CONVENTION CENTER
22,000 EQUITIES
Addressing Racial Gaps in Homeownership and Wealth
FUND THE TRUST FUND
Keep Young Adults in Louisville!
Louisville Needs 65,000 Homes
Louisville CARES! 750 Homes: Not Enough!
2019
State of Metropolitan Housing Report
METROPOLITAN HOUSING COALITION
UNIVERSITY OF LOUISVILLE
CENTER FOR ENVIRONMENTAL POLICY & MANAGEMENT

LETTER TO MHC MEMBERS

In 1917, the U.S. Supreme Court overturned months of work by Louisville's city power brokers to codify, block by block, where White people and where Black people were allowed to live (*Buchanan v. Warley*). The Supreme Court was not offended by the racial bigotry, but did not like the limitation on the ability to contract. There was no epiphany by Louisville's city leaders that racial bigotry was wrong. Indeed they hired a consultant to circumvent the Supreme Court decision and enforce segregation. We still live with the zoning basics of that time. And we have the outcome they so strenuously fought for- segregation then, segregation now and, until we change things, segregation forever (to paraphrase George Wallace).

Land use was only one weapon of bigotry. By now you have all seen the 1937 post flood redlining maps on lending that the banking industry used. How does that play out today? In many ways, but the newest discovery is that algorithms, mathematical predictions based on past behavior, are based on past bigotry thereby concretizing future bigotry.

As for real estate practices, restrictive covenants by race were popular in Louisville and it was only in 1972 that the U.S. Supreme Court finally outlawed all uses of restrictive covenants, but the viewpoint was baked into the real estate industry. It is no accident that half of all Black/African American homeowners are in just 22 census tracts.

As we learned from our 2018 Annual Meeting keynote speaker, Richard Rothstein, the federal government played an ongoing, and quite overt role, in ensuring that while subsidizing the entry of White households into home ownership, Black/African American households were excluded. Federally guaranteed loans to developers and mortgages to households were explicitly limited to Whites.

The *2019 Metropolitan Housing Report* zeroes in on one area of the *2018 Report* on Involuntary Displacement. While there is a surge in real estate investment in West Louisville, homeownership for Black/African American households in Louisville is half that of White households and the median income for Black/African American households is far less than the median income of White households. Yet the investment is focused on land, not residents. Fifty plus years after the passage of local and national Fair Housing laws, after the protests in the Parkland neighborhood, and after the urban renewal "improvements", the financial well-being of the people in West Louisville neighborhoods has not kept pace with the country in general.

The 22,000 Equities gap in Black/African American homeownership documented in the 2018 Report symbolizes the scale of the historical and ongoing disenfranchisement of an entire population. Homeownership is certainly not the only path to wealth creation even as it is sold to many as such. We use the 22,000 Equities framework to focus on policies that will address the racial wealth gap and simultaneously promote access to safe, fair, and affordable housing.

Our analysis this year documents the housing, racial and ethnic, and demographic changes from 2000 to 2017 in Louisville/Jefferson County to tell the story of the development and maintenance of wealth and housing gaps that will persist unless policy changes are implemented at the local, state, and federal level. We also provide a critical summary of several new affordable housing and community development initiatives. These initiatives are making some important positive changes but are not fully equipped to address the affordable housing gaps let alone any racial wealth gaps.

Our findings show that in Louisville/Jefferson County, between 2000 and 2017, Black/African American homeownership rates declined, Black/African American homeowners experienced disproportionate losses in home values, Black/African American household incomes continue to remain far below the median income of Louisville/Jefferson County, and Black/African American households earn a disproportionate share of Louisville/Jefferson County's 'income pie'. All of these facts unveil the scale of the racial wealth gap and the obstacles Black/African American households face in building and maintaining wealth.

Russell has the only geographically focused initiative on helping the residents. MHC is very excited about this and we will be working with Russell: A Place of Promise to see how this concerted effort and focus of services brings success to the current residents, so we can replicate that success in other neighborhoods.

The urgency of addressing the disparities made MHC rethink the presentation in this report. The old format for the Report has been replaced. All the data is integrated into the narrative and some data has not been updated. Do we really need new maps of the segregation by race, female-headed households, persons with disabilities and Latinx households? Spoiler alert– NOT MUCH HAS CHANGED. Rather than repeating this message, we call for the next step—changing our legacy policies that hold us back.

Stacy Deck, Ph.D.
MHC Board Chair

Cathy Hinko
Executive Director
Metropolitan Housing Coalition

MHC's key accomplishments in the last year:

- MHC helped mobilize YOU to ensure that the new Comprehensive Plan included clear imperatives for fair housing and affordable housing. That directly led to the inclusion of affordable housing in the new proposed complex called One Park. It was thrilling to see the staff of Planning and Design incorporate the new housing part of the Comprehensive Plan and to see the Planning Commission empowered to commit to it in a zoning case. Our next job is to get a predictable matrix for inclusion of the housing and, in the case of commercial and industrial development, get funding for the Louisville Affordable Housing Trust Fund to ensure housing affordable to workers.
- MHC's new initiative of 22,000 Equities is the inspiration for this year's report. Ending the disparity in wealth building for those in fair housing protected classes is a big goal, but you share our vision!
- MHC ensured that civil issues were a part of the public discussions on Race & the Kentucky Courts, initiated by Kentucky Supreme Court Chief Justice John D. Minton, Jr. and Kentucky Court of Appeals Chief Judge Denise G. Clayton. MHC has focused Coalition efforts on evictions and foreclosures. The Court system has been very receptive to discussing the issues
- MHC has expanded its commitment to raising the issues for renters in other ways as well. We are beginning a new educational process – to have renters talk about their lack of power in a rental relationship, talk about the deteriorating physical conditions of rental housing stock, talk about the lack of power in Eviction Court. We are also working with Coders for Kentucky as they work towards a useful app for renters to save documents, letters, and pictures and have access to standard letters for issues like physical conditions in the unit. MHC has been privileged to work with a powerful group of social assistance providers who want to see a meaningful eviction diversion program in Louisville- it is far less expensive (in several ways) to keep a family stable than to recover from an eviction.
- MHC received grants from the Louisville Bar Foundation and the Louisville Affordable Housing Trust Fund (LAHTF) to create Renter Center, a rental readiness program designed to educate renters about their rights and responsibilities and how to have a successful tenure as a renter. We are adding two more videos. You can view the videos and find the Interactive Affordability Calculator on our website at http://www.metropolitanhousing.org/resources/rentercenter/.
- MHC convened a Fair Housing Month Forum in April 2019 entitled "Work to End Segregation! The Housing Needs Assessment Recommendations and Fair Housing." The forum featured individuals from the Louisville Affordable Housing Trust Fund, Lexington Fair Housing Council, Louisville Metro Human Relations Commission, and Louisville Metro Office of Housing & Community Development.
- MHC acted as an Intervener before the Kentucky Public Service Commission with our attorney Tom Fitzgerald through the Kentucky Resources Council. MHC has helped prevent more costly utility raises and championed the retention of the WeCare program for energy efficient housing. But now we have a case against the Public Service Commission who summarily threw us, Community Ministries, and Community Action of Lexington out of a case, changing years of precedent. We believe no agency is above meaningful judicial review of outrageous decisions. Our Kentucky government has three branches to enforce our Constitution.
- MHC remains involved with the zoning case that prohibited apartments for lower income seniors in east Jefferson County. A fair housing case was filed. We will continue to combat the underlying racism of the prohibition in all parts of Jefferson County.
- MHC helped fund the creation of many of the affordable housing units our community needs through the MHC revolving loan pool.

TABLE OF CONTENTS

Letter to MHC Members 01
Introduction: Why 22,000 Equities? 04
22,000: How Did We Get Here? 05
Documenting the Wealth Gap in Income and Housing: Louisville/Jefferson County, 2000-2017 07
Racial and Ethnic Demographic Shifts 07
Housing Trends 07
Homeownership by Race and Ethnicity 09
Household Income Trends: Growing Inequality 11
Louisville/Jefferson County Income Inequality 11
Cost and Rent Burdened Households by Income 14
Comparing Black Homeownership Experiences: A Closer Look at Russell and Shively 15
Homeownership in Russell and Shively 16
Household Income and Home Values in Russell and Shively 17
Measures of Displacement and Housing Insecurity: Homelessness, Utility Disconnections, Evictions and Foreclosures, Louisville /Jefferson County 19
Homelessness 19
Residential Utility Disconnections 21
Eviction and Foreclosure Follow-up 21
Select Louisville Housing and Community Development Initiatives 23
Focus on Russell 24
Choice Neighborhood Grant 24
Resident Relocation and Service Provision Activities 25
Redevelopment Activities 26
People Activities 27
Russell: A Place of Promise 27
Overview 27
Organizational Structure 28
Grant Goals and Activities 29
Louisville Affordable Housing Trust Fund (LAHTF) and Creating Affordable Residences for Economic Success (CARES) 30
Understanding Area Median Income (AMI) and Median Income 31
How do these efforts address the 22K Equities Gap? 35
How Should Louisville/Jefferson County Address the Racial Wealth/Housing Gap? 36
Endnotes 41
References 42
2019 State of Metropolitan Housing Report Funders 44
2019 Annual Meeting Sponsors 44
Sponsors of Other MHC Events 44
2019 MHC Board of Directors 45
Foundations and Grant-Making Institutions 45
MHC Staff 45
Acknowledgements 45
MHC Members 46

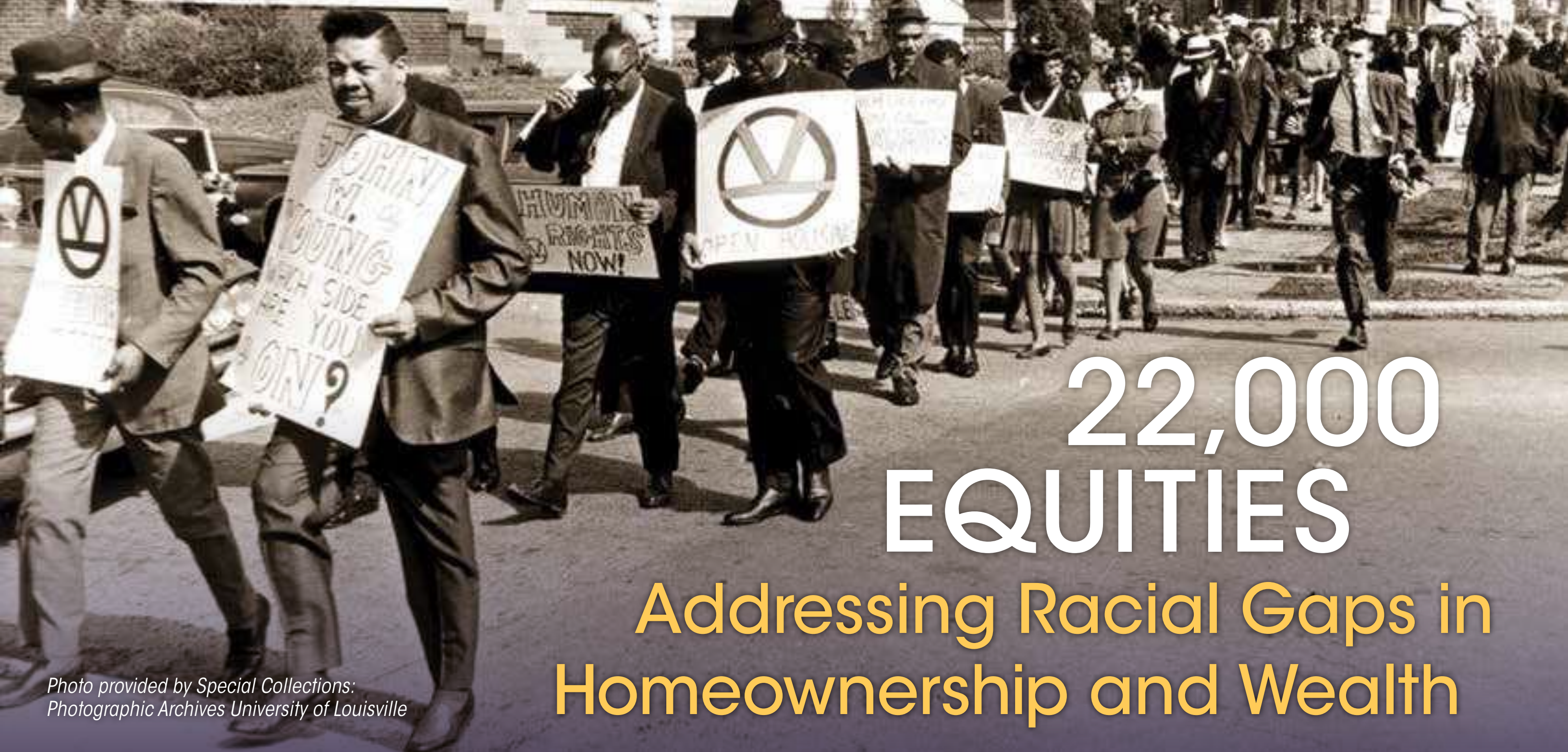


Photo provided by Special Collections: Photographic Archives University of Louisville

22,000 EQUITIES

Addressing Racial Gaps in Homeownership and Wealth

Introduction

Why 22,000 Equities?

The number 22,000 in the title of this year's report is roughly the number of Black/African American households that would need to become homeowners to erase the gap between Black and White homeownership in Louisville/Jefferson County. This number, 22,000 households, represents just over 1/3 of the 2017 Black/African American households in Louisville/Jefferson County.

However, this number represents more than a gap in homeownership: **22,000 Equities symbolizes the historical and ongoing disenfranchisement of an entire population**. It reflects the unequal access to homeownership and wealth-building opportunities among Black/African American households. It reflects the racial wealth gap in Louisville/Jefferson County.

Homeownership is by far the primary way that Black/African Americans[1] build wealth and it has a cultural meaning that symbolizes achievement and prosperity (Oliver and Shapiro 1995). More generally, homeownership offers other benefits, including improved psychological and physical health, a lowered likelihood of having to move, greater neighborhood residential stability that improves school outcomes, and improved social and political interaction among residents (Wiedrich and Newville 2019). Although homeownership is not the only avenue for wealth-building, quantifying the homeownership gap provides an understanding of the enormity of one aspect of wealth inequity between White residents in Louisville/Jefferson County and households of color. The extent to which homeownership remains out of reach for people of color is symbolic of their exclusion from social benefits that many Whites take for granted.

At the same time, homeownership experiences are varied. Homeownership by itself is not a guaranteed avenue for building wealth and the value that accrues from homeownership often depends on factors beyond an individual's control. While there are racial gaps in homeownership (who owns and who does not), racial gaps also exist between homeowners' *experiences* as a group. In other words, the social and economic systems (e.g. employment, income, education, banking access) that privilege White people overall intersect with homeownership, and facilitates wealth-building more effectively for White homeowners compared to non-White homeowners.

Documenting racial disparities in homeownership rates is useful in demonstrating unequal access to one of the most powerful wealth-building paths in the United States. In the 2018 State of Metropolitan Housing Report, we noted that the 2017 American Community Survey data showed that the gap between Black and White homeownership continued to widen in Kentucky, the Louisville MSA, and Louisville/Jefferson County (MHC 2018). This is also true for Hispanic/Latinx households. In addition, White homeownership rates remained stable from 2016 to 2017, while the rates for both Black and Hispanic/Latinx homeowners fell slightly. These differences in percentages represent real families and households.

While the gap in homeownership by race is most pronounced for Black/African American households, homeownership among Hispanic/Latinx households[2] also trails that of White households. The difference is numerically smaller (about 3,700 households would need to become homeowners) than among Black/African Americans, but represents a similar proportion, about 1/3 of the 2017 Hispanic/Latinx households in Louisville/Jefferson County.

Zooming out to the national level, the racial wealth gap is defined as the difference in the median household wealth between different racial groups (Amadeo 2019). In 2016, Black median wealth was only 7 percent that of non-Hispanic Whites ($9,590 and $130,800, respectively) (U.S. Census Bureau 2016). Similarly, the median wealth of Hispanics (any race) is only $17,530 or 13 percent of non-Hispanic Whites. Perceptions of the racial wealth gaps among Whites differ vastly from the economic reality. Whites severely underestimate the racial wealth gap; on average, they guess that Black wealth is about 80 percent that of Whites (Kraus, Rucker and Richeson 2017).

The gap in homeownership is a particularly important manifestation of larger racial inequities because it ultimately results in less political voice. In U.S. cities and neighborhoods, scholars characterize homeowners as "homevoters" whose collective property rights are protected through local zoning (Fischel 2001). In this view, homeowners are strongly motivated to control local government because the value of their largest asset depends on local policy, especially schools. In turn, local politicians respond to homeowners because they pay taxes and are most likely to vote. Thus, 22,000 Equities translates to greater political power and distributional equity.

The Metropolitan Housing Coalition's use of 22,000 Equities is intended to highlight one part of the racial wealth gap and provide a more concrete understanding of one of the obstacles for achieving equitable access to wealth-building paths for communities of color, and particularly, Blacks/African Americans. Homeownership is not, nor should it be the only path to wealth-building. Furthermore, the racial wealth gap will not be solved simply by narrowing the gap between Black/African American and White rates of homeownership. Finally, rather than a narrow policy focus on single-family homeownership, models of collective ownership are a critical need missing from the Louisville housing landscape and are also missing from discussions of solutions to address both affordable housing and racial equity.

We use the 22,000 equities framework to focus on the racial wealth gap and connect it to the need to pursue policies that promote safe, fair, and affordable housing. Making substantial progress in closing the 22,000 equities gap through the pursuit of ambitious milestones would mean facing head-on the racial inequities in housing that have accumulated because of historical and current racist policies and practices. It would mean developing pathways to economic stability that also promote a sense of attachment to one's neighborhood and civic pride for a significant number of Black/African American households. The material resources necessary to turn good intentions into reality will reflect our local commitment to spark paths to prosperity that will lead to safer and more secure neighborhoods. This will enable residents to contribute their own share to the stimulation of Louisville's local economy, and help our city become more racially and economically integrated.

22,000: How Did We Get Here?

Federal housing policies created during the middle of the 20th century significantly shaped housing opportunities across the U.S. for decades to come. For instance, in 1933, the Home Owners Loan Corporation (HOLC), established as a part of President Franklin D. Roosevelt's New Deal, created the now notorious redlining maps, a grading system used to determine which residential areas were worthy of mortgage financing and which were not. Areas designated in red on HOLC maps were deemed "hazardous" and riskier for mortgages. The race and ethnicity of residents was a key factor in determining risk levels, and neighborhoods with Black, immigrant, and foreign-born residents consistently received the lowest ratings, which were reflected in red on the maps. Areas receiving the highest grade were shaded green, which indicated that they were virtually free of any Blacks or foreign-born persons.

Racist housing practices existed prior to HOLC. The federal government built racially segregated public housing, local zoning ordinances permitted the regulation of land based on the race of residents, and racially restrictive deed and covenants allowed the restriction of property sales based on race. However, the HOLC maps are important because they created a framework that would perpetuate the systematic exclusion of non-White households from expanded mortgage lending and new housing opportunities in suburban locations after WWII. By 1968, the passage of the Fair Housing Act, complementing other Civil Rights legislation, was predicated on changing the overt racism dominating the housing system.

Photo provided by Special Collections: Photographic Archives University of Louisville

This historical period demonstrates the relational roots of the racial gap in homeownership. We use the term relational to highlight the fact that when socially differentiated groups share space, the advantages that flow exclusively to one group equate to disadvantages for other groups (Tilly 1998). Conversely, penalties directed exclusively to one or a few groups yield advantages to the other groups who are not penalized. This leads to some groups being doubly privileged, some groups being doubly disadvantaged, and other groups being somewhere in-between. Whites, who benefited from the housing policies described above, were doubly privileged by having their 30-year, low-interest mortgages backed by the federal government and by escaping the racial penalties that Blacks and others experienced. Blacks, on the other hand, were doubly disadvantaged through their exclusion from the suburban homeownership-based wealth building process financed by government-based mortgages and by having their neighborhoods redlined and stigmatized as unworthy of investment (Oliver and Shapiro 1995, Rothstein 2017).

The roots of more recent concerns related to widespread disinvestment and neighborhood changes resulting in gentrification and displacement can be traced to processes that began during the mid-twentieth century. For example, White flight, or the out-migration of economically mobile White households away from neighborhoods that experience increasing in-migration of non-Whites, continues to disadvantage both Black residents and the White residents who remain. White flight occurs in both urban and suburban settings and is often accompanied by the flight of capital investment, which leads to the economic decline of neighborhoods (Pattillo 1999, Rothstein 2017).

In a cyclical process, the depressed property values that result from White flight and economic decline eventually compel capital investment in some of the areas due to market perceptions of their geographical potential and the low transaction costs involved in acquiring property (Zuk et al. 2018). The dominant pattern so far is investments of this form taking place near central business districts and other urban amenities (Zuk et al. 2018). All things being equal, once capital investment begins flowing into communities that were previously economically depressed, the benefits tend to accrue to the recent property owners and new residents, not to the long-term residents who weathered the storm of disinvestment (Owens 2012). The cycle described here underscores the human reality and the connection between structural racism and economic valuations of place. These aspects of place-making are too often characterized as simply predictable neighborhood changes driven by anonymous economic, housing, and real estate market patterns.

The accumulation of place-based advantages for Whites and place-based disadvantages for Blacks remains evident in the stark racial segregation that pervades Louisville and many other U.S. cities, alongside a widening racial wealth gap. The Fair Housing Act did not wipe clean the decades of racial discrimination in housing (Massey 2015, Rothstein 2017), Evidence suggests that discrimination in housing simply changed form, from explicit to implicit or "color-blind" racism (Bonilla-Silva 2013, Feagin and Sikes 1994, Korver-Glenn 2018, Taylor 2019). For example, instead of African American homebuyers being outright rejected from a neighborhood they desire, their calls may be ignored or real estate agents may lie about the property being sold (Feagin and Sikes 1994). Segregation has been reinforced in Louisville through the redevelopment of public housing. Hanlon (2010) shows how the Park duValle HOPE VI project resulted in many residents relocating to neighborhoods that were also disproportionately Black/African American and had higher poverty rates. Walker and Hanchette (2015) find similar patterns of persistent racial segregation among residents relocated from the Clarksdale public housing site. While some progress has been made, for instance, research shows that residential segregation has declined overall since the 1970s, a wide chasm remains between the depths of the housing inequities and our collective will to erase the inequities (Madden and Ruther 2018). The report's focus on 22,000 equities acknowledges this reality, helps describe the specific nature of the challenges in Louisville/Jefferson County, and sets forth recommendations to reduce the existing inequities.

Documenting Wealth Gaps in Housing and Income

Louisville/Jefferson County 2000-2017[3]

The housing, racial and ethnic, and demographic changes from 2000 to 2017 in Louisville/Jefferson County tell the story of the development and maintenance of wealth and housing gaps that will persist into 2020 unless policy changes are implemented at the local, state, and federal level.

