



SELMA, ALABAMA

DOWNTOWN HISTORIC REVITALIZATION

Selma, AL

Population: 18,000

County: Dallas

- Project Details: Multi-Phased Historic Revitalization and Adaptive Reuse
 - Impact: Downtown historic revitalization, small business development, & job creation in economically-distressed community
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Positioned high on a bluff overlooking the Alabama River, Selma rose to prominence during the antebellum period as the center of commerce for the agricultural Black Belt region, its 300+ acre business district drawing residents from throughout central Alabama. Today, Selma is best known for the 1965 Selma-to-Montgomery marches, led by Martin Luther King, Jr. to draw national attention to systematic racial voter suppression in Alabama and the need for federal voting rights protections. Significant local effort has been made to preserve the legacy of “Bloody Sunday,” and native Selmanian Congresswoman Terri Sewell has tirelessly advocated for federal resources to support placemaking. The National Park Service has developed an interpretive center, foot soldiers who faced vigilantes and state troopers in 1965 lead tours, and a handful of downtown upper-story units have been redeveloped as lofts to accommodate visitors. Local nonprofit ArtsRevive has restored at least two vacant structures on Water Avenue, near the foot of the Edmund Pettus bridge, to build an engaged community of Black Belt artists with ties to Selma.

Despite local efforts and interest from national parties, developing a sustainable pathway for long term economic recovery is an ongoing challenge. Selma is one of the most economically distressed communities in the nation, and nearly one-third of its residents are in poverty. The closure of Craig Air Force Base, a national training center for military pilots, was the first in a series of devastating events for the local economy that have depleted local resources. Median household income is approximately \$30,000, and the city has experienced record levels of outmigration since the 1980s, losing 14% of its population between 2010 and 2020. On January 12, 2023 an EF2 tornado touched down and severely damaged multiple neighborhoods, which is likely to contribute to further population loss.

Bringing Vitality to Water Avenue. Selma has one of the largest historic downtown districts in the state, with hundreds of architecturally unique properties that were constructed before 1800.



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Most of these properties are now vacant, abandoned, or underutilized, and limited local capital exists to restore structures and support small business tenants. Thousands of tourists visit Selma each year, but there are precious few places for those tourists who disembark their buses to shop and eat. As of this writing, there isn't a single place to buy a sandwich on Water Avenue, the street that fronts the Edmund Pettus Bridge (where these tourists disembark). To capture revenue from visitors, Water Avenue must regain its identity as a vibrant commercial district serving local residents and tourists alike, which can catalyze long-term revitalization of the downtown area.

Local and statewide partners have focused efforts on Water Avenue for its historic significance - marchers walked Water Avenue before crossing the Edmund Pettus Bridge - and for its scale. At just 10 acres, the Water Avenue Historic District is more manageable than the Old Town Historic District, and it has the added benefit of stunning views of the river. The National Park Service interpretive center and the ArtsRevive have created a sense of place on Water Avenue, which is essential for catalyzing private investment. Three new developments are bringing commercial activity to Water Avenue that will help to build Selma's tourism economy.

St. James Hotel. In 2018, the City of Selma sold the historic St. James Hotel to Birmingham-based developer and hotelier, Rhaglan Hospitality, which had recently taken over operations of the restored historic Redmont Hotel in Birmingham as a Curio Collection by Hilton property. One block from the Edmund Pettus Bridge, the St. James was originally constructed in 1837 and is one of the oldest hotels in the Southeast. The revitalized St. James opened in 2021 as a boutique Hilton Tapestry Hotel, creating 45 jobs and offering the only full service hotel in downtown Selma, with restaurant and bar service.

To build the capital stack for the project, Jim Lewis of Rhaglan Hospitality worked closely with Opportunity Alabama (OPAL), which had just been formed to help drive investment to Alabama's newly designated Opportunity Zones. OPAL helped Lewis navigate the local incentive process and introduced the project to the national Woodforest CEI-Boulos Opportunity Fund, which made a \$2M equity investment. This high-impact commercial real estate Opportunity Zone Fund, established by Woodforest National Bank and CEI-Boulos Capital Management, was seeking meaningful rural projects that could benefit from OZ investment and provide capital for quality projects in low-to-moderate income geographies.



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The project also secured lending from American South Real Estate Fund. The Selma Redevelopment Authority provided additional support by facilitating a sales tax rebate on construction materials for the project.

Adler Furniture Building and Harmony Club. After the success of the St. James, a handful of regional development teams contacted the City of Selma and other stakeholders with interest in properties in the historic downtown. City leaders began working with Opportunity Alabama to assess development proposals to advance revitalization of downtown Selma. Through this process, woman-owned, impact-oriented InVictus Development - which has a history of successful development in the Southeast and in Selma - emerged as the strongest partner. OPAL helped InVictus develop a community-engaged plan for long-term, inclusive, place-based development in downtown Selma, beginning with two catalytic historic revitalization projects on Water Avenue, which are approaching construction. OPAL has helped the team secure CDFI investment in predevelopment financing and is now assisting the developer build the capital stack and develop the ecosystem of small business owners, nonprofits, and arts organizations that are essential to the success of these projects.

Adler Furniture Building (11,000 sq ft). This two-story Italianate building built in 1850 first operated as a wholesale grocery store, then a furniture wholesaler. InVictus worked with stakeholders in the local arts and civil rights community, including the leadership of ArtsRevive, to create a plan that would support black artists, African artists, and regional creative talent. This redevelopment will likely include an art gallery, studio space, gift shop, and small artist lofts. The property should be a draw for tourists while serving as a cultural hub created by and for Selma's local residents.

The Harmony Club (16,500 sq ft). This unique three-story Renaissance Revival structure, which was partially renovated in the 1900s, was constructed in 1909 to serve Selma's prominent Jewish community. The club housed local merchants on the first floor and a private lounge, restaurant and ballroom on the upper stories. This building will be redeveloped into mixed-use commercial space with a high quality restaurant and bar, office, and event and conference space, honoring the legacy of the building as a social club for Selma's Jewish community.

Still in predevelopment, these projects are actively pursuing federal and state historic tax credits, New Market Tax Credits, grant funding and PRI investment for historic preservation, and CDFI Investment, all with the goal of ensuring long-term viability.