

I. Purpose & Overview

THDA completed a fair housing analysis to evaluate how groups protected by fair housing and other civil rights laws are faring in the communities THDA serves throughout the state. The purpose of completing the analysis was to identify barriers to fair housing choice and specific actionable steps that THDA may take to meaningfully contribute to reducing those barriers for Tennesseans with protected characteristics, including race, color, national origin, religion, sex, familial status, and disability.

To facilitate the assessment, THDA embedded fair housing questions and measures in the State of Tennessee 2025-2029 Consolidated Plan research and activities, which included a housing needs assessment, stakeholder meetings held in August 2024 in each of the state's nine development districts and a public engagement survey. Additionally, in early 2025, THDA invited representatives from fair housing organizations, and other organizations that work with protected class or vulnerable populations, to provide feedback on their experiences helping Tennesseans seeking housing and any barriers to fair housing choice they have observed. The 2025-2029 Consolidated Plan and principally, the Brief on Fair Housing Needs and Priorities Appendix, provide background and support for the identified barriers to fair housing choice in this analysis, and conversely, the Fair Housing Analysis and Plan is an addendum to the Consolidated Plan.

II. Barriers to Fair Housing Choice in Tennessee

Barrier 1: Tennesseans, particularly extremely low-income households (ELI), who happen to be members of a protected class at disproportionate rates, face an affordable rental housing shortage.

Barrier 2: Renter households, disproportionately members of protected classes, struggle to find and secure affordable housing.

Barrier 3: Minority households in Tennessee, particularly Black households, face disparities in ownership or mortgage access (including loan denials) and access to credit.

Barrier 4: Disabled Tennesseans struggle to obtain housing that includes accessibility features.

Barrier 5: The public lacks knowledge of fair housing rights and housing industry groups lack knowledge of fair housing obligations.

III. Factors Contributing to Barriers to Fair Housing Choice

The 2025-2029 Consolidated Plan and Brief on Fair Housing Needs and Priorities presents a critical assessment of housing needs and barriers in Tennessee. Key findings from that analysis, along with other supporting research on factors that may impede fair housing choice in Tennessee, are highlighted here as support for THDA's fair housing objectives and actionsⁱ. While findings from the 2025-2029 Consolidated Plan are restated in this Plan, it is important to review this Plan in coordination with the Consolidated Plan to ensure a complete understanding of the housing needs and potential barriers to housing choice in Tennessee.

- **Rental and for sale homes affordable to moderate- to-low-income households, especially extremely low income (ELI) households,¹ are scarce in all areas of the state.** Lower-income households struggle to compete in highly competitive housing markets, caused partly by a shortage of affordable housing units. THDA's public engagement survey asked respondents to rate housing needs in their community among categories such as new affordable housing, accessible housing, renovation funding, legal services, etc. Seventy-nine percent of respondents rated new affordable rental housing and 80% rated new affordable for sale housing as the "highest needs." Stakeholders at engagement meetings, when asked about impediments to fair housing in their communities, stressed the scarcity of affordable housing (rental and for sale) and/or lack of financial resources to afford available housing as the primary barriers to housing access for all households in their communities, including those in a protected class. The development of new and preservation of existing affordable housing, especially affordable to households at lower income levels is, therefore, paramount to overcoming impediments to fair housing choice.
- Lower income renters in Tennessee face significant housing problems, including a shortage of affordable, available rental units, and in some areas of the state, continuously rising rents that place housing even further out of reach. **Minority racial or ethnic groups in Tennessee experience disproportionately lower median incomesⁱⁱ further placing them at risk of disproportionate housing problems, particularly housing cost burdens.** Among all Tennessee renters, 41% experience housing cost burdens, and almost 20% face severe cost burdens. White households represent the largest racial group in Tennessee but rent at a lower rate than other racial or ethnic groups, with only around 27% of White households renting. White renters are also less likely to experience a housing cost burden when renting. Thirty-seven percent of White renters are cost burdened (and almost 20% severely cost burdened). Black Tennesseans represent the state's largest minority population, and more than half are renters. Fifty percent of Black renters also experience a housing cost burden, with almost 26% severely cost

¹ Extremely low income (ELI) households are at or below 30% of their area median income (AMI), Very low income (VLI) households are at or below 50% of the AMI and low income (LI) households are at or below 80% of AMI

burdened. A disproportionate percentage of Tennesseans who identify as Hispanic, American Indian/Alaskan Native, and Pacific Islander also experience housing cost burdens.

Approximately 81% of Tennessee's Black households live in three development districts (Mid-South, Mid-West and GNRC), and Black ELI households experience a higher incidence of housing problems (including cost burden) than other ELI households in all three of these development districts. **Black households are more likely than other racial groups in Tennessee to live in concentrated areas of poverty (CAPs), which are Census tracts where 40% or more of households live in poverty.** Notably, in 2022, Memphis/Shelby County had forty-one census tracts that met HUD's definition for Racially Concentrated Areas of Poverty (RCAP). Renters in RCAP areas often face extreme housing cost burdens.

