Southeast Raleigh Residents Beg Local Officials for Help Staying in their Homes

Jasmine Gallup Oct. 26, 2021 2:11 p.m. INDY Week

Homeowners in southeast Raleigh pleaded for help with <u>rising property taxes</u> last week during a forum hosted by <u>ONE Wake</u>, a nonprofit advocating for affordable housing.

"The legacy of living in the first African American subdivision is very, very special to me," Rochester Heights resident Elaine Peebles-Brown said during the forum, her voice breaking. "I hope to keep this home in the Peebles family. I hope one day that my granddaughter or my niece or my nephew will live in my home after I'm gone.

"Please, please, please help us keep our families' legacy alive."

Many <u>longtime</u>, <u>low-income homeowners are struggling to stay in their homes</u> as property taxes skyrocket. A surge in new construction has led to rising property values and gentrification.

"[A recent study found] the least expensive homes in Wake County had an effective tax rate that was 13 percent higher than the most expensive homes," said the Rev. Lisa Yebuah of the Southeast Raleigh Table, explaining how historically Black neighborhoods are now suffering.

"Many of these neighborhoods were once segregated and relegated as the only spaces for Black people in Raleigh and across Wake County who wanted to purchase homes. The same homeowners who once labored to improve their

neighborhoods ... now fear losing their homes due to unaffordable property tax increases. These homeowners made beauty out of ashes."

Yebuah went on to say that these homeowners are "important investors" in the city and deserve to benefit from Raleigh's "dramatic economic transformation."

In an effort to address gentrification, Durham, Orange, and Mecklenburg counties recently started grant programs that give one-time payments to people to help them pay their annual tax bill. These programs are short-term, however, made possible by federal funding through the American Rescue Plan Act. ONE Wake leaders say more help is needed.

"We realized that many people needed more than a handout or their rent paid for one month," said the Rev. Dr. Rose Cornelious. "We knew that unless we addressed the root causes that contributed to where they are, they would keep being needy, they would keep being ignored, they would keep being trampled on by landlords, the judicial system, politicians, employers and others who had power over them."

ONE Wake is proposing a program that would offer tax relief to people who have owned their homes for at least 10 years and earn less than 80 percent area median income. The program would cover any and all property taxes that exceed 2 percent of qualifying homeowners' annual income, said the Rev. Donna Battle.

"This element will ensure this program scales to address property tax increases in the future," she said, "unlike the programs recently passed in Durham, Mecklenburg and Orange counties, which all have caps that quickly make those programs outdated."

ONE Wake asked county and city officials to commit to creating a long-term tax relief program by the start of the next fiscal year. The officials who were present—Wake County Board of Commissioners Chair Matt Calabria and Raleigh city council members Stormie Forte and Corey Branch—agreed without hesitation.

Calabria's pledge came with a promise that county staff are already investigating how to start such a program.

"It will probably take the form of a human services program targeted to low-income or low-wealth homeowners," he said. "It really will be targeted to this population and it will be about making sure we alleviate some of the burden."

The comments from Forte and Branch were less committal. Forte said she'd spoken with the city manager and city attorney and hopes to use American Rescue Act funds to "get the ball rolling." Branch said he'd also spoken with staff and they want to work with ONE Wake organizers to "figure out how we can make a real, meaningful impact."

"[An] 80 percent [income limit] may be too high," he said. "We may need to lower it."

Branch has a point—some housing experts say the most effective affordable housing programs target the most vulnerable residents, those who are making less than 30 percent area median income. On the other hand, ONE Wake's proposal does much more to help homeowners than existing programs that don't make a permanent or long-term investment in affordable housing.

The city council's position on long-term property tax relief for longtime homeowners is uncertain. While Calabria—the top public official in Wake County —made a commitment to implementing a ONE Wake-style program, Raleigh Mayor Mary-Ann Baldwin was not present at the forum, merely sending a waffling statement about the importance of affordable housing.

<u>Baldwin has led multiple initiatives to increase affordable housing</u> during her time in office, but she has not yet thrown her support behind this particular strategy.

"We need to continue to do everything we can to address housing affordability. This

includes building more affordable housing throughout the city and protecting our most vulnerable longtime homeowners from gentrification's rising costs," Baldwin said in her statement.

"As you all know, housing affordability is a complicated topic and I am open to further discussion. I look forward to working with you and my colleagues on the Raleigh city council and the Wake County commission to potentially expand on [tax relief] programs and meet the needs of our residents.

"My hope is we can all come together on a practical solution to ensure Raleigh remains a city of progress, opportunity, and compassion."

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