



Murchison Choice Implementation Grant Application

Partnership Certification and Leverage

January 31, 2024

- Leverages public and private dollars to support strategies that address neighborhoods through comprehensive neighborhood transformation
- Local stakeholders create and implement a plan that revitalizes distressed HUD housing and addresses the surrounding neighborhood
- Communities transform neighborhoods by revitalizing distressed housing and catalyzing neighborhood improvements, including vacant property, housing, businesses, services and schools

Planning Grant



In December of 2020, the City of Fayetteville, in partnership with the Fayetteville Metropolitan Housing Authority (FMHA), was awarded a **HUD Choice Neighborhoods Planning Grant** for the Murchison neighborhood. Fayetteville was 1 of 11 awards nationally.

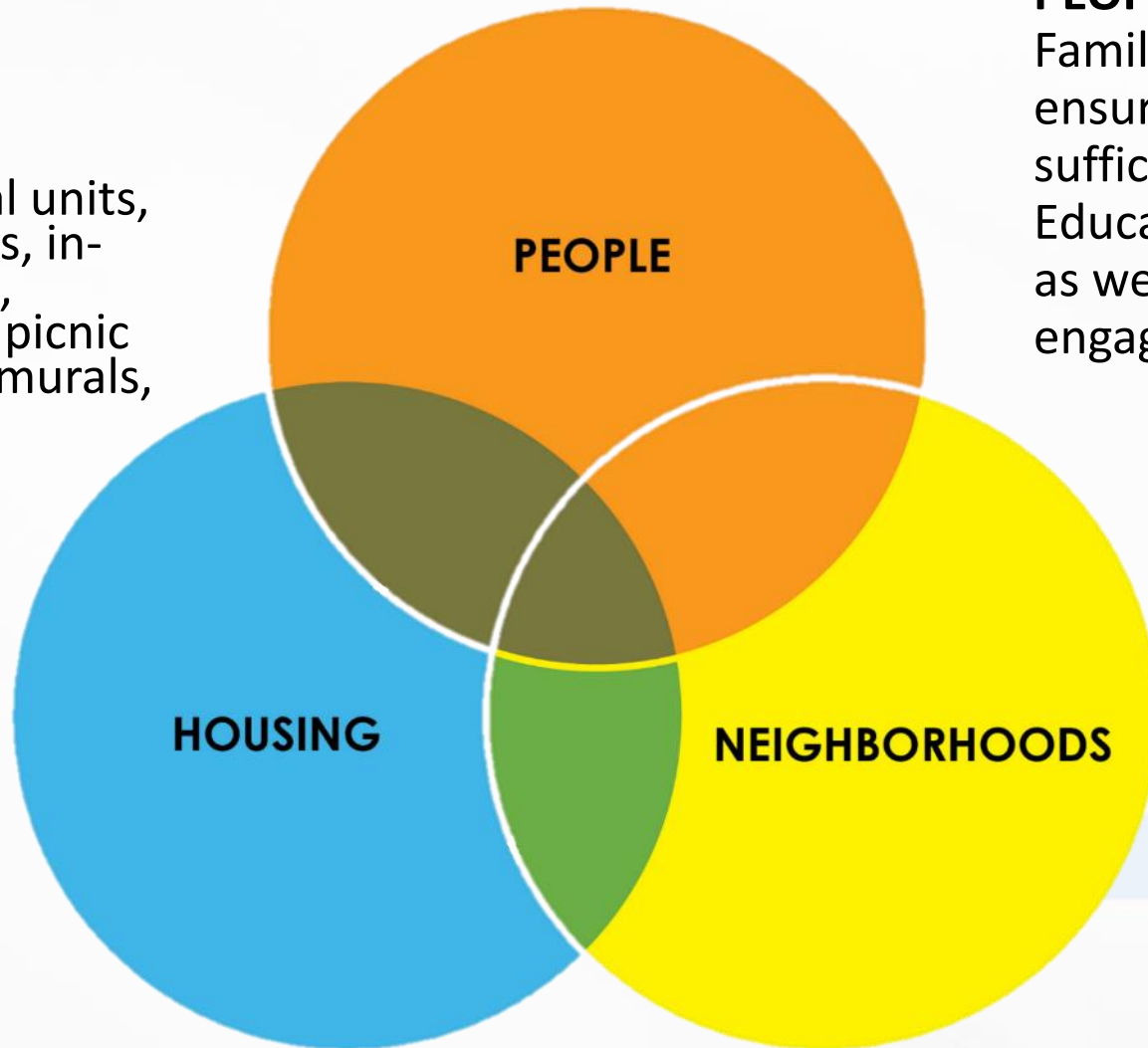
Completed and approved by HUD in March of 2023, the City and FMHA worked with **local residents and a variety of community stakeholders** – including nonprofits, faith-based organizations, anchor institutions, supportive services agencies, businesses, and others – to create a forward-looking **Transformation Plan with a strong commitment to diversity and inclusion.**