- **The number of people experiencing homelessness in Tennessee is significant and may disproportionately impact individuals in protected class groups.** While the 2024 HUD Continuum of Care (CoC) Point-in-Time Count (PITC), reflected a decrease in the number of people identified as experiencing homelessness, sheltered or unsheltered, the number (8,280) is still significant. The greatest number of people included in the 2024 PITC, identified as White (in keeping with this group being the state's racial majority). However, the PITC recorded a disproportionate number of Black individuals experiencing homelessness. Black households in Tennessee are disproportionately represented among Tennessee's homeless population in every CoC region compared to that region's overall population. The Black population in Tennessee is 15.7% of the total population, while 33.7% of people included in the PITC (statewide) identified as Black. Tennessee's disabled population also disproportionately experiences housing problems, and they are disproportionately represented among Tennessee's homeless population.

Stakeholders noted that the federal resources for homelessness services provided through Covid relief funding were helpful in responding to increases in the number of people experiencing homelessness over the past few years and expressed concern that the incidence of homelessness may begin to increase again as funding for homelessness prevention decreases (as Covid funding ends), but a shortage of affordable housing remains.

- **Renters with the highest cost burdens, particularly severe cost burdens, face greater housing insecurity than other renters, and a higher incidence of eviction.** Renters with high-cost burdens are disproportionately members of protected classes. In the state's two largest cities, Nashville and Memphis, where evictions are tracked by the Eviction Lab project, evictions rose significantly between 2022 and 2023. While evictions appeared to decrease in 2024, they are still much higher than their pre-pandemic levels. Individuals facing an eviction in Tennessee often are not represented by an attorney and may struggle to represent

themselves effectively in court. Additionally, in 2024, the Tennessee legislature amended the law governing postponement of a trial (TN Code § 29-18-118), which reduces the amount of time an individual in an eviction proceeding has to “continue” their case from fifteen days to seven days, and reduces the amount of time for the individual or family to find new housing before they lose their home (or secure the funds or assistance needed to avoid the eviction).

Once a family experiences an eviction, it creates an additional barrier to securing new housing. Participants in the fair housing stakeholder meeting, which included members of the legal aid community, noted the impact of evictions as a growing barrier to stable housing for low-income renters across Tennessee, particularly ELI or fixed income renters. Advocates in the stakeholder meetings also noted that Eviction Right to Counsel (Nashville) and Eviction Prevention Programs (statewide) have helped to curb the number of evictions, and they expressed concern that evictions may increase as rental costs continue to rise and Covid-era Eviction Prevention Programs and rental assistance programs end. Notably, the number of evictions in the City of Memphis is more than twice the number of evictions in the City of Nashville. This difference may relate to the City of Nashville’s Eviction Right to Counsel Program (which is ongoing) and other mitigation efforts, such as the Housing Resource Diversionary Court program, operated in Nashville General Sessions Court Division VIII, which provided a streamlined way for landlords and tenants to navigate payment arrearage and avoid eviction using Covid relief funds.

- **More than a quarter of all households with children in Tennessee (26%) experienced a housing cost burden in 2023ⁱⁱⁱ.** Thirty-six percent of Tennessee’s children (around 566,000) live in renter households.^{iv} In 2024, 42% of Tennessee renter households with children reported being behind on their rent (compared with 22% nationally)^v. The 2024 PITC reported 549 households with children experiencing homelessness with 198 (36%) of those unsheltered. Over the five-year period (2019-2023), children represented 11% of those included in the PITC. It is worth considering that the PITC does not count families and individuals who are temporarily sheltered (moving from home to home, couch surfing, etc.); thus, the number of children experiencing unstable housing in Tennessee is likely somewhat higher. Thirteen percent of Tennessee children were estimated to live in overcrowded households in 2023^{vi}. Additionally, female headed households with children have the highest rate of poverty among Tennessee households^{vii}.

In stakeholder meetings, participants noted that appropriate housing options for families experiencing housing instability are not always available. Stakeholders also noted examples of potential discrimination based on familial status such as observing single female headed families of color experiencing longer waiting times for housing and a higher incidence of homelessness, landlord preference for two parent headed households when children are present, and less intentional actions, such as a landlord refusing to rent to families with children due to the belief that a property was an unsafe environment for children.

- **The Tennessee Disability Coalition’s 2024 Disability Scorecard^{viii} assigned the state an “F” in housing opportunity for individuals with a disability.** The state received the same score in 2022 and 2023. In 2024, the report found that no county in the state is affordable to a disabled household seeking housing. Households that include a member with a disability requiring physical accessibility features in the home or persons with cognitive or mental health disabilities requiring supportive services face a particularly acute shortage of both affordable and accessible housing. Households that include a person with a disability that own a home fare better than renter households that include a member with a disability. Renter households with a disabled person have proportionately lower incomes than the general population and are more likely to experience housing problems.

Forty-six percent of respondents to THDA’s public engagement survey rated the need for accessible housing as high, and 32% ranked better accessibility to community buildings for people with disabilities as a high housing need. During stakeholder meetings, attendees expressed concern with the lack of housing affordable to low-income disabled individuals and seniors, especially those limited to Social Security as source of income, lack of accessibility and lack of connection or proximity of available housing to services necessary for individuals with cognitive or mental health disabilities to successfully live independently. Stakeholders also noted that some landlords are not willing to accept renters whose primary source of income is (Social Security) disability (note: also see source of income barriers in the section below).

