

NEWS RELEASE

Board Chairman Woodward to propose policy preventing \$8.41 foreclosures

New policy proposal prevents Oakland County foreclosures for less than \$1,000, special committee requests RFP for forensic audit of county foreclosures

July 31, 2020, OAKLAND COUNTY, MI. – Oakland County Board Chairman **David T. Woodward** (D-Royal Oak) announced today the planned introduction of the Oakland County Minimum Foreclosure Standard Policy. This new policy would prevent the use of county resources on a foreclosure for less than \$1,000.

In *Rafaeli, LLC v. Oakland County and Andrew Meisner*, the Michigan Supreme Court ruled unanimously that it was unconstitutional when County Treasurer Andrew Meisner foreclosed on the Rafaeli property for \$8.41 in back taxes, sold the property for \$24,000 and kept the money beyond the tax delinquency, penalties, interests and costs owed.

“The county treasurer should not have foreclosed on Mr. Rafaeli for \$8.41 in the first place,” Woodward said. “It’s clear we need a policy in place to prevent this from happening again to protect all taxpayers in the future.”

The policy will be introduced at the next full Oakland County Board of Commissioners meeting scheduled for August 6.

Woodward created the Special Committee to Investigate the County Treasurer’s Management of Property Tax Foreclosure two weeks ago. The special committee will review the full ramifications of the Supreme Court decision on Oakland County, prepare a plan to remedy property owners who had property unconstitutionally taken from them and develop policies to ensure a \$8.41 foreclosure never happens again.

The special committee will review the entire county foreclosure process. It has requested that the county administration prepare a request for proposal to retain a firm to conduct a forensic audit of foreclosures and related costs for the past decade.

“We need to know how many properties are affected and how rampant the ‘foreclosure for profit’ practice was,” Commissioner **Robert Hoffman** (R-Highland) said. “The Board is on record opposing ‘foreclosure for profit,’ and the treasurer opposed us. This whole issue should be very concerning to all taxpayers.”

Hoffman sponsored a resolution adopted by the Board in 2019 opposing foreclosure for profit practices, and he has advocated for state policy change. The treasurer defended the practice with a letter following the Board’s vote.

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