Racial and Ethnic Demographic Shifts

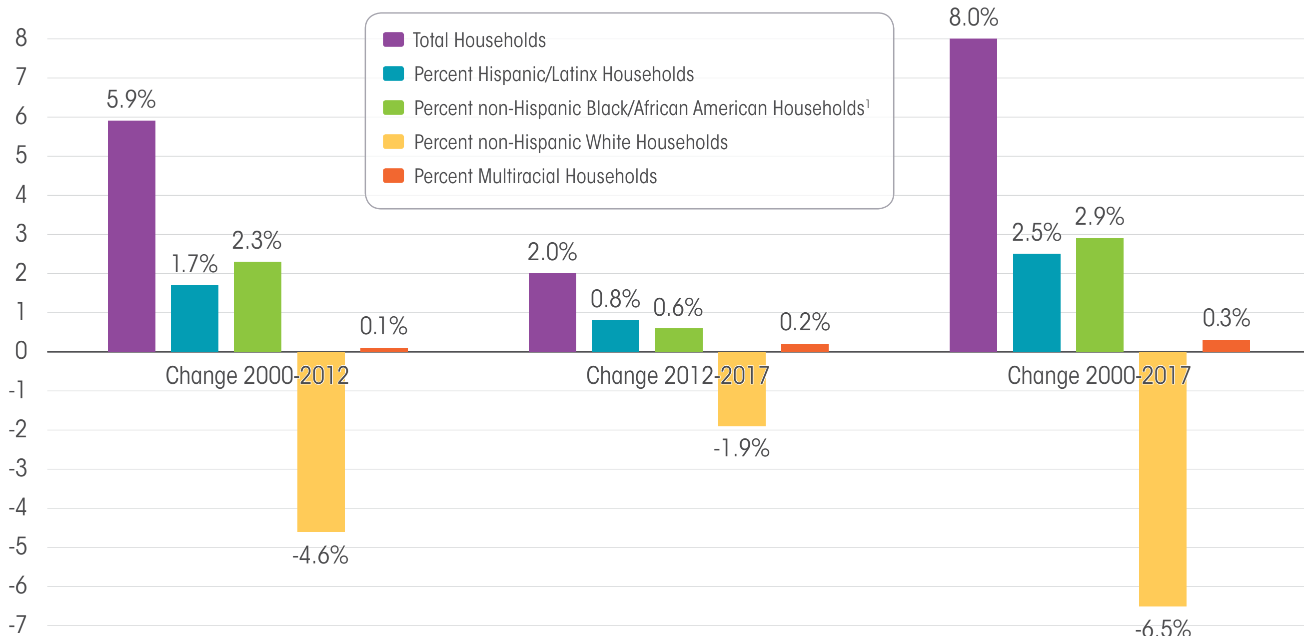
Between 2000 and 2017, population and households increased in Louisville/Jefferson County, rising by 10.2 and 8.0 percent, respectively. Over the same period, the racial/ethnic composition of households shifted in Louisville/Jefferson County (Figure 1). Generally, this change reflects increases in non-White households. Following national trends, Hispanic/Latinx households increased by 2.5 percentage points from 1.2 to 3.7 percent of all households. Multiracial households increased to 1.5 percent of all households in 2017, up from 1.3 percent in 2000. Black/African American households experienced the largest percentage point growth from 2000, increasing by 2.9 percentage points from 17.8 percent of total households to 20.7 percent. Non-Hispanic White households declined from 78.6 to 72.1 percent of all households from 2000 to 2017.

Housing Trends[4]

From 2000 to 2017, owner-occupied housing units declined by 3.4 percentage points in Louisville/Jefferson County, from 64.9 percent in 2000 to 61.5 percent in 2017, which is roughly similar to the nationwide trends over the same time period that show an increase in renters and declines in homeownership (+/- 2.4 percent). Over the same period, there was strong growth in median home values nationally (21.6 percent) while homes values in Louisville/Jefferson County grew at a somewhat slower pace (10.8 percent). Median gross rents[4] also increased substantially over this period, growing by 14.6 percent nationally and 13.8 percent in Louisville/Jefferson County. In 2000, median gross rent in Louisville/Jefferson County was $703 and by 2017 had increased to $800. Additionally, median gross rent increased by 13.3 percent from 2012-2017, outpacing the national rate of 10.5 percent for the same time. In short, rents increased at slightly faster pace than home values from 2000-2017 in Louisville/Jefferson County, which differs from the national trend where home values outpaced rental increases over the same period.

Although median home values grew overall from 2000-2017, Map 1 shows that this growth was not evenly distributed across Louisville/Jefferson County. In fact, in more than half of all census tracts (58.1 percent), median home values declined over this period. Tracts with declining home values are dispersed across Louisville/Jefferson County, but places that experienced the largest declines in median home value are concentrated in western and south-central Louisville/Jefferson County.

Figure 1: Percent Change in Households by Race/Ethnicity, 2000-2017, Louisville/Jefferson County

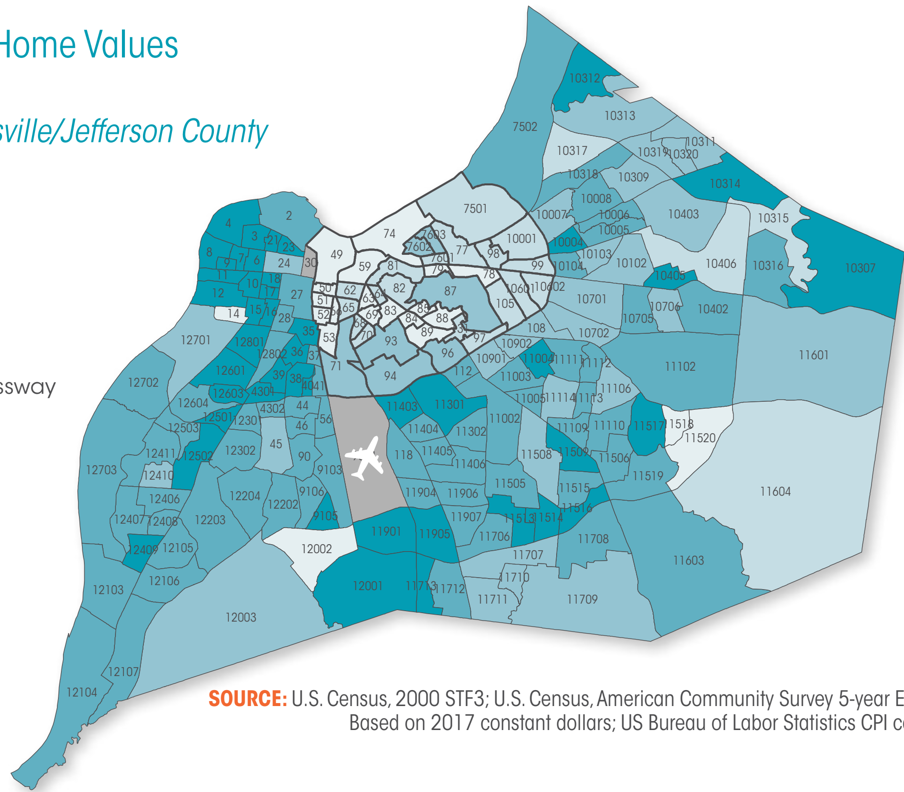


SOURCE: Census 2000 Summary File 3; American Community Survey, 2008-2012 and 2013-2017 5-year estimates
Note: 1- Census 2000 data are Black alone households

Map 1: Change in Median Home Values 2000 – 2017

by Census Tract – Louisville/Jefferson County

- -89% – -10%
- -9.9% – 0.0%
- 0.1% – 15.0%
- 15.1% – 25.0%
- 25.1% – 75.0%
- Tracts inside the Watterson Expressway and East of 9th St.
- Data Not Available



SOURCE: U.S. Census, 2000 STF3; U.S. Census, American Community Survey 5-year Estimates
Based on 2017 constant dollars; US Bureau of Labor Statistics CPI calculator

For example, from 2000-2017, tracts in Portland (tract 3.00) and Shawnee (tract 7.00) saw real median home values decrease by 38.4 percent and 40.9 percent, respectively. There is also a distinctive pattern of growth in median home values among census tracts located inside the Watterson Expressway and east of 9th Street.

While homeownership rates declined from 2000-2017 in Louisville/Jefferson County, the share of cost burdened homeowners (with a mortgage), or those paying 30 percent or more of their income for a mortgage and utilities, increased slightly from 21.9 percent to 23.1 percent. This is down from 28.4, however, in 2012. The increase in 2012 likely reflects the effects of the foreclosure crisis and Great Recession. Among homeowners with no mortgage, the share that are cost burdened remains lower than those with a mortgage but increased slightly from 7.6 percent to 10.7 percent from 2000-2017. The recession related increase in 2012 is also visible in this group which roughly parallels national trends.

Among renter households in Louisville/Jefferson County, the share of those cost burdened increased substantially between 2000 and 2012 from 36.2 percent to 45.0 percent and remained steady at 45.6 percent in 2017 (Figure 2).

Figure 2: Housing Tenure and Cost Burdened Households 2000 – 2017, *Louisville/Jefferson County*

	US	Louisville/ Jefferson County	US	Louisville/ Jefferson County	US	Louisville/ Jefferson County	US	Louisville/ Jefferson County	US	Louisville/ Jefferson County	US	Louisville/ Jefferson County
	2000		2012		Change 2000-2012		2017		Change 2012-2017		Change 2000-2017	
Percent Owner Occupied	66.2%	64.9%	65.5%	63.2%	-0.7%	-1.7%	63.8%	61.5%	-1.7%	-1.7%	-2.4%	-3.4%
Percent Cost Burdened Homeowners (with a mortgage)[1]	26.7%	21.9%	36.6%	28.4%	9.9%	6.5%	29.3%	23.1%	-7.3%	-5.3%	2.6%	1.2%
Percent Cost Burdened Homeowners (no mortgage)	10.5%	7.6%	15.3%	11.7%	4.8%	4.1%	13.8%	10.7%	-1.5%	-1.0%	3.3%	3.1%
Percent Renter-Occupied	33.8%	35.1%	34.5%	36.8%	0.7%	1.7%	36.2%	38.5%	1.7%	1.7%	2.4%	3.4%
Percent Rent Burdened Households[1]	39.9%	36.2%	48.0%	45.0%	11.2%	8.8%	50.6%	45.6%	-1.2%	0.6%	10.7%	9.4%

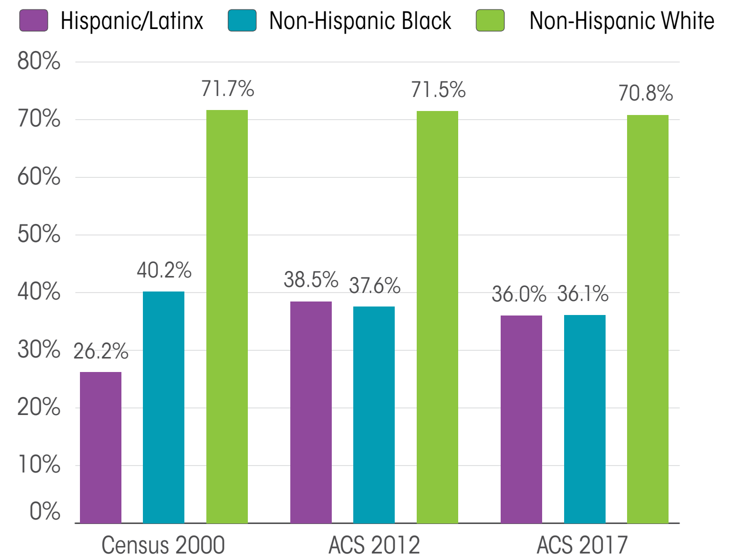
SOURCE: Census 2000 Summary File 3; American Community Survey, 2008-2012 and 2013-2017 5-year estimates
Notes: 1- Cost burdened households are households paying more than 30% of their income on mortgage and other selected housing costs

Homeownership by Race and Ethnicity

The ability to accrue wealth through homeownership is not evenly distributed by race or ethnicity in Louisville/Jefferson County. This is magnified for Black/African American households. Figure 3 shows the rates of homeownership by race/ethnicity in Louisville/Jefferson County in 2000, 2012, and 2017. Paralleling their overall growth, the rate of homeownership among Hispanic/Latinx households increased by nearly 10 percentage points from 2000-2017, although it declined slightly from a 2012 high of 38.5 percent. The total number of Hispanic/Latinx homeowners in Louisville/Jefferson County grew from 901 in 2000, to 4,145 in 2017, an increase of 360 percent, which outpaces the overall growth among Hispanic/Latinx households. In contrast, the rate of homeownership for Black/African American households decreased from 40.2 percent in 2000 to 36.1 percent in 2017. The rates for both of these groups remain well below rates for non-Hispanic White households, which declined slightly over this period from 71.7 percent (2000) to 70.8 percent (2017). As Figure 3 shows, homeownership rates among non-Hispanic White households had fully recovered to pre-Great Recession rates in 2012.

With fewer homeowners, Black/African American households have not benefitted from wealth-building opportunities that more White and increasingly Hispanic/Latinx households experienced through homeownership.

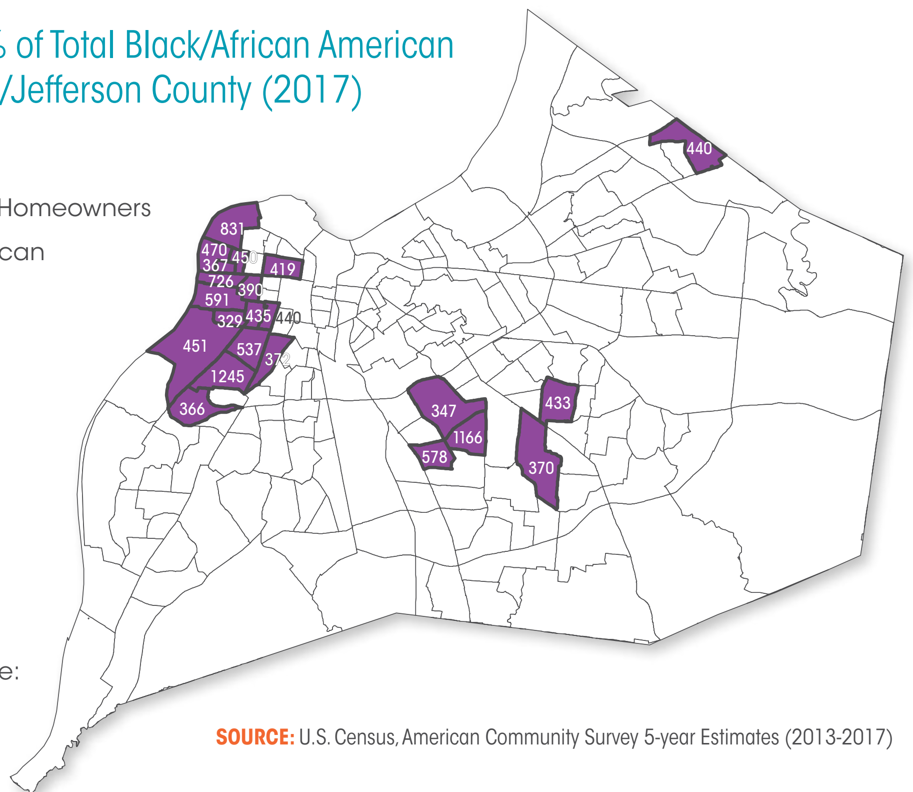
Figure 3: Homeownership Rates by Race/Ethnicity
Louisville/Jefferson County, 2000, 2012, 2017



SOURCE: Census 2000 Summary File 3; American Community Survey, 2008-2012 and 2013-2017 5-year estimates

As shown in Map 1, changes in home values exhibit wide variation across tracts. When comparing the changes in median home values to the location of Black/African American homeowners, the data indicate that Black/African American households likely have not shared equally in the overall home value gains from 2000-2017. Map 2 shows that Black/African American homeowners are highly concentrated in just a handful of census tracts.

Map 2: 22 Tracts Containing 50% of Total Black/African American Homeowners in Louisville/Jefferson County (2017)



Number of Black/African American Homeowners

Tracts with fewer than 330 Black/African American Homeowners

Louisville/Jefferson County Totals:

Non-Hispanic Black/African American Homeowners: 23,170

Non-Hispanic Black/African American Homeownership Rate: 36.1 per 100 Households

Total Non-Hispanic White Homeowners: 158,189

Non-Hispanic White Homeownership Rate: 70.8 per 100 Households

SOURCE: U.S. Census, American Community Survey 5-year Estimates (2013-2017)

Just twenty-two tracts contain half of all Black/African American homeowners in Louisville/Jefferson County, and in 16 of these tracts, median home values declined from 2000-2017. Lower rates of homeownership among Black/African American households combined with their segregation in areas where home prices have declined contributes to the uneven distribution of local political power derived from homeownership and public assets such as school funding.

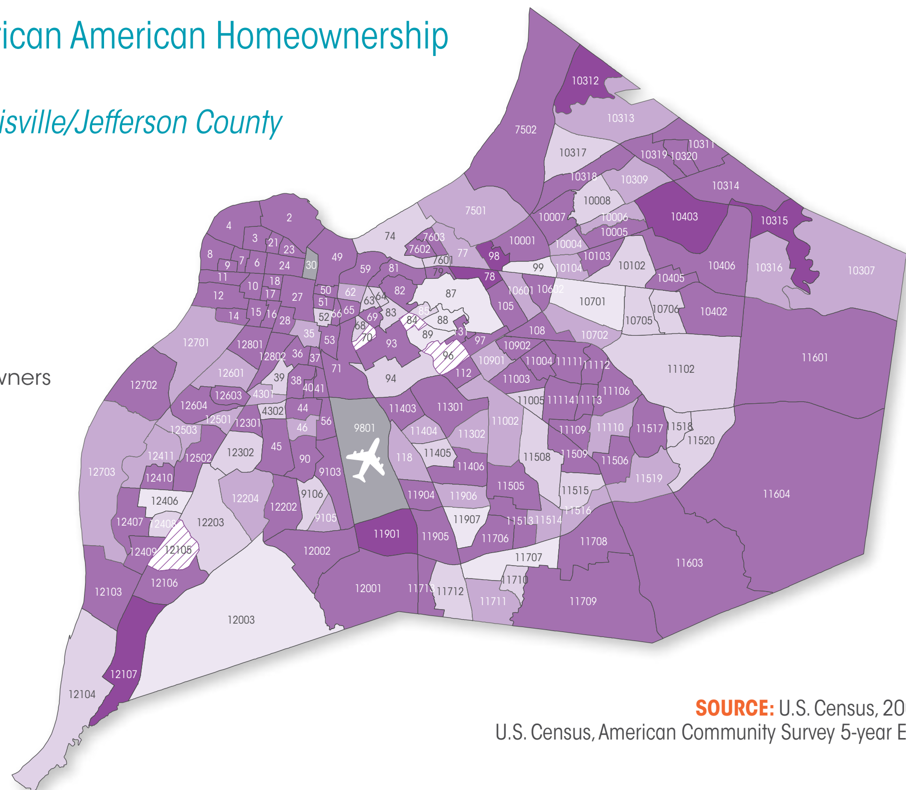
Map 3 displays the geographic distribution of changes in the rates of Black/African American homeowners from 2000-2017 across Louisville/Jefferson County. Overall, the rate of homeownership among Black/African American households declined in over half of all tracts (54 percent). While these tracts are dispersed throughout Louisville/Jefferson County, highlighting that Black/African American homeownership decreased all over the county, many tracts in West Louisville experienced declines in Black/African American homeownership. For example, in census tract 3.00 which includes parts of the Portland neighborhood, the rate of Black/African American homeownership dropped from 53.6 percent to 29.7 percent. Census tract 7.00, which includes parts of the Shawnee neighborhood, the population remained over 90 percent Black/African American from 2000-2017, yet Black/African American homeownership declined from 56.2 percent in 2000 to 44.7 percent in 2017. Certainly, the foreclosure crisis likely influenced some of the losses in Black/African American homeownership observed over this period, and rates of homeownership are generally lower here than in other parts of Louisville/Jefferson County. However, as new investments pour into West Louisville neighborhoods, the questions of "who benefits?" and "who owns the change?" remain important ones to be answered. These data points, combined with others in this report, indicate that an explicit racial equity lens is necessary and that policy tools are needed to help build and retain Black/African American homeownership and wealth in West Louisville.

Photo provided by Louisville Metro Housing Authority

Map 3: Change in Black/African American Homeownership 2000-2017

by Census Tracts – Louisville/Jefferson County

- -99.0% – -51.0%
- -50.9% – 0.0%
- 0.1% – 10.0%
- 10.1% – 33.3%
- 33.4% – 76.8%
- Tracts with too few Black homeowners to compute change
- Data Not Available



SOURCE: U.S. Census, 2000 STF3; U.S. Census, American Community Survey 5-year Estimates

Photo by Chris Harrell

Household Income Trends: Growing Inequality

Nationally, median household income declined by 3.5 percent from 2000-2017. In Louisville/Jefferson County, median household incomes in 2017 were 7.0 percent lower than in 2000. However, from 2012-2017, median household income grew in Louisville/Jefferson County by 4.8 percent indicating a recovery that outpaced national growth (1.8 percent). Meanwhile, poverty rates declined slightly from 2012-2017 nationally (0.3 percent) and in Louisville/Jefferson County (1.5 percent). However, overall, persons experiencing poverty increased since 2000, nationally rising 2.2 percentage points and locally 2.6 percentage points. Even though incomes are recovering somewhat, poverty rates continue to increase. Furthermore, the share of cost-burdened renters remained higher in 2017 than in 2000. Collectively, these data points indicate the impacts of rising housing costs and result in greater income inequality.

Louisville/Jefferson County Income Inequality

The racial homeownership disparities documented in Louisville/Jefferson County intersect with broader trends in income inequality that magnify wealth gaps and thus perpetuate homeownership gaps. At the root of racial homeownership differences are an intergenerational lack of economic resources that more generally allow families to build wealth and to access economic benefits across generations (Sharkey, 2013). Examining the Gini coefficient for Louisville/Jefferson County and analyzing the distribution of total income among the top and bottom earners are two ways of better understanding local income inequality, an important component of the wealth gap.

How far apart are the high-income households from the low-income households?

In 2017, the Gini coefficient for Louisville/Jefferson County was .481, which is identical to the income inequality across the U.S. and represents a slight increase (1 percent) since 2012. Furthermore, we know that the U.S. is one of the most unequal countries in the world with inequality levels similar to Russia, Mexico, Turkey and Chile (OECD, 2016).

What is the Gini Coefficient?

