

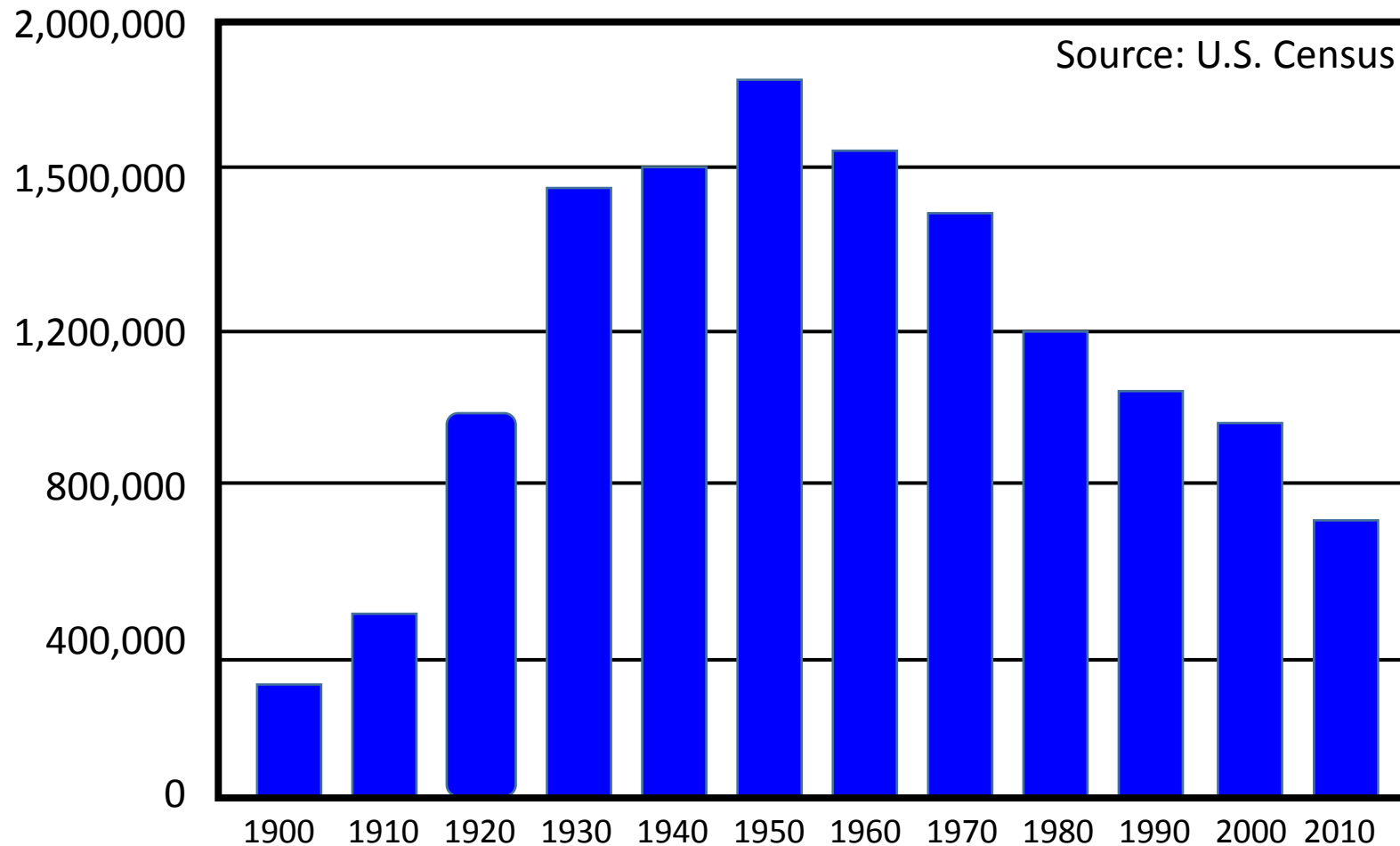
National Housing Conference

June 15, 2018

**City of Detroit
Mayor Mike Duggan**

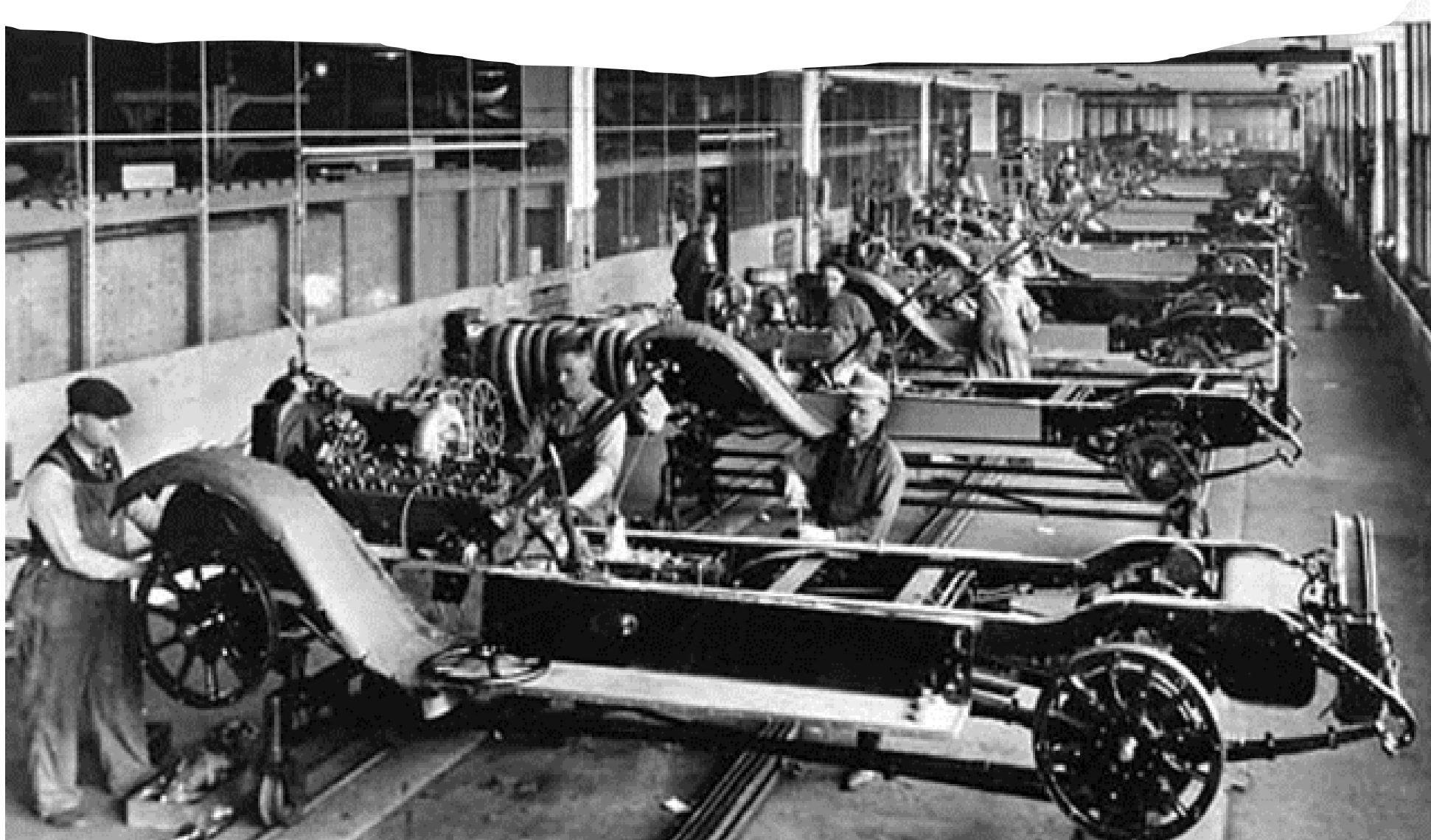


Detroit Population, 1900 to 2000



Detroit grew to the 4th largest city in the U.S. in 1950 and has shrunk to the 21st largest today.

**In the 1900's, Detroit grew rapidly as a
manufacturing center**





Detroit 1910



**People in America's other growing cities
moved into high-rise apartments like New York**



...and Chicago



**Detroit was unique – Instead of building high-rises,
Detroit spread out with houses.**





400,000 Houses Built from 1900-1950



Detroit had the wealth to build all those single-family homes because of its rise as a manufacturing power.



