

HOME-ARP Allocation Plan

2022

The City of Detroit
Housing and Revitalization Department



Contents

Introduction4

Consultation4

Consultation Feedback Sessions5

Engaging Persons with Lived Experience8

Stakeholder Survey.....8

Public Participation.....9

Public Participation Process9

Efforts to Broaden Public Participation9

Public Comments and Recommendations10

Summary of Comments or Recommendations Not Accepted10

Needs Assessment and Gaps Analysis11

Size and Demographic Composition of Qualifying Populations11

Households experiencing homelessness11

At Risk of Homelessness14

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking15

Other Populations.....16

Resource Availability and Gaps17

Detroit CoC Overview17

Emergency Services and Transitional Housing Resources19

Gaps in Emergency Services/ Transitional Housing21

Permanent Housing Resources.....21

Gaps in Permanent Housing Resources22

Other Permanent Housing Resources.....24

Gaps in Other Permanent Housing Resources25

HOME-ARP Activities26

Methods for Soliciting Applications for Funding.....	26
Use of HOME-ARP Funding	27
Characteristics and Needs of Shelter and Housing Inventory and Service Delivery System.....	27
HOME-ARP Production Housing Goals	27
Estimated Affordable Housing Units	27
Housing Production Goal to Address Priority Needs.....	28
Preferences	28
Preference to Qualifying Population	28
Utilization of Preference to Address Unmet Needs and Gaps.....	28
Addressing Unmet Needs and Gaps for Qualifying Populations	28
HOME-ARP Refinancing	29
Conclusion	29

Introduction

The American Rescue Plan (ARP) provided to the City of Detroit \$26,583,684 through the HOME Investment Partnerships Program. This funding allows Detroit to make targeted, strategic investments in permanent supportive housing and aid people experiencing homelessness, those at risk of homelessness, and those who are housing insecure, in accordance with the McKinney-Vento Homeless Assistance Act. HOME-ARP funding will be fully spent by September 30, 2030.

The Housing and Revitalization Department (HRD) will use this opportunity to equitably reduce homelessness and increase housing stability for close to 8 thousand households experiencing homelessness each year. The City of Detroit will leverage existing funding for homelessness to address gaps and barriers in the current system. This HOME-ARP Allocation Plan outlines the community consultation, public participation and planning sessions, a system assessment detailing available resources and gaps, housing productions goals, and finally an overview of the funding allocation.

Consultation

To determine how this funding will be allocated, the City of Detroit's Housing and Revitalization Department (referred to as "City") went through an initial engagement process, starting with a group of stakeholders comprised of the Continuum of Care (CoC) Lead Entity (HAND), the coordinated entry system (CAM), and CoC Board members. The initial planning focused on system priorities and how HOME-ARP funding could be used to meet those needs. A proposal with suggested activities and funding amounts was drafted. City staff then brought this proposal to homeless service providers through the CoC provider workgroups listed below.

During the provider meetings, City staff provided background on the HOME-ARP program, discussed system gaps, and presented the draft proposal. Homeless service providers gave verbal comments in the meetings and had an opportunity to complete the stakeholder survey. The survey inquired about gaps in housing and service delivery, funding prioritization, and to identify any additional needs not yet discussed.

In addition to the CoC workgroups, the presentation and survey was sent to the Detroit Housing Commission and other local PHAs that serve Detroit, the City of Detroit's Civil Rights and Inclusion Department, and the Office of Disability Affairs. Stakeholders were encouraged to reach out to the City to provide input and comments through the survey. Stakeholders were encouraged to leave their email in the survey if they wanted to be part of the planning process after the initial consultation. The City will continue to engage with the community and stakeholders throughout the HOME-ARP process.

Survey responses have been grouped into similar categories. The chart below summarizes the responses from the survey, stakeholder meetings, and conversations with community members.

Consultation Feedback Sessions

Agency/ Organization	Type of Agency/ Organization	Method of Consultation	Feedback and Funding Priorities
Detroit Housing Commission	Public Housing Agency (PHA)	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Housing for individuals that don't qualify for housing vouchers • Comprehensive supportive services • Increased availability of very low-income affordable housing (30% AMI)
Melvindale Housing Commission*		Email with copy of presentation and survey	<ul style="list-style-type: none"> • Comprehensive supportive services • Safe shelters for LGBTQ+ households • Affordable housing development in preferred locations (downtown, close to bus lines) • Increased availability of very low-income affordable housing (30% AMI)
City of Detroit Civil Rights and Inclusion Department	Civil Rights Organization	Presentation and survey	<ul style="list-style-type: none"> • Training for all service staff on housing rights • ADA compliant units • Safe housing options for People of Color and LGBTQ+ households
Office of Disability Affairs	Disability Rights	Presentation and survey	<ul style="list-style-type: none"> • ADA compliant units • ADA accessible shelters • Prioritize accessibility in all projects and create equitable opportunities for the disability community
Detroit CoC Board	Board of Directors for Detroit Continuum of Care	One-pager, presentation, and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • Focus on quality, person centered, housing focused case management • Safe housing options for People of Color and LGBTQ+ households • Increased availability of very low-income affordable housing (30% AMI)

Detroit CoC Executive Committee	Executive Committee of the Board of Directors for the Detroit CoC	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • Develop standards for case managers and supportive services
Detroit CoC Chronic Leadership Committee	Detroit CoC Committee	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • Develop standards for case managers and supportive services • ADA compliant units • Additional funding for PSH development and supportive services • Focus on quality, person centered, housing focused case management • Increased availability of very low-income affordable housing (30% AMI)
Detroit CoC Emergency Shelter Workgroup	Emergency Shelters serving Detroit (including shelters for singles, families, youth, domestic violence, and refugees)	Presentation and survey	<ul style="list-style-type: none"> • Need for non-congregate shelters • Focus on quality, person centered, housing focused case management • ADA accessible shelters • Safe shelters for LGBTQ+ households • Lack of shelters for households that aren't able to take care of themselves (have medical needs) • Additional funding for non-congregate shelters • Resources for those with criminal background history
Detroit CoC Outreach Workgroup	Outreach organizations serving Detroit	Presentation and survey	<ul style="list-style-type: none"> • Need for non-congregate shelters • ADA accessible shelters • Comprehensive supportive services
Detroit CoC Rapid Re-housing Workgroup	Rapid Re-housing providers serving Detroit	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • Increased availability of very low-income affordable housing (30% AMI)
Detroit CoC Prevention Workgroup	Prevention providers serving Detroit	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines)

Detroit CoC PSH Workgroup	Permanent Supportive Housing providers serving Detroit	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • ADA compliant units • Increased availability of very low-income affordable housing (30% AMI)
Detroit CoC Veteran Leadership Committee	Veterans Administration leadership and homeless service providers serving Detroit veterans	Presentation and survey	<ul style="list-style-type: none"> • Affordable housing development in preferred locations (downtown, close to bus lines) • Comprehensive supportive services • ADA compliant units • Increased availability of very low-income affordable housing (30% AMI)
Domestic Violence Agencies	Michigan Coalition to End Domestic and Sexual Violence	Presentation and survey	<ul style="list-style-type: none"> • ADA accessible shelters • Safe shelters for LGBTQ+ households • Affordable housing development in preferred locations (downtown, close to bus lines) • Access to immediate resources for those fleeing domestic violence
Various Homeless Service Providers	Detroit CoC COVID-19 Webinar Series	Presentation and survey	<ul style="list-style-type: none"> • ADA accessible shelters • Affordable housing development in preferred locations (downtown, close to bus lines)
Advisors Group	Persons with Lived Experience	Presentation, survey, focus group	<ul style="list-style-type: none"> • Safe shelters for LGBTQ+ households • ADA accessible shelters • Affordable housing development in preferred locations (downtown, close to bus lines) • Focus on quality, person centered, housing focused case management • ADA accessible units

**List of PHA's contacted, but did not receive feedback: Allen Park Housing Commission, Dearborn Housing Commission, Eastpoint Housing Commission, Royal Oak township Housing Commission, Ferndale Housing Commission, Hamtramck Housing Commission, Inkster Housing Commission, Michigan State Housing Development Authority, Lincoln Park Housing Commission, River Rouge Housing Commission, Taylor Housing Commission, Wayne Housing Commission, and Westland Housing Commission.*

Engaging Persons with Lived Experience

Incorporating lived experience in the planning process is vital to the success of HOME-ARP in Detroit. City staff engaged persons with lived experience of homelessness throughout the consultation process.

