

#### DETROIT LAND BANK AUTHORITY:

Successes in Addressing Blight in the City of Detroit

MARCH 14, 2024

# What does \$11 million allow the DLBA to accomplish?

The Detroit Land Bank Authority remains focused on the mission of returning blighted property to productive use. Our staff is comprised of multiple teams, all providing direct support to Detroit residents, City Council, and the City of Detroit.





#### BUILDING BLOCKS

#### **THURSDAY, JANUARY 18, 2024**

4:00-6:00PM

Schoolcraft Improvement Association Gethsemane Church 17701 Glendale, Detroit, MI 48227

Learn about DLBA purchasing, compliance, and available inventory



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## Inventory

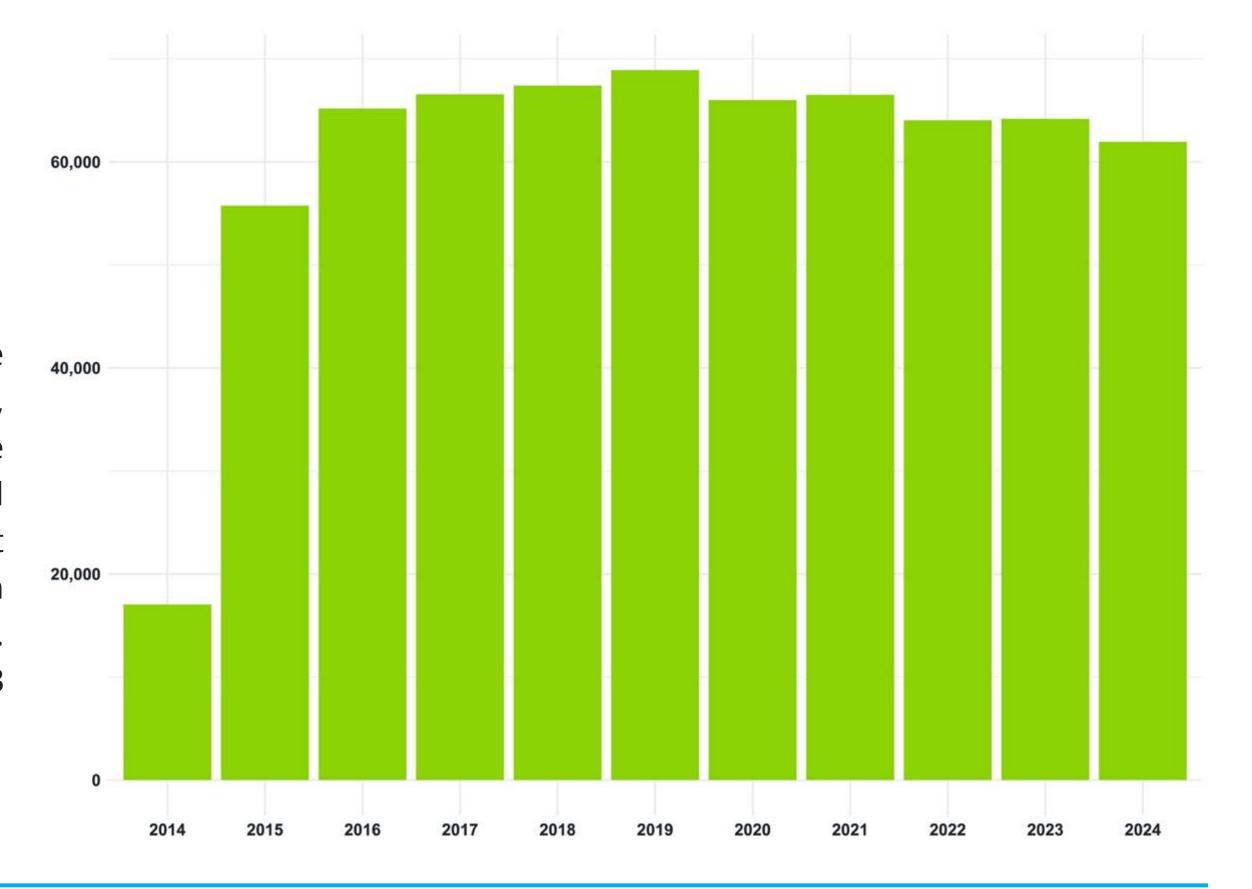
The DLBA has a current inventory of approximately 70,000 parcels. Our experience has shown that the most effective and efficient way to return these properties to productive use is through selling them to neighbors, residents, and community members who will invest in their maintenance and beautification.





# **Inventory:**Vacant Land

The DLBA is witnessing a notable transformation in its inventory, especially with vacant lots. These lots continue to be repurposed for various initiatives aimed at revitalizing and fostering growth within the neighborhoods. Currently, the DLBA has **61,513** vacant parcels in its inventory.







