



CITY COUNCIL QUARTERLY REPORT
Q4 FY 2019
DETROIT LAND BANK AUTHORITY



A CONTNUED PARTNERSHIP FOCUSED ON BEING VISIBLE & ACCESSIBLE TO THE COMMUNITY



CITY COUNCIL QUARTERLY REPORT

Q4 FY 2019

July 15, 2019

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 2019, 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's holistic approach to blight elimination continues to improve the quality of life for Detroit residents and drive neighborhood investment. We continue to think creatively about practical solutions that will further our mission of returning blighted, vacant properties to productive use. The DLBA tested new campaigns, reshaped leadership, and increased transparency during the fourth quarter of fiscal year 2019.

Highlights from the quarter include:

INVENTORY

- 429 Own-It-Now houses listed for sale in response to 524 purchase inquiries
- 1,073 Own-It-Now houses currently available, nearly twice the number made available during the same period last year
- 36 neighborhoods identified as candidates for Building Block events, designed to take a community-focused approach to home sales
- 857 work orders submitted to Detroit's General Services Department for yard maintenance in response to citizen concerns

DISPOSITION

- 564 houses sold through Auction and Own-it-Now
- 61 total houses sold through Rehabbed & Ready since inception; 4 additional closings in progress.
- 1,480 Side Lots Sold
- 49 Buy Back closings; 14 Occupied Non-Profit closings
- Revised sales program FAQs on buildingdetroit.org to be more informative, transparent, and accessible to the community

DEMOLITION

- Total reimbursed HHF spending is \$198,502,860.45 at the close of the fourth quarter
- 11,872 blighted structures demolished since the start of the program using HHF money
- DLBA will maintain oversight of HHF demolition billing and procurement through the end of 2020

COMMUNITY AFFAIRS

- 64 meetings attended or hosted across all seven Council districts; interacting face-to-face with 1,626 Detroiters
- ODM/Dangerous Buildings list process improvement impacting more than 500 existing buyers and more than 2,700 DLBA structures

OPERATIONS & ADMINISTRATION: CLIENT SERVICES

- 3,618 walk-in clients served
- 23,866 calls answered

Executive leadership changes including the hiring of Timothy Devine as General Counsel in May and the promotion of Tammy Daniels to Deputy Executive Director at the close of the quarter will support the DLBA's strategic direction going forward. A public search for a new Chief Financial Officer will begin in the first quarter of fiscal year 2020, following the departure of Irene Tucker. In the interim, a private-sector contract will support the DLBA as acting CFO.

The DLBA is committed to making homeownership more accessible to Detroiters, mitigating blight, and strengthening our partnership with Detroit's elected officials to advance neighborhood improvement efforts.

Sincerely,



Saskia Thompson
Executive Director



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INVENTORY DEPARTMENT

ROBERT LINN, DIRECTOR OF INVENTORY

The Detroit Land Bank Authority's (DLBA) Inventory Department oversees the acquisition, assessment, and pipeline assignments for all parcels in the DLBA's inventory. The department also oversees data analysis and interagency coordination with other city agencies and harnesses these roles to inform a sales strategy for the organization. Housing these two functions together allows the department to implement a flexible approach informed by on-the-ground sales trends and rapidly implement strategic efforts.

With a new structure in place and a preliminary market analysis completed in Q3, Inventory Department staff began refining the DLBA's sales strategy in Q4 2019. Historically, the DLBA emphasized selling property in the strongest neighborhoods; now, inventory is concentrated increasingly in areas with low market value and low rates of value change. Houses in areas with lower home values tend to have fewer interested purchasers, consequently the DLBA's structure sales programs faced headwinds in fiscal year 2019.¹ To better respond to these changes, the Inventory Department began three strategic efforts in Q4: Own-It-Now maintenance, Building Block events, and a sign pilot.

Pre-Sale Maintenance of Own-It-Now Listings

Previously, Own-It-Now properties did not receive maintenance, but in the fourth quarter, the Inventory Management team launched a limited maintenance routine for new Own-It-Now listings to improve their appearance. Staff started securing homes, completing limited exterior maintenance and landscaping, and clearing basement debris. To date the DLBA has completed this work at 418 Own-It-Now properties.

Building Block Events

Building upon the success of the DLBA's past Dream Model events, in Q4 the Inventory Department launched a new community-focused campaign: Building Block Events. Working hand-in-hand with a neighborhood partner organization, staff coordinate advance maintenance, plan a block party-like event, and facilitate home viewings to increase market exposure. The DLBA hosted 11 Dream Models across the city between 2016 and 2019 and found the events often sparked new market interest.

Sale Event	Number Sold/Closed	Total Featured	Percent Sold
<i>Dream of Detroit</i>	4	8	50%
<i>Russell Woods</i>	7	14	50%

¹ For a more comprehensive report of these issues, see the City Council Q3 Report Inventory Department section.



Sales rates of Dream Model listings exceeded those of typical Own-It-Now properties. Additionally, the sales impact is even more stark, considering the market context at the time of the listing. For example, in North Banglatown, after eight unsuccessful attempts to sell Auction properties in the neighborhood, 67% of listed properties sold in that area using the Dream Model sales approach. Similarly, sale rates after Dream Models more than doubled previous auction efforts in North LaSalle and Russell Woods. Staff anticipates being able to further improve upon these metrics with Building Blocks' added programming, maintenance, and strategic planning.

Sign Pilot: In the fourth quarter, staff began a pilot program to identify the most efficient and effective means of marketing for-sale properties on the ground. Currently, the organization has inconsistently used paper fliers stapled to properties, which may be difficult to read and offer less durability. In Q1 and Q2 2020, staff will post a variety of different signs on properties as they are listed and evaluate the sales impact. Staff have begun by posting large posters on properties and will transition to metal signs and wooden signs later in the quarter.

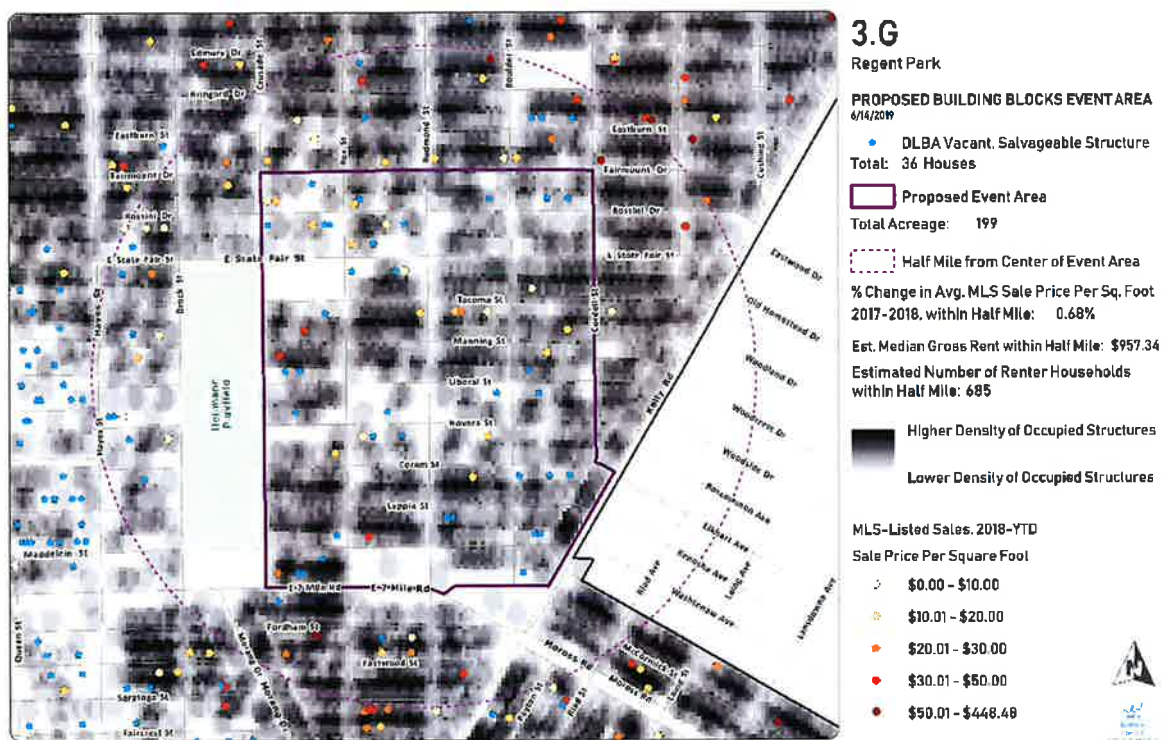
DATA MANAGEMENT

The Data Management team oversees research and data analysis for the DLBA. The team conducts demographic and market analyses, completes statistical analysis, oversees internal data integrity,

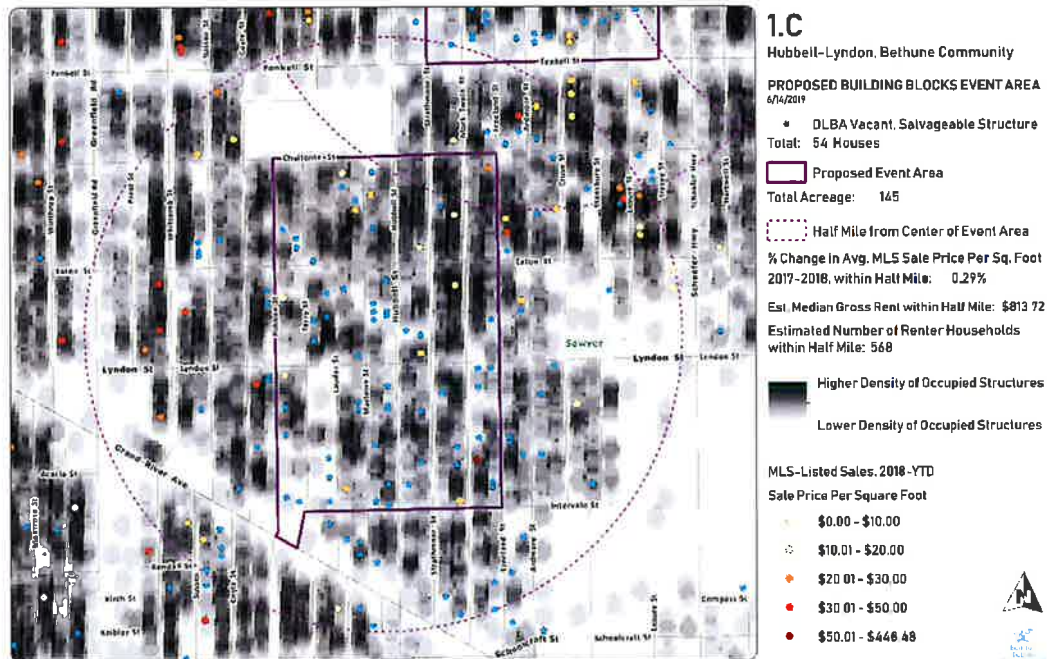
and develops research reports to guide decision-making and evaluate programs. The team also oversees the vetting and listing process for Side Lot sales.

Building Block Neighborhood Selection

In support of the Building Block events, the Data Management team conducted extensive spatial analysis and due diligence selecting host neighborhoods. Staff identified areas with maximum overlap between concentrations of vacant and salvageable DLBA-owned homes, favorable market conditions, resident interest, relevant neighborhood amenities, and city neighborhood investments. Combining datasets from the United States Postal Service, Multiple Listing Service, and various City agencies, staff identified 36 host neighborhoods across the city.



Inventory Department staff, alongside colleagues from the Disposition and Community Affairs Departments, met and reviewed maps and a variety of tabular metrics for each prospective neighborhood and shared on-the-ground insights. Once this process was complete, staff identified 21 finalists – three in each Council district. The Strategic Initiatives team will begin soliciting neighborhood partner organizations in these areas. Additionally, the Inventory team will review DLBA-owned vacant and salvageable structures in neighborhoods not selected for a Building Blocks event for listing through our Own-It-Now and Auction programs as usual.



