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**TO:** The Honorable Detroit City Council

**FROM:** David Whitaker, Director   
Legislative Policy Division Staff

**DATE:** May 26, 2020

**RE:** **RECOMMENDED REVISIONS TO THE COMMUNITY BENEFITS  
ORDINANCE**

This report follows the Legislative Policy Division's (LPD) report dated October 1, 2018 (attached) in which LPD staff provided a list of recommendations which would either strengthen or revise the city's current Community Benefits Ordinance (CBO) process. The Community Benefits Ordinance 35-16 was passed in 2016 and is presently codified in Chapter 12 of the 2019 Detroit City Code, Community Development, Article VIII – Community Benefits.

Since that time, Council instructed LPD staff to conduct a series of legislative staff work group meetings in order to vet, revise, and ultimately provide a recommendation on the 62 recommended revisions previously submitted to City Council in a report dated October 1<sup>st</sup>.

***Legislative Staff Work Group Summary***

In October 2018, the aforementioned working group was convened, concluding its work in April 2019, after a series of 7 meetings. These meetings resulted in the initial 62 recommended revisions being decreased to 17 proposed recommended changes.

In February 2019, the Law Department submitted a memorandum in response to a request from Council Member Scott Benson for a legal opinion in regards to the proposed 62 amendments to the Community Benefits Ordinance (attached).

***Community Benefits Ordinance Survey Summary***

Between June 2019 and August 2019, an online Community Benefits Ordinance survey soliciting the community’s support or opposition to the proposed 17 revisions was created through the Department of Information and Technology (DoIT), and sent out to over 1,500 interested parties, and posted on the City of Detroit’s website. The list of 1,500 plus individuals who received the survey electronically was compiled from the signatures and email addresses pulled from each of the sign-in sheets circulated to the 12 Community Benefits Neighborhood Advisory Committee processes which have taken place to-date.

In September 2019, the Community Benefits Ordinance survey was closed resulting in 76 responses, which are further detailed in this report. Upon reviewing the results of the survey and taking into account the limited number of responses, LPD staff was instructed to facilitate a citywide Community Benefits Ordinance stakeholder meeting, which took place on Thursday, January 30, 2020.

The balance of this report details the results of the online survey in terms of the percentage of respondents who were either in support or opposition of the proposed recommended amendments. The proposed language resulting from the legislative staff work group sessions along with the initial language from Ordinance No. 35-16 is also included in its entirety as a frame of reference. Lastly, the results of the citywide stakeholder meeting comments are provided for review.

### *Community Benefits Ordinance Online Survey Results*

#### **Proposed amendment No. 1**

1. Sec. 14-12-2 of the City of Detroit Community Benefits Ordinance defines a “Tier 1 Development Project” as a development project in the City that is expected to incur the investment of Seventy-five Million Dollars (\$75,000,000) or more during the construction of facilities, or to begin or expand operations or renovate structures, where the developer of the project is negotiating public support for investment in one or both of the following forms:
  - (1) Any transfer to the developer of City-owned land parcels that have a cumulative market value of One Million Dollars (\$1,000,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates (where allowed by law); or
  - (2) Provision or approval by the City of tax abatements or other tax breaks that abate more than One Million Dollars (\$1,000,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

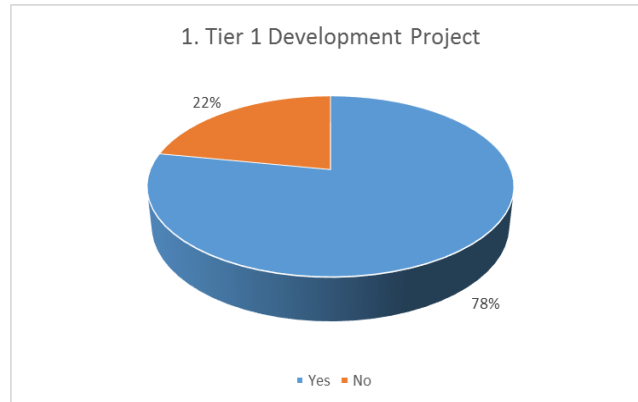
The proposed revision to the section would read as follows:

Tier 1 Development Project means a development project in the City that is expected to incur the investment of **Fifty** Million Dollars (**\$50,000,000**) or more during the construction of facilities, or to begin or expand operations or renovate structures, where the developer of the project is negotiating public support for investment in one or both of the following forms:

- (1) Any transfer to the developer of City-owned land parcels that have a cumulative market value of One Million Dollars (\$1,000,000) or more (as determined by the

- City Assessor or independent appraisal), without open bidding and priced below market rates (where allowed by law); or
- (2) Provision or approval by the City of tax abatements or other tax breaks that abate more than One Million Dollars (\$1,000,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

The resulting response to this recommended change was 78 % in support, and 22 % in opposition.



### Proposed amendment No. 2

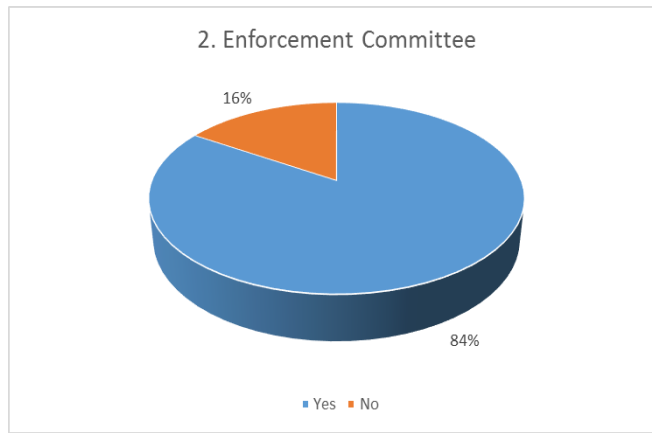
2. Sec. 14-12-2 of the City of Detroit Community Benefits Ordinance defines the “Enforcement Committee” as a committee led by the City's Corporation Counsel and composed of representatives from the Planning and Development Department, Law Department, Human Rights Department, and other relevant City departments as determined by the Planning Director.

The proposed revisions to this section would read as follows:

*Enforcement Committee* means a committee led by the City’s Corporation Counsel and composed of representatives from the Planning and Development Department, Law Department, **Department of Civil Rights, Inclusion and Opportunity, City Council’s Legislative Policy Division, the Neighborhood Advisory Council Chair of the respective Tier 1 Development Project**, and other relevant City departments as determined by the Planning Director.

