



HR&A MKSK

Fayetteville Blount and Gillespie Site

Council Work Session

January 5, 2026

Agenda

Recap Study Context

Review Concepts

Discuss Next Steps

Study Context

The City of Fayetteville created a development vision for the Blount & Gillespie site.

The Blount & Gillespie site represents one of Fayetteville's most significant opportunities to expand Downtown's footprint through new housing, retail ground-floor uses, and community public space.

To advance this opportunity, the City partnered with HR&A and MKSK to study the site's market potential, test redevelopment scenarios, and assess the financial and regulatory tools needed to make a mixed-use vision feasible.



Site History

The City's early redevelopment efforts faced setbacks, calling for a new approach to create a feasible vision for the site.

1902

In 1902, the **E.E. Smith House** was built on what was then a **small FSU campus** on Gillespie Street.

2008

The City acquired a total of **41 individual parcels** over several years, leveraging **\$6M of HOPE VI funding**.

2016

The **Red Rock Global Study** further highlighted the site as one with catalytic development potential.

2018

The City explored plans for the site including the **Centre City Business Park** concept, which focused on **enhancing the character of Gillespie Street** through placemaking activities and community partnerships.

2019

The **Fayetteville-Cumberland Economic Development Corporation** prepared an Opportunity Zone Prospectus that highlights this site as a future opportunity.

2020

The Centre City Business concept was **not realized** due to an inability to attract private developers and shifting market conditions amidst the COVID-19 pandemic.

2025

The City partnered with **HR&A Advisors** and **MKSK** to revisit the site and **create a viable development concept**.



