebuyers). FHEO complaint data show that on average, across all complaint types, it takes 426 days to reconcile a complaint. The perception that it takes too long or that enforcement is lacking may compound barriers to fair housing choice. Education or outreach on how best to recognize and report discrimination or request assistance with filing a complaint may ensure a more efficient and hopefully faster reconciliation.

Fair Housing Actions

After reviewing the preliminary AI research, THDA and ECD identified actions or activities, particularly focused on existing programs and funding sources that may help overcome potential barriers to fair housing. Some of those actions and programs are described here, and the comprehensive Fair Housing Plan is available for review on the THDA website with the 2020-2024 Consolidated Plan. In developing actions, the State focused its efforts on activities where the consolidated planning agencies have the authority and budgetary resources to drive change.

Education & Awareness

Education and awareness of fair housing is a critical component of combatting discrimination and furthering fair housing choice. Thus, the State's Fair Housing Plan recommends a number of training and education activities among formula grant agencies, their sub-recipient and partner agencies, and within local governments. Given the significance of fair housing issues associated with disabled households in Tennessee, a key component of the Plan is to develop educational materials to improve understanding of the requirements and the need to improve housing choice for persons with disabilities. Partnerships with non-profit fair housing organizations across the state, especially those with HUD Fair Housing Initiatives Program (FHIP) grants, are central to facilitating education and training opportunities. The FHEO complaint data also suggest that awareness and outreach is needed around housing discrimination, particularly discrimination

that may affect the housing opportunities of minority and disabled households. Education or public outreach on the resources available to assist persons facing alleged discrimination, such as assistance from non-profits funded by HUD FHIP grants, including the Fair Housing Council and West Tennessee Legal Aid Society, may improve fair housing enforcement and outcomes.

Rental Housing Activities

A wide range of rental assistance and rental development activities are included in the Fair Housing Plan to improve the supply of decent, rental housing affordable to the lowest income renters across the state, which may disproportionately include persons in a protected class. THDA administers the HUD funded Housing Choice Voucher rental assistance program in 72 counties, many located in rural areas of the state. THDA offers a preference in the HCV program for disabled and elderly (55+) households with Social Security income sources and administers special allocations of rental vouchers targeted to disabled households under both the Mainstream and Non-Elderly Disabled (NED) voucher programs. To improve access to rental housing for the lowest income Tennesseans, the Plan also recommends utilizing HOME funds for tenant based rental assistance.

Another area where THDA may affect rental opportunities is through allocation policy in LIHC program. Beginning in 2019, THDA changed the way it allocates LIHC to steer capital investment in rental housing away from areas of concentrated poverty identified as Qualified Census Tracts (QCTs). The agency's resources remain available to recapitalize or rehabilitate existing rental properties in those areas, but not for new construction. This has allowed THDA to achieve measurable progress toward altering the pattern of affordable rental housing concentration in areas of high poverty. Recent allocations have made it possible for developers to create affordable housing opportunities in areas with comparatively lower poverty rates. Prior to 2019, census tracts receiving new LIHC units had an average family poverty rate of 23 percent. Over the last two years, the rate has fallen to 19 percent. The average rate of poverty among families with children in tracts receiving recent allocations is 29 percent; prior to 2019 that figure was 35 percent^{xviii}. Over time, these

efforts may reduce the degree of residential segregation in Tennessee.

Additional examples of rental development activities targeted at improving rental housing affordability for lower income households in the Plan are:

- Prioritizing the development of rental housing affordable to households at the lowest income levels in the TN and National Housing Trust Funds (HTF).
- Incentivizing the development of project based rental assistance units to serve the lowest income renters through THDA's National Housing Trust Fund;
- Setting aside up to 20 percent of THDA's annual competitive housing credit authority to support the redevelopment of public housing units;
- Prioritizing development and/or preservation of affordable rental housing for the elderly, persons with disabilities, or other special needs in the TN Housing Trust Fund.

