

511 S. EASTERN BLVD., FAYETTEVILLE, NC 28301

# STEP UP ON EASTERN

**Permanent Supportive Housing Community for the Homeless, at Risk of Homelessness, Households with High Risk of Housing Instability, and Individuals Fleeing or Attempting to Flee High Risk Situations.**

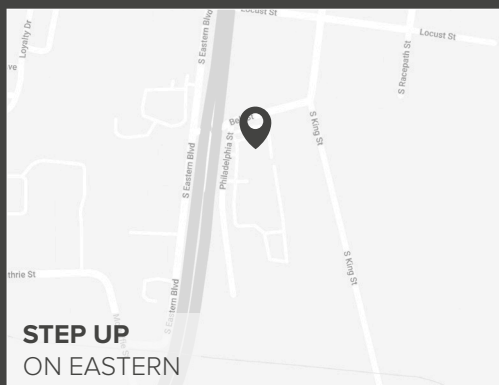


## ABOUT

Step Up on Eastern, a Shangri-La Community, is a proposed conversion of the former Night Inn Motel into 137 units of permanent supportive housing (PSH) for individuals experiencing housing instability and three manager units. A combination of public and private sources will fund the project.

The building is in an amenity-rich neighborhood with access to public transportation, grocery stores, pharmacies, and other conveniences. It will include fully furnished studios, units for persons with mobility, aural, or visual disabilities, and various on-site amenities.

Individualized supportive services focusing on long-term stability and housing retention will be provided at no cost to the tenant under Housing First and Harm Reduction principles. The project prioritizes community and tenant safety while bringing together valuable resources that increase the entire community's quality of life.



## PROJECT NEED

The proposed project would begin to fill a critical gap in PSH in Cumberland County and the City of Fayetteville. The 2022 annual Point in Time (PIT) count represented a complete enumeration of all sheltered and unsheltered persons experiencing homelessness in Cumberland County. The survey found 475 persons experiencing homelessness. The development would reduce homelessness in the County by 28%, significantly furthering the goal of state officials, the municipality, CoC, homeless organizations, and the community alike – ending homelessness.



INFO/INQUIRIES

[shangrilaindustries.com](http://shangrilaindustries.com)



# STEP UP ON EASTERN



## TEAM

**Owner:** Shangri-La Industries

**Developer/Asset Manager:** Shangri-La Development

**Architect:** AD+CY in Partnership with Local AOR

**General Contractor:** Shangri-La Construction

**Supportive Services Provider:** Step Up

**Property Manager:** Step Up

**Local Partner:** City of Fayetteville

## SHANGRI-LA INDUSTRIES

Shangri-La Industries (SLI) is a privately held, vertically integrated real estate and financing firm specializing in the development and ownership of multi-family housing, focusing on permanent supportive housing for the most at-risk populations. From SLI's inception nearly 15 years ago, expanding affordable housing opportunities and improving the quality of life for underserved communities has been a critical component of its mission and business model. With dedicated finance, development, and construction business units coupled with in-house design, compliance teams, and select sub-trades, the Shangri-La family of companies can execute with assurance across the board. Whether it be innovative motel/hotel conversions, renovations, or ground-up construction, SLI delivers safe, sustainable, and fully inclusive developments that seamlessly integrate into their communities efficiently and cost-effectively, and a variety of on-site amenities.

## STEP UP

Step Up on Second Street, Inc. (Step Up), a Nonprofit Public Benefit Corporation, has over 35 years of experience providing PSH opportunities, property management, workforce development, and individualized supportive services for people and families experiencing chronic homelessness, homelessness, those at risk of homelessness, individuals with serious and persistent mental illness (SPMI), transition-age youth, Veterans, and other vulnerable populations under the Housing First model. Step Up's approach to services reflect Step Up's core values of respect, dignity, wellness, hope, and collaborative relationships. "Nothing About Us Without Us" is at the heart of Step Up's programming to help individuals with mental health conditions who have also experienced homelessness heal, recover, and thrive. Step Up provides services to the Southeastern U.S. and throughout California with a 98% housing retention rate across all sites.

## WITH SUPPORT FROM THE CITY OF FAYETTEVILLE

## OUR MISSION

Shangri-La and Step Up began a partnership a decade ago with the joint mission to be at the forefront of change to deliver safe housing solutions coupled with compassionate support to the most at-risk to help them recover, stabilize, and integrate into their communities. To date, Shangri-La and Step up have partnered on dozens of permanent supportive housing developments serving thousands of vulnerable individuals throughout the country.



