



To: Councilmember Angela Whitfield Calloway, District 2
From: David Bell, Building, Safety, Engineering and Environmental Department Director
Date: 3/20/2025 *DB*
Re: **Responses to 2025-2026 BSEED Budget Analysis**

Please find below responses to your questions sent on 3/13/2025, regarding the Fiscal Year 2026 Proposed Budget for Buildings of Safety, Engineering, Environmental Dept.

1. In District 2, residents complain of the large amount of trash left at the curb after an eviction. The Detroit Police Department neighborhood police officers can issue a ticket or a BSEED inspector can issue a ticket. Which method is better for the community? Which method gets the trash picked up and removed from the curb? What additional funding is needed to better coordinate between DPD and BSEED to get the problem solved?

When BSEED issues a ticket for trash at the curb it is routinely referred to DPW for debris removal through Improve Detroit. This is the best way. BSEED will refer debris at the curb to DPW for removal upon DPD's request. There is no additional funding needed for BSEED as the enforcement process is covered within our normal routine.

2. BSEED issues business licenses to many types of businesses. Is there a need to license storage unit providers?

No.

What would be the additional budget needs because of such a business license program?

There will be no additional budget need because the "public storage" license code Sec. 30-2-21 was repealed.

3. What is the current compliance rate for BSEED Business License Center licenses?

79.95%

Recently, there was a fatal incident at a District 2 gas station and there was a concern about the license status of the gas station. The compliance rate for all gas stations should be nearly 100%. Please provide the status for gas stations and all other businesses licensed by BSEED BLC.

Gas stations 79.62%
Cabaret A-D 74.85%
Marijuana 100%



Festival/Special event 100%

Motor Truck Permits 100%

Vendor 100%

Rental Hall 45.65%

Vehicle for Hire 100%

Hotel Lodging 74.57%

Parking Lot 72.97%

Retailer 66.61%

Secondhand Sales 60.50%

Restaurants 65.40%

Valet 60.89%

Theatre 36.36%

Some of the licenses that are not at 100% are still in process and pending approval.

4. To gain better compliance with BSEED BLC business licenses, should the license fees be increased to cover the additional costs of enforcement? Please explain.

The current fees are adequate to cover the enforcement.

5. After a business license suspension or revocation, the business owner could sell the property and the business to a new owner in order to avoid the impact of the BSEED action. What steps are taken to determine if the sale is an arm's length transaction or a shell transaction simply used to avoid the impact of the BSEED action?

Business licenses are Non-Transferable. All new owners/officers must complete a new application prior to operating. BSEED checks the Articles of Incorporation of the new owners to ascertain that the new owners are not officers of the new entity.

Does BSEED need additional funding to better investigate these situations? **No.**

6. ARPA funding will end in December 2026. What ARPA funding programs will need general fund support to continue beyond ARPA?

The ARPA positions have been transitioned into the Construction Fund in the FY 2025-26 budget under Property Maintenance to conduct blight enforcement on commercial corridors.