



November 17, 2022

Wayne County Land Bank Board of Directors
400 Monroe Street, 5th Floor
Detroit, MI 48226

Re: Resolution 22-06: Approval of Land Bank Disposition Selection Policy

Dear Board of Directors:

The Land Bank has developed a policy that sets forth, in detail, how it will evaluate applications and select purchasers for properties held within the Land Bank's inventory for disposition. Attached as Exhibit A, this policy (the "Selection Policy") is designed to ensure a reliable and targeted framework to selecting purchasers that align with the Land Bank's community development and revitalization objectives.

The Land Bank believes that the Selection Policy will strengthen its internal operations, while at the same time providing added accountability to external parties. Through this Selection Policy and other procedures, the Land Bank anticipates a reduction in property turnover and a higher rate of Land Bank purchasers committed to revitalizing the community.

For these reasons, the Land Bank recommends the Board's approval of Resolution 22-06.

Sincerely,

Anthony Cartwright

Executive Director
Wayne County Land Bank

Exhibit A
Disposition Selection Policy





WAYNE COUNTY LAND BANK
Disposition Selection Policy
as of November 17, 2022

I. Background

The mission of the Wayne County Land Bank ("WCLB") is to create a positive economic impact in Wayne County communities by returning tax-foreclosed and abandoned properties to productive use, contributing tax revenue to Wayne County while promoting community redevelopment across its municipalities. As part of this mission, the WCLB operates several programs through which properties held within its inventory are disposed. Furthermore, the WCLB conveys properties to a wide variety of partners that have various development or strategic plans for a particular site.

II. Purpose

By this policy, the WCLB seeks to establish guidelines for selecting a purchaser when disposing property held within its inventory.

While the Michigan Land Bank Fast Track Act provides the WCLB significant discretion to sell properties to anyone – it is the WCLB's intention to provide a framework that preserves this discretion while ensuring a consistent, targeted approach to selecting purchasers. In this manner, the WCLB hopes to select prospective purchasers who will promote overall market stability and are consistent with the WCLB's community development and revitalization objectives.

III. Definitions

The following definitions will apply:

1. "Eligible Applicant" shall mean an applicant without any code enforcement violations, nuisance abatement proceedings, tax delinquencies, or foreclosures within the last 5 years in Wayne County or the last 3 years outside of Wayne County. Applicants that are on a payment plan for delinquent taxes may be considered eligible, permitted they are current on the payment plan arrangement.
2. "Side Lot Property" means an unimproved parcel owned by the WCLB that is adjacent to, across from, or within a ½ mile of a privately-owned residential property. On a case-by-case basis, however, an individual property that would otherwise qualify as a Side Lot Property may be removed from consideration as such, at the WCLB's discretion. Properties purchased through Right-of-Refusal do not qualify as Side Lot Property.
2. "Vacant Parcel" means a residential parcel owned by the WCLB that does not contain a structure.

5. "Development Parcel" means any parcel(s) owned by the WCLB that is being sold subject to a Purchase Agreement imposing at minimum, at least one of the following requirements on the purchaser: (i) a minimum investment amount tied to the purchaser's proposed redevelopment of the parcel(s), (ii) obligations to ensure specified community benefits as part of the purchaser's proposed redevelopment, or (iii) a requirement to fully remediate environmental or structural hazards that exist on the property and that render the property valueless in the absence of such remediation.

6. "Structure" means any parcel containing an improvement such as a home, building, garage, outbuilding, or any other enclosed facility that is suitable for its intended use regardless of repair and condition.

IV. Application Review and Scoring

With respect to Development Parcel, Vacant Parcel, and Structure(s), the WCLB will select the Eligible Applicant deemed to have the highest and best use plans for the property based upon multiple factors, including but not limited to intended use, funding source, estimated timeline, and prior experience with similar projects.

1. For properties with only one Eligible Applicant, that applicant will be selected if applicant meets minimum bidding/pricing requirements.

2. For properties with multiple Eligible Applicants, the WCLB will score each application response using the following scoring guidelines:

a. Applicant type: Owner-Occupant = 5 points, Non-Profit = 3 points, Investor = 1 point

b. Experience with similar projects: 3 years or more = 3 points, 1-2 years = 1 point, 0 years = 0 point

c. Proof of funds in addition to purchase price: \$25k or more = 5 points, \$15k to \$24,999.99 = 3 points, \$0-\$15,999.99 = 1 point

d. Timeline to completion: 30 days or less = 5 points, 31 days to 90 = 3 points, >90 days = 1 point

3. The WCLB will review and score all eligible applications. In the event there are multiple applications within 3 points of each other via the scoring system, the WCLB will take the application with the highest bid amount. Furthermore, if there are multiple applications with the same bid amount the WCLB Executive Director will review those applications and select the winning applicant.

V. Side Lot Priority

The following order of priority applies to all parcels for Side Lot consideration: 1st priority to directly adjacent neighbors; 2nd priority to residents within ¼ mile radius; and 3rd priority to residents within ½ mile radius. Residents beyond ½ mile radius are ineligible for the Side Lot

Program and must purchase as a Vacant Parcel. Additionally, purchasers must reside within the city, township, or village limits of the Side Lot for consideration.

VI. Violations of the Policy

Notwithstanding any provision of the Bylaws or other statutory authority, the Board of Directors may take any action deemed appropriate to address violations of this Policy committed by the WCLB or by a member, officer, appointee, or employee thereof.