

# **Growing a Well-Functioning Homebuyer Ecosystem for Low-Median Income Detroiters**

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## **Introduction**

Access to affordable, equitable, and financeable homeownership opportunities in the City of Detroit for low and median income (household income about \$32,000, Census 2020) earners has been a pronounced challenge for over a century. Detroit realized a period of rapid population growth from about 1910 to 1950, which included the “great migration” from southern states to the city. Both formal and informal systems of segregation were institutionalized during this period making homeownership incredibly hard for people of color, religious minorities and immigrants to attain. While religious minorities and immigrants of European descent would assimilate over time into the city and surrounding communities and gradually move past these barriers. African Americans, however, have suffered persistent economic harm and segregation, even despite federal and state Fair Housing laws banning discrimination for home sales and lending.

This short paper is informed by nearly 2 years of research, and relationship building seeking solutions to a measurable challenge that can be overcome with collaboration and investment of time and care.

The retail home lending market has failed Detroiters. In the absence of a lending marketplace working at scale, how can the City of Detroit (and communities with similar challenges) meet their market demand for homeownership among those who successfully complete HUD-certified homebuyer education programs?

The working goals of this Fellowship include:

1. Homebuyer education: improved outcomes through regular facilitated convening and improvement to data tracking and reporting.
2. Community Development Fund: nonprofit organizations in Detroit need access to a funding source(s) that will make slow money available to finance the acquisition, renovation and sale of properties to low-median income Detroiters.
3. Portfolio Mortgage Fund: low-median income Detroiters who have completed homebuyer education training are not well-served by traditional mortgage lenders. A portfolio product should be created to serve this population that has underwriting, income, credit and loan amount standards that meet the needs of these borrowers.

## **Background- gathering the data**

During the early days of the COVID pandemic, I was living across the street from Ste. Anne’s Church, in Detroit, Michigan. The Governor of Michigan authorized a series of Executive Orders designed to slow transmission of a virus we were only just beginning to understand. As such, I was caught up in the rapidly growing ranks of newly unemployed, but normally self-employed, individuals. Workforce development consulting work and my real estate clients dried up quickly as everyone adjusted to the shock rolling through the economy. My home office window looked out on the historic Ste. Anne’s Parrish, which is the second oldest in the United States, formed in 1701 when Cadillac and his band of explorers took the river bank for France and established

Detroit at a strategic point between Lake Huron and Lake Erie. Twice a week, community food banks distributed boxes of food for those in need from sun up to sun down. Freshly unemployed myself, this inspired fear for a short period, but quickly transitioned to resolve to double down on solving for systemic challenges in the local economy.

Since 2013, I have been a regular volunteer instructor for U.S. Department of Housing and Urban Development (HUD) certified homebuyer education programs. There I taught the 1-hour Realtor's portion of the 8-hour course. I'm clear with participants that I'm not present to seek them as clients, but instead to help them better understand how collaborating with a Realtor can help them meet their ultimate goal of becoming a first-time homebuyer. Discussion content includes: working with a Realtor, managing vendors (lenders, inspectors, etc.), being thoughtful about expectations, the contract and the timelines therein. For many participants, especially in Detroit, homeownership was not a deeply embedded experience within their family and social networks. Participants in these classes take a bold step to better understand what they don't know about a complicated and often emotional process.

Reflecting on those experiences I started to ask questions about program outcomes, and began seeking data. A little bit of internet searching led me to how organizations and their instructors become HUD-certified, and the range of courses that are offered, including pre-purchase homebuyer education, financial literacy, and mortgage foreclosure prevention. HUD Form 9902 is required to be completed quarterly by these education organizations, and serves to tabulate a range of useful aggregate information including: ethnicity, race, income, the number of program participants and information about outcomes.

If this information were accessible for individual agencies within Detroit, it could yield valuable information about those seeking homeownership opportunities. Importantly, if the demographic and income reporting was consistent with that of the city, then it could establish a regularly measured government housing demand report that was not available from another public source: how many Detroiters were investing time and resources to become ready to purchase a home?

In September 2020, I submitted a series of questions to HUD's Detroit office, including a request for 5 years of 9902 reports from the 16 education organizations in Detroit. After they said they would not provide that data to me, agency staff from Washington D.C. were asked the same questions. They also respectfully declined to provide the data.

In October 2020, I submitted a federal Freedom of Information Act (FOIA) to HUD requesting the documents. When no response was received, Representative Rashida Tlaib and her staff accepted the my request for support, and invested 11 months in the time necessary to pull the reports out of HUD.