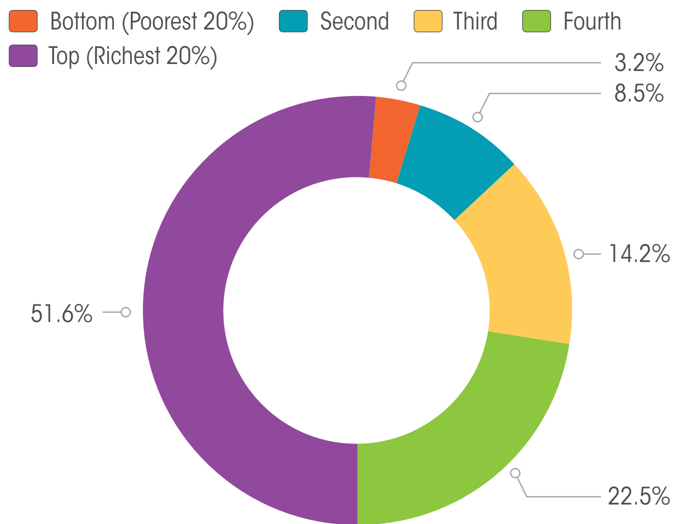
The Gini coefficient is a measure of income inequality within a population distribution. The coefficient ranges from zero to one, with zero representing perfect equality and one representing perfect inequality. For example, if all residents in Louisville/Jefferson County earned the same income, the Gini coefficient would be zero. On the other hand, if one resident earned all the income in Louisville/Jefferson County, while everyone else earned nothing, the Gini coefficient would be one.

How is the 'income pie' divided?

Since 1970, income inequality between the top earners and households in the middle and lower parts of the income distributions has sharply widened. Income growth has continued steadily for top earners while earnings have stagnated for households further down the income ladder. Wealth is even more concentrated than income – "the best survey data show that the share of wealth held by the top 1 percent rose from just under 30 percent in 1989 to nearly 39 percent in 2016, while the share held by the bottom 90 percent fell from just over 33 percent to less than 23 percent over the same period" (Stone et al. 2019:1).

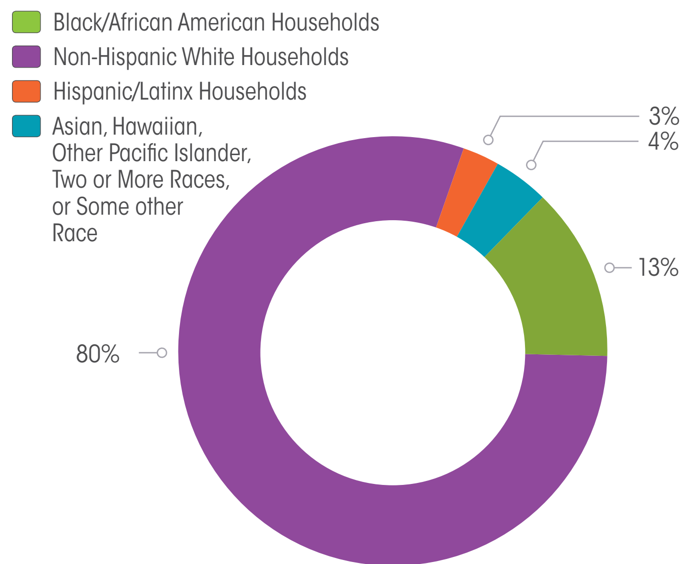
Comparing incomes among the top fifth to the bottom fifth of households shows the proportion of the total income each group earns. In 2017, Louisville/Jefferson County households in the top 20 percent earned 51.6 percent of the total income pie. At the other end of the spectrum, households in the bottom 20 percent only earned only 3.2 percent of the income pie (Figure 4). The distribution of income pie in Louisville/Jefferson County closely mirrors the national distribution, where 51.5 percent of all income is earned the top 20 percent of households.

Figure 4: Share of Total Income by Household Quintiles
Jefferson County, 2017
Aggregate County Income = $22.69 Billion



SOURCE: ACS 2013-2017 5-year Estimates

Figure 5: Distribution of Aggregate Household Income by Race/Ethnicity
Louisville/Jefferson County, 2017



SOURCE: ACS 2013-2017 5-year Estimates

Additionally, when we consider the distribution of total income by race, non-Hispanic White households account for over 80 percent of aggregate household income in Louisville/Jefferson County, while Black/African American households earn just under 13 percent and Hispanic/Latinx about 3 percent. **Comparing these trends to the overall racial distribution of households highlights the inequity. The share of total household income for Whites is about 10 percentage points larger than their share of total households, while among Black/African Americans their share of total income is 12.8 percent, yet they make up over 20 percent of all households (Figure 5).** In other words, non-Hispanic White households' share of the "income pie" is higher than their representation among all households while Black/African American households' share of the "income pie" is lower than their representation among all households.

Turning to how income inequality manifests at the census tract level, in 14 percent of all tracts, the top 20 percent of earners capture more than 51.5 percent of the 'income pie' within those tracts, outpacing the overall rate in Louisville/Jefferson County. Adding to this geo-spatial measure of income inequality, in 2017, no census tracts have a Gini coefficient lower than 0.30, although most are below the Louisville/Jefferson County rate (0.481). However, in over 10 percent of all tracts, the Gini is higher than the 0.481. The downtown/Central Business District tract (49.00) exhibits the greatest income inequality at 0.718 (Map 4).

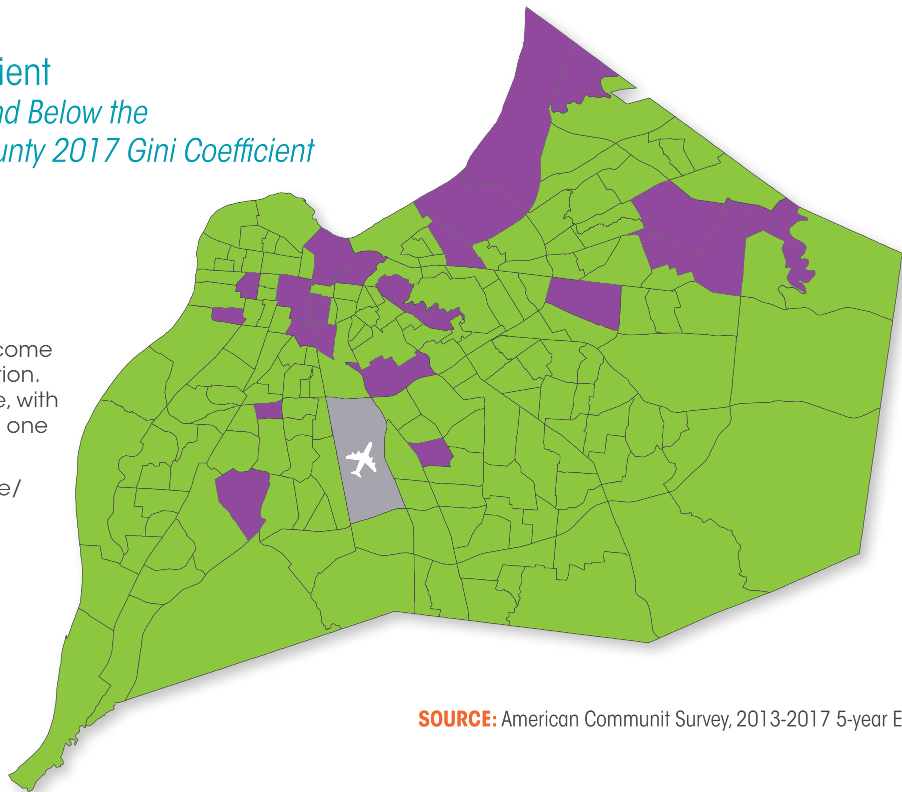
Map 4: Income Gini Coefficient

Census Tracts Above and Below the Louisville/Jefferson County 2017 Gini Coefficient

- 0.303 – 0.481
- 0.482 – 0.718
- Data Not Available

The Gini coefficient is a measure of income inequality within a population distribution. The coefficient ranges from zero to one, with zero representing perfect equality and one representing perfect inequality.

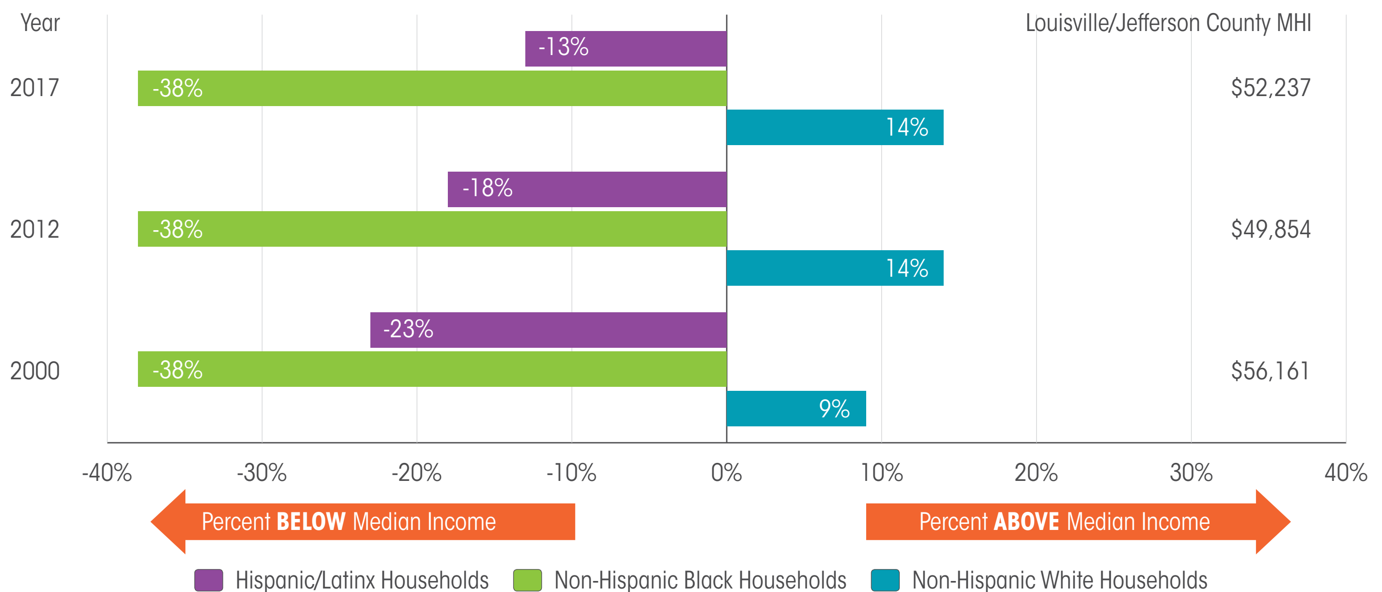
In 2017, the Gini coefficient for Louisville/ Jefferson County was .481



SOURCE: American Communit Survey, 2013-2017 5-year Estimates

Changes in median income over time (2000, 2012, and 2017) also show disparities across racial and ethnic categories. Louisville/Jefferson County households saw real median incomes decrease 7.0 percent from $56,161 in 2000 to $52,237 in 2017, compared with only a 3.7 percent decrease nationally. Between 2000 and 2017, there were greater losses in median income for Black/ African American households (-7.1 percent) compared to non-Hispanic Whites (-3.2). Moreover, the median income of Black/African American households in 2017 ($32,456) is nearly 40 percent below median income overall (Figure 6). In addition, while the real median income of Hispanics/ Latinx households has grown by 4.6 percent, from $43,416 in 2000 to $45,412 in 2017, it is still 13 percent below Louisville/Jefferson County's overall median household income.

Figure 6: Median Household Income by Race/Ethnicity as Percent Louisville/Jefferson County Median Household Income (MHI), 2000, 2012, 2017



SOURCE: US Census, Census 2000 and 2008-2012 and 2013-2017 5-year American Community Surveys
Based on 2017 constant dollars; US Bureau of Labor Statistics CPI calculator

Cost and Rent Burdened Households by Income

Inequalities in income and wealth influence families' ability to access safe, fair, and affordable housing. A large number of households struggle to pay their mortgage or rent and other shelter costs and thus struggle to maintain wealth, let alone build it. Owner-occupied households are cost-burdened when they spend at least 30 percent of income on housing costs (such as mortgage payments, taxes, and utilities). Similarly, rent-burdened households are those that spend 30 percent or more of their income on rent and utilities. This means many families have very little left over to provide for other basic needs or emergencies let alone build wealth or savings.

As we noted earlier, having a mortgage increases a household's likelihood of being cost-burdened. That burden is magnified when income levels are taken into account. In 2012, households with very little income were more likely to be cost burdened. For homeowners with a mortgage – 97.9 percent of those earning less than $20,000 and 82.3 percent earning between $20,000 and $35,000 paid more than 30 percent of their income towards shelter. These already high shares increased slightly from 2012 to 2017. Middle-income homeowners with mortgages also feel the strain of housing costs. In 2017, nearly one half of all homeowners with a mortgage in Louisville/Jefferson County earning between $35,000 and $49,999 are cost-burdened, which is essentially the same share that were cost burdened in 2012, despite the small declines in this share at the national level.

Figure 7: Cost-Burdened Owner-Occupied and Rent-Burdened Households
2012 – 2017 – *Louisville/Jefferson County*

	U.S.	Louisville/Jefferson County	U.S.	Louisville/Jefferson County
	2012	2012	2017	2017
Percent Cost Burdened: With Mortgage	36.6%	28.4%	29.3%	23.1%
Annual income:				
Less than $19,999	98.2%	97.9%	98.4%	98.2%
$20,000 - $34,999	84.4%	82.3%	84.1%	83.6%
$35,000 - $49,999	62.3%	47.5%	58.2%	47.9%
$50,000 - $74,999	39.6%	22.2%	33.4%	17.4%
More than $75,000	15.4%	5.1%	9.7%	3.1%
Percent Rent Burdened	48.0%	45.0%	50.6%	45.6%
Annual income:				
Less than $10,000	70.8%	69.7%	67.7%	68.5%
$10,000 - $19, 999	81.1%	79.4%	81.6%	79.3%
$20,000 - $34,999	67.3%	54.7%	72.1%	63.3%
$35,000 - $49,999	37.2%	17.3%	43.3%	24.9%
$50,000 - $74,999	17.8%	4.2%	5.0%	0.7%
Greater than $75,000	2.7%	0.9%	5.9%	0.9%

SOURCE: American Community Survey, 2008-2012 and 2013-2017 5-year estimates
Notes: 2017 constant dollars; US Bureau of Labor Statistics CPI calculator

About 45 percent of all renter households in Louisville/Jefferson County are rent burdened households or are spending more than 30 percent of their income on rent and utilities in 2017. This number remained unchanged in Louisville/Jefferson County from 2012 to 2017 despite small increases nationally. Like homeowners, rent burden is most severe among households with the most modest incomes. Paralleling national trends, there were increases in the share of rent burdened households among those earning between $20,000 and $50,000. Rent burden in Louisville/Jefferson County is somewhat lower than the national level for renters earning more than $10,000.

Increasing rent burden can be attributed to the combination of several factors. First, median gross rents have risen, while incomes have remained stagnant. Median gross rent in the United States was $857 in 2000 and rose to $982 by 2017. In Louisville/Jefferson County, median rent also increased from $703 to $800 over that same period (13.8 percent). Rising rents, especially at the lower end of the price range, are at least partly attributable to a lack of available affordable housing. Moreover, with such strong competition for affordable units, landlords can turn away prospective tenants for any number of reasons and afford to evict tenants for any infraction (Immergluck, Ernsthausen, Earl, and Powell 2019). In addition, the few remaining federal subsidies targeting affordable housing have been dedicated to renewing existing subsidies rather than giving assistance to the growing number of households in need (Desmond and Kimbro 2015). As has always been the case, the vast majority of poor renters today do not benefit from any kind of federal housing program (Schwartz 2010).

Photo by Chris Harrell *Photo by Sam Upshaw Jr., Courier-Journal*

Comparing Black Homeownership Experiences: A Closer Look at Russell and Shively

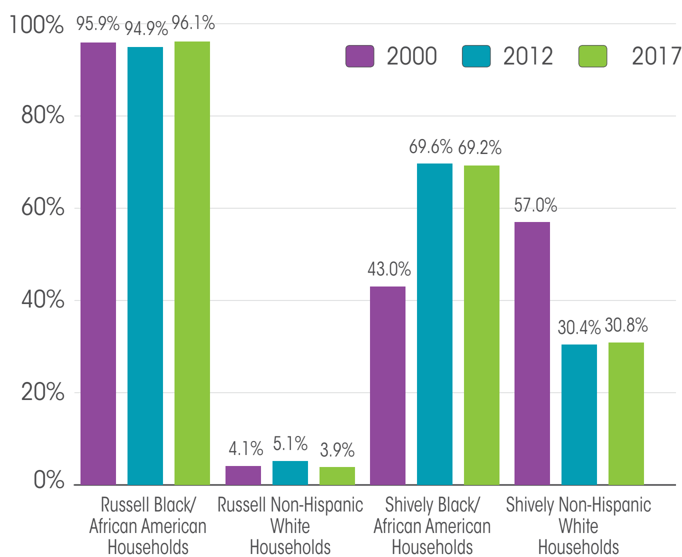
The Russell neighborhood and the city of Shively are residential geographies with distinct histories. Russell had a racially diverse population before the 1937 and 1945 floods. By the middle of the twentieth century, White flight and disinvestment through the racist practices of redlining and then urban renewal destroyed its once vibrant commercial corridor. This left the neighborhood with high concentrations of lower-income, Black/African American households. Russell's demographic changes over time tell the story of Black homeownership (or the lack thereof) in the context of a formerly redlined section of Louisville/Jefferson County.

Shively is a suburban municipality that has undergone a different racial transition over the course of the past 30 years, shifting from a majority-White to a majority-Black population, and maintaining a relatively high median income when compared with Black/African American families across Louisville/Jefferson County. Shively's changes highlight the unique challenges faced by middle-income Black/African Americans living in suburban communities and parallels patterns found in similar communities across the U.S. After seeking the homeownership-based prosperity that dominant discourses say will come to suburbanites, residents have witnessed their neighborhoods' decline over time (Bartlett 2017, Byrnes and Henricks 2014, Pattillo 1999, Woldoff and Ovadia 2009). Together, these neighborhood stories reveal the complex ways that anti-Black racial bias, both historical and contemporary, economically disadvantages Black/African American populations.

Historically speaking, systems of privilege (e.g. redlining, urban renewal, zoning, mortgage insurance) afforded Whites the opportunity to choose freely where to buy a home, whereas the same systems greatly limited where Black/African American households could live. Today, Black/African American households who have the means to purchase a home navigate a housing market that offers them some choice in where they live, but still poses barriers to accessing the full portfolio of housing options available to Whites (Feagin and Sikes 1994, Korver-Glenn 2017, Rothstein 2017). For instance, recent analysis of Home Mortgage Disclosure Act data in Louisville/Jefferson County shows banks continue to disproportionately deny home loans to non-White applicants (Mann 2018).

Examining changes from 2000 to 2017 in Russell and Shively provides insight to the ongoing but distinct impacts borne by Black/African American households with different economic histories, but also connected to residential segregation through redlining and urban renewal practices. Between 2000 and 2017 in Russell, the percent of Black/African American households remained steady comprising about 96 percent of all households. In Shively, the percent of Black/African American households shifted from a minority of 43.0 percent in 2000 to a majority of 69.6 percent in 2012 and remained at nearly 70 percent through 2017.

Figure 8: Percentage Black/African American and Non-Hispanic White Households, Russell and Shively *2000, 2012, 2017*



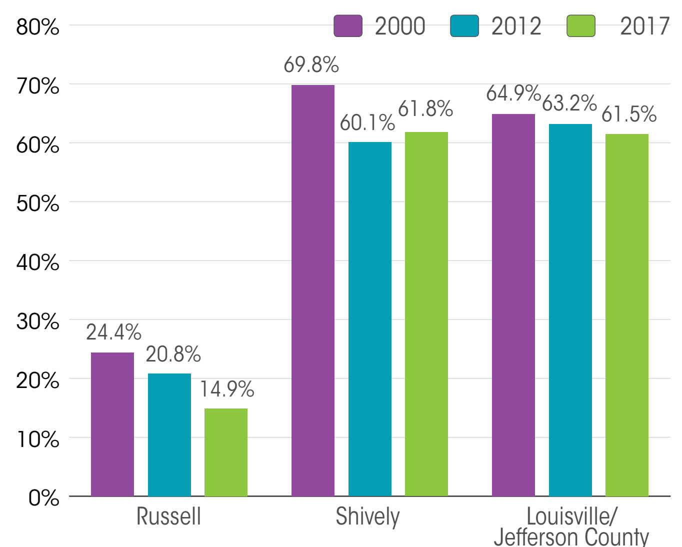
SOURCE: US Census, Census 2000 and 2008-2012 and 2013-2017 5-year American Community Survey

Homeownership in Russell and Shively

The patterns of homeownership and median household income for Russell and Shively can be summarized as *stability in disadvantage and racialized neighborhood decline*, respectively.

Overall homeownership rates for Russell and Shively both declined from 2000 to 2012 with Russell continuing to decline through 2017 after the Great Recession and Shively rebounding slightly from 2012 to 2017. In Russell, the homeownership rate reached its low point in 2017 at 14.9 percent from a high point of 24.4 percent in 2000. In Shively, the homeownership rate declined from 69.8 percent in 2000 to 60.1 percent in 2012 and rising only slightly by 2017 to 61.8 percent (Figure 9).

Figure 9: Homeownership Rates Russell, Shively, Louisville/Jefferson County *2000, 2012, 2017*

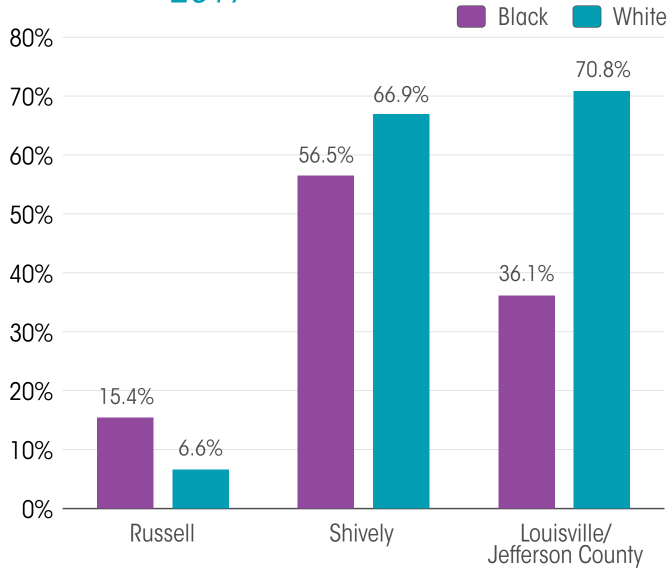


SOURCE: US Census, Census 2000, 2008-2012, and 2013-2017 5-year American Community Surveys

Figure 10 reflects disparate homeownership rates between Whites and Black/African Americans in Russell, Shively, and Louisville/Jefferson County in 2017. The low rates of homeownership in Russell for both Blacks/African Americans and Whites as compared to Louisville/Jefferson County and Shively suggests that both Black and White homeowners are choosing to live outside of the Russell neighborhood. In Shively, however, both groups have homeownership rates close to or higher than the countywide rates. In addition, three of the four Shively census tracts are among the 22 tracts shown in Map 2 that include the highest numbers of Black/African American homeowners. The percentage of White homeowners in Shively is slightly lower (66.9 percent) than the share of White homeowners in Louisville/Jefferson County (70.8 percent). Shively's Black/African American homeownership rate

is 56.5 percent, 20.4 percentage points higher than Louisville/Jefferson County rate (36.1 percent).

