

Housing and Neighborhood Revitalization



At the foundation of any healthy city, healthy families must abound. People living in relative peace on safe streets in affordable housing make healthy neighborhoods, communities, and a healthy city. The Shalom Project also believes the core of any healthy neighborhood must be a healthy neighborhood church that reaches the hearts and serves the needs of residents from a holistic approach.

Good and affordable housing does not assure a good home. A home is a house where there are caring people loving each other. Good housing, however, does afford an enhanced opportunity to create good homes.

Unfortunately, a high inventory of poor housing in the core city sustains many intractable problems and intensely challenges the development of a comprehensive solution. For example, Shelby County Government has more than 15,000 parcels currently tax-delinquent and another 1,500 parcels government-owned from tax foreclosures. The numbers are staggering. These denigrating circumstances have developed over a long period of decline. Many neighborhoods are facing devastating factors such as a 15 to 30% loss of population, abandoned properties, absentee landlords, predatory lending practices, blighted multifamily complexes, lack of code enforcement, and neglected and crumbling public infrastructure.

Despite these problems, committed and zealous people are working daily to restore signs of hope and encouragement in pockets across the urban landscape. As an example, a South Memphis Revitalization Plan (SoMe RAP) is well underway to address an area containing 140 city blocks, 1,800 lots, 21 churches, 5 schools, and a city park—all home to more than 6,800 residents. At the center of this initiative is a collaborative comprised of hundreds of area residents, St. Andrews AME Church, The Works CDC, Self Tucker Architects, the Consilience Group, The University of Memphis, the Hyde Family Foundations, and the City of Memphis. Based on a grassroots, resident-driven agenda, the SoMe Rap has adopted an asset-based community redevelopment model. SoMe Rap has developed its improvement goals and has short-term initiatives as well as long-term goals to create momentum for transforming the neighborhood. This is but one example of several public-private initiatives now underway across the landscape of Memphis.

Relying on professional experience, available data, and personal knowledge of the greater Memphis community, the Shalom Committee on Housing has attempted to examine the myriad of factors that impact housing in Memphis. In so doing, the committee also attempted to identify the influences that distinguish neighborhoods in Memphis from each other and define certain factors that influence the relative attractiveness of these different neighborhoods.

As expected, Memphis is made up of neighborhoods that range in perception as attractive places to live to the very unattractive. Good-quality housing versus poor-quality housing tends to be a key characteristic in these perceptions. With this as a starting point, the committee focused on the factors, problems, and issues related to poor-quality housing in less-attractive areas, with a goal of identifying potential actions to address problems.

These guiding observations include the following:

- The relative health and stability of a community is reflected in the condition and quality of its housing.
- The condition and quality of housing in any neighborhood is directly correlated to the resources of its residents.
- Attractive neighborhoods will attract residents with greater resources.
- Those with fewer resources will be forced into less attractive neighborhoods, or the neighborhoods with fewer resources will decline.

These observations gave rise to some common assumptions generally applicable to the life cycle of a neighborhood and its housing. Healthy neighborhoods exhibit certain common characteristics of public safety, healthy neighborhood churches, good schools, key services, and good location and proximity to jobs—all of which make these areas attractive to residents. As a product of the

relative attractiveness of a neighborhood, the percentage of home ownership increases, and as the percentage of home ownership increases, investment is made and the relative quality of housing stock generally improves. As housing quality improves, the stability and sustainability of the neighborhood increases, making the neighborhood more attractive and causing home values to increase. This progressive cycle can perpetuate the health of the neighborhood.

Conversely, a regressive cycle develops as housing becomes less affordable, and as community attractiveness declines, conditions change over time. This regressive cycle is often evidenced in under-resourced and declining neighborhoods and has the greatest impact on the poor, who are less able to afford quality housing in attractive neighborhoods. With the goal of improving housing opportunities for these residents caught in this regressive cycle, the committee focused on the causes and influences common to these areas.

Public housing policy of recent years has also created challenges in the various neighborhoods either already in crisis or on the verge of accelerated decline. When the various HOPE VI projects were awarded, the demolition of several high- population density, public-housing projects near the downtown area dispersed a large number of residents into at-risk neighborhoods and has caused significant pressure on the stability of those affected residential neighborhoods. Correlations have been quantified and reported of increased incidences of violent crime, blight, economic housing flight, and other negative impacts. Police, especially, and other public agencies serving the community were not well prepared for issues related to the influx of so many public housing residents into a neighborhood.