- While most households with elderly members own a home in Tennessee (82%), **renter households with elderly members are more likely to have lower incomes than renter households in the general population and slightly more likely than the general renter population to report a housing problem.** The incidence of facing a housing problem among households with an elderly member is higher among those with a member 75 or older. Fifty-six percent of survey respondents in THDA’s public engagement survey ranked the need for housing opportunities for older adults as high. For low-income elderly renters or those on a fixed income, increases in rent can lead to housing instability and even homelessness. Stakeholders noted a rising incidence of homelessness among seniors. Elderly homeowners have greater housing stability, but those with lower incomes or a fixed income may experience a financial crisis when housing related expenses increase (utilities, insurance, taxes) and may be unable to make needed repairs or accessibility upgrades to ensure their home is healthy and safe.
- **Statewide, racial differences are present in the share of households who rent versus own a home.** Around 73% of White households in Tennessee own a home compared with 44% of Black households and 45% of Hispanic households. While THDA research^{ix} shows that the share of Tennessee’s Hispanic borrowers almost doubled from 4.1% in 2018 to 8.1% in 2023, the share of Tennessee’s Black borrowers declined overall and fluctuated between 7.3% and 7.6%. The loan denial

rate for Black applicants (16.1%) was approximately twice that of all applicants (8.2%), and the rate remains elevated for Black applicants, at 2.01 times that of White applicants, even after accounting for debt-to-income ratio (DTI) and income.

Additionally, homeownership continues to have uneven benefits for households based on race and ethnicity. In addition to higher rates of loan denials than other groups, Black borrowers are more likely to be approved for loans in Low-or-Moderate-Income (LMI) neighborhoods and pay higher costs on their loans than other racial groups. Thirty percent of all home purchase loans originated for Black borrowers were in LMI neighborhoods in 2023, compared to 17% of loans for White borrowers in similar neighborhoods, indicating an overrepresentation of Black borrowers in LMI tracts. For more detailed analysis on mortgage lending and homeownership in Tennessee, see THDA's 2023 Home Loan Trends report.^x

- **Neither Federal nor Tennessee law extends fair housing protections to source of income, including use of tenant based rental subsidies.** However, the public often view denials based on income, or source of income, as inequitable or biased. The most common reasons respondents to THDA's engagement survey reported they believed they experienced housing discrimination were "I did not make enough money" and "my source of income." Although these two reasons are not directly related to respondents' membership in a protected class, and therefore, likely do not constitute violations of the Fair Housing Act, many of the respondents did not exclusively choose "I did not make enough money" and/or "my source of income" as reasons they believed they experienced housing discrimination.

Table 1 below shows the percentage of survey respondents who reported one or both of those income-based reasons as the basis of an occurrence of housing discrimination and also reported membership in a protected class or vulnerable group. The survey did not prompt respondents to explain the specifics of their experiences, so it is difficult to ascertain if any involves potential fair housing violations.

Table 1

Answer Choices	Responses
-Of my familial status (examples: having children, being pregnant).	22.6%
-Of my race.	22.1%
-Of my age (examples: being elderly, being young).	16.8%
-I have a disability (examples: physical, developmental).	14.7%
-Of my marital status (examples: being married, in a domestic partnership, single, divorced).	13.7%
-Of a felony or criminal conviction.	10.5%
-Of my national origin (examples: country where you were born, language spoken).	3.2%

-Of my sex	2.6%
-Of my religion	2.1%
-Of my sexual orientation.	1.6%

The National Fair Housing Alliance and Thurgood Marshall Institute conducted targeted fair housing testing in Memphis and Shelby County in 2021 to investigate potential discrimination against Housing Choice Voucher participants and whether Black testers were treated differently from White testers because of their race. The testing showed significant discrimination based on “source of income” in both the City of Memphis and Shelby County. Black testers also experienced added barriers to finding housing due to race, noting differences in treatment in customer service, differences in pricing or availability, differences in access to housing, and differences in terms and conditions^{xi}.

IV. Fair Housing Landscape in Tennessee

A. Fair Housing Laws and Statutes

Fair and equal access to housing is governed by Federal and State laws, Executive Orders and implementing departmental regulations, all of which help shape fair access to housing nationally and in Tennessee. It is important to understand the requirements set forth by these regulations when assessing barriers and solutions to overcoming fair housing barriers.

1. Federal Statutes

A wide range of federal statutes passed or amended over the past sixty years protect individuals from housing discrimination or from being denied participation in federally funded programs based on protected class.

- Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Title VI applies to programs or activities receiving federal financial assistance.
- Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended (see Fair Housing Amendments Act of 1988), prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, familial status and disability. The law also requires Federally funded entities to engage in actions which affirmatively promote fair housing.
- Section 504 of the Rehabilitation Act of 1973 prohibits discrimination based on disability in any program or activity receiving Federal financial assistance.
- Titles II and III of the Americans with Disabilities Act prohibit discrimination based on disability in all programs, services, and activities of public entities and by private entities that own, operate, or lease places of public accommodation.