In Q4 2019, the Data Management team responded to 2,954 Side Lot purchase requests from the public, compared to an average of 1,661 in each of the first three quarters of the fiscal year. This increased processing volume eliminated the entire Side Lot purchase inquiries backlog, allowing for faster inquiry response going forward.

STRATEGIC INITIATIVES

The Strategic Initiatives team identifies and implements new and creative means of returning properties to productive reuse and managing interagency planning relationships. In Q4 2019, the team hired two new Project Managers, allowing the team to begin working at full capacity for the first time. In Q4 2019, the growing team hosted a small-scale, Detroit developers symposium, began planning for Building Block events, and advanced the DLBA's parks planning efforts.

Rebuilding the Block: A Small-Scale Housing Developer Symposium

The Detroit Land Bank Authority (DLBA) hosted Rebuilding the Block: A Small-Scale Housing Developer Symposium April 26th, in coordination with City of Detroit agencies including the Department of Neighborhoods and the Housing and Revitalization Department. Objectives included better understanding strategies for rehabilitation as well as the biggest obstacles currently impeding progress. The symposium brought over 60 experienced developers and residents together for in-depth conversations about rebuilding Detroit's neighborhoods. Presentations and panels included 20 experts focused topics related to small-scale housing

development including:

- Property Acquisition
- Funding/Finance
- Permitting/Procurement
- Rehabilitation



Participants during a panel at Rebuilding the Block: A Small-Scale Developer Symposium

Building Blocks Events

The Strategic Initiatives Team worked for several months on the Building Blocks sales strategy. The goal is to work with neighborhood stakeholder organizations to identify a housing sales strategy which engages residents and potential homeowners and highlights community assets. On June 29, 2019, DLBA hosted the first Building Blocks Event in Nardin Park, on Detroit's west side. Dozens of residents visited the open houses. Based on community input, there was a local band and ice cream truck to encourage more residents to visit DLBA properties. Two building block events are scheduled for August 2019, in the East Canfield/West End and Oakman Boulevard communities. The goal is to host ten more Building Block events across the city by March 31st, 2020.



(Left) London from the SI Team assists a resident in navigating DLBA's website (Right) London and Megan from the SI Team enjoying the band

INVENTORY MANAGEMENT

The Inventory Management Division combines property condition information, zoning, market data, neighborhood plans, and resident input to determine the best strategy for returning DLBA-owned structures to productive use. The team evaluates structures for sale or demolition, identifying home sale opportunities and overseeing the preparation and listing of properties for sale.

Pipeline Management

The table below shows the current status of the DLBA's 24,790 structures (a 1,427 structure decrease from last quarter). Properties in the Auction, Own-It-Now, and Renovation Programs pipelines include properties currently for sale and those slated for future sale. Occupied properties include those already in the Buy Back program, as well as those being reviewed for Buy Back or another occupied sales program, and are managed by the Disposition Department. The 'Projects' status is for any property under review for possible sale outside of the DLBA's main sales programs, such as the Community Partners Program or coordinating with the Bridging Neighborhoods Program. 'Salvage' means the DLBA determined the structure to be salvageable but is not currently preparing it for sale. If a member of the public indicates interest in purchasing a property in 'Salvage', then the DLBA will vet the property for a potential sale.

Structures – Current Status	Number	Percentage
Renovation Programs	101	0.41%
Other Statuses	208	0.84%
Accessory Structures (e.g. Garages)	489	1.97%
Projects	577	2.33%
Structures Under Review	412	1.66%
Auction	862	3.48%
Occupied	3,005	12.12%
Own-It-Now	3,505	14.14%
Salvage	4,852	19.57%
Demolition	10,779	43.48%
Total # of Structures	24,790	100.00%

For Sale Signs

In the fourth quarter, Inventory staff launched a pilot program to better understand the most effective approach to marketing properties on the ground. Currently, the land bank does not consistently post 'for sale' signs on properties as they are listed. To identify which type of sign is most effective at attracting potential buyers, and to better understand logistical concerns, the team initiated a statistical study. At the end of Q4 2019, staff began placing 24" x 18" posters on Own-It-Now properties when listed for sale. Next quarter the DLBA will test metal lawn signs and traditional wooden realtor-style signs. Then data analysts will determine the most effective and cost-efficient option for long-term implementation.

Auction

Since the Auction program's inaugural sales date of May 5, 2014 through June 30, 2019, the DLBA's Inventory Department has listed 2,928 unique properties for sale through the Auction platform. The below table provides an overview of the remaining Auction inventory and the estimated potential post-renovation price per square foot.

Current Inventory Estimated Rehabbed Value	# of Properties
# Properties \$30+/SF	89
# Properties \$20-29.99/SF	114
# Properties \$0-19.99/SF	357

Own-It-Now

The Own-It-Now (OIN) program is another vehicle for moving vacant DLBA-owned homes toward sale, rehabilitation, and occupancy. The program's lean processes and lower sale preparation costs allowed the Inventory team to make houses available for sale in a fast-paced yet strategic manner in neighborhoods citywide— including some of the Detroit's most challenged – while remaining responsive to purchase requests from members of the public.

Once a complement to the Auction program, the Own-It-Now program has now surpassed the Auction program in terms of the number of houses listed for sale and sold. Since the program's launch in Feb 2016, the Inventory team has listed more than 4,000 houses for sale on the Own-It-Now platform, providing an important avenue for home ownership and rehabilitation to residents in neighborhoods throughout the city. Outside of Hardest Hit Fund (HHF) Zones for example, the Inventory team has made 698 vacant homes available through the Own-It-Now program.

In Q4 2019, Inventory Management staff responded to 524 home purchase requests by listing 429 homes for sale. The DLBA notifies any interested buyers prior to sale with an automated call. With a substantial ramp-up in listings this year, the Inventory team has made **1,073 houses** Own-It-Now available, nearly twice the number of houses made available during the same period last year.

Given the opportunity afforded by resilient market demand, Inventory department staff plan to further increase the number of houses listed for sale on the Own-It-Now platform in the upcoming quarter. The goal is to consistently list **90 Own-It-Now houses per week** by the end of Q1 2020. During this ramp-up, the Inventory team will balance speed and volume with strategic property selection – building on burgeoning neighborhood real estate markets and working in conjunction with the City's efforts and the DLBA's aforementioned Building Block events – all the while maintaining the focus on constituent service by acting upon purchase requests from members of the public.

Marketing

In Q4 2019, the Inventory Management team prepared an expansion of the DLBA's broker marketing program. Staff anticipates increasing the number of atypical properties sold through realtors in Q1 2020, including DLBA's small inventory of commercial and industrial sites, homes

with extraordinary rehabilitation needs, as well as vacant residential lots with the potential for infill development or alternative uses.

Property Maintenance

The DLBA works very closely with the City's General Services Department (GSD) to respond to maintenance complaints, additionally the DLBA contracts with private, external partners to perform maintenance on properties in preparation for sales programs. In Q3 2019, the DLBA issued an RFQ for property maintenance and landscaping vendors. In addition to existing vendors, staff onboarded several new vendors in Q4 2019 to accommodate the anticipated growth in sales preparation maintenance. The team is pleased that the four new vendors include Detroit Grounds Crew, Motor City Preservation, and the Detroit Center for Employment Opportunities office. The Center for Employment Opportunities notably employs and provides job training to returning citizens.

The DLBA continues to coordinate with GSD, to address maintenance concerns for properties not currently in the sale pipeline. GSD's Board Up Brigade is responding to board up requests on vacant homes across the city, including DLBA-owned structures. GSD is also cutting grass at all unfenced vacant lots, and the front lawns of unfenced vacant structures.

During fiscal year 2019, the DLBA recorded 2,704 resident complaints about properties needing boarding, debris removal, or landscaping, etc., resulting in 857 work orders sent to GSD. Many of these issues were communicated to GSD via 857 work orders. These complaints and work orders – plus the status of each – are summarized below. Notably, these tables only reflect lawn maintenance inquiries not cut through GSD's regular, citywide mows, due to fencing, excessive debris, etc. GSD continues to work through a backlog of maintenance inquiries submitted before March 1, 2019.

Maintenance Complaints, by Category and Status - 7/1/18 to 6/30/19

Maintenance Issue	Inquiry Status					
Category	New	Escalated	In Progress	Acknowledged	Closed	Grand Total
Board Up	84	4	275	84	555	1002
Debris Removal	105	0	280	47	184	616
Lawn Maintenance	31	0	49	24	434	538
Tree Maintenance	104	0	292	33	119	548
Grand Total	324	4	896	188	1,292	2,704

GSD Work Orders - 3/1/19 to 6/30/19	Service Results
-------------------------------------	-----------------

Service Requested	Awaiting Assessment	In Progress	Completed	Grand Total
Board Up	69	137	105	311
Debris Removal	224	12	1	237
Lawn Maintenance	98	0	0	98
Tree Trimming/Removal	188	8	13	209
Grand Total	579	157	119	855

DETROIT LAND BANK AUTHORITY

DISPOSITION DEPARTMENT

REGINALD SCOTT, DIRECTOR OF DISPOSITION

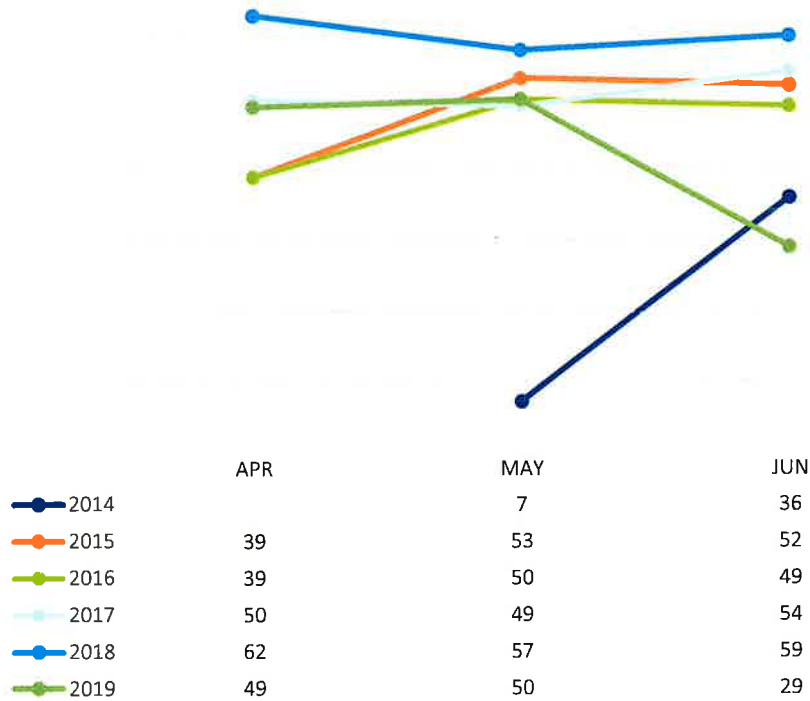
The Detroit Land Bank Authority's (DLBA) Disposition department is the first point of contact for purchasers. Explaining DLBA sales, eligibility, and payments for the Auction, Own-It-Now and Side Lot Programs.

AUCTION

Auction properties are listed on buildingdetroit.org and sold to the highest bidder. As a result of the DLBA's decreasing auction inventory, beginning June 2019 the two homes a day are auctioned.

