



CITY OF DETROIT

MARY WATERS

COUNCIL MEMBER AT-LARGE

MEMORANDUM

To: David Whitaker, Legislative Policy Division

Conrad Mallet, Corporation Counsel

Through: Mary Sheffield, City Council President

From: Council Member At-Large Mary Waters submitting memorandum relative to

Date: 3/11/2025

RE: Modifications to DLBA MOU

SUMMARY:

Please work between the Law Department and LPD to capture the following changes in the language for the revised MOU that is being worked on for the DLBA:

1. **Eviction Process:** The Detroit Land Bank Authority shall not proceed with forced eviction of individuals occupying properties within its inventory without first going through the proper legal court process, ensuring due process is followed in accordance with Michigan state law.
2. **Right of First Refusal for Former Homeowners:** All former property owners and their immediate family members who lost their homes to foreclosure and whose properties are now in the DLBA's inventory shall have the right to purchase the property or land. The DLBA must provide these individuals with the opportunity to repurchase the property at a fair market value or under terms agreed upon by both parties.

3. **Property Condemnation:** The Detroit Land Bank Authority shall not use city departments or external entities (such as BEESED or similar agencies) to condemn occupied properties within its inventory. Any condemnation action must follow proper legal procedures and involve the necessary court process to protect the rights of current occupants.
4. **Board Composition:** Clarify the composition of the board to reflect a diverse range of expertise and perspectives that are essential for effective decision-making and representation of stakeholders.
5. **Transparency and Reporting:** Introduce provisions that mandate regular reporting and transparency measures from the board to promote accountability and foster trust among stakeholders.
6. **Conflict of Interest Policies:** Strengthen conflict of interest policies to prevent any potential conflicts and uphold the integrity of the board's decision-making processes.
7. **Term Limits and Succession Planning:** Implement term limits for board members and establish a robust succession planning mechanism to ensure continuity and fresh perspectives over time.
8. **Establish a Firm Application Processing Time:** The DBLA should process applications from interested individuals within 90 days. Additionally, citizens should be given 90 days to submit the necessary documentation before their applications are processed.
9. **Legally Establish First Right of Refusal:** Citizens who can demonstrate investment in their homes should be granted the first right of refusal to purchase the property they currently occupy, thereby avoiding the auction process.
10. **Provide Legally-Binding Letter of Intent:** Those approved for the Buy Back Program should receive a formal Letter of Intent from the Detroit Land Bank. This letter would provide assurance that their investment in the home will be recognized and counted.
11. **Provide Effective Notification:** Codify the Detroit Land Bank Authority's responsibility to notify all individuals currently residing in Land Bank homes. It is essential that these occupants are informed about the grievance process available when their applications for property are denied. This grievance process should involve the Housing Services Department (HRD) and provide clear guidelines for residents to follow.
12. **Establish Firm Policies Around Complaints:** Community complaints concerning occupied homes must clearly outline the legal disputes involved and residents should not lose eligibility for BuyBack unless they have been convicted of committing violent crimes against neighbors and property.

13. **Community Engagement:** Enhance provisions for community engagement to ensure that the board remains responsive to the needs and concerns of residents and stakeholders.
14. **Prohibition on the DLBA operating a Community Development Corporation (CDC):**
Mandate that the DLBA cannot have a closely-held CDC, where there is either direct management or there is significant overlap between the leadership of a CDC and the DLBA.

DEPARTMENTAL CONTACT:

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