EXECUTIVE DIRECTOR'S LETTER

DLBA FAST FACTS OVERVIEW

COVID-19 DLBA IMPACT

DEPUTY EXECUTIVE DIRECTOR

INVENTORY

DISPOSITION

LEGAL

ADMINISTRATION & OPERATIONS

FINANCIAL

Unaudited Year to Date June 30, 2020 Revenue and Expenses
Unaudited June 30, 2020 Balance Sheet
Summary of DLBA's Revenue Funding Sources
Graphic Summary of Revenue and Expenses
July 15, 2020

The Honorable Brenda Jones, President
Detroit City Council
Coleman A. Young Municipal Activity Center, 13th Floor
Detroit, MI 48226

Subject: City Council Quarterly Report, 4th Quarter FY 2020, Detroit Land Bank Authority

Dear Council President Jones:

I am pleased to submit this quarterly report on behalf of the Detroit Land Bank Authority (DLBA). The DLBA is resolute in its service to the people of Detroit in reactivating blighted and vacant publicly owned property. Throughout this quarter, the coronavirus pandemic gripped our city. Our staff employed a dynamic approach to tailoring DLBA services and programs to remain accessible to Detroiters, despite COVID-19 restrictions. The vast majority of DLBA staff continues to work from home, with a few members of our team returning to office and field-based functions under heightened safety protocols. I am proud that we have maintained a high level of customer service throughout the “Stay Home” order and reopened our public lobby by appointment in June. You’ll find additional details about the impact of COVID-19 in a special section of this report as well as each department’s section.

Pandemic response-related budget cuts deeply impacted the DLBA during the fourth quarter, most noticeably in the form of layoffs and reduction in maintenance activities. Due to budget reductions to the DLBA and City’s General Services Department, maintenance on DLBA-owned properties is now limited to emergency situations and properties being prepared for sale. The DLBA laid off 28 full-time employees (20% of FTE total) and terminated 11 contract positions (50% of contractor total) on April 24th to address the immediate and impending budget shortfall triggered by COVID-19. Our workforce reduction plan accelerated a strategic shift to transition community engagement duties out of a standalone department and instead, embed this function into key teams such as Sales and Programming, Compliance, and Inventory Maintenance. Under this new structure, DLBA team members specializing in these critical areas will represent the organization at community meetings and events, as well as correspond directly with constituents.

Despite the ongoing impact of the pandemic, in the fourth quarter the DLBA closed on the sale of 339 Own It Now properties, nearly matching total Own It Now closings during the same quarter last year. Total Side Lots sold now top 14,777 with 372 Side Lots sold this quarter. The HHF demolition program completed 14,860 demolitions with $260,725,852.25 reimbursed by MSHDA, representing 98% of the total federal grant spent. 4,366 properties have achieved Compliance across our Auction, Own It Now, and Nuisance Abatement programs. To date, the DLBA’s impact on Detroit’s neighborhoods represents an estimated economic value of $632,397,328.25.
As we move into the new fiscal year, DLBA staff is most excited about the launch of our new Vacant Land Policy and the new sales platforms it created. New avenues such as Neighborhood Lots, Oversized Lots, Infill Housing, and Land Review areas will make vacant land that does not qualify as a Side Lot readily available to Detroiters and increase transparency. Community engagement will be central to the rollout of these new programs. The DLBA remains committed to improving the quality of life for all Detroiters by advancing holistic blight remediation efforts, making homeownership accessible and affordable, and expanding access to property.

Sincerely,

Saskia Thompson

Executive Director
Detroit Land Bank Authority
SALES:
Structures:
  - Auction & OIN Sold: 1,249
  - Auction & OIN Closings: 408
  - Community Partner Sold: 6
  - Projects Sold: 8
Side Lots Sold: 372
Rehabbed & Ready Sold Since Inception: 75

INVENTORY:
Total properties: 86,855
Vacant land: 66,509
Structures: 20,346
  - Residential: 19,686
  - Non-Residential: 94
  - Accessory: 566
Side Lots for sale: 25,524

COMMUNITY ENGAGEMENT:
Virtual Community Meetings Hosted: 12
Lobby Walk-Ins: 41
Client Services calls answered: 25,903

KEY STATS:
- Economic value to Detroit’s neighborhoods: $632,397,328.25
- Total Side Lots sold: 14,772
- Total structure closings across all programs: 9,324
- Total sales across programs since inception: 26,041

DEMOLITION:
400 properties under contract per month since restructuring procurement July 2018.
HHF reimbursed spending to date: $260,725,852.25
HHF total structures demolished and reimbursed to date 14,860:
  - HHF1: 3,932
  - HHF 2: 2,995
  - HHF3: 1,465
  - HHF 4: 2,339
  - HHF 5: 4,129
HHF grant remaining: $4,648,973.64

COMPLIANCE: (program to date):
All Programs (Auction, OIN, Community Partners & NAP)
  - Currently monitored: 4,566
  - Achieved compliance: 4,366
Who are DLBA Purchasers?

- Detroit Resident (69%)
- Non-Detroit Resident (31%)

- Black (72.28%)
- White (8.91%)
- Hispanic/Latino (7.92%)
- Middle Eastern/Arab American (3.96%)
- Two Or More Races/Other (3.96%)
- Asian/Asian American (2.97%)
The Detroit Land Bank Authority (DLBA) complied with all aspects of Governor Gretchen Whitmer’s Executive Orders related to COVID-19 throughout the fourth quarter. Most DLBA employees continue to work from home exclusively. After the State modified the “Stay Home” order, appropriate employees returned to office and field-based functions on an as-needed basis.

Fortunately, the DLBA was already well-equipped to transition to Work from Home (WFH) before the State mandate. The Operations team spent the last two years integrating cloud-based systems into the DLBA workflow including the Salesforce database, Microsoft Office applications, and the Vonage telecommunications platform. These systems optimize daily operations for DLBA employees, facilitating collaboration and efficiency; they also allow for a successful, seamless continuation of remote work. Now DLBA employees utilize the organization’s advanced technology to ensure the DLBA’s mission is fulfilled despite limitations related to COVID-19.

SERVING THE PUBLIC

Client Services
The DLBA’s public lobby on the 12th floor of the Guardian Building remained closed throughout the “Stay Home” order. In line with changing restrictions, the DLBA reopened its public lobby for appointment-based services in mid-June. All visitors must complete a self-administered temperature check, health screening questionnaire, and wear a mask. The Client Services team continues to operate the DLBA call center and launched a new email address, inquire@detroitlandbank.org, giving the public a convenient alternative to calling the main phone line. In the first quarter of FY2021, the DLBA will expand its Lobby capacity to accommodate virtual office hours, program appointments, and expanded public computer access.

Community Engagement
By leveraging technology, the DLBA has maintained all essential functions across departments and remains accessible to the community. The organization is actively engaging Detroiters through a variety of virtual events on Zoom and Facebook. The DLBA hosts live virtual events almost weekly, and its social media and virtual event presence grew throughout May and June. These events reached thousands of people through Facebook with dozens participating in each individual event.

The DLBA dissolved the Community Affairs department at the end of April, during the workforce reduction implementation. However, the organization remains committed to active community engagement. Beginning in the fourth quarter, the organization shifted community engagement functions into strategic departments. Now, staff members working in critical areas of Sales and Programming, Compliance, Rehabbed and Ready, and Inventory Maintenance are representing the DLBA at community events. This structure allows Detroiters to connect directly with the DLBA staff who specialize in these areas – meaning residents will get more accurate, timely answers to their questions and concerns.

Property Access
Open Houses remained canceled due to coronavirus-related restrictions and concerns. However, the DLBA resumed private showings for interested buyers at its Auction, Own It Now, and Rehabbed and Ready properties in mid-May, in line with modifications to the State’s COVID-19 orders. Potential buyers can request private showings on buildingdetroit.org through a property’s listing page.

Public Meetings
The Detroit Land Bank Authority’s Board of Directors continued to host monthly public meetings using Zoom, giving community members ample opportunity to follow DLBA business operations and ask specific questions about properties in the neighborhoods. The Zoom format allowed residents to participate via web browser, smartphone app, or telephone.
WORKFORCE REDUCTION
To address the immediate and impending budget impact of COVID-19, the DLBA first instituted an instant spending freeze on all non-emergency or non-essential items.

In addition, the DLBA laid off 20% of its full-time employees and terminated 50% of contracted personnel on April 24th, 2020. Pay is temporarily reduced by 5% for senior executives with salaries above $125,000. Salaries and wages are frozen for all DLBA employees. The DLBA will cover the cost of premiums for continuation of health coverage under COBRA for laid-off full-time employees through July 31st, 2020.

DEMOLITION
Hardest Hit Fund demolitions are paid for through the federal grant program, and therefore, funding remains unaffected by COVID-19. Field-based demolition work resumed in mid-May after the “Stay Home” order was modified to allow the resumption of certain construction-related activities. The U.S. Department of Treasury extended the HHF deadline to June 30, 2021 due to COVID-19. Despite the extension, the DLBA still anticipates concluding the program by the original deadline of December 31st, 2020.
The Deputy Executive Director supports the Executive Director in the development and implementation of the Detroit Land Bank Authority’s (DLBA) strategic initiatives and policies. Promoted from Demolition Director at the close of the fiscal year 2019, Tammy Daniels transitioned to Deputy Executive Director in the first quarter of the fiscal year 2020. The transition was the first step in a reorganization, instrumental to identifying critical areas for organizational growth and promoting best practices.

Under the new structure, the Deputy Executive Director oversees the following departments:
- Demolition
- Property Rehabilitation (Rehabbed & Ready and Compliance)
- Public Relations & Strategic Initiatives

DEMOLITION
The DLBA, in partnership with the Mayor’s Office, City Council, and the Detroit Building Authority (DBA), continues to impact all Council districts through its various demolition programs. The DLBA gears its target demolitions within the federally designated HHF geographic boundaries toward reducing blight and spurring economic activity in these neighborhoods. The DLBA’s strategic demolition efforts are complemented by strategic reinvestment and rehabilitation, leading to significant increases in property values across the city.

HARDEST HIT FUNDS
The federal Hardest Hit Fund (HHF) program administered by the DLBA is near completion, with all remaining funds under contract and fewer than 65 demolitions remaining. As of June 30, 2020, MSHDA has reimbursed the DLBA $260,725,852.25 for 14,860 demolitions across all five rounds of HHF.

As of the close of this reporting period, two rounds of HHF funding are currently open, as the DLBA successfully closed out HHF2, HHF3 and HHF 4.

