

Mortgage Foreclosure Prevention Update September 2009

- Washtenaw County Treasurer
- MSU Extension
- Office of Community Development – City of Ann Arbor and Washtenaw County
- Housing Bureau for Seniors
- Legal Services of South-Central Michigan
- Washtenaw County Sheriff



Foreclosure Hurts Families and Lowers Property Values

State Issues

- Unemployment as high as 24.4% in some MI cities
- MI ranks in top 5 states for mortgage foreclosures

Washtenaw County

- Unemployment higher than national average
- Mortgage foreclosures increased 25% in 2008 over 2007 and were more than double the foreclosures in 2006
- Delinquent taxes increased 24% last year; County projected to lose \$1.5 Billion in value

City of Ann Arbor

- Delinquent taxes increased 42% last year
- Treasurer foreclosed 1 property in City since 1999; this year 2 were foreclosed



How We are Helping

Preventing Tax Foreclosure

- 93,000 tax delinquent parcels since 1999; 164 foreclosed; 3 in the City of Ann Arbor

Preventing Mortgage Foreclosure

- Last year, 2,405 foreclosures initiated and 1,439 Sheriff's Deeds
- Handled 1,499 inquiries; met face to face with 588 customers
- Saved 144 homes from foreclose and provided "soft landings" services to 344 homeowners
- Conducted Financial Literacy and HomeBuyer education in Ann Arbor and throughout the County

Developing Best Practices

- Outreach ,Education ,and Financial Literacy integral to program; Training for human service providers; Information on-line
- Conference calls with customer and mortgage servicer
- Intake Specialist single point of entry model working well

3



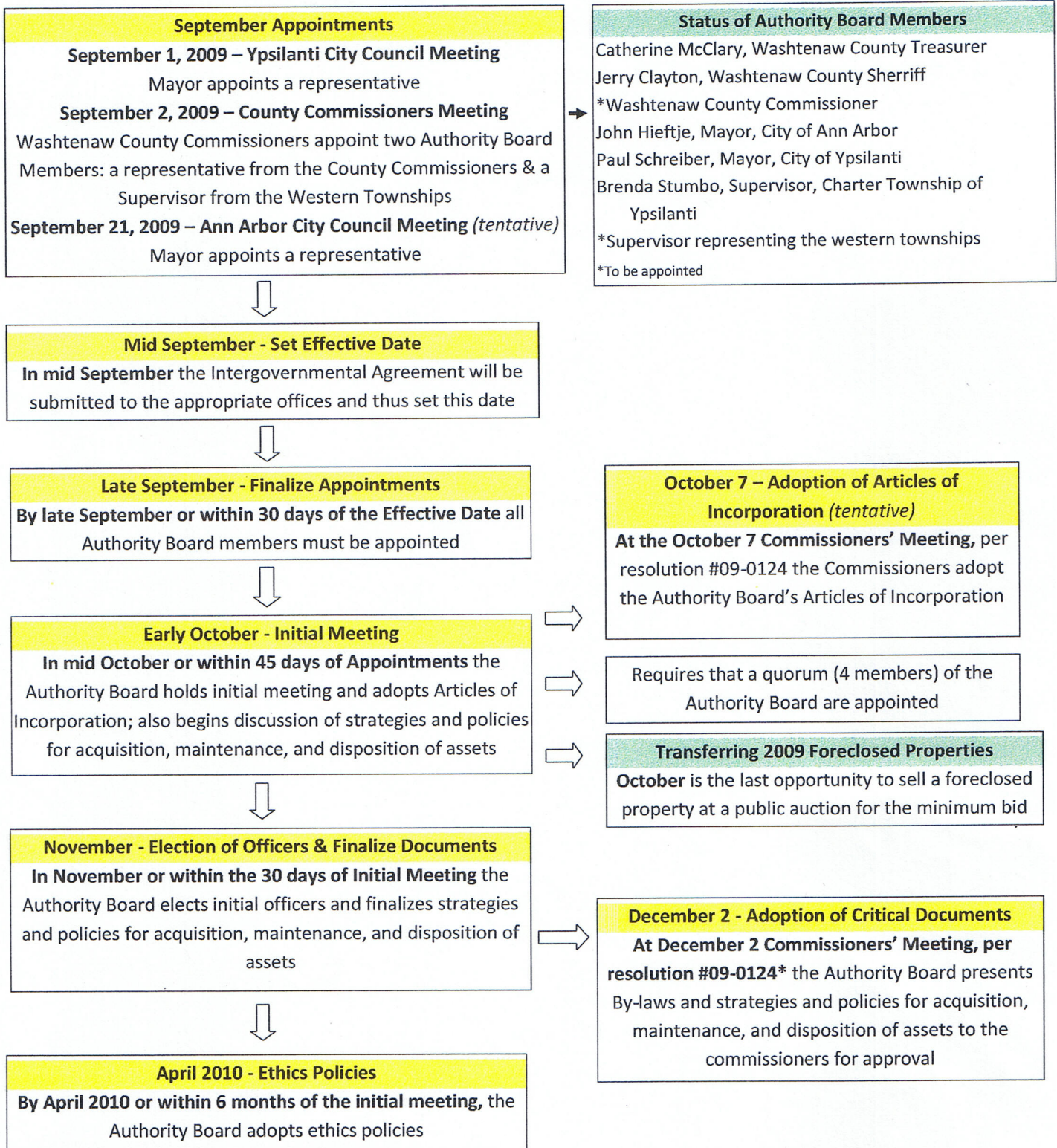
Thank you for Your Past Support and
Thank You for Your Upcoming Help!

