



Community and Economic Development in North Carolina and Beyond Blog: Historic School Redevelopment (Durham, NC)

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Yesterday, Sept 4, community leaders, elected officials, school

administrators and a team from Self-Help gathered in NE Central Durham to celebrate the opening of a revitalized historic asset. The historic YE Smith School, a 54,000 square foot building originally constructed in 1910, is the new home to the Maureen Joy Charter School. The project involved a \$10 million investment in a building that sat vacant for 40 years, located in a community and neighborhood with above average crime, poverty and economic distress (map here). After 3+ years of work, the final result is the relocation of a successful public charter school into a modern, technically sophisticated and architecturally stunning building. How was such a project possible? What finance tools were used? Who were the funding partners? What are some key ingredients to transformative redevelopment projects?

First, the building's new tenant, Maureen Joy Charter School, is a very successful public charter school serving a diverse population of children, grades K-8, where 98 percent of students are minorities and 87 percent are eligible for free lunches. Over the years, Maureen Joy has operated out of several different locations in Durham. Prior to its move into the heart of NE Central Durham, the school bussed its students to a suburban location far from the neighborhoods in which its students lived and played. Part of the motivation for Maureen Joy's move was to locate closer to the homes, businesses, churches and other institutions where its students live.

In terms of the redevelopment partnership, Self-Help Ventures Fund was the lead development partner. Historic tax credits, New Market Tax Credits, investor equity, debt, public funds and grants were all part of the project's financing. According to Tucker Bartlett, Executive Vice President at Self-Help, the project was as complicated as they get, involved more than three years of constant effort by the Self-Help team, and engaged partners from every sector to "find every nickel they could find" to put toward a successful result.

Preservation North Carolina brokered the sale of the building from Trosa to Self-Help. CAHEC syndicated the tax credits. BB&T and other large financial institutions were among the buyers of the tax credits. The City and the AJ Fletcher Foundation made grants to support the project. Redevelopment projects involving New Market Tax Credits have to generate income through commercial uses. Maureen Joy signed a long-term lease and committed to a growth strategy that involves increasing its student population from 325 to over 600. The new school facility will allow for this growth.

Alex Quigley, Principal of Maureen Joy, told a quick story at the close of the celebration. He described walking down the street and being approached by a neighbor of the school with an envelope full of cash. Handing the cash to Mr. Quigley, the neighbor said that it was collected from members of the community who wanted to support the school. The principal



reflected on how the anonymous support from a very low-wealth community was an inspiration and demonstrated that it takes a village for a complicated project like this one to be successful.

More information on the Historic YE Smith Building project and the Maureen Joy Charter School available at:

<http://www.heraldsun.com/news/localnews/x1576248575/YOU-HAVE-A-FUTURE>

<http://historicyesmithproject.wordpress.com>

<http://www.bullcityrising.com/2011/06/self-help-reaches-into-east-durham-rezoning-could-pave-way-for-maureen-joy.html>

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