



**OFFICE OF THE
CHIEF FINANCIAL OFFICER
OFFICE OF BUDGET**

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July 6, 2023

Honorable Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48226

Re: Neighborhood Improvement Plan Contracts Funded by Anticipated Bond Proceeds

Honorable Detroit City Council Members:

The Administration is requesting your approval of the attached resolution, which addresses how the separately submitted Neighborhood Improvement Plan (“NIP”) contracts will be funded by anticipated bond proceeds.

The City Council and the voters approved a \$250 million bond proposal in 2020 to issue NIP Bonds for the cost of neighborhood improvements in the City through property rehabilitation, demolition and other blight remediation activities. The City previously issued NIP Bonds in 2021 in the aggregate principal amount of \$175 million (the “Prior NIP Bonds”). The City intends to issue the remaining \$75 million in authorized NIP Bonds by August 1, 2023 (the “New NIP Bonds”).

The Administration will separately submit 21 NIP Contracts totaling approximately \$60 million (the “NIP Contracts”) for City Council’s consideration, and the NIP Contracts will be funded by the proceeds from the New NIP Bonds issuance. The attached resolution provides that the Administration will not issue a Purchase Order or Notice to Proceed against such approved NIP Contracts until the proceeds of the New NIP Bonds have been received.

Best regards,

Steven Watson
Deputy CFO / Budget Director

Att: NIP Contracts Funded by Anticipated Bond Proceeds Resolution

Cc: Jay B. Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO/Policy & Administration Director
Sandra Stahl, Chief Procurement Officer
Toni Stewart-Limmitt, Deputy Chief Procurement Officer
Janani Ramachandran Yates, Deputy Budget Director
Malik Washington, City Council Liaison

RESOLUTION

BY COUNCIL MEMBER _____

WHEREAS, the City Council and the voters approved a \$250,000,000 bond proposal in 2020 to issue Neighborhood Improvement Plan (“NIP”) Bonds for the cost of neighborhood improvements in the City through property rehabilitation, demolition and other blight remediation activities; and

WHEREAS, the City previously issued NIP Bonds in 2021 in the aggregate principal amount of \$175,000,000 (the “Prior NIP Bonds”); and

WHEREAS, the City intends to issue the remaining \$75,000,000 in authorized NIP Bonds by August 1, 2023 (the “New NIP Bonds”); and

WHEREAS, the Administration will separately submit 21 NIP Contracts totaling approximately \$60 million (the “NIP Contracts”) for City Council’s consideration; and

WHEREAS, the NIP Contracts will be funded by the proceeds from the New NIP Bonds issuance.

NOW, THEREFORE, BE IT RESOLVED, that the Administration shall not issue a Purchase Order or Notice to Proceed against such approved NIP Contracts until the proceeds of the New NIP Bonds have been received; **AND BE IT FINALLY**

RESOLVED, that the Chief Financial Officer, or their designee, is hereby authorized and shall take all appropriate actions necessary to implement the foregoing provisions and actions authorized by this resolution.