### Land Reuse

SIDE LOTS, NEIGHBORHOOD LOTS, CREATE-A-PROJECT, ACCESSORY STRUCTURE/OVERSIZED LOTS

To establish more ownership opportunities for residents, the DLBA offers several land reuse strategies, and additional vacant land sales programs.

# Lots of Lots Side Lot Fairs

DLBA hosted three "Lots of Lots" events covering all districts over the summer of 2023 to offer in-person assistance with the Side Lot and Neighborhood Lot purchase process, DLBA account creation, placing applications, and reviewing eligibility concerns.

23,611

Side Lots
Sold to Date

2,521

Neighborhood Lots Sold to Date

3,361

Vacant Lots
Currently Listed

23,824

Neighborhood Lots Currently Listed







#### **Cultivating CAP**

Create-a-Project Event

On November 18<sup>th</sup>, 2023, the DLBA hosted its first ever Cultivating Create-a-Project (CAP). This event was aimed at Detroit block clubs and community groups interested in purchasing land for neighborhood beautification projects through the Create-a-Project Program. The DLBA team assisted with applications, plot plans, and submissions for the Neighborhood Beautification Grant Program.

New CAP applications received

**369**Total applications since 2022

94

Purchasers approved to move forward with lot selection







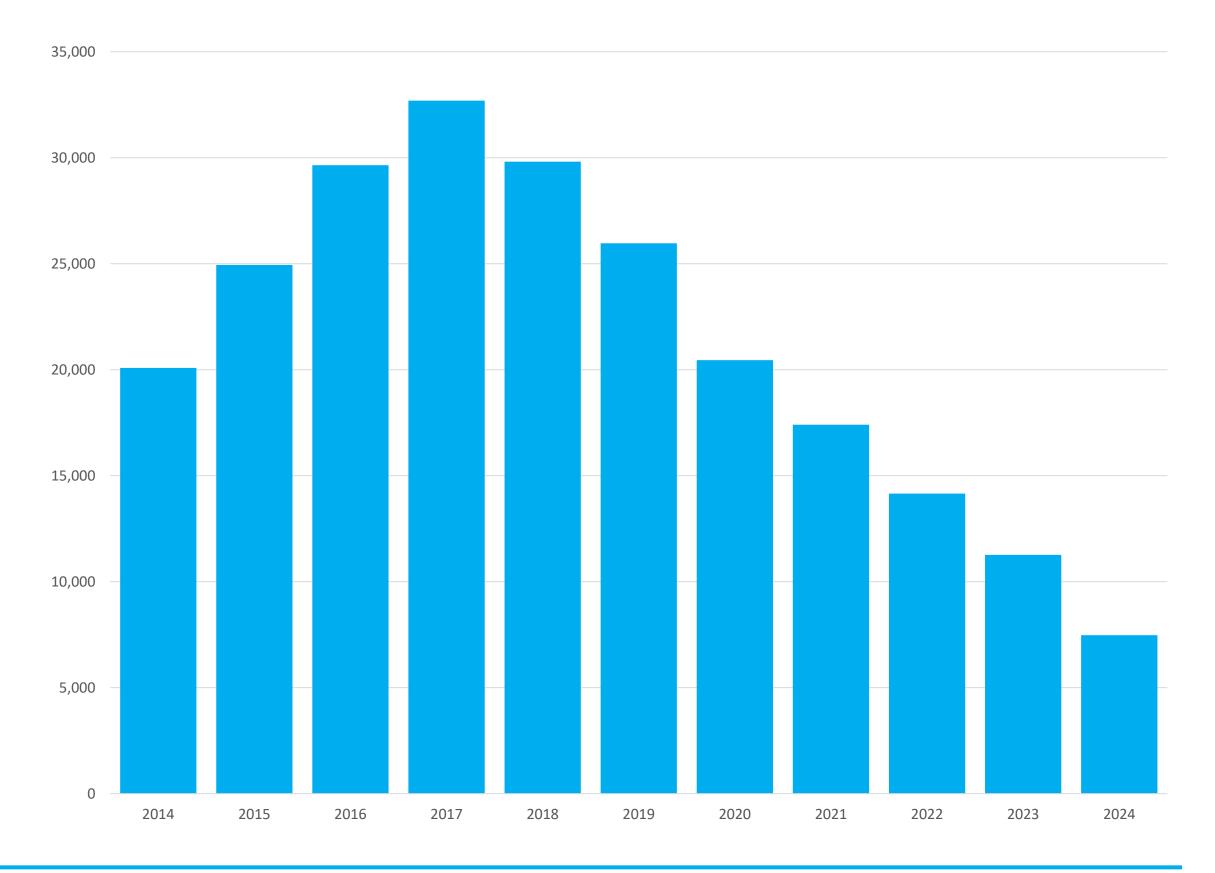






# Inventory: Structures

The DLBA's inventory of properties continues to decline. Currently, the Detroit Land Bank Authority has 7,472 total structures in its inventory.