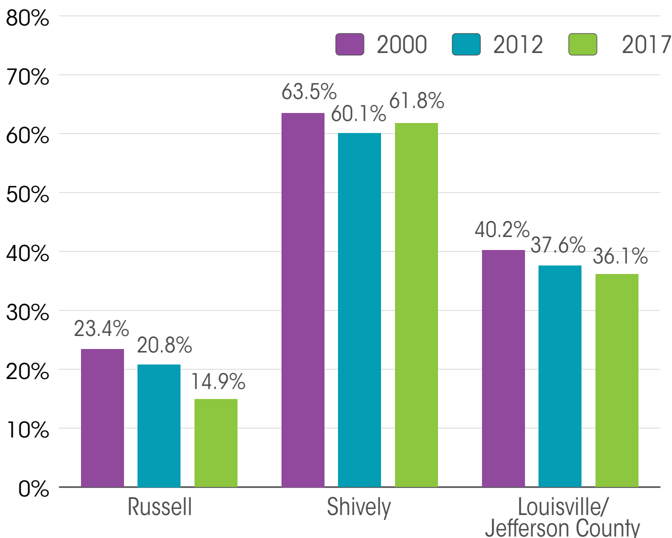
Figure 10: Black/African American and White Homeownership Rates, Russell, Shively, Louisville/Jefferson County *2017*



SOURCE: US Census, 2013-2017 5-year American Community Survey

When we take a closer look at change in Black/African American homeownership over time in Russell and Shively, we find Black/African American homeownership rates remained relatively stable in Shively from 2000-2017 while Russell experienced a decrease from 23.4 percent to 14.9 percent (Figure 11).

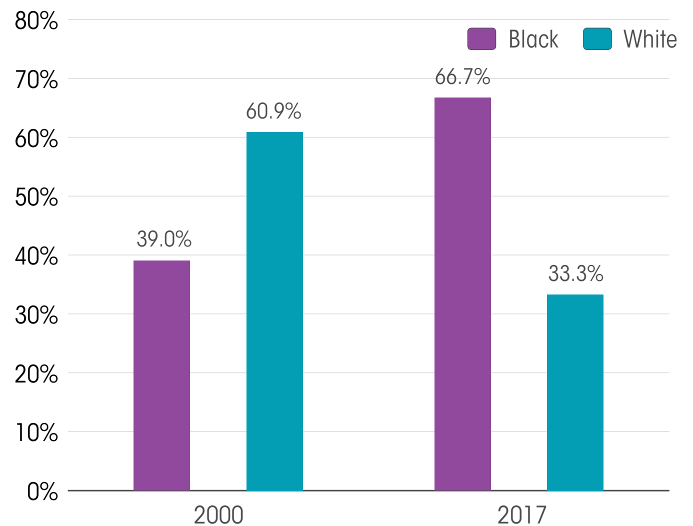
Figure 11: Black/African American Homeownership Rates in Russell, Shively, Louisville/Jefferson County *2000, 2012, 2017*



SOURCE: US Census, Census 2000, 2008-2012, and 2013-2017 5-year American Community Surveys

In addition, there was a substantial decrease in White homeowners over the same period in Shively. In 2000, Whites made up 60.9 percent of homeowners in Shively, but by 2017, White homeowners fell sharply to 33.3 percent while Blacks/African American homeowners increased to 66.7 percent of homeowners over the same period (Figure 12). Taken together with the overall decrease in White households in Shively, this indicates a substantial number of White households and homeowners left Shively between 2000 and 2017.

Figure 12: Percentage Black/African American and White Homeowners, Shively *2000 and 2017*



SOURCE: US Census, Census 2000 and 2013-2017 5-year American Community Survey

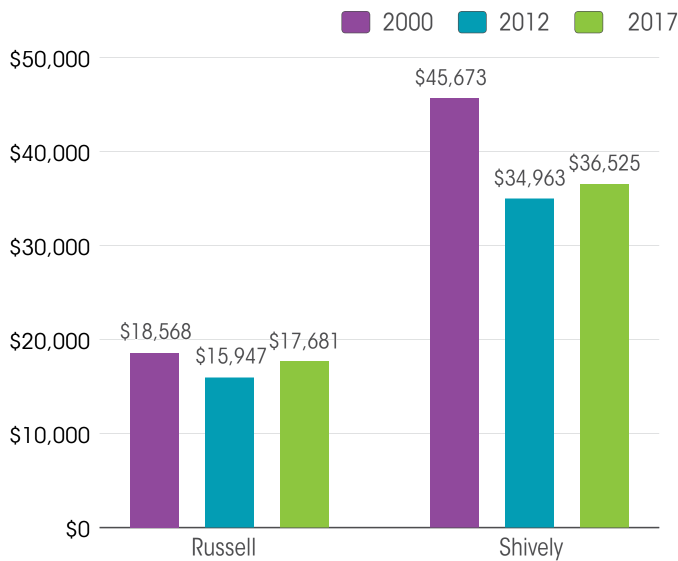
Looking at homeownership rates through a racial lens it is clear that Russell and Shively tell different stories. White homeownership declined steadily in both Russell and Shively from 2000 to 2017. While Black/African American homeownership declined in Russell, the Black/African American share of homeownership increased in Shively.

Household Income and Home Values in Russell and Shively

From 2000 to 2017, median household income and median home values changed in substantially different ways in Russell and Shively (Figures 13 and 14). For Russell, both incomes and home values were relatively unchanging, but low. In Shively, median household incomes declined from $45,673 (2000) to $34,963 (2012) then increased slightly to $36,525 by 2017. In addition, median home values in Shively declined from $112,193 (2000) to $108,629 (2012), with a further drop to $97,860 in 2017. Between 2012 and 2017, after the Great Recession there were marginal increases in both median home values and median household incomes in Russell.

Whereas in Shively, median household incomes began to recover but median home values continued to fall (Figures 13 and 14). The value residents in Shively lost in their incomes and home values contributed to the overall loss of wealth in the neighborhood.

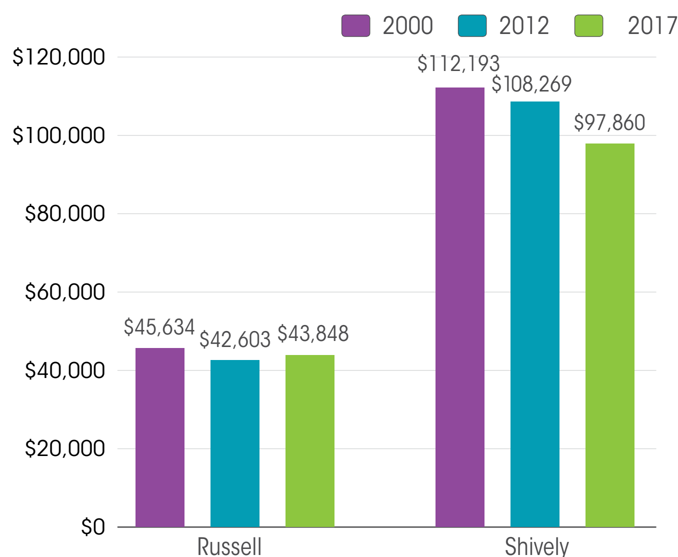
Figure 13: Median Household Income, Russell and Shively – *2000, 2012, 2017**



SOURCE: US Census, Census 2000 and 2008-2012 and 2013-2017 5-year American Community Survey

*Dollars shown in 2017 dollars using the Consumer Price Index Calculator (http://data.bls.gov/cgi-bin /cpicalc.pl)

Figure 14: Median Home Value, Russell and Shively – *2000, 2012, 2017**



SOURCE: US Census, Census 2000 and 2008-2012 and 2013-2017 5-year American Community Survey

*Dollars shown in 2017 dollars using the Consumer Price Index Calculator (http://data.bls.gov/cgi-bin /cpicalc.pl)

The diverging trends of stable disadvantage in Russell and decline in Shively are further highlighted by comparing neighborhood median household income and median home value to Louisville/Jefferson County values. Russell's median income in 2000 was $18,568, about one-third of the Louisville/Jefferson County median income of $55,939. By 2017, the median household income in Russell was $17,681, and remained about one-third of the Louisville/ Jefferson County's of $52,237. Russell's median home values in 2000 were 31.1 percent of the Louisville/Jefferson County and 27.6 percent in 2017. Russell's relative stability in relation to the Louisville/Jefferson County further reflects the area's consistent inability to build wealth.

Shively's median household income ($45,673) in 2000 was 81.6 percent of Louisville/Jefferson County's median household income ($55,939) and in 2017, it falls to 69.9 percent ($36,525).

Additionally, median home values in Shively fell from 76.5 percent of the Louisville/Jefferson County median home value ($103,000) in 2000 to 61.5 percent of the value ($159,000) in 2017. For Shively, these declines in median household income and median home value highlight how an area with a high share of Black middle-income households is slowly falling behind other areas in Louisville/ Jefferson County.

The stable disadvantage, reflecting long-term and unchanging distress, seen in Russell and the racialized economic decline that is apparent in Shively are indicative of both the failure to erase the neighborhood disparities that are linked to the history of redlining and the limitations of Black homeownership as a means of neighborhood revitalization in a society plagued by structural racism. Addressing the challenges associated with both contexts will require a transformation in the local collective conscience and a commitment to multi-pronged solutions that address both long-term neighborhood distress and newer patterns of disadvantage occurring on the periphery of urban cores.

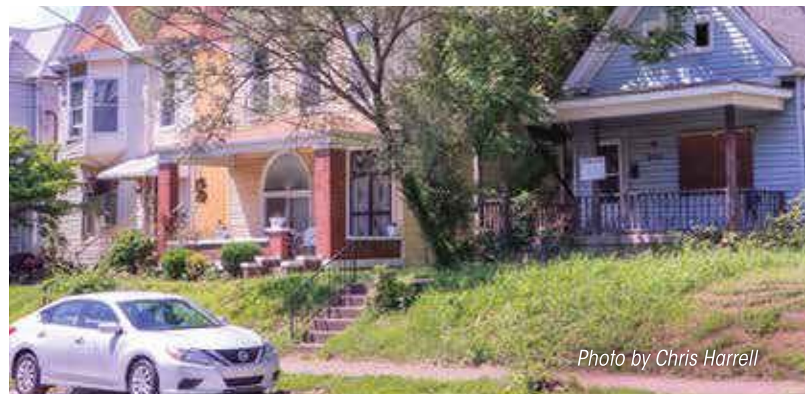


Photo by Chris Harrell

Measures of Displacement and Housing Insecurity

Homelessness, Utility Disconnections, Evictions and Foreclosures, Louisville/Jefferson County

Families in Louisville/Jefferson County continue to face the financial burdens caused by lack of housing stability, utility disconnections, evictions, and foreclosures. These measures demonstrate that involuntary displacement continues to place families at risk and disproportionately affect Black/African American households who experience higher rates of homelessness and are more likely to live in areas with high rates of utility shutoffs, evictions, and foreclosures.

Homelessness

Louisville/Jefferson County continues to struggle in serving people without homes.

The Louisville Metro Continuum of Care 2018 Homeless Census reported 6,986 sheltered and unsheltered homeless people served during the 2018 fiscal year in Louisville/Jefferson County. This reflects a 4.3 percent increase from 2017. The total number of unsheltered homeless individuals declined by 18.3 percent to 632, while the number of the sheltered homeless (6,354) represents a 7.3 percent increase from the previous year (Coalition for the Homeless 2019).

Data from the Homeless Management Information System (HMIS) show an overall decline of 20.6 percent in the homeless population from 2012-2017 (Buchino et al. 2019). However, the data also show growth among several vulnerable sub-groups, including recent (2017-2018) increases (29.4 percent) in the number of young adults experiencing homeless. The sharp rise in the number of women and families experiencing homelessness due to domestic violence continues to be a troubling trend. From 2015-2018, there was a cumulative increase of 52.0 percent in the number of such cases (Buchino et al. 2019).

According to data collected through the Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT), which captures a subset of persons experiencing homelessness, the unsheltered female homeless population increased from 23.2 percent in 2017 to 31.8 percent in 2018 (Buchino et al. 2019). In addition, among unsheltered families, the vast majority have a female head of household. Experiences of trauma are high among both the overall and unsheltered populations, with the VI-SPDAT reporting rates of 70.8 and 71.7 percent, respectively. Similarly, over half of persons experiencing homelessness also reports chronic health conditions. Lastly, the VI-SPDAT shows that unsheltered families are disproportionately Black/African American, comprising 78.3 percent of the total population of unsheltered families (Buchino et al. 2019).

The trends in homelessness noted above are also reflected in Jefferson County Public Schools (JCPS) data reported to the Kentucky Department of Education (KDE). JCPS reported an increase in the number and percentage of students experiencing homelessness from 2017/18 to 2018/19 school years. The number of students rose from 4,580 to 5,177, a 13.0 percent increase. While the numbers are small compared to Jefferson County, other Kentucky districts within the Metropolitan Statistical Area (MSA) also reported increases in the number of students experiencing homelessness with two county districts, Oldham and Shelby, more than doubling and Henry County increasing by 79 percent. Data from Indiana counties in the MSA for the 2018/19 school year were not available at the time of publication (Figure 15).

Photo by Bryan Woolston/ZUMA Wire/Alamy Live News

Figure 15: Louisville MSA Homeless Students
2017/18 - 2018/19

	2017-18			2018-19			2017/18 - 2018/19
School System	**Homeless Students**	**Total Enrollment**	**Percent Total Enrollment**	**Homeless Students**	**Total Enrollment**	**Percent Total Enrollment**	**Percent Change**
Jefferson County Public Schools	4580	98877	4.6%	5177	98506	5%	13%
Other Kentucky Counties in the MSA							
Bullitt County Public Schools	373	13309	2.8%	435	13237	3%	17%
Henry County Public Schools	28	2136	1.3%	50	2076	2%	79%
Oldham County Public Schools	19	12614	0.2%	41	12724	0%	116%
Shelby County Public Schools	15	7014	0.2%	35	7129	0%	133%
Spencer County Public Schools	31	2926	1.1%	35	2964	1%	13%
Trimble County Public Schools	10	1224	0.8%	12	1220	1%	20%
Indiana Counties within Louisville MSA							
Clark County Public Schools	9	15907	0.1%		16348		
Floyd County Public Schools	6	11459	0.1%		11637		
Harrison County Public Schools	63	6137	1.0%		6046		
Scott County Public Schools	55	3880	1.4%		3856		
Washington County Public Schools	126	4131	3.1%		4115		

SOURCES: For 2019 KY Student Enrollment Data: "Superintendent's Annual Attendance Report (SAAR)" https://education.ky.gov/districts/enrol/Pages/Superintendents-Annual-Attendance-Report-(SAAR).aspx

For 2019 IN Student Enrollment Data: "Corporation Enrollment by Grade Level" https://www.doe.in.gov/accountability/find-school-and-corporation-data-reports

For 2018-2019 Student Homeless Data: https://openhouse.education.ky.gov/Home/SRCData

Shutterstock.com

Residential Utility Disconnections

According to data provided by Louisville Gas and Electric, gas/electric utilities were physically turned off at the meter 39,403 times in 2017, and utility disconnections increased by 7.0 percent to 42,179 in 2018 in Louisville/Jefferson County. The rate of utility disconnections per 100 households for 2017 was 12.3 percent and increased to 13.1 percent in 2018. These numbers include multiple shutoffs at a single home and include some zip codes that exceed the Louisville/Jefferson County boundaries.[6]

Turning to the spatial distribution of utility disconnections, Map 5 displays the two-year average residential utility disconnection rates from 2017-2018 for zip codes at least partially contained within Louisville/Jefferson County. The zip code (40209) with the highest average shutoff rate (53.8 percent) contains only 105 households, but there were 113 shutoffs over the two-year period. Four other zip codes have disconnection rates above 20 percent, including 40212 (26.6 percent), 40210 (26.2 percent), 40211, (25.4 percent), and 40215 (24.0 percent). Two of these zip codes (40210 and 40215) also exhibited some of the largest disconnection rate increases from 2017-2018 (more than 5 percentage points). Finally, 15 out of 39 zip codes have a two-year average disconnection rate above the Louisville/Jefferson County average, and as Map 5 highlights, all of these zip codes are in the western and south central parts of the county.

Understanding the scale and geography of residential utility disconnections is an important and often unexamined element of housing security. As Map 5 shows, zip codes with the highest utility disconnection rates in Louisville/Jefferson County overlap with locations where the population is disproportionately Black/African American and where poverty rates are high (MHC, 2018). This corresponds with research showing that energy insecurity is more prominent among Black/African American households, renters, households with children, and households earning less than $20,000 (Philadelphia Energy Authority 2018). Energy insecurity is defined as households receiving a shut-off notification and foregoing basic needs like food and medicine to pay energy bills or reducing energy bills by maintaining an unhealthy living temperature.

Map 5: Average Residential Utility Disconnection Rates (2017-2018)

by Zip Codes, Louisvillle/Jefferson County, KY

0.6% – 12.7%
12.7% – 53.8%

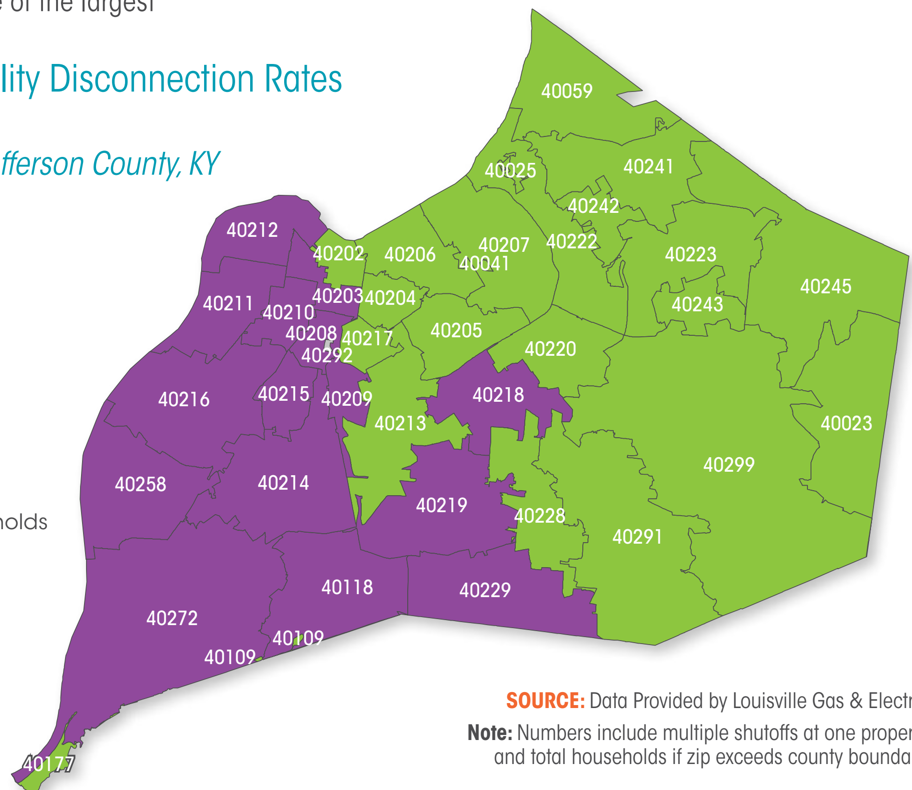
All Zip Codes:
2-year Average Rate per 100 Households

2017 Total Shutoffs = 39,403

2018 Total Households = 42,179

Total Households=321,360

2-year Average Rate = 12.7 per 100 Households



SOURCE: Data Provided by Louisville Gas & Electric
Note: Numbers include multiple shutoffs at one property and total households if zip exceeds county boundary.

Eviction and Foreclosure Follow-up

Eviction Filings 2016-2018[7]

In the 2018 State of Metropolitan Housing Report, data on eviction rates and eviction filings were presented using the national Eviction Lab dataset. Involuntary displacement through eviction continues to be a critical concern, particularly in the context of increased investment in West Louisville, where renter households are concentrated, poverty rates are high, and landlords are motivated to capitalize on rising property values due to the ongoing real estate-based revitalization efforts.

Map 6 displays the three-year (2016-2018) average eviction filing rate by zip code for Louisville/Jefferson County using a new local dataset provided by the Administrative Office of the Courts. The availability of this data is an important development for locally tracking eviction patterns. There were 51,217 total eviction filings in Louisville/Jefferson County over this three-year period, and the average eviction filing rate from 2016-2018 was 14.2 percent. One-third of all zip codes had an eviction filing rate higher than the Louisville/Jefferson County average. As shown on Map 6, eviction filings are widespread across Louisville/Jefferson County, and only six zip codes have eviction filing rates below 5.0 percent. The zip codes with the highest average eviction filing rates are located in western and south central Louisville/Jefferson County.

Map 6: Average Eviction Filing Rates (2016-2018)

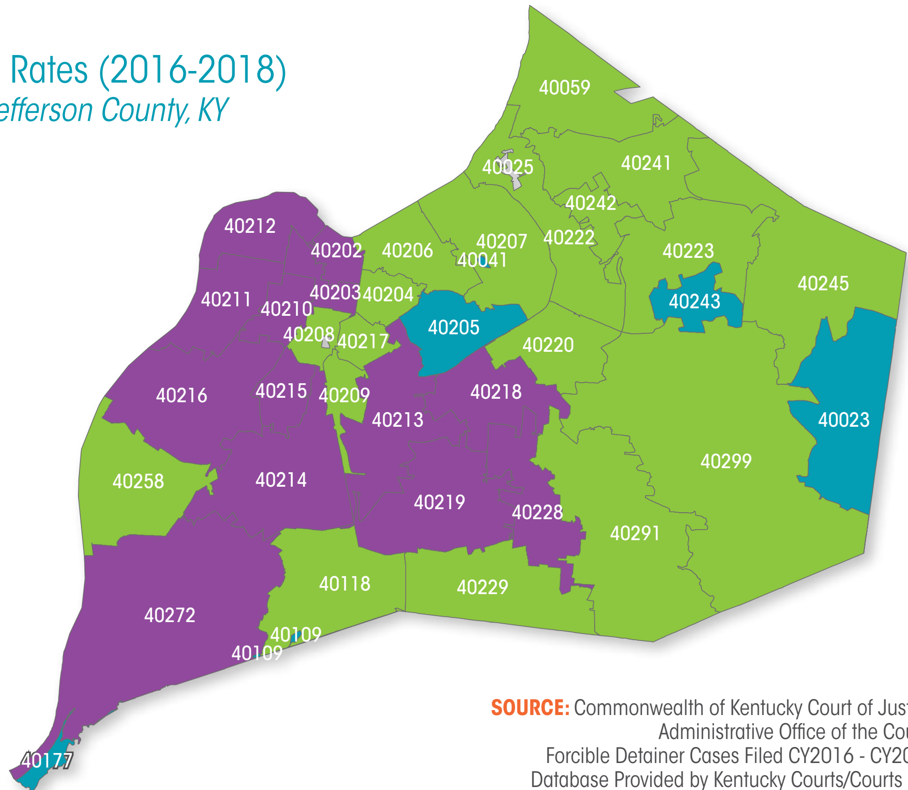
by Zip Codes, Louisvillle/Jefferson County, KY

- 0.5% – 5.0%
- 5.1% – 15.0%
- 15.1% – 25.8%

*Total Filings = 51,217

*Total Occupied Rental Units= 120,549

*Average Rate 2016 - 2018 = 14.2 per 100 Occupied Rental Units



SOURCE: Commonwealth of Kentucky Court of Justice
Administrative Office of the Courts
Forcible Detainer Cases Filed CY2016 - CY2018
Database Provided by Kentucky Courts/Courts Net

Photo Provided by Louisville/Jefferson County Metropolitan Sewer District (MSD)

Map 7 shows the distribution of foreclosure sales in 2018 using data from the Jefferson County Circuit Court. This data reflects properties that received orders of sale (or commissioner sales) in 2018. Foreclosure sales are a conservative estimate of total foreclosures because they only include properties sold at auction, rather than total foreclosure filings, which indicate the initiation of the foreclosure process. Commissioner's sales data also include all property types (residential, commercial, industrial, etc.). Three zip codes contain the largest shares of total foreclosure sales in Louisville/Jefferson County: 40216 (10.2 percent), 40211 (10.2 percent), and 40212 (7.3 percent). These are the same three zip codes identified in last year's report as having the largest shares of foreclosure sales in 2017 (MHC 2018). As we reported then, these zip codes were also at the center of the foreclosure crisis, with some of the highest rates of foreclosure in 2005 and 2007 (MHC 2008). Over ten years after the foreclosure crisis, the spatial disparities of foreclosure still persist in Louisville/Jefferson County, and continue to be concentrated in West Louisville.