**The chair of each Neighborhood Advisory Committee shall be an ex-officio member of the related Enforcement Committee.**

The resulting online survey response to this recommended change was 84% in support, and 16% in opposition.



### Proposed amendment No. 3

3. Sec. 14-2-2 of the City of Detroit Community Benefits Ordinance defines a “Tier 2 Development Project” as a development project in the City that does not qualify as a Tier 1 Project and is expected to incur the investment of Three Million Dollars (\$3,000,000) or more, during the construction of facilities, or to begin or expand operations or renovate structures, where the Developer is negotiating public support for investment in one or both of the following forms:

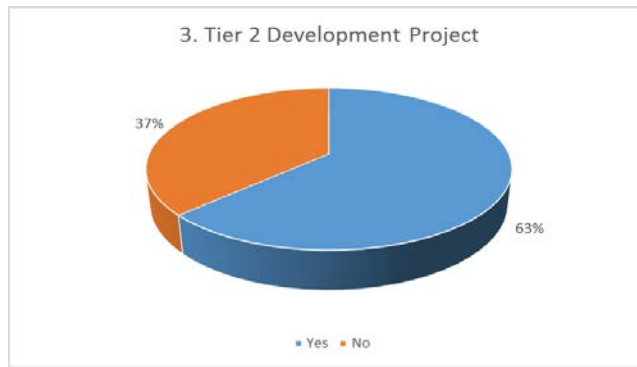
- (1) Land transfers that have a cumulative market value of Three Hundred Thousand Dollars (\$300,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates; or
- (2) Tax abatements that abate more than Three Hundred Thousand Dollars (\$300,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

The proposed revisions to this section would read as follows:

Tier 2 Development Project means a development project in the City that does not qualify as a Tier 1 Project and is expected to incur the investment of **Three-Hundred Thousand Dollars (\$300,000)** or more, during the construction of facilities, or to begin or expand operations or renovate structures, where the Developer is negotiating public support for investment in one or both of the following forms:

- (1) Land transfers that have a cumulative market value of Three Hundred Thousand Dollars (\$300,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates; or
- (2) Tax abatements that abate more than Three Hundred Thousand Dollars (\$300,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

The resulting online survey response to this recommended change was 63% in support, and 37% in opposition.



**Proposed amendment No. 4**

4. Sec. 14-12-3 (a)(1) of the City of Detroit Community Benefits Ordinance under Tier 1 Projects subsection (a)(1) states:

Sec. 14-12-3. Tier 1 Projects. (a) (1) Community Engagement Process for Public Meeting.

(1) Prior to submitting to City Council a request for approval of Land transfers or Tax abatements related to a Tier 1 Project, the Planning Director shall hold at least one public meeting in the Impact Area as defined in this Section.

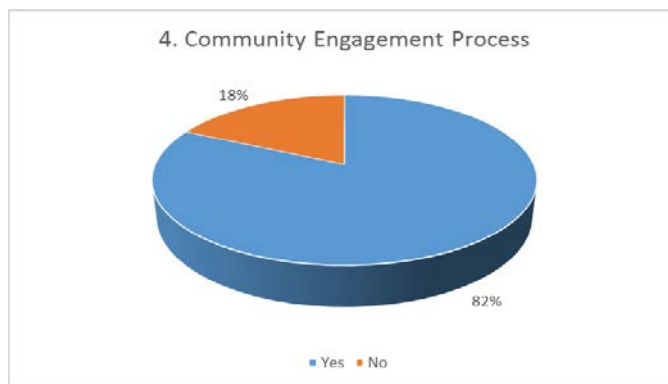
The proposed revisions to this section would read as follows:

Sec. 14-12-3. Tier 1 Projects.

(a) *Community Engagement Process for Public Meeting.*

(1) Prior to submitting to City Council a request for approval of Land transfers or Tax abatements related to a Tier 1 Project, the Planning Director shall hold **no fewer than five (5)** public meetings in the Impact Area as defined in this Section, **unless a majority of the NAC deems otherwise.**

The resulting online survey response to this recommended change was 82% in support, and 18% in opposition.



**Proposed amendment No. 5**

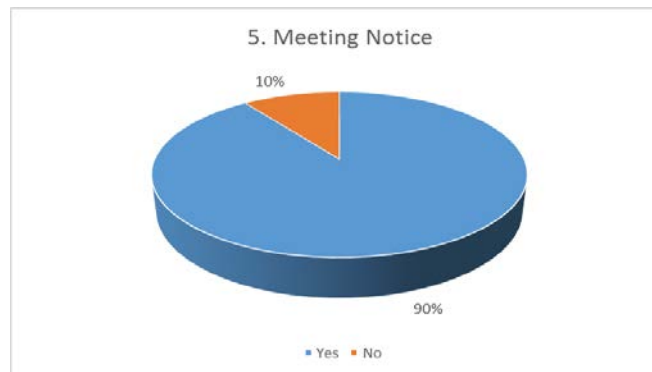
5. Sec. 14-12-3(a)(2) of the City of Detroit Community Benefits Ordinance states:

- (2) The City Clerk shall forward notice of the public meeting via First Class Mail no less than 10 days before such meeting to all City of Detroit residents within three hundred radial feet of the Tier 1 Project. The notice shall include:
  - a. The time, date and location of the public meeting;
  - b. General information about the Tier 1 Project;
  - c. A description of the Impact Area and the location of the Tier 1 Project;
  - d. Information related to potential impacts of the Tier 1 Project and possible mitigation strategies; and

The proposed revisions to this section would read as follows:

- (2) The City Clerk shall forward notice of the public meeting via First Class Mail no less than 10 days before such meeting to all City of Detroit residents within three hundred radial feet of the Tier 1 Project **Impact Area**. The notice shall include:
  - a. The time, date and location of the public meeting;
  - b. General information about the Tier 1 Project;
  - c. A description of the Impact Area and the location of the Tier 1 Project;
  - d. Information related to potential impacts of the Tier 1 Project and possible mitigation strategies; and

The resulting response to this recommended change was 90% in support, and 10% in opposition.



