

CBO Meeting #3 - Tuesday September 15, 2026

WELCOME TO THE **RENAISSANCE CENTER AND EAST RIVERFRONT PROJECT** **COMMUNITY BENEFITS MEETING**



**RISE
HIGHER**
MAYOR MARY SHEFFIELD

MEETING AGENDA

- Welcome & Introductions
- Neighborhood Advisory Council (NAC)
Introductions and Roles
- Project Economic Benefit and Tax Incentives
- NAC Discussion / Q & A
- General Q & A
- Next Steps



**RISE
HIGHER**
MAYOR MARY SHEFFIELD

DETROIT CITY COUNCIL MEMBERS



**Council Member
Renata Miller**
District 5



**Council President
Pro-Tempore
Coleman A.
Young II**
At-large



**Council Member
Mary Waters**
At-large

CITY OF DETROIT DEPARTMENTS & AGENCIES



PLANNING & DEVELOPMENT DEPARTMENT
MAYOR'S OFFICE + JOBS & ECONOMY TEAM
DEPARTMENT OF NEIGHBORHOODS



DETROIT ECONOMIC GROWTH
CORPORATION

DEVELOPMENT TEAM



CBO TIER 1 PROCESS - DETAILED CBO MEETING SCHEDULE

WEEK 1: TUESDAY AUG. 18 - INTRODUCTION TO CBO PROCESS AND DEVELOPER PRESENTATION OF THE PROJECT

WEEK 2: *NAC INTEREST INFORMATIONAL SESSION*

WEEK 3: TUESDAY SEPT. 1 - IMPACT AREA RESIDENTS VOTE FOR TWO (2) NAC MEMBERS

WEEK 4: *BYE WEEK for REMAINING NAC APPOINTMENTS & ORIENTATION*



WEEK 5: TUESDAY SEPT. 15 - DEVELOPER PRESENTATION & DEGC PRESENTS INCENTIVES PACKAGE

WEEK 6: TUESDAY SEPT. 22 - NAC WORKING SESSION

WEEK 7: TUESDAY SEPT. 29 - NAC PRESENTATION OF IMPACTS

WEEK 8: TUESDAY OCT. 6 - NAC WORKING SESSION

WEEK 9: TUESDAY OCT. 13 - DEVELOPER PRESENTS RESPONSES TO IMPACTS

WEEK 10: TUESDAY OCT. 20 - FINALIZATION AND POTENTIAL NAC VOTE ON AGREEMENT

WEEK 11: TUESDAY OCT. 27 - IF NEEDED: CONTINUED DEVELOPER / NAC DISCUSSIONS

TOWARDS FINAL RESOLUTION AND VOTE ON COMMUNITY BENEFITS AGREEMENT

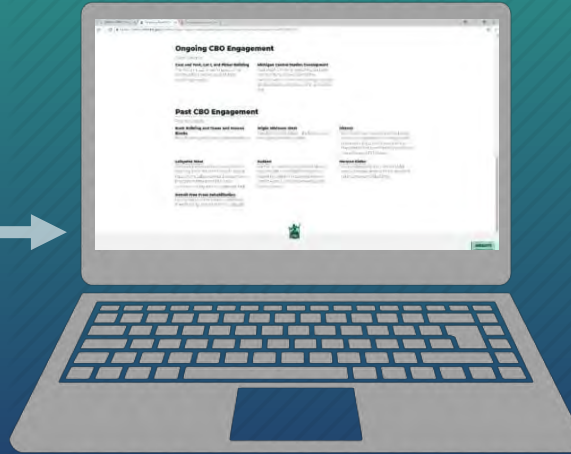
BEFORE PUBLIC MEETING #3

PDD INFORMS NAC MEMBERS VIA EMAIL OR PHONE THAT THEY HAVE BEEN SELECTED & HOLDS AN ORIENTATION TO PROVIDE THE NAC WITH:

- MEETING AGENDAS
- ROLES & RESPONSIBILITIES
- PREVIOUS EXAMPLES OF CBOS
- NAC CONTACT LIST
- OTHER “ESSENTIAL INFORMATION” AS SPECIFIED IN THE CBO

CITY OF DETROIT CBO WEBSITE

THE CBO WEBSITE
IS UPDATED
REGULARLY WITH
PUBLIC MEETING
TIMES, DATES, &
PRESENTATIONS
+ THE SIGNED
COMMUNITY
BENEFITS
PROVISION

