

3-1-2019

## Housing Supply and the Common Wealth

Benjamin P. Campbell

Follow this and additional works at: <https://scholarship.richmond.edu/lawreview>



Part of the [Courts Commons](#), [Housing Law Commons](#), [Judges Commons](#), [State and Local Government Law Commons](#), and the [Supreme Court of the United States Commons](#)

---

### Recommended Citation

Benjamin P. Campbell, *Housing Supply and the Common Wealth*, 53 U. Rich. L. Rev. 1031 (2019).  
Available at: <https://scholarship.richmond.edu/lawreview/vol53/iss3/11>

This Symposium Remarks is brought to you for free and open access by the Law School Journals at UR Scholarship Repository. It has been accepted for inclusion in University of Richmond Law Review by an authorized editor of UR Scholarship Repository. For more information, please contact [scholarshiprepository@richmond.edu](mailto:scholarshiprepository@richmond.edu).

## HOUSING SUPPLY AND THE COMMON WEALTH

*The Rev. Benjamin P. Campbell \**

It's a powerful thing to mark the fiftieth anniversary of the Fair Housing Act of 1968, something that actually happened and has actually had an effect. I grew up in segregated Virginia, so I have a pretty powerful sense of the passage of time here. It's given us the opportunity today to review and mark human progress, to take stock of where we are and to identify the efforts and issues of our time. The victories here have changed the nation, and the task is still daunting.

So, we begin in 1968 with a simple and powerful vision to prohibit discrimination and housing based on race, color, religion, or national origin, and later on gender, familial status, and disability. And it was a vision that exploded into reality in the week of Dr. King's murder as a nation boiled over in anger and despair. The law, as originally passed, did not include enforcement mechanisms outside the courts, and so for decades, those mechanisms have been developed by the community. Many here today are here because they've been a part of that movement. Over the years, they've identified lending, insurance, background checks, other submarkets in which discriminatory action could be just as effective as discrimination in housing sales and rental applications. Colleagues of these folks established the Home Mortgage Disclosure Act, and developed community enforcement strategies for that. And here in Richmond, a landmark case addressed redlining and home insurance. Courageous practitioners have continued to identify and challenge the various ways in which Americans, usually covertly, seek to deny the birthright of other Americans.

---

\* Pastor Emeritus of Richmond Hill. Pastoral Associate at St. Paul's Episcopal Church, Richmond. These Closing Remarks were delivered by the author at the 2018 *University of Richmond Law Review Symposium, The 50th Anniversary of the Fair Housing Act—Past, Present, and Future*, on October 5, 2018, at the University of Richmond School of Law.

We would do well to look around us. Turn to your neighbor and congratulate them, shake their hand and congratulate them. We would do well, to look around and celebrate for a moment to say thank you to the warriors of the past half century, who have worked to overcome overt discrimination in housing. At its most elementary and primal level, I believe the Fair Housing Act has worked. You can't say that about a lot of stuff. Straight out, direct discrimination housing has been attacked and in its most egregious forms, eliminated.

Here in Virginia, from the beginning of the last century, a series of laws deliberately kept our neighborhood segregated by race. One innovative Virginia law, we're always innovating in this field in Virginia, said it was illegal to live next door to someone whom it was illegal for you to marry. I always thought that was one of the ones they used more imagination on, which referred to a Virginia statute against interracial marriage. And beginning in the thirties, the actions of the Home Owners Loan Corporation took this tradition of economic discrimination into the area of black home ownership and, along with the policy of redlining, as Richard Rothstein has made clear in his important study, *The Color of Law*, the federal government shaped metropolitan Richmond and the nation with rigorous policies of home ownership for whites and rental for blacks.

