

Addressing the Harms Imposed By Racist Policies



H.O.M.E.S (Housing | Opportunity | Mobility | Equity | Stability)

We are a *housing justice* campaign organized by:

- Homeowners
- Renters
- People returning home from prison
- People that are unhoused

Our core belief:

Housing is a HUMAN right.



Why Reparations?

Reparations are necessary to **repair the harms** imposed on families, homes, and neighborhoods in Wilmington by decades of federal, state, and local policies that systematically promoted disinvestment and loss of ownership, wealth, and stability in Wilmington's Black neighborhoods.

What Were the Policies?

1934 National Housing Act

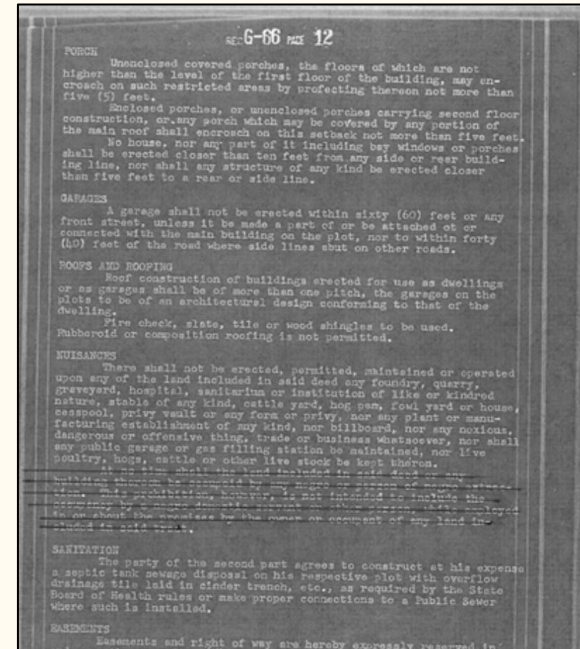
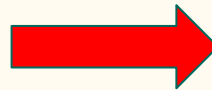
- Created Federal Housing Administration
 - **Insured long-term mortgage loans** made by private lending institutions on homes and rental housing.
 - **Insured smaller loans financing home repairs** and other improvements.
 - Further popularized the single, low down-payment, long-term, low interest rate amortized mortgage.
- **Racist FHA policies** and their implementation by banks, builders and governments **limited mobility and opportunities to build wealth for generations of Black families.**

Redlining

- **FHA refused to insure homes in African-American neighborhoods-** officially deemed “hazardous for investment”
- Resulting “red-lining” shut out Black neighborhoods from access to mortgages and loans
- Official red-lining map of Wilmington was never completed- but the **practice of denying mortgages in Wilmington’s Black neighborhoods was widespread.**

Racially Restrictive Covenants

- **FHA mortgages fueled construction of suburban homes** in New Castle County
- FHA recommended Use of Racially Restrictive Covenants for FHA insured loans
- In New Castle County, many deeds were registered that included clauses that **prohibited sales to Black owners**, including in these developments: Westover Hills, Brandywine Hills, Wawaset Park, Deerhurst, Wilmington Manor, Faulkland Woods, and others.

