

RESOLUTIONS

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RESOLUTION TO
INCREASE WATER RESIDENTIAL ASSISTANCE PROGRAM
FUNDING AND EXPAND PROGRAM ELIGIBILITY CRITERIA

By: Council Member Ayers

WHEREAS, the City of Detroit and the Great Lakes Water Authority (GLWA) entered into a Regional Sewage Disposal System Lease, Regional Water Supply System Lease (collectively, the Leases), and a Water and Sewer Services Agreement (WSSA) to facilitate GLWA's provision of the water supply and sewage disposal services to its member-partner communities, including the City of Detroit; and

WHEREAS, the City is dedicated to providing its citizens with the nation's best water supply and sewage disposal services; and

WHEREAS, the City recognizes that for some residential customers of GLWA's member-partner communities, especially in the City of Detroit, the cost of water supply and sewage disposal services presents a burden that they may not be able to afford, and

WHEREAS, the City seeks to provide a means to reduce the number of residential customers who may be subject to service interruption due to an inability to pay for services and ultimately to reduce such service interruptions; and

WHEREAS, the City recognizes that some residential customers can benefit from regional programs to reduce residential service disconnections, accrued billing arrearages, collection expenses and water consumption through leaks and outdated plumbing fixtures; and

WHEREAS, the City recognizes that such programs provide residential customers with public health and other non-monetary benefits, and improves revenue collection rates; and

WHEREAS, Section 5.6(a)(v) of the Leases states that GLWA shall include within its budgeted revenue requirement:

The amount necessary to be deposited to the WRAP [Water Residential Assistance Program] Fund which shall be a common-to-all charge equal to 0.5% of the base budgeted operating Revenues for the Regional Water [and Sewer] System for such Fiscal Year; and

WHEREAS, Section 5.3(a)(iv) and (b)(vi) of the WSSA states that the City shall include within its Local System Budget:

The amount necessary to be deposited to the WRAP Fund, which shall be equal to 0.5% of the base budgeted operating revenues for the Detroit Local Systems for such Fiscal Year; and

WHEREAS, since its inception, the WRAP Fund has assisted almost 19,000 residential customers throughout GLWA's service area, including 17,000 in the City of Detroit, with payment assistance, water conservation and plumbing repairs, and wraparound services, thereby preventing service interruptions and bringing stability to participating residential households; and

2-17-2020 rec'd @ table; M.T.F. to NB (RM) 2-0 (JA; RM)

WHEREAS, GLWA's WRAP administrators, Wayne Metropolitan Community Action Agency, Oakland Livingston Human Services Agency, Genesee County Community Action Resource Department, Macomb Community Action, and Monroe County Opportunity Program, recommend an increase in the funds deposited in the WRAP Fund and changes in the WRAP eligibility requirements; and

WHEREAS an increase in funds deposited in the WRAP Fund and changes to the WRAP eligibility criteria would enable the WRAP to reach more residential customers who are struggling to pay for water supply and sewage disposal services; and

NOW THEREFORE conditioned on the GLWA's Board of Directors authorizing an amendment to the Leases and WSSA; and the Board of Water Commissioners, pursuant to its rate-setting authority for the local retail system under Section 7-1202 of the City Charter, authorizing an amendment to the WSSA;

BE IT RESOLVED THAT:

The City hereby approves and authorizes the following amendment to Leases to increase the amounts deposited in the WRAP Fund from 0.5% to 1.0% of base budgeted operating Revenues in each Fiscal Year, starting with Fiscal Year 2021:

Section 5.6(a)(v) of the Leases which currently reads as follows:

The amount necessary to be deposited to the WRAP Fund which shall be a common-to-all charge equal to 0.5% of the base budgeted operating Revenues for the Regional Water [and Sewer] System for such Fiscal Year.

Is amended to read as follows:

The amount necessary to be deposited to the WRAP Fund [which shall be a common-to-all charge equal to 1.0% of the base budgeted operating Revenues for Regional Water [and Sewer] System for such Fiscal Year; and

Section 5.3 (a)(vi) and (b)(vi) of the WSSA with the City of Detroit similarly provide that the City shall include within its Local System Budget:

The amount necessary to be deposited to the WRAP Fund, which shall be equal to 0.5% of the base budgeted operating revenues for the Detroit Local Systems for such Fiscal Year.

