

Examples of Racially Restrictive Housing Policies in 20th Century Minneapolis



Minneapolis and generations of its residents have been impacted by a history of racially restrictive housing policies that have shaped the city we now know.

The following are three examples of these racially restrictive housing policies:

Racially Covenants

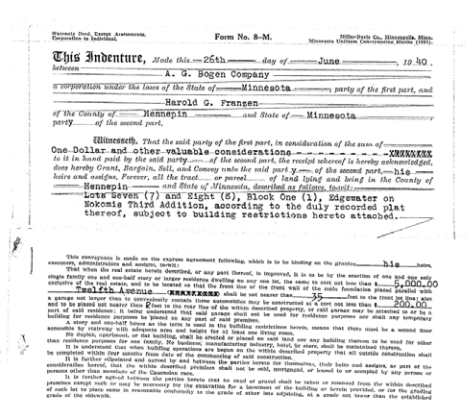
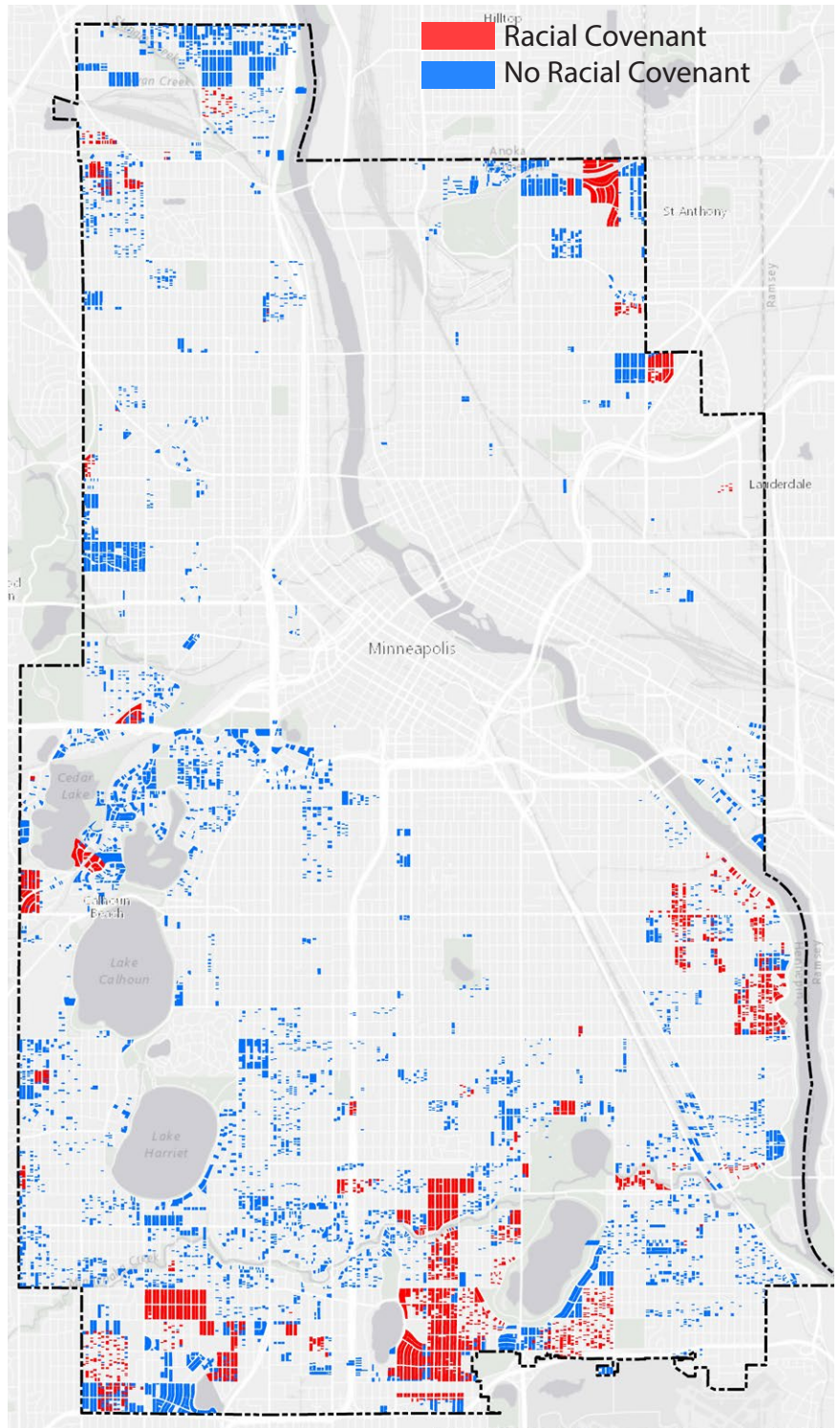
FHA Housing Policy

Home Owners Loan Corporation (HOLC)

Racial Covenants

Racial covenants or racially-restrictive deeds, were used in Minneapolis between 1910 and 1968 to prevent people who were not white from buying or occupying property.