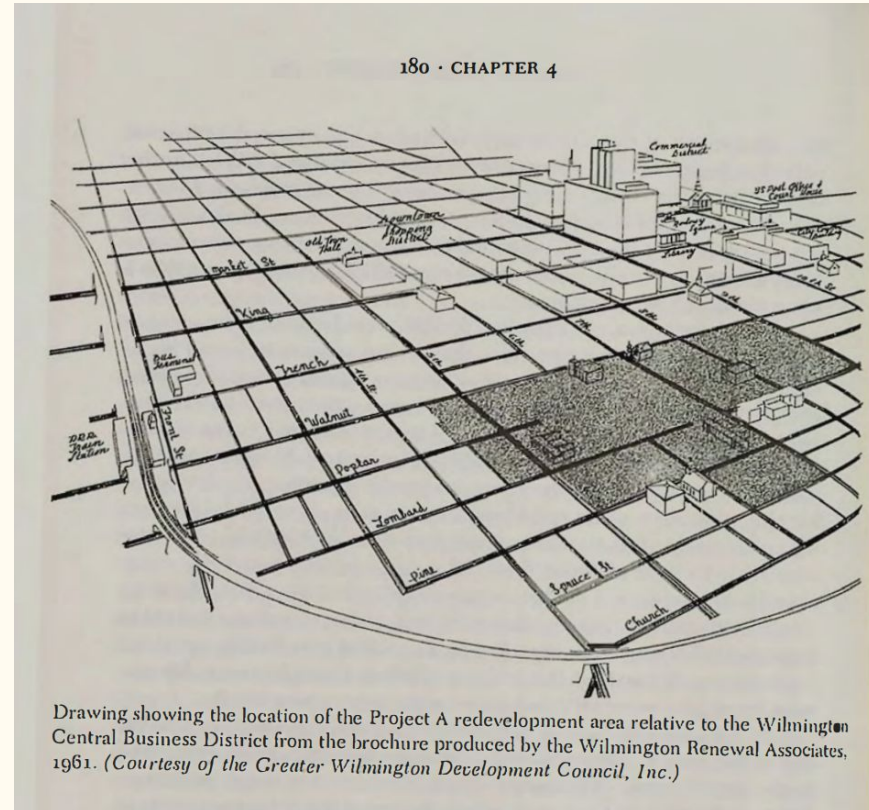


1949 National Housing Act

- Title I of the Act, titled “Slum Clearance and Community Development and Redevelopment” authorized the Housing and Home Finance Administrator to provide loans and **grants to local municipalities to pursue “slum-clearance”** and urban redevelopment projects.

Wilmington Housing Authority Demolished East Side Neighborhoods for Urban Renewal

- Wilmington Housing Authority
 - Identified East Side for “Poplar Street Project A”
 - **Used eminent domain to acquire and demolish 970 homes** in 638 buildings
- Displaced residents were 96% Black



1956 Federal-Aid Highway Act



Established federal funding for 90% of the cost of highway construction.

City of Wilmington Routed I95 Through Neighborhoods

- In the 1950s, there were three possible routes for the major highway:
 - Western route along Bancroft Parkway
 - Eastern route where I-495 runs today
 - Central route that cut straight through the city across neighborhoods located between Adams and Jackson Sts.
- Spring of 1957: four public hearings were held on the location of the freeway, with much of the focus on the western route
- June 21, 1957 Wilmington City Council surprised many by approving the Adams-Jackson route

City demolished West Side neighborhoods to build I95

- From early 1960's-1968 City of Wilmington **used eminent domain to acquire and demolish 507 residential buildings**
- Also demolished
 - 50 commercial structures
 - 2 churches
- **Displaced 926 families**



1968 National Guard Occupation



State of Delaware Deployed National Guard in Wilmington's West Side for 9 Months in 1968

- April 9, the day of Dr. Martin Luther King's funeral in Atlanta, protests broke out in Wilmington
- On April 9, 1968, Governor Terry ordered the 2800-strong National Guard to patrol the streets of Wilmington
- Within a week, Mayor Babiarez requested withdrawal of the soldiers
- Governor Terry refused, citing unspecified intelligence reports of the potential of renewed and more violent racial disturbances.
- **State of Delaware deployed state's armed military force in 20 block area of west of downtown (West Center City) from April 1968-January 1969.**

1980's - Today

Unfair Tax Assessments

Policy: Counties across Delaware haven't updated tax assessments in 30-40 years.

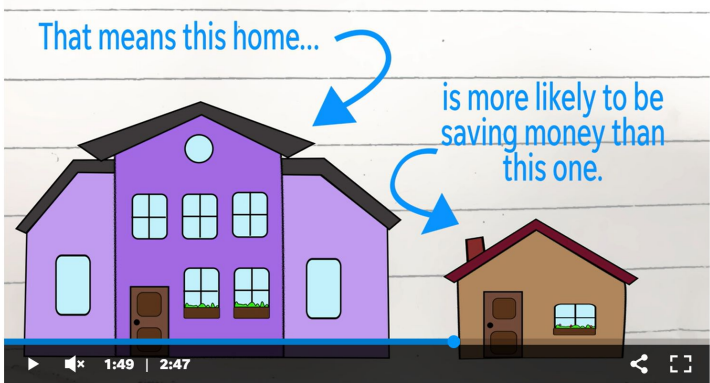
Impact:

- This has led to some houses being over-assessed relative to their actual value and other houses being under-assessed.
- In general, **owners of lower-value homes are paying a higher proportion of their actual value in property taxes than owners of higher-value homes.**
- Black homeowners who own lower-value homes have been impacted for years.



