September 19, 2019

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

RE: Annual HOME, CDBG, NSP Awards
Modification of Scope and Funding Sources - LifeBuilders

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, NSP and CDBG federal funds allocated to the City through the U.S. Department of Housing and Urban Development. HRD has continued to work closely with HUD to meet required commitment and disbursement deadlines for ongoing projects approved by the City.

In support of affordable housing opportunities, HRD is hereby requesting approval to modify the scope and funding source of a previously approved project as follows:

Previous Approved Loan Funding:

1. LifeBuilders ($460,000) for six homes – $350,000 of CDBG funds will be spent on this project from reprogrammed funding approved by this Honorable Body on October 16, 2018. Also, HRD will spend $110,000 in NSP 1 funds on this project from an existing appropriation.

Revised Loan Funding:

1. LifeBuilders ($460,000) for three homes – $350,000 of CDBG funds will be spent on this project from reprogrammed funding approved by this Honorable Body on October 16, 2018. Also, HRD will spend an additional $110,000 in CDBG funds on this project from its FY 2019-20 CDBG allocation.

We hereby request that your Honorable Body adopt the attached resolution that (1) amends the scope and funding source for the LifeBuilders project and (2) authorizes the Director of HRD to execute such loan documents as may be necessary or convenient to complete such modifications to the transaction.

Respectfully submitted,

[Signature]
Donald Rencher
Director
Attachments

cc: S. Washington, Mayor’s Office
K. Vickers, Associate Director of Housing Underwriting
RESOLUTION

BY COUNCIL MEMBER:

WHEREAS, City of Detroit ("City"), through the Housing and Revitalization Department ("HRD"), makes annual funding available for "ready-to-proceed projects" from HOME, NSP and CDBG federal funds allocated to the City through the U.S. Department of Housing and Urban Development for the purpose of creating affordable housing opportunities; and

WHEREAS, on November 20, 2018, Detroit City Council adopted a resolution that included approval of $460,000 in funding to the LifeBuilders project for rehab of six homes, with $350,000 of the funding from CDBG funds and $110,000 of the funding from NSP 1 funds (the “Previous Resolution”); and

WHEREAS, the City now desires to amend the Previous Resolution such that (1) the LifeBuilders project will include rehab of three homes and (2) the $110,000 of funding from NSP 1 be revised to be funded from HRD’s 2019-20 CDBG allocation consistent with the attached Exhibit 1: Amended – Additions to 2018 HOME, CDBG and NSP Awards (“Exhibit 1”); now therefore be it

RESOLVED, that Detroit City Council hereby approves an amendment to the Previous Resolution that modifies the project description and funding allocations consistent with this resolution and the attached Exhibit 1; and be it further

RESOLVED, that the $110,000 of funding from NSP 1 noted in the Previous Resolution shall now be funded from HRD’s 2019-20 CDBG allocation in Appropriation 20541; and

RESOLVED, that the HRD Director, or his designee, is authorized to process, prepare, and execute any and all loan and grant documents necessary or convenient to close on the LifeBuilders project loan consistent with this resolution and the attached Exhibit 1; and

RESOLVED, that the Budget and Finance Directors 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; and be it finally

RESOLVED, that except for the amendment of the Previous Resolution made by this resolution, all other aspects of the Previous Resolution shall remain in full force and effect.

A Waiver of Reconsideration is requested.
<table>
<thead>
<tr>
<th>DEVELOPER OR BORROWER</th>
<th>PROJECT DESCRIPTION</th>
<th>PROJECT ACTION</th>
<th>TOTAL DEVELOPMENT COST</th>
<th>ORIGINAL ALLOCATION</th>
<th>New or Revised ALLOCATION</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>LifeBuilders Project 16612 Rosini, 16516 Fairmount and 16601 Fairmount Rehab of Three Homes (100% Affordable)</td>
<td>Adjust project description to include Three Homes and adjust development budget to include $110,000 in CDBG. CDBG is being used to cover a $110,000 reduction in NSP I funds. Total City funds will remain at $460,000.</td>
<td>$1,005,079</td>
<td>$350,000 (CDBG) $110,000 (NSP I)</td>
<td>$460,000 (CDBG)</td>
<td>Remove $110,000 in NSP I funds and add $110,000 in CDBG funds. City funds will be targeted to assist in the rehab and sale of 3 homes.</td>
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Total Investments: $1,005,079.00 $460,000.00 $460,000.00