AUCTION SALES*

Comparison of Q4 Sales Trends



Year

Total sold (Q4)

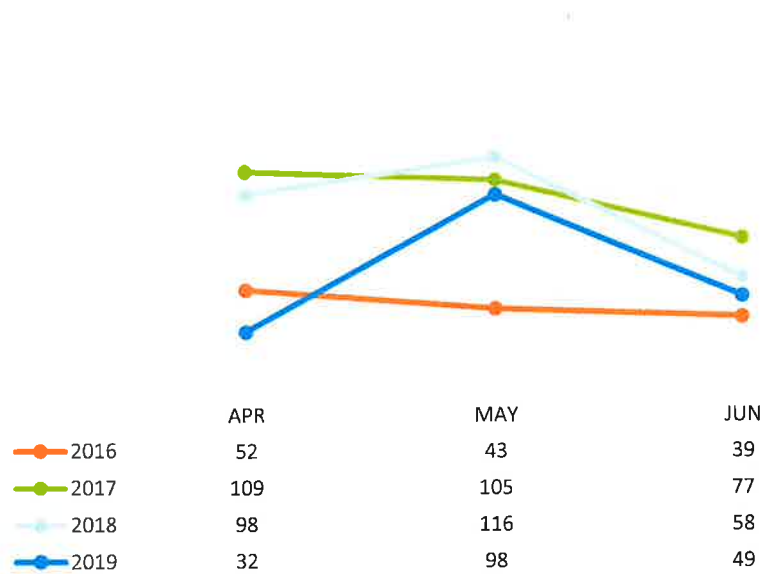
2014	43
2015	144
2016	138
2017	153
2018	178
2019	128

OWN-IT-NOW

Own-It-Now responds to public requests for properties and, similar to a traditional real-estate sale, offers are accepted over a period of time. Anyone can contact the DLBA with an address, and with certain exceptions, the DLBA will work to list the property for sale online with offers accepted 24 hours a day, 7 days a week.

OWN-IT-NOW SALES*

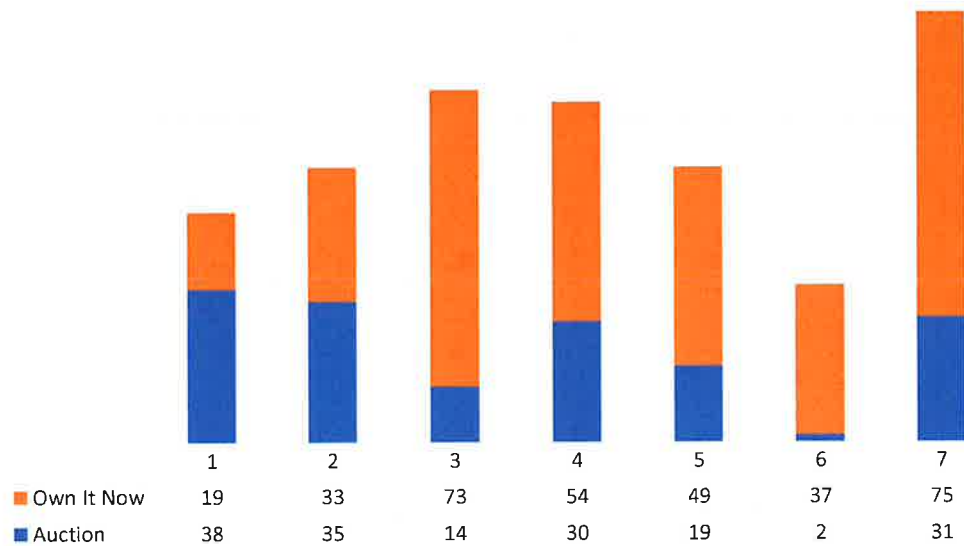
Comparison of Q4 Sales Trends



<u>Year</u>	<u>Total Sold (Q4)</u>
2016	134
2017	286
2018	119
2019	436

*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)

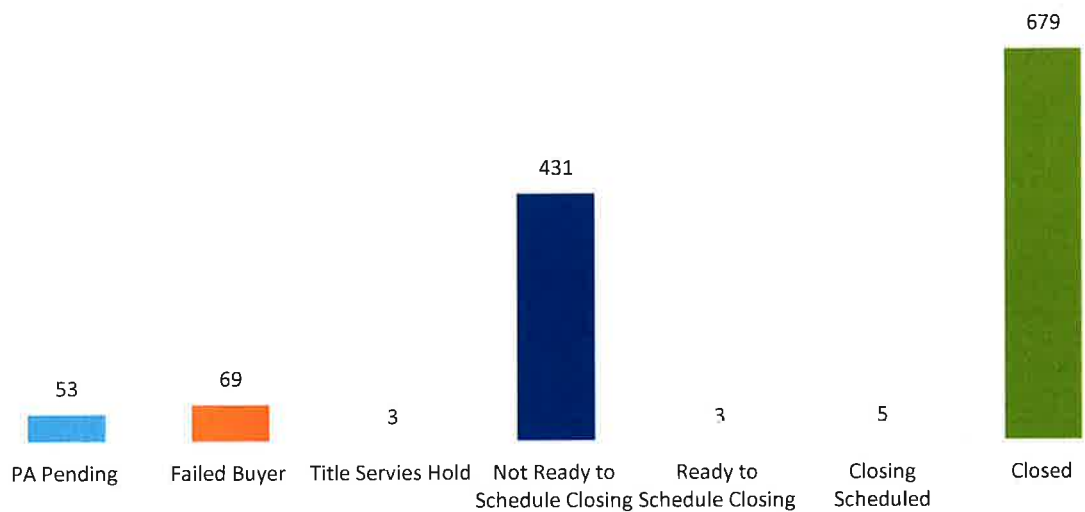
AUCTION AND OWN-IT-NOW CLOSED By Council District for Q4



CLOSING

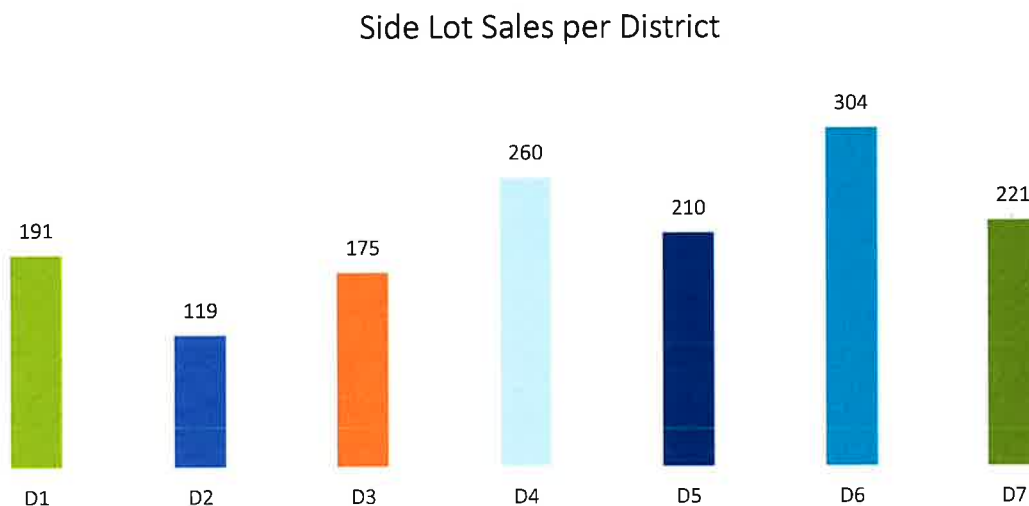
There continues an uptick in closing as buyers are anxious to take advantage of the summer months to perform property renovations. There are currently 254 closings scheduled for the month of July

Closing Pipeline Q4 2019



SIDE LOTS

In May 2018, Disposition launched a monthly District Side Lot Sale pilot. Similar to Side Lot Fairs, these events are smaller in scale and allow more direct and frequent sale services in the community. At the citywide April Side Lot Fair, the team served 305 neighbors and sold 438 Side Lots. A total of 1,480 Side Lots sold were sold in Q4. A breakdown of sales per Council District can be found below.



REHABBED & READY

Rehabbed & Ready (R&R) is a philanthropic initiative aimed at improving residential market values and bolstering home ownership in the City of Detroit. Through collaboration with Quicken Loans, dilapidated DLBA inventory undergo full rehabilitation, bringing houses 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 other Disposition programs in the Rehabbed & Ready selected neighborhoods. Below, is the annual summary of Rehabbed & Ready's progress during the 4th quarter of 2019 Financial Year:

- **R&R Closings.** 61 total properties sold and closed through R&R since inception, with new homeowners moving into neighborhoods including Crary/St Marys, College Park, Evergreen-Outer Drive, Bagley, East English Village, Martin Park, Greenfield-Grand River, and Morningside.
- **Open Houses remain a staple in R&R program.** Ensuring prospective home owners adequate opportunities to view new home; the Detroit Land Bank Authority conducts public open houses as well as private showings. Flexibility promotes a faster pace during the upcoming selling season.
 - *Rehabbed & Ready public open houses occur on Wednesdays and Sundays, for the entire time a home is listed for sale.*

- *Rehabbed & Ready private showings* can be scheduled through buildingdetroit.org for any day except for Saturday.
- *Neighborhood Engagement*: **1,566** individuals join the e-mail marketing list to stay updated on new listings, price reductions, and offer deadlines.
- **What's next?**
 - *Building the Internal Team*: The R&R team now has 8 team members and is poised to quickly improve on the program with a more robust staff. The focus now turns to decreasing the per-home loss on sales and increasing the number of rehab contractors and tradesmen.
 - *R&R Pipeline*: **17** properties currently in the pre-construction phase, **17** properties under construction, and **4** properties under contract (closing in progress).

Focusing efforts in select neighborhoods and spacing out sales of turn-key ready homes, the DLBA will continue to raise market comparables (“comps”) and stabilize appraisals, resulting in greater access to mortgages throughout the City.

Property: 16130 Murray Hill	
<i>Before</i>	<i>After</i>
	
Property: 17179 Snowden	
<i>Before</i>	<i>After</i>



PROJECTS TEAM

The Community Partnership Team and the Economic Development Team are now a unified "Projects Team."

Development Update

Closing on its first set of parcels, 21 structures and three lots, in the fourth quarter, the Herman Kiefer Development reached an important milestone. The developer remains committed to its obligation of keeping the entire project area free of debris; as well as engaging and employing members of the community to maintain the hospital, ancillary structures, and parcels in the Herman Kiefer footprint

Community Partnership Program

The Community Partnership program continues to encourage community and -faith-based organizations to transform the neighborhoods 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 help the Community Partnership Team identify properties and areas that will assist the partner organization in achieving its goal.

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

- Headquartered in the City of Detroit
- Federal tax-exempt status
- Be current on property taxes

- No material blight violations or fines
- Letter of acknowledgment from the District Manager or City Councilperson where the organization is headquartered or its catchment area
- Work in a defined geographic target area as agreed upon by the Community Partner and the DLBA, in no case, will the project area exceed five square miles.

Community Partner Endorsements

The DLBA encourages Community Partners to help improve their neighborhoods by identifying and endorsing homeowners who have the ability to fix up, maintain, and be good stewards of their block. The Community Partner must provide in writing to the DLBA its process for selecting and endorsing a bidder. The DLBA expects buyers endorsed by a community group to live in the house for at least three years.

For each auction of a house in its service area, the Community Partner may endorse one bidder it deems to be a good neighbor. A Community Partner's endorsement triggers an automatic 20% bonus on the endorsed party's bid amount. The final price shall not fall below \$1,000.

All winning bidders must comply with the terms of the Auction Purchase Agreement, including deadlines for closing, rehabilitating, and occupying the property. If endorsed buyers fail to meet these deadlines, the DLBA may terminate the Endorsement Partnership. The DLBA relies on the Community Partners to vet potential buyers before endorsement.

BUY BACK

The Buy Back Program was created to provide 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. After qualifying for the Buy Back Program and the house is purchased, the occupant officially enters the program and must display consistent savings until their next tax bill arrives.