The Detroit CoC Advisors Group is comprised of seven individuals with lived experience of homelessness. The group works to ensure the CoC is approaching decisions through an equity lens and provides valuable perspective and new ideas on how to address homelessness. The Advisors were excited about the opportunities HOME-ARP provides but stressed that any potential projects must address the community needs. One concern discussed was building or rehabbing a new non-congregate shelter. While additional shelter space is needed, there is also a need for culturally competent and high-quality case management services in emergency shelters. One member expressed concern that emergency shelter operations are often underfunded and therefore lack the ability to hire professional staff. Shelters need staff that can help residents work through both the trauma of experiencing homelessness and the challenges of moving into permanent housing. The Advisors Group requested that City continue to meet with them throughout the HOME-ARP process to ensure that any potential projects meet the needs of those experiencing homelessness.

In addition to meeting with the Advisors Group, the City engaged with persons with lived experience through participation in other CoC committees. For instance, the Detroit CoC Board includes three members with lived experience, two of which were present at the HOME-ARP presentation during the January 2022 meeting. Additionally, there were five community members with lived experience in the general audience during that meeting. Persons with lived experience also actively participate in the Detroit CoC Emergency Shelter Workgroup and the Detroit CoC Outreach Workgroup, both of which provided feedback.

Stakeholder Survey

The stakeholder survey was distributed to all the groups consulted as well as distributed to the wider community. Below are the eligible activities in priority order based on feedback sessions and survey results from 58 individuals:

1. Development of Affordable Housing
2. Supportive Services
3. Acquisition and Development of Non-Congregate Shelters
4. Non-Profit Capacity Building
5. Non-Profit Operating
6. Administration and Planning

In addition to the overall ranking of activities, the survey highlighted a need for quality supportive services that include low staff to client caseload ratios, trauma informed care, life skills training, and person-centered planning.

Public Participation

Public Participation Process

A draft allocation plan was created using input from the consultation feedback sessions. The allocation plan was advertised in the Detroit Free Press on March 9, 2022. The advertisement included the funding allocation HOME-ARP, a link to review the proposal, and a link to join the public hearing held on the 15th day of the public comment period, March 24, 2022.

The allocation plan was posted on the City of Detroit's website under the Housing and Revitalization Public Notices section. The posting included a link to the public hearing and the survey link, in addition to the proposal. The Allocation Plan remains on the [City of Detroit's website](#) so that residents can review it at any time and continue to provide feedback or ask questions.

Lastly, the City's social media team posted links to the proposal, survey, and public hearing session on HRD's Facebook page. The public hearing was held on March 24, 2022, from 6:00pm- 7:00pm via Zoom and was attended by six members of the community.

During the public hearing, City staff reviewed the HOME-ARP program and the allocation plan. Community members were then given the opportunity to ask questions or make comments on the plan. Additionally, the stakeholder survey was provided to all participants.

Efforts to Broaden Public Participation

Starting in September 2021, the City of Detroit met with 16 different groups, all listed in the consultation chart. These groups either work with those experiencing homelessness or those that are housing insecure in Detroit. Each consultation provided an overview of the HOME-ARP program and outlined system goals. The end of each session included a question-and-answer period and participants received the stakeholder survey and staff contact information to provide additional feedback and/or ask questions.

The City of Detroit presented to program-specific workgroups (emergency shelter, street outreach, Rapid Re-housing, permanent supportive housing, and prevention) to reach homeless service providers. To increase engagement, staff sent follow-up emails and presented at the January Detroit CoC COVID-19 webinar, which is broadly attended by an average of 60 homeless service providers and community members. The COVID-19 webinar started with the pandemic but transformed into a vehicle to update the CoC on new funding notices, CDC best practices, and any changes in the system changes. During the January webinar, members were encouraged to attend the upcoming public hearing.

In addition to advertising the public hearing in the Detroit Free Press, the City advertised on their Facebook page to over 61,000 subscribers. The public hearing was also announced at the March 2022 CoC Board meeting and emailed out via HRD's listserv.

Public Comments and Recommendations

The City received three comments during the public hearing on March 24, 2022. The comments and response from the City are as follows:

Comment 1:

Community member: Sought assistance for home repair, specifically due to recent flooding that occurred in Detroit.

City response: Informed community member that HOME-ARP funding could not be used for home repair. Provided information on the City's Home Repair Program.

Comment 2:

Community member: Inquired if the non-profit building and operating support category could only be awarded to organizations that are serving homeless populations and if HOME-ARP included unrestricted funding.

City response: All HOME-ARP funding must be used to benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Additionally, HOME-ARP must adhere to HUD regulations.

Comment 3:

Community member: Inquired if funding could be used to rebuild low density areas in the city.

City Response: All HOME-ARP funds must be used on eligible activities and must serve those experiencing homelessness in Detroit. Based on the needs of the homeless system in Detroit, HOME-ARP funding will prioritize those experiencing homeless, as defined in 24 CFR 91.5. At this time, the City does not know where new development related to this program will happen until the related NOFAs are released and applications are reviewed.

Summary of Comments or Recommendations Not Accepted

All participants that had a comment were given time to state their comment or suggestion, however, due to the HOME-ARP regulations, the first two comments were rejected. The third comment regarding rebuilding low density areas will be taken into consideration during the NOFA process.

Needs Assessment and Gaps Analysis

The Needs Assessment and Gaps Analysis examines the demographics and size of qualifying populations, assesses unmet housing and services needs of these populations, identifies current resources available, and calls attention to existing gaps in our system. Therefore, this section is broken down into two subsections:

