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October 29, 2024

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

**RE: Annual HOME, CDBG, and AHD&PF Awards
New and Revised 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 AHD&PF funds allocated to the City through the U.S. Department of Housing and Urban Development ("HUD") and other sources. 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:

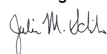
1. Russell Woods (\$2,500,000 HOME; \$1,500,000 CDBG) - \$2,500,000 in HOME and \$1,500,000 in CDBG will be spent on this adaptive reuse rehabilitation project to construct 77 senior housing units at 11421 Dexter Ave that will be 100% affordable.
2. 4401 Rosa Parks (\$2,500,000 HOME) – \$2,500,000 in HOME will be spent on this new construction project to construct 60 new housing units at 4401 Rosa Parks Blvd that will be 100% affordable.

Additionally, HRD is requesting approval to increase funding sources for the following previously approved project:

1. The HIVE on Russell (Add \$445,000 in AHD&PF) - \$445,000 in AHD&PF funds will be added to this project to fill a funding gap created by increased project costs.

We hereby request that your Honorable Body adopt the attached resolution that: (1) approves the aforementioned new project funding awards, (2) approves the aforementioned project increased funding, and (3) authorizes the HRD Director, or her authorized designee, to execute such documents as may be necessary or convenient to complete the transactions.

Respectfully submitted,

DocuSigned by:

 Julie M. Schneider
 Director

Attachments

cc: G. Fulton, Mayor's Office
R. Labov, Chief Development & Investment Officer

DocuSigned by:

 Donald R. Johnson
 Office of Budget

RESOLUTION

BY COUNCIL MEMBER: _____

WHEREAS, the City of Detroit receives an annual allocation and special allocations of HOME, CDBG, and AHD&PF funds from the U.S. Department of Housing and Urban Development ("HUD") and other local sources through the Housing and Revitalization Department ("HRD") and other City Departments, for the purpose of creating affordable housing opportunities in Detroit neighborhoods; and

WHEREAS, the City Council authorized HRD's Director to accept and utilize AHD&PF funds and accept and utilize HOME and CDBG funds according to HUD regulations during the City's annual budgeting process; and now therefore be it

RESOLVED, that the City Council hereby approves the new and revised allocations for the HOME, CDBG, and AHD&PF loans for developers and/or borrowers as provided for herein and in the attached Exhibit 1: 2024-25 New and Revised HOME, CDBG & AHD&PF 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. 10821 to spend \$2,500,000 in HOME funds and Appropriation No. 20541 to spend \$1,500,000 in CDBG funds for the following new project: "Russell Woods" – \$4,000,000; and be it further

RESOLVED, that HRD will use Appropriation No. 10821 to spend \$2,500,000 in HOME funds for the following new project: "4401 Rosa Parks" - \$2,500,000; and be it further

RESOLVED, that HRD will use Appropriation No. 26364 to add \$445,000 in AHD&PF funds to the following existing project: "The HIVE on Russell" – add \$445,000; 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 AHD&PF 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: 2024-2025 New and Revised HOME, CDBG & AHD&PF Awards

Developer or Borrower	Project Description	Project Action	Development Cost	Original Allocation	New or Revised Allocation	Comments
<p>Icon Heritage Partners 990 Biscayne Blvd. Suite 503 Miami, FL 33132</p> <p>LC Consultants II 35 Research Dr. Suite 300 Ann Arbor, MI 48103</p>	<p>Russell Woods Senior Living Community 11421 Dexter Ave. Adaptive Reuse Rehabilitation to create 77 units (100% Affordable) 6@30% AMI, 12@40% AMI, 44@50% AMI, 15@60% AMI</p>	<p>Approval of HOME and CDBG Award</p>	<p>\$28,447,715</p>	<p>N/A</p>	<p>New Allocation: \$2,500,000 HOME \$1,500,000 CDBG</p>	<p>Approval of HOME and CDBG Award for the project</p>
<p>Cinnaire Solutions 2111 Woodward Ave Suite 600 Detroit, MI 48201</p> <p>Woodbridge Neighborhood Development Corporation 1776 W. Warren Ave. Detroit, MI 48208</p>	<p>4401 Rosa Parks 4401 Rosa Parks New Construction of 60 units (100% affordable) 11@30% AMI, 9@40% AMI, 5@50% AMI, 11@60% AMI, 24@80% AMI</p>	<p>Approval of HOME Award</p>	<p>\$25,335,521</p>	<p>N/A</p>	<p>New Allocation: \$2,500,000 HOME</p>	<p>Approval of HOME Award for the project</p>
<p>Develop Detroit, Inc 1452 Randolph St., Ste 300 Detroit, MI 48226</p>	<p>The HIVE on Russell 2033 Russell St New Construction of 78 Units (100% affordable) 10@30% AMI, 68@60% AMI</p>	<p>Add \$445,000 of AHD&PF Funding</p>	<p>\$23,817,091</p>	<p>\$4,000,000 ARPA</p>	<p>Revised Allocation: \$4,000,000 ARPA \$445,000 AHD&PF</p>	<p>Add \$445,000 AHD&PF due to increased project costs</p>