



Memphis, Tennessee: Creating Successful Mixed-Income Housing through *Choice Neighborhoods*

The Memphis Housing Authority (MHA) and City of Memphis successfully used Choice Neighborhoods mixed-income housing as a catalyst to transform a high-poverty community into a vibrant mixed-income neighborhood. First awarded a Choice Neighborhoods Planning Grant for the Foote Homes public housing project in 2011, they then received a \$29.75 million Choice Neighborhoods Implementation Grant in 2015 and an additional \$4 million in supplemental Choice Neighborhoods funding in 2019. The Housing Plan features the 712-unit Foote Park at South City development. This development is split into six phases and includes 592 family townhouses and garden-style apartments as well as a 120-unit senior building. A true mixed-income community, it includes 393 replacement units, 126 mid-range affordable units, and 193 market units.

While the Foote Homes neighborhood was historically challenged with the negative effects of concentrated poverty, deteriorated housing, and high rates of unemployment and violent crime, the Memphis Team recognized there were also strengths within the neighborhood that could be leveraged for the development of a successful mixed-income housing development. These strengths included close proximity to downtown, recently constructed commercial centers such as the Memphis Grizzlies' FedEx Forum, and existing resident and community engagement activities already underway within the neighborhood. The Memphis team's community-driven vision and foresight has resulted in a successful, thriving, and income-diverse neighborhood in South City. The following story provides insight into how the Memphis team was successful in its endeavor.



Collaboration and Committed Partners

MHA is quick to stress the importance of establishing and nurturing strong partner relationships. MHA's approach is highly collaborative. It includes strategies like ongoing engagement on relevant neighborhood projects and recognizing the importance of inviting all players – even if it's a big crowd. Their collaborative approach naturally engenders their partners' collaboration, ultimately leading to stronger relationships which, MHA has found, can easily withstand personnel and role changes or even dramatic shifts in project plans.

MHA's list of partners is long and deep, and includes representatives from the city, core redevelopment and supportive service partners, philanthropic foundations, volunteer organizations, the school district, local businesses, the police, religious organizations, nearby homeowners, and target housing residents. Highlights of their relationship successes include:

- The City of Memphis, who committed over \$30 million to the redevelopment and has been instrumental to not only the vertical housing and site-work such as demolition, public infrastructure, and addressing environmental issues, but also for the overarching neighborhood plan.
- Philanthropic foundations, including the Women's Foundation for a Greater Memphis, who committed significant financial and human resources, through which a multitude of services have been established; non-profits, like Urban Strategies Inc., who serves as the People Lead and coordinates case management and programming for the residents; and the South City, a Community of Opportunity Revitalization Empowerment, (SCORE CDC) a local community development organization, who is leading a number of community building initiatives; and private companies, such as Blue Cross Blue Shield, who is funding the linear park and play area.
- MHA also fostered a close relationship with Tennessee Housing Development Agency (THDA), one of the few state financing agencies with a Choice Neighborhoods tax credit set-aside. MHA has not only benefited from the set-aside, but more importantly, has also found a true partner in the agency. Throughout the effort, THDA played a critical role in the difficult process of blending finances in revitalization efforts of this magnitude.



Attracting Market Rate Renters

MHA and its development partner, McCormack Baron Salazar, were intentional with a high-quality housing design approach and seamlessly merged it with the neighborhood component. They selected tried-and-true yet appealing amenities that would entice any potential renter to their units, such as in-unit washers and dryers and dishwashers. Their units are also energy efficient and sustainable, the community is smoke-free, and the senior building is being designed to the National Green Building Standards and all prior phases were designed to Enterprise Green Communities criteria. Their focus went beyond the residential units to integrate community-building elements within the residential development itself – like the centrally located clubhouse, the pool, and the forthcoming linear park, all of which will foster neighborhood relationships.

Additionally, the Memphis team focused on the surrounding neighborhood with an eye toward making it stronger, cohesive, viable, and ultimately, more marketable to all types of renters. The city of Memphis' Division of Housing and Community Development led the charge on neighborhood activities in partnership with the local developer, ComCap Partners. Together, they worked with the Downtown Memphis Commission on a commercial façade improvement program for local businesses; they ran a home repair program for local homeowners; and they are currently working in partnership to acquire an abandoned school that will soon house an early childhood education center, a Girls Inc. program, and other non-profit service providers. All of this has created a rental community that virtually markets itself and in which market-rate units lease up as quickly as other units.



Lay the Groundwork for the Future

MHA's strategies, bolstered by collaboration with their partners, purposefully focus on fostering a cohesive and sustainable community among its diverse members. They have leased nearly 400 units in the first three phases of their project and have begun leasing for phase four. With this critical mass, they are ramping up plans to establish a residents' association. Additionally, with an eye toward potential future case management needs, MHA is working with Urban Strategies, Inc. to capitalize on the opportunity to use Choice Neighborhoods funds to establish an endowment that will provide supportive services for another four to five years after the grant closes. They have also received commitment from their philanthropic partner, the Women's Foundation, to provide matching funds, and from other partners who will provide in-kind services. They have engaged with SCORE CDC, who is working in the larger neighborhood on initiatives including voter registration drives, candidate forums, and National Night-out events, to establish a long-term commitment that will continue long after Choice Neighborhoods funds have been expended. With this foresight, and strong partnerships, MHA is building the foundation for a strong, cohesive, and long-lasting community for Foote Park at South City.

By establishing this vibrant and successful mixed-income community, the Memphis team has provided its residents and the larger community with much-needed affordable housing, economic development opportunities, and initiatives to promote safe and secure living. MHA has created a solid foundation and an atmosphere that will continue to attract longer-term investment and future growth for the neighborhood.

Cover photo: An aerial view of Foote Park at South City.

Page 2: Foote Park at South City includes a variety of building types, including townhomes and small garden apartments (top, bottom left). Partners celebrate the opening of Foote Park at South City (right).

Page 3: An aerial view of Foote Park at South City shows apartments centered around a forthcoming Linear Park (top). New apartments are built to a market standard, including amenities such as washers, dryers, dishwashers, and ample sunlight (bottom left, right). A community space is located near the property's pool and state of the art fitness space (bottom, center).

This page: Before photos of Foote Homes (top and bottom left) are a sharp contrast to Foote Park today.