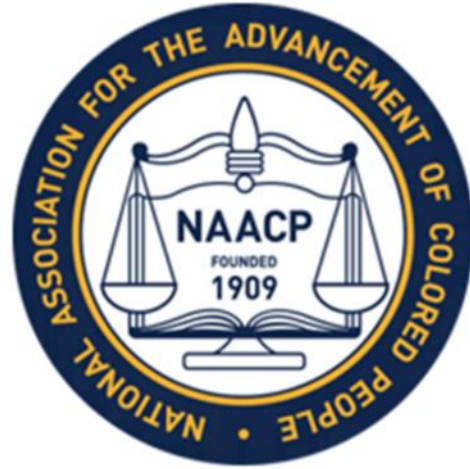




# Knoxville Branch NAACP Recode Knoxville Comments May 2018

Submitted by  
Lakenya Middlebrook, Chair  
Housing Committee  
Knoxville Branch of the NAACP



**Knoxville Tennessee Branch**

# **NAACP**

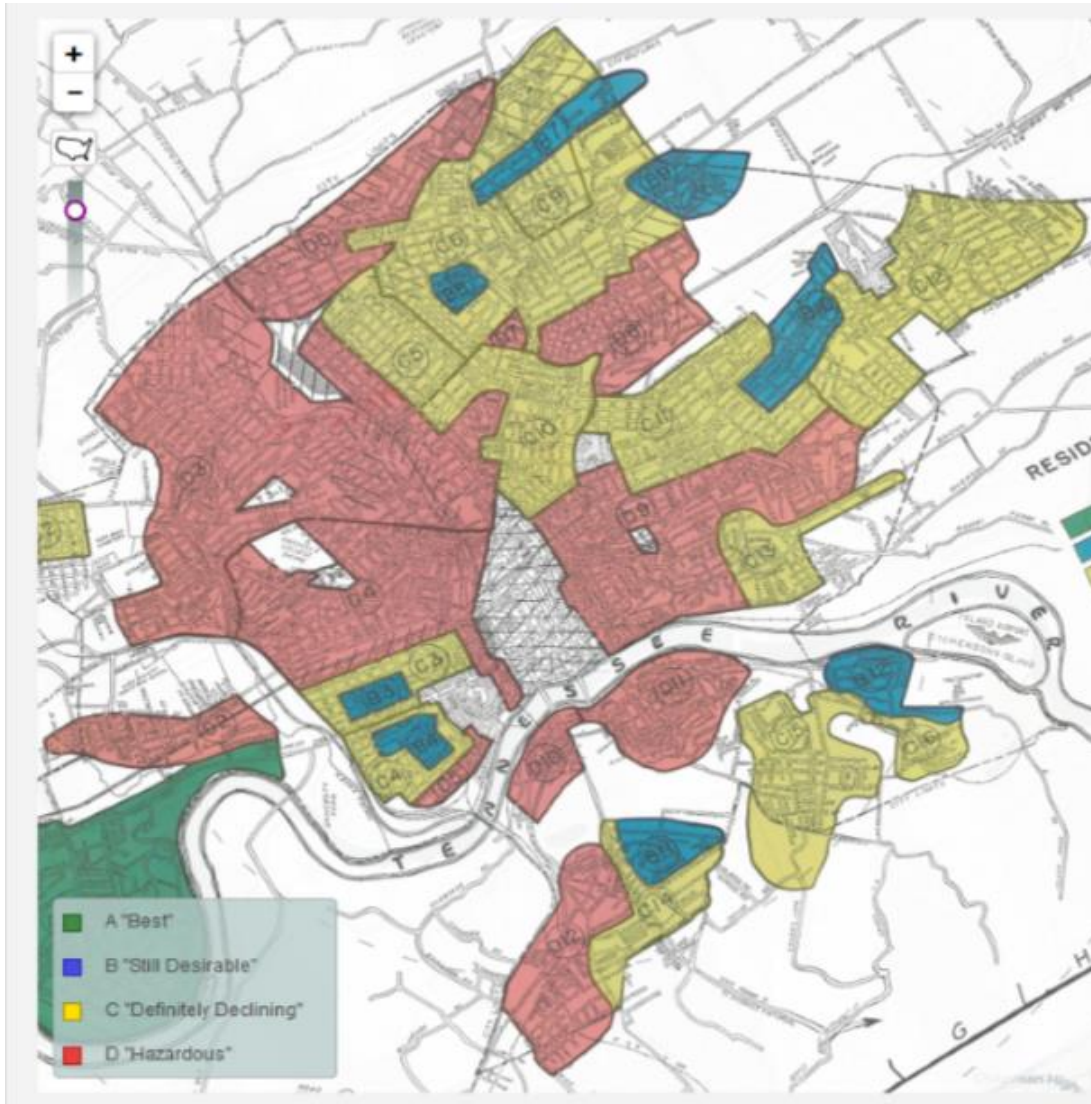
The Knoxville Branch of the NAACP has a concern that Recode Knoxville, through restrictive zoning, will accelerate the gentrification of the currently affordable neighborhoods in which high concentrations of African-American residents live.

Residential zoning classifications need to consider not just the prevalence of single family home structures within a neighborhood but also whether these homes are owner-occupied. Those neighborhoods with extensive rental properties have been commercialized and should have the least restrictive zoning.

Applying EN, RN-1, RN-2, and RN-3 classifications to those neighborhoods that are presently dominated by rental properties will facilitate gentrification and displace the less wealthy from those neighborhoods, especially in those neighborhoods that are already under gentrification pressures.

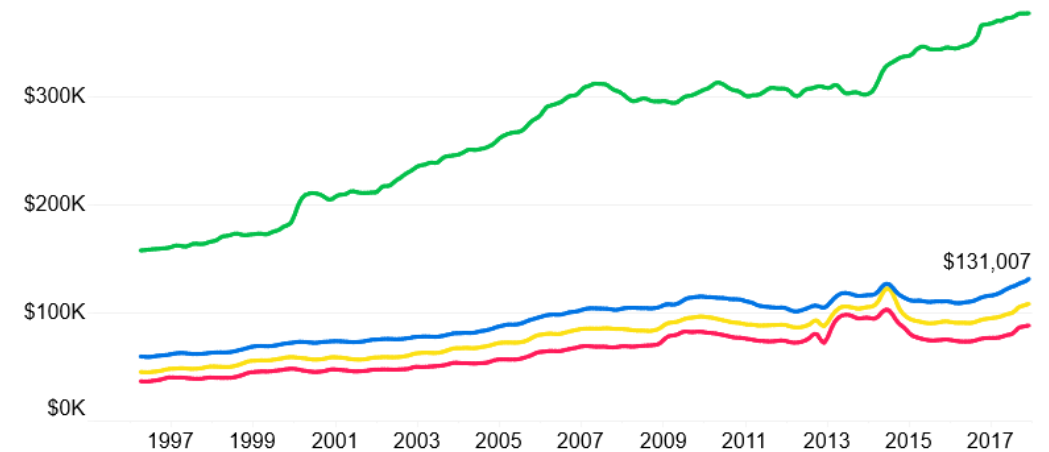


In the 1930s and 1940s, representatives for the Home Owners' Loan Corp. (HOLC), created as part of Franklin D. Roosevelt's New Deal to bolster the economy by refinancing homes, ranked neighborhoods in cities nationwide as "best," "still desirable," "definitely declining" and "hazardous" for lending. Neighborhoods were assigned colors to match their perceived danger to lenders: Green, blue, yellow and red, respectively – hence the term "redlining," the practice of shading red the areas that the government labeled least desirable/most "hazardous" for lending.