1. Size and Demographic Composition of Qualifying Populations and
2. Resource Availability and Gaps

Size and Demographic Composition of Qualifying Populations

Households experiencing homelessness

Overall Demographics

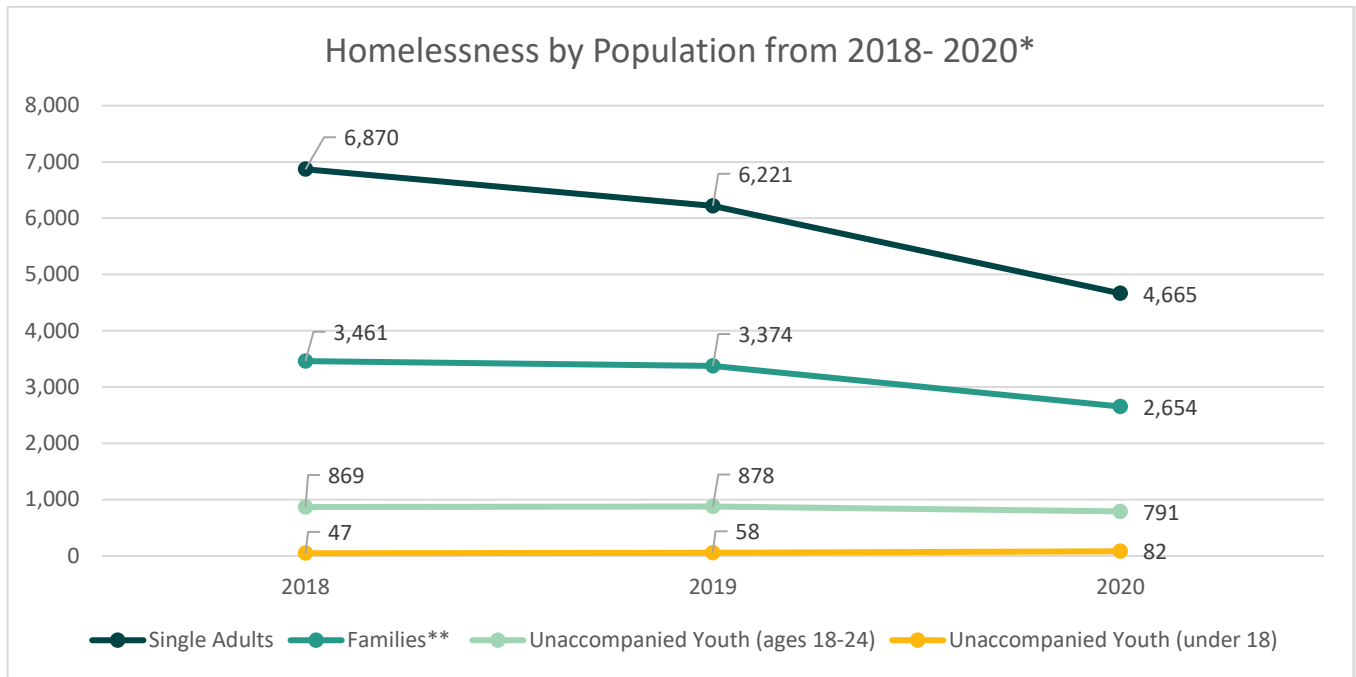
The Detroit CoC oversees the homelessness response system for the cities of Detroit, Highland Park, and Hamtramck. In 2020 there were 7,811 individuals that experienced literal homelessness in the Detroit CoC according to the 2020 State of Homelessness Annual Report.¹ Literal homelessness is defined by 24 CFR 91.5 as a household that lacks fixed, regular, and adequate nighttime residence. Examples of literal homelessness includes staying or living outdoors, abandoned buildings, vehicles, bus station, and/or emergency shelters.² Single adults over the age of 25 continue to make up the largest population of those who experience homelessness in Detroit. Although most sub-populations decreased, unaccompanied youth under the age of 18 experienced a 41% increase from 2019 to 2020.

Figure 1 shows the overall population of those experiencing homelessness in the Detroit CoC from 2018- 2020. The most recent Detroit CoC annual report data is for calendar year 2020. While there was a dramatic decrease of homelessness in 2020, it is important to note that COVID-19 impacted the system in two important ways. First, approximately 50 shelter beds were taken offline to allow for social distancing. Secondly, an eviction moratorium – in place for part of 2020 – likely helped residents remain in their homes when prior to this they may have been evicted.

¹ [2020 State of Homelessness Annual Report for the Detroit Continuum of Care](#)

² [24 CFR 91.5- Definitions](#)

Figure 1: Homelessness by Population from 2018-2020

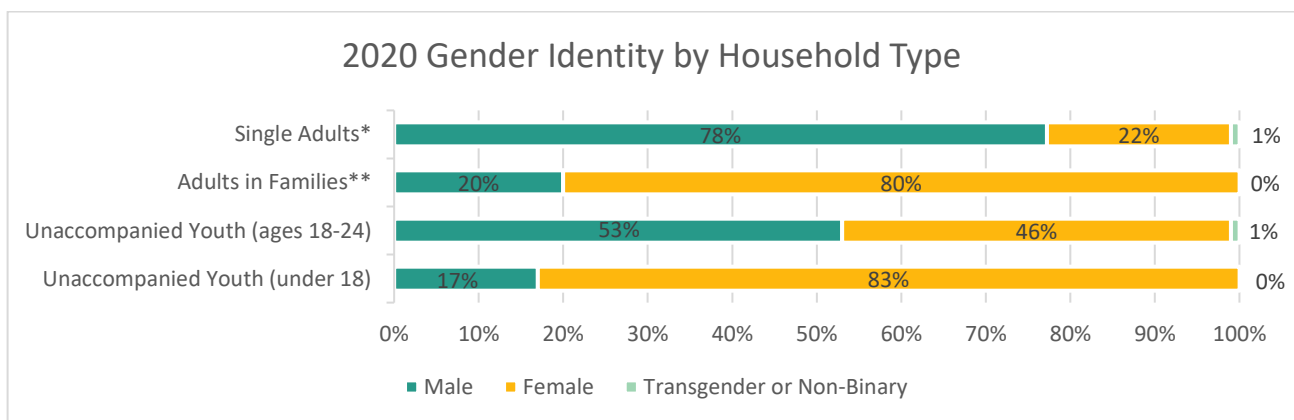


*Overall numbers are unduplicated numbers. However, individuals may be entered in more than one category.

**Families includes adults and children in families

Figure 2 shows the gender identities of those that experienced homelessness in 2020. Individuals who identify as male made up 63% of the overall homeless population with 78% of those over the age of 25, making single adult males the largest sub-population in the Detroit CoC. Comparatively, 80% of adults in families identify as female. Individuals who identify as transgender or non-binary make up less than 1% of Detroit’s homeless population.

Figure 2: 2020 Gender Identity by Household Type

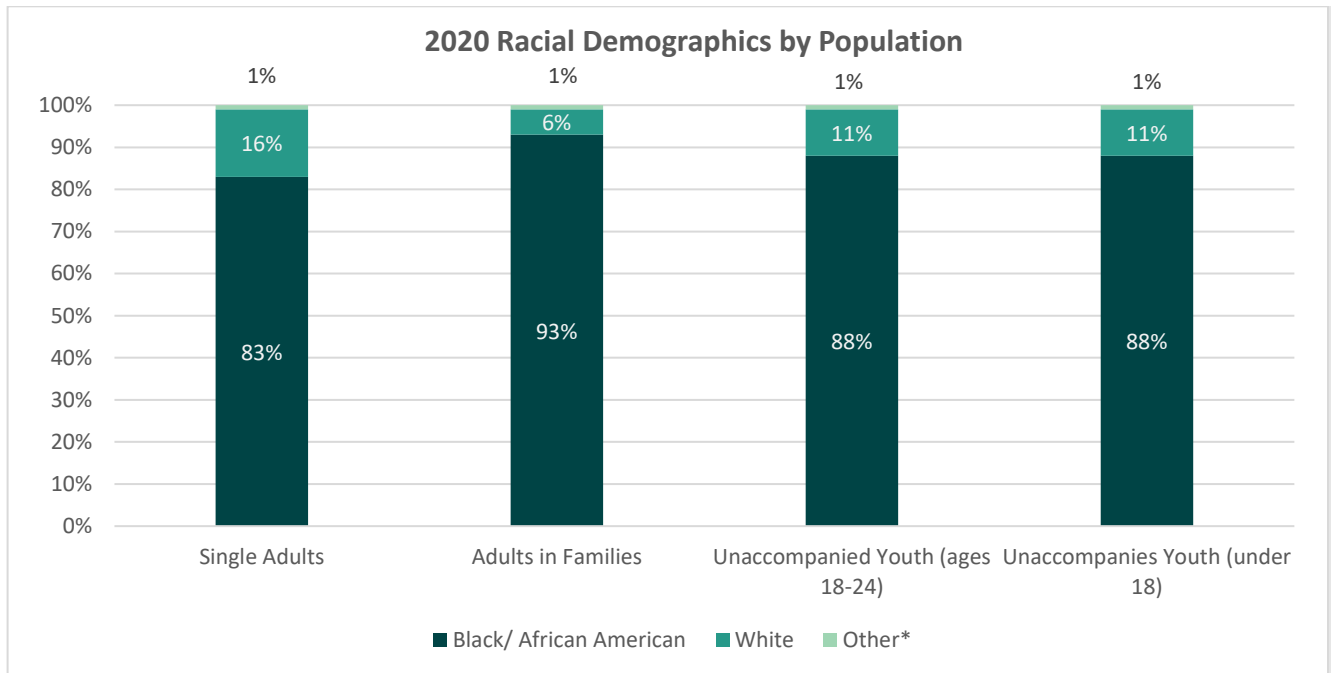


*Individuals who identify as transgender or non-binary makes up less than 1% of the overall homeless population

**Chart only includes adults 18 years or older; children in families are 50% male and 50% female

Homelessness in Detroit impacts Black and African American residents at a higher rate than any other racial or ethnic group as shown in Figure 3. Black or African American residents make up 77% of the City’s population, however 87% of those experiencing homelessness. In comparison, non-Black or African America racial groups make up approximately 33% of Detroit’s populations, but only 13% of the Detroit CoC’s homeless population.