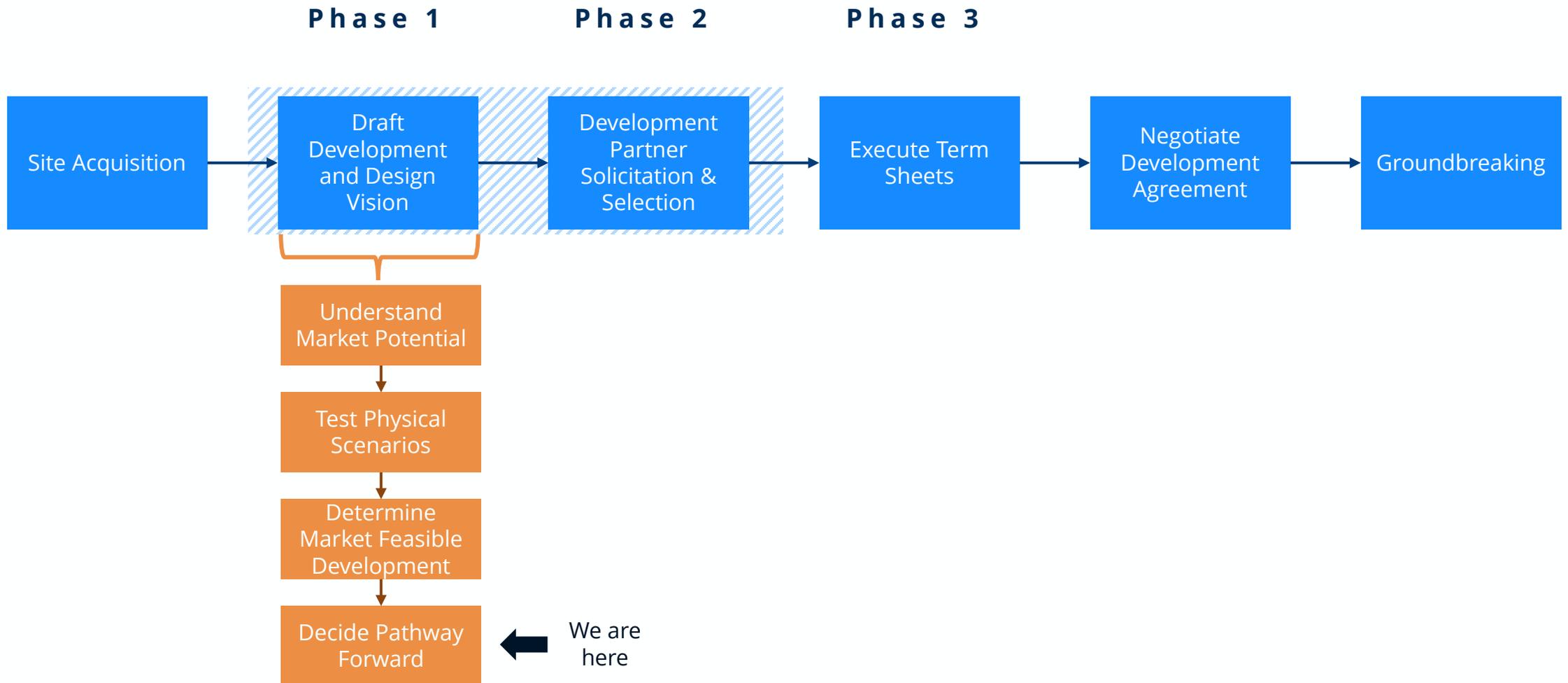
Red Rock Global Foundational Plans

The Red Rock Global Study (2016) created the impetus for this study. The Red Rock Study identified four focus areas of opportunity within the City, including further study of public-private partnerships.

Focus Area	Action	Update
Upper Murchison	NCDOT Improvements	Investment for roads and multi-use paths (\$52M+)
	Industrial Development	FCEDC working with property owners as opportunity arises
Lower Murchison	Baseball Stadium	Located across the intersection in Downtown (\$40M+)
	Business Center	FSU HUB re-invested in entrepreneurial growth (\$500k)
Massey Hill	New Highschool	N/A
Center City Action Park	EE Smith House	Acquired, renovated, Parks programming
	Land Assemblage	Last lot acquired in 2024
	Public/Private Partnership	Engaged HR&A to explore

Development Process

We have completed programmatic and design visioning phase for the site. The City is now positioned to advance a solicitation to develop the site.



Market Scan

Fayetteville's market conditions favor the development of multi-family residential and retail, while office and hotel uses may be less feasible in the current context.

Residential

Downtown Fayetteville has experienced slow population growth (+11% since 2010), in part due to the lack of new homes being built Downtown. Despite this, the combination of healthy vacancy rates Downtown (4.3%) and consistent absorption city-wide (240 units annually since 2015) demonstrates the potential for the Blount and Gillespie site to **spark a new move towards Downtown.**

Office

