
USING MARKET DATA TO ADDRESS VACANCY & BLIGHT IN DETROIT



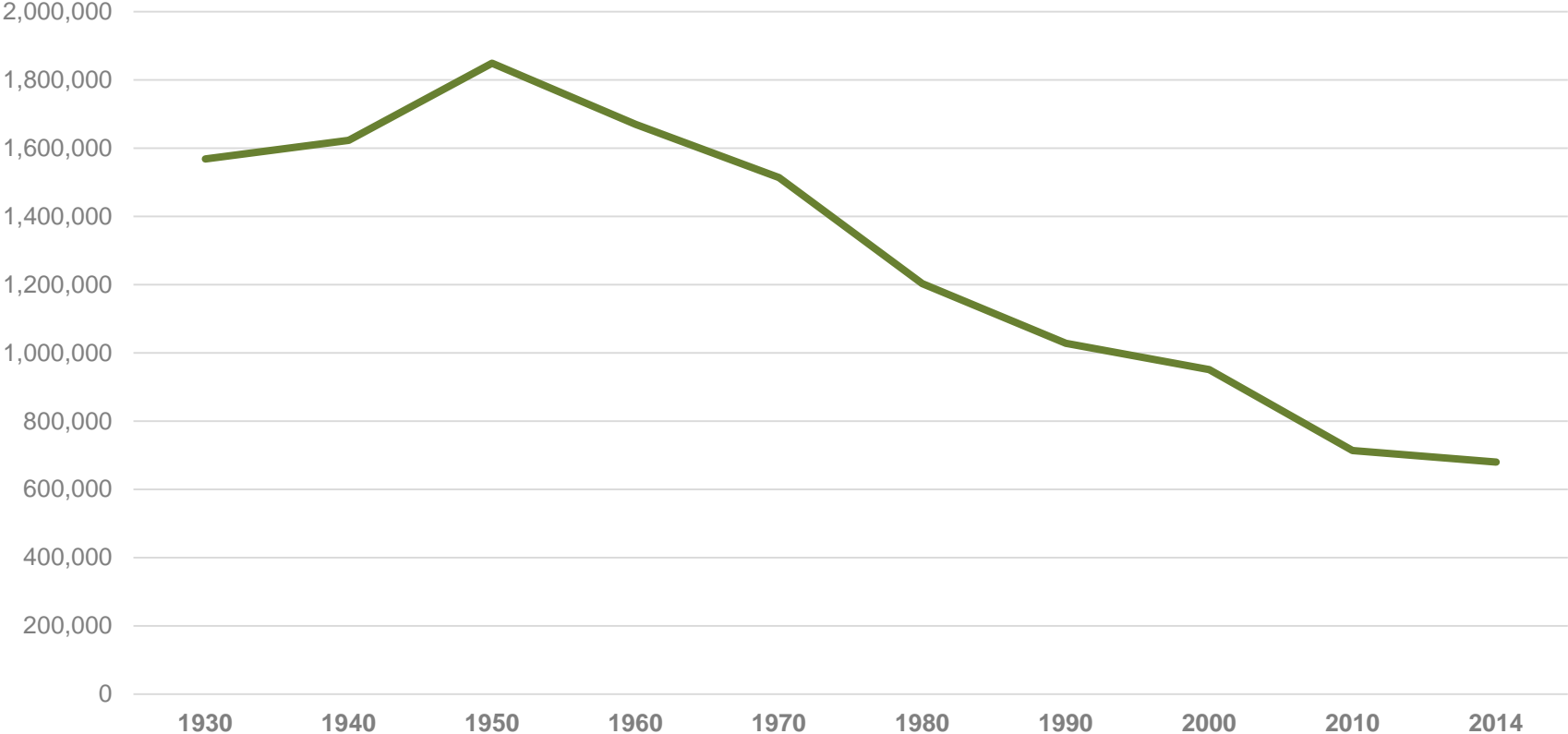
Building
Detroit

Powered by the Detroit Land Bank Authority

1.