Figure 3: 2020 Racial Demographics by Population



*Other includes: Asian or Asian American, American Indian, Alaska Native, or Indigenous, Native Hawaiian or Pacific Islander, or Multiple Races

Chronic Homelessness Subpopulation

A person is considered chronically homeless if they have been diagnosed with a long-term disabling condition, are currently experiencing literal homelessness, and have been homeless 4 or more times in the past 3 years or have been continuously homeless for a year or more. A family is also considered chronically homeless if one or more household members meet the requirements of the definition above.³ In 2020 there were 1,817 persons who experienced chronic homelessness in Detroit. 23% of the overall homeless population was chronically homeless with 71% identifying as male and 36% aged 55 years or older.

³ [Homeless Emergency Assistance and Rapid Transition to Housing \(HEARTH\): Defining Chronically Homeless Final Rule](#)

Veterans

In 2020, 308 Veterans entered the homeless response system in Detroit. 289 Veterans were housed in 2020, including 89 Veterans using HUD-VASH.⁴ HUD-VASH is permanent supportive housing for homeless Veterans that pairs a housing choice voucher with supportive services. The City of Detroit works closely with the VA and Veteran service providers to end Veteran homelessness. From January 2020 to December 2020, Detroit saw a 32% decrease in the number of Veterans experiencing homelessness.⁵

At Risk of Homelessness

As defined in 24 CFR 91.5, a household is considered at risk of homelessness if they have 30% or below of the median family income for the area, does not have sufficient resources or support networks, and meets one of the following conditions: has moved due to economic reasons two or more times in the last 60 days, is living in the home of another person because of economic hardship, is exiting a publicly funded institution, or is living in housing that has characteristics associated with instability or increased risk of homelessness. A child or youth can also be considered at risk of homelessness if they qualify as homeless under section 387(3) of the Runaway and Homeless Youth Act or section 725(2) of the McKinney-Vento Homeless Assistance Act.

According to the most recent HUD Comprehensive Housing Affordability Strategy (CHAS) data from 2014-2018, Detroit has 83,995 households with incomes at or below 30% of the Area Median Income (AMI), which is 32.3% of all Detroit households. More than 70% of households with incomes at or below 30% of AMI are renter households. This segment of renters is likely to be living paycheck to paycheck and may be at risk of a housing crisis event or homelessness.⁶ Table 1 shows the income distribution from 2014- 2018 of owners and renters in Detroit.

Table 1: Income Distribution Overview

Detroit, Michigan Income Distribution Overview						
	Owner		Renter		Total	
0 - 30% AMI	24,580	19.9%	59,415	43.4%	83,995	32.3%
30% - 50% AMI	18,930	15.3%	26,005	19%	44,935	17.3%
50%- 80% AMI	26,035	21.1%	24,865	18.1%	50,900	19.5%
80%- 100% AMI	13,880	11.3%	8,875	6.5%	22,755	8.7%
Greater than 100% AMI	39,985	32.4%	17,810	13%	57,795	22.2%
Total	123,410	100%	136,970	100%	260,385	100%

⁴ [2020 State of Homelessness Annual Report for the Detroit Continuum of Care](#)

⁵ Community Solutions, Built for Zero, Detroit CoC Dashboard

⁶ [Consolidated Planning/ Comprehensive Housing Affordability Strategy \(CHAS\), Detroit, MI, 2014- 2018](#)

According to the “Estimated Economic Impact of an Eviction Right to Counsel in Detroit” poverty is significantly concentrated within the city. Detroit has ranked among the top cities in the country in concentrations of poverty since 2009. In 2019, 35% of Detroiters had incomes at or below 100% of the federal poverty level (FPL), and more than half of all Detroiters had incomes at or below 200% of the FPL.⁸

Detroit’s latest eviction data shows that because of the pandemic, low-income tenants have and will become more economically and financially disadvantaged, more likely to miss one or more rent payments, and more likely to experience increasing pressure from landlords, who may also be experiencing economic and financial pressures of their own.⁹ From the end of August 2021 through June 10, 2022, there were a total of 2,306 signed writs of eviction. The 36th District Court is averaging 100 signed writs per week.¹⁰ This high level of evictions is directly tied to the number of households at risk of homelessness and ultimately those who may end up in the homelessness system at some point.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

Per 24 CFR 91.5, a household that qualifies as homeless under this category is fleeing or attempting to flee a nighttime residence where domestic violence, sexual assault, stalking or other dangerous conditions threaten the household, and is not able to return. The household must also lack resources or support networks and have no other residence.

In 2020, Detroit’s emergency shelter that serves those fleeing domestic violence served a total of 293 clients. According to the 2021 national count of domestic violence services conducted by the National Network to End Domestic Violence (NNEDV), in Michigan 2,824 victims were served in any given day.¹¹ From March 2020 to March 2021, the Detroit police received more than 1,300 reports of domestic violence. Of the 1,300 reports, 572 individuals went on to receive assistance to flee their abuser.¹² According to the Michigan Incident Crime Reporting data, Wayne County - which includes Detroit – there were 23,964 victims of domestic violence in 2020 of which 75% of victims identified as Black/ African American and 76% identified as Female.¹³

⁷ [Consolidated Planning/ Comprehensive Housing Affordability Strategy \(CHAS\), Detroit, MI, 2014- 2018](#)

⁸ [The Estimated Economic Impact of an Eviction Right to Counsel in Detroit](#)

⁹ [The Estimated Economic Impact of an Eviction Right to Counsel in Detroit](#)

¹⁰ [36th District Court of Detroit, 2022](#)

¹¹ [Domestic Violence Counts Report, Michigan Summary](#)

¹² [Detroit police see rise in domestic violence calls during the pandemic, WXYZ Detroit, 2021](#)

¹³ [Michigan Incident Crime Reporting, 2020](#)