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# STEP UP ON EASTERN



Before



After

## AMENITIES

- On-Site Property Management
- On-Site Case Managers & Supportive Services
- On-Site Security, Security Cameras, & Perimeter Fencing
- Indoor Community Spaces
- Shaded Picnic Areas & Dog Run
- Laundry Facilities
- SmartTV & Free WiFi and Utilities

## SCOPE OF WORK

The overarching scope of work consists of renovating and converting the motel rooms into self-contained apartments with kitchenettes and bathroom facilities and the common areas and site improvements necessary to support a safe and comfortable living environment for the target population in Fayetteville. The conversion will be ADA-compliant and provide 10 accessible units for persons with mobility, hearing, and vision disabilities, and, at a minimum, it will comply with local Green Building Standards. It will take approximately 7-8 months from the start of construction to the beginning of lease-up.



STUDIO LAYOUT

The design and material selections will ensure that the motel is indistinguishable from a typical apartment complex. By doing so, the development will become a positive addition to the community and help support the overall goal of ending homelessness.

## HOTEL/MOTEL CONVERSION MODEL

Converting older, struggling hotels and motels into multifamily housing requires minimal construction, can be completed more quickly, are less expensive than new construction, and more environmentally friendly. SLI/Step pioneered the hotel/motel conversion model to PSh and bring valuable lessons learned to the Step Up in Fayetteville project.

### STEP UP IN ASHEVILLE



Before



After

### STEP UP IN SAN BERNARDINO



Before



After



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# STEP UP ON EASTERN

## FREQUENTLY ASKED QUESTIONS

### WHAT IS PERMANENT SUPPORTIVE HOUSING?

Permanent supportive housing (PSH), or supportive housing, is an evidence-informed housing solution that combines flexible, voluntary supportive services such as health and mental health care and life skills with ongoing rental assistance for chronically homeless households. PSH is not a homeless shelter or public housing—it comes with no time limits, which is critical for helping people permanently avoid homelessness.

### WHAT ARE SUPPORTIVE SERVICES?

Supportive services are provided by Step Up to help residents enhance their way of living and achieve self-sufficiency. Supportive services are delivered through on- and off-site service delivery mechanisms. These services include social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits—among others. Step Up administers supportive services through the Housing First Model.

### WHAT IS HOUSING FIRST?

Housing First is a homeless assistance approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness, and serving as a platform from which they can pursue personal goals and improve their quality of life. This approach is guided by the belief that people need basic necessities—like food and a place to live—before attending to anything less critical, such as getting a job, budgeting properly, or attending to substance use issues. Additionally, Housing First is based on the understanding that client choice is valuable in housing selection and supportive service participation, and that exercising that choice is likely to make a client more successful in remaining housed and improving their life.

### ARE THERE OTHER COMMUNITY BENEFITS FROM PERMANENT SUPPORTIVE HOUSING?

Yes, the permanent supportive housing model has shown most residents—including hard-to-serve populations with very high needs—stay housed. The model has also resulted in significant decreases in emergency services and reduced per-person service costs throughout the U.S. and in communities similar to Fayetteville.

### WHO WILL LIVE IN THIS COMMUNITY, AND HOW ARE FUTURE RESIDENTS SELECTED?

Eligible residents include the homeless, those at risk of homelessness, households with high risk of housing instability,

and individuals fleeing or attempting to flee high risk situations. All future residents must qualify with incomes at 30% of the area median income (AMI) or less. Residents are referred via the Coordinated Entry System (CES), which was designed by the U.S. Department of Housing and Urban Development (HUD), to ensure that people experiencing homelessness receive fair and equal access to available, affordable housing.

### WHAT IS THE SLI/STEP UP TEAM'S EXPERIENCE BUILDING PERMANENT SUPPORTIVE HOUSING?

Shangri-La Industries and Step Up have 50 years of combined experience financing, owning, building, and managing permanent supportive housing communities across the nation.

### WHO OWNS AND OPERATES THE APARTMENT? WILL IT BE WELL-MANAGED AND MAINTAINED?

An affiliate of Shangri-La Industries owns the development. Step Up is contracted to provide property management and supportive services. Our team takes pride in the communities we own and operate. We are incentivized to develop, own, and operate safe, attractive, and well-maintained developments as our business model and mission are based on our positive reputation.

### WILL THIS PERMANENT SUPPORTIVE HOUSING DEVELOPMENT INCREASE CRIME, LOWER PROPERTY VALUES, OR ATTRACT HOMELESS IN THE AREA?

There is no evidence that supportive or affordable housing increases crime, negatively impacts property values, or attracts persons experiencing homelessness to an area with permanent supportive housing. The Step Up on Eastern project effectively houses individuals already living and sleeping on the streets and provides a full-time place to stay—reducing loitering and offering valuable supportive services that increase the entire community's quality of life.

### WILL THERE BE AN ONSITE PRESENCE AT STEP UP ON EASTERN?

Three full-time property managers live on-site, and supportive services staff members are on-site from 8 AM to 5 PM Monday - Friday.

### HOW IS SECURITY PROVIDED?

Community and tenant safety are paramount. The development includes perimeter fencing, controlled driveways access, state-of-the-art security cameras with facial recognition software, electronic access control systems, and unit smart locks. Building fire/life/safety systems include fire sprinklers. Security guards are present for the first year of operations.



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