Through discussion, the committee concluded that affordable, quality housing is directly related to a neighborhood’s basic human needs of safety, quality of education, and access to basic services are of primary importance to any healthy community. Basic services would include a neighborhood church which welcomes its neighbors, seeks to serve nearby residents at the point of need, and could serve as a conduit to opportunity for the neighborhood residents. Secondary factors include location, accessibility, proximity to employment opportunities,

and history. Without relative safety, good churches, good schools, and basic services, no community can function, much less be healthy. Neighborhoods exhibiting higher crime rates, poor performing schools, and substandard or neglected basic services are most affected by poor-quality housing.

These basic requirements are essential for healthy neighborhoods and are study topics for other Shalom Project committees. Thus it is important to note how dependent good housing is on those committees’ respective areas of concern.

Housing Challenges

With an understanding of these guiding observations, the committee focused its discussions on the factors most relevant to housing and refined its efforts to determine the biggest obstacles to attractive housing opportunities in under-resourced areas. The committee discovered that multiple obstacles exist, but most of them can be categorized into three main areas of concern:

Personal Capacity

Personal capacity issues primarily consist of challenges to an individual’s ability to pay for and maintain quality housing. In many under-resourced neighborhoods the population is negatively affected by high unemployment, low household incomes, poor financial literacy, lack of knowledge about homeownership, lack of credit, and poor credit histories. This combination of factors plus low resources leads to higher concentrations of older housing stock, multifamily housing structures, and visibly deficient property maintenance. These concentrations prevent the area from attracting outside financial capital, which over time is devastating to the viability and attractiveness of a neighborhood. Further, as should be expected, these neighborhoods attracted more of those residents with the fewest resources. As a result, these same neighborhoods have high concentrations of poverty-stricken and elderly residents on fixed incomes, as well as rising immigrant populations. Many in these groups fall victim to unconventional and predatory lenders, exacerbating the personal capacity of the neighborhood. Also, the breakdown of family structures, poor education, lack of jobs, and other results of the destructive cycle of poverty are significant contributors to the lack of personal capacity.

 See Map C: Completed Foreclosures (p. 71 in the appendix)



Housing Supply

Housing supply issues primarily consist of market related factors that impact the type and mix of housing stock in a particular neighborhood. These factors include the proportional mix of rental housing and owner-occupied housing. Higher levels of rental units in a neighborhood can create instability that leads to declines in housing values, quality, and supply. Higher levels of multi-family versus single-family residences are perpetuated by the lack of resources and can also have negative implications. Once again, the same lack of resources (personal capacity) in a declining neighborhood make it difficult to effectively replace or update obsolete housing stock, compounding the negative cycle. Over time, home sale listings increase, foreclosures increase, and few, if any, new housing starts occur. These challenges to the housing supply make it difficult for a declining neighborhood to attract sufficient outside capital to remain attractive or viable, and they consume the home equity of long-term residents.

Housing Quality

Housing quality issues primarily consist of the physical condition and structural considerations of the housing supply in under resourced areas. Housing-quality issues are closely related to personal capacity and housing supply issues in that poor housing quality tends to be a symptom of these other challenges (i.e., lack of personal capacity often goes hand-in-hand with a general state of disrepair). The age of housing stock and the initial construction quality have the greatest influence in areas of poor housing quality. Older neighborhoods originally developed as lower-cost housing alternatives have seen accelerated declines in attractiveness and value. Poor initial construction quality does not hold up well over time, so that areas with concentrations of these types of dwellings have a rapid rate of decay. Other factors also have tremendous impact on those residing in areas of poor housing quality. Energy efficiency is a major problem for low-income residents, who have great difficulty in managing variable or proportionately higher costs for heating and cooling their homes. Ongoing maintenance requirements also pose a tremendous challenge in low-income areas, where residents are often unable to pay upkeep costs. The issue of code enforcement is widely associated with a theory of crime prevention called “broken windows.” Where there is no tolerance for broken windows and other property blight, crime goes down; conversely, where broken windows and other property code violations are allowed to exist, crime tends to rise. Some of the problems

are associated with a lack of resources on the part of homeowners to address problem properties. However, there is also a problem created by absentee owners and landlords who often create and sustain as common business practice an environment wherein properties are not well maintained. Only recently has the state legislature passed enabling legislation, which allows the environmental court to aggressively pursue code violations and force remedial or corrective action upon the negligent property owners to correct code violations or face losing ownership of the property through condemnation. This newly granted authority forces landlords to show a plan and resources to correct the code violations on a timely basis. Just recently, for example, an abandoned multifamily property just north of Poplar was demolished under court order because the landlord could not demonstrate a plan to reintroduce the apartments into the rental market; therefore the landlord agreed to demolish the property. Widely implemented, this approach could be an effective means to address blight and abandoned properties.