In October of 2023 the Murchison Choice Plan won the 2023 North Carolina **Marvin Collins Award in Advancing Equity** from the North Carolina Chapter of the American Planning Association (APA-NC)

HOUSING

207 mixed income rental units, 25 homeownership units, in-unit washers and dryers, pantries, gardens, park, picnic area, fitness center, art murals, improved lighting



PEOPLE

Family Supportive services that ensure access to economic self-sufficiency, youth and adult Education, health and wellness, as well as community engagement

NEIGHBORHOOD

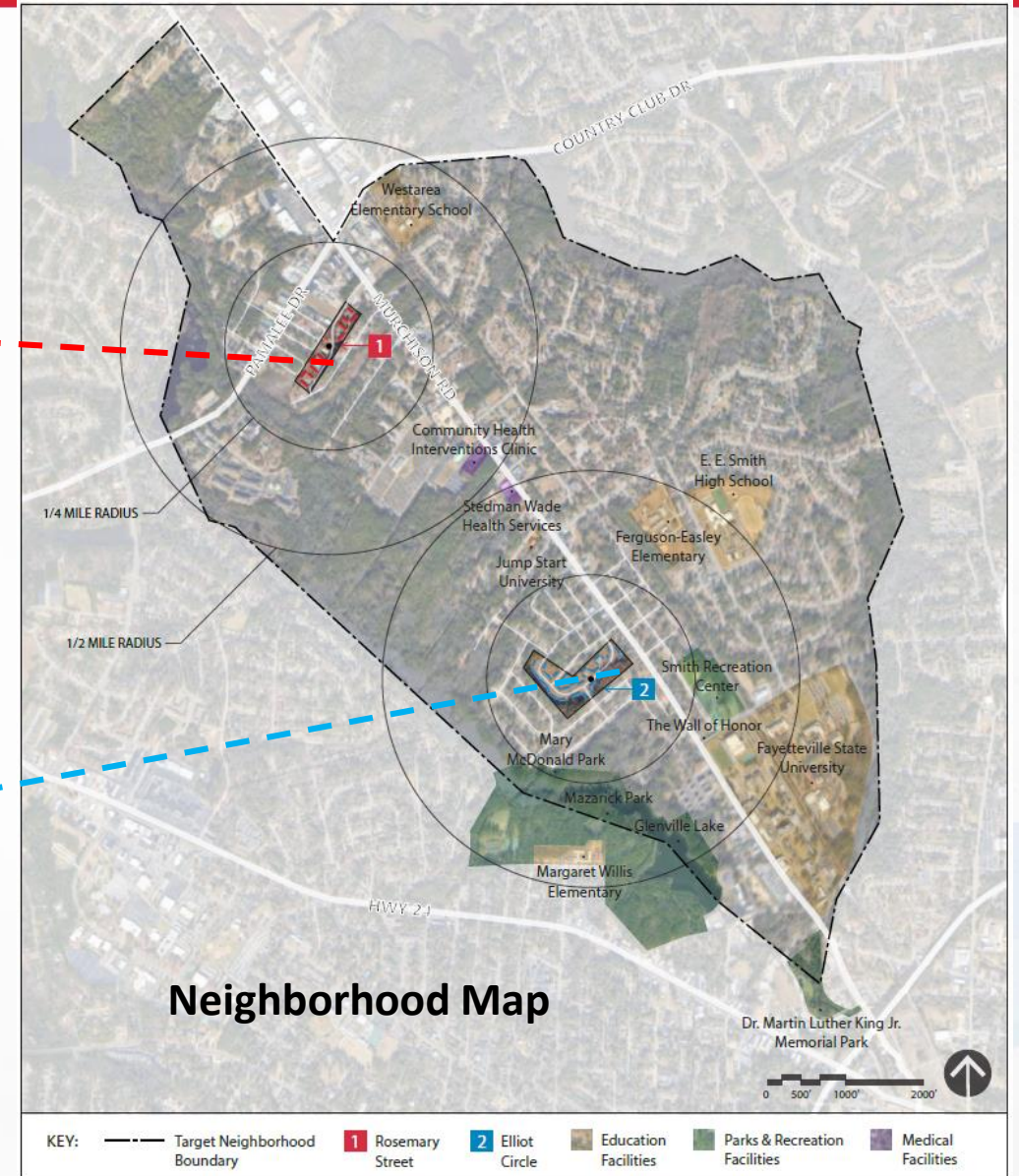
Grocery, bank, pharmacy, trails, senior center, public art, youth center, crosswalks, bus shelters, façade improvements, workforce development center, learning lab

