Chapter I: History, housing and schools

Highlighting the History of Housing Segregation in Baltimore, Maryland and its Impact on the Events of April 27, 2015 and Beyond

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A focal point in Segregationist efforts in Baltimore

1910
• A Yale University-educated lawyer bought a house in the Mount Royal section of Baltimore, causing an uproar among whites.

The Result?
• An ordinance partitioning Baltimore City into black blocks and white blocks.

“The most pronounced ‘Jim Crow’ measure on record.”

– The New York Times
1910

Baltimore Brew.com
“History of Baltimore’s Racial Segregation”
2010/03/15
Worth Noting from the past...

Roland Park in Baltimore City was an early planned suburb whose development spanned the Progressive Era (1890-1920) and demonstrated how a belief in segregation in real estate promoted the concept that African-Americans and Jews were bad for property values.

http://hub.jhu.edu/magazine/2014/fall/roland-park-papers-archives
In 1917, the U.S. Supreme Court found ordinances like Baltimore’s 1910 segregation rule unconstitutional...

...because they restricted the property rights of white homeowners to sell to whomever they wished.

http://digitalcommons.law.umaryland.edu/mlr/vol42/iss2/4/
In a counter-response—

The Mayor of Baltimore instructed Baltimore City building inspectors and Health Department investigators to cite anyone who rented or sold to blacks in predominantly white neighborhoods for code violations.
In 1925...

..18 Baltimore neighborhood associations formed the “Allied Civic and Protective Association” – to urge new and existing property owners to sign “Restrictive Covenants,” committing to never sell their property to blacks, Negroes, African Americans!
Covenants in Baltimore were enforced by the city-sponsored “Committee on Segregation.”
1934
The Federal Housing Administration created by Congress...

- ...reflected U.S. racist tradition of rigid white/black separation in housing
- ...openly supported racist covenants, largely excluding Blacks (even middle class, wealthy) from the home ownership boom of the 1930s-1960s

Typically, blacks were denied mortgages wherever they lived.
| “Whites seeking the American Dream had access to a credit system backed by the U.S. government.” |
| “Blacks were subjected to unscrupulous lenders...” and paid a price—financial predators—contract systems with: |
| o Rigged installment plans |
| o Vulnerability to repossessions |
| o Poor repairs |
| o Decaying properties |
This System of “Financial Apartheid”...

- Accelerated urban decline and growth of ghettos
- Prevented generations of blacks from gaining wealth typically generated from home ownership.

“Even as some municipalities and states began to pass laws prohibiting racial discrimination in housing beginning in the late 1940s, enforcement mechanisms were weak, and no effort was made to reverse the pattern of racial separation that was rapidly expanding across the American landscape.” – http://www.epi.org and http://www.bnyee.org/edeconomicinequity.htm By Richard Rothstein and Mark Santow
“The distressed condition of African-American working and lower-middle-class families in Maryland’s largest city and elsewhere is almost entirely attributable to federal policy that prohibited black families from accumulating housing equity during the 1930s to the mid-1960s, thus preventing them from bequeathing that wealth to their children and grandchildren, as white suburbanites have done.”

--Richard Rothstein
Economic Policy Institute
Black Contract Buyers
(An Interesting Phenomenon)

- unable to get mortgages
- restricted to overcrowded neighborhoods
- rented apartments at higher rents than those for similar dwellings in white neighborhoods

An alternative: Contract Sales

- Monthly payments were not amortized
- A single missed payment meant loss of a home
- No accumulated equity

Washington Post
May 3, 2015, Valerie Strauss
“Because black contract buyers knew how easily they could lose their homes, they struggled to make their inflated monthly payments. Husbands and wives both worked double shifts. They neglected basic maintenance. They subdivided their apartments, crammed in extra tenants, and when possible, charged their tenants hefty rents.”

--Beryl Satter, author Rutgers University Family Properties

- Contract buying was commonplace in Baltimore.
- It was solely due to the federal government’s policy of denying mortgages to African-Americans, in either black or white neighborhoods.

Washington Post
May 3, 2015
Valerie Strauss
The United States Federal Government led the development of policies contributing to segregation.

“There were 20th century federal, state, and local policies that were explicitly designed to separate the races—whose effects endure today...In any meaningful sense, neighborhoods and -in consequence, schools - have been segregated ‘de jure’.” American Apartheid
Massey and Denton, 1993
Quotation from Education Leadership, Vol. 70, No. 8, May 2013
Baltimore’s Segregated and Economically Depressed Neighborhoods

By mid-1930s, 89% of the black population was confined to an area surrounding the downtown central district.

