



Housing and Revitalization  
Department

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

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[www.detroitmi.gov](http://www.detroitmi.gov)

June 24, 2025

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

**RE: Request for Authorization to Accept and Appropriate the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) funds and Amend the FY 2021-22 Annual Action Plan (REVISED CORRECTION)**

Honorable City Council:

The U.S. Department of Housing & Urban Development (“HUD”) has allocated the City of Detroit (“City”), through its Housing and Revitalization Department (“HRD”), the HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP) funds in the total amount of \$26,583,684 **and now revised corrected amount of \$26,623,380** under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“ARPA”). This funding will be used to make targeted, strategic investments in housing and other assistance for people experiencing homelessness in accordance with the McKinney-Vento Homeless Assistance Act.

HRD will use the funding to equitably reduce homelessness and increase housing stability for the 7,811 households that experience homelessness each year in Detroit. HOME-ARP funding will allow the City of Detroit to leverage existing funding for homelessness to address gaps and barriers in the current homeless system.

The approximate \$26.6 million will be used for the following allowable costs w/the additional amount of \$39,696 going towards Acquisition and Development of Non-Congregate Shelter :

- **Permanent Supportive Housing: \$16,063,642.00**

The majority of the funding will go towards creating 150-250 units of permanent supportive housing. These funds will be leveraged with existing federal funds to create the maximum number of units possible. All units created will serve chronically homeless households, as these are extremely vulnerable residents in our city.

- **Supportive Services: \$3,000,000.00**

Supportive services are key to ensuring chronically homeless households are successful in their permanent supportive housing unit and remain housed. Supportive services include case management, connection to physical and mental health, transportation, employment assistance, education, and life skills training.

- **Acquisition and Development of Non-Congregate Shelter: \$3,039,696.00**

HRD will issue a NOFA for the new development or rehabilitation of a congregate emergency shelter. Transforming a shelter to allow for non-congregate sleeping space will mitigate the spread of COVID-19 and other illnesses.

Detroit City Council

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Action Plan (Revised Correction)

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- **Non-Profit Support**

Non-profit agencies can lack the resources needed to implement and operate new programs. This funding will allow agencies to implement the following HOME-ARP programs:

- 1. Non-Profit Capacity Support: \$665,000.00**

- Examples include salaries, employee training, and equipment and supplies needed to implement a HOME-ARP program.

- 2. Non-Profit Operating Support: \$665,000.00**


- Examples include rent, utilities, insurance, and taxes needed to operate a HOME-ARP program.

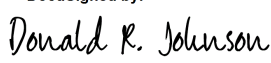
- **Administration: \$3,190,042.00**

HOME-ARP administration is allowable up to 15%. HRD will only use 12% of funding to ensure that a majority of the resources go directly to Detroiters experiencing homelessness. Program administration will include four full time HRD employees that will project manage, oversee, and monitor HOME-ARP funding and subrecipients.

We respectfully request that your Honorable Body's authorization to accept this supplemental funding/amendment by approving the attached resolution for the stated purpose.

Respectfully submitted,

DocuSigned by:  
  
E17650515DAF4C9...  
**Julie Schneider**  
Director

DocuSigned by:  
  
34F9074343664A4...  
**Donald R. Johnson**  
Office of Budget

Attachment

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

**BY COUNCIL MEMBER** \_\_\_\_\_

**WHEREAS,** The U.S. Department of Housing and Urban Development (HUD) has allocated the City of Detroit the HOME Investment Partnerships Program – American Rescue Plan (HOME-ARP) funds under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2)

**WHEREAS,** the Mayor of the City of Detroit, Michael E. Duggan, is hereby authorized to amend the Annual Action Plan FY 2021-22 budget w/appropriation number for revenues and expenditures, including all understandings and assurances contained therein to the U.S. Department of Housing and Urban Development (HUD) in accordance with the foregoing communication; and

**RESOLVED,** that the Budget Director be and is hereby authorized to appropriate and increase the HOME-ARP (Correction) funds expenditures and revenues Appropriation #20991 by \$39,696; and

**BE IT FINALLY RESOLVED** that the Office of Chief Financial Officer be and is hereby authorized to accept and process all documents reflecting these changes.



OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
WASHINGTON, DC 20410-7000

April 30, 2025

The Honorable Mike Duggan  
Mayor of Detroit  
City of Detroit  
2 Woodward Avenue  
Suite 1126  
Detroit, MI 48226-3443

Dear Mayor Duggan:

In 2021, the Department of Housing and Urban Development's (HUD or the Department) Office of Community Planning and Development (CPD) allocated \$5 billion appropriated by the American Rescue Plan Act (ARP) of 2021 to HOME Investment Partnerships Program participating jurisdictions. These funds, known as "HOME-ARP," are intended to give you the financial tools to assist your most vulnerable citizens by providing housing, shelter, tenant-based rental assistance, and supportive services for persons experiencing or at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, and other populations at greatest risk of housing instability.

While conducting recent quality control efforts, the Department discovered an administrative error in the allocations of the HOME-ARP funds. This error resulted in your jurisdiction inadvertently being allocated less HOME-ARP funds than it was legally entitled to receive. Specifically, the Department determined that your jurisdiction received \$39,696.00 less in its HOME-ARP allocation than it should have. This letter notifies you of the corrected amount of your HOME-ARP award.

<b>Original HOME-ARP Award</b>	<b>Additional Allocation Amount</b>	<b>Revised HOME-ARP Award</b>
\$26,583,684.00	\$39,696.00	\$26,623,380.00

Attached is an amended HOME-ARP grant agreement for your agency's signature, indicating the additional amount you are entitled to and your final corrected amount. Please sign this agreement and return it to your CPD Representative. Please note: Build America, Buy America provisions continue to be waived for HOME-ARP.

Additionally, you must amend your HOME-ARP allocation plan to include the correct amount of HOME-ARP funds in accordance with HUD Notice CPD-21-10 and your citizen participation plan. Depending upon the criteria for substantial amendments established in your citizen participation plan, you may be required to develop a substantial amendment to the HOME-ARP allocation plan.

The requirements for substantial amendments can be found in section V.C.6 of HUD Notice CPD-21-10. The Department can assist you in determining what may be required to be included in a substantial amendment.

The Department regrets this error and apologizes for any inconvenience it may cause. We are working hard to make this process as seamless as possible for all affected recipients. If you or your staff wish to discuss this correction or have any questions about HOME-ARP, please contact your local HUD Field Office or HUD's Office of Affordable Housing Programs at [HOMEARP@hud.gov](mailto:HOMEARP@hud.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "C Fernandez", with a stylized flourish at the end.

Claudette Fernandez  
General Deputy Assistant Secretary  
for Community Planning and Development

**HOME ARP Grant Agreement**Title II of the Cranston-Gonzalez National Affordable Housing Act  
Assistance Listings #14.239 – HOME Investment Partnerships Program

1. Grantee Name (must match name associated with 3b.) and Address  City of Detroit 2 Woodward Avenue Suite 1126 Detroit, MI 48226-3443		2. Grant Number (Federal Award Identification Number (FAIN)) M21MP260202	
		3a Tax Identification Number 386004606	3b. Unique Entity Identifier (formerly DUNS) GS94M2VMNMJ3
		4. Appropriation Number 861/50205	5. Budget Period Start and End Date FY 2021 – 09/30/2030
6. Previous Obligation (Enter "0" for initial FY allocation)			\$26,583,684.00
a. Formula Funds			\$26,583,684.00
7. Current Transaction (+ or -)			\$39,696.00
a. Administrative and Planning Funds Available on Federal Award Date			\$
b. Balance of Administrative and Planning Funds			\$
c. Balance of Formula Funds			\$39,696.00
8. Revised Obligation			\$26,623,380.00
a. Formula Funds			\$26,623,380.00
9. Special Conditions (check applicable box) <input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Attached		10. Federal Award Date (HUD Official's Signature Date) (mm/dd/yyyy) 9 / 20 / 2021	
11. Indirect Cost Rate*		12. Period of Performance Date in Box #10 - 09/30/2030	
<u>Administering Agency/Dept.</u>	<u>Indirect Cost Rate</u>	<u>Direct Cost Base</u>	
—	— %		
—	— %		
—	— %		
—	— %		