MSHDA Grant Reimbursement Payments Received (Since 2014)

<table>
<thead>
<tr>
<th>HHF ROUND</th>
<th># PROPERTIES</th>
<th>FUNDED PROPERTIES</th>
<th>TOTAL REVISED GRANT</th>
<th>REIMBURSEMENT IN PROCESS</th>
<th>REMAINING FUNDS</th>
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<tbody>
<tr>
<td>HHF 1</td>
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<td>$62,687,321.89</td>
<td>$62,793,413.18</td>
<td>$106,091.29</td>
<td>$106,091.29</td>
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<tr>
<td>HHF 2</td>
<td>2,995</td>
<td>$51,189,750.53</td>
<td>$51,189,750.53</td>
<td>$0</td>
<td>$0</td>
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<td>HHF 3</td>
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<td>$21,249,169.99</td>
<td>$21,249,169.99</td>
<td>$0</td>
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<td>HHF 4</td>
<td>2,339</td>
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<td>$41,913,118.63</td>
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<td>$0</td>
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<td>HHF 5</td>
<td>4,129</td>
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<td>$88,229,373.56</td>
<td>$3,411,300.40</td>
<td>$4,542,882.35</td>
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<tr>
<td>TOTAL</td>
<td>14,860</td>
<td>$260,725,852.25</td>
<td>$265,374,825.89</td>
<td>$3,517,391.69</td>
<td>$4,648,973.64</td>
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</tbody>
</table>
Please see the “Contracts” page under the “About Us” tab of www.buildingdetroit.org for a complete list of properties demolished and released to contractors. The DLBA continues to work diligently with the demolition contractors to ensure their invoices and supporting documents are correct, complete, and processed in a timely manner.
DEMOLITION ADVANCE FUND

On March 31, 2015, through the approval of City Council, the $20 million Demolition Advance Fund (“DAF”) was created. The sole purpose of the DAF was to ensure the DLBA had sufficient cash flow to make payments to contractors providing services under the HHF program, while the DLBA awaits reimbursement payments from MSHDA. The DLBA in partnership with the Office of the CFO has been working to amend the Memorandum of Understanding with the City to ensure conformity with the City Council’s Resolution that created the DAF. The amended agreement will be presented to City Council upon completion.

As a result of the DLBA’s efforts, working in conjunction with MSHDA and its City partners, more than 14,860 blighted structures were demolished with HHF money. The DLBA estimates that more than 15,000 structures will be demolished and funded with the DLBA’s total HHF allocation. Removal of these blighted structures from the City’s landscape stabilizes neighborhoods and motivates the real estate market, both of which are crucial to the City’s resurgence.

PROPERTY REHABILITATION

Rehabbed & Ready

Rehabbed & Ready is a philanthropic initiative to improve residential market values and bolster home ownership in the City of Detroit. Through collaboration with Quicken Loans, HRD, PDD and the Department of Neighborhoods dilapidated DLBA structures undergo full rehabilitation to at-or-above-market conditions. As a neighborhood-based initiative, there are parallel efforts in place to reduce blight and encourage occupancy via the DLBA’s existing demolition, nuisance abatement program, and disposition programs in neighborhoods selected for Rehabbed & Ready projects.

- **Closings:** The R&R team has successfully renovated and sold a total of 75 residential properties, with new homeowners moving into neighborhoods including Crary/St Marys, College Park, Evergreen-Outer Drive, Bagley, Schulze, East English Village, Martin Park, Greenfield-Grand River, and Morningside.

- **Open Houses:** Open House events are a staple in R&R program, ensuring prospective buyers have ample opportunity to view new listings. Due to COVID-19 restrictions, the DLBA suspended all Open Houses. To continue to connect with potential buyers, the R&R team collaborated with the Assistant Director of Public Relations to create weekly Virtual Sales Events to mimic the Open House experience and provide additional buyer education resources. New R&R content is posted on the DLBA’s social media channels.

- **Private Showings:** Prospective buyers can schedule private tours of current listings through buildingdetroit.org for any day except for Saturday.

- **Neighborhood Engagement:** As of the close of this quarter, there are 3,159 individuals on R&R’s e-mail marketing list for updates on new listings, price reductions, and offer deadlines.

Rehabbed & Ready is working on two strategic partnerships.

- **Michigan Historic Preservation Network:** Russell Woods is a local Historic District. This is the Property Rehab team’s first entrance into a Historically Designated neighborhood. MHPN has joined the project in a project management and consulting role to help the DLBA team navigate the historic rehabilitation process and lend their preservation expertise.
• **Detroit Mercy School of Architecture**: 4098 Fullerton in Russell Woods is the subject property for a design studio course. Students created a Design Packet for the Property Rehab Team to review, finalize and put into action with R&R’s construction team.
  o Students have made tremendous process. Their last class is April 17, 2020, and the students plan to finalize their design this summer.

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**Rehabbed & Ready**  
Fitzgerald Neighborhood Rehab Status  
- Properties: 7  
- Funded: $500,000 City of Detroit and $500,000 DLBA  
- All seven properties are currently under construction.
IVGV Neighborhood Rehab Status

- Properties: 16
- Completes: 2
- Under Construction: 1
- The R&R team is preparing the remaining 13 for rehabilitation and other sales strategies.

R&R house on Seyburn in District 5, listed for sale in Q4.

R&R house on Townsend in District 5, currently listed for sale.
COMPLIANCE

The DLBA’s Compliance team enforces agreements signed by property owners who have either purchased a property from the DLBA (“Sales Compliance”) or whose property was the subject of a Nuisance Abatement Program action (“NAP Compliance”). For both Sales and NAP Compliance, property owners agree to rehabilitate the property within six months and provide regular updates to the Compliance team documenting and verifying progress. If a property owner is not able to achieve compliance within the initial timeframe but has shown acceptable “proof of progress,” the Compliance Team provides 90-day extensions. The Compliance team provides an automatic 90-day extension for properties located in a historic district or properties purchased in the winter. In the fourth quarter of FY2020, the Compliance team adjusted its procedures and update requirements due to COVID-19. Recognizing property owners were unable to perform many renovation-related tasks during the “Stay Home” order, the Compliance department granted extensions to all cases. Compliance adjustments are detailed in the subsection titled, “COVID-19 Compliance Adjusted Procedures.”

Sales Compliance
The Sales Compliance reporting period begins on the date of closing when the buyer takes title and possession of the property. At closing, the property owner simultaneously executes a Reconveyance Deed the DLBA can record if the property owner fails to rehabilitate the property and meet the obligations outlined in the Purchase Agreement. Achieving Sales Compliance involves an objective, three-part criteria including:

1. Obtaining the appropriate inspection from the City of Detroit’s Buildings, Safety, Engineering, and Environmental Department (BSEED)
2. Occupying the property
3. Exterior maintained – no boards, no blight.

Nuisance Abatement Program (NAP) Compliance
The NAP Compliance program works with property owners who have entered into an agreement to avoid or stop litigation on properties identified as vacant, blighted, and a nuisance. The agreement outlines their responsibilities for rehabilitating or demolishing the property -- or selling it to someone who will. If the property owner fails to provide “proof of progress” on the subject property, the Compliance Team transfers the matter to DLBA attorneys for court action. To achieve NAP Compliance, owners must demonstrate the property is no longer a nuisance to the neighborhood evidenced by occupancy and exterior maintenance – no boards, no blight. After achieving NAP Compliance, the DLBA releases its lis pendens.
COVID-19 Compliance Adjusted Procedures

During the “Stay Home” order, the Compliance department adjusted requirements to engage property owners and avoid penalizing anyone during the height of pandemic-related restrictions. The DLBA’s goal was to treat all property owners with compassion and patience, emphasizing the priority of public health and safety.

- Compliance procedures temporarily suspended during Q4:
  - Compliance Office Hours
  - Automated update request emails (typically sent to property owners two days prior to delinquency)
  - Call-Fire Text message (typically sent to all delinquent property owners)
  - Involuntary property reconveyances on delinquent cases

- New Compliance procedures implemented during Q4
  - Wellness Check Calls:
    - Express concern for property owners’ wellbeing and provide current case status for their reassurance
  - Refreshed Reminder Emails:
    - Property owners with delinquent updates prior to the “Stay Home” order received reminder emails with information about new COVID-19 lobby and document drop-off procedures. Any verbiage that could be perceived as insensitive during the pandemic was removed.
  - Rehab Reporting Credit Extensions:
    - The Compliance team granted all property owners automatic extensions for Rehab Reporting to provide additional time for renovations and remain sensitive the impact of the pandemic on Detroiter.
    - Residential permit inspections on occupied properties were suspended (except for emergency issues).
    - The Compliance department recognized the suspension of other City services such as BSEED inspections and permits, as well as construction labor, preventing property owners from completing work through no fault of their own.

<table>
<thead>
<tr>
<th></th>
<th>Auction/Own It Now</th>
<th>Community Partners</th>
<th>Nuisance Abatement</th>
<th>All Programs</th>
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<tr>
<td></td>
<td>Program-to-Date</td>
<td>FY20DB</td>
<td>Program-to-Date</td>
<td>FY20DB</td>
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<tr>
<td>Currently Monitored</td>
<td>4063</td>
<td>2085</td>
<td>407</td>
<td>119</td>
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<tr>
<td>Compliance Achieved</td>
<td>2937</td>
<td>852</td>
<td>162</td>
<td>159</td>
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**Fifth Third Bank Grant**
The Compliance department temporarily suspended new engagements with grantees due to the “Stay Home” order and sensitivity to the health and safety of property owners, vendors, and DLBA staff. The team continued to review cases for potential grant recipients in anticipation of loosened coronavirus restrictions.

**Fifth Third Bank Grant Background**
The Detroit Land Bank received a grant from Fifth Third Bank, to assist DLBA-buyers in bringing their homes to livable condition. Many DLBA buyers are under financial constraints and this grant can provide critical relief.

The Compliance grant program offers “mini-grants” (up to $5,000) for specific, final items required to make a house habitable. These items include the following:
- Furnace
- Water Heater
- Final bathroom fixtures (sink, toilet)
- Kitchen appliances (stove and refrigerator)

To be eligible, potential grantees must:
- Be low-to-moderate income (dependent on household size and current Area Median Income data or be on public assistance)
- Be a current or future owner-occupant of the property
- Be current on property taxes
- Not own any other properties in the City of Detroit
- Have completed their home renovation except for only one of the following:
  - Installed furnace
  - Installed water heater
  - Completed/functional bathroom (sink, toilet)
  - Kitchen appliances (stove and refrigerator)

**Fifth Third Bank Grant Recipients (year to date)**

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<th>Property Owner</th>
<th>Scope of Work</th>
<th>Vendor</th>
<th>Price</th>
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<tbody>
<tr>
<td>Devin Dupree</td>
<td>Furnace</td>
<td>Mastercraft Heating &amp; Cooling</td>
<td>$4,993</td>
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<tr>
<td>Steven Wilbourn</td>
<td>Furnace</td>
<td>Randazzo</td>
<td>$3,683</td>
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<tr>
<td>Duressie Owens</td>
<td>Furnace</td>
<td>Randazzo</td>
<td>$4,114</td>
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<tr>
<td>Natoria Royster</td>
<td>Kitchen Appliances</td>
<td>Lowe’s</td>
<td>$2,046.03</td>
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<td><strong>Total Spend:</strong></td>
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<td></td>
<td><strong>$14,836.03</strong></td>
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Property owner Devin D. outside her renovated DLBA home.

