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To:	Council Member Angela Whitfield-Calloway, District 2	1 shi
From:	: Julie Schneider, Director, Housing & Revitalization Department	
Date:	March 23, 2023	

Re: 36 HRD – FY24 Council Budget Response Calloway (part 2)

Please find below responses to your questions sent on March 22, 2023, regarding the HUD subsidized properties in Detroit.

1. How many subsidized HUD Bldgs and/or properties do we have in Detroit?

There are currently 80 properties in Detroit with project-based subsidy through HUD.

2. Please forward a list of all the HUD subsidized properties in Detroit?

This list is included in Exhibit A, attached.

3. How does a property revert from HUD subsidized to market rate as would have occurred with the Himelhoch Bldg yesterday had I not questioned the decision when senior residents complained about receiving eviction notices on December 9 giving them 18 months to vacate?

COUNCIL MEMBER CALLOWAY COMMENT - I do not want any of our seniors displaced any further than they already have been.

Property owners cannot voluntarily terminate an active Section 8 contract before it expires. If an owner chooses to opt out of the contract at expiration, they must provide 12 months' notice to both HUD and the residents. No property owners in Detroit have opted out of the opportunity to renew a HUD subsidy contract since 2013.

Residents at the Himelhoch did not receive eviction notices. Residents received notice that a portion of the project-based assistance at their property would be transferred to a newly constructed property at Brush Park, and that they would have the **option** to move into these new units paying the same rent that they currently do at the Himelhoch (30% of their gross income) or to remain at Himelhoch. The ownership issued FAQs to all residents on 2/15/2023 clarifying that no residents are being forced or required to move, attached here as Exhibit B. Further, the HUD Detroit Field Office has confirmed 1) that they will not formally approve the transfer of subsidy to the Brush Park property without a relocation plan that assures no displacement of existing residents, which is currently under review, and 2) that if the plan is approved, all existing residents will have the opportunity to apply for Tenant Protection Vouchers which they can use to remain at the property without facing any rent increases. Himelhoch residents are not at risk of eviction or displacement.

4. Also does HUD offer funding to seniors living in subsidized housing for supportive services (i.e., transportation to doctor's appointments, transportation to grocery stores, transportation to meetings, housekeeping services, fall prevention Programs, meals, health and wellness programs, etc.).

Housing supported through HUD's Section 202 program includes supportive services for elderly residents. Section 202 funds the construction, rehabilitation, or acquisition of affordable housing for low-income elderly people; it is also paired with rent subsidies to keep rent payments at 30% of household income. There are 25 Section 202 properties in Detroit. There are other properties with Section 8 assistance that serve elderly residents for which supportive services are not included or required in connection with the HUD subsidy, though some owners provide these services through their management or through contracts with third party service providers.

5. How many seniors are currently living in HUD subsidized housing?

The HUD Open Data Portal shows that the 80 HUD-subsidized properties include a total of 9,073 assisted units housing 11,906 residents with an average of 54% elderly residents, which translates to an estimate of approximately 6,400 seniors.

6. How many buildings/properties have reverted from HUD subsidized to market rate since 2017?

While no HUD-subsidized properties have voluntarily opted out of their subsidy, two properties under the same original owner have lost their contract due to non-compliance with property condition standards (Lee Crest Apartments at 8711 Second Avenue, and Chatham Apartments at 600 Pingree Avenue). After receiving a failing grade, the owner was issued a notice of default and provided an opportunity to cure these deficiencies, but the projects were not safe for residents to continue to inhabit. Residents were offered Tenant Protection Vouchers and relocation assistance.

One property lost its subsidy when the property defaulted on a HUD loan after HUD changed the allowable uses at the property and revoked the Section 8 contract. The property went through foreclosure (Rademacher Lodge at 1777 Rademacher). The City acquired the property at auction and helped convey the property to Freedom House, a nonprofit that uses the property to house asylum seekers and refugees.

7. Which buildings/properties?

See above.