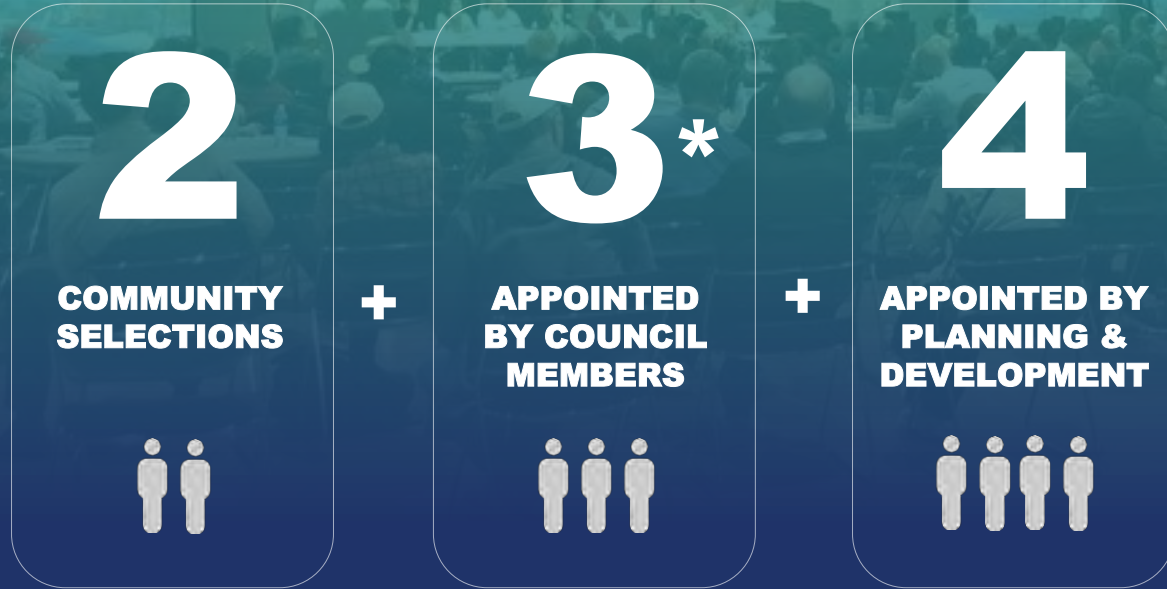


SUBSCRIBE TO EMAIL UPDATES ON THE WEBSITE
WWW.DETROITMI.GOV/RENCEN

NEIGHBORHOOD ADVISORY COUNCIL

CBO TIER 1 PROCESS

Neighborhood Advisory Council (NAC) Selection - 9 Members



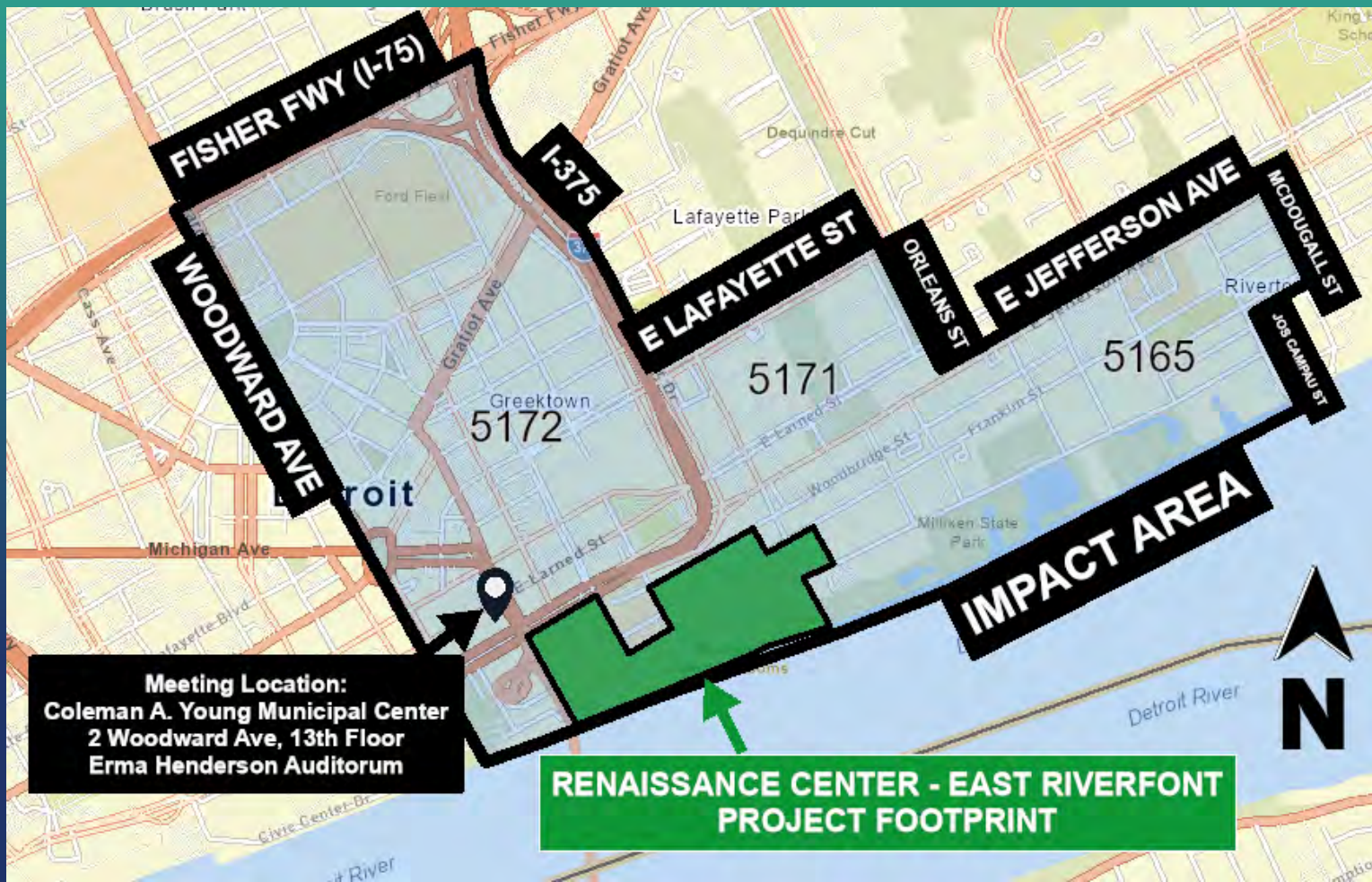
**Appointed by 2 At-Large Members and the Council Member whose district contains the largest portion of the Impact Area*

RENAISSANCE CENTER AND EAST RIVERFRONT PROJECT

CBO IMPACT AREA

**4,648
Residents**

**Based on
Census
Boundaries
per the
CBO**



NAC SELECTION – ROLES & RESPONSIBILITIES

ELIGIBILITY

- Primary residence is within the impact area.
- At least 18 years of age.
- No agents or employees / affiliates of the Developer or involved City Departments / Agencies.
- MUST BE NOMINATED AT THE PUBLIC CBO MEETING.

REQUIRED DUTIES

- Must attend all scheduled CBO meetings.
- Develop NAC impact list.
- Review Community Benefits Report written by the Planning and Development.
- Develop a letter of consensus regarding the proposed Community Benefits.
- Compliance: Review biannual compliance report to monitor progress and status of project.
- Compliance: Attend annual meeting to discuss the status of the project.

RESPONSIBILITIES

- You cannot use this position for personal gain and must declare any conflicts of interest.
- You are agreeing to represent your neighbors – receiving and providing community feedback
- You are agreeing to work in a transparent and public manner
- You are agreeing to work collaboratively with fellow NAC members to make official recommendations to mitigate any negative impacts of the project.
- You are advising the City of Detroit and City Council on how best to mitigate impacts.

NEIGHBORHOOD ADVISORY COUNCIL (NAC)

- **Teron Haynes Jr.** - Elected by Impact Area Residents
- **Gail Perry-Mason** - Elected by Impact Area Residents
- **Aloshia Jackson** - Appointed by Council Member Renata Miller
- **Jamaine Dickens** - Appointed by Council President Pro Tempore Coleman A. Young II
- **Linda Middlebrooks-Talbot** - Appointed by Council Member Mary Waters
- **Catherine Cheung** - Appointed by Planning & Development
- **Deirdre Jackson** - Appointed by Planning & Development
- **Jeff Mastej** - Appointed by Planning & Development
- **Bernard Morgan II** - Appointed by Planning & Development
- **Steven Lavrenz** - Alternate appointed by Planning & Development*

NAC MEMBER ROLES / POSITIONS

CHAIRPERSON

- Facilitate NAC meetings and activities in accordance with these Working Agreements and the NAC's adopted procedures.
- Work with appropriate City staff and/or project team representatives to develop meeting agendas and identify action items.
- Help ensure effective and equitable participation by NAC members.

NAC MEMBER ROLES / POSITIONS

VICE-CHAIRPERSON OF COMMUNITY ENGAGEMENT

- Lead the NAC's efforts to maintain meaningful two-way communication with residents and stakeholders.
- • Develop and coordinate strategies for gathering community input, ensuring residents, businesses, community organizations, and other stakeholders within the Impact Area and across Detroit have meaningful opportunities to participate.
- • Encourage NAC members to engage with their respective networks and bring community feedback back to the NAC.
- • Assist the Chairperson in the above noted duties.
- • Facilitate and guide NAC activities in the Chairperson's absence.

VICE-CHAIRPERSON OF PROJECT MANAGEMENT

- Maintain a clear and organized list of NAC priorities, action items, assignments, deadlines, and deliverables, working in partnership with the Secretary to ensure the NAC's work is effectively tracked, completed, and on schedule.
- • Help ensure that materials, recommendations, letters, reports, presentations, and other NAC deliverables are prepared, reviewed, and approved in a timely manner.
- • Track progress on NAC deliverables, identify potential delays, gaps, follow-up items, and outstanding issues, and bring them to the NAC's attention for resolution.
- • Assist the Chairperson in the above noted duties.

NAC MEMBER ROLES / POSITIONS

SECRETARY

- Record notes, decisions, and action items at meetings or activities of the NAC.
- Maintain NAC records, documents, correspondence, and resources.
- Assist in maintaining an accessible record of NAC decisions and activities.
- Receive and respond to correspondence addressed to the NAC.

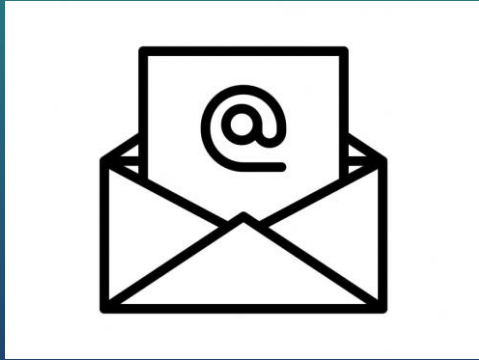
PARLIMENTARIAN

- Maintain familiarity with Robert's Rules of Order while recognizing the NAC's adopted Charter, Working Agreements, and other governing procedures take precedence.
- Serve as a neutral procedural resource to help the NAC conduct its business in an orderly, fair, and consistent manner.
- Support orderly meetings by maintaining the established order of business and ensuring discussion follows adopted meeting procedures.

ALTERNATE*

- Non-voting member
- Attends all public CBO meetings and participates in NAC activities – as agreed upon with the NAC members

CONTACT THE NAC DIRECTLY



RenCenNAC@gmail.com

The RenCen and East Riverfront

CBO MEETING #3, SEPTEMBER 15, 2026

 BEDROCK



Contents

PART 01

BEDROCK: DEVELOPMENT PROGRAM

PART 02

DEGC: ECONOMIC AND FISCAL ANALYSIS

RenCen + East Riverfront Program

A true ‘mixed-use’ program, this plan combines small business retail, destination anchors, hotel + hospitality, and mixed-income housing— all built around civic spaces and waterfront accessibility.

