



**OFFICE OF THE
CHIEF FINANCIAL OFFICER**

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June 21, 2024

Honorable Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48826

Re: Resolution of Necessity

Honorable Detroit City Council Members:

The Administration is respectfully requesting approval of the attached Resolution of Necessity, which provides for the acquisition of private property in each of the three neighborhoods to assemble the land needed for the proposed Neighborhood Solar Project.

The Resolution of Necessity would complement the development agreements recently presented to Council for the purpose of implementing Phase 1 of the Solar Neighborhood Project.

Since June 2023, when Mayor Duggan announced the city was seeking neighborhood groups who wanted to address blight in their communities by constructing solar fields in the most blighted areas, the process has narrowed to 8 finalists with overwhelming community support. From those 8 finalists, the Phase 1 of the project with the first 3 neighborhoods will start the process of land acquisition, neighborhood community benefits, and solar field installation.

In the 104 acres in Phase 1, extensive neighborhood and legal outreach has identified only 21 owner occupied homes. All 21 homeowners have indicated their desire to move from the neighborhood and all have signed option contracts for an agreed-upon price. Renters in the Phase 1 area will receive the cost of relocating and 18 months free rent in their new home. Condemnation will be used to acquire the property of landlords and vacant landowners, who will be paid fair market value for their property pursuant to Michigan condemnation law.

It is estimated that \$14 million will be needed to fund the purposes outlined in the Resolution of Necessity for land acquisition and upfront cost. These costs will be funded from Appropriation No. 13969, which is designated as the Utility Conversion Fund upon adoption of the Resolution of Necessity for these purposes.

Best regards,

Jay B. Rising
Chief Financial Officer

Att: Resolution of Necessity

Cc: Trisha Stein, Chief Strategy Officer
Steve Watson, Deputy CFO, Budget Director
Malik Washington, Council Liaison