Auto plants were the center of many housing developments



**But by the 1950's, Detroit was out of space...
Car companies started building massive new plants
on farm land outside Detroit**



**Unlimited farmland space allowed
construction all on one level**



In 1954, America's first major shopping mall opened – outside the City of Detroit

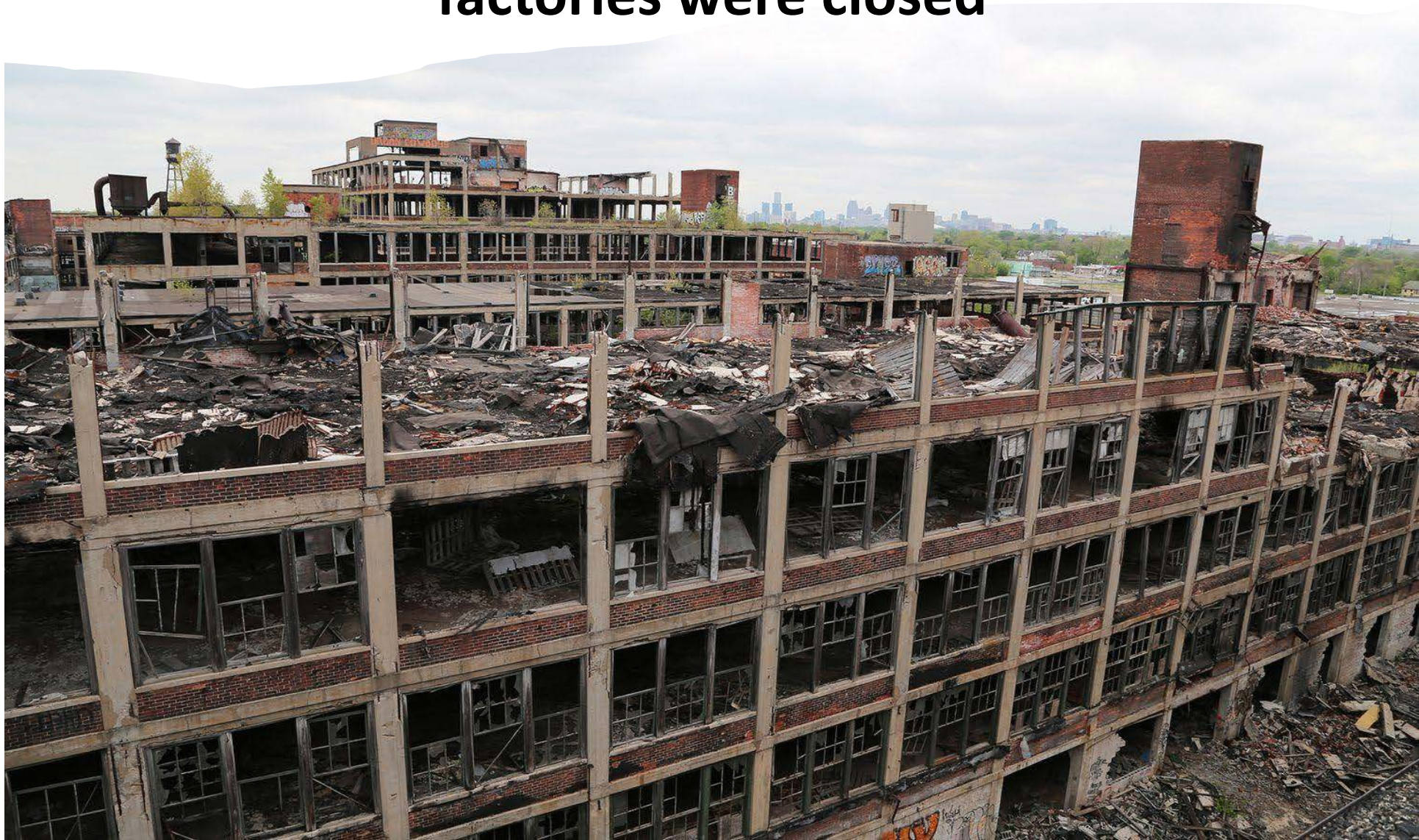


The outdated Detroit plants began closing





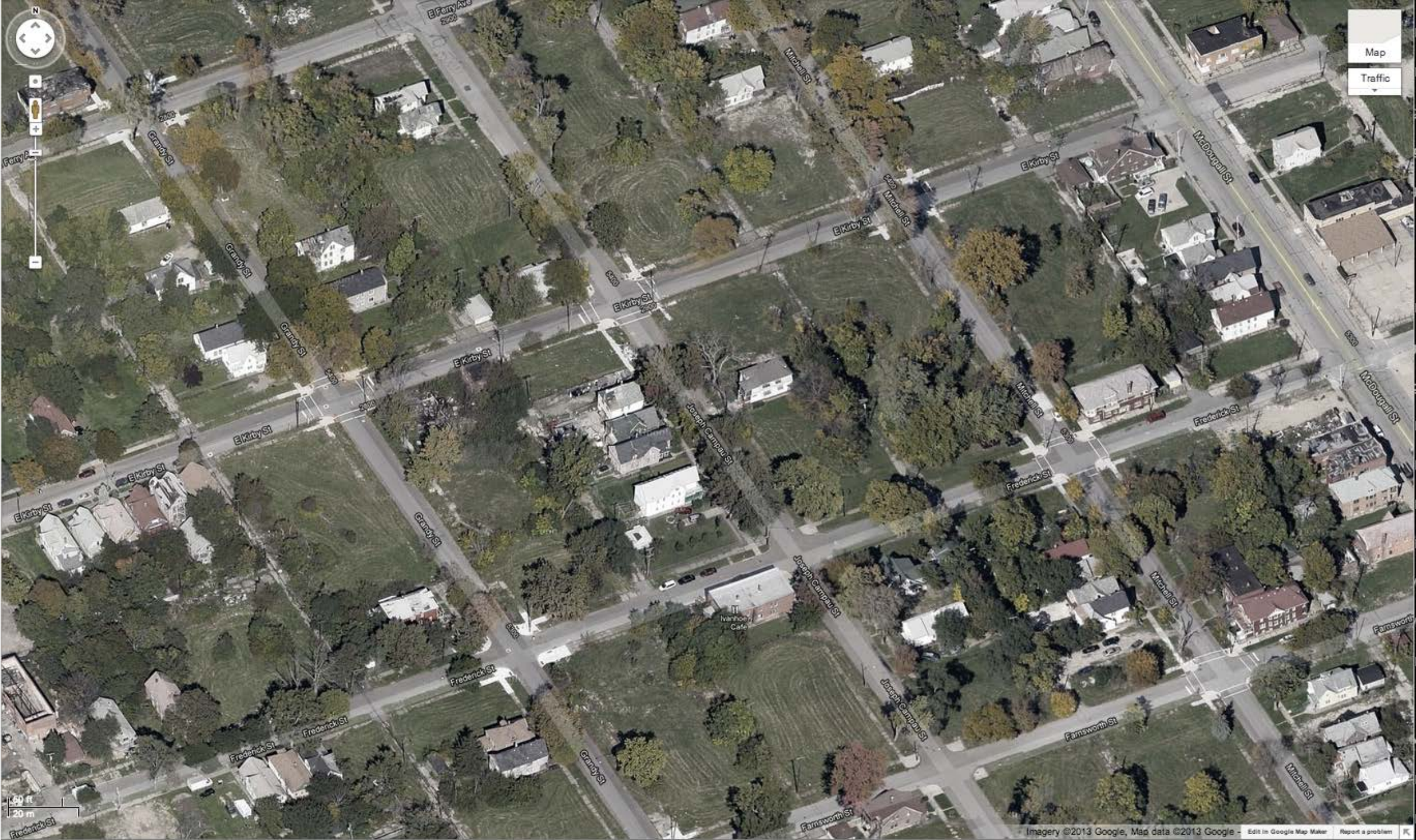
And as international competition grew in the decades that followed, outdated Detroit factories were closed