Concurrent with my request of Rep. Tlaib, I convened a research team and identified a funding source to support a more comprehensive study of Detroit's housing ecosystem. Existing relationships with area philanthropy resulted in a referral to Poverty Solutions at the University

of Michigan. They made research grants supporting university and nonprofit collaborations. I was neither, so through a series of interviews I found myself in the good company of Dr. Trina Shanks, Director of the University of Michigan Center of Equitable Family and Community Well-Being (the Center). Her team became the university partner. The Center is affiliated with the School of Social Work. This was a lucky connection to make, because social workers tend to be very thoughtful and comfortable assessing interdisciplinary data. I find that they often present strong analysis for social challenges, contextualized so that normal humans find the info useful.

Next, I interviewed a number of community development organizations. In short order I found a committed collaborator in Hector Hernandez, Executive Director for Southwest Economic Solutions (SWES). His team manages the HUD-certified education programs- 1 of the 16 providing services in the city at the time.

Fast forward to November 2021, and we published the report “Detroit Dreams Deferred: thousands mortgage ready but many miss out.” This analysis provides the baseline for 2022 conversations related to the work of this Fellowship. (Hernandez, Palmer, Shanks, “Detroit Dreams Deferred.” November 2021. <https://sww.umich.edu/offices/family-community-wellbeing/projects/dhch>)

## **Discussion**

Looking at the three areas of focus for this fellowship, the first regards improving homebuyer education convening and program outcomes. While “Detroit Dreams Deferred” revealed that about 1500 people attend homebuyer education training every year, only about 19% of participants reported purchasing a home. The reasons vary widely as to why the conversion rate to homeownership is not higher. The most common challenge cited in the report’s survey was pre-qualified buyers not being able to find mortgage ready homes. Mortgage ready homes are essentially move-in ready with no significant condition issues requiring extensive remodeling and repairs. This challenge is supported by Home Mortgage Disclosure Act (HMDA) data showing lack of collateral (appraisal value) as a leading reason for mortgage application denials. Low appraisal values are most often connected to poor condition, and the exterior condition and low sale prices of neighboring homes. To look at the lending dashboard we developed with HMDA data, visit: <https://tinyurl.com/2p8uft2n>.

Solutions for this set of challenges included collaborating with Detroit Future City (DFC) staff, through their Homeownership Working Group (HWG). The HWG is a monthly convening of the Detroit Housing Compact, which DFC organizes. Participating in this working group provided access to a number of Community Development Organizations (CDOs) and HUD-certified education providers. Working with DFC staff, I reviewed the homebuying process in minute detail, as well as discussed a number of organizing and advocacy strategies that are now being implemented.

Another solution was learning that the Detroit Housing Network (DHN), an affiliate of the Cleveland Housing Network, includes several HUD-certified organizations in their network. DHN

is in their own way convening some homebuyer education agencies. This organization has plans to build a framework for integration of data, programs, lenders and city support, but the timeline for this process and the scaling thereof remain an open question.

By improving the support networks for HUD-certified agencies, it is expected that we will find ways to increase capacity, shared learning among orgs, and will be able to improve upon data collection by these organizations so that more details about program outcomes can be measured.

Outcomes:

- I will support DFC convenings in the 3<sup>rd</sup> quarter of 2022 and beyond.
- Supported a convening with Councilmember Gabriela Santiago-Romero in August 2022, with “systems level” organizations to build support for convening and expanding services for HUD-certified agencies.

The second area of focus for this Fellowship was building a community development fund focused on renovating and selling single-family homes to median-income Detroiters (about \$32,000) who complete HUD-certified homebuyer education courses. This fund was expressed in the first draft of a resolution submitted to Detroit City Council by Councilmember Gabriela Santiago-Romero, developed in June 2022. About 12 hours were invested in 1:1 meetings with council members and staff to support learning, discussion and collaboration between offices.

The resolution was submitted to council with a policy brief based on this feedback. The brief referenced Detroit Dreams Deferred and DFC reports regarding the long-term challenges associated with an aging and deteriorated housing stock, and troubles in the Detroit home lending market. The resolution as submitted to City Council included a request for the Mayor to allocate \$100 million in American Recovery Plan Act (ARPA) dollars to renovate 1000 of the over 4700 Detroit Land Bank Authority (DLBA) homes that are not identified for demolition. The resolution further called for Detroit at Work, the city’s Michigan Works Agency, DLBA, and city departments to coordinate the rapid scaling of this program so that investments were braided across federal, state and philanthropic programs in collaboration with CDOs and ideally organized labor. Doing so would reflect recent success the city has had rapidly scaling programs that benefit private corporations and provide Detroiters with access to well-paying jobs. These solutions would shift the focus from private interests, to a key area of interest for residents: affordable housing.