BACKGROUND

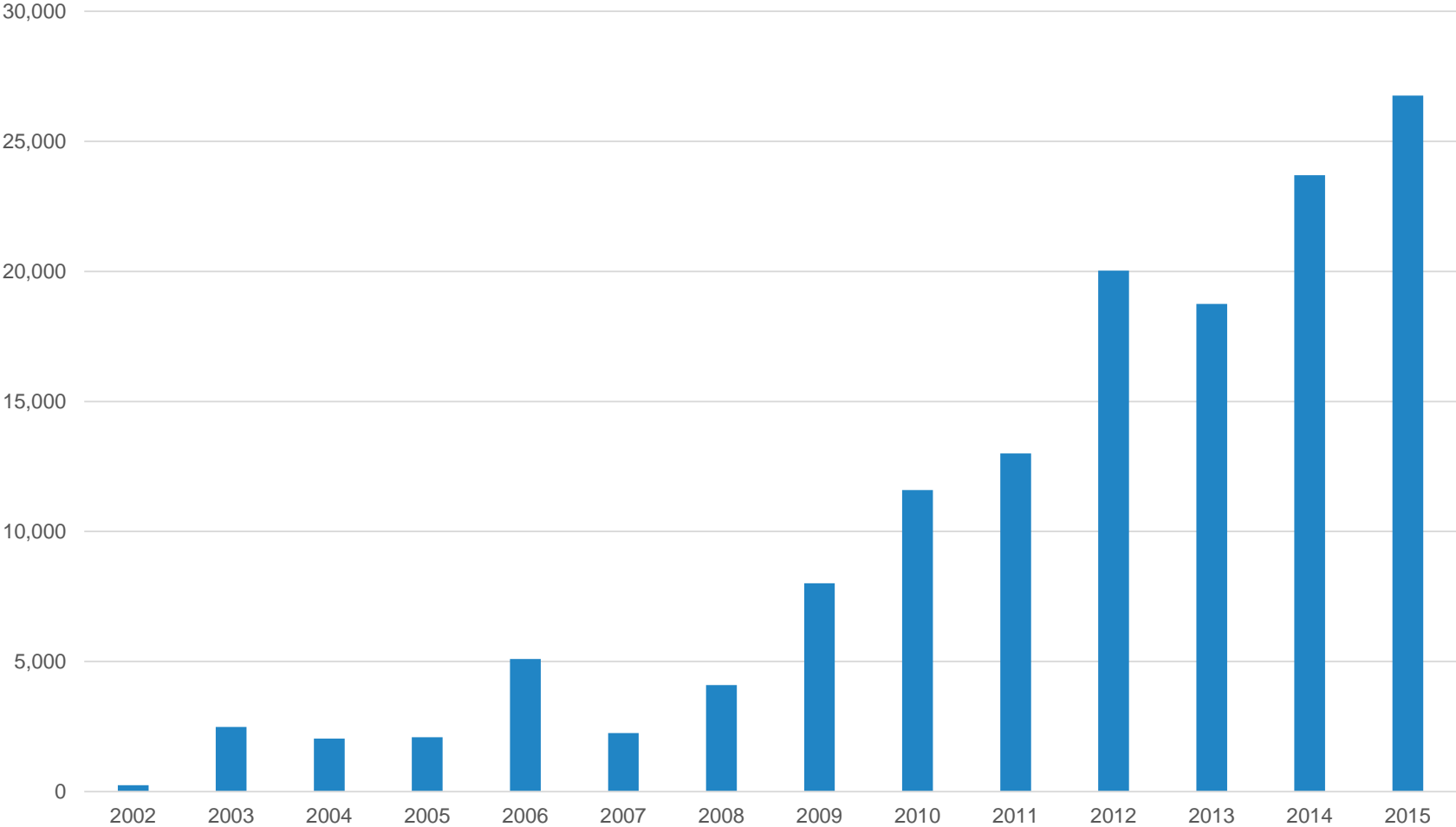
DETROIT POPULATION 1930-2014



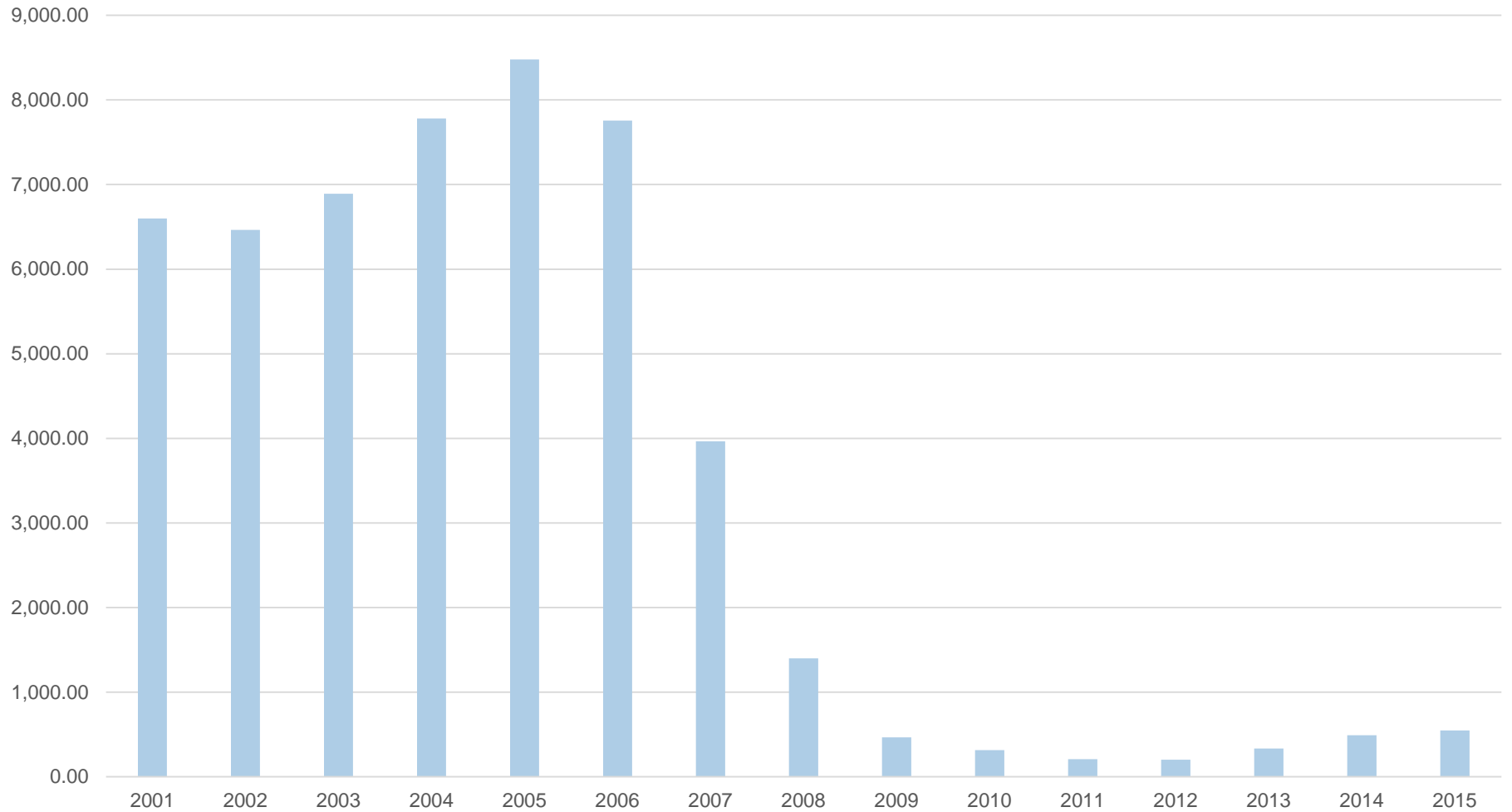


“The fundamental problem with population loss is that people often forget to take their homes with them” – Dan Kildee

DETROIT TAX FORECLOSURES



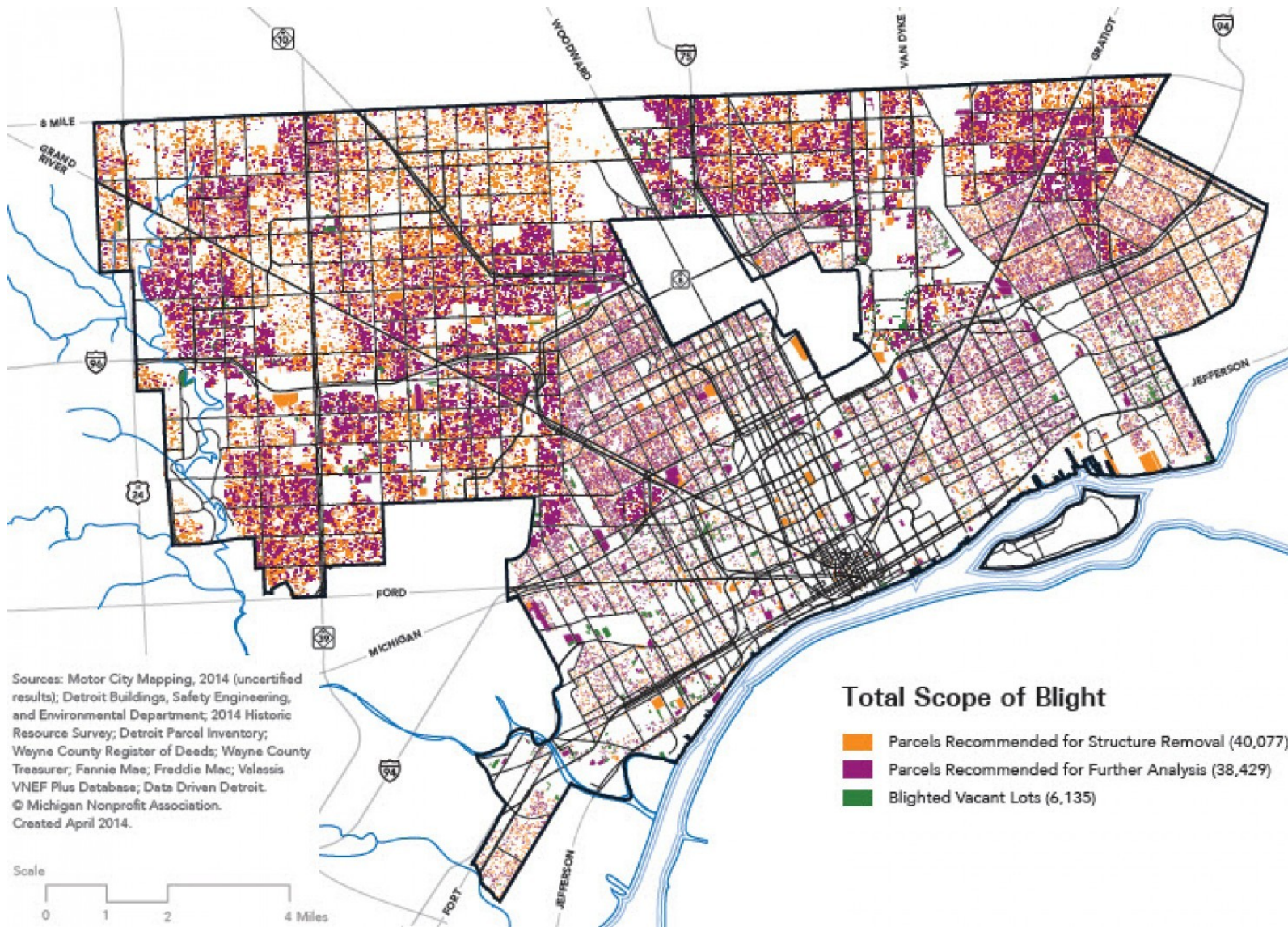
MORTGAGE ORIGINATIONS



MOTOR CITY MAPPING / TASK FORCE



- Partnership launched in fall of 2013
- Blexting
- Ongoing updates
- Open dataset
- Baseline



2.

VISION

DUGGAN NEIGHBORHOOD PLAN

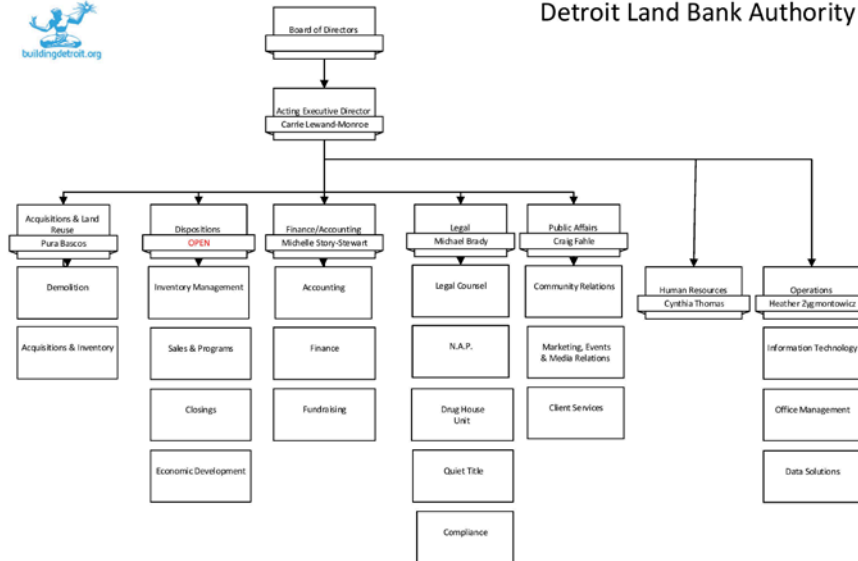
THE 10 POINT PLAN TO REBUILD OUR NEIGHBORHOODS:

1. Establish a single Department of Neighborhoods (DON)
2. Base the DON in 7 Neighborhood District Offices to create true partnerships with Neighborhood Groups/Block Clubs
3. Seize Abandoned Houses/Drug Houses through nuisance abatement program Mike Duggan started as Prosecutor
4. Create positive incentives to move families from sparsely populated areas into stronger neighborhoods
5. Rebuild neighboring business districts, beginning by seizing abandoned storefronts and moving in entrepreneurs
6. Streamline demolition process and strategically target neighborhoods
7. Crack down on illegal scrappers and their scrap yards
8. Create much tougher code enforcement
9. Require banks to participate in neighborhood redevelopment
10. Reform Detroit Land Bank so we can re-use vacant land