- Title I of Section 109 of the Housing and Community Development Act of 1974 prohibits discrimination based on race, color, national origin, disability, age, religion, and sex within Community Development Block Grant (CDBG) programs or activities.
- Age Discrimination Act of 1975 provides that no person shall, on the basis of age be excluded from participation in, denied the benefits of, or be subject to discrimination under any program or activity receiving Federal funding assistance.
- Civil Rights Restoration Act of 1987 restores the broad scope of coverage of the Civil Rights Act of 1964 and specifies that an institution which receives Federal financial assistance is prohibited from discriminating on the basis of race, color, national origin, religion, sex, disability, or age in a program or activity which does not directly benefit from such assistance.
- Fair Housing Amendments Act of 1988 amends the original Fair Housing Act by providing for the protection of families with children and people with disabilities, strengthening penalties for acts of housing discrimination, expanding the Justice Department's jurisdiction to bring suit on behalf of victims in Federal district courts, and creating an exemption to the provisions barring discrimination on the basis of familial status for those housing developments that qualify as housing for persons age 55 or older.
- Housing for Older Persons Act of 1995 amends the Fair Housing Act of 1968 to address issues that arose concerning exemptions for senior housing when the FHA was amended to include protections against discrimination on the basis of familial status.

2. State Statutes

- Tennessee Human Rights Act (THRA), Tenn. Code Ann. § 4-21-101 et seq. prohibits discrimination on the basis of race, creed, color, religion, sex, age, national origin, or disability in connection with employment; sex, race, creed, color, religion, ancestry, national origin, age, or disability in connection with public accommodations; and race, color, creed, religion, sex, disability, familial status, or national origin in connection with housing. The THRA is substantially equivalent to the Fair Housing Act.
- Tennessee Disability Act (TDA), as amended, codified at T.C.A. § 8-50-103 offers protections similar to the Americans with Disabilities Act and prohibits discrimination based on disability in employment, housing and public accommodations.

3. Municipal Statutes

Where municipalities or local governments have enacted statutes or code relating to fair housing, they typically align with state and federal law. Examples are:

- Code of the Metropolitan Government of Nashville and Davidson County, § 11.20-Fair Employment and Housing Practices
- City of Memphis Code of Ordinances, § 10-36, Fair Housing

B. Fair Housing Assistance, Enforcement and Education

1. Fair Housing Organizations

Currently, Tennesseans may receive fair housing assistance or services from various legal services or non-profit organizations that serve specific areas of the state. Non-profit fair housing organizations also may also act as Fair Housing Investigation Programs (FHIP) through contracts with HUD to intake complaints, conduct investigations and testing (enforcement activities), and the organizations may file complaints or lawsuits on their own behalf, or on behalf of a complainant.

THDA partners with fair housing organizations to engage in activities that support fair housing education for staff, partners and beneficiaries and may refer complainants to these organizations for assistance. The non-profit fair housing organizations operating in Tennessee and the activities they undertake are outlined below.

- a. *Tennessee Fair Housing Council (TFHC)* is a private, non-profit advocacy organization and a HUD FHIP agency that engages in fair housing education, outreach and enforcement activities. Its enforcement program is based in Nashville and concentrates on Davidson, Cheatham, Dickson, Rutherford, Sumner, Williamson and Wilson counties. Through its enforcement role, TFHC intakes complaints of housing discrimination and investigates those complaints, counsels the clients, and, in some cases, represents them in administrative actions or lawsuits. TFHC may also assist complainants in filing complaints where they do not provide representation.
- b. *West Tennessee Legal Services (WTLS)* is a non-profit legal aid organization and a HUD FHIP agency that works with the network of Legal Aid organizations to provide fair housing assistance/counseling, education and testing across the state.
- c. *Memphis Fair Housing Center (MFHC)* operates within the Memphis Legal Aid Society and provides free legal assistance to victims of fair housing discrimination and predatory lending, renters with landlord/tenant issues, and those facing foreclosure or homelessness. MFHC also is a HUD-approved housing counseling agency.
- d. *Fair Housing Council of Metropolitan Memphis (FHCMM)* is a non-profit organization dedicated to ensuring fair and equitable housing through education, research, and advocacy and is a HUD FHIP agency operating in the Memphis Metropolitan Area (serving counties within Tennessee, Mississippi and Arkansas). FHCMM is a member organization of the National Fair Housing Alliance (NFHA).

The National Fair Housing Alliance (NFHA) also provides vital advocacy and resources, including research, educational materials and support, to those working to promote fair housing across the nation.

2. Federal and State Jurisdictional Agencies

THDA intakes and conducts investigations of discrimination complaints related to its programs and services in cooperation with the requirements of state and federal jurisdictional agencies. THDA maintains information on its website explaining internal complaint procedures and how Tennesseans may file a housing discrimination complaint with appropriate state and federal jurisdictional agencies, as well as contact information for non-profit fair housing organizations.

- a. HUD's Fair Housing Enforcement Office (FHEO) is the Federal jurisdictional agency for complaints alleging discrimination in housing. Any Tennessean may independently file a complaint of housing discrimination with HUD FHEO.

In early 2025, HUD reduced staffing at the FHEO as part of a broader effort to reduce the Federal workforce. Proposed Federal budget reductions for fiscal year 2026, if enacted, will reduce FHEO staffing further over the next year and eliminate or reduce grants to non-profit fair housing organizations across the nation. It is unclear how these changes, if fully enacted, will affect the process for citizens to file a housing discrimination complaint under the Fair Housing Act, timely processing of complaints or the dissemination of information on Fair or Equal Housing Opportunity.

- b. Prior to April 2025, the THRA and TDA designated the Tennessee Human Rights Commission (THRC) as the State oversight agency for technical assistance and education on the rights and requirements of THRA, TDA and Title VI, and as the State's enforcement agency for discrimination in housing, employment and other accommodation. THRC also served as a Fair Housing Assistance Program (FHAP) agency through a contract with HUD to provide both education and enforcement of the Fair Housing Act, to include the intake, investigation, and when necessary, mediation/conciliation or litigation of housing discrimination complaints.

