

City of Detroit

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Committee of the Whole Room • 1340 Coleman A. Young Municipal Center • (313) 224-3443 • Detroit, MI 48226

BUDGET, FINANCE AND AUDIT STANDING COMMITTEE

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COUNCIL PRESIDENT PRO-TEM MARY SHEFFIELD, MEMBER
COUNCIL PRESIDENT BRENDA JONES, (EX-OFFICIO)

Mr. Deonte Agee
Asst. City Council Committee Clerk

WEDNESDAY, SEPTEMBER 5, 2018

1:00 P.M.

- A. ROLL CALL**
- B. CHAIR REMARKS**
- C. APPROVAL OF MINUTES**
- D. PUBLIC COMMENT**
- E. 1:03 P.M. – DISCUSSION – RE: Update on Closing Resolutions from Fiscal Years 2017-18 and 2018-19. (Tanya Stoudemire)**
- F. 1:20 P.M. – DISCUSSION – RE: Media Services Budget (Tanya Stoudemire, Joseph Harris)**
- G. 1:30 P.M. – DISCUSSION – RE: Update on Tax Captures from Palace Sports and Entertainment Employees and Detroit Pistons and Visiting NBA Players. (Tanya Stoudemire)**
- H. 1:40 P.M. – DISCUSSION – RE: Relationship between the General Services Department and the Detroit Land Bank Authority. (Tanya Stoudemire, Brad Dick, Saskia Thompson)**

UNFINISHED BUSINESS

1. Status of **Law Department** submitting proposed ordinance to amend Chapter 18 of the 1984 Detroit City Code, *Finance and Taxation*, by repealing Article V, *Purchase and Supplies*, Division 7, *Slavery Era Records and Insurance Disclosure*, which consists of Section 18-5-91 through Section 18-5-93, to remove the mandatory requirements of the existing “*Slavery Era Affidavit*” ordinance. **(FOR INTRODUCTION OF AN ORDINANCE AND THE SETTING OF A PUBLIC HEARING) (BROUGHT BACK AS DIRECTED ON 7-25-18)**
2. Status of Detroit Water and Sewer Department FY 2018-2019 Amended Budget Analysis. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
3. Status of **Council President Pro Tem Mary Sheffield and Council Member Janee’ Ayers** submitting memorandum relative to request for Legal Opinion regarding Emergency Response Contractors. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
4. Status of **Legislative Policy Division** report relative to General Fund Appropriation Status Report as of January, 2018. **(Attached is the current status of the 2017-18 budgeted appropriations, in Attachment I. The report is intended to give your Honorable Body an appropriation level, or legal spending limit, view of the status of general fund appropriations as of January 2018. This represents the first seven months’ activity of the current fiscal year. The report is based on data in the General Ledger as of January 26, 2018.) (BROUGHT BACK AS DIRECTED ON 7-25-18)**
5. Status of **Council Member Janee’ Ayers** submitting memorandum relative to for Establishment of Risk Management Council Request. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
6. Status of **Council Member Gabe Leland** submitting memorandum relative to Resolution calling for all City of Detroit employees to be paid at least \$15 per hour. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
7. Status of **Council President Pro Tem Mary Sheffield** submitting request for the Legislative Policy Division to Provide a Report on the Fiscal Impact of Reducing Parking Fines or Expired Meters and No parking Violations. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
8. Status of **Council President Pro Tem Mary Sheffield** submitting Request for Information Concerning Detroit City Council Districts and Neighborhood Enterprise Zone. **(BROUGHT BACK AS DIRECTED ON 7-25-18)**
9. Status of **Council President Pro Tem Mary Sheffield** submitting Request for update on Tax Captures from Palace Sports and Entertainment employees and Detroit Pistons and Visiting NBA Players. **(BROUGHT BACK AS DIRECTED ON 5-2-18)**
10. Status of **Council Member Janee Ayers** submitting Request for Amendment(s) to the

Procurement Ordinance. **(BROUGHT BACK AS DIRECTED ON 7-11-18)**

NEW BUSINESS

OFFICE OF CONTRACTING AND PROCUREMENT

Submitting the following **Office of Contracting and Procurement Contracts:**

11. Submitting reso. autho. **Contract No. 6000728** - 100% City Funding ó Amend #1 - To Provide Valuation Services for Casino Appraisal for a Two (2) year period ó Contractor: TS Worldwide dba HVS, 2501 Sagebrush Dr., Suite 101, Flower Mound, TX 75028 ó Contract Period: Upon City Council Approval through June 19, 2019 ó Contract Increase: \$126,000.00 - Total Contract Amount: \$220,000.00. LAW (This Agreement is for additional funds only in order to complete the project. Original Contract Amount \$94,000.00) **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
12. Submitting reso. autho. **Contract No. 6000098** - 100% City Funding ó Amend #2 - To Provide Consulting Services on an on-going basis on all Pension and Actuarial Matters. ó Contractor: Cheiron, A VA Corporation, 1750 Tysons Boulevard, McLean, VA 22102 ó Contract Period: Upon City Council Approval through June 11, 2020 ó Contract Increase: \$25,000.00 - Total Contract Amount: \$250,000.00. **OFFICE OF THE CHIEF FINANCIAL OFFICER (This Amendment is for an Extension of Time and additional funds. Original Contract Amount \$225,000.00 – Original Contract Terms through June 12, 2018.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
13. Submitting reso. autho. **Contract No. 6001627** - 100% City Funding ó To Provide a Business District Liaison Program to assist the Director on Business Outreaches, Retention Activity in each of (7) City Council Districts. ó Contractor: Detroit Economic Growth Corporation, 500 Griswold, Suite 2200, Detroit, MI 48226 ó Contract Period: Upon City Council Approval through June 30, 2019 ó Total Contract Amount: \$694,304.00. **HOUSING AND REVITALIZATION (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