LAND BANK PROGRAMS

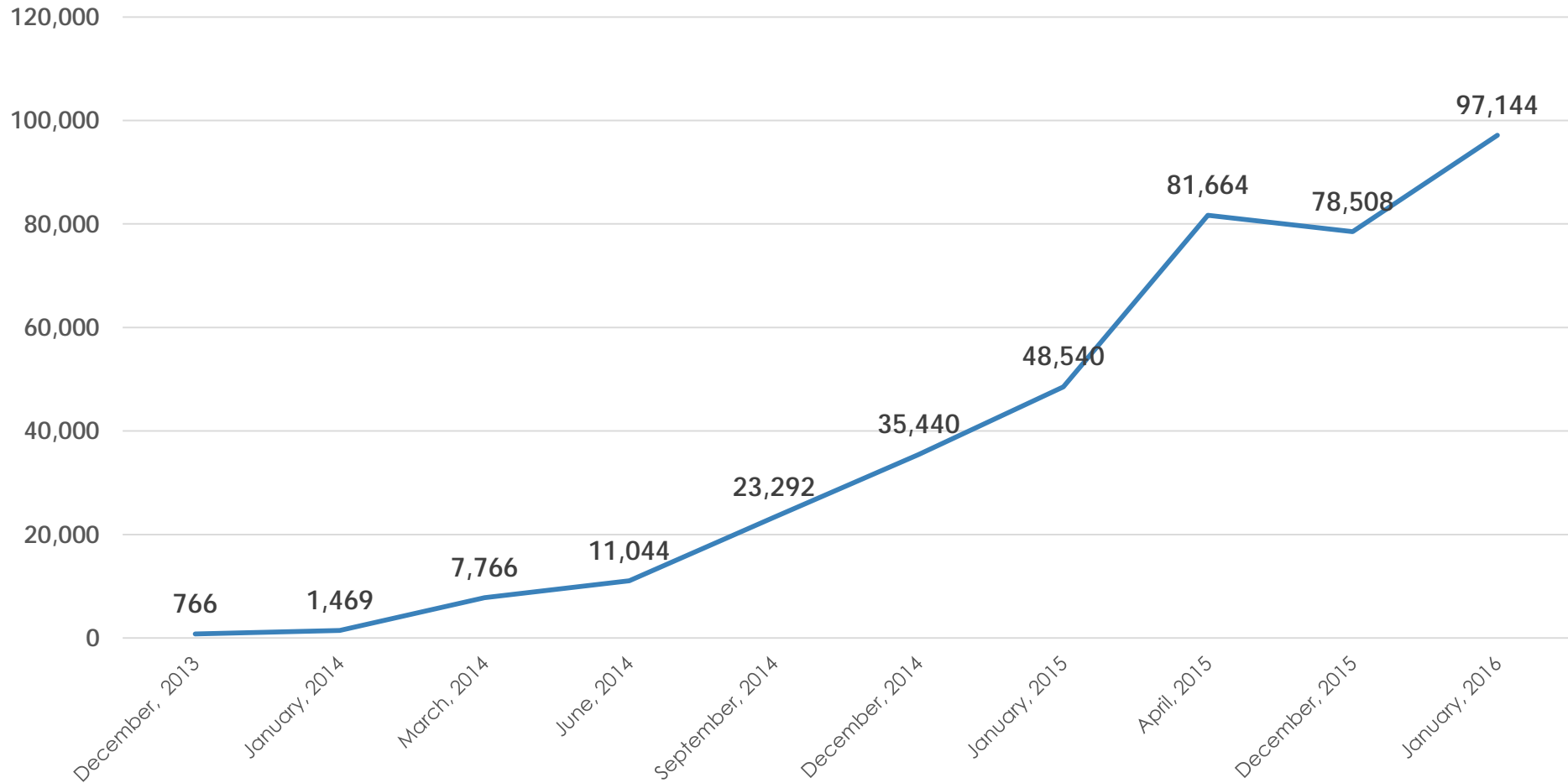


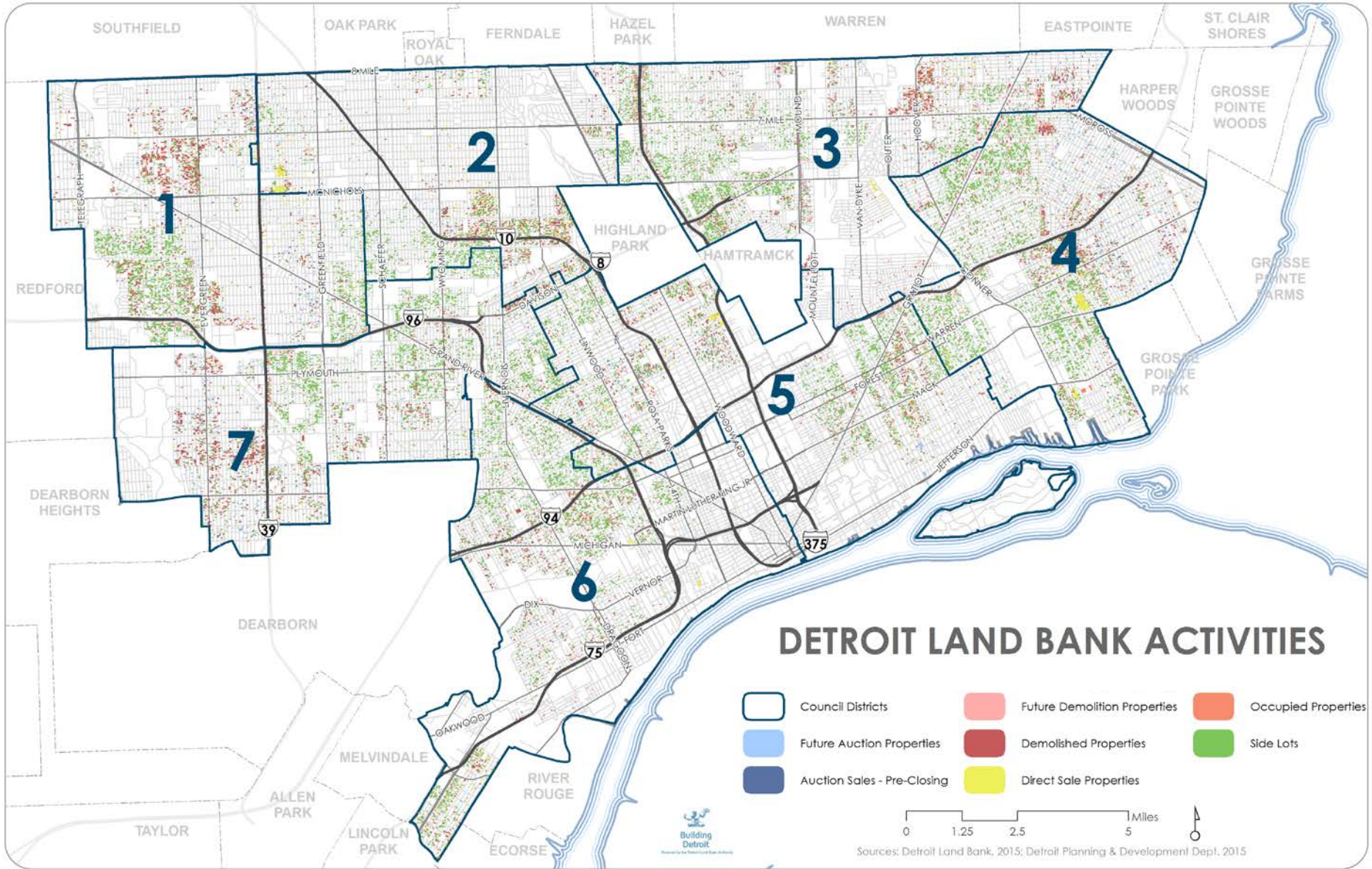
Detroit Land Bank Authority



- Disposition
- Nuisance Abatement
- Demolition
- Acquisition & Inventory

CURRENT & PROJECTED INVENTORY





DETROIT LAND BANK ACTIVITIES

- Council Districts
- Future Demolition Properties
- Occupied Properties
- Future Auction Properties
- Demolished Properties
- Side Lots
- Auction Sales - Pre-Closing
- Direct Sale Properties



Sources: Detroit Land Bank, 2015; Detroit Planning & Development Dept. 2015



3.

