



Democratic Socialists of America

Greater Detroit Newsletter

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False Hope: Government Foreclosure Relief Fails Thousands

By Steve Babson

For Michigan families trying to save their homes from foreclosure, the program titles offer a lifeline of hope: Help for the Hardest Hit, Step Forward Michigan, the Home Affordable Mortgage Program. For most homeowners, however, these programs have been a bitter disappointment. The promised help, it turns out, is usually delayed, often diminished, and frequently denied altogether.

That's OK with the banks, investors, and government leaders whose actions triggered the Great Recession. For them, these paltry relief programs—with their exaggerated promises of salvation and atonement—provide political cover for the profiteering that caused the foreclosure crisis.

The scale of that crisis is staggering: 140,000 Detroit homeowners have been foreclosed since 2005, representing one-third of all Detroit homes. Predatory lending and foreclosure fraud triggered this “hurricane without water,” with poverty and joblessness now culminating in the storm-surge of tax foreclosures blighting our city.

Detroit Eviction Defense, Moratorium Now, the UAW, DSA and neighborhood associations across the city have called for a halt to the foreclosure of occupied homes. While banks and investors oppose any such intervention, they need to dampen public outrage over their profiteering with relief programs that are as numerous as they are parsimonious. Each is announced with extravagant claims that belie their disappointing results:

The Home Affordable Mortgage Program (HAMP) was launched by the Obama administration in 2009 with the starry-eyed prediction it would save as many as 4 million homes. It hasn't come close. The banks that

service mortgages for Fannie Mae and Wall Street did not invest in staff or training, which led to long delays and dropped cases. Many servicers also found greater profit in collecting late fees and forcing foreclosure. Fannie Mae's federal administrators meanwhile refused to help struggling families with principal reduction. Fewer than 1.3 million families nationwide have received permanent HAMP modifications of any size, with more than four million homeowners turned away. In Michigan, the denial rate now stands at 74%—one of the highest in the country.

Michigan's Helping the Hardest Hit program began in 2010 with a \$500 million grant from the federal government to aid homeowners facing mortgage foreclosure. Governor Snyder promised that his “Step Forward Michigan” program would provide forgivable loans and other benefits to 50,000 needy families, and program guidelines were subsequently expanded to cover the many thousands of struggling families in Detroit facing foreclosure for taxes based on wildly inflated assessments.

But in practice, administrators denied assistance to those who had too much money as well as those who had too little money. These and other restrictions so narrowed eligibility that more than half of all applicants were rejected and only 26,000 families statewide have received any assistance to date—fewer than 8,000 of them in Wayne County. With “demand” for the funds artificially narrowed, state administrators moved \$100 million into a demolition fund to tear down vacant houses, thereby taking banks off the hook for the damage they have caused.

Detroit's Future City plan promotes a vision of a revived downtown surrounded by a swath of

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greenspaces and water reservoirs, with an outlying zone of revitalized neighborhoods inviting new investment. The plan makes no provision for forcibly removing the remaining homeowners and renters in the designated greenspaces. It doesn't need to: foreclosure is the unstated mid-wife of this forced removal. The city of Detroit and its Land Bank already holds title to 70,000 properties, most of them taken after they didn't sell at tax auction.

Families cannot count on justice from a political and legal system that puts banks and investors ahead

of working families and the poor. For the many thousands of homeowners and renters denied the relief they need and deserve, the best defense is to join with neighbors and community allies in direct actions that confront injustice. For information on these grass-roots campaigns to resist unjust foreclosures and evictions, go to detroitevictiondefense.org

Charter School Update: Summer 2015

by Brandon Moss, President of the Michigan Alliance of Charter Teachers and Staff (ACTS)

More teachers in Detroit charter schools are organizing to make their voices heard. Teachers at charter school networks, University Yes, University Prep (UPA), and University Prep Science & Math (UPSM), have formed unions and filed petitions to be represented by the Michigan Alliance of Charter Teachers & Staff (ACTS), a union local affiliated with the American Federation of Teachers and the AFL-CIO. The teachers' organizing efforts occur as big changes are expected for Detroit's patchwork of schools, at the behest of the Snyder Administration & Michigan's Republican legislature.