Month-Year	Closed	Total
April-19	12	\$12,000
May-19	23	\$23,000
June-19	14	\$14,000
Total	49	\$49,000

Executive Summary	
Buy Back Complete	349
Entered Partial Payment (Exit Jan 2019)	3
Monitor Compliance for July 2019 exit	210

Monitor Compliance for July 2020 exit	79
Buy Back Pipeline	523
Eligibility Under Review	95
Inspection in Progress	2
Need to take HPE Course	46
Ready to Close	73
Potential Reconveyance	28
Reconveyance in Progress	0
Sales Hold	15
Ineligible for Buy Back (Reason Documented)	2024
Reconveyance Complete	9

OCCUPIED NON-PROFIT

The Occupied Non-Profit Program was created to engage non-profit organizations and provide opportunities to increase neighborhood stability. Currently, seven non-profit partners assist 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.

Month-Year	Closed
April-19	2
May-19	11
June-19	1
Total	14

Meetings & Presentations

Event Type	Type of DLBA Presence	Number of Attendees	Council District
Detroit Public Schools Adult Ed Outreach (5)	Table & Presentation	40	1 & 4
Motor City Makeover Kickoff	Resource Table	30	1,2,3,4,5,6,7
District Office Hours (20)	Q&A	52	1,2,3,5,6,7
City Council member Lopez community meeting	Q&A	15	6
District 5 Renter to Homeowner Fair	Presentation	24	5
Detroit City Council evening meeting	Q & A	52	5
Nation Association of Black Women in Construction	Presentation	15	5
Plainview Block Club meeting	Presentation/Q&A	15	7
Congress of Communities	Presentation	20	6
Community Wealth Building Day @ WCCCD	Presentation	120	5
Homeownership and Opportunities @Second Ebenezer	Resource Table	200	3
Chandler Park Own It Now event	Open House	42	4
District 4 Town Hall	Resource Table	50	4
Beyond the Hashtag meeting	Presentation	20	5
Detroit City Council evening meeting (2)	Resource Table	120	5
DLBA @Spirit Plaza (6)	Resource Table	110	2&5
DLBA Osborn neighborhood Housing Tour	Open House	35	4
Council member Scott Benson's Marshmallow drop	Resource Table	130	4
Detroit Hispanic CDC Housing Fair	Presentation	40	6
Matrix Human Services Homebuyers Club	Presentation	32	4
Wayne County Democratic Black Caucus Meeting	Presentation	45	7
District 7 Capacity workshop	Presentation/resource table	125	7
College Park Community Association	Presentation	36	2
Coffee and Conversations with Council member Janee' Ayers	Q&A	40	3
DPSCD Summer on the Block	Resource Table	20	6

Council President Pro Tem Mary Sheffield Occupy the Corner	Resource Table	140	5
U Snap Bac Homebuyer workshop	Presentation	28	4
Faith Based Community Engagement Briefing	Resource Table	30	2
Total		1,626	

Community Emails

<i>Topic</i>	<i>#</i>
<i>Board/Secure</i>	5
<i>Purchase Inquiry</i>	71
<i>Side Lot purchase inquiry/status request</i>	25
<i>Auction information/sale timing</i>	80
<i>How to Bid</i>	1
<i>Deed/Purchase Agreement status</i>	18
<i>Demo Request</i>	31
<i>Inquiry status update</i>	31
<i>Discount programs inquiries/information</i>	17
<i>DLBA ownership</i>	17
<i>General questions</i>	32
<i>How to Bid</i>	8
<i>Property Maintenance</i>	26
<i>Website Issue</i>	10
TOTAL	372

Salesforce Entries

<i>Topic</i>	<i>#</i>
<i>Demolition request/timing</i>	159
<i>Purchase inquiries</i>	219
<i>Property maintenance</i>	164
<i>Report nuisance</i>	20
<i>Occupancy</i>	5
TOTAL	567

MEDIA RELATIONS

The Public Information Officer (PIO) is charged with building the DLBA's brand. To accomplish this a multi-faceted communications approach is employed serving three main goals:

1. Proactive, positive storytelling through traditional media; streamlined and responsive communication with media for organic coverage/inquiries
2. Prevention or management of negative media coverage

3. Improve internal processes and client-facing communications procedures to create a better-informed community and client-base, minimizing potential for negative media coverage

Positive Storytelling: Features & Mentions

April 2019	May 2019	June 2019
Rehabbed & Ready Teams Up with Trade School <ul style="list-style-type: none"> Outlet: Fox 2 Bridging Neighborhoods <ul style="list-style-type: none"> Outlet: Model D #LeadLikeAWoman featuring Saskia Thompson <ul style="list-style-type: none"> Outlet: Michigan Chamber of Commerce ATHENA DLBA Q&A on Your Best Chance with Judge Nance <ul style="list-style-type: none"> 910 AM Superstation 	Osborn Building Block Sale <ul style="list-style-type: none"> Outlet: WDIV Local 4 FCA Land Deal <ul style="list-style-type: none"> Outlet: Associated Press, Detroit News, Detroit Free Press, Curbed, Crain's 	Russell Woods, Nardin Park Rehabbed & Ready <ul style="list-style-type: none"> Outlet: Detroit News

Media Coverage Response & Management

Story	Outlet
Federal Investigation Legal Costs	Detroit Free Press
Employee Discount Program	Deadline Detroit
Overgrown Yard Pinehurst	WXYZ
Corktown Development	Detroit News
Adamo Estimators Charged in Federal Demo Investigation	Detroit News, Detroit Free Press

In addition to the management of media stories published or broadcast, the PIO answers and investigates media, citizen, and inter-departmental property inquiries daily; ultimately preventing misinformed media coverage.

Media Outreach & Networking

The PIO also collaborates with local media outlets and filmmakers for long-term planning. During the quarter DLBA executives and staff participated in interviews for later release with Detroit Public Television and documentary filmmaker Michael Gray.

The PIO also attended the Michigan Chamber of Commerce ATHENA Women in Leadership summit in Lansing.

Communication & Process Improvements

Extensive work is underway revising the DLBA's website, buildingdetroit.org, to better inform the public about DLBA policies, inventory, sales, and programs. Current improvements include:

- Launch of revised Frequently Asked Questions page.
- DLBA properties on the Dangerous Buildings List. The PIO leads a team of DLBA staff in streamlining ODM deferrals for land bank buyers. This team meets regularly with BSEED and works diligently on a long-term solution to alleviating barriers to rehabilitation.

SOCIAL MEDIA

The Community Affairs team utilizes social media to connect with the public, spread awareness of DLBA programs, and promote community engagement events. Social media activity also plays a key role in driving followers to buildingdetroit.org. The DLBA's social media following continues to increase across platforms, expanding the potential audience and the opportunity to serve Detroiters directly.

		Fourth Quarter		
Facebook		Apr	May	Jun
	Followers	12,167	12,309	12,415
	New Followers	106	132	100
	Total Likes	11,971	12,108	12,208
	New Likes (Net)	101	127	94
	Page Engagement (Reactions, Comments, & Shares)	116	162	163
		Fourth Quarter		
Instagram		Apr	May	Jun
	Followers	1,595	1,724	1,818
	New Followers	143	120	93
	Likes	445	219	390
	Comments	27	7	23

GRAPHICS

Community Affairs' Senior Graphics Designer creates all DLBA flyers, billboards, kicker cards, and other printed materials distributed to the community, as well as graphics for social media. Each department relies on custom graphics packages to publicize programs, events, and keep our neighbors informed. This quarter included the rollout of a new billboard and transit ad campaigns, enhanced buildingdetroit.org graphics, and social media posts and flyers promoting new DLBA initiatives including the Building Block events.

DETROIT LAND BANK AUTHORITY PRESENTS
**BUILDING BLOCKS
 NEIGHBORHOOD SHOWCASE**

Homes
MUST
 be renovated
 and occupied
 after
 purchase.

Homes for Sale in the
Nardin Park Neighborhood

**SATURDAY, JUNE 29, 2019
 FROM 11AM-3PM**

FIRST 40 VISITORS
 TO BRING A FLYER
 OR POSTCARD
 WILL GET A COUPON
 FOR ONE FREE VIEWING
 AT ANOTHER HOME
 (NORMALLY \$35)



**FEATURED HOME
 11745 Broadstreet**

Interested in buying a home or scheduling a viewing?

For more information go to
buildingdetroit.org/ownitnow
 Questions? Call 313-974-6869

A home near you is coming up for sale.

before

after

OWN IT NOW!



buildingdetroit.org/ownitnow



Detroit Land Bank Authority
 500 Griswold Street
 Suite 1200
 Detroit, MI 48226

Dear Neighbor,
 The Detroit Land Bank Authority
 is selling a home near you! The
 house will need to be renovated
 and occupied after sale. Please
 visit buildingdetroit.org to view
 the listing and program rules
 and place an offer. Call Detroit
 Land Bank at 313-974-6869 with
 any questions.

Detroit Land Bank Authority (DLBA)

**THE DLBA
 HOUSE TOUR!**

FIRST 10 VISITORS
 TO EACH
 OF THE FOUR
 FEATURED DLBA
 HOMES WILL
 GET A COUPON
 FOR ONE FREE VIEWING
 AT ANOTHER HOME
 (NORMALLY \$35).

Homes for Sale in the
Osborn Neighborhood

SATURDAY, MAY 11, 2019 FROM 11AM-3PM

Also tour 13700 Mapleridge - purchased
 from the DLBA and rehabbed by
 Osborn Neighborhood Alliance!

FEATURED HOMES



- 1 12854 Hickory
- 2 12886 Hickory
- 3 12873 Hickory
- 4 18940 Westphalia

Interested in buying a home or
 scheduling a viewing? Go to

buildingdetroit.org

Have any questions? Call the DLBA at
 313-974-6869



Homes **MUST** be renovated and occupied after purchase.

DEMOLITION DEPARTMENT

TAMMY DANIELS, DIRECTOR OF DEMOLITION

The Detroit Land Bank Authority (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. In 2015, the DLBA's demolition program made great strides towards blight reduction in highly populated/high-density areas, radial thoroughfares and commercial corridors throughout the City of Detroit. The DLBA gears its targeted demolitions within the designated Hardest Hit Fund (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

Beginning in June 2018, Michigan State Housing Development Authority (MSHDA) started issuing credits to the DLBA through its various HHF rounds. These credits represent a refund of settlement proceeds as well as the return of the Fire Insurance Escrow ("FIE") dollars paid to MSHDA. The total refund is currently \$6,602,690.50 and will be used to demolish additional residential structures. The refund credits were issued to the DLBA as follows: HHF1-\$5,409,638.69; HHF2-\$1,192,413.56; HHF3- \$638.25; effectively reopening HHF1 and HHF2 rounds. As of the date of this report, four (4) rounds of HHF funding are currently open, as the DLBA successfully closed out HHF3 on December 27, 2018.

The initial funding from the Hardest Hit Fund (HHF1) provided \$57,342,668.95 in demolition funds and was closed in the Third Quarter 2015, with a \$700.00 remaining balance, transferred to the next round. To date, the DLBA had utilized these funds to demolish 3,741 residential structures. As noted above, HHF1 received an additional \$5,409,638.69 in new funding allowing the demolition of approximately 315 additional residential structures. The DLBA identified properties within the geographic boundaries of HHF1 to expend these funds. Currently, those designated properties are contracted for demolition. As of June 30, 2019, the DLBA received \$58,527,800.77 in disbursements from MSHDA; \$4,224,506.87 remains. The remaining funds include the \$1,004,355.29, for which the DLBA is currently seeking reimbursement. The DLBA has until December 31, 2019, to either expend all the remaining allocated dollars or request a transfer of any unspent dollars to other rounds.

