



# CITY OF DETROIT PUBLIC ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)



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**Mayor, Mary Sheffield**



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## I. Summary of Changes

### Summary of Action Plan Amendment #3 Changes

Action Plan Amendment 3 makes the following changes to the City’s Action Plan, in summary:

Sections	Updates, Additions, Deletion
Section II Executive Summary	Added Universal Notice Waiver Overview
Section III Unmet Need Assessment	Removed Table 10: Limited English Proficiency Breakdown of Disaster – Related Areas Removed Fair Housing, Civil Rights Data, and Advancing Equity
Section IV General Requirement	Update the Substantial Amendment Public hearing requirements Minimum modifications that constitute a substantial amendment
Section V Grantee Proposed Use of Funds	Changed the “Extreme Weather and Adaptation Plan” name to the “Climate Resilience and Adaptation Plan.” Changed the Infrastructure project from “Alley Sinkhole and Drainage Improvement” to “Alley Sewer Repair Program-Mitigation.”

## II. Executive Summary

### Overview

The U.S. Department of Housing and Urban Development (HUD) awarded the City of Detroit, Housing and Revitalization Department (HRD) \$95,228,000 in funding to support long-term recovery efforts following 2021 Presidential Major Disaster Declaration (federal disaster declaration FEMA #4607 - Michigan Severe Storms, Flooding and Tornadoes). These funds were allocated through the publication of the Federal Register, Vol. 87, No. 100, May 24, 2022, through the Disaster Relief Supplemental Appropriations Act Public Law 117-43. Community Development Block Grant- Disaster Recovery (CDBG-DR) funding is designed to address needs that remain after all other assistance has been exhausted. This plan details how funds will be allocated to address the remaining unmet needs in Detroit, Michigan.

To meet disaster recovery needs, the statutes making CDBG-DR funds available have imposed additional requirements and authorized HUD to modify the rules that apply to the annual CDBG program to enhance flexibility and allow for quicker recovery. In March 2022, HUD allocated \$57,591,000 in CDBG-DR funds to the City of Detroit, Housing and Revitalization in response to

2021 Presidential Major Disaster Declaration (federal disaster declaration FEMA #4607 - Michigan Severe Storms, Flooding and Tornadoes), through the publication of the Federal Register, Vol. 87, No. 100, May 24, 2022. This allocation was made available through the Disaster Relief Supplemental Appropriations Act, Public Law 117-43. In January 2023, HUD allocated another \$37,637,000 in CDBG-DR funds to the City of Detroit through The Continuing Appropriations Act, 2023 through (FRN) FR-6368-N-01 Public Law 117-1802 made on January 18, 2023 (These CDBG-DR funds are for necessary expenses for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 United States Code [U.S.C.] 5301 et seq.)<sup>3</sup> (HCDA) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the “most impacted and distressed” (MID) areas resulting from a qualifying major disaster in 2021. Based on review of the impacts from the eligible disasters, and estimates of unmet need, HUD has identified the entire City of Detroit as the MID area.

On September 29, 2025, The City of Detroit submitted a request to HUD to waive the requirements of the Consolidated Notice and the May 2022 Notice for its 2021 disaster funds to the extent necessary, and adopt as an alternative the requirements in the notice titled, *Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice*, published on January 8, 2025, at 90 FR 1754, as amended by Memorandums 25-021 and 25-032 (the “Universal Notice”).

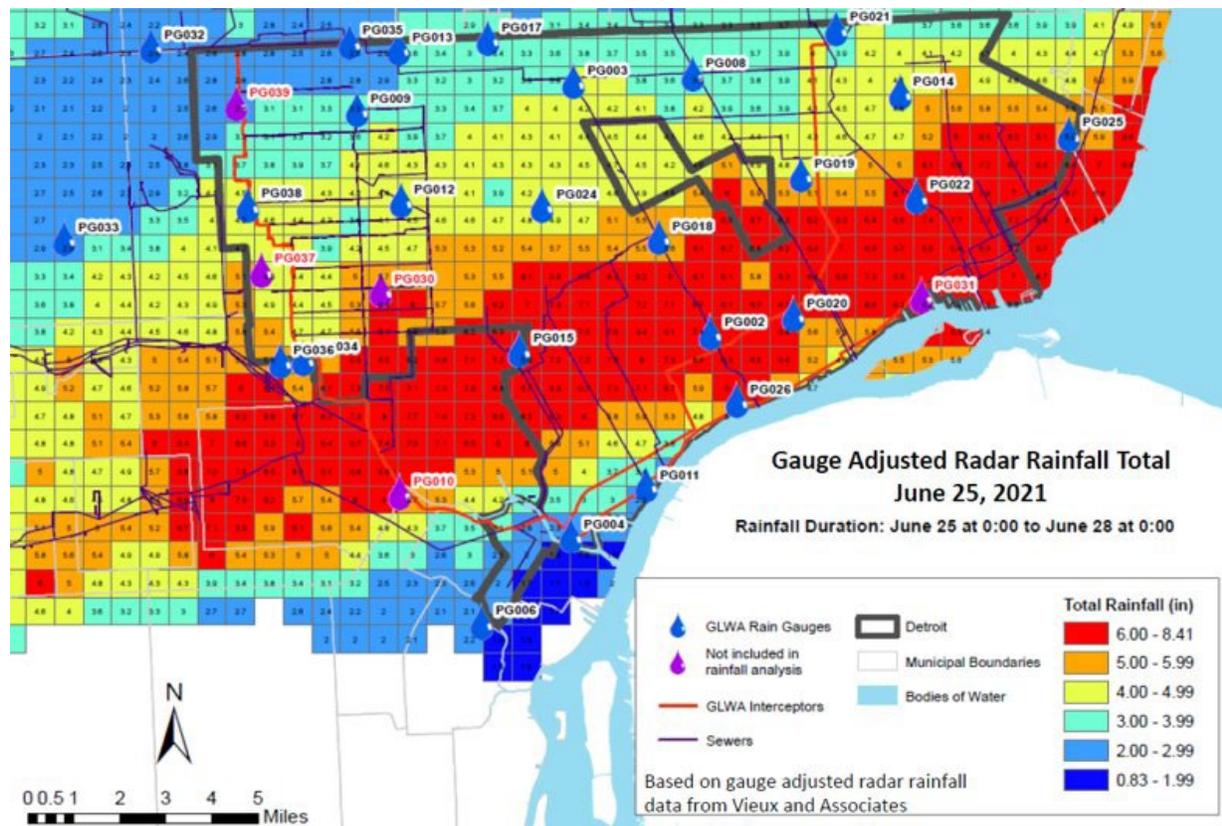
This waiver and alternative requirements will reduce administrative burden by aligning the requirements applicable to the City’s CDBG-DR funds for a disaster occurring in 2021 with the Universal Notice’s requirements that apply to the City’s CDBG-DR allocation for a disaster occurring in 2023.

In May 2022, the City of Detroit was awarded CDBG-DR funds through Pub. L. 117-43 for a 2021 presidentially declared disaster. The City of Detroit was impacted by a second presidentially declared disaster in August 2023 and subsequently received a CDBG-DR award through Pub. L. 118-158. HUD announced the availability of the funds for the City of Detroit’s 2023 disaster in the *Federal Register* notice published on January 16, 2025, at 90 FR 4759 and made the funds subject to the requirements of the Universal Notice, including sections I through V and appendices A through C.

The application of the Universal Notice to the CDBG-DR funds provided for its 2021 disaster will ensure fair treatment of subrecipients and program beneficiaries, simplify compliance for jointly funded projects, and enhance the long-term viability of disaster recovery projects by allowing the City to use alternative requirements offered under Universal Notice across both its 2021 and 2023 CDBG-DR allocations.

## Disaster Specific Overview

On June 25-26, 2021, Detroit experienced a 1 in 1,000-year rainstorm (0.01% probability), resulting in 6-8 inches of rain in a 12-hour period in some areas of the city. This amount of rain far exceeded the capacity of the city's infrastructure, which was designed to withstand 1.5-3 inches of rain in a 24hr period and was the root cause of flooding. Between 32,000 - 47,000 households (majority (82%) low-to-moderate income) were directly impacted by the disaster, majority of those located in City Council Districts 4, 6, 7.



### ***Gauge Adjusted Radar Rainfall Total***

*Parts of Detroit received 8 inches or more of rain in a span of 12 hours which is the equivalent of a .01% probability storm.*

The storm led to flooding on streets and freeways, as well as flooding in residential and commercial basements. In addition, there were power supply disruptions at the Freud and Connor pump stations, as well as collapsed sewer lateral service lines coming from single-family residences and capacity issues with the city's combined storm water and sewer system.

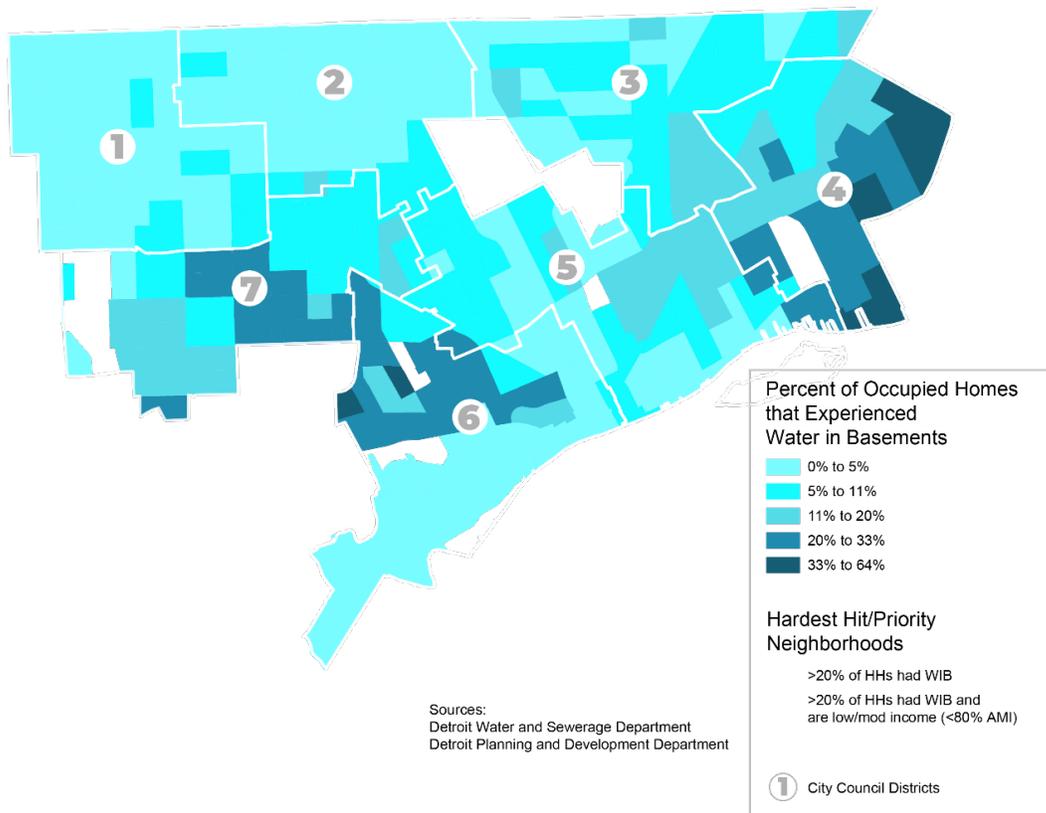
The following conditions were not the primary cause of the flooding, but they exacerbated the impact according to post event engineering analyses-

- The City's combined storm water and sewer system was only designed to handle a 10-year storm, and the city was impacted by a 1 in 1,000-year storm.
- Four (4) of Twelve (12) pumps at Connor Creek and Freud pump stations lost power and stopped working, and a cable was severed on June 23 by a contractor.
- Freud Pump station had weak power supply and dipped in sustained voltage and was unreliable throughout the storm.
- The city has limited green storm water infrastructure, and the infrastructure in place was also not designed for this level of rainfall.



### ***Basement Back-Ups***

*One of the primary impacts of the storm was basement back-ups. Seventy percent (70%) of claims made to FEMA were related to water in basements as a result of the storm.*



**Percent of Occupied Homes that Experienced Water in Basements**

*Districts 4,6, and 7 experienced the highest concentration of water infiltration of water in basements. The average height of water reported in FEMA claims was 10 inches.*

**Summary**

To fulfil the requirements of this allocation, the City of Detroit must submit to HUD an Action Plan for Disaster Recovery that identifies its unmet recovery and resilience needs. This Action Plan outlines the proposed use of CDBG-DR funds and eligible activities available to assist impacted neighborhoods to meet unmet housing, infrastructure, planning, and other needs that have resulted from the impacts of subsequent flooding events due to heavy rains. Specifically, this plan aims to promote and ensure fair access to housing for low-to moderate income residents, and strengthen neighborhoods impacted by the disaster by investing in housing, infrastructure, and public facilities. In addition, the Action Plan describes how CDBG-DR funds will be targeted toward and meet the needs of disaster impacted communities , including those with low to moderate income, limited English proficiency, racially and ethnically concentrated communities, and individuals experiencing homelessness.

The City of Detroit has been engaging local communities and gathering data for the unmet needs assessment since the 2021 disasters. To ensure consistency of the CDBG-DR Action Plan with applicable regional redevelopment plans and other recovery initiatives, Detroit initiated meetings with various several state, local municipal officials, and non-profit organizations. These meetings have been beneficial in gathering information about the impacts of the storm, existing challenges to address, and solutions. Detroit continues to work with local governments and non-profit organizations to collect information.

#### Unmet Need and Proposed Allocation

Based on the calculation of unmet needs provided by HUD utilizing FEMA data, 75% of the total unmet need for Detroit for the disaster equated to unmet Housing needs. That assessment correlated to the amount of FEMA Individual Assistance Claims and SBA Claims received as a result of the disaster, as well as logged complaints from DWSD. The City of Detroit has identified housing and infrastructure, including public facilities, as key activities for addressing unmet need.

While the second appropriation has fulfilled the projected unmet need as calculated by FEMA, the city has identified additional needs based on pre-disaster data. The level of unmet needs is significantly greater than the amount of funding available. Therefore, the City proposes activities that align with accessible funding and activities closest to the impacts of the disaster. The City will hold two meetings with residents and stakeholders. This will assist the city with aligning the proposed funding with residents' needs. The City of Detroit has proposed using the CDBG-DR funding to address the following unmet needs: housing, infrastructure, and public facilities.

HUD estimated the total financial cost of unmet need to be \$124 million, with an additional 15% or \$18.5 million for mitigation activities. The unmet need calculation in disaster impact areas in Michigan is comprised of \$92.3 million housing, \$29.1 million business, and \$2.1 million in public assistance. The City of Detroit estimates that approximately 30,000 households experienced water in basements or other storm-related impacts.

The City, through its Housing and Revitalization Department (HRD), anticipates delivering the proposed activities in coordination with the Detroit Water and Sewer Department (DWSD), Subrecipients and Developers. The primary objective of this plan is to directly serve income eligible homeowners and renters in the hardest hit neighborhoods by assisting with eligible home repairs that were impacted by the flooding, either directly or indirectly. Additionally, the objective is to serve low-mod income renters by preserving, rehabbing and/or constructing affordable housing units in the City of Detroit.

Furthermore, the city proposed investing in infrastructure and public facilities activities both for recovery and mitigation, to provide flood protection and prevent such impacts from happening

again in the future. Public facilities improvements will safeguard emergency shelters against future storm events and protect residents who are in disaster areas.

Table 1: Unmet Need and Proposed Allocation

Category	Remaining Unmet Need*	% of Unmet Need	Original Allocation Amount	Second Allocation Amount	% of Program Allocation Amount	Second % of Program Allocation Amount
Administration	\$0	0%	\$2,879,550	\$1,881,850	5.0%	5.0%
Planning	\$0	0%	\$1,500,000	\$1,000,000	2.60%	3%
Housing	\$61,867,587	64.44%	\$45,699,450	\$14,846,150	79.3%	39%
Infrastructure	\$5,688,311	5.92%	\$0	\$15,000,000	0%	40%
Economic Revitalization	\$19,516,097	20.33%	\$0	\$0	0%	0%
Public Services	\$1,422,518	1.48%	\$0	\$0	0%	0%
Mitigation	\$7,512,000	7.82%	\$7,512,000	\$4,909,000	13%	13%
<b>Total</b>	<b>\$96,006,513</b>	<b>100%</b>	<b>\$57,637,000</b>	<b>\$37,637,000</b>	<b>100%</b>	<b>100%</b>

\*HRD used the total amount of unmet need as provided by FEMA for the State of Michigan that was allocated (\$74,744,000) and divided the total amount allocated to Detroit (\$50,079,000). That equated to 67% of the unmet need allocation being attributed to Detroit. HRD Used 67% multiplied by the total unmet need in each category as provided by FEMA for the State of Michigan, resulting in the remaining unmet need calculations in the table.