In April 2025, the Tennessee legislature passed HB910/SB861, which dissolves the THRC as an independent agency and transfers enforcement responsibilities under the THRA, TDA and Title VI to the Attorney General's office effective June 30, 2025. Beginning July 1, 2025, Tennesseans may file a complaint alleging discrimination in housing, employment and other accommodation with the State of Tennessee Attorney General's office. It is unclear whether the Attorney General's office will continue to serve as a HUD FHAP agency.

3. Fair Housing Education and Outreach

Fair housing education and outreach are important for both those seeking housing and those providing housing (developers, property managers, non-profit housing agencies, etc.). Housing consumers who understand their rights under the Fair

Housing Act are better equipped to advocate on their own behalf to preserve their housing and understand when (and from whom) to seek help with resolving a housing problem. Housing providers who understand and comply with the Fair Housing Act may avoid potentially time-consuming and costly legal penalties and liability for discriminatory practices. Fair housing education also may help to ensure the creation of more diverse and integrated communities by helping housing advocates, planners and developers understand and address systemic issues like residential segregation and concentrated poverty, which may contribute to various social and economic disparities.

The primary fair housing educators in Tennessee are non-profit fair housing organizations. Tennessee FHIP and FHAP agencies report hosting numerous events each year (more than 20 events in recent years) to provide fair housing training or information to housing providers and other stakeholders in areas across the state. Additionally, FHIP and FHAP agencies develop and distribute vital fair housing information to the public (brochures, flyers, social media postings and radio PSAs). THDA provides or connects staff, program participants and partner agencies to fair housing information and educational opportunities often made possible by FHIP and FHAP agencies.

THDA's public engagement survey provides insight into Tennessee housing consumer's knowledge of fair housing rights, and particularly how survey respondents understood how to seek remedy when they felt discriminated against. Of the respondents who reported feeling discriminated against, 3% reported that they filed a formal complaint, 21% reported knowing how to file a formal complaint. Only 23% of survey respondents reported being "very familiar" or "familiar" with the Fair Housing Act. Stakeholders also noted that members of their community were not always aware of their fair housing rights. The results of THDA's Consolidated Plan public engagement suggests more education or outreach is needed to ensure Tennesseans who experience discrimination understand their rights and how to seek remediation from offending entities.

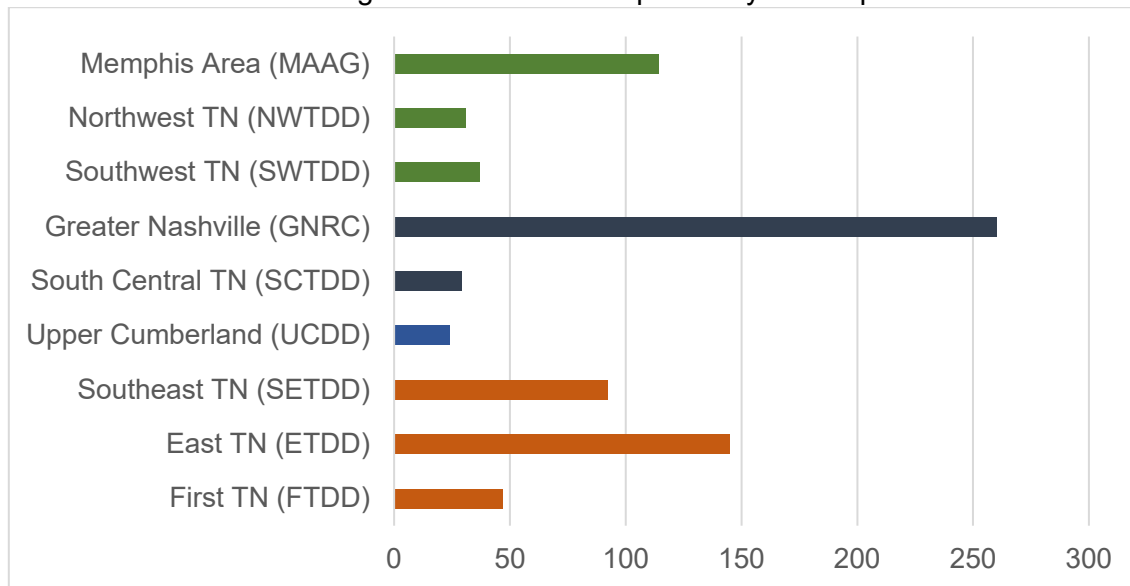
C. Fair Housing Complaints

Disability and race/color are the most common basis for discrimination complaints filed with enforcement agencies in Tennessee over the past five years² (2020-2024), which is unchanged from the prior fair housing analysis completed in 2020. Almost 800 complaints were filed during the most recent period, with 63% claiming a disability basis and 32% claiming a race or color basis. The next highest number of complaints are based on sex. The data available does not provide additional details, such as whether a claim of discrimination based on disability involved a reasonable accommodation or modification request, or accessibility issue, etc.

² Fair housing complaint data from FHEO was available from January 1, 2020 to June 30, 2024.

Chart 2 shows the number of complaints by development district (shaded to represent region of the state). Complaints in the Middle Tennessee region comprise the largest number of complaints in the state, which may relate to the larger population size and growth in this region.

