

Affordable Housing

Thursday, Meeting August 29th, 2024

Community Feedback
(located on red background slides)

Brightmoor

AREA FRAMEWORK PLAN



Affordable Housing Meeting

Welcome!



Welcome + Introductions

*Thank you for attending this
meeting!*

Our MC today:
Dave Walker

Introducing

D'Marco Ansari

Michelle Lee

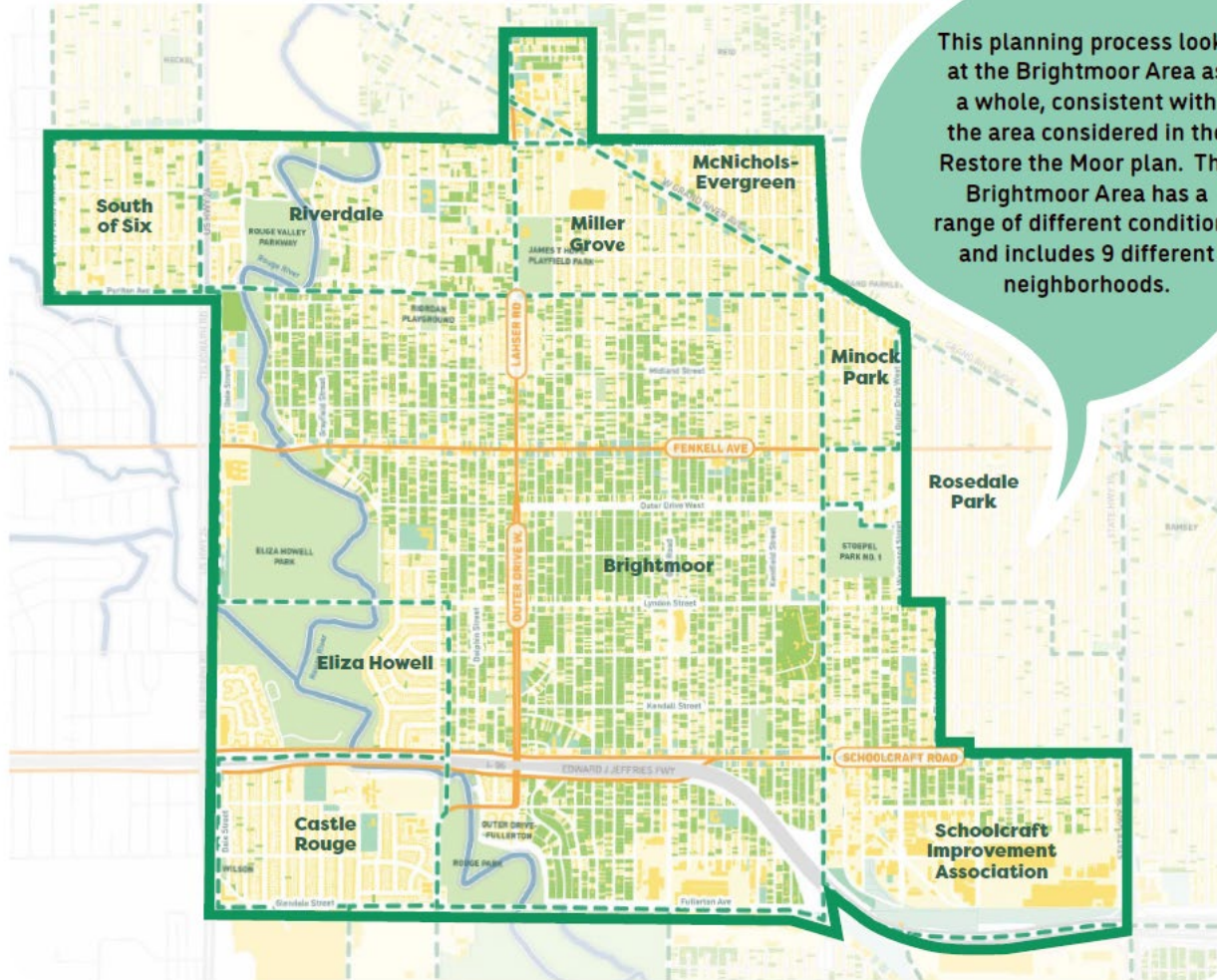


Today's Agenda

AGENDA

- **Schedule - 2min**
- **Affordable Housing – 5min**
- **Priority Recommendations – 10min**
- **Process to Develop Affordable Housing – 20min**
- **Housing Typologies – 5min**
- **Zoning to allow affordable housing – 10min**
- **Overall planning coordination – 2min**
- **Question and Answers**