Table 2: 2021 Disasters

State	Disaster Covered	Total HUD Formula Unmet Needs	Plus Mitigation @15% of unmet needs	Unmet Need + Mitigation (Rounded to 000)	Allocation at 100% of total	Unmet Needs at 100% of Total Unmet Needs	Mitigation at 100% of total Mitigation
MI	4607	\$123,591,000	\$18,539,000	\$142,130,000	\$142,130,000	\$123,591,000	\$18,539,000

Table 3: Local Allocations for 2021 Disaster

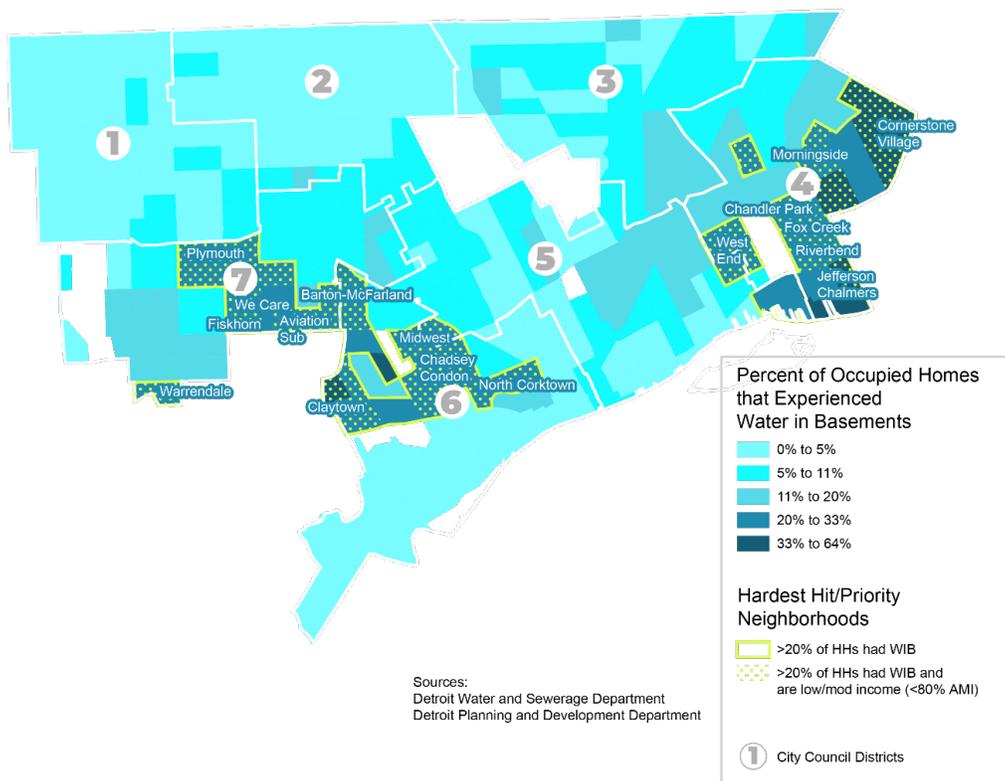
Disaster	Grantee(s)	Total	Unmet	Mitigation
MI-4607	Detroit	\$95,228,000	\$82,807,000	\$12,421,000
	Dearborn	\$27,005,000	\$23,483,000	\$3,522,000
	State of Michigan	\$19,897,000	\$17,301,000	\$2,596,000
	<b>Total</b>	<b>\$142,130,000</b>	<b>\$123,591,000</b>	<b>\$18,539,000</b>

### III. Unmet Needs Assessment

#### Overview

HUD has identified the entire City of Detroit as a MID “Most Impacted and Distressed” area. In accordance with HUD guidance, the City of Detroit analyzed the impacts of the disaster to identify the level of citywide damage, which will be used as the basis for an unmet needs assessment and identification of priorities for CDBG-DR funding. During the storms on June 25-26, 2021, more than 8 inches of rain fell in a 12-hour period in some areas of the city, causing flooding of homes, businesses, streets, and highways. While the entire City of Detroit was impacted by the storms, there were areas in the city that experienced more impact due to being in lower lying areas. This includes the following neighborhoods:

- District 4: Cornerstone Village, Morningside, Chandler Park, Fox Creek, Riverbend, Jefferson Chalmers, West End
- District 6: Midwest, Chadsey-Condon, Claytown, North Corktown, Michigan-Martin
- District 7: Aviation Sub, Garden View, Plymouth-I96, Plymouth-Hubell, Paveway, We Care Community, Fiskhorn, Joy-Schaefer, Warrendale, Warren Ave Community, Barton-McFarland



***Percent of Occupied Homes that Experienced Water in Basements X Low-to Moderate Income Neighborhoods***

*With a few exceptions, hardest hit neighborhoods are also low-to-moderate income neighborhoods.*

The City of Detroit, through its unmet needs assessment, identified various unmet disaster recovery needs, especially related to Housing and Infrastructure. Many residential neighborhoods and public facilities experienced basement backups due to a variety of factors, including but not limited to, rain events beyond the capacity of the existing public sewer system, power failures that impact pumping stations, and private infrastructure such as collapsed or cracked sewer lateral service lines attached to houses. These issues can exacerbate a significant rain event that causes basement backups. In addition, the city experienced flooding of highways and streets due to aging infrastructure and natural hazards. Public facilities such as emergency shelters experienced flooding which forced some shelters to close and move to temporary locations.

During the June 25-26, 2021, rain event, up to 8 inches of rain took several days to recede from basements and streets, and it took more than two months to remove debris and clean and sanitize basements of our most disaster-impacted areas, and some residents, due to lack of resources, had to wait even longer. Detroit Department of Public Works (DPW) and General Services Department (GSD) removed and picked up debris in all impacted neighborhoods. The DWSD not only cleaned public sewers and street catch basins, DWSD

also contracted to have several hundred basements cleaned and sanitized for seniors, and those with young children in the home.

In Michigan, specifically in Detroit, most families use their basements as family rooms or recreation areas and for storage, including for some of their most cherished belongings. Not only did the homes have basement backups in June 2021, two lower eastside neighborhoods had backups in June 2016 after a heavy rainstorm, and several neighborhoods across the city experienced basement backups and flooding in August 2014, with a rainfall of 4.57 inches. Those few homeowners that were able to take measures to protect their basements after the 2014 and 2016 rain events, - such as installing backwater valves, did not experience basement backups and in-home flooding during the June 25-26, 2021, storm. However, due to the city's poverty level and 49% rental rate of single-family homes, most residents that continue to have basement backups are unable to install a backwater valve and maintain their sewer lines, which is why the City launched the Basement Backup Protection Program in May 2022 and seeking the HUD CDBG-DR funding to add sewer lateral service line replacements as part of the scope of work.

The City of Detroit experienced a 1 in 1,000-year rainstorm (0.01% probability), resulting in 6-8 inches of rain in a 12-hour period in some areas of the city. Districts 4, 6, and 7 were identified as hardest hit areas. FEMA existing flood designation for the City of Detroit does not place all the hardest hit districts within a Special Flood Hazard Area (SFHA) outside of district four. SFHA are defined as flood event having a 1% chance of being equaled or exceeded in any given year. Unlike what is predicted by the FEMA flood maps, there is third party data from First Street Foundation that indicates much of the City is prone to a 1% flooding event. First Street Foundation released flood risk data, which is a more predictive model of flooding in the city, includes areas of districts 4, 6, and 7 having 1% annual chance of experiencing flooding. The data identifies 70% more properties nationwide with flood risk than the FEMA SFHA maps.<sup>1</sup>

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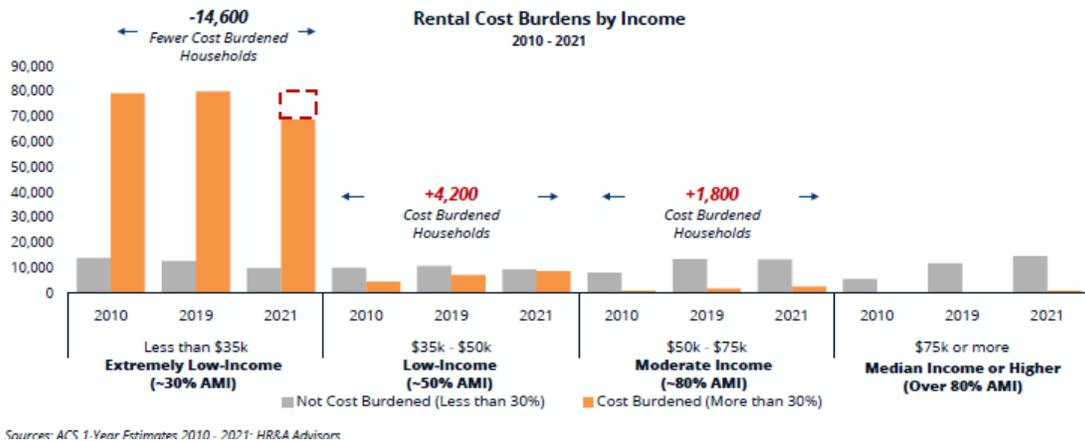
<sup>1</sup> Matheny, K. (2020, June 29). *What's your home's flood risk? new study measures it for every parcel nationwide*. Study maps flood risk for Michigan homes, every US parcel retrieved March 11,2024, from <https://www.freep.com/in-depth/news/local/michigan/2020/06/29/flood-risk-michigan-homes-map-first-street-foundation/3258043001/>

The analysis uses the best available information from federal, state, and local resources to fully identify the total impacts, resources, and remaining unmet recovery needs and inform the programming of the City of Detroit Community Development Block Grant – Disaster Recovery (CDBG-DR) resources.

a. Housing Unmet Need

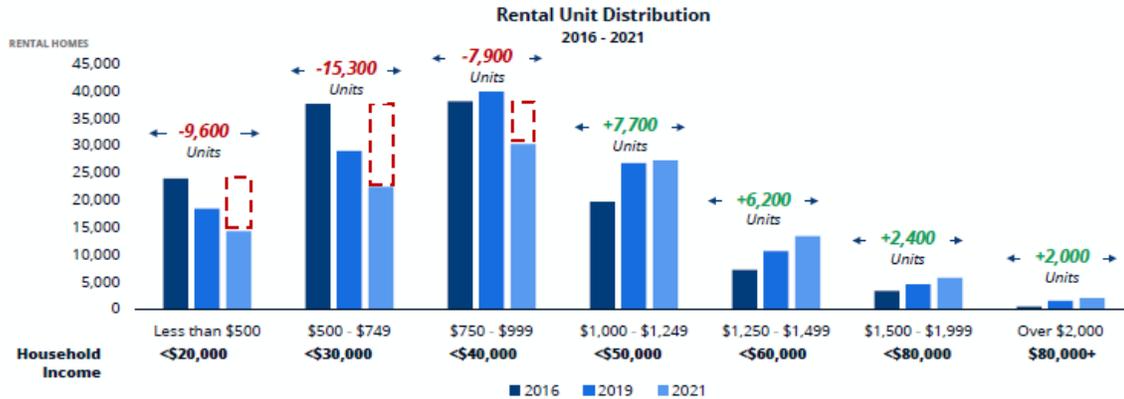
Disaster Damage and Impacts Pre-Disaster Housing Conditions

While the disaster led to many unforeseen circumstances for Detroit residents, the housing unmet needs predate the date of the disaster. 25% (roughly 68,000) of Detroit households were cost burdened (meaning they paid more than 30% of their income on housing) prior to the disaster. Consequently, disaster recovery expenses fell on homeowners and renters already experiencing economic hardships.



The number of low- and moderate-income cost burdened renter households has nearly doubled since 2010. While extremely low-income renter households’ have declined, it may be indicative of their inability to find affordable housing within the city. Rent growth rate in the city is larger than the Metropolitan Statistical Area (MSA). Between 2019-2021 the City of Detroit annual rent growth was 4.5% while the MSA was only 4.0%.

Renters earning less than \$35,000 face a substantial rental supply gap. However, there is an opportunity to rehabilitate vacant housing units to bridge the supply gap. Between 2016 and 2021 the City of Detroit has lost over 32,000 rental units affordable to low-income families earning less than \$40,000 annually.



Sources: ACS 1-Year Estimates 2016 - 2021; HR&A Advisors

The City is losing the low rent and naturally occurring affordable housing units. These units have deferred maintenance in general, and flooding events likely cause low rent units to go vacant.

The proposed activities will improve access to safe and healthy housing for low-to-moderate (LMI) people who otherwise do not have access to the resources to prevent the impacts of disasters such as these. LMI Detroit residents can face unique challenges and have more difficulty responding to disaster events than the general population due to physical and financial capabilities, health concerns, and location and quality of their housing, among other factors.

While CDBG-DR requires that at least 70% of all program funds will benefit LMI persons or households, the City is proposing that 100% of CDBG-DR activities will benefit LMI persons or households. The table below shows the HUD income limits by Area Median Income (AMI) and by number of persons within a household. <sup>2</sup>

Table 4: HUD Income Limits – Detroit-Warren-Livonia, MI, 2023

2023 Income Level	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Extremely Low Income (30% AMI)	\$19,900	\$22,750	\$25,600	\$30,000	\$35,140	\$40,280	\$45,420	\$50,560
Very Low Income (50% AMI)	\$33,150	\$37,900	\$42,650	\$47,350	\$51,150	\$54,950	\$58,750	\$62,550

<sup>2</sup> United States. Department of Housing and Urban Development (HUD). (February 27, 2023). Fair Market Rents and Income Limits. Retrieved from <https://www.huduser.gov/portal/datasets/il.html>

Low and Moderate Income (80% AMI)	\$53,050	\$60,600	\$68,200	\$75,750	\$81,850	\$87,900	\$93,950	\$100,000
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**Single Family v. Multi-family Needs: Owner Occupied v. Tenant**

The housing stock in the City of Detroit is comprised overwhelmingly of detached, single-family houses. A 2015 study found that roughly 65% of Detroit’s housing stock was single-family houses, nearly all of which were detached dwellings. Detached duplexes are also a standard of Detroit’s housing typology, but the study found that duplexes accounted only for another 7% of the overall stock. <sup>3</sup> Single-family homes are most distressed stock and most susceptible to becoming obsolete after a flooding event.

These typological characteristics were born out in FEMA claims data. Nearly all claims---94% to be specific---concerned damages to single-family and duplex properties. This statistic makes intuitive sense. Detroit’s far-flung neighborhoods are mostly suburban in character, and these are precisely the neighborhoods that were among the hardest hit.

However, unlike typical detached single-family neighborhoods across the United States, in Detroit, many residents of such neighborhoods rent. This is in large part an outcome of the foreclosure crisis and Great Recession. In 2021, an estimated 49% of occupied Detroit housing units were renter-occupied.<sup>4</sup> This figure is consistent with FEMA claims data---47% of FEMA claimants were renters.

Table 5: Pre-Disaster Renter and Owner-Occupied Housing for 2021

	Renter - Occupied (#)	Renter - Occupied (%)	Owner - Occupied (#)	Owner - Occupied (%)	Vacancy Rate (%)
City of Detroit	122,645	38%	129,084	40%	22%

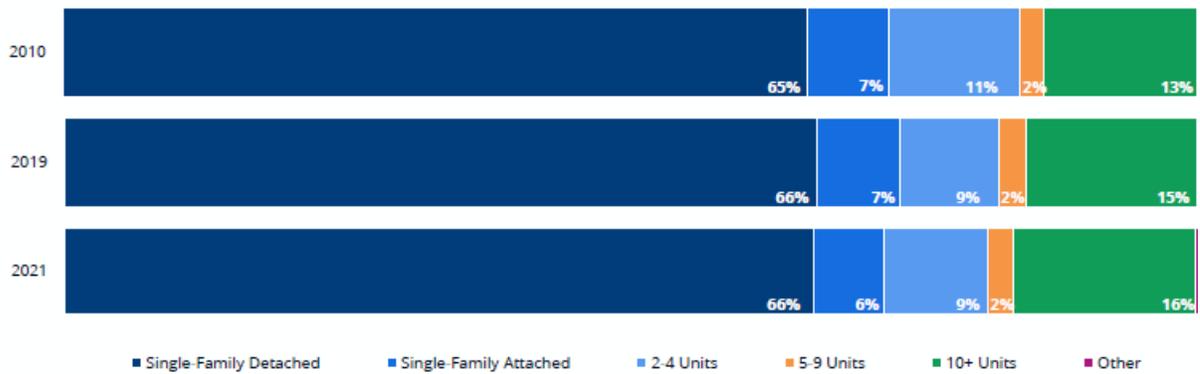
Over 20% of Detroit’s existing housing stock remains vacant. Single-family detached and attached units make up 54% of rental occupied residential units. Single-family housing continues to be the backbone of Detroit’s housing supply, housing over two-thirds of residents.