PROGRAM

RESIDENTIAL

OFFICE

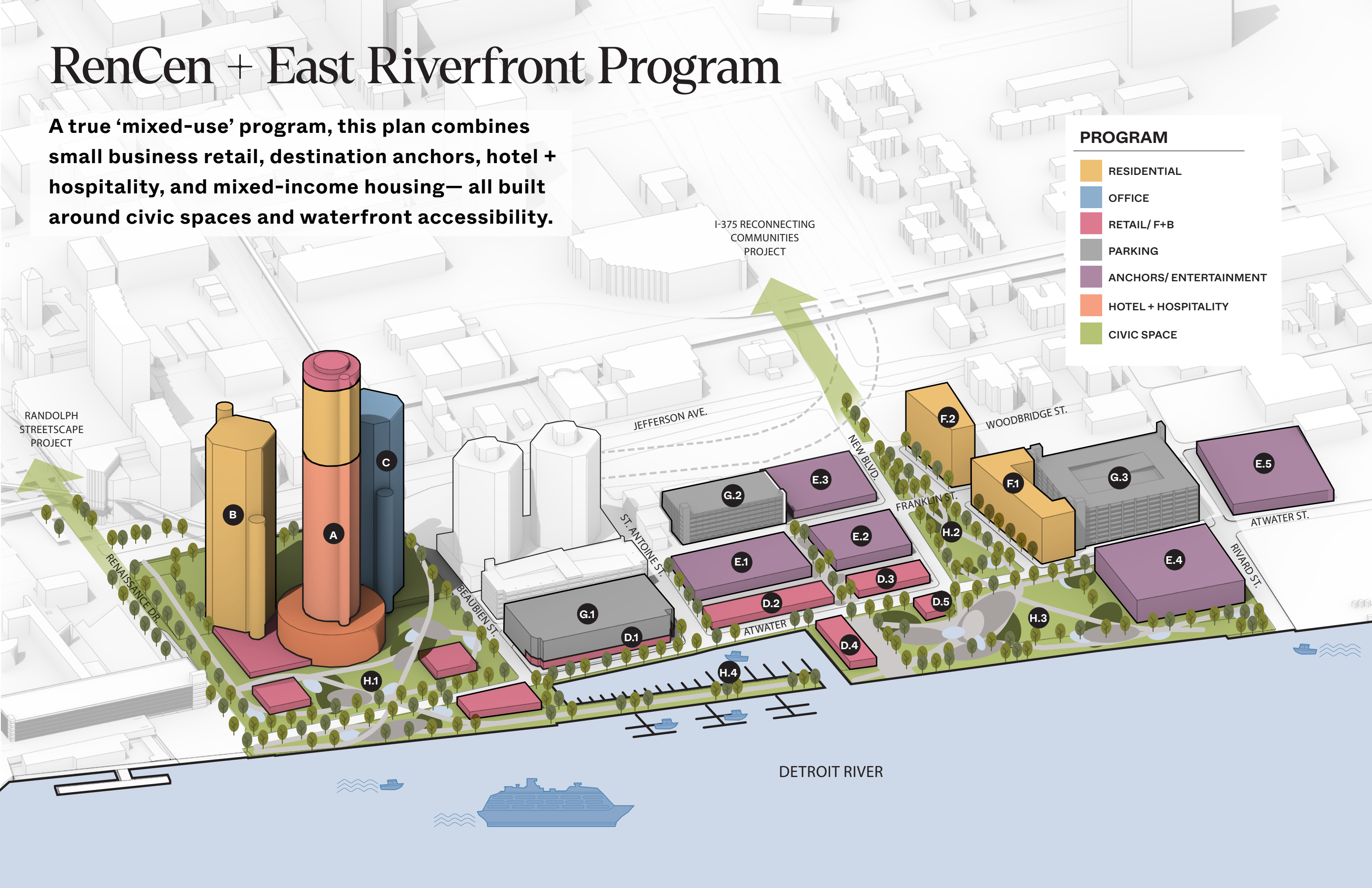
RETAIL/ F+B

PARKING

ANCHORS/ ENTERTAINMENT

HOTEL + HOSPITALITY

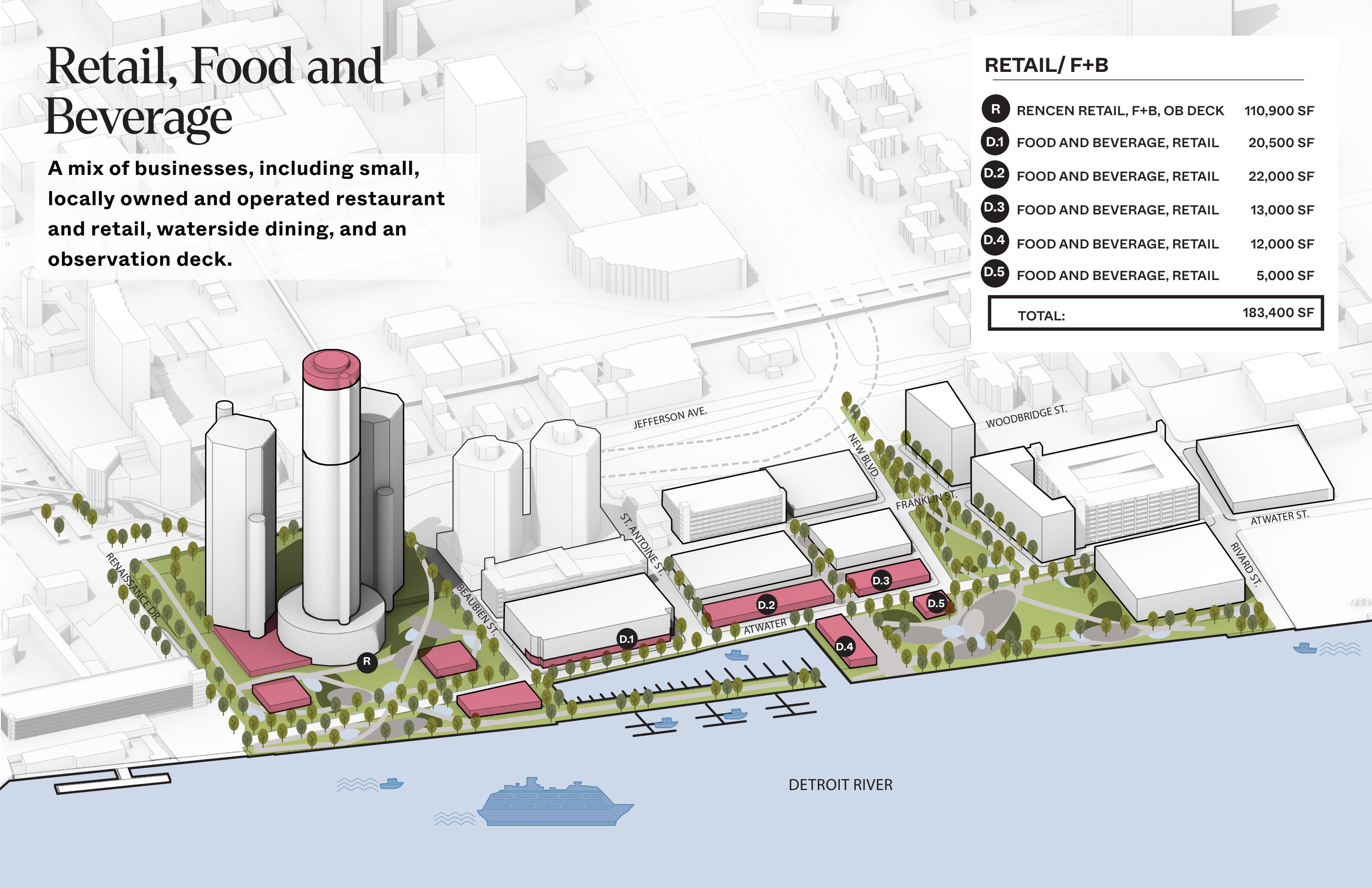
CIVIC SPACE



Retail, Food and Beverage

A mix of businesses, including small, locally owned and operated restaurant and retail, waterside dining, and an observation deck.

RETAIL/ F+B		
R	RENCEN RETAIL, F+B, OB DECK	110,900 SF
D.1	FOOD AND BEVERAGE, RETAIL	20,500 SF
D.2	FOOD AND BEVERAGE, RETAIL	22,000 SF
D.3	FOOD AND BEVERAGE, RETAIL	13,000 SF
D.4	FOOD AND BEVERAGE, RETAIL	12,000 SF
D.5	FOOD AND BEVERAGE, RETAIL	5,000 SF
TOTAL:		183,400 SF