# Structure Sales

#### **AUCTION, OWN-IT-NOW & PROJECTS**

The DLBA auctions houses daily on its website, buildingdetroit.org. The number of available structure inventory 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 and renovation.

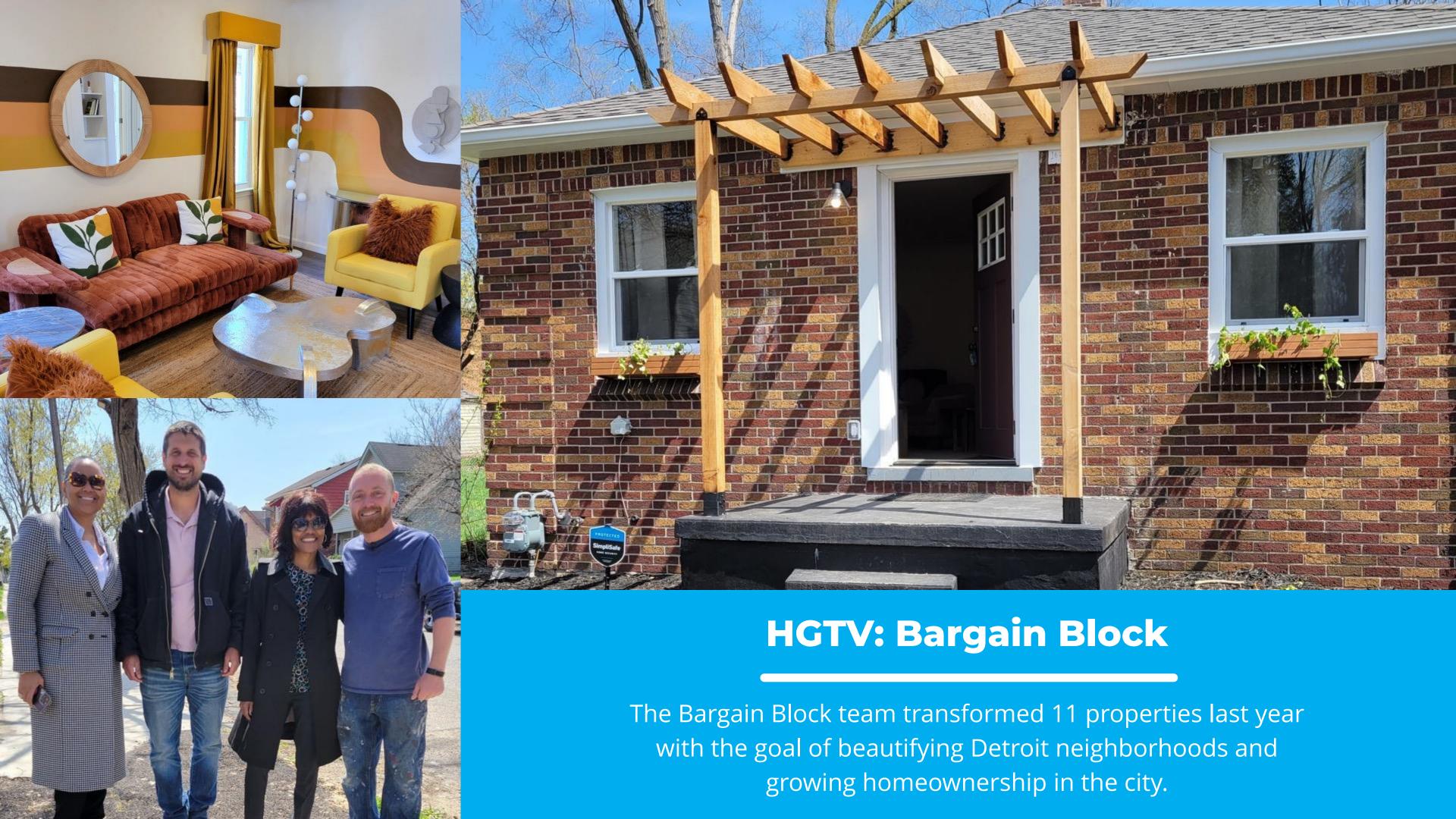
In total, **20,198** structures have been sold through our various programs. Currently **5,872** properties are currently being monitored and **10,684** total properties have achieved Compliance to date.













# Buy Back Program

OVER 1,100 GRADUATES SINCE INCEPTION

The Buy Back Program provides a path forward for occupants of DLBA-owned houses. It allows an eligible occupant of a DLBA-owned property the opportunity to gain ownership of the house in which they live. Last year, 135 participants successfully exited the Buy Back program to become homeowners, bringing the all-time total to **1,119** homeowners created by this DLBA program. The DLBA expects to graduate an additional 100 participants by the summer 2024.