The political process served to constrain the size and scope of the program request from its initial form, instead focusing on a pilot program the administration already had under development with DHN. The meat of the intent, however, remained in the resolution, and was passed unanimously by Council on July 26, 2022. This resolution is attached as an Appendix to this paper. Highlights include:

- Acknowledgement of resident demand for affordable single-family housing based on HUD homebuyer education outcomes data;
- Recognition that the retail mortgage lending market does not service Detroiters the same way it does for neighboring communities;

- Request for ARPA funds to be braided and leveraged with other city funding and across departments in a way that grows access to homeownership for Detroiters as an infrastructure and workforce development expense, not a for-profit endeavor;
- Leadership should be centered with mission-based nonprofit CDOs leading the work so that equity is considered by geography and that neighborhood interests are reflected in the work;
- Convening lenders and insurers should be a priority of the Mayor's administration as access to affordable mortgages and insurance is just as rare, but just as important as required for a mortgage.

Due to the size of the ARPA allocation to the city, it is reasonable to think there will be a number of opportunities before September 30, 2024, to again seek significant investments in a housing rehab and sale program. All program dollars must be allocated and assigned to a program by that date. With community pressure to address the housing crisis in the City, growing the coalition of organizations and supporters is the path toward the ultimate goal.

#### Outcomes:

- Detroit City Council unanimously passed a resolution in July 2022 that serves notice to the Mayor that single-family housing rehab and sale to median-income Detroiters is a major priority;
- Systems level housing support organizations and community development organizations are being convened by a motivated member of Detroit City Council;
- Networks are being solidified to support education and advocacy around the demands of the community to fix the city's broken housing market.

The final working component of this Fellowship was to look at how to best finance the sale of homes renovated by CDOs for sale to median-income Detroiters. With the proposed use of ARPA dollars to offset any gap between the rehab cost and the sale price of the property, one significant barrier to sale is cleared. Eliminating the overt profit motive of a for-profit developer by utilizing mission driven community development organizations to support workforce training opportunities for Detroiters clears another hurdle for success. The final piece of the puzzle: how to build and deliver the loan, remains an open question.

Over the last 20 months, including the last 8 with the support of this Fellowship, I have conducted interviews with a wide range of lenders, bankers, community development financial institutions (CDFI), credit unions and regulators. All have been aware of the challenge of financing homes in Detroit, but not necessarily the lack of activity in the market. A number of Community Reinvestment Act (CRA) program officers at regulated lenders noted anecdotal success stories, but lacked the ability to show a successful program outcomes at scale. The number of plausible deniability arguments between lenders and regulators has been challenging. Few people who have the power to adapt and move the system to adjust to the reality of decades of implicit and explicit bias seem highly motivated to solve for the challenges. Many seem resigned that this

declining condition is just the way things are and that interventions are just too hard to implement as compared to the investment needed to change outcomes.

After years of experience and research, I am convinced that a lending product should be funded by these and other sources to allow for a break from the algorithms that lenders use to screen and ultimately deny Detroiters mortgages. There are simply too many nuances involved in writing a loan in Detroit for even the most diligent and well-intended lender to close more than 2 out of every 10 applications.

A 2018, a \$2.5 million gift by Judith Yaker to Southwest Solutions (SWS) allowed this HUD-certified housing education agency to purchase homes in SW Detroit that had expiring federal tax credits that made them affordable rentals. Today, 47 of those homes have been sold to their tenants with the backing of the Yaker mortgage. This is a portfolio loan held on the balance sheet of SWS. The nonprofit CDO writes and services the loans. Of those 47 mortgages, not one would have been approved through a traditional lender's underwriting process. Despite that fact, SWS has a 0% default rate since the program began. This is in part because SWS supports and collaborates with these first-time home owners. Support consists of homebuyer education, access to a range of family support services, and financial education. More than half of these homes are led by single females, who are both breadwinners and head of household.