As plants closed, neighborhoods were abandoned

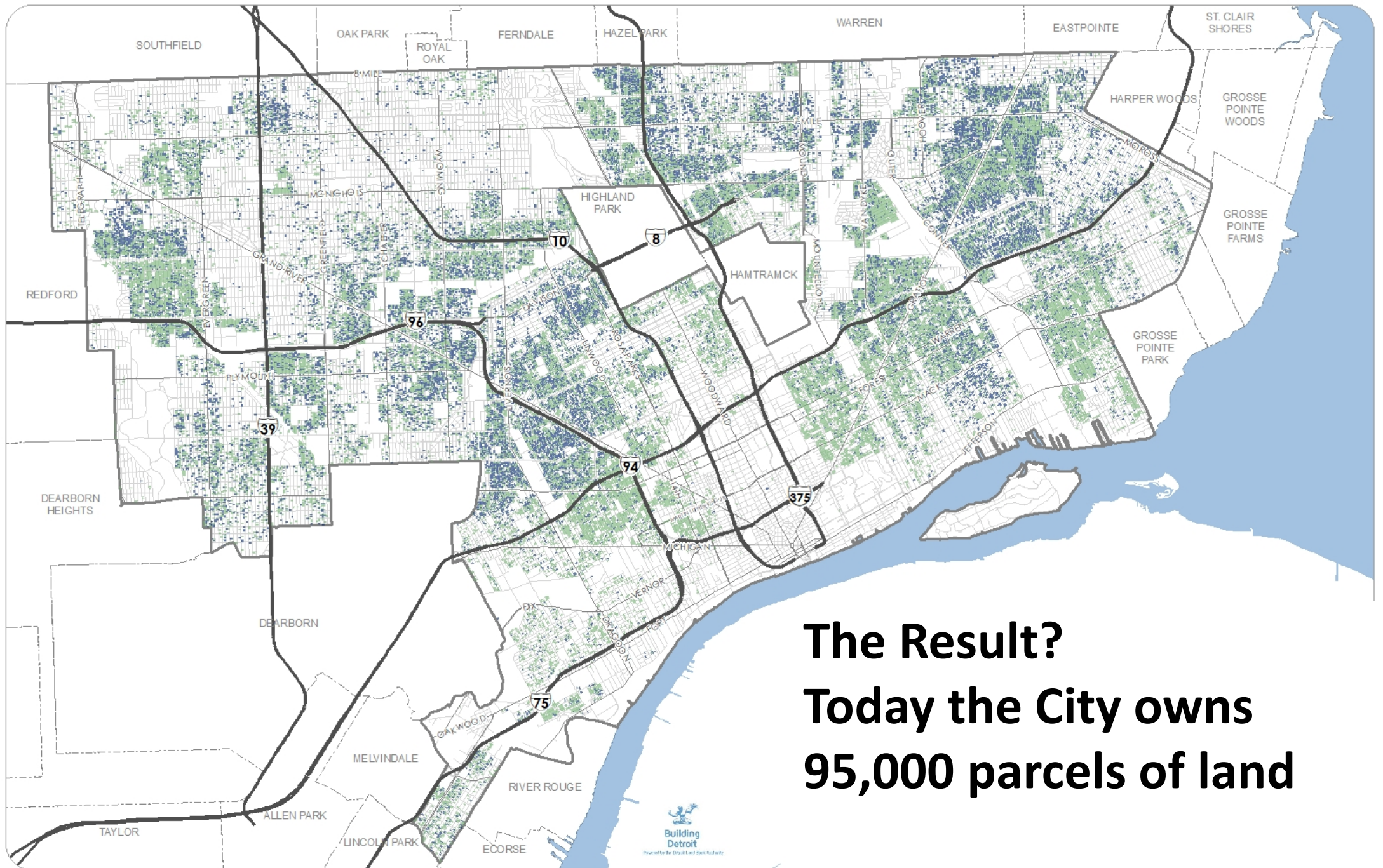






Map
Traffic

50 ft
20 m





**We Have Deep Appreciation for the work of Dan Gilbert,
Linda Smith, and Glenda Price in the Detroit Blight Task Force Report**



The Central Question for Detroit's Long-Term Strategy:

How do we reverse a 60 year population decline?

Lights Status: January, 2014 half of all street lights out –



**We committed to
install 65,000
new LED lights...**

In 3 years, we lit the city with 64,000 new streetlights.

Before



After





Services are Being Addressed Citywide

Police Response Time (12 Minutes is National Std.)

1/14 28:06

4/18 13:28

Ambulance Response Time (8 Minutes is National Std.)

1/14 18:04

4/18 8:11

Bus System Pullout (188 Full Schedule)

1/14 138 74% of Pullout

4/18 232 125% of Full 2014 Pullout Schedule

The Magnitude of the Blight Challenge

There are approximately 380,000 parcels in the City of Detroit.

The Land Bank owns 95,000 from years of tax delinquency:

70,000 Vacant lots

25,000 Parcels with a house

Of the 25,000 Land Bank Owned Houses Today:

5,000 still have an occupant.

5,000 are vacant, but structurally sound.

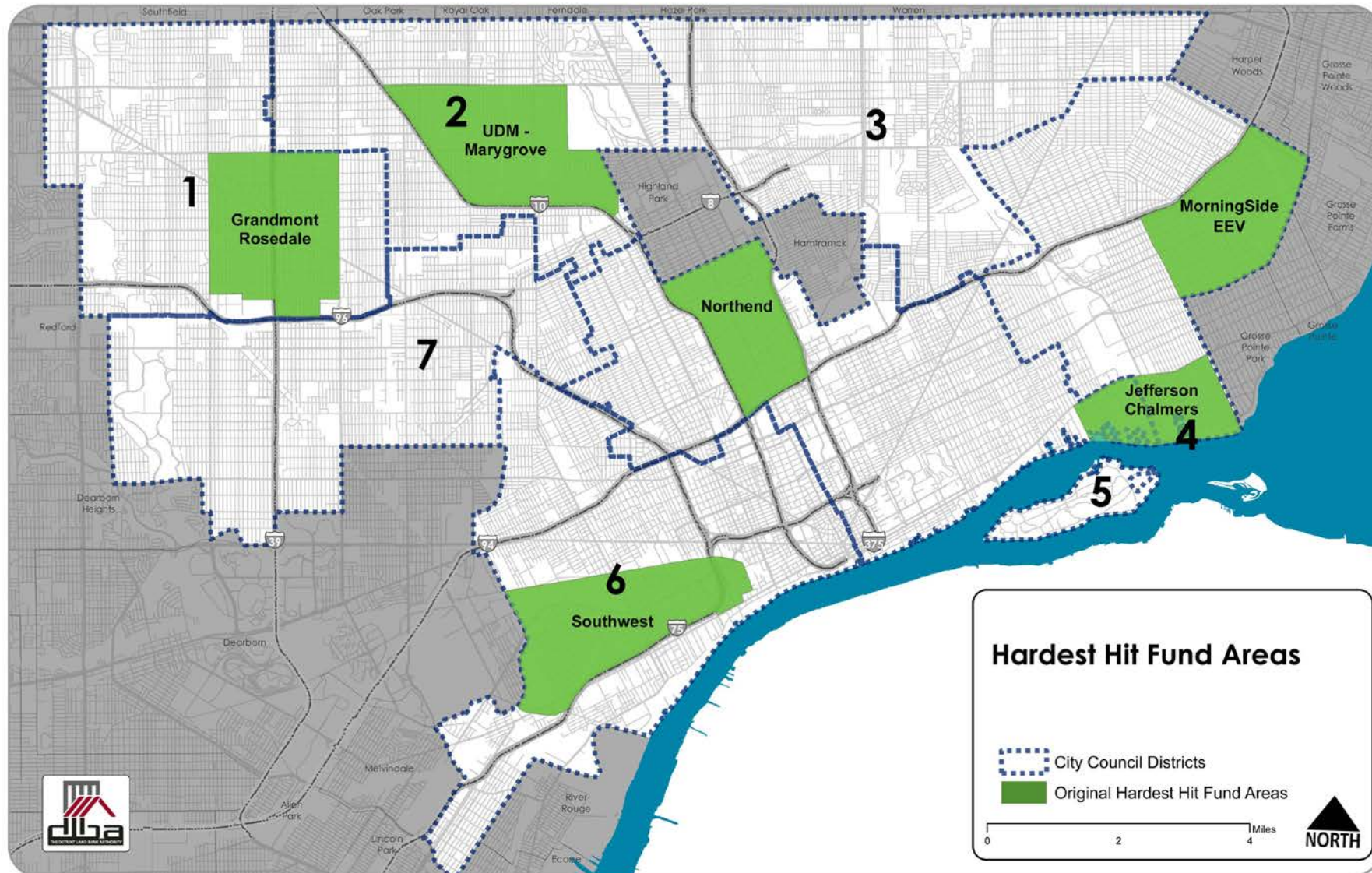
15,000 will have to be demolished.

The 2nd largest vacant house demolition program in the US is run by the State of Ohio – they demolish fewer than 1,000 per year statewide.

