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TO: Honorable City Council

FROM: David Whitaker, Director Legislative Policy Division Staff

DATE: April 4, 2023

RE: **RESOLUTION COMPELLING THE DETROIT LAND BANK AUTHORITY TO SUSPEND THE BUY BACK/OCCUPIED PROGRAM**

Council member Mary Waters requested that the Legislative Policy Division (LPD) draft a RESOLUTION COMPELLING THE DETROIT LAND BANK AUTHORITY TO SUSPEND THE BUY BACK/OCCUPIED PROGRAM.

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

BY COUNCIL MEMBER MARY WATERS

RESOLUTION COMPELLING THE DETROIT LAND BANK AUTHORITY TO SUSPEND THE BUY BACK/OCCUPIED PROGRAM

- 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, One of the DLBA's programs created to foster homeownership is the Buy Back/Occupied program. This program is designed to allow individuals that previously had an equitable interest in the occupancy of a property now legally owned by the DLBA the ability to "Buy Back" back the property under the program; and
- WHEREAS, However, it has been recently alleged that some occupants of the DLBA properties are not properly being given an opportunity to participate in the Buy Back/Occupied program and instead the occupied property is being offered to the DLBA's community partner organizations and/or developers to purchase those properties, thereby bypassing on collaborating with the residents who occupy and/or denying eligible Detroiters participation in the program as set forth in the Buy Back/Occupied 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
- WHEREAS, The Detroit City Council has requested that the Office of Inspector General (OIG): 1). Conduct an audit of the Detroit Land Bank Authority, specifically focused on the Buy Back program for occupied homes, in order to identify any malfeasance or non-compliance which may have led to eligible Detroiters being denied participation in the program; 2). To identify any criminal actions by fraudulent landowners for referral to the appropriate law enforcement agency; and
- WHEREAS, In the interim of the OIG's audit, the Detroit City Council respectfully requests that the Detroit Land Bank Authority suspend its Buy Back/Occupied program for the duration of the audit, until a clear determination is made by the OIG; NOW THEREFORE BE IT
- **RESOLVED**, That the Detroit City Council urges the Detroit Land Bank Authority to suspend its Buy Back/Occupied program for the duration of the Office of Inspector General's audit of the Detroit Land Bank Authority, specifically focused on the Buy Back program for occupied homes, in order to identify any malfeasance or non-compliance 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), as well as media and residents.