



**To: Council President Pro Tempore James E. Tate Jr.**  
**From: Julie Schneider, Director, Housing and Revitalization Department**  
**Date: March 23, 2023**  
**Re: Responses to Housing and Revitalization Department FY 2023-24 Budget Questions**

Please find below responses to your questions sent on March 17, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for the Housing & Revitalization Department.

**1. Is HRD exploring new metrics for program eligibility outside of the HOPE exemption benchmark? If so, what are those metrics?**

The HOPE exemption is only a requirement of the Renew Detroit program however multiple home repair programs do not require HOPE or the income equivalent of HOPE. At this time, Renew Detroit will keep its focus on the most vulnerable residents, as both phase 1 and phase 2 application periods have closed.

For other existing home repair programs, the income limits are higher:

- HOPE exemption is approximately 30-40% AMI
- Senior Emergency Home Repair is 50% AMI
- LeadSafe Home Repair is 80% AMI (or Medicaid)
- 0% Interest Home Repair Loan is 80% AMI

**2. How much money is HRD spending on services impacting residents experiencing homelessness?**

Below is the funding used for homelessness solutions for FY22 and FY23. The funding below primarily serves five different program components.

1. Street Outreach - Program provides basic needs to people living in places not meant for human habitation such as parks, benches, or sidewalks. Outreach teams connect households to emergency shelter. If they refuse shelter, the teams will work on permanent housing while they live outdoors.
2. Emergency Shelter - Provides overnight sleeping accommodations, meals, and case management services to help the household move into permanent housing.

Shelter can serve specific populations such as youth aged 18-24, single adults, and families with minor children.

3. Rapid Rehousing - Provides up to 24 months of rental assistance and case management to households who are unsheltered or living in an emergency shelter.
4. Prevention - Serves households at risk of homelessness by providing rental and utility arrears and other services to keep them in their home and prevent them from coming into the homelessness system.
5. Data Entry - HUD requires that anyone served with ESG funding be entered into the Homelessness Management Information System (HMIS). Each Continuum of Care is required to have a HMIS Lead Agency, which in Detroit is the Homelessness Action Network of Detroit (HAND). HRD supports HAND with limited funding in order to meet this HUD requirement.

<b>FY 22 - 23 Funding</b>		
	<b>Program Funding</b>	<b>Admin Funding</b>
<b>Emergency Solutions Grant</b>	<b>\$2,762,629.00</b>	<b>\$223,997.00</b>
<b>Community Development Block Grant</b>	<b>\$2,589,426.00</b>	<b>\$540,847.00</b>

<b>Projected FY 23 - 24 Funding</b>		
	<b>Program Funding</b>	<b>Admin Funding</b>
<b>Emergency Solutions Grant</b>	<b>\$2,693,563</b>	<b>\$218,397.00</b>
<b>Community Development Block Grant</b>	<b>\$2,524,691</b>	<b>\$560,870.00</b>

In addition to the funding above, HRD received \$2.7M in ARPA funding for two programs: Homelessness Prevention (\$1,298,188.25) and Homelessness Diversion (\$1,401,811.75). These programs are designed to keep households out of the homelessness system and are expected to run until 2025.

**3. What are the qualifications for the CHOICE neighborhood grant and will HRD explore an application for areas outside of Corktown?**

HUD awards competitive Choice Neighborhoods Implementation grants to cities or public housing authorities (PHAs) that have created comprehensive neighborhood transformation plans centered around revitalizing a distressed public housing site. The target housing site must be either public housing operated by a PHA, or publicly assisted, meaning it is served by a contract for project-based assistance through Section 8. It cannot serve an exclusively elderly or disabled population, and generally competitive sites contain over 100 units (Clement Kern Gardens is one of the smallest awarded to date with 87 units). Both the housing and the neighborhood must meet HUD's definition of severely distressed; at the same time, to be competitive applicants

must demonstrate that there is significant investment already occurring in the neighborhood that can be counted as leverage for the Choice grant.

A majority of Choice Neighborhoods Implementation grant awardees also applied for and received a Choice Neighborhoods Planning grant, which provides up to \$500,000 for cities or PHAs to create the neighborhood transformation plan that can be used to apply for the larger implementation grant. The City’s application for an implementation grant for Greater Corktown was uniquely supported by an existing planning process that was already underway by the Planning & Development Department (PDD) as a response to the Michigan Central project and related investment. However, as HUD awards points for implementation grant applicants that have received planning grants, we will first seek a planning grant to ensure future applications for implementation grants are maximally competitive.

HRD will conduct a preliminary review of Detroit’s existing eligible target housing sites in collaboration with PDD and the Detroit Housing Commission to identify potential sites for future planning grant application. In recent years, HUD has opened the application period for approximately 75 days at various times throughout each year so it is difficult to know when applications will open. HRD will complete its preliminary review in 2023, looking to apply for a planning grant in 2024 if Congressional funding is available.

**4. Please provide a breakdown of senior home repairs by district.**

The following are Senior Home Repairs across all programs that actively track for seniors, by district (calendar 2022):

<u>District 1</u>	<u>32 total</u>
SEHR	27
Renew	4
0%	1
CBA	N/A

<u>District 5</u>	<u>36 total</u>
SEHR	33
Renew	0
0%	2
CBA	1

<u>District 2</u>	<u>35 total</u>
SEHR	22
Renew	11
0%	2
CBA	N/A

<u>District 6</u>	<u>32 total</u>
SEHR	6
Renew	3
0%	1
CBA	22

<u>District 3</u>	<u>36 total</u>
SEHR	20
Renew	12
0%	4
CBA	N/A

<u>District 7</u>	<u>36 total</u>
SEHR	24
Renew	7
0%	5
CBA	N/A

<u>District 4</u>	<u>58 total</u>
SEHR	31
Renew	9
0%	3
CBA	15

**5. How many Bridging Neighborhoods (BN) staff work in the office located at 1017 Springwells Street in District 6?**

We have 10 BN staff members in the Springwells office. Additionally, we have 3 spaces dedicated to HRD's High Impact Neighborhood Lead Grant (LHR 19) staff.

**6. Additionally, how much is the City of Detroit paying to rent the office at 1017 Springwells Street?**

For FY 22-23, rent is \$5,541 per month. For FY 23-24, rent will be \$5,652 per month.

**7. How many affordable housing units in the City of Detroit have more than two (2) bedrooms?**

Of the 22,596 existing regulated affordable units in the City of Detroit, approximately 3,800 have 3 or more bedrooms.

**8. Does HRD provide access to additional grants over and beyond down payment assistance to home buyers? If so, what are the names of the grants, and how many dollars have been awarded?**

The City's new downpayment assistance program will be available by April 1, 2023. This is the first such program the City has offered in approximately 20 years. In addition to making \$6 million of downpayment assistance available, HRD has expanded housing counseling services to help Detroiters be better prepared to become homeowners and take advantage of the downpayment assistance program.

While the City of Detroit has not had a downpayment assistance program available in multiple decades such programs have been and will continue to be available, though at a smaller scale, through the Michigan State Housing Development Authority and private lending institutions.

In addition to traditional downpayment assistance and housing counseling services, over 1,000 Detroiters have been able to become homeowners or retain homeownership after foreclosure, through the Make It Home program, with over 300 additional households expected within the next year. The Make It Home program creates pathways to homeownership for renters occupying tax foreclosed properties or low-income homeowners who have been foreclosed on by Wayne County Treasurer's Office. This program has been carried out annually through HRD, United Community Housing Coalition, and Rocket Community Fund.