- The City, Fayetteville, Metropolitan Housing Authority (FMHA), Cumberland County Schools (CCS), JBS Developers, Inc. (JBS), and Urban Strategies, Inc. (USI) are making final preparations to submit by **February 13, 2024**
- Roles:
 - Lead Applicant and Coordinator – City of Fayetteville
 - Co-Applicant and Co-Developer – FMHA
 - Housing Developer – JBS
 - Neighborhood and People Lead – USI
 - Education Lead (Under the People Plan) – CCS
- HUD Choice Neighborhood Implementation Grant amount: **Approximately \$27M**
(final housing projections may increase the grant amount marginally)
- **Housing Grant - \$20M**
 - Demolish Murchison Townhomes at Rosemary
 - Develop 207 units of mixed income housing at Elliot Circle
- **People Grant - \$4M**
- **Neighborhood Grant - \$3M**

**1st Action Requested:
Authorize City
Manager to Execute
Agreement**

- USI is a national nonprofit leader with 45 years of experience in place-based human capital development strategies
- USI will be the People and Neighborhood Leads for the Grant
- As **the People Lead in 19 CNI grants**, USI has successfully implemented a wide range of strategies in service to HUD's goal to improve employment and income, health and children's education
- Assigns leadership, hires locally
- Community Development Financial Institution with resources and leverage of their own

Site Priorities





Elliott Circle Site Plan

Key Features

- 16.6 Acres
- 110 Existing Units to be Demolished
- Phase I – New Construction 163 Multi-163 Multi-Family Units
- Phase II – New Construction 44 Construction 44 Elderly Units



- Community Engagement
- Assessment and Planning
- Cultural Preservation
- Greenspace and Parks
- Accessibility and Connectivity
- Economic Development
- Public Safety
- Sustainability





Community Amenities and Features

- **Large Greenspace**
- **Small Greenspace**
- **Raised Gardens - Elderly**
- **Dog Park**
- **Picnic Shelter w/ Grills**
- **Benches**
- **Handicap Accessibility -Walkability**
- **Raised Crosswalks**
- **Bus Stops**
- **Bike Racks**
- **Common Fitness Room**
- **Community Room/Kitchen**

