



CITY OF DETROIT
BOARD OF ETHICS
ADMINISTRATION

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Hon. Alma G. Stallworth
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TO: Hon. Michael E. Duggan, Mayor

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Hon. Mary Sheffield, City Council Member

FROM: Atty. Beth Greenberg Morrow
Chairperson

SUBJECT: 15th Annual Report of the Board of Ethics

DATE: October 18, 2017

The 15th Annual Report covers Board activities from July 1, 2015 to June 30, 2016. In accordance with Section 2-6-97 of the Ethics Ordinance (the “Ordinance”), this Report contains:

1. An analysis of Board activities, including the number of Advisory Opinions requested and issued, and the number of Complaints filed with each disposition;
2. A compilation of Advisory Opinions issued; and,
3. Recommendations, if any, for improvement of the Disclosure Requirements, Standards of Conduct, and the administration and enforcement of the Ordinance.

Board Activities

A. Meetings

During the period covering this Report, the Board held twelve (12) General Meetings. Additionally, it held eighteen (18) Special Meetings sessions for the purpose of hiring an Executive Director. The Board cancelled one meeting for a lack of quorum. During these meetings, the Board reviewed five (5) Requests for Advisory Opinion, eight (8) Complaints, and three (3) unofficial request/complaints/inquiries. During this fiscal year, the Board addressed seven (7) Request for Advisory Opinions and (11) Complaint.

B. Advisory Opinions

During this Fiscal Year, public servants filed each of the following:

Request for Advisory Opinion #2015-04, submitted July 10, 2015, regarding a conference invitation for international travel. After review, the Board concluded that it is without authority to render an advisory opinion and referred the Requestor to Request for Advisory Opinion #2015-03.

Request for Advisory Opinion #2016-01, submitted January 8, 2016, regarding disclosure requirements for Board Members, employees, and shareholders of a nonprofit organization as well as family members which have interaction with the City. Upon investigation, it was found that the requestor was not a public servant as defined by the Charter and is not subject to its disclosure provisions that apply to public servants. Also, the Board lacked jurisdiction to respond to this query as neither the Charter nor the Ordinance authorizes the Board to respond to Requests for Advisory Opinions from contractors or potential contractors.

Request for Advisory Opinion #2016-02 submitted January 14, 2016, regarding two potential post-employment opportunities offered by the City and a contractor. The opportunities included part-time administrative hearing officer and a sub-contractor that prepares amendments to the City's zoning ordinance. The Requestor had no role in developing, awarding or managing of contracts. The Requestor has been employed as a land-use manager for four years. Prior to this employment, the Requestor was a land use/planning consultant. After investigation, the Board concluded that the Requestor may accept both the personal services contract and the opportunity offered by the contractor. The Requestor will retain the status of public servant as defined in the Ordinance and will be subject to all the standards of conduct and disclosures that govern the City's public servants. Consequently, any additional employment or compensated engagement should be very carefully scrutinized in light of the restrictions of the Ordinance.

Request for Advisory Opinion #2016-03 submitted March 21, 2016, regarding service on a nonprofit Board of Directors. The organization receives funding from the City of Detroit, however the Requestor has no direct/indirect decisions regarding the organization. The Requestor wanted an opinion determining whether his employment would be a conflict of interest with serving on the nonprofit Board. The public service position of the Requestor is merely federal oversight with no authority to make decisions on who gets awarded grant funds in

the City of Detroit nor authority to make decisions on the amount of assistance an organization would receive. The Board concluded there is no conflict of interest. However, the Requestor must refrain from advocating on behalf of the nonprofit organization and must avoid sharing confidential information with the non-profit organization. With these restrictions in mind, and assuming the Requestor's representations regarding non-involvement are complete and accurate, service to the nonprofit organization is not barred by the Ordinance.

Request for Advisory Opinion #2016-04 submitted March 30, 2016, regarding a conflict of interest between his employment and membership on a governance committee. Pursuant to Sec. 2-6-104 (a), the Board extended this matter to August 18, 2016 disposition date and the decision will be included in the 16th Annual Report.

C. Complaints¹

Complaint #2015-04, filed October 23, 2015, alleged that a public servant violated the Ethics Ordinance's disclosure requirement regarding interests in real or personal property or city contracts. Pursuant to Section 2-6-114(a), 1984 Detroit City Code, the Board is without authority to review this complaint because the alleged violation took place more than 182 days prior to the filing of the complaint.

Complaint #2015-05, filed October 23, 2015, alleged that a public servant violated the Ethics Ordinance's disclosure requirement regarding interests in city contracts, and breached the Ordinance by accepting incompatible employment or rendering of services, using undue influence to fill a city position, violating the one year post-employment restrictions found in the Ordinance, and improperly using his position to influence decisions. Pursuant to Section 2-6-114(a), 1984 Detroit City Code, the Board is without authority to review this complaint as the action alleged to have violated the Ordinance took place more than 182 days prior to the filing of the complaint.

