



City of Detroit Detroit City Council

FROM THE DESK OF
Mary Waters, Member At-Large
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RESOLUTION REQUESTING THE WAYNE COUNTY TREASURER EXTEND A ONE-YEAR MORATORIUM ON OWNER-OCCUPIED FORECLOSURES

WHEREAS, the City of Detroit has a history of inflating property tax assessments, resulting in a property tax foreclosure crisis¹; and

WHEREAS, the City of Detroit has overtaxed homeowners \$600 million between 2010-2016 and still has not compensated overtaxed homeowners²; and

WHEREAS, the County taking a person's home for failure to pay property taxes is an act of extreme legal violence, which it should exercise with extreme caution. Nevertheless, since 2009, the County has foreclosed on over 100,000 Detroit homes despite property tax assessments that were widely known to be inflated; and

WHEREAS, since 2020, Wayne County Treasurer Eric Sabree announced several moratoriums on foreclosures of owner-occupied homes in Wayne County, with the latest being the May 16, 2024, announcement that Wayne County would not foreclose on owner-occupied homes worth less than \$40,000; and

WHEREAS, a University of Chicago study conducted in 2025 shows that the City has inflated the value of 84% of homes worth less than \$25,000, 73% of homes worth less than \$38,000, and

¹ <https://scholarlycommons.law.northwestern.edu/cgi/viewcontent.cgi?article=1348&context=nulr>

² <https://www.freep.com/story/news/local/michigan/detroit/2022/01/22/detroit-overtaxed-homeowners-600-million/6620156001/>

62% of homes worth less than \$50,000³, showing that the City of Detroit continues to systematically over assess lower-valued properties; and

WHEREAS, there are multiple property tax funding opportunities such as the Homeowners Property Exemption (HOPE), Pay as You Stay (PAYS), and the Detroit Tax Relief Fund (DTRF) that eliminate the tax burden for low-income homeowners. With funding available to pay these tax delinquencies, there should be no low-income Detroiters facing foreclosure; now therefore be it

RESOLVED, the Detroit City Council demands that the Wayne County Treasurer extend the moratorium on property tax foreclosures of owner-occupied homes in the City of Detroit assessed under \$25,000 (equivalent to market value under \$50,000); and be it

FINALLY RESOLVED, that a copy of this resolution be forwarded to the Wayne County Treasurer, Wayne County Assessment and Equalization Division, Wayne County Commission, Detroit Delegation in the Michigan Legislature, the Michigan State House Committee on Tax Policy, the Michigan State Senate Committee on Finance, the Mayor's Office and the Assessor's Office.

³ <https://drive.google.com/file/d/1kDzn6Se3JSTkeqAdA-iwwnbFii9wqYXw/view>