

To: Chapel Hill Town Council  
From: Council Members Karen Stegman and Michael Parker  
Subject: Petition to contribute to tax equity fund  
Date: May 18, 2021

On May 4, Commissioner Sally Greene petitioned the Orange County Board of Commissioners to create a permanent fund to subsidize the county property tax payments for low-income property owners whose valuation has risen to unsustainable levels in the 2021 revaluation. A legal analysis will need to be undertaken in order to establish detailed eligibility criteria, but the principle is to provide redress for grossly imbalanced and inequitable results clearly seen in Northside and Pine Knolls and possibly evident elsewhere due to systemic racial inequities in the valuation. This petition calls on the Town Council to commit to contributing to this fund for the benefit of Chapel Hill residents, should it be approved by the OCBOC and if not approved, to explore options for establishing a Town-specific fund.

With respect to Northside, to take the largest example, the inequities are grounded in a pattern of discrimination against a valuable and historic Black community, extending back at least 100 years. Policy decisions by county and town (see timeline below) resulted in continuous suppression of property values in the neighborhood, so that eventually residential properties could be bought at low prices by investors who put the properties to advantageous and lucrative use. The high values of the investor-owned land have in turn, through the way in which the county has applied the state's appraisal methodology, created artificially high and unsustainable tax values for long-time homeowners.

Because this highly inequitable dilemma is the result of decades of discrimination by local government, it should be local government's obligation to make adequate redress.

Selective timeline for Northside:

#### *Orange County Training School*

1924: After Orange County Training School for Blacks burns, new one is planned on land donated by Black community member John Henry Strowd. This is the site of present-day Northside Elementary.

Location is not in Town limits. No streetlights, no walking paths to the school. Despite protests from Black community, construction goes forward. Black neighbors contributed money, including, especially, to make sure it was made of brick.

1929: Citing cost reasons, the county withdraws support for the school.

1930: Black community votes to tax itself so that the school can be in Chapel Hill School District, which offered 8 months of school rather than the 6 that was given for Black county schools.

1951: Lincoln High construction begins. Thereafter, the building houses a series of county social service programs, including, for some years, the Orange-Person-Chatham Area Program.

### *Public Housing in Orange County*

Six of the thirteen public housing developments are in Northside, including the first two.

1967: Craig-Gomains  
1967: Lindsay St.  
1968: North Columbia St.  
1972: Pritchard Park  
1975: Trinity Court  
1986: Church St./Caldwell St.

Such a concentration of poverty did nothing to help existing property owners build equity.

### *Northside Asks for Help*

1999: The Town of Chapel Hill commissions graduate students in UNC Dept. of City and Regional Planning to conduct a study of Northside and make policy recommendations, in the wake of increasing occupation by UNC students. Among the findings and comments from residents:

- Parking: Too many cars in yards, and even people parking here to go to town or campus
- Noise ordinance not enforced
- Pass-through traffic: not enough stop signs
- Lack of consistent sidewalk network
- Lack of maintenance of town-owned greenways
- “Small pockets of extreme darkness” from inadequate streetlights, creating conditions for crime
- Lack of effective town response to neighborhood concerns
- Deteriorating quality of life

“These are not new issues,” residents said. Residents do not want to be merely studied again.

2004: Northside neighborhood becomes Chapel Hill’s first neighborhood conservation district. An NCD is a zoning overlay. It banned new duplexes and set reasonable dimensional standards to homes. But it did not solve the influx of investor-owners.

2007: Starting with oral histories, community and UNC partners came together to create the Marian Cheek Jackson Center to lend voice and support to the neighborhood.

2012: Northside NCD amended to create Northside and Pine Knolls Community Plan.