



City of Detroit
Detroit City Council
Council Member Angela Whitfield Calloway
District 2

MEMORANDUM

TO: Conrad Mallett, Corporate Counsel
Law Department

FROM: Council Member Angela Whitfield-Calloway *AWC*

DATE: March 17, 2023

RE: 2023-2024 Law Department Budget Questions

The office of Council Member Angela Calloway respectfully submits the following questions to the Law Department as a part of the 2023-2024 budget hearing process.

- QUESTION:** In March 2022, City Council added funds to the Law Department budget for additional interns to help eliminate the backlog of Freedom of Information Act (FOIA) requests. How many interns were hired? What were the results? What is the status of the FIOA backlog? Will additional interns be needed to address the FOIA concern in the budget starting July 1, 2023? If City Council approves a requested increase of \$70,000 in one-time funding for administrative support to address the FOIA backlog, how will the additional funding be used?
- QUESTION:** The Law Department requests \$2.6 Million in new one-time funding for additional outside counsel and litigation support for pending cases. How will the Law Department use the additional funding? Will the Law Department prioritize small Detroit based law firms and support services while using these outside resources?
- QUESTION:** What is the status of Law Department attempts to collect the actual cost of demolition during the past year? If possible, please provide the actual recovery amounts per year for calendar year 2022.

PLEASE NOTE that one year ago, the Law Department provided the following:

2018:	\$ 37,300.51
2019:	\$129,256.00
2020:	\$130,419.66
2021:	\$ 72,167.50
2022:	\$ 44,300.00



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The Department of Appeals and Hearings has a collection rate of 23% using smart technology and an outside collection agency. This collection rate would be closer to 37% if collection of old accounts receivables are included.

If the Law Department aggressively sought the actual cost of demolition from the private owners dangerous buildings at the same rate of collection of 23% it would return approximately \$18 million to the demolition fund. At the collection rate of 37%, it would return approximately \$30 Million to the demolition fund.

Last year, the Law Department used a contingent fee arrangement to collect lost assets held by the State of Michigan.

MCL 125.541 provides the procedures surrounding dangerous buildings and allows for demolition and collection of the actual cost of demolition. A judgment may be enforced against assets of the owner other than the building or structure.

Simply stated, the Law Department has the power to obtain judgments and enforce the judgement against the bank accounts of the owners of dangerous buildings.

4. **QUESTION:** Will the Law Department use outside law firms to aggressively collect the actual costs of demolition, and will the outside law firms be small, Detroit based firms that are capable of these collections?
5. **QUESTION:** Can the Law Department prioritize employee requests for legal representation and indemnification to allow City Council the opportunity to either grant or deny the requests in a timely manner? Please note that the litigation settlement packages come to City Council and the same time as the requests for legal representation and indemnification.
6. **QUESTION:** Can the Law Department outsource the legal representation of police officers accused of wrongful conduct while the request of legal representation and indemnification is processed by the Detroit Police Department, the Law Department, City Council and any administration hearing process? Will the Law Department use qualified small Detroit based law firms for this purpose?
7. **QUESTION:** Can the Law Department increase the use of the OFFER OF JUDGMENT procedure under the Federal Rules of Civil Procedure (F.R.Civ.P.) and the Michigan Court Rules (MCR) to prod plaintiffs to accept reasonable settlement offers?