

OAKLAND COUNTY
PLANNING, ZONING
AND LAND USE

Planners Gathering

**Madison Heights' Parcel
Redevelopment Program: A
New Approach for Managing
Tax Foreclosed Properties**



Before



After

October 12, 2022 | 10:00 - 11:00 a.m.

[AdvantageOakland.com/Planning](https://www.advantageoakland.com/planning)



CITY OF MADISON HEIGHTS, MI

PARCEL REDEVELOPMENT PROGRAM



OCTOBER 12, 2022



**Making
Neighborhoods
Better Together**

Melissa Marsh
City Manager of Madison Heights
melissamarsh@madison-heights.org
248-583-0829

Jake Woods
HP Snap Investments
jakewoodsrealestate@gmail.com
248-930-4945



AGENDA

Goals of the Program

Community Economic Benefits

Finding a Qualified
Developer

Implementation Steps

Questions



29401 Mark Ave.



GOALS OF THE PROGRAM

- ❖ Add Value to the City
 - ❖ Resolve Code and Building Issues
 - ❖ Increase homeownership in the City
 - ❖ Increase property values for taxes and neighborhoods
- ❖ Motivation for neighborhoods to maintain their property
- ❖ Reduction of absent landlords or future vacant properties







COMMUNITY ECONOMIC BENEFITS

Increase in Taxable Value

Reduced staff Code
Enforcement time

No cost for participation,
the contracted developer
pays cost plus outstanding
invoices and fees.

29401 Mark

	Before Renovation	After Renovation
Taxable Value	\$39,350	\$98,200
Assessed Value	\$65,620	\$98,840
Code Enforcement Actions	22	0



FINDING A QUALIFIED DEVELOPER

- * Issue a Request for Proposals focused on:

- Experience in this type of program
- A good track record of how to handle tenants

- * Energy Efficient:

- Brand Name Appliances
- Furnace
- Hot Water Heater

- * Minimum and Average investment



IMPLEMENTATION

* Eviction Process

* Title Issues

* Rehab and Timelines

* Sale



612 West Brockton





QUESTIONS?

**MELISSA MARSH, CITY MANAGER
CITY OF MADISON HEIGHTS, MI**

MELISSAMARSH@MADISON-HEIGHTS.ORG

248-583-0829

Tax Foreclosure Rehabilitation Program

HP SNAP Investment



Tax Foreclosure

- When Home Owners do not pay Taxes for 3 years, the county forecloses
 - Reasons : No Money, No Interest in the property, Estate with no Beneficiary, Mortgage company loses control, IRS Liens etc
 - Many Notices go out
 - Payment Plan or other assistance is offered
 - Some of the time Occupants have moved out
-

Challenges for the City

- Limited control over Tax Foreclosure
 - Minimal investments are made into the homes
 - Homes can be rented out and typically never restored
 - Home Ownership Rates decline
 - Property Values are affected
 - Loss of pride in home ownership
 - Hiring contractors and managing rehabs is a full time job
-

Solution

- NSP (Neighborhood Stabilization Program)
 - HUD Grants limited or not available
 - NSP with local Developers
 - No Investment from City & No Liability
 - Increased Home Ownership
 - Increased property values
 - Increased enrollment to school
 - Proven Track Record
-