OFFICE OF THE CHIEF FINANCIAL OFFICER/OFFICE OF BUDGET

14. Submitting response relative to Question regarding changes with the Board of Police Commissioners Process & Operations if moved to Non-Departmental. **(Currently, the Board of Police Commissioners (BOPC) and the Police Department share the same Agency CFO. Moving BOPC to Non-Departmental will result in the assignment of a new Agency CFO who will act as their financial advisor. The hiring process for the purchase of goods and services will remain the same.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

CITY CLERK'S OFFICE/CITY PLANNING COMMISSION

15. Submitting reso. autho. Neighborhood Enterprise Zone Certificate Applications for two (2) rehabilitated housing units in the Algonquin NEZ area. **(RECOMMEND APPROVAL) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

16. Submitting reso. auth. Neighborhood Enterprise Zone Certificate Applications for one hundred-seven (107) rehabilitated housing units in the Paperclip Properties area. **(RECOMMEND APPROVAL) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
17. Submitting reso. auth. Neighborhood Enterprise Zone Certificate Applications for one hundred-three (103) rehabilitated condominiums in the Pyramid Development Co., LLC area. **(RECOMMEND APPROVAL) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

OFFICE OF THE AUDITOR GENERAL

18. Submitting report relative to The Casino Development Fund, Paradise Valley Cultural and Entertainment District Project. **(It contains our the audit purpose, scope, objectives, methodology and conclusions; background; our audit summary and recommendations) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
19. Submitting report relative to The Casino Development Fund, Office of Neighborhood Commercial Revitalization Project. **(It contains our the audit purpose, scope, objectives, methodology and conclusions; background; our audit summary; and the response from the Economic Development Corporation) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

LEGISLATIVE POLICY DIVISION

20. Submitting report relative to Gaming Tax Revenue through June 2018. **(Through the last month of the fiscal year the casinos reported a combined gross revenue increase of 0.99% compared with the prior fiscal year. Specifically, MGM's annual receipts are up by 1.45%, Motor City's are up by 2.11% and Greektown's are down by 1.42%, compared with the prior fiscal year.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
21. Submitting report relative to Gaming Tax Revenue through July 2018. **(In the first month of the fiscal year the casinos reported a combined gross revenue increase of 0.27% compared to the first month in the prior fiscal year. Broken out by casino, MGM's annual receipts are down by .55%, Motor City's are up by .27%, and Greektown's are up by 1.82%, compared with the same period in the prior fiscal year.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
22. Submitting report relative to Budgetary Impact of a City of Detroit Employee \$15 per hour Minimum Wage. **(Prior to recess, Council Member Leland requested that Legislative Policy Division (LPD) provide a report which provides an itemization of the fiscal impact of the City of Detroit implementing a \$15 per hour minimum wage for City of Detroit employees that are classified under each of the employment classifications of full-time employees, part-time employees, and seasonal employees. In addition to quantifying the budgetary impact of the proposal as well.) (REFERRED TO THE**

BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)

23. Submitting report relative to the Proposal to Repeal Article V (Slavery Ordinance). **(Prior to recess in July, Council President Pro-Tem Sheffield requested that Legislative Policy Division (LPD) provide a report on the Proposed Ordinance to Amend Chapter 18 of the Detroit City Code, by repealing Article V (Slavery Ordinance.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
24. Submitting report relative to Potential Revenue Sources to Increase the Salaries of Rank and File Detroit Police Officers. **(On July 12, 2018 Council President Tempore Mary Sheffield through the Budget, Finance and Audit Committee Chairwoman, Janee' L. Ayers, requested that the Legislative Policy Division (LPD) provide a report on potential revenue sources to increase the salaries of rank and file Detroit Police Department (DPD) officers.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
25. Submitting report relative to Reduction of Parking Fines. **(President Pro-Tempore Mary Sheffield requested the Legislative Policy Division (LPD) to draft an ordinance reducing the parking fines for tickets that currently carry a \$45 fine to \$30 and to create a 50% discount for tickets that have been paid within 10 days of the date of issuance. A draft of the requested ordinance is attached for your consideration.) (REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**

MISCELLANEOUS

26. **Council President Pro Tempore Mary Sheffield** submitting memorandum relative to Request for the Legislative Policy Division to provide a Report on the Fiscal Impact of Reducing Parking Fines for Expired Meters and No Parking Violations. **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
27. **Council Member Gabe Leland** submitting memorandum relative to Question about protocol when a contractor doesn't show up to a community meeting. **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**
28. **Council President Pro Tem Mary Sheffield** submitting memorandum relative to Poverty Tax Exemption Ordinance. **(REFERRED TO THE BUDGET, FINANCE AND AUDIT STANDING COMMITTEE ON 9-5-18)**