## Historic Discrimination Has Present Consequences

Median home values for areas the government designated **best**, **still desirable**, **definitely declining** and **hazardous** for mortgage lending

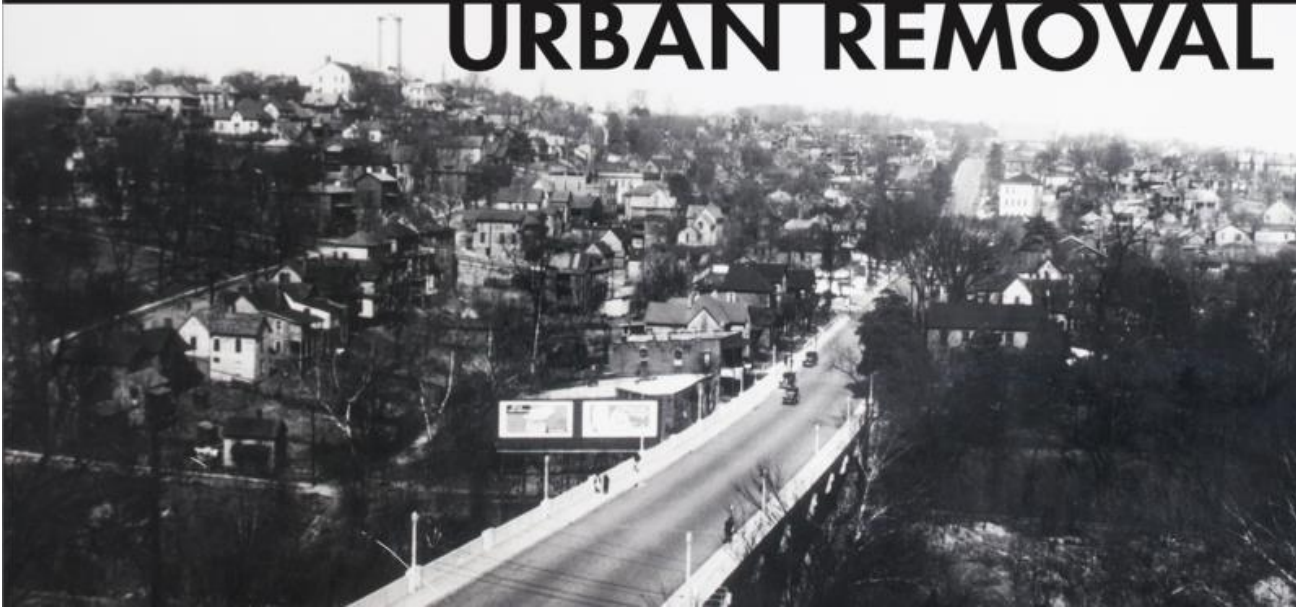


Source: Zillow median home values and data from Mapping Inequality (<https://dsl.richmond.edu/panorama/redlining/>)

# URBAN RENEWAL

Knoxville Urban Renewal Projects 1959-1974: The Community Before

# URBAN REMOVAL



With federal urban renewal funds, Knoxville demolished African-American neighborhoods...

## Historic Discrimination Has Present Consequences

...to build public buildings and roads. The displaced did not receive adequate compensation to rebuild their homes and businesses.

Many of the displaced moved into the East Knoxville homes abandoned by whites in their rush to the suburbs to avoid living with African- Americans.

Knoxville Urban Renewal Projects 1959-1974: The Landscape After



**Gentrification** is a process of renovation of deteriorated urban neighborhoods by means of the influx of more affluent residents. Gentrification can improve the housing quality of a neighborhood, while also potentially forcing relocation of current, established residents and businesses, causing them to move from a gentrified area, seeking lower cost housing and stores. Gentrification often shifts a neighborhood's racial/ethnic composition and average household income by developing new, more expensive housing, businesses and improved resources.

The correlation between the shortage of affordable housing and subsequent displacement that results in gentrifying neighborhoods is not a debated fact. Displacement begins as landlords take advantage of rising market values and evict long-time residents in order to rent or sell to the more affluent.

["Health Effects of Gentrification". \*Centers for Disease Control\*. Centers for Disease Control. 24 March 2015.](#)

Freeman, L. (2005). Displacement or Succession? Residential Mobility in Gentrifying Neighborhoods. *Urban Affairs Review*, 40(4), 463–491.

Many affluent residents who either moved to the suburbs during the time of white flight or the children of the suburbanites have the increasing desire for the benefits of city living, driving urban revitalization. Unfortunately, the planning philosophy that drives urban revitalization focuses predominantly on urban design and aesthetics and less on social equity and justice.

Thus revitalization is expanding the pattern of inequitable development, particularly in resource-poor and segregated neighborhoods where many disadvantaged populations reside. These neighborhoods are being replaced by upscale rental properties and homes for wealthier individuals and families without providing an adequate amount of public housing or mixed-income housing for current residents.

Without the inclusion of equity and social justice principles to improve the living conditions of disadvantaged residents within urban planning, the groups are being priced out of their neighborhoods and cannot take advantage of the advantages of urban revitalization. Inequitable development is concentrating displaced disadvantaged residents in hypersegregated urban neighborhoods or decaying suburban neighborhoods, exacerbating social, economic, and environmental inequalities.

Wealthy white people want to return to living downtown with all its developing amenities.

The problem is that African-Americans are living where the wealthy want to live.