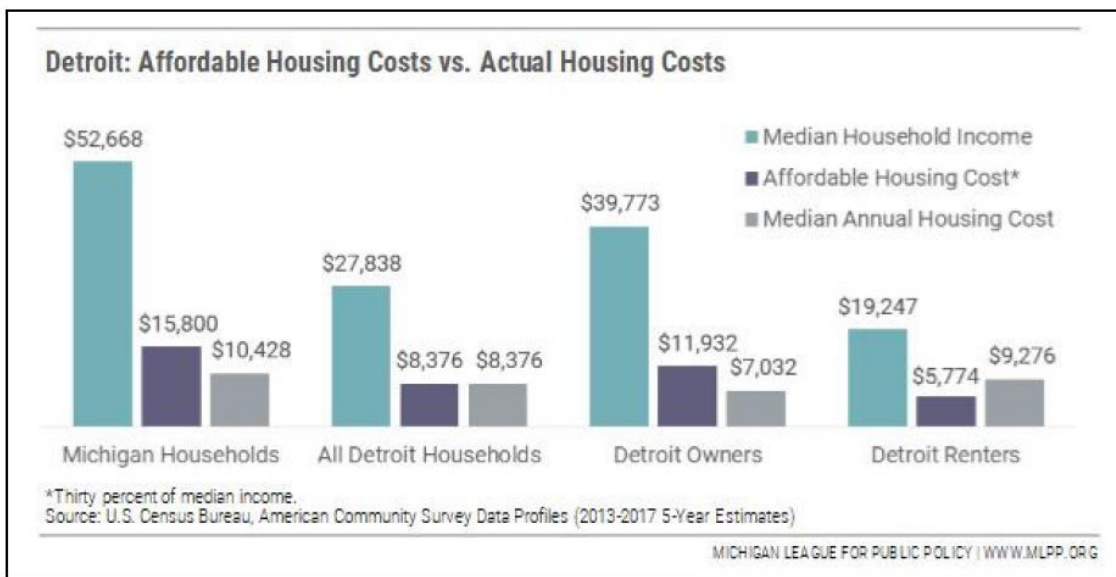
According to the Detroit “Estimated Economic Impact of an Eviction Right to Counsel” report issued by Stout, major life stressors have been found to increase rates of domestic violence. A nationwide survey of domestic violence shelters and programs showed that approximately 41% of respondents indicated evictions and home foreclosures as a driver of increased demand for domestic violence services. Additionally, experiencing domestic violence can be a contributing factor to longer shelter stays for families.¹⁴

Other Populations

Other populations, according to 212(a) of NAHA (42 U.S.C. 12742(a)), include households that are at greatest risk of housing instability, but do not qualify as homeless in any of the above categories. This includes households who are in temporary housing due to emergency assistance, households with an annual income that is 30% AMI or below and are experiencing a severe cost burden, or households with 50% AMI and meets one of the conditions from the above “At Risk of Homelessness” category as defined in 24 CFR 91.5.

In Detroit, nearly 70% of renters are housing cost burdened, spending 30% or more of their income on housing. In 2017, the median annual housing cost for Detroit renters was approximately \$3,500 greater (18%) than the housing cost burden threshold based on renter median income. Figure 5 shows the affordable (defined as 30% of median income) housing levels for renter and owner-occupied households in Detroit compared to their peers statewide as of 2017.

Figure 4: Affordable Housing Costs vs. Actual Housing Costs



¹⁴ [The Estimated Economic Impact of an Eviction Right to Counsel in Detroit](#)

According to the 2020 US Census, approximately 33% of Detroit households are living in poverty.¹⁵ The US Census measures poverty through a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. Each family is assigned one of 48 possible poverty thresholds to determine the poverty rate. In 2019, the median renter household income only had a 3% increase since 2001, meanwhile, median rental housing costs (i.e., rent and utilities) increased 15%.¹⁶

Resource Availability and Gaps

This section will review the availability of and gaps in resources in the Detroit CoC for qualifying populations. Resources may be available to more than one qualifying population therefore eligibility criteria are also included.

Detroit CoC Overview

There are four main funding sources that award grants to organizations serving those experiencing homelessness in Detroit: Emergency Solutions Grant (ESG), Community Development Block Grant (CDBG), CoC, and Emergency Shelter Program (ESP). These funding sources fund the following activities:

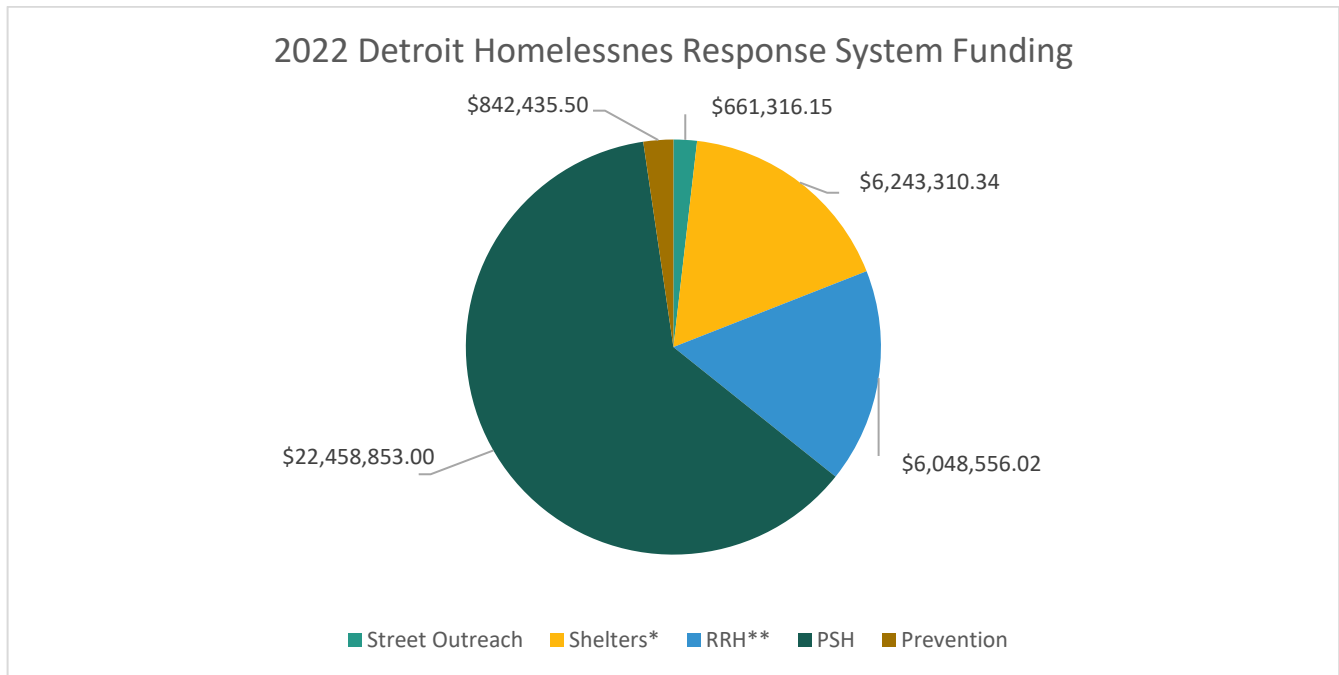
- **ESG and CDBG:** Street Outreach, Emergency Shelter, Rapid Re-housing (RRH), and Prevention
- **CoC:** Transitional Housing, Transitional Housing-Rapid Re-housing Joint Component, RRH, Permanent Supportive Housing (PSH)
- **ESP:** Emergency shelter

Figure 6 shows the total allocation of funding in the Detroit CoC, not including coordinated entry, HMIS, planning, and administration. The Detroit CoC requires that all programs adhere to the Housing First model and commit to quickly house those experiencing homelessness. Housing First is an evidence-based approach that prioritizes housing without preconditions such as sobriety, treatment, or service participate. As such, Detroit has a higher emphasis on permanent housing solutions such as RRH and PSH.

¹⁵ [Quick Facts, Detroit City, Michigan, United States Census Bureau](#)

¹⁶ [The Estimated Economic Impact of an Eviction Right to Counsel in Detroit](#)

Figure 5: 2022 Detroit Homelessness Response System Funding



*Shelters includes warming centers and transitional housing

**RRH includes TH-RRH

Households experiencing literal homelessness - including the chronically homeless, veterans, and those fleeing domestic violence - have access to emergency shelter, street outreach, transitional housing, Rapid Re-housing, housing choice vouchers, and permanent supportive housing dependent upon eligibility requirements. Table 2 shows resource availability by population and program type according to the 2022 Housing Inventory Count (HIC).

