

[indyweek.com /news/durham/hayti-reborn-update-council-41322/](https://indyweek.com/news/durham/hayti-reborn-update-council-41322/)

'Hayti Reborn' Wants Durham Council to Intervene in DHA Dispute

Thomasi McDonald : 9-12 minutes : 4/13/2022

Earlier this year, the Durham Housing Authority (DHA) rejected a visionary plan to develop a residential, educational, and commercial hub near downtown Durham known as Hayti Reborn. Last week, the director of the group behind that effort asked the Durham City Council to allow the community to weigh in on the development of Fayette Place, a 20-acre swath of long-vacant land in the southern shadow of the downtown district.

“Since [the] Durham Housing Authority plans to enter into a 99-year land lease with a development partner, what happens on this project will impact the Hayti community for the next century,” Henry McKoy, the director of Hayti Reborn, wrote in an email last week to Durham’s city council on behalf of the Hayti Reborn Community Action Council (HRCAC).

McKoy wrote that the council is “peacefully asking” Mayor Elaine O’Neal and her fellow council members to intervene “in the matter of Fayette Place and agree to support Hayti Reborn’s request for a public hearing (‘Public Healing’) on this matter—and host this event in full view of the public.”

The HRCAC email also asked the council members to “issue a city injunction on Fayette Place by asking the DHA to immediately cease and desist any and all current negotiations with any organization on Fayette Place’s development until this matter is fully settled through a public hearing.”

McKoy also asked the city council to make room for a diverse Durham public to be allowed time and space to offer feedback to its members following a public hearing on “competing Fayette Place visions.”

McKoy states in the email that the city’s elected leaders and city manager have a vested interest in the development of Fayette Place, per a 2017 contract between the City of Durham and DHA, along with the nonprofit Development Ventures Incorporated (DVI), when the federal housing agency repurchased the property.

McKoy notes that one of the provisions of the contract states that “DVI shall not develop, sell, convey or otherwise transfer the Site, or any part thereof or interest therein, without the prior written consent of the City Manager or his/her designee.”

McKoy told the city council that its action, or inaction, will impact the next five generations of Black Durham residents and determine “whether the next century will be spent re-creating wealth in Durham’s Black community or re-extracting wealth from Durham’s Black community.”

O’Neal told the *INDY* that the council did not discuss McKoy’s email during its work session on Thursday.

More than a half century has passed since a dramatically misnamed federal urban renewal effort during the 1960s and early 1970s destroyed 4,000 homes and 500 businesses in the neighborhood to make room for construction of Highway 147.

Last year, during the nation’s inaugural Juneteenth celebration, McKoy’s vision for the Fayetteville Street Corridor deeply resonated with stakeholders in the neighborhood who are concerned about the growing specter of gentrification, issues of equity, and whether the community will retain its historical character.

McKoy is also director of entrepreneurship at North Carolina Central University’s business school. He said that Hayti Reborn’s proposal wasn’t even given a seat at the table.

McKoy, in a 13-page appeal last month to DHA’s decision, and in the email this week to the city council, says that “out of the 10 developer proposals, Hayti Reborn was the ONLY

team not allowed to present its plan through interview with the DHA Review Committee prior to their selection.”

“In our naive state, Hayti Reborn never anticipated that a local, minority and community-led team, based in the community with the project, and whom had over 50 individuals and organizations offer letters or signatures of support for the project, would be denied an interview at least, even if it was just for show,” McKoy states more broadly in the appeal. “These associated individuals, some of whom were actually part of the families whose homes and businesses were displaced when the Durham Redevelopment Commission led the way for the Durham Freeway to come through their homes. This project is for them.”

Hayti Reborn's email to the city council is the group's latest effort to resurrect the plan to revitalize the Hayti district with a 2,000-acre development with Fayette Place as the hub. That dream was deferred in January, when the DHA announced that it had chosen two developers, Durham Development Partners and the Atlanta-based Integral Group, LLC, for the \$470 million construction of residential units across three downtown locations: Fayette Place in the Hayti district, Forest Hills Heights, and the county-owned land surrounding the current DHA offices.