### Proposed amendment No. 6

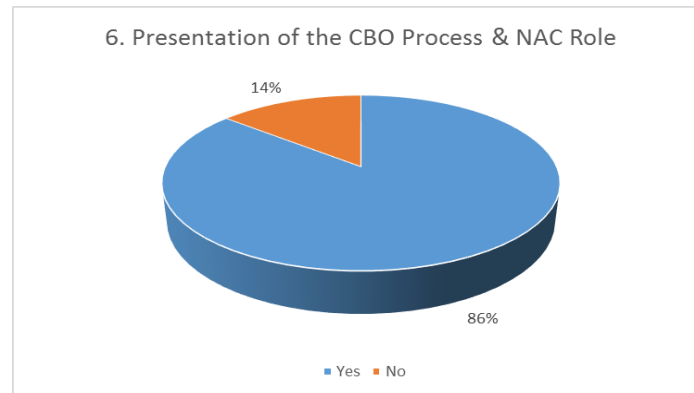
6. Sec. 14-12-3(a)(4) of the City of Detroit Community Benefits Ordinance under “Engagement with Developer” states in part:
  - (4) At the public meeting, the Planning Director will present general information about the Tier 1 Project, discuss ways in which the Tier 1 Project is anticipated to impact the local community, and ways in which the Developer and the Planning Director plan to address or mitigate these impacts.

The proposed revisions to this section would read as follows:

- (4) At the public meeting, the Planning Director will present general information about the Tier 1 Project, discuss ways in which the Tier 1 Project is anticipated to impact the local community, and ways in which the Developer and the Planning Director plan to address or mitigate these impacts. **At the initial public meeting the Planning Director will present in detail on the CBO process, how the**

**NAC fits within that broader process, the responsibilities of the NAC and the proposed timeline for the NAC meetings. The Planning and Development Department shall discuss previous NACs and share outcomes and best practices learned from them. The meeting/workshop shall allow for the community to ask questions and learn about the upcoming CBO process. The Developer shall not be present at this first meeting.**

The resulting online survey response to this recommended change was 86% in support, and 14% in opposition.



### **Proposed amendment No. 7**

7. Sec. 14-12-3(b)(3) of the City of Detroit Community Benefits Ordinance states:

(3) The NAC shall consist of nine members, selected as follows:

- a. Two Members selected by residents of the Impact Area chosen from the resident nominated candidates;
- b. Four Members selected by the Planning Director from the resident nominated candidates, with preference given to individuals the Planning Director expects to be directly impacted by the Tier 1 Project;
- c. One Member selected by the Council Member in whose district contains the largest portion of the Impact Area from the resident nominated candidates; and
- d. One Member selected by the At-Large Council Members from the resident nominated candidates.

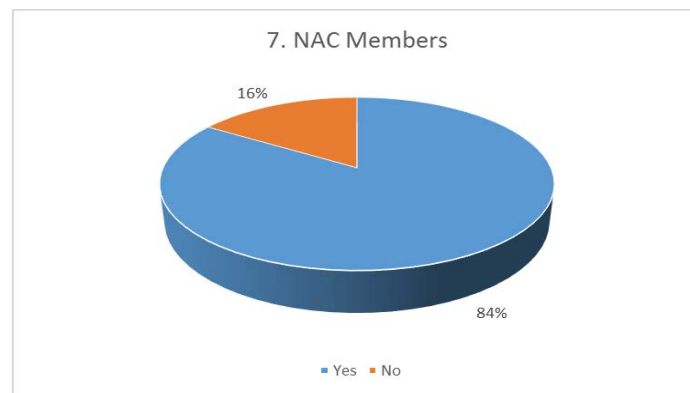
The proposed revisions to this section would read as follows:

(3) The NAC shall consist of nine members, selected as follows:

- a. **Three** Members selected by residents of the Impact Area chosen from the resident nominated candidates;
- b. **Three** Members selected by the Planning Director from the resident nominated candidates, with preference given to individuals the Planning Director expects to be directly impacted by the Tier 1 Project;
- c. One Member selected by the Council Member in whose district contains the largest portion of the Impact Area from the resident nominated candidates; and

- d. One Member selected by the At-Large Council Members from the resident nominated candidates.
- e. **The Planning and Development Director as well as the Council Member in whose district contains the largest portion of the Impact Area, and the At-Large Council Members are permitted to select NAC members from outside of the list of resident nominated candidates, however those selected must reside within the impact area.**
- f. **There should be one alternate selected by the community. The person with the fourth highest votes from the community should be listed as the alternate person. This person must agree to be present at all meetings and will be notified by the Planning Department when they are needed to formally replace a NAC member.**

The resulting online survey response to this recommended change was 84% in support, and 16% in opposition.



**Proposed amendment No. 8**

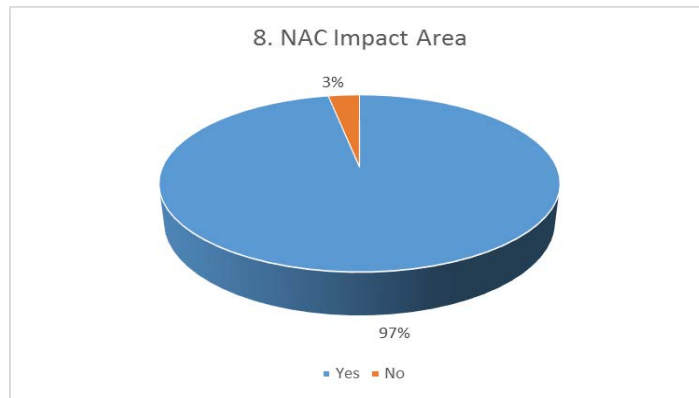
- 8. Sec. 14-12-3(b)(2) of the City of Detroit Community Benefits Ordinance states:
  - (2) All residents over the age of 18 that reside in the Impact Area are eligible for nomination.

The proposed revisions to this section would read as follows:

- (2) All residents over the age of 18 that reside in the Impact Area are eligible for nomination. **Any person who is an agent, employee, or official of the developer must disclose their relationship to the developer prior to selection to the NAC.**

The resulting online survey response to this recommended change was 97% in support, and 3% in opposition.