Detroit’s small multi-family housing stock has declined over the past decade. These are mostly naturally affordable and often house family households.

<sup>3</sup> <https://www.washingtonpost.com/news/wonk/wp/2015/09/21/the-most-popular-type-of-home-in-every-major-american-city-charted/>

<sup>4</sup> [US](#) Census Bureau. 2021 American Community Survey

### Detroit Occupied Housing Units by Typology 2010 - 2021



Source: AFS 1-Year Estimates 2010-2021

A total of 66,090 households applied for FEMA IA assistance, including 34,843 owner-occupied households and 31,247 renter households. The median income among all claimants was \$23,400 and 70% of all claimants were uninsured.

Table 6: FEMA Individual Assistance -2021

	# of Applicants	# of Inspections	# Inspected with Damage	# Received Assistance	Total FEMA Verified Loss	Average FEMA Verified Amount
Owner Occupied	34,843	26,754	22,753	22,596	\$70,007,590	\$3,516.27
Renter Occupied	31,247	23,167	18,689	12,640	\$21,101,107	\$818.32

## Public Housing and Affordable Housing

### Definition of Affordable Rents

The federal government defines affordable rents as housing costs that do not exceed 30% of a household’s monthly income. For renters, these costs include rent and basic utilities (electric, gas and water). There are two basic types of affordable rental housing in Detroit:

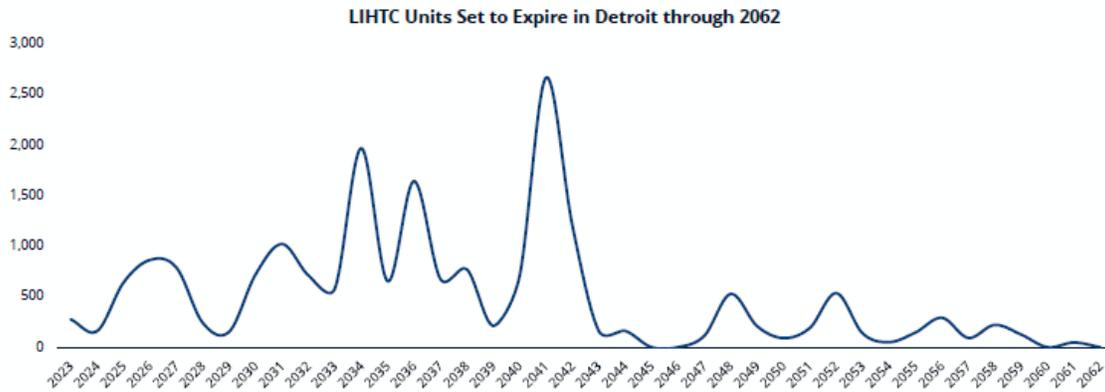
- Naturally occurring: This type of housing is not government regulated but is considered affordable to households at market rate because costs amount to less than 30% of their monthly income.

- **Regulated:** This type of housing is subsidized by government programs to ensure that low-income households do not pay more than 30% of their income on rent, or that rents are restricted at a level that is affordable for low-income households.

There are two broad categories of regulated affordable housing:

- **Public Housing:** Owned and operated by Detroit Housing Commission.
- **Other regulated housing:** Privately owned but offer affordable rents for low-income tenants.

The City of Detroit was in the midst of an affordable housing crisis prior to Disaster. Cost burden and lack of affordable housing were identified as one of the housing issues faced by the City. At the time, more than 68,000 households had rent and other expenses exceeding 30% of the household income. The City of Detroit has identified a significant need for affordable units for family households with children and no spouse and for single person households. About 60% of Multifamily naturally occurring affordable housing (NOAH) units are 1-bedroom units. There are limited number of larger NOAH units, challenging the ability of lower-income families in finding housing. In the next five years, nearly 3,000 affordable housing units funded through LIHTC will lose their affordable requirements without further intervention.



[1] Based on initial LIHTC affordability periods.  
Sources: National Preservation Housing Database, HR&A Advisors

### Homeless Shelters

Disaster recovery must take into account the needs of people experiencing homelessness as many formal supports (shelters and supportive services) and informal supports (e.g., community resource sharing) may be impacted. To review the unmet need for homelessness in Detroit, the 2021 Point in Time count was reviewed. The Point In Time (PIT) count measured the number of sheltered and unsheltered people experiencing

homelessness on a single night in Detroit (HUD 2021 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations)<sup>5</sup>.

As shown in the table below, the City of Detroit could estimate on any given night in 2021, 1,293 or more people are experiencing sheltered homelessness (1047 households in Emergency Shelter and 246 households in Transitional Housing), 86 or more people are experiencing unsheltered homelessness (living on the street, or staying in a place not meant for human habitation), and 1,376 or more individuals in total are experiencing sheltered and unsheltered homelessness on a single night (HUD 2021 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations).

Table 7: City of Detroit Point in Times Count Results 1/27/2021

<b>City of Detroit Point in Times Count Results 1/27/2021</b>				
	Sheltered			
CoC	Emergency Shelter	Transitional Housing	Unsheltered	Total Households
2022	1279	210	202	1,691
2021	1047	246	86*	1,376

*\*Unsheltered PIT Counts were not conducted in 2021 due to COVID-19. 2021 & 2022 Point In Time Count, HUD Exchange, PIT and HIC Data Since 2007*

Table 8: City of Detroit Total Year-Round Housing Inventory Count by CoC

<b>City of Detroit Total Year-Round Housing Inventory Count by CoC</b>			
CoC-501	Emergency Shelter Beds	Transitional Housing Beds	Total Beds
2022	991	279	1,270
2021	997	337	1,334

*Source: 2021 & 2022 Point In Time Count, HUD Exchange, PIT and HIC Data Since 2007<sup>6</sup>*

It is important to note, the City of Detroit does not operate any homeless shelters. However, several are Subrecipient non-profit organizations that receive CDBG public service

<sup>5</sup> 2021 Point-in-Time Count MI-591 Detroit [https://files.hudexchange.info/reports/published/CoC\\_PopSub\\_CoC\\_MI-501-2022\\_MI\\_2022.pdf](https://files.hudexchange.info/reports/published/CoC_PopSub_CoC_MI-501-2022_MI_2022.pdf)

<sup>6</sup> <https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007/>

and Emergency Solution Grant (ESG) funds that provide emergency homeless prevention by way of transitional housing for the most disaster-impacted individuals . This plan proposes supporting Emergency Shelters improvements as a public facility activity.

### Public Services

CDBG-DR funds may be used to provide public services to complement activities intended to address housing, infrastructure, and economic revitalization. Examples of these public services are housing counseling, legal advice and representation, job training, mental health, and general health services. They would need to be made accessible to individuals with disabilities including, but not limited to, mobility, sensory, developmental, emotional, cognitive, and other impairments. The City of Detroit allocates half of the 15% Public Service Cap (average of \$2,500,000) of its annual CDBG funding to assist low-and-moderate income households by way of public services programs. These programs prioritize education, public safety, and health and senior services. Households facing issues outside of the scope of our housing projects will be referred to Detroit Housing Services and Detroit Housing Network, both of which provide wrap around housing services. Detroit Housing Services provides direct case management assistance to Detroiters, helping displaced residents navigate often complex re-housing processes. Detroit Housing Network offers a housing resource helpline to connect low-income individuals, families, seniors, the disabled and those experiencing homelessness to legal and housing counseling services. Based on this assessment, the City of Detroit is not proposing to complete any public service activities and/or projects with its CDBG-DR funds.

### Income Demographics

The U.S. Census Bureau reports that as of the 2020 Census, the City of Detroit is estimated to have a population of 639,111 people. Of the total population, the U.S. Census estimated the following (population estimates as of July 1, 2021):

- 546,653 or 85.5% of the population is low-to moderate income and the median household income is \$32,498.
- 33.2% of the population lives in poverty.
- 496,534 or 77.7% of the population is Black or African American
- 52.7% of the population is female.
- 13.9% of the population is 65 years of age or older.
- 15.3% of the population under the age of 65 has a disability.
- 5% of the population has limited English proficiency.

The proposed uses of CDBG-DR are for low-to moderate income households only. All marketing materials specific to CDBG-DR programs will include detailed information on who

is eligible, how eligible residents can apply and how applicants will be prioritized due to the amount of need versus funding available. HRD will coordinate with the Department of Neighborhoods, and non-profit organizations serving targeted neighborhoods, to ensure there is sufficient notice of program launch.

HRD used U.S. Census data to inform the types of accommodations needed for outreach related to the Action Plan, and will implement the similar measures below for program outreach and launch to reduce barriers applicants may face when enrolling in the program:

- Information was released on several different platforms, including the CDBG-DR Webpage, HRD’s Social Media platforms, Department of Neighborhoods newsletters and “DON casts”, and featured on the City’s Channel 10 used for resident programming, and email blasts to non-profit partners serving low-to moderate income residents.
- Meetings were accessible by phone and online via the Zoom platform and although held in the evening, meetings were recorded and shared on the Disaster Recovery webpage for residents to access on demand.
- Closed caption was used during the meetings to assist attendees, and the City’s Department of Civil Rights, Inclusion and Opportunity Department (CRIO) offered interpreter services including interpretation services and reasonable ADA accommodations.
- All flyers for the meetings as well as the meeting presentation slides were translated into Spanish, Bengali and Arabic, and posted to the Disaster Recovery Webpage.

Table 9: LMI Analysis – Overall & Federally Declared Disaster Areas

Municipality	Non-MID Total LMI Persons	Non-MID total Population	Non – MID Percentage LMI	MID – Total LMI Person	MID Total Population	MID – Percentage LMI
Detroit	*	*	*	546,653	639,111	85.5%

**\*The entire City of Detroit has been declared a MID, therefore there is no Non-MID population.**

b. Infrastructure Unmet Need

## Disaster Damage and Impact – Infrastructure

The City of Detroit experienced a 1000-year storm in June of 2021. The City's infrastructure is built for a ten-year flood, and the disaster pushed existing systems over their capacity. Leading up to the storm, Detroit Water and Sewerage Department (DWSD) routinely maintained sewer-catch basin cleanout throughout the city. This is important because there is a combined sewer system where all sewage from residential, commercial, and industrial sources flow to the same place. Fluctuating lake levels add pressure to the sewer system. If there is a rise in lake or river levels, that water also flows to the sewer system.

Detroit's impervious surfaces cause stress on the sewer system by funneling stormwater into sewers instead of absorbing it into the ground. In addition, much of the surrounding counties drain through the City of Detroit, making Detroit the bottom of the water shed. Based on a sample of DWSD customers, approximately 30,000 houses have broken lateral sewer lines. Key water treatment pumping stations have inconsistent, weak power supply. Consequently, heavy rain events, like the storm in June, can cause all combined sewage and rainwater to overflow into basements, residential streets, and local highways.



**Freeway Flooding.** Much of Detroit's freeway network experienced severe flooding, submerging vehicles and grinding travel to a halt.

Infrastructure improvements as one of the City's recovery and mitigation projects will be developed in a manner that considers an integrated approach to housing, infrastructure,

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<sup>7</sup> November 23, 2021. Detroit homes are being overwhelmed by flooding — and it's not just water coming in. *NPR*. <https://www.npr.org/2021/11/23/1037540261/detroit-homes-are-being-overwhelmed-by-flooding-and-its-not-just-water-coming-in>

economic revitalization, and overall community recovery. The City of Detroit will continue to work with Federal, State and neighboring local jurisdictions to provide guidance on promoting a sound short-and-long term recovery plan in the affected areas by coordinating available resources to help in the restoration and recovery of damaged communities. Disaster recovery presents affected communities with unique opportunities to examine a wide range of issues such as housing quality and availability, environmental issues, and the adequacy of existing infrastructure.

### Public Facilities

Public facilities such as emergency shelters experienced damage. In 2021, the City of Detroit funded 963 emergency shelter beds, consisting of 14 year-round shelters and 3 warming centers. The 2021 disaster impacted several emergency shelters. 110 non-city funded shelter beds had to come offline, and residents were moved to a temporary location funded by the City of Detroit. An additional 55 city funded beds had to be moved to temporary locations. Several shelters sustain damage to their buildings that did not result in a loss of beds but changes in operations such as having to relocate where meals were served, residents being unable to do laundry until the flooding was fixed, and areas of the building that couldn't be accessed.

Recognizing the City's long and well-documented infrastructure challenges, as well as its ongoing efforts to mitigate future flooding in our most vulnerable areas, the City of Detroit is committed to rebuilding resiliently. In assessing unmet needs, it is important to consider the additional costs of safeguarding housing and community development investments from future disasters. As such, the City of Detroit will also seek to invest resources into public facilities that mitigate damage from future disasters.

### c. Economic Revitalization Unmet Needs

#### Disaster Damager and Impact – Economic Revitalization

The disaster's impact on businesses was less severe than its impact on housing. FEMA and SBA claims data show that residential areas comprised a majority of the impact area. In total, 66,356 claims were submitted to FEMA for residential damages versus the 16,786 applications that were submitted to SBA for business damages. Moreover, 90% of the SBA applications for businesses concerned home-based businesses.

Businesses were also more likely to carry insurance for the damage they incurred. Only 28% of SBA applicants lacked insurance versus the 70% of FEMA claimants who lacked it.

In the end, just 202 (1.2%) out of the total 16,786 SBA applications were approved for non-residential businesses. SBA assessed the unmet need of these applications at \$3.2 million, which is an average of roughly \$16,000 per applicant.

While these statistics may be stark, they are not surprising. The hardest hit areas of the MID were residential neighborhoods, not job centers or entertainment destinations. Most economic activity in Detroit neighborhoods is retail-oriented, a sector that has suffered for decades dating back to the mid-1900s when retail flight followed white flight to the suburbs. Since then, institutional barriers in the financial industry and elsewhere have suppressed the retail economy in Detroit. As a result, retail businesses in Detroit neighborhoods are few and Detroiters often shop in the suburbs or online to meet their needs. Hence, the impact of the disaster on businesses was limited.

#### d. Mitigation only activities

As required by HUD, the City of Detroit developed a mitigation needs assessment based in part on the FEMA approved <sup>8</sup>City of Detroit Hazard Mitigation Plan. This assessment addresses current and future risks, including hazards, vulnerability, and impacts of disasters and identifies appropriate mitigation actions to reduce the highest risks that Detroit faces.

#### **Overview of City of Detroit Hazard Mitigation Plan**

The goal of the Hazard Mitigation Plan (HMP) is to minimize or eliminate long-term risks to human life and property from known hazards by identifying and implementing cost-effective hazard mitigation actions. The City of Detroit's HMP extensively reviews alternatives and designed strategies that would work best for the City. The plan provides carefully considered directions to City government by studying the overall damage potential and ensuring that funds are well spent.

Hazard mitigation does not mean that all hazards are stopped or prevented. It does not suggest complete elimination of the damage or disruption caused by such incidents. Natural forces are powerful, and most natural hazards are well beyond our ability to control. According to the Federal Emergency Management Agency (FEMA), hazard mitigation includes any sustained action taken to reduce or eliminate long-term risk to life and property from future disasters. Every community, including Detroit, faces different hazards and has different interests and resources to bring to bear to address its problems. As there

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<sup>8</sup> Detroit Office of Homeland Security & Emergency Management. *City of Detroit Hazard Mitigation Plan*, January 2022. by Detroit Office of Homeland Security & Emergency Management.2022.[https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan\\_FINALDraftPublicPost\\_2.3\\_0.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan_FINALDraftPublicPost_2.3_0.pdf)

are many ways to deal with natural hazards and many agencies that can help, there is no one solution to managing or mitigating their effects.

### **Risk Landscape – Current and Future Hazard**

Located in southeastern Michigan, Detroit is the largest city in Michigan, and the 26th largest city in the United States in 2020.<sup>9</sup> Founded in 1701, the city was named the Ville d’Etoit or “City of the Straight” because of its position on the Detroit River. The Detroit River separates the City of Detroit from the City of Windsor, Ontario and serves as an international boundary between the United States and Canada.

Detroit is on the northern banks of the Detroit River and south of Lake St. Clair. The land area of Detroit comprises 138.7 square miles and has an elevation that ranges from 570.52’ to 589.94’ North American Vertical Datum (NADV), as measured at the Detroit River.