- ❖ Your financial support is doing the right thing
- ❖ We are not solving the problem, but what we are doing in Ann Arbor is effective
- ❖ We will keep doing it --- Thanks to your support

It's Good Public Policy to do everything we can to keep people in their homes – Tax and Mortgage Foreclosure Prevention:

- ❖ Stabilizes families – prevents homelessness
- ❖ Stabilizes neighboring property values
- ❖ Stabilizes property tax base

Legal Timeline of First Steps for the County Land Bank Authority



*The Commissioners’ last meeting of the year is December 2 and resolution #09-0124 specifies that these items must be completed by December 31, 2009. The adopted Intergovernmental Agreement gives the Authority Board more time than the resolution; it allows the Authority Board up to six months from the date of the initial meeting to adopt by-laws and ethics policies.

**BOARD OF DIRECTORS
LAND BANK AUTHORITY**

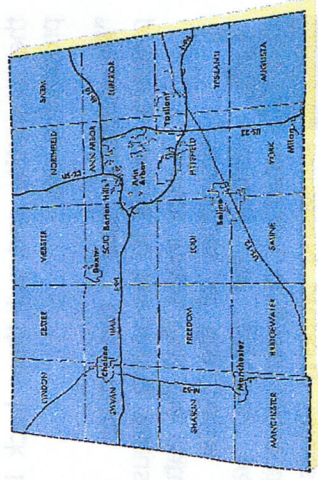
- Catherine McClary, Treasurer
- Jerry Clayton, Sheriff
- *Washtenaw County Commissioner
- John Hiefertje, Mayor, City of Ann Arbor
- Paul Schreiber, Mayor, City of Ypsilanti
- Brenda Stumbo, Supervisor, Charter Township of Ypsilanti
- *Supervisor Representing the Western Townships

*To be appointed

**BOARD OF COMMISSIONERS
WASHTENAW COUNTY**

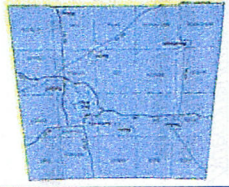
- Mark Ouimet District 1
- Ken Schwartz District 2
- Jessica Ping District 3
- Wes Prater District 4
- Rolland Sizemore Jr. District 5
- Ronnie Peterson District 6
- Kristin Judge District 7
- Barbara Levin Bergman District 8
- Leah Gunn District 9
- Conan Smith District 10
- Jeff Irwin District 11

**WASHTENAW COUNTY
LAND BANK AUTHORITY**



**Washtenaw County
Land Bank Authority**
 200 N. Main Street, Suite 200
 Po Box 8645
 Ann Arbor, MI 48107-8645
 Ph: 734-222-6600
 Fax: 734-222-6632
 taxes@ewashtenaw.org
 http://landbank.ewashtenaw.org

Washtenaw County Land Bank Authority
 200 N. Main Street, Suite 200
 Po Box 8645
 Ann Arbor, MI 48107-8645
 taxes@ewashtenaw.org
 http://landbank.ewashtenaw.org



CATHERINE McCLARY, CPRO
 TREASURER

WHAT IS A LAND BANK AUTHORITY?

A **Land Bank** provides a mechanism to address blight, unsafe buildings, and decreasing property values caused by vacant or distressed properties. A land bank takes temporary ownership of properties which may be abandoned, dilapidated, and/or foreclosed to improve the properties and put them back into productive use.

"**Productive use**" can mean the property returns to tax-paying status or it may mean that the natural resources of the parcel are utilized for gardens, water retention, or green space thus increasing property values of the surrounding neighborhood.



EXAMPLES OF SUCCESSFUL LAND BANKS

Genesee County Land Bank Authority is a leader in the land bank field. It has initiated several programs to return vacant properties to productive use — for example:

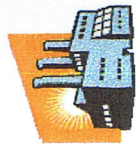
- **Side Lot Transfers** of vacant parcels to adjacent homeowners for a minimal fee.
- **Clean & Green** supports neighborhood efforts to convert vacant Land Bank property into gardens and green space.
- **Home sales** through traditional mortgages, cash, and land contracts with credit for renovations.



For more information about the Genesee County Land Bank, visit its webpage at: <http://www.thelandbank.org/>

ABOUT THE WASHTENAW COUNTY LAND BANK

The Washtenaw County Land Bank Authority is an Intergovernmental Agreement between the County Treasurer as the Foreclosing Governmental Unit for the County and the State of Michigan Fast Track Land Bank Authority. The Treasurer was authorized to enter into this Agreement by the Washtenaw County Board of Commissioners on July 8, 2009. The State Land Bank approved the intergovernmental Agreement on July 9, 2009.



For more information about the Wayne County Land Bank, visit its webpage at: <http://www.waynecounty.com/landbank/>

UPCOMING WASHTENAW COUNTY LAND BANK EVENTS

The Washtenaw County Land Bank is in its formative stages and has not yet adopted policies and procedures for its operations or for the acquisition and disposition of property.

The Land Bank Authority welcomes input from community leaders, neighbors, elected officials, and public and private agencies. The following events are scheduled:

September 8th — Public Meeting

At **6:30 pm** in the Morris Lawrence Building at the Washtenaw Community College, located at 4800 E. Huron Drive

***September 9th — Focus Groups**

8:30—10:00 Local Elected Officials & Professional Staff

10:00—11:30 Non-Profit Agencies

& Affordable Housing Advocates

1:00—2:30 Business People, Downtown Development Authorities, & Financial Institutions

2:30—4:00 For Profit & Non-Profit Developers, Brownfield Redevelopment Authorities, & Realtors

In the Learning Resource Center at 4135 Washtenaw Avenue in the County Service Center

*Registration is required, email [Krista Trout Edwards at: edwardsk@ewashtenaw.org](mailto:Krista.Trouth@edwardsk.com)

**Washtenaw County
Land Bank Authority**

taxes@ewashtenaw.org

<http://landbank.ewashtenaw.org>