Company Profile

Property
Acquisition

Rehab
Services

Property
Management

Insurance & Financial
Services

Mortgage
Services

Sale/Rent/Land Contract
Services

Organization Goal

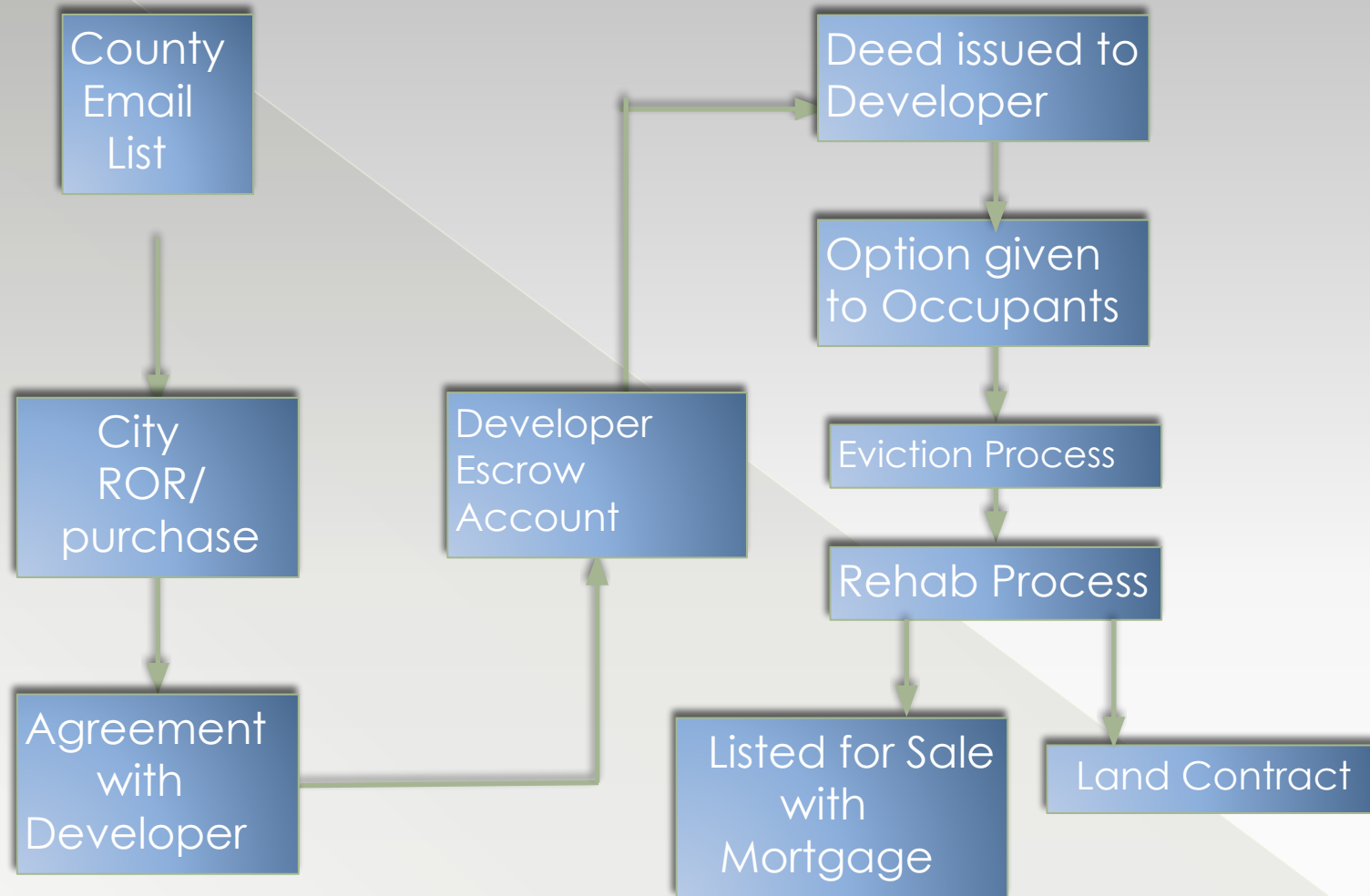
Add value to the city by
increasing home
ownership

Increase neighborhood
values

Create motivation for neighbors to
maintain their properties

Promote Pride of Homeownership in
all Neighborhoods

Process



Assessment

- Property managers go out immediately
- Secure vacant property and contact occupied properties
- Environmental assessment of property
- Professional remediation If necessary

Keys to Success

- Eviction
- Title Issues
- Rehab
- Sale

Investment Resources

- \$1 Million in cash
- \$2.5 Million dollar line of credit available
 - Allows us to hold on to properties longer
 - Aids in increased home values in the community

HP SNAP Program

- Inkster
- Lincoln Park
- Madison Heights
- Redford
- Garden City
- Wayne
- MORE!

P L A N N I N G S C H E D U L E

Time Line	Activity	HP SNAP Investment LLC	City
7/30/CY	Contract Finalization	Input, Negotiate, Sign	Negotiate, Sign
8/5/CY	Property Selection	Submit List	Approval
8/7/CY	Property list Finalization	Approval	Approval
11/15/CY	Property Transfer	QCD	QCD
11/30/CY	Occupant Assessment	Meeting	Feedback
12/1/CY	Eviction Process	Legal filing	Approval
1/31/CY	Completion of eviction	Verification	Report
12/10/CY	Property Condition & Rehab requirement list	Submit Rehab plan	Approval
12/30/CY	Property Condition & Rehab requirement list	Negotiation and Approval	Information
1/15/NY	Rehab Plan - Final	Submit to city	Approval
6/30/NY	Rehab completed	Evaluate and Revise plan if required	Approval
7/15/NY	Property Listed in MLS	Submit for Approval	Approval
10/31/NY	Reevaluate Listings	Submit for Approval	Approval
11/15/NY	Land Contract - if required	Submit for Approval	Approval
12/31/NY	Complete Project	Submit Final Report & Learning	Contract Completion

LED Fixtures



Wireless Thermostat



USB Plug Outlets



Low Flow/Dual Flush Toilets



New Efficient Furnace and Water Heaters/ Glass Block Windows



Ceramic Tile Flooring Installed



Granite Countertops/Glass Tile Backsplashes



Energy Efficient Name Brand Appliances



New House Number/Mailbox Installed



HP SNAP Commercial

CRAIN'S
DETROIT BUSINESS

NEWS AWARDS EXTRAS DATA BLOGS / OPINION EVENTS MULTIMEDIA CUSTOM CONTENT

TOP STORIES

December 16, 2017 6:31 p.m. UPDATED 12/17/2017

Former Ford Field chefs dip into chocolate business


By BILL SHEA

Entrepreneurship Food & beverage Retail More +



Guilt Chocolates

The partners in the new Guilt Chocolates bonbon makers that will launch next year are Joe Nader, Jennifer Gratz, and Scott Breazeale.



HP SNAP Commercial



HP SNAP Investment Proposal

We invest back into the community

- Fireworks
- Blight Removal
- Scholarship
- Christmas for every kid
- Down payment Support for New Home Buyers



Value Addition to City

- Provide Transparency to neighborhood
- We have Open House for Neighbors
- Shows Residents “Your City Is Working For YOU”



Property Tours



Making

Neighborhoods

Better