**Proposed amendment No. 9**

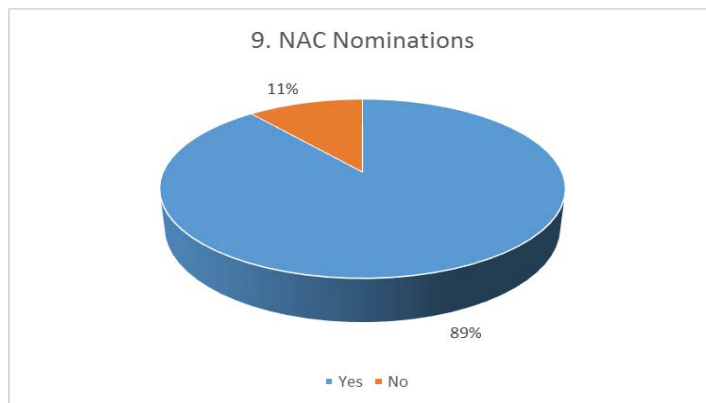
9. Sec. 14-12-3(b)(4) of the City of Detroit Community Benefits Ordinance states:

- (4) If the Planning Director receives less than nine nominations, the Planning Director may seek out additional nominations from individuals that live outside the Impact Area but within the City Council district or districts where the Tier 1 Project is located.

The proposed revisions to this section would read as follows:

- (4) If the NAC receives less than nine nominations, the City Council Member in whose district contains the largest portion of the Impact Area may seek out individuals that live outside the Impact Area but within the City Council District or Districts where the Tier 1 Project is located.

The resulting online survey response to this recommended change was 89% in support, and 11% in opposition.



**Proposed amendment No. 10**

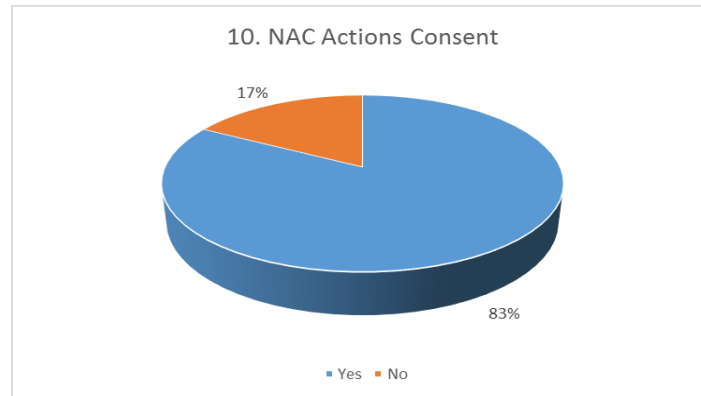
10. Sec. 14-12-3(b)(5) of the City of Detroit Community Benefits Ordinance states:

- (5) All actions of the NAC may be taken with the consent of a majority of NAC members serving.

The proposed revisions to this section would read as follows:

- (5) All actions of the NAC may be taken with the consent of a majority of NAC members serving. **Attendance at all NAC meetings by all elected and appointed NAC members shall be mandatory, unless advance notice is provided. More than one (1) absence could disqualify one from further being a NAC member. If a member fails to attend an NAC meeting, an alternate may be appointed by the NAC as a permanent replacement member, at the discretion of the NAC.**

The resulting online survey response to this recommended change was 83% in support and 17% in opposition.



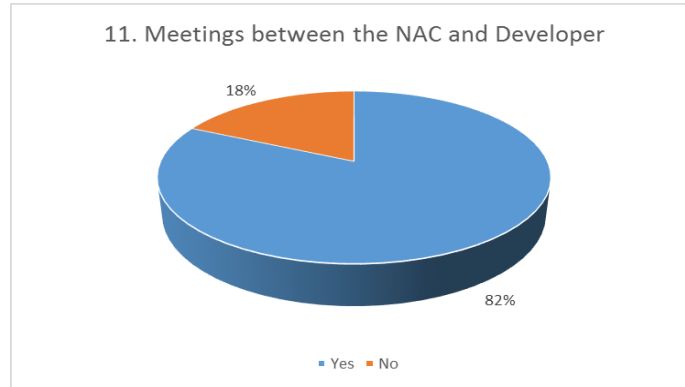
#### **Proposed amendment No. 11**

11. Sec. 14-12-3(c)(1) of the City of Detroit Community Benefits Ordinance states:
  - (c) Engagement with Developer.
    - (1) In addition to the meeting required in Subsection (a)(1) of this section, the Planning Director shall facilitate at least one meeting between the NAC and the Developer to allow the NAC to learn more details about the project and to provide an opportunity for the NAC to make Developer aware of concerns raised by the NAC.

The proposed revisions to this section would read as follows:

- (c) Engagement with Developer.
  - (1) **The Planning Director shall facilitate no fewer than five (5) meetings between the NAC and the Developer as required in Subsection (a)(1) to allow the NAC to learn more details about the project and to provide an opportunity for the NAC to make Developer aware of concerns raised by the NAC. The Developer and the relevant city departments must present to the members of the NAC, at a minimum, how the proposed project may utilize green infrastructure, create jobs for Detroiters, detail which tax incentives they are seeking with specific amounts, and to what extent the project will feature subsidized/discounted/affordable housing and/or commercial space. These recommendations may include but are not limited to noise, traffic and dust mitigation.**

The resulting online survey response to this recommended change was 82% in support, and 18% in opposition.



### Proposed amendment No. 12

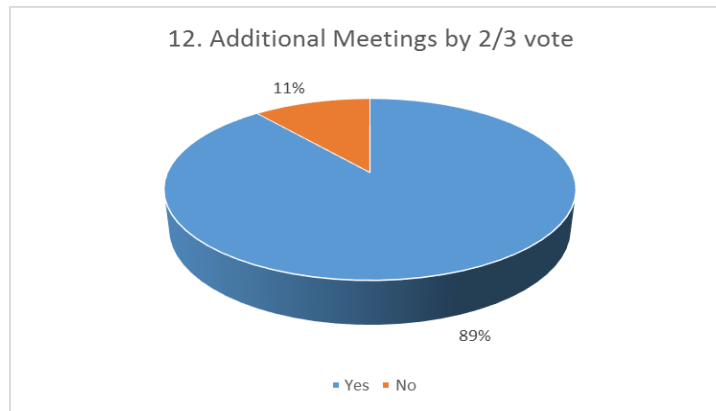
12. Sec. 14-12-3(c)(2) of the City of Detroit Community Benefits Ordinance states:

- (2) City Council by a 2/3 vote of members present or the Planning Director may facilitate additional meetings which the Developer, or the Developer's designee, shall participate in as directed.