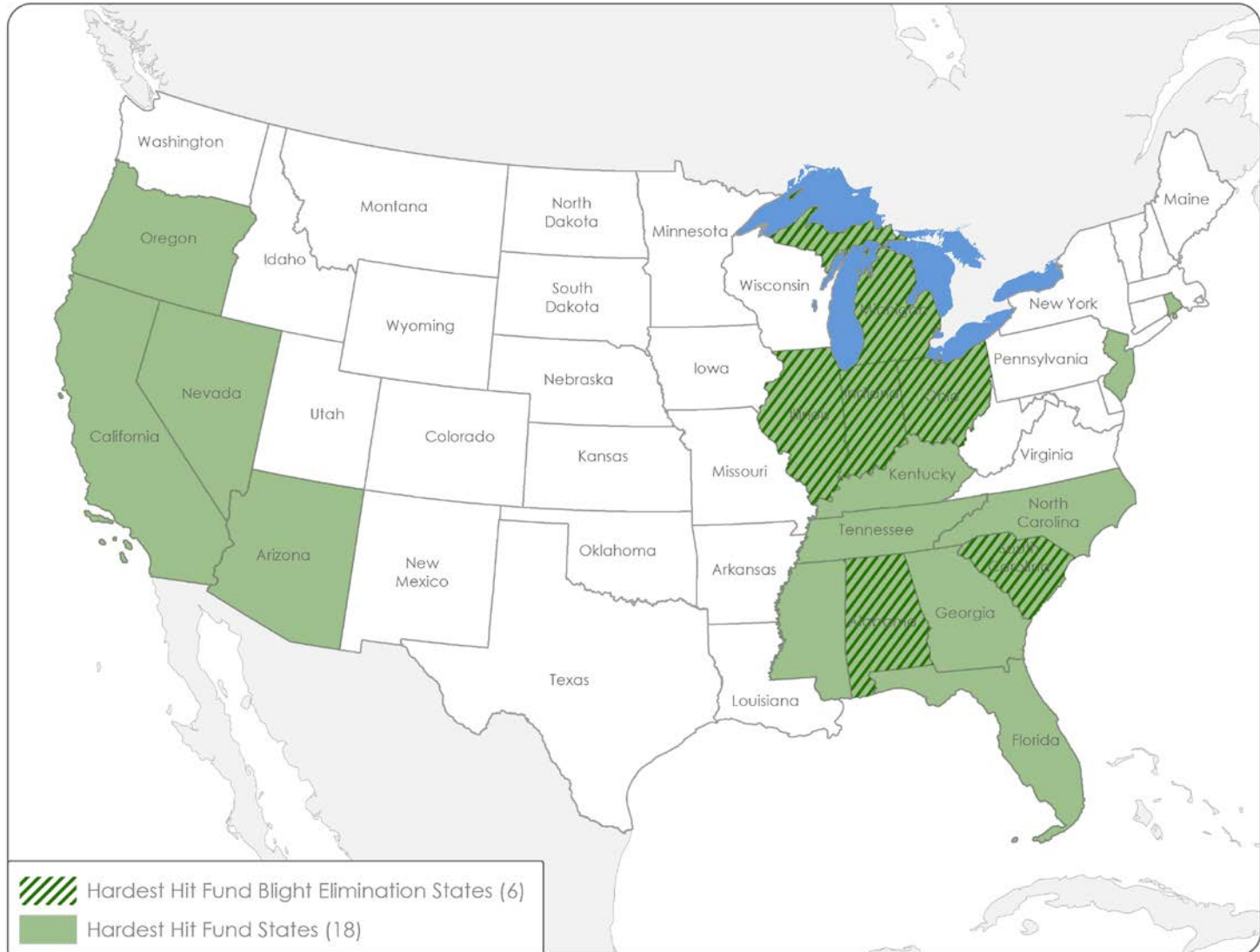
DEVELOPING A PLAN

PUBLIC LAW 110-343

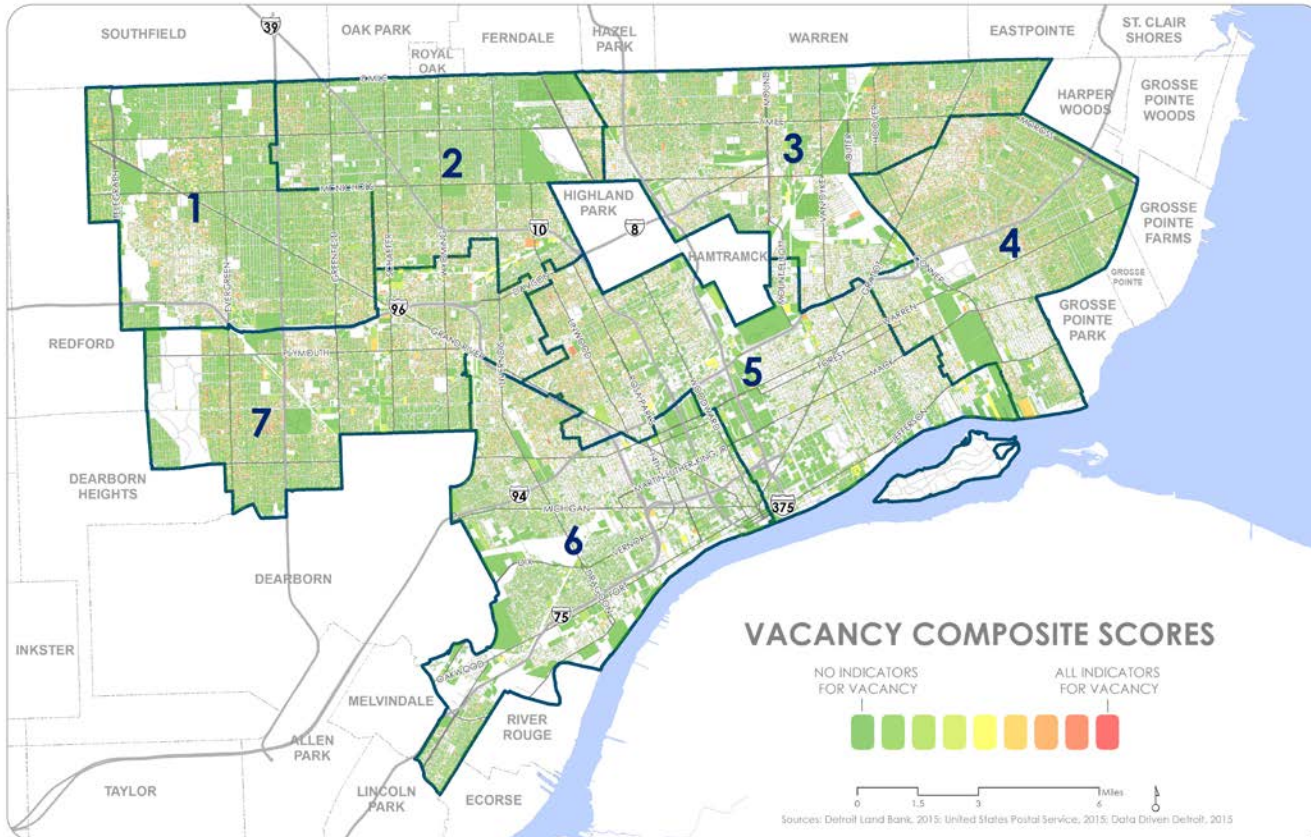
- Emergency Economic Stabilization Act (ESSA) of 2008
- Created \$700 billion Troubled Asset Relief Program (TARP)
- Foreclosure prevention program “Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets.”
- In June 2013, the Treasury Department approved a new category of HHF assistance, the Blight Elimination Program.



HHF BLIGHT ELIMINATION STATES

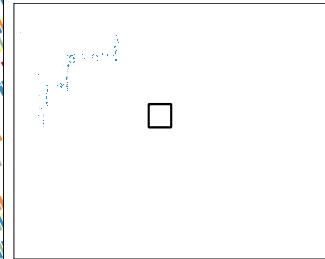
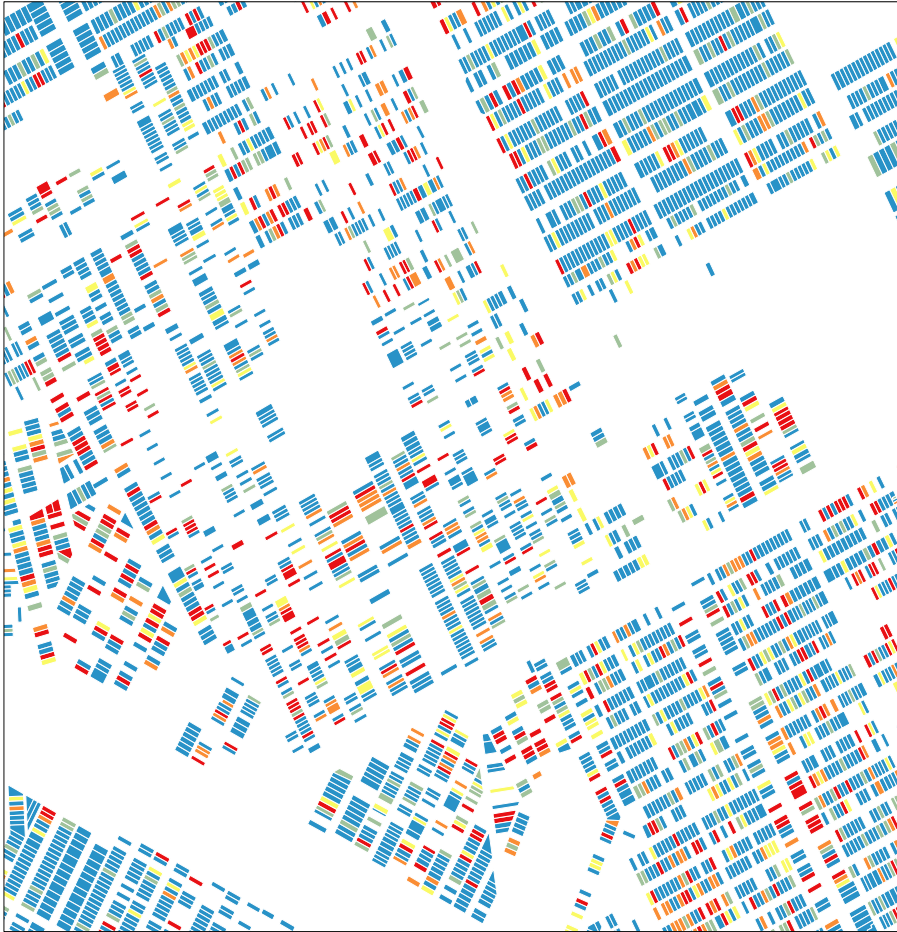


5 POINT VACANCY COMPOSITE



- Utility accounts
- Water service
- Postal Delivery
- Motor City Mapping
- Valassis