In early May, the teachers at University YES! Academy voted 27-18 to form their union. The teachers voted to organize their union, despite the announcement that the management company, New Urban Learning (founded by former State Senator Doug Ross), would not renew its contract with the school board. Doug Ross, who runs the New Urban Learning and American Promise charter management organizations, was instrumental in the founding of all three charter school networks.

Throughout the campaign, teachers at University YES! endured a number of unfair labor practices committed by New Urban Learning, as determined by the National Labor Relations Board. Despite the management company's abrupt plan to sever business

with the school, the staff is currently at the negotiating table working to find a new management company.

Similarly, when teachers at the Detroit charter school Voyageur Academy, voted to unionize in May 2014, the school board replaced the management company, the Leona Group, with a new one – American Promise Schools. Headed by Doug Ross, American Promise Schools, took over where the Leona Group left off, and only hired back roughly 10 percent of the teachers, that in effect, terminated the union at Voyageur Academy.

Teachers at University Prep and University Prep Science & Math also had an election in May. The UPA & UPSM Schools are the largest charter school district in Michigan. Consisting of over 200 teachers, with more than 3,000 students, the schools stretch over seven campuses under the University Preparatory Academy and University Preparatory Science and Math charters.

At UPA & UPSM schools, Detroit 90/90, the management company contracted to run the districts, wasted school resources hiring outside consultants in a successful attempt to bust the staff's unionization effort. Michigan ACTS filed several objections and charges of clear unfair labor practices against Detroit 90/90. Among them is that Detroit 90/90 retaliated fiercely against activist teachers and union supporters, both

before and after the election, by giving poor evaluations to campaign leaders or not renewing contracts to teach next year.

Unfortunately, the teachers of UPA & UPSM lost the election by 19 votes as a direct result of systemic unfair labor practices and administrative intimidation. Additionally, Detroit 90/90 challenged the voting rights of 20 Teach for America teachers and long-term substitutes, claiming the teachers they hired to stand in front of students are not actually professionals, a bold and off-base claim to make.

Although the effort to help the teachers of UPA & UPSM unionize has stalled momentarily, The National Labor Relations Board ruled on July 31st that Teach for

America teachers at UPA & UPSM have the right to be a part of a union, despite Detroit 90/90s argument that Teach for America teachers were not professional employees. A Labor Board hearing officer opted to include Teach for America teachers in the union vote. Unfortunately, a new election will not be reopened because the additional Teach for America teachers who are now allowed to vote, could not sway the election

WATER JUSTICE JOURNEY

by Sister Mary Ellen Howard

Flint families being forced to drink poison water and Detroit families being cut off from water inspired activists to trek the 70 miles between the two cities in Southeastern Michigan. The “Detroit to Flint Water Justice Journey” began with a ceremony at the Detroit River in front of a statue depicting slaves who’d worked to free themselves via the Underground Railroad. The seven-day journey through rain, heat and blisters garnered media attention and grassroots support for the Water Affordability Plan.

“The Water Affordability Plan can be used by families to keep the water flowing to homes the money flowing to public water systems. Instead of some payment plan where the Mayor decides what people can afford, Families pay based on income. Water affordability is much more reality based.” said Sister of Mercy Mary Ellen Howard. “Every family, every town, village and city could use it even in the best of times. Many people in Michigan are still working to recover economically. We found that out during the 70-mile walk.”

The walkers actually reached Flint in 6 days, one day earlier than planned. The next day, more than 120 supporters joined them in front of Flint’s City Hall for a rally to highlight the need for safe, affordable water in Michigan. Water affordability has been a hot topic in Detroit, since the state-appointed Emergency Manager ordered water shutoffs for unpaid bills. In Flint, where the Emergency Manager switched from Detroit water to the Flint River, the issue is clean water. Members of the Detroit People’s Water Board Coalition organized the weeklong march that brought together protesters from Flint, Detroit and points in between. Along the way, they encountered residents and reporters and

worked to promote safe water for everyone and a Water Affordability Plan for families with low income.

