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October 4, 2024

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

RE: Request to Accept and Appropriate the Choice Neighborhoods Planning Grant from the U.S. Department of Housing & Urban Development (HUD)

Honorable City Council:

The U.S. Department of Housing & Urban Development ("HUD") has awarded the City of Detroit ("City") and the Detroit Housing Commission ("DHC"), through its Housing and Revitalization Department ("HRD"), a Choice Neighborhoods Planning Grant in the total amount of \$500,000.00 ("CN Planning Grant"). The City must meet a five percent (5%) matching requirement that HRD intends to satisfy by investing Federal Community Development Block Grant Program funds into certain identified affordable housing project pre-development costs and to be determined Early Action Activities within the City's Greater Forest Park and Eastern Market neighborhoods, subject to applicable underwriting and environmental review requirements.

The objective of the CN Planning Grant will be to develop a Transformation Plan for the Greater Forest Park and Eastern Market neighborhood that contains the severely distressed public housing sites – Diggs Homes and Forest Park Apartments. The Transformation Plan will support these neighborhoods to grow into a thriving mixed-income and mixed-use community. The CN Planning Grant was awarded to the City and the DHC specifically to create a Transformation Plan for the Greater Forest Park/ Eastern Market Neighborhoods, which are generally bounded by Warren Avenue to the North, McDougall Street to the East, Gratiot Avenue to the South, and Interstate-75 to the West.

If approved, the \$500,000.00 in CN Planning Grant funding received from HUD will be accepted and appropriated by the City in Appropriation No. 21439.

We hereby request that your Honorable Body adopt the attached resolution to: (1) authorize the City to accept the CN Planning Grant, (2) accept, set-up and appropriate all funding received from the CN Planning Grant into Appropriation No. 21439 and (3) acknowledge and support the required City match for the CN Planning Grant as administered by HRD.

Respectfully Submitted,

DocuSigned by:

Julie Schneider

Director, Housing and Revitalization

Dougligned by:

Douald K. Johnson
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Office of Budget

Attachment

cc: Caroline Miller, Mayor's Office Val Miller, HRD

BY COUNCIL MEMBER

WHEREAS, on June 11, 2024, Detroit City Council adopted a resolution authorizing the City of Detroit ("<u>City</u>") to prepare, sign and submit an application to the U.S. Department of Housing & Urban Development ("<u>HUD</u>") for a Choice Neighborhoods Planning Grant to create a Transformation Plan for the Greater Forest Park and Eastern Market Neighborhoods as defined below ("<u>CN Planning Grant Application</u>"); and

WHEREAS, HUD has awarded the City and DHC, by and through its Housing & Revitalization Department ("HRD"), a Choice Neighborhoods Planning Grant in the amount of \$500,000.00 (the "CN Planning Grant") to develop a transformation plan for the geographic area inclusive of the severely distressed public housing sites – Diggs Homes and Forest Park Apartments; and

WHEREAS, the CN Planning Grant was awarded to the City and the DHC by HUD specifically to develop a Transformation Plan and implement to be determined Early Action Activities within the "Greater Forest Park/ Eastern Market Neighborhoods", which is referred to herein and identified as being generally bounded by Warren Avenue to the North, McDougall Street to the East, Gratiot Avenue to the South, and Interstate-75 to the West; and

WHEREAS, the CN Planning Grant requires a five percent (5%) matching requirement that HRD intends to satisfy by investing Federal Community Development Block Grant Program funds into certain identified affordable housing project pre-development costs and to be determined Early Action Activities within the City's Greater Forest Park/ Eastern Market Neighborhoods ("CN Planning Grant Match"), subject to applicable underwriting and environmental review requirements; and

WHEREAS, as a requirement to accepting the CN Planning Grant, the City is required to execute that certain Form HUD-1044 and that certain FY 2024 Choice Neighborhoods Planning Grant Agreement attached hereto in Exhibit A and incorporated herein (together the "CN Planning Grant Agreement"); and

WHEREAS, the City's Law Department has approved the CN Planning Grant Agreement as to form; and

RESOLVED, Office of Budget Director is authorized to accept, set-up and appropriate Appropriation No. 21439 CN Planning Grant funds by \$500,000.00; and now therefore be it

RESOLVED, Detroit City Council hereby approves the City's acceptance of the CN Planning Grant to specifically support certain projects and services within the Greater Forest Park/ Eastern Market Neighborhoods that were identified in the CN Planning Grant Application; and be it further

RESOLVED, that Detroit City Council hereby acknowledges and approves that the CN Planning Grant Match requirement will be satisfied by HRD with other Federal Community Development Block Grant Program funds invested into certain identified affordable housing project predevelopment costs and to be determined Early Action Activities within the Greater Forest Park/ Eastern Market Neighborhoods; and be it

RESOLVED, that the City's Mayor, Director of the Housing and Revitalization Department and/or their authorized designees are hereby authorized to execute on behalf of the City the CN Planning Grant Agreement and any other documents required by the CN Planning Grant; and be it finally

RESOLVED, that the Office of the Chief Financial Officer be and is 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 A)



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

September 6, 2024

The Honorable Michael E. Duggan Mayor City of Detroit 2 Woodward Ave. #1126 Detroit, MI 48226-3437

Mr. James Arthur Jemison Executive Director Detroit Housing Commission 1301 E. Jefferson Detroit, MI 48207

Dear Mayor Duggan and Mr. Jemison:

Congratulations! We are pleased to inform you that the City of Detroit and the Detroit Housing Commission have been selected to receive a Fiscal Year (FY) 2024 Choice Neighborhoods Planning Grant in the amount of \$500,000 to support the development of a comprehensive neighborhood Transformation Plan for the Greater Forest Park/Eastern Market neighborhood. The Department looks forward to working with you to accomplish the goals of this grant.

HUD received 42 applications for the FY 2024 Choice Neighborhoods Planning Grants competition from across the nation and awarded 13 grants totaling \$6,500,000. We commend you for your efforts to develop a viable, feasible approach to plan for neighborhood transformation. For your information, enclosed are the scores for each rating factor in your application.

As you know, Planning Grants will enable communities to create a rigorously-developed plan and build the support necessary for neighborhood transformation to be successful. The implementation of a Choice Neighborhoods Planning Grant is a great responsibility. Accordingly, it will be essential for you to work closely with HUD officials to ensure that the Transformation Plan is developed in a timely and efficient manner. You will soon receive a letter that will provide you with detailed information about your grant.

Again, please accept our sincere congratulations. We wish you every success.

Sincerely.

Richard J. Monocchio

Principal Deputy Assistant Secretary for Public and Indian Housing

Richard J. Monorchio

Enclosure