



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



Nick Lyon
INTERIM DIRECTOR

February 27, 2015

The Honorable Dave Hildenbrand, Chair
Senate Appropriations Committee
Michigan State Senate
Lansing, MI 48933

The Honorable Al Pscholka, Chair
House Appropriations Committee
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator Hildenbrand and Representative Pscholka:

Section 603 of the 2012 Public Act 296 requires the Michigan State Housing Development Authority (MSHDA) and the Department of Human Services (DHS) to report to the legislature quarterly on demolition projects. The attached report describes the funding and project areas for the Detroit and outstate demolitions. If you have any questions regarding the attached report, please contact Michele Wildman at 517-373-4363.

Sincerely,

Nick Lyon
Interim Director
Department of Human Services

Wayne Workman
Acting Executive Director
Michigan State Housing Development Authority

Enclosures

c: Senator Darwin L. Booher

Pursuant to 2012 PA 296
Eleventh Quarterly Report on Demolition Projects
February 27, 2015

The Michigan State Housing Development Authority in cooperation with the Department of Human Services shall report to the legislature on the demolition projects no later than September 1 of 2012 and quarterly thereafter until the funds have been exhausted. The report shall include, at a minimum, a description of the project areas selected and a complete accounting of all expenditures made pursuant to this section.

I. Detroit Demolition Program

The Detroit demolition program is part of the State of Michigan's Neighborhood Stabilization School Anchor Initiative (NSSA), led by the Governor's Office of Urban and Metropolitan Initiatives. The Department of Human Services (DHS) Pathways to Potential program, which locates DHS "success coaches" in schools, is a key element. The Initiative as a whole seeks to make students and families stronger and safer by making the surrounding neighborhood safer, reducing truancy, and offering better and more integrated services. The Michigan Land Bank Fast Track Authority (MLB) is handling the demolitions in the City of Detroit.

The areas for blight elimination in the City of Detroit, for which \$10 million was allocated, encompass a total of thirteen schools in eight focus areas:

- Clark Academy and East English Village Academy on Detroit's east side;
- Harms Elementary, Bennett Elementary, Clemente Academy, and Neinas Elementary in southwest Detroit;
- Bagley Elementary and Bates Academy on the City of Detroit's north side;
- Bethune Elementary, near University of Detroit Mercy and Marygrove College;
- Cody High School, on the City's west side;
- Gompers Elementary, in the Brightmoor area;
- Greenfield Union Elementary-Middle School; and
- Osborn College Preparatory Academy.

Status of MLB Demolition in Detroit

To date the MLB has procured, awarded and completed all but two structures. Final invoicing will be processed following the completion of the two demolition activities expending the total allocated funding of \$10M in the City of Detroit through the Blight Elimination Program. Eight hundred sixty one (861) residential structures were demolished using this funding.

Attachment 1 – Michigan Blight Elimination (Detroit) – provides maps showing all demolition activities for the Detroit demolition projects attached.

II. State of Michigan Demolition Project

DHS, the MSHDA, and the MLB developed an application process to select the project areas for the \$15 million allocated for demolition outside of the City of Detroit.

Thirty five (35) grantees were awarded funding for proposed projects using four criteria: **public safety, property value stabilization, economic development opportunities, and local support and additional investment.** The current status of the individual grantees is as follows:

All 35 grantees are now 100% completed. The grant registered 1020 structures demolished that included a variety of property classes, such as; 796 single family residential, a school, a former hotel, 64 commercial buildings, 2 industrial complexes, and a 151 unit residential complex.

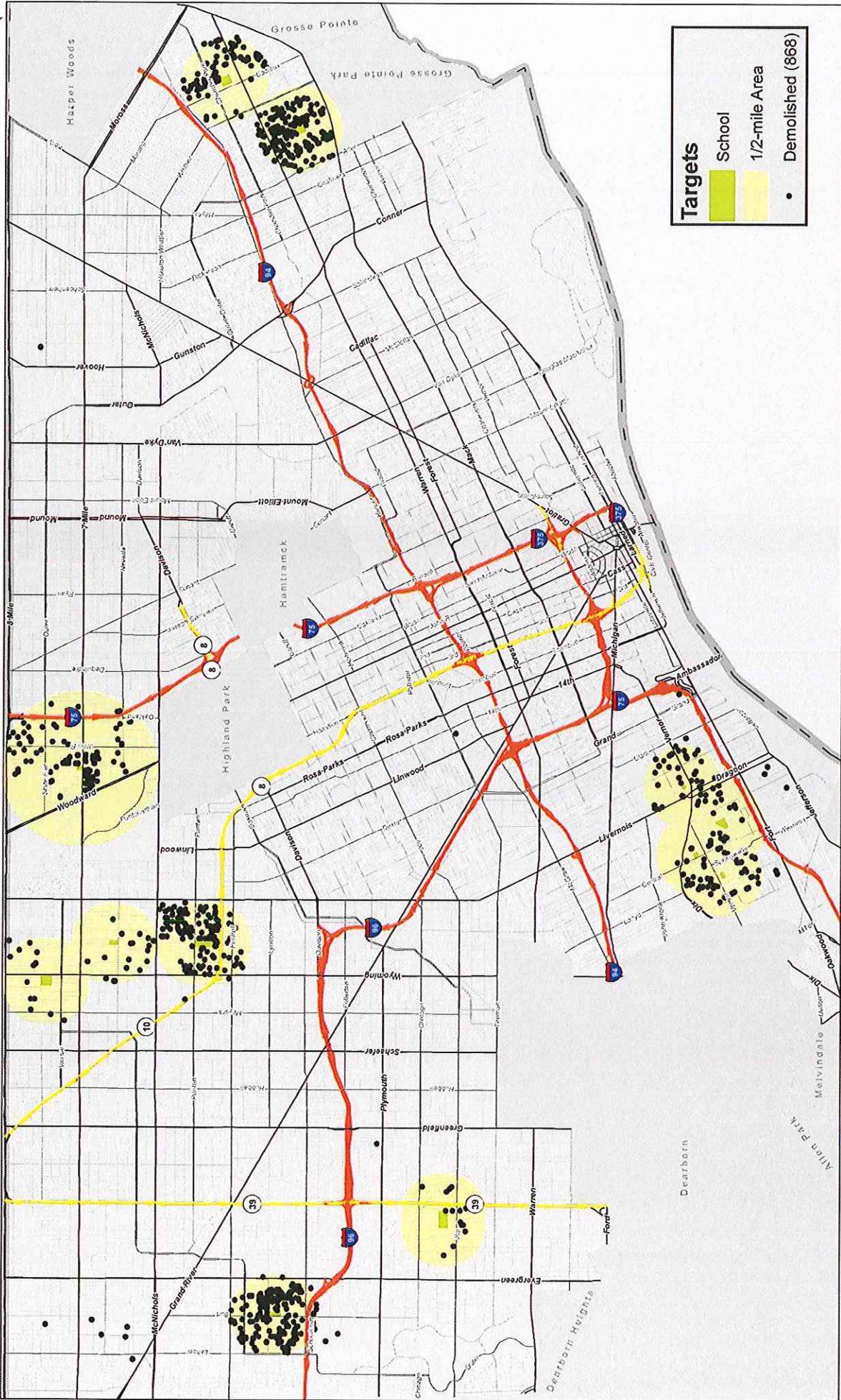
Attachment 2 - Michigan Blight Elimination (Statewide) provides a more specific look at each grantee's progress.

