



DETROIT LAND BANK AUTHORITY

NEIGHBORHOOD

CREATE-A-PROJECT

PILOT POLICY

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Definitions

For purposes of this Neighborhood Create-a-Project Pilot Policy, the following terms having the meanings specified bellowed or where indicated.

“CAP Pilot” means the DLBA’s Neighborhood Create-a-Project Pilot.

“City” means the City of Detroit.

“DLBA” means the Detroit Land Bank Authority.

“Eligible Property” is defined in Section III.

“Participant” is defined in Section II.

“Project” is defined in Section II.

Introduction

The Detroit Land Bank Authority was created to make vacant and residential public property available for sale in order to promote homeownership, neighborhood revitalization, urban agriculture and economic growth in the City of Detroit. The DLBA both develops and implements its own programs and cooperates with the departments and agencies of the City in order to carry out this mission. In keeping with this mission, the DLBA serves as the owner of last resort for vacant, abandoned, and foreclosed property in the city of Detroit.

The DLBA is implementing a Neighborhood Create-a-Project Pilot that will make vacant land available for purchase by neighborhood organizations so they can create community benefit projects such as art installations, playgrounds or community gardens in their neighborhoods. This Neighborhood Create-a-Project Pilot Policy sets forth guidelines for the DLBA's making vacant lots available for purchase by such organizations.

I. **Objective.** The Neighborhood Create-a-Project Pilot Policy (“**CAP Pilot**”) will make vacant land available for purchase by organizations so they can create public benefit projects such as art installations, playgrounds or community gardens in their neighborhoods.

II. **Purchaser Eligibility.**

A. A neighborhood community group such as a block club (each, a “**Participant**”) that wishes to purchase land under the CAP Pilot must be an existing legal entity (such as a partnership, LLC or corporation) with the legal authority to purchase real property. Each Participant must also meet the then-current eligibility requirements for purchasers of property through the DLBA’s Auction Program.

B. Each Participant will be required to create a written plan setting forth the purposes for which they intend to use the requested DLBA land (each, a “**Project**”). Projects will be reviewed by the City’s Department of Neighborhoods to determine whether a proposed Project is appropriate, including but not limited to the requirement that it be located in a neighborhood in which the Participant is active.

C. If more than one neighborhood community group applies to purchase a particular parcel, the DLBA shall award that parcel to the first group to have submitted a complete application, provided that Project is deemed appropriate by the Department of Neighborhoods.

III. **Property Eligibility.** DLBA staff will confirm that any lot requested for purchase by a Participant is eligible for sale (each, an “**Eligible Property**”). To qualify as an Eligible Property, a lot must meet all of the following criteria.

A. The lot must be designated by the DLBA as a Neighborhood Lot (as defined in the DLBA’s Amended and Restated Vacant Land Policy).

B. The lot must be a residential parcel without any structures.

C. The lot must not exceed 7,500 square feet and it must not measure more than 300 linear feet on any side.

D. There must be no property taxes due (current or past due) nor any outstanding blight tickets in connection with the lot.

E. The lot must be zoned as one of the following: R1, R1H, R2, R2H, R3, or R3H.

F. The lot must not have been selected for another DLBA disposition program, other than the Neighborhood Lot Program.

G. If applicable, the sale of the lot must be approved by the appropriate governmental agency. Examples include, but are not limited to, approvals from (1) MSHDA for a lot that was the site of an HHF-funded demolition and in connection with which there is still an outstanding balance on the HHF loan note, or (2) the City's Housing and Revitalization Department for a lot that was acquired or demolished using NSP funds.

IV. Terms.

A. Eligible Properties will be offered to Participants at a price of \$250 per parcel.

B. Each Participant may initially purchase no more than four Eligible Properties under the CAP Pilot. Upon satisfactory completion of a Project and with approval from the Department of Neighborhoods, a Participant may purchase additional groups of no more than four Eligible Properties at a time.

C. DLBA will procure and provide a title search for each Eligible Property at no additional cost to Participant. At Participant's request, DLBA will also provide the service of quieting title to an Eligible Property for \$550.

V. Compliance.

A. Participants will be required to implement the Project substantially as described within their proposed schedule and then to maintain the Project and the Eligible Property they purchased for three years from the closing date, in accordance with standards established by City and City Planning Commission rules and regulations. Failure to do so after notice will give the DLBA the right to exercise its reverter interest and take back title to the Eligible Property without compensation.

B. Title to the Eligible Property shall not be transferred by Participant during that three-year period without the DLBA's written consent. If title is transferred in violation of this section, Participant must immediately pay to the DLBA all funds and other compensation received for that transfer, minus \$250.