

BY COUNCIL PRESIDENT BRENDA JONES:

**RESOLUTION URGING THE MICHIGAN STATE LEGISLATURE
TO ALLOW FOR A PROPERTY TAX FORECLOSURE
MORATORIUM AND PASS LEGISLATION TO PROVIDE RELIEF TO OVERTAXED
RESIDENTS**

WHEREAS, During the Great Recession of the 2000s, real property values declined across the country. Within the State of Michigan and particularly in the City of Detroit descending property values were magnified; and

WHEREAS, As the recession deepened, the process of reassessment of residential property values failed to lower the State Equalized Value for homes throughout the City. During the Great Recession, presumably in part due to these assessments a large number of residential properties in Detroit were foreclosed on by the Wayne County Treasurer Office; and

WHEREAS, Of all of the taxes assessed on the local tax bill, not more than 25% of that amount goes to the City of Detroit; and

WHEREAS, Although citizens have the ability to appeal assessments, many were unaware that the right existed; therefore, the appeals process was not taken advantage of fully. Moreover, many property owners did not know that their property had been over-assessed until after the various news articles and coverage highlighted this fact; and

WHEREAS, Beginning in 2014, the City undertook corrective action and reassessed each residential property in Detroit citywide which became effective with the 2017 Summer Tax bills. However, the City is trying to determine what may be done to rectify the past over-assessments within the boundaries of State law and its funding abilities. **NOW THEREFORE BE IT**

RESOLVED, While these options are being considered, the Detroit City Council strongly urges the Michigan State Legislature to pass legislation to grant a moratorium on property tax foreclosures in the City of Detroit until the extent of the problem can be determined and solutions can be recommended, ; **BE IT FURTHER**

RESOLVED, The Detroit City Council strongly urges the Michigan State Legislature to pass legislation to allow the City to create a program, that will provide relief to those property owners who paid the over-assessments, which may include crediting, over a ten-year period, against future City taxes owed for those who can quantify their over-taxation; **BE IT FINALLY**

RESOLVED, A copy of this resolution be forwarded to the 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.

February 3, 2020