III. Additional Funding Repurposed to Blight Elimination

In March 2014, \$3.7 million was repurposed from the AG Home Affordable Refinance Program to Blight Elimination (Section 807, Public Act 34 of 2014). This additional funding will be put out for application, in April 2015, across the state of Michigan similar to the process described in Section II of this quarterly report. The tentative completion date for expenditure is set for September 30, 2016. Since the repurposed funds are solely MSHDA funds, DHS will not be involved further and MSHDA will submit the quarterly reports to the legislature to update the progress moving forward.

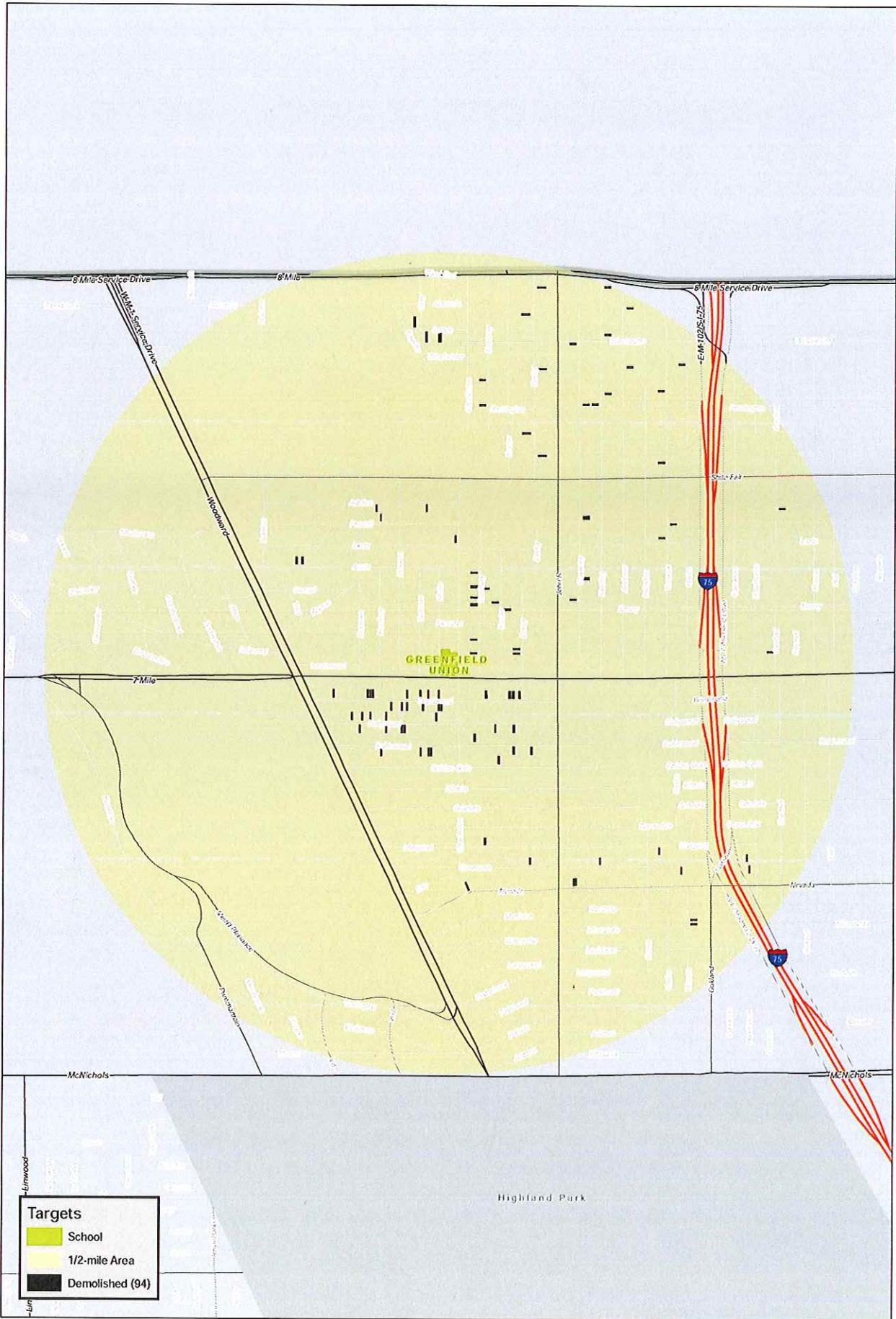


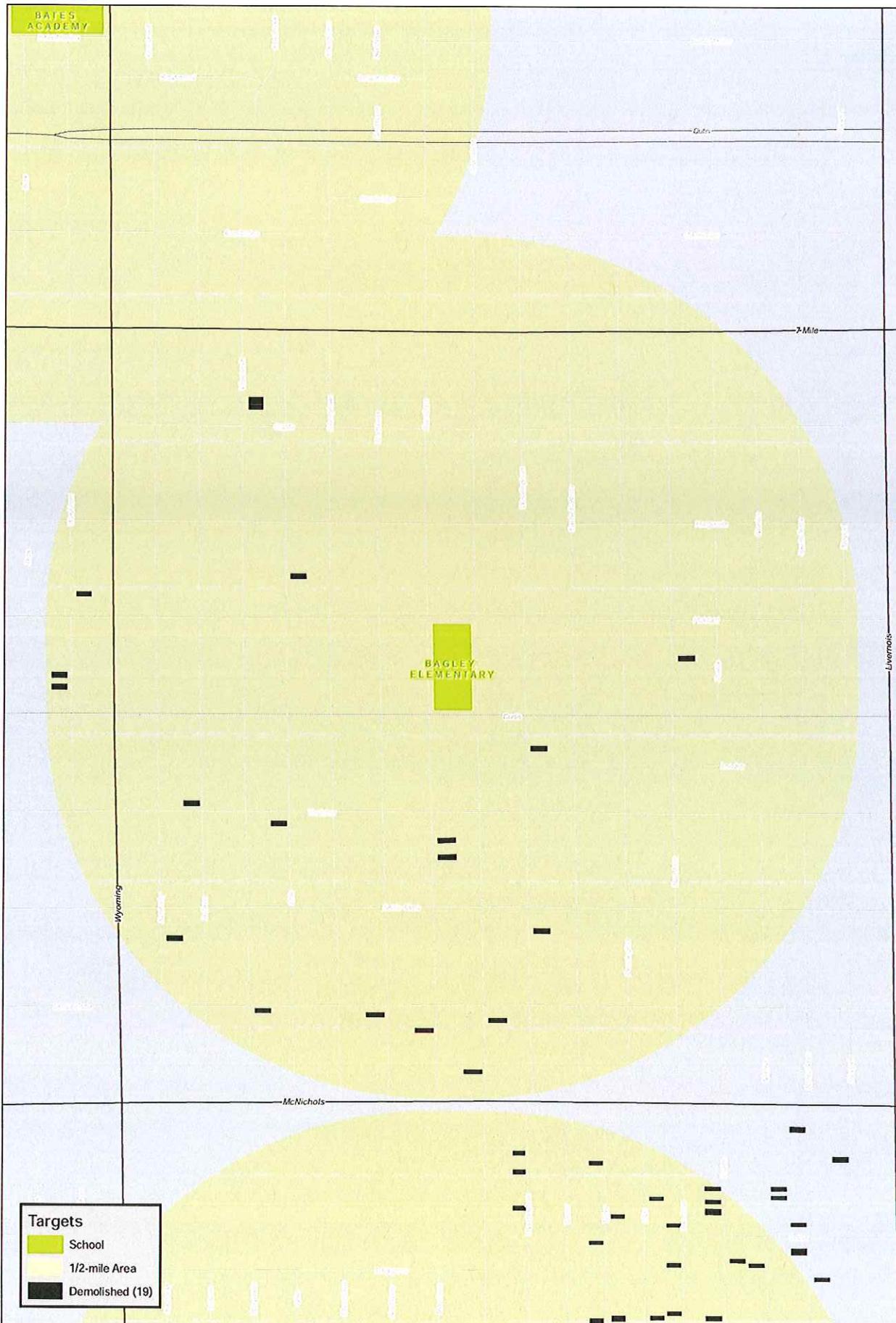
BLIGHT ELIMINATION PROGRAM | CITY-WIDE PROGRAM STATUS
 EXISTING CONDITIONS, FEBRUARY 11, 2015



Targets

- School
- 1/2-mile Area
- Demolished (868)



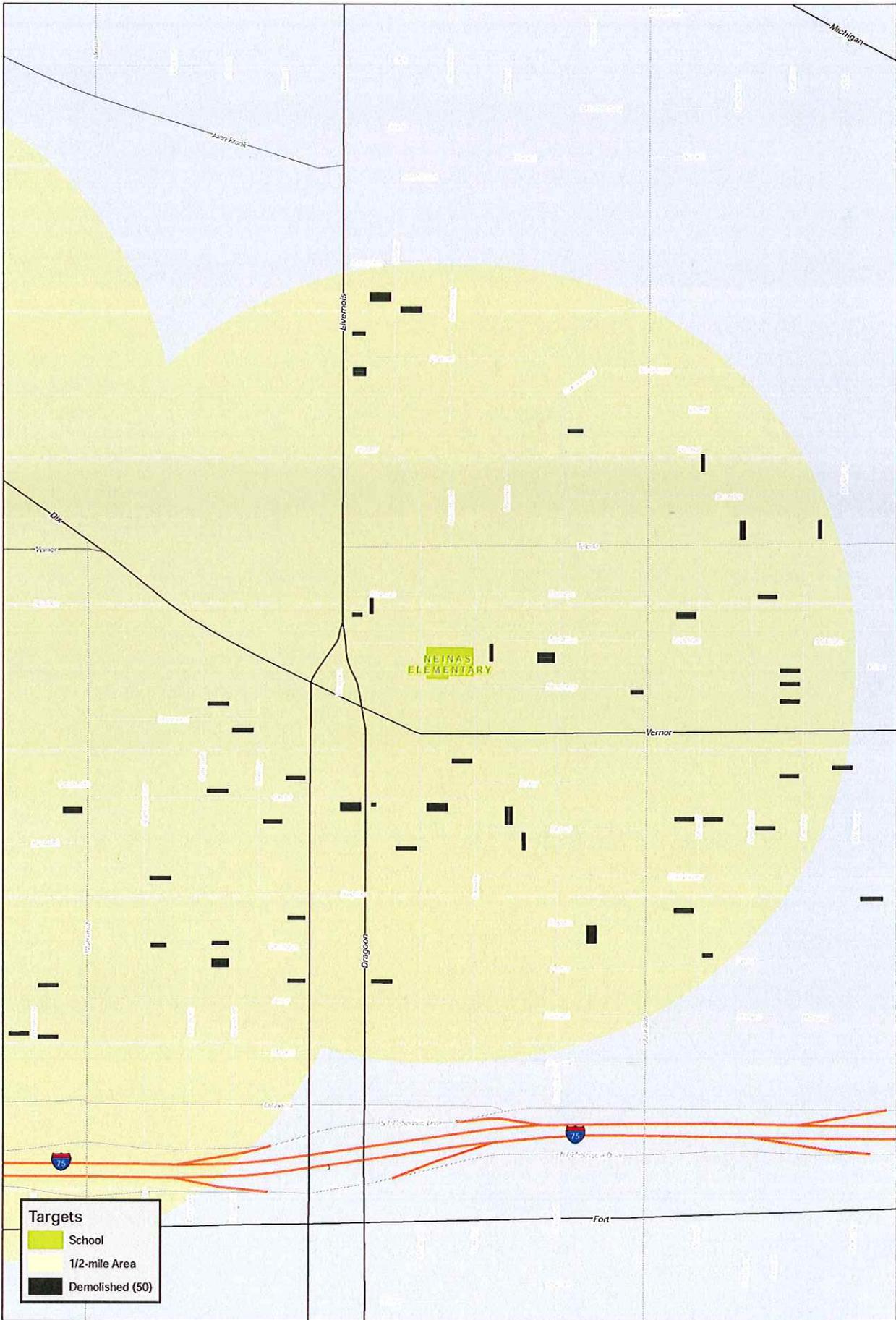


Targets

- School
- 1/2-mile Area
- Demolished (19)