The proposed revisions to this section would read as follows:

- (2) City Council by a 2/3 vote of members present or the Planning Director may facilitate additional meetings which the Developer, or the Developer's designee, shall participate in as directed. **The City and the DEGC shall provide all essential documents to the NAC Members, District and At-Large City Council members within 72 hrs. of the NAC selection including but not limited to the Detroit Community Benefits Ordinance, development agreements between the city and developer, projected revenue, developer's RFP response, all renderings related to the project, But/For Economic Analysis conducted by DEGC, all environmental studies, documents related to brownfield funding, etc.**

The resulting online survey response to this recommended change was 89% in support, and 11% in opposition.



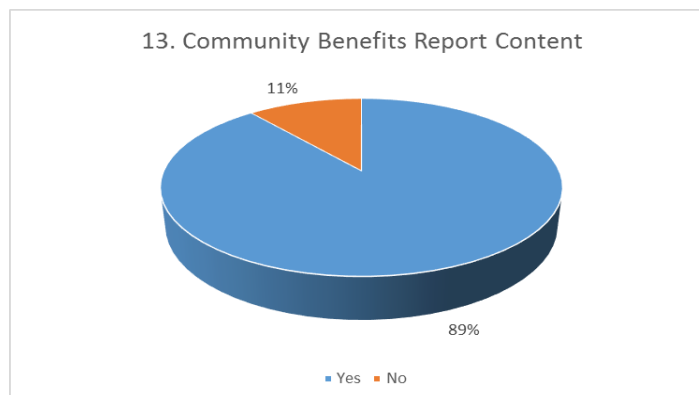
**Proposed amendment No. 13**

13. Sec. 14-12-3(d)(2) of the City of Detroit Community Benefits Ordinance states:
- (2) The Community Benefits Report shall contain:
    - a. A detailed account of how notice was provided to organize the public meeting.
    - b. A list of the NAC members, and how they were selected.
    - c. An itemized list of the concerns raised by the NAC.
    - d. A method for addressing each of the concerns raised by the NAC, or why a particular concern will not be addressed.

The proposed revisions to this section would read as follows:

- (2) The Community Benefits Report shall contain:
  - a. A detailed account of how notice was provided to organize the public meeting.
  - b. A list of the NAC members, and how they were selected.
  - c. An itemized list of the concerns raised by the NAC.
  - d. A method for addressing each of the concerns raised by the NAC, or why a particular concern will not be addressed.
  - e. A detailing list of community outreach strategies used to solicit and record feedback.**

The resulting online survey response to this recommended change was 89% in support, and 11% in opposition.



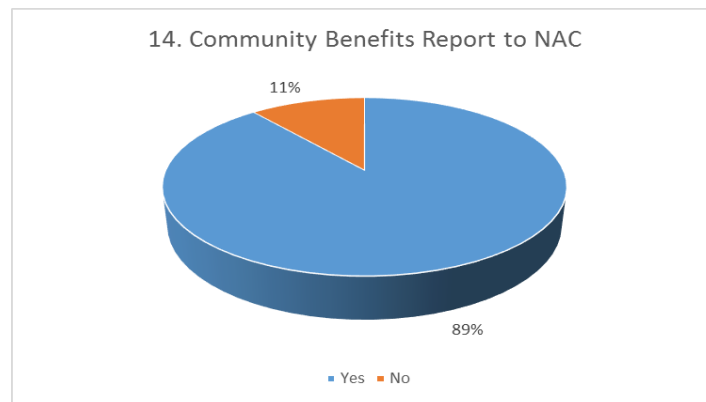
### Proposed amendment No. 14

14. Sec. 14-12-3(d)(3) of the City of Detroit Community Benefits Ordinance states:
- (3) The Planning Director, where possible, shall provide a copy of the Community Benefits Report to the NAC prior to submission to City Council.

The proposed revisions to this section would read as follows:

- (3) The Planning Director, where possible, shall provide a copy of the Community Benefits Report to the NAC prior to submission to City Council. **The NAC will have no less than one week to review the Community Benefits Agreement before being asked by the City to vote or sign a letter in support of the proposed benefits.**

The resulting online survey response to this recommended change was 89% in support, and 11% in opposition.



### Proposed amendment No. 15

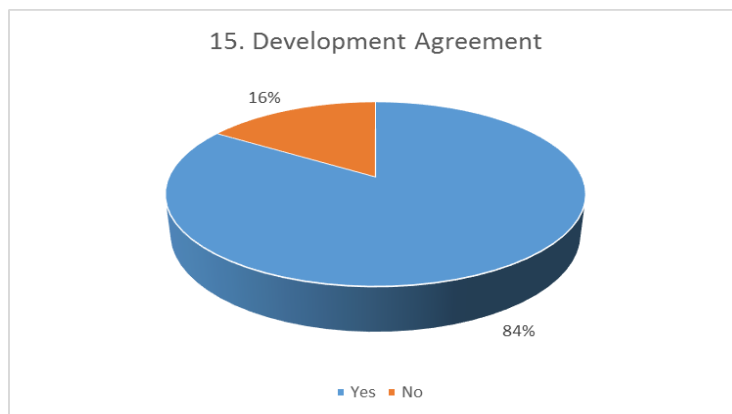
15. Sec. 14-12-3(e)(1)(a) of the City of Detroit Community Benefits Ordinance states:
- (e) *Development Agreement.*
    - (1) All development agreements made between the Developer and the City related to the land transfers or tax abatements associated with a Tier 1 Project shall include the Community Benefits Provision, which shall include:
      - a. Enforcement mechanisms for failure to adhere to Community Benefits Provision, that may include but are not limited to, clawback of City-provided benefits, revocation of land transfers or land sales, debarment provisions and proportionate penalties and fees; and

The proposed revisions to this section would read as follows:

- (e) *Development Agreement.*

- (1) All development agreements made between the Developer and the City related to the land transfers or tax abatements associated with a Tier 1 Project shall include the Community Benefits Provision, which shall include:
  - a. Enforcement mechanisms for failure to adhere to Community Benefits Provision, that **shall** include but are not limited to, clawback of City-provided benefits, revocation of land transfers or land sales, debarment provisions and proportionate penalties and fees; and

The resulting online survey response to this recommended change was 84% in support, and 16% in opposition.



