



Housing and Revitalization
Department

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan 48226

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

January 24, 2025

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

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

Honorable City Council:

The U.S. Department of Housing and Urban Development (HUD) has awarded the City of Detroit, Housing & Revitalization Department the Pathways for Removing Obstacles (PRO) Housing Grant award in the amount of \$4,275,268.08, to support the barriers to affordable housing production and preservation. There is no match requirement.

The PRO Housing grant provides funding from the U.S. Dept. of Housing & Urban Development to address critical barriers to affordable housing production and preservation and advance local housing strategies. Through \$4,275,268.08 in PRO Housing funds, Detroit will update local land use policies, incentivize development and rehabilitation of neighborhood-scale housing projects, and increase housing production and infill development on publicly owned land.

If approval is granted to accept and appropriate this funding, the appropriation number is 21510.

We respectfully ask your approval to accept, set-up and appropriate funding in accordance with the attached resolution.

Respectfully submitted,

DocuSigned by:

E17650515DAF4C9...

Julie Schneider
Director, Housing & Revitalization

DocuSigned by:

34F9071313554A4...

Office of Budget

Attachment

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

BY COUNCIL MEMBER _____

WHEREAS, the Housing & Revitalization Department is requesting authorization to accept the PRO Housing Grant Award from the U.S. Department of Housing & Urban Development (HUD) in the amount of \$4,275,268.08, to support the barriers to affordable housing production and preservation. There is no match requirement.

WHEREAS, this request has been approved by the Office of Budget; now

THEREFORE, BE IT RESOLVED that the Director or Head of the Department is authorized to execute the grant agreement on behalf of the City of Detroit, and

BE IT FURTHER RESOLVED, that the Budget Director is authorized to accept, setup and appropriate Appropriation # 21510 PRO Housing Grant in the amount of \$4,275,268.08 for the PRO Housing Grant award.

Funding Approval/Agreement

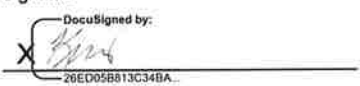

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program


OMB Approval No. 2506-0193
 exp 1/31/2025

1. Name of Grantee (as shown in item 5 of Standard Form 424) City of Detroit	3a. Grantee's 9-digit Tax ID Number 38-6004606	3b. Grantee's 9-digit DUNS Number GS94M2VMNMJ3 (UEI)
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 2 Woodward Avenue Detroit, MI 48226	4. Date use of funds may begin 1/22/2025	
	5a. Project/Grant No. 1 B-24-PH-26-0002	6a. Amount Approved \$4,275,268.08 (by this action)
	5b. Project/Grant No. 2	6b. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any additional and/or special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the additional and/or special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Keith E. Hernández	Grantee Name (Contractual Organization) City Of Detroit
Title CPD Director	Title Michael E. Duggan, Mayor
Signature 	Signature 
Date (mm/dd/yyyy) 1/22/2025	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action: CDBG Pathways to Removing Obstacles to Housing (Public Law 118-42) CDBG Pathways to Removing Obstacles to Housing (Public Law 117-328)	8. Additional/Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy)	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
9c. Date of Start of Program Year N/A			
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY 2024	FY 2023	
b. Funds now being Approved	\$4,211,168.00	\$64,100.08	
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature 

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
-------------------------------	---------------------------------	--------------	------------------	------------	-------------

8. Additional Requirements.

- (a) These additional requirements are attached to the Funding Approval/Agreement (form HUD-7082) (the "Agreement") between HUD and the Grantee for grant number B-24-PH-26-0002 and apply to all grantees receiving funds appropriated under Public Law 118-42 and Public Law 117-328 as part of the Pathways to Removing Obstacles to Housing (PRO Housing) program. By signing the Agreement, the Grantee agrees to these additional requirements on the use of this PRO Housing grant, as may be amended from time to time by the Secretary.
- (b) The submissions for assistance incorporated into the Agreement include the Grantee's PRO Housing action plan(s) and amendments, including the certifications, assurances, and any documentation the Grantee is required to submit for the award. Until grant closeout, the Grantee must continue to adhere to its submissions, unless amended in accordance with PRO Housing requirements.
- (c) The requirement of the Agreement to comply with the Housing and Community Development Act of 1974, as amended, and the requirements at 24 CFR part 570 are modified to incorporate the requirements of the Consolidated Appropriations Act, 2024 (Public Law 118-42), the Consolidated Appropriations Act, 2023 (Public Law 117-328), and the FY24 Pathways to Removing Obstacles to Housing (PRO Housing) Notice of Funding Opportunity (NOFO) FR-6800-N-98, (as now in effect and as may be modified from time to time). The Grantee agrees to comply with the NOFO, and any future Federal Register notices published by HUD that apply to PRO Housing under Public Law 118-42 and Public Law 117-328. Future Federal Register notices will apply prospectively from their applicability date, and to costs reimbursed from the grant after their applicability date, as provided in the notices and in 8.(d).
- (d) The period of performance and single budget period for the Funding Assistance shall each begin on the date specified in item 4 and shall each end on September 30, 2030. The Grantee shall not incur any obligations to be paid with such assistance after September 30, 2030.
- (e) Any program income received before or after closeout of the grant is treated as additional PRO Housing grant funds, subject to the requirements of the FY24 PRO Housing NOFO, and must be used in accordance with the Grantee's PRO Housing Action Plan. Except as amended by the FY24 PRO Housing NOFO, a grantee that is a local government, multijurisdictional entity or metropolitan planning organization shall comply with regulatory provisions at 24 CFR part 570 subparts A, C, D, J, K, and O, and a grantee that is a State shall comply with regulatory provisions at 24 CFR part 570 subpart I. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made, except as provided in the FY24