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Housing Assets

The Shalom Housing Committee made an initial effort to inventory the numerous agencies, organizations, and ministries engaged in the community to address the housing needs of under-resourced neighborhoods and their residents. The great challenges facing these areas have long been recognized, so there are many well-developed and long-functioning organizations involved in finding solutions. Because of the financial, legal, and regulatory hurdles that exist in the housing sector, many of these organizations are funded or run by governmental entities. Numerous other organizations are also engaged in housing initiatives, many secular and many faith-based.

After reviewing these many organizations, the committee readily determined that one of the greatest resources in specifically addressing and improving housing opportunities in Memphis is the large network of Community Development Corporations (CDCs) and Neighborhood-Based Organizations (NBOs) already in existence. Generally, these CDCs and NBOs are geographically oriented toward defined areas and neighborhoods, many of which have significant quality-of-life problems and housing needs. The committee discussed several strategies to address neighborhood and housing-quality issues; in the process, the committee quickly realized that nearly all these strategies were already being implemented by existing CDCs, in varying stages of commitment or success.

Therefore the committee examined the activity of a sampling of these organizations to try to gain insight into what programs and initiatives appeared to be making the greatest impact in their respective neighborhoods. Through this process, the committee learned of the wide spectrum of activity in which they are engaged. Most established CDCs have performed assessments of the needs, problems, assets, and goals for their specific geographic areas. Most are aware of and are utilizing federal, state, and city housing and financial resources to advance their agendas. Most have built awareness of their organizations within their communities, and some beyond.

Thus the efforts of community organizations seem very generally to fall into these two aforementioned categories:

Community Development Corporations (CDCs)

These organizations are oriented toward real estate improvement and affordable-housing development. Each has varying capabilities and strategies, but most are active in addressing the real estate needs of their communities, and many also include programs and initiatives aimed at economic and workforce development as well as neighborhood safety and security.

Neighborhood Based Organizations (NBOs)

These organizations are separate from but often work in conjunction with an economically focused CDC component; most are expanding their focus to eliminate the systemic causes of poverty in areas of concentrated disadvantage. Beyond housing, economic, and safety issues, these NBOs are implementing additional programs to improve

the quality of life of their neighbors, build community cohesiveness, and improve access to all resources required for a healthy community. These NBOs are fewer in number than CDCs; yet many NBOs already have ties to churches and other faith-based organizations so that, together, they might take a more wholistic approach to addressing the physical and spiritual needs of their communities.

The committee feels that the quality of life in poor areas of Memphis with substandard housing opportunities could be dramatically and permanently improved through the activity and advocacy that vital, well-organized CDC-NBO teams could provide. The committee believes that an effective NBO would be of unquantifiable benefit to each under-resourced neighborhood in the city and that existing CDCs provide a great framework in these neighborhoods to achieve that goal. Any assistance that area churches can provide to an existing CDC in expanding their efforts to become a comprehensive CDC-NBO team would therefore be of great potential benefit.

Opportunities for the Church

The committee believes that the existing CDC organizations potentially offer the most effective mechanism for addressing housing and quality-of-life issues facing under resourced communities in Memphis. As stated, these CDCs have or are building good track records, are doing meaningful work, and have built credibility within their neighborhoods. They already have an excellent understanding of the specific needs of their communities and their residents and have networks of communication and resources already in place. They also are familiar with the resources available for affordable-housing development, are actively engaged in housing initiatives, and many have fairly well developed long range plans for their neighborhoods. Not to the exclusion of any future initiatives by churches in Memphis, the committee strongly believes it would be difficult, time consuming, and counterproductive to attempt to duplicate the existing structure or activities of existing CDCs.