### ED Agreements Being Monitored Pipeline (Showing Age of Agreement and Age of Delinquency)

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<tr>
<th>Total Under Compliance</th>
<th>Auction (Program to Date)</th>
<th>Auction (With Employee Discount)</th>
<th>Auction (With Educator Discount)</th>
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<th>Total Across Age</th>
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<th>Age of Agreement</th>
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<td>&lt;6 Mo.</td>
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<td>.5-1 yr</td>
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<td></td>
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<td>1-2 yrs</td>
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</tr>
<tr>
<td>2 yrs+</td>
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</table>

| Compliant              | 150                       | 10                               | 0                                |
| Delinquent (0-30 days) | 9                         | 6                                | 1                                |
| Delinquent (31-90 days)| 2                         | 3                                | 1                                |
| Delinquent (90+ days)  | 0                         | 10                               | 0                                |
| Potential Reconveyance (Sales Only) | 0 | 4 | 47 | 28 |

### ED Agreements That Have Achieved Compliance (Showing Age of Agreement)

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<tr>
<th>Total Achieved Compliance</th>
<th>Auction (Program to Date)</th>
<th>Auction (With Employee Discount)</th>
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<th>Total Across Age</th>
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<th>Time to Achieving Compliance</th>
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<th>Auction (With Employee Discount)</th>
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<td>&lt;6 Mo.</td>
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<td>.5-1 yr</td>
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</tr>
<tr>
<td>2 yrs+</td>
<td></td>
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</tbody>
</table>

| Occupied                  | 168                       | 12                               | 1                                |
| Listed for sale or Rent   | 43                        | 6                                | 0                                |
| Demolished                | 0                         | 0                                | 0                                |
PUBLIC RELATIONS & STRATEGIC INITIATIVES

In the second quarter, the DLBA’s Public Information Officer transitioned from the Community Affairs team to an expanded role as Assistant Director of Public Relations and Strategic Initiatives under the Deputy Executive Director. In addition to a continued focus on proactive media engagement, the expanded role includes a targeted effort to identify and remedy internal and external roadblocks and develop process improvements across the organization. The Assistant Director of Public Relations and Strategic Initiatives also supervises the new City Council and Government Liaison.

MEDIA RELATIONS

The Assistant Director builds the DLBA’s brand through a multi-faceted communications approach serving three main goals:

1. Proactive, positive storytelling through traditional media
2. Prevention or management of negative media coverage
3. Internal process and client-facing communication improvements

Media Coverage

Media coverage this quarter was limited to reporting by the Detroit News, Associated Press, WDIV, and WWJ of the DLBA’s workforce reduction in response to COVID-19 budget impact. With local media outlets primary focus rightfully on the global pandemic and Black Lives Matter movement, the DLBA has focused engagement and story-telling efforts on social media platforms.

Traditional media interest in DLBA content began to grow in June, including interview requests from the Wall Street Journal, iHeart Radio, and Bridge Magazine, with expected publication in July. In addition, the Assistant Director of Public Relations has responded to multiple requests from local media outlets about maintenance or demolition inquiries at specific properties.
Social Media
The DLBA launched a new social media strategy in May, that promotes content from DLBA revenue generating functions to engage followers, convert browsers to buyers, and support existing clients and constituents. Previously, most DLBA content focused on properties for sale through Auction and Own It Now. While those programs are still emphasized, DLBA social media content now better represents other beneficial programs such as Compliance, Rehabbed and Ready, Building Blocks, and Buy Back. Posts also offers followers new insight into DLBA maintenance and lesser-known programs like Marketed Properties and discounts.

In addition, social media affords community members another opportunity to connect directly with DLBA staff. This quarter the DLBA received and responded to hundreds of direct messages and comments on Facebook and Instagram.

Since implementing the new social media strategy early in the fourth quarter, the DLBA recorded significant growth across metrics including followers, engagement, and reach.

To stay up to date, follow the DLBA on Facebook @buildingdetroit and Instagram @buildingdet

Facebook
Monthly Engaged Users – All Months 2019 -2020

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**Daily Page Engaged Users**

[Graph showing monthly engaged users from January 2019 to June 2020]
Monthly Engaged Users – Q4 2019 vs. 2020 by Month

Monthly Engaged Users – By Quarter FY2020
Monthly Total Reach – All Months 2019-2020

Monthly Total Reach – Q4 2019 vs. 2020 by Month
Monthly Total Reach—By Quarter FY2020

Detroit small-scale developers: we just listed a bundle of 8 houses in Morningside that are ready for rehab! Morningside is growing and the neighborhood is part of the City of Detroit Government's ongoing E Warren/Cadieux Plan Neighborhood plan! Check out all our current single-family home bundles on https://buildingdetroit.org/marketed-properties/ you can also find them on the MLS.

#morningside #cityplanning #neighborhoodplanning #detroit #smallscale #redevelopment #buildingdetroit #DLBA #renovation #transformation #neighborhoods

3,150 People Reached
76 Reactions, Comments & Shares

41 Like
23 On Post
10 On Shares

3 Love
1 On Post
2 On Shares

16 Comments
8 On Post
8 On Shares

16 Shares
14 On Post
2 On Shares

597 Post Clicks
272 Photo Views
56 Link Clicks
269 Other Clicks

NEGATIVE FEEDBACK
0 Hide Post
0 Report as Spam
1 Hide All Posts
0 Unlike Page

Reported stats may be delayed from what appears on posts
Look at this amazing deck built by carpentry students at Emerging Industries Training Institute! A Nonprofit Organization at the Rehabbed and Ready house 2427 Townsend. Our teams love partnering with amazing organizations like EITI to amplify our impact in Detroit's neighborhoods by providing opportunities. https://buildingdetroit.org/rehabbed-ready/

*Note: These photos were taken before COVID-19 social distancing & health requirements*

#DLBA #buildingdetroit #rehabbedandready #rehabproject #detroitrehab #detroitneighborhoods #vocationaleducation #workforcedevelopment #deccgoals #detroithomes #homeownership #tradeschool #skilledtrades #backyardgoals

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Did you know we prep auction houses for sale by clearing interior debris? Now the DLBA is hiring in-house maintenance positions to help prepare homes for sale. If you or someone you know is interested in joining our team and our effort to eliminate blight, please apply today!

https://buildingdetroit.org/careers/career

#DLBA #buildingdetroit #hired #nowhiring #maintenance

---

1,847 People Reached
37 Reactions, Comments & Shares

1,847 Likes
23 On Post
3 On Shares

5 Loves
5 On Post
0 On Shares

1 Comment
1 On Post
0 On Shares

5 Shares
5 On Post
0 On Shares

128 Post Clicks
80 Photo Views
4 Link Clicks
44 Other Clicks

---

2,552 People Reached
60 Reactions, Comments & Shares

29 Likes
17 On Post
12 On Shares

6 Loves
3 On Post
3 On Shares

2 Comments
1 On Post
1 On Shares

23 Shares
23 On Post
0 On Shares

133 Post Clicks
30 Photo Views
39 Link Clicks
56 Other Clicks

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Reported stats may be delayed from what appears on posts.
Community Engagement
Due to the “Stay Home” order and public health and safety concerns, the DLBA engaged the community through virtual event programming during the fourth quarter. These events offer residents the opportunity to interact with DLBA staff, ask questions, connect with resources, and learn in-depth information about opportunities in their neighborhoods. Virtual events also allow participants to connect at their convenience, from the safety of their homes. The DLBA uses Zoom as its virtual event platform to ensure that residents without computer access can still join and participate in events via phone. Virtual events are publicized via social media and many are available to watch on Facebook for residents who were unable to attend live.

<table>
<thead>
<tr>
<th>Event</th>
<th>Description</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabbed and Ready Virtual Sales Events</td>
<td>Offers virtual property tours of new and current Rehabbed and Ready listings. Features a representative from a lending partner to explain mortgage process and opportunities. Engages participants with Q&amp;A. Streams live on Facebook in addition to Zoom.</td>
<td>Weekly on Saturdays since May 19th, 2020.</td>
</tr>
<tr>
<td>Virtual Building Blocks Events</td>
<td>Offers virtual property tours of select houses in the target neighborhood. Features representatives from the DONs and Community Partners to highlight area resources. Engages participants with Q&amp;A. Streams live on Facebook in addition to Zoom.</td>
<td>First event hosted June 20th, 2020. Multiple events slated for Q1 FY21.</td>
</tr>
<tr>
<td>Virtual Office Hours</td>
<td>Offers presentations from DLBA Inventory, Sales &amp; Programming, Compliance, and Client Services teams designed to educate residents. Engages participants with Q&amp;A. Streams live on Facebook in addition to Zoom.</td>
<td>Monthly. First event hosted May 28th.</td>
</tr>
</tbody>
</table>
Content Creation
DLBA leadership and departments often request content creation or revisions for buildingdetroit.org, internal communications, public statements, presentations, interagency responses, and special projects. COVID-19 impact communications dominated the fourth quarter.

COVID-19 Impact Communications

<table>
<thead>
<tr>
<th>April 2020</th>
<th>May 2020</th>
<th>June 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Regular email updates to all DLBA staff on Work from Home (WFH) status and pandemic impact updates</td>
<td>• Regular email updates to all DLBA staff on Work from Home (WFH) status and pandemic impact updates</td>
<td>• Regular email updates to all DLBA staff on Work from Home (WFH) status and pandemic impact updates</td>
</tr>
<tr>
<td>• Website message updates on COVID-19 closures and changes</td>
<td>• Website message updates on COVID-19 closures and changes</td>
<td>• Website message updates on COVID-19 closures and changes</td>
</tr>
<tr>
<td>• Workforce Reduction preparations including presentation, communications, media release, memo to City Council and City agencies</td>
<td>• COVID-19 impact update memo to City Council and Mayor’s Office</td>
<td>• COVID-19 impact update memo to City Council and Mayor’s Office</td>
</tr>
<tr>
<td></td>
<td>• Lead DLBA Return to Work planning committee and recommendation presentation</td>
<td></td>
</tr>
</tbody>
</table>

The quarter also included work on Black Lives Matter internal and external statements, budget and Memorandum of Understanding presentations to City Council, website revisions, and collaboration on public-facing flyers and documents for a variety of programs including Building Blocks and Rehabbed and Ready.

City Council Liaison
In Q2 FY2020, the DLBA created the new role of City Council and Government Liaison. The role is a hub for inquiries from Council, the Ombudsman, and other government agencies to streamline responses and identify common challenges faced by stakeholders and clients. In the fourth quarter, the Liaison processed 135 inquiries, 60 of which related to demolition or debris removal requests.
City Council Liaison

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As part of the DLBA’s shift in its Community Engagement strategy, the Liaison’s role expanded to accommodate meeting attendance requests from City Council and the Department of Neighborhoods. City Council members or District Managers seeking a DLBA representative to present or answer questions at a community event should contact the Liaison for assistance. This quarter, the Liaison attended City Council’s Virtual Evening Community Meeting, facilitated DLBA participation in DON virtual meetings for District 3 and District 4, and attended the DLBA Vacant Land Workshop hosted by City Councilmember Raquel Castañeda-López.
The Detroit Land Bank Authority’s (DLBA) Inventory Department oversees the acquisition, assessment, and pipeline assignments for all parcels the DLBA owns. The department also oversees property maintenance, data analysis, and coordinates with other City agencies to inform a flexible and dynamic sales strategy for the organization.

**Department Restructuring**

In preparation for programmatic expansion in FY21, the department underwent a comprehensive restructuring in the fourth quarter. To accommodate the development of new programs while addressing a leaner workforce stemming from recent budget cuts, a number of staff and functions transitioned between teams. In FY21, departmental staff are set to launch a new Vacant Land Policy, a new in-house maintenance program, a new occupied process, and new home sales policies. Without much additional help, the department had to become more efficient to accommodate new projects. At the same time, Inventory scaled back a number of existing processes – Own It Now maintenance, utility caravans, Building Blocks events, and building inspections, for example – due to budget and COVID-19 constraints.