PROJECT AREA

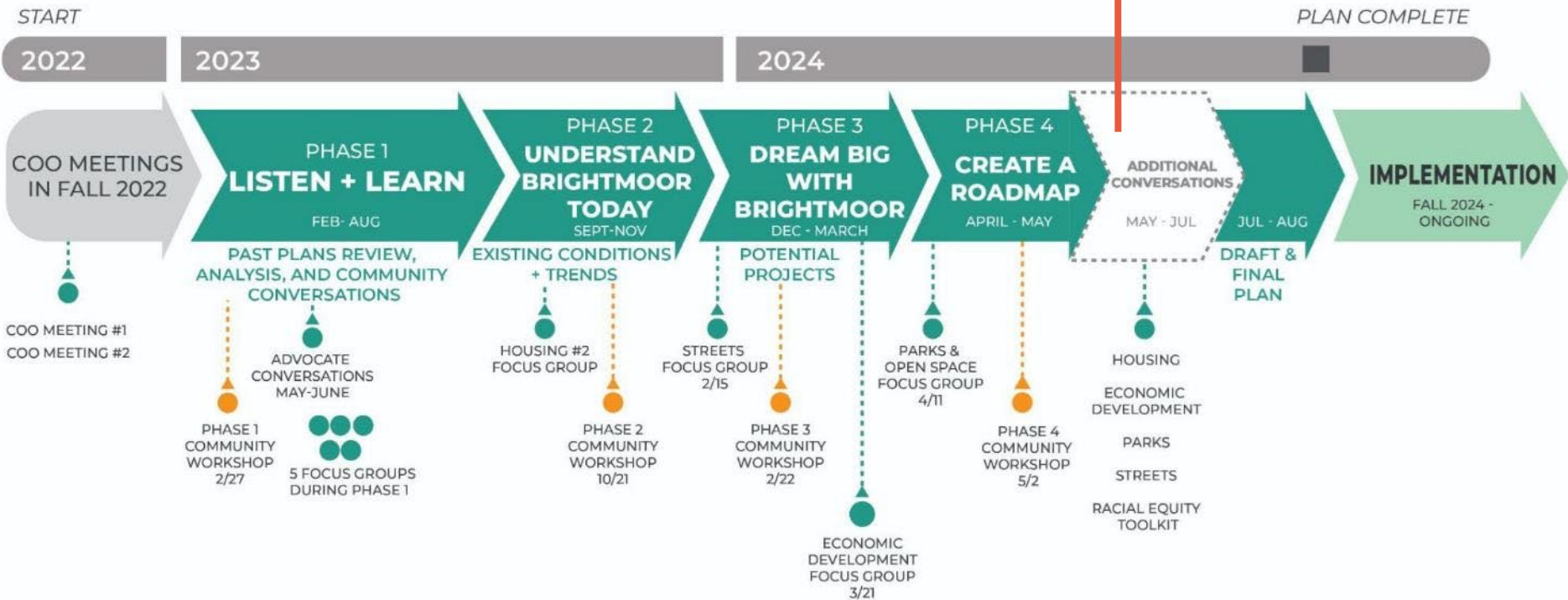


This planning process looks at the Brightmoor Area as a whole, consistent with the area considered in the Restore the Moor plan. The Brightmoor Area has a range of different conditions and includes 9 different neighborhoods.

Schedule Recap

Your feedback today will inform parks recommendations.

We are here





DRAFT RECOMMENDATIONS

Affordable Housing Development



Priority Recommendations: SUPPORT EXISTING RESIDENTS

Improve access to home repair by partnering with grantmakers and community organizations.



Work with non-profits who provide housing counseling and eviction defense services.



Increase use of DLBA Own it Now and Rehabbed and Ready programs in targeted areas.



Priority Recommendations: CATALYZE NEW AFFORDABLE HOUSING DEVELOPMENT



MIXED-USE
Cathedral Arts



MIXED-USE
Parker Durand



MULTI-FAMILY
Benjamin O Davis Veterans Village

City of Detroit, including Brightmoor potential projects, needs subsidies to complete."