**Proposed amendment No. 16**

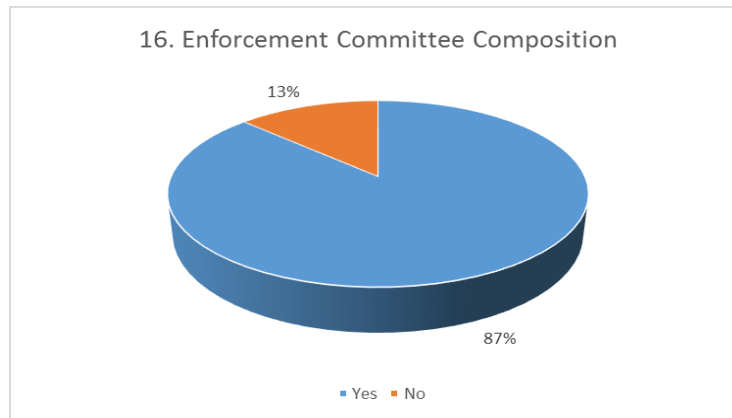
16. Sec. 14-12-3(f)(1) of the City of Detroit Community Benefits Ordinance states:
  - (1) An Enforcement Committee shall be established to monitor Tier 1 Projects.
    - a. The Enforcement Committee shall be comprised of, at minimum, the following four individuals:
      - i. Corporation Counsel for the City of Detroit; or their designee.
      - ii. a representative from the Planning and Development Department;
      - iii. a representative from the Law Department;
      - iv. a representative from the Human Rights Department.

The proposed revisions to this section would read as follows:

- (1) An Enforcement Committee shall be established to monitor Tier 1 Projects.
  - a. The Enforcement Committee shall be comprised of, at minimum, the following **six** individuals:
    - i. Corporation Counsel for the City of Detroit; or their designee.
    - ii. a representative from the Planning and Development Department;
    - iii. a representative from the Law Department;
    - iv. a representative from the **Department of Civil Rights, Inclusion and Opportunity.**
    - v. **a representative from City Council’s Legislative Policy Division;**

**vi. the Neighborhood Advisory Council Chair of the respective Tier 1 Development Project.**

The resulting online survey response to this recommended change was 87% in support, and 13% in opposition.



**Proposed amendment No. 17**

17. Sec. 14-12-4 of the City of Detroit Community Benefits Ordinance states:

Sec. 14-12-4. Tier 2 Projects.

- (a) Developers shall:
  - (1) Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.
  - (2) Partner with the Planning Director to address and mitigate negative impact that the Tier 2 Project may have on the community and local residents.
- (b) The Developer's commitment as identified in Subsection (a) of this section shall be included in the development agreements related to any land transfers or tax abatements associated with the Tier 2 Project for which the Developer seeks approval.

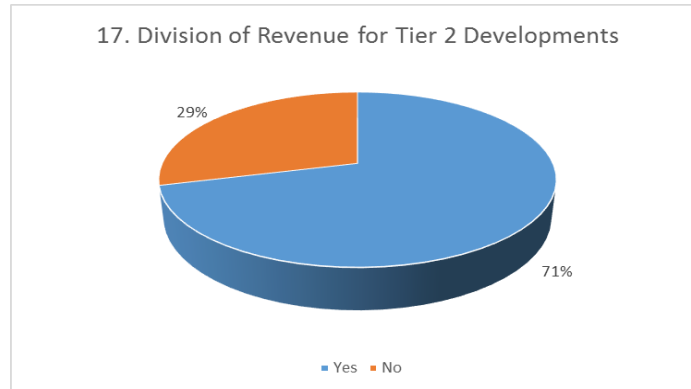
The proposed revisions to this section would read as follows:

Tier 2 Projects.

- (a) Developers shall:
  - (1) Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.
  - (2) Partner with the Planning Director to address and mitigate negative impact that the Tier 2 Project may have on the community and local residents.
- (b) The Developer's commitment as identified in Subsection (a) of this section shall be included in the development agreements related to any land transfers or tax abatements associated with the Tier 2 Project for which the Developer seeks approval.

**(c) The remaining 80% of the total sales price from Tier 2 property sales shall be evenly divided among the Neighborhood Improvement Fund and the Skilled Trades Fund.**

The resulting online survey response to this recommended change was 71% in support, and 29% in opposition.



***City Wide Community Stakeholders Meeting January 30, 2020***

The following summation is a detailed account of the public comments received at the Thursday, January 30, 2020 public meeting. All supporting documentation provided by members of the public in regards to their public comments and recommendations on additional changes to the Community Benefits Ordinance have been attached to this report for your review and consideration.

There were approximately 300 persons in attendance at the aforementioned community meeting. A real-time survey was provided to determine the percentage of participants in attendance who had previously participated in a CBO process, in what capacity they participated, and their level of interest in the CBO process. Additionally, participants were encouraged to contribute to the creation of two word clouds: one describing their initial thoughts about the current Community Benefits Ordinance and two, their thoughts on what could potentially improve the community benefits process. Both of these word clouds are attached for your review, however, the appearance<sup>1</sup> of any lude or profane comments have been removed.

Upon completing an overview of the timeline and the manner in which the results of the legislative work group were shared with the general public, comments were received from those in attendance. Several members of the public expressed concerns regarding the CBO process and their desire for more transparency. While many of the written recommendations submitted by community groups, such as The Detroit People’s Platform, or the Equitable Detroit Coalition served as the impetus for many of the recommended changes from various Council Member’s offices, as well as staff; members of these associations voiced their desire to have been included in the legislative work group to ensure that the intent of their written requests was made clear.

At the meeting, a total of 37 public comment cards were received, and 39 members of the public spoke in regards to proposed changes to the Community Benefits Ordinance. Some of the

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<sup>1</sup> The comments submitted by members of the public are included in the word clouds, however, several letters of lude or profane comments have been concealed.



comments received were for additional changes separate and apart from the 17 recommended changes submitted by the legislative work group, which was the subject the city wide community stakeholders meeting.

Written, as well as, verbal comments were submitted by several participants. Verbatim transcriptions of the hand written comments have been included as a part of this report for your review and consideration. A summation of the verbal public comments is provided for your consideration as well.