The map to the right features the work of the Mapping Prejudice Project, which aims to catalog all racial restrictions attached to Minneapolis property records during the 20th Century. **Red** denotes where racial covenants have been found, while **blue** indicates no racial covenants. As you can see, the work is very much in progress with just over 17,000 lots sampled so far. Already the team has found over 5,000 properties that once had racial restrictions.



See an example covenant from 1940 above, noting the language “These premises...shall not at any time be conveyed, mortgaged or leased to any person or persons of Chinese, Japanese, Moorish, Turkish, Negro, Mongolian, or African blood or descent.”

For more information, go to mappingprejudice.org

Red and blue areas are properties researched by the Mapping Prejudice Team. Source: (Data) Mapping Prejudice Project.

Federal Housing Authority (FHA) Underwriting Manual

In the wake of the Great Depression the Federal Government looked at ways to help residents retain their homes, increase housing stability, and improve the economy. The Federal Government began to underwrite and back home mortgages, which increased the duration of loans and decreased the amount of down payment needed to purchase the home.

To reduce perceived risk, the government adopted loan underwriting standards publishing those standards in the FHA Underwriting Manual. One of the key elements of the standards was segregation of land uses - keeping polluting factories away from homes, for example. The standards also included segregation of people by race and ethnicity, actively promoting racially restrictive covenants as a tool for maintaining this segregation.

The FHA Underwriting Manual described people of color as undesirable neighbors, overtly employing comparisons with nuisances such as odors and high traffic:

“The more important among the adverse influential factors are the ingress of undesirable racial or nationality groups; infiltration of business or commercial uses of properties; the presence of smoke, odors, fog, heavy trafficked streets and railroads.”

284 (1). Protection from Adverse Influences.—The Valuator should realize that the need of protection from adverse influences is greater in an undeveloped or partially developed area than in any other type of neighborhood and, in general, a high rating should be given only where adequate zoning regulations or effective deed restrictions exist inasmuch as these provide the surest protection against undesirable encroachment and inharmonious use.

284 (2). Carefully compiled zoning regulations are the most effective because they not only exercise control over the subject property but also over the surrounding area. However, they are seldom complete enough to assure a homogeneous and harmonious neighborhood.

284 (3). Recorded deed restrictions should strengthen and supplement zoning ordinances and to be really effective should include the provisions listed below. The restrictions should be recorded with the deed and should run for a period of at least twenty years. Recommended restrictions include the following:

(a) Allocation of definite areas for specific uses such as single or double-family houses, apartments, and business structures.

(b) The placement of buildings so they will have adequate light and air with assurance of a space of at least ten feet between buildings.

(c) Prohibition of the resubdivision of lots.

(d) Prohibition of the erection of more than one dwelling per lot.

(e) Control of the design of all buildings through requiring their approval by a qualified committee and by appropriate cost limitations.

(f) Prohibition of nuisances or undesirable buildings such as stables, pig pens, temporary dwellings, and high fences.

(g) Prohibition of the occupancy of properties except by the race for which they are intended.

(h) Appropriate provisions for enforcement.

Through an overt practice of denying mortgages based upon race and ethnicity, the FHA played a significant role in the legalization and institutionalization of racism and segregation. The Underwriting Manual established the FHA's mortgage lending requirements, ultimately institutionalizing racism and segregation within the housing industry.

