

Wayne County Land Bank Announces “Action Before Auction” Program

DETROIT, Michigan – The Wayne County Land Bank, has begun accepting applications for the 2018 “Action Before Auction” program. Under the program, the Land Bank will partner with selected qualified participants to remediate tax-foreclosed properties in Wayne County—and to assist qualified residents who may be living on them. The Land Bank is a public corporation that works to revitalize blighted properties across Metro Detroit.

Generally, tax-foreclosed properties in Wayne County are sold at one of the Wayne County Treasurer’s public auctions in September and October, where they are often purchased by speculative bidders who displace residents, fail to maintain homes, and contribute to a cycle of divestment in distressed neighborhoods. The Action Before Auction program is designed to directly counter this sort of speculation. Rather than selling at auction to the highest bidder, a property placed in the program will be assigned to a participant that has the resources, capacity and experience to work with residents and rehabilitate the property.

The Action Before Auction program will operate on two separate tracks. Under the first track, keeping residents in their homes. Under the second track, participants will work closely with the residents of foreclosed residential properties, with the goal of turning those residents into successful homeowners. Participants will remediate foreclosed properties, invest in the properties, and then return those properties to productive use. Both tracks work together to accomplish three goals -- avoid speculation, keep residents in their homes, and promote investment across Wayne County. In short, they seek to upend the status quo the region has come to expect with the tax-foreclosure auction.

“The foreclosure process creates community upheaval,” said Bali Kumar, the Land Bank’s Executive Director. “Every foreclosed home perpetuates a cycle of divestment, transiency, and blight that spreads from one property to other homes on a block, and from one block across entire neighborhoods. We want to take action to stop this cycle of blight.”

The Action Before Auction program will build on the Land Bank’s success from 2017, when it ran a right of refusal pilot program that removed 141 properties from the foreclosure auction. All 141 properties are currently in the process of being rehabilitated and returned to productive use. Notably, 64 of these properties were occupied, and in the majority of those houses—53 total, or 83 percent—occupants were given an opportunity to remain in the home or were given re-housing assistance as a result of the pilot program.

“We’re pleased with the success of last year’s pilot,” Kumar said. “But we are not going to rest there. By improving and expanding on the pilot program, we can increase the number of properties we can affect and Wayne County residents we can serve.”

To select participants for Action Before Auction, the Land Bank has issued a Request for Qualifications (RFQu), which can be downloaded from the Land Bank’s website at www.WayneCountyLandBank.com. The Land Bank invites all stakeholders interested in making a difference in Wayne County—from non-profits to community groups to real estate developers—to apply for participation in the program. “Ensuring racial and cultural diversity in the program is crucial,” Kumar said. “The more diverse the participants, the broader our impact.”

In addition to its Action Before Auction Program, the Wayne County Land Bank also operates several other initiatives to rehabilitate depressed properties in Wayne County, including the Compliance Program, Side Lot Program, Nuisance Abatement Program, and Quiet Title Program. For more information about the Wayne County Land Bank, please visit www.WayneCountyLandBank.com or contact the Land Bank at (313) 967-3669.