

August 2025

Disaster Recovery

2023 CDBG-DR Action Plan
Substantial Amendment #1
Public Hearing



TAKE PART
Opportunity Rising



Background

- August 24-26, 2023 - Detroit and surrounding counties experienced severe storms and flooding
- February 8, 2024, FEMA announced that a disaster declaration was approved for the City of Detroit.
- December 21, 2024 - Congress approved \$12B in CDBG-DR funding, for disasters that occurred in 2023 and 2024.
- HUD approved the City's Action Plan in May 2025

Michigan Severe Storms, Tornadoes, and Flooding

DR-4757-MI



Incident Period: Aug 24, 2023 - Aug 26, 2023

Declaration Date: Feb 8, 2024

Quick Links

- **Recovery resources:** [State & Local](#) | [National](#)
- **Connect:** [Social Media](#) | [Mobile App & Text](#)
- **24/7 counseling:** [Disaster Distress Helpline](#)

CDBG-DR Substantial Amendment

- HUD requires HRD in certain instances to provide notice to residents when we amend CDBG-DR Action Plan. This process is called a Substantial Amendment.
- Substantial Amendments can occur when HRD:
 - A change in the program's benefit or eligibility criteria
 - The addition or deletion of an activity
 - A proposed reduction in the overall benefit requirement
 - A reallocation which constitutes a change of 25 percent or greater of a program budget (the four major program areas are Housing, Infrastructure, Economic Development and Planning)
- Today we are talking about Substantial Amendment #1 – HRD is adding a new activity and making changes to eligibility criteria for another.

Approved Use of CDBG-DR



Infrastructure

\$252,470,800



Housing

\$75,050,000



Administration

\$17,343,200



Planning

\$2,000,000

\$346,864,000

Current Action Plan Activities

Program Category	Project	Budget
Housing		
\$75,050,000.00	Affordable Housing	\$34,050,000.00
	Public Housing	\$31,000,000.00
	Homeownership Opportunities - Down Payment Assistance	\$10,000,000.00
Infrastructure		
\$252,470,800.00	Public Facility Rehab - Homeless Shelters	\$7,227,800.00
	Stormwater Improvement Projects	\$25,000,000.00
	Sewer Alley Repair Program	\$175,000,000.00
	Traffic Signal Connectivity and BackUp - Mitigation	\$9,000,000.00
	Public Facility Rehab - Homeless Shelters - Mitigation	\$16,243,000.00
	Jefferson Chalmers Stop Log Flood Mitigation Project - Mitigation	\$20,000,000.00
Planning		\$2,000,000.00
Administration		\$17,343,200.00
Total		\$346,864,000.00

Current Program

Down Payment Assistance

- Data shows unmet needs around the need for increased homeownership opportunities in the City, and this need is exacerbated by disasters
- Up to \$25,000 in down payment assistance provided to qualifying LMI households



Proposed Program Changes

Detroit Financial Empowerment Center (FEC)

- Homebuyer and Financial counseling was originally part of the Down Payment Assistance Program, It will now be its own activity, allowing for flexibility to how residents can be referred to the program
- The Down Payment Assistance program will now be \$9,400,000
- FEC will be funded at \$600,000
- The FEC focuses on improving housing outcomes for low to moderate-income households by addressing underlying financial barriers to housing stability and homeownership. This includes offering assistance to qualified residents, such as 1) building credit, 2) reducing debt, 3) increasing savings, 4) banking the unbanked, and 5) access to safe and affordable mortgage products.
- NOFA – Identify non-profit partners to administer the program
- Residents will be able to access the program in two ways: make an appointment with the selected agencies directly, or via referral due to denial from an existing housing program or service (i.e., Down Payment Assistance (DPA)) due to underlying financial situations.