Table 2: 2022 HIC

2022 Housing Inventory Count (HIC) ¹⁷					
	Single Adults (25+)	Families	Unaccompanied Youth (18-24)	Unaccompanied Youth (Under 18)	Veterans
Emergency Shelter	557	261	34	4	34
Transitional Housing	52	60	24	4	184
Rapid Re-housing	136	175	46	N/A	69
Permanent Supportive Housing	1,382	307	34	N/A	667

Note: Emergency shelter are listed by number of beds; TH, RRH, and PSH are listed by number of units

¹⁷ [Housing Inventory Count \(HIC\), 2022](#)

Emergency Services and Transitional Housing Resources

Coordinated Entry System (CES)

Detroit's lead agency for coordinated entry is Southwest Counseling Solutions. CES in Detroit is referred to as the Coordinated Assessment Model (CAM). They are responsible for streamlining referrals to available housing resources. CAM operates a phone line and in person access sites to assist household experiencing homelessness.

Once a household enters the homeless system, they are assessed based on the standardized assessment tool, the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT). This tool is used by communities across the United States and reviews the individual's experience and history on their homelessness, health, risks, and support networks. Based on the VI-SPDAT score, households are prioritized for available housing resources such as PSH, RRH, TH, housing choice vouchers (HCV). In general, a higher VI-SPDAT score means that the household would benefit from a higher level of supportive services.

Street Outreach

The City of Detroit funds six street outreach teams that provide basic needs, referrals to health resources, and connections to housing for Detroit's unsheltered population. The six teams operate seven days a week and cover the Detroit CoC. The goal of street outreach services is to provide a connection to safe and affordable housing for those who do not typically engage in the shelter system.

In addition to the six outreach teams, the City has partnered with the Detroit Police Department (DPD), and Detroit Wayne Integrated Health Network (DWIHN) to form the pilot program, Detroit Homeless Outreach Team (DHOT). This program was piloted in March 2021 and operates in two Detroit precincts, with plans to expand the service area. DHOT works with the unsheltered to connect them with the necessary housing and behavioral health resources and decrease reliance on emergency services.

Emergency Shelter

Most Detroit shelters operate in a congregate setting which encompasses all the single adult sites. Detroit currently has one congregate shelter that serves families, however in 2021 the organization obtained a rehabilitation grant for a non-congregate shelter. Congregate shelters are available to those that are homeless and those fleeing a domestic violence situation, as defined by 24 CFR 91.5. Each shelter has a specific population that they serve, but there are no other additional screening criteria used by the Detroit CoC shelters.

Non-congregate shelters are defined as having private sleeping rooms for each individual or household. There are 5 non-congregate emergency shelters in Detroit, all of which serve families and single unaccompanied youth. There is one dedicated non-congregate shelter that serves those fleeing domestic violence situations.

Coordinated entry referred 5,917 households to emergency shelters in 2020 and approximately 76% of those referrals were for single adults, making up the largest need in our system. Table 3 shows the number of shelter referrals by household type made by coordinated entry in 2020.¹⁸

Table 3: 2020 Emergency Shelter Referrals

Household Type	Number of Referrals to Emergency Shelter
Single Adult	4,505
Unaccompanied Youth (ages 18-24)	703
Adult Family	549
Parenting Youth (head of household aged 18-24)	160

Transitional Housing (TH)

Detroit’s TH providers serve unaccompanied youth, parenting youth, refugees, those fleeing domestic violence, and Veterans (Grant Per Diem). Households can stay in TH for up to two years and must be referred from the coordinated entry system. Per the 2022 HIC (Table 1) a majority of Detroit’s transitional housing beds are GPD. The VA funds three organizations that operate GPD programs in Detroit. The purpose of these Veteran programs is to promote the development and provision of supportive housing and services with the goal of achieving residential stability, increasing their skill levels and/or income, and obtaining greater self-determination.

In addition to Veterans, TH serves unaccompanied youth, parenting youth, refugees, and those fleeing domestic violence. There are two organizations that serve unaccompanied youth and parenting youth in Detroit. Youth programs focus on stabilization through person-centered case management and exits to permanent housing. Freedom House Detroit serves asylum seekers on their journey to safe housing while providing legal advocacy. Neighborhood Legal Services Michigan operates Project First Step, a joint TH-RRH program. The program offers intensive case management, with a focus on trauma care, and time-limited rental assistance.

¹⁸ [Detroit's Homelessness Response Coordinated Entry 2020 Data Report](#)

Gaps in Emergency Services/ Transitional Housing

While Detroit offers many emergency services to those experiencing homelessness, several gaps that have been identified through reviewing available resources, conducting consultation sessions with the 16 groups listed earlier, and analyzing system needs.

The first gap is the services hours for street outreach teams. While street outreach teams operate seven days a week, from 6:00am to midnight most days, there are no outreach services being offered overnight. HRD has a close partnership with Detroit Police Department (DPD) who stated they receives calls overnight from households in a housing crisis. Having street outreach operate 24/7 would allow the homeless response system to better respond to all unsheltered households.

Identified gaps in shelters and transitional housing include lack of non-congregate shelters specifically for single adults as all existing beds are in congregate facilities. According to 2021 data from Detroit's coordinated entry system, 1,146 households were referred to overflow shelter beds due to lack of capacity. A majority, 68%, of the households referred to overflow were single adults and single youth aged 18 to 24. During the HOME-ARP consultation process, the Detroit CoC Emergency Shelter Workgroup and Advisors Group emphasized the need for all emergency shelters to become non-congregate. They voiced the need for households to have their own private sleeping quarters to prevent the spread of COVID-19 and other communicable diseases. The workgroup also discussed the needs of those with physical and mental health who would benefit from non-congregate spaces. Members of the Detroit CoC Outreach Workgroup stated that one of the main reason persons experiencing unsheltered homeless do not utilize emergency shelters is because they don't feel safe sharing a room with people they don't know.

In addition, there is a lack of ADA accessible shelters for those with mobility impairments, often leaving those shelters with accessibility accommodations overcrowded. Lastly, those with lived experience of homelessness stressed the need for additional supportive services to be offered in emergency shelters to help households cope with trauma and navigate the homelessness system.

Permanent Housing Resources

Rapid Re-housing (RRH)

RRH provides short-term rental assistance paired with case management for households experiencing literal homelessness or fleeing domestic violence. There are 19 RRH programs in Detroit serving single adults, families, and unaccompanied youth. Households in Detroit are prioritized for RRH referrals based on chronicity, those experiencing unsheltered homelessness, households fleeing domestic violence, VI-SPDAT score, household type, and length of time homeless.

Permanent Supportive Housing (PSH)

PSH provides long-term rental assistance paired with supportive services to those experiencing homelessness in Detroit. There are 42 PSH programs in Detroit that serve those experiencing literal homelessness, and according to the 2022 HIC the programs had an average of 104% occupancy.¹⁹ All vacant PSH units are dedicated to those experiencing chronic homelessness. Detroit offers three types of PSH: project-based, scattered site, and single room occupancy (SRO) units. Households are prioritized for PSH referrals based on chronicity, those experiencing unsheltered homelessness, households fleeing domestic violence, VI-SPDAT score, household type, and length of time homeless.

Housing Choice Voucher (HCV)

In 2020, 909 households were added to the Michigan State Housing Development Authority homeless preference housing choice voucher (HP HCV) waitlist. Of those added to the waitlist, 547 households (60%) were pulled for the subsidy including Veterans not eligible for a Veteran specific subsidy.

HUD Veterans Affairs Supportive Housing (HUD-VASH) Voucher

Veterans who are Veterans Health Administration (VHA) eligible, experiencing literal homelessness, have a disability, and a demonstrated need for supportive services are eligible for HUD-VASH. The VA works with coordinated entry to prioritize Veterans for HUD-VASH through a by-name list process. As of June 2022, there were approximately 850 active HUD-VASH vouchers in Detroit. Veterans that do not meet HUD-VASH eligibility requirements due to income, citizenship or registered lifetime sex offender status but still need supportive services have access to PSH through the CoC.