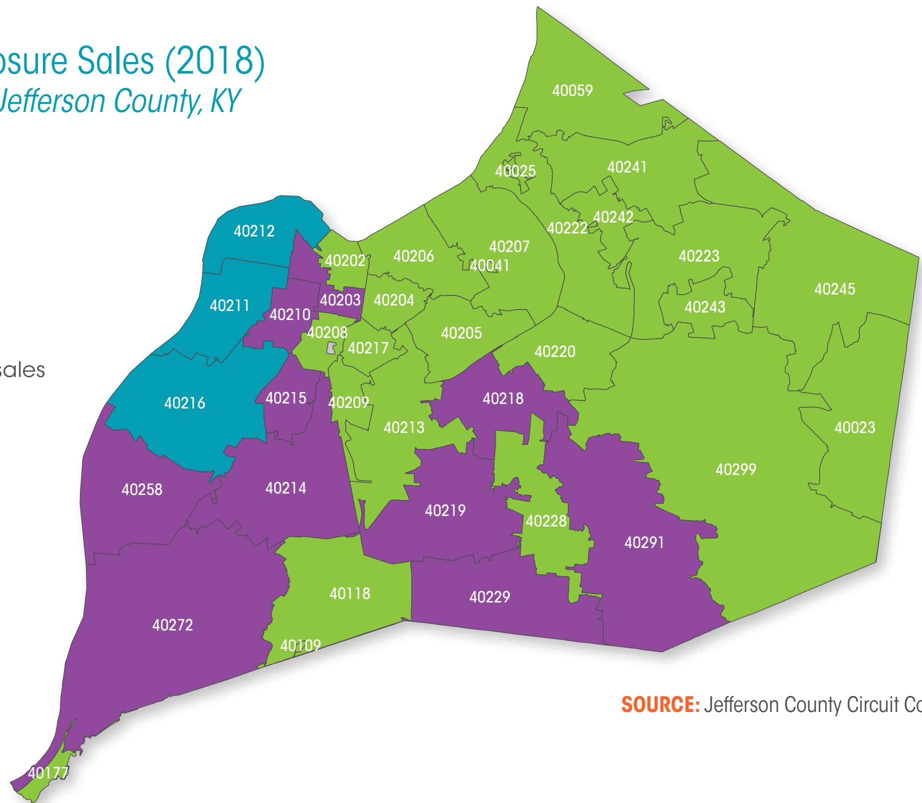
Map 7: Distribution of Foreclosure Sales (2018)
by Zip Codes, Louisvillle/Jefferson County, KY

- 0.0% – 3.4%
- 3.41% – 6.8%
- 6.82% – 10.2%

Jefferson County:

Total Foreclosure Sales = 1,876

*Rates represent number of foreclosure sales in zip code as a percentage of total foreclosure sales in Jefferson County



SOURCE: Jefferson County Circuit Court

Select Louisville Housing and Community Development Initiatives

While the federal government has all but eliminated funding for constructing public housing and federal public dollars aimed at housing assistance continue to shrink, attention to local spending priorities remains crucial. Initiatives in the Russell neighborhood have both public (federal and local) and private (for profit, non-profit, and foundation) funding sources. In addition, two newer Louisville Metro Government affordable housing programs, the Louisville Affordable Housing Trust Fund (LAHTF) and Creating Affordable Residences for Economic Success (CARES) provide funding mechanisms for constructing new and preserving existing affordable housing, and support other services intended to address housing needs in Louisville. In this section, we also include a clarification of the term Area Median Income (AMI) because it is a key metric used by programs to determine what type of housing public funds will build as well as who ultimately has access to housing built with those public dollars.

Photo Provided by Louisville/Jefferson County Metropolitan Sewer District (MSD)

Focus on Russell

As noted in the comparison of neighborhood change over time in Shively and Russell, Russell has a unique history. It is also the focus of several ongoing initiatives intended to concentrate community and economic investments. These include efforts jointly led by the Louisville Metropolitan Housing Authority (LMHA) and Louisville Metropolitan Government (LMG) through the Choice Neighborhood Grant and the Russell Place of Promise initiative. Collectively, these efforts are focused on intentional neighborhood change. Following the progress of these primarily publicly funded initiatives and grant programs sets the stage for better understanding relationships between public investments, neighborhood changes, and impacts on existing residents.

CHOICE NEIGHBORHOOD GRANT

(Louisville Metro Housing Authority and Louisville Metro Government)

Beecher Terrace and Vision Russell Transformation Plan:

In December of 2016, LMHA received a $29.574M U.S. HUD Choice Neighborhood Initiative (CNI) Implementation grant. This grant catalyzed over $200M of additional public and private investment to help implement the Vision Russell Transformation Plan. Vision Russell (LMHA 2017) also includes several elements specific to Beecher Terrace (1) the demolition of the Beecher Terrace public housing development, (2) relocation of existing Beecher Terrace households, and (3) creation of a "new, sustainable, walkable, and amenity-rich" Beecher Terrace (Vision Russell 2019a) . Built in 1941, Beecher Terrace was a 31.4-acre public housing development that had 758 one-, two- and three-bedroom housing units (LMHA 2017:1-18).

In addition to the redevelopment of Beecher Terrace, the HUD Choice Neighborhood grant funds comprehensive case management and support services for residents. These include financial literacy, savings and wealth building programs, job training and placement, higher education scholarship funds, and a variety of programs designed to improve educational outcomes. Additional supports include transportation assistance, emergency assistance funds, homeownership counseling, a Section 8 Homeownership program, and fitness and wellness programs.

Demolition and remediation of Beecher Terrace began in fall of 2017. New construction is expected to be completed by September of 2023. The redevelopment efforts are guided by the Vision Russell Transformation Plan (LMHA 2017).

Beecher Conceptual Site Plan:

Resident Relocation and Service Provision Activities

How Many Households and Residents of Beecher Terrace are Impacted?

In 2015, as part of the preparation to apply for the Choice Neighborhood Grant, LMG and LMHA surveyed residents of Beecher Terrace and the broader Russell neighborhood. The survey reported 697 occupied units in Beecher Terrace at that time (LMHA 2015). That number expanded to 726 households prior to relocation activities in 2017. The total number of Beecher Terrace households and individuals tracked by LMHA changes as the population changes. The number of original Beecher residents LMHA reported they would follow was 1,383. That number declined to 1,297 individuals (568 households) by October 2019 because of deaths, 'involuntary terminations,' and other moves, but includes births and individuals who moved in prior to relocation. LMHA reported that 60.1 percent of Beecher Terrace households were Black/African American, 33.9 percent households were recorded as two or more races, 4.9 percent were other races, and 0.9 percent identified as Hispanic or Latinx (LMHA 2015).

At the start of the implementation of the Choice Neighborhood Grant in 2017, at least 1,383, primarily Black/African American individuals in 726 Beecher Terrace households would be impacted and displaced (LMHA 2019).

The following are select statistics and program goals for Vision Russell reported by LMHA to HUD on a quarterly basis.

Households Moved in Phases

A total of 454 households experienced their first move from Beecher Terrace under the relocation process by August of 2019.

Beecher Relocation Addresses by Census Tracts

lojic.maps.arcgis.com

https://lojic.maps.arcgis.com/apps/webappviewer/index.html?id=42a5c460b5204e089d9028c1bd8b38f1

NOTE: *Map reflects those who received moving assistance from LMHA as of November 14, 2019.*

As of October 31, 2019, 543 families received relocation assistance and none remained in Beecher Terrace. These families' housing relocation choices included:

- Housing Choice Voucher – 219
- Public Housing including scattered sites – 275
- Privately managed HOPE VI (Park Duvalle, Sheppard Square, Liberty Green) – 38
- Market-Rate Units – 9
- Home Purchase – 2

An additional 25 families moved on their own prior to their scheduled move date, without moving assistance from LMHA, 24 into Section 8 housing and one family purchased a home.

The geographic distribution of Beecher Terrace residents who received moving assistance from LMHA shows that they relocated to homes all over Louisville/Jefferson County but the majority remain in western and northwestern neighborhoods.

Following Household Outcomes

In order to keep track of household outcomes and serve their residents, as of September 30, 2019, LMHA will continue to follow and serve 568 Beecher Terrace households. This includes 41 households who moved into Beecher post grant application but prior to relocation activities. From the original 726 households, 199 Beecher Terrace households (27.4 percent) are no longer in the LMHA system. Of these, there were 107 (14.7 percent) 'involuntary terminations' and 92 (12.7 percent) households who moved into the private housing market, died, left Louisville/Jefferson County, or left due to illness.

LMHA records the reasons for 'involuntary terminations' of Beecher Terrace households to distinguish between those who left without notice owing rent or did not turn in their keys and those who were formally evicted for a lease violation. The 107 'involuntary terminations' includes 93 households for non-payment of rent, left without notice or did not leave keys, and 14 for lease violations. In each of these 107 cases, and in any case where a tenant leaves without turning in their keys, LMHA goes through the formal eviction process in order to legally enter the apartment, re-key it, clean, dispose of any abandoned items, and prepare it for a new tenant. This response can have long-term negative consequences, particularly for tenants who simply did not turn in their keys. However, LMHA follows this process to document legal entry into vacated units. Distinguishing the reasons for the 'involuntary termination' provides LMHA with information they could use to better target eviction prevention strategies. It also could allow them to assist those who left without notice or simply did not return their keys, to determine a path to return to the new development or other housing option.

It will be difficult to know the long-term outcomes for those who left the LMHA system through eviction or moves to the private market. Furthermore, it is not clear whether LMHA will be able to follow those former Beecher Terrace residents who opt to use Section 8 Vouchers and are evicted by future landlords unless they move into Section 8 Project Based locations where LMHA has some influence on the information managers report to LMHA. Urban Strategies, the nonprofit arm of McCormack Baron Salazar who is the primary developer of the new Beecher Terrace, is responsible for case-management and will need to continue to provide eviction prevention counseling and maintain their records in a manner that corresponds accurately with LMHA's records.

Redevelopment Activities

Replacement Units within and External to Russell

LMHA has plans for 758 replacement units. On-site replacement units will total 316 and 442 will be off-site. In addition, the housing plan includes market rate units (172 on-site and 229 off-site), Low Income Housing Tax Credit units (132 on-site and 223 off-site), and 20 units for sale on-site. Important to note here is that the off-site units are not 'new build' and therefore further put pressure on the current rental market that cannot accommodate existing housing needs, especially those below 30 percent of Area Median Income. Presently, there also is no centralized application list for residents interested in moving to the off-site units, meaning they will have to navigate the individualized application requirements at each site. Furthermore, the ability of all former Beecher Terrace households who wish to return to do so will be constrained by their capacity to remain 'lease compliant' during the transition.

Demolition of the public housing units is funded through allocations from LMG's Community Development Block Grant. As of August 21, 2019, 277 housing units had been demolished with a second phase of demolition expected to be complete by February 2020. The third phase of demolition is planned for completion by July 2020 (LMG 2019c).

Construction activities began in 2017. In the fall of 2017, the LMG broke ground on a $600,000 project to renovate Sheppard Park, which sits between 16th and 17th Streets on Magazine. These renovations added a spray ground, Congo drum play area, restrooms, picnic tables and walking path markers to the park.

Housing construction began in April 2019 when LMHA broke ground on the first new residential building at 9th Street and West Liberty as part of the Phase 1 construction plan. The building will include 117 energy-efficient one- and two-bedroom apartments for seniors age 55 and older. It is planned to be complete by Fall 2020.

People Activities

LMHA reports to HUD on efforts directed at supporting Beecher Terrace residents through Case Management, Economic Mobility and Self Sufficiency, Education, and Health and Wellness measures. The following data points reflect a selection of some of the information contained in the August 21, 2019 quarterly report:

- Over 70 percent of individuals (858 of 1218) were receiving case management services.
- 298 adults who can work are in case management with 169 (56.7 percent) of those employed. Urban Strategies and other CNI partners set a goal of increasing the overall percent of Beecher Residents who can work (the 'workable population') to 80 percent through service supports (LMHA 2019).
- 12 youth were matched with summer jobs through the Summerworks program.
- 2 Beecher Terrace residents have become homeowners.
- 81 youth were referred to on-sight training or summer programming.

Finally, LMHA is responsible for monitoring efforts that Urban Strategies Inc. is tasked with, such as providing case management and coordinating community partners, and ensuring that they meet their obligations and set goals.

Focusing specifically on Beecher Terrace residents, there are some disconcerting trends evident in the data presented here. One-quarter of the original households are no longer in the LMHA system, many of which are potentially left to find affordable housing amidst a market with severe shortages for households earning less than 50 percent of Area Median Income. As off-site housing options become available, residents may face barriers because of site-specific applications, and these off-site units will not add to the existing supply of affordable units.

The purpose of the CNI grant is to transform the Russell neighborhood by replacing the Beecher Terrace public housing complex and implementing other critical community improvements in the neighborhood (Vision Russell 2019b). In other words, the primarily public funds supporting this initiative are mostly oriented towards transforming the real estate in Russell. While there are some services to support the former residents of Beecher, these activities are secondary to the physical improvements at the center of the CNI grant. This real estate orientation is not unique to LMHA or Russell and is embedded in the HUD funding structure. However, it is critical to consider and to continue to monitor how this intentional transformation will change the neighborhood that has historically been the center of Louisville/Jefferson County's Black/African American community.

Looking at this in Louisville's larger affordable housing context, in 2018, LMHA granted a total of 14,501 Section 8 (housing choice and project-based) rent subsidies. This number is well below the needs of the very low-income renters in Louisville (MHC 2018). This means that the unintended impacts of the Choice Neighborhood Grant efforts will be increased pressure on Louisville/Jefferson County's affordable rental market and increased demand for Section 8 vouchers specifically as LMHA relocates former Beecher Terrace residents into existing units using a limited supply of Section 8 housing choice vouchers or into a geographically limited number of new project-based Section 8 Vouchers (to-date not awarded and or built).

Russell: A Place of Promise

Overview

As implementation of the Choice Neighborhood Grant demolition and redevelopment of Beecher Terrace is underway, so too is *Russell: A Place of Promise (RPOP)*. RPOP is an initiative that facilitates investments in the Russell neighborhood that are designed to build wealth for Black/African American families and support existing and attract new business investment without displacing current businesses and residents. With Louisville's Community Foundation serving as a fiscal sponsor, the initiative was born from an initial collaboration between Cities United and LMG. Financial support for RPOP activities comes primarily from William R. Kenan, Jr. Charitable Trust with additional funding from the JPMorgan Chase's Advancing Cities grant and LMG's housing development funds targeting Russell.

RPOP partner, Cities United, is a national network of mayors focused on making sure all children grow up in safe, healthy, and hopeful communities. They are committed to reducing homicide and shootings of young Black men and boys. A project of the Tides Foundation, Cities United (Tides Foundation 2019) views RPOP as an opportunity to show best practices at work (Campaign for Black Male Achievement 2018). RPOP counts several other organizations as partners in the effort, including Louisville Urban League, REBOUND, Park Community Credit Union, Perkins + Will, Play Cousins Collective and Arcadis.

The initiative "aims to create affordable housing, new community gathering spots, opportunities for mobility, wealth creation, and whole-community health" (LMG 2018). The

long-term focus is centered on asset ownership in the community by the families that have occupied that space for generations and minimizing involuntary displacement. The Kenan award gives RPOP seed funding to support wealth creation activities through an incubation period with an eye to supporting an eventual launch in to a stand-alone, community-based organization and a national model for neighborhood development and wealth creation in Black/African American communities.

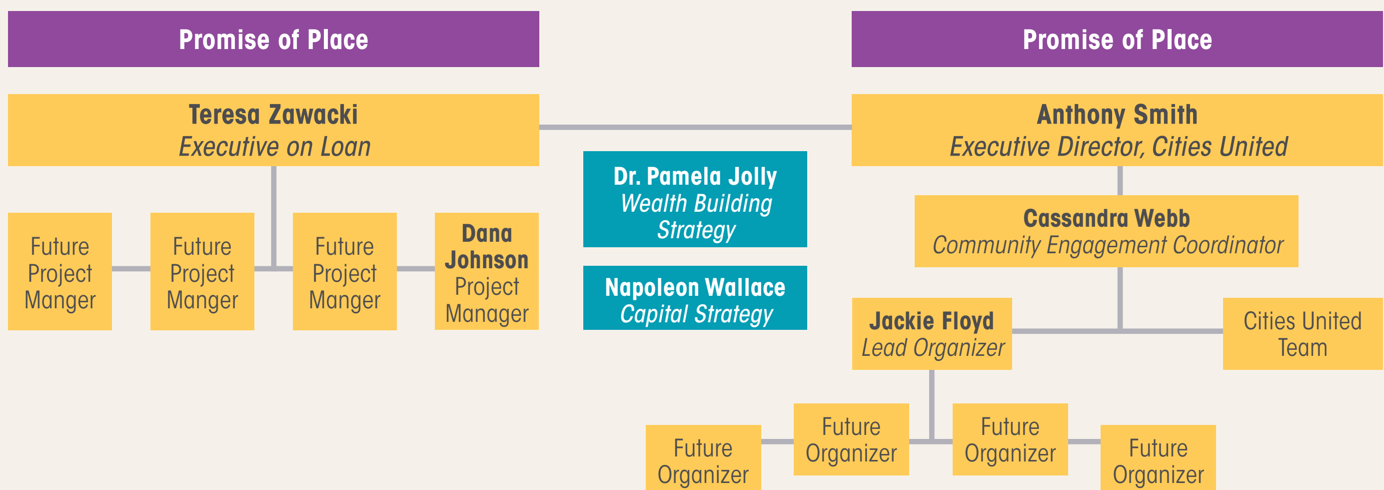
The JPMorgan Chase Advancing Cities (2019) grant centers on six of Louisville's lowest income neighborhoods to improve digital inclusion and economic resilience with the goal of greater access to better paying jobs. Lead by Metro United Way of Louisville, the $3M three-year grant brings together Goodwill Industries of Kentucky, The Greater Louisville Workforce Development Board (KentuckianaWorks), RPOP, Catholic Charities, AMPED, One West, Evolve502, and the Commonwealth Institute of Kentucky.

Implementation of the Russell Place of Promise goals and activities began in earnest in 2018 and implementation continues to evolve as new partners, and resources are identified. The following sections organize activities by those RPOP originally proposed to Kenan Charitable Trust and JPMorgan and include activities that combine resources from other partners.

Organizational Structure[8]

The organizational structure of RPOP is still in development. It currently includes two branches, one dedicated to the "Promise of Place" and led by Theresa Zawacki, 'Executive on Loan' and former Louisville Metro Government Senior Policy Advisor to Louisville Forward and the other dedicated to the "Promise of People" led by Anthony Smith, Executive Director of Cities United. In addition, RPOP has hired one of four project managers who will assist with place-based initiatives and a Community Engagement Coordinator who will lead five neighborhood organizers and up to 20 stipend-based individuals or organizations to support engagement and outreach. The initiative also works with consultants who advise the team on wealth building strategies as well as capital strategies intended to create the basis for the sustainability of the organization. RPOP intends to establish a standalone, as of yet to be defined, community-based organization within five years.

RPOP is supported by an advisory board of 7 individuals (as of 11/5/2019) who have skills in neighborhood capacity building, affordable housing, property development, fundraising and banking, as well as religious leaders, neighborhood business owners and residents. There are 7 board positions that will be filled by Russell residents who will make up approximately half of the RPOP advisory board.



SOURCE: Russell: A Place of Promise

Grant Goals and Activities

Kenan Charitable Trust Grant

RPOP Organization

- Create a formal and informal operating and decision-making structure through which residents can provide feedback and guidance that will lead to a documented community benefits commitment for RPOP in partnership with residents.
  - The intent is to create a community compact with the residents of Russell so that there is a documented relationship that gives them a path into ownership of RPOP and the decision-making process. It will outline residents' expectations of RPOP and each other. To date a community advisory board has been established, and a lead community organizer has been hired to support future outreach activities.

RPOP Development

- Increase rate of homeownership by 20 percent (an increase of about 135 homeowners).
  - Through a partnership with REBOUND and Park Community Credit Union, RPOP was awarded $802,000 by LMG through an RFP for new market rate housing and will build at least 8 owner-occupied homes, some of which will be owner-occupied duplexes. The idea behind these is that while the homeowner builds equity, the rentals will include an incentive in the form of an Individual Development Account that helps the renter build savings and keeps them there longer, creating more certainty for the homeowner and a wealth-building tool for the tenant. Park Community will provide a $500,000 line of credit to support new home construction through this partnership.
  - Project partner Park Community Credit Union pledged $7.5M in mortgage loans dedicated to increasing home ownership in Russell. These funds will connect with the new home ownership opportunities available through RPOP.
  - Redevelop the former Madison Street historic tobacco warehouse (Madison Street Warehouses) to support at least 5 new businesses, 25 residential units and a variety of community uses. RPOP plans to engage the community to refine the uses included in the Madison Street Warehouses. In addition, RPOP will work with residents on site design and the creation of a community ownership model through which residents can own a portion of the development. Technical assistance has been identified to explore baseline site conditions and early stage redevelopment needs, including:
    - LMG Brownfields program accessed funding to support soil and groundwater assessment prior to LMG's purchase of the site and supported an application to the EPA's TAB Program for assessment of building materials and further exploration of potential soil and groundwater contamination.
    - Arcadis, a global design and consultancy firm, selected RPOP through its Pro Bono Program to receive support for baseline site documentation, including the development of a 3D building model, as well as additional design support for green infrastructure and stormwater management.
    - Perkins + Will, an international architecture studio with expertise in large-scale community-based projects, is providing pro bono assistance to develop conceptual architectural renderings and site designs through collaboration with community.