**Inventory Department Organizational Chart**
To facilitate these changes, the department reorganized staff into four teams: Housing & Neighborhood Initiatives, Field Operations, Research & Analysis, and Land Reuse Programs.

- **The Housing & Neighborhood Initiatives Team:** manage the organization’s structure inventory, including ordering inspections, assessing homes, conducting home sale outreach, creating home listings, responding to home purchase inquiries, shifting homes between pipelines, and planning sales events, including Building Blocks events.

- **The Field Operations Team:** administer all of the department’s field operations, including ordering vendor maintenance, managing the in-house maintenance team, coordinating building inspections, referring maintenance inquiries to partner agencies, and responding to maintenance inquiries.

- **The Research & Analysis Team:** oversee data analysis and management for the organization, including the maintenance of Salesforce data, demographic and economic forecasting, inventory mapping, literature review, policy research, academic partner coordination, and the spatial, numeric, and statistical analysis used to shape the organization’s strategy and policy development.

- **The Land Reuse Programs Team:** manage the organization’s vacant land inventory, including preparing land for sale, responding to residents’ vacant land purchase inquires, creating vacant lot listings, conducting predevelopment work, and overseeing acquisitions.

For consistency, some team reports appear under the old structure for this report. The Inventory Department will organize future reports following the new structure.

**Home Sales Policies**
This quarter, department staff worked closely with the Disposition and Legal Departments to explore the development of new home sales policies. At present, the work is still in an analytical and conceptual phase, but the preliminary work to frame new sales avenues is underway. After analysis of recent private market activity and past DLBA sales performance, staff are exploring several modifications to the Auction and Own It Now policies as well as the potential for three new policies: Demolition Pulls, Realtor Sales, and Scattered Site Residential Bundles.

At the beginning of 2019, department staff began an effort to dramatically increase the monthly listing rate through the Own It Now (OIN) program. The change correlated with a strong increase in Own It Now sales. While Own It Now sales surpassed 100 per month once in 2018, OIN sales exceeded 100 per month all but once in 2019.
This change also coincided with an ongoing evolution in the composition of the DLBA’s inventory. Given the organization’s long-held strategy of building from strength, staff prioritized selling properties in higher-value markets while the Hardest Hit Fund demolition program targeted the most stable housing markets. Consequently, the percentage of DLBA structures in weaker markets escalated rapidly. Homes in these areas typically see lower demand from DLBA purchasers. To sufficiently increase sales in the face of these headwinds, staff increased the listing rate four-fold.

This confluence of factors led to a sharp increase in the number of properties remaining unsold after listing, even as sales increase overall. At present, staff have few mechanisms for spurring productive reuse after properties fail to sell through Own It Now, leaving few alternatives other than demolition. To address this population of properties, staff are evaluating the following home sales policies.

- **Auction and Own It Now** – To this existing policy, staff are exploring updates that would allow inclusion of adjacent garages, driveways, and additions, in a single listing. Additionally, staff are exploring the feasibility of capping deposit amounts to make purchases more accessible.

- **Demolition Pulls** – Staff are evaluating a demolition pull concept that would allow to the sale of eligible demolition pipeline properties with an enhanced buyer eligibility process.

- **Bundles** – Staff are exploring the potential for streamlining the existing bundle sales process to eligible small-scale developers able to demonstrate their capacity to complete the project.

- **Realtor Sales** – To sell unusual properties or homes that failed to sell through other channels, staff are exploring formalizing the existing process of selling individual vacant residential structures, or individual vacant residential structures with adjacent vacant land, through realtor listings.
RESEARCH AND ANALYSIS

The Inventory Department’s Research and Analysis Team oversees data analysis, data management, and data creation. The Research and Analysis team also administers the vacant land listing and notification process. This quarter the R&A team was intensively focused on conducting analyses that directly contributed to strategic decision making by DLBA Staff.

Side Lot Listings
In Fiscal Year 2020, the Research and Analysis team listed 5,768 Side Lots and responded to 2,714 resident Side Lot Inquiries. To date, we have answered 12,635 Side Lot Inquiries.

Academic Collaboration
A capstone study led by University of Michigan Taubman College Master of Urban Planning students and faculty concluded this quarter. The objectives of the capstone included a research-based analysis of housing markets and submarkets, a case study analysis, engagement with community groups and potential buyers, and developing programmatic recommendations for home sales. They focused on three areas where DLBA home ownership is concentrated: Nardin Park area, Claytown area, and Northeast Detroit. Students utilized American Community Survey and Census Data as well as case studies from Cuyahoga County Land Bank, Genesse County, Milwaukee, and New Orleans to inform recommendations. The final recommendations centered around strengthening existing partnerships, expanding bundle and home sales policies, outreach and education, and exploring alternative financing and rehab models.

STRATEGIC INITIATIVES

Land Reuse Programs: Build out, Marketing and Launch
The Strategic Initiatives Team is excited to take an active role in launching Land Reuse Programs related to the Vacant Land Policies approved by DLBA’s Board of Directors in March of 2020. The team spent the past several months coordinating process build-out with the Disposition Department, delivering Salesforce and website needs to the Operations Department. Staff anticipate launching the new programs in the first quarter of FY2021. Prior to COVID-19, the team expected to do significant marketing and engagement with block clubs and community partners at local churches, libraries and recreation centers. Now the team will deploy this strategy virtually, with a strong emphasis on working with local leaders from block clubs, DLBA’s Community Partners, City Council, and the Department of Neighborhoods.
This quarter, the Strategic Initiatives team began plotting these vacant land strategies. In doing so, the team will implement both neighborhood and districtwide strategies for events based on land stewardship approaches (soil testing, permits, anti-dumping/land beautification, storm water retention, land gardening). These programs will also consist of external coordination in search of resources and active organizations (Community Partners, block clubs, neighborhood stakeholder organizations, and City agencies and departments) to serve as panelists in outreach presentations. The Strategic Initiatives team will model these efforts on the Building Blocks event program, to educate residents on the new Vacant Land Policy while paring parcels of vacant land with available home ownership opportunities. A Land Reuse webpage with information about Land Reuse Programs and local ownership and stewardship resources will launch on buildingdetroit.org next quarter. One of these Land Reuse Programs will be the expansion of a Homestead Pilot.

The Strategic Initiatives Team is designing a pilot for the sale of “house-centric” homesteads—a structure bundled with surrounding vacant land, where the most valuable part of the sale is the structure. The pilot will explore different approaches to assembling and marketing this type of product. So far, staff recommended strategies to pinpoint homestead candidates and are now working to establish a process and identify between 10 and 20 sites to list on the DLBA’s webpage.

The team has also wrapped up several other initiatives. In June, the Strategic Initiatives Team finalized the DLBA’s Kresge Innovative Programs: Detroit (KIP:D) grant proposal application and submitted it for review to the Kresge Foundation. Staff repositioned the proposal to support activation of the DLBA’s new vacant land policies during a time when contact with the public is limited due to the COVID-19 pandemic. Specifically, the proposal seeks to provide a clear pathway for residents and community groups interested in purchasing DLBA vacant land and to develop a toolkit for implementing low-cost, anti-dumping treatments on these lots. The Strategic Initiatives Team will engage with program staff from the Kresge Foundation in July to discuss the proposal. A final decision about funding is expected by mid-August.

**Interagency Coordination**

The Strategic Initiatives Team continued its work supporting the Bridging Neighborhoods Program (BNP) and coordinating DLBA properties for the swap program. Construction resumed in May and six closings took place in June after COVID-19 delays. BNP has closed on a total of 35 DLBA properties since the program’s inception.

**New Fiscal Year and Beyond**

Marking just over one year since its creation, the Strategic Initiatives staff is focused on evolving to support new DLBA programs. The team succeeded in harnessing community development best practices to launch Building Blocks and evolve throughout twelve increasingly successful events over the last year. Now the work of 2019 and the build out of a virtual event, allows this initiative to continue through other teams within DLBA. The opportunity to do deeper analysis on financial tools used by other land banks will expand the organizations opportunities in the future. Deepening roots with Detroit departments and other agencies ensures the organization’s work is aligned with broader strategies. The team will take all the knowledge gained over the past fiscal year to launch new Land Reuse Programs, solidly focused on furthering the mission to bring properties back to productive use.
Building Blocks: The New and the Review

To adapt its blight elimination and neighborhood investment strategies to the current COVID-19 conditions, staff developed a Virtual Building Blocks event which provides similar services available at live events. On June 20th, the DLBA hosted its first Virtual Building Blocks event in the Littlefield neighborhood in District 7. Staff enhanced the Building Blocks webpage to include walkthrough videos of the featured Auction properties, offered an opportunity for viewers to register for a free coupon to visit a property in person, and links to internal and external home ownership resources.
Staff paired these website improvements with a live virtual Zoom presentation from internal DLBA departments and external partners. The presentation was streamed simultaneously to Facebook live, and reached 3,800 Facebook users with more than 100 unique video engagements.

While staff look forward to resuming in-person events once it is safe to do so, the team is confident that Virtual Building Blocks events are an impactful substitute, providing a wealth of home ownership resources for residents and other interested buyers.

**Building Blocks Property Statuses**

![Building Blocks Property Statuses](image-url)
Buyers Walkthrough Guide
Staff recently completed a Buyers Walkthrough Guide to equip potential buyers with information to review property and assess the cost of likely repairs. Created in close coordination with the department’s building inspectors and Compliance team, the guide provides an overview of how to determine the scale and scope of the repairs needed. For instance, when preforming a visual inspection of a roof, the guide offers several example photos of roofs in need of replacement.

The guide also indicates which repairs are required by the DLBA’s Compliance program, which may be complex, and which require a permit. Additionally, the guide contains a glossary for terms commonly used in construction so that buyers can familiarize themselves and more confidently communicate with contractors. At the end of the guide is an overview of typical repair costs so buyers can begin to get a rough estimate of what a house might cost and determine if it is feasible for them to rehab. Inventory hopes that buyers will use this guide to inform their purchase decisions so that they can complete the repairs, achieve compliance, and occupy the house.

Maintenance
In fiscal year 2020, the Inventory Maintenance Team completed 13,732 work orders on DLBA properties. In addition to 9,526 property inspections, staff ordered pre-sale maintenance for 3,027 Own It Now and 466 Auction properties. Staff also issued more than 600 work orders to address maintenance needs on other properties, including tree maintenance, debris removal, lawncare, and board-ups. As a point of comparison, in the FY 2019, staff issued 9,807 work orders, including readying 4,30 Auction and Own it Now listings for sale.

In the fourth quarter of FY 2020, staff dramatically reduced the number of maintenance work orders due to COVID-19 and the Governor’s Executive Orders. By the end of March, the DLBA ceased all non-emergency maintenance work, including inspections, pre-sale maintenance, and debris removal. By mid-May, however, most DLBA maintenance contractors were able to resume work at near-normal capacity. While maintenance work was hampered, staff worked diligently to organize sales and listings by closing priority in order to minimize impact on sales and closings. Despite these setbacks, the number of work orders was 28% higher in FY20 than FY19.
Future Maintenance Contracts and In-House Maintenance Team
In an effort to drive cost savings and further diversify the organization’s vendor base, staff elected to issue new Requests for Proposals for maintenance services in lieu of renewing the existing contracts. Staff split the traditional scopes of service into a number of smaller bidding processes, awarding contracts for roof tarping, debris relocation, and sign placement, for example, rather than for comprehensive maintenance services. While this did not exclude vendors from offering multiple services, it created a more inclusive process, allowing firms who offer some – but not all – of the typical maintenance services to participate, too. Due to extensive engagement with community partners and leaders, staff received 84 responses to the RFQ this year – a dramatic increase from years past. The DLBA Board of Directors recently voted to award 13 vendor contracts in various amounts for related DLBA maintenance. Of the thirteen vendors, nine are Detroit-based operations, nine are minority-owned, and five are run by women.