The second round of Hardest Hit Funds (HHF2) provided \$50,000,719.05 in demolition funds. Early in the Fourth Quarter 2017, the DLBA's demolition team reduced the grant funds remaining under this round to \$5,410.94, effectively closing out HHF2. As of the date of this report, the DLBA has demolished and received reimbursement for the demolition of 2,965 residential structures. As noted above, HHF2 received an additional \$1,192,413.56 in funding for the demolition of approximately 70 additional residential structures. As of June 30, 2019, the DLBA received \$50,637,202.65 in disbursements from MSHDA, with \$555,929.96 remaining. The remaining

funds include the \$359,326.38, for which the DLBA is currently seeking reimbursement. The DLBA identified properties within the geographic boundaries of HHF2 to expend these funds; these properties are currently contracted for demolition. The DLBA has until December 31, 2019, to either expend all the allocated dollars or request a transfer of any unspent dollars to other rounds. The third round of Hardest Hit Funds (HHF3) provided \$21,255,000.00 in demolition funds. As of December 31, 2018, the DLBA had been reimbursed \$21,249,169.99; leaving \$6,468.26 and effectively closing out this round of funding. The DLBA demolished and received reimbursement for the demolition of 1,465 residential structures across the seven Council Districts.

The fourth round of Hardest Hit Funds (HHF4) provided \$41,901,646.00 in demolition funds. As of June 30, 2019, the DLBA has been reimbursed \$39,399,660.28; leaving \$2,501,985.72 to be drawn down by the DLBA. This amount includes the \$1,938,723.81, for which the DLBA is currently seeking reimbursement. To date, 2,225 structures have been demolished and reimbursed by MSHDA. This fourth round of funding allows for the demolition of approximately 2,400 residential structures, and HHF4 is expected to be closed out on or before December 31, 2019.

The fifth round of Hardest Hit Funds (HHF5) provides for \$88,153,425.00 in demolition funds. As of June 30, 2019, the DLBA has been reimbursed \$28,689,026.76; leaving \$59,464,398.24 in grant funds to be drawn down by the DLBA, which is inclusive of the \$7,764,216.86, for which the DLBA is currently seeking reimbursement. The DLBA expects to demolish approximately 5,200 residential structures under this final round of funding, and HHF5 is expected to be closed out on or before December 31, 2020.

PROCUREMENT TRANSITION

In April 2018, committed to stabilizing demolition costs and to provide a greater level of predictability with the release of HHF program Request for Proposals ("RFP"), the DLBA began issuing between 400-450 properties per month for demolition RFP. Given the increased volume and timing of RFP releases, the DLBA elected to issue an RFP for Procurement Administrative Services to transition the HHF procurement process to a third-party company skilled at providing services on the scale and scope envisioned by the DLBA. The DLBA noted that the DBA, its demolition project manager, was spending an increasing amount of time, resources, and staff on procurement related issues, limiting the DBA's ability to focus on field operations. Also driving the DLBA's decision to transition the procurement process to a third party was the recognition that an anticipated spike in demo RFP releases and increased supervision mandated by March 6, 2018, Department of Health protocols could negatively impact the DBA's ability to manage field operations effectively. Effective July 1, 2018, with a goal of providing increased stability, transparency, and to encourage the participation of a diverse group of contractors; the DLBA transitioned its HHF procurement services from the DBA to Price, Waterhouse, Coopers, Public Sector, LLP ("PWC"). PWC was selected based on their response to the RFP; they bring a wealth of knowledge, experience, and a stellar reputation to the DLBA and the Hardest Hit Fund Demolition Program. A formal agreement was executed on June 30, 2018, and the transition

process began in earnest. Working in close conjunction with the DBA, PWC is currently contracted to provide project management, process mapping (which includes streamlining the current process), review, tabulation and recommendations of approximately 10 RFP groups per month. PWC will also be responsible for administering the annual RFQ process.

Since completion of the transition in late July 2018, the DLBA has seen a sharp increase in efficiency; with the time to review, tabulate, and award RFP's down from six-to-eight weeks to just two weeks. The DLBA successfully eliminated the large RFP backlog during the second quarter; and while we expected to be completed with the procurement process by March 31, 2019, due to performance issues with a demolition contractor the DLBA terminated several contracts the DLBA has been required to rebid properties. The DLBA completed the HHF procurement process prior to May 30, 2019¹. Other process improvements implemented under the partnership with PWC include, but are not limited to, virtual bid openings, recorded bid openings, improvements to the change order process, streamlined documentation, and increased programmatic transparency.

AUDIT OF DEMOLITION DEBRIS LEFT ON SITE

In February 2019, the Detroit Building Authority ("DBA"), the DLBA's HHF project manager, received credible information a DLBA contractor, McDonagh Demolition, left demolition debris (including foundation walls and slabs) buried at multiple demolition sites, in direct violation of their contractual obligation. This prompted the issuance of an immediate Stop Work Order and internal investigation requiring McDonagh mobilize to each site and verify all properties were properly excavated, all debris removed, and backfilled. As of the date of this report, McDonagh continues to complete the work necessary to close out all properties identified in the Revised Stop Work Order, under direct BSEED supervision

During the course of the ongoing investigation, the DBA received information that four (4) additional contractors were suspected of engaging in the same or similar practice. To verify the allegations, the DLBA, DBA, and the City of Detroit sought assistance from the Michigan Department of Environmental Quality ("MDEQ") to determine the best method to confirm existence of unauthorized inert materials left at a demolition site after a demolition had been completed. Based upon the recommendation of the MDEQ, MSHDA, the City of Detroit's Building Safety Engineering and Environmental Department ("BSEED"), the DBA, the DLBA retained a third-party environmental firm Great Lakes GPR to scan randomly selected demolition sites using ground penetrating radar ("GPR"). Sites where the GPR suggested the presence of inert material, established protocol required the contractor to excavate. GPR results led to excavation at four sites; in all four cases, no unauthorized inert material was found. As a result of the excavations, the four contractors were allowed to resume work, and MSHDA is funding all compliant invoice submissions made by these contractors.

¹ As the end of the HHF program draws near, the DLBA will judiciously use all remedies available to it when dealing with performance issues and its contractors; those remedies include, but are not limited to, enhanced oversight, termination and re-bidding, and calling the payment and performance bonds.

POLICY CHANGES/COMPLIANCE

In February 2018, the DLBA transitioned to an RFQ system, to mitigate the arduous submission process. The new RFQ process allows demolition contractors to become pre-qualified to participate in the HHF program by submitting a complete qualification package once a year, instead of submitting qualification documents with every RFP as previously required. On October 29, 2018, the DLBA released the 2019 calendar year RFQ and has approved or is currently reviewing submissions from eighteen (18) demolition contractors. Please see the Hardest Hit Fund Program 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 11,872 blighted structures were demolished with HHF money. The DLBA estimates demolition of an additional 3,100 structures with the remaining 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

DETROIT LAND BANK AUTHORITY

LEGAL DEPARTMENT

TIMOTHY DEVINE, GENERAL COUNSEL

QUIET TITLE

The Legal Department files and oversees expedited Quiet Title Actions pursuant to authority 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 special docket directive creating a special docket allowing the Detroit Land Bank Authority to file these actions in an efficient manner. The DLBA files quiet title actions on its properties, enabling the DLBA to sell those properties with clear, insurable title. Clear, insurable title is very important for anyone buying property—not just from the DLBA, but in general. Clear title provides the property owner confidence in their ownership and any investment they make. It is also an absolute requirement for any lending institution considering financing a mortgage. As of June 30, 2019, this last quarter, the Legal Department obtained five hundred thirty-two (532) quiet title judgments.

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). Properties meeting the NAP criteria are: vacant and unoccupied, boarded, open to trespass, appear to be abandoned or neglected.

The DLBA initially identifies NAP property addresses using government data, then locations are verified by investigators, community groups, or neighbors in targeted geographic areas. 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—areas with relatively low levels of vacancy where a limited number of NAP lawsuits could make a significant difference on an otherwise stable block.

Service of Process is achieved as to all current owners. The DLBA conducts a search of tax and title records for each property to determine current interest holders of record, including owners, mortgage companies, and any other liens. The 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 properties who fail to respond to the lawsuit may lose their ownership rights to the property at a hearing for default judgment.

During the most recent quarter, as of June 30, 2019, the Legal Department identified, placed notices ("posters") on two hundred and four (204) and filed suit against one hundred and forty-six (146) properties in thirty-eight (38) different neighborhoods throughout the City. These actions resulted in agreements to address the blight or in judgments awarding ownership of the properties to the DLBA facilitating blight resolution through the DLBA's various programs.

This quarter, there were one hundred and four (104) agreements with property owners to rehabilitate their properties. Additionally, the NAP program obtained twenty-eight (28) default judgments, one (1) donation of abandoned property to the DLBA in lieu of litigation, and seven (7) properties purchased from defendant property owners in cost-saving settlements.

NAP lawsuits are an important tool in fulfilling the DLBA's mission of stabilizing neighborhoods by addressing blighted and abandoned property.

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 (6) 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.

The Sales Compliance reporting period begins on the date of closing, when the property owner takes title to the property and obtains possession. 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 Building Safety Engineering Environmental Department (BSEED)
2. occupying the property
3. exterior maintained – no boards, no blight.

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 residents and the neighborhoods evidenced by occupancy and exterior maintenance – no boards, no blight. After achieving NAP Compliance, the DLBA releases its lis pendens and dismisses the lawsuit.

	Auction/ Own It Now (Sales)			Community Partners (Sales)			Nuisance Abatement Program (NAP)			All Programs		
	Program- to-Date	2019	2nd Quarter CY19 (4/1 - 6/30)	Program- to-Date	2019	2nd Quarter CY19 (4/1 - 6/30)	Program- to-Date	2019	2nd Quarter CY19 (4/1 - 6/30)	Program- to-Date	2019	2nd Quarter CY19 (4/1 - 6/30)
Currently Monitored	2776	983	508	55	8	4	584	199	111	3415	1190	623
Compliance Achieved	2087	473	243	96	8	4	1190	98	51	3373	579	298
*Failed Compliance Obligations	480	56	16	55	1	0	271	178	23	806	235	39

* Does not adjust for properties placed into a new DLBA program after re-conveyance is completed, or after judgment is taken



Compliance Properties On The Dangerous Buildings List

The Compliance team worked diligently in the fourth quarter to manage and process Dangerous Buildings List deferral applications. In the previous quarter, the DLBA Compliance team sent a mass email to 382 property owners regarding their property's status on the Dangerous Buildings list; maintained by the Buildings, Safety, Engineering and Environmental Department (BSEED) and approved by City Council. In response to feedback from those property owners, the DLBA, in collaboration with BSEED, developed a free, streamlined, online application process to assist homeowners seeking Dangerous Buildings list deferrals.

To eliminate this incumbrance for future buyers, the DLBA stopped sale on Auction and Own-It-Now properties with a Dangerous Buildings List designation. Throughout the fourth quarter, representatives from the Community Affairs, Inventory, and Legal departments worked in collaboration with BSEED on a long-term solution. The result was a resolution, drafted by the City's Law Department, that, if adopted, removes all properties associated with the DLBA from the Dangerous Buildings list. This resolution is expected to come before City Council in the first quarter of fiscal year 2020.

Q4 Compliance Success Stories

519 E PHILADELPHIA – NAP



4159 LINCOLN - NAP



9180 GOODWIN - AUCTION



2498 LOTHROP - AUCTION



843 PINGREE - NAP



18960 WESTMORELAND – OWN-IT-NOW



ADMINISTRATION & OPERATIONS

KELLEY SINGLER, DIRECTOR OF ADMINISTRATION & OPERATIONS

The Administration & Operations Departments of the Detroit Land Bank Authority (DLBA) directs the day-to-day organization operations and centralized resources of the DLBA. Administration & Operations is charged with the stewardship of the organization; providing Human Resources, Office Management, Information Technology, and Data Solutions support. In addition to internal programming, Administration & Operations administers many external DLBA programs utilized by the public and other City entities. These include the DLBA's Salesforce database; curators of buildingdetroit.org; and as of January 2019, Client Services.