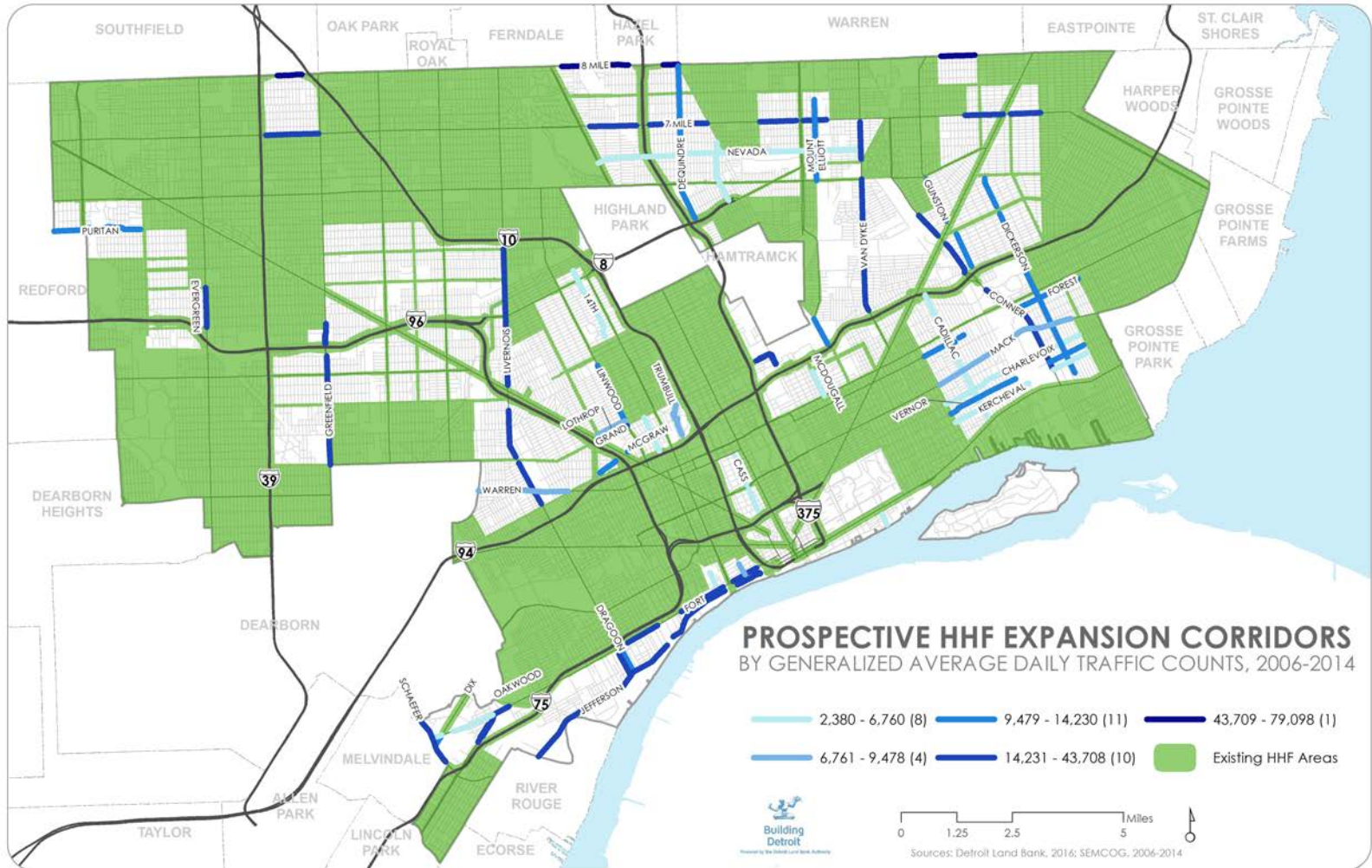
DEMOLITION PROBABILITY



- 49 datasets
- Built on MCM

$$\begin{aligned} & \text{LOGIT} \left(P(\text{GREG_OVERR} = 1) \right) \\ &= \beta_{\text{CONST}} + \beta_{\text{MCM}_{\text{FIRE}}} \\ &+ \beta_{\text{MCM}_{\text{CONDITION}}} + \beta_{\text{MCM}_{\text{NEED}_{\text{BOARD}}}} \\ &+ \beta_{\text{M}_{\text{UNITS}}} + \beta_{\text{VACANCY}_{\text{COUNT}}} \\ &+ \beta_{\text{YEAR}_{\text{FORECLOSED}}} + \beta_{\text{P}_{\text{DD}_{\text{DOWN}}}} \\ &+ \beta_{\text{BLIGHT}_{\text{HFF}}} + \beta_{\text{BLIGHT}_{\text{LEFT}}} \\ &+ \beta_{\text{BLIGHT}_{\text{BSE}}}^{\text{MC}} \\ &+ \beta_{\text{DRPS}_{\text{DANGEROUS}_{\text{BUILD}}}} \end{aligned}$$

TRAFFIC COUNTS

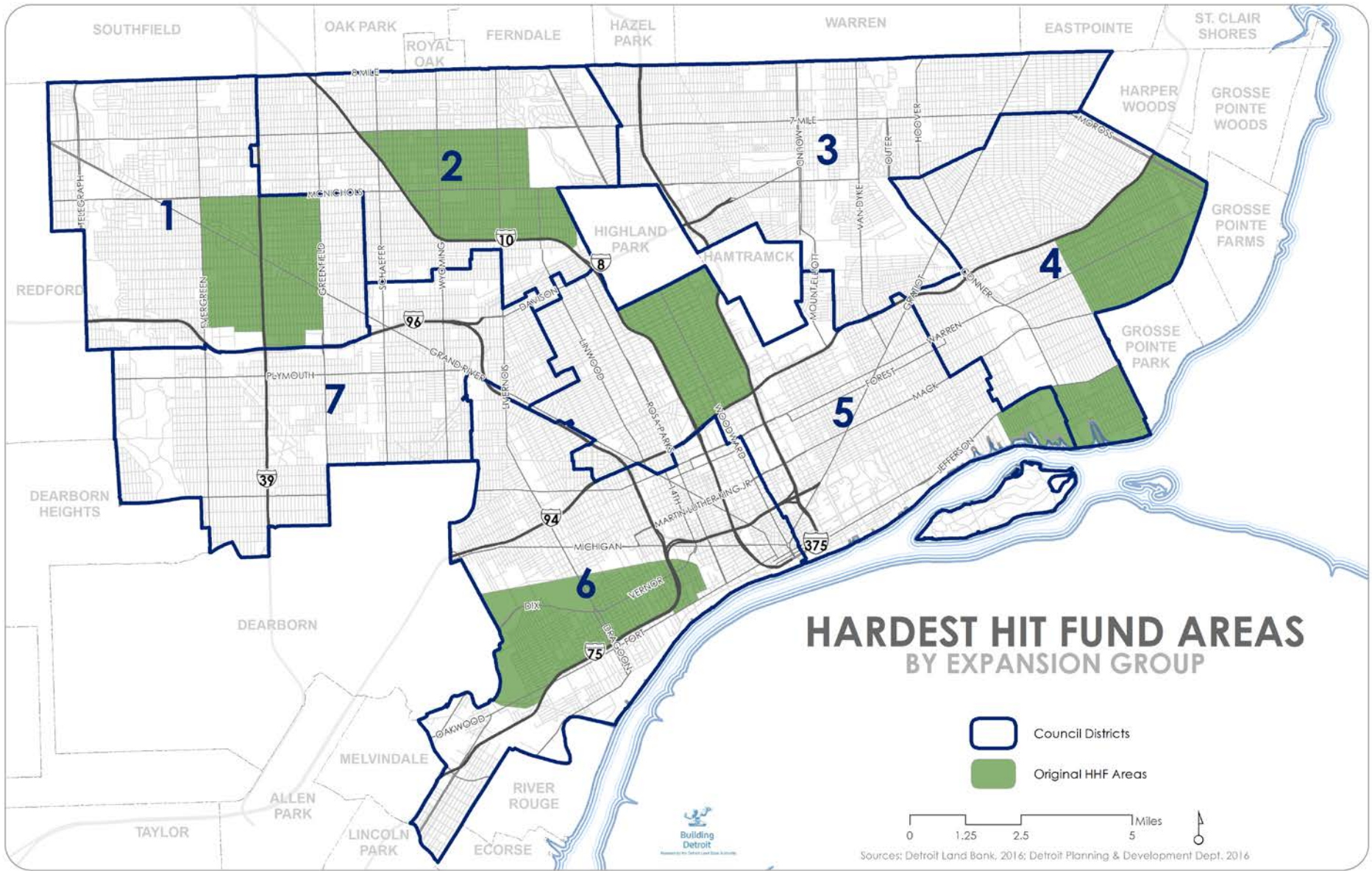


(SOME) OTHER DATA

- **U.S. Census Bureau** – *Demographics*
- **City of Detroit** – *Dangerous Buildings, Blight Violations, Tax Payment, Voter Migration, Crime, Fire, Water Usage, Off-Market Sales, Building Permits, Block Clubs, Unit Counts, Economic Development Target Areas*
- **Wayne County** – *Mortgage Foreclosures, Tax Foreclosures, Tax Payment Plans*
- **Other Sources** – *School Attendance & Migration, Church Attendance, Business Activity, Mortgage Applications, Urban Gardens, LIHTC Projects, Rental Market Data*

4.