Due to the increase in developments across the City of Detroit, floodplains are impacted which contributes to flooding being a major hazard in Detroit. Prior to the developments, rainfall would simply soak into the ground, or slowly find its way to the river. With impervious surfaces the rainfall runs off quickly to the streets and man-made channels and pipes. Floods cause significant damage to public and private property, disable utilities, make roads and bridges impassable, destroy crops and agricultural lands, cause disruption to emergency services, and result in fatalities.

The Detroit MHP developed a risk assessment to rate the likelihood of any disaster harming Detroit. Below charts 1, 2, and 3 illustrate Flooding as the greatest hazard risk for the City of Detroit.

Chart 1. Hazard Risk

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<sup>9</sup> Detroit Office of Homeland Security & Emergency Management. *City of Detroit Hazard Mitigation Plan*, January 2022. pg 5. [https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan\\_FINALDraftPublicPost\\_2.3\\_0.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan_FINALDraftPublicPost_2.3_0.pdf)

Hazard	Potential for Causing Death	Population Affected	Property and Economic Damage	Local Response Capability
Flooding	2	4	4	5
Infrastructure Failure – Energy Emergency	1	4	3	3
Structural Fires	4	2	3	4
Extreme Winter Weather	3	5	1	2
Extreme Summer Weather	2	2	2	2
Hazardous Materials Releases	4	2	2	3
Public Health Emergencies	3	2	1	2
Civil Disturbance	2	2	3	2
Public Transportation Accidents	3	2	1	3
Petroleum and Natural Gas Pipeline Accidents	2	3	2	2
Drought	2	2	0	2
Nuclear Power Plant Accidents	1	2	3	2
Oil/Natural Gas Well Accidents	0	1	3	2
Earthquake	1	1	1	2

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Chart 2

Hazard	Likelihood of Occurrence (25%)	Potential for Causing Death (25%)	Population Impacted (20%)	Physical and Economic Damage (20%)	Local Response Capability (10%)	Total	2015 Rank	2021 Rank
Civil Disturbance	2 (.50)	2 (.50)	2 (.50)	3 (.60)	2 (.20)	2.30	5	8
Drought	2 (.50)	2 (.50)	2 (.40)	0 (.0)	2 (.20)	1.70	11	11
Earthquake	1 (.25)	1 (0.25)	1 (.20)	1 (0.20)	2 (.20)	1.1	10	14
Infrastructure Failure	5 (1.25)	1 (0.25)	4 (.80)	3 (.60)	3 (.30)	3.20	3	2
Extreme Summer Weather	4 (1)	2 (.50)	2 (.50)	2 (.40)	2 (.20)	2.60	6	5
Extreme Winter Weather	4 (1)	3 (.75)	5 (1)	1 (.20)	2 (.20)	3.15	1	4
Structural Fires	3 (.75)	4 (1)	2 (.40)	3 (.60)	4 (.40)	3.15	2	3
Flooding	3 (.75)	2 (.50)	4 (.80)	4 (.80)	5 (.50)	3.35	6	1
Hazmat Releases	2 (.50)	4 (1)	2 (.40)	2 (.40)	3 (.30)	2.60	7	6
Nuclear Power Plant Accident	1 (.25)	1 (.25)	2 (.40)	3 (0.60)	2 (.20)	1.70	9	12
Oil/Natural Gas Well Accident	1 (.25)	0 (.0)	1 (.20)	3 (.60)	2 (.20)	1.25	9	13
Pipeline Accident	1	2	3	2	2	1.75	12	10

Hazard	Likelihood of Occurrence (25%)	Potential for Causing Death (25%)	Population Impacted (20%)	Physical and Economic Damage (20%)	Local Response Capability (10%)	Total	2015 Rank	2021 Rank
Public Health Emergency	(.25) 4 (1)	(.50) 3 (.75)	(.60) 2 (.40)	40 1 (.20)	(.20) 2 (.20)	2.55	4	7
Public Transportation Accident	2 (.50)	3 (.75)	2 (.40)	1 (.20)	3 (.30)	2.15	8	9

Chart 3. Significant Natural Hazard

<sup>10</sup> Detroit Office of Homeland Security & Emergency Management. *City of Detroit Hazard Mitigation Plan*, January 2022, [https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan\\_FINALDraftPublicPost\\_2.3\\_0.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan_FINALDraftPublicPost_2.3_0.pdf)

Significant Natural Hazards						
Natural Hazard	Time of Potential Occurrence				Last Major Event	
	Spring	Summer	Fall	Winter	Year	Location
Energy Emergency	X	X	X	X	2021	City-Wide
Extreme Summer Weather	X	X			2020	City-Wide
Extreme Winter Weather			X	X	2021	City-Wide
Structural Fires	X	X	X	X	2021	City-Wide
Hazardous Materials Release	X	X	X	X	2019	SW Detroit
Public Health Emergency	X	X	X	X	2020	Nationwide
Floods	X	X	X	X	2021	City-Wide

As the risk assessment tables demonstrate, flooding is at the forefront of Detroit’s hazard risks. Consequently, mitigation activities will be geared towards reducing the potential losses and preventing Detroit’s vulnerability to flood disaster events.

## Hazard & Vulnerability Risk Analysis

### <sup>11</sup>Flood Insurance History

The City of Detroit has been a part of the National Flood Insurance Program (NFIP) since 1974 with an initial Flood Insurance Rate Map (FIRM) identified in 1981. In 2017, the City joined the Community Rating System (CRS) and maintains a Class 8 rating.

According to NFIP, there are 403 policies in force in Detroit. These policies provide insurance worth \$82,121,200 as of 2021. The NFIP Repetitive Loss/Severe Repetitive Loss data provided indicates a total of 64 RL/SRL properties with a net total claim of \$1,437,151.30. The National Center for Environmental Information (NCEI) estimates total property losses for a 15-year period to be \$169,600,000 for an average loss of \$11.3 million per year. These figures would suggest that adequate coverage is provided to those who would be most impacted by river flooding in Detroit. According to NOAA, the River Rouge crested above flood stage in Detroit on 41 occasions between 1968 and 2021. When combined with other flooding events recorded through NCEI records, such as heavy rain or snow melt, the city has experienced 2.96 flooding events per year since 1978.

<sup>11</sup> Detroit Office of Homeland Security & Emergency Management. *City of Detroit Hazard Mitigation Plan*, January 2022, pg 36-38. [https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan\\_FINALDraftPublicPost\\_2.3\\_0.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan_FINALDraftPublicPost_2.3_0.pdf)

## **<sup>12</sup>Most Recent Disaster**

Prior to the June 2021 event, in August 2014, the City of Detroit had an unusually extreme amount of rainfall that created flood conditions in the Metropolitan Detroit area. The National Weather Service say that the total of 4.57 inches of rain that fell for the day is the second heaviest calendar-day rainfall on record in Detroit, after the 4.74-inch rainfall of July 31, 1925. The flooding closed major freeways, hospitals, businesses, schools and government offices. This storm has been categorized by some weather experts as a 100-year type of event. Almost 10 billion gallons of sewer overflows poured into southeast Michigan's waters in the historic August flooding, according to a Detroit Free Press review of data from the Michigan Department of Environmental, Great Lakes and Energy. More recently, FEMA announced that federal disaster assistance has been made available to the state of Michigan to supplement recovery efforts in the areas affected by severe storms, tornadoes and flooding from Aug. 24-26, 2023.

## **Conclusion of Mitigation Needs Assessment**

This Mitigation Needs Assessment makes it clear that historically, flooding has been a major hazard for the City of Detroit. By characterizing the hazard in terms of its frequency and the City's vulnerability, the City can draw on this needs assessment and the HMP to identify current and future flood hazards throughout the City of Detroit and target CDBG-DR funds toward cost-effective solutions to mitigate flooding over the long term. In addition, this assessment further supports proposed CDBG-DR mitigation activities undertaken as part of this allocation so that, at a minimum, they do not exacerbate hazards but rather serve to lessen their impacts.

## **Mitigation Activities**

The City of Detroit's mitigation project will increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters. Incorporation of these measures also reduces costs in recovering from future disasters. Mitigation measures that are not incorporated into those rebuilding activities must be a necessary expense related to disaster relief, long-term recovery, and restoration of infrastructure, housing, or economic revitalization that responds to declared disaster FEMA-4607-DR-MI.

The City of Detroit mitigation activity will support long-term plans put in place by local and regional communities that promote the future well-being of these damaged areas by the

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<sup>12</sup> Detroit Office of Homeland Security & Emergency Management. *City of Detroit Hazard Mitigation Plan*, January 2022. Pg.40-42. [https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan\\_FINALDraftPublicPost\\_2.3\\_0.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2022-02/Detroit%20HMP2021%20FullPlan_FINALDraftPublicPost_2.3_0.pdf)

hardening of infrastructure and public facilities so that communities withstand future disasters. The City of Detroit will coordinate with other local and regional planning efforts to leverage those efforts as much as possible. The City of Detroit is proposing to construct infrastructure and public facilities improvements as its mitigation activities. This activity will help prevent future impacts from flooding.

## IV. General Requirements

### a. Citizen Participation

Per the “Universal Notice” in the Federal Register (90 FR 1754), in order to permit a more streamlined process and ensure disaster recovery grants are awarded in a timely manner, HUD has waived requirements at 24 CFR 91.105(b) through (d) and replaced them with requirements found in section I.C.2 - “Citizen Participation Requirements”.

In addition, in order to ensure disaster recovery grants are awarded in a timely manner, the City of Detroit is waiving the requirements stipulated in its Citizen Participation policy found at #6 (Consideration of Public Comments) #9 (Publication of the Consolidated Plan, Annual Action Plan and Performance Reports) #10 (Public Hearings on the Consolidated and Action Plan), #11 (public Comment Period on the Proposed Consolidated and Action Plan) #12 (Substantial Amendments) for the CDBG-DR grant and is replacing them with the requirements below that align with the Citizen Participation Requirements in the Universal Notice.

Publication of the Action Plan and Opportunity for Public Comment:

Comments and opinions on the proposed CDBG-DR Action Plan will be considered by the City when preparing the final Action Plan. A summary of comments and views received will be attached to the final plan. A summary of the reasons for not accepting opinions or views not included in the plan will also be attached to the final plan. A draft will be available on the City’s Disaster Recovery website.

Citizens can provide comments by using the following methods:

- Via telephone: 1-313-224-6380, Hours: Monday to Friday from 8:30 am-4:30 pm
- Via email at: [Disasterrecovery@detroitmi.gov](mailto:Disasterrecovery@detroitmi.gov)

- In writing at: Housing & Revitalization Department, Disaster Recovery Team, 2 Woodward Ave, Ste. 908, Detroit MI, 48226

#### Publication of the CDBG-DR Action Plan:

The City will publish a summary of the proposed CDBG-DR Action Plan on the City's Disaster Recovery website. This summary will be a prominent posting and will describe the contents and purpose of the action plan. Copies of the complete proposed plan will be available in the offices of the Housing and Revitalization Department and on the City's website.

#### Public Hearings on the CDBG-DR Action Plan:

Public hearings may be held virtually. If more than one public hearing is held in person, the City will hold each hearing in a different location that promotes geographic balance and maximum accessibility.

Notice of these hearings will be published on the City's Disaster Recover website at least one (1) day prior to the start of the summary of public comment period, and the City will utilize one or more of the following methods of communication to inform residents such as: electronic mailings, press releases, statements by public officials, media advertisements, public service announcements and/or contacts with neighborhood organizations through the City Department of Neighborhoods.

The City will hold these hearings at locations that are physically accessible to all persons . The City will make arrangements for the participation of persons with special needs and for non-English speaking residents if a significant number of such persons are expected to participate, or if such persons give reasonable notice of their intent to attend.

#### Meetings

The city will provide citizens with reasonable and timely access to local meetings on CDBG-DR Action Plan related matters. In many cases, public notice of these meetings will be given using the methods described in the above public hearing section.

#### Application Status

The City will provide multiple methods of communication, such as websites, phone number, email address, fax number, or other means to provide applicants for recovery assistance with timely information to determine the status of their application.

## Publication of the Public Action Plan

The City will publish the proposed Public Action Plan, amendments and summary of public comments on the City disaster recovery website. Citizens, and other interested parties will have a reasonable opportunity to review the plan or substantial amendment.

## Outreach and Engagement

Citizens will be notified through the Housing and Revitalization Department's GovDelivery email, social media public notice, media advertisements and through the City of Detroit's Department of Neighborhoods.

In the original development of this disaster recovery action plan, the City of Detroit consulted with disaster-affected citizens in the most impacted areas in Districts 4,6,7, stakeholders like Jefferson East Inc., Midwest Council, and Chadsey Condon, local governments such as the City of Dearborn and the State of Michigan, and other affected parties in the surrounding geographic area to ensure consistency of disaster impacts identified in the plan, and that the plan and planning process was comprehensive and inclusive.

In addition to the activities above, the City of Detroit will publish the action plan on the City of Detroit's Disaster Recovery webpage for a 30-day public comment period. Citizens will be encouraged to present their comments and opinions on the proposed plan at the public hearing, or by mail, email, or telephone directed to the offices of the Housing and Revitalization Department. Citizens will be notified via email blast at GovDelivery and Department of Neighborhoods list serves, social media outlets, and public service announcements. The City of Detroit will ensure that all citizens have equal access to information disabilities and limited English proficiency (LEP). Comments and opinions on the proposed action plan will be considered by the city when preparing the final action plan. A summary of comments and views received will be attached to the final plan. A summary of the reasons for not accepting opinions or views not included in the plan will also be attached to the final plan. A draft will be available on the City's website. Citizens can provide comments via email at ***disasterrecovery@detroitmi.gov***. For more information, citizens can refer to the City of Detroit's Citizen Participation plan at: <https://detroitmi.gov/departments/housing-and-revitalization-department/disaster-recovery>

## Public Hearings

The City of Detroit held two virtual city-wide public hearings to inform residents on the drafted CDBG-DR consolidated action plan after posting it to the disaster recovery website. There will be no public hearings held for substantial and non-substantial action plan.

amendments. Substantial and non-substantial amendments will be posted on the City of Detroit CDBG-DR website with a summary of changes. There will be a period of at least 30 days for residents to provide their comments.

## **Complaints**

The city will respond to written complaints related to the CDBG-DR Action plan and substantial amendments in a timely manner. Complaints are encouraged to be submitted via email at [disasterrecovery@detroitmi.gov](mailto:disasterrecovery@detroitmi.gov) but may also be submitted via telephone at 313-224-6380 or by mail to:

City of Detroit  
2 Woodward Ave.  
Suite 908. Housing and Revitalization Department (HRD)  
Detroit, MI 48237.

Formal complaints may be made in person at public meetings and hearings, by mail, email and by telephone to the offices of the Housing and Revitalization Department (HRD). Response to written complaints will be made in writing within 30 days, where practical. Persons with complaints will be encouraged to put such complaints in writing with appropriate documentation. Informal complaints may be oral complaints at public hearings, meetings, and by telephone. When possible, City staff will try to respond orally to such complaints immediately. In some instances, people making oral complaints will be asked to put the complaint in writing with appropriate documentation. In other instances, the City has and will respond within 30 working days either orally or in writing as appropriate and convenient.

Owners of property assisted with CDBG-DR funds will also be provided with opportunities to appeal the quality of work on their properties. The CDBG-DR Program Manager or their designee will review the appeal, and then either approve or deny the appeal. The owner will be notified in writing of the decision made within 30 days of the appeal. If the owner is not satisfied with the decision, the appeal is escalated to the Director of the Housing and Revitalization Department, where the Director has the final say. There's a limited time to respond to the appeal and all responses are provided in writing.

A record of each filed complaint or appeal is kept in an information file. When a complaint or appeal is filed, HRD will respond to the complainant or appellant within 30 business days where practicable. For expediency, HRD will utilize telephone communication as the primary method of contact, email and postmarked letters will be used as necessary to document conversations and transmit documentation. Information about the right and how to file a complaint shall be printed on all program applications, guidelines, and HRD's public website for CDBG-DR in all local languages, as appropriate and reasonable. Procedures for

appealing an HRD decision on a complaint shall be provided to complainants in writing as part of the complaint response.

#### **b. Public Website**

In accordance with Section II.A.1.c of the Universal Notice, the City of Detroit must have procedures to maintain a comprehensive public website that permits individuals and entities awaiting assistance and the public to see how all grant funds are used and administered. As a result of CDBG-DR funds being appropriated, the city has created a separate CDBG-DR webpage <https://detroitmi.gov/departments/housing-and-revitalization-department/disaster-recovery>.

The City's CDBG-DR webpage will be updated on a regular basis (at minimum, quarterly) in accordance with established procedures and standards so that it will contain links to information regarding the use and management of grant funds. Links to all action plans and action plan amendments, performance reports, citizen participation notices, and program information for activities described in the action plan. Contracts and procurement actions that do not exceed the federal micro-purchase threshold, as defined in 2 CFR 200.1, are not required to be posted to the City's website.