\* If funding assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E-Cost Principles, provide the name of the department/agency, its indirect cost rate (including if the de minimis rate is charged per 2 § CFR 200.414), and the direct cost base to which the rate will be applied. Do not include cost rates for subrecipients.


The HOME-ARP Grant Agreement (the "Agreement") between the Department of Housing and Urban Development (HUD) and the Grantee is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.) and Section 3205 of the American Rescue Plan (P.L. 117-2) (ARP). HUD regulations at 24 CFR part 92 (as may be amended from time to time), the CPD Notice entitled "Requirements for the Use of Funds in the HOME-American Rescue Plan Program" (HOME-ARP Implementation Notice) (as is now in effect and as may be amended from time to time), the Grantee's HOME-ARP allocation plan (as of the date of HUD's approval, and as amended from time to time), and this HOME-ARP Grant Agreement, form HUD-40093a, including any special conditions (in accordance with 2 CFR 200.208), constitute part of this Agreement. HUD's payment of funds under this Agreement is subject to the Grantee's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502 and the HOME-ARP Implementation Notice (both as are now in effect and as may be amended from time to time). To the extent authorized by HUD regulations at 24 CFR part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Grantee without the Grantee's execution of the amendment or other consent. The Grantee agrees that funds invested in HOME-ARP activities under the HOME-ARP Implementation Notice are repayable in accordance with the requirements of the HOME-ARP Implementation Notice as it may be amended from time to time. The Grantee agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58, as well as the HOME-ARP Implementation Notice.

The Grantee must comply with the applicable requirements at 2 CFR part 200, as amended, that are incorporated by the program regulations and the HOME-ARP Implementation Notice, as may be amended from time to time. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in the program regulations or HOME-ARP Implementation Notice, activities carried out under the grant after the effective date of the 2 CFR part 200 amendments will be governed by the 2 CFR part 200 requirements, as replaced or renumbered by the part 200 amendments.

The Grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Universal Numbering System and System for Award Management (SAM) requirements in Appendix I to 2 CFR part 200, and the Federal Funding Accountability and Transparency Act (FFATA) in Appendix A to 2 CFR part 170.

The Period of Performance for the funding assistance shall begin on the date specified in item 12 and shall end on September 30th of the 6<sup>th</sup> fiscal year after the expiration of the period of availability for obligation. Funds remaining in the grantee's Treasury account after the end of the budget period will be cancelled and thereafter not available for obligation or expenditure for any purpose. Per 31 U.S.C. 1552, the Grantee shall not incur any obligations to be paid with such assistance after the end of the Budget Period.

The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 U.S.C. 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) [2023-05698.pdf \(govinfo.gov\)](https://www.govinfo.gov/2023-05698.pdf), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

13. For the U.S. Department of HUD (Name and Title of Authorized Official) Keith E. Hernandez      CPD Director	14. Signature 	15. Date 5/23/2025
16. For the Grantee (Name and Title of Authorized Official)	17. Signature 26ED05B813C34BA...	18. Date / /

19. Check one:

☐ Initial Agreement    ☒ Amendment # 1

20. Funding Information: HOME ARP

<u>Source of Funds</u>	<u>Appropriation Code</u>	<u>PAS Code</u>	<u>Amount</u>
2021	861/50205	HMX	\$39,696.00