HUMAN RESOURCES / OFFICE MANAGEMENT

The DLBA continues to expand and diversify its staff, developing an employee-oriented culture emphasizing quality, continuous improvement, and high performance. The continued growth necessitates changes in organization procedures and practical implementation.

In addition to special improvement project, ongoing day-to-day support of DLBA staff consists of:

- Organization point person for maintenance, supplies, invoices, and equipment
- Represent DLBA interests through continual engagement with Guardian Building, Cobo Parking, USPS, maintenance and project contractors, and other external vendors
- Audit and distribute building access keys
- Audit and distribute Cobo Parking access keys
- Assist with DLBA new hire onboarding
- Coordinate and execute monthly DLBA Board Meetings, Committee Meetings, and other public forums
- Oversees maintenance of office efficiency and cleanliness of all common areas (kitchen, copy room, file rooms)
- Ensure DLBA facilities are clean, orderly and safe

INFORMATION TECHNOLOGY

Information Technology (IT) administration and support is a core function of the DLBA, providing server administration and desktop support for the entire DLBA, ensuring technology is invested in and utilized to streamline operations and deliver quality service. Last quarter the DLBA IT Team resolved 261 helpdesk tickets.

To stay aligned with industry standards and practices and learn more of these standards, and more on how to secure and protect data, the IT Team attended the Microsoft SharePoint Conference 2019 in May. The IT Team attended courses on the latest tools, security protocols, and operating trends by the industry leaders. Reiterating the power of securing data in the cloud, protecting data using One Drive, and SharePoint – all systems already in use at the DLBA. Affirming IT's overall procedures and goal of achieving an efficient document management system for the DLBA.

In addition, DLBA IT Services are required in the field ensuring staff have the necessary technology to meet the demands of DLBA clients. Q4 Events Included:

District Side Lot Sales (Monthly)

April Side Lot Fair (305 DLBA clients served; 438 Side Lots sold)

Buy Back Events

Building Block Events (Inventory community-focused campaign)

Ongoing IT Projects:

- Supporting General Counsel and DLBA Legal department FOIA and Discovery needs
- Managing network drive space allocations
- Management of asset inventory and warranty of equipment
- Working with Microsoft to plan document storage solution for all staff
- Increasing network security measures

WEBSITE ENHANCEMENTS

Supporting the DLBA Buildingdetroit.org website is central to IT's Functionality. In Q4 the Web Support team resolved 123 support requests for bug fixes, security updates and minor process improvements.

Improvements to Website last quarter:

- Continuing revision to the Projects page
- Revised FAQs
- Redesigned Side Lots and Who We Are pages





Purchase a Side Lot

ALL DISTRICTS

Home Address

Enter Your Home Address

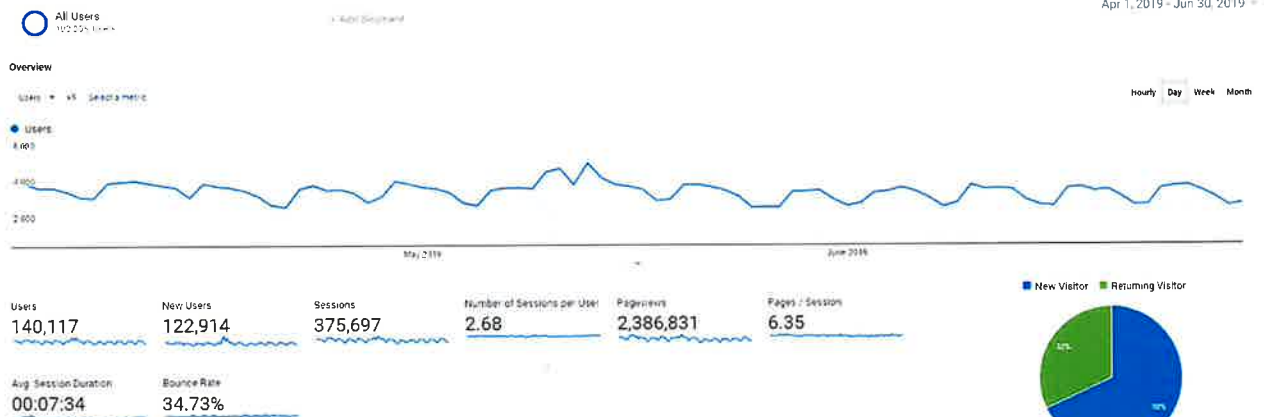
VIEW LOTS

buildingdetroit.org New Users FY2019



New User Accounts
FY 2019

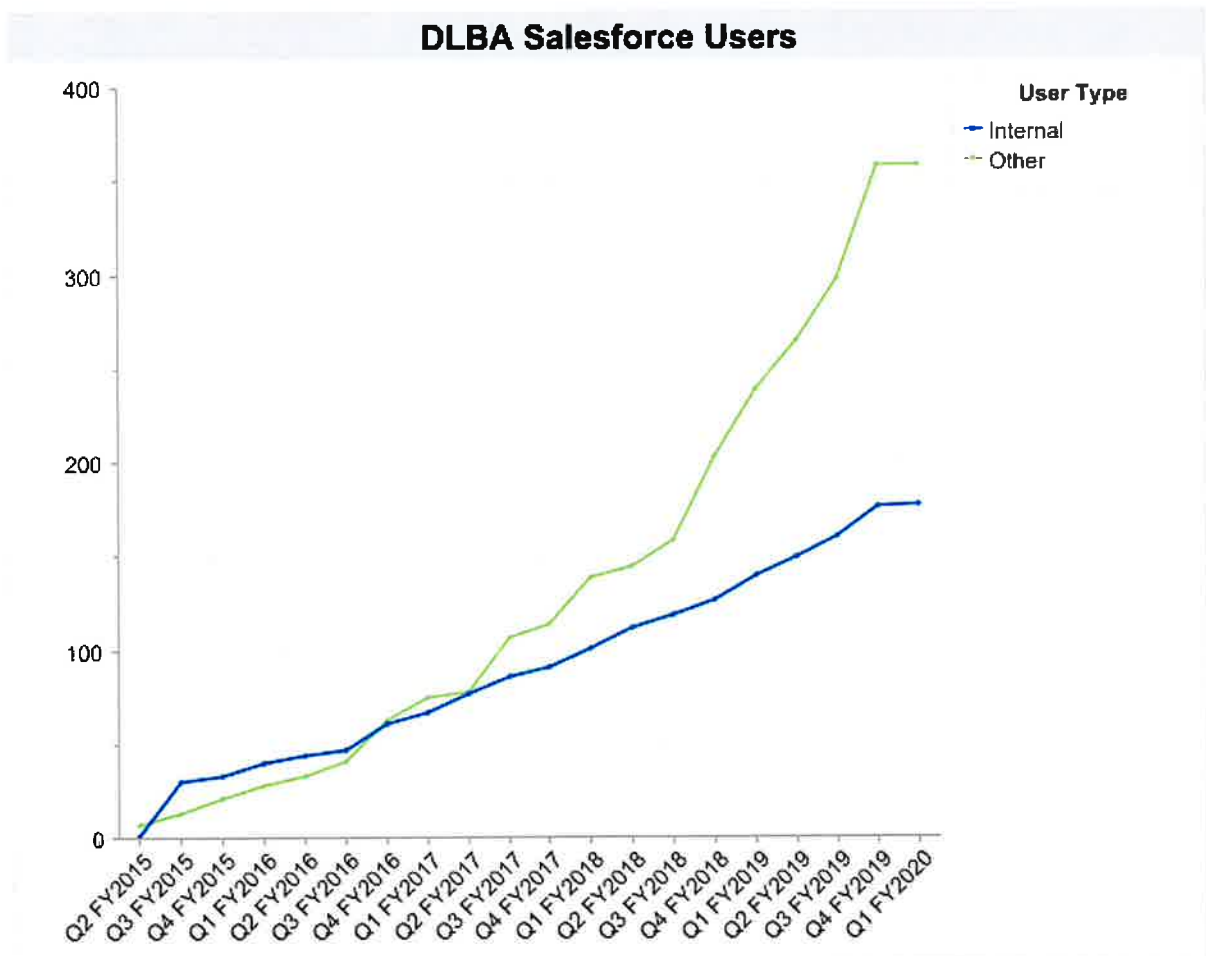
Jul	1627
Aug	1535
Sep	1347
Oct	1386
Nov	1532
Dec	902
Jan	1353
Feb	1647
Mar	2080
Apr	2450
May	1562
Jun	1450
Total:	18871



DATA SOLUTIONS

Data collection, organization, and analysis is critical to the functionality and forward growth of the Detroit Land Bank Authority's Inventory, Disposition, Demolition, and Legal departments. The DLBA's Salesforce system 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. As City agencies discovered its comprehensive nature, the DLBA receives frequent requests to add users from departments with diverse missions; from the Detroit Police Department to the Detroit City Council and Department of Neighbors. The DLBA provides access and support at no cost to City agencies.

In Q4 2019 a record number of external Salesforce partner users were added. There are **531 active Salesforce users (173 DLBA; 358 Non-DLBA)**, 60 of which were added this quarter.



The Detroit Police Department was a large contributor to this growth. The DLBA's robust Salesforce database/operational platform is of great value to the DPD in responding to the

concerns of Detroit Citizens, particularly related to property. *“Access to the DLBA instance of Salesforce helps DPD in two main ways: ownership verification and tracking of actions occurring at a property.”* Neil Tambe, Strategic Project Manager at the Office of the Chief of Police. We always look forward to increased partnership with City Agencies.

Tracking ownership helps DPD officers determine appropriate actions when an issue arises relating to a property. For example, if DPD receives a complaint at a property checking the ownership helps DPD determine whether the next steps should be to contact the owner, pursue action through the Detroit Land Bank Authority, or pursue action through other means.

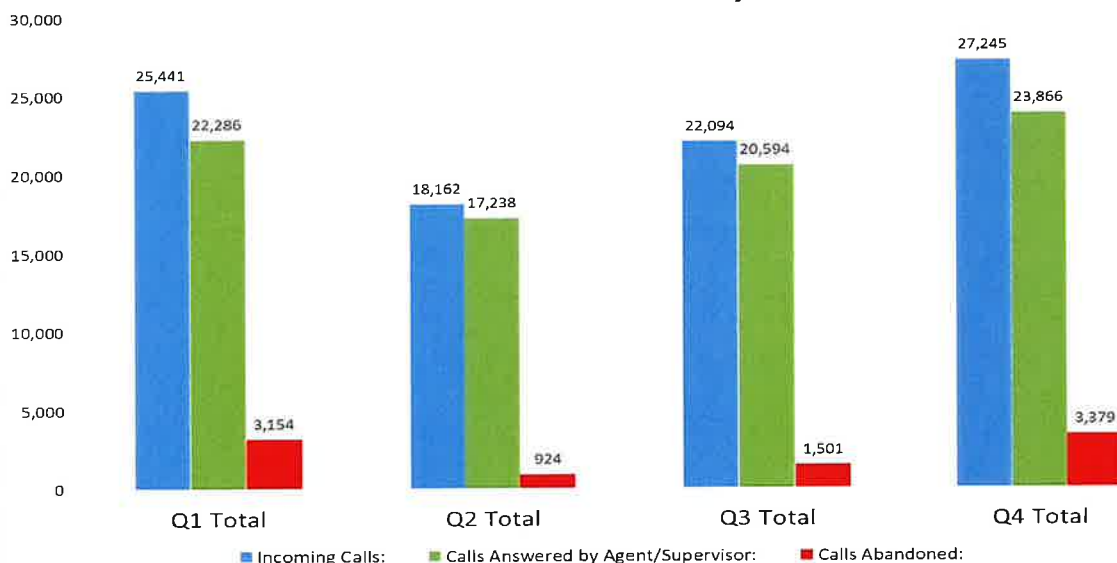
Additionally, access assists the DPD understand what actions DLBA or other entities are taking at a property. For example, the property may be in the pipeline for demolition or DLBA may have the property as part of its Nuisance Abatement Program or drug house seizure projects.