#### **c. Amendments**

A substantial amendment to the Action Plan will follow the same procedures for publication as the original Action Plan in accordance with the city's Citizen Participation Plan. <https://detroitmi.gov/sites/detroitmi.localhost/files/2023-01/Citizen%20Participation%20Plan%20-%20Revised%20%2810-17-22%29.pdf>.

All amendments, both substantial and non-substantial, will be posted on the city's CDBG-DR website. The beginning of every amendment will include a section that identifies the content that is being added, deleted, or changed. In addition, this section will include a revised budget allocation table that reflects the entirety of all funds and will clearly illustrate the movement or reallocation of program funding. The city's most recent version of the entire Action Plan will be accessible for reviewing as a single document at any given time.

#### **Substantial Amendment**

When a substantial amendment to the action plan is being considered, a notice will be published on the City's website and distributed via GovDelivery and Department of Neighborhoods list serves and social media outlets, in adherence with ADA and LEP requirements, that the city intends to amend the action plan. City of Detroit residents may request document translation and/or on-site interpreter services using the form link:

<https://app.smartsheet.com/b/form/f2386a588787406aaa0268b05441a219>. The City of Detroit will follow the procedure outlined in the Citizen Participation Plan. This notice will describe the amendment and indicate how citizens may comment on it. Following the Citizen Participation Plan, no public hearing will be held for substantial amendments, and a period of at least 30 days after the posting will be provided for citizens to comment on the amendment before it is implemented as a substantial amendment. The City will consider, review, and respond to its summaries of public comments and views received on proposed substantial amendments and submit them to HUD for approval. A summary of these comments and views will be attached to the substantial amendment. If comments and views are not accepted, the reasons for not accepting them will be summarized and attached to the substantial amendment.

At a minimum, the following modifications will constitute a substantial amendment:

- 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, or
- the allocation or reallocation of more than 25 percent from one major program area to another (the four major program areas are Housing, Infrastructure, Economic Development and Planning)
- An update to the submitted initial Action Plan if the original submission was incomplete as allowed under section I.C.1.d. paragraph 7 and section I.C.1.e.

#### Non-Substantial Amendment

Although non substantial amendments do not require HUD’s approval or seek public comment to become effective, the City will notify HUD of any plans to make an amendment that is not substantial. The City will notify HUD five (5) business days before the change is effective.

The city understands that the DRGR system must approve the amendment to change the status of the Public Action Plan to “reviewed and approved.” The DRGR system will automatically approve the amendment by the fifth day, if not completed by HUD sooner.

#### d. Displacements of Persons and Other Entities

The City of Detroit does not anticipate the proposed activities in this Action Plan resulting in the displacement of persons or other entities. In the event that any CDBG-DR activities displace persons or entities, The City of Detroit will minimize displacement of persons or entities as a result of the implementation of CDBG-DR projects by ensuring that all CDBG-DR programs are administered in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970, as amended (49 CFR Part 24) and the

implementing regulations at 24 CFR Part 570.496(a). All subrecipients will be required to demonstrate that they have adopted policies and procedures to minimize displacement in accordance with these regulations and will be monitored by the city to ensure compliance with URA.

Per Federal Register 87, Vol. 100, section II. D.7: CDBG-DR funds may not be used to support any Federal, state, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For purposes of this paragraph, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects, as well as utility projects which benefit or serve the general public including energy related, communication-related, water related, and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107–118) shall be considered a public use for purposes of eminent domain.

#### e. Protection of People & Property

The City of Detroit will implement activities that will ensure high quality, durability, energy efficiency, sustainability, and mold resistance. The City will adopt and enforce modern and resilient building codes that mitigate hazard risk from flooding and comply with Green Building standards.

#### Elevation Standards

The City of Detroit, where applicable, will adhere to the provisions recognized under the City of Detroit's Specific Flood Elevation Standards and flood hazard reduction (Section 50.14-528-529). Provisions for new construction and substantial improvements of residential and non-residential structures in all flood hazard areas must have the lowest floor, including the basement, elevated to or above the base flood level; or be constructed so that the structure below base flood level together with attendant utility and sanitary facilities, is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. These codes recognize that the most recent base flood elevation data received from Federal Emergency Management Agency shall take precedence over data from other sources. Mixed-use structures with no dwelling units and no residents must be elevated or floodproofed up to at least two feet above base flood elevation. The average cost associated with elevating structures is:

- To raise an existing home approximately 36" and install a flood proofed and vented foundation would be \$45 per square foot x number of floors, limit 3. No basement.
- To raise an existing home approximately 36" and install a flood proof pier supports with skirting would be \$30 per square foot x number of floors, limit 3. No basement.
- New construction with flood proofing and vented foundation \$6.50 per square foot for each 1 foot of elevation above finish grade. No basement.
- New construction with piers and skirting \$4 per square foot for each 1 foot of elevation above finish grade. No basement.

### Flood Insurance Requirements

The City of Detroit may not provide disaster assistance for the repair, replacement, or restoration of a property to a person who has received federal flood disaster assistance that was conditioned on obtaining flood insurance and then that person failed to obtain or allowed their flood insurance to lapse for the property.

The City of Detroit is prohibited by HUD from providing CDBG-DR assistance for the rehabilitation or reconstruction of a house if:

1. The combined household income is greater than 120% AMI,
2. The property was in a floodplain at the time of the disaster, and
3. The property owner did not maintain flood insurance on the damaged property.

### Construction Standards

The City of Detroit will require quality inspections and code compliance inspections on all projects and places an emphasis on high-quality, durable, sustainable, and energy efficient construction methods and materials. Site inspections will be required on all projects to ensure quality and compliance with building codes.

All rehabilitation, reconstruction, or new construction of residential structures must meet an industry-recognized standard that has achieved certification under at least one of the following programs:

- Energy STAR (Certified Homes or Multifamily High Risk)
- Enterprise Green Communities
- LEED (New Construction, Homes, Midrise, Existing Building Operations and Maintenance or Neighborhood Development)
- ICC- 700 National Green Building Standards
- EPA Indoor AirPlus

**The City will operate in compliance with construction standards on all rehabilitation, reconstruction, or new construction activities found in the Universal Notice.**

## Contractor Standards

The City of Detroit will follow general labor standards provisions when applicable, which indicates that the Contractor shall require and monitor all construction work for compliance with all applicable Federal Labor Standards, as described in the clauses found in the regulations at 2 CFR 200 and shall report any noncompliance to the HRD, as required by Federal regulations.

The City shall require that all necessary contract language required by the regulations at 2 CFR 200 and (2) by City of Detroit Executive Order 2016-1 be included in all construction contracts and subcontracts for construction performed under this Agreement. If the Contractor should directly employ workers on actual construction, the Contractor shall comply with (1) all Federal labor standards applicable to the employment of such workers; and (2) City of Detroit Executive Order 2016-1.

The Contractor shall monitor all construction work performed under their Agreement or performed under the supervision and/or control of the Contractor for compliance with all applicable Federal Labor Standards, including those described at 2 CFR 200 and shall comply and/or require compliance with City of Detroit Executive Order 2016-1, and shall report any noncompliance with said Federal requirements and with said Executive Order 2016-1 to the HRD.

The City of Detroit will require a warranty period post-construction with a formal notification to beneficiaries on a periodic basis. The City intends to issue a notice to homeowners halfway during warranty period (6 months from the date of final inspection) and one month prior to the expiration of the warranty. The City will also provide opportunities to appeal the quality of work on their properties. For the contractor to receive final payment, the property owner will be required to sign off on a completion of work form that states that all work has been performed in accordance with the construction contract to their satisfaction.

The City follows HUD guidelines for cost reasonableness. Costs are considered 'reasonable' if they do not exceed what a prudent person would incur under similar circumstances. All costs must pass the 'rational person' test by meeting all the following criteria:

1. The cost is recognized as ordinary and necessary for the operation of the project
2. The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
3. The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities
4. The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

Contractors selected under the CDBG-DR program will make every effort to provide opportunities to low and very-low-income persons by providing resources and information

to notify Section 3 individuals and businesses of opportunities in the community. The City of Detroit will report Section 3 accomplishments in the Disaster Recovery Grant Reporting (DRGR) system.

#### **Preparedness, Mitigation, and Resiliency**

Resilience is defined as a community's ability to minimize damage and recover quickly from extreme events and changing conditions, including natural hazards risk. The City of Detroit will implement activities that will ensure high quality, durability, energy efficiency, sustainability, and mold resistance. The City will adopt and enforce modern and resilient building codes that mitigate hazard risk from flooding and comply with Green Building standards. All newly constructed buildings must meet all city building codes, standards, and ordinances. All new construction of residential buildings or replacement and/or reconstruction of substantially damaged buildings will incorporate Green Building Standards.

The City of Detroit proposes a planning effort that will integrate the creation of coordinated preparedness plans by hazard for City operations and communication. The goal is to reduce the long-term impacts of natural hazards by identifying extreme weather exposure and vulnerabilities and develop preparedness and adaptation guidance, actions and policies. As these events become more frequent, city operations, businesses and residents will need to be better prepared and adapt to withstand these new weather conditions.

#### **Broadband Infrastructure in Housing**

In the event that the City of Detroit does substantial rehabilitation or new construction of a building with more than four (4) rental units, they will include installation of broadband infrastructure, except when: the location of the new construction or substantial rehabilitation makes the broadband infrastructure infeasible, the cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden, or the structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

#### **Cost Effectiveness**

A demonstrable hardship is a substantial change in an Applicant's situation that prohibits or severely affects their ability to provide a minimal standard of living or the necessities of life including food, housing, clothing, and transportation without causing economic distress well beyond mere inconvenience as shown by objective evidence. The City of Detroit will define "demonstrable hardship" and "not suitable for rehabilitation" as they relate to recovery

programs in the policies and procedures associated with the use of the city's CDBG-DR funds as they relate to each program.

The City of Detroit will adopt policies and procedures that communicate how it will analyze the circumstances under which an exception is needed, and the amount of assistance necessary and reasonable.

### Duplication of Benefits

A duplication of benefits, as defined by the Stafford Act, occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. The City of Detroit will comply with Section 312 of Stafford Act, as amended by the Disaster Recovery Reform Act of 2018 (DRRA), and the OMB Cost Principles within 2 CFR § 200 that requires all costs to be "necessary and reasonable" for the performance of the Federal award, ensuring that all activities aid a person or entity only to the extent that the person or entity has a disaster recovery need that has not been fully met.

The city is required to develop and maintain adequate procedures to prevent a duplication of benefits that address (individually or collectively) each activity or program. The City's policy includes, at a minimum: (1) a requirement that any person or entity receiving CDBG-DR assistance must agree to repay assistance that is determined to be duplicative; and (2) a method of assessing whether the use of CDBG-DR funds will duplicate financial assistance that is already received or is likely to be received by acting reasonably by evaluating need and the resources available to meet that need.

HRD's policy "Community Development Block Grant Coronavirus (CDBG-CV) and Disaster Recovery (CDBG-DR) Duplication of Benefits Policy" is available on its CDBG-DR Webpage <https://detroitmi.gov/departments/housing-and-revitalization-department/disaster-recovery> for review.

The policy requires all applicants receiving CDBG-DR assistance to execute a Duplication of Benefits Affidavit as part of the application process, including detailed information about all sources of recovery assistance received, or available to be received, as applicable. Applications are reviewed by the City or its designated representative to calculate potential DOB and alter the amount of assistance based on DOB. HRD will also assess the funding available to the City for recovery activities on a regular basis to ensure that a duplication of benefits does not occur after assistance has been delivered. HRD will perform assistance checks on a sample of beneficiary's and partners no more than a year after assistance was provided.

In instances where a potential/actual duplication of benefits is identified after the award of funds and the execution of an agreement, the City of Detroit will terminate the agreement and no further disbursement of funds for the duplicated activities. The City may update this policy as additional guidance is received by HUD. If a duplication of benefits arises in the duration of the agreement, the City of Detroit will adhere to the guidelines set forth in the Stafford Act (chapter 37 of title 31) for the recapturing of funds.

## V. Grantee Proposed Use of Funds

### Overview

The City of Detroit is the lead agency and responsible entity for administering \$95,228,000.00 in CDBG-DR funds allocated for disaster recovery. The City of Detroit intends to implement and carry out programs for housing, infrastructure and public facilities, and planning.

#### a. Program Budget

Program Category	Project	1 <sup>st</sup> Appropriation Pub. Law	2 <sup>nd</sup> Appropriation Pub. Law	Total Budget	% of Allocation	National Objective	Estimated Outcome
<b>Housing Recovery and Protection Program</b> 24 CFR 270.208(a)(3) – Activities benefitting Low-to moderate income persons (Housing LMH)	<i>Private Sewer Repair Program (formerly BBPP)</i>	\$43,211,450		\$43,211,450	45%	LMH	1000-1500 Households
	<i>Affordable Rental Housing Development Program</i>	\$2,488,000	\$14,846,150	\$17,334,150	18%	LMH	TBD
<b>Infrastructure Public Facilities Program</b>	<i>Emergency Shelter Rehabilitation</i>		\$15,000,000	\$15,000,000	16%	LMA	TBD
<b>Mitigation Infrastructure Public Facilities Program</b>	<i>Emergency Shelter Rehabilitation</i>		\$3,000,000 MIT	\$3,000,000	3%	LMA	TBD
<b>Mitigation Infrastructure</b>	<i>Alley Sinkhole and Drainage Improvements</i>	\$7,512,000	\$1,909,000	\$9,421,000	10%	LMA	N/A
<b>Admin</b>	<i>Admin</i>	\$2,879,550	\$1,881,850	\$4,761,400	5%		N/A
<b>Planning</b>	<i>Planning</i>	\$1,500,000	\$1,000,000	\$2,500,000	3%		N/A
<b>TOTAL</b>		<b>\$57,591,000</b>	<b>\$37,637,000</b>	<b>\$95,228,000</b>			

### Connection to Unmet Needs

The City of Detroit will allocate at least 80 percent of the funds to address unmet needs for HUD-identified “most impacted and distressed” areas which equates to city-wide. To meet the overall benefit requirement, The City of Detroit has established prioritization criteria for each program area. Through these criteria, the City of Detroit will ensure that at least 70 percent of all funds are expended for projects and activities that benefit low- and moderate-income households.

The City of Detroit completed a disaster impact and unmet needs assessment to identify the impacts and long-term needs. The assessment of more than 87 million unmet needs among housing, infrastructure, and economic revitalization. Therefore, the City proposes activities that are aligned with accessible funding and activities closest to the impacts of the disaster. Based on the calculation of unmet needs provided by HUD utilizing FEMA data, 75% of the total unmet need for Detroit for the disaster equated to unmet Housing needs. That assessment correlated to the amount of FEMA Individual Assistance Claims and SBA Claims received because of the disaster, as well as logged complaints from DWSD. The City of Detroit has identified housing, infrastructure and public facilities, and mitigation and resiliency planning activities as key activities for addressing unmet need.

Prior to the storm, affordable housing stock in Detroit was limited. The disaster exacerbated the already inadequate inventory of affordable rental housing and couple with the current economic conditions, CDBG-DR funds are needed to replace and develop new affordable housing. To address the remaining unmet need for additional affordable housing units, the City of Detroit will undertake affordable housing development and preservation activities. The City of Detroit is proposing to allocate \$60.5 million to housing related activities.

To ensure infrastructure and public facilities projects have the resources needed, this plan proposes allocating \$27.4 million to the program for projects in HUD Most Impacted Distressed Area. Public facility improvements will implement resiliency measures to safeguard Emergency Shelters against future storm events and protect disaster impacted individuals. Infrastructure improvements that mitigate the risk of future disasters will also be undertaken within the public facility projects.

The City of Detroit will continue to evaluate information related to the unmet needs of infrastructure and collaborate with municipal partners and other stakeholders to assess the feasibility of CDBG-DR programs to support infrastructure improvements. Consequently, an infrastructure program will be incorporated into the Action Plan through a substantial amendment.

### Leveraging Funds

The City of Detroit anticipates leveraging CDBG-DR funds with FEMA Hazard Mitigation and American Rescue Plan Act (ARPA) funds to assist the Jefferson Chalmers neighborhood, and potentially other residents who live in the Most Impacted Neighborhoods who do not meet the eligibility requirements of CDBG-DR. The City of Detroit anticipates leveraging CDBG-DR funds FEMA Building Resilient Infrastructure and Communities (BRIC) funding for planning and infrastructure projects to generate the most effective and comprehensive recovery. In addition, the City was awarded grants from the State of Michigan Emergency Management and Homeland Security, Environmental, Great Lakes, Energy (EGLE), and Environmental Protection Agency (EPA). The affordable housing program will leverage State and other funding sources brought to the project by developers to create affordable rental units.