According to proforma financials modeled by SWS, a \$30 million investment by lenders, philanthropy, and government to support the development of a nonprofit managed mortgage fund is a necessary intervention in the Detroit housing market. While SWS has an important and measurable pilot, the scale of capital needed to make 1000 Detroiters homeowners is attainable and manageable. The mechanics of building and managing this fund are fairly straightforward, seeking investments and the political will to prioritize asset building for Detroiters is what takes a big lift. The federal government made a similar investment for Caucasians in the G.I. Bill after WWII, but with the purposeful exclusion of African Americans and other people of color. These Federal Housing Administration (FHA) subsidies fueled the creation of America's suburbs and exurbs. While it challenging to fully address the discriminatory policies of past generations, we can make good faith investments today with the exceptional short-term resources available in response to the economic shock of the COVID pandemic. These investments should yield assets for families that they would otherwise not likely have access to without this intervention. Just as the "American Dream" of homeownership was not readily available before the FHA and the institutionalization of a 30 year mortgage note took hold in suburban communities.

#### Outcomes:

- Met with and presented to more than 20 lending institutions and gained verbal interest from several for shared investments into a Detroit mortgage fund;
- Identified cost estimates to establish, administer, and lend funds concurrent with sales of 1000 homes to median-income Detroiters;
- Identified an example of a CDO in Detroit with an existing lending product that is able to resell high-performing loans to the secondary market.

A number of side benefits have been realized through the focused work performed during the term of this fellowship. There is now a broader recognition of the unique challenges faced in Detroit's housing market, with a willingness to consider innovative and large interventions leveraging the tremendous federal investments available to the City of Detroit through September 2024. LinkedIn posts concerning this work have yielded over 8,000 impressions and hundreds of clicks to download materials and links. The community has paid attention and is citing this research and effort in their own work.

This work has helped organize the East Chadsey Condon Alliance (ECCA), which has successfully competed in the first two rounds of funding for the United Way for Southeastern Michigan Financial Well-Being Challenge Grant. The ECCA seeks to utilize community investment and land trusts to support the local development of over 800 parcels in a 1-square mile service area near the billion dollar investment by Ford Motor Company in the Michigan Central Station- creating an autonomous vehicle development and innovation center in Detroit.

Policy makers and City Council members now have access and context around research that can be transitioned to a solutions matrix that benefits Detroiters in ways that have not been felt in generations. There is a growing recognition that the tools and the will power exist to make real and lasting change.

## **Conclusion**

I am grateful for this opportunity to represent the Michigan State University Regional Economic Innovation Center as a 2022 Fellow. The work performed during this period tackled long-standing structural inequities and challenges. While these were not solved in a short 8 month working period, significant progress has been made building good will, and sharing information. A new City Council in Detroit is claiming its leadership role and several members are pushing to address these and other long-standing challenges.

The work that remains:

1. Continue to convene HUD-certified homebuyer education agencies, and seek resources necessary to improve data collection, outcomes, and vet the resources necessary to support more Detroiters being successful home buyers.
2. Organize the funds (ARPA or otherwise) necessary to renovate publicly owned single-family homes, train Detroiters with the skilled trades necessary to do the work, and sell the homes to educated homebuyers.
3. Build the mortgage fund that can do what retail lenders refuse to do at scale- meet Detroiters where they are, not where for-profit lenders prefer them to be.

This work is not impossible to realize. Convincing decision makers that they can be a part of a major and positive change in the City of Detroit is half the work. The other half is simply program design and execution.



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## CITY COUNCIL FORMAL SESSION

To attend by phone only, call one of these numbers: +1 929 436 2866, +1 312 626 6799, +1 669 900 6833, +1 253 215 8782, +1 301 715 8592, +1 346 248 7799 - Enter Meeting ID: 85846903626

Tuesday, July 26, 2022, 10:00 A.M.

*With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including American Sign Language, language translation and reasonable ADA accommodations. Please contact the Civil Rights, Inclusion and Opportunity Department at (313) 224-4950, through the TTY number 711, or email [crio@detroitmi.gov](mailto:crio@detroitmi.gov) to schedule these services.*