Slow overall job growth (7% city-wide since 2015) limits the near-term potential for new, speculative office space. However, a **targeted tenanting strategy** could support office space for **professional services workers**, as professional services industries have grown by 42% since 2015.

Hotel

Downtown has demonstrated an ability to **drive new visitation by leveraging catalytic investments**, such as the minor league baseball stadium. Because of this Fayetteville needs to continue **identifying strategic opportunities** to enhance Downtown hotel demand.

Retail

Downtown Fayetteville is home to a host of restaurants and clothing stores, comprising over a third of Downtown retail spending, but **lacks more unique and experiential retail offerings**. The Blount and Gillespie site has the potential to provide residents with **new types of retail offerings**, such as jazz bars, art galleries, and complementary attractions.

Community Meeting

During the study, the City hosted a community event that generated valuable insights from over 45 participants.

Input from local residents reflected the following priorities:

- Strong support for mixed-use development with activated public space
- Desire for outdoor dining, plazas, and cultural/entertainment uses
- Need for more experiential downtown activities (e.g., art, music, games)
- Residents voiced interest in family-friendly and youth-oriented amenities
- Broad support for new housing options near walkable amenities



Community Survey

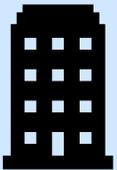
To collect additional input from residents who could not attend the in-person event, the City captured 92 online survey responses.