Playgrounds



Picnic Shelters



Greenway & Walking Trails



Laundromat





Neighborhood Elevations



2 Bedroom - Walk-Up



3 Bedroom - Walk-Up





Neighborhood Elevations



2 Bedroom - Townhouses and 1 & 3
Bedroom Walk-Up



1, 2 & 3 Bedroom - Walk-Up





Neighborhood Elevations



Elderly - 1 & 2 Bedroom w/ Elevator

**Bond Funds Needed ~
\$1M - Paid Back Loan**



Community Building





Murchison Site Plan – Future Development

Key Features

- 9.6 Acres
- 60 Existing Units to be Demolished
- Future Phase to be developed outside of Choice Neighborhood Program
- New Construction Multi-Family Units
 - 2-Story Townhouse
 - Walk-Up Flats
 - 3-Story Garden Style
- Parking Behind Bldgs
- Designed Around Courtyards and Walkable Streetscapes





Infill Homeownership

Bond Funds Needed ~ \$3M
- \$2.25M Paid Back Loan
- \$750k Down Payment Assistance

- Within 1/8 mile from the edge of the property, there are between 65-70 vacant sites that could accommodate new homes.
- The Plan includes rehabilitation/new construction of 25 homes in the neighborhood available for **moderate and middle income homeownership**





Unit Mix

Plan for 207 mixed income rental units and 25 homes for moderate and middle income homeownership.

	RENTAL HOUSING								
	Elliott Circle - Family				Elliott Circle - Elderly				TOTAL
	1 BR.	2BR.	3 BR.	Total	1 BR.	2BR.	3 BR.	Total	Rental
TARGET REPLACEMENT HOUSING	0	10	38	48	0	12	0	12	60
OTHER AFFORDABLE UNITS	21	61	0	82	11	12	0	23	105
MARKET RATE UNITS	5	16	12	33	2	7	0	9	42 ★
TOTAL ELLIOT RENTAL UNITS				163				44	207
IN-FILL/HOME OWNERSHIP UNITS									25 ★



Timeline

	EST. SCHEDULE	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>
RELOCATION	12(+/-) Months								
PHASE - I CONSTRUCTION ELLIOTT CIRCLE - FAMILY	26(+/-) Months								
PHASE - II CONSTRUCTION ELLIOTT CIRCLE - ELDERLY	15(+/-) Months								
INFILL DEVELOPMENT FOR HOME OWNERSHIP			3-4(+/-)	3-4(+/-)	3-4(+/-)	3-4(+/-)	3-4(+/-)	3-4(+/-)	3-4(+/-)
**Relocations By FMHA & USI									
**Start Date is contingent on CNI Award and 4%Tax Credit Award									

July 2024 – Expected Award

December 2024 – USI starts people activities

December 2024 – Closing on Loans and Properties

December 2025 – Relocation Wrapping Up

July 2026 – Contractor Mobilization

December 2028 – Phase I open

July 2029 – Phase II Open



Financing Plan

City Funds Needed: \$5.5M
\$4.5M HOME Funds
\$1M Bond Funds (Paid Back Loan)

	Murchison	Elliott Circle - Family	Elliott Circle - Elderly	Homeownership	TOTAL
LOW INCOME HOUSING TAX CREDITS		\$ 14,758,059	\$ 4,001,369		\$ 18,759,428
CDBG/HOME/HOUSING TRUST FUNDS		\$ 3,118,656	\$ 1,742,419	\$ 750,000	\$ 5,611,075
PRIVATELY HELD DEBT		\$ 14,675,000	\$ 3,065,000	\$ 3,250,000	\$ 20,990,000
CHOICE NEIGHBORHOOD FUNDS	\$ 800,000	\$ 15,120,000	\$ 4,080,000		\$ 20,000,000
NCHFA DPA - CPLP				\$ 1,625,000	\$ 1,625,000
HOMEOWNER DOWNPAYMENT				\$ 125,000	\$ 125,000
TOTAL	\$ 800,000	\$ 47,671,715	\$ 12,888,788	\$ 5,750,000	\$ 67,110,503