Due to extensive FY21 budget cuts, staff anticipate adopting a new service level that emphasizes sale preparation maintenance and emergency maintenance. Other inquiries will be recorded and addressed as staff are able.

The other notable maintenance development is the creation of an in-house maintenance unit to assist in the preparation of homes for sale. The strategy is to employ in-house teams to complete up to 50% of the auction homes brought to sale. If possible, once actual capacity is determined, the department hopes to also use in-house maintenance teams to respond to additional requests outside of sales preparation.
Inventory is currently in the hiring process for all six team members. Leadership is optimistic about generating employment opportunities while furthering the mission of the DLBA.

**PROPERTY EVALUATION AND PIPELINE MANAGEMENT**

The Property Evaluation and Pipeline Management Division of the Inventory Department combines property condition information, market data, neighborhood plans, and resident input to determine the best strategy for returning DLBA-owned structures to productive use. The Division balances data related to condition, location, and public input to decide if vacant DLBA-owned structures should be demolished or sold for renovation. The chart shows the current breakdown of vacant DLBA-owned structures by candidacy for demolition or salvage, or sale status.

**Vacant DLBA-Owned Structures**

The Property Evaluation and Pipeline Management team is also responsible for making properties available for sale, identifying home sale opportunities, and managing the process of preparing parcels for sale. Over the past quarter, the COVID-19 crisis presented significant obstacles to these processes, impacting everything from the DLBA’s capacity to clear title (due to Court and County office closures) to its ability to carry out in-person inspections. Despite these challenges, however, the Property Evaluation and Pipeline Management team managed to maintain property listing rates across the DLBA’s sales pipelines during Q4.

**HOME SALE PIPELINES: AUCTION AND OWN IT NOW**

Thanks to a series of quick and creative adaptations, the Property Evaluation and Pipeline Management team managed to make more Auction and Own It Now listings available for sale and rehab in Q4 than in any other quarter this fiscal year, despite the challenges associated with the COVID-19 crisis. In fact, in this quarter, the DLBA made more homes available for sale than in any other quarter in the DLBA’s history. In total, the DLBA made **1,350 homes** available for sale through the Auction and Own It Now programs in Q4 of FY20—a critical component of the DLBA’s continued fight against vacancy and for property access and homeownership among Detroiters.
In comparison to past fiscal years, FY2020 demonstrates a substantial year-over-year increase in the number of homes made available for sale and rehab. Fiscal Year 2020 saw more DLBA homes made available for sale than in any other fiscal year.

**Home Sale Listings by Fiscal Year**
Such increases represent a tremendous effort by the DLBA, with in-person inspection and title work carried out at every house prior to sale. In this way, the Inventory department balances a cost- and time-effective sales preparation process with the goal of setting buyers up for success.

Resident inquiries help drive the DLBA’s home sales pipelines. In FY20, the DLBA responded to 4,942 purchase requests from members of the public by listing houses for sale through the Auction and Own It Now platforms—more purchase requests addressed through home listings than any other fiscal year.

### MARKETING

Fiscal year 2020 saw a substantial ramp-up in the number of sites listed for sale by the DLBA through its real estate brokers—i.e. through its “Marketing” pipeline. Through this pipeline, the DLBA focuses on the sale of properties and sites that do not readily fit within the DLBA’s existing sales programs. Such sites range from small bundles of vacant houses to a grouping of vacant lots with potential for a land-based project. Through these sales, the Inventory team seeks to pilot new strategies for moving the DLBA’s inventory toward sale and re-use, while serving a diverse range of buyers and project proposals. To purchase one of these Marketing sites, buyers must submit a project proposal and evidence of their capacity to complete the project.
With a focus on increasing the scale and diversity of Marketing listings, the Property Evaluation and Pipeline Management team made **151 sites** (comprised of **405 parcels**) available for sale over the course of FY20—with **43 sites** listed for sale in the fourth quarter alone. Such numbers represent a significant increase in the volume of such sites listed over previous fiscal years. Additionally, staff worked to prepare an additional 449 parcels spanning 170 sites that are in the listing queue. Plus, the Property Evaluation and Pipeline Management team has targeted a variety of buyers, projects, and communities in these sales, as illustrated in the graphics.

**Marketing Sites Listed Fiscal Year 2020**
The Detroit Land Bank Authority’s (DLBA) core blight remediation effort is the disposition of property. The Disposition Department facilitates structure and land sales through a wide range of programs. Most of the DLBA’s structure and land transactions are online, through the Auction, Own It Now, and Side Lot platforms. The DLBA also sells property through the Rehabbed & Ready, Occupied Programs, Projects team, and, per the Memorandum of Understanding with the City of Detroit, the DLBA also engages in real estate transactions in support of strategic City initiatives.

**AUCTION**

The DLBA auctions houses daily on its website, buildingdetroit.org. Auction properties are the DLBA’s strongest rehabilitation candidates, focused in areas with the best potential return on buyer investment. The number of available Auction properties continues to decline as the DLBA exhausts its strongest inventory and moves into neighborhoods with weaker real estate markets and structures requiring more extensive sales preparation as well as renovation.

Due to COVID-19 restrictions which prevented field-based sales preparations, the DLBA reduced Auctions from two per day to one per day for most of the fourth quarter. Twice-daily Auctions resumed in late June, after changes to the State’s “Stay Home” order allowed for the resumption of field work. The coronavirus pandemic also resulted in fewer closings.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Closed (Q4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>117</td>
</tr>
<tr>
<td>2016</td>
<td>111</td>
</tr>
<tr>
<td>2017</td>
<td>140</td>
</tr>
<tr>
<td>2018</td>
<td>165</td>
</tr>
<tr>
<td>2019</td>
<td>169</td>
</tr>
<tr>
<td>2020</td>
<td>69</td>
</tr>
</tbody>
</table>

**OWN IT NOW**

Own It Now responds to public requests for properties in emerging neighborhoods. Any person can contact the DLBA with an address, and with certain exceptions, we will list the property for sale. Once a property is listed online, offers are accepted 24 hours a day, seven days a week. The first offer on a property triggers a 72-hour countdown, the person with the highest offer at the close of that timeframe wins the property.

Does not include failed buyers (a failed buyer is an individual or entity who paid the initial deposit but did not complete the final purchase of the property)
DISCOUNTS

Supporting the DLBA’s mission of returning Detroit’s blighted and vacant properties to productive use, Disposition promotes a variety of sales initiatives. Discount programs provide the opportunity for eligible participants to utilize a 50% discount on DLBA Auction homes. The 20% Home Buyer Counseling Discount & Community Partner-Endorsement is available to eligible participants for Own It Now or Auction homes. Each discount request is verified by the HR/Designated Point Person (DPP) for the applicable entity. Discounts will be applied at closing. One discount will be given per registered discount bidder. Bidders cannot combine or use multiple discounts.

### DISPOSITION BIDDERS

Closings are only one way to measure market demand for a given region. The number of applications processed also informs demand as seen in the table below.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<td>Auction</td>
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<td>Own It Now</td>
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<td>67</td>
<td>41</td>
<td>26</td>
<td>67</td>
<td>408</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th>% Off</th>
<th>New</th>
<th>Approved</th>
<th>Rejected</th>
<th>Used</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Employee</td>
<td>50%</td>
<td>67</td>
<td>489</td>
<td>228</td>
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<tr>
<td>Detroit School Employee</td>
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<td>Skilled Trade Employment Program</td>
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<tr>
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<tr>
<td>Community Partner Endorsement</td>
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<tr>
<td><strong>Q4 Total</strong></td>
<td></td>
<td>243</td>
<td>668</td>
<td>357</td>
<td>68</td>
<td>1,336</td>
</tr>
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</table>
SIDE LOTS

The Side Lot program caters exclusively to Detroiters and provides easy access to vacant lots adjacent to occupied homes for $100. Since 2014, the DLBA has sold 14,772 Side Lots, making it the Land Bank’s most popular sales platform. During Quarter 4 there were a total of 372 Side Lots sold.

<table>
<thead>
<tr>
<th>Month</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<td>April</td>
<td>15</td>
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<td>18</td>
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<td>May</td>
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<td>12</td>
<td>14</td>
<td>37</td>
<td>27</td>
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<td>84</td>
<td>75</td>
<td>32</td>
<td>50</td>
<td>372</td>
</tr>
</tbody>
</table>

CLOSINGS

The fourth quarter began amidst the COVID-19 pandemic. The Closing Team saw a nearly 50% reduction in the number of properties closed each month, falling below the monthly goal of 200 closed properties. While April and May’s reduction are directly related to COVID-19 fears and the “Stay at Home” order, June’s reduced closing numbers are a result of the Detroit Water & Sewage Department’s suspension of final water meter readings. Final water readings are necessary to produce final water bills, which are essential to sale closings.

A significant number of DLBA properties have outstanding water bills prior to DLBA ownership. The DLBA’s relationship with the DWSD allows it to request outstanding water charges be extinguished before closing. The goal is to provide title company partners with final water bills with $0 due for water usage. Without this arrangement, unaddressed water charges on a DLBA property would potentially become the responsibility of new owner and present an undue burden.

DWSD suspended final water reads in mid-March, creating a backlog of approximately 400 properties slated to close that the DLBA has or must reschedule. DWSD resumed final water reads for DLBA properties June 23, 2020.

There were 301 properties scheduled to close during the month of June. The DLBA ended the month with 172 executed closings.

TITLE SERVICES

Clear, insurable title is critical for anyone buying property—not just from the DLBA, but in general. Clear title provides confidence to the property owner in their ownership and any investment they make. It is an absolute prerequisite for any lending institution considering a mortgage. In fact, clear title is so important that it is one reason the state legislature created land banks. In Q4 2020, the Title Team received 762 new title orders. New title orders include examination of the title commitment for ownership (vesting) and underwriter’s requirements to eliminate outstanding interests, including tax and utility status, that may prevent future marketable title.

In total, 1,244 properties were assessed in Q4 2020. Of those, 314 (Initial Review) were confirmed to have marketable title with no delinquent taxes and graded as ready for sale; 683 (Legal Review) were transferred to Quiet Title. 154 (Update Reviews) were reviewed to confirm continued clear title with no new interested parties, new recorded/unrecorded liens, or tax bills were assessed against the property, which would prevent moving forward in the sale process. For the remaining 69 (In-house title clearance),
the Title Team requested tax clearances, BSEED releases, and handled escalations to underwriters to clear title issues.

There was a significant reduction in new title orders this quarter due COVID-19. The Inventory team typically submits the bulk of new title orders. To expedite the generation of title commitments, the Title Team normally pulled FOIA documents twice week from the Wayne County Treasurer and forwarded them to DLBA title partners along with new requests for title commitments. On March 16, 2020, Wayne County Treasurer closed due to COVID-19. The DLBA received permission from the Wayne County Treasurer to allow one member of DLBA staff access to County offices to pull FOIA documents once a week.