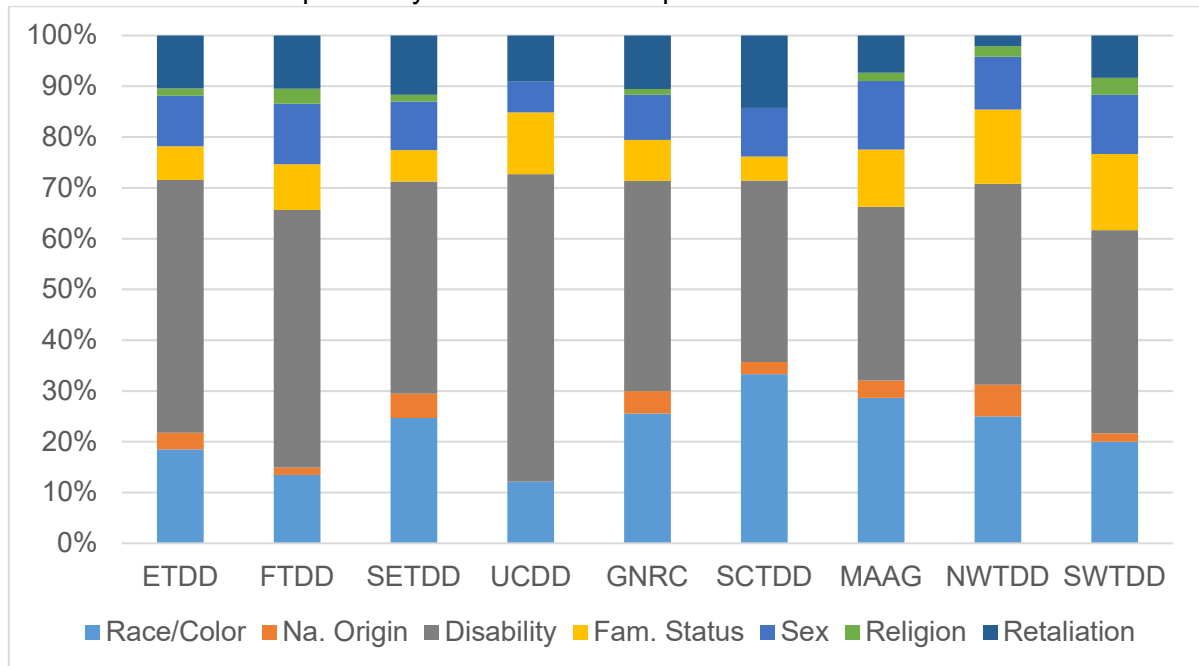
Chart 2: Number of Housing Discrimination Complaints by Development District



Source: HUD FHEO Data.gov extract

Regional variations in the claimed basis of discrimination by complainants are present. For example, complainants in the middle and western area development districts claimed race or color as a basis of discrimination more frequently than complainants in development districts in the eastern part of the state. Chart 3 shows the basis of complaints (i.e. protected characteristic) by development district. While disability was the highest reported basis of complaints in most development districts, reaching fifty percent or more of all complaints in several regional areas, only 34% of complaints filed in counties within the Memphis area development district included disability as a basis. Note: Some individual complainants include more than one alleged basis of discrimination (i.e. race/color and familial status).

Chart 3: Share of Complaints by Basis and Development District



Source: HUD FHEO Data.gov extract

The Consolidated Plan public engagement survey asked respondents if they ever felt discriminated against when looking for housing in Tennessee. Among all respondents, almost 25% responded yes. The incidence was slightly higher at 30% among low-income respondents. Survey respondents reported race/ethnicity as the most common reason they believed they experienced housing discrimination, followed by disability. A few respondents provided additional information on their experiences stating they believe racial stereotypes or bias impacted the approval of new affordable housing developments in their community, or that landlords and service providers sometimes discriminate based on race. Language barriers were also noted as a potential basis of discrimination in housing and related transactions.

Stakeholders expressed concern with the amount of time jurisdictional authorities often take to respond to housing discrimination complaints or delays in processing. Specific concerns noted was “not a lot of follow-up from HUD” in response to complaints, and the THRC process can take a long time, but there is a person that an advocate or complainant may speak with directly, which is helpful. Some participants at the stakeholder meetings suggested that their practice when working with a client who believes they may have experienced housing discrimination is to focus on mitigating negative impact for the client (i.e. try to find an immediate remedy for the housing problem), even when they are concerned a fair housing violation has occurred, due to their experience with complaint processing wait times.

Housing discrimination complaints have increased in recent years, nationally and in Tennessee, and FHIP and FHAP agencies have managed significantly more inquiries

and complaints than HUD or the Department of Justice. In 2023, FHIP agencies processed approximately 75% of all housing discrimination complaints filed nationally, followed by FHAP agencies with 20%. HUD managed only 5% of complaints.^{xii} From 2000 to 2024, Tennessee FHIP agencies reported intaking thousands of calls/inquiries annually from citizens requesting information or assistance with housing issues, including claims of discrimination. During recent FHIP grant terms, agencies also report opening more than six hundred fair housing cases with various resolutions. The agencies also assisted hundreds of disabled individuals with securing necessary reasonable accommodation or modifications to preserve or increase their access to housing.