City Funds Needed: \$3M Bond Funds
– \$2.25M Paid Back Loan
– \$750k Down Payment Assistance

- Multiple People and Neighborhood enhancements
- These funds will be used to develop and implement the following strategies
- People (approximately \$4M)
 - Creating economically stable and self-sufficient households.
 - Improving mental and physical health.
 - Preparing children to enter kindergarten
 - Ensuring children are proficient in core academic subjects.
- Neighborhood (approximately \$3M)
 - Improve access to healthy foods and lifestyles.
 - Create access to trails and multi-use paths.
 - Develop place making and neighborhood branding.
 - Improve access to public parks and housing quality.



Relocation and Re-Occupancy

Relocation

- All residents will receive relocation assistance and advisory assistance
- All relocation will meet the requirements of Section 18 of the U.S. Housing Act of 1937 & the Uniform Relocation & Real Property Acquisition Policies Act of 1970
- FMHA and Urban Strategies will remain engaged with former residents throughout the redevelopment

Right-to-Return

- Every resident that wishes to the return will have first right to a new unit that meets their household needs (bedrooms, accessibility, etc.)
- Residents will be supported through the relocation & return
- Returning to the new housing will be the residents' choice



Critical Community Improvement Projects

Quality Places

A) Activation of Transportation and Façade Improvement



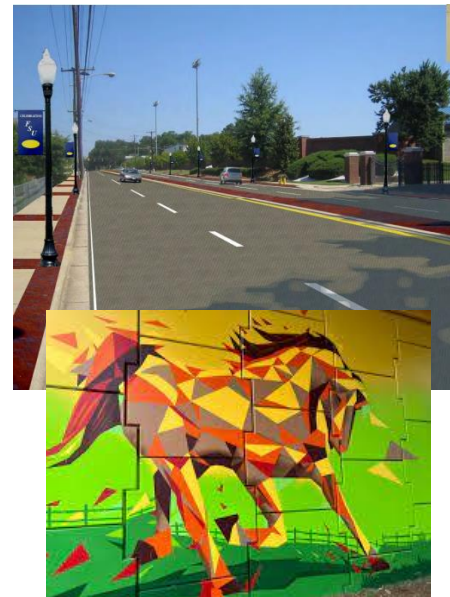
Healthy Foods

B) Access to Healthy Affordable Foods, Community Gardens



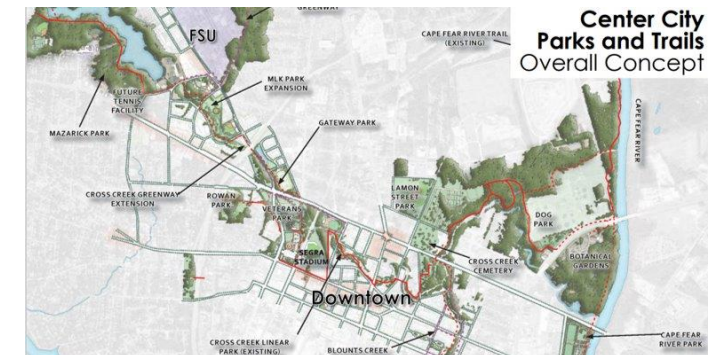
Community Confidence

C) Placemaking and Arts Enhanced Corridor Improvement, Public Art



Vibrant Lifestyles

D) Access to Neighborhood Parks and Trails





CCI Project 1- Quality Places

A) Activation of Transportation, Façade Improvement

- Commitment: \$47.934 Million
- NCDOT: \$47.434 Million
- **City of Fayetteville: \$400,000**

Other Partners
Commercial and Residential Businesses

City Commercial Corridor Program



Activity	Estimated Amount*
Utilities Relocation	\$ 16,573,000
Right of Way Acquisition	\$ 12,161,000
Construction	\$ 18,700,000
Total Cost	\$ 47,434,000

Project Timeline

* Future dates are preliminary and subject to change
* Estimated costs are subject to change.

