

## RESOLUTION

**BY COUNCIL**

**MEMBER** \_\_\_\_\_:

**WHEREAS**, the Detroit City Council adopted a resolution on July 25, 2017, that, in part, authorized expenditures from the Bridging Neighborhoods Fund by the Housing and Revitalization Department in adherence to the activities and programs identified in Exhibit A of said Resolution; and

**WHEREAS**, it is anticipated that approximately \$4.8 million of the Bridging Neighborhoods Fund will be unencumbered by June 30, 2025 and available for additional Bridging Neighborhoods Fund program purposes; and

**WHEREAS**, the City wishes to expand the program objectives of the Bridging Neighborhoods Fund to include other program purposes such as home improvements, including the enhancement of indoor air quality for owner-occupied homes directly affected by the Gordie Howe International Bridge expansion within one of the following boundaries: (i) South of Fort Street, between the Rouge River and Clark Street; and (ii) West of Clark Street, north of Fort Street and south of I-75; and

**WHEREAS**, the City wishes to additionally expand the program objectives of the Bridging Neighborhoods Fund to also include the enhancement of eligible residential homes by nonprofit organizations and community development organizations;

**WHEREAS**, eligible residential homes include homes owned by the Detroit Land Bank Authority or homes previously purchased from the Detroit Land Bank Authority by nonprofit organizations and community development organizations; and

**WHEREAS**, following the completion of the Bridging Neighborhood program's objectives, remaining funds, if any, may be used to fund other projects that support the general purpose of the Bridging Neighborhoods Fund; and

**WHEREAS**, the collective expansion of authorized activities supports the general purpose of the Bridging Neighborhoods Fund to provide neighborhood improvements as provided in the Agreement, Joint State/City Initiatives for Health, Job Training, and Neighborhood Development between the City, the State of Michigan, and the Economic Development Corporation of the City of Detroit; **NOW, THEREFORE BE IT**

**RESOLVED**, that the Prior Resolution – Exhibit A is amended to add:

- i. Bridging Neighborhoods Fund, Appropriation 20413, by the Housing and Revitalization Department may be used to provide support for home repair, home rehab, and support for property improvements in the City of Detroit;
- ii. Bridging Neighborhoods Fund, Appropriation 20413, by the Housing and Revitalization Department will be expanded to include other program purposes such as home improvements, including the enhancement of indoor air quality for owner-occupied homes directly affected by the Gordie Howe International Bridge expansion within one of the following boundaries: (i) South of Fort Street, between the Rouge River and Clark Street; and (ii) West of Clark Street, north of Fort Street and south of I-75;
- iii. Bridging Neighborhoods Fund may additionally be expanded to allow the allocation of funds toward a program for the enhancement of eligible residential homes by nonprofit organizations and community development organizations.

## **EXHIBIT A**



## RESOLUTION

BY COUNCIL MEMBER:

Leland

**WHEREAS**, the City of Detroit ("City") has entered into those certain agreements related to the Gordie Howe International Bridge Project ("Agreements") as follows: (1) the "Agreement – Transfers of Properties, Assets, Interests and Jurisdiction" between the City, the Detroit Land Bank Authority ("DLBA"); the Public Lighting Authority ("PLA"), the Economic Development Corporation of the City of Detroit ("EDC") and the Michigan Department of Transportation ("MDOT"); (2) the "Agreement – Leases and Services" between the City, the DLBA, the EDC, and the Windsor-Detroit Bridge Authority; and (3) the "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development" between the City, the State of Michigan ("State"), and EDC; and

**WHEREAS**, the Agreements provide for certain payments to be made totaling approximately \$45,021,630 more or less ("Revenue Payments"); and

**WHEREAS**, the City wishes to establish Appropriation No. 20413 in the Housing & Revitalization Department's budget and titled "Bridging Neighborhoods Fund" (the "Fund") for the purposes of: (1) accepting and allocating a certain portion of the Revenue Payments (a total of approximately \$32,621,630 more or less), (2) accepting such other revenue as later identified by the City and (3) to allow for the expenditure of said Revenue Payments by the Housing & Revitalization Department ("HRD") from Appropriation No. 20413 as further identified herein; and

**WHEREAS**, the "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development" specifies that \$8,500,000 of the Revenue Payments shall be used for a job-training initiative for Detroiters, and that the City shall contribute an additional \$1,500,000 to that job-training initiative; and

**WHEREAS**, the City wishes to establish Appropriation No. 20416 in the Department of Civil Rights, Inclusion and Opportunity's budget and titled "Job Training Initiative Fund" (the "Training Fund") for the purposes of: (1) accepting and allocating a portion of the Revenue Payments specified in the "Agreement – Transfers of Properties, Assets, Interests and Jurisdiction" totaling \$1,500,000 and (2) to allow for the expenditure of said Revenue Payments by the Department of Civil Rights, Inclusion and Opportunity ("CRIO") from Appropriation No. 20416 as further identified herein; and