### Program Partners

The City of Detroit's Housing and Revitalization Department (HRD) will be partnering with the Detroit Water and Sewerage Department to administer the CDBG-DR funds specifically for the Private Sewer Repair Program. The City anticipates working with non-profit partners in targeted neighborhoods to get resources about how to access the funds out to residents. For rental housing, the City will collaborate with Developers. For public facility rehabilitation, HRD will continue to work with its homeless shelter Subrecipients.

### Distribution of Funds

HUD identified the entire City of Detroit as a MID "Most Impacted and Distressed" area. 100 percent of CDBG-DR funds will be spent in the MID. Up to five percent of the overall grant will be used to ensure the compliant and timely administration of CDBG-DR funds. As required by the Federal Register, City of Detroit will spend at least 70 percent of the overall grant on activities that will benefit persons who are low- and moderate- income.

The City proposes programs that are aligned with accessible funding and activities closest to the impacts of the disaster. The programs are based on the unmet needs assessment and input from impacted stakeholders. The programs are prioritized to address short- and long-term unmet needs. As required by the federal register notice, all CDBG-DR funded activities address an impact of the disaster, unless specifically designated as a mitigation activity and part of the mitigation set-aside allocation.

Additionally, project criteria will be reflected in future action plan amendments. The programs, projects, and activities established in this Action Plan are subject to all HUD requirements and limited to funding availability.

### Program Income

The City does not expect to receive any program income from the activities proposed in this plan. If any program income or repayments are received, the City will follow its currently adopted processes to properly identify the source of income and related allocation (CDBG, CDBG-DR, CDBG-CV etc.), receipt the income in the proper HUD reporting system, and re-use the income for activities eligible under the given source of income. Program income received after the close out of the allocation will be used in accordance with CDBG Entitlement funds, according to the Universal Notice.

### Resale or Recapture

City of Detroit will establish resale or recapture requirements for housing programs in action plan or substantial amendment and shall outline those requirements in the program guidelines for the activity. Affordability restrictions must be enforceable and imposed by recorded deed restrictions, covenants, or other similar mechanisms.

The minimum affordability period acceptable for compliance are the HOME requirements at 24 CFR 92.254(a)(4). If a grantee applies other standards, the periods of affordability applied by a grantee must meet or exceed the applicable HOME requirements in 24 CFR 92.254(a)(4) and the table of affordability periods directly following that provision. The affordability restrictions, including the affordability period requirements in this paragraph do not apply to housing units newly constructed or reconstructed for an owner-occupant to replace the owner-occupant's home that was damaged by the disaster.

Assistance to eligible homeowners will be provided in the form of a grant, and therefore does not trigger any recapture or resale provisions.

However, property owners applying with eligible tenants will be subject to a recapture provision. This means that there will be repayments due on a descending scale if the property owner fails to meet program requirements or sells or transfers the property within the 5-year loan period. For example, if a property owner receives \$10,000 in assistance, approximately \$166.67 of that loan will be forgiven each month over the 5-year loan period (\$10,000/60 months). However, if the property owner decides to sell before the loan period ends, or fails to meet program requirements, for example at month 30, then the remaining balance of the loan (\$5,000) is due to the City. The City will place a mortgage on the property for the 5-year period which will be filed with the Wayne County Register of Deeds to ensure compliance. The mortgage agreement shall be signed at closing and a lien shall remain on the property for the full term of the Affordability Period.

b. Program Details  
Housing Program(s)

Program	Proposed Budget	Benefits to MID Areas	Mitigation Funding
Private Sewer Repair Program	\$43,211,450	\$43,211,450	\$0
Affordable Rental Housing Development Program	\$17,334,150	\$17,334,150	\$0

**Program Title:** Private Sewer Repair Program

**Amount of CDBG-DR Funds Allocated to this Program:** \$43,211,450

**Eligible Activity:** Housing Rehabilitation 24 CFR Part 570.202

**National Objective:** Low-to-Moderate Income Persons – Housing (LMH) 24 CFR 570.208(a)(3)

**Lead Agency and Distribution Model:** The Housing and Revitalization Department will administer this program. Applications will be accepted as soon as possible after grant agreement execution and will remain open until funds have been exhausted or the performance period ends, whichever comes first.

**Program Description:** The City will make grants available to eligible homeowners and will make forgivable loans available to property owners renting to eligible tenants. Maximum assistance per household shall not exceed \$40,000 (except in instances where the City may find it necessary to provide an exception on a case-by-case basis as outlined in its CDBG-DR program policies and procedures). This information can be found in the Private Sewer Repair Program Policies and Procedures.

Application Overview

Applicants who meet the eligibility requirements above will be prioritized based on the following criteria:

- **Prioritization #1:** Households needing private lateral sewer repairs or replacement and Households impacted by additional flood events (specifically August 2014, as well as July and August 2021) will be prioritized over other applicants.
- **Prioritization #2:** Households needing private lateral sewer repairs or replacement only
- **Prioritization #3:** The properties located in neighborhoods in the most impacted City Council districts:

- District 4: Cornerstone Village, Morningside, Chandler Park, Fox Creek, Riverbend, West End
- District 6: Midwest, Chadsey-Condon, Claytown, North Corktown, Michigan-Martin
- District 7: Aviation Sub, Garden View, Plymouth-I96, Plymouth-Hubell, Paveway, We Care Community, Fiskhorn, Joy Schaefer, Warrendale, Warren Ave Community, Barton-McFarland

For the purpose of recapture, a 5-year second mortgage will be placed on the property being purchased. Zero percent interest and no monthly payments will be due. The second mortgage is self-amortizing and will reduce at a rate of 20 percent per year. If the unit is vacated by the current tenant, the rental property owner must agree to rent the property to low- and moderate-income tenants for the duration of the 5-year period. If the rental property owner will be occupying the unit, the terms and conditions of the deferred payment loan will remain applicable. Additionally, the owner must maintain the property as their principal residence, maintain a homestead exemption, and maintain required insurance coverage during the 5-year second mortgage term. There will be repayments due on a descending scale if the owner fails to meet program requirements or sells or transfers the property within the 5-year loan period. Please refer to the resale or recapture section.

- Property must be registered with the City of Detroit Buildings, Safety, Engineering and Environmental Department (BSEED).
- At least 51% of the tenants must be Low-to moderate-income (LMI) and be at or below 80% AMI (if two units, one must be rented to a LMI household).
- If the unit(s) are vacated during the 5-year period, the property owner must rent to low-to moderate-income tenants during the 5-year period (HRD may review annually, and landlords will be required to provide marketing materials to HRD as documentation).

The City will use CDBG-DR funds to run a closed-circuit television inspection (CCTV) of the private lateral sewer service line, and if needed, repair or replace private lateral sewer service lines and install new backwater valves. Funding will be used to replace furnaces and hot water heaters if they are determined to be damaged by the Flood during the inspection process. Funding will also be used to sanitize and remediate basement mold if identified during the inspection process and determined to be due to the Flood. Funding may also be used to sanitize and remediate mold in basements caused by the flooding on a case-by-case basis.

### **Eligible Applicants**



- Homeowners
- Landlords renting to eligible low-mod income tenants

### **Funding Award Guidelines**

**Maximum Amount of Assistance Per Beneficiary: \$40,000**

**Maximum Income of Beneficiary: 80% AMI**

**Other Eligibility Criteria:**

All applicants must meet the following eligibility requirements:

- Households applying must be at or below 80% of the Area Median Income (AMI) as determined annually by HUD.
- Applicants must live in a single-family residential structure (1-4 units).
- Households must be able to demonstrate impact (tie-back) from the June 25-26, 2021, flood event.
- The property cannot be in a floodplain.
- Applicants must be able to demonstrate that there is no duplication of benefits (see Section IV of this Action Plan – Duplication of Benefits for more information).

**Eligible Geographic Areas:**

The property must be in one of the following neighborhoods:

- District 1: Grandmont #1, Crary/St. Marys, Cadillac Community, Evergreen-Outer Drive, Hubbell-Lyndon
- District 2: Greenfield, Martin Park, Pilgrim Village, Dexter-Fenkell, Bethune Community
- District 3: Regent Park, Conant Gardens, Krainz Woods, Pulaski, Airport Sub, Hawthorne Park, Von Steuben, Grant, Mount Olivet, Cadillac Heights, Pershing, Franklin, Conner Creek, Sherwood
- District 4: Cornerstone Village, Morningside, Chandler Park, Fox Creek, Riverbend, West End, LaSalle College Park, East English Village, Yorkshire Woods, Denby, Mapleridge, East Canfield, Eden Gardens, Wade, Ravendale, Gratiot-Findlay, Outer Drive-Hayes, Moross Morang, Chandler Park-Chalmers, Fox Creek
- District 5: Marina District, Arden Park, Islandview, Petosky-Otsego, Boston Edison, McDougall-Hunt, Pingree Park, East Village, NW Goldberg, Forest Park, Eastern Market, Gratiot Town/Kettering, Poletown East, Jamison, LaSalle Gardens, Wildemere Park, Medbury Park, Milwaukee Junction, Historic Atkinson, North End, Dexter-Linwood, Gratiot Woods, Gratiot Grand, Greektown
- District 6: Midwest, Chadsey-Condon, Claytown, North Corktown, Michigan-Martin, Corktown, Core City
- District 7: Aviation Sub, Garden View, Plymouth-I96, Plymouth-Hubell, Paveway, We Care Community, Fiskhorn, Joy-Schaefer, Warrendale, Warren Ave Community, Barton-McFarland, Franklin Park, Oakman Blvd Community, Nardin Park, Russell Woods, Joy Community, Southfield Plymouth, Pride Area

Community, Happy Homes, Northwest Community, Littlefield Community, Grand River-196, Davison-Schoolcraft, Chalfonte

**Disaster Tieback**

The program assists households in demonstrating impact (tie-back) from the June 25-26, 2021, flood event.

**Mitigation Measures: N/A**

**Reducing Barriers for Assistance:** The City of Detroit will conduct proactive, strategic communication and program outreach throughout the life cycle of the program to ensure that barriers will be readily identified and reduced. The success of this communication and outreach will heavily depend on the levels of engagement from key community stakeholders and the City’s responsiveness to any and all identified issues.

**Program Title: Affordable Rental Housing Development Program**

**Amount of CDBG-DR Funds Allocated to this Program:** 17,334,150

**Eligible Activity(ies):** Housing Rehabilitation 24 CFR Part 570.202 and New Construction as waived per III.D.5 of the CDB-DR Universal Notice

**National Objective:** Low-to-Moderate Income Persons – Housing (LMH) 24 CFR 570.208(a)(3)

**Lead Agency and Distribution Model:** City of Detroit Department of Housing and Revitalization will administer this program through eligible Developers. HRD will utilize its existing infrastructure for providing gap financing for the development of affordable housing, through its bi-annual competitive Notice of Funding Availability (NOFA) process. HRD has an existing multifamily underwriting team; CDBG-DR funds will be used to add capacity to this team as needed to support the volume of anticipated new project pipeline.

**Program Description:** This program will provide funding for the rehabilitation of affordable single-family rental housing , the development of new affordable multi-family rental housing units, and/or the rehabilitation of multi-family rental housing units. The new construction of rental units under this program is limited to large-scale multi-family rental properties. Affordable units will be made available to low-mod income individuals and families at or below 80% AMI. Projects funded through this program will provide affordable housing units which address the current lack of affordable rental units as a direct and indirect result of the disaster.

Activities funded under this program may include:

- Rehabilitation of rental housing (4 units or less), to assist small scale landlords to bring the single-family rental units into compliance with the City's rental ordinance.
- Rehabilitation of multi-family rental housing (5 units or more).
- New construction of multi-family rental housing (5 units or more).

Eligible applicants may include:

- Non-profit or for-profit developers,
- Detroit landlords owning single-family rental units (4 units or less)

All newly constructed or rehabilitated housing units must incorporate disaster resilience measures. The measures must aim to reduce impacts of future disasters and provide for the long-term affordability of the housing units.

Additional information regarding the program, including, but not limited to, Single Family requirements, eligible activities, and award amounts will be made available in the forthcoming Substantia I Amendment #3.

## **Multi-family Affordable Housing Development Program**

### **Program Details**

CDBG-DR funds will be used to provide gap financing for rehabilitation and new construction of affordable multifamily housing projects in HUD-identified MID areas. The NOFA will include threshold criteria, selection criteria, and the award process. The selection criteria will include an evaluation of an affirmative marketing plan and an evaluation of the project's resilience measures being implemented. Program guidelines will outline the requirements of the program and the requirements for specific projects, including general and specific eligibility requirements, eligible and ineligible costs, as well as the evaluation criteria for project selection. Additionally, the guidelines could include requirements regarding a minimum percentage of affordable units, income and unit mixes, and targeting of deep affordability.

### **Long-Term Resilience**

The Program will promote the use of increased construction standards and innovative practices to lower the risks of damage and irreparable destruction resulting from the 2021 disaster. The program will incorporate hazard mitigation measures and green building standards into design and construction.

### **Affordable Rental Housing Development Application Overview**

The City of Detroit will use a competitive NOFA Application to award funds to eligible projects being proposed by eligible applicants. The City of Detroit will post the NOFA and publish the

awards on <https://detroitmi.gov/departments/housing-and-revitalization-department/hud-programming-and-information/disaster-recovery>

### Eligible Activities

- For the purposes of CDBG-DR funds, multifamily housing is five or more units per structure.
- Housing activities eligible within this program may include the following:
  - Acquisition Cost
  - Rehabilitation of Multi-Family Housing
  - New Construction of Multi-Family Housing

### Ineligible Activities and Costs

In accordance with 24 CFR Part 92.214 of the HOME regulations, applicable Office of Management and Budget (OMB) Circulars at 2 CFR Part 200, and the City’s own local requirements, the following activities and costs are prohibited under this NOFA:

- General planning / Administrative costs (i.e. rental or other costs associated with project community events such as ground breakings or ribbon cutting ceremonies)
- Relocation costs (unless specifically approved by the City)
- Refinancing of pre-existing debt on property
- The payment of delinquent property taxes or utilities
- Purchase of equipment, furniture, and fixtures
- Entertainment costs
- Other ineligible costs per the OMB Cost Principles (2 CFR Part 200)
- Lead-based paint inspection (Unless the City’s award letter explicitly states that the City will reimburse Lead-based paint inspections, the Developer will be responsible for these costs, and they will not be eligible for City funding)
- Payments to the City of Detroit for the purchase of City-owned real estate.
- Any additional items payable to the City of Detroit incurred by other departments (i.e. permit fees payable to BSEED).
- The property cannot be in a floodplain.

### Evaluation Criteria

HRD staff will review and score each application based on scoring criteria. The criteria below are subject to change and are not necessarily listed in order of priority. Specific point values of each criterion will be defined during the NOFA process.

Team Experience and Capacity	The project can earn points if the Developer has met debt obligations, has sufficient working capital to meet its
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	operating needs and has adequate financing available to maintain the property over the length of the affordability period. The project can earn points if it demonstrates recent and successful experience in projects. The project can earn points if the developer has identified and secured a management agent for the project with experience managing comparable properties with similar compliance expectations and tenant populations. Project can earn points if the Developer meets all qualifications of an Emerging LIHTC Developer.
Project Financing	Projects can earn points if all additional necessary project financing/leveraged funds are identified and secured to complete the project(s). Projects can earn points if the developer uses a creative approach to financing or cost containment to meet affordable housing needs.
Readiness to Proceed	Projects can receive points if they require fewer City approvals and scope of work is comprehensive. Projects can earn points if the Phase I Environmental Site Assessment (ESA) confirms that the site is not contaminated.
Alignment with City Goals	Project can earn points if project integrates green building and reliable technologies to prevent displacement and protect tenants/owners, specifically for disaster impacted communities. Projects can earn points if Integration of green/energy efficient, resilient, and innovative rehabilitation design. Projects can earn points if located in target multifamily housing areas. The project can earn points if any one or more of the following criteria are met: 1) is an initiative tied to a City planning study, 2) is a preservation of current affordability (regulated or naturally occurring), 3) is approved to be designated as permanent supportive housing by the HRD Homelessness Solutions Director. This can also include buildings that are designated by the City as a Local Historic District.
Program Opportunity Goals	Project can earn points if the contractor has experience in complying with Section 3 requirements. The project can earn points if the primary Developer is a Minority/Women Nonprofit Organization or Minority/Women-Owned Business or Minority/Women’s Business Enterprise.

