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**To: David Whitaker, Director  
Legislative Policy Division**  
**From: Anthony Zander, Director  
Civil Rights, Inclusion and Opportunity**  
**Date: March 23, 2023**  
**Re: Responses to Legislative Policy Division**

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Please find below responses to your questions dated March 9, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for CRIO.

- 1. Please briefly explain the new expense initiatives CRIO is planning to implement in FY2024. Please provide which appropriation/cost center the new initiatives will affect in FY 2024.**

*This proposed budget includes an expansion of ASL services in A28290/CC 290035.*

- 2. Please briefly explain the new capital funding requests CRIO is planning to implement in FY 2024. Please provide which appropriation/cost center the new requests will affect in FY 2024.**

*The proposed budget does not include any new capital funding.*

- 3. Please briefly explain the operational reform and savings proposals CRIO is planning to implement in FY 2024. Please provide which appropriation/cost center the new reforms/proposals will affect in FY 2024.**

*The proposed budget does not include any new operational reform or savings proposals.*

- 4. Please briefly explain the new revenue initiatives/proposals CRIO is planning to implement in FY 2024. Please provide which appropriation/cost center the new initiatives/proposals will affect in FY 2024.**

*The proposed budget does not include any new revenue initiatives.*

- 5. According to the Mayor's proposed budget, CRIO had eight vacancies through February 10, 2023. Please indicate your number of vacancies as of February 28, 2023.**

- a. What are the titles of the vacant positions?**

CRIO had 11 vacancies as of February 28, 2023:

- Business Opportunity Manager/*budgeted as Manager II Human Rights*

- Business Opportunity Coordinator/*budgeted as Human Rights Specialist*
- Marijuana Administrative Specialist/*budgeted as Administrative Special Services I*
- Marijuana Administrative Specialist/*budgeted as Administrative Special Services II*
- Marijuana Project Manager/*budgeted as Project Manager Analytics Specialist III*
- Marijuana Data Analyst/*budgeted as Data Analyst*
- Marijuana Deputy Dir./*Program Mgr/budgeted as Project Mgr. Analytics Specialist IV*
- Incentives Compliance Analyst/*budgeted as CRIO Specialist*
- Director of Compliance/*budgeted as Associate Director of Strategic Affairs*
- 2 Project Managers for the Office of Disability/*budgeted as Project Mgr. Analytics Specialist III's*

**b. Please briefly describe the difficulty in filling the vacancies.**

*There is no difficulty in filling the vacancies. These positions have just recently become available. Seven (7) of the 11 vacancies are due to CRIO determining the actual needs and strategic plan for Marijuana and ODA.*

**c. Please briefly explain the department's strategy to fill the vacant positions or why they are remaining vacant.**

*Most of these positions are in the interview and or applicant review process. CRIO will continue to review applications to get these positions filled within the next 30 days.*

**d. If the vacancies are not filled by the end of the fiscal year, how much money will be available for use? Please explain how the funds for these vacancies will be used in the current or next fiscal year.**

*These vacancies will be filled this fiscal year.*

**6. What are your projected performance metrics for each division/operational program for the current fiscal year? What are your target metrics for each division/operational program for fiscal year 2024?**

- a. *Office of Marijuana Ventures*
  - i. *Increase informational sessions, webinars, one-on-one sessions, and in-person events*
  - ii. *Open, and award, the allocated licenses allowed under rounds two (2) and three (3)*
  - iii. *Decrease the review time for license renewals*
- b. *Projects and Policy*
  - i. *Decrease the number of electronic files and folders*
  - ii. *Decrease the amount of time to respond to City Council, the media, and other stakeholders*
  - iii. *Centralize metrics, dashboards, and other data related items*
- c. *Communication and Engagement*
  - i. *Increase website and social media traffic*
  - ii. *Increase % of growth in following*
  - iii. *Provide media inquiry responses within a 7-day window*
  - iv. *Coordinate, plan and host at least two events per month*
- d. *Detroit Business Opportunity Program*