Therefore the committee believes tremendous opportunity exists for area churches to partner with individual CDCs to become involved in existing efforts. The greatest potential impact that area churches can have seems to be to employ their human, financial, and spiritual resources to complement and expand the activities of the CDC for the benefit of its neighborhood and its residents. Over

time, these types of partnerships can help CDCs evolve into NBOs able to effectively overcome the systemic causes of poverty and poor quality of life that challenge so many areas of Memphis.

It seems to be a natural fit for willing churches to partner with existing CDCs—either in their own neighborhoods or in communities exhibiting particular needs—to more effectively employ their time, treasures, and talents to complement the CDCs efforts.

Proposed Strategy

Some of the most effective and successful community revitalization efforts in recent years have been closely tied to efforts of Christian churches and ministries, and these examples can serve as a model for future efforts in Memphis. Church/community partnerships that seem to have the most significant success over time have had the goal from the outset of both addressing the housing needs of the community and also becoming true NBOs that meet the many needs of the neighborhood and its residents.

Common themes of these efforts include:

- Churches partnering with CDCs to provide labor and resources.
- Churches encouraging people of faith to physically move into the neighborhood and exhibit the work and spirit of Christ.
- Churches assisting the community to organize to meet its own quality-of-life needs and then to take pride in those accomplishments.

With this in mind, the committee affirms that church partnerships with existing CDCs is the most effective strategy in the hopes that such partnerships can develop over time to be focused on the total needs of the community—not simply housing.

Such relationships must be pursued deliberately and realistically and should be viewed from the outset as true partnerships, with the church coming alongside to complement the activity of a committed organization. Many CDCs have been in existence for several years and originated organically to address some of the most urgent human needs of particular neighborhoods. New church partners must be aware of and sensitive to the specific histories, personalities, and other organizational characteristics of these existing CDCs. Other church

partners or ministries may already be working with a particular CDC, which new church partners must also consider. Well developed long range plans may already be in place. A church must understand numerous considerations before becoming an effective partner.

Since quality housing is a basic, tangible need in every community, most CDCs will have material, time, and resources devoted to improving housing quality and increasing housing affordability. The Shalom Housing Committee would expect any church partnerships with CDCs to continue to have a housing component, but over time, they could develop other programs and initiatives that address other basic quality-of-life needs detailed by other Shalom committees. Poverty and other systemic problems are generally reflected in the quality of an area's housing inventory, so solutions will be multifaceted and interrelated with other community needs. Churches can help address these other obvious needs to help insure the success of affordable, quality housing to lift the vitality and sustainability of the neighborhood.

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Housing-related activity that could be managed through a CDC, utilizing the resources of a church partner, might include:

Supporting and participating in existing programs, such as:

- Providing volunteer labor and assistance with new construction.
- Providing volunteer assistance in efforts to reduce blight.
- Assisting in efforts to improve community assets (parks, public areas, etc.).
- Participating in work crews providing basic housing repair services.
- Providing professional expertise for housing or development-related issues.
- Providing volunteer assistance with CDCs administrative duties and functions.



Providing or helping to develop financial support, such as:

- Planning and raising funds for project related expenses.
- Assisting with research, initiation, and completion of grant requests.
- Investigating congregational connections to needed supplies or capital. Providing resources to purchase and rehabilitate properties.
- Creating new opportunities for vested homeownership or safe rental housing.
- Using connections to streamline property acquisition and redevelopment.

Providing advocacy, such as:

- Working to report and strengthen code-violation enforcement.
- Advocating for landlord responsibility laws and enforcement.
- Capitalizing on energy efficiency initiatives.

Ideas for more comprehensive service activities that could be managed through a CDC, utilizing the resources of a church partner, are numerous and unlimited, but might include:

Improving economic opportunities, such as:

- Aiding in job training, job creation, and economic development.
- Building awareness of the need for jobs in the outside business community.
- Seeking to connect employers with resident employees.

Improving the personal capacity of the residents, such as:

- Creating financial literacy classes and programs.
- Identifying financial and responsible-credit opportunities.
- Advocating for stronger predatory-lending laws.

Improving the quality of life and neighborhood pride, such as:

- Envisioning creative crime prevention initiatives .
- Advocating for equal access to city services and infrastructure.
- Establishing and maintaining neighborhood communication networks.
- Publishing and delivering neighborhood newsletters.
- Creating effective methods for identifying and addressing problem properties.

Helping to meet the physical needs of the residents, such as:

- Exploring the availability of low cost health care and providing advocacy.
- Supporting area educational institutions through tutoring programs and after-school care.