#### Published: August 15, 2023 at 8:45 PM Updated: August 16, 2023 at 3:49 PM Tags: Metro Detroit, Wayne County

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#### homeowners in Metro **Detroit**

Detroit Land Bank Authority handed out deeds to 135 people who graduated from its Home Buy Back program

#### program ushers in over 100 new homeowners

Detroit Mayor Mike Duggan presented 135 deeds to graduates of the Detroit Land Bank Authority Buyback Program on Tuesday.

By Ingrid Kelley | Posted August 15, 2023 |







## Community Partners

The Community Partnership program continues to encourage faith-based and community organizations to transform the neighborhoods that they serve through projects such as home rehabilitation, 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.

310

**Community Partners** 

**4**39

**Community Partner Projects Closed Total** 

1,623

Properties Sold to Community Partners Total

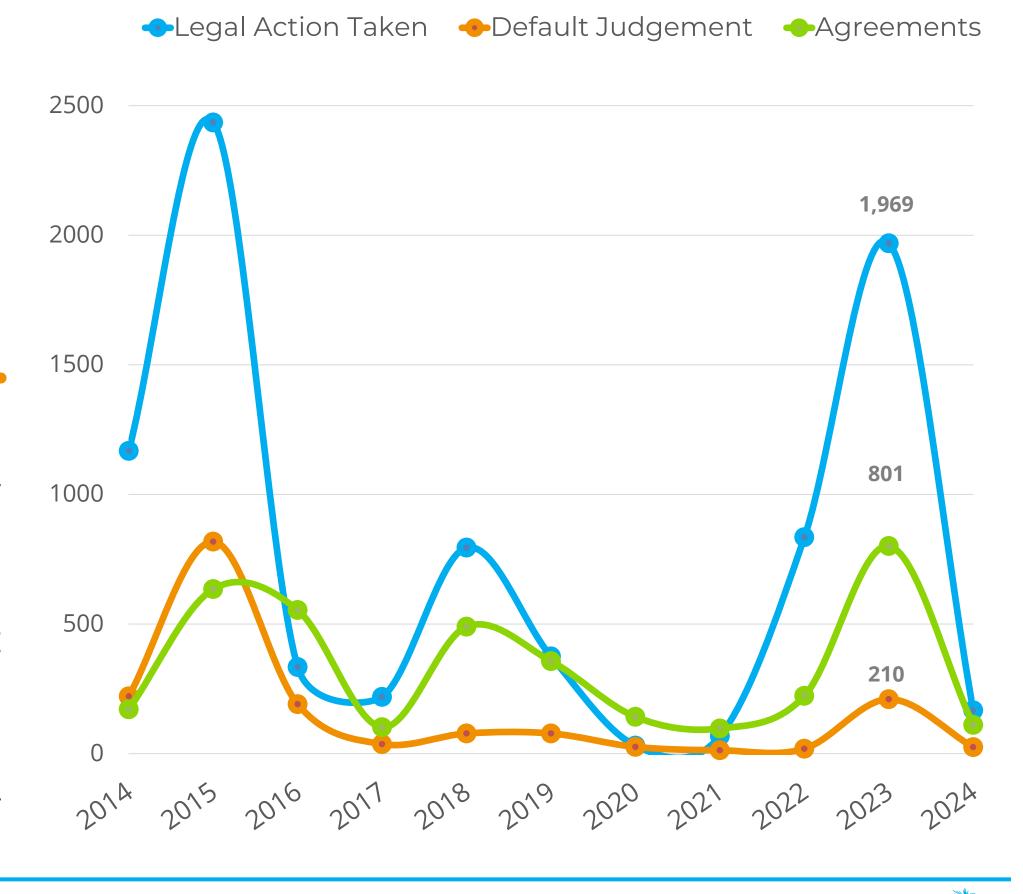




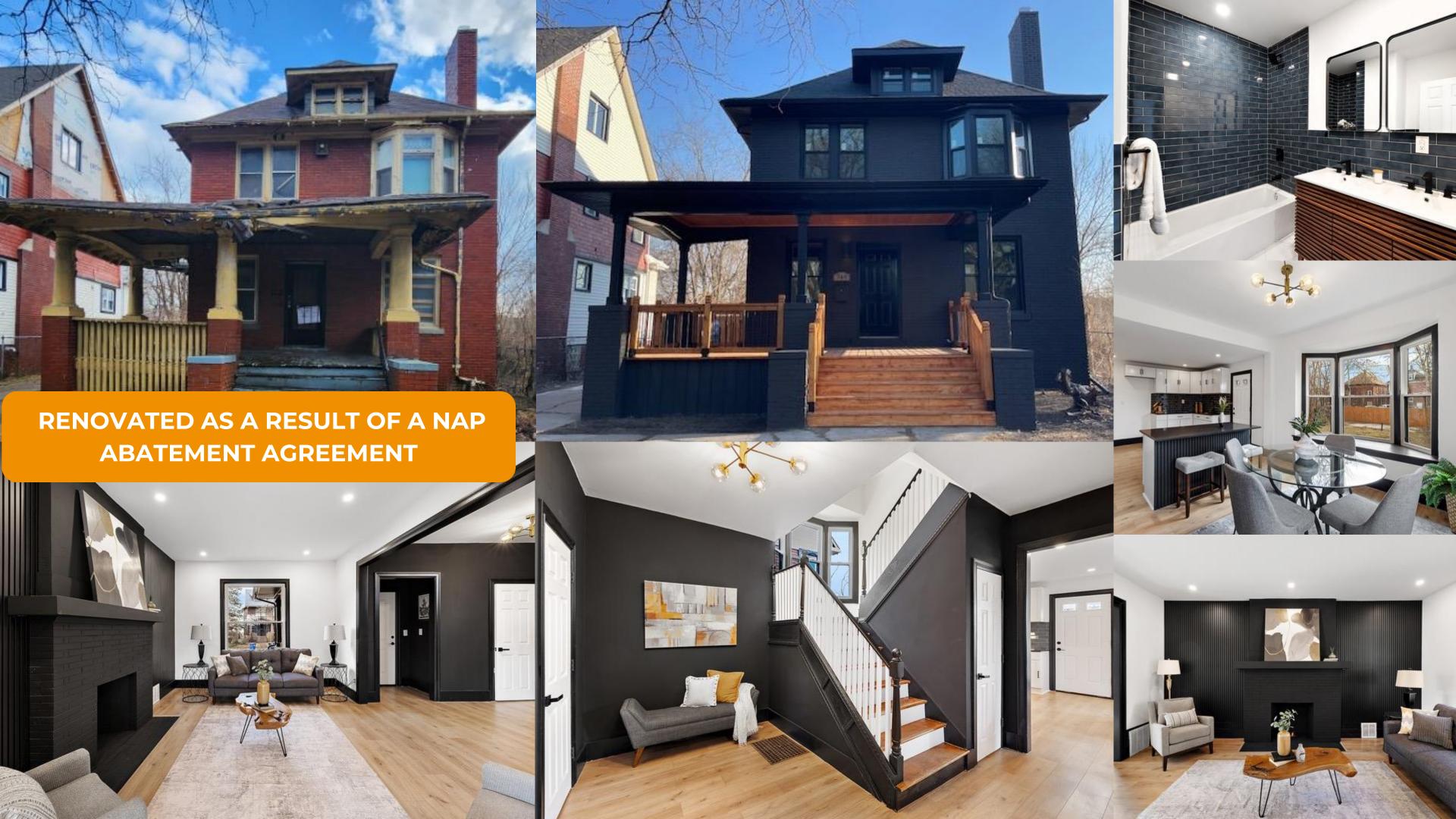


# Nuisance Abatement Program

The Nuisance Abatement Program provides a direct benefit to city residents. This program is designed to compel property owners to take responsibility for their property. Most often, the DLBA's legal action results in the property owner agreeing to mitigate the blight rather than the DLBA taking ownership.