### ***CBO Public Meeting Written Public Comments***

*“‘Where possible’ negates ‘shall’ thereby creating a totally unenforceable clause. It is, in fact which do you have? A possible mandatory, or is it a mandatory possibility? Eliminate ‘where possible’ and the ‘shall’ becomes effective...that the ‘Planning Director’ shall report on the situation, including a lack of activity.”*

*“Number one concern about the City Assessor’s ability and/or credibility in assessing property going to developers since residents have been over assessed on private homes. Impacted residents should determine what land/property should be given to developers.”*

*“NAC needs to have final say on whether agreement moves forward; PD orientation needs to include CBA highlights from around nation; NAC committee should be majority community elected; More negotiation on CBA points, not just NAC proposal developer response; LPD analyses need to be more holistic/critical, not just outdated cost-benefit that is designed to always be positive!; Developers must resubmit request if silent for too long.”*

*“NAC & Conflict of Interest; Taxing Authorities should weigh in on the impact of tax abatements on their entities; clear timeline.”*

*This ordinance just passed three years ago, adding more language now will confuse people more and give companies more excuses for not dealing with Detroit.”*

### ***“RETRO ACTIVITY”***

*“It’s important for the CBO to be amended to be more resident-driven, inclusive, transparent and enforceable. These amendments are a step in the right direction, but could be better. NAC should be comprised of members who are all elected by impacted residents.”*

*“Amend 7: Majority of the NAC must be comprised by people nominated by members of the impacted community; Amend 4: Remove clause allowing NAC to stop meetings before there have been at least five. UNLESS the NAC is controlled by people nominated by the neighborhood;*

*“Amend 1,3: No investment limits. CBA process should be contingent only on the use of tax incentives.”*

*“In regard to the notification in Project Impact areas for Tier 2, my neighborhood is so sparse that few people were notified when companies reached out to neighbors. The same radius that would result in outreach to 100 homes in more dense areas resulted in outreach to two abandoned homes, one occupied home and one church in my area. I hope that you choose to*

*expand this outreach area or require that at least a set of numbers of homes are contacted in this ordinance.”*

*“I am the board chair of the Chadsey Condon Community Org. Our residents are concerned about the manner in which we are informed that public hearings/meetings are taking place by notices not being received by residents. We are also concerned about rezoning proposals being brought to Council without the property studies taking place. Finally, we are concerned about community engagement taking place late in the development process only as a formality. Community engagement should be early and often.”*

*“The Fiat Chrysler expansion should consider the environmental impacts of the expansion reach far beyond the designated impact area. Residents should be granted funds to fortify homes against pollution; this will help decrease health disparity.”*

*“1) How does the CBO address land sales/swaps with third parties (e.g. Crown Enterprises) to the development that exceeds \$1million? The third party deals should be included in the CBO & required to be announced prior to the CBO process. Significant land swaps resulting from these deals should be considered as an area to receive benefits.*

*2) What consequence is there if a developer pays a NAC member? Or if a NAC member doesn't disclose conflict of interest? The developer should be forbidden from paying NAC members.”*

*“I support the majority of the amendments: however, I would like to see the threshold of \$75,000,000 be reduced to \$25,000,000. Expand seats for community to be on NAC. If developers cannot give concrete answers we should have the opt out by the City for the developer.”*

*“I'm happy to see many of these amendments finally make it to this stage, it's not lost on me that community concerns were ignored from the beginning. Listen to residents! But in keeping good faith and optimism that Detroit's era of 'Development at any and all costs' will at some point come to a close. In addition to many of the common sense amendments that should have been accounted for in the first place, it is imperative that conflict of interest/effort is a consideration in selection of NAC members. It is imperative that these negotiations end w/ legally binding agreements. Moreover it is time for the City of Detroit to begin taking a comprehensive view of development-and a comprehensive accounting of public funded abatements. A CBO is an opportunity for a city to develop w/and for tis residents. Help us work w/developments, don't work around us. “*

*“I agree with these amendments as a start, but they need to be stronger. NAC should be majority comprised of residents chosen b community members, not City Council. 'Impact Area' should be clearly defined, and include at least the entire City Council district. All requirements for Tier 1 projects should also apply to Tier 2 projects. The whole process should be required for every development project getting public money/benefits. No development projects should be allowed to happen without full NAC approval and an enforced requirement that the developer carry out all NAC demands/recommendations. We need strict penalties for non-compliance; including stopping the development. Fines are weak and do not deter developers from disregarding community benefits requirements.”*

### **CBO Public Meeting Comments**

The following comments are a summary (not meant to be exhaustive) of the verbal comments that were given by the public during the January 20, 2020 public meeting held by the Legislative Policy Division.

1. **Detroit Digital Justice Coalition/Equitable Detroit Coalition (EDC) member**  
Supports City Council amendment #12.
2. **Detroit People's Platform (DPP) member**  
Supports the inclusion of the NAC chair participating on the enforcement committee.
3. **Local 1191 member**  
Against the CBO. Stated that the ordinance is making it harder for development. Construction workers are losing jobs.
4. **Detroit People's Platform member**  
Asked whether there would be retroactive action available for impacts of the Q-line construction and business/neighborhood disruption?
5. **Midtown/Selden Street resident**  
Stated that they served on a NAC in Midtown, and it was a waste of time. Received no information from developer. Stated that there is no teeth to hold a developer to requests of NAC. Developer said they'd just pay the penalty. Developer was non responsive.
6. **Equitable Detroit Coalition/Detroit People's Platform member**  
Supports Council Amendment #5. City Clerk should forward notices no less than 10 days from the meeting and to residents within 300 feet, information, possible impacts etc. Definition of impact area should be included.
7. **Doing Development Differently in Detroit member**  
40 organizations met to discuss the CBO. Supports expanding the NAC to include additional seats for community members and two seats for union representatives. Also asked: What happens if the majority of the NAC does not agree to the final CBA agreement?
8. **Citizen**  
Supports Amendment #15 and believes that all development agreements shall include claw backs for noncompliance.
9. **Brightmoor resident**  
Proposed New Amendment: Ordinance does not require NAC to reveal conflicts of interests currently. People who have competing affiliations such as City staff, consultants etc. should be restricted from serving on the NAC. People in positions who have conflicting responsibilities or who stand to gain financially or influenced through other means should be restricted from serving on the NAC.
10. **Citizen**  
Supports proposed amendments to CBO, but also advocates that minimum wage standards for jobs are at \$15 an hour when developers receive incentives. Desires to see provisions that make it easier for Detroiters to join a union.
11. **Beniteau Street resident/Detroit People's Platform member**  
Developer is unresponsive to community's needs. \$15,000 a house for CBA is not enough. Desires better mitigation package for air quality. States that the information from the Southwest Detroit Gordie Howe CBA negotiations mitigation was not shared with community. Want new roofs, central air, furnaces, foundation repair. Issues from the FCA construction include: vibrations from construction, fugitive dust, etc. Also feels that City government should have done better to mitigate impacts.
12. **District 5 resident/Detroit People's Platform member**