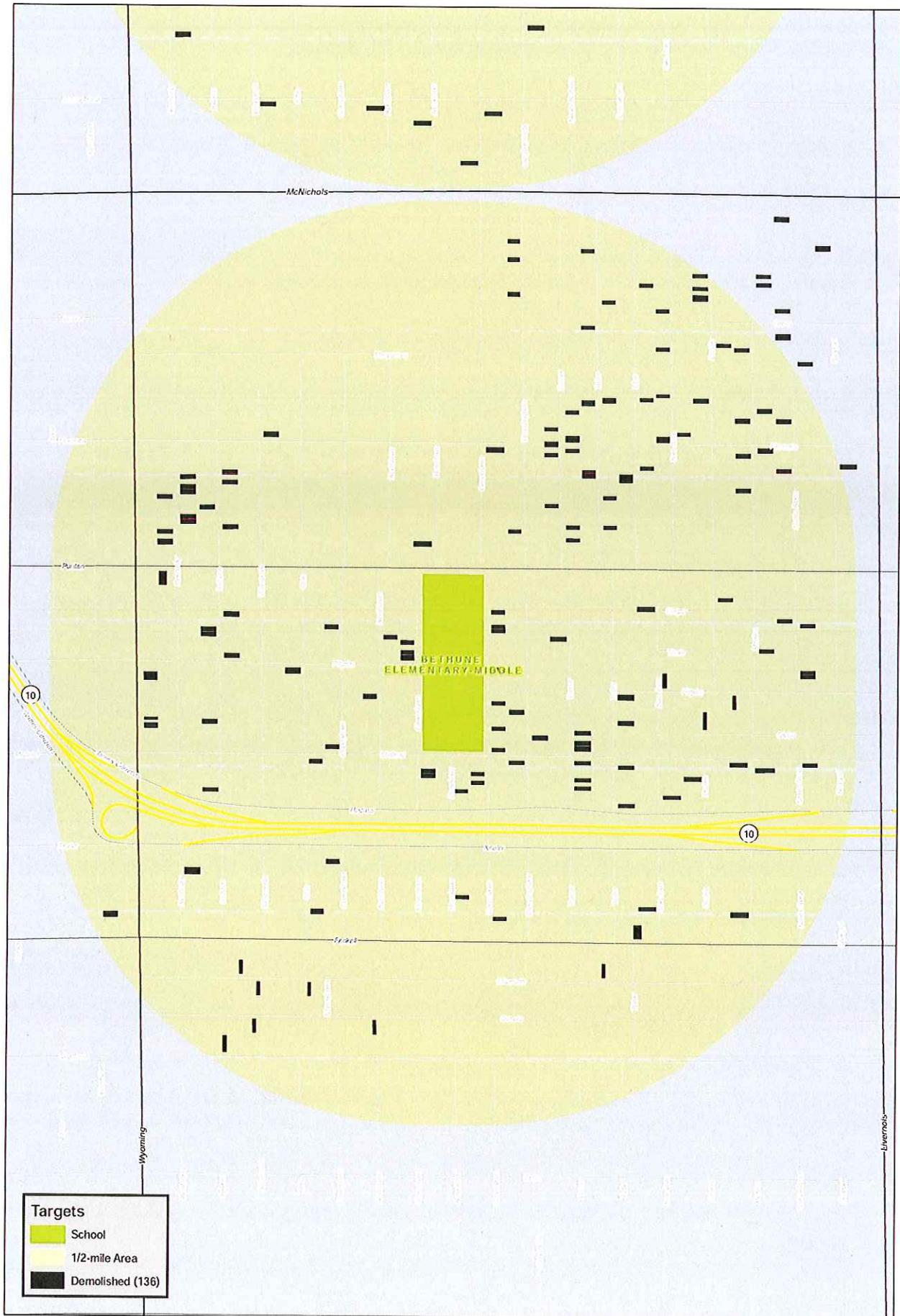
0 500 1,000 2,000 3,000 Feet
 Projection: NAD 1983 Hotine Oblique Mercator Azimuth Natural Origin

Prepared by the Michigan Land Bank, 2/13/2015
 Source: Michigan Land Bank Fast Track Authority; ADR Consultants, LLC;
 Detroit Public Schools; City of Detroit; Michigan Geographic Data Library