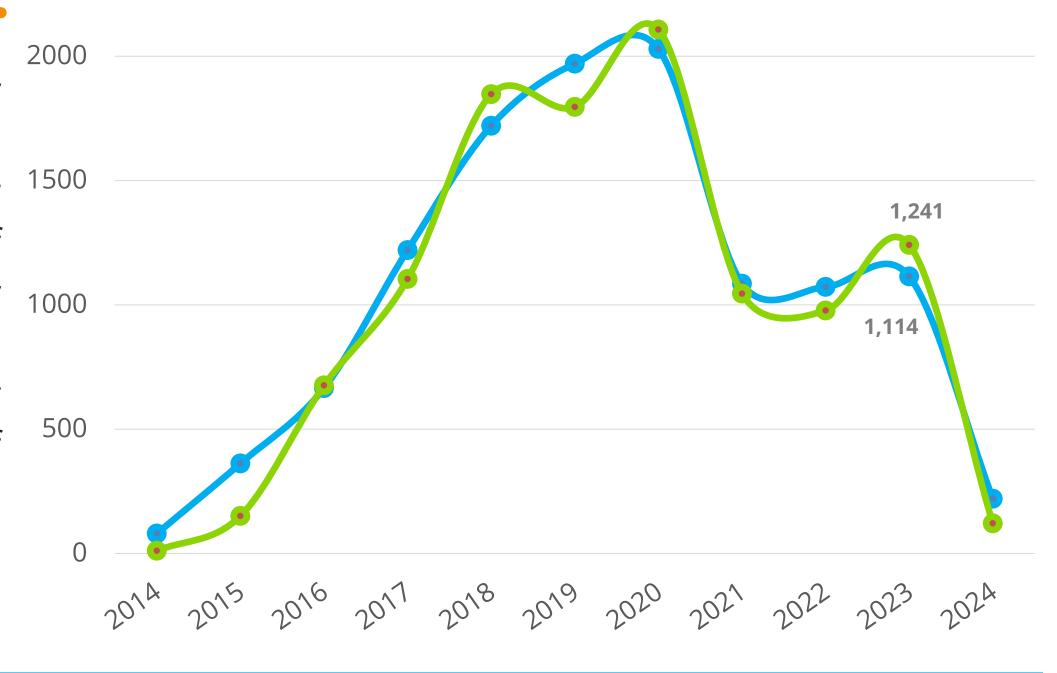
# Quiet Title

2500

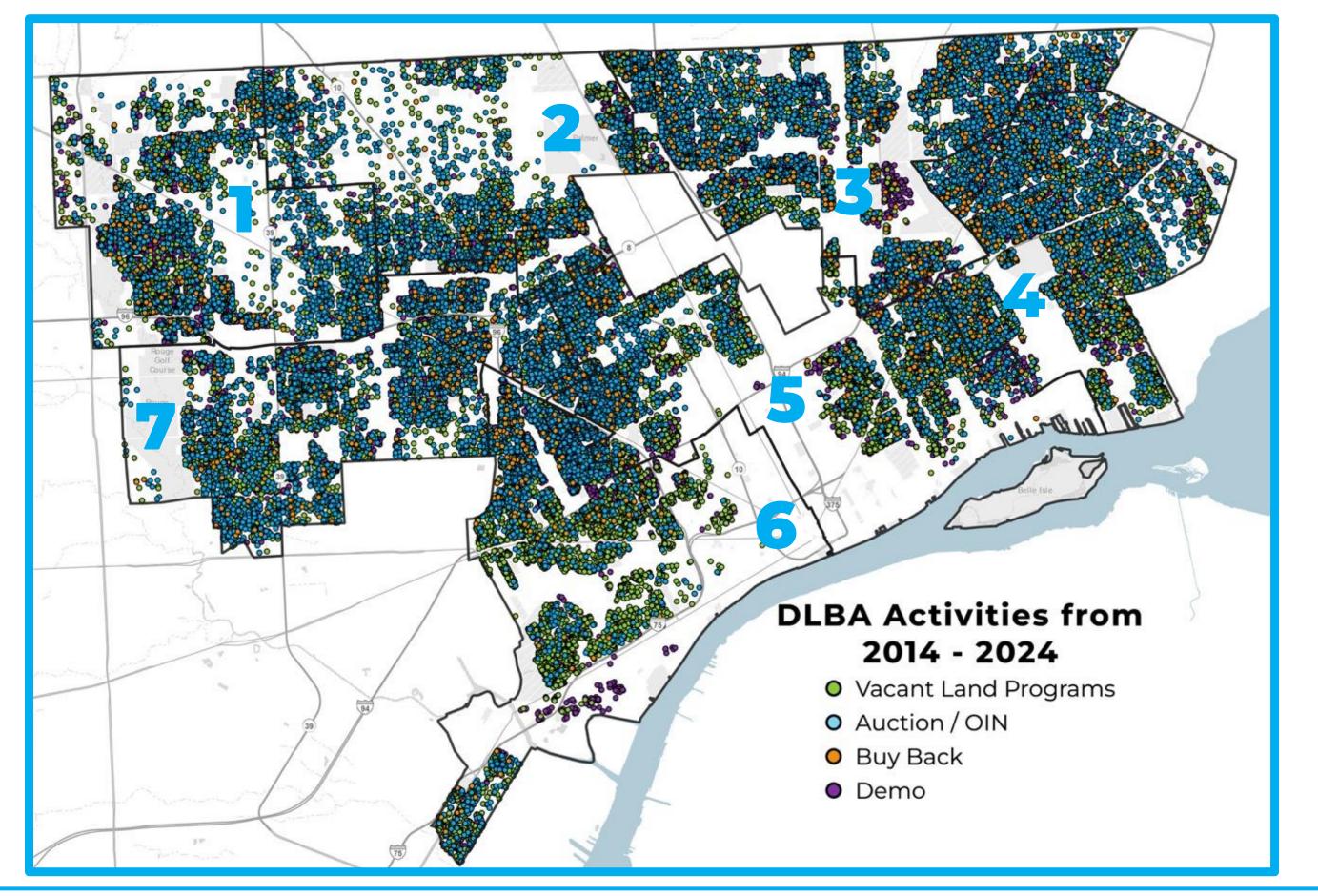
QT Filed

Judgements Granted

One of the most impactful statutory tools available to the Detroit Land Bank Authority is its ability to clear and quiet title. Historically, the lack of clear title has plagued property ownership across the City. This problem has been significantly reduced due to the diligent work of the DLBA's Quiet Title team.