EXECUTING

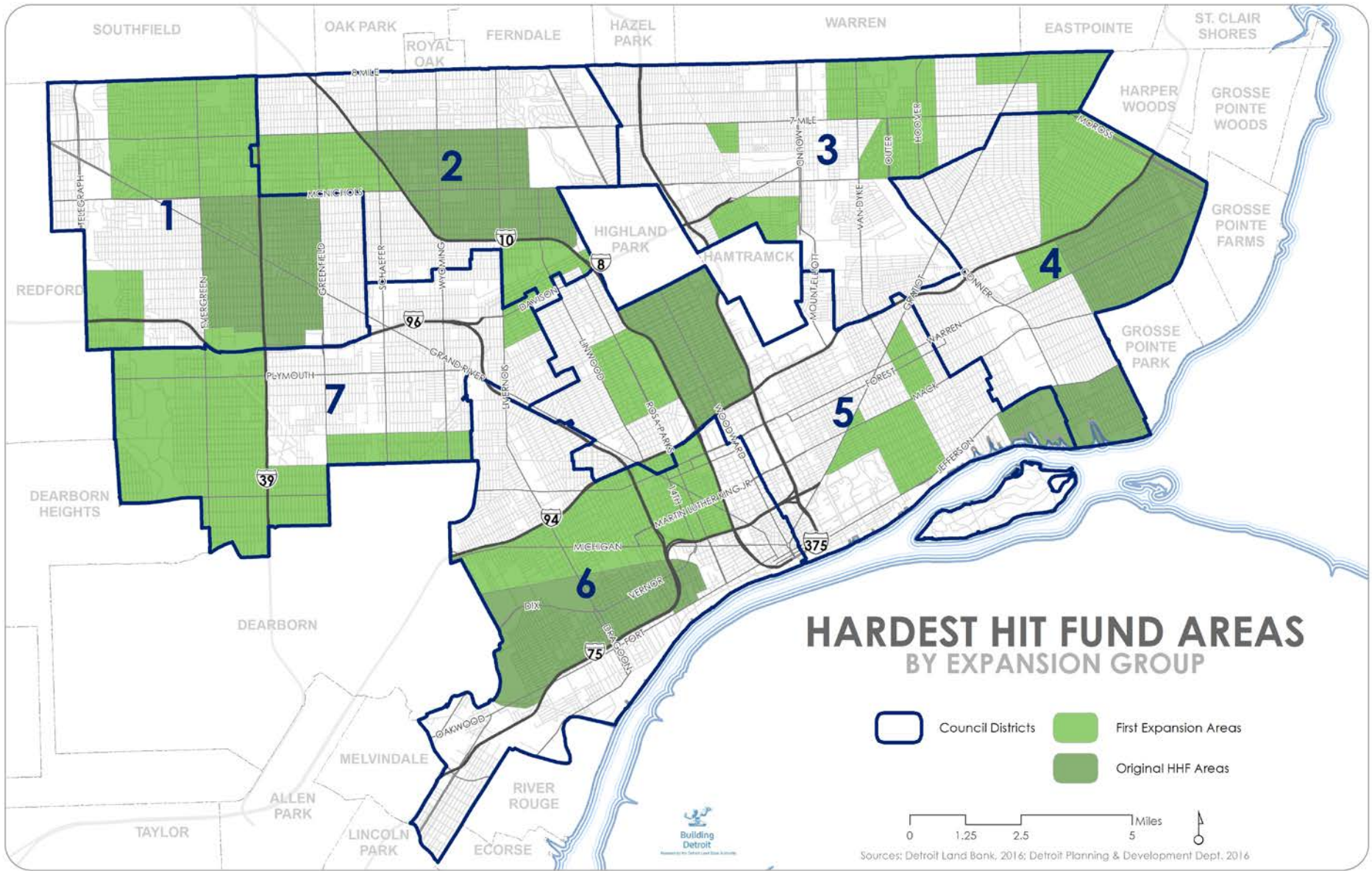


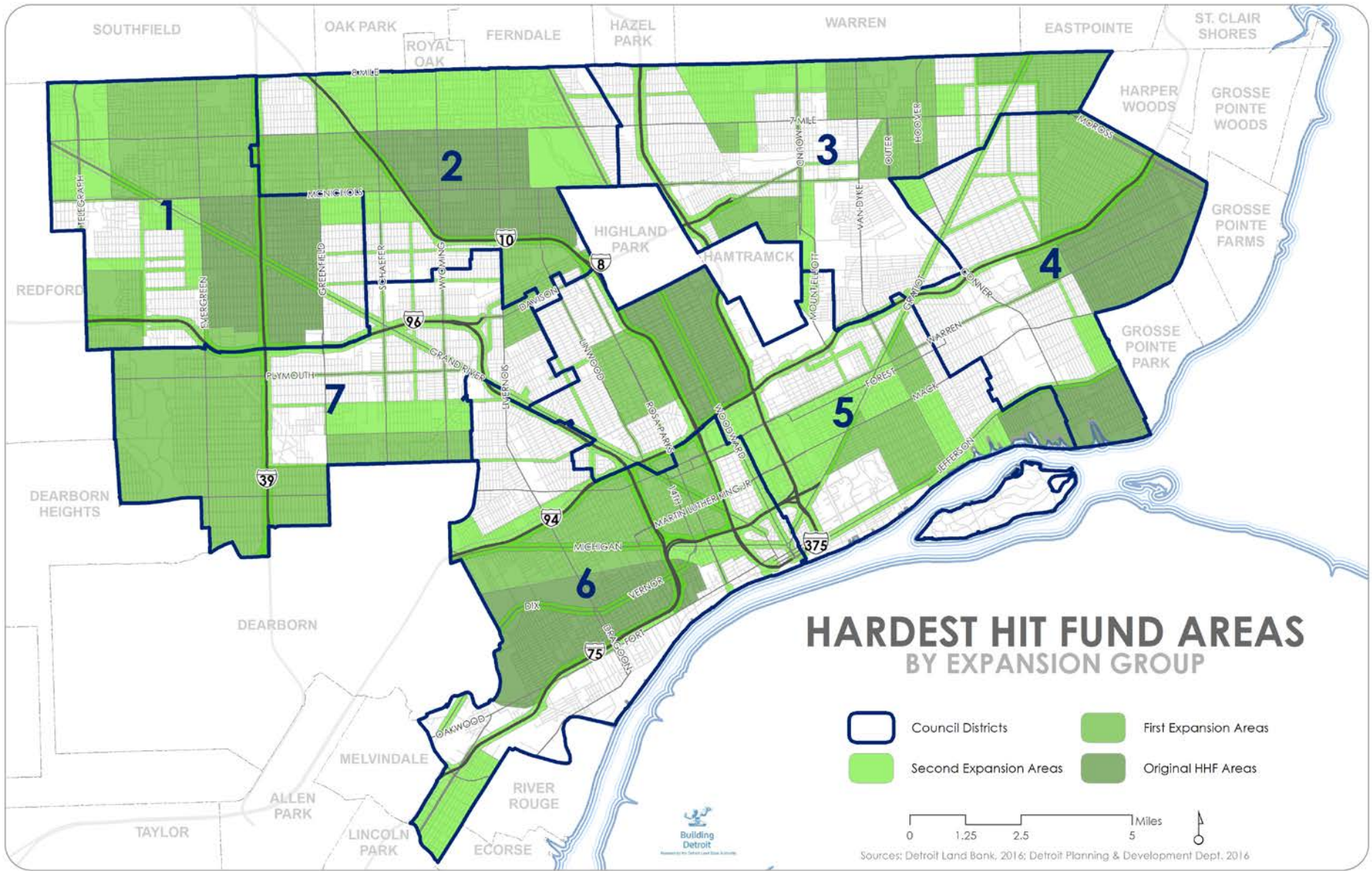
HARDEST HIT FUND AREAS BY EXPANSION GROUP

-  Council Districts
-  Original HHF Areas



Sources: Detroit Land Bank, 2016; Detroit Planning & Development Dept, 2016





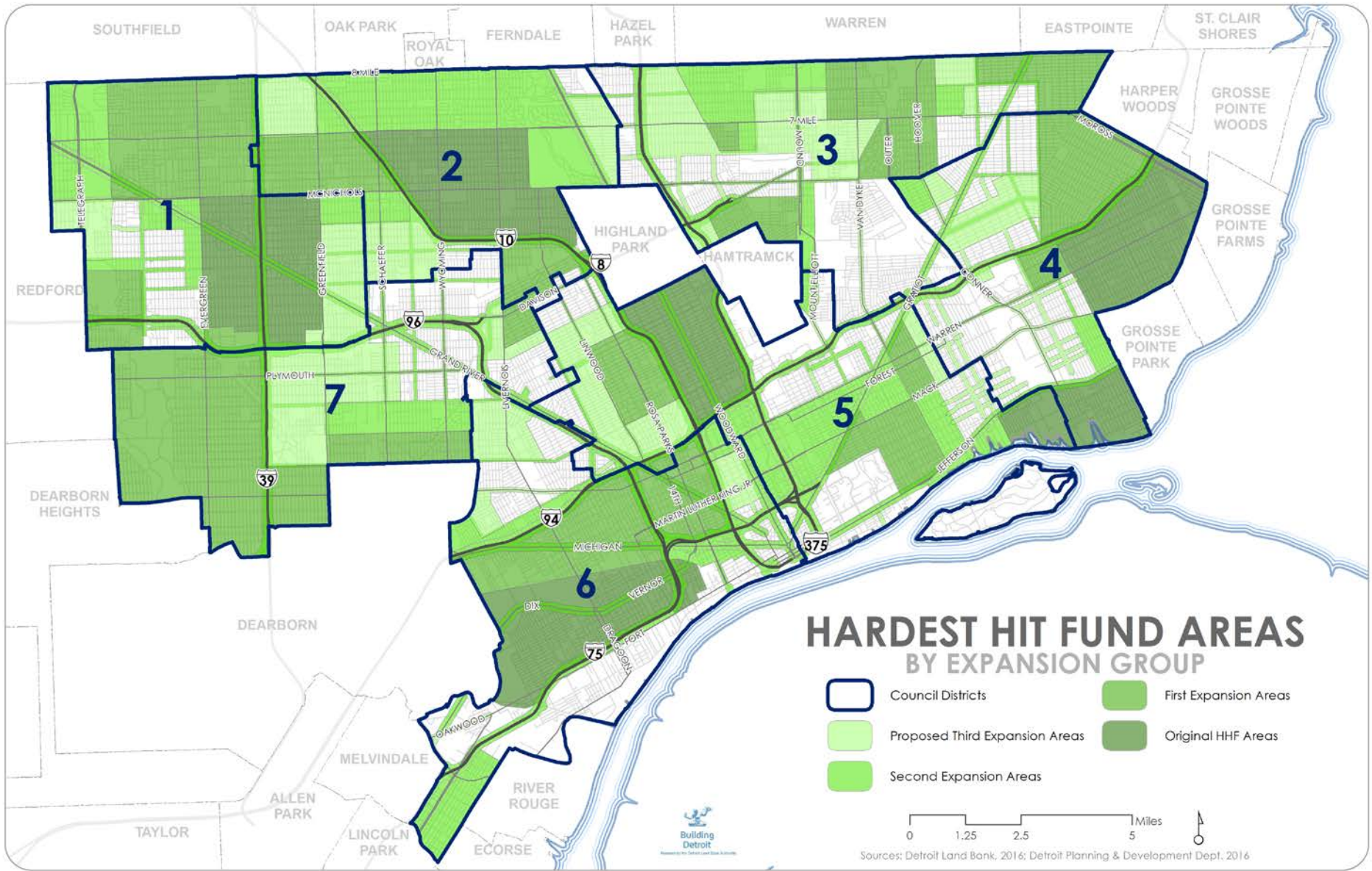
HARDEST HIT FUND AREAS BY EXPANSION GROUP

- Council Districts
- First Expansion Areas
- Second Expansion Areas
- Original HHF Areas