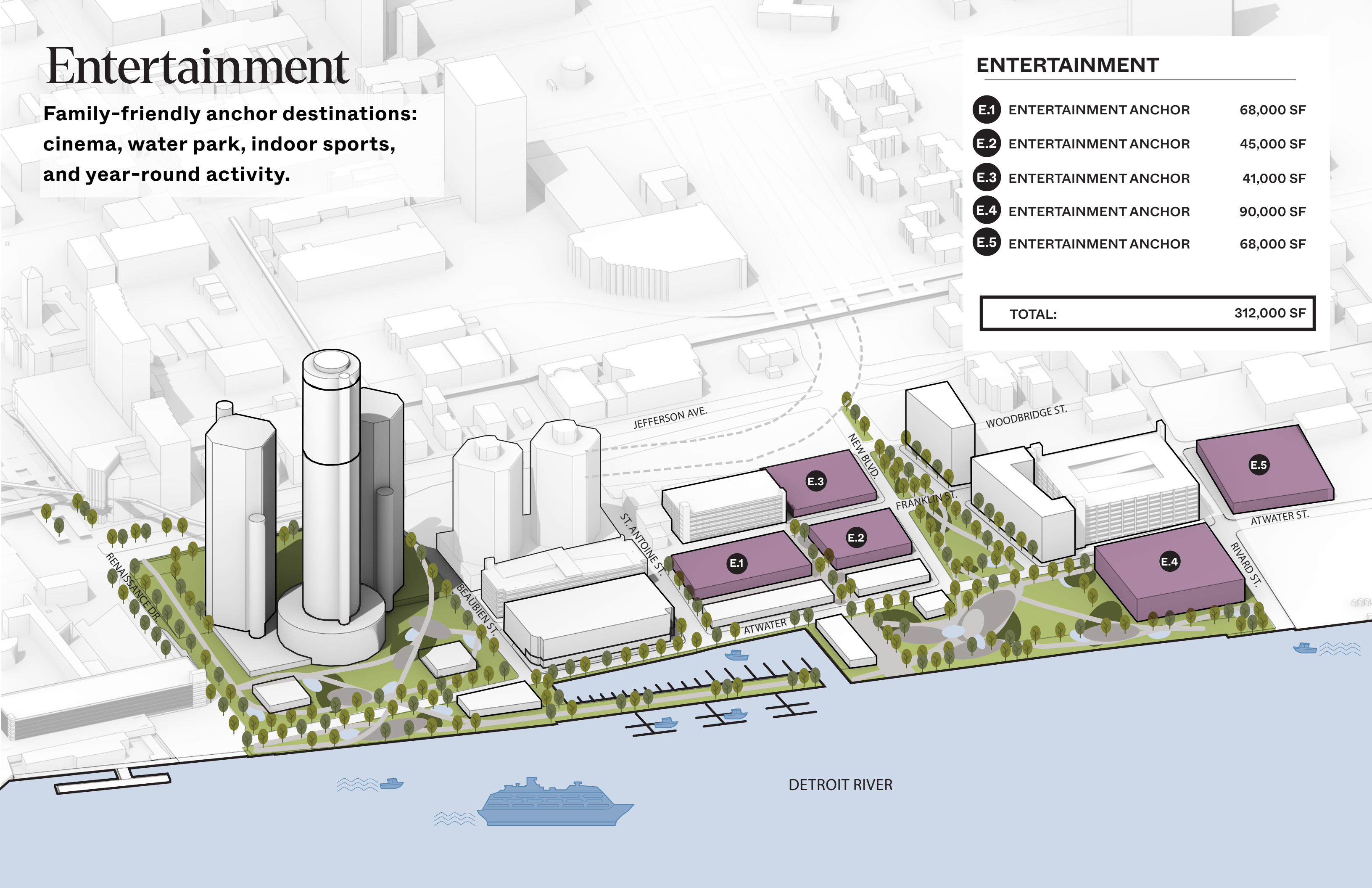
Entertainment

Family-friendly anchor destinations:
cinema, water park, indoor sports,
and year-round activity.

ENTERTAINMENT

E.1	ENTERTAINMENT ANCHOR	68,000 SF
E.2	ENTERTAINMENT ANCHOR	45,000 SF
E.3	ENTERTAINMENT ANCHOR	41,000 SF
E.4	ENTERTAINMENT ANCHOR	90,000 SF
E.5	ENTERTAINMENT ANCHOR	68,000 SF

TOTAL:	312,000 SF
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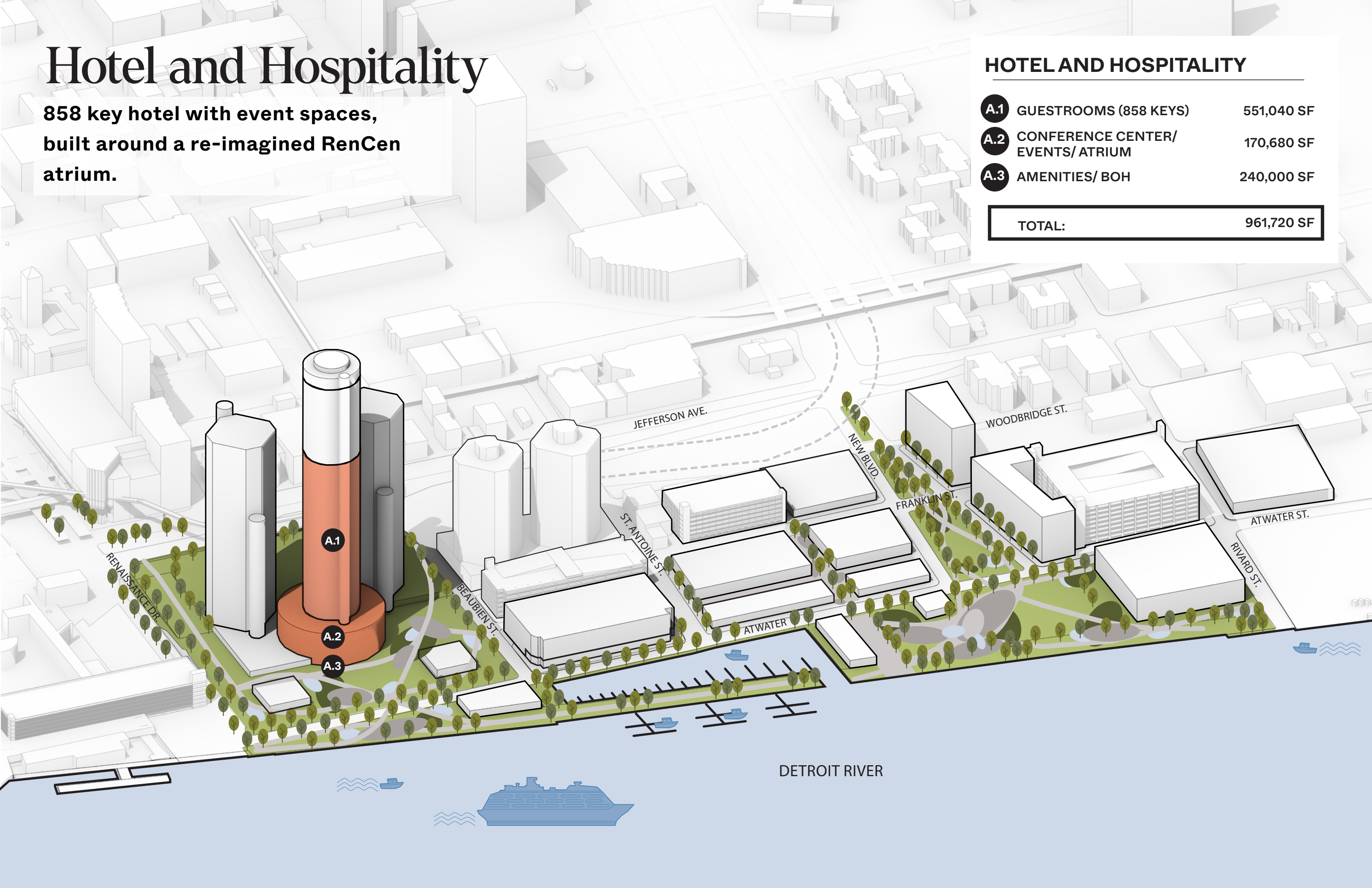
Hotel and Hospitality

858 key hotel with event spaces,
built around a re-imagined RenCen
atrium.

HOTEL AND HOSPITALITY

A.1	GUESTROOMS (858 KEYS)	551,040 SF
A.2	CONFERENCE CENTER/ EVENTS/ ATRIUM	170,680 SF
A.3	AMENITIES/ BOH	240,000 SF

TOTAL:	961,720 SF
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Office

Tower 200 to remain office.

OFFICE

C OFFICE

675,200 SF

TOTAL:

675,200 SF



Residential

934 mixed-income residential units across four buildings, including studios, 1-bedroom and 2-bedroom units.