# Property Maintenance

The Detroit Land Bank Authority provides emergency property maintenance services on properties that present a danger to neighbors and nearby residents. Additionally, the DLBA works in conjunction with the City of Detroit General Services Department to strategically provide maintenance services near schools and densely populated. areas The DLBA has an average annual maintenance cost of \$5,000,000 which includes a \$1,400,000 payment to GSD for vacant lot cuts and over \$400,000 annually for tree removal and maintenance.

# STOUDAMIRE



# Communications & Engagement

SHOWING UP FOR RESIDENTS, CITY COUNCIL, AND THE CITY OF DETROIT

There has been a renewed focus on community outreach and engagement. In FY23, DLBA staff attended more than 230 community events and meetings, showing up for residents, City Council, and the City of Detroit.

175

City Council, City of Detroit and DON events & meetings attended

**42** 

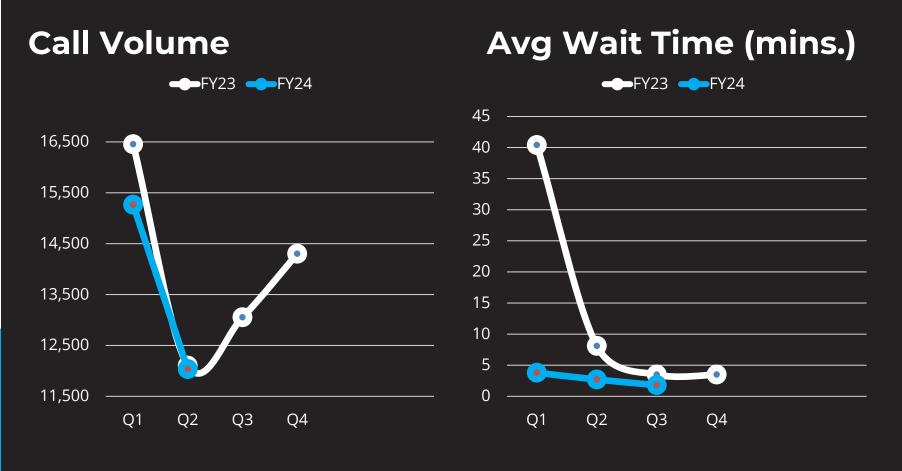
Community Partners, Block Clubs, and Faith Based events & meetings attended 9

Detroit Land Bank Authority hosted events

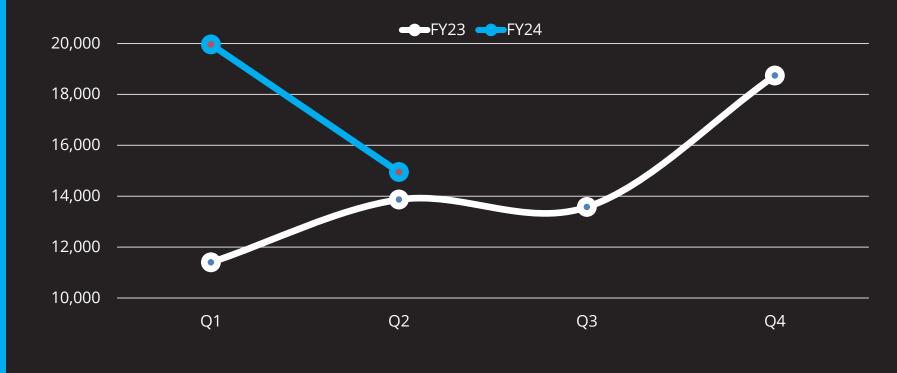
## Customer Service

Over the last two years of operations (Post-COVID) the Detroit Land Bank Authority has completely overhauled the Customer Services team.

In 2023, the DLBA received over 67,000 customer inquiries. In an ongoing attempt to improve our customer service, the DLBA began working on a Green Belt project. The first phase of the project, which focused on improving the service response time related to customer inquiries, has been completed and Phase 2 has begun. Phase 2 is focused on transparency and accountability across the organization.