Public Space



In terms of public space, nearly **40%** of respondents preferred natural play and lounge areas. Shaded seating and disability-accessible spaces came up repeatedly as priorities. Residents want places that feel inclusive and intergenerational, with amenities that suit diverse needs, including third places (e.g. spaces to relax, hang out, and connect without spending money).

Housing



When it comes to housing, **61%** of respondents favored relatively dense (3–4 story and 4–6 story) mixed-use buildings. There is a desire for more housing options downtown with a diverse set of price points. Residents reported seeing mixed-use housing as a way to activate downtown and spread its footprint beyond Hay Street.

Downtown Experience



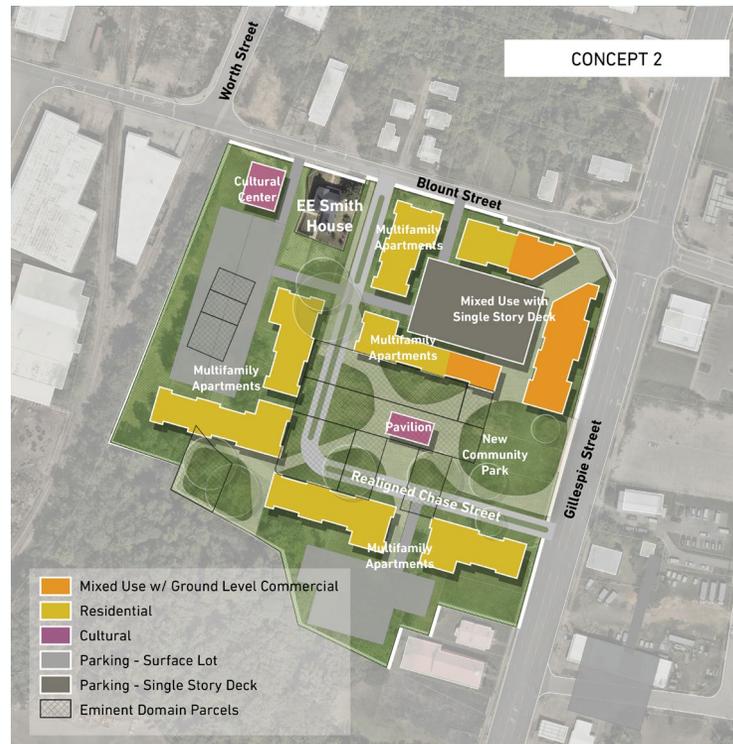
People want downtown to feel safer, more central, and more walkable. Downtown accessibility challenges are reportedly related to walkability, parking, and sidewalk infrastructure. Residents want to see cultural representation in food and retail options. While **37%** of visitors are drawn downtown only by special events, there's a desire for more everyday reasons to visit.

Redevelopment Scenarios

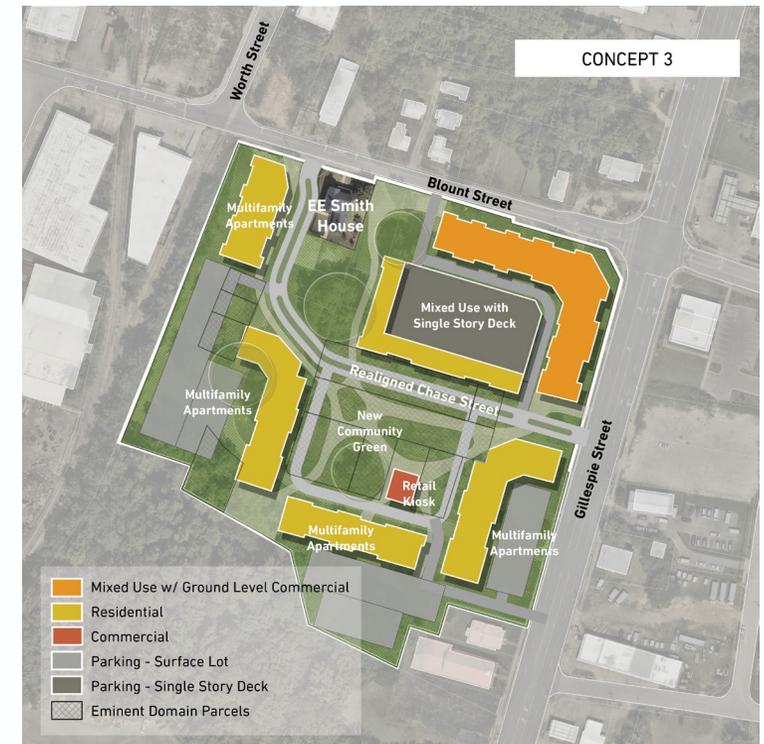
Redevelopment concepts vary in multifamily, retail, and public realm density. While concept 1 favors open space and retail, concepts 2 and 3 prioritize dense multifamily development.