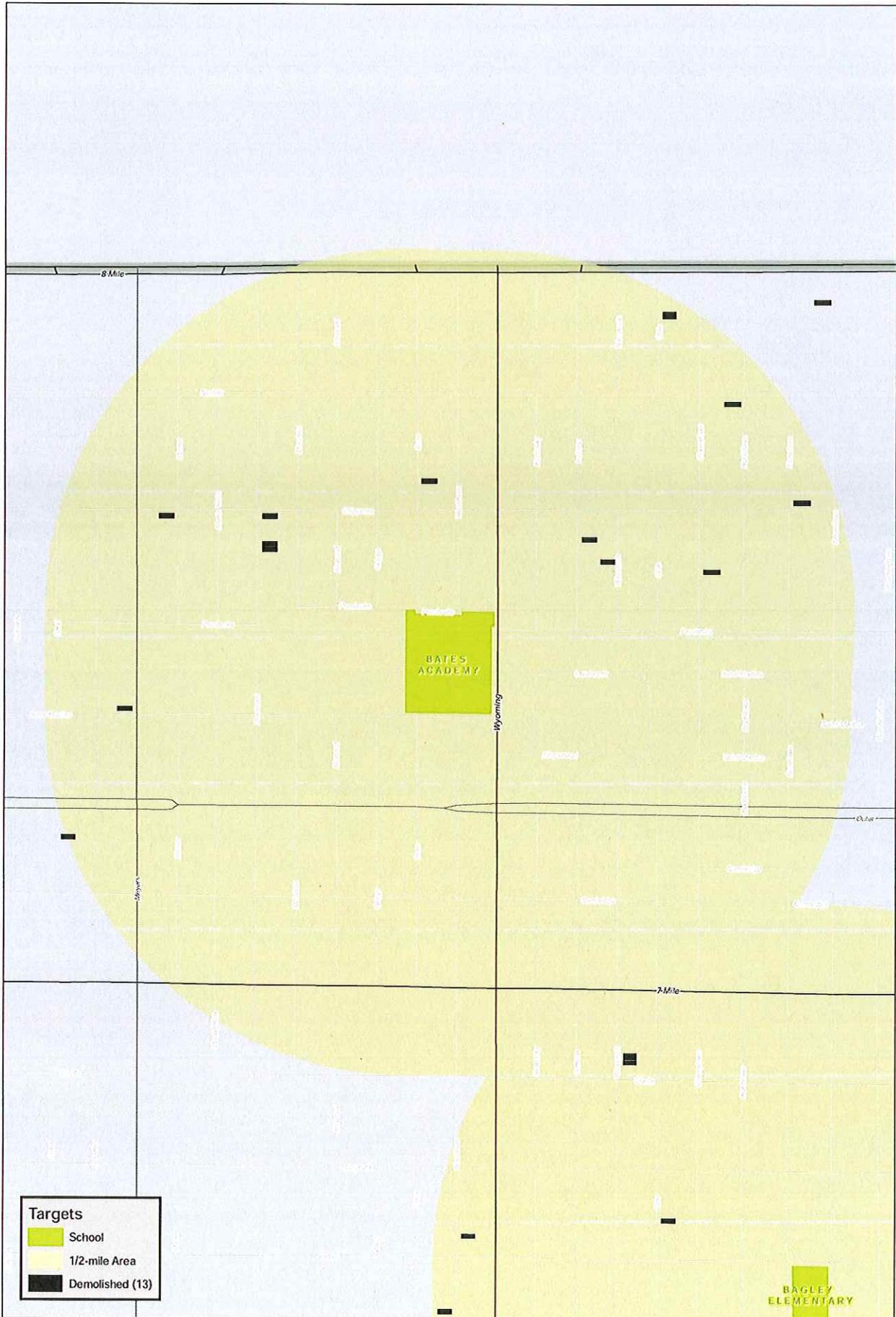
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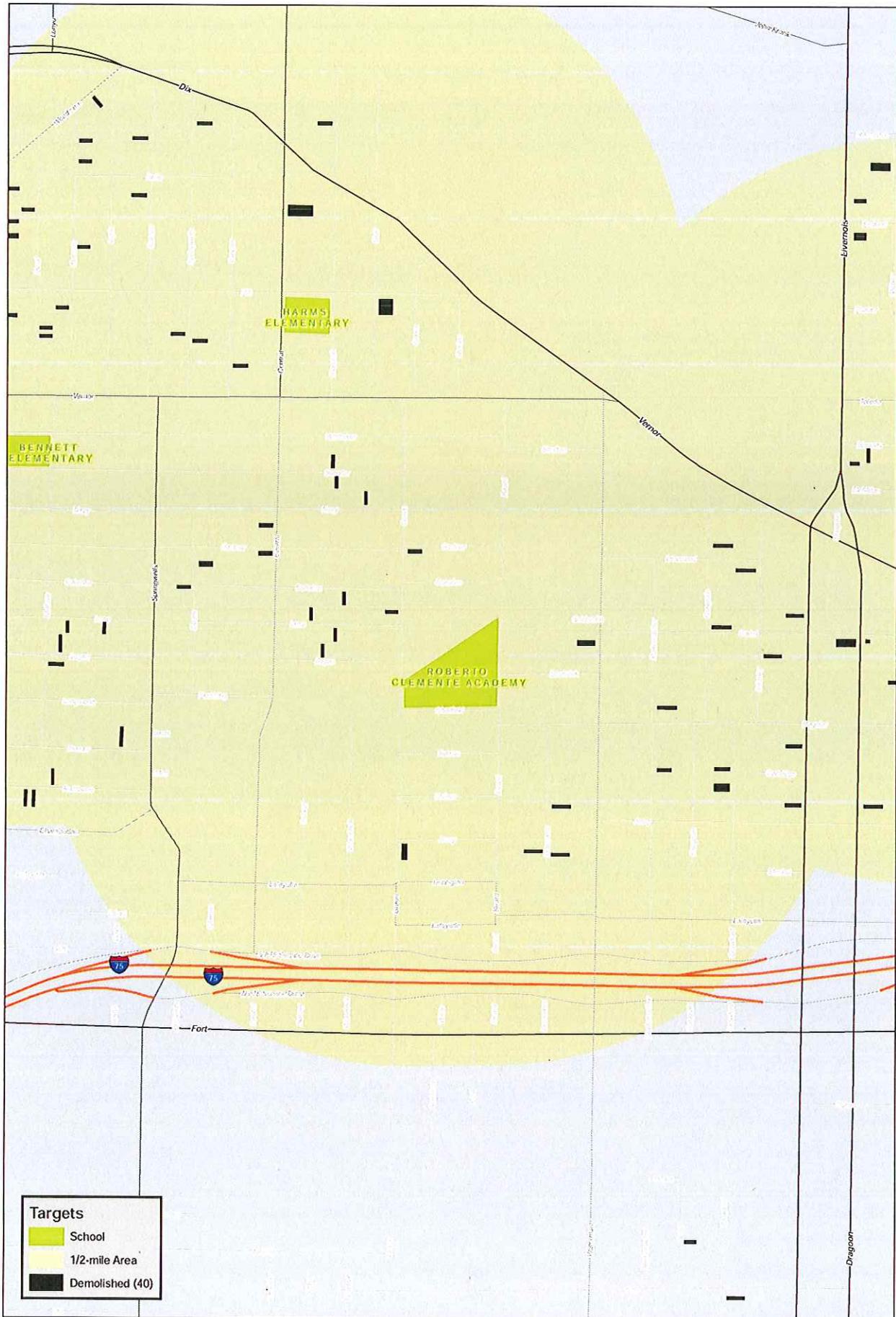
Prepared by the Michigan Land Bank, 2/13/2015
 Source: Michigan Land Bank Fast Track Authority; ADR Consultants, LLC;
 Detroit Public Schools; City of Detroit; Michigan Geographic Data Library



Targets

- School
- 1/2-mile Area
- Demolished (136)





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 Projection: NAD 1983 Hotine Oblique Mercator Azimuth Natural Origin

Prepared by the Michigan Land Bank, 2/13/2015
 Source: Michigan Land Bank Fast Track Authority; ADR Consultants, LLC;
 Detroit Public Schools; City of Detroit; Michigan Geographic Data Library