Milestone	Date*
Public Outreach	May 2021
Complete Environmental	October 2022
Right of Way Acquisition	January 2023
Begin Construction	May 2025



CCI Project 1- Quality Places

Residential Façade Improvement

- Performed by a NPO Developer
- Low Interest Loans to landlords
- Grants to Homeowners
- Small Local Business Requirements



**City Funds Needed:
\$2M in Local Bond
Funds**





CCI Project 2- Healthy Foods

• Health Food Options- Grocery Store/Satellite Branch Bank/Pharmacy

- Farm to Plate Concept
- **Commitment: \$6 Million Total**
 - **Choice Funds: \$2 Million**
 - **CDFI: \$3 Million**
 - **City of Fayetteville: \$1 Million**

**City Community
Development Block Grant**

- Other Partners
 - Red Rock Global: Capacity
 - Kingdom CDC
 - YMUS Garden Expansion

#1 Survey Need

- 2020 Market Study
Stated Grocery Store
is Feasible



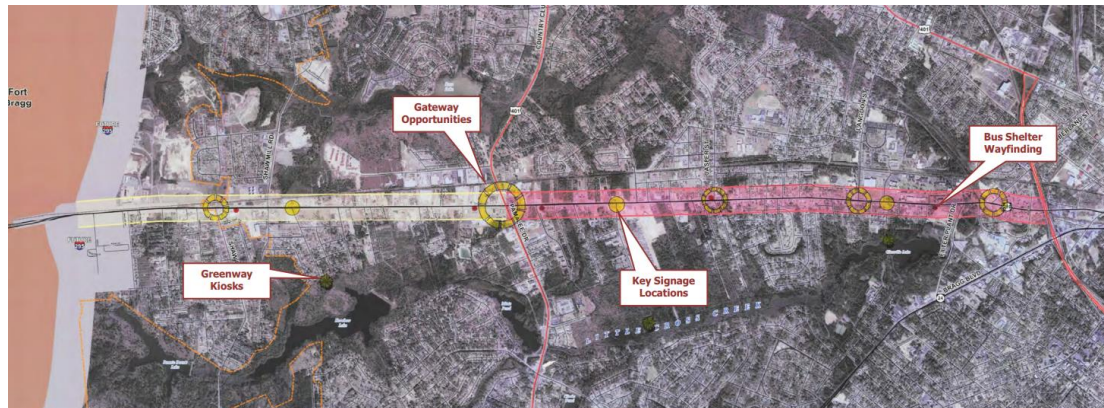


CCI Project 3- Community Confidence

- Historic Murchison Road Placemaking and Activation of Transportation

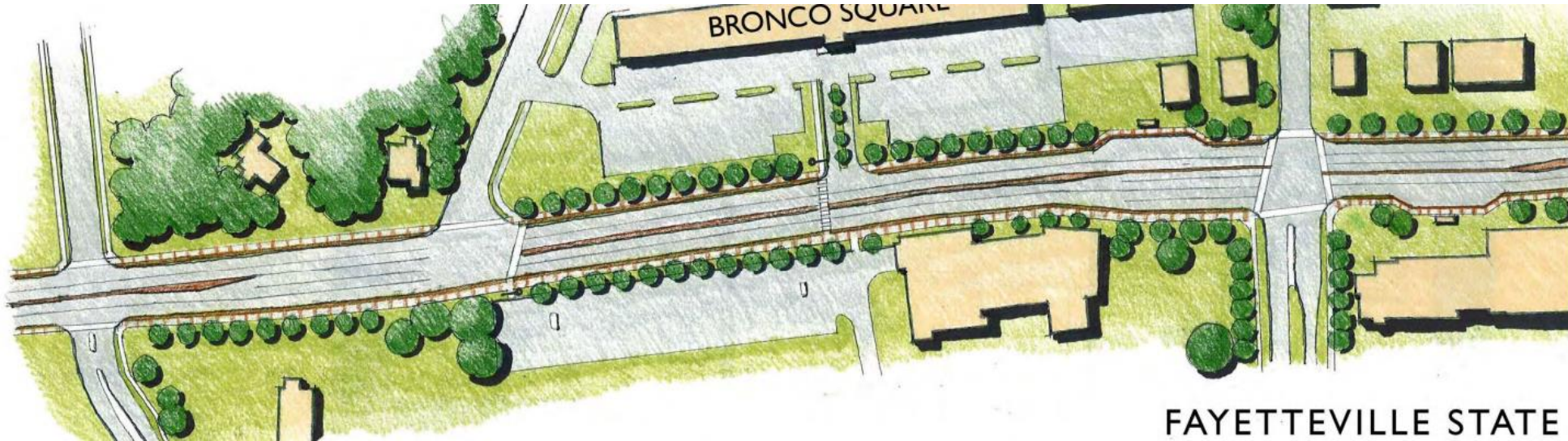
- **Commitment: \$500,000**
- Road Diet Along Murchison
- Vibrant Neighborhoods
 - Art Murals
 - New Lighting/Amenities
 - Community Gateway Signage