**WHEREAS**, the City wishes to establish Appropriation No. 20417 in the Health Department's budget and titled "Bridging Neighborhoods - Health & Emissions Monitoring Program Fund" (the "Health Fund") for the purposes of: (1) accepting and allocating a portion of the Revenue Payments specified in the "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development" totaling \$2,400,000 and (2) to allow for the expenditure of said Revenue Payments by the Health Department ("Health") from Appropriation No. 20417 as further identified herein; and

**WHEREAS**, the City has regularly consulted with the Gordie Howe Bridge Community Advisory Group ("CAG"), and has worked closely with the CAG on issues related to the Gordie Howe International Bridge Project and its impact on neighborhoods; now therefore be it

**RESOLVED**, that the 2017-2018 Budget is amended for the HRD, who is hereby authorized to accept, appropriate and establish Appropriation No. 20413 into which all Revenue Payments shall be received, unless otherwise directed to be received or paid elsewhere pursuant to this resolution, and be it further

**RESOLVED**, that Appropriation No. 20413 shall be titled the "Bridging Neighborhoods Fund"; and be it further

**RESOLVED**, that Appropriation No. 20413 shall be a revolving fund with remaining balances carrying forward each fiscal year until such time as all monies in the Fund have been expended; and be it further

**RESOLVED**, that with approval of Detroit City Council, additional revenue sources may be appropriated to the Fund in addition to the Revenue Payments received by the City from the Agreements; and be it further

**RESOLVED**, that expenditures from the Fund by the HRD are hereby authorized, providing that such expenditures adhere to the restrictions contained in the attached Exhibit A that is incorporated herein by reference; and be it further

**RESOLVED**, that the 2017-2018 Budget is amended for the CRIO, who is hereby authorized to accept, appropriate and establish Appropriation No. 20416 into which \$1,500,000 of the Revenue Payments from that certain "Agreement – Transfers of Properties, Assets, Interests and Jurisdiction Agreement" shall be received; and be it further

**RESOLVED**, that Appropriation No. 20416 shall be titled the "Job Training Initiative Fund"; and be it further

**RESOLVED**, that Appropriation No. 20416 shall be a revolving fund with remaining balances carrying forward each fiscal year until such time as all monies in the Fund have been expended; and be it further

**RESOLVED**, that with approval of Detroit City Council, additional revenue sources may be appropriated to the Training Fund in addition to the Revenue Payments received by the City from the Agreements; and be it further

**RESOLVED**, that expenditures from the Training Fund by CRIO are hereby authorized, providing that such expenditures are consistent with that certain "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development"; and be it further

**RESOLVED**, that a portion of the Revenue Payments totaling \$8,500,000 to be paid by the State pursuant to the "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development" shall be paid by the State directly to the Detroit Employment Solutions Corporation in support of the City's Job Training Initiative; and be it further

**RESOLVED**, that the 2017-2018 Budget is amended for the Health Department, who is hereby authorized to accept, appropriate and establish Appropriation No. 20417 into which \$2,400,000 of the Revenue Payments from that certain "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development" shall be received, and be it further

**RESOLVED**, that Appropriation No. 20417 shall be titled the "Bridging Neighborhoods - Health & Emissions Monitoring Program Fund"; and be it further

**RESOLVED**, that Appropriation No. 20417 shall be a revolving fund with remaining balances carrying forward each fiscal year until such time as all monies in the Health Fund have been expended; and be it further

**RESOLVED**, that with approval of Detroit City Council, additional revenue sources may be appropriated to the Health Fund in addition to the Revenue Payments received by the City from the Agreements; and be it further

**RESOLVED**, that expenditures from the Health Fund by Health are hereby authorized, providing that such expenditures are consistent with that certain "Agreement: Joint State/City Initiatives for Health, Job Training, and Neighborhood Development"; and be it further

**RESOLVED**, that before the Detroit City Council approves any change, modification or amendment to this resolution, Detroit City Council shall first hold a minimum one public hearing on any such change, modification, or amendment north of I-75, and a minimum of one public hearing on any such change, modification, or amendment south of I-75, and such hearings shall be held at a location in the community surrounding the Gordie Howe Bridge, in the evening; and be it further

**RESOLVED**, that the Finance Director 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; and be it further

**RESOLVED**, that the City will continue to consult and work closely with the CAG on issues related to the Gordie Howe International Bridge Project, including implementation of the Bridging Neighborhoods Program described in Exhibit A.