Is amended to read as follows:

The amount necessary to be deposited to the WRAP Fund, which shall be equal to 1.0% of the base budgeted operating revenues for the Detroit Local Systems for such Fiscal Year; and

BE IT FURTHER RESOLVED THAT the City authorizes and approves expansion of WRAP eligibility criteria to include the following:

- Increase eligibility for residential customers from 150% to 200% or less of federal poverty level;
- Increase conservation and plumbing repairs spending per household from \$1,000 to an average of \$1,500 for eligible residential customers;

- Allow eligible residential customers that are renters to take advantage of conservation and plumbing repairs to reduce their water consumption, upon landlord executing an agreement not to raise rents for one year;
- Provide eligible residential customers with a \$25 credit on water bills, without an expiration date, for eligible senior citizens and disabled persons enrolled in WRAP, and
- Provide eligible residential customers with supplemental conservation and plumbing services, financial education services, and other related wraparound services.

BE IT FURTHER RESOVED THAT to the extent that GLWA or the City incurs any liability or incurs any judgment related to its administration of the WRAP Fund or the provisions of this Resolution, the amounts of such liability and/or judgment shall be paid from WRAP Fund prior to additional distributions from the WRAP Fund to residential customers.

USE!



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

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BY COUNCIL MEMBER _____ :

**RESOLUTION REAPPOINTING A MEMBER TO THE
CITY PLANNING COMMISSION**

RESOLVED, That the Detroit City Council hereby reappoints David Esparza to represent District 6 on the City Planning Commission. The appointment shall begin immediately and shall expire on February 14, 2023.

February 14, 2020

CITY CLERK 2020 FEB 14 PM4:15



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1126
Detroit, Michigan 48226

Phone 313•224•3400
Fax 313•224•4128
www.detroitmi.gov

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January 23, 2020

The Honorable City Council
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Ave., Suite 1340
Detroit, MI 48226

Re: Appointment/Reappointment to the Detroit Brownfield Redevelopment Authority Board of Directors

Dear Honorable City Council Members:

It gives me great pleasure to inform you that I have appointed or reappointed, with your approval, the following individual to the Detroit Brownfield Redevelopment Authority Board of Directors.

<u>MEMBER</u>	<u>ADDRESS</u>	<u>TERM EXPIRES</u>
Amanda Elias	1227 16 th Street Detroit, MI 48216	July 1, 2020

Sincerely,

Michael E. Duggan
Mayor

cc: Kevin Johnson, President & CEO, DEGC
Malinda Jensen, Sr. Vice President, DEGC
Jennifer Kanalos, Director, DEGC
Elisa Malile, Deputy Chief of Staff, Mayor's Office
Nick Khouri, Group Executive - Jobs and the Economy Team, Mayor's Office



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Fax 313•224•4128
www.detroitmi.gov

BY ALL COUNCIL MEMBERS

RESOLVED, that the appointment or reappointment by His Honor the Mayor, of the following individuals to serve on the Detroit Brownfield Redevelopment Authority Board of Directors for the corresponding term of office indicated be and the same is hereby approved.

<u>MEMBER</u>	<u>ADDRESS</u>	<u>TERM EXPIRES</u>
Amanda Elias	1227 16 th Street Detroit, MI 48216	July 1, 2020

Adopted as follows:

Yeas: _____

Nays: _____

WAIVER OF RECONSIDERATION



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1126
Detroit, Michigan 48226

Phone 313•224•3400
Fax 313•224•4128
www.detroitmi.gov

February 7, 2020

Ms. Amanda Elias
Senior Advisor
City of Detroit Mayor's Office
1227 16th Street
Detroit, Michigan 48216

Dear Ms. Elias:

It gives me great pleasure to appoint you to the City of Detroit Brownfield Redevelopment Authority Board of Directors. Your term begins immediately following City Council's confirmation and expires July 1, 2020. Upon City Council's request, a City Clerk's office representative may contact you to schedule an interview.

If you require further assistance, please contact Ms. Malinda Jensen at (313) 237-4632.

Thank you for serving the citizens of Detroit.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael E. Duggan'.

Michael E. Duggan
Mayor

cc: Kevin Johnson, President & CEO, DEGC
Malinda Jensen, Sr. Vice President, DEGC
Jennifer Kanalos, Director, DEGC
Elisa Malile, Deputy Chief of Staff, Mayor's Office
Nick Khouri, Group Executive - Jobs and the Economy Team, Mayor's Office




**RESOLUTION IN SUPPORT OF THE PEOPLES SLATE OVERTAXED
HOMEOWNERS RESOLUTION**

BY CITY COUNCIL PRESIDENT PRO TEM SHEFFIELD

WHEREAS, The Peoples Slate recently adopted their Overtaxed Homeowners Resolution, which states in its entirety:

WHEREAS, It has been documented that the City of Detroit unconstitutionally assessed taxes against homeowners in violation of the Michigan Constitution; and