- i. Process and approve certification within a 45-day window*
  - ii. Increase the average certifications approved per week*
  - iii. Increase the number of certified businesses through community outreach and engagement*
- e. Civil Rights*
  - i. Decrease the average response time of complaints*
  - ii. Decrease the amount of employee complaints*
  - iii. Increase training efforts for City employees and members of the community*
  - iv. Increase outreach efforts*
- f. Office of Disability Affairs*
  - i. Increase outreach, and improve data collection, with the disability community*
  - ii. Increase the number of meetings held with city departments*
- g. Compliance/Construction*
  - i. Decrease the average time between EO 2021 monthly submissions and invoicing (Cycle Time)*
  - ii. Mean time to issue compliance resolutions*
  - iii. Decrease the average number of compliance related issues detected during a one-month period*

**7. B29-5: For FY 2024, expenditures for Operating Services have decreased by \$30,962 or 44%. Please explain the cause for decrease.**

*The decrease is primarily due to the consolidation of rent and employee parking.*

**8. B29-5: For FY 2024, expenditures for Other Expenses have increased by \$45,000 or 55%. Please explain the cause for increase.**

*The increase is due to training-related travel and purchases related to outreach events.*

**9. B29-9: For FY 2024, expenditures for Homegrown Detroit (cost center #290040), for Appropriation 27292 – Homegrown Detroit, have decreased by \$213,003 or 15%.**

**a. Please explain the cause for the decrease.**

*The reduction is in contractual services.*

**b. Please explain why the Homegrown Detroit program loses one position in starting in FY 2024.**

*Administrative Special Service Job is no longer necessary due to reallocation of position duties and responsibilities*

**c. What will CRIO's strategy be to enhance the Homegrown Detroit programs**

- *Ensure for the remaining limited licensing application rounds, there is maximum outreach to potential equity and Detroit-based applicants*
- *Focus turning to licensee compliance with Good Neighbor Plan and Social Equity Commitments to enhance the quality of life for Detroit residents*

- *Expanding workforce development and fostering employment opportunities through career fairs, counseling, mentoring apprenticeships, etc.*
- *Educating the community on various aspects marijuana and equitable economic topics in general*

**d. Except Marijuana Social Equity Program, are there any other programs operating under Homegrown Detroit?**

*Homegrown Detroit includes multiple components related to social equity, including Detroit Legacy Certification and Detroit Cannabis Project Technical Assistance. The Homegrown Detroit Cannabis community that interacts with each other at our networking events includes our TA students, social equity entrepreneurs, licensed operators, investors, property owners, lawyers, accountants, architects, government representatives and many others.*

**e. What types of Marijuana licenses are issued by CRIO? If applicable, please explain the difference among those types of licenses.**

*CRIO does not issue licenses. CRIO is the Chair of the Marijuana License Review Committee (MLRC), a multi-departmental committee that reviews license applications and makes recommendations for approval to BSEED. BSEED issues the licenses:*

- *Unlimited License (Grower, Processor, Secured Transporter, Safety Compliance, Temporary Marijuana Event Organizer, Temporary Marijuana Event) – No cap on number of licenses awarded*
- *Limited License (Retailers, Designated Consumption, Micro-business)*
- *Medical marijuana dispensary (no new ones, just renewals)*

**f. As of April 5, 2022, City Council approved the city’s recreational marijuana ordinance by 8-1 vote. The 100 licenses were to be issued at first stage. How many retail licenses have been issued to date? How many licenses are reserved for social equity applicants?**

*There were 60 licenses scheduled to be issued in the first round. There have been 34 retail licenses issued, 20 equity and 14 non equity.*

<b>All Recreational Licenses</b>	<b>Retail</b>	<b>Microbusiness</b>	<b>Consumption Lounge</b>	<b>Total</b>
<i>Equity</i>	<i>50</i>	<i>15</i>	<i>15</i>	<i>80</i>
<i>Non- Equity</i>	<i>50</i>	<i>15</i>	<i>15</i>	<i>80</i>
<b>Total</b>	<b>100</b>	<b>30</b>	<b>30</b>	<b>160</b>

**g. Please explain how CRIO ensures an equal selection for Marijuana license applicants.**

*A third-party law firm scores each application based on the documents submitted as required. Each application is scored according to the same scoring*

*matrix. Equal scores are subject to a tie-breaking lottery if necessary.*

**h. What is CRIO's strategy in providing education and resources for Detroit Legacy Marijuana business owners and potential marijuana license applicants?**