### DETROIT WATER AND SEWERAGE DEPARTMENT (DWSD) LIFELINE RATE AND PLAN PRESENTATION

1. APPROVAL OF JOURNAL OF LAST SESSION
2. RECONSIDERATIONS
3. 10:20 A.M. PUBLIC HEARING  
To amend Chapter 20 of the 2019 Detroit City Code, *Health*, by amending Article VI, *Medical Marijuana Facilities and Adult-Use Marijuana Establishments*, Division 3, *Licensing*, Section 20-6-39, *Inspections, investigations, review of materials submitted*; Section 20-6-40, *Operating requirements*; and Section 20-6-41, *License issuance*. (Law Department)
4. UNFINISHED BUSINESS
5. PRESIDENT'S REPORT ON STANDING COMMITTEE REFERRALS AND OTHER MATTERS
6. BUDGET, FINANCE AND AUDIT STANDING COMMITTEE  
*THE FOLLOWING ITEM(S) ARE TO BE REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE:*
  - OFFICE OF THE CHIEF FINANCIAL OFFICER
    - 6.1. Submitting report relative to  
Financial Report for the Eleven Months ended May 31, 2022. (The Office of the Chief Financial Officer (OCFO) respectfully submits its City of Detroit Financial Report for the Eleven Months ended May 31, 2022.)
  - LEGISLATIVE POLICY DIVISION
    - 6.2. Submitting report relative to  
PowerPoint Presentation on the 2021 Annual Comprehensive Financial Report (ACFR) prepared by the Legislative Policy Division (LPD).
  - MISCELLANEOUS
    - 6.3. Council Member Mary Waters

## RESOLUTION BY COUNCILMEMBER GABRIELA SANTIAGO-ROMERO

### RESOLUTION URGING THE ADMINISTRATION TO REPROGRAM ARPA DOLLARS AND COORDINATE CITY RESOURCES TO SUPPORT HOMEOWNERSHIP BY MEDIAN INCOME DETROITERS

- WHEREAS,** Even before the COVID 19 pandemic, median income Detroiters (annual household incomes of \$32,498<sup>1</sup>) faced systemic barriers to becoming homeowners. The U.S. Department of Housing and Urban Development (HUD) maintains metrics on demand for typical first-time homebuyers in Detroit. Between 2014-2019, 7,458 Detroiters completed 8-hour pre-purchase homebuyer education conducted by HUD-certified providers, yet only 1,445 (<20%) reported purchasing a home<sup>2</sup>;
- WHEREAS,** Outside of greater downtown and select affluent neighborhood clusters, mortgage sales account for less than 20% of all annual property sales, despite the lower cost of homes compared to other U.S. cities. Of those few home mortgages outside of select areas, less than half were made by Black Detroiters and other residents of color (<10% of all property sales), even when Detroit is the largest majority African American city in the U.S.;
- WHEREAS,** Detroiters know intimately the impact of the long-term crisis associated with equitable access to affordable housing, with the institutionalized and multi-generational impact that redlining, steering and blockbusting has had on our neighborhoods;
- WHEREAS,** Detroiters passed Proposal N (Prop N) Neighborhood Improvement Bonds, in November 2020, a \$250 million bond proposal financed with the full faith, credit, and repayment by the citizens of Detroit with the aim of “securing” and “stabilizing” thousands of homes owned by the Detroit Land Bank Authority (DLBA);
- WHEREAS,** On July 21, 2020, it was resolved that the City would, “Partner with Detroit Community Development Organizations (CDO’s) and other qualified groups to rehab homes and redevelop property in the neighborhoods.” Also that the City would, “Give preference to Detroit residents to acquire and reuse the properties in their neighborhoods.” While also, “Combine the Neighborhood Improvement Bonds with other funding sources for broader neighborhood redevelopment.”<sup>3</sup>;
- WHEREAS,** the Detroit Housing and Revitalization Department has identified at least 1,491 properties for “stabilization” utilizing Prop N funds;
- WHEREAS,** Detroit is faced with a generational opportunity to braid both one-time and recurring federal investments, including but not limited to: the American Recovery Plan Act (ARPA), the Infrastructure Investment and Jobs Act, the Workforce Innovation and Opportunity Act, Community Development Block Grants;

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<sup>1</sup> U.S. Census Bureau, “Quick Facts”, July 1, 2021. <https://www.census.gov/quickfacts/fact/table/detroitcitymichigan,MI/PST045221>

<sup>2</sup> Hernandez, Shanks, Palmer, “Detroit Dreams Deferred”, November 5, 2021. <https://ssw.umich.edu/offices/family-community-wellbeing/projects/dhch>

<sup>3</sup> Mayor’s Office, City of Detroit, “Resolution Supporting the Administration’s Commitment to the goals of the Neighborhood Improvement Plan, to be Supported in Part by Proposal N, the Neighborhood Improvement Bonds” July 20, 2020. <https://detroitmi.gov/sites/detroitmi.localhost/files/2020-07/NIP%20Closing%20Resolution%20July%202020%202020.pdf>

**WHEREAS,** Additional funding and program resources could be coordinated with the State of Michigan and Wayne County to invest in Detroiters realizing the dream of single family home ownership;