Homeownership Activities

To improve access to homeownership, particularly among underserved populations, the Plan supports a continuation of the education activities provided by THDA's Homebuyer Education Initiative (HBEI). HBEI works to improve knowledge of the home buying process and allows prospective homebuyers to recognize discriminatory lending practices. Additionally, the Fair Housing Plan includes a number of activities targeted at closing the racial/ethnic gap in homeownership and loan denial rates. A few examples are:

- Raising awareness of THDA's mortgage programs among underserved populations, particularly eligible Black and Hispanic buyers.
- Providing vital THDA lending documents in the Spanish language, along with placing promotional information on THDA lending programs in Spanish-language publications.
- Partnering with the national Mortgage Bankers Association to support a pilot program to increase homeownership opportunities among African-Americans in Memphis, Convergence Memphis
- Offering downpayment assistance and manual underwriting for the Great Choice mortgage program to mitigate automatic denial for reasons that correlate strongly with race and ethnicity

but do not reflect the creditworthiness of a specific borrower.

Finally, the Plan also includes several actions or programs to help low-income homeowners maintain or make ownership more affordable, including energy efficiency, utility assistance or the addition of accessibility features for households with a disabled member or older adult.

Further Considerations & Reading

The information presented in this brief summarizes the State's analysis of potential impediments to fair housing choice and the important actions that are currently underway or planned to work towards overcoming those barriers. Forthcoming briefs will present more in-depth analysis of specific fair housing issues and activities to promote fair housing choice in Tennessee. Each of the briefs in this series should provide meaningful information to the public and policymakers on the potential barriers to fair housing choice in Tennessee, and on activities that may promote fair housing or overcome barriers. Additionally, the agency's Consolidated Plan, the complete Fair Housing Plan and other supporting documents are available on THDA's website.

- Consolidated Plan, 2020-2024 (includes the Fair Housing Plan), State of Tennessee, <https://thda.org/research-reports/consolidated-planning>.
- Language Access Plan, Tennessee Housing Development Agency, 2020, <https://thda.org/help-for-renters-section-8/fair-housing-know-your-rights>
- 2019 Tennessee Housing Market at a Glance, https://thda.org/pdf/Housing-Market-at-a-Glance-2019_Final.pdf

Other Briefs in This Series

Arik, Hulya; McCarthy, Kevin C.; Speer, Joseph, "Racial and Ethnic Disparities in Home Mortgage Originations in Tennessee." Tennessee Housing Development Agency, *forthcoming*.

Anderson, Teresa, "Housing Opportunities for Persons with Disabilities." Tennessee Housing Development Agency, *forthcoming*.

McCarthy, Kevin C., “State of Publically Assisted Rental Housing in Tennessee.” Tennessee Housing Development Agency, *forthcoming*.

McCarthy, Kevin C; Randle, Zelinka, “Barriers to utilizing Housing Choice Vouchers” Tennessee Housing Development Agency, *forthcoming*.

Webb, Megan, “Fair Housing Impacts of Utility Costs and Broadband Access in Tennessee.” Tennessee Housing Development Agency, *forthcoming*.

<https://thda.org/research-reports/issue-briefs>

ABOUT THDA

As the State’s housing finance agency, the Tennessee Housing Development Agency (THDA) is a self-sufficient, independently funded, publicly accountable entity of the State of Tennessee. THDA’s mission is to ensure that every Tennessean has access to safe, sound, affordable housing opportunities. More information about THDA programs can be found online at www.thda.org.

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ⁱ Creed is a set of guiding beliefs, including religious beliefs.

ⁱⁱ This obligation is generally described as the duty to Affirmatively Further Fair Housing. It is required of recipients of federal funds under the Fair Housing Act, the Housing and Community Development Act and implementing administrative rules.

