



**Housing and Revitalization
Department**

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To: Council Member Coleman A. Young II, Council Member at Large
From: Angelique Rodriguez-Edge, Deputy Director, Housing & Revitalization Department
Date: April 14, 2025
Re: **Responses to 2025-2026 HRD Budget Analysis**

Please find below responses to your questions sent on March 24, 2025, regarding the Fiscal Year 2026 Proposed Budget for the Housing and Revitalization Department (HRD).

1. What is the plan to upgrade and repair senior buildings and public housing?

HRD regularly provides gap financing, tax incentives and other support to developers of senior housing. In the last five years, 27 senior housing developments containing 3,671 units of affordable senior housing were preserved. Five of these developments have also been upgraded, resulting in 670 rehabbed senior units. There are currently another 6 senior buildings totaling 582 affordable housing units in the pipeline for preservation. In addition, 121 units of new affordable senior housing were completed in the past five years, and 421 new affordable senior units are under construction or in the pipeline to begin in the next year.

HRD's preservation team will continue to reach out to owners and operators of senior housing to assist them with planning for and applying for funding to rehabilitate their properties. All affordable senior developments are eligible to receive a Payment In Lieu of Taxes (PILOT) to help reduce operating costs and keep rents affordable. Under the updated PILOT ordinance, these developments are eligible for even lower payments than they were previously. There are currently at least 4 senior buildings, containing 972 units, that are going through the PILOT application process to support rehabilitation.

While the City does not act as a developer of public housing, the Housing & Revitalization Department (HRD) is working closely with the Detroit Housing Commission (DHC) to support their new leadership and development team on creating a cohesive strategy to redevelop their distressed properties. As an example, the first phase of the Villages at Parkside redevelopment recently received a 9% Low Income Housing Tax Credit (LIHTC) award from MSHDA, and the City is supporting DHC in applications for the next two phases this spring.

2. What is the procedure for choosing which buildings are receiving upgrades and repairs?

Redevelopment of multifamily properties is driven primarily by the project owners. When these projects seek City funding, they are required to submit an application to a competitive Notice of Funding Availability (NOFA) offered twice a year through HRD. This NOFA scores and evaluates

projects based on the development team's capacity, readiness to proceed, and alignment with City priorities (such as preservation of affordable rents in areas with rising housing costs).

3. What is Detroit's plan for eliminating homelessness?

To end homelessness, a multi-systematic approach is required. The [5-year Strategic System Improvement Plan for Detroit's Homelessness Response System](#) outlines key steps for not only the homelessness system but other sectors, such as behavioral health and workforce development, need to come together to tackle this overwhelming but solvable social issue.

The strategic plan outlines both system-wide and core homelessness response improvement areas. The recent 7 Point Plan issued by the Mayor at the end of February, called for changes in both of these areas. The system improvements for CAM are focused on ensuring each household receives critical safety planning to keep people safe and expanding access to emergency, rehousing, and prevention services. The core response elements involve increasing emergency response programs such as emergency shelter and outreach. These expanded services allow the city to ensure that we have adequate response for households who need it. However, the immediate response programs are only one side of the system.

A key component of ending homelessness is also preventing the inflow into the homelessness system. Detroit Housing Services and ESG Prevention programs are two integral components of Detroit's services that focus on keeping people housed or if they are not able to stay there, assisting them with relocation assistance, thus preventing them from entering into the homelessness system. The 7 Point Plan also calls for proactive outreach to every household with minors who states they are at imminent risk. This new initiative will be key in reducing the inflow into the homelessness system, thus allowing the system to target homelessness resources to households that do not have any safe place to stay and must enter into emergency shelter.

For those that do enter into the homelessness system, housing, both with and without services, is needed. ESG funds rapid re-housing programs which allows for time-limited rental assistance combined with case management. The City has allocated a portion of its ESG and CDBG funds towards this program type each year thus allowing households to get off of the streets and out of shelter and into housing. The City currently funds 3 providers for this program and expects to serve approximately 150 of households throughout this calendar year. In addition to these resources, HRD works very closely with the Detroit Continuum of Care (CoC) Lead Agency, the Homeless Action Network of Detroit (HAND). HAND has approximately \$35 million year that is allocated mainly towards rapid rehousing or permanent supportive housing. These CoC resources are the main source of housing programs for the homelessness population. The

second but equally important housing program is through HRD's affordable housing portfolio. HRD, through HOME funds, allocates resources to the development of permanent supportive housing. In 2025, 165 PSH units have already or are expected to, come online. These units will take referrals directly from the homelessness system, thus ending their homelessness. Finally, the City's commitment to building new and preserving existing affordable housing is an essential part of the plan to end homelessness for households that do not need ongoing services.