“We met with a Grand Blanc resident who told us GM refused to clean their parts with Flint River water. But Flint’s mayor still insists that families have to use that water instead of water from the Detroit system,” said Kim Redigan of the Detroit People’s Water Board Coalition. “At the rally, we heard horrible but all too real stories about infants getting tape worm and adults with rashes and hair loss. To add insult to injury, people in Flint have had their water bills raised to the sky. Mayor Walling needs to support the people who put him in office with safe water from Detroit and use the Water Affordability Plan so that everyone can afford water.”

The Water Affordability Plan was approved by the Detroit City Council in 2006 but never signed into law. The Plan, which allows low-income families to pay for water based on income, is now being promoted as a plan for all of Michigan. Philadelphia’s City Council recently voted unanimously to create the framework for a water affordability plan.

“Every day of this march, we thought about the children, the elderly, the parents, the people with disabilities who have little or no choice but to use foul water that’s beyond their means to afford,” said Marian Kramer of Highland Park. “Detroit residents and many others all over Michigan are struggling to find decent wages to pay for basic needs like water. Water is essential to life. We need to keep it affordable, clean and safe.”

For more information about the People’s Water Board Coalition, see www.peopleswaterboard.org.

Strike

By Barbara Ingalls

20 years ago, the summer of 1995, media giants Gannett and Knight Ridder declared war on their unionized workforce and began a labor struggle that lasted nearly 6 years and decimated their circulation, credibility and the lives of many of the 2500 workers affected. It ended when a court reversed several decisions that laid the blame for the dispute directly in the lap of the corporate owners. The years in between proved to be a profound exercise in solidarity.

The early months of the strike were intense and violent. The “company” (shorthand for Gannett and Knight Ridder) had invested millions of dollars in riot equipment for the police department in Sterling Heights, home of the printing facility. They also hired off duty police from almost every municipality in Southeastern Michigan, giving the median on Mound Road at 16 Mile Rd. the nickname “Treasure Island” due to the amount of money police could make helping bust the unions. A quick google search will turn up videos and images of those hot summer nights. Large fans blew pepper spray efficiently into the crowds who were gathered at the gates of the plant trying to stop semi trucks from delivering scab-produced newspapers. Bursts of physical violence erupted when the riot gear clad police waded into the crowd with their billy clubs swinging. It was truly a scene out of the 1930’s, as shocked newspaper professionals tried to defend themselves against “jack-booted thugs”. The company also hired several private security firms who were just as violent, and who were protected by the deep pockets of the company and greedy local politicians.

When the violence subsided, there was years of quiet struggle, often out of the public eye. The lawyers were doing their work and the striking workers carried on, picketing, speaking out, publishing the Sunday Journal and staging frequent public events to remind the public that the strike continued, the war on the workers had just changed tactics.

From the very beginning of the struggle, the newspaper workers had a secret weapon that they used till the very end - the solidarity and support of fellow union members and concerned citizens. The solidarity actions started several months before the strike, as consumer boycotts were organized and community leaders tried (in vain) to convince the company to bargain with their employees.

In the crowds at the North Plant, at every rally and flying picket and community march, rank and file union members of every imaginable type showed up to support our struggle. I was a new hire at the papers, a brand new union member. I am a UAW wife, not unfamiliar with the ways of the union. But I had never encountered anything like this. We were supported, and lifted by the support of the community.

I can’t think of a moment in my time out (for me, just

short of 4 years) where I wasn’t lifted up by supporters. The UAW, the IBEW, Steelworkers, CWA, Building Trades, Maritime Unions. Local groups like Readers United who staged civil disobedience actions over and over, getting arrested then returning to be arrested again. The National Lawyers Guild, the ACLU, Sugar Law. When we took speaker bureau roads trips across the country, we were hosted and assisted by union members from Maine to California and through Canada. We had supporters in the UK as well. The UAW, led by President Steven Yokich, gave every striking family checks during the winter and spring holidays. Unions across the country adopted strikers and sent monthly checks.

During those years, some of the stressful years of my life, I was dragged away from cynicism by the goodness and generosity of my fellow workers. I made some of the best friends I will ever have. It changed my life. I have a debt I can only repay with the same solidarity I was shown.