Through an excellent partnership with U.S Treasury and State of Michigan, we're demolishing at a rate of 3,500 per year

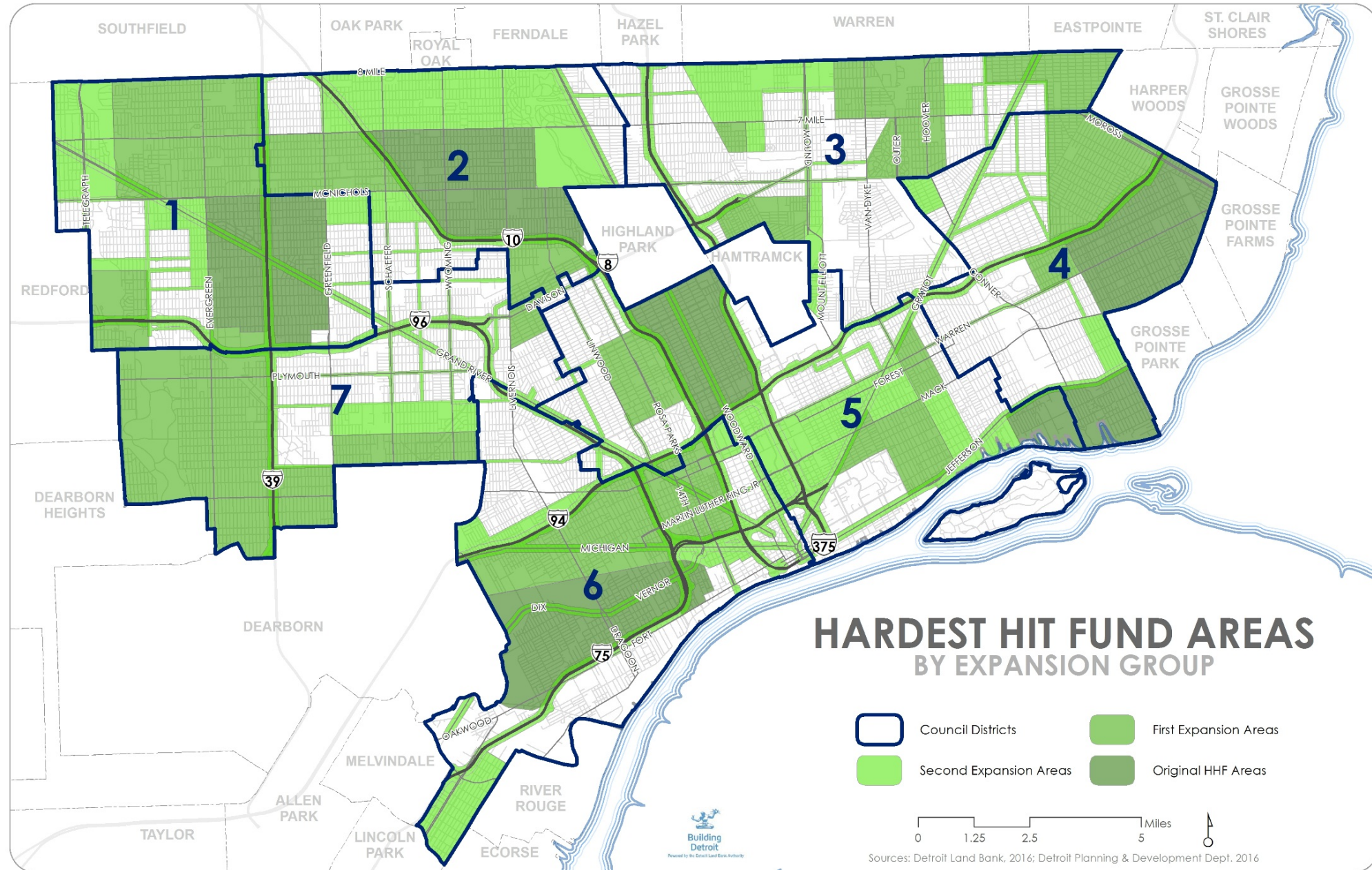


We Concentrated Demolition in Defined Neighborhoods January, 2014:

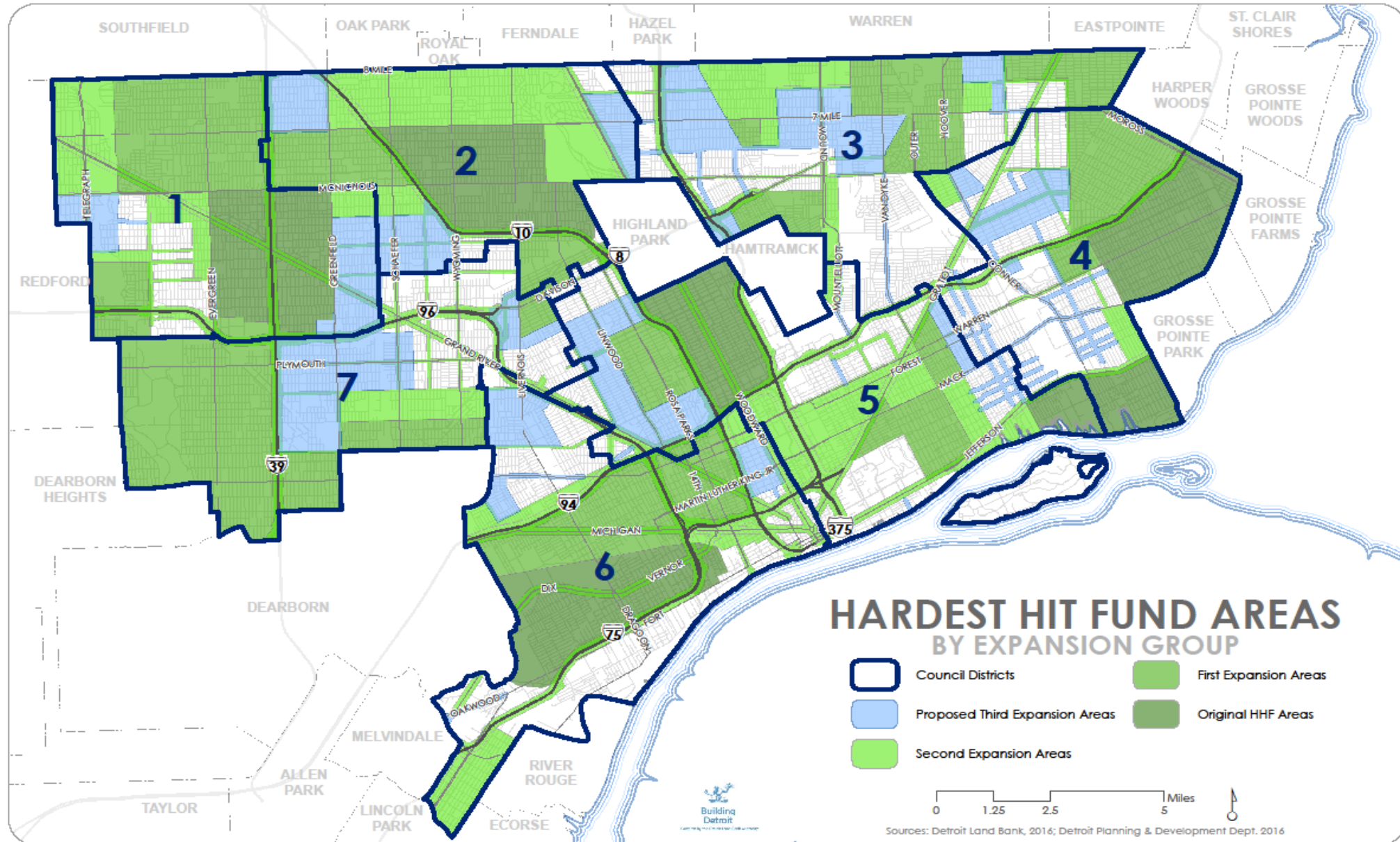




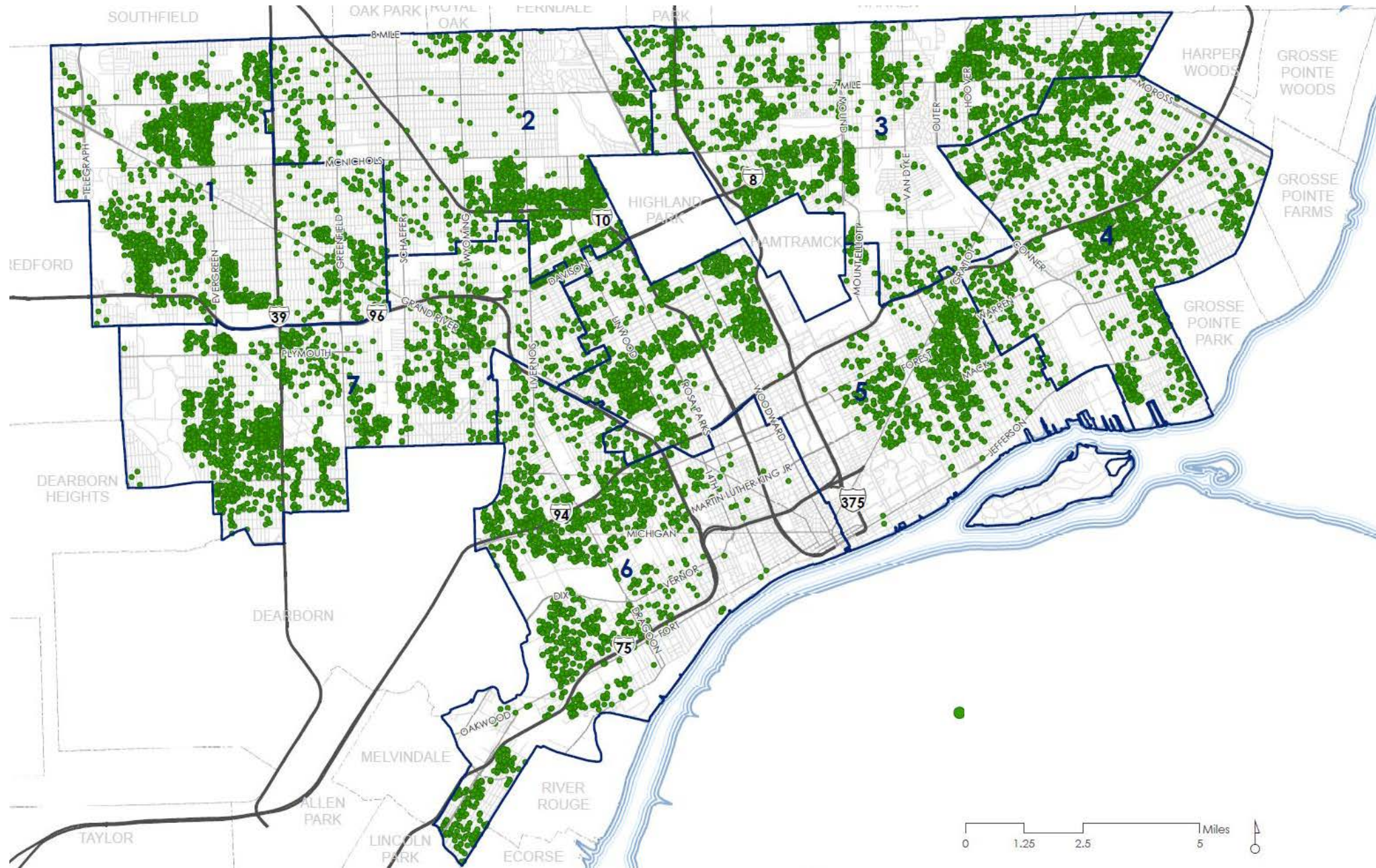
2015: Expanded to 80% Occupied



2016: Zones Expanded to 70% Occupied



14,000 Vacant Houses Demolished in Last 4 Years



As we removed the unsalvageable homes, we filed suit against the owners of the vacant homes that could be saved.



NOTICE TO OWNER

THIS VACANT HOUSE IS
ABOUT TO BE SEIZED BY
THE CITY OF DETROIT
LAND BANK



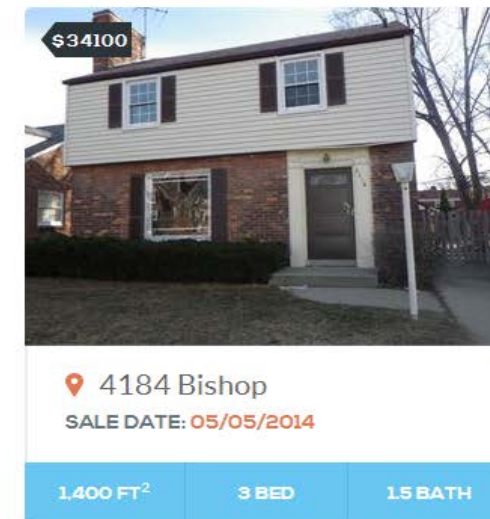
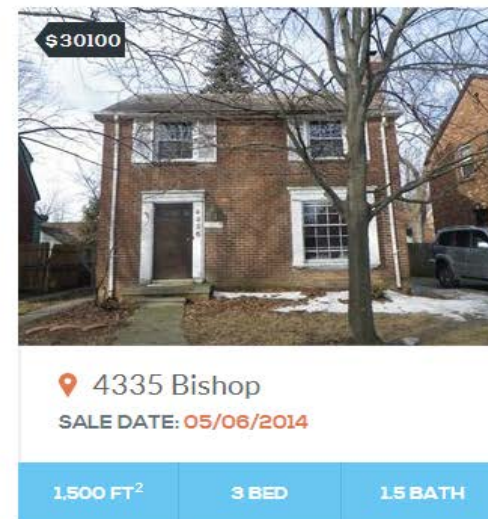
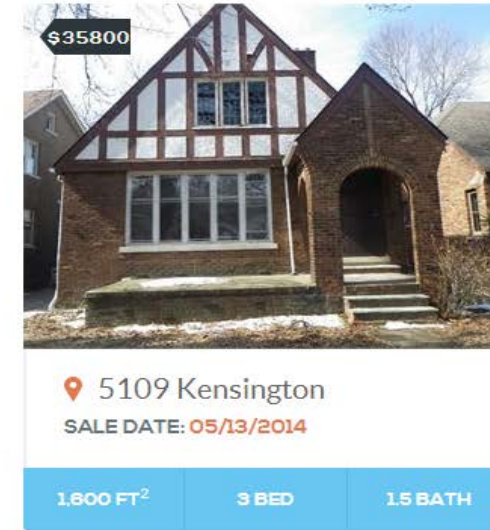
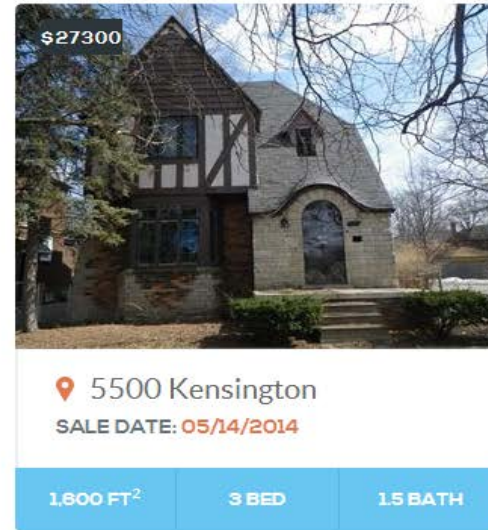
OWNER: YOU HAVE THREE DAYS TO CONTACT THE LAND BANK
AUTHORITY TO PREVENT A SEIZURE ACTION FROM BEING FILED.
To stop this seizure action, you must contact the City of Detroit Land
Bank at (313) 628-1180 no later than 5/8/14

PLAISANCE
DEVELOPMENT CO., INC.
FREE ESTIMATE
Call Mr. White
Cell: 313-210-3322
Voice: 313-250-7990