Concept 1 includes approximately 100 multifamily units and 21,000 square feet of retail or dining space, with a 2.5-acre community park connected to the E.E. Smith House.



Concept 2 includes approximately 200 multifamily units and 17,000 square feet of retail or dining space, with a 1.5-acre community park anchored by a pavilion visible from Gillespie Street.

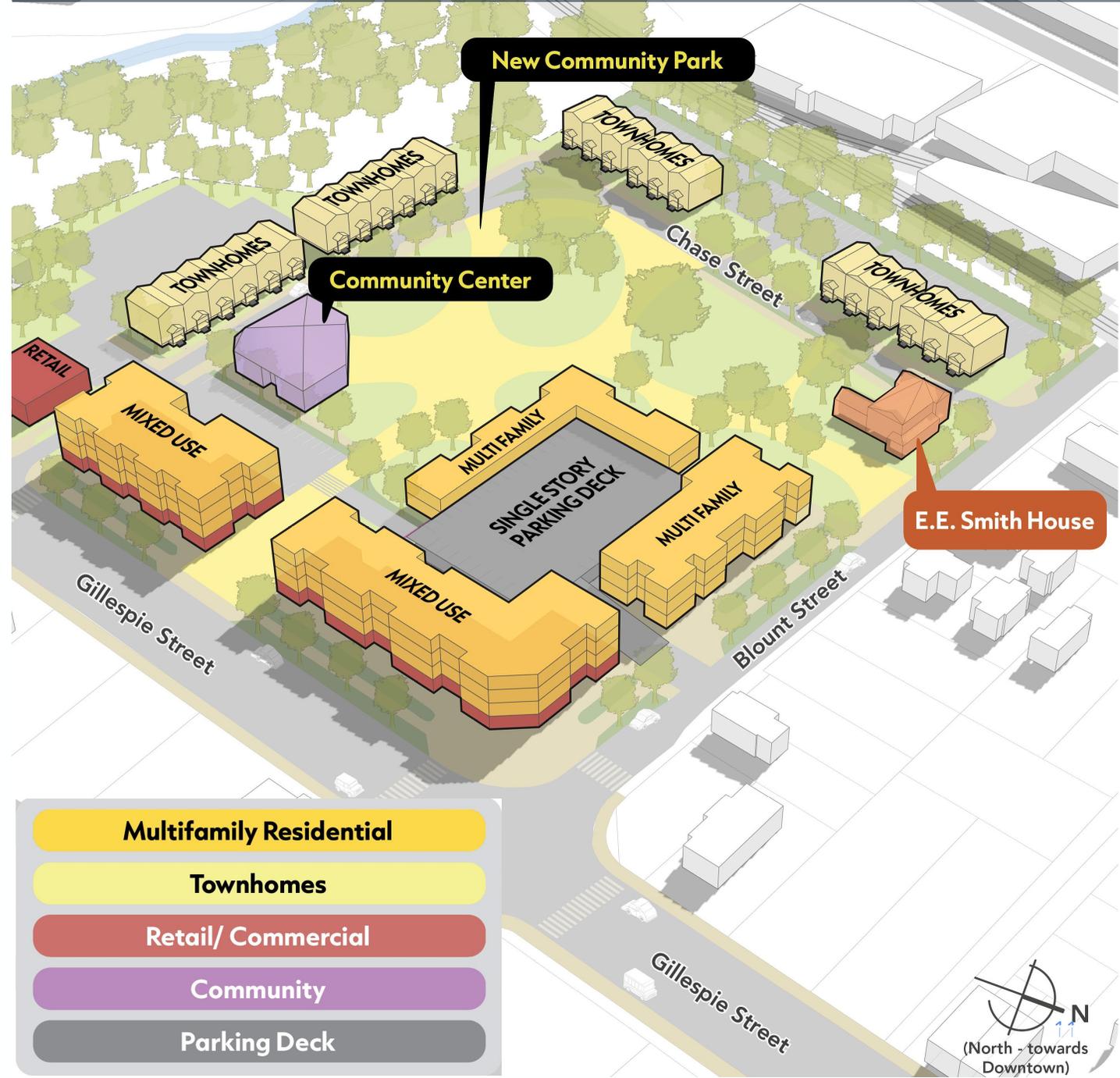