PROJECTS TEAM

The Projects Team consists of the Community Partnership Team and the Economic Development Team. Developers and Community Partners follow the same process for property acquisition, with Community Partners receiving a 20% discount off the purchase prices. Applicants looking to acquire property through the Projects Team may do so through the application process or through the marketing tract.

Marketing Update

The Projects team has placed several high value sites on the Market this quarter. Buyers can find DLBA Single Family Homes, Bundles, Infill lots and assemblages for Land Based Projects on the Multiple Listing Service (MLS) and place offers through real estate Brokers. The following are examples of fourth quarter listings.

Woodbridge Development Opportunity – Avery and Merrick

The Detroit Land Bank Authority, in partnership with the City of Detroit’s Housing and Revitalization Department and Planning and Development Department, seeks a developer for approximately 1.1 acres of vacant land in the Woodbridge neighborhood. The site is comprised of approximately 300 feet of frontage along Merrick street and 230 feet of frontage along Avery street. The property is zoned R2 which allows for single and two-family residences by-right and townhomes via a conditional use.

The successful respondent will demonstrate a strong track record in delivering quality projects on time and have residential and/or mixed-use development experience coupled with a commitment to creating quality, well-designed housing.

130 E GRAND BOULEVARD DETROIT, MI 48207

Amazing Development Opportunity at the footsteps of Belle Isle Park. The Detroit Land Bank Authority, in partnership with the City of Detroit's Housing and Revitalization Department and Planning and Development Department, seeks a developer for a prime development site comprised of approximately 1.21 +/- acres in the Islandview neighborhood with approximately 340 feet of frontage on E Grand Boulevard between E Jefferson and E Congress. The site contains 4 structures: the Frederick Chambe Mansion (a grand residential structure built in 1898 and designed by Detroit architect Louis Kamper), a cinderblock addition to the mansion built in 1966, a garage/carriage house, and a two-story commercial building fronting Congress Street.
Community Partnership Program
The Community Partnership program continues to encourage faith and community-based organizations to transform the neighborhoods that they serve through projects such as home rehabilitation, deconstruction, new construction, lot beautification, community gardens, and pocket parks.

The program guides nonprofits, faith-based organizations and community development organizations through the process of acquiring property through the DLBA. This program allows organizations to present proposed projects through development plans. The plans assist the Community Partnership Team in identifying properties and areas that will assist the organization in its goal.

To be eligible for the program, an organization must meet the following criteria.

- Headquartered in the City of Detroit
- Have a federal 501(c)(3) tax-exempt status
- Be current on its property taxes
- Not have any material blight violations or fines
- Have a letter of acknowledgment from the District Manager or City Council member where the organization is headquartered, or its catchment area
- Work in a defined geographic target area as agreed on by the Community Partner and the DLBA, in no case, will the project area exceed 5 square miles.
OCCUPIED PROGRAMS

Disposition’s Occupied Programs focus on providing pathways to housing security for occupants living in DLBA-owned properties, along with returning properties to the tax roll. The tiered approach includes the flagship Buy Back Program and Occupied Non-Profit Program.

Buy Back
The Buy Back Program gives an eligible occupant of a DLBA-owned property the opportunity to gain ownership of the house in which they live. After qualifying for Buy Back and purchasing the property for $1,000, the occupant officially enters program monitoring and must display consistent savings until their next tax bill arrives. Participants also attend regular homeowner and financial workshops with DLBA partner organizations and must pay their Summer tax bill before exiting the program.

Q4 Buy Back Closings
The Buy Back team typically conducts closings in small groups at Detroit Recreation Centers. Due to COVID-19 restrictions, the team was unable to hold closings during the fourth quarter. Although no closings occurred during Q4, the Buy Back Program still vetted occupants for eligibility and coordinated home preservation courses. The team also created an e-closing process to allow closings to resume, beginning in July. There are nearly 80 occupants pending closing.

The team is also preparing for virtual summer 2020 exit events, which will award deeds to the 194 participants who closed on their property in 2019.

<table>
<thead>
<tr>
<th>Executive Summary</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy Back Closed (inception to date) 809</td>
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</tr>
<tr>
<td>Buy Back Complete (inception to date) 556</td>
<td></td>
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<tr>
<td>Monitor Compliance for July 2020 exit 194</td>
<td></td>
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<tr>
<td>Monitor Compliance for July 2021 exit 42</td>
<td></td>
</tr>
<tr>
<td>Reconveyance Complete (inception to date) 18</td>
<td></td>
</tr>
</tbody>
</table>
Occupied Non-Profit
The Occupied Non-Profit Program (ONP) engages non-profit organizations and provides opportunities to increase neighborhood stability. Currently, the DLBA works with 11 ONP partners to help occupants who do not qualify for the Buy Back Program to transition to homeownership. Once title is transferred, the non-profit partner provides the occupant services that include renovation, resource support, plus lease and purchase options.

Q4 ONP Closings
Although no closing occurred during Q4 due to COVID-19, the Occupied Non-Profit Program continued to send properties to partners to vet. There are currently 16 properties pending closing. As of June, more than 1,000 properties have been reviewed through the Occupied Non-Profit Program.

<table>
<thead>
<tr>
<th>Executive Summary</th>
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<tbody>
<tr>
<td>ONP Closed (inception to date)</td>
<td>102</td>
</tr>
<tr>
<td>ONP Compliance Achieved (inception to date)</td>
<td>38</td>
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</tbody>
</table>

*Congratulations Lorretta!*
The Legal Department is responsible for the legal affairs of the Detroit Land Bank Authority (DLBA). The Legal Department provides legal advice and support to the DLBA that facilitates property disposition, remediates nuisances, and addresses illegal activity at properties throughout Detroit, helping the DLBA achieve its goal of restoring blighted and vacant properties to productive use. The Legal Department also represents the DLBA in a variety of legal, regulatory, transactional, and other contexts.

The Coronavirus pandemic had a significant impact on the Legal Department’s activities during the fourth quarter. Courts closed for civil actions including Quiet Title, Nuisance Abatement, and evictions, and our field operations -- such as posterings houses -- were suspended.

QUIET TITLE

The Legal Department files and oversees expedited Quiet Title Actions pursuant to extraordinary legal authority granted to land banks in Michigan under Section 9 of the Land Bank Fast Track Act, MCL 124.759. On September 2, 2014, the Chief Judge of the Wayne County Circuit Court issued a directive creating a special docket allowing the DLBA to file these actions efficiently. The power granted under the Act combined with the Special Docket allow the DLBA to obtain Quiet Title more efficiently, more quickly, and more cost-effectively than private parties or municipalities. The DLBA files Quiet Title actions on its properties in support of the organization’s commitment to sell property with clear, insurable title. By doing so, the DLBA provides buyers with confidence in their ownership and any investment they make in property purchased from the DLBA. Clear title also fulfills a standard requirement of a lender providing financing secured by a mortgage.

During the first few weeks of the fourth quarter of fiscal year 2020, the Quiet Title team was unable to file new lawsuits or schedule hearings because the court was closed. However, the Quiet Title Team prepared new lawsuits in anticipation of the court’s resumption of accepting new filings in early May. As a result, the DLBA was able to file nine lawsuits covering 796 properties. Hearings on these lawsuits are scheduled for the first quarter of FY2021. The Quiet Title Team expects to have first quarter hearings on lawsuits representing approximately 350 properties that could not be completed in the fourth quarter because of the court closure.

NUISANCE ABATEMENT

ABANDONED PROPERTIES

The DLBA established its Nuisance Abatement Program (NAP) in February 2014. The Detroit City Council delegated non-exclusive authority to commence Nuisance Abatement litigation on February 18, 2014 (Council Action Number 23). The criteria for being designated as a NAP-eligible property include that the property is vacant, boarded, and appears to be abandoned or neglected.
The City of Detroit Department of Neighborhoods defined the NAP Target Areas with input from members of the community. To determine specific boundaries, the DLBA used data sources to specify areas where NAP actions would be most effective, such as those with relatively low levels of vacancy where a limited number of NAP lawsuits could make a significant difference to an otherwise stable block. The NAP Team identifies NAP properties using several resources, including neighborhood surveys as well as input from the City’s Department of Neighborhoods, community groups, and neighbors. Specific locations are then verified by investigators, who place a large notice on the property.

In order to achieve proper service of process, the DLBA searches tax, title, and other records for each property to determine current interest holders of record, including owners, mortgage companies, and other liens. A NAP civil suit names current owners of record and requests abatement of the ‘nuisance’ created by the property’s condition. Owners or interest holders in a property who fail to respond to the lawsuit may lose their ownership rights to the property at a hearing for default judgment.

During the fourth quarter, the Legal Department did not place notices on any properties, due to the restrictions imposed by the State’s “Stay Home” order and out of consideration for the coronavirus pandemic impact on Detroiters. The legal team expects court proceedings and NAP lawsuits to resume in the first quarter of FY2021, when courts re-open in a remote format.

During the third quarter, the DLBA entered into 46 agreements with property owners to rehabilitate their properties. Additionally, the NAP program obtained 10 default judgments and one donation of an abandoned property to the DLBA in lieu of litigation.

**DRUG HOUSE UNIT**

Department (DPD) and the DLBA to help stabilize neighborhoods by addressing the use of properties in the City for drug trafficking. The DHU receives weekly emails from DPD reporting properties where officers found drugs and drug paraphernalia during surveillance and raids. Using this information, the DHU determines next steps based on the ownership of the property. If a property is privately-owned, and more than two raids occur within a one year period, the DHU may proceed with a lawsuit. If a property is DLBA-owned, the Legal Department’s Occupied Properties Team determines how to address occupancy at the property based on its internal investigation into the nature of the reported activities.

During the fourth quarter, DPD reported two applicable raids to the DHU. Both of which occurred at privately-owned properties. Only privately owned, single-family residences are eligible for DHU action, so letters were sent to the two properties. Raids were significantly reduced during the quarter due to the continuing impact of COVID-19.

**REMOVALS**

The Legal Department is responsible for the removal of unauthorized occupants from DLBA-owned properties. Due to the impact removals have on occupants, every removal is reviewed individually and with a high level of scrutiny. The DLBA assesses every occupant for potential Buy Back Program eligibility; if the occupant is found to meet none of the initial Buy Back Program entry points or has been vetted and found ineligible for the Buy Back Program, the Legal Team may go forward with removal. Buy Back vetting will not occur if the DLBA finds there to be extenuating circumstances such as confirmed reports of illegal activity at the property or confirmed vacancy and third-party sale. If the DLBA deems a property unfit for habitation, the DLBA will connect the occupant to the Detroit Health Department to assist with relocation while initiating removal proceedings. The final step in a removal proceeding is to secure the property and return it to the Inventory Department pipeline for assessment and potential sale.
Due to the closing of courts for civil actions and the Governor’s moratorium on evictions during the pandemic, the DLBA did not complete any removal proceedings during the quarter ended June 30, 2020. Eviction proceedings are pending at three properties and further evictions will be initiated once the eviction moratorium is lifted.