*By hosting informational sessions, webinars, and in-person events, Homegrown inspires conversation and networking around best practices for Detroiters aspiring to join the Michigan cannabis industry. We also offer one-on-one personal consulting in weekly office hours.*

**i. Please explain how CRIO operates the grant program to reimburse Detroit Legacy entrepreneurs for start-up costs.**

*The amount of funds currently available is not enough to help each Detroit Legacy licensee with start-up costs. Due to the length of time it took to get adult use licensing in place, and the commencement of the fundraising activity now being handled by the City's development office in place of our fiduciary, the fundraising strategy has been delayed. Further, current massive volatility in the national cannabis corporate marketplace requires revisiting fundraising target list.*

**j. Please describe the CRIO's strategy to oversee medical and recreational marijuana licensing.**

*By reviewing new applications and applications for renewal for completeness, compliance with associated statutes and ordinances, and collaboration with municipal and state regulatory agencies, CRIO ensures licensees are thoroughly vetted for legitimacy and business competency.*

**k. Please explain how CRIO enforces the marijuana license holders to comply with city's marijuana ordinances and other applicable laws.**

*CRIO has no authority to enforce laws but will refer complaints or violations to the appropriate agencies such as BSEED or DPD. CRIO is currently soliciting a contract for a Good Neighbor Plan monitor to oversee licensee compliance with that commitment during the renewal process*

**10. B29-9: For FY 2024, expenditures for Office of Disability Affairs (cost center #290035), for Appropriation 28290 – Human Rights Advocacy, increased by \$173,931 or 30%.**

**a. Please explain the cause for the increase.**

*The increase reflects an expansion of ASL services.*

**b. How many FTEs are responsible for enforcing the American Disabilities Act? What are their titles?**

*Four (4) FTEs are responsible for enforcing the American Disabilities Act:*

- 1 Associate Director/budgeted as Deputy Associate Director of Strategic Affairs
- 2 Project Managers/budgeted as Project Manager Analytics Specialist III
- 1 CRIO Specialist

**11. Please review the chart below.**

APPN - Cost Center	FY 2023 Adopted Budget	FY 2024 Recommend ed Budget	FY 2024 Increase/ (Decrease) \$	FY 2024 Increase/ (Decrease) %
<b>27290 - Development Support - CRIO</b>				
290060 - Skilled Trade Readiness - Basic Skills Contextualized Pr	240,000	-	\$(240,000)	-100%
290070 - Skilled Trade Readiness - Barrier Removal & Gender Di	60,000	-	\$(60,000)	-100%
290080 - Skilled Trade Readiness - Detroit Opportunity Training	700,000	-	\$(700,000)	-100%
290090 - Workforce Development	-	1,000,000	\$1,000,000	100%

**The proposed budget shows that the \$1,000,000 Skilled Trade Readiness allocations under three cost centers (290060 - Skilled Trade Readiness - Basic Skills Contextualized Pr, 290070 - Skilled Trade Readiness - Barrier Removal & Gender Di, 290080 - Skilled Trade Readiness - Detroit Opportunity Training) have shifted to one cost center 290090 - Workforce Development.**

**a. What is the cost center #290090 to account for?**

*The new cost center will account for the same activity as previously identified in cost centers 290060, 290070 and 290080. This new cost center consolidates all funding that is ultimately transferred to DESC for budget clarity and transparency.*

**b. Please explain the purpose in shifting the Skilled Trade Readiness cost centers.**

*The shift is to help create streamlined budgeting and accounting activities.*

**c. Please explain the CRIO's initiatives to increase the number of Detroiters into skilled trades.**

*The Skilled Trades Employment Program (STEP) is an initiative to increase Detroiters into the skilled trades. The participating local unions are committed to significantly expanding career opportunities for Detroit residents. Accordingly, and pursuant to its participation in the Detroit STEP program, the unions' locals have commitments to increase the number of Detroit residents in their locals, over a ten-year period. Executive Order 2021-2 is also an initiative to increase Detroiters into the skilled trades by conducting outreach with developers and subcontractors to ensure contractors are utilizing all available resources to employ Detroit residents.*