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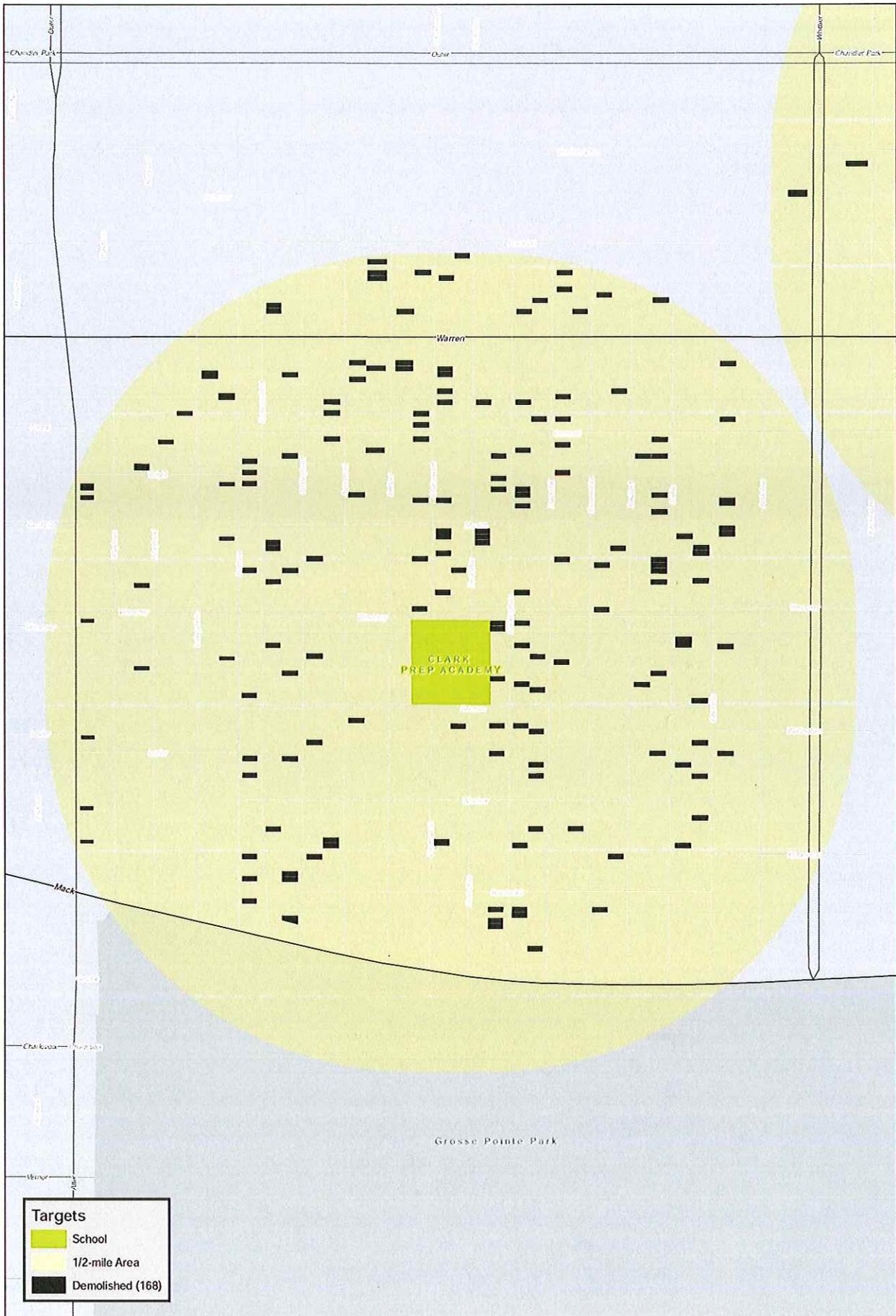