PRO Housing NOFO.

- (f) The Grantee must use the Grant Funds only for costs (including indirect costs) that meet the applicable requirements in 2 CFR part 200 (including appendices). The Grantee's indirect cost rate information is as provided in Addendum #1 to this Agreement. The Grantee must immediately notify HUD upon any change in the Grantee's indirect cost rate, so that HUD can amend the Agreement to reflect the change if necessary.
- (g) In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and General Contractor Registration; and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.
- (h) The grantee shall ensure that no PRO Housing funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water- related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.
- (i) The Grantee or other entity that directly or indirectly receives PRO Housing funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act or the FY24 PRO Housing NOFO.
- (j) E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review

procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

- (k) PRO Housing funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements." (Source - P.L. 113-235, Consolidated and Further Continuing Appropriations Act, 2015, Division K, Title II, Community Development Fund).
- (l) The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.
- (m) Waste, Fraud, Abuse, and Whistleblower Protections. Any person who becomes aware of the existence or apparent existence of fraud, waste or abuse of any HUD award must report such incidents to both the HUD official responsible for the award and to HUD's Office of Inspector General (OIG). HUD OIG is available to receive allegations of fraud, waste, and abuse related to HUD programs via its hotline number (1-800-347-3735) and its online hotline form. You must comply with 41 U.S.C. § 4712, which includes informing your employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and subgrantee—as well as a personal services contractor—who make a protected disclosure about a Federal grant or contract cannot be discharged, demoted, or otherwise discriminated against as long as they reasonably believe the information they disclose is evidence of:
 1. Gross mismanagement of a Federal contract or grant;
 2. Waste of Federal funds;
 3. Abuse of authority relating to a Federal contract or grant;
 4. Substantial and specific danger to public health and safety; or
 5. Violations of law, rule, or regulation related to a Federal contract or grant.

**Addendum # 1 to Agreement B-24-PH-26-0002
Grantee Indirect Cost Rate(s)**

As the duly authorized representative of the Grantee, I certify that the Grantee:

- Will not use an indirect cost rate to calculate and charge indirect costs under the grant.
- Will calculate and charge indirect costs under the grant by applying a *de minimis* rate as provided by 2 CFR 200.414(f), as may be amended from time to time.
- Will calculate and charge indirect costs under the grant using the indirect cost rate(s) listed below, and each rate listed is included in an indirect cost rate proposal developed in accordance with the applicable appendix to 2 CFR part 200 and, *if required*, was approved by the cognizant agency for indirect costs.

Agency/department/major function	Indirect cost rate	Type of Direct Cost Base
	%	
	%	
	%	

Name of Authorized Official:

Signature:
 X

Date (mm/dd/yyyy):
 / /

Title:

Instructions for the Grantee's Authorized Representative:

You must mark the one (and only one) checkbox above that best reflects how the Grantee's indirect costs will be calculated and charged under the grant. Do not include indirect cost rate information for subrecipients.

The table following the third box must be completed only if that box is checked. When listing a rate in the table, enter both the percentage amount (e.g., 15%) and the type of direct cost base to be used. For example, if the direct cost base used for calculating indirect costs is Modified Total Direct Costs, then enter "MTDC" in the "Type of Direct Cost Base" column.

If using the Simplified Allocation Method for indirect costs, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

If using the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.

If the Grantee is a government and more than one agency or department will carry out activities under the grant, enter each agency or department that will carry out activities under the grant, the indirect cost rate(s) for that agency or department, and the type of direct cost base to which each rate will be applied.

To learn more about the indirect cost requirements, see 2 CFR part 200, subpart E and Appendix VII to Part 200 (for state and local government and Indian Tribes).