Housing Authority of Baltimore City (HABC) basically ran two housing programs:

- One Black
- One White
Federal public housing policy, developed during the “New Deal” (1932-1939), respected existing neighborhood composition –

- Placing projects for low-income blacks in black ghettos
- Placing projects for middle-income whites in white neighborhoods
- Adopting regulations that established the practice of **Redlining** – excluding people of color from government-subsidized mortgages

www.huffingtonpost.com The New Deal: Designed for Jim Crow  
Author: Richard Lyon, 10/20/2012
After WWII, Baltimore City continued segregationist programs and introduced public housing high-rises.

- The only vacant site, of 39 considered outside the city, chosen for additional Black housing—Cherry Hill
  - an isolated peninsula adjacent to a city landfill and incinerator

- Three high-density Black high rises built by HABC
  - Lafayette Court
  - Lexington Terrace
  - Murphy Homes

These projects created large, dense clusters of poverty and segregation.
Other acknowledged factors and actions that supported and sustained segregated housing include:

- Bank regulators from the Federal Reserve and other agencies approved **redlining** policies allowing banks and savings institutions to refuse loans to families in predominantly black or changing neighborhoods and to black families attempting to purchase homes in white suburbs. (Redline maps were first created by the Home Owners’ Loan Corporation, a New Deal agency.)

- Mayors and public officials organized homeowners associations and encouraged them to enact racial deed restrictions.

- The IRS extended tax exemptions to churches where associations were frequently based and to the associations, as well.

Education Leadership, Vol. 70, No. 8, May 2013
Between 1950 and 1964

Baltimore began aggressive urban renewal programs that displaced more than 25,000 people (85% black).
The Federal Housing Administration (FHA) and The Veterans Administration (VA) –

- Financial movement of working and lower-middle class whites (including those in public housing), out of cities
- Denied Mortgage insurance to blacks
- Prohibited developers from selling to blacks
- Required developers to write deed insurance restrictions that prohibited resale of homes to “incompatible racial elements.”

(Rothstein, 2012; Thomas Ritzdorf, 1997), Education Leadership, Vol. 70, No. 8, May 2013
The Federal Housing Act of 1968 (Title VIII of the Civil Rights Act of 1968)

Outlawed:

◊ Refusal to sell or rent a dwelling to any person because of race, color, religion, sex or national origin

◊ Discrimination based on race, color, religion or national origin in the sale or rental of a dwelling

UPDATE:

June 25, 2015
Supreme Court Decision
5-4 ruling

- Upholds the right to pursue housing discrimination claims
- Preserves the elements of the Fair Housing Act of 1968
• Baltimore’s black population was subjected to a century of federal, state, local policies that restricted them to isolated slums.

Reference
“How Racism Doomed Baltimore”
The New York Times, Editorial
May 9, 2015
http://www.nytimes.com/2015/05/10/opinion/sunday/how-racism-doomed-baltimore.html?_r=0

• Current federal housing policies disproportionately direct low-income black families to segregated neighborhoods and away from middle class suburbs.

Reference
Washington Post
Valerie Strauss, May 3, 2015
“From Ferguson to Baltimore: the consequences of government-sponsored segregation”
Worth Noting Currently...

- Many long-established ghettos are geographically isolated from mostly white suburbs
- Voluntary choice, charter schools, magnet schools, changes in attendance zones may influence low-income black children’s enrollment in predominantly middle class schools
## Comparatively Speaking

<table>
<thead>
<tr>
<th></th>
<th>Baltimore City</th>
<th>Surrounding Counties(^1)</th>
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</thead>
<tbody>
<tr>
<td>Black population</td>
<td>64% Black</td>
<td>23% Black</td>
</tr>
<tr>
<td>Adults who have high school diplomas or high school equivalence</td>
<td>80%</td>
<td>90%</td>
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<tr>
<td>College graduates</td>
<td>27%</td>
<td>36%</td>
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<tr>
<td>Unemployment rate</td>
<td>18% Black 7% White</td>
<td>9% Black 6% White</td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>24%</td>
<td>8%</td>
</tr>
</tbody>
</table>

\(^1\)(Baltimore County, Anne Arundel County)

Washington Post
Valerie Strauss, May 3, 2015
A 1994 suit by civil rights groups against HUD re: segregated public housing in Baltimore.

Eventual settlement required the government to provide vouchers to former public housing residents for apartments in integrated neighborhoods and included counseling and social services to support family success. Only a small number of families participate, has not dismantled Baltimore’s black ghetto.


Washington Post
Valerie Strauss
May 3, 2015
“...the acute nature of segregation in Baltimore — and the tools that were developed to enforce it over such a long period of time — have left an indelible mark and given that city a singular place in the country’s racial history.”

Editorial Board
The New York Times
May 9, 2015