# Percent Black

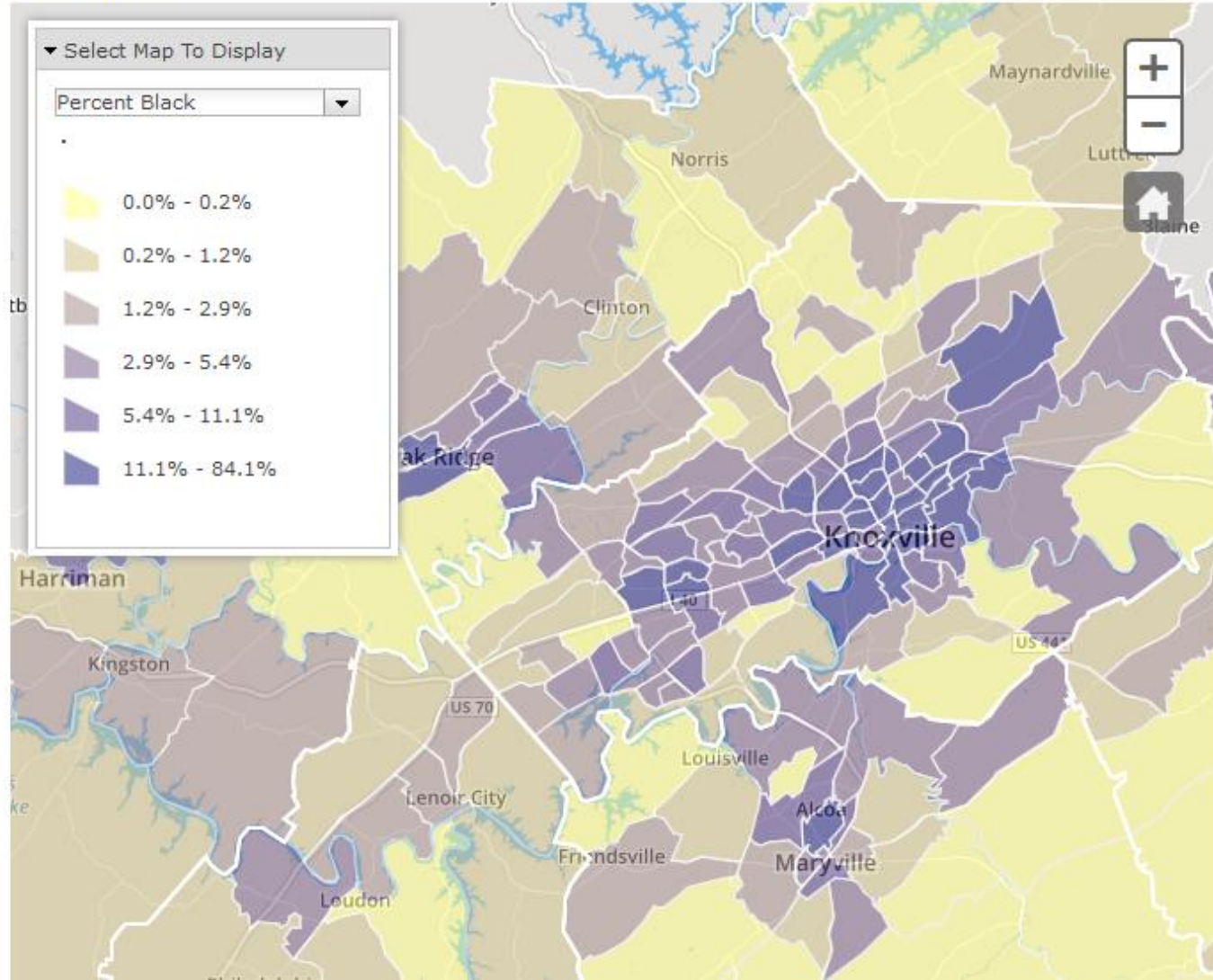
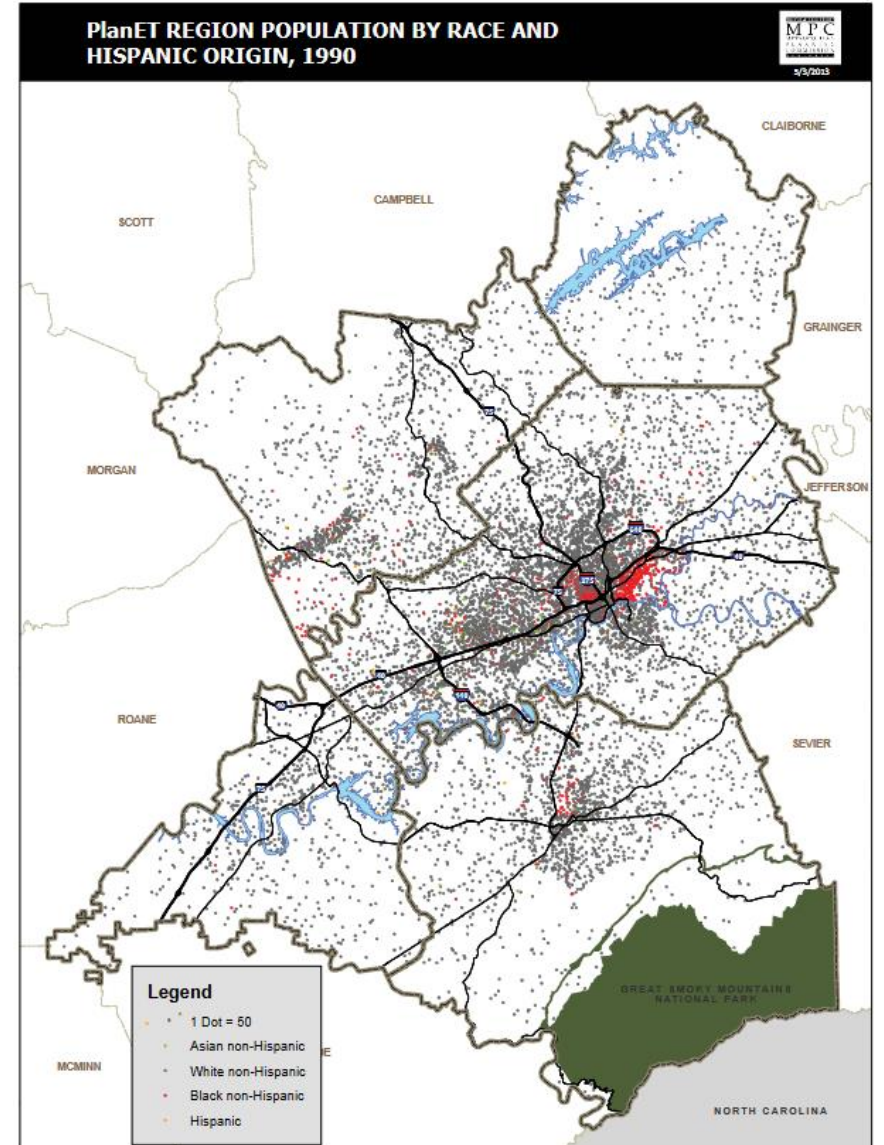
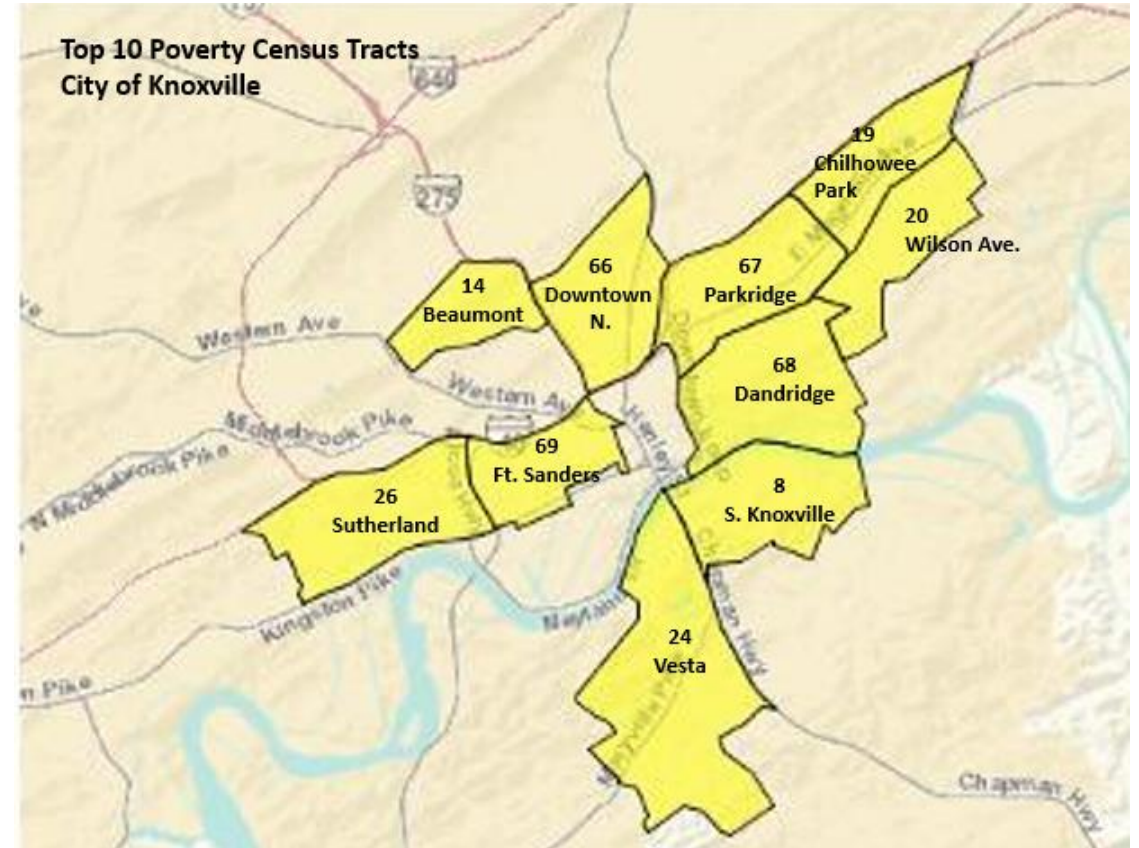
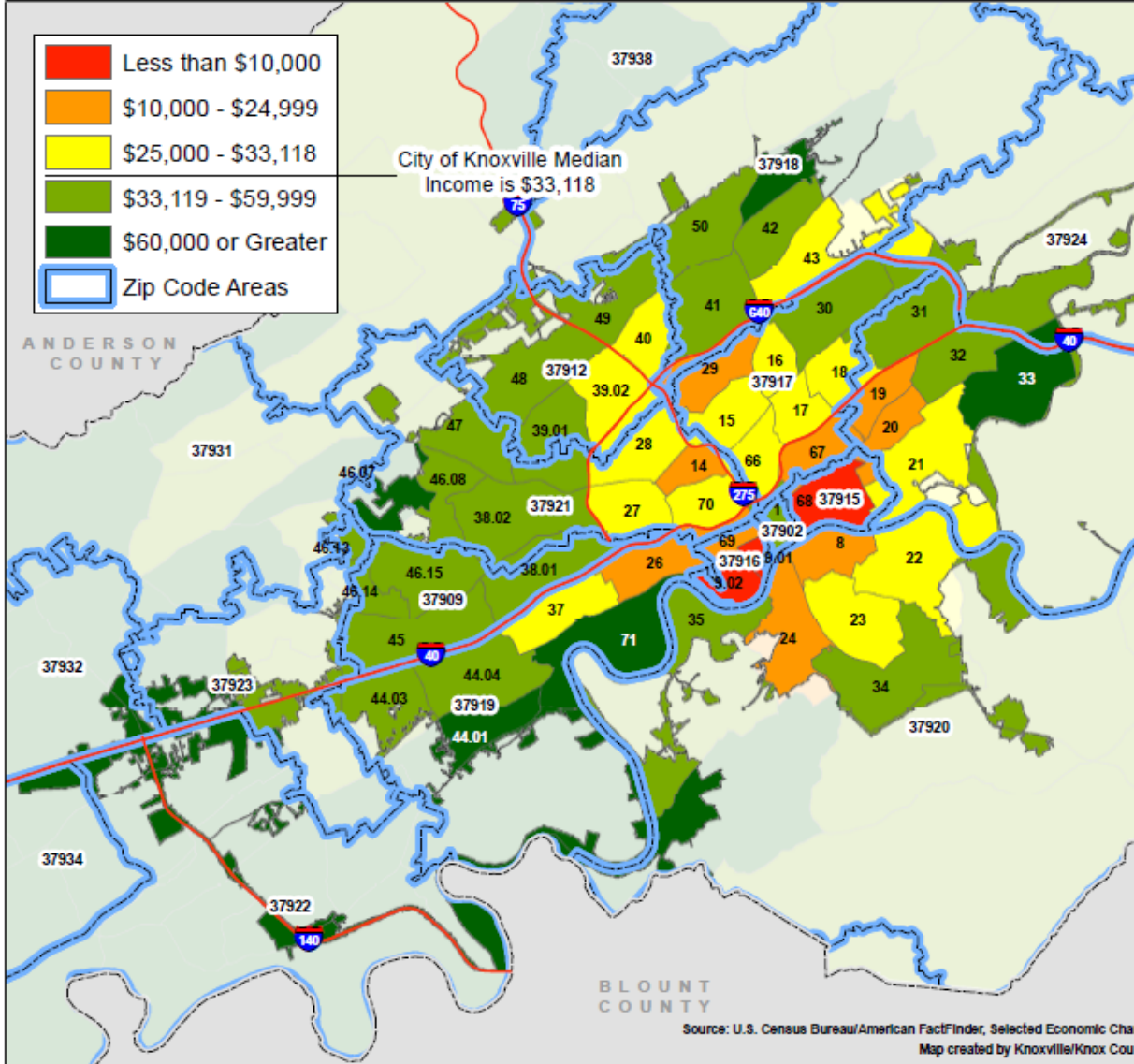