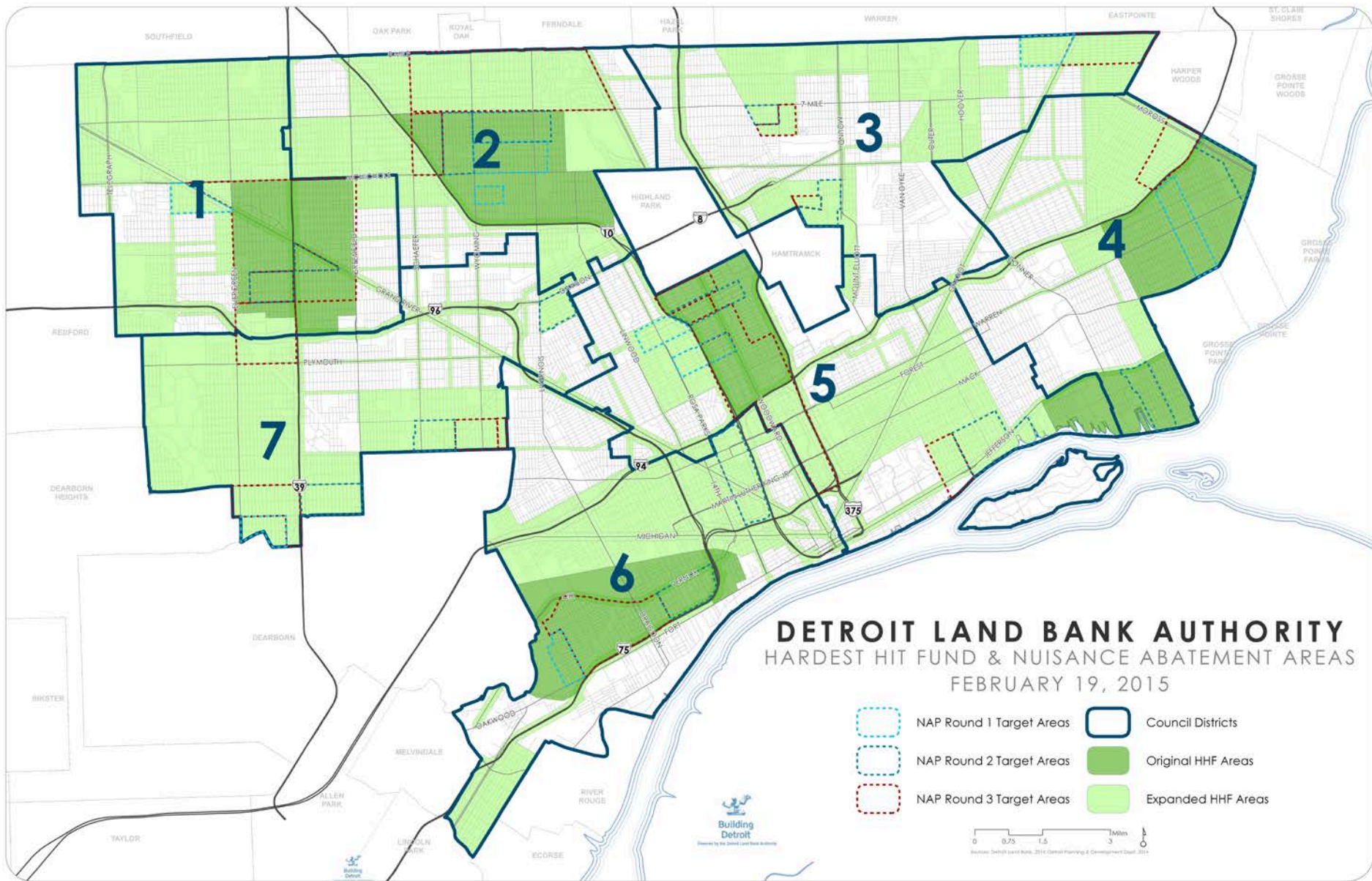


Sources: Detroit Land Bank, 2016; Detroit Planning & Development Dept, 2016





Sources: Detroit Land Bank, 2016; Detroit Planning & Development Dept, 2016



DETROIT LAND BANK AUTHORITY
 HARDEST HIT FUND & NUISANCE ABATEMENT AREAS
 FEBRUARY 19, 2015

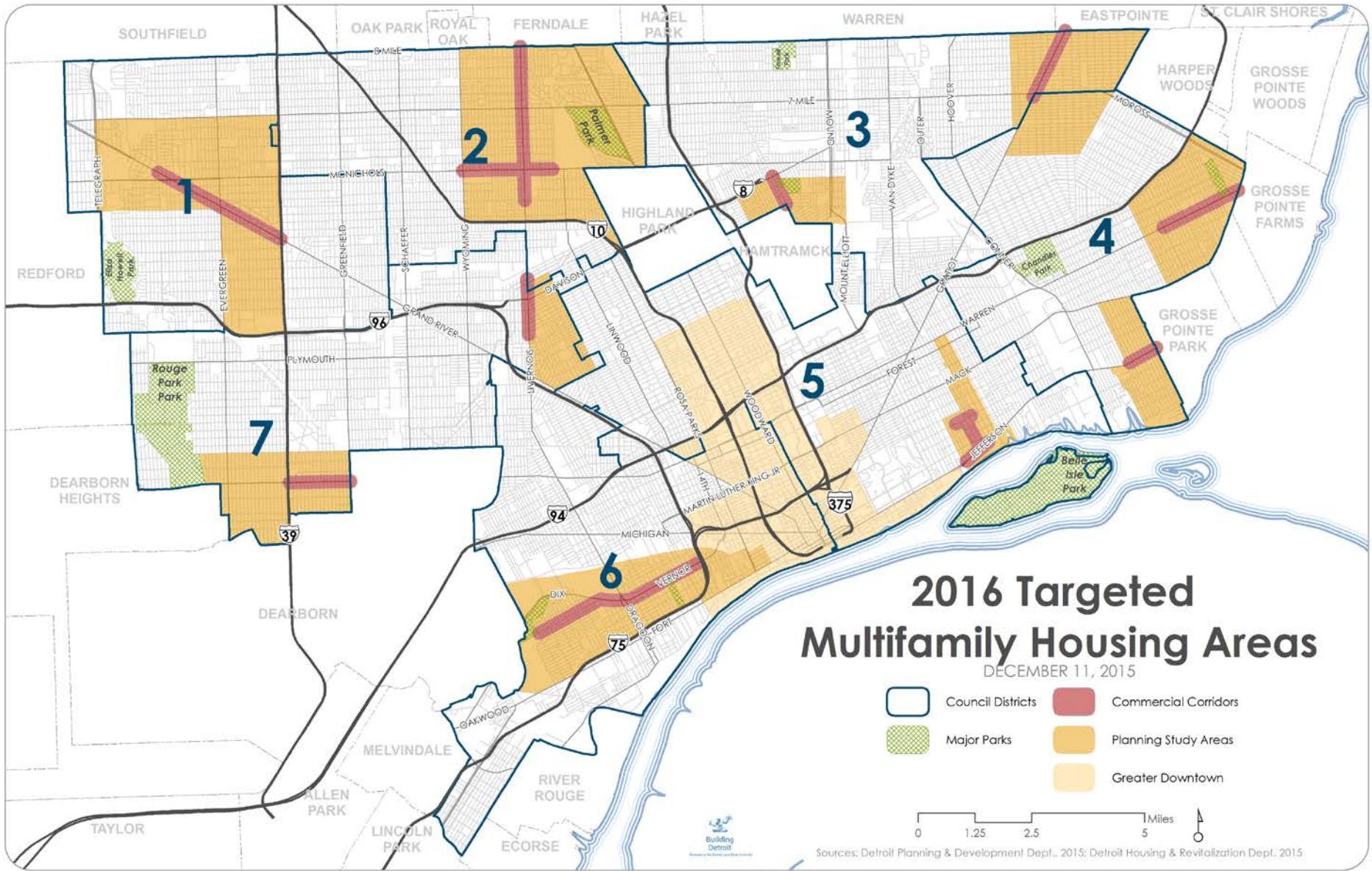
- NAP Round 1 Target Areas
- NAP Round 2 Target Areas
- NAP Round 3 Target Areas
- Council Districts
- Original HHF Areas
- Expanded HHF Areas



Source: Detroit Land Bank, 2014 Capital Planning & Development Dept. 2014

5.