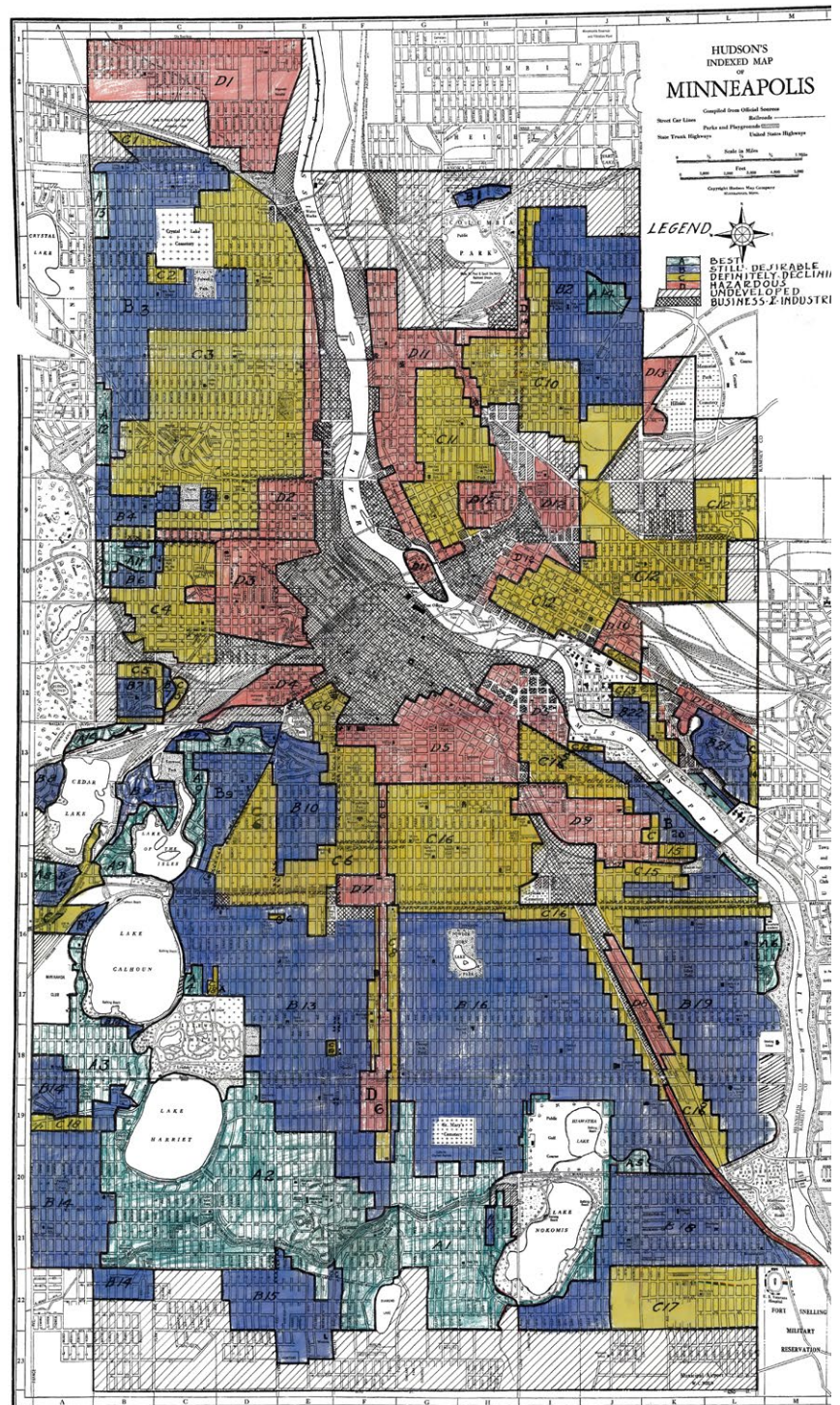
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Home Owners Loan Corporation (HOLC)

Guidelines on mortgage lending, originally created by the Home Owners Loan Corporation (HOLC) between 1930 and 1940, influenced private and public lenders alike in the awarding of mortgages.

These guidelines typically featured overtly racist language in their recommendations of lending viability such as in the text from the sample below describing area D6 in south Minneapolis:

"This area running north and south along 4th Avenue South was once a very substantial and desirable area for homes about 40 years ago. A gradual infiltration of negroes and Asiatics has occurred on 4th Avenue South, beginning at approximately Franklin Avenue moving south to approximately 38th Street. The street car line extends out to 48th Street and although the colored people have not moved much beyond 38th Street, development of 4th Avenue, south of 38th Street, has been very slow because of the continued colored trend southerly and the fact the street car runs into the loop in Minneapolis through the heavily populated colored section. Fifth Avenue on the east and Clinton on the west of 4th Avenue are affected by a large colored population on the avenue. Because of the influence of the class of people on 4th Avenue extending over into C-8, its desirability for residential purposes is seriously effected."



For more information go to:
[Mapping Inequality, Red Lining in New Deal America](#)

Legend

- A - Best
- B - Still Desirable
- C - Definitely Declining
- D - Hazardous

Source: Mapping Inequality, dsl.richmond.edu/panorama/redlining