Figure A7. Population Distribution by Race/Ethnicity, 1990





## MEDIAN HOUSEHOLD INCOME BY CENSUS TRACT, 2008-2012



Presently, we observe exclusionary practices when many municipalities in fragmented metropolitan regions use zoning as a way to insulate their investment and enhance their property values. Specifically, these regions control local land use including schools and business development, and exclude undesirable populations (e.g., people of color, poor people, immigrants) and undesirable industries. They also employ exclusionary zoning to create special districts (e.g., residential, business, school, fire) to protect their political and economic self-interests.

In most cases, the courts have upheld the rights of municipalities to craft their own zoning ordinances and planning standards allowing them to serve their community best and to define the public welfare for their own jurisdictions as they deem necessary. However, this further encourages municipalities to develop and implement planning and zoning regulations and standards that benefit advantaged populations and ignore the needs and concerns of disadvantaged populations.

As a result, discriminatory planning and exclusionary zoning contribute to unequal development within metropolitan areas limiting access of all citizens to affordable housing, public transportation, good school systems, and economic infrastructure (e.g., high paying jobs in technology, health, and service sectors). This results in housing patterns along the lines of race and class and the displacement of an urban underclass that is denied access to mainstream opportunities.

*How Planning and Zoning Contribute to Inequitable Development, Neighborhood Health, and Environmental Injustice.* Sacoby Wilson, et. al., Environmental Justice.  
[http://www.ced.berkeley.edu/downloads/pubs/faculty/hutson\\_2008\\_enviro-health.pdf](http://www.ced.berkeley.edu/downloads/pubs/faculty/hutson_2008_enviro-health.pdf)

It is the concern of the Knoxville Branch of the NAACP that the City will apply restrictive zoning classifications to the African-American neighborhoods.

These neighborhoods, while many owner-occupied single family homes persist, are largely dominated by rental property, owned by property owners who do not live within the neighborhoods.

These rental properties have not been adequately maintained, and thus became the least expensive properties in Knoxville.

Even if African-American families wanted to buy homes within their neighborhoods, banks denied them mortgages.

Despite the Community Reinvestment Act, the inner East Knoxville neighborhoods have the lowest rate of homeownership within the City.



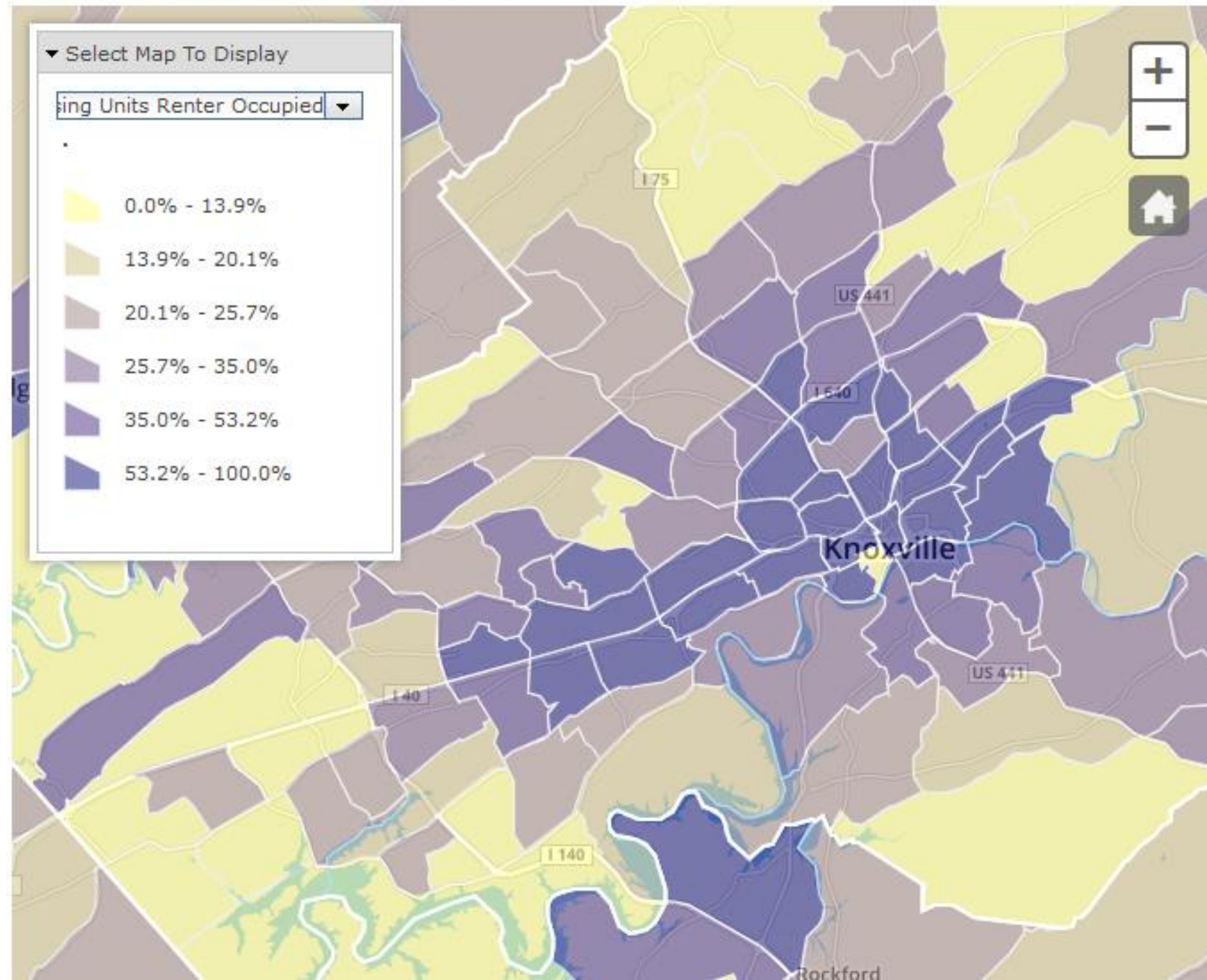
Neighborhoods dominated by rental properties are commercialized areas as the houses are owned and managed for profit, largely by people who do not live within the neighborhood.

It is inappropriate to apply the same level of zoning to predominantly rental neighborhoods that are intended to “protect” the character of the a single-family housing family in which the owners occupy the housing.

