



Office of the Ombudsman

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ABANDONED

Presented to Detroit City Council April 29, 2009





Recommendations from the Office of the Ombudsman

based upon complaints received from March 1, 2008 through February 28, 2009



"Getting problems out of the way, so that progress can occur."

PROBLEM 1 **Unmanageable Properties**

Over the past 20 years, the city has abandoned certain neighborhoods that have been left without core services:

- No Public Lighting
- No Police Response, or Emergency Medical Services (without DPD escort)
- No code enforcement, including uncollected illegal dumping and piles of trash
- Sparsely populated landscapes of open, burned, and dangerous buildings
- Slumping property values and loss of property
- Children, families, and senior citizens are trapped

RECOMMENDATION 1

Allocate funding from Neighborhood Stabilization Program (NSP) and Economic Stimulus Weatherization Funds to Relocate **Residents and Create Johs**

The current budget does not support certain neighborhoods. Equipment needs, operational costs, and reduced staffing make a strong case for implementing a strategy to prevent further deterioration:

- Save neighborhoods that can be rescued
- Put people to work! Train and employ a workforce to rehab houses in areas where 40 percent of the neighborhood is still inhabited
- Relocate residents to newly rehabbed homes
- Add restored properties to tax rolls

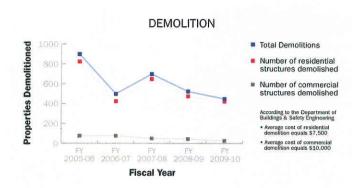
There is \$47 million available through the NSP and \$33 million available through the Stimulus Program. These monies are not represented in the FY 2009-10 Budget Recommendation. It is further recommended to appropriate the funding as soon as possible.

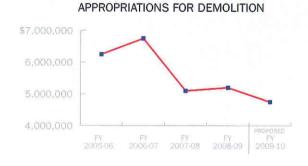
RECOMMENDATION 2 **Increase demolition budget**

Vacant properties cannot endure another cold and rainy season. Council has expressed interest in preserving properties, as opposed to demolition; however, Buildings & Safety

Engineering Department (BSE) can't keep up with the momentum, demand, and costs of securing the property before it's vandalized or destroyed by the elements, rendering the property worthless and uninhabitable.

Over a five-year period, from FY 2005-06 to the proposed FY 2009-10, the demolition budget has been slashed by \$1,507,262 when the need is growing. The accompanying charts illustrate the diminishing resources allocated to demolitions, along with the ownership and response to demolition requests, based on complaints received.





RECOMMENDATION 3

Comply with City Charter and direct Auditor General to conduct an audit of the Demolition **Division of BSE**

Research documents that the last internal control review of BSE's Demolition Division was conducted in 1994, for the period ending June 30, 1994. Complaints received verify that there are properties, authorized for demolition from years past, that are still standing. This is a budget concern as well as a policy violation, based on the City Charter (Article 4, Sec. 4-205) stating:

The auditor general shall: 1. Make audits of financial transactions of all city agencies at least once every two (2) years or as otherwise directed by the city council. The auditor general shall have access to the financial and other records of all city agencies at any time.

PROBLEM 2

Budget Drain from Inefficient Departments

Despite the loss of population, the number of city departments has increased over the past decade. These additions have displaced resources and failed to provide service delivery benefits.

RECOMMENDATION 4 **Save Tax Payer Dollars**

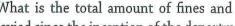
Eliminate these costly inefficiencies and stop providing funding for:

■ The Department of Administrative Hearings (DAH), est. July 1, 2005

FY 2008-09 Budget allocation: \$2,207,840 FY 2009-10 Budget Recommendation: \$2,172, 848

An ongoing analysis of complaints received, coupled with knowledge of uncollected millions of dollars that could be used more effectively to offset the budget deficit or shift resources to provide desperately needed services, supports the recommendation.

Constituent complaints prompted this Office to seek counsel regarding the following inconsistencies:



a) What does DAH do if a ticket is ignored?

b) What is the total amount of fines and judgments levied since the inception of the department, July 1, 2005?

- c) How much has been collected?
- d) What policies and procedures are in place to assist with collections?
- e) Enforcement Issues, i.e., Warnings, Proper Defendants, Ticket Writing
- f) Hearing Procedures, i.e., Default Judgments, Hearing Dates

3-1-1, est. July 1, 2005 FY 2008-09 Budget allocation: \$2,156,493 FY 2009-10 Budget Recommendation: \$1.548.421

3-1-1 is unsalvageable. It is a waste of tax payer dollars to continue to invest in a costly system that is at least two upgrades behind and has never been able to address constituents' complaints or operate according to its full capacity, i.e., work order generation and other efficiency applications. Adding insult to injury, 3-1-1 has developed a defense that hinders accessibility to departments and shelters departments from accountability.