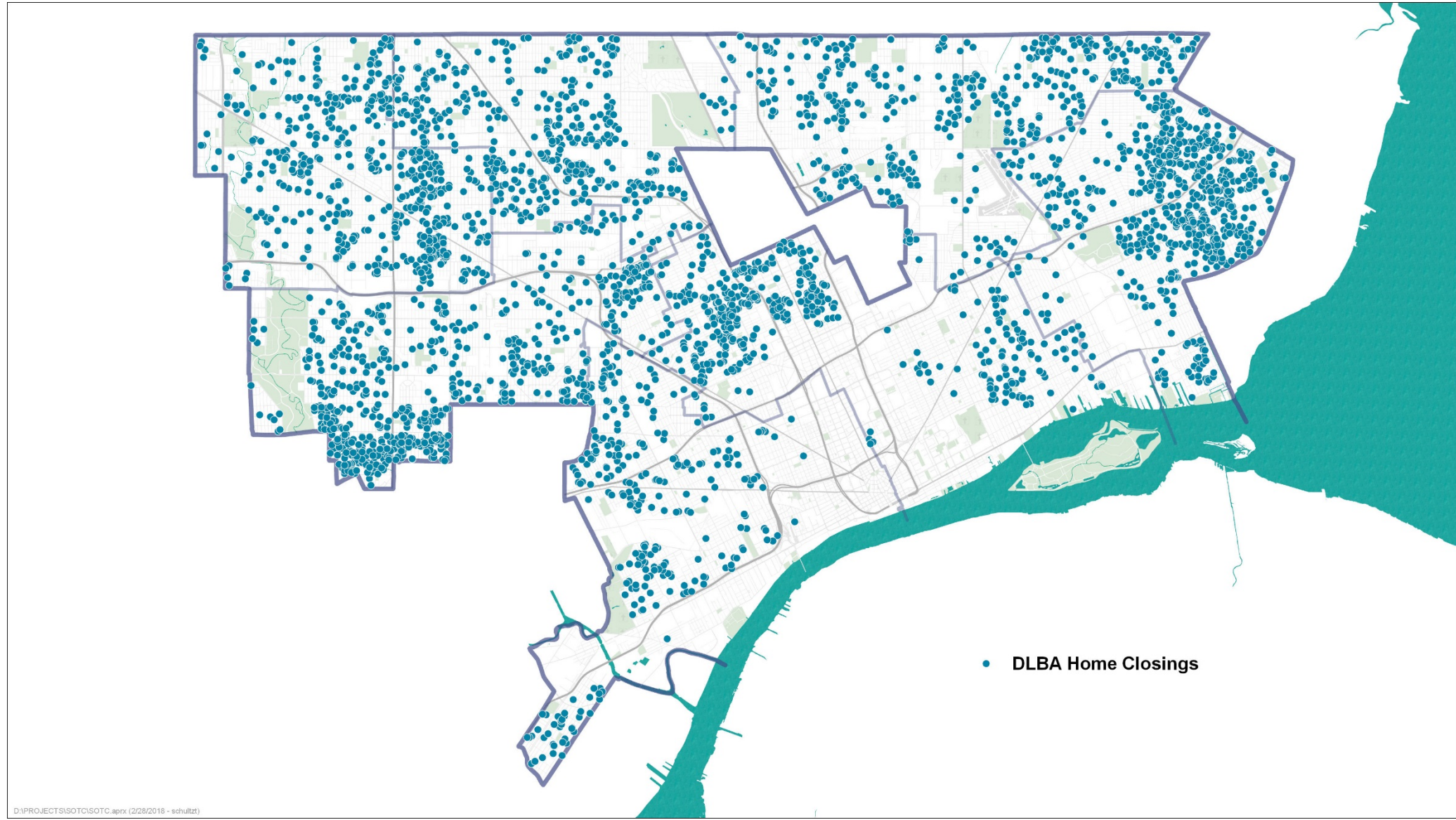
6182

Vacant homes selling for \$1,000 - \$100,000

Average Sales Price Under \$10,000



4,000 VACANT HOUSES REHABBED AND OCCUPIED IN LAST FOUR YEARS



In 2014, 14134 Mansfield – auctioned for \$20,200



In 2015, This house in Boston Edison sold for \$70,300



This year, this house on Atkinson sold for \$112,000



And, this house on Wildemere sold for \$255,000



18625 Monica



2700 Rosa Parks



