



Jim Crow of the North Discussion Guide

“It is hard to argue that housing is not a fundamental human need. Decent, affordable housing should be a basic right for everybody in this country. The reason is simple: without stable shelter, everything else falls apart.” — Matthew Desmond, Evicted: Poverty and Profit in the American City



This discussion guide is a tour guide -- a way to explore the racial housing and wealth gap in Madison. All from your armchair via the internet! There are nine stops on the tour. We'll visit a historic district in Madison, the local Recorder of Deeds "office," a repository of redlining maps at the University of Richmond, and more. Our quest is an unfiltered picture of the segregated housing gap in Madison – what it was and what it is. And yes, there are also discussion questions!

Home ownership is the primary way we build wealth. And wealth, not income, is the basis for economic security and stability during life's ups and downs be they health, job, family, or pandemic. It's also the ticket to economic mobility, the ability to go where the opportunities are – be they education or jobs.

Wisconsin's home ownership gap is the 3rd worst in the nation.

Today in the U.S. there is an extreme racial wealth gap tied to home ownership. This gap is worse in Wisconsin and Madison than the national average. In fact, Wisconsin's home ownership gap is the third worst in the nation according to the National Association of Realtors.

The problem is the home ownership gap is getting worse, not better.

“The gap in the homeownership rate between black and white families in the US is bigger today than it was when it was legal to refuse to sell someone a home because of the color of their skin.” - The Urban Institute

Black/White Home Ownership Gap		
U.S.	74% White 44% Black	U.S. Census Bureau
Wisconsin	71% White 23% Black	National Assn. of Realtors
Dane County	10.1% Black	National Assn. of Realtors

In 1960, there was a 27-point gap between black homeownership (38 percent) and white homeownership (65 percent). Today the gap is 30% nationally, 48% in Wisconsin. Gains made after the 1968 Fair Housing Act were erased in the housing crash of 2008.



Wealth – or lack of – is passed from generation to generation. Once caught in the gap, it’s hard to get out.

The 2019 *Race in the Heartland* report notes that the home ownership gap “is a mechanism which—by creating and sustaining wide disparities in racial wealth—***cements those disadvantages in place from one generation to the next.***”

The home ownership gap and how we got here

Racism can’t hide. It shows itself where we live or don’t live or can’t live. Drive through a city and the predominantly White, Black and Brown parts of town are obvious. To know why, we look to redlining, restrictive housing covenants, and real estate codes that prevented people of color from buying in to the housing boom in the mid-20th century and building equity. These policies and white antipathy shaped the current neighborhoods and suburbs of northern American cities, including Madison. The legacy of the past is still with us today.

1930s. Starting in the 1930s, the government spurred the sluggish housing industry by making home loans more affordable. Favorable terms made loans payable over many years while building equity. Lower to middle class families could now acquire an affordable home costing about twice their annual income.

1940s-50s Suburban neighborhoods sprouted up everywhere, including Madison. In the early 1950s Madison was the fastest growing city in Wisconsin and the need for more housing was acute. Between 1940 and 1950 the population of Madison grew by 42% from 67,447 to 96,056.

But Blacks did not have an equal share in the housing boom. When the FHA financed a developer of a suburb or subdivision, it required the developer to sell only to white people. When the Home Owner’s Loan Corporation (HOLC), FHA and VA backed loans, they too wanted whites. The rationale was property values would fall if non-whites moved in.

1960s By the time the Fair Housing Act became law in 1968, the damage was done. The homes that African Americans could now buy cost as much as six to eight times the median income, not two times as in earlier decades. Meanwhile, white Americans had built equity that financed college educations and down-payments on homes for the next generation.

THE BIG PICTURE IN THE U.S. AND UPPER MIDWEST



The racial housing and wealth gap is a complex problem. This 15-minute video explains it. <http://cnb.cx/3dqGII9>

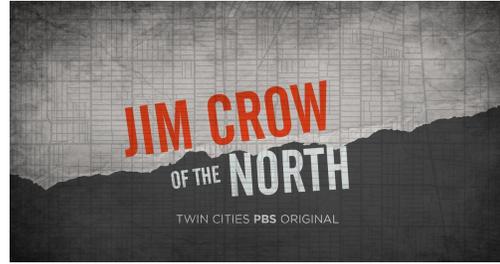
Here are 12 charts from Habitat for Humanity summarizing key policies and impacts from the 1930s to present day. <http://bit.ly/3aw8w5e>

But what about the upper Midwest? What about Madison?



