

JUNE 2017 PEOPLE'S FORUM REPORT

The Coalition to End Unconstitutional Tax Foreclosures is an alliance of several long-standing Detroit community organizations, including United Community Housing Coalition, Community Development Advocates of Detroit, Detroit Action Commonwealth, Detroit Eviction Defense, Michigan Legal Services, Detroit People's Platform, Moratorium Now, We the People of Detroit, Michigan People's Defense Network, National Conference of Black Lawyers, Street Democracy, and Metropolitan Organizing Strategy Enabling Strength. The Coalition was formed to advocate for residents who have already lost their homes to property tax foreclosure, as well as those who currently face tax foreclosure.

On June 17, 2017, the Coalition hosted its first event: **The People's Forum to End Unconstitutional Property Tax Foreclosures** at Wayne State University's Damon Keith Center for Civil Rights. The forum brought together Detroiters that have been impacted by foreclosure to discuss the burden of unconstitutional property tax foreclosures, and identify forms of redress that can be pursued by the Coalition. The Coalition has already outlined several demands to pursue justice for the unconstitutional tax foreclosures that have plagued Detroit residents.

These demands include:

1st Demand: The Coalition requests that the Assessment Division cut assessments by 30% across the board for all properties valued at \$50,000 and under (this threshold number is negotiable). [This proposal is based on a recent study by Atuahene and Hodge (<http://blogs.kentlaw.iit.edu/atuahene/files/2016/08/Stategraft.pdf>), which finds that between 2009-2015 lower valued properties in Detroit were most severely unconstitutionally assessed.]

2nd Demand: The Coalition requests that the Poverty Tax Exemption to be made more accessible, and to provide both prospective and retrospective relief for people who qualify.

3rd Demand: The Coalition requests some form of compensation for individuals who were unconstitutionally assessed and already subject to tax foreclosure.

4th Demand: The Coalition requests that the City use the Hardest Hit Funds to reduce tax bills for individuals who were unconstitutionally assessed and are now facing tax foreclosure. Also, these funds should be used to pay reparations to those who were unconstitutionally assessed and then foreclosed upon.

5th Demand: The Coalition requests that the Wayne County Treasurer give the green light to stop all foreclosures of owner occupied homes until a team of neutral academics working in collaboration with the City can confirm that delinquent taxpayers in the process of foreclosure were not subject to unconstitutional assessments. We estimate this will take no longer than 6 months

6th Demand: The Coalition requests that the reinstitution of an informal threshold amount of debt owed before the enforcement of tax foreclosure. Under prior treasurers, this informal threshold amount was instituted. Under Eric Sabree, this informal threshold amount has been removed. The Coalition requests that Eric Sabree remove all homes owing less than \$5,000 from the foreclosure roles.

7th Demand: The Coalition requests verification that delinquent water bills are no longer being added to property tax bills.

Resident needs guide the Coalition's work, and the People's Forum was an important opportunity to elevate resident voices in the discussion of unconstitutional tax foreclosures, especially with respect to the Coalition's third demand to compensate those who were illegally assessed and then foreclosed upon. The forum had 114 citizens in attendance. The forum was organized into two parts: speakers and citizen discussion groups. The first part of the forum opened with speakers discussing the history of unconstitutional assessments. A recent study containing detailed information about the frequency of unconstitutional assessments was also discussed. The study also uncovered the fact that low valued homes, and African-American homeowners in Wayne County were more likely to encounter this issue. Next, a prominent water activist explained how water shut-offs have contributed to unconstitutional assessments. Finally, a resident spoke about her own foreclosure battle, and the impact that the information in the study had on her.

The second part of the forum involved citizen discussions. Residents were divided into 7 discussion groups. Storytelling was an important part of the event. During the first part of breakout groups, residents shared stories about foreclosure related to their own personal experiences, as well as the experiences of their family, friends, and communities. Through storytelling, residents had the opportunity to connect to one another through open and honest discussions. Discussing the crisis of foreclosure in an environment free from judgment allowed the pain and trauma of the events to be publicly confronted in a rare way. Many residents expressed gratitude for the event's emphasis on removing the stigma surrounding foreclosure, and providing space for open dialogue on the physiological and emotional toll that it takes on families and communities.

The discussion groups also took on the challenge of determining what forms of compensation residents would like the Coalition to pursue as part of the Third Demand: providing some form of compensation for individuals who were unconstitutionally assessed and already subject to tax foreclosure. Residents engaged in brainstorming and deep conversation regarding what would be necessary to make residents whole. Each discussion group was moderated by a facilitator and a recorder to keep track of resident ideas during the brainstorming session. The conversations were lively and engaging, with residents sharing, learning, and teaching one another about the property assessment process, the lack of access to foreclosure assistance that many face, and the harsh reality of losing one's home to foreclosure.



Community demands were identified by analyzing the information presented by residents during the breakout groups. Either a facilitator or scribe from each breakout group provided information about the forms of compensation that were discussed during the breakout. The options that came up most frequently were added the list below. The suggestions of community residents who have been subject to foreclosure were prioritized over any suggestions from activists, or individuals representing community organizations. Facilitators and/or scribes helped to provided information regarding which demands for compensation originated from unaffiliated residents, and should thus be given priority. The final list of demands below reflects the desires of Detroit residents:

1. Stop all foreclosures until there is certainty that assessments were performed constitutionally
2. Ensure water bills are no longer being attached to property tax debt
3. Financial compensation for residents that have lost their homes to foreclosure
4. Provide renovated land bank homes or land bank homes and renovation funding to those that have lost their homes
5. Redirect federal hardest hit funds to residents in need of assistance with property tax and water debt
6. Financial assistance for current homeowners such as forgivable loans for renovations
7. Provide tax amnesty for those displaced
8. Create a housing trust fund to support future resident assistance efforts
9. Increase accessibility to current programs and funding designed to keep residents out of foreclosure
10. Provide better property tax assessments through neighborhood and home visits with assessors and more transparency in the assessment process
11. Provide residents who have suffered unconstitutional assessments priority of choice and funding to buy homes at fair and actual value
12. Preventative policy measures such as making provisions for affordable housing part of the city's charter amendment, creating a mandate for racial equity and resident oversight in future policies, and utilizing funds to provide additional pro bono legal assistance and resource help desks for homeowners facing foreclosure

The resident ideas presented at the forum were intelligent, creative, and reasonable. With equally thoughtful consideration and a little hard work, we are confident that these suggestions can be undertaken and enacted by city and county government. Enacting policies to provide the compensation requested by residents will not only help to keep thousands of residents in their homes, but also help thousands more to reclaim stability and increase their quality of life after the tragedy of tax foreclosure.