RPOP Business and Job Development

- Create at least 5 new businesses using a cooperative or nontraditional structure, that result in at least 30 new jobs for Russell residents.
  - This could include worker-owned and democratically controlled businesses, employers who direct benefits to their employees beyond traditional wages and health care, or those who use open applications or bypass criminal background checks.
- Create six new franchise ownership opportunities for Russell residents, resulting in 120 new jobs by August 2023. Types of franchises to be recruited would be those that fill a gap in the neighborhood, such as a healthy food retail or sit-down restaurants and those that provide specific programs and support for new and minority business operators.
- Connect 150 Russell residents with higher-paying, career-track job opportunities.
  - RPOP is working to build a network of Russell businesses who are interested in hiring residents Many of these have starting salaries above the current residents' average.

- RPOP works with existing workforce development partners, including the Louisville Urban League, to identify residents who may be good candidates for open positions in Russell Businesses. For example, Blacksmith Ironworks, a Russell-based metal fabricator and ironworks, has hired approximately 30 percent of its workforce from the area. The company is willing to provide training to help these individuals gain higher levels of responsibility, skill and income through the business.
- Assess employer needs with survey of current Russell employers. RPOP estimated that there are approximately 2,000 jobs in the neighborhood and Russell residents hold only about 150 of those. The survey will be used to develop a strategy to help employers meet their needs by hiring residents.

RPOP Community and Wealth Building

- Host wealth circles for Russell residents to build knowledge around wealth building and investing. Potential outcome of resident directed investment clubs depends on participant-determined goals.
  - RPOP is participating in the Shared Equity in Economic Development (SEED) Fellowship, an effort of the Democracy at Work Institute and National League of Cities. RPOP will use this opportunity to grow local and national connections that can help it develop a plan to support cooperative development in Russell.
- Host and participate in neighborhood events and meetings and have a daily presence in public spaces to support existing and build new social connections.

To date, numerous community meetings and seasonal neighborhood festivals and events have been held with partners, in addition to several small group conversations focused on wealth creation.

JPMorgan, Advancing Cities Grant

RPOP Specific Activities and Goals

- Engage 3,600 households in Russell and build community capacity by training 5-8 community and faith-based organizations to use techniques and approaches for connecting with residents that RPOP developed with Cities United and other community experts.
- Connect 175 residents to high-quality, certified financial coaches.
- Support 600 residents in workforce development and education.
- Participate in the grant partners' efforts to increase connectedness among government, social services, health, education, and the private sectors by creating a formalized, unified network of social supports for financial health including a shared data platform.
- Conduct a gap assessment of Advancing Cities grant partners' resources and distribute to the most impactful efforts.

As RPOP takes root alongside the redevelopment of Beecher Terrace and reinvestments in the Russell neighborhood, determining if the efforts to reduce involuntary displacement and build wealth among Russell residents are effective will be a difficult task. Having baseline measures for existing residents and businesses and methods for determining impacts on individuals rather than real estate values will be crucial in evaluating the success of efforts to mitigate displacement. It is therefore all the more important for LMHA to be able to follow outcomes for the Beecher Terrace residents who are displaced during redevelopment and for LMHA along with LMG, RPOP, and other project partners, to assist in following outcomes for existing Russell neighborhood residents more broadly. The existing RPOP housing initiatives are market rate ventures and while cooperative ownership models are proposed for economic development, there does not appear to be a similar focus within the housing activities to promote collective community land ownership. Adding cooperative land ownership models and affordable housing to their housing strategies could contribute to wealth stability and further mitigate displacement. In addition, as this effort emerges, clear timelines for specific projects developed with the RPOP advisory board and transparency through the proposed community compact will contribute to establishing buy-in and trust around this initiative.

Louisville Affordable Housing Trust Fund (LAHTF) and Creating Affordable Residences for Economic Success CARES

Two LMG significant sources of financial support for affordable housing are LMG's Louisville Affordable Housing Trust Fund (LAHTF) and the Creating Affordable Residences for Economic Success (CARES) program. Both are newer tools in Louisville's affordable housing toolkit. This means that establishing systematic ways of documenting how they are funded, how funds are spent over time, and who ultimately benefits from the expenditures is crucial to maintaining legitimacy and public support.

Continued on page 33

Understanding Area Median Income (AMI) and Median Income[9]

Defining AMI and Median Income

Area Median Income (AMI) is the annual median family income, typically expressed in terms of a family of four, for a specific geographic area. AMI is determined by the Department of Housing and Urban Development (HUD) and adjusts for both household size (between one and eight persons) and local housing cost factors. Adjusting earnings based on household size is an important consideration for families with children, single-income households with children, and multigenerational households. For example, a very large household may earn slightly more income, but have much less purchasing power. HUD calculates the AMI over a predetermined geographic area. For Louisville/Jefferson County, this is the Louisville, KY-IN HUD Metro Fair Market Rent Area and includes Clark County, IN; Floyd County, IN; Harrison County, IN; Bullitt County, KY; Henry County, KY; Jefferson County, KY; Oldham County, KY; Spencer County, KY; and Trimble County, KY. In 2019, the AMI for this region is $76,400 for a household of four (Figure 16) (HUD 2019b). These spatial boundaries and the housing cost adjustments used to calculate the AMI are what distinguishes it from median income.

Figure 16: Area Median Income Limits of the Louisville, KY-IN HUD Metro FMR Area
2019

AMI (household of 4) = $76,400								
	Family size							
	1	2	3	4	5	6	7	8
30 % AMI Extremely Low Income	$16,050	$18,350	$21,330	$25,750	$30,170	$34,590	$39,010	$43,430
50 % AMI Very Low Income	$26,750	$30,600	$34,400	$38,200	$41,300	$44,350	$47,400	$50,450
80% AMI Low Income	$42,800	$48,900	$55,000	$61,100	$66,000	$70,900	$75,800	$80,700

SOURCE: https://www.huduser.gov/portal/datasets/il/il2019/2019summary.odn

Median income is calculated simply by determining the mathematical median of the incomes of all households or families, regardless of size, within a given geographic area. The Census and American Community Survey (ACS) calculate median income for a range of spatial units (e.g. census tract, zip code, county, state), household sizes, and other demographic characteristics such as race/ethnicity, but does not include the adjustments for local housing cost factors that are reflected in AMI.

How are AMI and Median Income used in practice?

Nationally, AMI is used to determine which households are eligible for HUD's rental assistance programs and housing vouchers. Using AMI, HUD creates a set of income limits for a geographical area calculated at 30 percent, 50 percent, and 80 percent of the local AMI for each household size from 1 to 8 persons. To be eligible for a HUD housing voucher, a household generally must not exceed 50 percent AMI (HUD 2019a). Federal law also states 75 percent of housing vouchers must be awarded to households at or below 30 percent AMI (HUD 2019a).

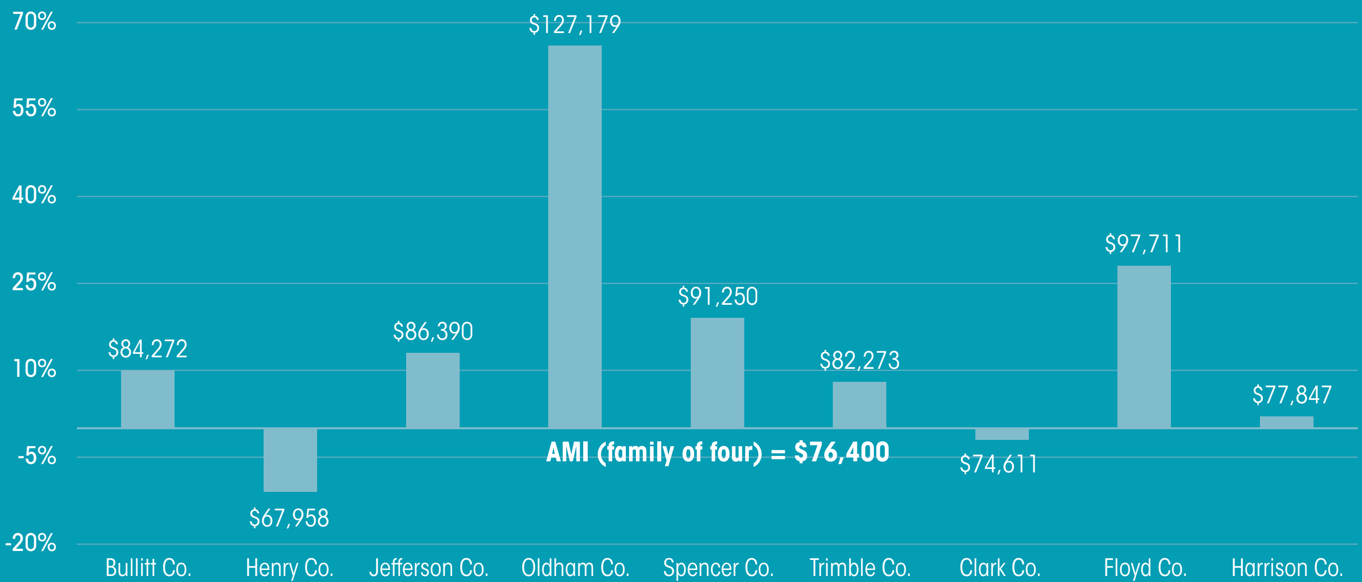
Locally, programs providing affordable, quality housing, including the Louisville Affordable Housing Trust Fund (LAHTF) and the Louisville Creating Affordable Residences for Economic Success program (CARES), also choose to use AMI income limits. For instance, the LAHTF ordinance requires that half of any public dollars allocated to the Trust be dedicated to serving households at or below 50 percent AMI (e.g. $38,200 for a family of four). Like the LAHTF, CARES also uses AMI income limits as part of its program guidelines, targeting the creation of units that are affordable to households earning 80 percent AMI or less (e.g. $61,100 for a family of four) (LAHTF 2019).

Advantages and Limitations of AMI and Median Income

There are both advantages and limitations to using either AMI or median income. For local programs, using AMI is beneficial because it is a federally recognized standard and can potentially make it easier to pair local and federal funding sources - such as the Low-Income Housing Tax Credit, which relies on AMI limits - to create affordable housing units. Additionally, the algorithm used to calculate AMI considers a variety of national and regional income and affordability thresholds, and HUD adjusts income limits based on these calculations, making these limits at least somewhat sensitive to national and regional housing market changes (HUD 2011). However, these adjustments also make the number incredibly opaque and difficult to understand.

AMI considers a large geographic area, which for Louisville/Jefferson County includes eight other counties, three of which have substantially higher median household incomes than Jefferson County (Figure17). In practice, this leads to higher incomes limits, which in turn affects the affordability of the units produced through local programs that rely on AMI limits. In other words, if 80 percent AMI is calculated from a baseline that includes the median family income in surrounding suburban, higher-income counties, this means local affordable housing programs in Louisville are subsidizing the creation of units that on their face may be "affordable," but rent for prices that are still out-of-reach for low-income households in Louisville/Jefferson County. Additionally, because these local programs are generally funding profit-driven private and nonprofit developers, the tendency will be to create units at the maximum allowable rents per program guidelines. If funding for affordable housing were plentiful, this would less of an issue. However, funding for affordable housing is limited at the local, state, and federal levels.

Figure 17: Median Household Income (4-person Households) vs. Area Median Income (Family of 4), Louisville, KY-IN HUD Metro Fair Market Rent Area



SOURCE: ACS 2017 5-year Estimates; HUD FY 2019 Income Limits Documentation System

Geography is not the only limitation. AMI also masks differences in household income by race. In 2017, the median family income for non-Hispanic Whites in Louisville/Jefferson County was $78,993 compared to a median family income of just $41,674 for Black/African Americans. Comparing this to the current AMI income limits, units developed to be affordable for households earning between 80 percent ($61,000) and 50 percent ($38,200) AMI will not be affordable for nearly half of all Black/African American households in Louisville/Jefferson County, as they earn less than $41,674.

As an alternative to AMI, median income is far more intuitive and easier to understand. The Census and ACS already calculate it for a variety of geographic areas, races/ethnicities, and household sizes. However, combining all three of these variables into a single income-based metric would still be a challenge. Moving away from AMI as a threshold for local programs could also create barriers when blending local and federal funds at the project level.

Continued from page 30

Established in 2008, the **Louisville Affordable Housing Trust Fund (LAHTF)** is the primary financial mechanism through which Louisville Metro Government supports the preservation of existing and creation of new affordable housing units. In addition to its primary purpose of preserving existing and creating new affordable housing units across Louisville/Jefferson County, the LAHTF also prioritizes promoting homeownership and preserving affordable units in places with high rates of low-income housing, constructing multi-family units outside of I-264, and ensuring at least half of all funds awarded are repaid for fiscal sustainability (LAHTF 2019).

LAHTF, using public funds granted by the city, awards loans and grants to both for- and not-for-profit developers. These funds incentivize developers to build or rehabilitate affordable housing by decreasing their financial risk which then reduces the local affordable housing shortage by increasing the pool of available affordable housing units. Developers can obtain funding to rehabilitate or create single-family homes or multi-family dwellings that are intended to be either rented or purchased.

Per the ordinance governing the LAHTF, its purpose is to address the affordable housing needs of low- and moderate-income households through promotion, preservation, and production of long-term, affordable housing. For public funds (e.g. general revenue allocations) received by the LAHTF, one-half must serve households earning 50 percent or less of the Area Median Income (AMI) (see Figure 17), while the remaining half can serve households earning up to 80 percent and below of AMI. The LAHTF is also authorized to accept private donations, and these funds can be used to serve households earning up to 110 percent of AMI. This is important because it also sets the parameters by which the LAHTF, with a staff of two, tracks data and information on housing units supported or created. In other words, while some households in LAHTF-supported units may be, for instance, below 30 percent AMI, since this income category is not part of their mandate, LAHTF does not directly track units created for this group.

Because housing is embedded in a market-based system intended to maximize profits, developers are unlikely to create units that are affordable to those with the lowest incomes, thus government intervention and incentives are necessary to support the creation of housing units affordable to households with limited incomes. Housing projects supported by the LAHTF are often highly complicated financial deals that involve other sources of funding– for instance Low-Income Housing Tax Credits (LIHTC) – which have separate rules and regulations governed by the federal government. In short, LAHTF invests more funds to create a housing unit that is affordable to households at or below 50 percent AMI because these households are able to afford lower rents. For instance, a unit affordable to a household earning 50 percent AMI may require up to $30,000 of subsidy, whereas a unit affordable to households above 50 percent AMI may only need $10,000.

Per its ordinance, the LAHTF is charged with a dual mandate to serve both low- (50 percent AMI and below) and moderate-income (80 percent AMI and below) households. **However the findings of the 2019 Louisville Housing Needs Assessment show that the shortage of affordable available homes is far more acute for Louisville lowest income households: the unmet demand for households earning 30 percent or less of AMI is 31,412 units, while there is shortage of 22,250 units for earning between 31 and 50 percent AMI**. There is also a shortage for households earning between 51-80 percent AMI, but it is substantially smaller (4,409). And, there is a surplus of units (5,213) for renters in this income group. It is also important to remember that both existing housing supply and demand by household income is not evenly distributed across Louisville/Jefferson County, and part of the previously noted LAHTF priorities are to intended to improve the geographic distribution of affordable housing. However, **there is a shortage of affordable units for households earning 50 percent or less AMI in ALL of the 21 market areas within Louisville/Jefferson County**.

In 2016, Louisville Metro Government launched the **Creating Affordable Residences for Economic Success (CARES)** program, to work in partnership with the LAHTF (e.g. there is a joint pre-application process for both programs) and create affordable rental workforce housing near employment centers. The CARES program aims to support the creation of affordable, multi-family rental dwellings by providing low-interest loans to both for- and not-for-profit developers. The income targets for the CARES program are households earning 80 percent or less of AMI, setting it apart somewhat from the LAHTF, which is required to serve households earning 50 percent or less AMI, and to address cost-burdened households, or those paying more than 30 percent of their income towards housing and utilities (LMG 2019b). In 2018, this translated to the following maximum rents for projects supported by the CARES program (LMG 2019a):

Bedrooms	Maximum Allowable CARES Rent
Efficiency	$1,002
1 BR	$1,073
2 BR	$1,288
3 BR	$1,488
4 BR	$1,660
5 BR	$1,831

CARES functions as a revolving loan fund, meaning that all projects supported through the program must repay the funds awarded within 15 years. The loan funds provided through the CARES program serve as gap financing, supplementing traditional funding sources like bank loans. CARES funds can be used to support affordable workforce housing projects (i.e. units affordable to households earning 80 percent or less of AMI) or for incorporating affordable workforce housing into projects with market rate units, creating mixed-income housing projects. Additionally, the CARES program prioritizes projects in areas with 5 percent or less subsidized housing, in walking distance to a transit line, close to employment centers, within a half-mile of services, with 25 percent or more three-bedroom units, with universal and/or sustainable design standards, and that can be repaid in full within three years. Most housing units supported by the CARES program will remain affordable for 30 years, although some projects have a shorter affordability period (15 years).

Up until 2017-2018, the LAHTF received relatively minor allocations from LMG, including $1M in 2009 to capitalize the fund, $1M in HOME funds in 2014 (LAHTF 2017). The 2017-18 LMG budget allocated $9.57M to the LAHTF, representing the first allocation to come close to meeting the annual funding objective of $10M noted in the ordinance. Since fiscal year 2016, LMG has invested $41M in affordable housing, which includes funds for both LAHTF and the CARES program (LMG 2019). In fiscal year 2019, LMG allocated $5M to affordable housing, despite overall substantial budget cuts, with the entirety of the allocation going to the LAHTF. Although CARES did not receive any direct funding through the fiscal year 2019 budget, approximately $4M in funding remains available for projects that meet the program requirements (LAHTF 2019).

Figure 18 summarizes the investments, the household income groups associated with the investments, and units created or assisted by household income group for the LAHTF (annually from 2014-2019) and CARES (cumulatively 2016-2019) programs. From 2014-2019, LAHTF invested over $21.97M in affordable housing projects, including loans to developers, assistance to homeowners for down payments, closing costs, and home improvement/rehabilitation, and supportive housing grants to housing-oriented nonprofits. From 2014-2019, the vast majority of this investment (97 percent) has been loans directed to private and nonprofit developers.

Turning to how these investments are distributed by income group, in 2018 and 2019, more than half of funds invested through the LAHTF went to projects that included a mix of affordable units – targeting both households earning 80 percent AMI and below as well as households earning 50 percent AMI and below. Whereas, from 2015-2017, more than half of all investments supported only households earning 50 percent AMI or below. Although the data indicate a very small amount of funding has been directed to households earning 30 percent AMI or below, the language in the ordinance only specifies providing assistance for households at 50 percent AMI and below. Therefore, for many of its larger, multi-unit projects, LATHF has not separately tracked units that might be targeted to or filled by households at or below 30 percent AMI, or any other finer increment below 50 percent.

Additionally, it is important to remember that units intended for households at 80 percent AMI or 50 percent AMI does not preclude households earning lower incomes from moving into the unit. However, these units will also have higher rents, meaning they are likely unaffordable for households with the most limited incomes. From 2014-2019, approximately 41percent of the units created or assisted by LAHTF supported households at 50 percent AMI or below, while the remaining 58 percent supported households at 80 percent AMI and below. On average, from 2014-2019, the LAHTF invested approximately $26,777 per project, for each unit created or assisted.

The final column in Figure 18 summarizes cumulative investments through the CARES program from 2016-2019. During this period, the CARES program invested over $10.72M in affordable housing projects. CARES is a revolving loan fund, and all of these projects supported nonprofit and private developers working on affordable housing projects. Like the LAHTF, the majority of projects supported through CARES create a mix of housing units, affordable to households earning 80 percent, 60 percent, or 50 percent AMI. Three of the projects funded through CARES also received investments through the LAHTF. Among the units created through CARES funding alone, more than half (57 percent) targeted households earning 80 percent AMI or less, while 43 percent are affordable for households earning 60 percent AMI or less and 1 percent for households earning 50 percent AMI or less. On average, from 2016-2019, the CARES program invested approximately $31,753 per project, for each unit created or assisted.

How do these efforts address the 22K Equities Gap?

Long-term federal funding cuts to affordable housing programs—especially those that build units—stagnating wages, and a general increase in low-income households and families in poverty contribute to the growing housing and wealth gaps and magnify racial inequities. National studies find that there are 1.7 very low-income renters who do not receive assistance for each very low-income renter who does (Watson, Steffen, Martin, and Vandenbroucke, 2017). Locally, that level of demand is shown in the 2019 Housing Needs Assessment (HNA) that finds Louisville/Jefferson County needs more than 31,000 units for households earning 30 percent or less of AMI. The HNA found there is high competition for the few available affordable rental properties, The demand is also apparent in the 13,092 households who were on LMHA's Section 8 waiting list, the 3,608 on their managed site waiting list, and the 4,417 on the site-based waiting list in 2018 (MHC, 2018).

LMHA, CARES, and LAHTF do not currently have the capacity, nor are they structured or empowered to fill this enormous affordable housing gap let alone explicitly address the racial and ethnic gaps in wealth and homeownership we document that continue to grow over time. Explicitly addressing racial and ethnic inequity using publicly funded programs that are not allowed to be centered on race-based eligibility but nonetheless must avoid racially disparate outcomes creates a difficult tension in housing policies and programs.

RPOP is conceptually promising, employing an explicit racial equity framework with focused attention on investing in people to improve well-being and wealth for Black/African American families in Russell. However, RPOP is not structured to address affordable housing needs. That said, raising incomes, business, and employment opportunities for existing residents does have the potential to mitigate widening wealth gaps.