Complaint #2015-06, filed October 23, 2015, alleged that a public servants violated the Ethics Ordinance's disclosure requirement regarding interest in city contacts as well as breaching the Ordinance by neglecting his duties, failing to use City property in accordance with policies, participating in City transactions while having a financial interest in the transactions, and improperly using his position to influence decisions. Pursuant to Section 2-6-114(a), 1984 Detroit City Code, the Board is without authority to review this complaint as the action alleged to have violated the Ordinance took place more than 182 days prior to the filing of the complaint.

Complaint #2016-01, filed on May 11, 2016, alleged that a general contractor violated three standards of conduct provisions of the Ethics Ordinance and also violated Executive Order 2007-1. According to the complaint the general contractor refused to pay for work performed, violated the standards of conduct section of the City of Detroit Ethics Ordinance governing incompatible employment or rendering of services, self-interested regulation and improper use of position to influence decisions. The Complaint also added that the general contractor used non-City residents in violation of Executive Order 2007-1, which required City contractors to ensure that at least 50 percent of the work force on city funded projects are residents of Detroit. Upon

¹ The first Complaint of this fiscal year was numbered 2015-04.

review of the facts as provided in the Complaint, the Board concluded that the general contractor is outside the scope of the Ordinance. Pursuant to Section 2-6-115(b)(i), the Complaint was dismissed due to lack of jurisdiction.

Complaint #2016-02, filed June 3, 2016, alleged that several public servants formulated and approved an improper program that violated the Detroit City Charter Section 2-106.7. Pursuant to Section 2-6-115(b)(1)(i), 1984 Detroit City Code, the Board is without authority to review this Complaint because the alleged violation took place more than 182 days prior to the filing of the complaint.

Complaint #2016-03 & #2016-04, filed June 3, 2016, alleged that several public servants formulated and approved an improper program that violated the Detroit City Charter Section 2-106.7. The Complaints stem from the same facts and the Complainant objects to the manner in which the City disposed of a tax-foreclosed property adjacent to the Complainant's home. Complainant alleges that the City exercised its right of first refusal on the property and sold it without providing a fair process. An investigation found that after several years of non-payment of taxes, the property was subject to tax foreclosure by the Wayne County Treasurer. The City chose to exercise its right of first refusal to purchase the property and the property was sold to a third party. The Board dismissed these Complaint in its entirety based on Section 2-6-115(b)(1)(ii), 1984 Detroit City Code, failure to allege facts sufficient to constitute a violation.

Complaint #2016-05, filed on June 3, 2016, alleged that a public servants violated the Ethics Ordinance's disclosure requirement regarding interest in city contacts. Pursuant to Section 2-6-115(b), 1984 Detroit City Code, the Board dismissed the Complaint in its entirety because it is defective in a manner which results in the Board being unable to make any sound determination.

D. Composition.

From July 1, 2015 to January 2016, the members of the Board of Ethics included:

Atty. Alicia J Skillman, Chairperson
Atty. Beth Greenberg Morrow, Vice Chairperson
Hon. Norma Dotson-Sales
Rev. Keenan Knox
Rev. Eddie Myles
Atty. Robert Page
Hon. Alma G. Stallworth

During this year, the Board accepted the resignations of Atty. Robert Page and Rev. Keenan Knox (June 2015). The Board also sent a letter to City Council President Brenda Jones requesting the removal of Rev. Eddie Myles for cause (August 2015).

Officers were elected at the January 2016 meeting and the Board included:

Atty. Alicia J Skillman, Chairperson
Atty. Beth Greenberg Morrow, Vice Chairperson
Rev. Charles C. Adams
Ponce De Leon Clay
Hon. Norma Dotson-Sales
Hon. Alma G. Stallworth
Robert Watt

E. Other Activities.

During this reporting period, the Board also received three (3) unofficial request/complaints for decisions and opinions from public servants and the public. Due to the requests/complaints failing to be submitted officially, the Board was unable to address the matters. The Ordinance requires signed and notarized Complaints. It also requires Request for Advisory Opinions to be signed. Both must be on official forms.

The Board relaunched the search for an Executive Director, which included several special meetings to develop the job specifications, distribute the notice of hiring, and accept resumes. The Board received eighty (80) applications and began to review the applications. It will conduct interviews in the next fiscal year.

The Human Rights Department provided office space for Board staff along with providing basic office equipment. Board staff assumed all reasonable responsibilities from the Human Rights staff and conducted most of the Board's business matters. Board files are secure and maintain confidentiality. The Board renewed the personal service contract for its Ethics Coordinator, Vanessa Johnson. It will expire on June 30, 2016.

Recommendations for Improvements of the Board of Ethics and Ethics Ordinance

The Board will continue to hold special meetings to fill the position of Executive Director. It is anticipated that the position will be filled in the next fiscal year. The Ethics Coordinator will begin to review locations for Board office space outside of the CAYMC Building. Any questions and inquiries about the Board of Ethics' 15th Annual Report can be sent to its Staff at BoardofEthics@detroitmi.gov.

cc: Hon. Janice Winfrey, City Clerk