



Developers Got Backing for Affordable Housing. Then the Neighborhood Found Out.

The push from an affluent community in South Carolina to kill a plan for 60 subsidized apartments brought into public view how hard it is to give low-income families access to opportunity-rich neighborhoods.

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When developers set out to build 60 subsidized apartments in an affluent corner of Florence, S.C., the chairman of the County Council waxed enthusiastic. Affordable housing “would serve a great need,” he wrote, and its proximity to services and jobs fit county planning goals. He pledged a small grant.

Then the neighbors found out. Lawyers, executives and civic leaders, they gathered at the Florence Country Club, a half-mile from the proposed development, and vowed to block it. Nine days later, the plan suffered a fatal blow when the Council, in a meeting that took three minutes and 14 seconds, began rezoning the site, led by the chairman who had praised it.

The Council's sudden reversal is the subject of a fair housing suit — most of the prospective tenants were Black in a neighborhood of mostly white residents — and a study of forces that keep low-income families from opportunity-rich neighborhoods.

In many if not most affluent communities, existing land-use rules would have barred low-income housing, with the regulations often operating so quietly that they hide how fully exclusion is a product of design. But a quirk in the Florence County zoning code, permitting the subsidized apartments, brought the opposition into public view.

“What’s unusual here is that we see an exercise of political power that is typically invisible,” said Jessica Trounstone, a political scientist at Vanderbilt University who studies housing regulation. “It makes the opposition to affordable housing clearer than it often is.”

The shortage of affordable housing is wreaking havoc nationwide with families of modest means. Nearly two-thirds of low-income renters — a record share — face “severe cost burdens,” meaning they spend more than half their income on rent and utilities. The federal government deems shelter affordable if it consumes 30 percent of income or less.

At the same time, mounting evidence has emphasized the harm children suffer by growing up in disadvantaged places. As gateways to schools, safety and connections, neighborhoods go far in determining who gets ahead. By moving to better neighborhoods, a pioneering study found, children from low-income families increased their average lifetime earnings by an average of nearly \$200,000.

Speaking before the County Council, opponents said the Florence project would increase danger from traffic and flooding in an area troubled by both. Adding apartments near one of the city’s busiest intersections would leave more drivers cutting through streets where their children play, critics said, and paving the six-acre wooded site would worsen runoff.

No one mentioned the prospective tenants’ race or class.

“This is a wonderful time for us to move this good project to a better location,” Jean Leatherman, a neighborhood resident, told the Council. “We are not opposed to the development — we are opposed to the location of this development.”

Like many of the project’s opponents, Ms. Leatherman has a history of civic engagement, including as a fundraiser for the public schools, whose students largely come from low-income and minority backgrounds.

“It’s not about race,” she said in an interview, referring to the opposition to the project. “I wouldn’t care if it was \$500,000 luxury apartments. If you put 60 of them, I would be opposed.”

A different conversation involving other opponents of the project unfolded on Facebook, where one warned that subsidized housing serves “sorry lazy people” and another wrote that “the only thing that protects us from high crime is distance.” Low-income housing, a third person wrote, is “woke crap.”

The proposed apartments, to be known as the Jessamine, won financing from the Low Income Housing Tax Credit, the federal government’s largest affordable housing program. It spends about \$13 billion a year giving developers tax credits, which they sell, generally to banks or other corporations, to raise construction funds in exchange for keeping rents low.

Unlike public housing or Section 8, the program is not intended for the poorest tenants. The Jessamine's developers called it work force housing, for people like nursing aides or security guards. But some indigent families rent tax-credit apartments with vouchers or other aid. In South Carolina, tax-credit tenants have median annual incomes of about \$17,000.

In a statewide competition for the credits, the Jessamine won points for location — its census tract had the county's best score on an index of opportunity — and political support. The county planning director, Shawn Brashear, praised its "ideal location," and the council chairman, Willard Dorriety Jr., pledged up to \$10,000 for a fire hydrant.

Most of the neighborhood, called the Country Club, was zoned for single-family housing. But the Jessamine was in an unzoned "doughnut hole" — county property surrounded by city land — which allowed apartments.

When neighbors saw workers preparing the site, alarm spread. "I was getting calls every day," Frank J. Brand II, who was the district's councilman at the time, said in a deposition. "No one called me saying they were happy."

Some residents approached the developers about buying them out. Hostile articles appeared in a political blog. Hours before critics met at the Country Club to plan their opposition, Mr. Dorriety rescinded his support.

Nine days later, in a meeting that lasted less than four minutes, the Council voted 8-0 to halt construction in doughnut holes and reconsider their zoning. More meetings were needed to make the moratorium final, but the outcome was clear.

The Jessamine's opponents included a former mayor of Florence, Joe W. Pearce Jr., a lawyer from one of the city's most prominent families, Walker H. Willcox; and Ms. Leatherman, whose late husband, Hugh K. Leatherman, a state senator for 40 years, was often described as South Carolina's most powerful man.

Another critic, C. Pierce Campbell, runs one of the state's largest law firms, Turner Padgett; his home sits yards from the proposed site. Heavy traffic had left cars flipped over in his yard, he told the Council, and the proposed drainage pond beside the road could turn such crashes lethal.

"That's the most dangerous thing I've ever heard of," he said.

Unlike the out-of-town developers, "I live there," he said, and "this matters to me personally."