A Call to Justice and Mercy

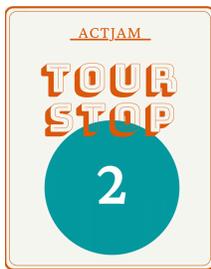
If you haven't viewed *Jim Crow of the North*, this is a good time to jump into the story of how Minneapolis became racially segregated. We're looking at this story because it's not so different from what happened here in Madison and cities across the north.



“[There’s] this very persistent myth that northern cities never had formal segregation. The south had Jim Crow and look at those signs! [“whites only”] Well racial covenants did the work of Jim Crow in the north. All over the north.” *Jim Crow of the North*

Jim Crow of the North can be viewed at no cost at these sites:
<https://www.pbs.org/video/jim-crow-of-the-north-stjws/>
<https://www.youtube.com/watch?v=XWQfDbbQv9E&t=119s>

WHO LIVES WHERE IN MADISON TODAY?



Today's segregated neighborhoods are a symptom and legacy of unjust policies and practices. Historically, people of color got the leftovers – places where white people didn't want to live. That combined with restrictions on financing made it nearly impossible to get an insured loan, forced a preponderance of Black and brown neighbors into rental housing, which in turn created a racial wealth gap that persists today. Wisconsin's racial home ownership gap comparing white and Black home ownership, is the 8th worst in the nation per the 2019 COWS report.

An easy way to observe the racial composition of Madison's neighborhoods is the **Racial Dot Map**. This map uses the 2010 census, placing one dot for every person. The dots are color coded: blue for White, green for Black, yellow for Latino, and red for Asian.

You can access the Racial Dot Map here: <http://racialdotmap.demographics.coopercenter.org/> Simply zoom in on Madison using the plus (+) sign. You might want to zoom in on Milwaukee too as you're flying over Wisconsin!

MADISON'S FIRST BLACK NEIGHBORHOOD



The **East Dayton Street National Historic District** is the site of Madison's first African American community. Three buildings remain along East Dayton Street at the corner of North Blount. All three were moved here from elsewhere in the city. You can tour the area with Google [here](#).

The [City of Madison website](#) states: “Prior to the Civil War, very few African-American families lived in Madison, and those who did lived in rented housing and held odd jobs... By 1900 there were nineteen African-American households in the City and twenty-five African-American working men and women. Three African-American



A Call to Justice and Mercy

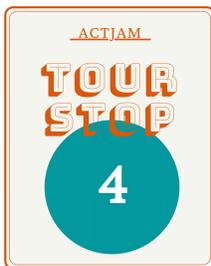
families owned their own homes... In 1910 three of the six black homeowners in Madison lived near the corner of Dayton and Blount, and nineteen of the thirty-nine black households were located in this area.”



Image above from Google Maps

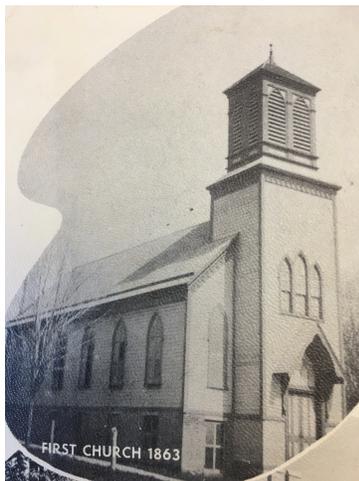
Read about the Hill Grocery here: <http://bit.ly/3blpD9i> and <http://bit.ly/3ufCYZw>

FROM BETHEL TO MADISON’S FIRST BLACK CHURCH



The first African American church in Madison was St. Paul’s AME established in 1902 at 631 East Dayton Street, just a few doors down from “The Miller House” pictured above. Like many of the buildings in this new African American neighborhood, the church building was purchased and moved to this location.

The church was purchased from Bethel Lutheran. Bethel’s very first building became the first African American church in Madison. The St. Paul’s AME congregation, like Bethel, continues today. Read more about St. Paul’s [here](#).



The picture on the left is the original Bethel Lutheran Church built in 1863 at the corner of Hamilton, Butler and Johnson Streets.

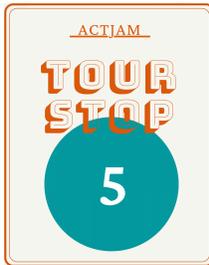
The congregation of St. Paul’s AME purchased the building in 1902 for \$150 and moved it to East Dayton Street where it remained for 63 years. Bethel built a new church at the Hamilton and Butler site.

