



Housing and Revitalization  
Department

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

Phone: 313.224.6380  
Fax: 313.224.1629  
www.detroitmi.gov

March 18, 2022

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

**RE: Annual HOME, CDBG and AHD&PF Awards  
New Awards / Additions to Previous Awards**

Honorable City Council:

The City of Detroit ("City"), through the Housing and Revitalization Department ("HRD"), makes annual funding available for "ready-to-proceed projects" from HOME, CDBG and AHD&PF federal and local funds allocated to the City through the U.S. Department of Housing and Urban Development ("HUD") and other sources. HRD has continued to work closely with HUD to meet required commitment and disbursement deadlines for new and ongoing projects approved by the City.

In support of affordable housing opportunities, HRD is hereby requesting approval to award funding to the following new projects:

1. Field Street III (\$582,626 in AHD&PF) - \$582,626 in AHD&PF funds will be spent to rehabilitate 49 existing townhouse structures within the Island View Neighborhood in the vicinity of Kercheval and E. Grand Blvd. to create 49 residential rental units that will be 100% affordable.
2. Life is a Dreamtroit (\$500,000 in AHD&PF) – \$500,000 in AHD&PF funds will be spent on an adaptive reuse project at 1331 Holden to create 81 residential rental units with 90% of the units being affordable.
3. Jefferson Van Dyke (\$600,000 in AHD&PF) – \$600,000 in AHD&PF funds will be spent on rehabilitation and new construction work on 5 properties that include 7875, 7891, 7903, 7913 East Jefferson Ave and 547 Van Dyke. 48 residential rental units will be created with 50% of the units being affordable.

Additionally, HRD is requesting approval to increase funding sources for the following previously approved projects:

1. Sugar Hill (Add \$500,000 in CDBG) – Additional \$500,000 in CDBG funds will be added to this project to cover increased utility infrastructure related costs.
2. La Joya Gardens (Add \$300,000 in AHD&PF) – Additional \$300,000 in AHD&PF funds will be added to this project to cover increased labor and material costs.

3. Marwood Apartments (Add \$15,000 in CDBG / Replace \$1,100,000 in HOME with \$1,100,000 in CDBG) – Additional \$15,000 in CDBG will be added to this project to cover increased project acquisition costs. Additionally, \$1,100,000 in HOME funds that were previously awarded will be replaced with \$1,100,000 in CDBG to assist in HUD spending requirements.

We hereby request that your Honorable Body adopt the attached resolution that: (1) approves the aforementioned funding for three new projects, (2) approves the aforementioned project funding increases/replacements and (3) authorizes the HRD Director, or her authorized designee, to execute such documents as may be necessary or convenient to complete the transactions.

Respectfully submitted,



Julie M. Schneider  
Director

Attachments

cc: G. Fulton, Mayor's Office  
K. Vickers, Chief Housing Development & Investment Officer

## RESOLUTION

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

**WHEREAS**, the City of Detroit receives an annual allocation of HOME, CDBG and ADH&PF funds from the U.S. Department of Housing and Urban Development ("HUD") and other local sources, through the Housing and Revitalization Department ("HRD"), for the purpose of creating affordable housing opportunities in Detroit neighborhoods; and

**WHEREAS**, the City Council authorized HRD's Director to accept and utilize HOME, CDBG and ADH&PF funds according to HUD regulations during the City's annual budgeting process; and now therefore be it

**RESOLVED**, that the City Council hereby approves the new and revised allocations for the HOME, CDBG and AHD&PF loans for developers and/or borrowers as provided for herein and in the attached Exhibit 1: 2021-22 New and Amended HOME, CDBG and ADH&PF Awards in the amounts indicated and with authorization to vary such allocation amounts by not more or less than 10% at the discretion of the HRD Director; and be it further

**RESOLVED**, that HRD will use Appropriation No. 26364 to spend \$582,626.00 in ADH&PF funds on the following new project: "Field Street III" - \$582,626.00; and be it further

**RESOLVED**, that HRD will use Appropriation No. 26364 to spend \$500,000.00 in ADH&PF funds on the following new project: "Life is a Dreamtroit" - \$500,000.00; and be it further

**RESOLVED**, that HRD will use Appropriation No. 26364 to spend \$600,000.00 in AHD&PF funds on the following new project: "Jefferson Van Dyke Mixed Use" – \$600,000.00; and be it further

**RESOLVED**, that HRD will use Appropriation No. 20541 to add \$500,000.00 in CDBG funds to the following existing project: “Sugar Hill” – add \$500,000.00; and be it further