More than anything, an engaged and active CDC/church partnership could be of help in simply connecting the resources of the greater community with the specific needs of an individual neighborhood. In this process, the opportunities to demonstrate the spirit and love of Christ abound.

Proposed Actions:

Since housing is particularly influenced by real estate and its underlying value, it is capital intensive in nature. This being the case, many solutions to the aforementioned issues ultimately require the investment of capital to upgrade or re-develop housing stock and associated infrastructure. Knowing that availability of capital is a limiting factor and a constant challenge to improved housing opportunities, the committee instead focused on identifying actions that do not necessarily require large amounts of capital.

This consideration therefore caused us to ask how the church can help address these issues:

- By ministering directly to the people thus affected
- By acting as advocates for change by influencing policy or other decisions.

The following actions are vitally important, but all are superseded in importance by the empowering approach of working with and serving under the neighborhood residents. Larger issues must be addressed through economic development initiatives, jobs training, strengthening neighborhood associations, and creating advocacy initiatives.

Actions to Address Issues of Personal Capacity:

- Support existing public and private job training programs.
- Cultivate employers and employment opportunities.
- Formalize and participate in programs to improve financial literacy.
- Organize advocacy efforts to promote credit opportunities and stronger predatory lending laws.
- Facilitate community relationships and resident neighborhood associations.



- Initiate an effort to aggregate information on available financial capacity and financial assistance resources to distribute to church partners.

Actions to Address Issues of Housing Supply:

- Understand and evaluate the existing efforts of CDCs and NBOs in the various neighborhoods.
- Identify and map those neighborhoods in greatest decline and those at increased risk along with identification of aligned neighborhood churches, CDCs, and/or NBOs.
- Pursue pilot partnerships with neighborhood churches and resource churches with existing CDCs and/or NBOs to develop common strategies to improve housing stock by possibly pursuing the purchase and rehabilitation of existing properties, reducing blight and providing new opportunities for vested homeownership or safe rental housing.
- Organize advocacy efforts to streamline neighborhood clean-up, code enforcement, property acquisition, and redevelopment mechanisms in targeted areas.

Actions to Address Issues of Housing Quality:

- Pursue partnerships with neighborhood churches, resource churches and existing Community Development Corporations and/or other geographically focused improvement organizations.
- Support and participate in existing housing quality improvement programs (Habitat, SOS, Neighborhood Housing Opportunities, etc.)
- Organize advocacy efforts to strengthen code violation enforcement, landlord responsibility laws, and energy efficiency initiatives.
- Initiate an effort to aggregate information on home improvement, neighborhood development, and housing quality resources to distribute to church partners.

Housing Resources

- Ownership, Rental Costs and the Prospects of Building Home Equity: An Analysis of 100 Metropolitan Areas by Hye Jin Rho, Danilo Pelletiere and Dean Baker, published by the Center for Economic Policy and Research, and the Low Income Housing Coalition.
- Shared Urban Data System - <http://suds.memphis.edu> <<http://suds.memphis.edu>>
- Center for Community Building and Neighborhood Action (CBANA)- <http://cbana.memphis.edu/index.php>
- Neighborhood Housing Markets and the Memphis Model - Linking Information to Neighborhood Action in Memphis, Tennessee by Phyllis Betts – access via internet at: http://cbana.memphis.edu/Brookings/Neighborhood_Housing_Markets20061127_memphis.pdf
- Understanding Foreclosure and Strengthening Housing Markets in a Post-Subprime Environment by Phyllis Betts, CBANA- access via internet at: http://cbana.memphis.edu/Presentations/UnderstandingForeclosure_Betts.pps#293,1
- Bridging the Affordability Gap in the Memphis Housing Market – October 1997 article copyright University of Memphis – access via internet at: <http://www.entrepreneur.com/tradejournals/article/print/20057502.html>
- Restoring At Risk Communities: Doing it Together and Doing it Right by John M. Perkins
- Linking Arms, Linking Lives by Ronald Sider, et al
- Compassion, Justice and the Christian Life: Rethinking Ministry to the Poor by Robert D. Lupton
- A Heart for the Community: New Models for Urban and Suburban Ministry by John Fulder and Noel Castellanos
- When Helping Hurts: How to Alleviate Poverty Without Hurting the Poor by Steve Corbett and Brian Fikkert
- Christian Community Development Association <http://www.cdda.org/>