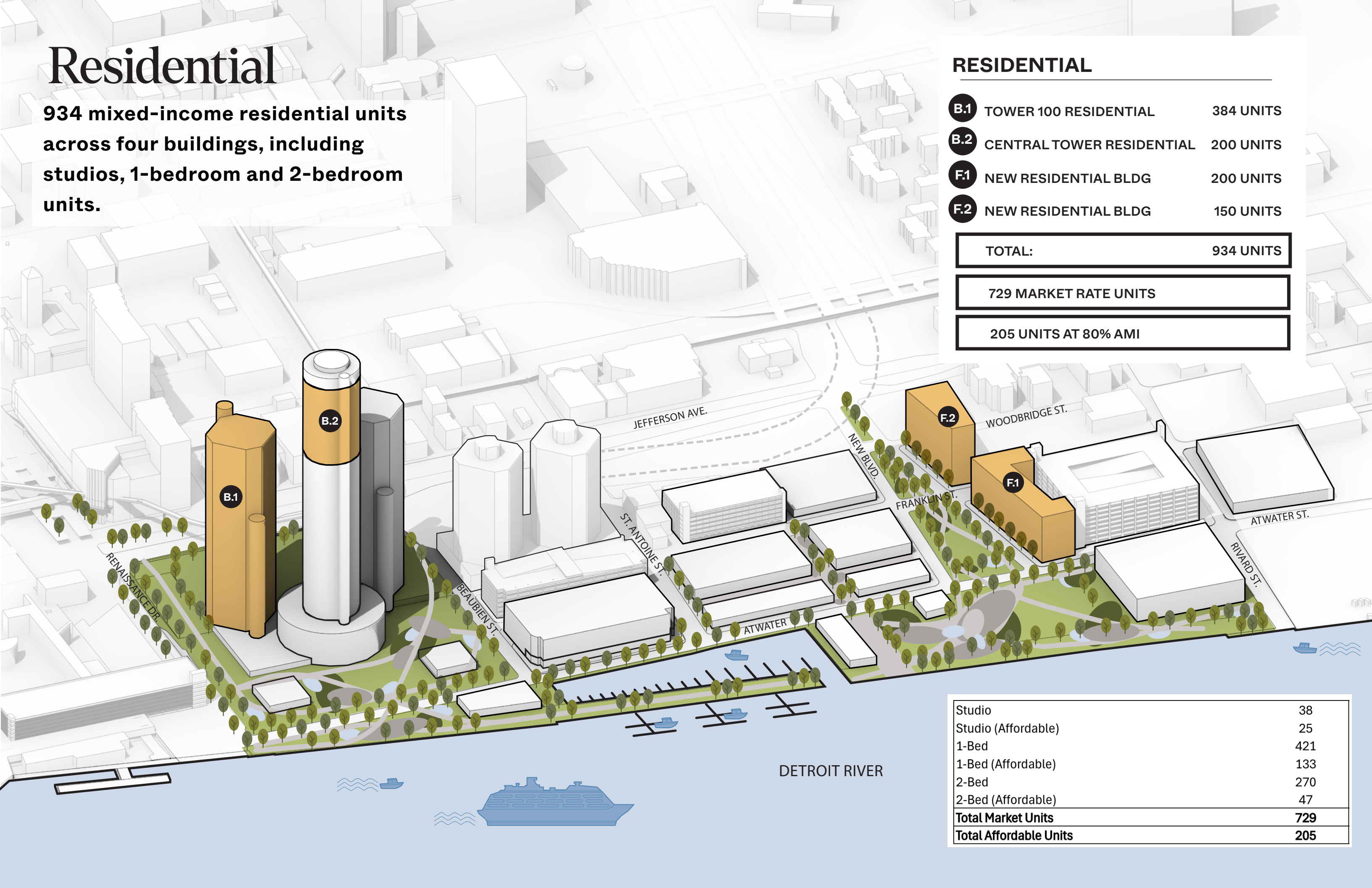
RESIDENTIAL

B.1	TOWER 100 RESIDENTIAL	384 UNITS
B.2	CENTRAL TOWER RESIDENTIAL	200 UNITS
F.1	NEW RESIDENTIAL BLDG	200 UNITS
F.2	NEW RESIDENTIAL BLDG	150 UNITS

TOTAL:	934 UNITS
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729 MARKET RATE UNITS

205 UNITS AT 80% AMI



Studio	38
Studio (Affordable)	25
1-Bed	421
1-Bed (Affordable)	133
2-Bed	270
2-Bed (Affordable)	47
Total Market Units	729
Total Affordable Units	205

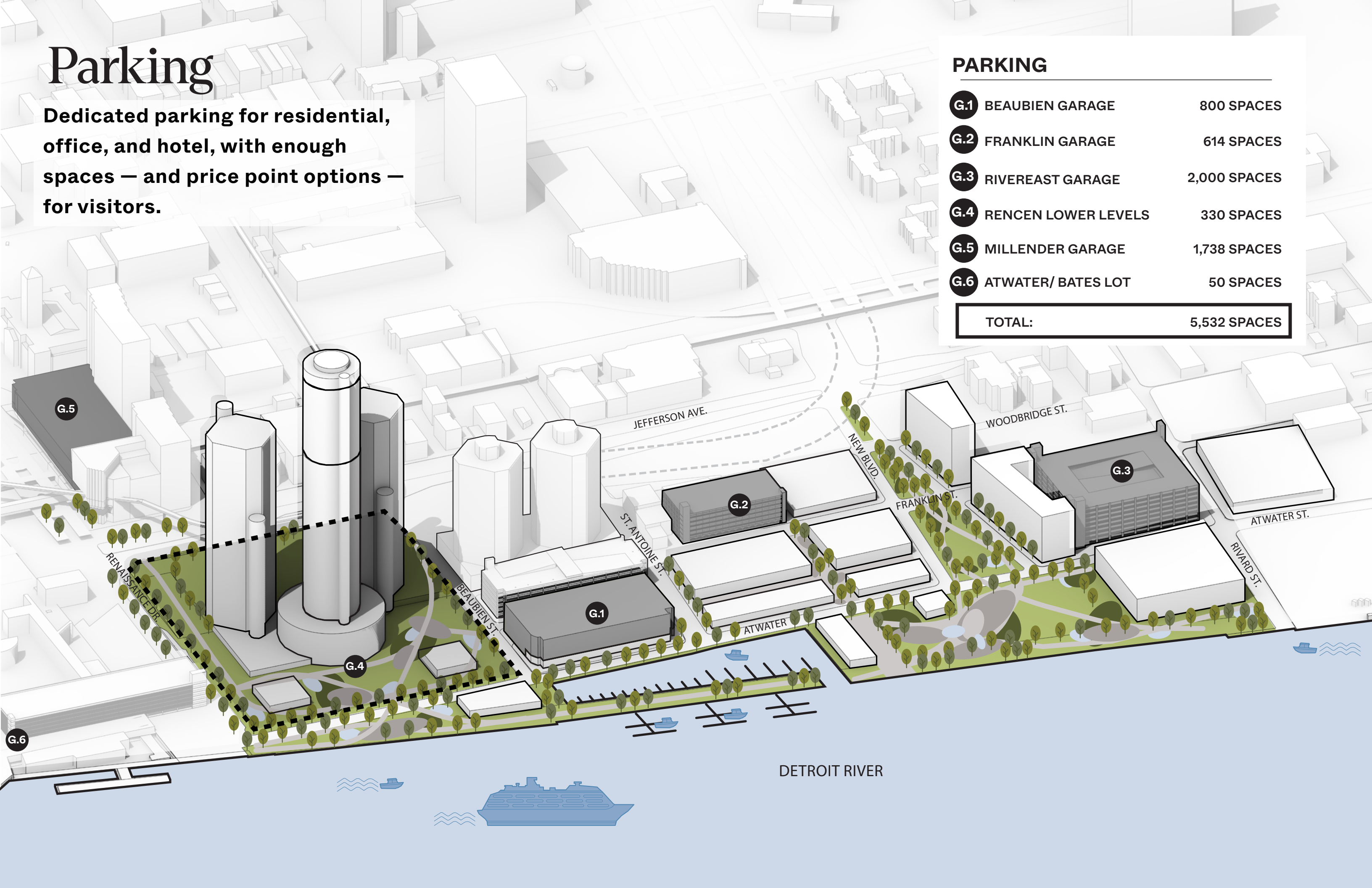
Parking

Dedicated parking for residential, office, and hotel, with enough spaces — and price point options — for visitors.

PARKING

G.1	BEAUBIEN GARAGE	800 SPACES
G.2	FRANKLIN GARAGE	614 SPACES
G.3	RIVEREAST GARAGE	2,000 SPACES
G.4	RENCEN LOWER LEVELS	330 SPACES
G.5	MILLENDER GARAGE	1,738 SPACES
G.6	ATWATER/ BATES LOT	50 SPACES