Funding reductions for Federal fair housing education and enforcement programs may lead to an increase in complaints filed with State and local agencies and requests for assistance to non-profit legal services and fair housing organizations. If FHIP grants are reduced or eliminated, non-profit and legal service agencies in Tennessee may no longer have the capacity to serve all the Tennesseans who seek assistance with a fair housing issue. Without intermediary options, an increase in private fair housing litigation may result, which is more difficult for a complainant to file, may require costly legal assistance not available to many complainants, and often takes more time to reach a remedy. Litigation also may be costlier for the respondent to resolve than the cost of conciliation or mediation with a Federal or state agency or FHIP agency.

D. Recent Adjudicated Fair Housing Cases in Tennessee

Adjudicated fair housing cases in Tennessee primarily involve claims of disability discrimination. Examples of recent settled cases are described below.

- *United States Department of Housing and Urban Development, Conciliation Agreement between (complainants) National Fair Housing Alliance and Tennessee Fair Housing Council and (respondent) Gross Residential, et al., March 6, 2025.* The complainants filed an administrative complaint with HUD against Gross Residential of Royalton, Ohio and other entities alleging violations of the accessibility requirements of the Fair Housing Act in thirteen apartment complexes in Tennessee, North Carolina, South Carolina, and Alabama. Specifically, the complaint alleged that the apartments failed to provide kitchens that were accessible to people with disabilities, and paths to mailboxes, clubhouses, pools, and other amenities were not on an accessible route, making them inaccessible to people with disabilities. The settlement included payment of \$525,000 in damages and attorneys' fees as well as remedial actions. Remedial actions included modifying the property sites to provide accessible routes, notifying occupants with certain sink designs that they may be made accessible upon request, training on the design and construction requirements of the Fair Housing Act, an independent examination of the compliance of the property after modifications are completed (paid by the respondent).

- *United States District Court Eastern District of Tennessee (United States v. City of Chattanooga (E.D. Tenn.)), December 8, 2023.* The case arose out of a HUD complaint filed by a non-profit corporation that supports independent housing for people with mental disabilities in Chattanooga. The complaint alleged that the defendant discriminated because of a disability and violated the Fair Housing Act and the Americans with Disabilities Act by refusing to allow four people with disabilities to reside in a four-bedroom home together under the same terms and conditions as residents without disabilities. The case was settled through a consent decree, which included a monetary judgement and revisions to the cities' zoning code, along with a requirement to conduct training and provide compliance reports to the Department of Justice.
- *United States District Court for the Northern District of Alabama (United States v. Dominion Management LLC), September 21, 2021.* The case originated when the U.S. Attorney's Office for the Middle District of Tennessee learned of potential accessibility barriers at Somerby Franklin, a property in Franklin, Tennessee. The case was settled through a consent order and applies to multiple "market-rate" senior living complexes in Alabama, Florida, Georgia, South Carolina, and Tennessee built or operated by Dominion Management LLC and its affiliate companies. The defendant agreed to pay all costs for retrofits, \$400,000 into a settlement fund to compensate individuals harmed by the inaccessible housing, and \$50,000 in civil penalties to the government. The defendants also agreed to complete training, ensure that any future construction complies with federal accessibility laws, and to make periodic reports to the Justice Department.
- *United States District Court for the Western District of Tennessee, Eastern Division (United States and Lee Clark vs. Dyersburg Apartments, Ltd., and MACO Management Company), August 13, 2019.* The complaint alleged that in January 2012, the plaintiff, Mr. Clark, who is Black, applied to move into the Meadow Lane Apartments in Dyersburg, TN with his ex-wife, who is also Black, and their two children. Approximately one week later, MACO rejected his application, allegedly because he had a prior felony conviction, and he was banished from the property (not allowed to visit even to see his children). An investigation documented that the defendants had not rejected or banished two comparable White applicants with criminal records. The case was settled through a consent decree in which the defendants agreed to a settlement of \$42,250 paid to Mr. Clark. The defendant also agreed to make public postings on-site regarding anti-discrimination rules and include anti-discrimination language in their advertisements, rental applications, and rental agreements, provide non-discrimination training to employees, and, for a period of three years, submit regular reports to the Department of Justice.

V. Fair Housing Objectives, Strategies & Action Plan

Key THDA staff reviewed the Consolidated Plan housing needs and fair housing assessments, along with feedback provided by stakeholders, to develop the fair housing action plan. The objectives involve strategies or actions within THDA's jurisdiction or sphere of influence that may promote fair housing outcomes.

- (1) Establish an internal working group, with participation from various program divisions, Legal and Research, to identify actions to promote fair housing and overcome barriers to fair housing choice through THDA's programs; meet regularly to evaluate progress and modify actions where needed.

Strategic Actions:

Year 1: Identify group members; convene group to review key findings from housing needs and fair housing assessments and identify initial program inputs, actions and measures that will contribute to furthering fair housing, with a focus on actions that support or encourage:

- i. Development of affordable rental units affordable to extremely low to low-income households, homes for sale, affordable to low to moderate income households, accessible housing, and housing in proximity to services for older adults and people with a disability.
- ii. Successful utilization of rental subsidies.
- iii. Improved access to affordable home loans for those least likely to apply or be served.

Year 1-3: Convene group quarterly; evaluate outcomes of prior actions; modify inputs and actions where determined necessary; identify new inputs or actions.