While influential critics spoke forcefully, few people outside the neighborhood knew the proposal existed, and no potential tenants addressed the Council. "I doubt they were aware," said the Rev. Calvin Robinson Jr., the pastor of Trinity Baptist Church, a prominent Black congregation. "I didn't know about it."

One of the developers, Drew Schaumber, wrote council members that they should "be ashamed of" ignoring renters' needs. "You represent ALL Florence citizens, not just those that live in the 29501 ZIP code," he wrote.

The contours of the dispute would sound familiar to students of fair housing. In one of the first cases under the Fair Housing Act of 1968, a federal court found that Lackawanna, N.Y., had illegally rezoned a white neighborhood to block subsidized housing. While officials said they acted to protect strained sewers, the court saw "invidious discrimination" and warned, "The pattern is an old one."

In 1983, a federal court found that Greenville County, S.C., broke the law by rezoning a site planned for subsidized housing. Neighborhood opposition, it ruled, was driven by “racial concerns — and not the objections to congestion or waste disposal capacity.”

Georgetown County, S.C., is being sued for rejecting a tax-credit project opposed by residents of a golf-course community 1.6 miles away. While the project won unanimous support from the planning commission, critics warned online that it would serve “lazy welfare lifers” and create a “breeding ground for crime.” As in Florence, most of the tenants would have been Black, and most of the critics were white.



Qwendolyn Bines, 40, has done clerical work for school systems in the area for 15 years and earns about \$38,000 annually.



Kaylyn Bines, 12, with her honor roll awards in her home at the Belmont.

Opposition to affordable housing is also common in left-leaning communities, with recent fights unfolding in Milton, Mass., and the Chevy Chase section of Washington, D.C. Fears about property values, crime and schools often animate debate.

“A lot has changed in American life over the past 50 years, but the hostility to affordable housing has remained surprisingly durable,” said Justin Steil, a professor of urban planning and law at the Massachusetts Institute of Technology who is an expert witness for the Jessamine developers.

Since the passage of the Fair Housing Act, Mr. Steil said, residential segregation by race has fallen only modestly, and economic segregation has grown as the affluent increasingly live in wealthy enclaves.

To win the Florence suit, the developers do not have to show that officials had discriminatory motives — only that their actions had a racially disparate impact (without serving a valid goal that could not be met in less discriminatory ways).

Analyzing other Florence tax-credit housing, Mr. Steil estimated that 78 percent of the Jessamine's tenants would have been Black in a neighborhood that is at least 80 percent white. Hence its demise “perpetuated residential segregation,” he wrote.

Council members said they had long intended to re-examine zoning in the county's so-called doughnut holes and did not single out the Jessamine.

Many economists argue that exclusionary zoning raises rents by limiting the housing supply. Growing evidence suggests that it also constrains mobility by keeping low-income children from places where they might flourish.

Opportunity Insights, a research project based at Harvard, collected more than 20 million de-identified tax records to track neighborhood effects on people born in the late 1970s and early 1980s. By moving from a neighborhood that is below average in opportunity to one above average, it found, low-income children raised their average lifetime earnings by \$198,000.

“Where you grow up matters a great deal for shaping your life outcomes,” said Nathaniel Hendren, a founder of the project, who is now an economist at M.I.T.

Mr. Schaumber, the developer, has built four tax-credit buildings in Florence without resistance, but all of them were in low-income neighborhoods. Qwendolyn Bines, 40, lives in one called the Belmont, which is comfortable and clean but on a commercial thoroughfare, separated from a car repair shop by a fence with razor wire.

Ms. Bines has done clerical work for school systems in the area for 15 years and earns about \$38,000. But she has never been able to afford market-rate housing, which would consume about 45 percent of her income.

She said she and her daughters love their three-bedroom apartment, where Kaylee, 5, sleeps with a unicorn bedspread and Kaylyn, 12, displays certificates from the honor roll. (The \$765 monthly rent is about 60 percent of the market rate.) But Ms. Bines said affordable housing “should not just be in the poor parts of town.”

Data from Opportunity Insights frames the stakes. By moving from Ms. Bines's census tract to the one surrounding the Country Club, a low-income child would grow up to earn an additional \$12,000 a year on average, it shows. That is a gain of nearly 50 percent, which Mr. Hendren called “exceedingly rare” in social policy.



The Belmont apartments were built by the same developer who proposed the Jessamine. Research shows that by moving from the Belmont's census tract to the one surrounding the Country Club, a low-income child would grow up to earn an additional \$12,000 a year on average.



The Belmont is comfortable and clean but on a commercial thoroughfare, separated from a car repair shop by a fence with razor wire.

Ms. Bines briefly lived in a different tax-credit building, until threats from a violent boyfriend forced her to move. She called the Jessamine's location ideal for raising children and suggested a reason beyond traffic for neighborhood opposition.

"Us," she said. "I feel like they don't want African Americans over there."

In depositions, council members, who did not respond to interview requests, repeated their warnings about traffic and flooding. Mr. Brand, who lost his next election to represent the Country Club neighborhood, partly blamed the Jessamine dispute and said he wished he had acted sooner to shrink or stop the project.

Mr. Dorriety said he withdrew his support in deference to Mr. Brand's opposition and the voters he represented.

"The consensus of Florence County Council," he said, "is you don't mess in another man's district."

Jason DeParle, a reporter in the Washington bureau, has written extensively about poverty, class, and immigration. He is a two-time finalist for the Pulitzer Prize and the author of "A Good Provider is One Who Leaves: One Family and Migration in the 21st Century." More about Jason DeParle