Overall, having access to the DLBA’s Salesforce database provides a greater depth of understanding which in turn assists DPD officers make better, more informed, decisions regarding the appropriate action to take when a complaint is received regarding a property.

CLIENT SERVICES

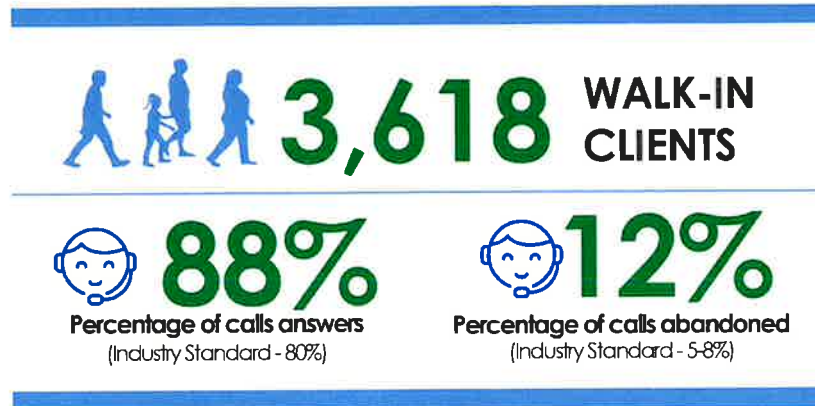
The DLBA Client Services team strives to provide exceptional customer service to our internal and external customers through information, resources, and transparency. The team is dedicated and resolution oriented, working to deliver comprehensive solutions to inquiries from customers, residents, and Detroit city agencies.

DLBA Call Center Summary Q1-Q4 FY2019



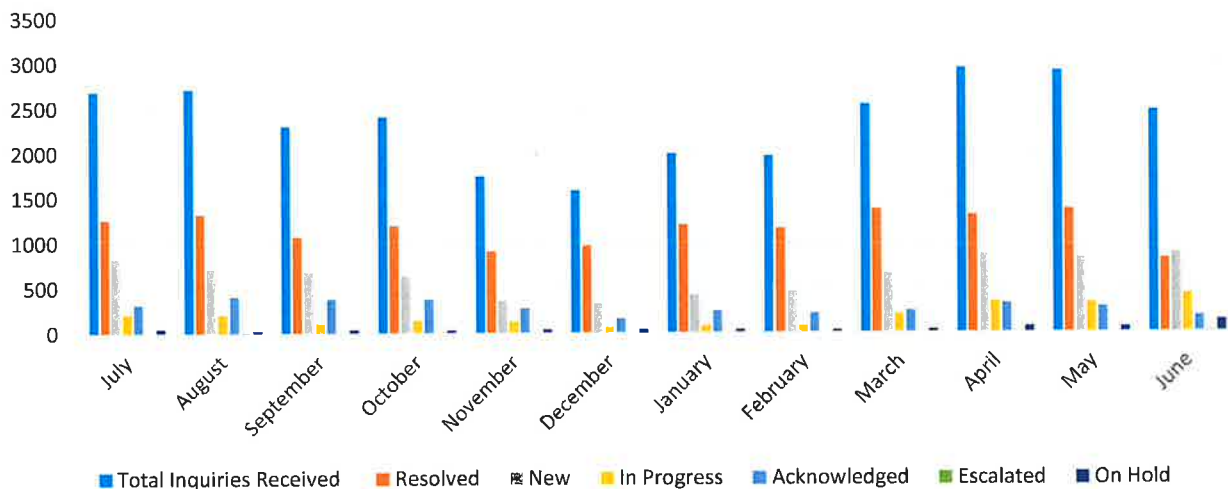
Revised DLBA Call Center Summary numbers to reflect previously unreported calls answered by DLBA Call Center Supervisors.

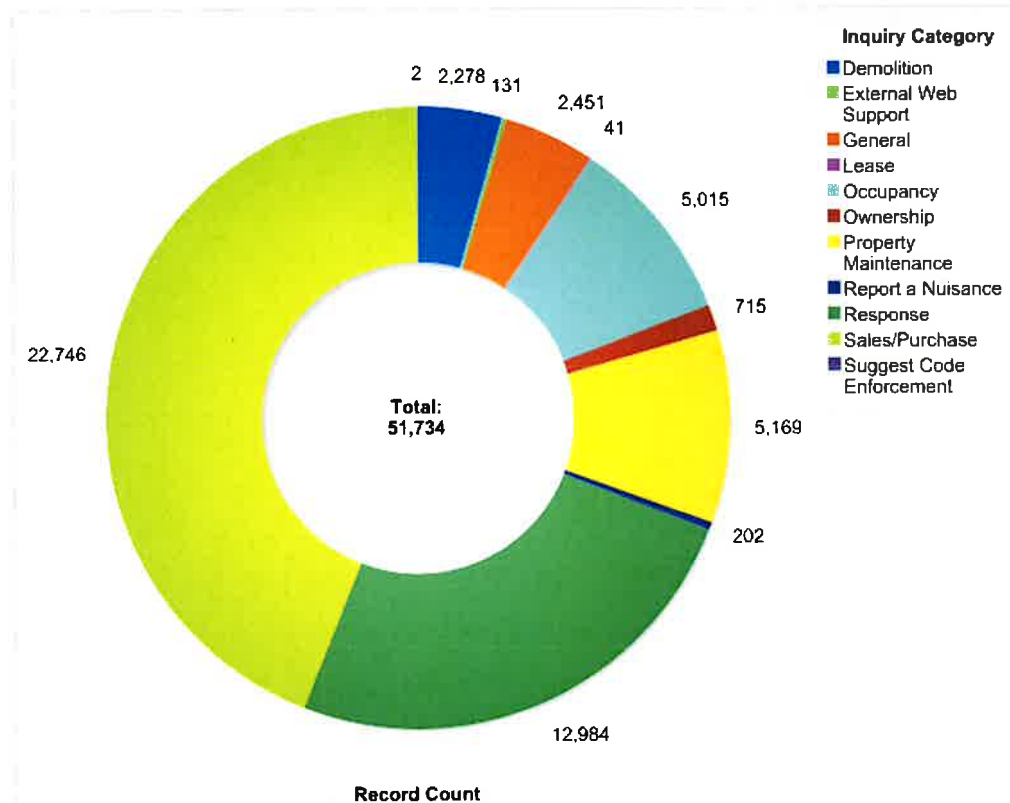
Many of our customers require assistance navigating computers and/or their smartphone. The Client Services team provide daily assistance on the in-office computers, helping clients understand how to purchase DLBA properties.



Managing Inquiry volume and ensuring responsiveness is paramount. Tracking Inquiry categories, sub-categories, and priority levels to automatically route each Inquiry to the appropriate person within each DLBA and Non-DLBA department facilitates resolutions. Dedicated staff in each department field inquiries and provide accountability.

DLBA Inquiries & Resolutions





Residents contact the DLBA to purchase properties and with concerns relating to other city agencies. Client Services regularly refer constituents to Office of the Assessor, Wayne County Treasurer and Register of Deeds, Detroit Building Authority, the Improve Detroit App, Zoning and Permit, etc.

Often, Detroit residents call the DLBA because they care about their community and need to be heard. Client Services takes the time to listen and strives to provide first call resolutions in a timely manner. Sometimes simply providing a sympathetic ear and listening is equally important.

A few words from our clients:

"Representatives were very helpful and friendly and made me happy with their service."

"The front desk, staff are always helpful. Thank you for great service."

"I just wanted to let you know that you and your colleagues are good... for everything! Every time I called for help you all are so kind and helpful. Aloha from fam in Hawaii!"

DETROIT LAND BANK AUTHORITY

FINANCE DEPARTMENT

IRENE TUCKER CHIEF FINANCIAL OFFICER
JEFFREY LAM, CONTROLLER

OVERVIEW

The Finance Department continues with the transformation process by aligning itself to fully support the DLBA's dynamic and ever-evolving operational day-to-day functions. The summary below will discuss (1) June 2019 Fiscal Year to Date Revenue and Expenses - Actual versus Budget; (2) Balance Sheet Highlights; and (3) Status Update on the Hardest Hit Fund.

June 2019 Fiscal Year to Date Revenue and Expenses - Actual versus Budget

Overall Revenue for the period was \$86.0M versus Budget of \$77.2M. Expenses were \$80.5M versus Budget of \$77.2M. Budget versus Actual variances were primarily driven by timing of demolition activities being executed relating to the Hardest Hit Fund – Rounds 4 and 5.

June 2019 Balance Sheet Highlights

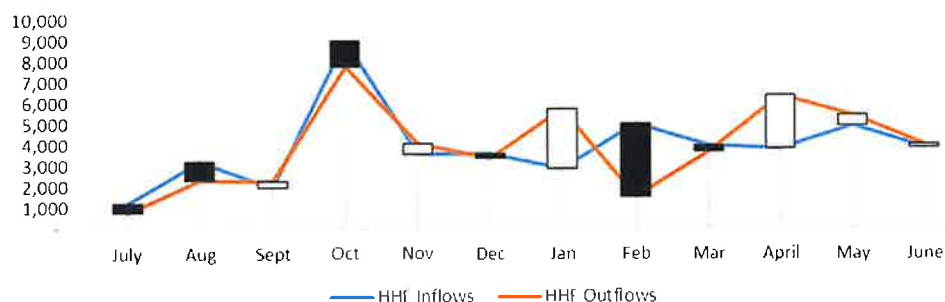
- The Balance Sheet ended strong with a working capital ratio showing that the DLBA's current assets exceeded current liabilities by 1.6 times.
- Restricted cash balance of \$7.6M consisted of maintenance fees for over 11,800 demolitions completed within the Hardest Hit Fund Program (inception to date), along with private donor donations where obligations have not been fulfilled.
- Designated cash from private donors and contractual obligations amounted to \$11.9M (i.e., Demolition, Rehabbed Programs).

Hardest Hit Fund Updates

FY19 Activity

From July 2018 through June 2019, over \$47.9M was paid for reimbursable demolition expenses relating to this program. Cash receipts from our partner, MSHDA, exceeded \$41.5M representing reimbursements of over 2,100 demolitions. However, it is projected that the timing of payments to vendors will continue to exceed reimbursements within this fiscal year. The chart on the following page is a summary of the projected cash flows through the end of this fiscal year.


HHF FY 2019 Projected Cash Flows
(excluding Demolition Advance Funding)
(in Millions)



Inception to Date

To date, the Hardest Hit Fund reimbursed expenses exceeded \$196M and reimbursements were \$182M 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, 2019, 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.

