

City of Memphis Introduces Middle-Income Housing Funding with Developer Workshop Opportunity

The City of Memphis Division of Housing and Community Development (HCD) is launching a new funding opportunity for developers who want to construct affordable housing for middle-income families.

The Memphis Middle-Income Housing Pilot Program (MI-Pilot) is designed to incentivize the development of missing middle housing units for middle-income Memphians. This program encourages the construction of 2-6-unit structures such as duplexes, townhomes, and small multifamily homes, as well as single-family infill homes. By supporting infill development, the City aims to build gentle density in urban areas with easy access to services, creating housing options that differ from traditional single-family homes and large multifamily developments. Light-density development has shown to expand homeownership opportunities for middle-income families nationwide.

Aligned with the Memphis 3.0 Comprehensive Plan, Accelerate Memphis Plan, and the Memphis and Shelby County Joint Housing Policy Plan, the MI-Pilot will offer financial support to local developers for the construction or rehabilitation of infill housing units. This initiative seeks to diversify the housing market by producing both owner-occupied and rental units, with affordability targeting those earning 80-120% of the Area Median Income (AMI). Funding will be provided through a combination of grants and loans.

“At HCD, our main initiatives are focused on expanding affordable housing options and leveraging available federal funds to drive these efforts. However, we are committed to ensuring that this administration’s approach is expansive—providing housing solutions for all Memphians. With that goal in mind, we are launching this pilot program, which we believe will scale successfully as we move forward,” said Ashley Cash, Director of the Division of Housing and Community Development.

Some 80 developers, both from the non-profit and for-profit sector, gathered at the Orange Mound Library to learn details on how this pilot program will work and how to apply. The activity was led by HCD’s Deputy Director Felicia Harris, as well as Amanda O’Meara and Ebunoluwa Odeyemi, from the Planning and Policy Department. They explained that one million dollars have been allocated for the initial pilot program, which will be accepting applications until funds are exhausted. Agencies may be awarded any amount between fifty and five-hundred thousand dollars, depending on the specifications of each project.

Jimmy Tucker, from Self-Tucker Associates, an award-winning architecture firm that has partnered with the City of Memphis for many projects, said that this is “an incredible opportunity to revitalize some of the neighborhoods that have vacant sites, and we hope it has a successful implementation so it can be expanded for the benefit of all Memphians”. He also

commended the HCD team for taking the initiative to summon the local developer's sector for a meeting of this type in which people interested in these funds can clarify any questions they may have.

Like many cities, Memphis faces a growing housing crisis, worsened by the effects of the COVID-19 pandemic and the rise of short-term rentals. The city's shortage of quality, affordable housing has been further exacerbated by external investments that have driven up housing costs, particularly impacting middle-income residents. This demographic, earning more than 80% of AMI, is often ineligible for traditional government subsidies and tax credits, making it difficult for them to secure affordable housing. The MI-Pilot program seeks to address these challenges by making homeownership and affordable rental options more accessible to this population.

Learn more about the Mi-Pilot workshop by watching this [video](#).

Learn more about how to apply on this [link](#)