Supportive Services for Veteran Families (SSVF)

SSVF provides supportive services to very low-income Veteran families to transition them into permanent housing. Similar to HUD-VASH, SSVF has eligibility requirements that include the head of household must be Veteran, meet income limitations (at or below 50% AMI), and must meet one of three definitions of homelessness as defined by the VA. SSVF provides both homelessness prevention and RRH services. There are three non-profit organizations in Detroit that operate SSVF programs.

Gaps in Permanent Housing Resources

Gaps in permanent housing resource were determined by reviewing available resources, conducting consultation sessions, and analyzing system needs.

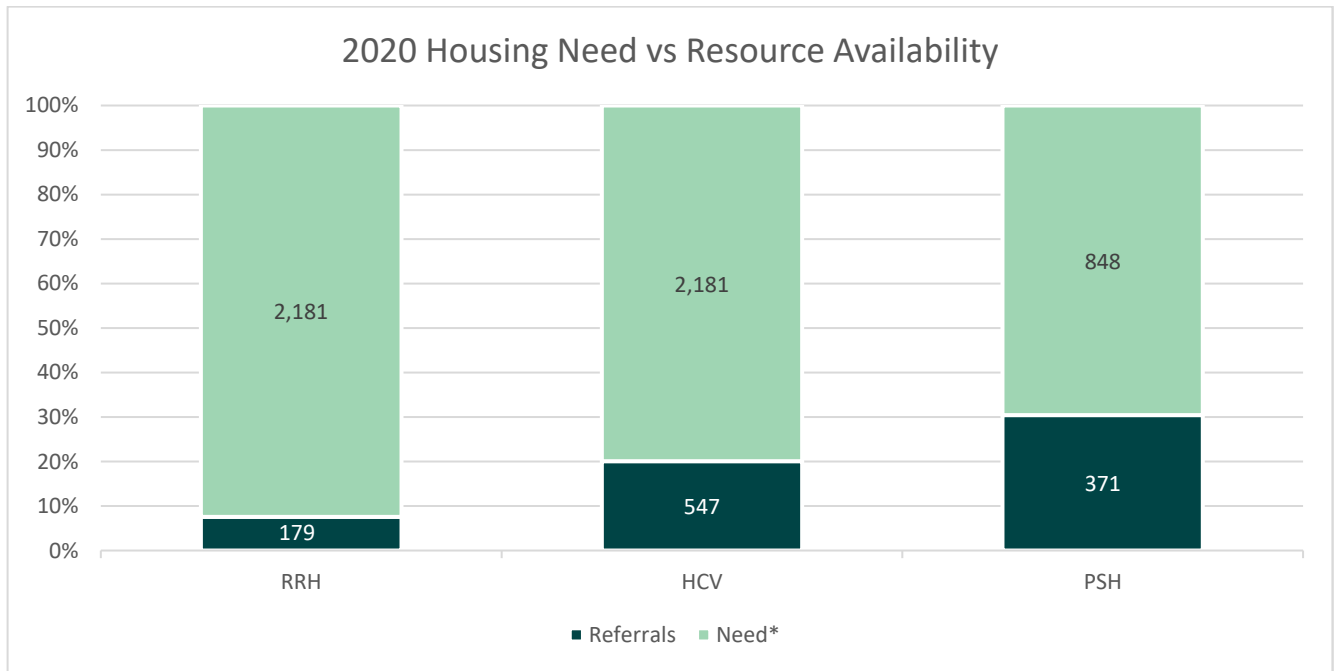
In 2020, 3,029 households were assessed by coordinated entry and determined eligible for permanent housing resources. In 2020, 848 households were prioritized for PSH, however only 44%

¹⁹ [Housing Inventory Count \(HIC\), 2022](#)

of those eligible were referred to a program. Figure 7 shows the total number of households assessed for a permanent housing resource versus the number that were referred to an available resource.²⁰ Chronically homeless most often need permanent supportive housing. However, only 42% of the chronically homeless exited to Permanent Housing (PH) in 2020. Of those who exited: 56% were exited with subsidy, 44% were exited without subsidy, for a total of 1,242 chronically homeless individuals exited during 2020.²¹

Finally, 2,181 household were prioritized for RRH and added to the HP-HCV waitlist, however only 8% of households were referred to RRH and only 25% were pulled for an HCV. While final data is still being processed for 2021, Detroit’s coordinated entry system reports there were 1,361 households added to the HP-HCV waitlist, and 1,381 households were pulled for a voucher (the number pulled is higher than the number added due to household being added to the waitlist in 2020 being pulled in 2021). The increase in households being pulled for a voucher is due to the influx of COVID-19 relief funding that became available in 2021.

Figure 6: 2020 Housing Need vs Resource Availability



**Need determined by resource eligibility requirements and assessment score*

Identified gaps from consultation sessions focused on location of affordable units, supportive services, and quality housing units. Reoccurring feedback was received regarding the location of

²⁰ [Detroit Coordinated Entry 2020 Annual Report](#)

²¹ [2020 State of Homelessness Annual Report for the Detroit Continuum of Care](#)

affordable housing units for RRH, HCV, and PSH. Both providers and persons with lived experience shared that affordable housing is usually not in desirable areas such as downtown, within a safe walking distance of bus lines, or near grocery stores.

A need for long term, intensive case management was also highlighted as a gap. Providers emphasized that households exiting homelessness to housing often need more intensive supportive services the first few months after move-in that focus on life skills education such as personal finances, household maintenance, and navigating their new neighborhood. Lastly, affordable housing units must meet Housing Quality Standards (HQS) required by HUD but finding units that pass inspection and are in desirable locations is challenging.

Other Permanent Housing Resources

Eviction Prevention and Homelessness Prevention

Eligible households for homelessness prevention must be at imminent risk of homelessness, as defined by categories 2, 3 and 4 of the Homeless Definition Final Rule. Those seeking homelessness eviction assistance must have a court ordered eviction notice, referred through the court system, and meet HUD's definition of imminent risk of homelessness. In addition to eviction prevention and homelessness prevention programs, Michigan State Housing Development Authority COVID Emergency Rental Assistance (CERA) and the Emergency Rental Assistance Program (ERAP) have been available to help tenants facing pandemic-related hardships avoid eviction and provide limited financial assistance to avoid homelessness.

As a result of the large need for legal representation, in May 2022 the Detroit City Council enacted an ordinance to provide counsel for tenants facing eviction who are low income. The right to counsel will also cover mortgage and property tax foreclosures. The law will initially be funded by \$6 million from the American Rescue Plan Act, as well as private funding of \$12 million over 3 years.²² Prior to the enactment, only 5% of Detroit tenants facing eviction had access to legal representation, compared to 83% of landlords.

Affordable Housing Units

Housing is considered affordable when housing costs do not exceed 30% of a household's gross income. As of June 2022, there are 22,707 units of regulated affordable housing in Detroit, some of which are supported by housing vouchers. All affordable housing in Detroit is dedicated to those with incomes ranging up to 30%, and as high as 80% of the area median income (AMI). Regulated affordable housing is subsidized by government programs to ensure tenants do not pay more than

²² [Detroit is Latest City to Enact Tenant Right to Counsel, NCCRC](#)

30% of their income on housing. Table 4 shows the income limits for 2022 in Detroit for extremely low, very low, and low-income households. In 2018, the City set a goal of developing 2,000 new units and preserving 10,000 units by the end of 2023. To meet that goal, the City will develop 1,190 new units; there are currently 735 units currently under construction, and plans to preserve an additional 3,873 units over the next 18 months.

Table 4: FY 2022 Income Limits for Detroit

FY 2022 Income Limits ²³				
Michigan: Detroit, Warren, Livonia				
FY 2022 Income Limit Category	Persons in Family			
	1	2	3	4
Extremely Low- 30% AMI	\$18,800	\$21,500	\$24,200	\$27,750
Very Low- 50% AMI	\$31,350	\$35,800	\$40,300	\$44,750
Low- 80% AMI	\$50,150	\$57,300	\$64,450	\$71,600

Gaps in Other Permanent Housing Resources

Approximately 33% of Detroit households are living in poverty according to the 2020 US Census. In Detroit, nearly 70% of renters are housing cost burdened, spending 30% or more of their income on housing.²⁴ With the rising cost of living, affordable housing is more important now than it ever has been. While there are current resources available through the American Rescue Plan Act to keep residents in the homes, that funding will only be available for up to three years.

