

COUNCIL PRESIDENT BRENDA JONES STATEMENT ON VOTING NO ON THE \$250 MILLION BLIGHT REMOVAL BOND RESOLUTION

(Detroit, MI – November 19, 2019) Today, I voted **NO** to place the \$250 Million Blight Removal Bond Proposal on the March 2020 primary election ballot in Detroit. The voters in Detroit elected me as Council Member At-Large and, in doing so, demonstrated their trust in me to be an accountable fiduciary of public dollars and a responsible decision-maker -- roles I take very seriously. Therefore, with much praying, thinking, consulting, and deliberating, I reached the conclusion that the city is not prepared to efficiently, equitably, and safely manage a new demolition program. It would be negligent for me to vote to put forward an inadequate and flawed proposal.

When the \$250M Blight Removal Bond Resolution was introduced, I submitted several amendments that I believed would create better public policy. While some amendments were added to the resolution, they were not included in their complete form nor with their complete oversight requirements. I also suggested the city launch a pilot program using funding presently allocated, i.e. \$50M from the Plan of Adjustment, federal community development block grants and fire escrow dollars to verify the veracity of the various components of the proposed demolition program -- such as the new records management system, the new procurement process, and the new Demolition Department. Only at the last minute, after the vote was postponed for the fourth time, was my pilot project proposal considered. However, since my initial recommendation, the Auditor General and the Ombudsman have presented reports demonstrating deep-rooted problems in the city's demolition program. Unfortunately, a pilot program will not fully address these additional matters -- a complete overhaul is necessary.

With taxpayer dollars at stake, it is crucial that the process have procurement, employment, reporting, compliance and monitoring, operational and document management plans that will ensure the city is accountable, transparent, and efficient with \$250M worth of debt. Furthermore, I question why the Detroit Land Bank, which is still under federal investigation, would be selected to enter sales into the records management system. In order to ensure complete legislative transparency and accountability, I contend this should be done within the proposed Demolition Department.

While my amendment requiring the Demolition Department to submit quarterly reports was included, I have serious concerns about staffing targets to meet demolition goals. The reports would detail the number of homes demolished and should provide proof, via demolition field liaison visits to each property. However, I lack confidence in the ability of only eight field liaisons to monitor approximately 5,000 demolitions per year. I would like to see better oversight and management of the entire demolition process.

Finally, and importantly, I continue to advocate for city contracts to be awarded to Detroit-headquartered/based businesses and minority and/or women-owned businesses employing Detroit residents. This \$250M Blight Removal Bond Proposal provides no preferential guarantees for certified Detroit small businesses, Detroit-based micro businesses, nor businesses that employ at least 51% Detroit residents. I requested a set aside of at least 50% for these businesses. There are 599 total employees for all current demolition contractors, with 191 of those employees being Detroiters (32%). This demonstrates a stronger need for Detroit-focused set-asides and monitoring to hold contractors accountable for being intentional about hiring Detroiters. In essence, if you receive Detroit taxpayer dollars, you should be hiring Detroit residents. The existing employment report lacks several key pieces of information needed to achieve this goal.

I requested the following additional reporting items be included, but they were not: number of employment applicants; number of Detroit-resident employment applicants; number of employment hires; and number of Detroit-resident employment hires. I also requested that demolition businesses that do not qualify for the Detroit Resident Business certification be *mandated* to attend employment fairs hosted by the Office of Contracting and Procurement, Detroit Employment Solutions Corporation, the Demolition Department, and the Civil Rights, Inclusion & Opportunity Department. However, the resolution used the word "*encourage*" instead. Encouragement does not establish a requirement nor an obligation to hire Detroit residents.

I wholeheartedly want to see the demolition of dangerous structures, but this must be reinforced with foreclosure assistance, home repair grants and other actions to strengthen, sustain and safeguard our neighborhoods. Too often we have been reactive instead of proactive. I do not want to revisit that cycle with a new demolition program that has not been tested and evaluated. Therefore, I cannot support putting a \$250M bond proposal on the ballot for a demolition program that, in my opinion, does not work in the best interest of all Detroiters.