St. Paul’s AME image: Wisconsin Historical Society





YES, MADISON WAS REDLINED



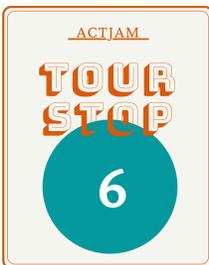
Madison was one of 239 cities “redlined” between 1935 and 1940 to identify the most desirable neighborhoods for investment and loans by the Home Owner’s Loan Corporation. The maps were then used by the FHA and the VA to approve or deny loans. **Access the interactive “redlined” map for Madison here:** <http://bit.ly/3duOQRc>

The map shows graded and color-coded neighborhoods ranging from “A” = Green/”Best” to “D” = Red/”Hazardous.” “C” or yellow meant “definitely declining.” Not surprisingly, loans for homes in the red and yellow areas were often denied.

Madison’s assessment was done in 1937 by a local mortgage appraiser. In the 1940 census, there were 365 African Americans in Madison living primarily in three areas: Greenbush (D2), the near east side along Dayton St. (D3) and an area south of Greenbush along Park St. (D10). All three of these areas are coded red for “hazardous.”

- Click on one of the red neighborhoods to see the assessor’s rationale.
- Look for Section 4 – Detrimental Influences. For example, Detrimental Influences for section D3 reads: “Negroes. Proximity to business section.”
- Look for Section 14: Clarifying Remarks. For example, the Greenbush neighborhood is the large red area west of downtown labeled D2. The assessor notes: “Most troublesome area in city. Predominating foreign population of Madison. Many Sicilians live in this area and are reputed as meeting their obligations fairly satisfactorily. The Italians resent being called Sicilians.” The assessor notes there are 20 “Negroes” in the area.
- Madison’s assessment was done in 1937. In the 1940 census, there were 365 African Americans in Madison living in three areas: Greenbush (D2), the near east side along Dayton St. (D3) and an area south of Greenbush along Park St. (D10).
- Click on the green neighborhoods to see the assessor’s comments.
- Compare the Racial Dot Map for Madison today (Tour Stop #2) to the redlined map.

RACIALLY RESTRICTIVE COVENANTS IN AND AROUND MADISON



Restrictive covenants described in *Jim Crow of the North* were prevalent in Madison. Many “green” areas on the redlining map – Maple Bluff, Shorewood Hills, Nakoma, and University Heights – had racially restrictive covenants that prevented the sale of the property to non-whites. Pre-WWII suburbs of Westmorland, Sunset Village and Crestwood also had racially restrictive covenants as did developments in Middleton, Monona, and Sun Prairie.



A Call to Justice and Mercy

The language was explicit. The most common wording was “Only members of the Caucasian race shall use or occupy any dwelling in said plat, excepting that this covenant shall not prevent occupancy by domestic servants of a different race employed by an owner or tenant.” Nakoma’s wording was “No part of these premises shall ever be owned or occupied by any person of the Ethiopian race.”

Deeds with racially restrictive covenants are still on file in Dane County. (The racial covenants are no longer enforceable.) It’s one thing to read about these restrictions. It’s another to see an actual deed with this language.

Here are a few examples to view on line at the Dane County Recorder of Deeds:

- Sunset Village (5/27/1942) – Madison: <https://rod.countyofdane.com/Plat/Detail/235900>
- Crestwood (7/22/1938) – Madison: <https://rod.countyofdane.com/Plat/Detail/045100>
- Homestead Highlands (1942) – Monona: <https://rod.countyofdane.com/Plat/Detail/097700>
- Schey Acres – Sun Prairie: <https://rod.countyofdane.com/Plat/Detail/213200>
- Park Lawn (10/7/47) – Middleton: <https://rod.countyofdane.com/Plat/Detail/168100>

REAL ESTATE CODES



In addition to redlining and racially restrictive covenants, in the 1940s the national real estate code of ethics specified: “You will not sell to a race or character of occupancy which will materially depreciate the neighborhood.”