Concept 3 includes approximately 240 multifamily units and 20,000 square feet of retail or dining space, with a 1-acre community green or neighborhood park featuring a small retail/dining kiosk.

Concept 1

Concept 1 reimagines the site as a mixed-use development with a large central community green space and cultural center.

Example Images



Multifamily Residential

Townhomes

Retail/ Commercial

Community

Parking Deck

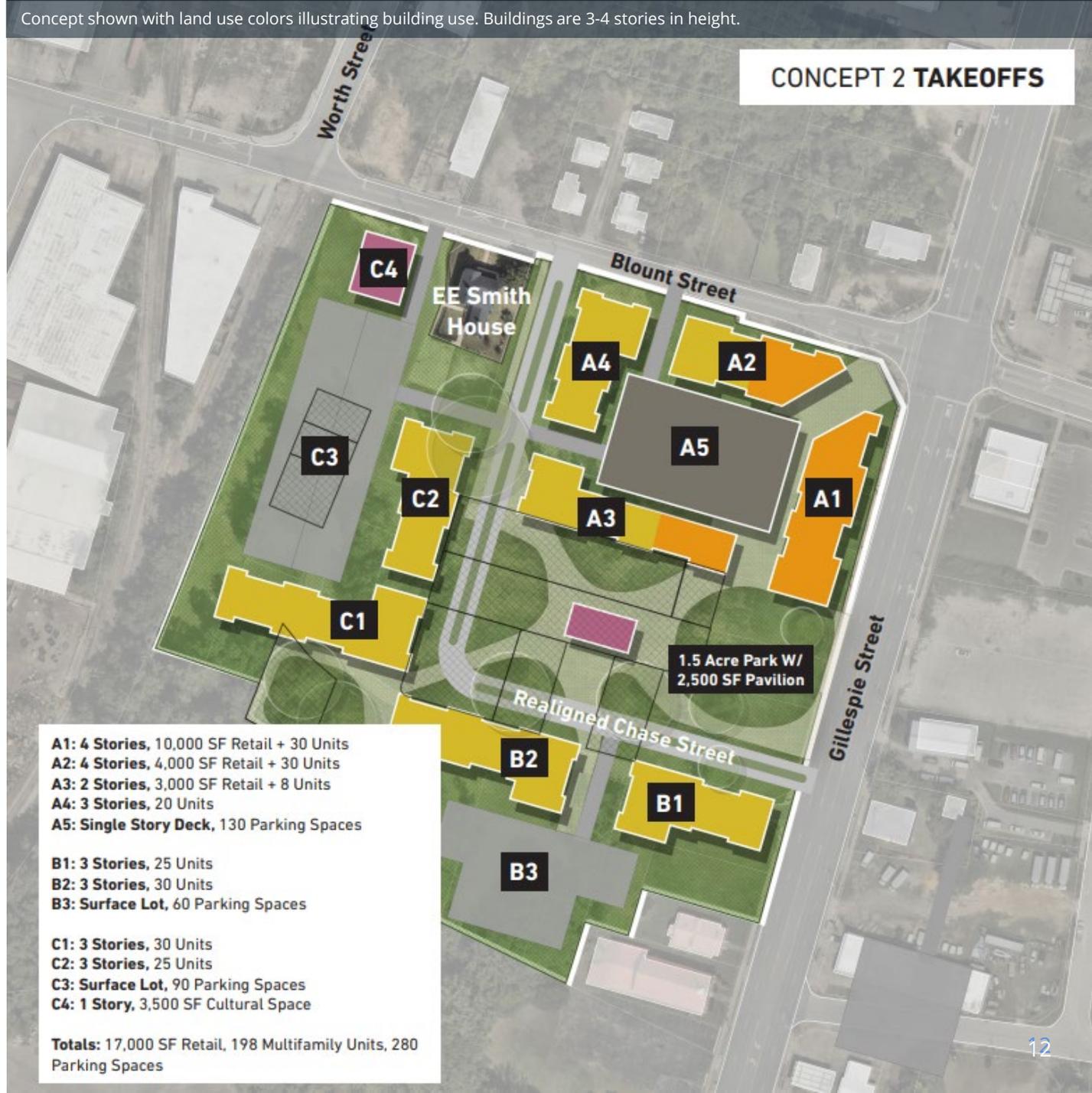
(North - towards Downtown)

