

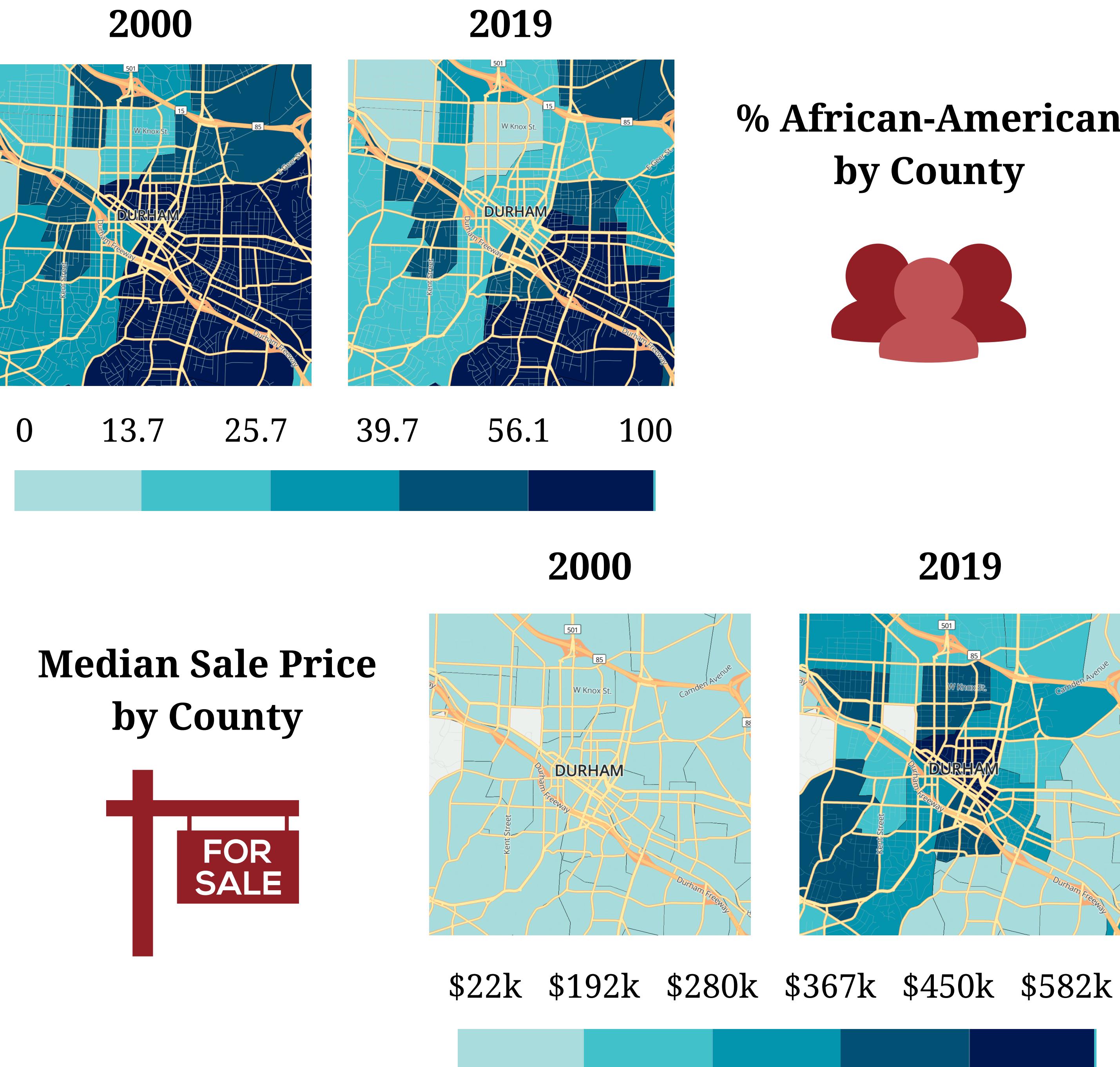
Supporting Low-Income Homeowners Through Property Tax Relief

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BASS CONNECTIONS
Race & Society

Changes in Durham



Methodology:

We partnered with DSS to find participants for our interviews. On the LIHR application, we listed:

- Please check this box to indicate interest in participating in an interview about LIHR and related topics.
 - Interviews will be approximately 1 hour long
 - Conducted on Zoom or phone call
 - Receive a \$40 Amazon e-gift card or Visa gift card

40 applicants checked the box. Once contacted, 17 agreed to an interview with us.

Research Question:

How are low-income homeowners reacting to gentrification and increasing property taxes in their neighborhoods?