Prior to COVID, the main funding source for prevention programs was ESG and CDBG. However, with the pandemic, Detroit received an influx of resources to help households remain housed. The COVID Emergency Rental Assistance (CERA) funds were the first of its magnitude to help households at risk of homelessness. From March 2021 until April 2022, Detroit received 46,012 CERA applications. As of April 2022, over \$129 million of rental assistance has been provided since the start of the CERA program. However, these resources are beginning to phase out as funding is being used, and evictions are still occurring; from August 30, 2021, to April 7, 2022, Detroit’s 36th District Court signed 1,549 evictions. While the Right to Counsel ordinance will continue to provide legal

²³ [FY 2022 Income Limits Documentation System, HUD User](#)

²⁴ [The Estimated Economic Impact of an Eviction Right to Counsel in Detroit](#)

representation for evictions but with CERA phasing out, it leaves a major gap for rental arrears that is essential to keeping people housed.

HOME-ARP Activities

Methods for Soliciting Applications for Funding

The City of Detroit will not administer eligible activities directly. Applications for project funding and/or the selection of developers for the development of affordable housing will be solicited through the Housing and Revitalization Department (HRD) at the City of Detroit. HOME-ARP funds will be allocated bi-annually through a Notice of Funding Availability (NOFA).

Through the bi-annual NOFA process, the City will establish programming and funding priorities to evaluate applications that address gaps in the current shelter and housing inventory as well as gaps in the service delivery system identified during the public participation process. All projects seeking funding will be evaluated by the quality of the application submitted, the qualifications of the development team, the financial feasibility of the project, and the alignment of the project with the established priorities. The HOME-ARP funds will be competitively awarded to projects that align with the established priorities and leverage other funding sources for the construction of the project and costs of resident services. NOFAs will typically be issued in January and July through a public notification process.

Supportive housing projects applying to the NOFA will be evaluated on their adherence to a housing first model, mandatory housing referrals through CAM, local coordinated entry system, as well as the experience of the proposed services provider partner. In addition to supporting the construction of supportive housing units, HOME-ARP funding will be competitively awarded to support capacity building needs of the service organization partner and to strengthen the supportive service program. The award of HOME-ARP funds to provide rental assistance for residents of units that do not have other rental assistance will be evaluated during the underwriting process.

In addition to the NOFAs for the development of affordable housing, a NOFA will be issued to select one organization for the acquisition and development of a non-congregate shelter. Based on stakeholder feedback, applicants will be evaluated on the availability of accessible units for households with mobility issues, location close to bus lines, strong housing focused case management, and safety of People of Color and those identifying as LGBTQ+. The NOFA will be issued within nine months of the approval of the Allocation Plan from HUD.

The applicants selected through the above NOFA processes will be eligible for the non-profit operating and/or capacity support categories.

No portion of HOME-ARP funds will be provided to a subrecipient or contractor prior to HUD’s acceptance of the HOME-ARP allocation plan.

Use of HOME-ARP Funding

The City of Detroit determined funding amounts for each eligible category based on the needs identified in the gaps analysis, feedback sessions with stakeholders, and public participation.

	Funding Amount	Percent of Grant	Statutory Limit
Supportive Services	\$3,000,000.00	11.3%	N/A
Acquisition and Development of Non-Congregate Shelters	\$3,000,000.00	11.3%	N/A
Tenant Based Rental Assistance (TBRA)	\$0	0%	N/A
Development of Affordable Rental Housing	\$16,063,642.00	60.4%	N/A
Non-Profit Operating	\$650,000.00	2.5%	5%
Non-Profit Capacity Building	\$650,000.00	2.5%	5%
Administration and Planning	\$3,190,042.00	12%	15%
Total HOME-ARP Allocation	\$ 26,583,684.00	100%	N/A

Characteristics and Needs of Shelter and Housing Inventory and Service Delivery System

The gaps analysis showed a need for permanent housing, supportive services, and non-congregate emergency shelters facilities for single adults. These gaps are reflected in the distribution of HOME-ARP funds above. 60% of funding will be dedicated to developing new affordable housing, which was identified by stakeholders as the highest priority.

HOME-ARP Production Housing Goals

Estimated Affordable Housing Units

By awarding the HOME-ARP funds through a competitive NOFA process to projects that address gaps in the current shelter and housing inventory that leverage other funding sources, the City estimates that 150-200 new units will be produced or supported through this HOME-ARP allocation. The competitive process will recognize and elevate proposed projects that leverage other funding sources such as Low-Income Housing Tax Credits (LIHTC), Federal Home Loan Bank AHP grants, and other philanthropic and community sources to increase the number of housing units produced with the HOME-ARP funds.

Housing Production Goal to Address Priority Needs

The City's goal is to use the HOME-ARP funds and other leveraged funds to produce supportive housing units to move individuals and families from experiencing homeless to housed. The size and type of new units being produced (i.e., apartment, townhome, one-bedroom, two-bedroom) will be informed through a participation process with the local Continuum of Care, supportive service agencies, and housing developers. Housing for single adult chronically homeless households is currently a priority need in Detroit and the competitive NOFA process will recognize and elevate proposed projects that produce housing that meets this need.

Preferences

Preference to Qualifying Population

HOME-ARP funding will be in alignment with the Detroit CoC, therefore preference will be given to Category 1 (sheltered and unsheltered) homeless households and the sub-population of chronically homeless as defined in 24 CFR 91.5. This preference will be in alignment with all applicable fair housing, civil rights, and nondiscrimination requirements as outlined in the Fair Housing Act, Title VI of the Civil Rights Act, section 504 of Rehabilitation Act, HUD's Equal Access Rule, and Americans with Disabilities Act.

Utilization of Preference to Address Unmet Needs and Gaps

The use of this preference will address the unmet need of lack of permanent supportive housing for those experiencing sheltered and unsheltered homelessness, including the chronically homeless. This is consistent with the data outlined above that shows in 2020 there were 1,932 households experiencing homelessness who did not receive a housing resource, despite being eligible for assistance. Additional PSH units and supportive services for those in PSH units will directly impact this gap and therefore are being prioritized for HOME-ARP. Preference will be given to projects applying to the NOFAs listed in the 'Methods for Soliciting Applications for Funding' section that will serve those experiencing homelessness.

Addressing Unmet Needs and Gaps for Qualifying Populations

100% of HOME-ARP funds will benefit individuals and families in qualifying populations, with the preference for those experiencing literal homelessness. The HOME-ARP funding will help the City of Detroit fill a critical gap for those experiencing homelessness, however even with this resource the need will not be fully met. Persons who do not qualify under the homeless preference will have the opportunity to participate in all HOME-ARP activities, including activities that are not separate or different, and will not be excluded because of any protected characteristics or preferential status.

Those who do not qualify for the preference population but are part of a qualifying population will have access to projects funded through HOME-ARP through expanded coordinated entry. The local coordinated entry system (CAM) will expand to accept all qualifying populations while still giving preference to those who meet local established prioritizations.

HOME-ARP Refinancing

The City does not intend to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing.

Conclusion

HRD will use HOME-ARP funding to equitably reduce homelessness and increase housing stability for close to 8 thousand households experiencing homelessness each year. Through extensive conversations with community members, homeless service providers, and persons with lived experience of homelessness, HOME-ARP will support Detroit in addressing gaps in our current homeless system, particularly in the development of new affordable housing, supportive services, and development of a non-congregate shelter.