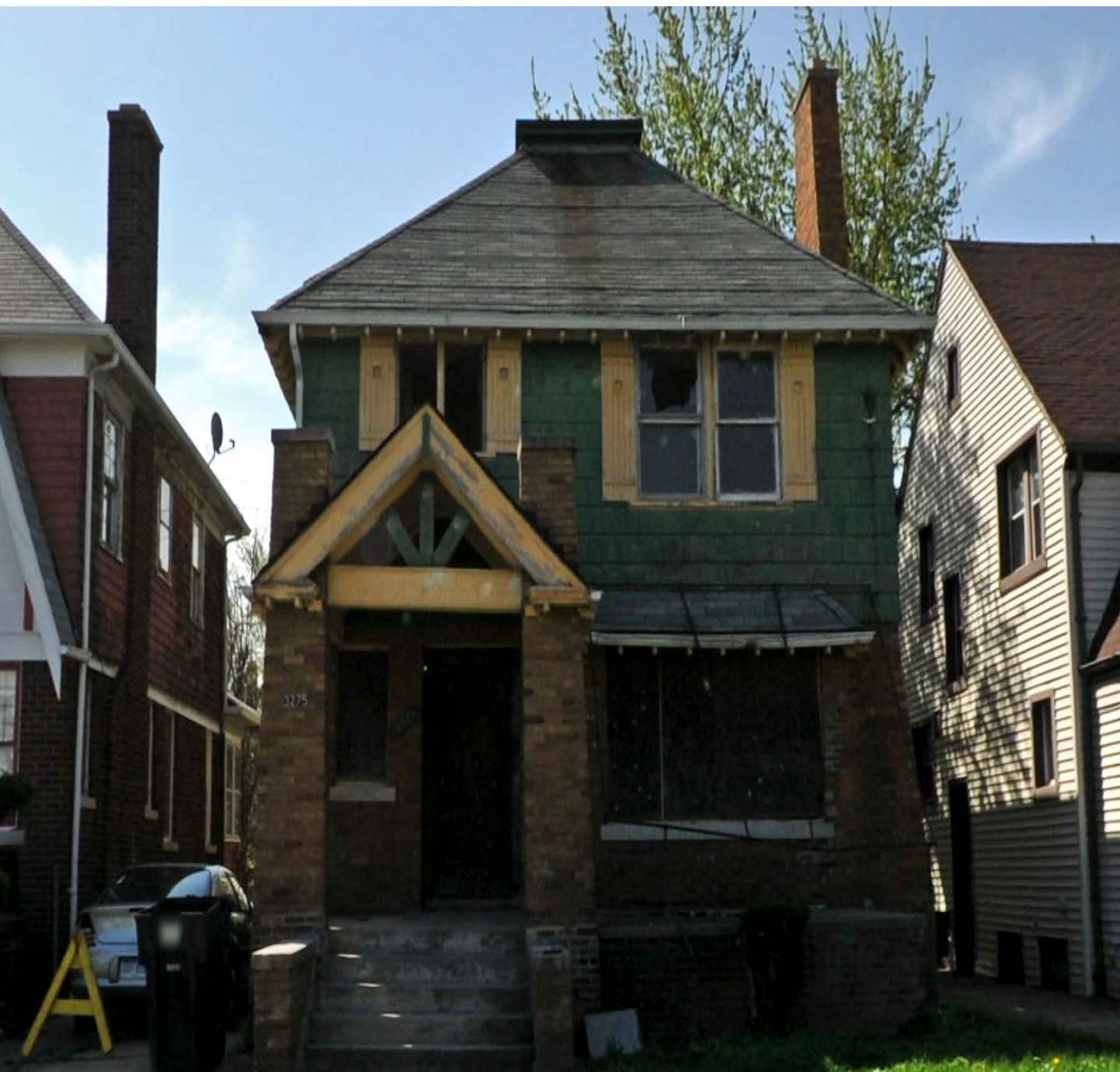
1117 Atkinson



4180 Burns



3275 Collingwood



16530 OHIO



16530 OHIO INSIDE



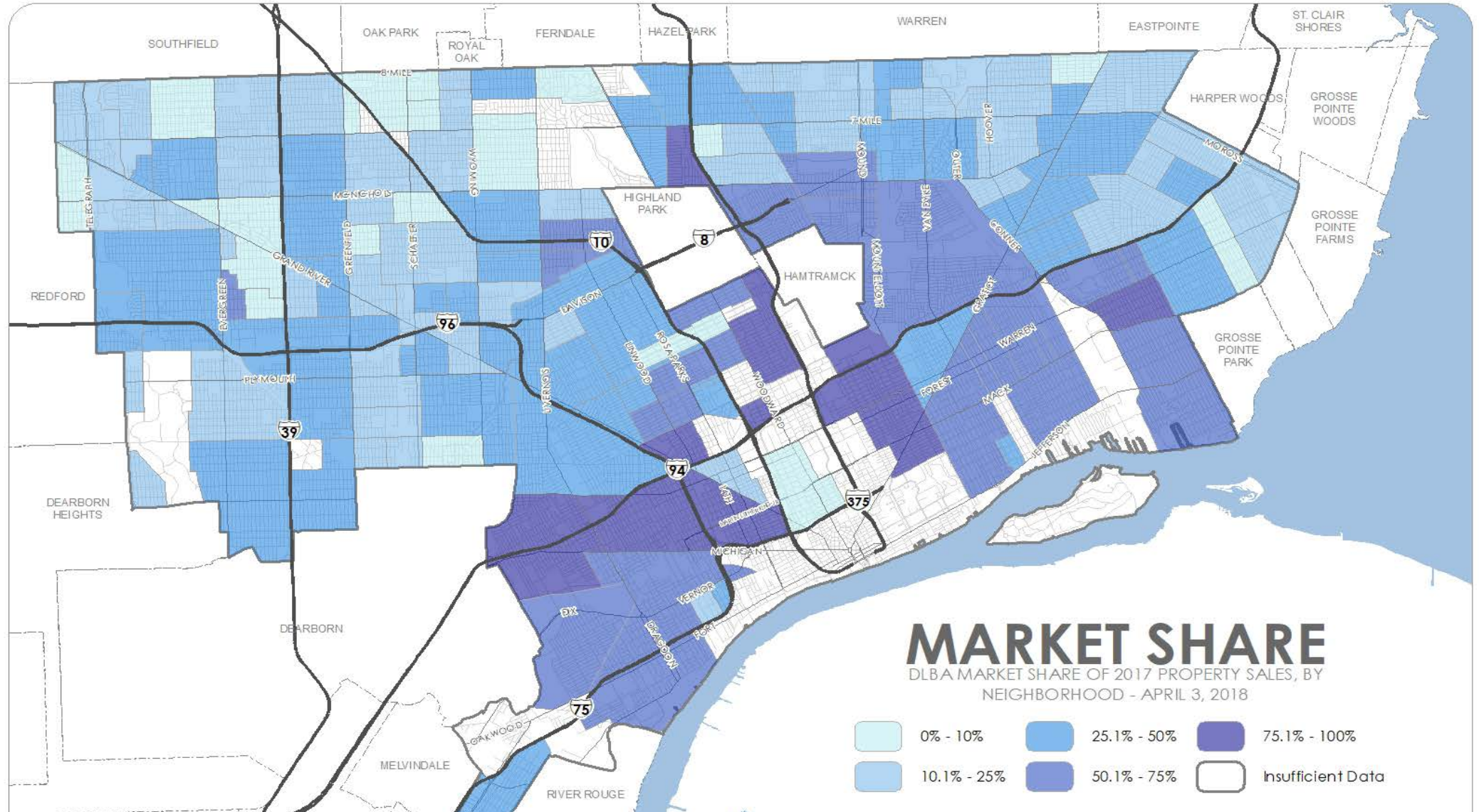
16530 OHIO INSIDE



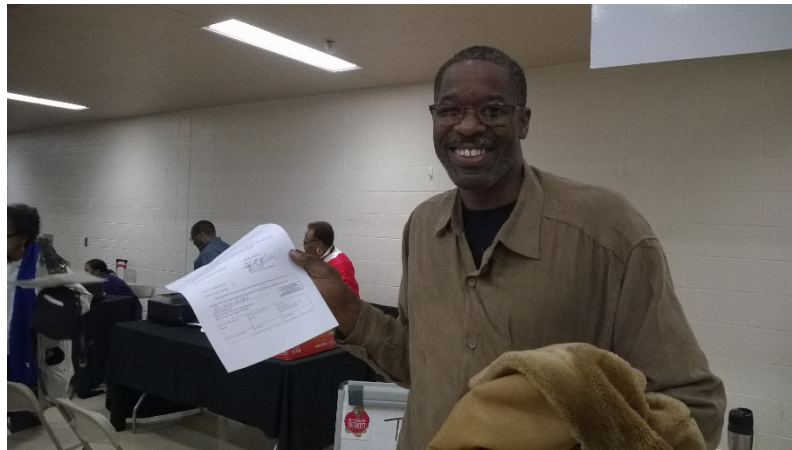
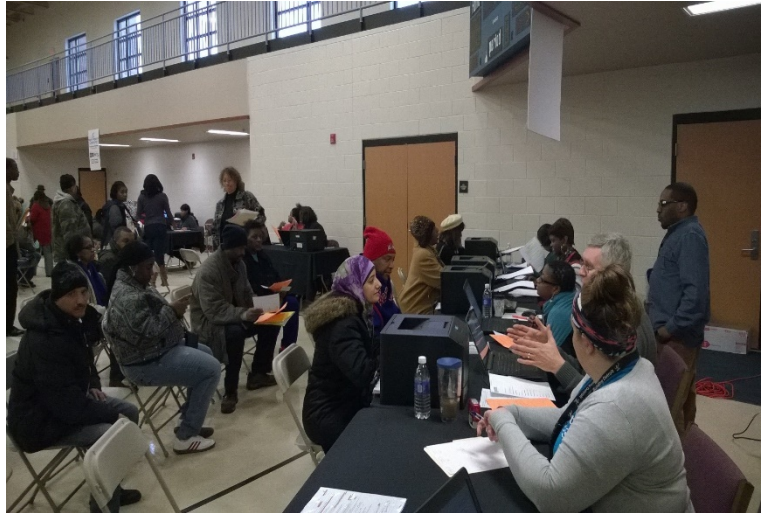
115 Chicago

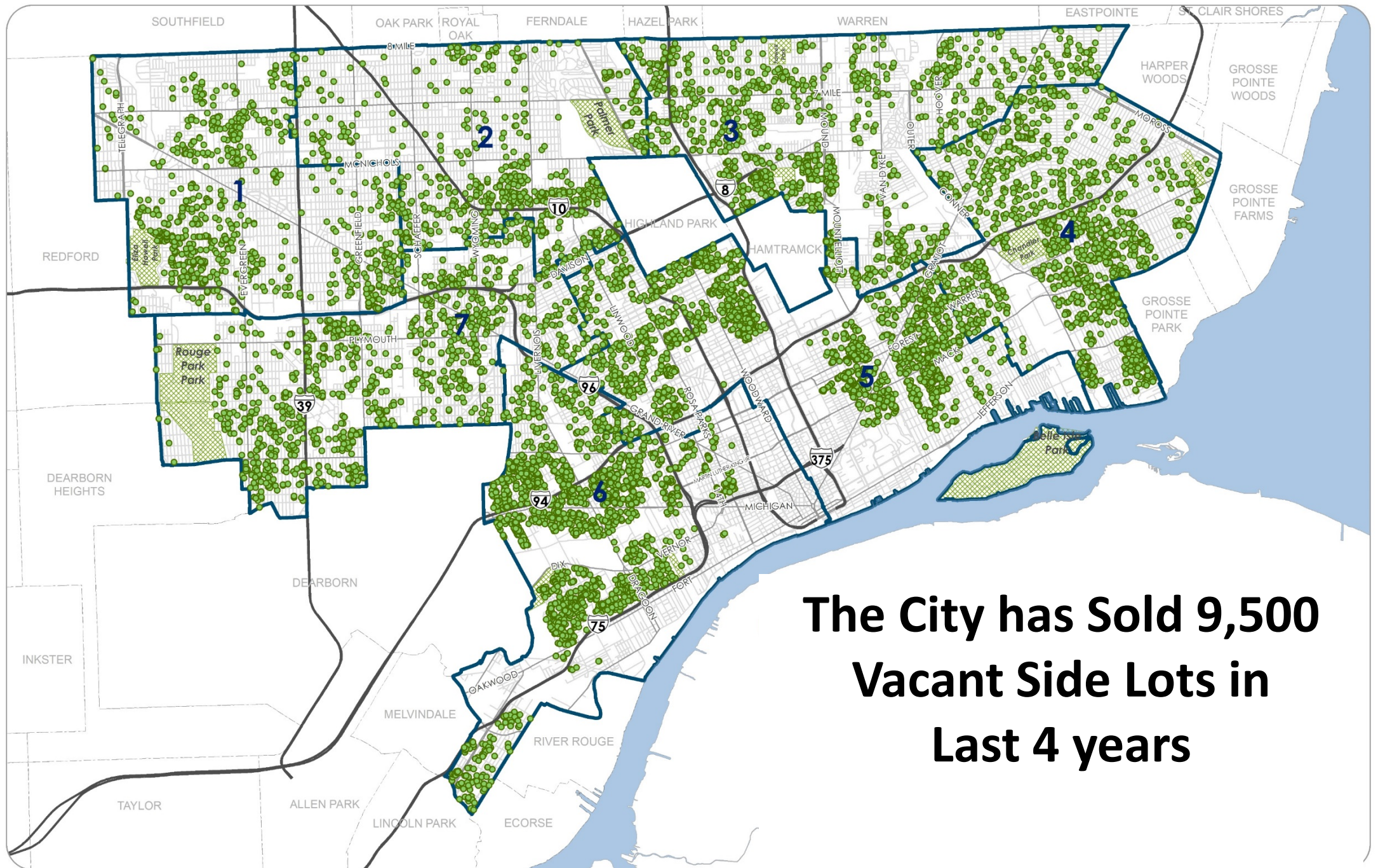


Detroit Land Bank is now the City's Pre-eminent Real Estate Agency – Last year accounted for nearly 50% of single family home sales

