

## MEMPHIS HOUSING AUTHORITY

Memphis, TN



### Project Areas

- Affordable/Workforce Housing
- Corridor Planning
- Design Economics
- Downtown Revitalization
- Economic Development
- Economic & Fiscal Impact
- Industrial City Turnaround
- Metropolitan Growth Strategy
- Neighborhood Planning
- Public-Private Partnerships
- Transit-Oriented Development

*Memphis Housing Authority*

### Scope of Work

- Cluster Analysis
- Economic Impact
- Financial Modeling
- Fiscal Impact
- Implementation
- Market Analysis
- Partnership Structuring
- Public Financing
- Public Outreach
- Regional Economics
- Retail Tenanting
- Strategy Planning

### Challenge

The Memphis Housing Authority (MHA) sought to redevelop an existing public housing community, Fowler Homes, located in South Memphis and adjacent to a development site owned by the Church of Christ in God (COGIC). The MHA desired development of all the units to be financed through tax credits and rented to both households earning either less than 50% and/or 60% of the area median income and to households currently receiving Section 8 vouchers or public housing subsidies. However, MHA realized that over time, the market demand for tax credit and public housing units had changed and the current configurations, floorplans, layouts, and overall market positoinings no longer matched the demand profiles of potential residents. Household sizes and employment and commuting (and therefore parking) patterns, among other factors, had changed, and responding to these changes would drive design decisions that would impact the overall development and redevelopment economics of the project.

### Solution

RCLCO used market analysis to construct a market-driven development program, determine the market depth for the proposed redevelopment project, and estimate the achievable rents for tax credit-financed units, the depth of demand, the dominant market segments that will demand housing at this

site, and the critical success factors for this redevelopment effort. We also examined the current rent rolls of both Fowler Homes and additional MHA assets to understand the extent to which redevelopment of this asset might impact and affect the occupancy and demand for other assets in the portfolio. Additionally, RCLCO examined current Senior Housing demand potential, Section 8 voucher recipients, and public housing residents gauge the likely housing demand.

### Impact

After reviewing the feasibility study from RCLCO, The COGIC bought the eastern two tracts of the property, totaling 13.56 acres for \$450,000 in December 2003, and located their headquarters there. The remaining tract was developed into two projects: Latham Terrace along Crump,