WHEREAS, The over-assessment amounted to more than \$600 million in over taxation; and

WHEREAS, The level of over taxation led to thousands of people losing their homes through the tax foreclosure process employed by both the City of Detroit and the County of Wayne; and

WHEREAS, The Peoples Slate has requested that the City Council approve a resolution to make homeowners whole and issue a property tax credit in the amount each homeowner was over taxed for all properties owned during the years between 2010 and 2016, or sell the over taxed homeowner a land bank property for \$1; and

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL APPROVES THE FOLLOWING RESOLUTION:

1A Be it resolved that the City Assessor's Office undertake a comprehensive analysis of all assessments performed between 2010 through 2016.

1B. Be it further resolved that the findings of this assessment analysis be provided to homeowners for review.

2. Be it resolved that the Auditor General perform an independent analysis of this Assessor's Office findings to validate their analysis.

3. Be it resolved that the City will contact each owner that was over assessed via all forms of communication used to notify homeowners of a tax bill, notifying the owner(s) of how much they were overtaxed within 30 days of identifying that the person(s) were overtaxed.

4A. Be it resolved that the City will cease participating in the Wayne County Treasurer Tax Anticipation Note program, until all the arrearage on over taxed homes during the period between 2010 and 2016 has been satisfied.

4B. Be it further resolved that the City propose a moratorium on 2020 tax foreclosure for all homes owned by private owner residents during 2010-2016.

5. Be it further resolved that the City will credit all homeowners over taxed with an amount equal to the amount of the over assessment and over taxation. This credit is applicable to the homeowner

overtaxed, or if the owner has acquired a new home in the City of Detroit the credit can be applied to the new property owned by the previously aggrieved taxpayer. The tax credit will be issued to the homeowner within 60 days from the time the over taxed assessment analysis has been completed by the Auditor General. The tax credit will remain in effect until the full amount of the over assessment and tax is exhausted. Once the tax credit is exhausted, all applicable taxes will be assessed, provided that the Assessor's Office has confirmed that the tax roll has been developed in accordance with Michigan law governing assessments.

6. Be it resolved that the City will recover all homes that were forfeited due to illegal assessments by way of condemnation actions if the property has been acquired by a tax investor through the Wayne County Tax Foreclosure process.

7. Be it resolved that the City will impose a moratorium on issuing tax abatements in the Downtown Development Area (DDA) and Tax Increment Finance (TIF) districts to parties until the homeowners over taxed during the period between 2010 and 2016 are issued a tax credit in the full amount the owners were over taxed.

8. Be it resolved that the City undertake an analysis of all tax captures currently in place so that City residents understand the full amount of tax giveaways in place and the fiscal impact on the City's budget.

9A. Be it resolved that all homeowners, once notified of their over taxed amount by the City Assessor, will have 30 days to opt out of receiving a tax credit as reimbursement for the over taxed amount of their properties.

9B. Be it further resolved that only homeowners who choose to opt out of receiving a tax credit as reimbursement for the over taxed amount of their property will be eligible to purchase a land bank property for \$1. The homeowner will also be eligible to apply for a zero interest loan to rehabilitate the property.

NOW, THEREFORE, BE IT RESOLVED THAT The Detroit City Council adopts the above resolution; and

BE IT FURTHER RESOLVED THAT Copies of this resolution shall be provided to the Mayor, the City Clerk, the Assessor's Office, the Auditor General, and other interested parties.

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.
M. Rory Bolger, Ph.D., AICP
Elizabeth Cabot, Esq.
Tasha Cowen
Richard Drumb
George Etheridge
Deborah Goldstein

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
Carolyn Nelson
Kim Newby
Analine Powers, Ph.D.
Jennifer Reinhardt
Sabrina Shockley
Thomas Stephens, Esq.
David Teeter
Theresa Thomas
Kathryn Lynch Underwood
Ashley A. Wilson

TO: The Honorable Detroit City Council

FROM: David Whitaker, Director 
Legislative Policy Division (LPD) Staff

DATE: February 11, 2020

RE: **Resolution in Support of the Peoples Slate Overtaxed Homeowners Resolution**

On February 5, 2020, Council President Pro Tem Sheffield directed the Legislative Policy Division (LPD) to draft a resolution conforming to the text of the Peoples Slate Overtaxed Homeowners Resolution.

The requested resolution is attached, including as directed the full text of the Peoples Slate resolution, with minor, non-substantive grammatical changes.

If Council has any other questions or concerns regarding this subject, LPD will be happy to provide further research and analysis upon request.

CITY CLERK 2020 FEB 12 PM 1:25