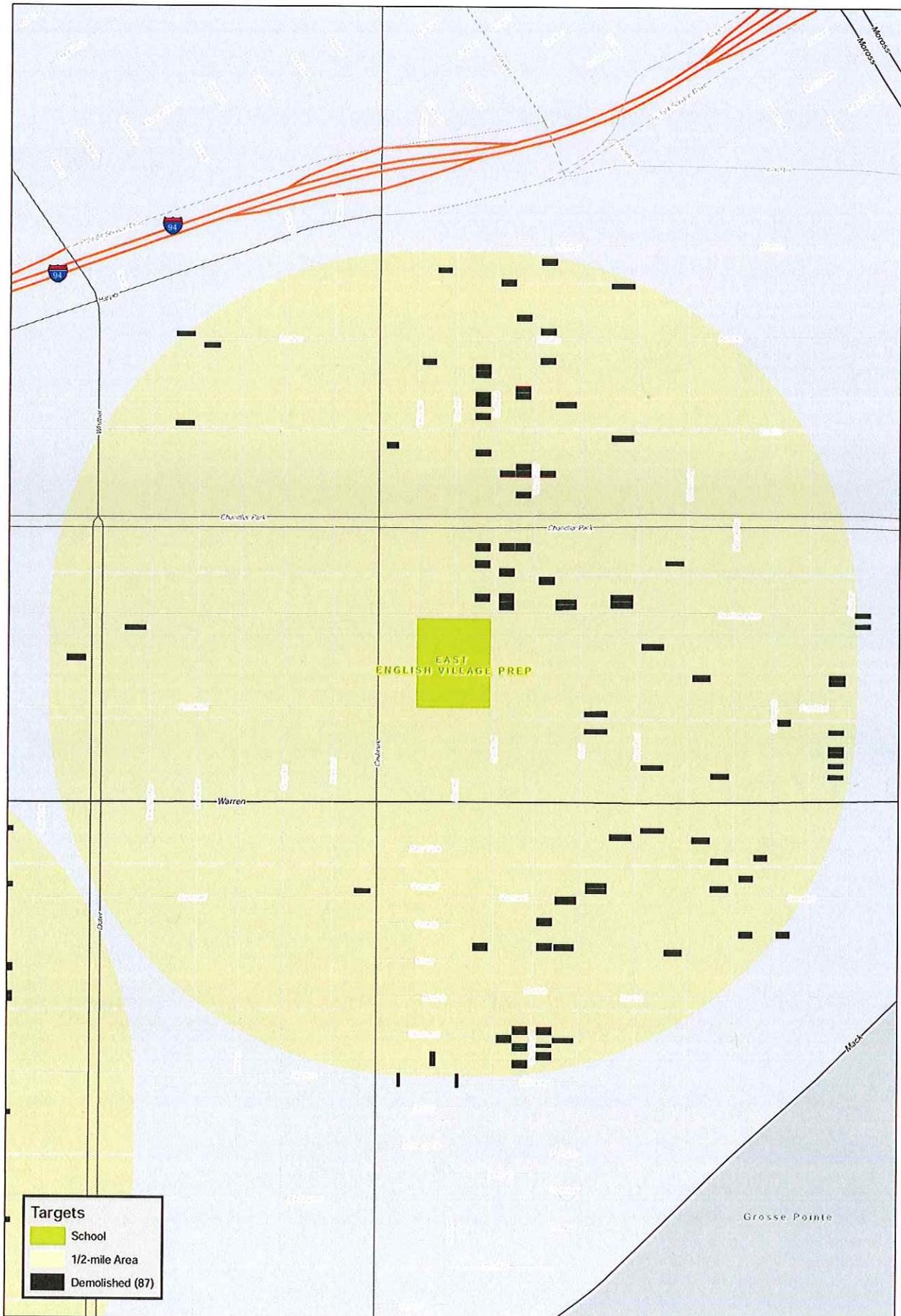
Targets

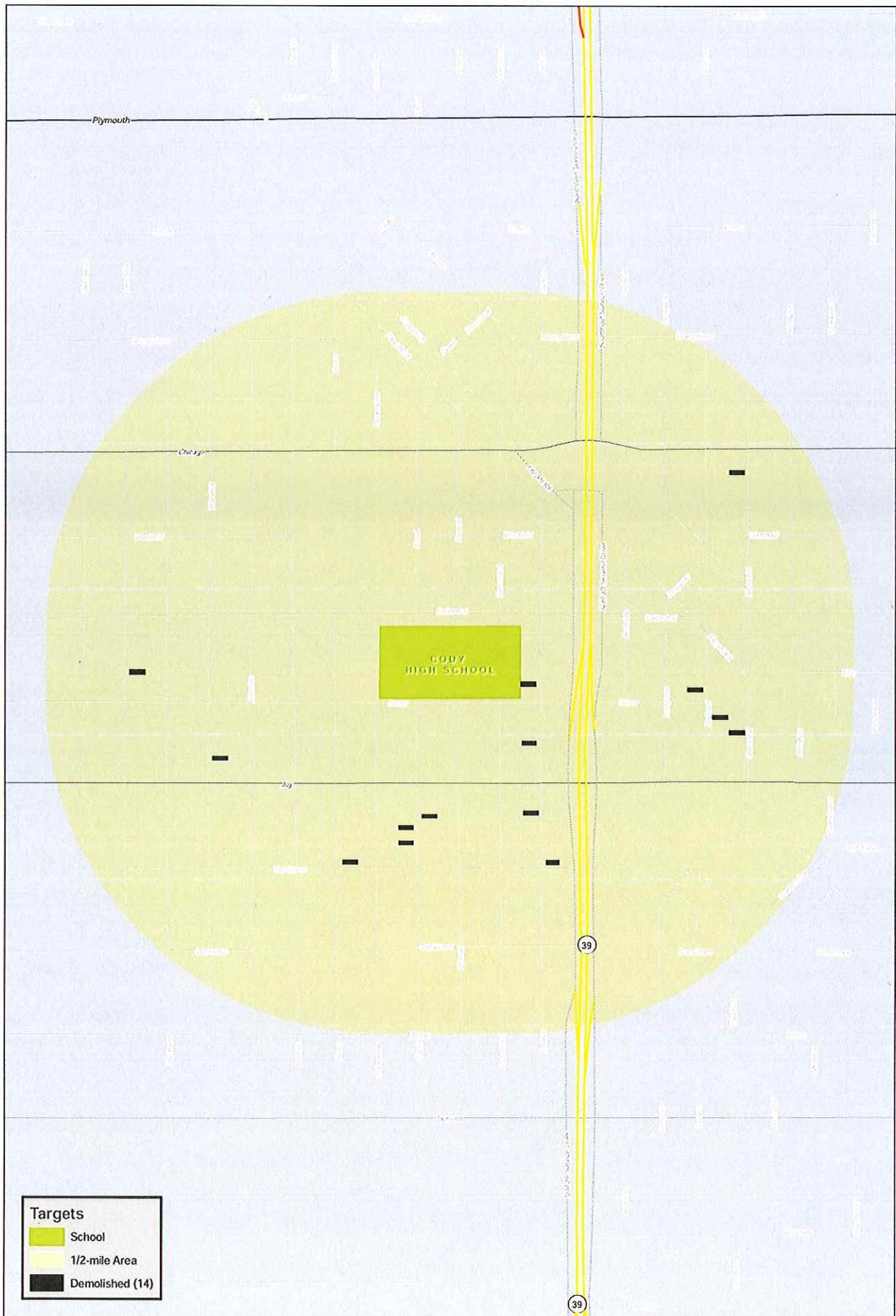
- School
- 1/2-mile Area
- Demolished (61)

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 Projection: NAD 1983 Hotine Oblique Mercator Azimuth Natural Origin

