



**MONTGOMERY HOUSING AUTHORITY
CHOICE NEIGHBORHOODS INITIATIVE (CNI)**

Background

The CNI program has been HUD's signature place-based initiative since 2010. CNI replaced HUD's HOPE VI program which targeted distressed public housing developments and the families that resided within those units. While HOPE VI was successful, it did not address the conditions in the neighborhood surrounding the public housing development. That lack of connection between a public housing development and the neighborhood became an issue which hindered long term success and sustainability. CNI addresses these concerns by targeting not just the distressed public housing (or HUD multi-family) units but the community as well, such as availability of employment opportunities, high-quality schools, medical facilities, places of worship, grocery stores, public spaces and commercial activity – in other words, amenities that are necessary to support a healthy community.

To this end, Choice Neighborhoods is focused on three core goals:

1. **Housing:** Replace distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood
2. **People:** Improve outcomes of households living in the target housing related to employment and income, health, and children's education; and
3. **Neighborhood:** Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families' choices about their community.

CNI is Composed of Two Highly Competitive Grant Programs

CNI awards fall into two categories: Implementation Grants and Planning Grants. The Implementation Grant program, which has funded 30 cities around the country, leverages significant public and private dollars to support locally driven strategies that address struggling neighborhoods through a comprehensive approach to neighborhood transformation. Implementation grants provide \$30 million in funding to awardees. Up to \$21 million of the total grant award supports the development or redevelopment of the public housing component of the new mixed-income community. The remaining \$9 million supports programs to help residents become economically self-sufficient, including the provision of case management services, and investment in neighborhood projects. The Implementation grants have leveraged significant additional resources from Low Income Housing Tax Credits, loans, partner contributions, and other sources. In some estimations, CNI Implementation has leveraged \$7 for every \$1 in grant funds.

CNI Planning Grants have funded 85 projects to date to help communities create a Transformation Plan that can be implemented with or without a CNI Implementation grant. HUD estimates that 76% of Implementation awards since 2012 have been made to cities that first had a Planning Grant. In the Planning Grant, PHAs, the City, local leaders, residents, and other stakeholders come together to debate and create the plan that will revitalize distressed HUD housing and address the challenges in the surrounding neighborhood. MHA is applying for a \$450,000 CNI Planning Grant this year. Up to \$150,000 of the grant award can be used for Early Action Activities which are small scale, physical

neighborhood improvements undertaken during the planning process. The use of these funds are limited to reclaiming and recycling vacant property into community gardens, pocket parks, or farmers markets; beautification, placemaking and community arts projects; owner-occupied home or business façade improvement programs; neighborhood broadband/Wi-Fi infrastructure; fresh food initiatives; and gap financing for economic development projects that are ready to implement and have secured all the necessary funding except for a modest gap.

Paterson Court

Located near Alabama State University and designed with families in mind, Paterson Court contains 200 studio, one, two, three and four-bedroom apartments. Paterson Court is the oldest of MHA's public housing properties and the most distressed. As such, it is an ideal candidate for a CNI Planning Grant.

Paterson Court is located in Montgomery's Centennial Hill neighborhood, which is "both the historic and contemporary name for this neighborhood rich with Black Heritage." The Centennial Hill Neighborhood Plan, which was adopted by the City of Montgomery Planning Commission in June 2008 describes Centennial Hill as occupying "a strategic central position within the City of Montgomery. Once a thriving and prosperous neighborhood with vibrant entertainment and clubs that drew performers and audiences from across the country, Centennial Hill today is suffering from neglect. Many historic buildings and homes remain in the area, though run-down or abandoned, as silent witnesses to the affluence of the pre-Civil Rights days."

According to HUD data, **the concentration of poverty in the Centennial Hill neighborhood is 73.56%. And the long-term vacancy rate in the target neighborhood is 16.41% whereas it is 7.59% in Montgomery County.** Clearly, this is the kind of distress that Choice Neighborhoods was designed to address.

The Choice Neighborhoods Planning Process

The CNI Planning Process is a two-year effort leading to the creation of a Transformation Plan. The process includes extensive resident and community engagement which MHA will implement through a series of frequent planning meetings and charettes. Continuing community outreach is essential to success. A vigorous household level resident needs assessment will be conducted and will involve face-to-face interviews, input from provider organizations and analysis of other data sources. Assets and needs in the community will be identified and documented. Project staff, partners and consultants will lead the community through a visioning process to develop a shared vision and shared goals that are measurable and achievable. And in order to demonstrate each Planning Grant city's commitment to the community, at least one neighborhood "doing while planning" project (Early Action Activity) is to be implemented. The strongest doing while planning project fosters community engagement, responds to community needs and enhances the neighborhood.

Key Stakeholders and Invitation to Participate

As of August 14, 2020, the project's stakeholders include the City of Montgomery, which will contribute \$105,000 in leverage funds toward the project, Montgomery Public Schools, Central Alabama Regional Planning and Development Commission, Auburn University, and Alabama State University. MHA will be reaching out to other Montgomery businesses and non-profit organizations in the upcoming weeks to solicit their interest and involvement. MHA also requests your support as we pursue this grant. If you are willing to provide a letter of support, we will be glad to forward a template which can be placed on your letterhead. For questions or additional information, please contact Damon Duncan, President/CEO of the Montgomery Housing Authority at dduncan@mhatoday.org or 334-799-4377.