Ongoing Actions: Consider actions or solutions that support overcoming barriers to fair housing choice identified by local communities or support locally identified solutions, especially where interests clearly overlap to achieve THDA's fair housing objectives or further fair housing.

- (2) Apply fair housing principles to key program policies or design and include fair housing metrics in program evaluation.

Strategic Actions:

Year 1: Develop and implement a fair housing evaluation process for newly proposed policies or programs. Evaluation will include consideration of whether a policy, process or solution will:

- i. Reduce or eliminate barriers for protected classes and underserved populations.
- ii. Promote fair housing.
- iii. Evaluate unintended consequences the solution may have for protected classes.

Year 1-3: Complete a program audit of key existing policies to ensure compliance with fair housing evaluation measures and assess how the program or policy is working to reduce or eliminate barriers for the protected classes or underserved populations.

Ongoing actions: Where possible, systems and practices created will collect program data that can be disaggregated by race, ethnicity, primary language, gender, disability status, geographic location, and socioeconomic status to better assess fair housing outcomes during program evaluation.

- (3) Engage in affirmative public engagement and outreach on affordable rental and homeownership opportunities, as well as financial literacy and housing education. Take action to support other organizations engaged in this work.

Strategic Actions:

Year 1: Investigate launching new or expanded THDA funded affordable housing navigation website or improving the existing website currently funded by THDA (TNHousingSearch.org) to ensure 100% of funded affordable properties are listed on the site and updated regularly when vacancies occur.

Ongoing Actions:

- a. When conducting program outreach, consistently ensure outreach methods include both mainstream organizations/publications and organizations/publications who serve or target protected class groups or populations identified as least likely to apply for a particular program or benefit.
 - i. Use the agency's diversity organization enterprise contact list along with other departmental contact lists.
 - ii. Use majority and minority media sources for advertising.
- b. Engage in effective communication and public outreach through:
 - i. The use of plain language when explaining technical policies in public facing documents and the use of visuals where possible to better clarify complex policies or programs
 - ii. Producing vital documents and advertisements in languages commonly spoken other than English (primarily Spanish)
 - iii. Following best practices for effective communication with people with a disability, including meeting ADA digital accessibility requirements for web and mobile applications (WCAG 2.1AA).
- c. Promote or support other quality, affordable housing navigation tools and resources, such as the Disability Pathfinder, and other community resource tools, such as 211
- d. Engage in housing education or support the network of non-profit housing counseling agencies in the state to provide information, advice, and tools for consumers seeking, financing, maintaining, renting, or owning a home. Take specific actions to ensure housing education reaches populations

determined least likely to successfully apply for or access THDA's single family programs.

- (4) Provide or support fair housing and anti-discrimination education; take actions to combat housing discrimination in all its forms in cooperation with fair housing organizations and enforcement agencies.
 - a. Provide ongoing and robust Fair Housing and anti-discrimination education and resources to THDA staff, sub-recipients (grantees) and partners.
 - b. Share information and resources on THDA's website and social media on:
 - i. Fair housing rights of tenants and potential homebuyers, the appropriate process for filing a complaint of discrimination and legal or community organizations who may help individuals with understanding the process.
 - ii. Fair housing obligations of housing providers
 - iii. Fair Housing or other non-discrimination training opportunities
 - iv. Legal Aid and Eviction Right to Counsel providers
 - c. Support education and outreach activities that promote fair housing, including those by non-profit fair housing organizations, including Fair Housing Initiative and Assistance Programs, and other organizations that serve protected class populations.

ⁱ Citations are provided for sources other than the State of Tennessee, 2025-2029 Consolidated Plan, which is the primary source document for this Plan. Where information is provided without citation, see, <https://thda.org/research-reports/consolidated-planning>

ⁱⁱ Sycamore Institute, 2023 Census Data on Income & Poverty in Tennessee, <https://sycamoretn.org/2023-income-poverty-tn/>

ⁱⁱⁱ Annie E. Casey Foundation, Kids Count Data Center, analysis of data from the U.S. Census Bureau (2023) for Tennessee, <https://datacenter.aecf.org/>

^{iv} U.S. Census Bureau, SO901, Children Characteristics, 2023, five-year estimate

^v State of Tennessee, State of the Child report, 2023, <https://www.tn.gov/content/dam/tn/tccy/documents/stateofthechild/StateoftheChild2023Final.pdf>

^{vi} Annie E. Casey Foundation, Kids Count Data Center, data from the U.S. Census Bureau (2023)

^{vii} Sycamore Institute, 2023 Census Data on Income & Poverty in Tennessee

^{viii} Tennessee Disability Coalition, 2024 Tennessee Disability Scorecard, <https://www.tndisability.org/sites/default/files/2024%20Tennessee%20Disability%20Scorecard.pdf>

^{ix} THDA, Tennessee Home Loan Trends, 2023, <https://thda.org/images/2023-HMDA-Report.pdf>

^x THDA, Tennessee Home Loan Trends, 2023

^{xi} National Fair Housing Alliance and the Thurgood Marshall Institute, The Bad Housing Blues, Discrimination in the Housing Choice Voucher Program in Memphis, TN, <https://www.naacpldf.org/wp-content/uploads/2022-11-14-Fair-Housing-2-web-1.pdf>

^{xii} National Fair Housing Alliance, 2024 Fair Housing Trends Report, <https://nationalfairhousing.org/resource/2024-fair-housing-trends-report/>