



MEMORANDUM

TO: Willie Donwell, Board of Review,
Director

FROM: Hon. Scott Benson, City Council
District 3

CC: Hon. Fred Durhal III, Chair, Budget Finance & Audit Standing
Committee
Hon. Janice Winfrey, City Clerk
Malik Washington, Mayor's Liaison

VIA: Hon. Council President Mary Sheffield

DATE: 7 November 2023

RE: ANALYSIS OF THE H.O.P.E. PROGRAM

The persistence of property tax delinquency and continued increase of residents enrolling in the Homeowner Property Exemption (H.O.P.E.) program signals a need for Detroit to assess our approach to providing financial assistance and wrap around services for this segment of our homeowners. In recognizing the need of continued support for some of our most vulnerable residents and our ability to move families into a state of financial stability, I am requesting a comprehensive evaluation and strategic plan for addressing the chronic financial needs of H.O.P.E. program participants. The goal of this analysis is to reduce poverty by ensuring participants continue to receive the needed financial support and are also being evaluated for needed wrap around services. As a City we have to ensure our families are being moved towards housing and financial stability.

To that end, please respond the questions below:

1. Trends in Program Participation and Exit:

- What patterns are emerging in terms of new applicants and recurring enrollments in the HOPE program?
- Are there identifiable factors that contribute to participants' ability to exit the program, and what lessons can be drawn from these cases?

2. Cost-Benefit Analysis:

- How does the administrative overhead of the HOPE program compare to the total financial assistance provided to beneficiaries?
- Given the millions of dollars that accrue to beneficiaries, how can we enhance the program's efficiency and effectiveness?
- What tools can be introduced to reduce administrative costs and improve the program.

3. Impact on Public Services:

- In what ways does the funding of the HOPE program influence essential public services, particularly education, wrap around services and community resources?

4. Future Projections and Sustainability:

- Based on current trends, what are the projections for program participation and its fiscal impacts?
- Are there innovative strategies or supplementary supports that can be introduced to move residents towards financial stability and the ability to pay their property taxes?

5. Strategies for Empowerment and Self-Sufficiency:

- What initiatives or community partnerships can be developed to equip beneficiaries with the necessary tools for financial independence?
- How can we establish realistic goals, such as assisting a certain percentage of participants to transition out of the program, and what strategic actions are required to achieve these objectives?

6. Program Costs:

- Please identify the cost of the program to the general fund, as well as the funds of the affected taxing jurisdictions, by way of property taxes forgone.
- Please identify the trend in program use vs. Detroit's population over the last twenty years.
- What percentage of applications are denied?

I remain dedicated to supporting our most financially vulnerable residents through the H.O.P.E. program. My vision is to evaluate and optimize this program as a catalyst for lasting financial stability and empowerment, ensuring temporary assistance leads to economic empowerment. Your expertise and strategic insight are invaluable in this endeavor.

Please provide the report by 15 December 2023. If you have any questions, do not hesitate to contact my office at 313-224-1198.

SRB