On February 4, Hayti Reborn filed a protest letter that said DHA's approach to redevelop Hayti will only reinforce the gentrification already taking place throughout the district.

On March 4, in response to the protest letter, DHA CEO Anthony Scott emailed and snail-mailed McKoy a five-page letter that outlined the procedural history of the developer selection process that included establishing a committee to review the development proposals.

Scott says that Hayti Reborn was among the four finalists, but the Black-led developer received “the lowest aggregate score, by a substantial margin, among the four respondents,” he wrote.

While knocking down Hayti Reborn's protest as being “without merit,” Scott wrote that DHA had not violated federal policy with regard to community input, equity, land use, or due process with its selection of developers for its affordable housing project.

He added that Hayti Reborn “did not demonstrate a sufficient level of experience in relation to the objectives” mandated in the DHA's request for development proposals.

“Given the magnitude of the award, it was not a ‘serious violation of principles’ of [DHA policies] to value a respondent's financial capacity and prior experience to deliver its proposal as important criteria for award in this case,” Scott wrote.

McKoy, in the appeal letter, challenged Scott's assertion that Hayti Reborn is unqualified to complete the Fayette Place project.

The Hayti Reborn team, McKoy wrote in the March 11 appeal, “is comprised of some of the leading real estate development professionals in Durham, the Triangle region, the nation and arguably the world (several of our team members have a global footprint) and have worked on some of the most renowned and acclaimed projects. So, which of these team members, specifically, was deemed unqualified or lacking qualification?”

McKoy added that the Hayti Reborn team includes Winn Companies, “the largest developer and manager of affordable housing in the United States of America.”

As for Scott's assertion that Hayti Reborn is lacking in “financial capacity,” McKoy says the group's lead financier, PNC Bank, was chosen “after a competitive bidding process where banks sought to offer financing to the Hayti Reborn vision of Fayette Place,” along with Partners in Equity, “a Durham-based and Black-founded and led entity that is the leading firm of its kind in North Carolina and likely the United States.”

McKoy admits that Hayti Reborn likely faced a greater challenge than the other proposals submitted by the developers.

“Hayti Reborn was proposing that its project on Fayette Place have the economic benefit accrue primarily to DHA and the local low income and historic community,” McKoy wrote.

"This meant that we had a unique structure to our proposal."

McKoy also questioned whether his status as "organizational leader of Hayti Reborn both made it unqualified and nullified any impact of the additional team members?"

The NCCU entrepreneurial scholar noted that he has over 25 years' experience in community economic development working as a banker, in the energy industry, and as a state government official who worked "with DHA's primary funder—HUD [the Department of Housing and Urban Development]—with over \$1.5 billion in funding including for economic and affordable housing development."

McKoy questioned whether DHA and DVI were qualified to be co-developers of the downtown affordable housing projects. He says DHA's development experience and financial capacity came into question following a recovery agreement it reached last month with HUD that shows the local housing authority "scored a failing assessment."

McKoy reminded the city council of previous city leaders' decades-old deferred promise to rebuild the Black community, which led to its destruction, and how the \$4 million the city gave to DHA in 2017 to repurchase Fayette Place is taxpayers' money.

"The Durham Housing Authority has stated that the community-generated vision for the Fayette Place site was not worth listening to and consideration, and therefore they were justified in their singling out of Hayti Reborn's plan for dismissal," McKoy wrote to the council.

He noted that a number of HRCAC members "were actually in households that were razed by the Durham Redevelopment Commission [that] was formed in 1958 to drive urban renewal through Black Durham."

"After 64 years, don't these 70-plus and 80-plus year-old elders deserve to have their voices heard? FINALLY? By someone?" McKoy wrote. "Don't other members of our Hayti Community Action Council—those currently living in crumbling and dilapidated public housing—with their children and families, deserve to have their voices heard? FINALLY? By someone?"

It's not clear whether the city council will answer the call.

Support independent local journalism. [Join the INDY Press Club](#) to help us keep fearless watchdog reporting and essential arts and culture coverage viable in the Triangle.

Follow Durham Staff Writer [Thomasi McDonald](#) on [Twitter](#) or send an email to tmcdonald@indyweek.com.