

MEMORANDUM

TO: Christa McLellan, Deputy CFO/Treasurer
City of Detroit

Lawrence Garcia, Corporation Counsel
City of Detroit

CC: Honorable Colleagues
Janice Winfrey, City Clerk
Stephanie Washington, Legislative Liaison

FROM: Council President Brenda Jones *BQ*

RE: Detroit Homeowners Overtaxed \$600 million

In a recent article entitled “Detroit homeowners overtaxed \$600 million” published by the Detroit News, it was stated that “of more than 63,000 Detroit homes with delinquent debt of last fall, more than 90% were overtaxed—by an average of at least \$3,700—between 2010 and 2016.” Furthermore, despite the state-ordered reappraisal of every residential property in 2017 to alleviate the issue, there are still thousands of Detroit residents who face foreclosure over back taxes.

Please provide responses to the following questions and concerns:

1. What is the total value of over-assessed property taxes within the City of Detroit?
2. How many properties have been over-assessed?
 - a. Of those properties, how many are delinquent?
 - b. Of those properties, how many are in foreclosure?
3. What plans are in place to make whole the thousands of Detroit residents that were over-assessed on their property taxes?
4. What is the possibility of providing the following relief options:
 - a. Tax Credits for the overtaxed amounts.
 - b. Extended payment plans with lower payments and no interest.