



City of Detroit Detroit City Council

FROM THE DESK OF
Mary Waters, Member At-Large
2 Woodward Avenue, Suite 1340 Detroit, MI 48226

TO: David Whittaker, Legislative Policy Division
THROUGH: Mary Sheffield, City Council President
FROM: Mary Waters, Councilmember, At-Large
RE: Questions on HUD Section 108 Loan Usage

Following our recent meeting regarding HUD Section 108 loans, it was noted that the City has repaid its previous HUD loans and is now eligible to borrow up to \$150 million. The proposal was discussed to secure new loans for \$150 million, with an allocation of \$70 million toward filling construction cost gaps for new housing developments, primarily mixed-income units at or around 80% AMI.

Please coordinate across departments to provide us with an overview of how the City of Detroit can best use this Section 108 loan funding in support of housing initiatives. This overview should include, but not be limited to:

- New housing development
- Gap financing
- Rehabilitation of properties owned by the Detroit Land Bank Authority (DLBA)
- Assistance to homeowners to support compliance with DLBA program requirements