- Section 1:** How does LIHR support low-income homeowners?
- Section 2:** How do homeowners describe homeownership and accompanying challenges?
- Section 3:** How do neighborhood changes, if any, affect low-income homeowners?
- Section 4:** How do residents view local government's response to housing and other issues?

What we found from our interviews...

- Section 1**
 - LIHR provides crucial relief to increasing (even tripling) property taxes
 - Expanded eligibility of LIHR essential
 - Marketing that worked: community centers, door-knocking, emails, social media
- Section 2**
 - Utilized financial assistance programs to purchase home
 - Homes have tremendous sentimental value
 - Frugality in repairs
- Section 3**
 - More construction, lots of turnover
 - Younger, whiter residents moving in
 - Fear of rising cost of living, possibility of needing to move
- Section 4**
 - Feel powerless and unaware where to get help
 - Dissatisfied with response to housing issues
 - Community groups are the exception

"[LIHR] was like a light at the end of a tunnel."

"All of my home improvement has been doing it myself."

"Other housing is getting out of reach, and I was lucky to get here when I did."

"Stop approving all these big 'ole apartments... Who can afford that?"

Low-Income Homeowners Relief Program (LIHR)

Durham Department of Social Services (DSS) created LIHR to help residents burdened by increasing property taxes.

- Qualifications for LIHR:**
- 5-year residence in current house
 - Household income is ≤ 80% AMI

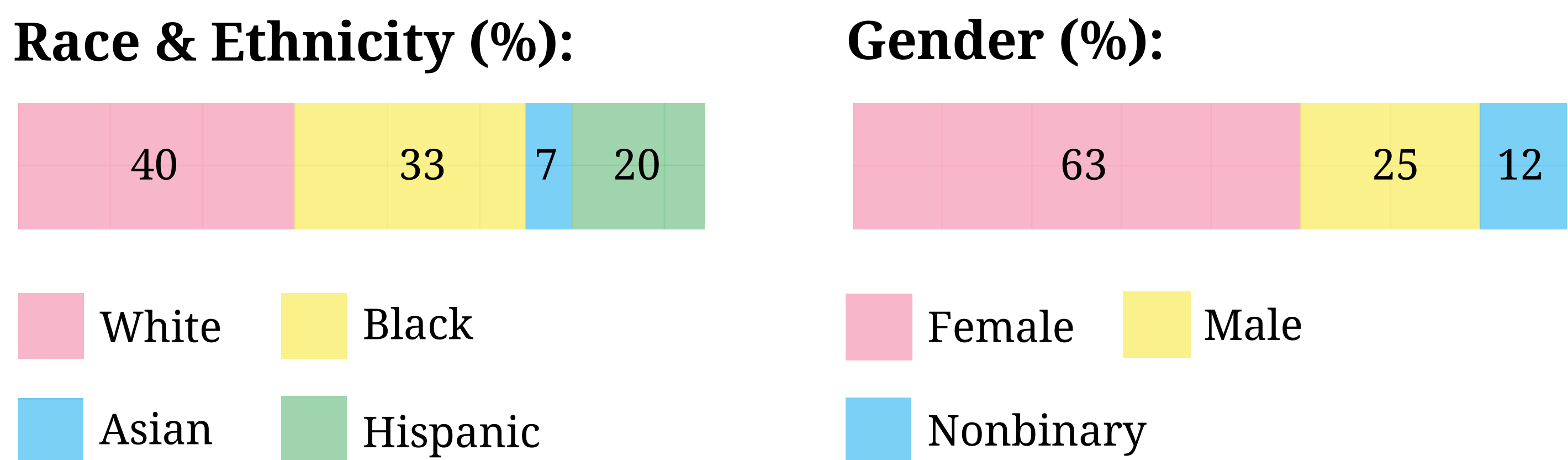


- Objectives of LIHR:**
- Reduce financial hardship associated with rising property taxes
 - Help residents maintain homeownership & remain stably housed

In Durham, the current tax rate is \$1.2799 per hundred dollars. Here is an example calculation of a homeowner's property taxes:

$$\$300,000 \text{ (Assessed Property Value)} \times 0.012799 \text{ (Tax Rate)} = \$3,839.70 \text{ (Property Tax Bill)}$$

Interview Participant Demographics:



Policy Recommendations

- Increase LIHR marketing & community outreach, and better communication with status updates.
- Increase access to home repair assistance programs.
- Build connections between local government and neighborhood organizations in changing areas.
- Hold listening sessions with local government and low-income residents.