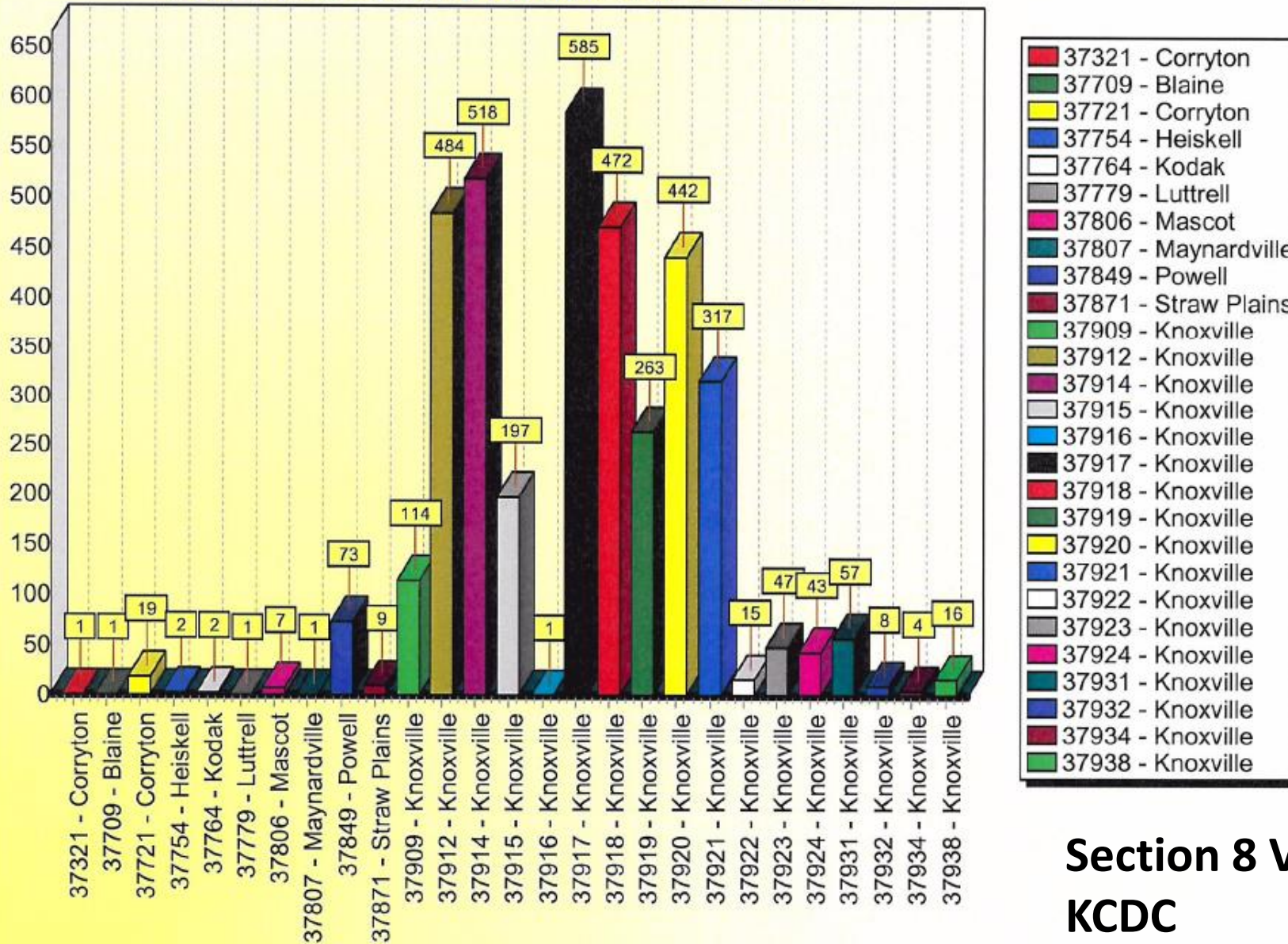
Restrictive residential zoning advantages rental property owners as they can sell their properties at a high price to the wealthy who have the confidence that the restrictive zoning will protect their investment. This is already happening within Parkridge and other East Knoxville neighborhoods. The rate of gentrification will only increase through restrictive zoning.

As rental properties decrease and are gentrified, the East Knoxville African-American community will again be displaced.

# Percent Housing Units Renter Occupied



Number of Vouchers By Zip Code as of 4/11/2018



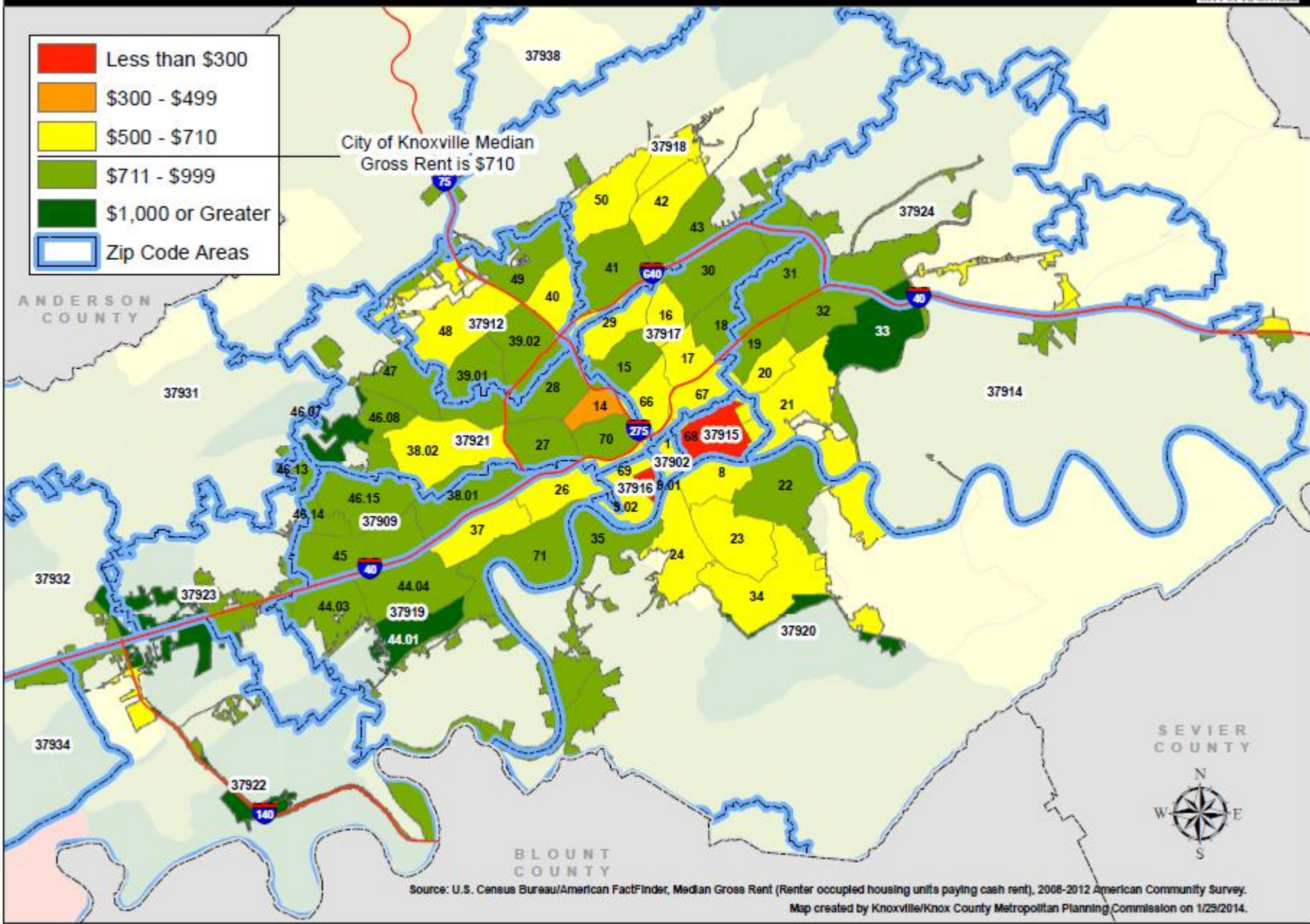
**Section 8 Vouchers by Zip Code  
KCDC**