In today's metropolitan Richmond here's what census block data shows. This is from Brian Koziol, who's the Director of Research & Policy at Housing Opportunities Made Equal here in Richmond. The neighborhoods in Richmond which were affected by the Home Owners Loan Corporation's redlining policy eighty-five years ago, those neighborhoods are, by and large, still segregated in the same way which the policy established eighty-five years ago. That's today. I looked at the maps yesterday with Brian. There's some integration here in metro Richmond in both older and newer middle-income neighborhoods, and overall, we're becoming slightly less segregated by race. But major suburban black neighborhoods in metro Richmond are almost totally segregated, along with major wealthy, white neighborhoods. And impoverished black neighborhoods are single race. In portions of the suburbs of metropolitan Richmond there are neighborhoods which blend multiple, and I really mean multiple, ethnicities, but those neighborhoods are all same income neighborhoods.

In seeking fair housing, we sought both integration and equity. Were we seeking racial integration for its own sake? Or were we only seeking it for the sake of equity, believing that integration into the majority culture was the surest way to guarantee fairness? Perhaps we didn't know then, and maybe we don't know now. Fifty years after the Fair Housing Act, we have now run head-on into the structural and economic underpinnings of segregation and inequity. Initial success has uncovered deeper structures of discrimination.

Now, racial segregation always had to do with a policy decision in Virginia about who would be poor. From the very beginning, America assigned poverty by race. I'm telling the truth now, and this is the way it's been here in Virginia for four hundred years. And therefore, segregating by wealth, even today, is often an effective mechanism for segregating by race. Increasingly, that is the shape of the battle for integration and equity today. So, let's take a look briefly at two of the structural and economic realities which describe the next cliff that must be climbed for the sake of fair housing. These two problems are housing supply and the common wealth. Housing supply relates both to the cost of construction and to the income differentials, which have been a deliberate part of the American economic system for nearly four centuries. Your income class is still determined by your race in America. For African Americans, current median income nationally is \$38,555. And if a person has no other debt at \$38,000, and has money for a down payment at \$38,000, he or she can buy a house for up to \$130,000. If they rent, they can afford \$1000 per month, according to the federal guidelines. Purchase is out of the question for more than half of African American families, and a significant number of renters must spend a disproportionately high percentage of their income on rent. The ballooning disparity of income between investment earners and wage earners, over the fifty years since the Fair Housing Act, has multiplied the severity of our situation. In the past fifty years, the wealth of persons living on investments has increased 300% in real dollars, in constant dollars, 300%. And the income of persons on wages has increased 16%. That's twenty times as much for people who are living off investments. That is what was allowed to inflate when they stopped wage inflation. Wages increased by 16%.

The racial implications of this distinction are mind blowing. The median wealth of white families is \$116,500. The median

wealth of African Americans is less than \$2000. Federal housing policy of rental for African Americans and purchase for whites for the last eighty years or sixty years played a major role in this scandalous development, together with the enormous, never remediated subprime lending scam of this last decade.

Today in America, new houses can hardly be built for less than \$225,000. Depends on where you are, but that's about it, including land. Suburban housing subdivisions concentrate construction in a single price range. I always love going by a place that says, "beginning in the low five-nineties." I used to be in advertising. And, you know, you try to throw those words in, like, low with five ninety, that's the deal. Fewer than 20% of African American families could possibly qualify to purchase a new home in the least expensive subdivision of the American suburbs.

Transportation is part of the housing equation. The sprawling suburbs, built since the Fair Housing Act, subsidized by the federal highway policy, are not designed to be served by public transportation. Therefore, no one without a car can live in significant parts of the housing universe. The threshold for entry into many neighborhoods is, therefore, a minimum additional cost of \$5000 a year in income for the car. And if workers are pushed to older suburbs by gentrification, they may have to bear this additional transportation cost as well.

The data in the City of Richmond, which is where most lower-income people live, 60% of our households have no car or one car. And in the surrounding wealthier counties, where the median income is twice as much as the City of Richmond, 60% of the houses have two or more cars. That's how this thing works.

Since minority incomes are clustered in the bottom half of the scale, income becomes an effective racial discriminator. Don't we know vast areas of newly developed suburban land become effectively segregated, as do the parts of the inner city where gentrification and urban village development are seizing the day. Not enough affordable housing is available. We've heard some great statistics on that, and what is available is concentrated and effectively segregated.