I will wish till the end of my days that we had won that strike. But the company didn’t get everything they wanted. All six unions went back with contracts - weak ones but we have been able to continue bargaining for our members. There are so many lessons to be learned from our strike, but the one I would stress above all others is until the labor movement gets as serious as Corporate America is, we will continue to suffer setbacks.

I have no regrets, I know I was on the right side of the struggle. I also know that we held out for years longer than the company expected, and our dogged determination was what got us those contracts. It would not have been possible without the support of community and leaders. This support is still desperately needed. The assault on teachers and education is going to need every single one of us to fight off. They are attacking teachers in one of the most successful public school system in Michigan, Ann Arbor. They have stripped and decimated Detroit Public Schools. We cannot vote ourselves out of this trouble, we have to fight with the same determination as our enemies. They have deep pockets. We have each other. Let’s use our best weapon.

Finally, if you walked our line, or held a sign, or bought the Sunday Journal, or cancelled their paper, or dropped off hot coffee to a cold picketer or honked your horn as you drove down Mound Road. You did more for morale than you could ever possibly know and I thank you from the bottom of my heart. Solidarity is more than a line in a song we sing. Thank you. Thank you. Thank you.

Barbara Ingalls
Detroit Typographical Union 18

Agenda for DSA General Membership Meeting on September 12, 2015

Join us for Detroit DSA's general membership meeting on Saturday, September 12th. Our speakers are Mike Whitty, Michigan organizer for Progressive Democrats of America (and DSA member) and Karisa Prikopa, Metropolitan Detroit coordinator for Michigan for Sanders, who will continue our discussion from the last meeting on coordinating our efforts on behalf of Senator Bernie Sanders' 2016 Presidential campaign.

- 1. Treasury Report**
- 2. Committee Reports: Jobs with Justice, Michigan Universal Health Care Access Network, Michigan Alliance to Strengthen Social Security and Medicare, and Detroit-Area Peace with Justice Network**
- 3. Announcement of Labor History Tour on September 26th**
- 4. Election of Detroit Delegates to DSA National Convention in November**
- 5. Speakers: Mike Whitty and Karisa Prikopa on "The Sanders Presidential Campaign in Michigan"**

JOIN US AT OUR NEXT EVENT!

Calendar of Events

MONDAY, SEPTEMBER 7TH—Labor Day March—Meet at DSA table on the grounds of St. Peter's Episcopal Church (1950 Trumbull, Detroit) at 8:30 AM

SATURDAY, SEPTEMBER 12TH—DSA general membership meeting from 10 AM until noon at the Royal Oak Senior/Community Center (3500 Marais Avenue—near the intersection of Thirteen Mile and Crooks Roads)

SATURDAY, SEPTEMBER 26TH—Labor History Tour of Detroit (Details pending.) from 10 AM until noon

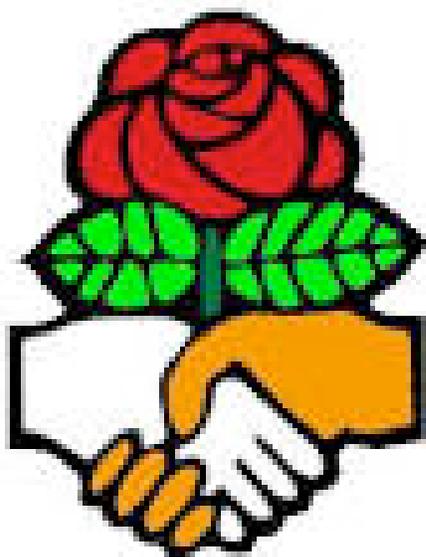
SUNDAY, OCTOBER 4TH—DSA executive board meeting from 10 AM until noon at the home of David and Teena Green (28292 Harwich Drive, Farmington Hills)

SATURDAY, NOVEMBER 7TH—DSA general membership meeting from 10 AM until noon at the Royal Oak Senior/Community Center (3500 Marais Avenue—near the intersection OF THIRTEEN MILE AND CROOKS ROADS)

NOVEMBER 12-15TH - DSA NATIONAL CONVENTION - Bolivar Pennsylvania

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DEMOCRATIC SOCIALIST OF AMERICA



DETROIT CHAPTER