# MEDIAN GROSS RENT BY CENSUS TRACT, 2008-2012

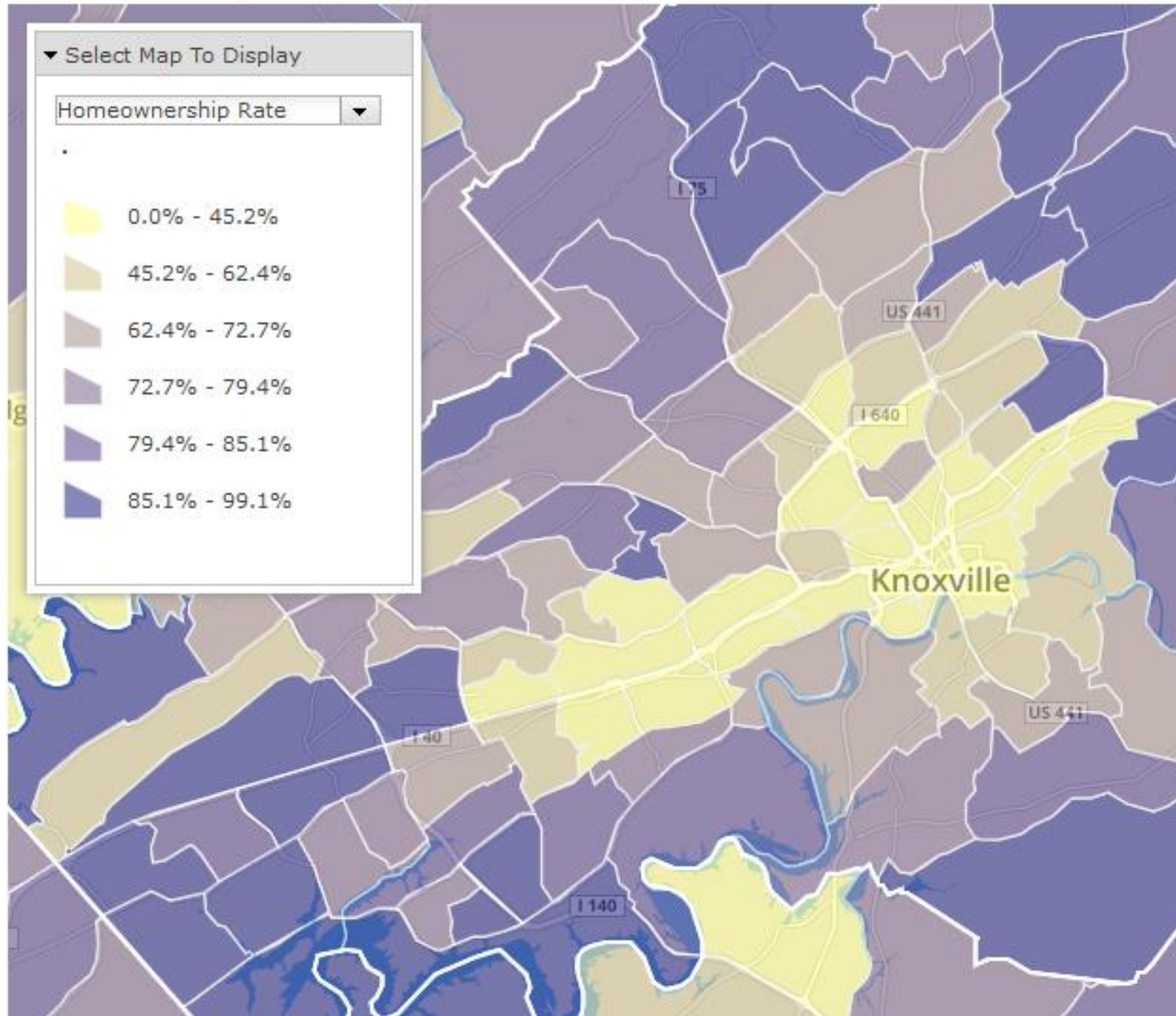


City of Knoxville Median Gross Rent is \$710



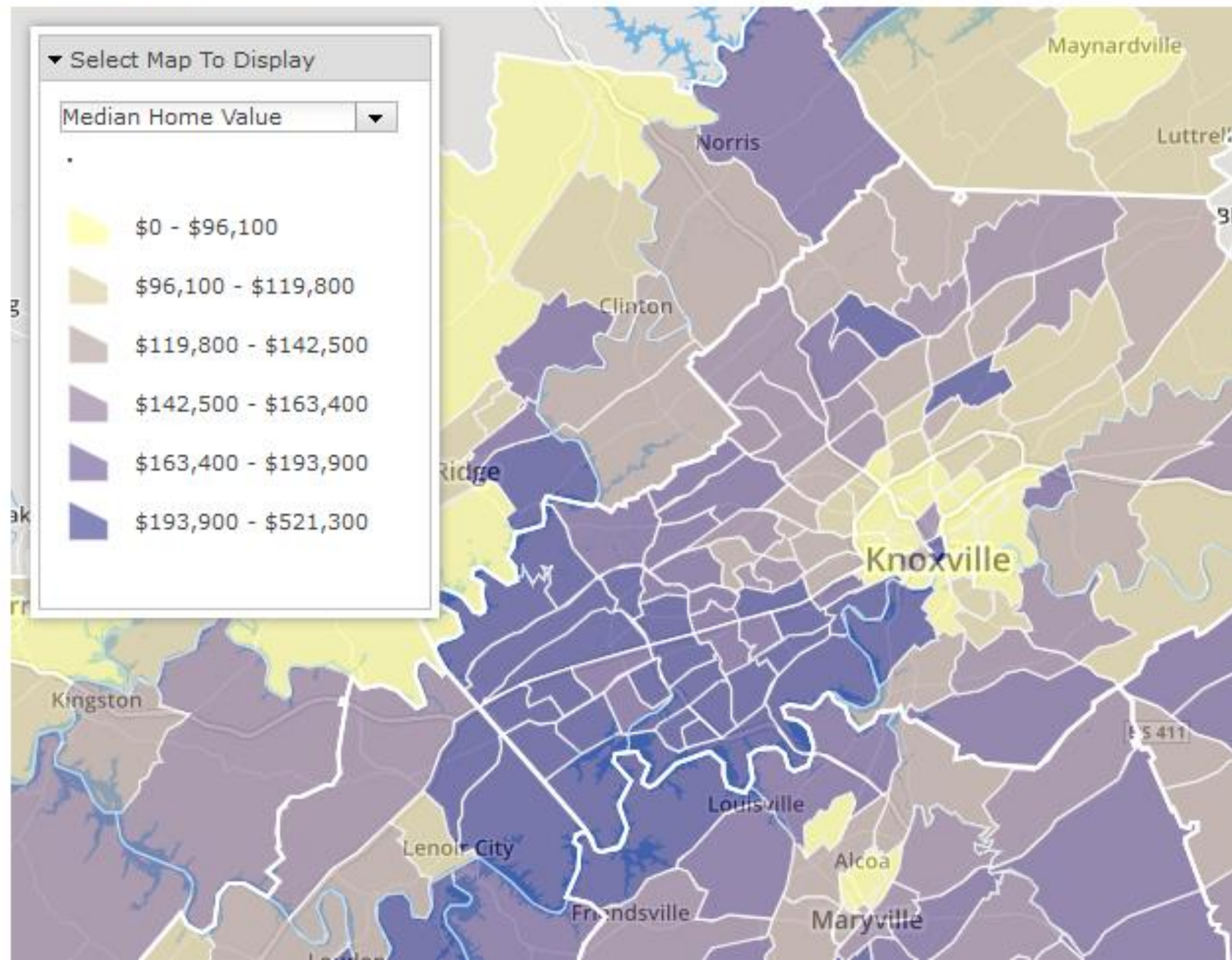
Source: U.S. Census Bureau/American FactFinder, Median Gross Rent (Renter occupied housing units paying cash rent), 2008-2012 American Community Survey.  
 Map created by Knoxville/Knox County Metropolitan Planning Commission on 1/25/2014.