- Multi-family **affordable rental** with **50 or more apartments**
- Homeownership developments with **variety of home sizes / typologies** homes (~750-1200 sq. ft.) and a mission-driven focus
- **Vacant home renovation** in targeted areas, such as completing mostly-occupied blocks or directly around parks

Affordable Housing Recommendations

- What is LIHTC?
 - The Housing Credit is the single most important federal resource available to support the development and rehabilitation of affordable housing – currently financing about 90 percent of all new affordable housing development.
 - https://www.lisc.org/our-resources/resource/low-income-housing-tax-credit/?gad_source=1&gclid=CjwKCAjwmaO4BhAhEiwA5p4Yl6MOwHKXE3SeadkvZx_20R2VO-gj670O23YK5OfMkabJzKCR_TMdhoCgN8QAvD_BwE

- What or who is HRD?

HRD is the Housing and Redevelopment Department for the City of Detroit.. This department is responsible to help developers provide affordable housing within the City of Detroit.

- Will the HRD work with the Racial Equity Toolkit.

The Racial Equity Toolkit will be coordinated with the Civil Rights and Inclusion Office department of the City of Detroit. It is an implementation task after the plan is complete. Once completed, HRD will align with those elements of the toolkit that apply to housing developments.

How does the process of affordable housing development work?

Process typically ranges between 4 to 7 years for all components of an affordable housing project to be implemented

1

Regulate for Success

Change **zoning & policies** to allow for housing development & subsidy provision

2

Identify a Developer

Partner with a mission-driven **affordable housing developer**

3

Assemble the Land

Acquire land through purchase of sites or RFP of public properties

4

Design the Building(s)

Design the property to serve the residents, meet regulations, & meet subsidy priorities



5

Secure Financing

This is the most difficult and time-consuming step!

Secure **financing** for development, including LIHTC funding, permanent & construction loans, environmental costs & more

6

Build the Homes

Cost to build is very high: <\$250-\$400+ per square foot

Construct the development & **lease or sell** the homes at affordable rates

Affordable Housing Process

- What is the status of NDND and Brightmoor Homes?
 - HRD has currently seeking legal action against the developer among other items to get the Developer in compliance
- The Community believes that NDND has not been truthful in the process and they want the City to bring them in line and eventual make NDND start a process to sell individual families their homes as well as maintain their existing properties.
- The community is very concerned that NDND may go into foreclosure and they are not sure what is going to happen to the families if this happens
- How do we take care of the Senior Citizens in our community. Many of them do not work or they have very low fixed incomes
- Home repair should be a priority for HRD and this planning process
- Local neighborhood developers should be the priority for any new development
- The Priority should be to repair existing homes and help existing homeowners

Affordable Housing Development Example

Orchard Village

Total Development Cost: \$14.2M
Expected Completion: Spring 2025



Affordable Process

Mixed Use

Feasibility: Medium (requires experienced development partner)

Property Type: Ground-floor commercial, 1-2BR rental above

Multi-Family

Feasibility: Medium (requires experienced development partner)

Property Type: Rental, 1-3 BR

Townhomes

Feasibility: Low (less preferred than multi-family for Low-Income Housing Tax Credits)

Property Type: Rental, 2-3BR / or Home Ownership

Pocket Neighborhood

Feasibility: Medium (requires potential patient capital/philanthropic interest and down-payment assistance)

Property Type: Ownership, 600-900 Square Feet with Shared Spaces

Visual Preference: Mixed Use (Fenkell)



Which of these housing options do you prefer?

4
I would prefer a different housing type

Visual Preference: Multi-Family



1



2



3



4

Which of these housing options do you prefer?

I would prefer a different housing type

Visual Preference: Townhomes



Which of these housing options do you prefer?

4

I would prefer a different housing type

Visual Preference: Pocket Neighborhood



1



Single Family, Detached Home



2



Single Family, Detached Home



3



Townhomes

4

I would prefer a different housing type

Which of these housing options do you prefer?

Affordable Housing Typologies

- The Community did not complete the exercise to define preferred typologies
 - The community indicated that NO new housing developments should be discussed or coordinated until there is a resolution with NDND and Brightmoor Homes
 - The Community also indicated that new housing should be provided for low income people as a priority due to the current median income of the community
- It is not the community's job to educate the City regarding affordable housing.
- We need more accessible housing units not just affordable housing. There needs to be more housing that incorporates universal design for all forms of the disabled community.
- The Councilmember President Pro Tem Tate indicated that PED has defined this as a major issue and is looking / and request more universal design. New projects already comply with some elements of accessible design and HRD will continue to work with developer to consider more accessible design elements that can be incorporated in all new developments.