TOTAL:	5,532 SPACES
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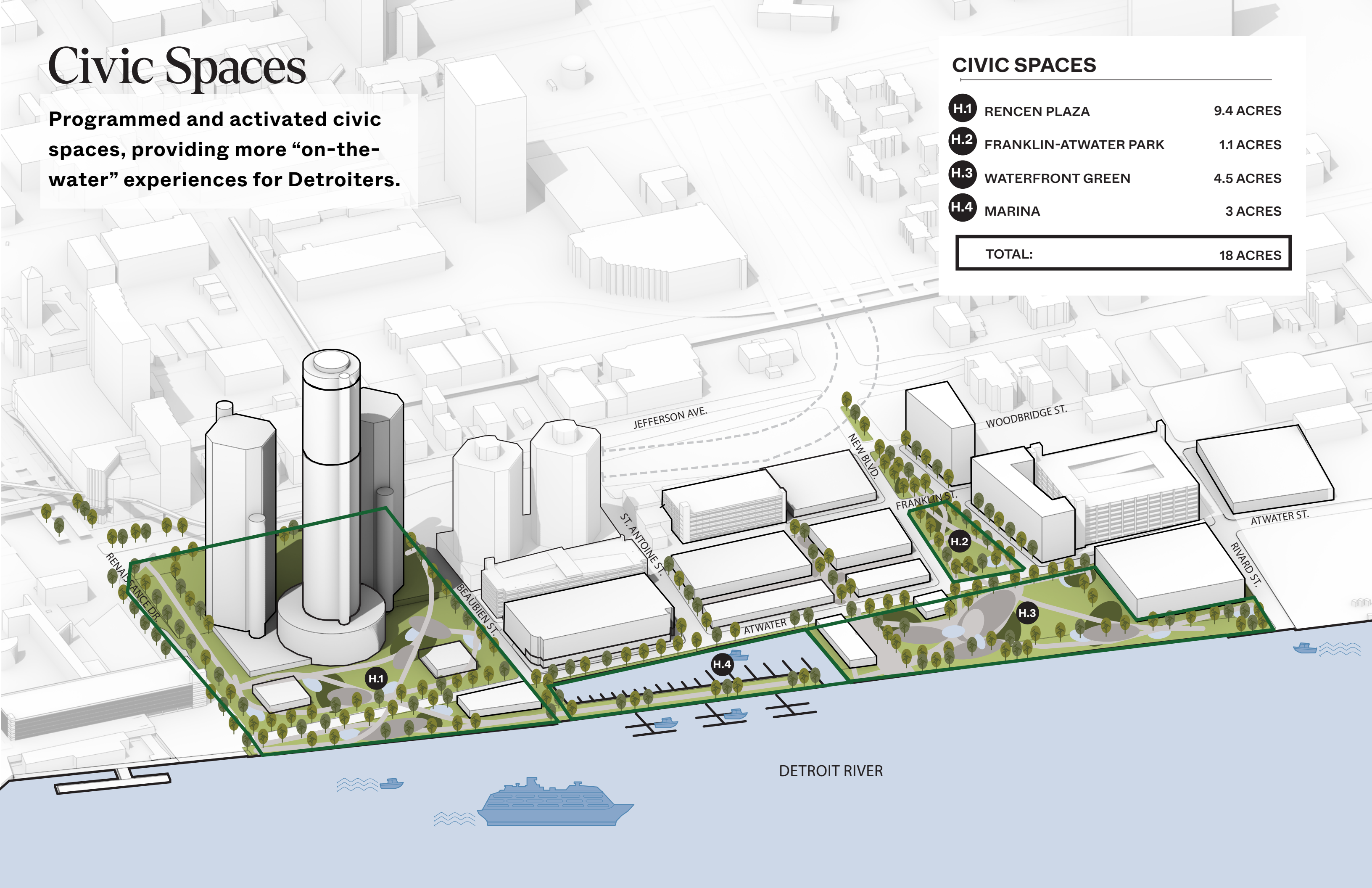
Civic Spaces

Programmed and activated civic spaces, providing more “on-the-water” experiences for Detroiters.

CIVIC SPACES

- H.1 RENCEN PLAZA 9.4 ACRES
- H.2 FRANKLIN-ATWATER PARK 1.1 ACRES
- H.3 WATERFRONT GREEN 4.5 ACRES
- H.4 MARINA 3 ACRES

TOTAL:	18 ACRES
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Development Program

RENCEN AND EAST RIVERFRONT PROGRAM

This plan preserves the best parts of the RenCen — hotel, retail, food and beverage, and hospitality...

... And adds in what has been missing: civic spaces, residential, and more public accessibility to our waterfront.



35+ acres of coordinated redevelopment



934 new mixed-income residential units



858-room rehabilitated hotel



18 acres of civic space



Expanded waterfront access



495,000 SF of food, beverage, retail, entertainment



675,200 SF of refreshed office space



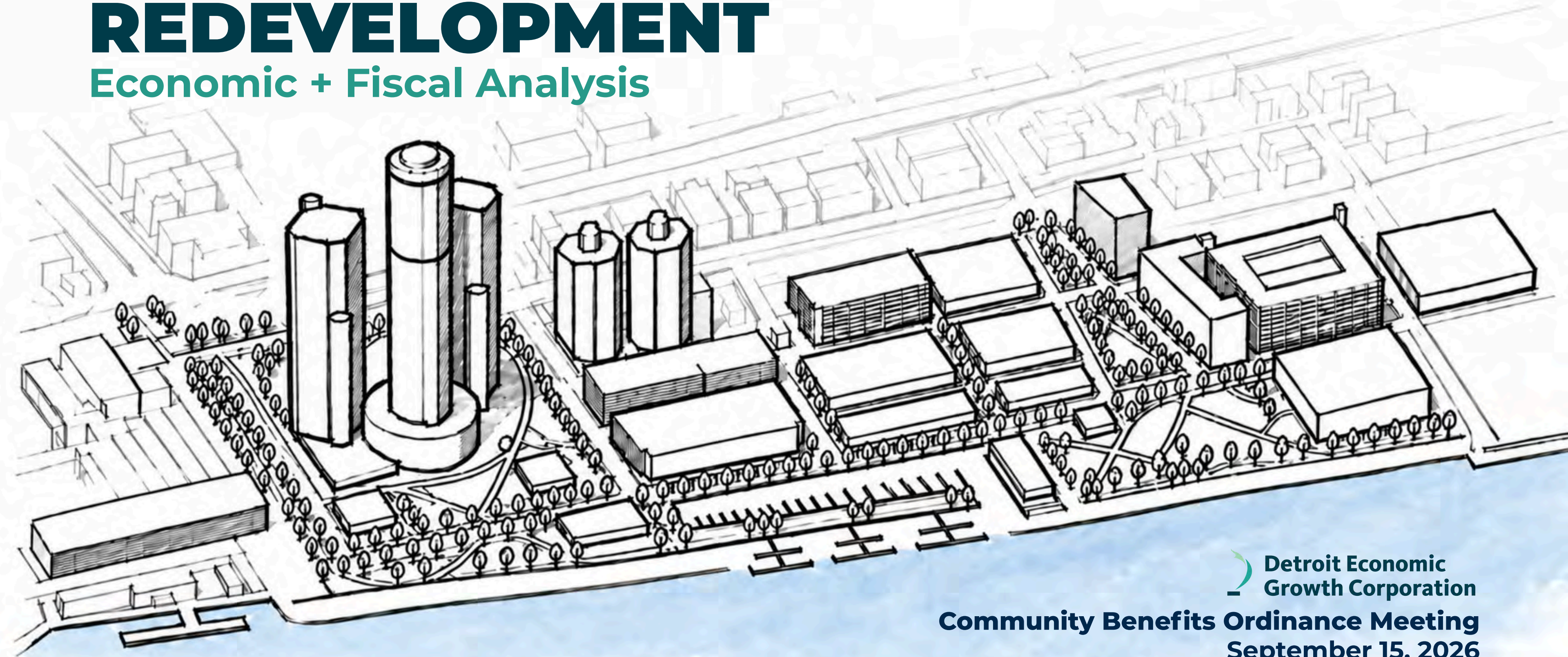
Observation deck



5,532 parking spaces

RENCEN + EAST RIVERFRONT REDEVELOPMENT

Economic + Fiscal Analysis



 **Detroit Economic
Growth Corporation**
Community Benefits Ordinance Meeting
September 15, 2026

ABOUT DEGC

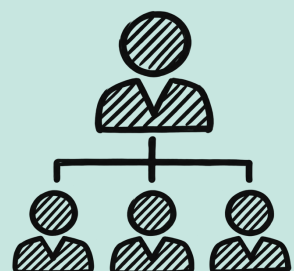


MISSION

To design and implement innovative solutions that attract investment, create jobs, and advance Detroit's economy for ALL residents.

VISION

To be Detroit's leading economic development and jobs organization, leveraging our expertise and innovation to advance a sustainable, robust, and inclusive economy.



WHAT WE DO

- Facilitate public incentives and project financing
- Attract and retain businesses
- Support small businesses and commercial corridors
- Prepare public sites for redevelopment and manage public development authorities.

GOVERNANCE

- Private non-profit directed by a board of civic, corporate, and government leaders, including three ex-officio City officials.

