

Historical Black Durham Renewed, But Displaced

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Abstract

Durham's Hayti district and Black Wall Street was once a prominent Black community with booming business, wealth, and residency. This paper reflects on the displacement of Black households and livelihoods, caused by the urban renewal in Durham NC. The combination of urban renewal, redlining, and the Southside Development Project perpetuated the displacement of Black families, gentrification, and ultimately the fall of Black Wall Street. The destruction of Black wealth and homes has caused a decrease in financial literacy and an increase in gentrification in low-income areas. Durham residents now face the consequences of those decisions made over 50 years ago.

Introduction

Wealth is one of the core foundations for every successful community, making it especially important to discuss wealth inequities. The Durham Hayti District was a once-thriving Black community with abundant businesses and wealth. Historically the Hayti District stretched across Fayetteville Street, Pettigrew Street, and Pine Street, where there were 5,000 residents. The majority of Black residents in Durham lived in the Hayti District making it 100% Black. People in the Hayti District had the highest rates of homeownership and per capita income in the nation. Hayti had a Black-owned theatre (The Regal), a hotel (The Baltimore Hotel), grocery stores, schools, and students who attended North Carolina Central University. However, Durham officials claimed that the community was outdated, overcrowded, unsanitary, unsafe, and had unimproved streets, so they decided to remodel the community. Hayti residents were forced out just 50 years ago and now they face the displacement of gentrification (Smith, 2017).

Black Wall Street was nicknamed “The Mecca Of Black Capitalism”, for owning an insurance company (NC Mutual Life), bank, textile mill, cigar factory, brickyards, ironworks, furniture factory, library, multiple retail stores, and a hospital (Jones, 2014). The assets of the top five Black-owned financial institutions in Durham amounted to \$8 million (Brown & Valk, 2004). The North Carolina Mutual Life Insurance company was once the largest Black business in the world. Contrary to the societal norms of White wealth, there were one hundred and fifteen successful Black businesses created. During that period White and Black entrepreneurs didn’t protest Black people working labor jobs because of the economic growth. Because of Black Wall Street’s success, Durham was gaining an international reputation for manufacturing (Brown & Valk, 2004)

Research Question

How did the 1970s Urban Renewal Act impact Hayti and Black Wall Street in Durham, NC?

Thesis Statement

The combination of urban renewal, redlining, and the Southside Development Project perpetuated the displacement of Black families, gentrification, and ultimately the fall of Black Wall Street.

Literature Review & Terminology

Gentrification is defined as the process of increasing the economic value of a neighborhood which causes the residents to be forced out (Saunders, 2016). Gentrification is characterized by the rapid renewal of urban areas. Additionally, urban renewal is defined as the construction to replace or restore substandard buildings in an urban area (Saunders, 2016). The renewal process of a town attracts new residents which, in turn, raises the surrounding house values because they’re closer to urban areas that people want to live in. The term ‘White flight’ is

used to describe White people who flee from areas that are vast of minorities. In the 1960s the urban renewal of the Hayti community forced out Black community members and destroyed their economy.

The source used to find information on Hayti's background was a document by Frederick E. Ehrsam and Duke professor Charles Becker. It explained the creation and downfall of the Hayti District. An NCCU news article made by Autavius Smith, a current NCCU student, gave insight on the past accomplishments within Hayti.

Limitations

Some limitations faced during this paper were the lack of empirical research and scholarly articles on the southside development and urban renewal of Black Durham. To refine my search, I used research from local professors at Duke and reliable sources of data from websites.

Methodology

This paper used a variety of secondary sources to support its argument. The WomenNC of The University of North Carolina at Chapel Hill provided information on Black Wall Street and Haytis' displacements and the flaws within the Southside Revitalization Project. Terminology and statistics on gentrification and displacement were taken from literature in the Journal of Planning Literature to support the argument. Scholarly research papers were referenced from Duke about Hayti's history and Displacement in Durham. This literature was then synthesized to understand the impact of urban renewal, redlining, and the southside development project on the gentrification of Black families and the fall of Black Wall Street.