**Affordability Periods**

Applicants must also comply with the City of Detroit’s Inclusionary Housing Ordinance (Section 1. Chapter 14 of the 1984 Detroit City Code, 14-12-1 through 14-12-16). Applicants requesting

over \$500,000 of NOFA Funds for rental projects only, where the project includes 20 or more units, must comply with the City of Detroit's Inclusionary Housing Ordinance.

### **Rent Restrictions**

- The acquisition and improvement of property for affordable rental units assisted with CDBG-DR funds must be rented to households who are at or below eighty percent (80%) of the Area Median Income (AMI).
- More information on rental and utility restrictions will be included in the NOFA.

### **Eligible Geographic Area:**

HUD-identified MID: City of Detroit

### **Eligible Applicants**

- Community Housing Development Organizations (CHDO)
- Community-Based Development Organizations (CBDO)
- For-Profit/Start-up developers
- Nonprofit developers

**Maximum Amount of Assistance Per Beneficiary:** The following restrictions will be placed on funding allocations for the Affordable Housing Development Program: Maximum award per project: \$1,000,000 for 9% LIHTC; \$3,000,000 for all others\* Maximum award per developer per round: \$3,000,000\*

Due to rising construction costs, HRD will consider on a case-by-case basis, requests above the \$1,000,000 limit for 9% LIHTC projects and a maximum award above \$3,000,000 per developer, per round if the applicant can demonstrate an increase in score through MSHDA's QAP as a direct result.

**Maximum Income of Beneficiary:** 80% AMI

### **Application Period**

The City of Detroit will establish an application timeframe. Applications will be posted for at least 30 days. The City is prepared to complete program within the established period of performance allowable under this grant.

**Mitigation Measures:** This project does meet the definition of mitigation by providing quality and resilient affordable housing that will lessen the displacement impact of future disasters for City residents.

**Reducing Barriers for Assistance:** The City of Detroit will conduct proactive, strategic communication and program outreach throughout the life cycle of the program to ensure that barriers will be readily identified and reduced. The success of this communication and outreach

will heavily depend on the levels of engagement from key community stakeholders and the City’s responsiveness to any and all identified issues.

**Infrastructure and Public Facilities Program(s)**

Activity	Proposed Budget	Estimated Benefits to MID Areas	Estimated Mitigation Funding
Public Facilities – Emergency Shelter Rehabilitation	\$18,000,000	\$18,000,000	\$3,000,000
Infrastructure – Alley Sinkhole and Drainage Improvement	\$9,412,000	\$9,412,000	\$9,412,000

**Program Title: Public Facilities - Emergency Shelter Rehabilitation**

**Amount of CDBG-DR Funds Allocated to this Program:** \$18,000,000

**Eligible Activity(ies):** Public Facilities and Improvements 24 CFR 570.201(c)

**National Objective:** Low-to-moderate Income Persons – Limited Clientele (LMC) 24 CFR 570.208(a)(2)

**Lead Agency and Distribution Model:** The City of Detroit, through the Housing and Revitalization Department, will make funds available through a Notice of Funding Availability (NOFA) to award funds to eligible projects. Grants will be awarded to eligible Emergency Shelter Public Facility applicants for eligible activities based on an application process and awarded to the extent that funds are available. The City of Detroit will use NOFA packages to gather the information necessary to assess each project and potential subrecipient. Eligible applicants will be notified through direct emailing and by NOFAs posted on the City’s Oracle site and CDBG-DR website.

**Program Description:** This program will award funds to eligible projects within the HUD identified Most Impacted and Distressed (MID) area to address unmet recovery needs associated with emergency shelter public facilities impacted by the 2021 flooding. The grant funds will allow recipients to make improvements to public facilities that will directly benefit

disaster impacted communities. The program defines public facilities as projects that improve emergency shelters owned by nonprofits that are open to the public and receive referrals from Detroit's Coordinated Assessment Model (CAM). Funding and Program guidelines will further define eligible projects for applicants.

Mitigation funds are included in the public facilities budget and will be used to support improvements to facilities that were not directly impacted by the flood event.

**Eligible Geographic Areas:** Nonprofit operated Emergency shelters and Transitional Housing located within the boundaries of the City of Detroit will be eligible.

### **Long-Term Resilience**

All CDBG-DR funded public facility activities must be designed and constructed in a manner to withstand extreme weather events and hazard risk to improve the resiliency of the facility.

Mitigation funds are included in the public facilities budget and will be used to support improvements to facilities that were not directly impacted by the flood event. Mitigation improvements will aim to create more resilient facilities and increase the emergency shelter's ability and service capacity to ensure continuous operation of indispensable services during a future hazard event.

**Other Eligibility Criteria:** The City of Detroit will make funds available through a Notice of Funding Availability (NOFA) to award funds to eligible projects. Grants will be awarded to eligible Emergency Shelter Public Facility applicants for eligible activities based on an application process and awarded to the extent that funds are available. The City of Detroit will use NOFA packages to gather the information necessary to assess each project and potential subrecipient. Eligible applicants will be notified through direct emailing and by NOFAs posted on the City's Oracle site and CDBG-DR website <https://detroitmi.gov/departments/housing-and-revitalization-department/disaster-recovery>.

Activities funded under this program may address an unmet recovery need or a mitigation need. The application process will require applicants to demonstrate how their projects address unmet and/or mitigation needs and how funds will be used equitably in their communities. Applications for funding may be evaluated on, but not limited to, the following project components:

- Amount of project detail provided and tieback to the disaster and community need
- Project's impact on recovery or mitigation of future disasters
- Applicants may not be presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal programs, as indicated by the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### **Threshold Requirements**

- The organization must be a tax-exempt organization (501(c)(3), 501(c)(19), etc.)
- The organization must not have unresolved audit findings or tax issues.
- The Certification form must be signed.

- The organization must submit a recent Michigan Annual Non-Profit Report.
- The organization must submit its Articles of Incorporation.
- The organization must submit a Certificate of Good Standing.
- The organization must demonstrate site control.

**Evaluation Criteria**

HRD staff will review and score each application based on scoring criteria. The criteria below are subject to change and are not necessarily listed in order of priority. Specific point values of each criterion will be defined during the NOFA process.

Organization Experience	Projects can receive points for organization history and experience serving Detroit, Strength of board including community representation, demographic of clients currently served, and prior experience in grant administration.
Financial Capacity	Projects can receive points for Fiscal management comply with 2CFR 200.302, 2CFR 200.303, financial capacity, and proof of cash on hand to pay for project cost while waiting for city reimbursement. Projects can receive points for provide single audits.
Project Specifics	Projects can receive points for Scope of Work, cost estimates from licensed contractors, and completed phase 1 environmental site assessment. Projects can receive points if the proposed project removes ADA barriers to the building. Projects can receive points for shovel ready projects. Projects can receive points if they have a Master Rehab Plan or Capital Needs Assessment. Applicants can receive points if the projects address an unmet need or mitigation need, proposed activity will integrate mitigation measures and strategies to reduce natural hazard risks. Projects can receive points if applicant has experience with Section 3 HUD regulation.

**Eligible Applicants**

Only emergency shelters owned by nonprofits that are open to the public and receive referrals from Detroit’s Coordinated Assessment Model are eligible to apply for this funding.

**Maximum Amount of Assistance Per Beneficiary:** The estimated minimum program assistance available is \$300,000 and the maximum available is \$3,500,0000 per facility unless authorized by the City of Detroit Housing and Revitalization Department (HRD).

The successful subrecipient will agree to a lien placed on the property that will be in effect for five years from the date of project completion and comply with the Continued Use Requirement/Change of Use Requirements that are a condition of this NOFA

**Maximum Income of Beneficiary:** Beneficiaries are presumed benefit but anticipated to be at 30% AMI or below

**Eligible Activities**

- Renovations may include major rehabilitation or building conversion. The building must be owned by a nonprofit organization.
- Any renovation funded through this solicitation must be compliant with the Americans with Disabilities Act (ADA).

Eligible Activities	Ineligible Activities	Other Eligible Costs
<ul style="list-style-type: none"> <li>• Material;</li> <li>• Labor;</li> <li>• Permits</li> <li>• Engineering;</li> <li>• Architects</li> <li>• Asbestos Survey</li> <li>• Environmental studies, reports</li> </ul>	<ul style="list-style-type: none"> <li>• General government expenses;</li> <li>• Political activities;</li> <li>• Purchase of equipment;</li> <li>• Construction equipment;</li> <li>• Fire protection equipment;</li> <li>• Furnishings and personal property;</li> <li>• Operating and maintenance expenses;</li> <li>• New housing construction;</li> <li>• Income payments</li> </ul>	<ul style="list-style-type: none"> <li>• Additional line items, including soft costs associated with eligible activities – must be approved by HRD</li> </ul>

**Application period**

The City of Detroit will establish a NOFA application timeframe. Applications will be posted for at least 30 days. The City is prepared to complete program within the established period of performance allowable under this grant.

**Program Tieback to Disaster**

Projects funded through this program will be required to address the remaining direct and indirect impacts in the MID area. Project activities may also include mitigation measures and strategies to address risks from future potential disasters.

**Mitigation Measures:** This project does meet the definition of mitigation as funds will allow recipients to make improvements to public facilities that will directly address unmet recovery

needs and increase the resilience of the shelter facilities to lessen the impact of future disasters. Mitigation funds are included in the public facilities budget and may be used to support improvements to facilities that were not directly impacted by the flood event but increase the resilience of the facilities and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, suffering and hardship, by lessening the impact of future disasters.

**Reducing Barriers for Assistance:** The City of Detroit will conduct proactive, strategic communication and program outreach throughout the life cycle of the program to ensure that barriers will be readily identified and reduced. The success of this communication and outreach will heavily depend on the levels of engagement from key community stakeholders and the City's responsiveness to any and all identified issues.

**Program Title:** Alley Sewer Repair Program

**Amount of CDBG-DR Funds Allocation:** \$9,412,000

**Eligible Activity(ies):** Public Facilities and Improvements 24 CFR 570.201(c)

**National Objective:** Low-to-moderate income persons – Area Benefit (LMA) 24 CFR Part 570.208(a)(1)

**Lead Agency and Distribution Model:** DWSD will assign various alley sewer repairs to qualified contractors to reconnect sewer lateral connections to the public sewer main that have either fallen off the public main, or that have collapsed altogether. DWSD will prepare and advertise competitive solicitations for contractors familiar with this type of underground work. DWSD anticipates that at least three contracts will be awarded.

**Program Description:** The City of Detroit proposes funding Infrastructure projects that will carry out eligible improvements or repairs to facilities that are designed to provide or support services to the public. The City has been actively seeking ways to meet the recovery needs and prioritize the maintenance and construction of resilient public infrastructure assets in the stormwater sector.

The City of Detroit will fund the Alley Sewer Repair Mitigation Project. The program will be implemented city-wide, prioritizing neighborhoods in the hardest hit areas (District 4,6, and 7) where the Detroit Water and Sewerage Department (DWSD) have reported and verified sinkholes and collapse in the public sewer mains. Public sewers are owned and maintained by

the City. These lines normally lie in and parallel to alleys, street, and publicly owned easements. The sinkholes are most often caused by a collapse in City sewer main and failing connection of city sewer main to the private sewer lateral.

When DWSD assesses the sewer main and observes a failing sewer lateral connection to the sewer main, it takes a photo of the connection from within the sewer main and determines root cause of the sinkholes.

These sinkholes impact the capacity of the sewer main and surface drainage improvements to transport water away from the affected area. These improvements will also prevent sediment and debris from the sinkholes from taking capacity in the public sewer system.

This mitigation project will increase sewer drainage capacity and increase neighborhoods resiliency.

**Eligible Geographic Areas:** The project will be implemented citywide, prioritizing neighborhoods in the hardest hit areas (District 4,6, and 7) within income service areas.

**Other Eligibility Criteria:** N/A

**Maximum Amount of Assistance Per Beneficiary:** This project is an area benefit, and not a direct benefit to a beneficiary.

**Maximum Income of Beneficiary:** At or below 80% AMI

### **Long-Term Resilience**

Infrastructure projects will be designed and constructed to withstand extreme weather events and the impacts of hazard risk. Infrastructure projects undertaken through CDBG-DR will be focused on reducing the risks associated with flood water and storm surge by including engineered or non-engineered solutions to retain, detain, divert, or convey excess water to lower the risk of flooding.

### **Eligibility Activities**

Infrastructure Improvements as described in 105(a)(2) : Flood Drainage Improvements. The Alley Sinkhole and Drainage Improvement program is designed to improve surface drainage and sewer capacity, transport stormwater away from the impacted area, and minimize harm to the floodplain.

### **Method of Distribution**

The City of Detroit will competitively procure contractors to complete sewer main and sinkhole repairs.

**Mitigation Measures:** This project does meet the definition of mitigation, repairing or replacing sewer laterals may prevent future damage to residential homes, lessening the hardship cause to low-to-moderate income households who may not be able to afford insurance or afford to make those types of repairs without assistance. The activity that will take place as part of this project is included in the City of Detroit Hazard Mitigation Plan as an implementation strategy to address basement flooding. The specific project (Flooding Action Item) is as follows: Design and conduct a study to examine and refine flood mitigation strategies including increased inspections, storage, strategic sewer separation, and other potential strategies to significantly reduce wide-spread basement and street flooding. In addition, the improvements from this project will benefit areas downstream, by reducing sediment and other debris, as well as reducing the accumulation of debris within downstream pipes. The reduction in debris and grit will also benefit the regional wastewater treatment plant.

**Reducing Barriers for Assistance:** The City of Detroit will conduct proactive, strategic communication and program outreach throughout the life cycle of the program to ensure that barriers will be readily identified and reduced. The success of this communication and outreach will heavily depend on the levels of engagement from key community stakeholders and the City's responsiveness to any and all identified issues.

### **Mitigation Program(s)**

As mitigation activities, The City proposes funding infrastructure and public facilities projects which will increase resilience to disasters or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.

Mitigation funds make up the total infrastructure budget and will be used to support improvements to infrastructure that may or may not be impacted by disaster. Mitigation improvements will aim to create more resilient infrastructure systems and increase the city's ability to ensure continuous operation of indispensable services during a future hazard event.

Infrastructure projects will align with other planned federal, state, or local capital improvements and infrastructure development efforts, and will work to foster the potential for additional infrastructure funding from multiple sources, local capital improvement projects in planning, and the potential for private investment.

### **How Mitigation and Resilience Measures will Address Current & Future Risks**

These activities will focus on projects that will mitigate flood damage by improving sewer and water systems and projects that will make the communities more resilient through projects such as enhancements of public facilities and infrastructure improvement. Incorporation of these measures also reduces costs in recovering from future disasters.

### **Competitive Overview**

The City of Detroit will competitively procure contractors to complete Infrastructure sewer main repairs.

The City of Detroit will make Public Facility improvement funds available through a Notice of Funding Availability (NOFA) to award funds to eligible projects.

### **Total Budget**

\$12,421,000

### **Maximum Assistance**

Public Facilities - Emergency Shelter Rehabilitation

The estimated minimum program assistance available is \$300,000 and the maximum available is \$3,500,000 per facility unless authorized by the City of Detroit Housing and Revitalization Department (HRD).

Alley Sewer Repair Program

The maximum assistance available is \$9,412,000. The actual project assistance will be determined based on the needs of and what is cost effective for each site.

### **Eligible Activities**

All activities must be CDBG-DR eligible, meet a national objective, and able to comply with the applicable federal requirements. Exceptions to eligible activities and applicant eligibility will be described in the program guidelines.

### **Eligibility and Selection Criteria**

Similar to the Infrastructure and Public Facilities Improvement activity, this program will focus on

- Reducing or eliminating the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.
- Implement resiliency and mitigation measures

Alley Sewer Repair Program

- Detroit Water and Sewerage Department (DWSD) has identified and verified 1,700 sinkholes city-wide with open work orders.

**Public Facilities - Emergency Shelter Rehabilitation**

Organization Experience	Organization History and experience serving Detroit, Strength of board, experience in grant administration
Financial Capacity	Fiscal management, internal controls, proof of cash on hand to pay for project cost while waiting for city reimbursement
Project Specifics	Scope of Work, Cost reasonable, addresses an unmet need or mitigation need, proposed activity will integrate mitigation measures and strategies to reduce natural hazard risks.

**Application Period**

The City is prepared to complete mitigation activities within the established period of performance allowable under this grant.

**Program National Objectives**

Assistance provided under this program will meet the national objectives of benefiting low and moderate-income areas (LMA) Low-Mod Income Benefit (LMI)

**Citation for Eligibility**

Regulatory Citations | 24 CFR 570.201(c); 24 CFR 570.208

**Program Tieback to Disaster**

Projects funded through this program will address remaining direct and indirect needs in the HUD-identified MID (City of Detroit) and incorporate mitigation measures into activities. Projects may also not have indirect or direct tie-back to June 2021 Disaster but still incorporate mitigation measures into the recovery activities.