**FREEDOM OF INFORMATION ACT (FOIA) REQUESTS**

Under the Michigan Freedom of Information Act (FOIA), MCL 15.231 et seq., all persons, except those who are incarcerated, can submit a FOIA request to the DLBA FOIA Coordinator. During the fourth quarter, the DLBA received six new FOIA requests. Five of the requests were completed in the quarter and within the statutory timeframes. One request will be completed in the next quarter within the statutory timeframes.
The Administration & Operations Department of the Detroit Land Bank Authority (DLBA) directs the day-to-day operations and centralized resources of the DLBA. Providing Human Resources, Office Management, Information Technology, Data Solutions, and Client Services support. In addition to internal programming, Administration & Operations supports many programs utilized by external stakeholders, the public, and other City entities including the DLBA’s Salesforce database and buildingdetroit.org.

CLIENT SERVICES

The Client Services team strives to deliver exceptional customer service through the DLBA’s call center and lobby. Many Detroit constituents and DLBA clients require guidance navigating computer systems and online resources. Client Services Representatives (CSR) assist with the DLBA’s lobby computers, helping clients set-up accounts and purchase DLBA properties. It is a pleasure to provide hands-on guidance to our internal and external clients through information, resources, and transparency.

In response to Executive Order 2020-15, issued March 20, 2020, the DLBA temporarily closed the lobby and rapidly transitioned the Client Services Call Center to 100% remote operations. As of June 8, 2020, the Detroit Land Bank Authority’s public lobby reopened by appointment only. Appointments include the use of lobby walk-up computers, program office house, and virtual meeting conference rooms.
The DLBA Call Center operates within cloud-based systems facilitating the Client Services team to seamlessly work on-site or off-site as needed. With the reopening of the lobby, Operations executed a Return to Office (RTO) plan whereby no more than 30% of the Client Services staff work on-site each business day. To ensure the safety of DLBA staff and our clients, the lobby is equipped with a custom built COVID Health Screening questionnaire intake and contact tracing system, self-check thermometer, sanitation supplies, and social distancing signage. All visitors are required to wear a mask and maintain appropriate social distancing from all other visitors when on DLBA premises.

In observance of the Governor’s Executive Order 2020-21 (COVID-19), DLBA staff transitioned to Work from Home (WFH) operations in March. Utilizing the DLBA’s resources and staff ingenuity, the Operations Department maintained all essential business functions and remained accessible to the community. Operations continues to collaboration with Legal, Public Relations, and the Executive Director to inform and update DLBA staff regarding organization challenges and resources.

Operations implemented alternative Office Management procedures in compliance with the “Stay Home” order ensuring continuation of essential services, processing of DLBA mail, direct equipment shipping, and remote IT support to support staff during WFH. In coordination with City of Detroit resources, Office Management sourced and distributed PPE to essential DLBA staff, and as restrictions lifted, field and office staff. Operations continues to work with our external and internal partners to coordinate a scaled, safe return to office strategy.

This quarter, the DLBA faced a potential $5.8 million budget shortfall, as the impact of COVID-19 threatens its main revenue streams: City of Detroit subsidy and DLBA property sales. Reductions in revenue required immediate action to address the budget issues. On April 22, 2020 the Detroit Land Bank Authority Workforce Reduction Plan was implemented. The DLBA laid off approximately 20% of its full-time employees and terminated 50% of contracted personnel effective Friday, April 24th, 2020.

In addition, senior executives with salaries above $125,000 took a temporary 5% reduction in pay. Salaries and wages are frozen for all DLBA employees. Laid-off full-time employees with health insurance coverage through the DLBA retained their benefits through April 30th, 2020. The DLBA will cover the cost of premiums for continuation of health coverage under COBRA for laid-off full-time employees through July 31st, 2020.

To address immediate and impending revenue reductions, the DLBA first instituted an instant spending freeze on all non-emergency or non-essential items. Operations continues to evaluate cost-effective strategies to retool its central functions and program support.

While personnel cuts extend across all levels of the DLBA, they were more heavily focused in areas of the organization, that while valuable, do not directly drive revenue or operational support. The workforce reductions impacted each staffer’s workload, necessitating programmatic pivots and department restructuring. The DLBA does not anticipate making additional personnel cuts, however, due to the uncertainty of the COVID-19 pandemic and its economic impact, more cuts could be possible in the future.

The Operations IT department facilitated the means and ongoing support allowing all DLBA staff to seamlessly transition to a remote environment and continue working at full capacity.
Q4 IT Enhancement:
- Created a fully functional remote support IT environment supporting end-user software needs and issues during the COVID-19 pandemic
- On-premise Server Data Migration to Cloud base technology (Office 365 SharePoint)
- Created Departmental SharePoint sites facilitating remote data sharing
- Remotely Performed on-premise Server maintenance, data security enhancements, and User directory audit/cleanup
- Created COVID-19 Employee Screening and Check-In Stations
- Created Virtual Court proceedings workspace utilizing Virtual Technology
- Created Virtual Property Closing workspace utilizing Virtual Technology
- Created Virtual Security monitoring workspace utilizing Virtual Technology
- Supported user equipment request
- Enhanced mobile internet technology necessary due to increased data usage
- Enhanced Virus protection monitoring

IT / HR / Data Solution COVID Screening Questionnaire & Contact Tracing System:

In response to the health and safety needs of DLBA staff, the Operations department built a custom "DLBA COVID-19 Health Screening" system. This system integrates with the DLBA’s Salesforce database to collect HIPAA compliant health screening information when staff leave their home on DLBA business. Features include: mobile access, automatic alerts for symptomatic staff, contact tracing capabilities, daily random generation of COVID compliant color indicators for field workers, and long term database record keeping. Operations expanded the use of the COVID Health Screening system for all public engagement activities.
DATA SOLUTIONS

Data collection, organization, and analysis is critical to the functionality and growth of the Detroit Land Bank Authority’s Inventory, Disposition, Demolition, and Legal departments. The DLBA’s Salesforce database is the most comprehensive property database in the City of Detroit and the backbone of the DLBA. Since launching in Q1 2015, its user base, both internally and externally, has constantly increased.
The DLBA Data Solutions team receives frequent requests to support users from departments with diverse missions; from the Detroit Police Department to the Detroit City Council and Department of Neighborhoods; Q4 was no exception. In response to the COVID crisis we collaborated with City of Detroit partners to build the Detroit Means Business online resource hub facilitating access to small business resources, specifically personal protective equipment (PPE).

Detroit Means Business aims to connect Detroit businesses with the resources they need to reopen safely and strengthen their businesses. Within 3 days, the Support Request Form and intake portal evolved from concept to full public launch. Leveraging the Salesforce team’s talent and the database, the portal connects a web-based Business Support Request Form and routs it to the appropriate City and program partners. To date, over 5,000 Detroit small business requests have been submitted.

Project Collaborators Included: DEGC, HRD, CRIQ, Bedrock, the Mayor’s Office, DTE, McKinsey & Company and Tech Town. Resulting in providing the means for distributing over 3,500 boxes of PPE to small businesses (between 2-50 employees) located in Detroit.
The Data Solutions team continually strives to enhance automation and increase efficiencies. Due to the DLBA’s 20% workforce reduction, each department and program is asked to do more with less staff through. Consequently, Salesforce requests in the fourth quarter intensified. In particular, the Data Solutions team is working closely with Rehabbed & Ready, Buy Back, DWSD, and DPD to enhance critical data sharing and automation.

Recently the Data Solutions team joined the working group facilitating the Mayor’s vision for the Community Health Corps. Alongside the leadership at DHD, DoIT, HRD, DESC, and others we are collaborating to streamline data flows and referrals from agency to agency providing wrap around services to Detroit Constituents with multiple needs.

Salesforce stakeholder requirements necessitate engagement with the DLBA using multiple technologies. The DLBA’s Data Solutions team developed mobile resources for work, communication, and public engagement. In response to Executive Order 2020-15, demands have increased in all these regards: from e-signature technology to accessing our Salesforce database on any and all platforms. Data Solutions always strives to be progressive and forward thinking, resulting in minimal disruption to critical work and agile responses to unforeseen circumstances.
WEB TEAM

The DLBA’s Web Team provides continual support and enhancements to the DLBA’s website, Buildingdetroit.org. Continually working to improve user experience and respond to DLBA programmatic and e-commerce needs is central to facilitating the DLBA’s mission.

Q4 Website Enhancements:
- Continual COVID related business updates
- Updated "Marketed Properties" page
- Updated "Building Blocks" pages
- Updated "Rehabbed & Ready" page
- Updated DLBA Policies page
- Vacant Land Use Program scope and requirements
- Identify and resolve website outage due to unauthorized user attempted access AWS EC2
- Updated AWS root accounts and configurations
- Updated AWS root accounts and configurations EC2 instance
- Implemented AWS Multi-Factor Authentication (MFA)
- Implemented RDS database backup snapshot
- Implemented alarm protocols for the CPU utilization using Cloudwatch
- Implemented AWS monitoring protocols using Guardduty, Cloudtrail, Cloudwatch logs

Q4 buildingdetroit.org User Traffic & Pageviews

Pageviews
100,000

Pageviews
4,123,485

Unique Pageviews
2,731,813

Marketed Properties
COVID restrictions widely impacted DLBA programs, necessitating cross-departmental collaboration and creative problem solving. Many programs increased their virtual presence and shifted resources to web-based engagement during these uncertain times.

The Web Team continues to support internal DLBA programs as they shift in response to the COVID pandemic and business needs.
The Finance Department continues to operate in a transformative manner aligning itself to fully support the DLBA’s dynamic and ever-evolving operational functions. The summary below will discuss (1) June 2020 Fiscal Year to Date Revenue and Expenses - Actual versus Budget; (2) Balance Sheet Highlights; and (3) Status Update on the Hardest Hit Fund.

Due to reductions in funding resulting from the COVID-19 pandemic, the Detroit Land Bank Authority amended the FY20 operating budget to reflect revenue reductions including the $1.7M decrease in funding from the City of Detroit.

**June 2020 Year to Date Revenue and Expenses - Actual versus Budget**

Overall Revenue for the quarter was $63M versus Budget of $62.8M. Expenses were $62M versus Budget of $65.8M. Budget versus Actual variances were primarily driven by timing of demolition activities being executed relating to the Hardest Hit Fund.

Due to reductions in funding resulting from the COVID-19 pandemic, the Detroit Land Bank Authority amended the FY20 operating budget to reflect revenue reductions including the $1.7M decrease in funding from the City of Detroit.

**June 2020 Balance Sheet Highlights**

- The Balance Sheet ended strong with a working capital ratio showing that the DLBA’s current assets exceeded current liabilities by 2.4 times.
- Restricted cash balance of $7.5M consisted of maintenance fees for over 14,000 demolitions completed within the Hardest Hit Fund Program (inception to date), along with private donor donations where obligations have not been fulfilled.
- Designated cash from private donors and contractual obligations amounted to $20.4M (i.e., Demolition, Rehabbed Programs).
Hardest Hit Fund Updates
FY20 Activity
From July 2019 through June 2020, over $57.4M was paid for reimbursable demolition expenses relating to this program. Cash receipts from our partner, MSHDA, also exceeded $63.1M. As the program is in the final phases it is projected that the cash flow from reimbursements will exceed the cash flow to payments to vendors as prior year receivable balances are collected. The chart below is a summary of the projected cash flows through the end of this fiscal year.