CONCEPT 2 TAKEOFFS

Concept 2

Concept 2 reimagines the site as a mixed-use development with a community park anchored with by a pavilion

Example Images



- A1: 4 Stories, 10,000 SF Retail + 30 Units**
- A2: 4 Stories, 4,000 SF Retail + 30 Units**
- A3: 2 Stories, 3,000 SF Retail + 8 Units**
- A4: 3 Stories, 20 Units**
- A5: Single Story Deck, 130 Parking Spaces**

- B1: 3 Stories, 25 Units**
- B2: 3 Stories, 30 Units**
- B3: Surface Lot, 60 Parking Spaces**

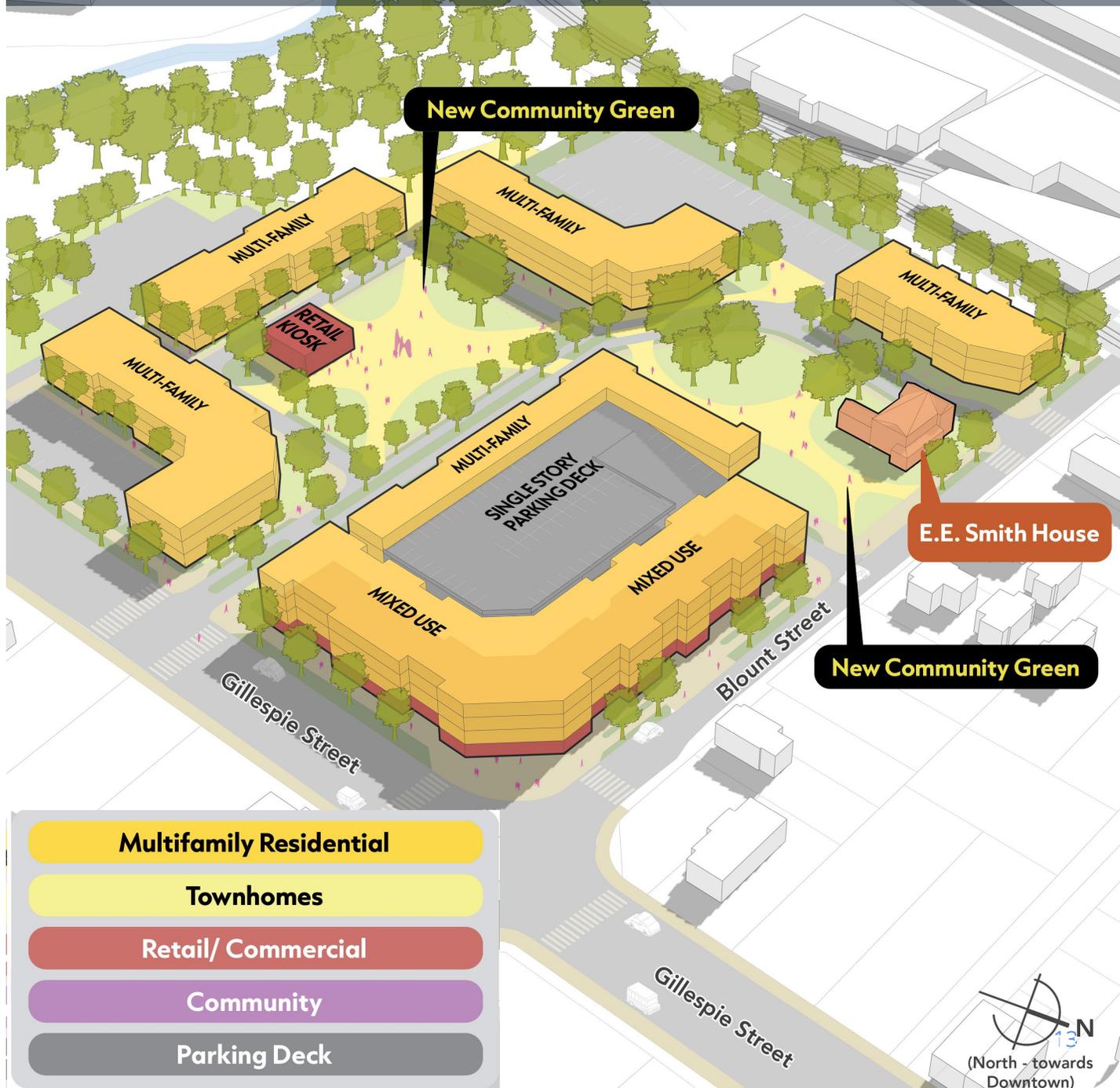
- C1: 3 Stories, 30 Units**
- C2: 3 Stories, 25 Units**
- C3: Surface Lot, 90 Parking Spaces**
- C4: 1 Story, 3,500 SF Cultural Space**

- Totals: 17,000 SF Retail, 198 Multifamily Units, 280 Parking Spaces**

Concept shown with land use colors illustrating building use. Buildings are 3-4 stories in height.

Concept 3

Concept 3 reimagines the site as a mixed-use development with a small neighborhood park or community green on a realigned Chase Street



Example Images



Public Realm Development

Public investment is likely necessary to deliver the public amenities in this project, which will ultimately yield new tax revenues for the City. Without the public amenities, Scenarios 2 and 3 are feasible.

Feasibility Breakdown

	With Public Investment	Without Public Investment
Scenario 1	Not feasible	Not feasible
Scenario 2	Feasible	Not feasible
Scenario 3	Feasible	Not feasible



Next Steps

Fayetteville's market conditions favor the development of multi-family residential and retail, while office and hotel uses may be less feasible in the current context.

Advance a **two-stage solicitation process** (RFQ and RFP) to identify a qualified development partner who can deliver the project.

