

February 20, 2026

The Honorable Scott Turner, Secretary
U.S. Department of Housing and Urban Development
451 7th Street SW
Washington, DC 20410

Re: FY2025 Murchison CNI Grant Application - City of Fayetteville Commitment

Dear Secretary Turner:

The City of Fayetteville is excited about this significant opportunity to boost our economy through public and private investments, creating more opportunities for our residents' upward mobility. Now is the ideal time to invest in Fayetteville. Our Transformation Plan implementation strategies include 30 new and existing partners, **\$95.7M** in new mixed-income rental housing, **\$400M** in neighborhood investments, and **\$2.5M** in people service commitments, all aimed at delivering measurable results. My mayoral campaign emphasized job creation; we expect the Murchison Choice Neighborhood Transformation project to create more than **120 new jobs**. Beyond employment, Fayetteville's initiatives are expected to produce long-term economic benefits for future generations. According to the Economic Policy Institute, each dollar invested in these projects generates an additional \$1.30 in economic activity through supply chains and worker spending. With a HUD Choice Neighborhood Implementation grant and our state and local contributions totaling an estimated **\$500M**, the overall indirect and induced economic impact is projected at **\$650M**.

The City of Fayetteville is providing over **\$20M** in housing and neighborhood leverage. Each of the respective City's Departments has provided a letter outlining these commitments.

| Department | Leverage Use | Amount |
|------------------------------------|-----------------------------------|---------------------|
| Economic and Community Development | Housing (Rental) | \$4,996,000 |
| Economic and Community Development | Neighborhood (Homeownership) | \$2,100,000 |
| Economic and Community Development | Neighborhood (Corridor and Parks) | \$1,300,000 |
| Public Services | Neighborhood (Infrastructure) | \$1,100,000 |
| Parks and Recreation | Neighborhood (Trails and Parks) | \$11,398,070 |
| | Total Leverage | \$20,894,070 |

HUD's Choice Neighborhood principles align with my administration's 'Fayetteville 2050' vision for the city's continued growth and transformation. Fayetteville's vision includes: (1) Economic Expansion and Business Development – incentivize new business growth and support existing businesses along the Murchison Road corridor; (2) Job Creation and Workforce Development – focus on the next-generation workforce by building stronger job pipelines through Fayetteville State University, Fayetteville Technical Community College, and local employers; (3) Revitalization Initiatives – increase homeownership opportunities and housing options and invest in the neighborhood's streets, sidewalks, and stormwater systems; and (3) Community Safety – focus on community-based violence prevention, homeless and mental health response, and youth initiatives.

In 2017, I became Mayor of this incredible city, where I was born, raised, and educated. I entered the mayoral race to lead the city, motivated by a commitment to improving our community along the Murchison Road corridor. I attended E.E. Smith High School in our Murchison Choice Neighborhood and

Fayetteville State University. On February 9, 2026, the school district voted to allocate **\$150M** to build a new high school and **\$40M** to rebuild Ferguson-Easley Elementary School. My alma mater, Fayetteville State University, plans to invest more than **\$91M** in capital improvements. Growing up in this area, I also envisioned new neighborhood trails, parks, and pools, and the city is now investing approximately **\$11.4M** in these amenities. In the fall of 2025, the City Council voted to sell property and provide gap financing to allow a **\$23.3M** investment in a new 84-apartment community, Central Park Villas.

These investments offer promise to a neighborhood that has faced and continues to face significant challenges without the interventions included in our Housing, Neighborhood, and People Strategies. The 2024 census data for the western portion of the Choice Neighborhood included the following: 36% poverty rate, \$36,833 median household income, 17% unemployment, 20% property vacancy, and 86% renter households. In 2023-2024, this area accounted for 33% of the city's total homicides. I am confident that, the support of City Council together with the public/private partnerships described in our CNI application and the work of our dedicated, focused city staff, we can create the change in the Murchison Choice Neighborhood that we all envision over the eight-year grant period.

Community Engagement Process. Through the Choice Neighborhoods Planning process, the city and FMHA have hosted dozens of charrettes and input sessions with Murchison Townhouse public housing residents, neighborhood businesses, and other stakeholders. Throughout the process, we have conducted multiple Household Level Needs Assessments. From February 10-22, 2026, Urban Strategies conducted updated assessments. We recently met with our residents and the community on February 18 and 19, 2026. The city also continuously updates the murchisonchoice.com website to provide public information.

Implementation Framework. The Fayetteville Choice Neighborhood Team is ready to begin implementing the Housing, Neighborhood, and People Strategies immediately upon grant award. We have established an implementation structure with our local and national partners, including a Management Team (Co-Chairs City/FMHA), the oversight body that reviews and provides direction to the Working Groups. The Neighborhood Working Group (Lead: City Economic and Community Development) is responsible for implementing the Murchison Neighborhood Strategies and the Critical Community Improvements plan. The People Working Group (Lead: Urban Strategies) serves as the lead case management team and service coordinator to improve Murchison Townhouses residents' employment, income, education, and health outcomes. The Housing Task Force (Lead: Pennrose) leads the development of replacement units within mixed-income communities.

On behalf of the City of Fayetteville, I am pleased to express our full support for the FY25 Murchison Choice Neighborhoods Implementation Grant Application. Fayetteville is presenting to HUD a once-in-a-generation opportunity to begin these critical initiatives. Please contact Christopher Cauley, Economic and Community Development Director, at ChristopherCauley@fayettevillenc.gov or 910-433-1590 with any questions or for additional information.

Sincerely,

Mitch Colvin
Mayor