Figure 18: Louisville Affordable Housing Trust Fund and Louisville CARES

Louisville Affordable Housing Trust Fund									**Louisville CARES**	
Loan Origination/Closing Dates	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2014-2019**	**Percent of Total**	**2016-2019**	**Percent of Total**
Affordable Housing Investments										
Total Loan Amounts/Developer Subsidy	$167,500	$205,149	$69,045	$2,571,343	$9,116,893	$9,193,128	$21,323,058	97%	$10,717,054	
Total Downpayment & Closing Cost Assistance		$151,051	$194,163	$112,023	$—	$—	$457,237	2%		
Homeowner Loan Assistance Program					$39,002	$24,274	$63,276	0.3%		
Supportive Housing Grants[1]				$25,000	$49,500	$55,000	$129,500	1%		
Investments by Household Income Group										
30% AMI and less[2]				$56,676	$9,938		$66,614	0.3%		
50% AMI and less		$210,246	$218,234	$1,960,067	$2,366,381	$2,491,766	$7,246,694	34%		
60% AMI and less									$1,277,054	12%
80% AMI and less		$35,954	$44,974	$666,622	$2,069,576	$314,508	$3,131,634	15%	$2,570,000	24%
Projects with mix of AMI units					$4,710,000	$6,411,128	$11,121,128	52%	$6,870,000	64%
Annual Total Investment[3]	**$167,500**	**$356,199**	**$263,208**	**$2,708,366**	**$9,205,395**	**$9,272,402**	**$21,973,070**		**$10,717,054**	
Units Produced or Assisted by Household AMI										
30% AMI and less[2]				1	2		3	0.1%		
50% AMI and less		7	5	111	563	246	932	41%	4	1%
60% AMI and less									217	43%
80% AMI and less		2	1	220	753	352	1328	58%	289	57%
Total Units Created or Assisted[3]	**11**	**13**	**6**	**332**	**1318**	**598**	**2,278**		**510**	
Average Annual Investment per Project, per Unit Created or Assisted[4]	$14,531	$35,767	$34,728	$34,086	$19,510	$22,039	$26,777		$31,753	

SOURCE: Louisville Affordable Housing Trust Fund and Louisville CARES Program Staff

Notes:

1 Data on the income of households supported through the Supportive Housing Grants are not reported.

2 30% AMI units tracked here were supported through HOME funds and private funding from 5/3 Bank. LAHTF does not track which households are below 30% AMI in other projects because their mandate is to serve households at and below 50% AMI.

3 AMI was not tracked for units assisted in 2014. In 2015, 4 units are missing household AMI data. CARES has supported a total of 826 units. 316 of those units also received LAHTF funding and are already counted in the columns associated with LAHTF. The 510 units are from projects that only received CARES funding. The 217 market rate units associated with CARES are not included here.

4 Average investment per unit created or assisted was calculated by averaging the cost per unit for each project in a given year. CARES total project development costs include 3 projects (316 units) also funded by the LAHTF.

How Should Louisville/Jefferson County Address the Racial Wealth/ Housing Gap?

In closing, we offer selected recommendations for beginning to close the racial wealth and housing gap highlighted in the previous sections of this report. This list is by no means exhaustive and other policies and programs that complement these recommendations should also be pursued.

Institute a Racial Equity Lens across Housing and Neighborhood Decision-Making Processes

All organizations across the public, private, and nonprofit sectors engaged in processes influencing housing and neighborhood redevelopment processes should adopt an explicit racial equity lens for this work. These changes could be modeled on Jefferson County Public School system's Racial Equity Plan (JCPS 2018) and its Diversity, Equity, and Poverty programming (JCPS 2019). Additionally, the Center for Health Equity's "Towards Racial Equity through Policy & Assessment" (Arno and Gonzales 2015) is another resource that can help guide this movement towards racial equity in housing and neighborhood development processes. LMG's Fair Housing Assessment had not yet been shared with the public. Other national resources include the African American Financial Capability Initiative, which offers examples of community-centered financial capability projects in six cities (Prosperity Now 2019). A key component of this change should include achieving and maintaining explicit racial representation on local government decision-making boards like the Planning Commission and Board of Zoning Appeals.

As housing policies become more reliant on big data, new technologies, and artificial intelligence, we must be mindful that the instruments in use are not neutral in a social environment profoundly shaped by structural racism. In short, the data and technologies we employ reflect our current systems of privilege and do not push us beyond histories of exclusion and discrimination (Benjamin 2019).

WHO: public, private, nonprofit sectors

Photo by Lauren Heberle

Support Initiatives that Build and Maintain Wealth

Remove Barriers and Provide Funding for Resident-led Cooperative Ownership Models

Community land trusts and limited equity cooperatives are two approaches that can be deployed to address the connected issues of wealth-building, housing affordability, displacement, and resident-control of land (Ehlenz and Taylor 2019). As a community wealth-building strategy, cooperative ownership models like community land trusts create and maintain long-term land leases that disallow speculative sales to developers and facilitate cooperative, community possession of the land through the organizational structure of the trust. To maintain long-term affordability, the housing structure is separated from the land, and the lease between the homeowner and the land trust sets a fixed rate for the structure's appreciation. This allows the homeowner to build equity while still maintaining the long-term affordability of the housing unit. Because housing units within cooperative ownership models are designed to be affordable, this creates access to homeownership and wealth-creation for households that may not be able to own in the traditional private market. Having a land trust or other cooperative housing model in place before land values increase is a critical tool for minimizing the displacement of existing low-income residents.

There are ongoing discussions related to the creation of a community land trust. Louisville Metro Government and partners including MHC and LHOME hosted an informational session on community land trusts for advocates and interested resident in July 2019 with national partner Grounded Solutions Network, who also returned in November as part of the Center for Neighborhood's 2019 Annual Neighborhood Summit. LMG should work with and support resident and community-led groups to minimize or remove any legal or land use barriers that may prevent the creation of a land trust or other cooperative ownership models. And, LMG and foundations should provide initial funding needed to launch a land trust or other cooperative ownership models.

WHO: public sector, foundations

Community Land Trusts as a Wealth-Building Strategy:

- The median shared equity household accumulates $14,000 in earned equity (compared to a median initial investment of $1,875)
- 6 out of 10 equity homeowners use their earned equity to eventually purchase a traditional market rate home
- 99 percent of shared equity homes avoid foreclosure proceedings
- 95 percent of shared equity homes are priced affordably (under 30 percent of monthly income) for households earning 80 percent of AMI or below

(Grounded Solutions Network 2019)

Build Savings through Individual Development Accounts and Mortgage Reserve Accounts

- Individual Development Accounts (IDAs) are matched savings programs that offer participants a means of expanding their savings for down payments, entrepreneurship, or education. These programs generally match participants' savings at a two to one rate and offer other financial education opportunities. Research shows that IDAs are useful tools to increase homeownership rates among low- and moderate-income households and IDA participation is associated with lower foreclosure rates and consistent mortgage payments (Carrico 2019). Currently, organizations such as the Kentucky Coalition Against Domestic Violence offer IDAs and Russell Place of Promise is using this tool. LMHA uses this tool for homeowners in its Section 8 homeownership program.
- Complementing IDAs, Mortgage Reserve Accounts (MRAs) are matched savings accounts that promote targeted savings and are intended to minimize the negative effects of unexpected income losses for low-income homeowners. The Portland (OR) Housing Center recently created an MRA program, matching every $200 saved by program participants (Griggs and Ingram 2019).

WHO: nonprofits, banking community.

Create Tools to Address Insurance Disparities across Neighborhoods

The lower incidence of default on mortgages for those going through intense homeownership counseling is now decades old. Yet homeowners' insurance does not recognize this difference and charges higher rates in Black/African American neighborhoods, although it is challenging to collect and analyze data that precisely shows the effect of this type of discrimination (Squires 2003). Research has shown that premiums for car insurance in Black neighborhoods are significantly higher, although insurance payouts may be similar (Angwin, Larson and Mattu 2017). More transparency in reporting by insurance companies, as required in other states, is an important step for reining in what many consider a legacy form of redlining - charging higher premiums in car and homeowners' insurance in Black/African American neighborhoods.

WHO: state government; insurance industry

Promote the widespread use of Rent Reporting

Rent reporting, or the monthly reporting of a tenant's rent payments to major credit bureaus for inclusion on credit reports, is a critical solution for building a credit history among low-income households without the burden of additional debt (Agava 2019). Improved credit can build wealth by reducing the need for high-cost credit tools and creating access to traditional credit markets. Research shows that the inclusion of payments such as rent, or utilities is associated with improved credit access for low-income households (Turner, Walker and Wiermanski 2017). LMHA should finalize the implementation of rent reporting and LMG could adopt this as a requirement for developers seeking public funds or other benefits.

WHO: local government; private developers

Support Nonprofits Focused on Wealth Building and Targeting The Racial Wealth Gap

Community Development Financial Institutions (CDFI) provide an important source of local capital dedicated to meeting the lending needs of lower-income households. LHOME, a nonprofit Community Development Loan Fund, is a certified CDFI providing small business loans, working capital loans for minority and women affordable housing contractors, and small developer/investor loans, among other products. In partnership with Sponsor 4 Success, the small developer loan is focused on creating high quality affordable housing for West Louisville residents. LHOME also recently announced its JobUp! Loan Programs, in partnership with Strategic Alliance Consultants, which will provide low-interest loans to immigrants and refugees seeking recertification in high-demand occupations across Louisville/Jefferson County. LHOME fills an important gap as a community-based lender carefully targeting specific local needs as a means of building-wealth and alleviating poverty.

WHO: foundations; individuals donors

Photo by Chris Harrell

Address the Affordable Housing Needs of Low-Income Households

Repurpose the CARES Program to target Households below 50 percent AMI

Based on the findings of the Housing Needs Assessment, the income groups with the greatest affordable housing needs are households earning 50 percent and below and 30 percent and below of AMI. As currently structured, the CARES program targets households earning 80 percent AMI and below, but the Housing Needs Assessment reveals that the affordability gap for this group is much smaller than for lower-income groups. Additionally, as discussed in this report, household income among Black-African Americans and Hispanic/Latinx is much lower than overall the overall median and 80 percent AMI. Shifting the focus of CARES to households at 50 percent AMI and below would better orient this program for addressing the existing racial wealth gaps in Louisville/Jefferson County.

WHO: local government

Change Land-Use Policy and Practices that Limit Affordability and Perpetuate Residential Racial Segregation and Racial Disparities in Access to Housing

Create and Implement an Inclusionary Zoning Ordinance

The prominence of affordable housing language included in Louisville/Jefferson County's recently adopted comprehensive plan – Plan 2040 – has empowered Metro Council to ask for inclusion of affordable housing units from developer's receiving benefits such as public funds or rezoning. However, inclusionary zoning needs to be codified within the Land Development Code for all projects receiving public funding or any other benefits from LMG. The ordinance should also specify the affordability targets for such a program, which should directly address the largest gap identified in Housing Needs Assessment – units that are affordable to households under 50 percent AMI and under 30 percent AMI.

WHO: local government; Metro Council

Eliminate Single Family Zoning

The rationale for single family zoning is rooted in racist housing policies that promoted the exclusion of Black/African American households from White neighborhoods. As LMG updates the Land Development Code to align with the goals of Plan 2040, careful attention should be paid to approaches that can support the creation of more affordable housing and dismantle the racial and economic segregation that persists in Louisville. Specifically, LMG should consider eliminating the single-family zoning classification. This would promote increased housing density across the wide swaths of Louisville/Jefferson County that currently do not all multifamily housing without additional permits and approvals. This zoning change could encourage the development of more affordable housing and signal the dismantling of historic systems that perpetuate racial housing inequities.

WHO: local government; Metro Council

Implement and Enforce Community Benefit Agreements

Planning processes can proactively address involuntary displacement by including community input before major reinvestments take place, prioritizing the concerns of existing residents, and offering a means through which the needs of these residents are incorporated into development plans. Community Benefit Agreements allow for negotiation between the neighborhood and developers, with a focus on ensuring that project benefits align with residents' needs. Similarly, a Community Impact Report, like an environmental impact report, analyzes project costs, benefits, and outcomes to the neighborhood, and identifies ways to mitigate negative consequences (Bates 2013). Cities can require these in any project receiving public incentives or investment.

WHO: local government; Metro Council; community-based organizations

Develop Anti-Displacement Policies and Programs

As discussed in the 2018 State of Metropolitan Housing Report, direct policy action is needed to prevent involuntary

displacement. From a racial equity lens, the need for these policies is most acute in West Louisville. As home to a substantial portion of the Black/African American population in Louisville/Jefferson County, substantial changes to the real estate are already underway in many West Louisville neighborhoods. Real estate changes alone will almost certainly result in the widespread displacement of many current residents of these neighborhoods. A robust anti-displacement people strategy is necessary, centered on supporting current residents' ability to remain in their neighborhoods and directly benefit from the ongoing investments. Some specific anti-displacement measures include, but are not limited to:

- Implementing rent control
- Supporting a tenants' union and other tools to support renters
- Implementing property tax moratoriums
- Implementing a just cause eviction statute
- Funding Legal Aid and other legal advocates to represent renters in eviction court
- Changing the Forcible Entry and Detainer form to give information to renters
- Changing foreclosure sales bidding policies to allow residents to bid without an asset.
- Creating an organization or program that can purchase foreclosure sales in fragile areas and convert to home ownership opportunities
- Establishing a significantly funded eviction diversion program to prevent homelessness.
- Creating a rental registry, where landlords would be required to register rental properties, a list that includes addresses and emergency contacts, with rent costs included.
- Capping rental late fees at $50 or 5 percent of monthly rent. Landlords will not be permitted to charge interest, which happens now.
- Creating a rental inspection program. Landlords with long-term (1 year or more), outstanding code violations would be deemed a chronic nuisance and be subject to monthly inspections every 30 days.
- Expanding fair housing protected classes.
- Supporting activist groups like Black Lives Matter Louisville in their anti-displacement work.

WHO: local and state government; foundations; individual donors

Invest in People as Much as Real Estate

MHC uses the disparity in homeownership to highlight the difference in inter-generational wealth building and income. The best way to make housing affordable, create housing choice everywhere and to enable households to enter into equity building is to enhance households' income and reliability of income. Those programs should precede investment in real estate encouraged by LMG. They should not be after thoughts. The work of Russell: A Place of Promise is several years behind pace with the application and approval of tearing down Beecher Terrace, yet Russell: A Place of Promise offers the best program to help current residents of the neighborhood. It is the intention of MHC and Russell: A Place of Promise to track the results of interventions, programs, and community engagement to see if the residents' get the tools needed to take advantage of and participate in the results of the real estate investment. That is where the true measurement of success will lie.

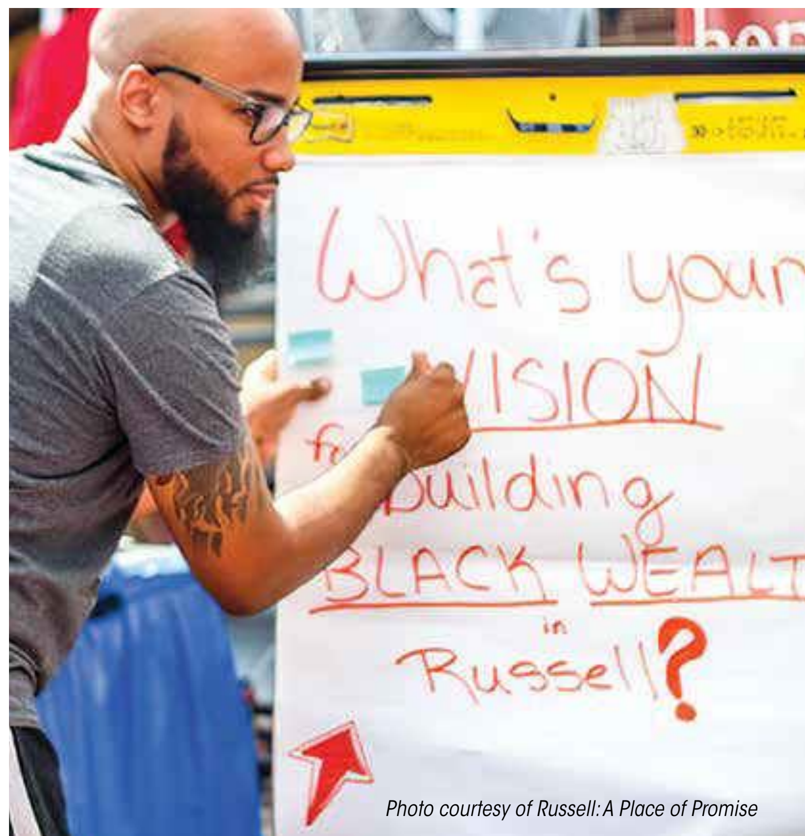


Photo courtesy of Russell: A Place of Promise

ENDNOTES

1 According to the US Census Bureau, the term Black/African American refers to individuals with origins in the "Black racial groups of Africa."

2 We rely on US Census race and ethnicity categories in which the Hispanic/Latinx category is considered an ethnic grouping that is inclusive of multiple racial groups ranging from White to Black as well as a variety of country of origin statuses.

3 In this section, we analyze three separate waves of Census and American Community Survey (ACS) data – Census 2000, ACS 2008-2012 5-year estimates, and ACS 2013-2017 5-year estimates 2017. For ease of discussion, we refer to ACS 2008-2012 as simply 2012 and ACS 2013-2017 as 2017. We chose these years in order to analyze recent trends and changes over time for housing, demographic, and socioeconomic data points. Census 2000 provides a baseline comparison prior to the housing crisis.

The ACS 2008-2012 5-year estimates are a proxy for after the housing crisis and Great Recession. Finally, ACS 2013-2017 5-year estimates reflect the most recent data available. We adjusted Census 2000 tract level data to be comparable to Census 2010 tract boundaries using the Brown Disparities and Diversities Crosswalk files (Logan et. Al 2012).

4 All dollar values (e.g. median rents, home values, and income) are expressed in constant 2017 dollars.

5 All median rents in the report refer to median gross rent. Median gross rent number includes utilities if the renter must pay. For ease of discussion, we often refer to median gross rent as median rent.

6 There are nine zip codes that extend beyond the Louisville/Jefferson County boundary, which are included in the analysis (40023, 40059, 40109, 40177, 40229, 40241, 40245, 40272, and 40299).

7 Eviction filings are cases filed in an area, including multiple cases filed against the same address in the same year. The eviction filing rate is the ratio of the number of evictions filed in an area divided by the number of occupied renter households in the same area. Counts include all eviction cases filed in area, including multiple cases filed against the same address in the same year.

8 The information presented in this section is based on documents provided by RPOP and conversations in October and November 2019 with the organization's director.

9 In this section, we use the most recently available data for AMI (2019; HUD FY 2019 Income Limits Documentation System) and median income (2017 ACS 5-year estimates).

Photo Provided by Jane Walsh

REFERENCES

Agava, Pamela. 2019. "What You Need to Know About Rent Reporting." *ProsperityNow*. (https://prosperitynow.org/blog/what-you-need-know-about-rent-reporting).

Amadeo, Kimberly. 2019, "Racial Wealth Gap in the United States: Is There a Way to Close It and Fill the Divide?" *The Balance*. (https://www.thebalance.com/racial-wealth-gap-in-united-states-4169678).

Angwin, Julia, Jeff Larson and Surya Mattu. 2017. "Minority Neighborhoods Pay Higher Car Insurance Premiums Than White Areas with the Same Risk." *ProPublica*. (https://www.propublica.org/article/minority-neighborhoods-higher-car-insurance-premiums-white-areas-same-risk).

Arno, C. Anneta and T. Benicio Gonzales. 2015. "Towards Racial Equity through Policy & Assessment." *Center for Health Equity*. (https://louisvilleky.gov/sites/default/files/health_and_wellness/che/healing_possible_quorum/hpq100_final_recommendations_jan_2015.pdf).

Bartlett, Jackson Christopher. 2017. "Rights, Respectability, and Responsibility: Black Middle Class Frameworks for Understanding Neighborhood Decline." *Issues in Race & Society* 5 (Fall 2017):30.

Benjamin, Ruha. 2019. *Race after Technology: Abolitionist Tools for the New Jim Code*. Cambridge, UK : Polity.

Bonilla-Silva, E. 2013. *Racism without Racists: Color-Blind Racism and the Persistence of Racial Inequality in America*: Rowman & Littlefield Publishers, Incorporated.

Buchino, Susan, Catherine Fosl, Lora Haynes, Kelly Kinahan, Linda Omer and Diane Zero. 2019. "Solving Street Homelessness in Louisville, KY: Improving the Climate of Care for Individuals Experiencing Homelessness." University of Louisville: Commonwealth Institute of Kentucky.

Byrnes, Bill and Kasey Henricks. 2014. "That's When the Neighborhood Went South": How Middle Class Blacks and Whites Police Racial Boundaries of Stigmatized Blackness." *Sociological Spectrum* 34(5):381-402. doi: 10.1080/02732173.2014.937650.

Campaign for Black Male Achievement. 2018. "CBMA Turns 10: 2018 Impact Report: A Decade of Risk, Urgency and Momentum." (https://storage.googleapis.com/cbma-files/img/CBMA_2018_Impact_Rpt_web-2.pdf).

Carrico, Andrew. 2019. "Matched Savings for Downpayment Assistance: A Review of Current Research." (https://prosperitynow.org/resources/matched-savings-downpayment-assistance).

Ehlenz, Meagan M. and Constance Taylor. 2019. "Shared Equity Homeownership in the United States: A Literature Review." *Journal of Planning Literature* 34(1):3-18. doi: 10.1177/0885412218795142.

Feagin, Joe R. and Melvin P. Sikes. 1994. *Living with Racism: The Black Middle-Class Experience*. Boston: Beacon Press.

Fischel, William A. 2001. "Homevoters, Municipal Corporate Governance, and the Benefit View of the Property Tax." *National Tax Journal* 54(1):157-73. doi: https://www.jstor.org/stable/41789539.

Griggs, Lindsey and Renee Ingram. 2019. "The Long-Term Benefits of Buying a Home through an Individual Development Account." *ProsperityNow*. (https://prosperitynow.org/blog/long-term-benefits-buying-home-through-individual-development-account).

Grounded Solutions Network. 2019. "Foreveryonehome: City Solutions for Housing Equity." (https://groundedsolutions.org/ForEveryoneHome).

Hanlon, James. 2010. "Success by Design: HOPE VI, New Urbanism, and the Neoliberal Transformation of Public Housing in the United States." *Environment and Planning A* 42 (1): 80-98. (https://doi.org/10.1068/a41278).

Housing and Urban Development (HUD). 2011. "HUD's Methodology for Calculating Area Median Income (AMI) Limits." *Citizen's Housing and Planning Association*. (https://www.chapa.org/sites/default/files/HUDincomelimitexplainer2011.pdf)

Housing and Urban Development (HUD). 2019a. "Housing Choice Voucher Fact Sheet." *Office of Housing Choice Vouchers*. (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet).

Housing and Urban Development (HUD). 2019b. "FY 2019 Income Limits Summary for Loiusville Metropolitan Statistical Area." *HUD User*. (https://www.huduser.gov/portal/datasets/il/il2019/2019summary.odn).

Jefferson County Public Schools (JCPS). 2018. "JCPS Racial Educational Equity Plan 2018-2020." (https://www.jefferson.kyschools.us/sites/default/files/Racial%20Education%20Equity%20Plan.pdf).

Jefferson County Public Schools (JCPS). 2019. "Diversity, Equity, & Poverty Programs Division." (https://www.jefferson.kyschools.us/department/diversity-equity-and-poverty-programs-division).

JPMorgan Chase & Company. 2019. "Jpmorgan Chase Announces $15 Million for Advancingcities Challenge Winners." (https://www.jpmorganchase.com/corporate/news/pr/2019-advancingcities-winners.htm).