Property tax: Delaware's outdated system explained

Why is property tax at the center of a lawsuit about school funding? Reporter Xerxes Wilson makes it easy to understand the system's issues. *Jenna Miller, The News Journal*



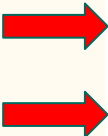
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1990- 2000's: Predatory Lending

Appendix C: Targeted Zip Codes

Targeted Zip Codes – 400 or More Sub-Prime Loans:



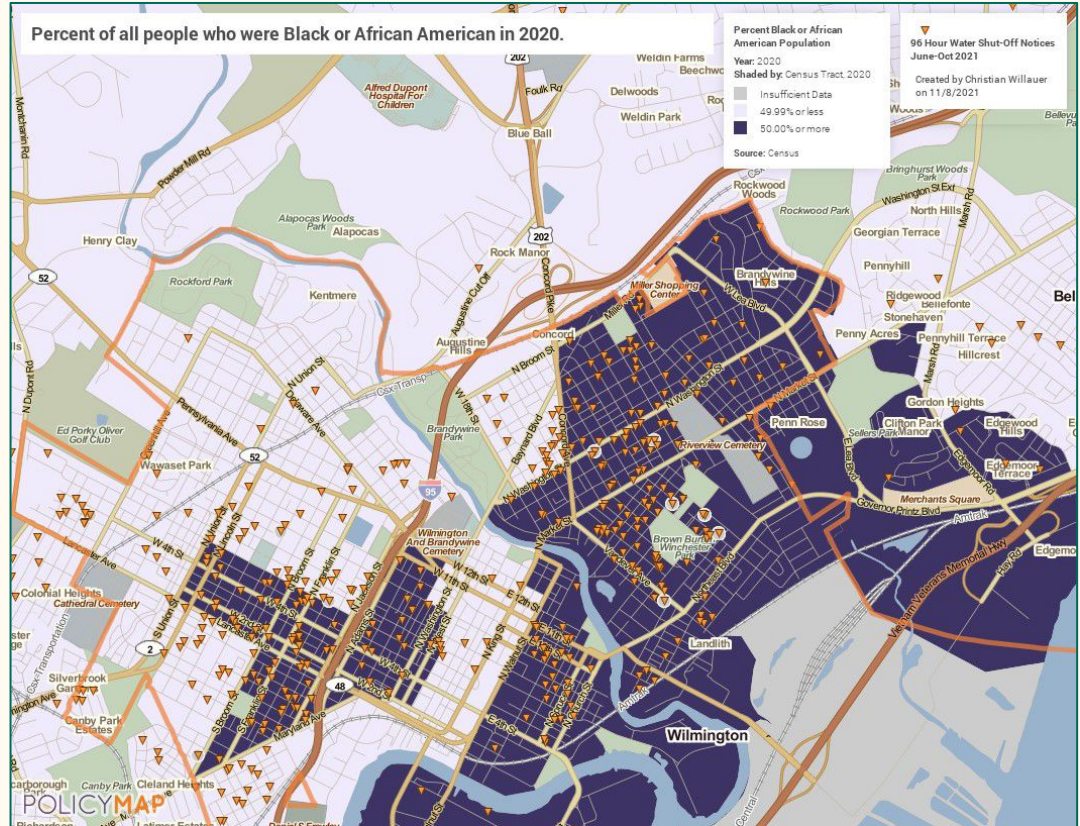
ZIP	County	Number of Loans	DEL 30+ Days	DEL 60+ Days	DEL 90+ Days	In Foreclosure Process	REO	Seriously Delinquent %
19720	New Castle	1,728	5.41%	1.80%	4.23%	4.99%	0.26%	9.48%
19702	New Castle	1,083	4.43%	2.21%	2.58%	4.88%	0.68%	8.14%
19805	New Castle	956	5.99%	1.45%	3.26%	6.75%	0.51%	10.52%
19701	New Castle	840	5.44%	2.70%	2.76%	5.35%	0.28%	8.39%
19802	New Castle	825	6.68%	1.62%	4.97%	7.33%	1.19%	13.49%
19709	New Castle	634	6.22%	3.17%	2.72%	7.53%	0.00%	10.25%
19904	Kent	623	5.26%	2.60%	3.04%	5.44%	0.14%	8.62%
19713	New Castle	601	5.10%	1.85%	3.23%	5.54%	0.27%	9.04%
19901	Kent	438	4.70%	1.48%	2.96%	5.62%	0.52%	9.10%
19977	Kent / New Castle	437	5.40%	2.67%	2.59%	8.07%	1.01%	11.67%
19808	New Castle	435	4.47%	1.53%	2.07%	3.68%	1.20%	6.95%

