

"Walk-on"
P&D



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan 48226

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

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Detroit City Council
Coleman A. Young Municipal Center, 13th Floor
Detroit, MI 48226

RE: Make it Home

Honorable City Council:

Make it Home (MIH) is an affordable home-purchase program that gives eligible Detroit residents living in foreclosed homes the option to purchase their home before the annual Wayne County tax foreclosure auction. Launched in 2017, MIH has assisted with the purchase of over 1,500 homes for low-income residents, including renters, former owners, and family homes. Financing is available to purchasers through 0% interest loans in the form of a land contract.

United Community Housing Coalition (UCHC) created Make it Home, which works with the City of Detroit to exercise its Right of Refusal option to purchase foreclosed homes back from the Wayne County Treasurer's Office before the September/October property auctions. The program has gained tremendous support and has been successful in creating and retaining homeownership, fighting blight, and helping to stabilize Detroit households and neighborhoods.

Make It Home through the Years:

Year	Total MIH Properties	Non-Deed Holder Participants	Owner-Occupied Participants	# of Deeds Provided	# of Land active Contracts	Average Purchase Price	Additional Resources
2017	80	80	0	80	0	\$4,910	
2018	519	341	178	487	28	\$2,859	40 participants received home repairs
2019	557	398	159	502	50	\$2,875	
2020	No Make It Home Program due to Property Tax Foreclosure Moratorium						
2021	3	3	0	3	0	\$4,785	
2022	238	228	10	79	115	\$8,601	
2023	104	101	3	38	65	\$7,917	
2024*	161	118	43	N/A	N/A	N/A	
Total	1501			1189	258		

* Current cohort 2024: 495 households advised on Make it Home. 314 were pulled from the Wayne County Tax Foreclosure Petition. Approx. 160 households are currently enrolled, with an additional 21 pending. This number may increase as multiple canvassing passes are still taking place to ensure all occupied foreclosed properties are aware of the resource. Canvassing is supported by ARPA Canvassing Vendors with the City of Detroit.

Make it Home Process:

- **Outreach to Foreclosed Properties**
 - Post March 31, City canvassing vendors and UCHC conduct door-to-door outreach to foreclosed properties and attend community outreach events to ensure occupants of foreclosed properties are aware of the MIH program and resource.
- **MIH Program Enrollment**
 - From April – July, UCHC completes MIH enrollment by advising households that have been foreclosed on about the programmatic requirements. For interested and eligible households, UCHC completes full program vetting which includes participants signing a statement of commitment to purchase the home for the price paid by the City to Wayne County plus UCHC administrative costs, establishing an escrow account with UCHC, passing a background check to determine if the homes was a problem in the neighborhood, agreeing to and passing a home inspection by UCHC, and completing full Program enrollment including Program modules and submission of all required documents and program participation forms.
- **Approval of Resolution by Detroit City Council**
 - In July, the City through its Planning and Development Department submits a resolution to City Council to authorize City of Detroit to exercise Right of First Refusal
- **MIH Right of Refusal Submission**
 - Pending resolution approval, at or around the end of July 2024, UCHC will provide the City with a list of eligible and enrolled residential properties that the City will acquire from the County under its 2024 right of refusal for Make it Home. The City and UCHC will close in escrow for the properties, with the sales price being the amount of funds required by the County for the City to acquire the properties under the right of refusal. Make it Home purchases are paid for by a revolving loan funding administered by UCHC, and previously seeded through philanthropic funding. The City will be allowed, pursuant to an escrow agreement, to release UCHC's purchase money from escrow for purposes of paying the Purchase Price to acquire the Properties from the County.
- **Transfer of MIH Properties**
 - At the end of the calendar year and upon transfer of title from the County to the City, the City's deeds for the MIH properties will be released from escrow to UCHC. UCHC deeds fully paid MIH participants their deeds or enters into 0% Interest Land Contract with participants in need of affordable financing.

The Make it Home program mitigates the destructive effects of tax foreclosure while elevating existing residents into stable homeownership at a low-cost and a large scale. The properties exist in each council district and represent a wide range of race, ethnicity, income, age, household size, personal experiences, and need. This Program would be impossible without the support of the City of Detroit (HRD, P&DD, DON and City Council), and the United Community Housing Coalition.

In 2024, Detroit continues to battle property tax foreclosure at a much smaller scale thanks to the many tools to assist residents at-risk of losing their home, such as the Homeowners Property Exemption (HOPE), Pay As You Stay and the Detroit Tax Relief Fund; Make it Home is an important tool in the foreclosure prevention fight and is one of the last resources for owners and one of few options for non-deedholder occupants to save their home from the foreclosure auction.

The various property tax foreclosure programs have been impactful in reducing the number of properties at-risk of foreclosure, and therefore the number of properties eligible for Make it Home has reduced significantly since the program's inception. In 2017, there were just under 2,000 occupied properties that


were foreclosed, this year there are just under 833 occupied, residential properties. PAYS and DTRF have been particularly impactful, removing property tax debt for many homeowners. The number of properties in tax foreclosure is also lower than in previous years due to the Wayne County Treasurer's successful petition to temporarily prevent foreclosures of certain owner-occupied homes with back taxes, which resulted in an order from the Circuit Court.

In light of the FBI investigation that was made public in February of 2024, the Housing & Revitalization Department (HRD), will be implementing new monitoring and oversight practices to ensure strong operational management of the MIH program by UCHC. HRD will review all program files for enrolled households. HRD will monitor the deeds of MIH participants and the households advised of MIH but ultimately not enrolled due to being withdrawn from the petition. Additionally, HRD staff will conduct ongoing case management for the 2024 MIH cohort, to ensure residents are connected to services and support, if needed. Case management will be driven by the needs of program participants, build a support network for the new homeowners, and focus on homeowner education to ensure long-term success.

With Councils approval, the City of Detroit will exercise its Right of First Refusal option to purchase foreclosed homes back from the Wayne County Treasurer's Office before the September/October property auctions. The purchase price funds for MIH will come from the revolving loan fund, that is operated and administered by the United Community Housing Coalition.

Thank you for your ongoing support of the Make it Home program on behalf of Detroiters who would otherwise face loss of homeownership or loss of rental housing who would not have the opportunity to retain or gain homeownership, but for this impactful program.

Respectfully submitted,

DocuSigned by:

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Julie Schneider

Director
Housing and Revitalization Department