

City of Detroit

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TO: Detroit City Council

FROM: David Whitaker, Director 
Legislative Policy Division

DATE: November 7, 2023

RE: **Proposed Third Amended and Restated Memorandum of Understanding Relative to the Detroit Land Bank Authority**

The Legislative Policy Division (LPD) provides this brief summary of the proposed Third Amended and Restated Memorandum of Understanding (MOU) between the City of Detroit (City) and the Detroit Land Bank Authority (DLBA).

The proposed MOU will supersede the prior Second Amended MOU which is set to expire on December 19, 2023. The majority of the provision contained in the MOU are the same as the previous iteration. The following details some of the more pertinent provision of the document.

As set forth in Section 1, the WHEREAS clauses are incorporated in the agreement and are considered binding terms. LPD notes the second WHEREAS provides:

WHEREAS, the Detroit Land Bank is governed by a Board of Directors consisting of five Directors, one of which is appointed by the Michigan State Housing Development Authority and four of which are appointed by the Mayor of the City, with recommendation from City Council on one appointment and subject to the timely approval of City Council on all four City appointments.

This provision is consistent with the Article IV of the Second Amended and Restated Intergovernmental Agreement (the Intergovernmental Agreement) between the City of Detroit and the Michigan Land Bank

Fast Track Authority (MLBFTA); and Section 3.2 of the Second Amended and Restated Bylaws of the Detroit Land Bank.

Section 3 Term, provides that the MOU will expire on December 31, 2026, or commensurate with the date pursuant to Article IX of the Second Amended and Restated Intergovernmental Agreement (the IA) between the City of Detroit and the Michigan Land Bank Fast Track Authority (MLBFTA) that provides for a party to withdraw and termination.¹

The MOU continues to provide as part of the DLBA duties a liaison for direct communication with City Council under Subsection 4a:

City Council Liaison. The Detroit Land Bank will continue to provide a liaison for direct communications with Detroit City Council Members and their staff, and to meet with Members regularly.

Section 4c Reporting, added that the DLBA will provide the City with reports required in connection with Proposal N Bonds.

Section 4j of the MOU continues to have the DLBA acquire the approval of the Mayor and City Council prior to the subsequent transfer of ten (10) or more of such parcels to the same transferee within any rolling 12-month period; provided, however, that this limitation shall not apply to transfers to the City.

The MOU includes a provision that reflects the request of Council Members Waters and Johnson's resolution regarding the DLBA's Occupied Property program in Section 4s, which provides:

The Detroit Land Bank will continue to work with the City's Housing and Revitalization Department ("HRD") and develop new programs regarding unauthorized occupants in Detroit Land Bank properties, including expanded outreach efforts and supportive services including with respect to relocation. Specific efforts include but are not limited to the following.

- The Detroit Land Bank will route to HRD occupants who are in an unsafe house, are unresponsive to the Detroit Land Bank's outreach attempts, and/or who do not meet Buy Back Program eligibility requirements or have not been compliant with the program's requirements.
- The Detroit Land Bank's Occupied Property Disposition Program will continue to be made available to occupants who do not meet Buy Back Program eligibility requirements.
- The Detroit Land Bank will facilitate introductions between HRD and Occupied Property Disposition Program partners.

If we can be of further assistance, please call upon us.

¹ Pursuant to Article IX, Section 9.2 of the Intergovernmental Agreement (IA), Either Party may withdraw from this Agreement after the Initial Term, upon six (6) months' notice in writing to the City Authority and Parties as provided under Section 9.01; provided, however, that withdrawal by the City requires the approval of the City council and Mayor.