8. How many homeless seniors are there in Detroit?

System level homelessness data is managed by the Homeless Action Network of Detroit. According to the latest <u>Annual Report For the Detroit Continuum of Care</u>, in 2021 there were 1,383 seniors aged 55+ who experienced homelessness. Seniors comprised 24% of Detroit's total homeless population. 74% of these seniors are under the age of 65, 78% are male, and 59% had a disabling condition.

9. How many youth are homeless?

System level homelessness data is managed by the Homeless Action Network of Detroit. According to the latest <u>Annual Report For the Detroit Continuum of Care</u>, in 2021 there were 481 youth aged 18-24 who experienced homelessness. Youth comprised 8% of our overall homeless population. 52% of these youth identified as male, 45% as female, and 3% as transgender or gender non-conforming.

It is important to note that these youth met the <u>HUD definition of literal homelessness</u>living in an emergency shelter or a place not meant for human habitation (car, street, etc.). HRD's Emergency Solutions Grant and matching Community Development Block Grant funding, as well as the HUD funding administered by HAND, is required to adhere to HUD's literal homelessness definition.

The McKinney-Vento Homeless Assistance Act defines homelessness (<u>§11434a</u>. <u>Definitions</u>) broader than HUD. For instance, it includes youth in shared housing, which does not qualify as homeless under HUD. Further information on how youth qualify for HUD funded programs can be found <u>here</u>.

10. How many young people from the age of 17 to 24 are homeless?

System data places youth into two buckets. The first is 18-24 and the second is under 18. Therefore, the system does not generate data for 17-24 specifically. According to the latest <u>Annual Report For the Detroit Continuum of Care</u>, in 2021 there were 481 youth aged 18-24 who experienced homelessness. Youth comprised 8% of our overall homeless population. In 2021 there were 22 unaccompanied youth under the age of 18. This population group accounted for less than 1% of the overall homeless population; 95% identified as female.

EXHIBIT A: HUD Multifamily Assisted Properties, Detroit EXHIBIT B: Himelhoch Resident FAQ

HUD Multifamily Assisted Properties, Detroit

Mar-23

		Assisted		Client Group
Property Name	Address	Units	Total units	Served
	17390 Hubbell St	20	20	Family
LEXINGTON VILLAGE	1310 PALLISTER ST	350	350	Elderly
FAITH MANOR	15321 ARCHDALE	56	57	Elderly
	2535 WEST GRAND BLVD	40	60	Family
RESTORATION TOWERS	16651 LAHSER RD	147	147	Elderly
	8711 SECOND AVE	100	100	Elderly
CENTRAL TOWERS	2520 CENTRAL ST	230	232	Family
CAMBRIDGE TOWERS	19101 Evergreen Road	250	250	Elderly
CANAAN MANOR	9539 HAYES ST	29	29	Disabled
PARKVIEW II	1401 CHENE	42	199	Elderly
PARKVIEW TOWER & SQUARE	1601 ROBERT BRADBY DR	350	354	Elderly
FREEDOM PLACE	1101 W.Warren Avenue	350	350	Elderly
FAIRVIEW MANOR	3568 Fairview St.	99	99	Family
EVANGELICAL MANOR	6720 W Outer Dr	64	65	Elderly
KAMPER STEVENS	1410 WASHINGTON BLVD	163	165	Elderly
ELLIS MANOR	19200 Shiawassee	88	89	Elderly
EDEN MANOR	18040 COYLE	64	65	Elderly
LANIER COURT	3801 Holcomb St	26	26	Family
PHILLIP SIMS	800 DICKERSON ST	121	122	Elderly
ELMTREE APTS	2020 ELMHURST	35	35	Family
FOREST PARK APARTMENTS	1130 E. Canfield St	159	160	Family
MORTON MANOR	20000 DEQUINDRE ST	150	150	Elderly
FOUNTAIN COURT COOPERATIVE 1-4	3088 Lawton	174	351	Family
RIVER TOWERS	7800 E JEFFERSON AVE	288	472	Elderly
CALUMET II	4441 THIRD ST #45	104	104	Family
CHATHAM APARTMENTS	600 PINGREE AVENUE	73	73	Family
RYAN COURT APARTMENTS	2110 EWALD CIRCLE	72	74	Family
PLYMOUTH SQUARE VILLAGE APTS.	20201 PLYMOUTH RD	280	280	Family
ROBERT HOLMES TEAMSTER HOUSING	5100 BRUSH ST	99	100	Elderly
MCAULEY COMMONS	11500 SHOEMAKER AVE	58	59	Elderly
MCCOY TOWNHOUSES	5561 JOHN C LODGE FWY #71	74	75	Family
ROBERTS III APARTMENTS	3901 GRAND RIVER AVE	123	197	Family
NEW CENTER PAVILION	666 W BETHUNE	76	76	Family
PARK SQUARE APARTMENTS	1620 Gladstone	38	38	Family
HANCOCK RESIDENTIAL CENTER	801 West Willis	16	16	Disabled
THERESA MAXIS APARTMENTS	16800 WYOMING ST	79	81	Elderly
OAK VILLAGE SQUARE APTS.	11501 PETOSKY	74	75	Elderly
MEYERS ELDERLY HOUSING	18000 MEYERS	74	75	Elderly
MCDONALD SQUARE	2900 E.Vernor	180	180	Family
MARYGROVE APTS AKA MCGIVNEY-BETHUNE	16850 WYOMING	79	80	Elderly
GREENHOUSE APARTMENTS	17300 SOUTHFIELD RD	208	208	Elderly
BOWIN PLACE	15400 W SEVEN MILE RD	193	193	Elderly