Inception to Date
To date, the Hardest Hit Fund reimbursed expenses exceeded $260M and reimbursements were $254M for direct costs only. Thanks to the ongoing support of both City Council and the City of Detroit, the Demolition Advance Fund significantly supported vendor payments through the program. As of June 30, 2020, there was an outstanding balance of $10M that will be paid in full upon the completion of the program – see Chart below. We look forward to our continued partnership with City Council and the City of Detroit in eliminating blight.
**Income Statement Summary - Management View**

**Company Name:** Detroit Land Bank Authority  
**As of Period Ending:** 2020/012  
**Audit Status:** Unaudited  
**Report Status:** Draft

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<th>Budget YTD</th>
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</tr>
<tr>
<td><strong>Total Net Sales</strong></td>
<td>6,803,485</td>
<td>5,778,000</td>
<td>1,025,485</td>
<td>17.75%</td>
</tr>
<tr>
<td>Government Revenue</td>
<td>36,569,296</td>
<td>36,964,000</td>
<td>(394,704)</td>
<td>(1.07%)</td>
</tr>
<tr>
<td><strong>Total Government Revenues (MSHDA)</strong></td>
<td>36,569,296</td>
<td>36,964,000</td>
<td>(394,704)</td>
<td>(1.07%)</td>
</tr>
<tr>
<td>COD Operating</td>
<td>11,250,000</td>
<td>11,250,000</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>COD Blight</td>
<td>5,406,635</td>
<td>5,630,000</td>
<td>(223,365)</td>
<td>(3.97%)</td>
</tr>
<tr>
<td><strong>Total City of Detroit Revenue</strong></td>
<td>16,656,635</td>
<td>16,880,000</td>
<td>(223,365)</td>
<td>(1.32%)</td>
</tr>
<tr>
<td>Inter-Company Revenue</td>
<td>18,657</td>
<td>18,000</td>
<td>657</td>
<td>3.65%</td>
</tr>
<tr>
<td>Private Grant Revenue</td>
<td>810,107</td>
<td>885,000</td>
<td>(74,893)</td>
<td>(7.78%)</td>
</tr>
<tr>
<td><strong>Total Other Private Grant Revenue</strong></td>
<td>834,764</td>
<td>903,000</td>
<td>(68,236)</td>
<td>(7.56%)</td>
</tr>
<tr>
<td>Donated Goods and Service</td>
<td>34,000</td>
<td>39,000</td>
<td>(5,000)</td>
<td>12.82%</td>
</tr>
<tr>
<td>Inventory Impairment</td>
<td>(937,850)</td>
<td>(928,000)</td>
<td>(9,850)</td>
<td>1.06%</td>
</tr>
<tr>
<td><strong>Total Donated Goods and Service</strong></td>
<td>(503,850)</td>
<td>(889,000)</td>
<td>(14,850)</td>
<td>1.67%</td>
</tr>
<tr>
<td>5/50 Proceeds</td>
<td>1,456,898</td>
<td>1,450,000</td>
<td>6,898</td>
<td>0.48%</td>
</tr>
<tr>
<td>Closing Refunds to the Seller</td>
<td>103,640</td>
<td>120,000</td>
<td>(16,360)</td>
<td>(13.63%)</td>
</tr>
<tr>
<td>Housing Showing Fees</td>
<td>36,005</td>
<td>35,000</td>
<td>1,005</td>
<td>2.87%</td>
</tr>
<tr>
<td>Lease Revenue</td>
<td>4,100</td>
<td>4,000</td>
<td>100</td>
<td>2.50%</td>
</tr>
<tr>
<td>Legal Recoveries</td>
<td>25,289</td>
<td>25,000</td>
<td>289</td>
<td>1.16%</td>
</tr>
<tr>
<td>Other Income</td>
<td>133,116</td>
<td>134,500</td>
<td>(1,384)</td>
<td>(1.03%)</td>
</tr>
<tr>
<td>Quiet Title Fees</td>
<td>260,155</td>
<td>258,000</td>
<td>2,155</td>
<td>0.84%</td>
</tr>
<tr>
<td><strong>Total Other Income</strong></td>
<td>2,019,203</td>
<td>2,026,500</td>
<td>(7,297)</td>
<td>(0.36%)</td>
</tr>
<tr>
<td>Inter-Department Revenue</td>
<td>1,111,378</td>
<td>1,112,000</td>
<td>(622)</td>
<td>(0.06%)</td>
</tr>
<tr>
<td><strong>Total Inter-Departmental</strong></td>
<td>1,111,378</td>
<td>1,112,000</td>
<td>(622)</td>
<td>(0.06%)</td>
</tr>
<tr>
<td><strong>SUB TOTAL</strong></td>
<td>63,090,912</td>
<td>62,774,500</td>
<td>316,412</td>
<td>0.50%</td>
</tr>
</tbody>
</table>
UNAUDITED YEAR TO DATE JUNE 30, 2020 REVENUE AND EXPENSES

<table>
<thead>
<tr>
<th>Elimination</th>
<th>Inter-Department Revenue</th>
<th>(1,111,378)</th>
<th>(1,112,000)</th>
<th>(622)</th>
<th>0.06%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Inter-Departmental</td>
<td>(1,111,378)</td>
<td>(1,112,000)</td>
<td>622</td>
<td>0.06%</td>
</tr>
<tr>
<td></td>
<td>Total Income</td>
<td>(1,111,378)</td>
<td>(1,112,000)</td>
<td>622</td>
<td>0.06%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>61,979,534</td>
<td>61,662,500</td>
<td>317,034</td>
<td>0.51%</td>
</tr>
</tbody>
</table>

| Expenses     | General Admin Costs      | 1,450,534   | 1,590,000   | 139,466 | 8.77% |
|             | Personnel Costs          | 11,785,141  | 12,420,000  | 634,859 | 5.11% |
|             | Facilities Costs         | 1,595,124   | 1,640,000   | 44,876  | 2.74% |
|             | Professional Services    | 2,239,024   | 2,375,000   | 135,976 | 5.73% |
|             | Program Expense          | 43,866,355  | 46,726,000  | 2,859,645 | 6.12% |
|             | Inter Company Expenses   | 1,111,398   | 1,112,020   | 622    | 0.06% |
|             |                          | 62,047,576  | 65,863,020  | (3,815,444) | 5.79% |
| SUB TOTAL   |                          | 62,047,576  | 65,863,020  | (3,815,444) | 5.79% |

<table>
<thead>
<tr>
<th>Elimination</th>
<th>Inter Company Expenses</th>
<th>(1,111,378)</th>
<th>(1,112,000)</th>
<th>622</th>
<th>0.06%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Expense</td>
<td>60,936,198</td>
<td>64,751,020</td>
<td>(3,814,822)</td>
<td>(5.89%)</td>
</tr>
<tr>
<td>Net Income</td>
<td></td>
<td>1,043,336</td>
<td>(3,088,520)</td>
<td>4,131,856</td>
<td>133.78%</td>
</tr>
</tbody>
</table>
# Balance Sheet Detailed - Management View

**Company Name:** Detroit Land Bank Authority  
**As of Period Ending:** 2020/06  
**Audit Status:** Unaudited  
**Last Fiscal Year (Closed):** 2019

<table>
<thead>
<tr>
<th>Balance Sheet</th>
<th>Current Period June 30 (Last year)</th>
<th>Current Vs June</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>28,001,223</td>
<td>21,099,730</td>
</tr>
<tr>
<td>Accrued/Accounts Receivable</td>
<td>13,727,468</td>
<td>38,900,405</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>20,240,007</td>
<td>22,170,475</td>
</tr>
<tr>
<td><strong>Current Assets Total</strong></td>
<td>61,968,698</td>
<td>82,170,609</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td>530,842</td>
<td>695,097</td>
</tr>
<tr>
<td><strong>Fixed Assets Total</strong></td>
<td>530,842</td>
<td>695,097</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>62,499,540</td>
<td>82,865,706</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demo Advance Fund - City of Detroit</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Line of Credit - City of Detroit</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Accrued/Accounts Payable/Other Liabilities</td>
<td>15,638,626</td>
<td>37,046,128</td>
</tr>
<tr>
<td><strong>Current Liabilities Total</strong></td>
<td>25,636,626</td>
<td>47,046,128</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>36,862,915</td>
<td>35,819,579</td>
</tr>
<tr>
<td><strong>Equity Total</strong></td>
<td>36,862,915</td>
<td>35,819,579</td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td>62,499,540</td>
<td>82,865,706</td>
</tr>
</tbody>
</table>
SUMMARY OF DLBA’S REVENUE FUNDING SOURCES

Summary of DLBA's Revenue Funding Sources

DLBA FUNDING SOURCES

<table>
<thead>
<tr>
<th>Source</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSHDA Hardest Hit Fund (HHF)</td>
<td>Reimbursements for approved and accurate invoices for demolished homes in the HHF areas of Detroit</td>
</tr>
<tr>
<td>Demo Advance Fund (Line of Credit)</td>
<td>Extended by the City of Detroit and repaid exclusively by reimbursements from HHF (MSHDA) to be fully paid at the end of the program; allows for vendors to be paid prior to reimbursements from the State</td>
</tr>
<tr>
<td>City of Detroit Operating Grant</td>
<td>Support funds the day-to-day operations of the DLBA, offset by sales revenue generated from property sales and private donations</td>
</tr>
<tr>
<td>Sales – Net Cash Proceeds</td>
<td>Cash payments received (net of discounts, 5/50) generated from DLBA's sales programs (i.e., Auction, Own It Now, Side Lot Sales, Other)</td>
</tr>
<tr>
<td>Private Donations/Grants</td>
<td>Cash or properties received from the general public to offset operating costs or to support specific programs (i.e., Rehabbed and Ready)</td>
</tr>
</tbody>
</table>
**GRAPHIC SUMMARY OF REVENUE AND EXPENSES**

Fiscal Year 2020 – June Year to Date Revenue Summary

**Revenue - Actual YTD**

- **HHF Grant**: $34,000 (0%)
- **Net Sales**: $2,211,389 (4%)
- **Private Grant Revenue**: $16,656,635 (26%)
- **City of Detroit**: $36,569,296 (58%)
- **Donated Goods and Services**: $816,107 (1%)
- **$6,803,485 (11%)**

*HHF Grant includes: State Revenues, HHF Admin Fee, and HHF Maintenance Fee

*Net Sales includes: Structure Sales, Discounts, Side Lot Sales, Gain (Loss) on Sale of Property, minus Cost of Inventory

*Private Grant Revenue includes: Private Grant Revenue

*Donated Goods and Services includes: Donated Goods and Services

*City of Detroit includes: City Revenues and Non-Reimbursable – Demo – City of Detroit

*Other Income includes: 5/50 Proceeds, Closing Refunds, House Showing Fees, Lease Revenue, Legal Recoveries, Other Income, Quiet Title Fees, and Inter-Company Revenue less Impairment of Inventory
GRAPHIC SUMMARY OF REVENUE AND EXPENSES

Fiscal Year 2020 – June Year to Date Expenses Summary

Expenses - Actual YTD

- $18,181,221, 29% (General and Administrative Costs)
- $37,378,391, 60% (Other Program Expenses)
- $6,487,964, 11% (Demolition Expenses)

*Demolition Expenses include: Demolition General, Demo – Asbestos Survey, Other Surveys, Demo Winter Grade, Abatement Remediation, Demo Over 25K, Demo Non-Reimbursable, and Demo Non HHF

*General and Administrative Costs include: Facilities Costs, General Administration Costs, Inter-Company Expense, Personnel Costs and Professional Services

*Other Program Expenses include: Program Expense (excluding all direct Demolition Expenses listed above; but include indirect demolition expenses – lot cuts)