The second issue is common wealth. And when we talk about integration and equity, our initial goals here, we're actually talking not only about a house, but about a house in a supportive, nourishing, and effective social context, a situation where there is

common wealth. And this is the greatest disappointment in the vision of fair housing that we shared. Economic segregation has guaranteed racial segregation, and that economic segregation, a concentration of under-resourced families, is accompanied almost inevitably with a depleted common wealth. And nowhere is this more apparent than in public education.

Full disclosure—I'm married to a third-grade teacher in the City of Richmond and put four kids through the Richmond public schools. The dual system of racially segregated schools was outlawed. But now in the South, as well as in the rest of the nation, our schools are segregated by income and political jurisdiction. Contra Costa [County, California] has how many school districts in one county, fourteen? Boy, that's just really innovative for segregation. It means, almost inevitably, that these schools are segregated by race.

No school system of 1968 was prepared for today's physical concentration of social needs in one student body, for this depletion of the common wealth, for this concentration of traumatized children. Wise and experienced educators have, over the last several decades, identified strategies that can be successful in this environment. But they cost money, and they need economic and racial diversity to succeed.

Since the Civil Rights Act of 1968, in the last fifty years America's cities have continued to be fragmented into separate tax districts and school districts. And these jurisdictions divide up the metropolitan city by race and income, featuring different prices of housing. The political and physical fragmentation of our cities is our major educational reality. Our schools reflect the economically segmented populations. And Genevieve Siegel-Hawley has some good data on the fact that solid, well thought through, economically and racially engaged schools are the best we have. And I've got four kids, with ten college and advanced degrees to prove it, who are prospering from an effective, integrated education.

But since public education is financed by the property tax, primarily, the wealthiest jurisdictions have the greatest resources and lowest tax rates at the same time. And then the jurisdictions where there's the highest need, which is often from 150% to 200% as much in what you need to pay for public school funding, the resources are the lowest. New suburbs free of economic diversity, strategically planned to be free of economic diversity, with the

lowest burden of social services and a high rate of new construction, using roadways paid for by the federal and state taxes, fill their public school classrooms with the ambitious, privileged, literate children of the college graduates who live in their homes. And the classrooms are even peppered with nonwhite students, giving the false impression of a post-racial society.

This fragmentation of American cities, in some cases in some cities I know into as many as 200 separate tax and school districts, affects all public and social services, parks and recreation, and crime rates, as well as the availability of volunteers and community leaders who have discretionary resources. Shopping and jobs go where the highways and Mastercards are, further depleting the social context of lower-income people. The common wealth is co-opted by the wealthy.

Jurisdictional separation creates a powerful incentive for governments to block affordable housing. If there's class prejudice or racism, here is a virtual dictionary of policy code words so that discrimination does not need to openly identify itself. The poor are chased around the metro city from jurisdiction to jurisdiction. Gentrification is encouraged, even by persons who should know better, as poor jurisdictions seek to compete for an augmented tax base. The economic incentives for competing governments in a single metro city to limit or discourage affordable housing are enormous. Turn to your neighbor and say that really feels bad.

Today's presentations have given us a powerful sense of the creative work going on in fair housing today as we know it. They have also brought us face-to-face with the economic engine which drives the train of discrimination. Integration and equity come face-to-face with the structural inequity and disintegration in city after city. And the complex remedies must be fought out not only nationally, but inventively in locality after locality. Sara [Pratt], you said that really well. It takes that.

In addition to vigilance and fair housing enforcement, our work is now focused both on increasing the housing supply and in rebuilding our common wealth. New coalitions for these efforts are forming in cities across the country. Public transportation is a quick win in terms of improving everybody's accessibility to the common wealth, and advances the whole effort exponentially. And that's happening in a number of cities in this country too. And so do these experiments in cross-jurisdictional public educa-

2019]

HOUSING SUPPLY AND THE COMMON WEALTH

1037

tion, such as Genevieve is talking about today. The problems of integration and equity, housing supply and common wealth, may occur everywhere. But they're always local. And they always must be addressed locally. Integration and equity were the stated, unfulfilled goals of the American Revolution 230 years ago. Segregation by race, or by its surrogate, segregation by income and wealth, is the enemy. And it is still our task today to complete the American Revolution.