Property Name	Address	Assisted Units	o Total units	Client Group Served
HIMELHOCH 3	1545 WOODWARD AVE	36	36	Elderly
DELTA MANOR APARTMENTS	2150 E VERNOR ST	99	100	Elderly
ORCHESTRA TOWERS	3501 WOODWARD AVE	213	248	Elderly
BICENTENNIAL TOWERS SENIOR HOUSING	4 E ALEXANDRINE ST	299	300	Elderly
VILLAGE OF BETHANY MANOR	8737 14th St	51	52	Elderly
8330 ON THE RIVER	8330 East JEFFERSON AVE	112	130	Elderly
ACROSS THE PARK	2700 S. ANNABELLE ST.	200	200	Elderly
VIRGINIA PARK TOWNHOUSES	1909 Gladstone Avenue	86	86	Family
WARREN PLAZA	430 E WARREN	197	198	Elderly
YOUNG MANOR	2500 West GRAND BLVD	150	153	Family
WILLIAMS PAVILION	99 E FOREST AVE	149	150	Elderly
VAN DYKE CENTER APARTMENTS	8100 Gratiot Avenue	200	200	Elderly
WASHINGTON BOULEVARD BUILDING	234 STATE ST	114	115	Elderly
WEST BOSTON APTS	3220 W BOSTON	27	27	Family
VILLAGE CENTER	901 PALLISTER ST	254	254	Elderly
DEVIN APARTMENTS	2740A W. CHICAGO	42	42	Elderly
WEST CHICAGO	3410 W CHICAGO	35	40	Family
ELMWOOD TOWERS	1325 CHENE	133	168	Elderly
CLINTON HOUSE	99 Kenilworth St	23	24	Disabled
VILLAGE OF BRUSH PARK MANOR	2900 Brush St	112	113	Elderly
NORTHLAWN GARDENS APARTMENTS	9560 Northlawn	94	96	Family
RIO VISTA	1250 18th St	64	65	Elderly
VILLAGE OF HARMONY MANOR	15050 Birwood	43	44	Elderly
COLONY AND FISHER ARMS APARTMENTS	9303 E JEFFERSON AVE	161	161	Family
MARTIN LUTHER KING I	595 Chene	152	169	Family
GATESHEAD CROSSING	4950 Gateshead St	45	46	Elderly
VILLAGE OF OAKMAN MANOR	1556 Kendall Avenue	54	55	Elderly
VILLAGE OF ST. MARTHA'S	15801 Joy Road	45	46	Elderly
MARTIN LUTHER KING II	595 Chene	281	312	Family
WEST BOSTON APTS 2	2725 W Boston Blvd	35	38	Family
GRATIOT WOODS COOPERATIVE APARTMENTS	5500 McClellan St	61	62	Elderly
OAK VILLAGE INDEPENDENCE	4401 Burlingame St	10	10	Disabled
OAKMAN TOWNHOMES	2110 Ewald Cir	72	72	Family
FIELD PLACE APARTMENTS	1764 Field St	16	16	Family
RIVERTOWN NEIGHBORHOOD SR HOUSING	3196 Franklin	50	50	Elderly
HIMELHOCH 2	1545 Woodward Ave.	36	36	Elderly
The Peterboro Arms	26 Peterboro Street	9	47	
AARON APARTMENTS	625 Field St	27	27	Family