#### **Salesforce Inquiries**

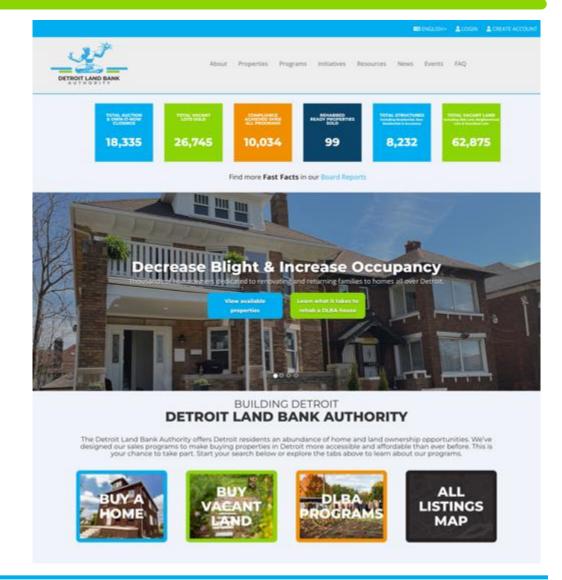




# Information Technology (IT) Support Services

The DLBA continues to license, operate and maintain the Salesforce platform that services all departments within the City of Detroit. This platform is critical to the operations of City Real Estate and City Demolition departments. In FY24Q2, DLBA completed the platform upgrade to Salesforce Lightning. This enhancement will provide additional efficiencies for our City partners but has also resulted in an increase in our annual costs.

The IT team is also responsible for maintaining the buildingdetroit.org website, which is currently being redesigned to enhance accessibility, transparency, and the delivery of updated information to residents.





#### State of Michigan Blight Elimination Grants Awarded

ROUND	\$ AMOUNT	PURPOSE
1	\$450,000	13 properties stabilized with partial rehab
2	\$1,000,000	13 properties stabilized City-wide
3	\$2,500,000	4 multi-unit rehabs (4 units each)
4	\$3,000,000	2 apartment building rehabs equaling 30 units for rapid rehousing

\$6,950,000 ELIGIBLE GRANT FUNDING



# Operational Costs

PROGRAM	# OF FULL-TIME EMPLOYEES	COST
Sales Programs & Land Reuse	61	\$6,100,000
Property Maintenance	6	\$5,000,000
Legal	33	\$2,203,660
Compliance	27	\$1,400,000
IT	6	\$1,200,000
Customer Service	8	\$853,065
Communications & Engagement	5	\$350,000
Total	146	\$17,106,725



	PROGRAM	2025 FY BUDGET - PROPOSED
INCOME		
430000 – State Revenues		
	Conoral	
440000 - City Revenues	General	11 000 000 00
City of Detroit		11,000,000.00
450000 - Private Grant Revenues		
Kresge Grant		
Berman Foundation		
Rock Ventures		
Bank of America Grant		
460000 – Gain (Loss) on Sale of Property	Rehabbed & Ready	
465000 – Impairment of Inventory	,	
466000 – Cost of Inventory		
471000 - Fee Revenue (Quiet Title, Title Search, Deed Recording)		100,000.00
Community Partners		35,000.00
	Economic Dovolonment	
Economic Development	Economic Development	100,000.00
472000 - Side Lot Sales	Side Lots	450,000.00
Vacant Land Sales	Vacant Land Sales	425,000.00
473000 - Structure Sales		
Auction Sales	Auction	2,559,600.00
Own-It-Now	Direct Sales	2,300,480.00
Occupied Properties	Occupied Properties	100,000.00
Rehabbed Sales		250,000.00
Community Partners	Community Partners	175,000.00
City Projects	Economic Development	2,875,000.00
475000 – Lease Revenue	20011011110201101011	
Vacant Lot Program Leases (25/month)	Lot Lease	
477000 - Legal Recoveries	Lot Lease	10,000.00
478000 - House Showing Fees	A set a	15,000.00
479000 - Pre-Inspection Fee (450 units x \$295)	Auction	75,000.00
480000 - Other Income		
481000 – Interest Income		175,000.00
493000 - 5/50 Revenue		2,250,000.00
HHF Property Maintenance RND2		
HHF Property Maintenance RND3		
HHF Property Maintenance RND4		
HHF Property Maintenance RND5		31,050.00
TOTAL INCOME		22,926,130.00
TOTAL INCOME		22,720,130.00
EXPENSES		
LAFLINGLO		
TOTAL CALADIES & WASES		
TOTAL SALARIES & WAGES		11,664,665.00
TOTAL EMPLOYMENT TAXES & BENEFITS		2,974,500.00
TOTAL FACILITIES EXPENSES		1,932,000.0
TOTAL ADMINISTRATIVE EXPENSES		1,487,000.0
TOTAL PROFESSIONAL SERVICES		1,795,000.0
TOTAL PROGRAM EXPENSES		3,072,965.0
TOTAL EXPENSES		22,926,130.00
NET PROFIT / LOSS		
INET FROM / LOSS		

## THANK YOU!