Priority Recommendations: ZONING CHANGES

Zoning changes can allow for future affordable housing and mixed-use development.



- R3 residential zoning allows development of multi family housing like duplexes, fourplexes, and multi-family apartments.
- Adding **R3 zoning** in a concentrated area can help encourage targeted development and population growth that supports nearby businesses.
- Adding **B3 zoning** allows for mixed use on commercial corridors such as Fenkell and Schoolcraft



MULTI-FAMILY
Gratiot Woods / Detroit, MI



Priority Recommendations: ZONING CHANGES

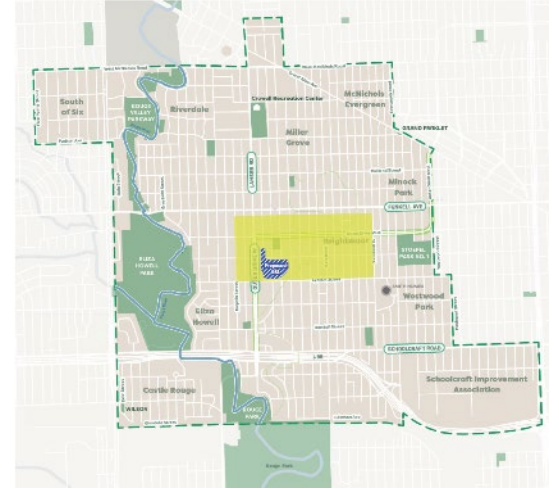
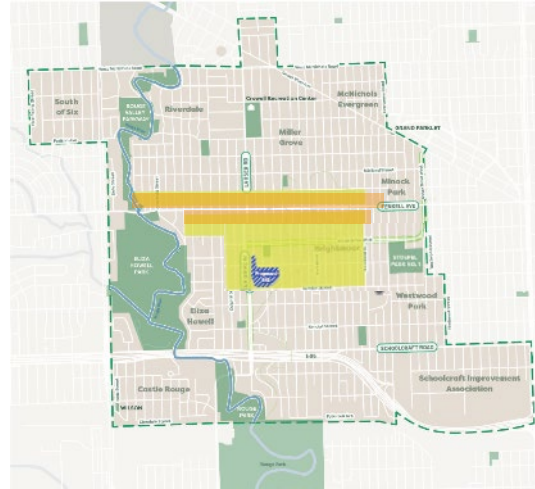
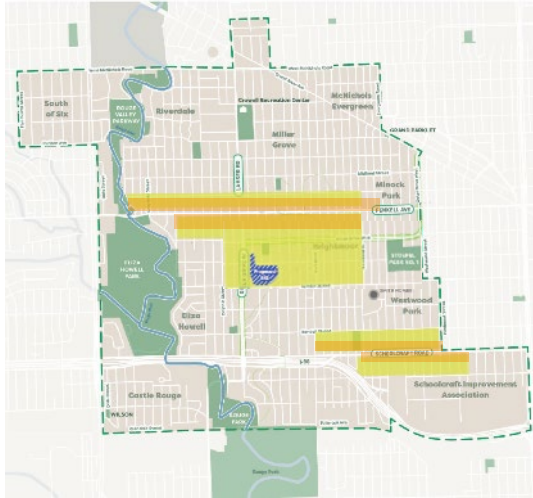
-  Zoning Change to R3
-  Zoning Change to B3 – B4

Recommended Alternative 1 Grow along Fenkell and Scholcraft



Support and Grow Fenkell Ave

Alternative 2 Build around Fenkell and Proposed Stormwater Pond



Where should we “upzone” to R3 residential zoning?