FAQ related to the Brush Watson Housing Opportunity

and the Intent to Transfer HAP Contract Budget Authority

Q: What is the "Intent to transfer HAP Contract budget authority?"

A: The owner of Himelhoch 2 has submitted a request to HUD for approval to transfer a portion of the Section 8 budget authority to a new housing development nearby known as Brush Watson. If approved, this means that a portion of the project-based rental assistance will transfer to Brush Watson. Management held a meeting with residents in December 2022 to discuss this request.

Q: Who does this affect?

A: Only residents living on floor 2, floor 3, and floor 7 of the Himelhoch building.

Q: What is Brush Watson?

A: Brush Watson is a new housing development in Brush Park, a neighborhood located about 1/3 of a mile north of Himelhoch on the east side of Woodward. Brush Watson includes three buildings, a community room and rooftop terrace, available integrated parking, and in-unit laundry. Brush Watson is located in a walkable residential community with new restaurants and retail. See attached brochure for more information about Brush Watson.

Q: When will Brush Watson be available?

A: Construction of the first two buildings is nearly completed and the first units are expected to be available as early as April 2023.

Q: What does this mean for me as a resident of Himelhoch 2?

A: If the request is approved by HUD, you will have priority access to the new units at Brush Watson. Units are available to you before they are offered to the general public.

Q: Am I being kicked out of Himelhoch?

A: Absolutely not!

<u>Please note: No residents of Himelhoch 2 will be required to move to Brush</u> <u>Watson as a result of the requested transfer.</u>

[continued on next page]

Q: What are my options?

A: The following options are available to all residents of Himelhoch 2:

- 1. Remain at the Himelhoch building.
- 2. Move to Brush Watson.
- 3. Move to another property.

Q: If I chose to move to Brush Watson, will my rent increase?

A: No. Your rent will continue to be based on your income subject to continuing compliance with the same program requirements as Himelhoch.

Q: If I chose to move to Brush Watson, will I have to pay for moving costs?

A: No. The developer will pay for your moving costs. You will not pay for moving costs.

Q: If I chose to stay at Himelhoch, will I still receive rental assistance?

A: Residents who choose to stay at Himelhoch should be eligible to receive a voucher that can be used at Himelhoch or at another property of their choosing and may also be eligible to remain in the building with other rental assistance. The owner is committed to working with all residents to ensure their housing needs are met.

Q: Will I be able to tour Brush Watson?

A: Yes. Management will be offering free shuttle tours to see Brush Watson soon and will provide you notice when the shuttle tours are available.

Q: If I need special assistance, how can I get help?

A: Management will be interviewing each resident about their preferences for moving. This includes learning about accessibility needs, transportation needs, and anything other service that you require during this process.

Q: What is the next step in this process?

A: By the end of February 2023, management will provide you information about upcoming tour and interview options.

Q: Who do I contact if I have additional questions?

A: Please contact:

NAME:	Erin Rogers
PHONE:	313-650-6600
EMAIL:	brushwatson@imsteam.net