Korver-Glenn, Elizabeth. 2017. "Brokering Ties and Inequality: How White Real Estate Agents Recreate Advantage and Exclusion in Urban Housing Markets." *Social Currents*. doi: 10.1177/2329496517748333.

Korver-Glenn, Elizabeth. 2018. "Compounding Inequalities: How Racial Stereotypes and Discrimination Accumulate across the Stages of Housing Exchange." *American Sociological Review* 83(4):627-56. doi: 10.1177/0003122418781774.

Kraus, Michael W. , Julian M. Rucker and Jennifer A. Richeson. 2017. "Americans Misperceive Racial Economic Equality." *Proceedings of the National Academy of Sciences of the United States of America*. (https://www.pnas.org/content/114/39/10324).

Logan, J. R., Xu, Z., & Stults, B. (2012). Interpolating US Decennial Census Tract Data from as Early as 1970 to 2010: A Longitudinal Tract Database. Professional Geographer, 66(3), 412-420.

Louisville Affordable Housing Trust Fund (LAHTF). 2017. "2016-2017 Annual Report." (http://loutrustfund.org/wp-content/uploads/2018/06/17-12-14-LAHTF-Annual-Report.pdf).

Louisville Affordable Housing Trust Fund (LAHTF). 2019. "Fact Sheet Lahtf Lousville Cares Program." (http://loutrustfund.org/wp-content/uploads/2019/06/HousingFactSheetFINAL.pdf).

Louisville Metro Government (LMG). 2019. "Fy2019-2010 Louisville Metro Approved Executive Budget." (https://louisvilleky.gov/sites/default/files/management_budget/2019-2020_louisville_metro_approved_executive_budget_2.pdf).

Louisville Metropolitan Government (LMG). 2018. "Cities United and Kenan Charitable Trust Launch Russell: A Place of Promise." 2019. (https://louisvilleky.gov/news/louisville-metro-government-cities-united-and-kenan-charitable-trust-launch-russell-place).

Louisville Metropolitan Government (LMG). 2019a. "Lousiville Cares. Rent and Income Limits.". (https://louisvilleky.gov/government/housing/louisville-cares).

Louisville Metropolitan Government (LMG). 2019b. "Lousiville Cares." (https://louisvilleky.gov/government/housing/louisville-cares).

Louisville Metropolitan Government (LMG). 2019c. "Section 106 Consulting Parties Meeting June 6, 2019. Slide #6 "Stage 1: Demolition Update, Beecher Terrace Demolition Plan-Revised 4-2-2019". Retrieved November 2, 2019.

Continued on following page

REFERENCES

Continued from previous page

Louisville Metropolitan Housing Authority (LMHA). 2015. "Beecher Terrace Resident Survey Summary Tables, September 2015."

Louisville Metropolitan Housing Authority (LMHA). 2017. "Vision Russell Transformation Plan." *EJP Consulting Group LLC*, (January). (https://visionrussell.org/wp-content/uploads/2018/07/FinalVisionRussellTransformationPlan.pdf).

Louisville Metropolitan Housing Authority (LMHA). 2019. "Choice Neighborhood Inform: Housing Summary Report, Q2 2019, August 21, 2019." *Report submitted to HUD by LMHA and provided to authors via email*.

Madden, Janice and Matt Ruther. 2018 "The paradox of expanding ghettos and declining racial segregation in large U.S. metropolitan areas, 1970–2010." *Journal of Housing Economics* 40: 117-128. (https://doi.org/10.1016/j.jhe.2018.01.003).

Mann, David A. 2018. "Cover Story: Denying the American Dream — Louisville Banks Routinely Deny More Minority Home Loans." *Louisville Business First*, April 13.

Massey, Douglas S. 2015. "The Legacy of the 1968 Fair Housing Act." *Sociological Forum* 30(S1):571-88. doi: 10.1111/socf.12178.

Metropolitan Housing Coalition (MHC). 2008. "Louisville's Foreclosure Crisis." (http://www.metropolitanhousing.org/wp-content/uploads/member_docs/2008_Louisville_Foreclosure_Crisis.pdf).

Metropolitan Housing Coaltion (MHC). 2018. "State of Metropolitan Housing Report, Involuntary Displacement." (http://www.metropolitanhousing.org/wp-content/uploads/2018/11/2018_SMHR_FINAL2_LoRes.pdf).

Oliver, Melvin L. and Thomas M. Shapiro. 1995. *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. New York: Routledge.

Owens, Ann. 2012. "Neighborhoods on the Rise: A Typology of Neighborhoods Experiencing Socioeconomic Ascent." *City & Community* 11(4):345-69. (10.1111/j.1540-6040.2012.01412.x).

Pattillo, Mary E. 1999. *Black Picket Fences : Privilege and Peril among the Black Middle Class*. Chicago: University of Chicago Press.

Philadelphia Energy Authority. 2018. "Residential Energy Consumption Survey: Implications for Philadelphia." (http://philaenergy.org/residential-energy-consumption-survey-implications-for-philadelphia/).

Prosperity Now. 2019. "African American Financial Capability Initiative." (https://prosperitynow.org/african-american-financial-capability-initiative).

Rothstein, Richard. 2017. *The Color of Law : A Forgotten History of How Our Government Segregated America*. New York: Liveright Publishing Corporation, a division of W.W. Norton & Company.

Squires, Gregory D. 2003. "Racial Profiling, Insurance Style: Insurance Redlining and the Uneven Development of Metropolitan Areas." *Journal of Urban Affairs* 25(4):391-410. doi: 10.1111/1467-9906.t01-1-00168.

Stone, Chad, Danilo Trisi, Arloc Sherman and Roderick Taylor. 2019. "A Guide to Statistics on Historical Trends in Income Inequality." *Center on Budget and Policy Priorities*. (https://www.cbpp.org/sites/default/files/atoms/files/11-28-11pov_0.pdf).

Taylor, Keeanga-Yamahtta. 2019. *Race for Profit : How Banks and the Real Estate Industry Undermined Black Homeownership*. Chapel Hill: University of North Carolina Press.

Tides Foundation. 2019. "Cities United." Tides. (https://www.tides.org/project/social-venture/cities-united/).

Turner, Michael, Patrick Walker and Chet Wiermanski. 2017. "Changing the Lending Landscape: Credit Deserts, the Credit Ivisible, and Data Gaps in Silicon Valley". *PERC Results and Solutions*. (https://www.perc.net/wp-content/uploads/2017/11/Credit_Desert.pdf).

U.S. Census Bureau. 2000. Selected housing and population characteristics, Summary Tape File 3. Prepared by Social Explorer. (https://www.socialexplorer.com/tables/C2000/R12294663).

U.S. Census Bureau. 2012. American Community Survey 2008-2012 5-year estimates Retrieved from https://www.socialexplorer.com/tables/ACS2012_5yr/R12293161.

U.S. Census Bureau. 2016, "Selected Characteristics, 2016 American Community Survey".

U.S. Census Bureau. 2017. Selected housing and population characteristics, 2013-2017 American Community Survey 5-year estimates. Retrieved from (https://www.socialexplorer.com/tables/ACS2017_5yr/R12293386).

U.S. Department of Labor Bureau of Labor Statistics. 2019. US Inflation Calculator. (https://www.usinflationcalculator.com/inflation/consumer-price-index-and-annual-percent-changes-from-1913-to-2008).

Vision Russell. 2019a. "Beecher Terrace." (https://visionrussell.org/beecher/).

Vision Russell. 2019b. "Beecher Terrace." *A Road Map for the Future*. (https://visionrussell.org/beecher/).

Walker, Margath A. and Carol Hanchette. 2015. "Residents' Experiences in the Aftermath of a Hope VI Revitalization Project: A Three-Pronged, Grounded Visualization Approach." *Applied Geography* 57:71-79. doi: 10.1016/j.apgeog.2014.12.018.

Wiedrich, Kasey and David Newville. 2019. "Vulnerability in the Face of Economic Uncertainty." *ProsperityNow.org*. (https://prosperitynow.org/sites/default/files/resources/2019_Scorecard_Key_Findings.pdf).

Woldoff, Rachael A. and Seth Ovadia. 2009. "Not Getting Their Money's Worth: African-American Disadvantages in Converting Income, Wealth, and Education into Residential Quality." *Urban Affairs Review* 45(1): 66-91. (https://doi.org/10.1177/1078087408328947).

Zuk, Miriam, Ariel H. Bierbaum, Karen Chapple, Karolina Gorska and Anastasia Loukaitou-Sideris. 2018. "Gentrification, Displacement, and the Role of Public Investment." *Journal of Planning Literature* 33(1):31-44. doi: 10.1177/0885412217716439.

Photo by Chris Harrell

2019 STATE OF METROPOLITAN HOUSING REPORT FUNDERS

THE GHEENS FOUNDATION

FIFTH THIRD BANK

2019 MHC ANNUAL MEETING SPONSORS

MHC wishes to thank the following organizations for their generous sponsorship of our 2019 Annual Meeting, held on May 30, 2019 at The Olmsted.

Foundation Sponsor
($2,500)

PNC Bank

Keystone Sponsors
($1,500)

BB&T

LDG Development

Tyler Park Neighborhood Association

Groundbreaking Sponsors
($1,000)

Fifth Third Bank

First Financial Bank

Habitat for Humanity of Metro Louisville

The Housing Partnership, Inc. (HPI)

Dr. Johanna Bos

Louisville Metro Housing Authority (LMHA)

Louisville Metro Office of Housing and Community Development

Louisville Urban League/ Rebound, Inc.

New Directions Housing Corporation

River City Housing

Stites & Harbison PLLC

Advocate Sponsors
($500)

AARP

A Fund, Inc.

Craig Henry PLC

Jewish Family and Career Services (JFCS)

Kentucky Housing Corporation (KHC)

LockUpLead™

Louisville Affordable Housing Trust Fund (LAHTF)

Metro United Way

Next Step Network

Spalding University School of Social Work

The Weber Group

In-Kind Sponsors

Farley Printing

Republic Bank

Program Advertisements

League of Women Voters of Louisville

SPONSORS OF OTHER MHC EVENTS

Organizations

City of Plantation

First Financial Bank

The Housing Partnership, Inc. (HPI)

League of Women Voters of Louisville

Tyler Park Neighborhood Association

The Weber Group

Individuals

Robin Bray

Janet Dakan

Stacy Deck

Kevin Dunlap

Everett Hoffman & Cathy Ford

Lisa Thompson & Tom Johnson

2019 MHC BOARD OF DIRECTORS

MHC Board Chair
Dr. Stacy Deck
Spalding University School of Social Work

MHC Board Vice Chair
Robin Bray
Bray Property Management, LLC

MHC Treasurer
Adam Hall
Fifth Third Bank

Kendall Boyd
Louisville Metro Human Relations Commission

James Craig
Craig Henry PLC

Janet Dakan
League of Women Voters

Jeana Dunlap
2019 Loeb Fellow, Harvard Graduate School of Design

Kevin Dunlap
REBOUND, Inc.

Jackie Floyd
Russell: A Place of Promise

Alicia Hurle
Kentuckians for the Commonwealth

Dana Jackson
Better Together Strategies

Stephen Kertis
Kertis Creative

Dr. Jim Mims
Elite Homes

David Morrison
David Morrison HR Consulting

John Nevitt
Metro United Way

Johnetta Roberts
The Forty and One Company

Renita Rosa
PNC Bank

Lisa Thompson
Louisville Urban League

Ramona Vasta
LDG Multifamily LLC

Faith Weekly
Federal Reserve Bank of St. Louis, Louisville Branch

FOUNDATIONS AND GRANT-MAKING INSTITUTIONS

Arthur K. Smith Foundation
BB&T
Econometrica, Inc.
Epiphany Catholic Church
Gannett Foundation
The Gheens Foundation
Kentucky Housing Corporation
Lexington Fair Housing Council
Louisville Affordable Housing Trust Fund
Louisville Bar Foundation
Louisville Metro Government
The Mason Family Fund
Norton Healthcare Foundation
Wells Fargo

MHC STAFF

Executive Director
Cathy Hinko

Development Director
Anthony P. Curtis

ACKNOWLEDGEMENTS

UNIVERSITY OF LOUISVILLE
CENTER FOR ENVIRONMENTAL POLICY & MANAGEMENT

UNIVERSITY OF LOUISVILLE
COOPERATIVE CONSORTIUM FOR TRANSDISCIPLINARY SOCIAL JUSTICE RESEARCH

The 2019 State of Metropolitan Housing Report is a product of the Center for Environmental Policy and Management (CEPM) at the University of Louisville in collaboration with the Metropolitan Housing Coalition. The report was authored by Dr. Lauren C. Heberle, Associate Professor, Sociology and Director, CEPM; Dr. Kelly L. Kinahan, Assistant Professor, Urban and Public Affairs; Danielle Rohret, Urban and Public Affairs Doctoral Candidate; Jamar Wheeler, Sociology Doctoral Candidate; and Rebecca Halpryn, Sociology Master's student, with support from Dexter Horne and Quincy Langford. This report also received support from the UofL Cooperative Consortium for Transdisciplinary Social Justice Research as part of the Housing Justice Research Group. We thank Rachel Carter, Assistant Professor, Theatre Arts for substantive editorial, messaging, and design support. We also acknowledge Professor Carter's efforts to connect the research produced with the UofL Theatre Arts Mainstage Season 2019-2020 "A Season of Black Plays".

Further thanks to the local agencies and organizations who share their data with us every year.

Graphic Design: Rob Gorstein Design

SUZY POST WAS THE FIRST EXECUTIVE DIRECTOR of the Metropolitan Housing Coalition (MHC) and without her ability and focus, MHC would not exist today. Suzy had worked for school desegregation, Title IX compliance, and led the Kentucky ACLU all before arriving at MHC. What a life of justice! Suzy formed the basis of a coalition, gathering the first members and financial supporters. That is a special talent. Under her leadership MHC's first research reports were produced which now are the basis of much of MHC's advocacy. Her legacy in our community is immeasurable and her wit and presence are sorely missed.

Thank you to the following donors who made a donation to MHC in Honor of Suzy Post:

Cardinal Planning & Design, Inc.
Kate Cunningham
Cathy Hinko
Joe & Kathy Kremer
Al Spotts & Maggie Steptoe
Joe and Karen Stevenson

MHC MEMBERS

Thanks to these families and individuals for their support of MHC's work!

Sponsoring Members
($1,000 & Above)

Janet Dakan
Jeana Dunlap
Cathy Hinko
Susan Hinko & Carl Batlin
Everett Hoffman & Cathy Ford
Stephen Reily & Emily Bingham
Bob & Felice Sachs
Johanna Wit van Wijk-Bos

Sustaining Members
($500 - $999)

Martin Bos
Kate Cunningham
Bob & Susie Curtis
Andrea Levere
Katie McBride & Mazen Masri
Jim Mims
David Morrison
Agnes & Patrick Noonan
Carla Wallace & Lisa Osanka

Anchoring Members
($200 - $499)

Barry Barker
Tim & Melissa Barry
Bethany Breetz & Ron Loughry
Mary Gail Bryan
Sandra Riley Bryant
John Bugbee & Huyett Hurley
Nancy Church
David Coyte
Kevin Dunlap
Rob & Tiffanie Gorstein
Ken & Angela Stallings Hagan
Adam Hall
Christopher Harmer
Lauren Heberle
Victoria Markell
David Mindel
John Nevitt
Elizabeth Smith Rodes
Al Spotts & Maggie Steptoe
Curtis A. Stauffer & Rachel Cutler
Ellen Van Hamburg

Anchoring Members
($200 – $499) Continued

Ellen Weiss
John Welcher
Jena & Todd Willis

Supporting Members
($75 – $199)

Garrett & Lane Adams
Ann Allen
Barbara Banaszynski
Edward Blayney
Robin Bray
Marianne Butler
Faustine Caldwell
Barbara Carter
Sherry L. Castetter
Mary Ceridan
Patrick Cornett
John & Amy Cullen
Irwin & Carol Cutler
Joseph Deck
Stacy Deck
Hope Leet Dittmeier
Patrick Durham
David Joseph Dutschke
Catheryn O'Connor Dykstra
Dan Farris
Lori Hudson Flanery
Colleen Ford
Andrew M. Fried
Ellen Friedman & Jim Birmingham
Mary Fusting
Gordon & Joyce Garner
Fr. Joseph Graffis
Michael Gross
James Haswell
Michele & Gordon Henry
Geoffrey Hobin & Jennifer Hubbard
Courtney & Valerie Hoekstra
William Hollander
Mike & Jennifer Hynes
Dana Jackson
Janet Jernigan & Frank Heft
Lauren Kehr
LaDonna Kennedy
Nancy Leach
Gregory B. Leichty

Supporting Members
($75 – $199) Continued

Karen & Mark Loring
Lynn & Crit Luallen
Tom & Noreen Mason
Kathryn Matheny
Kitty McKune
Isaac & Tari Moore
Gregory Moore
Kathleen M. Mounce & Donald L. Garton
Becky Peak
Robin Penick
Nancy Peterson
Suzy Post
Patricia H. Ramey
Stephanie Reese
Sarah H. Rhyne
David Ritchay
Susan Rostov
Mark & Laura Rothstein
David Ruccio & Lisa Markowitz
Anne Sanders
Ron Schneider
Bill & Rose Schreck
Frank Schwartz
Rachelle Seger
Rich Seckel
Diane Shott
Mandy Simpson
Barbara & John Sinai
Sue Speed
Joe & Karen Stevenson
Elwood & Roxanne Sturtevant
Lisa Thompson & Tom Johnson
Jack Trawick & Patti Clare
Rick Vance
Ramona Vasta
Billie Wade
Jane Walsh
Jim Wayne
Zach Wedding
Robert Wilson
Ed Wnorowski
Dwight Young

Assisting Members
($1 – $74)

Katie & Will Adamchik

Assisting Members
($1 – $74) Continued

Michael Aldridge
Connor Allen
Carrie Anderson
Anonymous
Anonymous
Anonymous
Anonymous
Roger Bastel
Emily Boone
Kevin Borders
Nick Braden
Ray H. Brundige
Jon Paul Bryan
Mike Bucci
Jane & Dick Burks
Ben & Sarah Carter
Joseph Carter
Katie Carter
Yolanda Carter
Brian Caudill
Jan Cieremans
Rose M. Clay
Cynthia Conley
Aida Copic
James Craig
Cassandra Culin
Patricia Cummings
Tony & Beth Curtis
Dolores Delahanty
Yolanda Buford Demaree
Darrell Denson
Ann DeVilbiss
Katharine Dobbins
Gary Drehmel
Kathleen Drehmel
George Eklund
Jessica M. Elkin
Sara & John Elliott
Anne Ely
Maria Fernandez
Carol Finck
Trisha Finnegan
Tom Fitzgerald
Jackie Floyd
Dennis & Beth Ford
Cate Fosl
Amanda Fuller
Nancy Gall-Clayton

Assisting Members
($1 – $74) Continued

Faye Garner
Brenda Garnett
Tom & Judith Gerdis
Johnny Gibson
Zan D. Glover
Carol Kirby Green
Carol Hanchette
Jessica Harbeson
Christopher Harrell
Natalie & John Harris
John Hawkins
Roz Heinz
Joseph B. & Louise Helm
Steve Henry
MaNya Hillman
Terrell Holder
David & Mary Horvath
Lisa Huber & Chris Goodlett
Alicia Hurle
Nicole Jackson
Sharon Jeter
Elizabeth Johnston
Stephen & Stephanie Kertis
Thomas J. Kiffmeyer
Lisa Kilkelly
Kelly Kinahan
Harrison Kirby
Michael Kolodziej
Valerie Kolodziej
Joe & Kathy Kremer
Forrest S. Kuhn
Vicki W. Larmee
Michael Leffler
Amy Lowen
Amy & Jay Luckett
Allison Mabley
Doug Magee & Anne Marie Regan
Beverley Marmion
Jackie Mayfield
Anne Mayhugh
Christie McCravy
Darrell Meadows & Amanda Fickey
Tonya Montgomery
Beverly Moore
Patricia Murrell
Travis Myles
Stephen Neal

Assisting Members
($1-$74) Continued

Carolyn Neustadt
Joshua O. Odetunde
Eileen Ordover
David & Shirley Owen
Andy Patterson
Donna Pearson
Jessica Pendergrass
Amy Powell
Maria Price
Nancy Reinhart & David Mitchell
Kimberly Rice
Johnetta Roberts
Becky Roehrig
Renita Rosa
Iris Samson
Jennifer Samuelson
Tim Scheldorf
Judy Schroeder
Elizabeth Senn-Alvey
Jon & Jenny Shemwell
Amy Shir
David Simcox
Katie Skidmore
Allison Smith
Barbara Sexton Smith
Kelsie Smithson
Lori Stallworth-Smith
Eric & Jane Stauffer
Judy & Bob Tiell
Andrew P. Tucker
Jinny Turman
Jennifer Vandiver
Cindy Venable
Sandra Wagner
Nina Walfoort
Geoff Wallace
Clare Rutz Wallace
Bill Walsh
Elena Sexton Webb
Faith Weekly
Lynda Wilcox
Justin Wirth
Steve Wirth
Diane M. Wright
Jennifer Yennes-Vizhnay
Joel Zakem
Barry Zalph & Katie Whiteside
Marilyn Zoidis

Thanks to our organizational members for their partnership and support!

Institutional Members
($1,000 & Above)

AARP of Kentucky
Arthur K Smith Family Foundation
BB&T
Bray Property Management LLC
Commonwealth Bank & Trust
Epiphany Catholic Church
Fifth Third Bank
Norton Healthcare
PNC Bank
Stites & Harbison
Yum! Brands Foundation Inc

Sponsoring Members
($500 - $999)

Center for Women & Families
First Capital Bank of Kentucky
Sisters of Charity of Nazareth

Anchoring Members
($200 - $499)

Center for Nonprofit Excellence
Centerstone of Kentucky
ELCA-South-Central Conference Council
Jefferson County Teachers Association
Kentucky State AFL-CIO

Anchoring Members
($200 - $499) Continued

KIPDA Area Agency on Aging
Society of St. Vincent de Paul
St. John Center, Inc.
Valbridge Property Advisors | Allgeier

Supporting Members
($75 - $199)

Access Ventures, Inc.
Americana Community Center
Amick & Company
Anne Braden Institute for Social Justice Research

Supporting Members
($75 - $199) Continued

Benevity Community Impact Fund
Elderserve, Inc.
Family & Children's Place
Harbor House
Highland Presbyterian Church
Holy Trinity Parish
LHOME
Metro Bank
Multi-County Clients Council
St. Williams Church
Thomas Jefferson Unitarian Church

Supporting Members
($75-$199) Continued

Vision Homes LLC

Neighborhood Members
($1 - $74)

Dreams With Wings, Inc.
Greater Louisville Sierra Club
Heart 2 Heart Wellness Center
Kentucky Resources Council
League of Women Voters of Louisville
Louisville Climate Action Network
Mile Wide Beer Co.
Watrous Associates Architects, PSC

The Metropolitan Housing Coalition (MHC) strengthens, unites, and mobilizes private and public resources to provide fair, accessible, and affordable housing for everyone in our community.