Priority Recommendations: DHC SMITH Housing Development



Aerial Photo of Smith Homes



An Existing Townhome

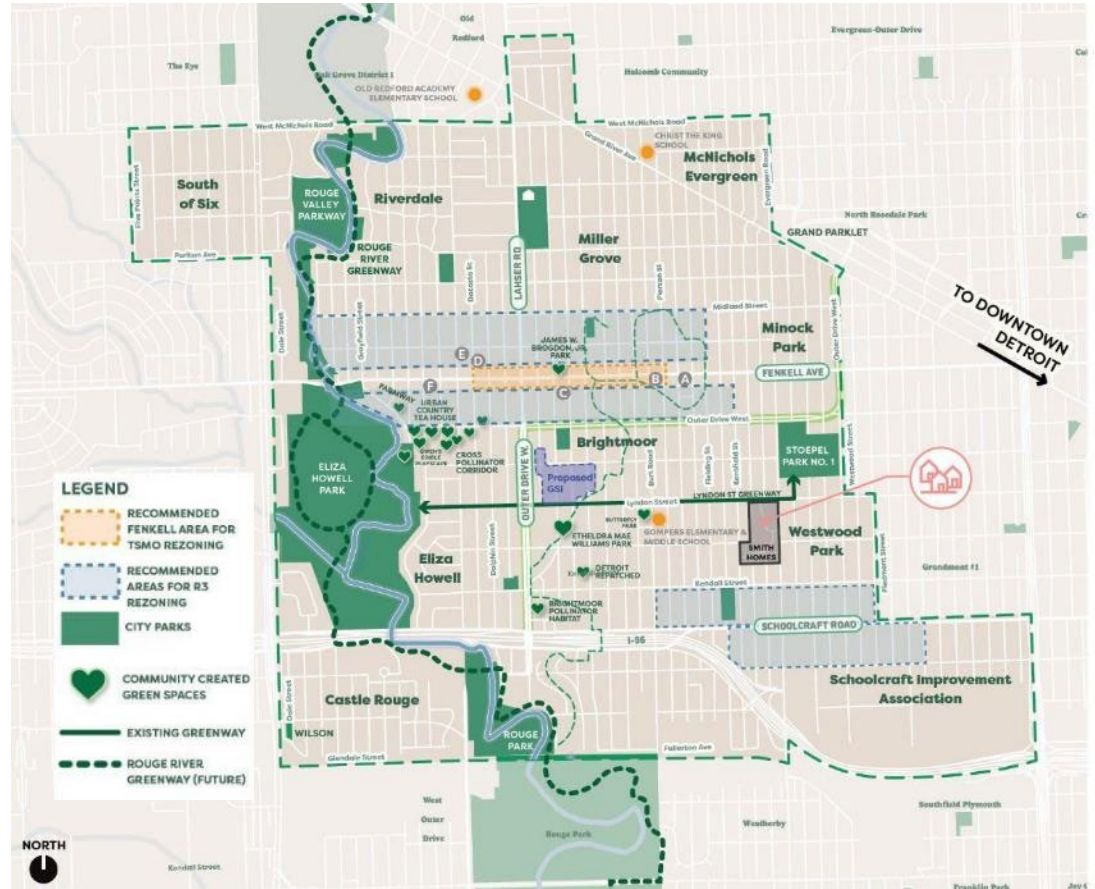


- Detroit Housing Commission (DHC) property (Smith Development) with 156 housing units.
- **DHC plans to put additional investment into this property by 2031, including adding new mixed-income homes to the site, renovating and preserving the existing homes, infrastructure upgrades.**
- The Brightmoor Area Framework plan will recommend this as a site for investment and coordination with the City and DLBA.

Development Framework: Neighborhood Map

Key elements:

- Recommended Fenkell and Schoolcraft Mixed Use
- Recommended Areas for R3 Rezoning



Do you have any feedback on the draft neighborhood framework map?

Affordable Housing Recommendations

- The Community had no objections to working with SMITH Homes development to provide additional housing as long as the DHC improved property management and maintenance
- Affordable Housing AMI in the City of Detroit / Median Income of Brightmoor is \$27K and the housing that is developed in the future should reflect that issue
- HRD should consider the Small Area Fair Market Value rental rates provided by HUD when evaluating new developments in the Brightmoor Neighborhood and other neighborhoods throughout the City.

Next Steps + Upcoming Meetings

Today's materials will be uploaded to the project website **next week**.

PDD/HRD to confirm website updates timing.

Project Website



www.detroitmi.gov/brightmoor

Phase 4 Survey



<https://tinyurl.com/Phase4Survey>

Open until 6/30

UPCOMING BRIGHTMOOR FRAMEWORK MEETINGS

Date

Economic Development

Meeting details

Date

Parks

Meeting details

Date

Streets

Meeting details

Date

Racial Equity Toolkit

Meeting details

Community Conversation:

Lets envision the Future of
Housing in The
Neighborhoods?

Community Conversations

- There was not enough time to complete the community conversation and will be tabled during the next meeting when we discuss Parks and Open Space

Thank You