PROJECT OVERVIEW

RENCEN + EAST RIVERFRONT REDEVELOPMENT

A mixed-use redevelopment of the Renaissance Center + East Riverfront

The Investment

\$2.24B

Estimated Total Investment

\$2.21B

Hard + Soft Construction Costs

What's Being Built



934

Total Residential Units

205

Residential Units @ 80%
AMI



858

Hotel Rooms



596K

SF Office



495K

SF Retail/ Food +
Beverage/ Entertainment



18 ac

SF Public Space + Marina

What Detroit Receives

\$301.50M

30-Year Net Fiscal Benefit

2,754

New Direct FTE jobs

8,243

Construction Jobs

\$3.03B

Estimated Visitor
Spending Over 30 Years

RENCEN + EAST RIVERFRONT

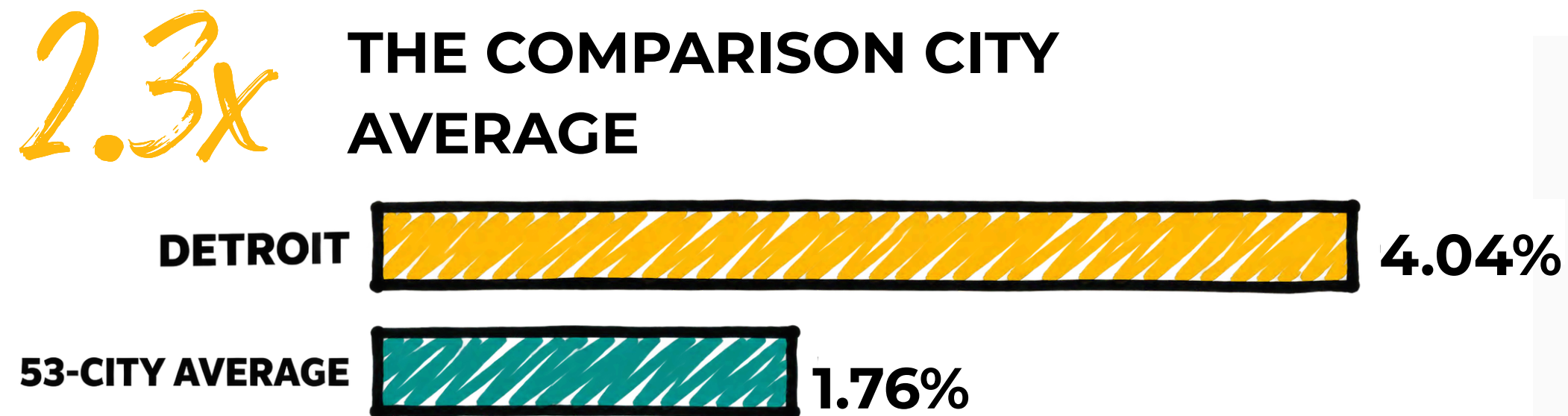
SOURCES+ USES

SOURCES		
Debt	\$504.8M	22.57%
Investor Equity	\$1.66B	74.08%
DDA Contribution	\$75.00M	3.35%
Total Sources	\$2.237B	100%
USES		
Acquisition Costs	\$30.10M	1.34%
Carrying Costs	\$51.50M	2.31%
Leasing Costs	\$46.2M	2.07%
Parking Garage Initial Capital	\$3.7M	0.16%
Hard + Soft Costs	\$2.10B	94.12%
Total Uses	\$2.237B	100%

THE ECONOMIC PROBLEM

DETROIT'S COMMERCIAL TAX RATES CHALLENGE PROJECTS

Highest effective property tax rate amongst 53 cities.



What the Math Means

A larger recurring tax bill leaves less income to support the project's value - and its financing.

Effective rate = annual property tax bill/ market value. Standardized \$1 million commercial property.

Source: Lincoln Institute of Land Policy and Minnesota Center for Fiscal Excellence, 50-State Property Tax Comparison Study: Taxes Paid in 2025

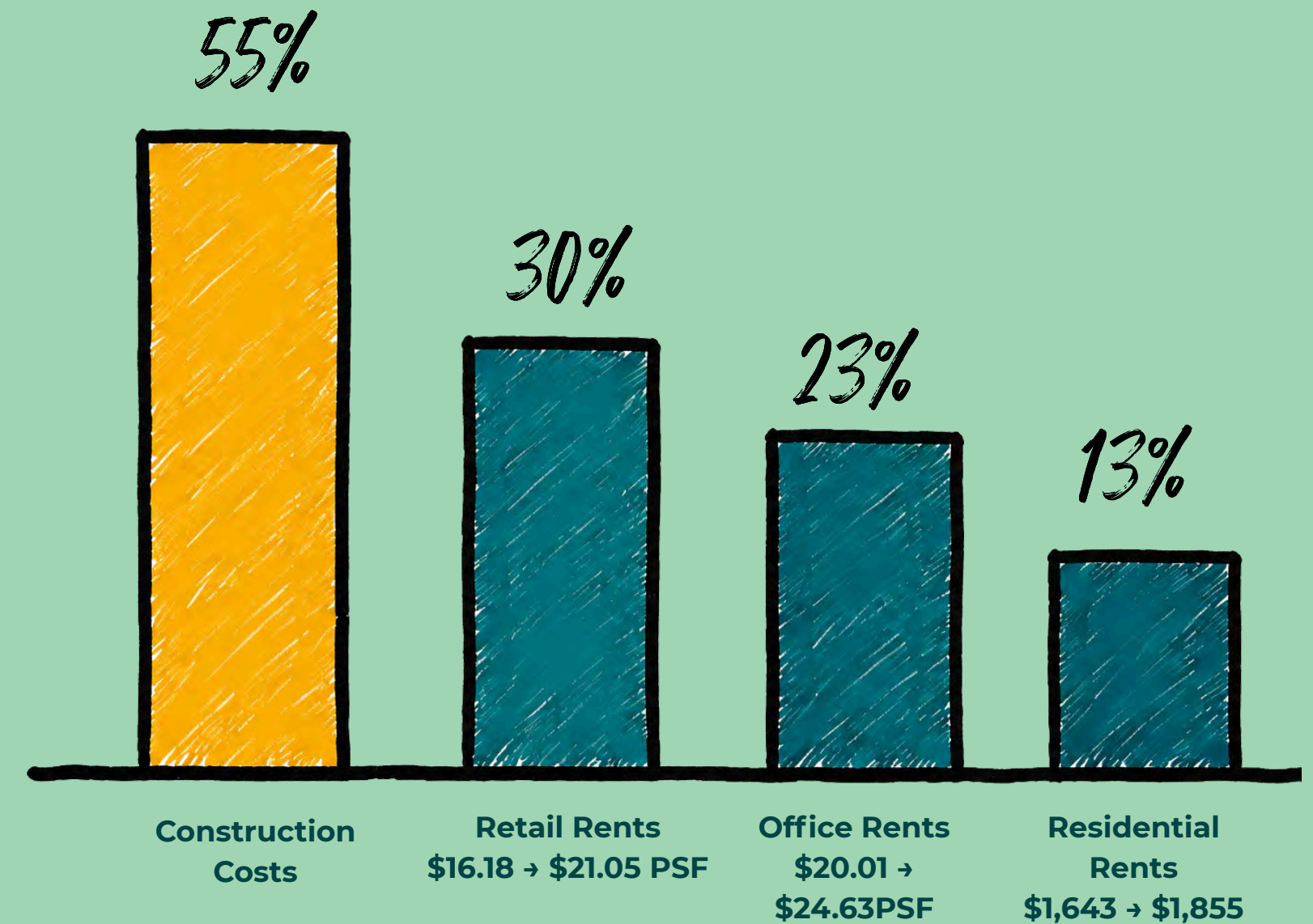
CONSTRUCTION COSTS HAVE OUTPACED REVENUE INCREASES

2016-2026 change in construction costs and average CBD rents.



CONSTRUCTION COSTS
+55%

\$75M in construction costs in 2016
is now \$116M in today's dollars.

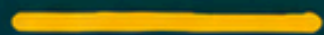


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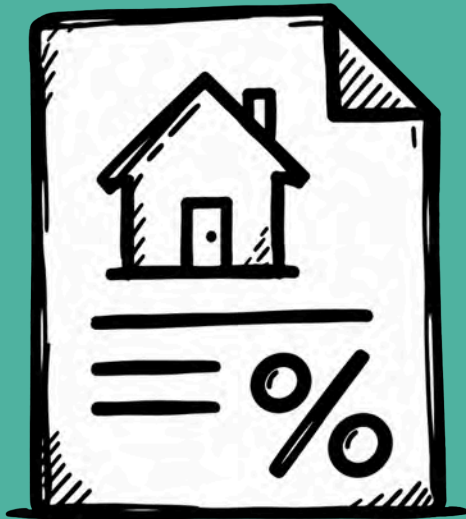
Construction Costs: Turner Construction Cost Index

Rental Rates: Costar CBD Market Data 9.2026

THE PUBLIC TOOLS



WHY WE USE TAX INCENTIVES FOR ECONOMIC DEVELOPMENT



ADDRESS
HIGH TAXES



OFFSET RISING
CONSTRUCTION
COSTS



REHABILITATE
BLIGHTED,
CONTAMINATED
+ OBSOLETE
STRUCTURES



BRING MORE
AFFORDABLE
HOUSING
UNITS TO
MARKET



BRING MORE
RETAIL TO
DETROIT

HOW DEGC REVIEWS PROJECTS



STRATEGIC BENEFITS

Aligns with the City's goals and initiatives

What We Look For:

- ✓ Advances City priorities
- ✓ Activates underutilized properties
- ✓ Creates community amenities



ECONOMIC BENEFITS

Creates economic opportunity for residents and businesses

What We Look For:

- ✓ Construction jobs created
- ✓ FTE job creation
- ✓ New local businesses supported
- ✓ Long-term economic growth in the area



FISCAL BENEFITS

Generates a net fiscal benefit for the City

What We Look For:

- ✓ Net fiscal benefit to the City
- ✓ Positive return over time
- ✓ Sustainable impact on City revenues



