**Resolution Recognizing Homeowners Affected by Property Tax Over-Assessment 2010 through 2013**

**BY COUNCIL MEMBERS JANEE AYERS, SCOTT BENSON, ROY McCALISTER JR., ANDRE L. SPIVEY AND JAMES TATE**

**WHEREAS,** a significant number of Michigan homeowners saw the value of their homes decline during the Great Recession; and

**WHEREAS,** due to the swift decline in home values, a significant number of Michigan homeowners, and a large number of Detroiters, received property tax assessments in the years 2010-2013 that were likely in excess of the actual market value of the houses; and

**WHEREAS,** the gap between home prices and property assessments was largely closed in 2014; and

**WHEREAS,** many homeowners successfully appealed those assessments, many did not; and

**WHEREAS,** to correct past deficiencies, the City of Detroit completed a City-wide reappraisal and provided the Office of the Assessor with nearly a 50% increase in staff, new technology, and proper training and credentialing; and

**WHEREAS,** under the Detroit City Council’s leadership, an amendment to the Detroit City Code that requires an appraisal of all residential property in the city every five years; and

**WHEREAS,** a number of programs over the years have attempted to offset the expense of these assessments, including the recent Pay As You Stay (PAYS) legislation Michigan adopted earlier this year; and

**WHEREAS,** there likely remains individuals who likely would have successfully won an appeal of their assessments had they been filed, and whose appeals rights have expired; and

**NOW THEREFORE BE IT RESOLVED**, to help offset any loss suffered, anyone who owned a house that served as their primary residence between 2010 and 2013 shall receive preferences in 8 city programs, which preferences will remain in effect through December 31, 2024; and

**RESOLVED,** Affected Homeowner Eligibility will be according to Assessor’s records. If an applicant believes he/she was the owner and the Assessor’s records are incorrect, the Assessor may use documents other than the property transfer affidavit to verify the applicant's ownership such as a direct relationship to the deed holder and proof that the applicant has been paying utilities for at least a year; and

**RESOLVED**, Affected Homeowners will receive 50% off any auction house purchased from the Detroit Land Bank Authority. An eligible applicant purchasing a house through a DLBA auction can receive a 50% discount off the price of the property, similar to the preference currently offered to city employees. The City anticipates an increase of thousands of houses being auctioned in the next four years if the Neighborhood Improvement Plan bond issue passes and the city invests $10,000- $15,000 per house to secure vacant homes. The applicant may exercise the 50% discount option one time; and

**RESOLVED,** Affected Homeowners will receive50% off any eligible lot that qualifies under the DLBA sidelot program. For any sidelots the applicant is eligible to purchase under the DLBA sidelot program related to any house the applicant currently owns or any house they acquire in the future during the program period, the applicant can receive a 50% discount on all sidelots purchased. The applicant may exercise the 50% discount option one time; and

**RESOLVED,** Affected Homeowners will receivePreference in hiring for City employment.The City of Detroit currently employs more than 8,000 full time staff and hires approximately 1,000 new employees a year. City residents currently get 15 points added to their job applications to prioritize the hiring of Detroit citizens. Applicants from the Affected Homeowner program will get 10 points added to City job application score as affected homeowners, which will be in addition to any other points they would otherwise receive; and

**RESOLVED,** Affected Homeowners will receivepreferential access to Detroit at Work job search and career services. Detroit at Work will seek to send special notice of all Detroit at Work programs to eligible Affected Homeowners. Those Affected Homeowners who apply to a Detroit at Work program will be assigned to a specially designated career coach who is aware of other non-workforce program components and can help residents leverage multiple programs to help them achieve their career goals; and

**RESOLVED,** Affected Homeowners will receivepreferential access to summer jobs through Grow Detroit’s Young Talent (GDYT): In the annual enrollment for summer jobs through GDYT, 14-24 year old children and grandchildren of eligible applicants can receive priority access and placement. GDYT youth who complete their application during each year’s sign-up program will be given preference to make sure they are placed in a slot that summer; and

**RESOLVED,** Affected Homeowners will receivepreferential enrollment in the city’s Rehab Academy: As part of the city’s efforts to help Detroiters purchase and fix up vacant houses, the city will establish a Rehab Academy. Administered by the Bridging Neighborhoods Program, the Detroit Land Bank Authority and the Housing and Revitalization Department, the Rehab Academy will provide training for Detroiters to successfully identify necessary repairs, manage contracts, access educational tutorials and technical assistance, and complete the renovation process. Prior to each session, the City will first offer a one-week enrollment period exclusively for Affected Homeowners under this program, before then opening enrollment to other residents of Detroit; and

**RESOLVED,** Affected Homeowners will receive preferential enrollment in the city’s senior home retrofit program: The city’s senior home repair grant program has a current waitlist that must be honored. For all future enrollment periods, the city will first offer a one-week enrollment period exclusively for Affected Homeowners, before then opening enrollment to other residents of Detroit. Under the Housing and Revitalization Department’s retrofit program, applicants can apply for up to $15,000 in senior home repair grants to retrofit or upgrade the windows, doors, air leaks, and/or HVAC systems of their occupied homes; and

**RESOLVED,** to the extent that the City of Detroit uses public and publicly controlled resources for Affordable Housing projects, affected homeowners shall be given preference for the occupancy of affordable units through the establishment of an Affected Homeowner list and the timely communication of the availability of units for purchase or lease to those on the list, all of these subject to applicable City, US HUD and MSHDA rules and regulations; and

**RESOLVED,** Affected Homeowners will receive preferential access to Financial Counseling through Detroit at Work. Financial counseling services will be made available to help participants set savings and/or homeownership goals and connect to programs and resources needed to get there. Specially designated financial coaches will be assigned to Affected Homeowners program components to help residents achieve their financial goals.All services are available online, by phone, or at your neighborhood Detroit at Work Career Center; and

**RESOLVED,** that an affected homeowner can use each of the eight program preferences not more than once; and

**RESOLVED,** that the Fiscal Year 2020-2021 Budget is hereby amended to create Appropriation No. 20866 and appropriate Six Million and 00/100 Dollars ($6,000,000.00) from prior year fund balance to support the costs of this resolution; and

**RESOLVED,** that the Chief Financial Officer or his designee is hereby authorized to approve expenditures and make disbursements from appropriation 20866 associated with operating this program, including but not limited to verification and management of the affected Detroiters priority list, disbursements to the the Land Bank for lost revenue associated with the discount program net of operations as determined by the Office of the Chief Financial Officer, and additional home repair investments for affected homeowners if funding allows; and

**RESOLVED,** Affected Homeowners will receive preferential treatment on future program development Detroit’s Housing and Revitalization Department (HRD) is continuing to pursue potential additional housing programs through federal, state, and philanthropic funding sources. HRD will seek to create similar preferences for Affected Homeowners for those future housing assistance programs, subject to applicable legal restrictions; and

**RESOLVED,** in a continued effort to address the problem of over assessments prior to 2014, the City Council and Administration will support a state level task force comprised of state and local government officials and community stakeholders who will identify non-City funding sources to provide additional resources to Affected Homeowners; and

**RESOLVED,** if state law is passed and new state resources are available, the City will explore ways to offer tax credits for those who may be struggling with current taxes; and

**BE IT FINALLY RESOLVED,** Affected Homeowners will be able to participate in subsequent consideration of other programs or credits that are not directly mentioned in the resolution.