



April 29, 2022

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

RE: Approval to Appropriate & Expend Revenue from Sale Proceeds for SNF Homes from the Bridging Neighborhoods Home Swap Program

Honorable City Council:

The Housing and Revitalization Department (“HRD”) coordinates the Bridging Neighborhoods Program utilizing proceeds from the Gordie Howe International Bridge Fund (“GHIB Fund”) and grant funds received by the City from Invest Detroit under the Strategic Neighborhoods Fund – Single Family Gap Grant (“SNF Gap Grant”).

The City is fully renovating certain homes owned by the Detroit Land Bank Authority in Strategic Neighborhood Fund areas to offer to eligible residents as part of the Bridging Neighborhoods Program’s Home Swap program funded through the GHIB Fund. In cases where a renovated home is not selected by a participant in the Bridging Neighborhoods Program, the home is offered for sale. All GHIB Fund expenditures related to a sold home are to be reimbursed by (1) the net sale proceeds (“Sales Proceeds”) and, if needed, (2) the SNF Gap Grant, a 3-year grant approved in May 2021, which reimburses any expenses not already offset by the Sales Proceeds. The use of the Sales Proceeds are subject to the terms of the SNF Gap Grant. To date, the City has received \$89,300 in Sales Proceeds from a home sale.

Therefore, HRD is hereby requesting that your Honorable Body adopt the attached resolution granting approval to HRD to appropriate and expend any and all payments of Sales Proceeds that have been and/or will be received by the City under any home sale connected to the SNF Gap Grant through the Bridging Neighborhoods Program with the expenditures of Sales Proceeds restricted first to the reimbursement of expenditures of the GHIB Fund. Any Sales Proceeds for a home in excess of the expenses spent on the home will be appropriated for expenditure subject to the terms of the SNF Gap Grant, specifically for the existing purposes of the Bridging Neighborhoods Program. HRD will provide the OCFO quarterly reports detailing revenues and expenses related to the SNF Gap Grant and Sales Proceeds. This will allow such Sales Proceeds to be appropriated and expended, thus providing for the BN Fund to be used for additional home renovations in the City of Detroit as previously approved by this Honorable Body.

Respectfully submitted,

Rico Razo
Bridging Neighborhoods Director

cc: H. Zygmuntowicz (HRD)
J. Schneider (HRD)
D. Rencher (Mayor’s Office)
S. Washington (Mayor’s Office)
G. Fulton (Mayor’s Office)



RESOLUTION

BY COUNCIL MEMBER: _____

WHEREAS, the City of Detroit ("City"), through the Housing & Revitalization Department ("HRD"), coordinates funds in the Gordie Howe International Bridge Fund ("GHIB Fund") to provide the Bridging Neighborhoods Program which renovates selected blighted residential properties owned by the Detroit Land Bank Authority and offers the homes to eligible homeowners directly affected by the Gordie Howe International Bridge; and

WHEREAS, the City sells certain renovated homes in Strategic Neighborhood Fund areas that are not selected by eligible homeowners through the Bridging Neighborhoods Program and receives net sales proceeds ("Sales Proceeds") from the sale of these homes; and

WHEREAS, the GHIB Fund is reimbursed for all expenditures related to the preparation, renovation, and sale of these homes through the Sales Proceeds and additional gap funding provided through the City's Strategic Neighborhood Fund – Single Family Gap Grant ("SNF Gap Grant") funded by Invest Detroit; and

WHEREAS, all funds received as Sales Proceeds are subject to and governed by the terms of the SNF Gap Grant; and

WHEREAS, the City has received \$89,300 in revenue from the Sales Proceeds from the sale of a home as of March 31, 2022; and now therefore be it

RESOLVED, that any and all payments that have been and/or will be received by the City as proceeds from the sale of a home renovated through the Bridging Neighborhoods Program are hereby appropriated as revenue in HRD's Budget in Appropriation No. 21106; and be it further

RESOLVED, that Appropriation No. 21106 shall be titled the "BNP SNF Home Sale Proceeds"; and be it further

RESOLVED, that Appropriation No. 21106 shall be a revolving fund with remaining balances carrying forward each fiscal year until such time as all monies in the fund have been expended; and be it further

RESOLVED, that HRD is hereby authorized to expend the revenue received in Appropriation No. 21106 to credit Bridging Neighborhoods Fund Appropriation No. 20413 for the amount totaling all expenditures for each home sold under the SNF Gap Grant; and be it further

RESOLVED, that the revenues that are not expended for the reimbursement of homes in Appropriation No. 21106 shall be used subject to the terms of the SNF Gap Grant, specifically for the existing purposes of the Bridging Neighborhoods Program; and be it further



RESOLVED, that the City's Chief Financial Officer, or his authorized designee, is hereby authorized to accept and process all documents consistent with the authorizations and approvals granted herein; and be it finally

RESOLVED, that HRD will provide quarterly reports to the City's Chief Financial Officer, or his authorized designee, which will include the total payments received for the respective quarter and the specific uses for which such funds were used.