RESULTS & LESSONS



2016 Targeted Multifamily Housing Areas

DECEMBER 11, 2015

- Council Districts
- Commercial Corridors
- Major Parks
- Planning Study Areas
- Greater Downtown



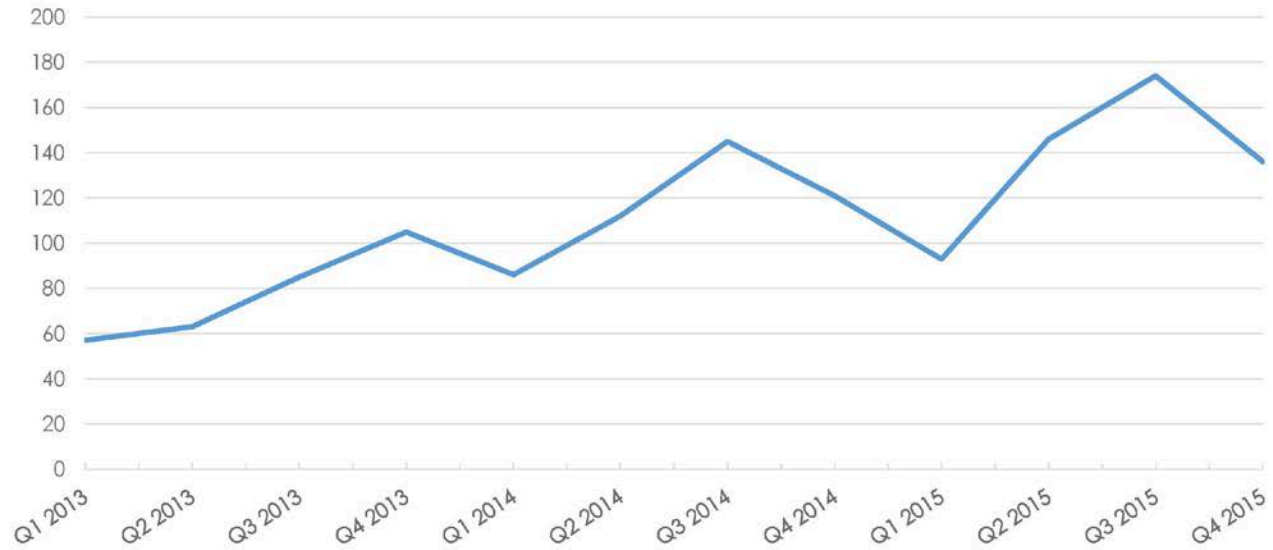
Sources: Detroit Planning & Development Dept., 2015; Detroit Housing & Revitalization Dept., 2015

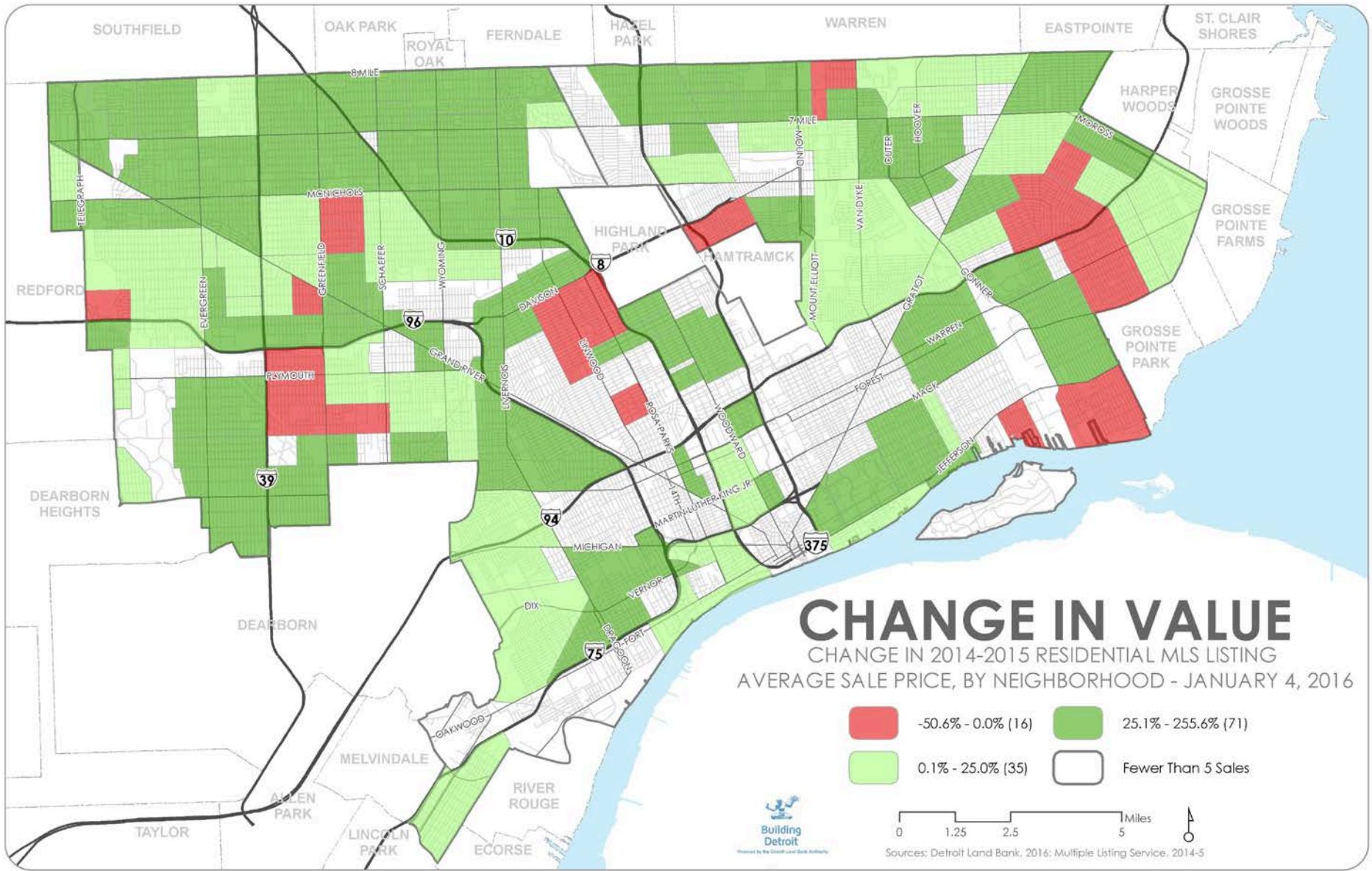




CITY OF DETROIT QUARTERLY MORTGAGE ORIGINATIONS

NEW PURCHASE MORTGAGE ORIGINATIONS BY QUARTER, 2013-2015






CHANGE IN VALUE

CHANGE IN 2014-2015 RESIDENTIAL MLS LISTING AVERAGE SALE PRICE, BY NEIGHBORHOOD - JANUARY 4, 2016

- 50.6% - 0.0% (16)
- 25.1% - 255.6% (71)
- 0.1% - 25.0% (35)
- Fewer Than 5 Sales

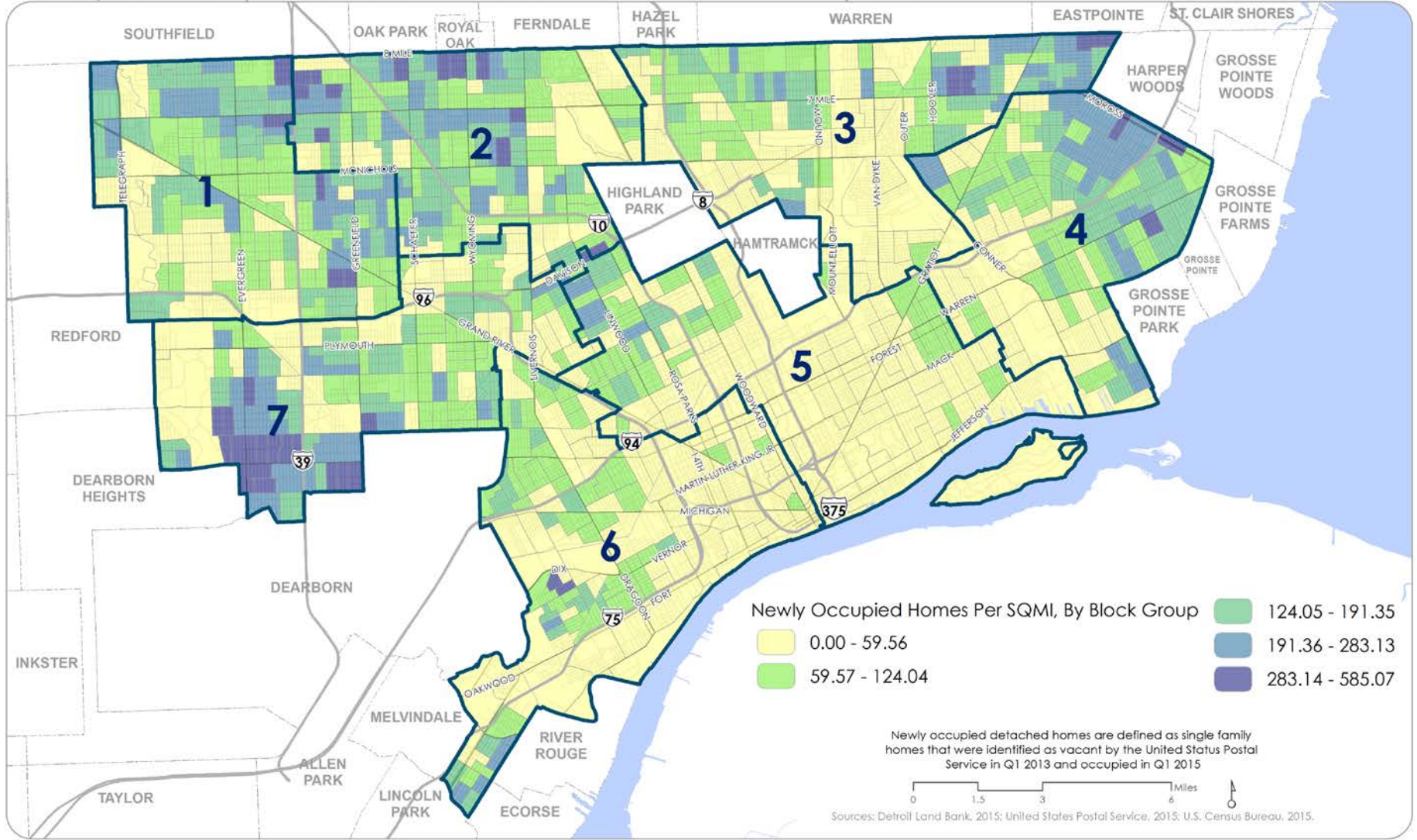

0 1.25 2.5 5 Miles



Sources: Detroit Land Bank, 2016; Multiple Listing Service, 2014-5

NEWLY OCCUPIED DETACHED HOMES 2013-2015

PER SQUARE MILE, BY CENSUS BLOCK GROUP - NOVEMBER 13, 2015



Thanks!

Any questions?

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