# Homeownership Rate





# Median Home Value

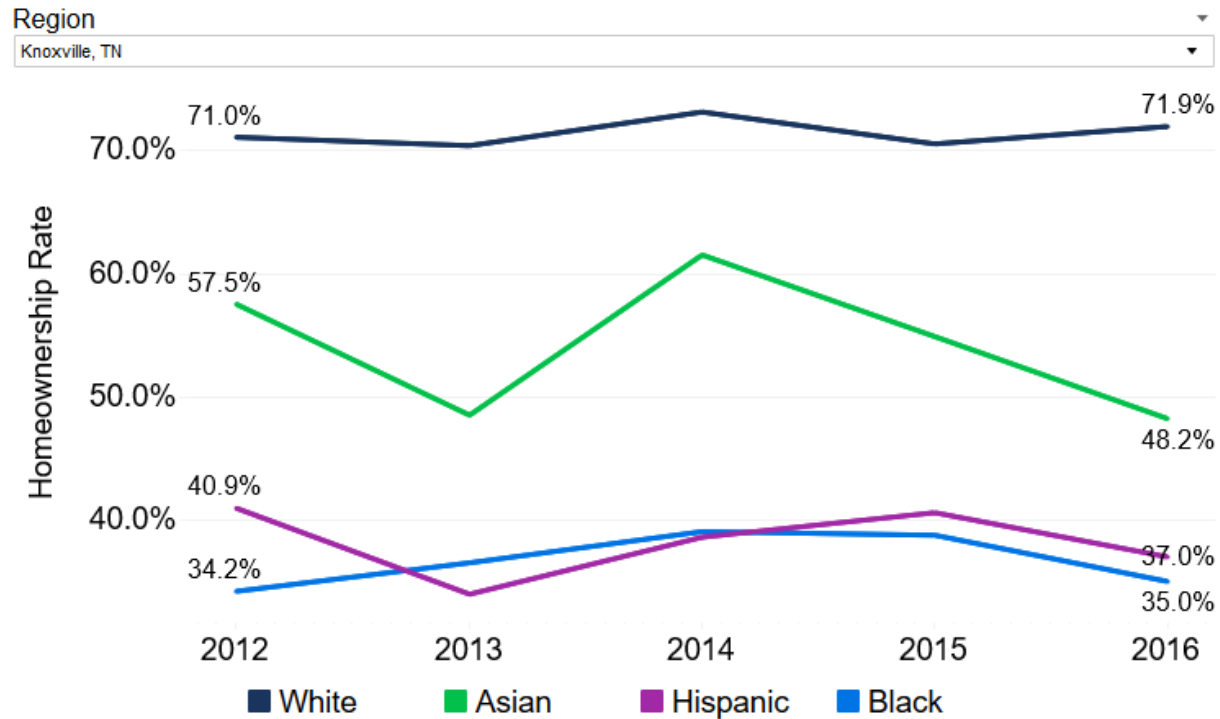




# Knoxville TN

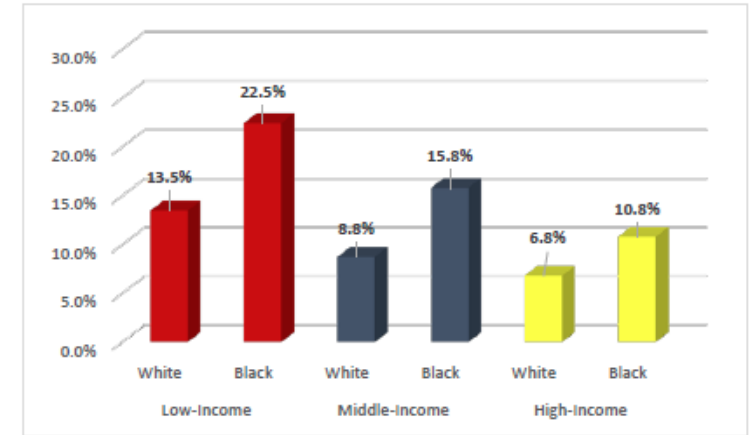
## Whites Have a Higher Homeownership Rate Than Other Races in All Major Metros

Homeownership rate by race



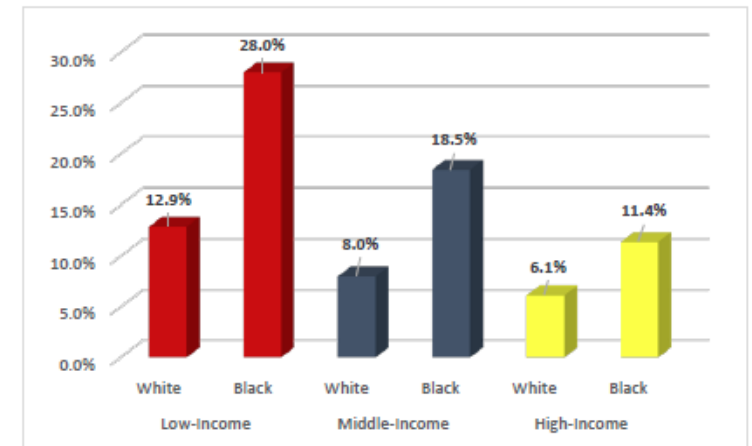
Source: Urban Institute analysis of U.S. Census Bureau, Decennial Census and American Community Survey, 1990-2015, made available by IPUMS-USA, University of Minnesota.

Figure 13. Denial Rates by Race and Income of Applicant, Conventional and Nonconventional Home Purchase Loans, 2016



The difference between the denial rates of African American and white applicants separated by race is even more noticeable when only the conventional home purchase loan applications are included. In 2016, 13 percent of low-income white applicants were denied for a conventional home purchase loan while 28 percent of low-income African-American borrowers were denied. This is consistent with the trend of relatively higher portion of nonwhite applicants receiving nonconventional loans.

Figure 14. Denial Rates by Race and Income of Applicant, Conventional Home Purchase Loans, 2016



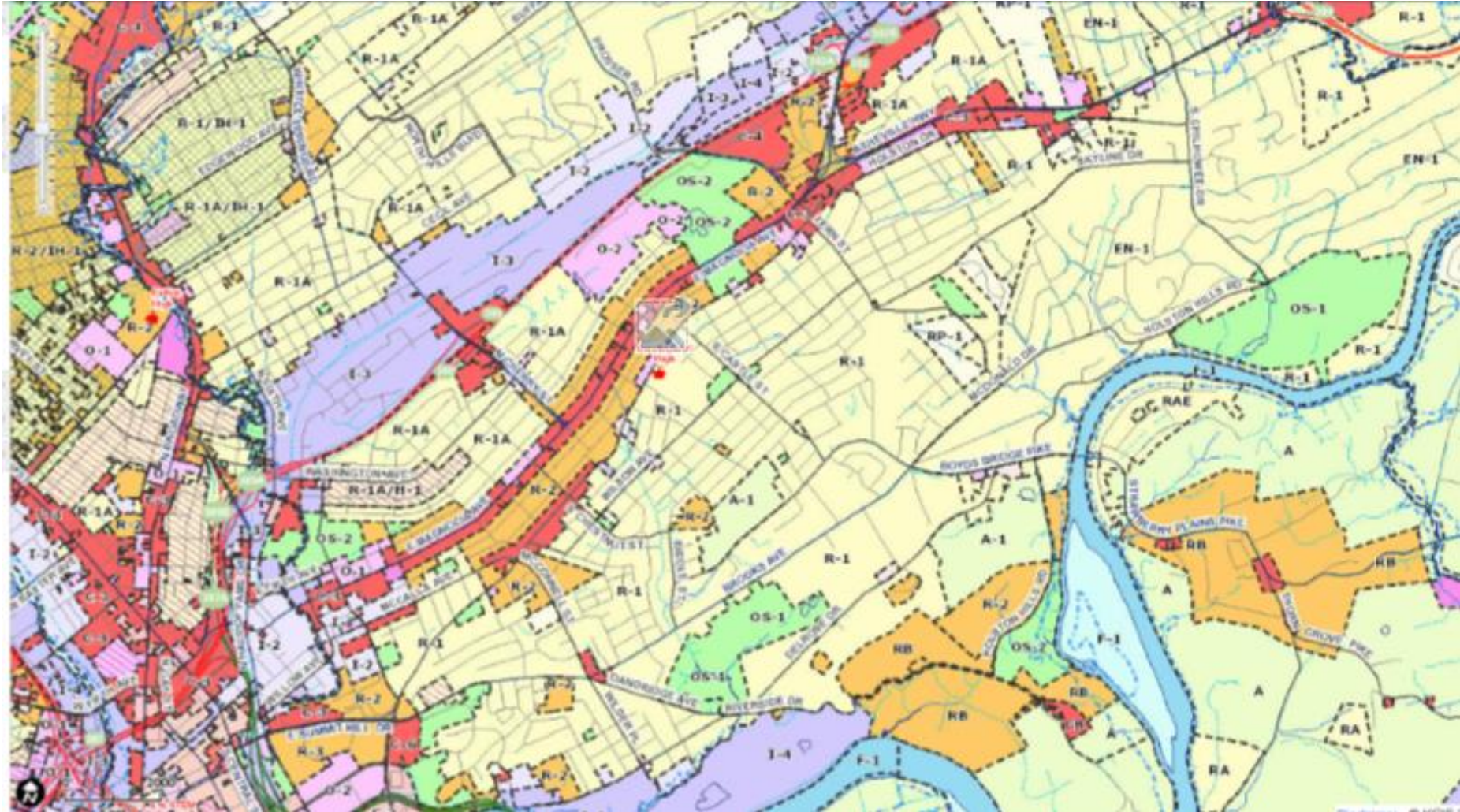
The denial rates for home purchase loans and refinance loans in 2016 separated by county and race are provided in Appendices G and H.

