



DEPARTMENT OF  
**Appeals & Hearings**

**To: David Whitaker, Director  
Legislative Policy Division**

**From: Miriam Blanks-Smart, Director  
Department of Appeals & Hearings**

**Date: 3/20/2023**

**Re: Responses to 2023-2024 Budget Questions**

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Please find below responses to your questions dated 3/9/2023, regarding the proposed Fiscal Year 2024 Proposed Budget for Department of Appeals and Hearings.

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

*DAH has no new expense initiatives. However, The Record Digitization project will continue and was granted \$90k in Supplemental Funds from the appropriation 20507 and cost center 450010.*

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

*The department's funding request will be used complete the current project for the scanning and digitization of 1.5 million historical court files and records*

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

*The DAH has no new operational reform or savings proposals for FY 2024.*

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

*DAH has no new revenue initiatives for FY 2024.*

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



**2023.**

*As of February 28, 2023, the DAH had two (2) General Fund vacancies: one (1) Head Clerk position and one (1) Business System Support Specialist II position.*

- 6. DAH has a goal of conducting 60,000 hearings annually.**
- How many hearings DAH has conducted as of February 28, 2023?
  - How many outstanding cases in the current fiscal year?
  - Please describe any challenges to meet the 60,000 annual target.
  - Please explain any structural changes to help DAH improve and expedite these cases.

*As of February 28, 2023, the DAH has conducted 50,506 hearings and is on target to conduct over 76,000 hearings by the end of FY 2023, significantly exceeding its goal of conducting 60,000 hearings per year.*

- 7. For FY 2024, expenditures for Operating Services have decreased by \$106,935 or 77%.**

*The decrease is caused primarily by consolidation of rent expenses moving to Non-Departmental.*

- 8. For FY 2024, expenditure for Professional & Contractual Services have decreased by \$190,000 or 68%. Please explain the cause for decrease.**

*The reduction is due to the continuing record digitization effort, and the reduction represents the additional need in FY24.*

- 9. For FY 2024, revenues from Sales & Charges for Services have increased by \$2.1 million or 79%. Please explain the cause for the increase.**

*The increase represents anticipated blight ticket revenue based on recent actuals and current trends. The FY23 Adopted Budget reflects an outdated revenue forecast. The FY23 estimate of \$2.7 was also increased to \$4.8M during the February 2023 Revenue Estimating Conference.*

- 10. For FY 2024, revenues from Use of Assets have increased by \$195,000 or 57%. Please explain the cause for the increase.**

*The increase represents anticipated revenue based on recent actuals and current trends. The FY23 Adopted Budget reflects an outdated revenue forecast. The FY23*



estimate was also increased by \$195k during the February 2023 Revenue Estimating Conference.

11. According to DAH, the average collection rate for calendar years 2019-2022 is 28%.
- What is the total amount of outstanding blight tickets as of February 28, 2023?
  - What is the YTD collection rate of blight tickets fines and fees for FY2023?
  - Please explain the collection trend for FY2024.
  - What is DAH's strategy to enhance collectability of fines and fees?

The collection rate for FY 2023 is 32% as of February 28, 2023, and the DAH is confident that the collection rate will continue to trend upward. The DAH's collection vendor is working on more innovative litigation strategies to go after recalcitrant properties who fail to pay blight judgments, which will contribute to increased revenue collected in FY 2024.

12. What is the DAH's strategy in promoting anti-blight information/tools for Detroit residents, property owners, and businesses? Please describe the community initiatives DAH will be undertaking in the current or next fiscal year.

Currently, during the hearing on blight tickets, Hearing Officers inform Respondents that they should follow-up with BSEED to make sure that they get information on how to get their property into compliance and how to avoid receiving future blight tickets. In April of 2023, the DAH will a new method of relaying information to ticketed property owners. After a Zoom blight hearing is concluded, the Hearing Officer will direct Respondents to a "break-out" room where links to BSEED and DPW web pages will be available to provide information to litigants on the City's compliance standards, as well as blight payment options. Lastly, in FY 2024, the DAH plans to re-launch its successful "Community Blight Court" to bring DAH hearings on commercial corridor blight ticketing into the community.

13. As of June 29, 2021, City Council appropriated \$95 million of ARPA funds for addressing the elimination of commercial and industrial blight through demolition, remediation, and land reuse. \$88 million is programmed for blight reduction and \$7 million is funded for central services.

The Department of Appeals and Hearings has four (4) full-time, ARPA-funded positions whose blight hearing functions contribute to the City's blight elimination and enforcement efforts. The positions are Administrative Hearing Officers (two positions) and 2 Head Clerks (two positions.)

Signature: Miriam Blanks-Smyer

Date: 3/20/2023