## Planning Activities

All planning activities will directly benefit the HUD identified MID area which includes the entire City of Detroit. City of Detroit has also identified six planning efforts of community-wide benefit that are specifically included for funding in this Action Plan and are listed below:

<u>Projects</u>	<u>Budget</u>
<b>Integrating Resiliency, Sustainability, Hazard Mitigation, and Disaster Recovery into Detroit’s Master Plan of Policies</b>	<b>\$500,000</b>
<b>Climate Resilience and Adaptation Planning</b>	<b>\$450,000</b>
<b>Critical Facilities Adaptation Pre-Development Plan</b>	<b>\$400,000</b>
<b>Near East Side Jos. Campau Stormwater Study</b>	<b>\$220,000</b>
<b>Fischer Relief Stormwater Study</b>	<b>\$330,000</b>
<b>Meldrum Sewer Stormwater Study</b>	<b>\$50,000</b>

### **Master Plan Policy: Resiliency, Sustainability, Hazard Mitigation, and Disaster Recovery**

The CDBG-DR planning funds will fund resiliency planning and integration of the City’s resiliency, sustainability, disaster recovery, and hazard mitigation efforts into the City’s Master Plan of Policies, which is Detroit’s comprehensive community development plan (42 U.S.C. 5305(a)(12). “Integrating hazard mitigation and resilience planning with recovery efforts will promote a more resilient and sustainable long-term recovery.” (III.C.1.i.) The Master Plan of Policies creates comprehensive long-term policies that will guide all development and infrastructure investments in the city. The MPP is the city-wide plan that enables the City to rationally and effectively determine needs and opportunities, set long-term goals and short-term objectives, and then devise programs and activities to meet these goals and objectives. (42 U.S.C. 5305(a)(12))

The City of Detroit will be leading the update to the Master Plan of Policies with community engagement, interdepartmental collaboration, and regional and statewide coordination with relevant agencies. The current Master Plan of Policies has an Environment & Energy Element, but does not comprehensively address resiliency, climate adaptation, or hazard mitigation. Integrating policies related to resiliency, sustainability, disaster recovery, and hazard mitigation into the Master Plan will ensure the City of Detroit’s policies, regulations, and strategic investments related to future land-use, housing, development, parks and open space, vacant

land utilization, and infrastructure investments are working together to make our communities more resilient against future disasters. The Master Plan will set long term goals for the future development of the City and will inform the five-year capital plan and short-term decision-making. This will allow the City to align infrastructure investments with other planned federal, state, or local capital improvements and infrastructure development efforts, and will work to foster the potential for additional infrastructure funding from multiple sources, including state and local capital improvement projects in planning, and the potential for private investment.

The Master Plan's Housing Element will align with the approved action plan and reflect the City's unmet needs, including policies and goals that:

- Improve access to safe and healthy housing for low - to moderate Income(LMI) people who otherwise do not have access to the resources to prevent the impacts of disasters such as these.
- Advance equity and reduce barriers that residents may face when accessing federal funding.

By integrating resiliency, sustainability, disaster recovery, and hazard mitigation policies and goals into the Master Plan, the Land Use Element of the Master Plan will ensure land use decisions reflect responsible and safe standards to reduce future natural hazard risks. City-wide policies related to future development will incorporate policies to ensure high quality, durable, energy efficient, and sustainable building standards to mitigate hazard risk and comply with Green Building Standards.

The City of Detroit's mitigation policies will increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters. Incorporation of these measures into the City-wide Master Plan of Policies also reduces costs in recovering from future disasters.

### **Climate Resilience and Adaptation Plan**

The Climate Resilience and Adaptation Plan will result in a framework and set of guidelines for preparedness and recovery from weather hazards for the City of Detroit. The goal of the plan is to reduce the long-term impacts of natural hazard by identifying extreme weather exposure and vulnerabilities and develop preparedness and adaptation guidance, actions and policies.

As described in the Action Plan, Detroit's aging infrastructure and older housing stock exacerbates the devastating impacts of extreme weather events, particularly on low socioeconomic communities. As these events become more frequent, city operations, businesses and residents will need to be better prepared and adapt to withstand these new weather conditions. As described in the Action Plan, the flood events of 2021 resulted in devastating impacts and a series of unmet needs which the planning study will further study. For hazards, like flooding, that are challenging to mitigate, the best course of action is to

prepare and adapt to improve recovery time and overall resilience. The planning effort will integrate the creation of coordinated preparedness plans by hazard for City operations and communication.

The planning effort will leverage existing plans and update them in accordance with best practices. The outcome of this effort is intended to operationalize the extreme weather responses through SOPs and communications that will safeguard those at risk and improve recovery time after an extreme event.

### **Critical Facilities Adaptation Pre-Development Plan**

Funding to develop adaptation plans for critical facilities is intended to support the infrastructure and public services unmet need. Critical facilities play a major role during weather emergencies like the one experienced in 2021. The municipal infrastructure, including buildings that provide public services such as recreation services, are older and have not been fully adapted to withstand extreme weather events. The scope of work for this funding includes the assessment, planning and engineering designs to adapt approximately 5 buildings with solar energy and storage. Adapting these buildings to be able to have back up energy will ensure that these facilities can be fully or partially operational in case of a power outage.

Critical facilities were key in the recovery efforts from the floods that occurred in 2021. Recreational facilities and police precincts for example, served as points of distribution for clean-up kits and later as places for residents to fill out assistance forms and claims. Ensuring that these facilities can operate and have a reliable source of energy will ensure that they are available to provide critical services. Adapting these facilities is consistent with overall efforts for hazard mitigation and improve resiliency.

### **Near East Side Jos. Campau Stormwater Study**

During the June 2021 storm event, the Jos. Campau drainage area experienced 5% to 20% of neighborhood basement backups. Just east of Jos. Campau, the far eastside neighborhoods experienced the greatest concentration of basement backups, ranging between 20% to 64% of homes. The Jos Campau stormwater study would evaluate the reduction in stormwater entering the combined system, which would allow additional system capacity for the eastside neighborhoods, one of the greatest impacted neighborhoods. EGLE has identified the City of Detroit has a significantly overburdened community as the City's median average household income and/or taxable value is less than 125% of poverty level for a family of four (\$34,687) or the taxable value per capita for the community is less than \$15,200. The cost to treat stormwater at the GLWA WRRF is a high expenditure cost to the City that can be reduced by creating a storm sewer pipe network that directs discharges stormwater to the Detroit River

instead of being treated at the GLWA WRRF. This cost saving would benefit the residents of the City of Detroit.

The preliminary engineering analysis will evaluate the impact to converting a combined relief sewer to a stormwater sewer within the district to reduce the stormwater from entering the combined system. The majority of the stormwater runoff will be redirected into the new storm sewer pipe network, improving the capacity of the local DWSD and GLWA combined system downstream of the project area. Additionally, the study will evaluate the water quality improvements to the Detroit River through CSO reductions and in-system surcharge reductions. The surcharge reductions will be checked in a modeling software and translated to basement backup risk reductions. The City is vulnerable to basement backups due to increased rainfall intensity and the limited capacity of the combined system pipe network. The project will be led by DWSD and closely coordinated with GLWA.

### **Fischer Relief Stormwater Study**

During the June 2021 storm event, the Fischer Relief drainage area experienced 5% to 20% of neighborhood basement backups. Just east of Fischer Relief, the far eastside neighborhoods experienced the greatest concentration of basement backups, ranging between 20% to 64% of homes. The Fischer Relief stormwater study would evaluate the reduction in stormwater entering the combined system, which would allow additional system capacity for the eastside neighborhoods, one of the greatest impacted neighborhoods. EGLE has identified the City of Detroit has a significantly overburdened community as the City's median average household income and/or taxable value is less than 125% of poverty level for a family of four (\$34,687) or the taxable value per capita for the community is less than \$15,200. The cost to treat stormwater at the GLWA WRRF is a high expenditure cost to the city that can be reduced by creating a storm sewer pipe network that direct discharges stormwater to the Detroit River instead of being treated at the GLWA WRRF. This cost saving would benefit the residents of the City of Detroit.

The preliminary engineering analysis will evaluate the impact to converting a combined relief sewer to a stormwater sewer within the district to reduce the stormwater from entering the combined system. The majority of the stormwater runoff will be redirected into the new storm sewer pipe network, improving the capacity of the local DWSD and GLWA combined system downstream of the project area. Additionally, the study will evaluate the water quality improvements to the Detroit River through CSO reductions and in-system surcharge reductions. The surcharge reductions will be checked in modeling software and translated to basement backup risk reductions. The City is vulnerable to basement backups due to increased rainfall intensity and the limited capacity of the combined system pipe network. The project will be led by DWSD and closely coordinated with GLWA.

### **Meldrum Sewer Stormwater Study**

During the June 2021 storm event, the Meldrum drainage area experienced 5% to 11% of neighborhood basement backups. Just east of Meldrum, the far eastside neighborhoods experienced the greatest concentration of basement backups, ranging between 20% to 64% of homes. The Meldrum stormwater study would evaluate the reduction in stormwater entering the combined system, which would allow additional system capacity for the eastside neighborhoods, one of the greatest impacted neighborhoods. EGLE has defined the City of Detroit has a significantly overburdened community as the City's median average household income and taxable value is below a certain threshold. The cost to treat stormwater at the GLWA WRRF is a high expenditure cost to the city that can be reduced by creating a storm sewer pipe network that direct discharges stormwater to the Detroit River instead of being treated at the GLWA WRRF. This cost saving would benefit the residents of the City of Detroit.

The preliminary engineering analysis will evaluate the impact to creating a stormwater sewer within the district to reduce the stormwater from entering the combined system downstream of the Leib SDF diversion. The majority of the stormwater runoff will be redirected into a storm sewer pipe network, improving the capacity of the local DWSD and GLWA combined system downstream of the project area. Additionally, the study will evaluate the water quality improvements to the Detroit River through CSO reductions and in-system surcharge reductions. The surcharge reductions will be checked in a modeling software and translated to basement backup risk reductions. The City is vulnerable to basement backups due to increased rainfall intensity and the limited capacity of the combined system pipe network. The project will be led by DWSD and closely coordinated with GLWA.

## **Summary and Response of CDBG-DR Action Plan Substantial Amendment Public Comments**

December 15, 2025- January 16, 2026

**Questions/Comments: (Email)** Hello, I sent an email prompted by some neighborhood outreach opposing the stop log construction in our canals in Jefferson Chalmers. In recent months, I've been getting emails from a flood mitigation committee (some of my close neighbors are involved) and trying to follow their angle on all of this. I'm wondering if there is someone in disaster recovery department that I can speak with to help me better understand everything. At this point, I have concerns with both plans but also have to admit I don't think I understand everything completely when I read through attachments on emails. I apologize that I have not been able to attend meetings. Is there anyone that is willing to take some time and speak with me?

**Response to Questions/Comments:** Good Afternoon, in response to your email received on December 16, 2025. The Detroit Building Authority, (DBA), is leading a multi-phase capital project focusing on removing the Jefferson-Chalmers neighborhood from the federally designated floodplain, and we are excited about the opportunity to engage persons who are connected to and invested in the community. Phase 1 of the effort is currently underway, and DBA is accepting resumes for a Project Manager specializing in floodplain management. The individual will be dedicated to this project and play a key role in shaping its success. The position announcement and application details are available on the DBA website at <https://detroitmi.gov/departments/detroit-building-authority>. Phase 2 will involve a comprehensive study evaluating all viable options for removing Jefferson-Chalmers from the floodplain. A central component of this phase will be meaningful community outreach and participation, ensuring that residents' voices, lived experiences, and priorities help guide the recommended solution. Phase 3 will move forward with community-supported, Mayor, and City Council approved construction project to implement the selected solution and deliver long-term flood mitigation benefits to the Jefferson-Chalmers neighborhood. DBA values community-rooted leadership and perspectives, and we welcome candidates who are passionate about contributing to a resilient future for Jefferson-Chalmers. Please feel free to share this opportunity with others who may be interested, and do not hesitate to reach out with any questions. Kind regards.

**Questions/Comments: (Email)** Flooding in front of 400 Bagley St. Apts Dec.10, 2025 running into basement of Bg. Blowing out transformer - putting entire tenancy out into the winter night into temp hotel until (1/7/2026). This is a residential property of moderate to low-income residents. This is an Emergency Matter. DTE, CoD & Bankruptcy Court Judge needs to work it out for the Citizens of Detroit asap. Large transformers take weeks to replace not months. (\$25-100,000) Price range. We have none of our possessions. LHA needs the HUD Financed CDBG-DR emergency funds so this matter can be resolved in a timely manner so tenants can get back into

building to prepare (30-60 days) to remove possessions civilly. Not scampering around by 1/7/2026 without any of our property to find a new place to live.

**Response to Questions/Comments:** Hello. Thank you for taking the time to submit your public comment regarding the flooding and power outage impacts at 400 Bagley Street Apartments. We recognize the seriousness of the situation you described and understand the significant hardship that displacement, loss of access to personal property, and prolonged uncertainty can cause for residents during the winter months.

The City of Detroit's Community Development Block Grant–Disaster Recovery (CDBG-DR) Program is funded by the U.S. Department of Housing and Urban Development (HUD) and is required to respond specifically to Presidentially Declared disasters. The City's 2021 and 2023 CDBG-DR Action Plans and related amendments are limited to addressing unmet needs resulting from the June 2021 and August 2023 disaster events, as defined in the applicable Federal Register Notices and HUD guidance. Because of these federal requirements, CDBG-DR funds may be used only for activities that directly address impacts tied to the declared disasters and meet HUD eligibility.

For more information about the City of Detroit's Disaster Recovery Program, eligible activities, and current Action Plan amendments, please visit the City's Disaster Recovery webpage:

City of Detroit Disaster Recovery Program: <https://detroitmi.gov/departments/housing-and-revitalization-department/community-development-block-grant-disaster-recovery>

**Questions/Comments: (DONcast)** Do y'all also do a lot as it relates to stormwater management? Because I live in the aviation subdivision. Sometimes people seem to forget about the fact that we get flooding and stuff like that in this area, too. They tend to think it's just mainly over in District 4 along the river.

**Response to Questions/Comments:** Yes, so in our action plan, you'll be able to see that we have multiple infrastructure programs that we're doing, both flood mitigation and stormwater infrastructure improvements, both to the public and the private sewer laterals, and green stormwater infrastructure as well. So, there are multiple infrastructure programs that we're doing to mitigate future flooding.

**Questions/Comments: (DONcast)** Can you put the slide back up that shows you which agencies for home repairs? Or can you just put that in the chat for what home repairs, so I can take a picture of it? Is this for the backwater valve or home repair?

**Response to Questions/Comments:** I referenced home repair with the Detroit Housing Network, which the nonprofit agencies have assisted the City of Detroit with home repair applications and promoting home repair programs when we have available programming at the City of Detroit. That's what I was referencing. We do have, the private sewer repair program,

which is a disaster recovery-funded program that's still available. We are prioritizing homes with children under the age of 6 who have documented elevated blood lead levels, so we are doing that with our lead hazard remediation programs. So we do have a few programs that are existing, but we didn't have any here on this slide presentation specifically. If you can provide your information, I think, to Kim Tandy, or message me directly, I can shoot you the available programs we have at the City of Detroit. I do know, overall, the ecosystem with our nonprofit agency partners, almost all of them do not have dollars currently. That may change in 2026.

**Questions/Comments: (DONcast)** As far as, like, an Alley Sewer Repair Program, I'm not aware of the stipulations around that and when it comes to that program, are there any age requirements? Because I know generally with the City of Detroit and programs, there's usually age requirements around, how old you have to be. I know there's always income requirements as well, but are there any special requirements around their program, or is that a question for HRD?

**Response to Questions/Comments:** No, I am with HRD, but there aren't any age requirements or income requirements with the Alley Sewer Repair Program. That repair just needs to take place in an area that is majority low my income, which is 51% or more low mod income. But ultimately, we currently still have our Private Sewer Repair Program. So, that particular program is available and applicants still can apply to receive services through that private sewer repair program. The idea is that we'll be able to serve more individuals through the Alley Sewer Repair Program, because there isn't any income restrictions or tieback requirements for the Alley Sewer Repair Program. We've seen that's been one of the biggest barriers to our Private Sewer Repair Program, is that individuals need to provide proof of impact to that 2021 disaster, as well as income qualifications. So, that's why we've developed this Alley Sewer Repair Program to address the issue, prevent or reduce future flooding.