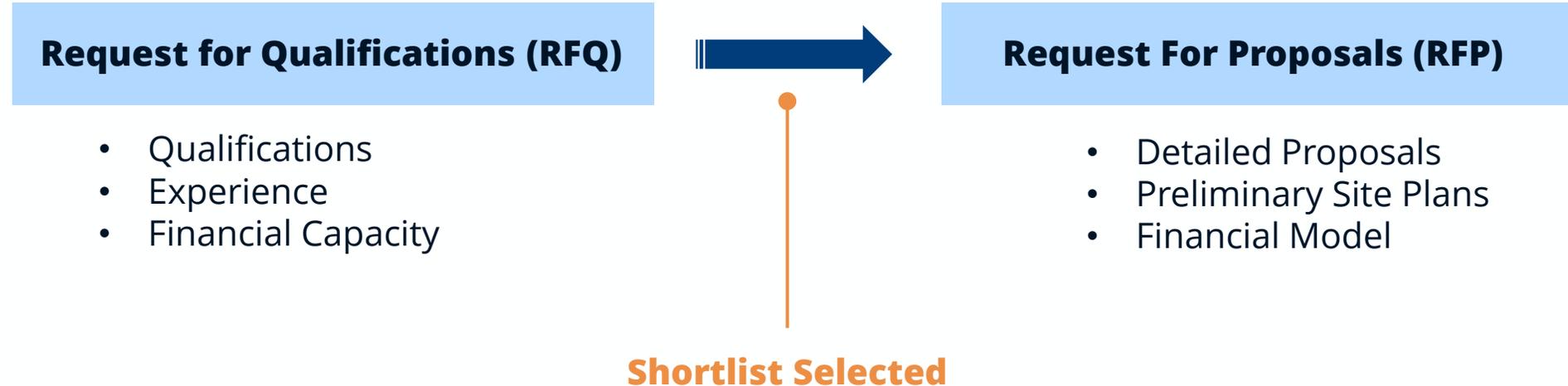
Before releasing a request for proposals (RFP) to develop the site, **proactively rezone the site** to ensure the project can accommodate mixed-use development.

Explore the viability of providing a **tax increment grant (TIG)** to the project in order to support public aspects of the project, such as open space and cultural amenities.

Solicitation Process

The City is positioned to prepare a solicitation to deploy the site for development. A two-stage process will help identify a qualified offeror and ensure a successful outcome.

If the City chooses to advance to solicitation, it should consider a **two-stage process**, which will enable the City to gather a set of interested development partners before selected a shortlist of developers to respond to a full RFP. This process enables the City to further study potential demand for development, while also identifying a set of three to five qualified development partners who will be incentivized to provide a higher quality RFP response than they may otherwise with a single-stage process.



Rezoning

If the City advances to a solicitation process, it should proactively rezone the property to enable dense, mixed-use development to occur on site. This should occur before the RFP stage.

Current Zoning Challenges

- The site's mix of CC, LC, and MR-5 zoning prevents a unified development plan.
- MR-5 caps residential density at moderate levels, limiting the number of units needed to support mixed-use activation.
- CC and LC allow retail/services but not true mixed-use buildings with residential above active ground floors.
- Varying height and building form standards make it difficult to deliver consistent streetscapes and integrated public spaces.



Target Zoning Improvements

- Adopt a single mixed-use zoning district that applies uniformly across the site.
- Allow mid- to high-density residential beyond MR-5 limits to strengthen feasibility and support walkability.
- Permit mixed-use building typologies with residential above retail or community-serving uses.
- Establish consistent height, form, and open-space requirements.
- Enable the site to pursue a flexible parking strategy that improves feasibility.

Tax Increment Grant

The City should also consider the extent to which it is willing to support a TIG application to provide additional certainty to the development partner that TIG will be available.

A development partner will closely evaluate the timing and predictability of the TIG approval process. TIG is a critical tool for financing infrastructure, site preparation, and structured parking, which are components that directly impact the feasibility of a mixed-use development.

If the City is willing to support the TIG application, it can meaningfully reduce perceived development risk and help ensure that the project remains competitive relative to other opportunities in the region.

Developer Benefits

- Reduced upfront capital requirements
- Stronger returns and financial viability
- Lower uncertainty and financial risk
- Ability to deliver higher-quality, higher-density product
- Enhanced lender and investor confidence

City Benefits

- Enables development that would not occur otherwise
- Captures and reinvests future tax growth on site
- Supports public realm improvements
- Attracts more competitive proposals
- Generates long-term tax base growth



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ECONOMIC AND COMMUNITY DEVELOPMENT

HR&A MKSK

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