City Community Development Block Grant





CCI Project 3- Community Confidence



Bus Shelter Examples



Crosswalk Examples

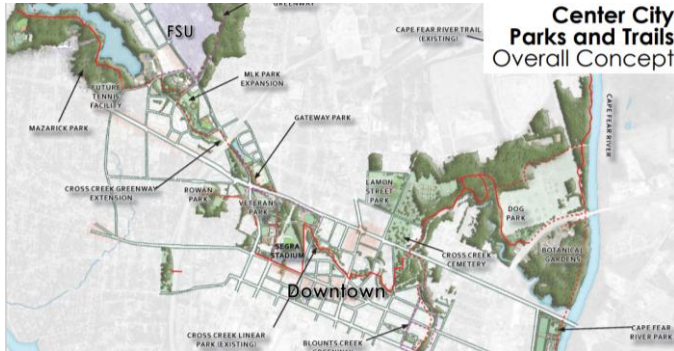


Metal Banner Examples





CCI Project 4 – Vibrant Lifestyles



- **Commitment: \$5.1 Million**
 - **Parks and Recreation: \$2.1 Million (MPO Grant and Match)**
 - **CCI: \$1,000,000**
 - **Philanthropic: \$2 Million**
- African American Heritage Trail
- Parks and Trails
 - Wayfinding Recs
 - Neighborhood Connections to Elliott and Murchison Townhomes
 - Connectivity to Mazarick Park
 - Proposed Bridge over Glenville Lake
 - Connective to FSU and Downtown Fayetteville

- Significant leverage is needed from the community, large institutions, and the City to meet the grant requirements AND be competitive
- The table represents **\$44M** in leverage to support this grant application:
- Leverage is pledged over an eight year period (the life of the grant) in a letter from the Mayor to HUD
- Housing Bond funds will require a tax increase of not more than **0.275** cents per \$100 in property valuation and will be used for down payment, residential rehab and façade, and gap financing

**2nd Action Requested:
Authorize Mayor to
Sign Leverage Letter**

Stormwater Upgrades	\$ 700,000
FSU Business HUB	\$ 250,000
Murchison Youth Center	\$ 1,000,000
Smith Rec Track Improvements	\$ 20,000
Umoja Wall	\$ 330,000
Tennis Center	\$11,500,000
Senior Center	\$ 9,200,000
MLK Park Renovations	\$ 6,000,000
Glenville Lake Walking Trail - Match	\$ 420,000
Glenville Lake Walking Trail - Grant	\$ 1,680,000
Housing Development - GO Bond	\$ 6,000,000
Housing Development - Grant Funds	\$ 4,500,000
Commercial Corridor Improvements	\$ 400,000
Parks and Police Youth Engagement	\$ 500,000
Required CDBG Match	\$ 1,500,000
	\$44,000,000



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