## EXHIBIT A

### **Bridging Neighborhoods Fund, Appropriation 20413 (the "Fund") Expenditure Restrictions**

The Bridging Neighborhoods Fund shall be spent on the Bridging Neighborhoods Program ("Program") as further defined and outlined as follows:

- a. Program Objective. The Program is intended to provide for the renovation of blighted residential properties and increase population density in neighborhoods across the City of Detroit. Homeowners who are directly affected by the Gordie Howe International Bridge will be given the opportunity to move to renovated homes in neighborhoods throughout the City. In addition, residents who will live near freeway overpasses and expanded highway service drives that are to be constructed in connection with the Gordie Howe International Bridge will be provided an opportunity to have their home environmentally retrofitted and soundproofed.
- b. Administration. The Program shall be administered by the Housing & Revitalization Department ("HRD") and HRD may contract with such other entities as required to further the Program and Program Objective.
- c. Exchange-Eligible Home, Defined:
  1. An Exchange-Eligible Home, for purposes of this section, is a home which was owner-occupied as of June 23, 2017, which will not be acquired by the Michigan Department of Transportation to facilitate construction of the Gordie Howe International Bridge, and is within the following boundaries:
    - (i) South of Fort Street, between the Rouge River and Clark Street; and
    - (ii) West of Clark Street, north of Fort Street and south of I-75.In addition, the Housing and Revitalization Director shall designate, as Exchange-Eligible Homes, certain homes which were owner-occupied as of June 23, 2017, will not be acquired by the Michigan Department of Transportation to facilitate construction of the Gordie Howe International Bridge, and are within the following boundaries:
    - (i) Between Clark Street and Govin Street, north of I-75, and within approximately 150 feet of the I-75 Service Drive once planned expansion of the Service Drive for the Gordie Howe International Bridge Project is complete; and
    - (ii) South of Amherst Street, north of I-75, and between Cavalry and Junction Streets.
  2. A home qualifies as "owner-occupied," for purposes of this section, if it qualified for the State of Michigan's Principal Residence Exemption as of December 31, 2016, and the owner as of that date held title to the home on June 23, 2017. In addition, the Housing and Revitalization Director may, but need not, promulgate standards under which homes that did not receive the Principal Residence Exception as of December 31, 2016 may nevertheless qualify as "owner-occupied," so long as the home's owner as of June 23, 2017 can demonstrate that he or she used the home as his or her primary residence as of June 23, 2017.

- d. Select Land Bank Home, Defined: A Select Land Bank Home, for the purposes of this section, is a home owned by the Detroit Land Bank Authority, and designated by the Detroit Land Bank Authority for use in the Bridging Neighborhoods Program.
- e. Retrofit-Eligible Home, Defined: A Retrofit-Eligible Home, for purposes of this section, is any residential property that is between Clark Street and Govin Street, is north of I-75, will not be acquired by the Michigan Department of Transportation to facilitate construction of the Gordie Howe International Bridge, and will be within 300 feet of the I-75 Service Drive once planned expansion of the Service Drive for the Gordie Howe International Bridge Project is complete. Final determination as to which homes north of I-75 fall within the foregoing boundaries will be made by the Housing and Revitalization Director. Any Exchange-Eligible Home between Clark Street and Govin Street that is designated as an Exchange-Eligible Home by the Housing and Revitalization Director pursuant to Paragraph c.2 of this Exhibit, and whose owner opts not to participate in the Title Exchange pursuant to Paragraph f, shall be a Retrofit-Eligible Home.
- f. Title Exchange: Bridging Neighborhoods Program funds shall be used for the purposes of offering persons who owned an Exchange-Eligible Home on June 23, 2017 the opportunity to move into, and obtain title to, a renovated Select Land Bank Home, in exchange for title to that person's Exchange-Eligible Home. Program funds may be used to fund renovation of the Select Land Bank Home; to fund reasonable moving expenses for any person who opts to participate in the Title Exchange pursuant to this paragraph; to fund demolition of the Exchange-Eligible home following title exchange, in compliance with applicable environmental regulations; for administrative costs associated with rehabilitation, moving expenses, and demolition; and for general implementation of the Program.
- g. Implementation Schedule: The Housing and Revitalization Director shall promulgate a schedule and timeline for implementation of the Bridging Neighborhoods Program by October 1, 2017. Prior to promulgating a schedule and timeline, the Housing and Revitalization Director shall consult with the Gordie Howe Bridge Community Advisory Group. The Housing and Revitalization Director may amend the schedule and timeline for implementation at any time, so long as the Gordie Howe Bridge Community Advisory Group, if in existence, is consulted prior to any such amendment.
- h. Retrofitting and Soundproofing: All Retrofit-Eligible Homes shall be entitled to receive a retrofit package designed to protect occupants of the Retrofit-Eligible Home from air pollution and noise pollution, and Program Funds may be spent on such retrofits. Retrofit packages may include new windows; air filters; insulation; and/or heating, ventilation, and air conditioning systems. The Housing and Revitalization Director shall, in consultation



with the Health Director, promulgate appropriate retrofitting and soundproofing standards that are in accordance with established public health and environmental practices.