**d. How many Detroiters have been employed through Skilled Trade Employment Program (STEP)?**

*As of December 2022, there were 692 Detroit residents in the STEP program.*

**e. Please explain any changes made on the STEP agreement between the City and local unions.**

*There have been no changes made to the STEP agreements.*

**f. How many employees work for Skilled Trade Readiness? What are their titles?**

*We defer this question to DESC.*

**g. Please explain the reasons for not budgeting any FTEs for Skilled Trade Readiness.**

*With our current staffing and DESC agreement, we believe CRIO has enough staff.*

**12. B29-10: Revenues for Appropriation 27290 – Development Support – CRIO has budgeted for \$3,121,000 in FY2024. \$1,000,000 million will be appropriated for Workforce Development, and \$2,121,000 from procurement clearance & Executive Order monitoring will be allocated as non-compliance fees under cost center 290030 – Compliance Fees. CRIO is tasked with monitoring compliance with Executive Order 2021-02 on major construction projects and demolitions under Proposal N Neighborhood Improvement Plan and collecting non-compliance fees from contractors.**

**a. How much has CRIO captured in non-compliance fees to date, in the current fiscal year?**

*Year-to-date non-compliance fees revenue through February 2023 is \$2,008,708.*

**b. How much non-compliance fees has CRIO transferred to the Workforce Development Fund to date, in the current fiscal year?**

*To date, in the current fiscal year, CRIO has transferred \$960K to DESC.*

**c. In order to fund DESC in providing adequate trainings to fulfill the requirements of the Workforce Training Agreement, how much other city funds have been transferred to the Workforce Development Fund to date, in the current fiscal year?**

*While DESC receives other funding allocations from the City of Detroit, the Workforce Development fund is comprised solely of non-compliance fees.*

- d. Except funds from non-compliance fees, how much other city funds will be transferred to the Workforce Development Fund in the next fiscal year?**

*While DESC receives other funding allocations from the City of Detroit, the Workforce Development fund is comprised solely of non-compliance fees.*

- e. How many Work at Detroit programs are funded through the Workforce Development Fund as of February 28, 2023?**

*We defer this question to DESC.*

- f. How many jobs have been created through the Workforce Development Fund to date, in the current fiscal year?**

*We defer this question to DESC.*

- g. Please explain any strategies CRIO has implemented to identify the off-book day labors for awarded contractors for the purpose of monitoring Workforce Target compliance rate (threshold: 51% of total work hours must be executed by defined Detroiters) of Executive Order 2021-02.**

*CRIO requires monthly documentation for EO 2021-2. This documentation includes certified payroll, Detroit Identification card, and secondary residency proof.*

- h. Please explain how CRIO coordinates with other Departments, including Housing & Revitalization department, General Services department, Health, and other, to improve on enforcement of the Executive Order 2021-02, services, support throughout the City.**

*CRIO conducts monthly meetings with various departments to discuss project compliance*

- 13. CRIO is tasked to monitor the employment performance of developers who receive tax abatements and other various development incentives from the city.**

- a. How many FTEs are responsible for this assignment?**

*There are 10 FTEs responsible for this assignment.*

- b. What are their titles?**

*1 Associate Director of Strategic Affairs  
2 Manager II-CRIO  
1 Project Manager Analytics Specialist III*



5 CRIO Specialists

1

Administrative

Assistant

1

- c. Please describe the strategies/efforts CRIO has made to verify compliance with tax abatement agreements, the Community Benefits Ordinance, and the Inclusionary Housing Ordinance.**

*CRIO collects data to generate reports around Tax Abatements and CBO's. This may include, site visits, request for documents/proof to verify compliance or lack thereof. CRIO also coordinates and works with various departments to verify said commitments or agreements. CRIO has a public comment Smartsheet that allows the public to submit concerns regarding the Community Benefits Ordinance.*

- d. A report to City Council on the monitoring of the employment performance of developers who receive tax abatements and other various development incentives from the City was requested during the FY 2023 budget hearing. Please update the report preparation status.**

*CRIO has sent out a letter for request for annual 2022 Employments numbers that was due back 3/1/2023. CRIO will then review annual employment numbers and construction timelines to determine compliance. This report will be released and share with council before FY2024.*

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