Proposed- Development Sec. 14-2-2 development project means a development that does not qualify as a tier 1 project and results in 300,000 or more.... SUPPORT

13. **Charlevoix Villages Association/Fisher Street community member**  
Problems with current ordinance: all projects that receive public subsidies should be subject to CBO; there should be no threshold. The NAC should be comprised of majority residents of the impact area and elected by the community. The ability of the NAC to cancel meetings is a loop-hole to cancel the negotiation process.
14. **Sugar Law Center attorney/Detroit People's Platform member**  
Supports proposed amendments. Restructure the NAC to increase the number of members on the NAC to include seven community members elected by residents. Additional six would be selected from youth and two labor representatives. The members should have backgrounds in various areas of expertise. Labor representatives should be required to demonstrate knowledge of impact area.
15. **Chadsey community organization member**  
The City and developer should not be negotiating or speaking too far in advance of the developer negotiating with the NAC. Need earlier engagement before deals are made.
16. **Labor Local 1191 member**  
Opposes the CBO; it is a waste of taxpayer money. It is pushing developers away and keeping skill tradesmen out of work.
17. **Citizen**  
Would like to see 300 square foot impact area for Tier 2 projects in addition to outreach area of Tier 1.  
Developers should have to resubmit to the City and start over if the project is delayed unreasonably. The NAC should be able to make the final decision. Negotiation between NAC and developer should be more robust. The LPD financial analyses should be a more critical cost/benefit analyses for projects.
18. **Southwest Detroit Coalition/Equitable Detroit Coalition member**  
Supports the proposed amendment for lowering the threshold to \$50,000,000. The market value land/subsidy trigger should be lowered from \$1million to \$500,000. Additional language to qualify what triggers a developer to have to participate is in CBA process: "any transfer to the developer of city owned land that includes acreage that is equal to one city of Detroit residential block."  
Item #12 should specifically include all parcels to be transferred to the developer and the sale price. Lastly, all agreements should result in a legally binding community benefits agreement.
19. **National Association of Black Women in Construction/Equitable Detroit Coalition member**  
Proposed amendment #14 Tier 2 projects should include language that speaks to a priority, that Detroit residents living in the impact area for promotion of hiring, training and apprenticeship programs and employment consistent with local, state, federal law. Details the developer's commitment to conduct outreach for impact area and Detroit residents.
20. **Equitable Detroit Coalition/ Detroit People's Platform member**  
Stated that the CBO process should not be permitted to conclude until a legally binding agreement agreed upon between the developer and the NAC.
21. **Citizen**  
The measure of success for the jobs that result from the CBO process should be measured in the number of people that gain meaningful employment (i.e. journeymen) and not entry-level positions.

22. **Brightmoor Connection/Equitable Detroit Coalition/ Detroit People’s Platform member**  
Proposed additional amendment: to evaluate the projects impact on quality of life, developers must complete a scorecard that details assessments related to health, social and environmental impacts for residents that live in the impact neighborhood and surrounding areas. The scorecard shall be presented by the developer at the initial meeting of the elected NAC CBO meeting.
23. **Jefferson Chalmers CDC member**  
Create binding rules to maintain consistency in the process; hold developers accountable.
24. **Corktown resident**  
There should be a moratorium on developer tax abatements until the \$600 million in over taxation of Detroit homeowners is reimbursed.
25. **Eastside resident**  
Need a moratorium on tax abatements. Taxing authorities are rubber stamping abatements. Penalties and enforcement should be imposed if developer fails to deliver on commitments.
26. **Green Acres resident/State Fairgrounds Steering Group committee member**  
Supports Doing Development Differently in Detroit’s proposed amendments; supports all Equitable Detroit Coalition amendments.
27. **Resident**  
Comment to Union brothers; people deserve to have a job with living wage; hope that City Council will take DPP and EDC amendments seriously. Engage union workers for CBO for all.
28. **Cody Rouge resident/Detroit People’s Platform member**  
Developers should have to account for the way in which tax dollars are spent. NAC members should be representative of the leadership in the impact area community. The immediate community should be able to choose the NAC members. Developer should be held accountable for jobs. Threshold for Tier 1 projects should be \$25 million.
29. **Detroit People’s Platform member**  
Supports increasing the number of meetings; supports the Equitable Detroit Coalition amendments.
30. **West Grand Boulevard Collaborative member**  
If developers can’t do business in Detroit without subsidies then they’re not good business people. We want elected officials to represent community members.
31. **District 5 resident**  
People should have first right of first refusal for homes in the neighborhood that the Land Bank owns. Residents need to be able to vote for the NAC.
32. **Detroit People’s Platform member**  
Take back government. Citizens should be benefiting from development. Make government officials accountable.
33. **Citizen**  
Against taxation without representation; I’m the only brown face on the construction job. I had to have multiple advocates to get the job. It should not be this hard to enter the field.
34. **Detroit Digital Justice Coalition member**

Community concerns are ignored. Development at all cost should end. CBA negotiations should result in a legally binding contract. Make developer's be accountable for abatements received.

**35. North End resident**

Desires CBO language that defines community engagement to be executed. The Land Bank should be shut down.

**36. Detroit Digital Justice Coalition member**

NAC should be majority comprised of and chosen by community. Impact area should include entire City Council District. All requirements for Tier 1 projects and meetings should apply to Tier 2 and any other project receiving public subsidies. We need strict penalties for noncompliance. The CBA should be a legally binding agreement.

**37. District 5 resident**

Supports Detroit People's Platform recommendations. Too many Detroit employees involved in community meetings and not enough citizens.

**38. Citizen**

Don't take a blank check from developers.

**39. Midtown resident**

Campaigned for the NAC for the Wgle CBO. Felt that the vote was rigged because some people brought their friends to vote. Doesn't agree with prioritizing development and not focusing on stormwater management and climate change issues. We need developers to help provide free internet for the city.

**Conclusion**

At this point in time, LPD staff is prepared to receive further direction from the Planning and Economic Development Standing Committee and City Council for next steps in this process. City Council may want to review and consider the additional proposed amendments and public input that has been received and detailed in this report. There was also discussion early on in this process concerning a dialogue with the Administration related to the proposed amendments that are under consideration. If it is Your Honorable Body's desire, the working group may be reassembled to consider the additional amendments and public feedback that have been proposed. LPD will proceed with next steps under your direction.