Current Program

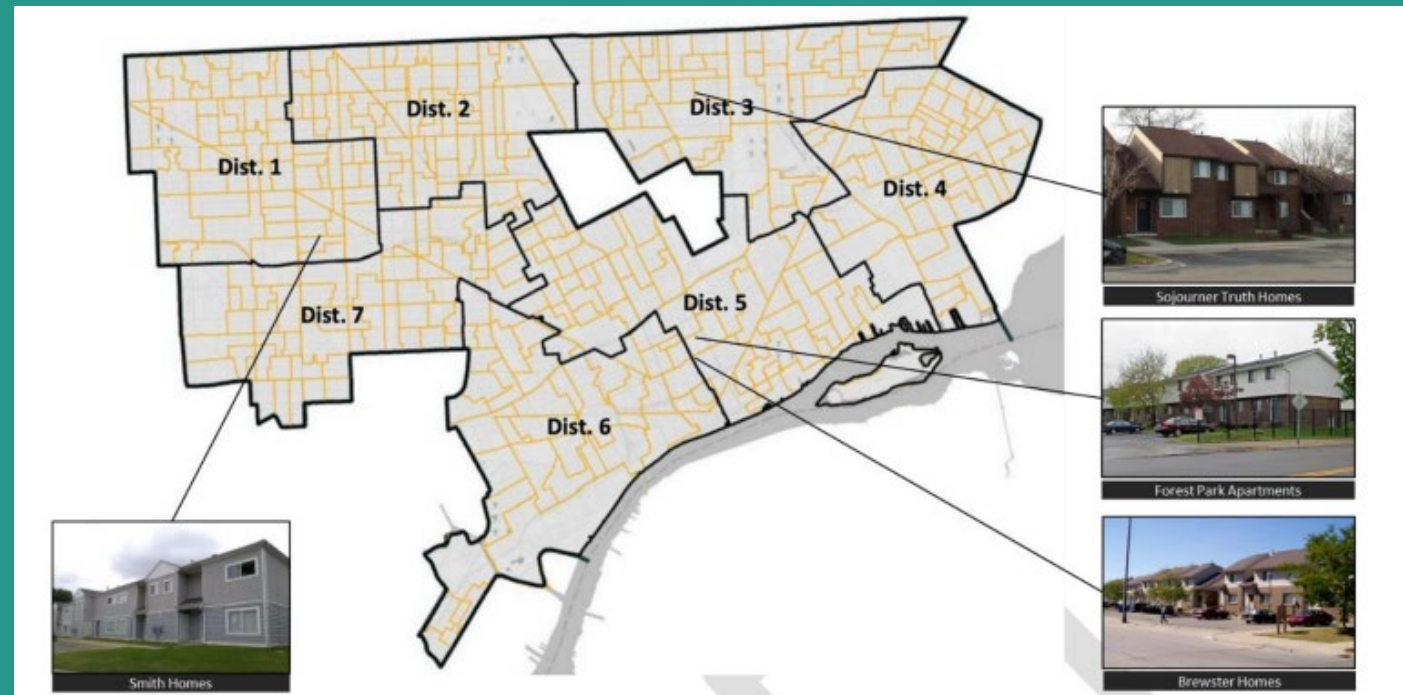
Affordable Rental Housing & Public Housing

Housing unmet needs such as affordability for low-to-moderate income households, age of housing stock, and rising costs, pre-date the disaster. The disaster's impact exacerbated these conditions.

Increase affordable rental housing and public housing supply for LMI households between 30% AMI-80% AMI.

Affordable rental housing projects will be identified through a Notice of Funding Availability process overseen by HRD.

Identified DHC Public Housing projects include Brewster Homes, Smith Homes, Diggs Forest Park and Sojourner Truth.



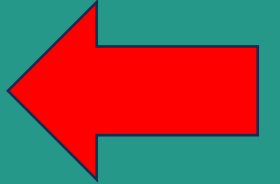
Proposed Program Changes

Affordable Rental Housing & Public Housing

- Originally DHC Public Housing projects included only Brewster Homes, Smith Homes, Diggs Forest Park and Sojourner Truth.
- Eligible Geographic Areas will be updated to be city-wide.
- This will allow flexibility for the Detroit Housing Commission to serve additional properties based on need and eligible use of CDBG-DR funds.

Proposed CDBG-DR Action Plan Budget

Eligible Cost Category	CDBG-DR Allocation Amount
Administration	\$ 17,343,200.00
Planning	\$ 2,000,000.00
Planning	\$ 2,000,000.00
Housing	\$ 75,050,000.00
Affordable Housing	\$ 34,050,000.00
Public Housing	\$ 31,000,000.00
Detroit Financial Empowerment Center (FEC)	\$ 600,000.00
Homeownership Opportunities - Down Payment Assistance	\$ 9,400,000.00
Infrastructure	\$ 207,227,800.00
Public Facility Rehab - Homeless Shelters	\$ 7,227,800.00
Stormwater Improvement Projects	\$ 25,000,000.00
Sewer Alley Repair Program	\$ 175,000,000.00
Traffic Signal Connectivity and BackUp	\$ 9,000,000.00
Public Facility Rehab - Homeless Shelters	\$ 16,243,000.00
Jefferson Chalmers Stop Log Flood Mitigation Project	\$ 20,000,000.00
Total	\$ 346,864,000.00



Next Steps

- **Review the Action Plan and Provide Feedback on the Proposed Activities**
 - **Public Comments will be received until Tuesday September 9th at 5:00PM**
 - **Comments can be provided verbally during Public Hearings, or by emailing disasterrecovery@detroitmi.gov**
- **Substantial Amendment is submitted to HUD for review and approval (45 Days)**
- **Once HUD has approved, the changes will go into effect**

Thank you!

Public Comment