

Rep. Johnson offered the following concurrent resolution:

**House Concurrent Resolution No. 52.**

A concurrent resolution to call for changes in state tax and housing policy to deal with urban areas that are subject to high rates of home mortgage foreclosure and tax delinquency.

Whereas, Michigan leads the nation in the rate of home mortgage foreclosures. This problem is particularly acute in our urban areas where the state's economy has been hit the hardest, and where predatory lending practices and redlining have further contributed to the problem. Tax delinquency is also a pressing concern in our urban core communities. Clearly, efforts to support homeownership pay dividends to us all. While mortgage foreclosure is a free market business issue and tax delinquency is a public concern, these problems have common economic and social roots. Potential solutions may likewise be available to address both of these problems. It will require a long-run public-private commitment to home ownership, housing preservation, and community development; and

Whereas, In the more immediate term, an investment in preserving homeownership must begin with intergovernmental cooperation and the assistance of the local financial community. The state could be a leader in this effort with initiatives to reduce the property tax burden on those in urban neighborhoods with high rates of mortgage foreclosure and tax delinquency through the establishment of "Local Protected Tax Zones," defined as specific geographical areas within a local jurisdiction identified by the local unit as being critical to the preservation of residential property values; and

Whereas, As envisioned, the Department of Treasury could designate up to two local protected tax zones in an eligible community each year. The department would select these zones based on demonstrated need, evidence of a residential property value stabilization plan, identification of a local nonprofit plan manager, and the submission of any applicable administration fees. In addition, under its rights of first refusal pursuant to the reforms associated with 1999 PA 123's expedited property tax foreclosure process, a foreclosing governmental entity could transfer reverted properties within these local protected tax zones to the nonprofit residential property value stabilization plan manager on a minimum bid basis. The refurbishing and reuse of these properties would be a critical component of this property value stabilization effort; and

Whereas, In recognition of the immediacy of the problem, the state of Michigan should adopt a pilot local protected tax zone initiative. The Northwest Detroit Community Coalition, and its preferred nonprofit manager, National Faith Home Buyers in zip codes 48221 and 48235, stands ready to take reverted properties for reuse and community renewal. The state, in cooperation with the city of Detroit and the United States Department of Housing and Urban Development, could design and launch the pilot program within the zone associated with the Detroit Housing Commission's Scattered Site Program; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we hereby call for changes in state tax and housing policy to deal with urban areas that are subject to high rates of home mortgage foreclosure and tax delinquency; and be it further

Resolved, That copies of this resolution be transmitted to the Offices of the Governor and the Mayor of the city of Detroit, the Michigan Department of Treasury, the Detroit City Council, the Wayne County Treasurer, and the United States Department of Housing and Urban Development.