Findings

Urban Renewal

As automobiles were gaining popularity as a new means of transportation, living in the city was no longer a necessity. There was also a decline in business, due to a shift in consumption which promoted suburban shopping areas that were more accessible for automobiles. Civilians could now live farther away and travel to work in their personal vehicles. This phenomenon fueled the demand for roads and highways in Durham. Urbanization was the future, and Durham wanted to be in the lead. Most of those who moved to the suburbs were White, so low-income Blacks were left to face the onslaught of urban renewal. When the Urban Renewal Project went to a public vote, over 90% of Black people voted in support. To provide automobile access to essential areas, Durham decided to create roadways. Hayti was seen as run down and was a prime spot for roadways to the suburbs. This way it was easy to label it as an ‘urban renewal’ and not the destruction of historical land that it was. The end product was the construction of Highway 147 that crossed right through the Hayti community and isolated Black businesses. Without any access to their consumers, their businesses failed due to the freeway that blocked their path, causing it to crumble. The overall cost of the highway and six other projects was \$41.6 million dollars. They forced out 4,057 households and 502 businesses. Over the course of 14 years, the population of Blacks in the area was reduced by half and Black businesses in mass were extradited (Ehram & Becker, 2010). As segregation in the city began to end, so did the businesses that flourished because of segregation. The budget of \$845,000 that was meant to fund housing for the Hayti residents, was instead used to replace historic neighborhoods with low-income apartments (Ehram & Becker, 2010). The Construction of Fayette Place in 1967 was where many forced out former Hayti residents now resided. Fayette Place was demolished forty years later in 2009 and remains vacant today.

The money funneled through the federal government functionally wiped out Black

neighborhoods that had been prevented from prospering due to federal aid and local policy.

Causing forced relocation, and decimation of communities and cultural ties (Ladue, 2018).

African Americans displaced by urban renewal are often poorly educated, low-income, elderly, and live alone compared to the white flight residents who settle down. Due to Durham's disinvestment and targeting of minority households, they are vulnerable to the effects of gentrification.

Redlining/Redistricting

The redlining policy of 1937, created by the Home Owners' Loan Corporation, restricted access to loans in historically Black neighborhoods, making it difficult for Black Wall Street businesses to receive aid. There were also racial covenant neighborhoods that restricted non-whites from purchasing homes. Those who did purchase homes in all-White neighborhoods were targeted with increased rent and violence from the community. Redlining prevented people of color from moving into the suburbs, thus forcing them to create their own communities. Loans and mortgages were denied for people of color, or the interest rates were raised. The banks considered Black communities too 'inappropriate' and 'undesirable' to provide loans to and while the popularity of the suburbs grew, property value, tax revenue, and infrastructure declined. The Black community didn't have the time or the financial means to recover from the 1960s urban renewal. If people of color in Durham were allowed access to these amenities, then maybe Hayti residents would've been able to move to the same suburbs the Whites were allowed in. Instead, they were promised a remodeled community and were left with little to nothing. Just for those same "White flighters" to come and take the land they worked for.

Southside Development Project

The Southside Revitalization Project aimed to provide affordable housing for Downtown Durham residents by offering rent and houses below the market rate. In 2012, the project began in Hayti by creating rental units, for those who were 60% or more below the median income (Allory et. al. 2017). The plan failed because there were many flaws within the policy.

- (1) The first being that, many of the residential units are occupied by students or those who are temporarily low-income (Allory et. al. 2017).
- (2) The project was aimed to help low-income civilians obtain housing for cheap; however, these civilians lack financial literacy and the time to save money for one of the houses.
- (3) The policy expired in 2017, undoing any good it could have potentially done. Those who bought the houses would then sell their house for the market value which would be much greater than the price they bought it for.
- (4) The long-term effects of displacing Hayti residents have a generational effect on its victims. Poor education and increasing poverty rates has made it hard for homeownership to become customary.

This project and other resources have shown that the local government targeted the Hayti and Black Wall Street community, causing them to fall. With the aid of the Federal government, Durham officials were able to carry out their plans of urban renewal and prevalence within the future. Durham officials received \$41.6 million from the federal government for the urbanization process that would attract more visitors. This gave the initiative for Durham to remodel areas that were seen as 'unimproved', and Hayti was categorized as one of the districts that needed improving. The city put little consideration into the residents and businesses that resided in this area, because they focused on appealing to the eyes of the soon to be growing population. Durham currently is one of the top cities to live in with 20 new people moving here each day

after investing in urban renewal, the Southside Revitalization Project, and Redlining/redistricting the Hayti community.

Conclusion

The urban renewal that was forced upon the Hayti community destroyed their community and is shown through the gentrification happening today. More home builders are flocking here and flipping old historic homes, making 42% of Durham renters spend more than 30% of their income on rent. Durham's plan to remodel and gain the attention of White flighters' succeeded, and by the time anyone had noticed, it was already too late. Hayti became a tale of the past. To give back, Durham should plan to provide affordable housing for low-income minorities so displaced people have a place to stay. By not remodeling low-income neighborhoods and marketing them at high prices, this ensures that urban renewal doesn't displace city residents. Financial literacy needs to be taught in low-income communities in order to increase homeownership for minorities to teach the importance of saving funds to afford the below-market housing. This will require the local and federal government to raise the minimum wage for low-income families to be able to afford living in neighborhoods. When riding down the streets of present-day Hayti, most people notice the modern, remodeled homes. Some may think the houses are beneficial because they look nice, but behind that exterior is oppression and discrimination.

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