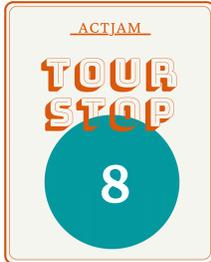
In 1946, Madison realtor Fran Remeika sold a property at 217 N. Mills Street - a “white neighborhood” - to an African American family. Fran died in 2012 and her obituary describes the 1946 incident:

“In 1945, Fran started working for realtor Rolf Darbo, joined the Madison Board of Realtors, and became a real estate agent herself. A year later she was the first Madison realtor to sell a property in a white neighborhood to an African-American family. She and Darbo were “tried” by the real estate board “vigilance committee” for “violating the code of ethics.” As a penalty, they were fined and suspended from the real estate Board. This discriminatory incident and Fran’s early civil rights action were recognized in a 2006 Madison Theatre Guild play, ‘Surrounded by Reality,’ by local playwright Nick Schweitzer.”

The property that Fran sold became known as the Doxey Rooming House. The Doxey’s bought the property to house Black women at the university who were studying to become teachers.



CARSON GULLEY'S STORY



Watch the Carson Gulley video (8 minutes):

https://www.youtube.com/watch?v=4SvsFtoiId0&feature=emb_logo

History is more than dates, laws, and policies. History is personal as it's made by people living amid the dates, laws and policies.

Carson Gulley was a prominent African American in Madison in the 1930s, 40s, and 50s but his job and status as chef for University Housing, TV and radio personality did not help him secure a place to live.

This came to a head in 1954 when the Gulley's purchased land to build a home in the Crestwood subdivision. A petition was started to have the cooperative buy back the land, citing the belief that property values would fall if "Negros" moved in to the neighborhood. The motion was defeated by a vote of 64 to 30. The Gulley's built their home and moved in.

In 1957, the Wisconsin Governor's Commission on Human Rights sponsored a "Case Study of Integrated Housing and Property Values" using the Gulley's example. The conclusion was that property values were not affected.

SOLUTIONS



There are innovative solutions here in Madison to the racial home ownership and wealth gap. Here are a few:

In August, 2020, the **Urban League of Greater Madison** announced a \$5,000,000 Homeownership Program. The Urban League will buy and renovate 15 to 17 homes to resell to low- and moderate-income families seeking their first home. The program offers no-down payment, interest-only terms with a saving and wealth building component. This program builds on lease/purchase program that has helped 50 families buy a home. Urban League Home Ownership program <https://ulgm.org/home-ownership-program/>

For the past 32 years, **Habitat for Humanity** has built 300 homes in Dane County for families of modest means. Habitat homes have a 1% down payment and mortgage payments that are 28% of the homeowner's income – about \$600 - \$800 a month. <http://bit.ly/3sbrbt1>

Common Wealth Development offers a lease purchase program. Participants lease a house from Common Wealth with an option to purchase. A portion of the monthly rent is deposited into an account to accrue a down payment of 3 to 5%. Once the down payment is accrued, the future homeowner can purchase the house from Common Wealth. <http://bit.ly/3umGUYq>



Madison Area Community Land Trust buys and renovates homes under a land trust model. Homeowners purchase their house, but not the land, which lowers the price. The land is leased by the homeowner from the land trust. When MACLT homeowners sell their home, 75% of the appreciated value stays with the house, so it's more affordable for the next buyer. The CLT homeowner also gets to keep the equity they invested into the home plus 25% of the increase in value. MACLT stewards the land under the 69 homes in its portfolio to keep the houses affordable over generations. <https://affordablehome.org/>

The City of Madison's **Home-Buy the American Dream** provides a loan to cover down payment and closing costs up to \$20,000 in Madison and \$5,000 in Dane County. The loan has no monthly payments and becomes due when the house is sold. <https://bit.ly/2Zr0HaK>

Discussion Questions

1. What aspects of the film *Jim Crow of the North* did you find most surprising?
2. What aspects of Madison's history with redlining and racial covenants did you find most surprising?
3. What is the primary lesson of looking back at this history?
4. Racial covenants have been illegal for more than 50 years. Why should we care about them today?
5. Why is the history of racial covenants and redlining in the North is not more widely known?
6. What role did the federal government play? What roles were local?
7. Why does wealth matter as much if not more than income?
8. In what ways were many white people in Madison the beneficiaries of these segregation policies, either directly or indirectly?
9. How similar or different are the redlining maps from the predominantly white and non-white areas of Madison today?
10. How are current racial disparities in home ownership and wealth traceable to policies of redlining and racial covenants?
11. What accounts for the extremely low rate of home ownership by African Americans in Dane County?
12. Is it possible to close the home ownership/wealth gap? If so, what will it take? If not, what are the implications?