- Federal deregulation of banking sector in 1980's enabled growth of subprime mortgage lending
- Lenders targeted Black neighborhoods for risky products
- Mortgage crisis of 2007 - 2010 devastated many urban Black neighborhoods, including parts of Wilmington.

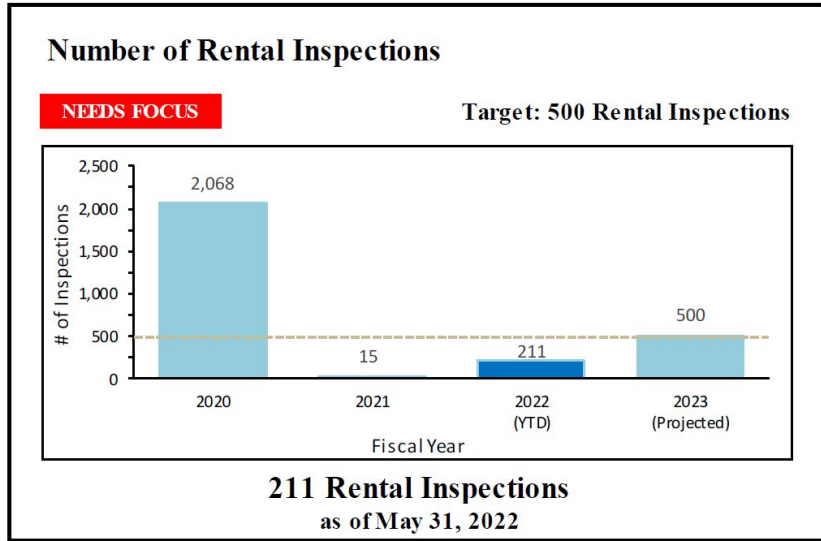
From: Lieutenant Governor's Foreclosure Task Force Interim Report: December 20, 2007

Today: Fines and Fees

- City shuts off water for residential customers- but not commercial - who are behind on their water bills.
- These policies disproportionately impact Wilmington's Black residents.



What's Not Done: Effective Code Enforcement



A stretch of apartment buildings on the 800 block of N. Adams Street remains vacant and behind fencing as significant repairs appear to still be needed before the buildings are considered habitable, seen Wednesday, July 5, 2023. *William Bretzger/Delaware News Journal*

