David Whitaker, Esq.

Director

Irvin Corley, Jr.

Executive Policy Manager

Marcell R. Todd, Jr.

Senior City Planner

Janese Chapman

Deputy Director

John Alexander
LaKisha Barclift, Esq.
Nur Barre
M. Rory Bolger, Ph.D., FAICP
Elizabeth Cabot, Esq.
Tasha Cowan
George Etheridge

City of Detroit
CITY COUNCIL

**LEGISLATIVE POLICY DIVISION** 

208 Coleman A. Young Municipal Center Detroit, Michigan 48226

Phone: (313) 224-4946 Fax: (313) 224-4336

**Christopher Gulock, AICP Derrick Headd** Marcel Hurt, Esq. Kimani Jeffrey **Anne Marie Langan** Jamie Murphy Kim Newby Analine Powers, Ph.D. Jennifer Reinhardt Rebecca Savage Sabrina Shockley Thomas Stephens, Esq. **David Teeter** Theresa Thomas Kathryn L. Underwood, MUP Ashley A. Wilson

TO: The Honorable Detroit City Council

FROM: David Whitaker, Director

Legislative Policy Division Staff

DATE: March 23, 2021

RE: RESOLUTION URGING THAT THE DETROIT LAND BANK

AUTHORITY AND THE PLANNING DEPARTMENT PARTICIPATE IN THE RECONCILIATION OF PROPERTY ON A QUARTERLY BASIS

Council member Scott Benson has requested that the Legislative Policy Division (LPD) draft a RESOLUTION URGING DLBA AND PDD RECONCILIATION OF PROPERTY ON A QUARTERLY BASIS.

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

## BY COUNCIL MEMBER SCOTT BENSON

## RESOLUTION URGING DLBA AND THE PLANNING DEPARTMENT RECONCILIATION OF PROPERTY ON A QUARTERLY BASIS

- 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 Detroit Land Bank Authority (DLBA), was established in 2008, in order to manage programs to reduce the number of Detroit properties in public ownership. Currently, as per its operating agreement, the DLBA is tasked with managing and disposing of the City of Detroit's residential properties. In exchange the City of Detroit provides the DLBA a significant annual appropriation to provide this service; and
- WHEREAS, However, unfortunately, the City of Detroit (City) is still using the Planning Department a City General Fund Agency, to also sell residential properties, where title of the property is still within the City's control, including side lots, which uses significant staffing resources, including lawyers and real estate brokers, to do a job that is regularly accomplished by the DLBA online; and
- WHEREAS, The DLBA has created an infrastructure to sell the residential properties owned by the DLBA within the borders of Detroit, while the Planning Department is organized to carry out complex commercial real estate transactions for properties owned by the City. This practice allows for citizens to purchase residential properties at a far lesser cost than the City's Planning Department would require; and
- WHEREAS, The City and the DLBA have developed a mutually agreed upon practice of property reconciliation under which the City transfers title of residential properties owned by the City to the DLBA and the DLBA transfers title of commercial properties owned by the DLBA to the City annually for management and disposition per the operating agreement; and
- WHEREAS, As an alternative to the current practice of an annual property reconciliation, having the Mayor's Administration submit a property reconciliation resolution to City Council on a quarterly basis would reduce the amount of residential properties handled by the Planning Department and allow the City to better utilize its scarce financial resources and the DLBA to utilize its management and disposition attributes for residential properties; NOW THEREFORE BE IT
- RESOLVED, That the Detroit City Council strongly urges the Administration to seek to engage the DLBA to undertake the property reconciliation on a quarterly basis instead of annual to reduce the amount of residential properties handled by the Planning Department and allow the City to better utilize its scarce financial resources and the DLBA to utilize its management and disposition attributes for residential properties; and BE IT FINALLY
- **RESOLVED,** That the Administration submit a property reconciliation resolution between the City and the DLBA to City Council for approval on a quarterly basis.