**WHEREAS,** 501c3 nonprofit CDOs are well-suited to coordinate the restoration and renovation of single family homes, and based on past performance, these organizations are most likely to hire Detroiters, with many already partnering with Detroit at Work to train residents for living-wage high-demand career opportunities;

**WHEREAS,** The City could coordinate investments to stabilize and rehabilitate these properties, and DLBA could sell these homes to CDOs for \$1, allowing for CDOs to coordinate the restoration and renovation of these properties for Detroiters;

**WHEREAS,** The cost of new construction is typically exceeds the cost of renovating existing homes, making investment in stabilized properties ideal for Detroiters;

**WHEREAS,** Market rate homes are unaffordable to the median income Detroiters, and even renovated homes sold for token amounts to CDOs through an improved Prop N housing initiative would need funding to close financial gaps;

**WHEREAS,** When an initiative is of the utmost urgency and importance, the Mayor and his administration have successfully directed Detroit departments, agencies and their affiliates to quickly align City resources in innovative and unexpected ways, as in the example of the Stellantis factory on the east side of the City, whereby hundreds of acres of land were assembled in about 60 days, thousands of Detroiters were screened for living wage jobs, and approximately \$250 million in incentives were organized to benefit said corporation;

**WHEREAS,** City Council affirms that housing is an initiative worthy of concentrated attention, and *is* of the utmost urgency and importance to Detroiters today, and seeks committed action from the Administration to organize City resources and seize the unique opportunity of ARPA funding to align resources to benefit equitable and affordable housing for residents while stabilizing neighborhoods across the city;

**WHEREAS,** an investment in home ownership on this scale could yield over \$300 million in economic savings for Detroiters compared to rent payments, which is often in sub-standard and unregistered housing, over the term of a 30-year mortgage;

**THEREFORE, BE IT RESOLVED,** The Detroit City Council urges the Administration to uphold the promises made to pass Prop N to stabilize neighborhoods, renovate homes and meet the urgent housing and economic needs of Detroiters while simultaneously facilitating the joining of federal, state and local funds to meet the demand of Detroiters participating in HUD-certified homebuyer education programs;

**BE IT FURTHER RESOLVED,** What is proposed is an explicit investment in Detroiters by the City government to close the financial gap between renovation and financing costs, and what median income Detroiters can afford. Therefore, where necessary, ARPA dollars shall support home sales to be sold to Detroiters at potentially below-market prices;

**BE IT FURTHER RESOLVED,** After the supply of Prop N homes is exhausted, City Council urges the Administration to identify, restore and renovate other homes owned by the City and/or DLBA to

continue meeting the demand for housing until every Detroiters who chooses to invest in homebuyer education has an opportunity to realize the American dream of homeownership.

**BE IT FURTHER RESOLVED**, The Detroit City Council urges the Administration to work with this body, before the summer recess, to propose and submit a budget amendment of ARPA expenditures to be reallocated for the express purpose of renovating publicly held homes to increase homeownership and address the urgent housing crisis facing Detroiters;

**BE IT FURTHER RESOLVED**, CDOs participating in the program should renovate and restore identified Prop N homes in collaboration with Detroit at Work. These funds should be for the purpose of meeting the demand of median income Detroiters who complete HUD-certified homebuyer education programs and commit to ongoing support from HUD-certified education providers.

**BE IT FURTHER RESOLVED**, Even with these investments in home renovations, the retail mortgage market, and the home insurance marketplace do not adequately serve the lending and insurance needs of median income Detroiters. The Detroit City Council urges the Administration to convene lenders, insurers and Community Development Financial Institutions (CDFI) to establish a single mortgage fund for Detroiters, to be managed by Detroit-based nonprofit, that meets and services city residents where they are, rather than where retail lenders and insurers want them to be.

**BE IT FURTHER RESOLVED**, The City shall collaborate with HUD-certified homebuyer education agencies existing as of the date of this resolution to identify investments necessary to support these agencies and their missions to grow Detroit's number of homeowners. Some funds should be set aside to support necessary agency wrap-around services (ex: workforce training and navigation assistance, homeownership and financial education).

**BE IT FURTHER RESOLVED**, The Detroit City Council submits this resolution with the utmost urgency, and is open to a constructive and expeditious dialogue with the Administration for how these proposed solutions should be implemented, or amended, concurrently leveraging the passion, commitment and expertise of city staff and highly motivated residents with the expertise to rapidly build out these programs.

**BE IT FINALLY RESOLVED**, That copies of this resolution be forwarded to Mayor Mike Duggan and the Detroit City Clerk.