**RESOLVED**, that HRD will use Appropriation No. 26364 to add \$300,000.00 in ADH&PF funds to the following existing project: “La Joya Gardens” – add \$300,000.00; and be it further

**RESOLVED**, that HRD will use Appropriation No. 20541 to add \$15,000.00 in CDBG funds to the following existing project: “Marwood Apartments” – add \$15,000.00; and be it further

**RESOLVED**, that HRD will replace previously awarded \$1,100,000.00 in HOME funds from Appropriation No. 10821 with \$1,100,000.00 in CDBG funds from Appropriation No. 20541 to the following existing project: “Marwood Apartments” – replace \$1,100,000.00 in HOME with \$1,100,000.00 in CDBG; and be it further

**RESOLVED**, that the HRD Director, or her authorized designee, is authorized to process, prepare and execute any and all loan and grant documents necessary or convenient to close, secure and use HOME, CDBG and AHD&PF funds according to HUD regulations and as approved by this resolution; and be it finally

**RESOLVED**, that the Budget and Finance Directors of the Office of the Chief Financial Officer are 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.

(See attached Exhibit 1)

## Exhibit 1: 2021-22 New & Amended HOME, CDBG and AHD&PF Awards

### New Awards and Loan Modifications

DEVELOPER OR BORROWER	PROJECT DESCRIPTION	PROJECT ACTION	TOTAL DEVELOPMENT COST	ORIGINAL/CURRENT ALLOCATION	New or Revised ALLOCATION	COMMENTS
Church of the Messiah Housing Corporation MHT Housing Inc. Field Street III LDHA LLC 231 E. Grand Blvd. Detroit, MI 48207	<b>Field Street III</b> 49 units - 100% affordable	APPROVE NEW AWARD	\$10,747,936	N/A	\$582,626 AHD&PF	New Award
Life is a Dreamtroit, LLC 1331 Holden Street Detroit MI 48202	<b>Life is a Dreamtroit</b> 81 Units - 90% affordable	APPROVE NEW AWARD	\$5,145,117	N/A	\$500,000 AHD&PF	New Award
Jefferson Van Dyke 2 LLC 400 Bagley St Detroit, MI 48226	<b>Jefferson Van Dyke Mixed Use</b> 48 Units - 50% affordable	APPROVE NEW AWARD	\$23,222,140	N/A	\$600,000 AHD&PF	New Award
Develop Detroit, POAH DD Sugar Hill LLC, Preservation of Affordable Housing, Inc., and/or POAH Support Corporation 2 1452 Randolph, Suite 300 Detroit, MI 48226	<b>Sugar Hill</b> 81-119 Garfield St Detroit, MI 48201 68 units - 20% affordable	ADD \$500,000 CDBG	\$38,567,961	\$2,000,000 HOME \$1,410,000 CDBG \$500,000 CDBG-CV \$6,697,930 SECTION 108	Revised: \$2,000,000 HOME \$1,910,000 CDBG \$500,000 CDBG-CV \$6,697,930 SECTION 108	Additional \$500,000 in funding to address increased project costs due to utility issues
Cinnaire Solutions Corporation, Southwest Detroit Business Association, Hubbard Vernor 4 LDHA, LLC, Hubbard Vernor LDHA, LLC and their affiliates and subsidiaries 2111 Woodward Ave, Ste. 600 Detroit, MI 48201	<b>La Joya Gardens</b> 4000-4060 W. Vernor Hwy Detroit, MI 53 Residential units (40 Units Affordable), retail and community space	ADD \$300,000 AHD&PF	\$24,422,088	\$2,500,000 HOME \$798,623 AHD&PF	Revised: \$2,500,000 HOME \$1,098,623 AHD&PF	Additional \$300,000 in funding to address increased labor and material project costs

<p>Develop Detroit, Marwood Marston 2020 LDHA LLC 1452 Randolph, Suite 300 Detroit, MI 48226</p>	<p><b>Marwood Apartments</b> 53, 67, 81 Marston Street Detroit, MI 48202 71 units - 100% Affordable</p>	<p>ADD \$15,000 CDBG REPLACE \$1,100,000 HOME WITH \$1,100,000 CDBG</p>	<p>\$17,066,343</p>	<p>\$1,760,000 HOME \$505,028 CDBG-CV</p>	<p>Revised: \$660,000 HOME \$1,115,000 CDBG \$505,028 CDBG-CV</p>	<p>Additional \$15,000 in funding to address increased project acquisition costs  Replacement of funding sources to assist in grant spending requirements</p>
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