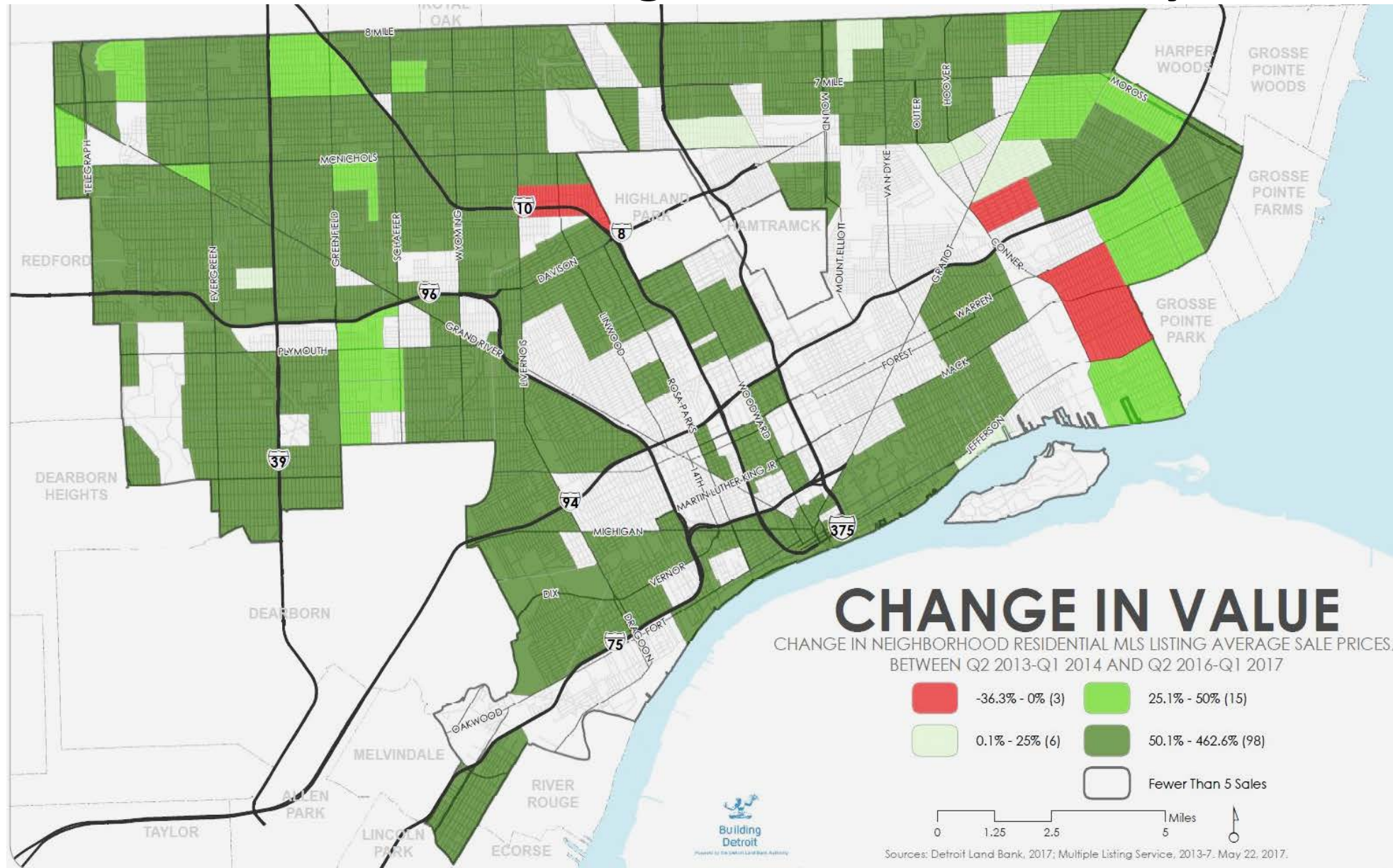


We Sell Vacant Side Lots to Neighbors for \$100





Detroit Neighborhoods: Home sale prices up more than 50% in most neighborhoods in three years

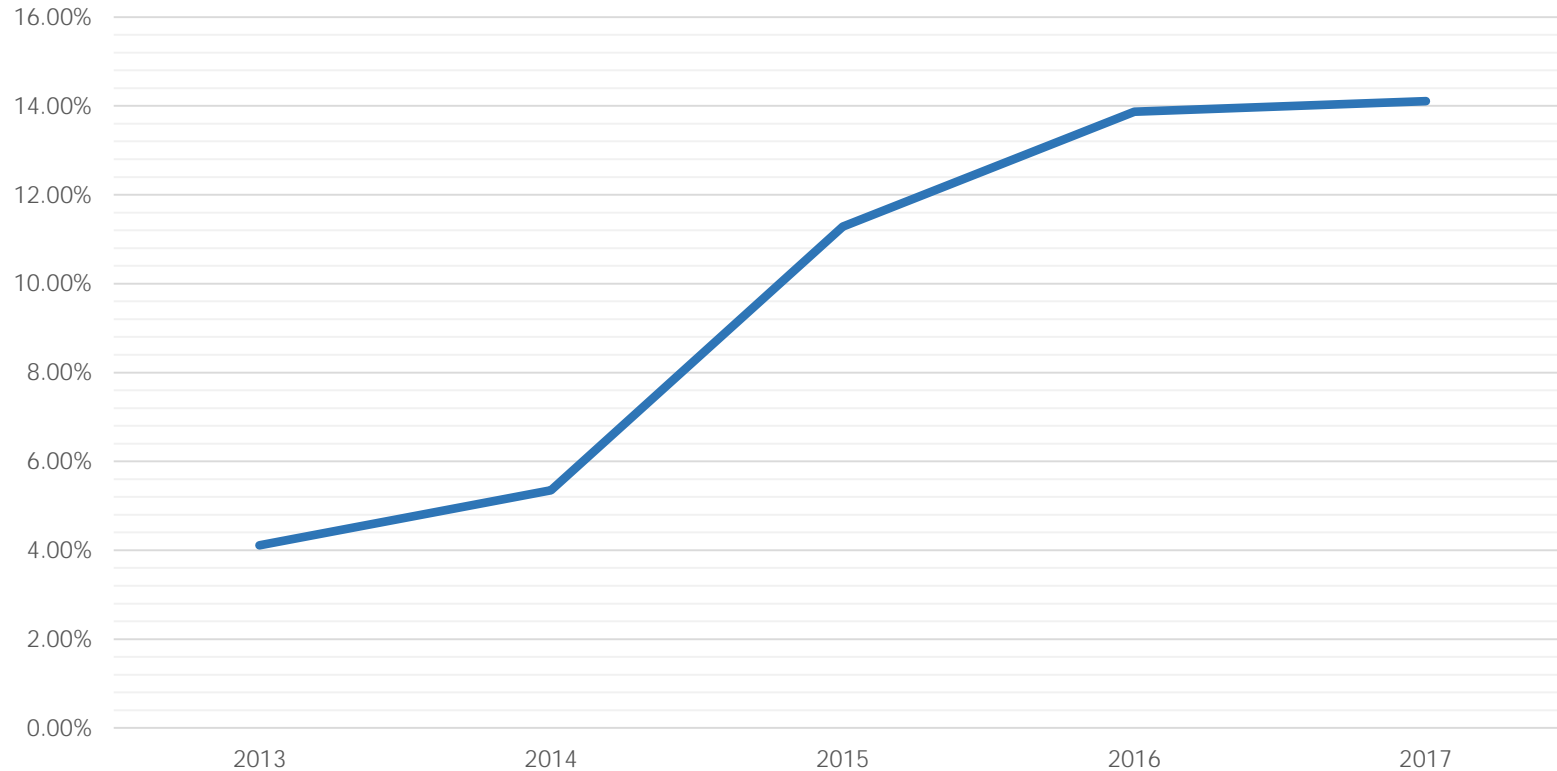


2013-2018 Top Cities

Increase in Sales Price of Single Family Homes

<u>City</u>	<u>% Increase</u>
1) Detroit	91%
2) Seattle	89%
3) Nashville	79%
4) San Jose	78%
5) Denver	75%
6) Jacksonville	71%
7) San Francisco	70%
8) Phoenix	67%

The Private Market Now Kicking In – Private Sales of “Fixers” have Tripled



Percent, each year, of MLS sale listings that include terms such as “Fixer,” “Damage,” “TLC,” or “Handy,” etc.

Where Did You Invest Your Money in Last 5 Years?

Detroit Residential Real Estate	+91%
S&P 500 Index	+86%
Dow Jones Industrial Average	+85%
NYSE Composite Index	+51%
General Motors Stock	+47%
Walmart Stock	+46%
AT&T Stock	+11%

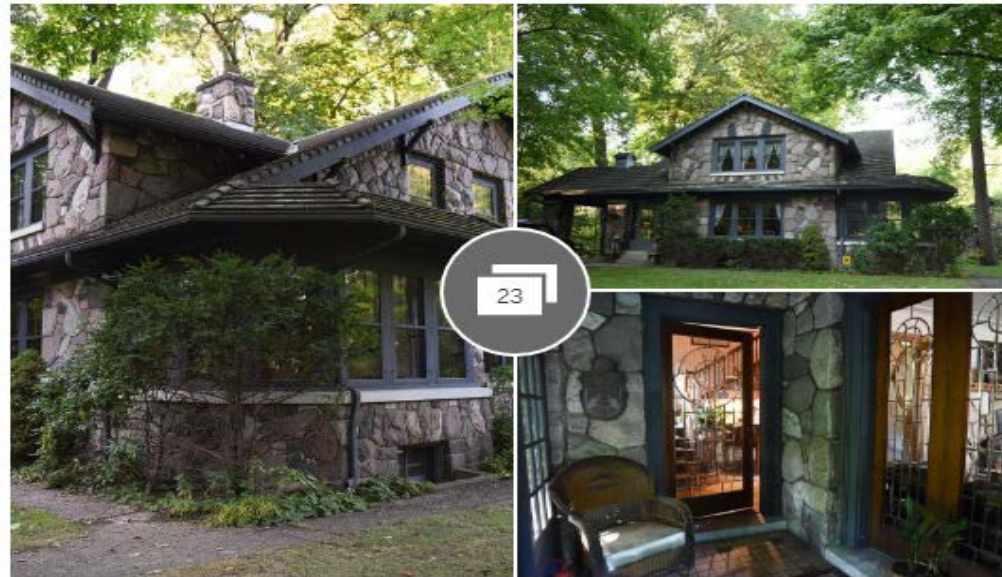
And Detroit's Population Decline?

There are nearly 10,000 Housing Units under Construction or in Design



The Good News?

Forbes lists Detroit's housing market as most undervalued in nation



Gallery: 22322 Roxford



By [Ben Solis](#), bsolis@mlive.com

DETROIT - New property owners in Detroit might have made the right move by grabbing up land while it's still cheap.

The sign says it all...