### Inner City Knoxville Census Districts and Selected Housing Information - Ranked by % Rental Units

Neighborhood	Census Tract	Total HH	Public/ Assist. MFB	Median Age	% Poverty	Median HH Income	% Without H.S. Diploma	% HH with Children	% Employment	% Rental Housing	Median Rent	Median Rent % Income	Median Age Housing	% African Amer	% Hispan.
Morningside	68	2659	1482	25.3	56.5	10,405	20.4	36.3	45.9	82.9	340	33.4	1975	70	2.3
Marble City	26	1040	26	30.8	43.5	24,016	26	26	68.4	79.3	708	34.8	1981	32.1	10
S. Knoxville	8	1483		24.8	42.1	28,494	14.5	17.3	64.3	71.5	769	34.8	1975	20	3.7
Old N. Knox.	66	1627	24	38	36.9	25,419	18.4	10.4	53.4	70.4	567	31.3	1961	15.2	4
Lonsdale	28	2182	268	32.5	34.6	31,010	14.5	21.2	63.9	68.2	758	32.3	1973	40.9	12
Beaumont	14	1181	688	22.5	71.8	9,178	44.3	40.7	32	67.5	483	47.1	1967	46.7	9.2
Chilhowee Pk	19	736	100	33.6	48.8	22,903	22.5	32.9	54.5	65.2	867	50+	1953	63.8	2.7
Parkridge	67	1542		36.7	42.7	18,397	24.5	21.3	48.2	62.1	571	34.1	1971	54.3	5
Lincoln Park	29	1674		32.7	43	19,082	3.7	33.8	57	61.8	674	33.5	1971	28.8	4.6
Mechanicsville	70	1179	144	31.9	45.7	23,953	11.8	29.6	61.7	56.9	748	34.7	1969	47.9	5.1
Burlington	32	1280		37.2	31.1	28,409	13.6	32.2	58.2	56.7	695	39.8	1961	58.4	2.4
E. Knoxville	20	1363		32.5	36.6	22,110	20.4	34.9	57.5	53.3	748	40.1	1961	84.1	3.3
Delrose	21	1068		47.4	38.2	25,321	28	20.4	43.7	52.1	716	40	1967	44.2	2.8
N. Knoxville	16	1609		47.6	22.5	31,250	18.2	18.5	47.9	50.6	726	30.7	1963	15.1	3.1
Vestal	24	1767		32.3	34	25,955	22.4	30.5	54.8	44.5	595	43	1962	15.2	4.4
Belle Morris	17	1296	223	48.6	26.7	19,360	17.7	12.5	50.8	43.1	700	35.4	1958	12.7	6.6
West View	27	1198	150	33.6	25.1	26,328	13.8	29.6	58.1	42.2	685	40.1	1964	9	4.8
<b>United States</b>				<b>36.8</b>	<b>14.8</b>	<b>53,842</b>	<b>13.7</b>	<b>65.8</b>	<b>63.5</b>	<b>37</b>	<b>920</b>	<b>30.2</b>	<b>1976</b>	<b>12.6</b>	<b>17</b>
S. Haven	22	1773		42.1	22.4	31,662	16.6	25.1	58.5	33.3	764	31.5	1961	10.2	3
<b>Tennessee</b>				<b>38.3</b>	<b>17.8</b>	<b>44,621</b>	<b>14.2</b>	<b>31.7</b>	<b>60.8</b>	<b>32.9</b>	<b>770</b>	<b>30.9</b>	<b>1981</b>	<b>16.8</b>	<b>4.8</b>
N. Hills	18	1126		45.2	11.7	34,167	12.4	22.5	58.7	32.6	858	37.9	1961	20.7	5.2
Oakwood	15	1626	8	46.8	22.3	31,628	14.7	19.2	52	29.6	849	47.3	1953	14.9	5.1
<b>Knoxville</b>				<b>33.8</b>	<b>24.6</b>	<b>33,494</b>	<b>13</b>	<b>22.1</b>	<b>60.9</b>	<b>52%</b>	<b>745</b>	<b>32.5</b>	<b>1972</b>	<b>17.1</b>	<b>4.7</b>
Prepared by Louise Gorenflo, 2/2014															
lgorenflo@gmail.com															
U.S. Census Bureau, 2007-2011 American Community Survey 5-Year Estimates															
From Knoxville/Knox County Metropolitan Planning Commission compilation, December 14, 2012.															

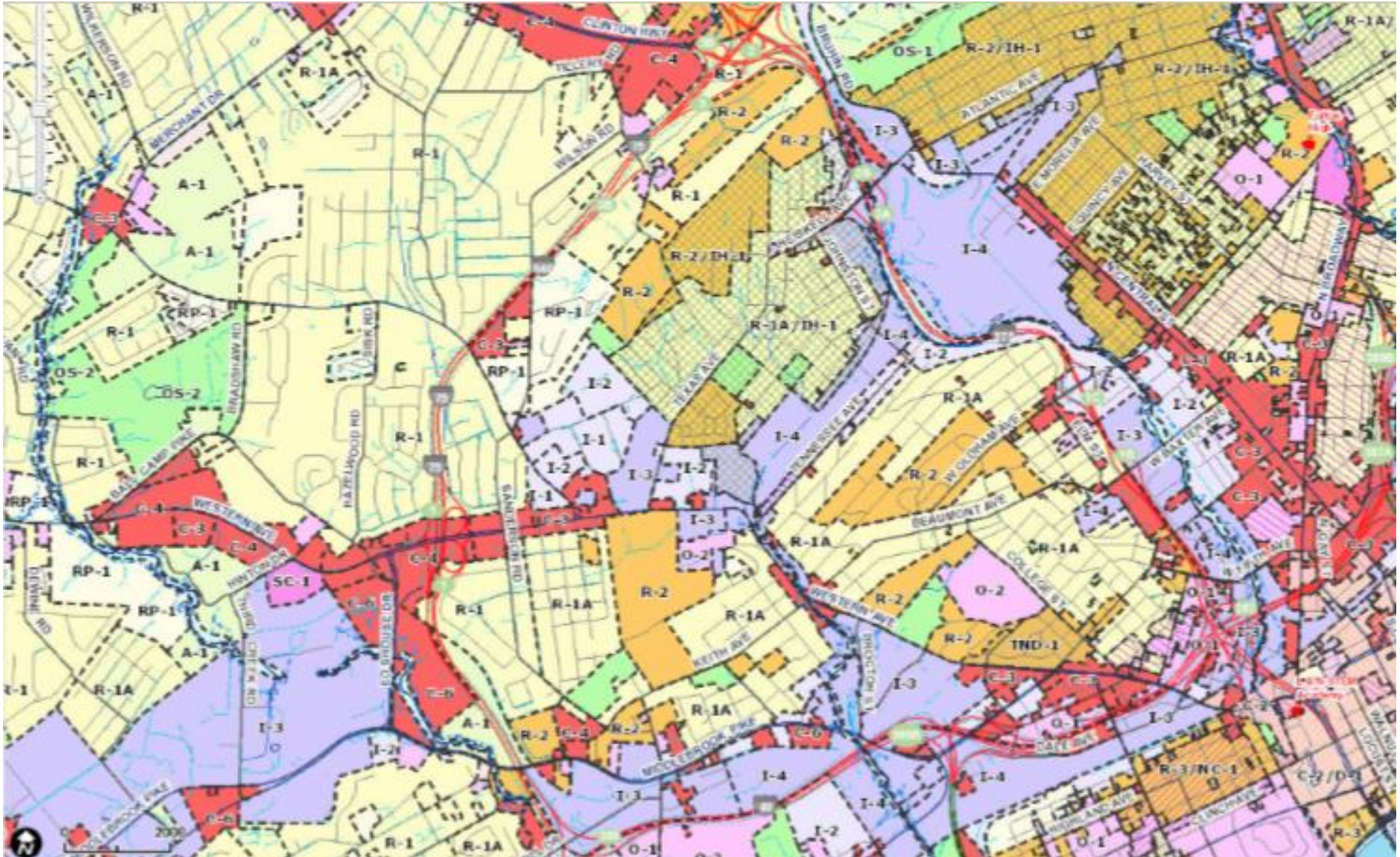
Note: Housing costs above 35% income defines unaffordable housing. These costs include rent or mortgage payments, utilities, and other housing costs.

# Current Zoning Classifications



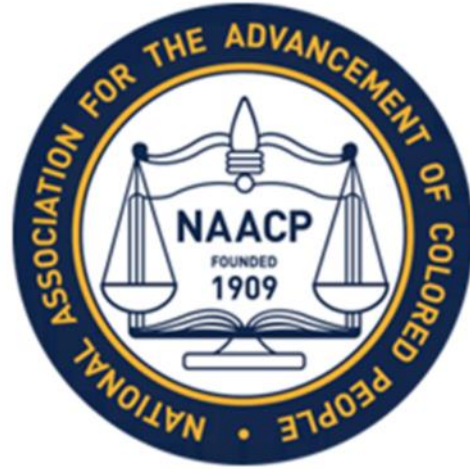


# Current Zoning Classifications



This is the moment for the City of Knoxville to preserve the affordability of downtown residential neighborhoods, in order for our workforce to live near where it works.

Knoxville can avoid the affordable housing crisis experienced by so many other cities by preserving its workforce housing.



**Knoxville Tennessee Branch**

# **NAACP**

**The Knoxville Branch of the NAACP encourages MPC and the City to -**

- Apply the least restrictive residential zoning to neighborhoods which are predominantly rental, in order to preserve existing subsidized rental housing and to develop affordable workforce housing.
- Apply the most restrictive residential zoning classifications only to those neighborhoods which exceed the city's homeownership rate average (46%.)



For more information:

LaKenya Middlebrook, Chair  
Housing Committee  
Knoxville Branch of the NAACP

[middlebrooklaw@gmail.com](mailto:middlebrooklaw@gmail.com)  
865-765-0352