Prepared by the Michigan Land Bank, 2/13/2015
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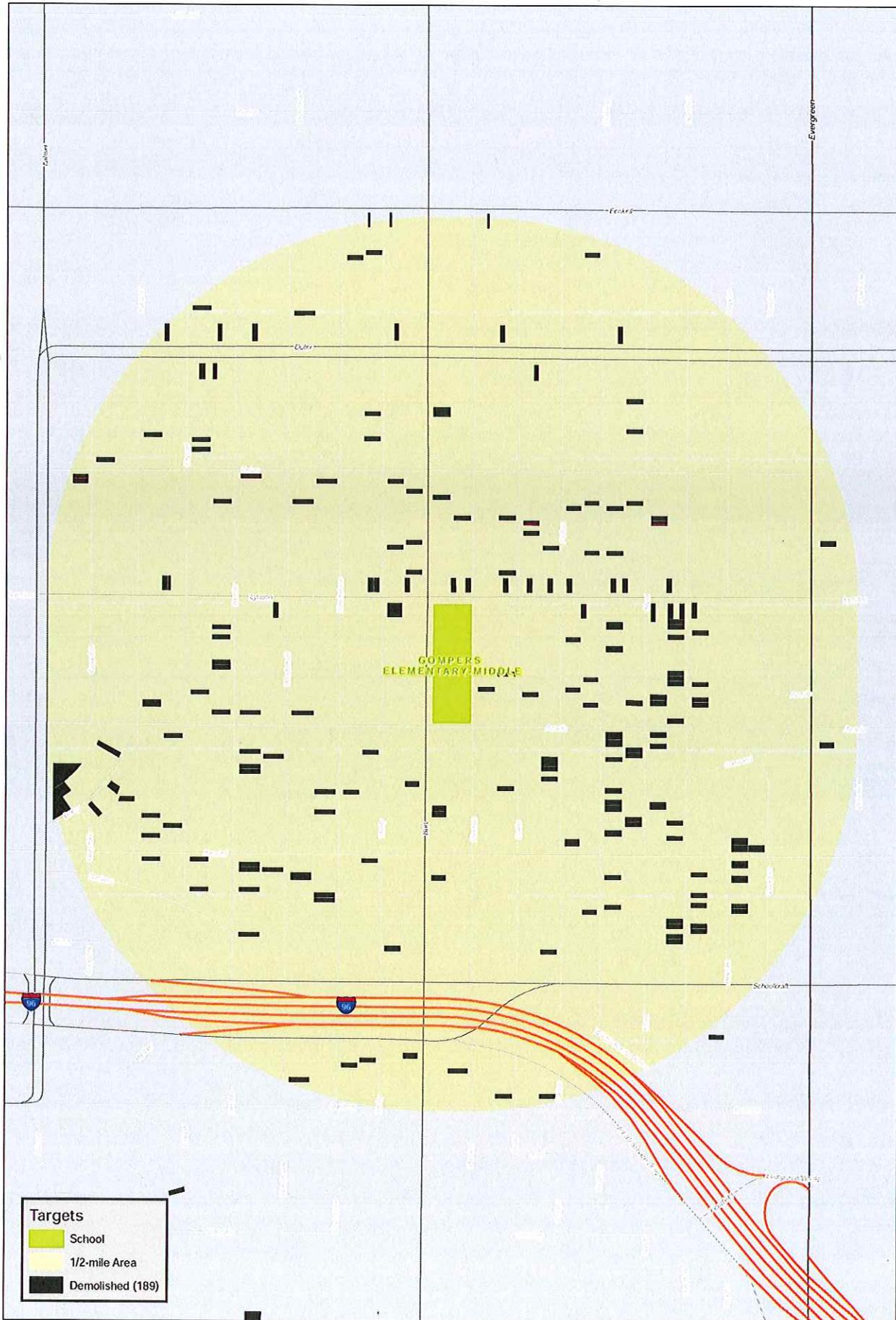








BLIGHT ELIMINATION PROGRAM | COMPLETED | DPS GOMPERS AREA
GOMPERS ELEMENTARY-MIDDLE | WEST DETROIT
EXISTING CONDITIONS, FEBRUARY 11, 2015



0 500 1,000 2,000 3,000 Feet
Projection: NAD 1983 Hotine Oblique Mercator Azimuth Natural Origin

Prepared by the Michigan Land Bank, 2/13/2015
Source: Michigan Land Bank Fast Track Authority; ADR Consultants, LLC;
Detroit Public Schools; City of Detroit; Michigan Geographic Data Library

Michigan Blight Elimination - Statewide

#	Grantee	Awarded Grant Amount (Adjusted)	Approved # Of Structures	Total Demolished	Total Expended	Grant Balance
	MLB Staff Admin	\$141,964.72			\$141,964.72	\$0.00
	Demolition Management Services	\$193,070.00			\$193,070.00	\$0.00
1	City of East Tawas	\$20,300.00	1	1	\$20,300.00	\$0.00
2	Village of Ravenna	\$29,000.00	1	1	\$29,000.00	\$0.00
3	Kalamazoo County Land Bank	\$936,915.00	76	76	\$936,915.00	\$0.00
4	City of Plainwell	\$697,274.54	6	6	\$697,274.54	\$0.00
5	Marquette County Land Bank	\$486,385.00	36	36	\$486,385.00	\$0.00
6	City of Vassar	\$41,158.00	7	7	\$41,158.00	\$0.00
7	City of Pontiac	\$1,006,811.65	90	90	\$1,006,811.65	\$0.00
8	Charter Township of Ypsilanti	\$653,840.00	151	151	\$653,840.00	\$0.00
9	Brevort Township	\$37,906.00	1	1	\$37,906.00	\$0.00
10	City of Coldwater	\$65,756.00	2	2	\$65,756.00	\$0.00
11	Ingham County Land Bank	\$836,850.00	14	14	\$836,850.00	\$0.00
12	NCCS Center for Nonprofit Housing (Newaygo County)	\$61,811.00	5	5	\$61,811.00	\$0.00
13	LIFT Foundation (Kalamazoo County)	\$77,890.00	14	14	\$77,890.00	\$0.00
14	ICCF (Kent County)	\$41,833.00	4	4	\$41,833.00	\$0.00
15	Houghton County Land Bank	\$9,675.00	1	1	\$9,675.00	\$0.00
16	Genesee County Planning Commission	\$158,552.10	17	17	\$158,552.10	\$0.00
17	City of Au Gres	\$111,999.08	1	1	\$111,999.08	\$0.00
18	Genesee County Land Bank	\$3,713,213.00	322	322	\$3,713,213.00	\$0.00
19	City of Petoskey	\$20,673.00	2	2	\$20,673.00	\$0.00
20	Saginaw County Land Bank	\$1,784,647.12	164	164	\$1,784,647.12	\$0.00
21	LINC (Kent County)	\$648,154.21	18	18	\$648,154.21	\$0.00
22	Berrien-Cass-Van Buren Michigan Works	\$829,075.61	20	20	\$829,075.61	\$0.00
23	Grand Traverse County	\$44,000.00	1	1	\$44,000.00	\$0.00
24	Village of Constantine	\$8,500.00	1	1	\$8,500.00	\$0.00
25	Leelanau County Land Bank	\$47,525.77	2	2	\$47,525.77	\$0.00
26	City of Mt. Pleasant	\$800,000.00	2	2	\$800,000.00	\$0.00
27	City of Manistee Housing Commission	\$87,421.50	1	1	\$87,421.50	\$0.00
28	City of Onaway	\$6,175.00	2	2	\$6,175.00	\$0.00
29	City of Muskegon	\$111,500.00	2	2	\$111,500.00	\$0.00
30	Village of Newberry	\$67,550.00	7	7	\$67,550.00	\$0.00
31	Reed City	\$370,000.00	1	1	\$370,000.00	\$0.00
32	Northeast Michigan Affordable Housing (Arenac County)	\$31,436.25	2	2	\$0.00	\$0.00
33	City of Bay City	\$269,150.00	21	21	\$185,285.00	\$0.00
34	Northern Homes CDC (Charlevoix County)	\$20,000.00	2	2	\$20,000.00	\$0.00
35	Wayne Metro	\$393,538.39	23	23	\$0.00	\$0.00
	Totals	\$14,861,550.94	1020	1020	\$14,861,550.94	\$0.00
	Remaining Funding	\$138,449.06				
	GRAND TOTAL	\$15,000,000.00				