



To: James E. Tate Jr. City Council President Pro-Tempore
From: Angelique Rodriguez-Edge, Deputy Director, Housing & Revitalization Department
Date: April 14, 2025
Re: Responses to 2025-2026 Housing & Revitalization Department Budget Analysis

Please find below responses to your questions sent on 3/19/2025, regarding the Fiscal Year 2026 Proposed Budget for the Housing & Revitalization Department (HRD).

1. What is being discussed with the Planning and Development Department (PDD) to support the findings from the draft Brightmoor Framework Study?

HRD has met with PDD and discussed the recommendations from the Brightmoor Framework Plan alongside general knowledge and conversations of the area. While the area is not quite primed for development to proceed on its own, there are several areas of interest that could assist with further economic impact and development that HRD is prepared to pursue.

- 1. Upzoning of Various Sections of Brightmoor:** Crucial to further development in the planning framework area is upzoning. PDD has a recommendation born from the community to upzone the area from R1 or R2 to R3. This upzoning will allow the development of more dense residential types and allow HRD/PDD/DLBA to market sites for denser developments.
- 2. RFP for new construction LIHTC development on Fenkell and Trinity** – HRD Plans to focus attention on the intersection of Fenkell (commercial thoroughfare for Brightmoor) and Burt Road (thoroughfare through the overall neighborhood from Old Redford Neighborhood and I-96) helping in both placemaking and spurring development. HRD believes a late Fall/Winter 2025 RFP that is heavily targeted to a variety of developer would be appropriate for a non-PSH LIHTC development.
- 3. Continuing to market and advertise HRD current programming:** Alongside looking for new multifamily development opportunities, HRD, in collaboration with PDD and ProTem's office, will work to further educate residents of the Brightmoor Framework Plan on the available programs for home repair which will help current residents within the planning area who own their homes who are in need of repairs.
- 4. DLBA Brightmoor Marketing Efforts** - PDD, HRD, and the DLBA will work to create smaller scale (1 - 4, 8, 10 unit) development opportunities in available public land close to the economic impact area of Fenkell and Burt Road. While multifamily may be a big undertaking, smaller developers looking to create neighborhood scale residential

options will help to create diversity in unit type as well as more mixed-income neighborhoods.

5. **Detroit Housing Commission (DHC) Smith Homes Project:** HRD will collaborate with the DHC Smith Homes Project to conceptualize a potential infill housing development project that will work to improve the current footprint of DHC single family detached homes in the area and potentially create new infill with some type of lease to own/homebuyer program (prospective, largely led by DHC capacity and ability)
 6. **GSI Initiative:** The GSI Initiative has a great ability to transform the southwestern quadrant of the Brightmoor Framework Area which can create an impetus for new development and/or increased values in the surrounding areas.
 7. **Larger Scale Mixed - Typology, Mixed Housing Development** - Tracking the GSI Initiative, HRD plans to create an RFP for an affordable housing mixed-typology mixed - housing development. The goal will be to utilize vacant land in the area to push for various types of housing to create density of income and residential options. We believe the possible area could be Acacia to Kendall, Bentler/Westbrook to Burt. This project will be contingent on the success of GSI Initiative and will be presented to the development community in 18 - 24 months.
 8. **Commercial Development and Infill** - With the successes of 1 - 6, Fenkell and/or Schoolcraft could become ripe for commercial-only developments or mixed-income mixed-use residential/commercial projects. HRD will partner with NED, PDD, and DEGC to encourage commercial retail business in these corridors to provide more placemaking as well as retail amenities in the Brightmoor Framework Area which will lead to higher property values and more economic development.
 9. **Brightmoor Homes** - HRD will continue to work with the residents of Brightmoor to obtain the greatest outcome for each resident, either home ownership or improved/habitable housing.
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2. **The City of Detroit has \$52.3 million earned from interest from American Rescue Plan Act (ARPA) funding. Has Housing and Revitalization Department (HRD) had conversations with the Office of the Chief Financial Officer (CFO) to spend any of the funds earned from interest on existing ARPA-funded programs?**

HRD has not discussed use of interest earning specifically but has discussed with OCFO the possibility of using some amount of unspent ARPA funds for programs like homeless services.

3. **In FY 2025, how much has the City of Detroit received in property sales? Please include sales of both vacant and developed land.**

To date in FY2025 (as of March 2025), the City has received a total of \$1,714,213 in revenue from property sales.

4. **Specifically for property sales, how does Housing and Revitalization Departments use these funds?**

Per the City ordinance establishing the Detroit Affordable Housing Development and

Preservation Fund (AHDPF), the City's annual budget contains an appropriation for the AHDPF that will be not less than 40 percent of the net receipts of all commercial property sales during previous fiscal year. The funding is used for new and preserved residential housing projects addressing housing for those with the greatest economic need, being households earning up to 50 percent of Area Median Income (AMI). The balance of the property sale revenue is pooled with other General Fund dollars.

The Fund has supported 9 projects (420 total affordable units) and is projected to support an additional 2 projects (315 total affordable units) that are currently in underwriting phases. To date, 100% of AHDPF dollars that have been committed to affordable housing development and preservation have supported units at or below 30% AMI.