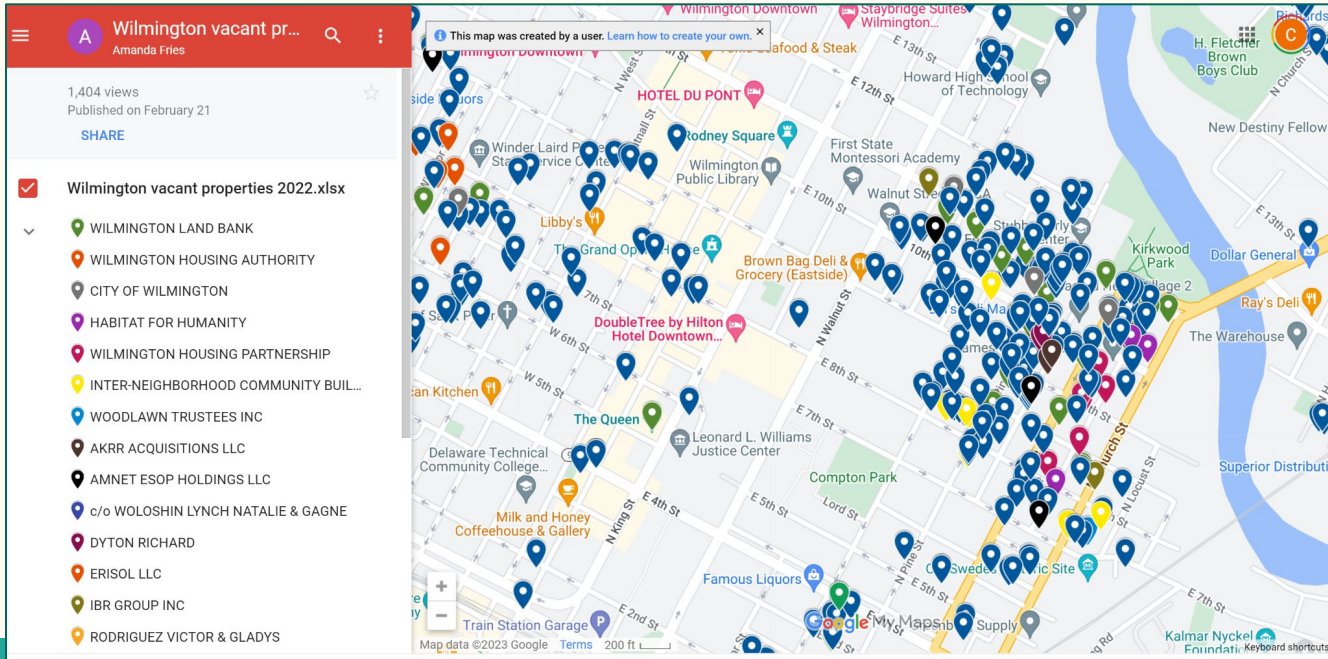
- City has over 15,000 rental properties and inspects less than 500 a year.
- Leaves renters vulnerable to exploitation by landlords.

Results of these harmful policies:

- In New Castle County, only **32** available and affordable rental homes exist for every **100** Extremely Low Income renter households.
- **62% of Latinx** renters are "cost-burdened" by their rents; **60% of Black** renters are cost-burdened, and **48% of White** renters are cost-burdened. (Prosperity Now Report, The People's Report, Pace of Progress 2020)
- Based on the 2019 PIT Count, **Black Delawareans experience homelessness** at a rate that is **4.3 times higher** than White Delawareans.
- **Black Delawareans** make up **60% of the prison population** in Delaware, but only **21% of the state** population.

Vacant Property Law

- Wilmington's Vacant Property law charges owners of City's 1200+ vacant views properties up to \$5,000 a year, based on length of time vacant
- Revenue goes into the General Fund
- City allocates just \$130,000 annually for maintenance of vacant properties



THE BIG PICTURE

Stability | Investment | Protection

Stability

- Homeowner Repair Grant Program
- Right To Counsel for Evictions- Passed!
- Eviction Arrears Minimum
- Homeless Bill of Rights
- Add Affordable housing requirement for Downtown Development District grant program.
- Maintain protections against eminent domain abuse
- End Water Shut-offs for residents
- End water bill foreclosures
- Review equity impact of tax foreclosures

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Investment

- Create Grant Program to renovate vacants
- Expand Lien and Clean Program
- Create Down-payment and Settlement Assistance Program
- Create goals and performance measures and reporting requirements for Wilmington Housing Partnership and Wilmington Land Bank

Protection

- License and inspect all rental properties
- Create Landlord Repair Grant and Loan Program
- Create Renter Relocation Fund
- Enhance code enforcement on problem properties and landlords
- Create goals and performance measures for L&I

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