

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION

208 Coleman A. Young Municipal Center


Detroit, Michigan 48226

Phone: (313) 224-4946 Fax: (313) 224-4336

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Director, City Planning Commission
Janese Chapman
Director, Historic Designation Advisory Board

John Alexander
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Sabrina Shockley
Renee Short
Floyd Stanley
Thomas Stephens, Esq.
Timarie Szwed
Theresa Thomas
Ashley A. Wilson

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: June 15, 2023

RE: **RESOLUTION REGARDING DETROIT LAND BANK AUTHORITY'S
OCCUPIED PROPERTIES PROGRAMS**

Council members Latisha Johnson & Mary Waters requested that the Legislative Policy Division (LPD) draft a RESOLUTION REGARDING DETROIT LAND BANK AUTHORITY'S OCCUPIED PROPERTIES PROGRAMS.

Please contact us if we can be of any further assistance.

RESOLUTION REGARDING DETROIT LAND BANK AUTHORITY'S OCCUPIED PROPERTIES PROGRAMS

- WHEREAS,** The mission of the Detroit City Council is to promote the economic, cultural and physical welfare of Detroit's citizens and residents through Charter-mandated legislative functions; and
- WHEREAS,** The mission of the Detroit Land Bank Authority (DLBA) is to return the city's blighted and vacant properties to productive use. The DLBA utilizes a variety of sales programs to make homeownership and land purchases accessible to Detroiters; and
- WHEREAS,** The DLBA created its Occupied Properties programs to foster homeownership. The two programs under this umbrella include the Buy Back Program and the Occupied Property Disposition Program (OPDP). The Buy Back Program engages occupants directly, connecting them with financial and home improvement educational opportunities designed to support buyer success. Conversely, the Occupied Property Disposition Program, provide an opportunity for the DLBA to sell occupied properties to entities that are committed to renovating the house and working with the occupant to offer rental, home purchase, or relocation opportunities; and
- WHEREAS,** However, it has been recently alleged that some occupants of the DLBA Occupied Properties programs and instead the occupied property is being offered to the DLBA's community partner organizations and/or developers to purchase those properties, without collaborating with the residents who occupy and/or denying eligible Detroiters participation in the program as set forth in the Occupied Property Disposition Program guidelines; and
- WHEREAS,** There has also been several allegations that some of the occupants of the DLBA homes were defrauded by individuals who had no true ownership of the property resulting in the fraudulent landowner criminally taking the occupant's money and the occupant being in need of assistance under the Occupied Property Disposition Program; and
- WHEREAS,** The mission of the City of Detroit's Housing and Revitalization Department (HRD) is to finance, underwrite, and administer housing and community investments that enhance the quality of life for the citizens of the City of Detroit and has the ability and resources to assist with the management of the DLBA's Occupied Properties programs; and
- WHEREAS,** After full and active collaboration between the DLBA and HRD, the Detroit City Council is now providing the instant resolution that lays out the understanding between these entities, and that is for the Detroit Land Bank Authority to work in collaboration with HRD, given the expertise of HRD in community engagement, in the operation and management of the DLBA's Occupied Properties programs, in order to ensure the integrity and viability of these programs; and
- WHEREAS,** Council recommends with significant consensus with the DLBA and HRD, that the following action be taken in the implementation of the new model:

- 1) All DLBA-owned, single-family addresses where outreach does not result in DLBA contact by the occupant, are to be sent to HRD's Housing Services (HS) Division for proactive outreach.
- 2) All DLBA outreach attempts, types (post card, poster) and frequency are to be documented to a shared report with HRD's HS division.
- 3) Any resident who unsuccessfully exits the Buy Back Program is to be routed to HRD for proactive outreach and re-enrollment.
- 4) Any resident who does not meet Buy Back Program eligibility is to be routed directly to HRD's HS Division for housing assistance.
- 5) Housing assistance in the form of OPDP enrollment must be offered to all residents who do not meet Buy Back Program eligibility, regardless of reason for ineligibility, i.e. failing for documentation, or failing for inspection. This offer will be facilitated by HRD's HS division and supported by the DLBA.
- 6) Residents who choose to be relocated by HRD's HS division instead of the OPDP option, will have up to six months to vacate the premises with HRD assistance.
- 7) DLBA will facilitate regular convenings between HRD's HS division and OPDP partners to ensure that residents who choose the OPDP option are given first preference and direct assistance by HRD where needed to rent the home.
- 8) No DLBA properties will be sold to OPDP partners without documented outreach from both the DLBA and HRD to the address to check for occupancy, and to enroll in the Buy Back Program or assistance if occupied.
- 9) Referrals for sale to the OPDP partners will occur through HRD's HS division. An OPDP sale will never occur prior to full, complete outreach by both the DLBA and HRD.
- 10) All OPDP referrals will flow through HRD's HS division. Before the home is offered to an OPDP partner, DLBA and HRD will offer the opportunity to qualify for the Buy Back Program. **NOW THEREFORE BE IT**

RESOLVED, That the Detroit City Council urges the Detroit Land Bank Authority to collaborate the operation and management of the Occupied Properties programs to HRD, as a measure to eliminate the circumstances which may have led to eligible Detroiters being denied participation in the program. **NOW THEREFORE, BE IT FINALLY**

RESOLVED, Copies of this resolution shall be provided to Mayor Mike Duggan, Tammy Daniels, the CEO of the Detroit Land Bank Authority (DLBA), Julie Schneider, the director of HRD.