ⁱⁱⁱ The formula grant programs include the Community Development Block Grant (CDBG), National Housing Trust Fund (HTF), HOME Investment Partnerships Program, Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

^{iv} A number of administrative rule changes have guided AFFH implementation over the past ten years, including the requirement for a more expansive assessment of Fair Housing (AFH) from 2015-2017. In 2019 when THDA began to prepare a five-year Consolidated Plan, the AFFH rule had reverted to conducting an Analysis of Impediments in accordance with the 1996 HUD Fair Housing Planning Guide. In September 2020, the Preserving Community and Neighborhood Choice rule took effect. The new rule eliminates the requirement to produce a formal analysis of barriers to housing choice (using the 1996 guidance), and “returns control” to states and local governments to perform an analysis of fair housing sensitive to their own unique circumstances. Also, see the forthcoming brief “Fair Housing Implementation in Tennessee under Preserving Community and Neighborhood Choice.”

^v Data cited throughout this brief were derived from the most recent tables available from the American Community Survey (ACS) and HUD’s Comprehensive Housing Affordable Strategy data sets. The ACS is a product of the U.S. Census Bureau. It is an ongoing survey of the American people and provides the most consistent and rigorous data available pertaining to households and populations. CHAS data are custom tabulations of ACS data for HUD and demonstrate the extent of housing problems and needs, particularly for low income households.

^{vi} The 2019 Tennessee fair housing survey was designed by THDA staff with consultation by ABT associates specifically as one measure of analyzing impediments to fair housing choice in

Tennessee. The survey asked individual Tennesseans to share their experiences in the housing market, as well as key demographic data. It was posted on THDA’s website between May and October 2019. Of the 1,955 survey respondents, 566 reported searching for housing to buy, and 533 searched for rental housing during the last year. Due to the sample size, particularly in relation to some questions, reliability when generalizing the findings beyond the parameters of this analysis may be limited.

^{vii} Seventeen focus groups were held across the state with meetings in each of Tennessee’s “Big Four” most populous cities and in rural communities in each of the state’s three Grand Divisions. Elected officials, staff of the state’s nine development districts, and other organizational stakeholders, such as real estate trade organizations, attended many of the focus groups.

^{viii} The ACS provides data for seven race categories (White, Black or African American, Asian, American Indian and Alaskan Native, Hawaiian & Other Native Pacific Islander, Some Other Race Alone, and Two or More Races) and ethnicity in two categories (Hispanic/Latino Origin and Not Hispanic/Latino Origin).

^{ix} ACS, 2018, five year estimate & THDA’s Language Access Plan

^x ACS, 2018, five year estimate, tables S1701 & S1702

^{xi} Race/ethnicity and familial status income data are derived from the ACS 2018, five-year estimate, table S1903. American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander and other race categories represent less than one percent of households, and thus, are not included in the analysis. Median household income for all households that include a disabled person (regardless of age or work status) is not readily available from the ACS tables. Thus, for purposes of this analysis, the Cornell University online resource for disability statistics (based upon ACS data) was accessed to find the median income for households with a working age disabled member (21 to 64).

^{xii} ACS, 2018, five year estimate, table S1811

^{xiii} The complaint data show the nature of the alleged discrimination, the protected class status involved and the resolution of the complaint. An individual complaint may allege

discrimination based upon participation in more than one protected class. The total complaints by protected class are not unduplicated. Therefore, a single complaint may be counted in more than one protected class category in the analysis.

^{xiv} The survey did not collect sufficient data to support conclusions regarding the experiences of Tennesseans who identify as Asian, Pacific Islander, or Am. Indian/Alaska Native.

^{xv} A smaller subset of the overall survey population answered secondary questions that provided more detail on discouragement or denial based upon five guiding issues: credit, income, household composition, availability, and application process (loan or rental). On average, 163 prospective

homebuyers and 269 prospective renters, among the overall surveyed respondents, are included in the subset.

^{xvi} This information is derived from the 2018, 5-Year, ACS estimate of median gross rent by census tract, the 2018, 5-Year ACS estimate of family poverty status by census tract; the locations of properties financed through the LIHC program, and the location of properties financed by the USDA Office of Rural Development.

^{xvii} <https://thda.org/research-reports/tennessee-housing-market/county-housing-profiles>

^{xviii} This information is based on a comparison of proposed development locations and 2018, 5-Year ACS estimates of poverty status for families by census tract.