



**Housing and Revitalization
Department**

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March 15, 2023

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

**RE: Annual HOME, CDBG and ARPA Awards
New Awards**

Honorable City Council:

The City of Detroit ("City"), through the Housing and Revitalization Department ("HRD"), makes annual funding available for "ready-to-proceed projects" from HOME, CDBG and ARPA funds allocated to the City through the U.S. Department of Housing and Urban Development ("HUD") and U.S Department of Treasury. HRD has continued to work closely with HUD to meet required commitment and disbursement deadlines for new and ongoing projects approved by the City.

In support of affordable housing opportunities, HRD is hereby requesting approval to award funding to the following new projects:

1. Islandview Greater Villages Duplex Rehabilitation (\$1,000,000 in CDBG) – \$1,000,000 in CDBG will be spent on this new project that includes the rehab of 6 duplexes to create 2 homes for sale to households with an income of 60% AMI or less, 4 homes for sale to households with an income of 80% AMI or less, and 6 homes for sale to market rate buyers in the Islandview Greater Villages community. The homes for sale to market rate buyers are funded with non-city funds.
2. Mapleridge (\$500,000 in CDBG) - \$500,000 in CDBG will be spent on this new project that includes the rehab of 3 duplexes for sale to buyers that will occupy one unit of the duplex and rent the other unit of the duplex to households with an income of 60% AMI or less in the Osborn neighborhood.
3. 5800 Michigan Avenue (\$512,544 in HOME, \$737,456 in CDBG, and \$450,000 in ARPA) - \$512,544 in HOME, \$737,456 in CDBG and \$450,000 in ARPA will be spent on this project to construct 40 new PSH housing units at 5800 Michigan Avenue, 3951 Campbell Street and 3957 Campbell Street that will be 100% affordable.

We hereby request that your Honorable Body adopt the attached resolution that: (1) approves the aforementioned funding for three new projects and (2) authorizes the HRD Director, or her authorized designee, to execute such documents as may be necessary or convenient to complete the transactions.

Respectfully submitted,

A handwritten signature in black ink that reads "Julie M. Schneider".

Julie M. Schneider
Director

Attachments

cc: G. Fulton, Mayor's Office
K. Vickers, Chief Housing Development & Investment Officer

DocuSigned by:

Donald R Johnson

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Office of Budget

RESOLUTION

BY COUNCIL MEMBER: _____

WHEREAS, the City of Detroit receives an annual allocation and special allocations of HOME and CDBG funds from the U.S. Department of Housing and Urban Development ("HUD") and American Rescue Plan Act of 2021 ("ARPA") funds from the U.S. Department of Treasury, through the Housing and Revitalization Department ("HRD") and other City Departments, for the purpose of creating affordable housing opportunities in Detroit neighborhoods and which are both responsive to needs created by the COVID-19 pandemic and help build a strong and equitable recovery from the COVID-19 pandemic; and

WHEREAS, the City Council authorized HRD's Director to accept and utilize HOME and CDBG funds according to HUD regulations during the City's annual budgeting process; and

WHEREAS, the City Council has appropriated ARPA fiscal recovery funds in Appropriation No. 22004 for Match Funding for projects for which public or private leverage dollars may be made available, subject to separate City Council authorization for such projects; and now therefore be it

RESOLVED, that the City Council hereby approves the new allocations for the HOME, CDBG and ARPA loans for developers and/or borrowers as provided for herein and in the attached Exhibit 1: 2022-2023 New HOME, CDBG & ARPA Awards in the amounts indicated and with authorization to vary such allocation amounts by not more than 10% at the discretion of the HRD Director; and be it further

RESOLVED, that HRD will use Appropriation No. 20541 to spend \$1,000,000 in CDBG funds for the following new project: "Islandview Greater Villages Duplex Rehabilitation" - \$1,000,000; and be it further

RESOLVED, that HRD will use Appropriation No. 20541 to spend \$500,000 in CDBG funds for the following new project: "Mapleridge" - \$500,000; and be it further

RESOLVED, that HRD will use Appropriation No. 10821 to spend \$512,544 in HOME funds, Appropriation No. 20541 to spend \$737,456 in CDBG funds, and Appropriation No. 22004 to spend \$450,000 in ARPA funds for the following new project: "5800 Michigan Avenue" - \$1,700,000; and be it further

RESOLVED, that the HRD Director, or her authorized designee, is authorized to process, prepare and execute any and all loan and grant documents necessary or convenient to close, secure and use HOME, CDBG and ARPA funds according to HUD regulations and as approved by this resolution; and be it finally

RESOLVED, that the Budget and Finance Directors of the Office of the Chief Financial Officer are hereby authorized to increase the necessary accounts and honor expenditures, vouchers and payrolls when presented in accordance with the foregoing communication and standard City procedures.

(See attached Exhibit 1)

EXHIBIT 1: 2022-2023 NEW HOME, CDBG & ARPA AWARDS

Developer or Borrower	Project Description	Project Action	Total Development Cost	Original Allocation	New or Revised Allocation	Comments
Develop Detroit, Inc 1452 Randolph St, Suite 300 Detroit, MI 48226	<i>Islandview Greater Villages Duplex Rehabilitation</i> 2251 Sheridan, 2406 Baldwin, 2419 Beals, 2463 Seyburn, 2143 Townsend, 2544 Van Dyke 12 For Sale Homes 2@60% AMI, 4@80% AMI 6 Market	Approval of CDBG Award	\$3,313,217	N/A	New Allocation \$1,000,000 CDBG	Approval of CDBG Funding Award
Osborn Neighborhood Alliance 13560 E. McNichols Road, Detroit, MI 48205	<i>Mapleridge</i> 13623-27, 13731-33, & 13737-41 Mapleridge Street 3 For Sale Duplexes 3 owner occupied units 3 rental @ 60% AMI	Approval of CDBG Award	\$1,091,167	N/A	New Allocation \$500,000 CDBG	Approval of CDBG Funding Award
Southwest Housing Solutions Corporation 1920 25th Street, Suite A Detroit, MI 48216	<i>5800 Michigan Avenue,</i> 5800 Michigan Avenue, 3951 & 3957 Campbell Street New Construction of 40 PSH units (100% affordable) 44@30% AMI	Approval of HOME/CDBG/ARPA Award	\$17,701,150	N/A	New Allocation \$512,544 HOME \$737,456 CDBG \$450,000 ARPA	Approval of HOME, CDBG, and ARPA Funding Award