Date	Action	\$ Amount
March-15	Setup of Fund	20.0
April-15	Draw # 1	(15.0)
April-16	Repayment	10.0
August-16	Draw # 2	(4.0)
October-16	Draw # 3	(6.0)
June-17	Repayment	5.0
May-18	Repayment	5.0
October-18	Draw # 4	(5.0)
June 30, 2019 Net Draw Balance		(10.0)
June 30, 2019 Available Balance		10.0



Appendix

1. Unaudited Year to Date June 30, 2019 Revenue and Expenses
2. Unaudited June 30, 2019 Balance Sheet
3. Summary of DLBA's Revenue Funding Sources
4. Graphic Summary of Revenue and Expenses

APPENDIX 1 UNAUDITED YEAR TO DATE JUNE 30, 2019 REVENUE AND EXPENSES

Income Statement Summary- Management View

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Company Name: **Detroit Land Bank Authority**
 As of Period Ending: **2019/012**
 Audit Status: **Unaudited**
 Report Status: **Draft**

City Council Grouping Level	Actual YTD	Budget YTD	Variance
Income			
Structure Sales	10,725,669	4,928,697	5,796,772
Side Lot Sales	998,801	350,000	648,801
Cost of Inventory	(1,481,800)	0.00	(1,481,800)
Discounts	(2,285,630)	0.00	(2,285,630)
Gain (Loss) on Sale of Property	(80,287)	0.00	(80,287)
Total Net Sales	7,876,752	5,278,697	2,597,855
Government Revenue	60,230,159	56,642,241	3,587,918
Total Government Revenues(MSHDA)	60,230,159	56,642,241	3,587,918
COD Operating	14,000,000	14,000,000	0
COD Blight	2,493,940	0.00	2,493,940
Total City of Detroit Revenue	16,493,940	14,000,000	2,493,940
Inter-Company Revenue	552,572	0.00	552,572
Private Grant Revenue	960,918	700,000	260,918
Total Other Private Grant Revenue	1,513,490	700,000	813,490
Donated Goods and Service	343,950	0.00	343,950
Inventory Impairment	(2,137,451)	0.00	(2,137,451)
Total Donated Goods and Service	(1,793,501)	0.00	(1,793,501)
5/50 Proceeds	909,526	450,000	459,526
Closing Refunds to the Seller	206,710	0.00	206,710
Fire Escrow Proceeds	40,506	0.00	40,506
Housing Showing Fees	28,805	11,000	17,805
Lease Revenue	10,725	20,000	(9,275)
Legal Recoveries	32,232	25,000	7,233
Other Income	35,682	0.00	35,682
Quiet Title Fees	430,241	60,000	370,241
Total Other Income	1,694,427	566,000	1,128,427
Inter-Department Revenue	1,251,387	1,251,387	0.00
Total Inter-Departmental	1,251,387	1,251,387	0.00

APPENDIX 1 UNAUDITED YEAR TO DATE JUNE 30, 2019 REVENUE AND EXPENSES

SUB TOTAL	87,266,654	78,438,525	8,828,129
Elimination			
Inter-Department Revenue	(1,251,387)	(1,251,387)	0.00
Total Inter-Departmental	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
Total Income	88,015,267	77,187,138	8,828,129
Expenses			
General Admin Costs	1,509,329	1,810,549	301,220
Personnel Costs	11,300,289	12,107,242	806,953
Facilities Costs	1,584,347	1,348,047	(236,300)
Professional Services	2,840,378	4,970,242	2,129,864
Program Expense	63,234,358	56,951,058	(6,283,300)
Inter Company Expenses	1,251,387	1,251,387	0.00
	81,720,088	78,438,525	3,281,563
SUB TOTAL	81,720,088	78,438,525	3,281,563
Elimination			
Inter Company Expenses	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
Total Expense	80,468,701	77,187,138	3,281,563
Net Income	5,546,566	(0)	5,546,566

APPENDIX 2 UNAUDITED JUNE 30, 2019 BALANCE SHEET

Balance Sheet Detailed - Management View

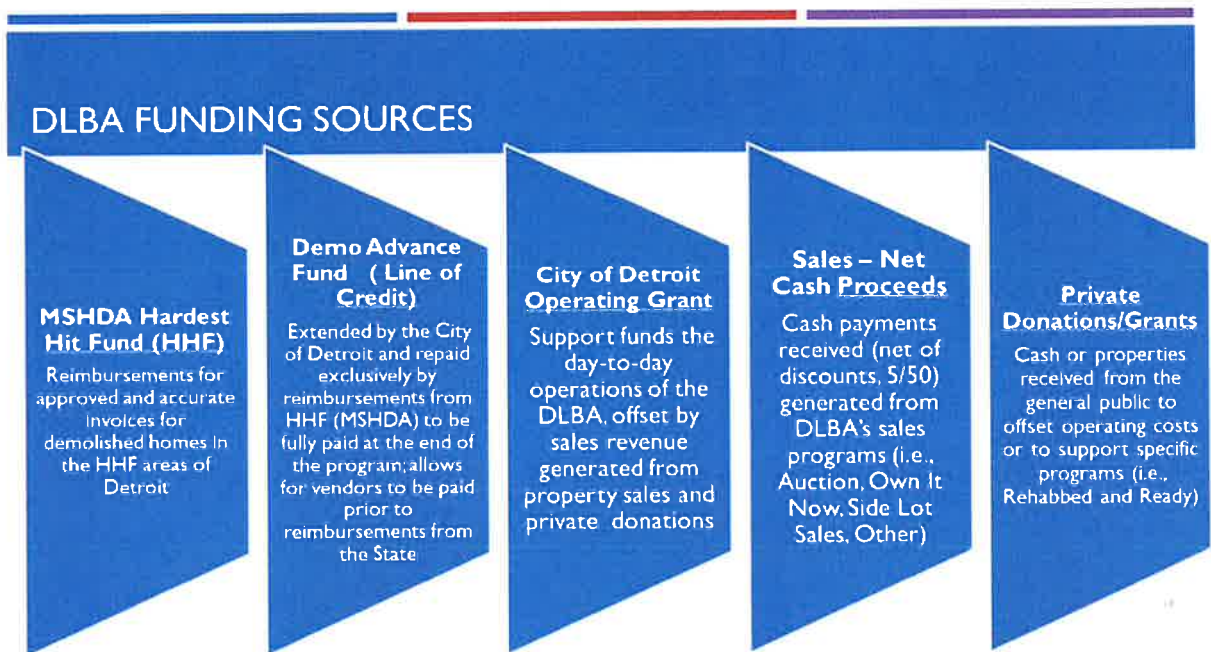
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Company Name: **Detroit Land Bank Authority**
 As of Period Ending: **2019/012**
 Audit Status: **Unaudited**
 Report Status: **Draft**

Balance Sheet	Current Period June 30 (Last year) Current Vs June		
Current Assets			
Cash and Cash Equivalents	21,099,730	20,291,061	808,668
Accrued/Accounts Receivable	38,900,405	19,456,157	19,444,248
Other Current Assets	21,795,762	23,407,430	(1,611,668)
Current AssetsTotal	81,795,896	63,154,648	18,641,248
Fixed Assets			
Fixed Assets	683,008	616,331	66,677
Fixed AssetsTotal	683,008	616,331	66,677
Total Assets	82,478,905	63,770,979	18,707,926
Current Liabilities			
Demo Advance Fund - City of Detroit	10,000,000	5,000,000	(5,000,000)
Accrued/Accounts Payable/Other Liabilities	36,743,679	28,582,318	(8,161,360)
Current LiabilitiesTotal	46,743,679	33,582,318	(13,181,360)
Equity			
Equity	35,735,226	30,188,661	5,546,566
EquityTotal	35,735,226	30,188,661	5,546,566
Total Liabilities and Equity	82,478,905	63,770,979	18,707,926

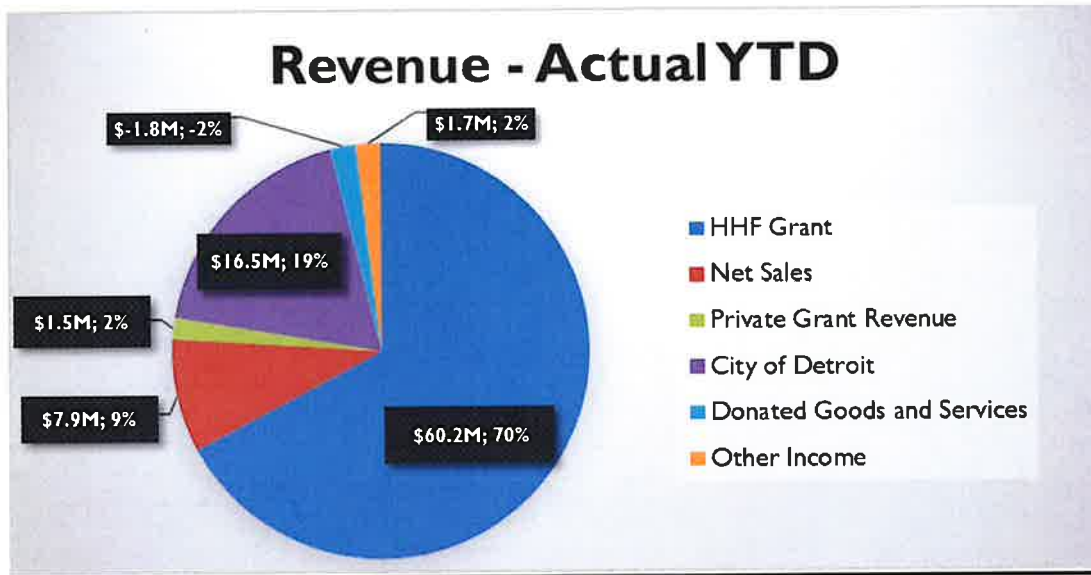
APPENDIX 3 SUMMARY OF DLBA’S REVENUE FUNDING SOURCES

Summary of DLBA’s Revenue Funding Sources



APPENDIX 4 GRAPHIC SUMMARY OF REVENUE AND EXPENSES

Fiscal Year 2019 – June Year to Date Revenue Summary



*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 and Inter-Company Revenue

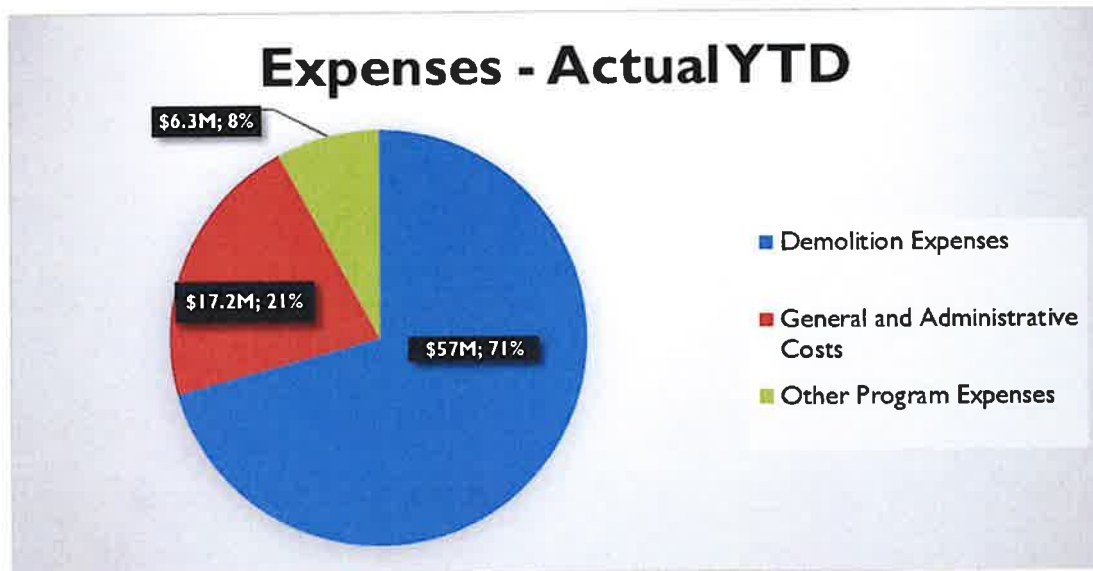
*Donated Goods and Services includes: Donated Goods and Services minus Impairment of Inventory

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

*Other Income includes: 5/50 Proceeds, Closing Refunds, Fire Escrow Proceeds, House Showing Fees, Lease Revenue, Legal Recoveries, Other Income, Program Income, and Quiet Title Fees

APPENDIX 4 GRAPHIC SUMMARY OF REVENUE AND EXPENSES

Fiscal Year 2019 – June Year to Date Expenses Summary



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

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

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