"BUT-FOR" TEST

Demonstrates a need for DEGC support to move forward

What We Look For:

- ✓ Inability to cover debt payments
- ✓ Inability to attract investor capital
- ✓ Gap that public support will close

TAX INCENTIVE OVERVIEW

RenCen and East Riverfront Incentive Requests

TOOL	 PA 381 Transformational Brownfield Plan	+	 PA 376 Renaissance Zone	+	 PA 210 Commercial Rehabilitation Act
WHAT IT DOES	Uses eligible state tax revenues to reimburse eligible project costs.		Exempts qualifying property taxes, city resident income tax, and business income tax.		Freezes existing building value and reduces taxes on eligible rehabilitation value.
TERM	<u>Up to 30 Years</u>		<u>Up to 30 Years</u>		<u>Up to 12 Years</u>

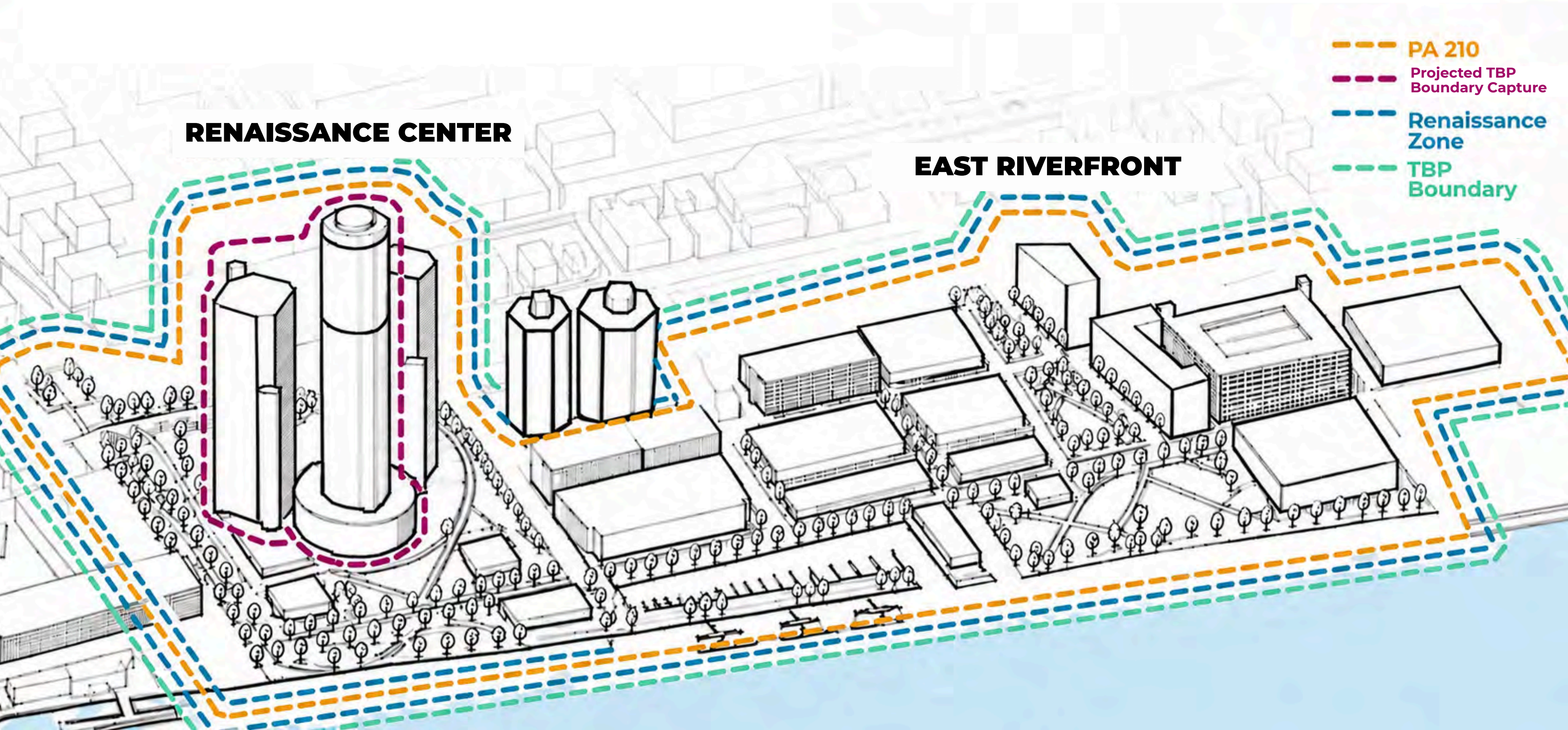
Each tool supports a different part of the project’s financing need.

INCENTIVE STRATEGY

RENAISSANCE CENTER

EAST RIVERFRONT

- PA 210
- Projected TBP Boundary Capture
- Renaissance Zone
- TBP Boundary



TRANSFORMATIONAL BROWNFIELD PLANS



WHAT IT HELPS FUND

Helps address high construction costs on large, catalytic projects.



HOW IT WORKS

Exempts and captures certain state taxes generated by the Transformational Brownfield Plan properties and reimburses the developer

HOW THE LAW EXPANDED

2017

Michigan amended Act 381 to authorize TBPs.

Summer 2026

Michigan increased the statewide cap to allow new TBP projects.

TRADITIONAL vs. TRANSFORMATIONAL

ELIGIBILITY + COSTS	TRADITIONAL Brownfield Plan	TRANSFORMATIONAL Brownfield Plan		
ELIGIBLE PROPERTY	Eligible property under Act 381	Act 381 eligibility plus additional TBP requirements		
MINIMUM INVESTMENT	No minimum investment	\$500M in Detroit		
ELIGIBLE COSTS	Specific, limited eligible activities	All eligible activities, including construction		
TAX CAPTURE + EXEMPTIONS				
Property tax increment	30 years	Property tax increment		30 years
Construction materials	—	100%	Sales tax exemption	5 years
Construction labor	—	100%	State income tax capture	5 years
Sales & Use Tax	—	100%	State tax capture	20 years
Permanent employees	—	50%	State withholding tax capture	20 years
Project residents	—	100%	State income tax capture	20 years

RENCEN TBP: ELIGIBLE EXPENSES

RENCEN COMPLEX

PHASE 1

\$268M



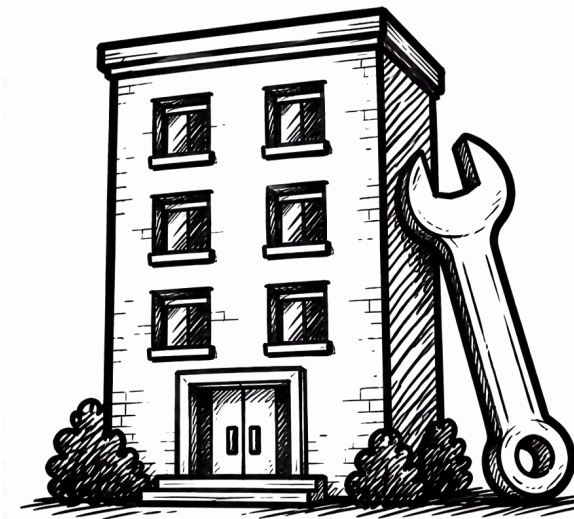
\$96M

DEMOLITION



\$82M

**SITE
IMPROVEMENTS**



\$90M

BUILDING WORK*

PHASE 2



\$32M

BUILDING WORK*

* Building work includes restoration, alteration, renovation or improvement of buildings.

**TOTAL TBP REIMBURSEMENT
FOR ELIGIBLE EXPENSES**

\$300M

RENCEN TBP: ELIGIBLE CAPTURE

CAPTURE SOURCES	PHASE 1 Center Tower + podium Hotel, residential + retail	PHASE 2 Tower 100 Residential + retail	TOTAL
STATE CAPTURES			
 Construction state income tax Captures	\$6.3M	\$0	\$6.3M
 Sales and use tax Captures	\$209.1M	\$0	\$209.1M
 Commercial state withholding tax Captures	\$19.9M	\$0	\$19.9M
 Residential state income tax Captures	\$32.5M	\$32.2M	\$64.7M
LOCAL Property tax TIF 	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL CAPTURES*	\$267M*	\$32.2M	\$300M*

State TBP exemptions + captures cannot exceed \$300M per state law.

TBPs: OVERSIGHT



COST REVIEWED

Construction costs are reviewed for eligibility and reasonableness before approval for TBP reimbursement.



PERFORMANCE BASED

Reimbursement only comes from projects completed and taxes paid.



COMPLIANCE REQUIRED

The developer must comply with all regulations, ordinances and agreements to receive TBP payments.

HOW RENAISSANCE ZONES WORK

30
Year Zone

Land + Building

Land, existing buildings, and new improvements are generally exempt from most ad-valorem property taxes.

Additional Exemptions

Personal property taxes, utility user's taxes, and municipal income taxes for residents and businesses are generally exempt.



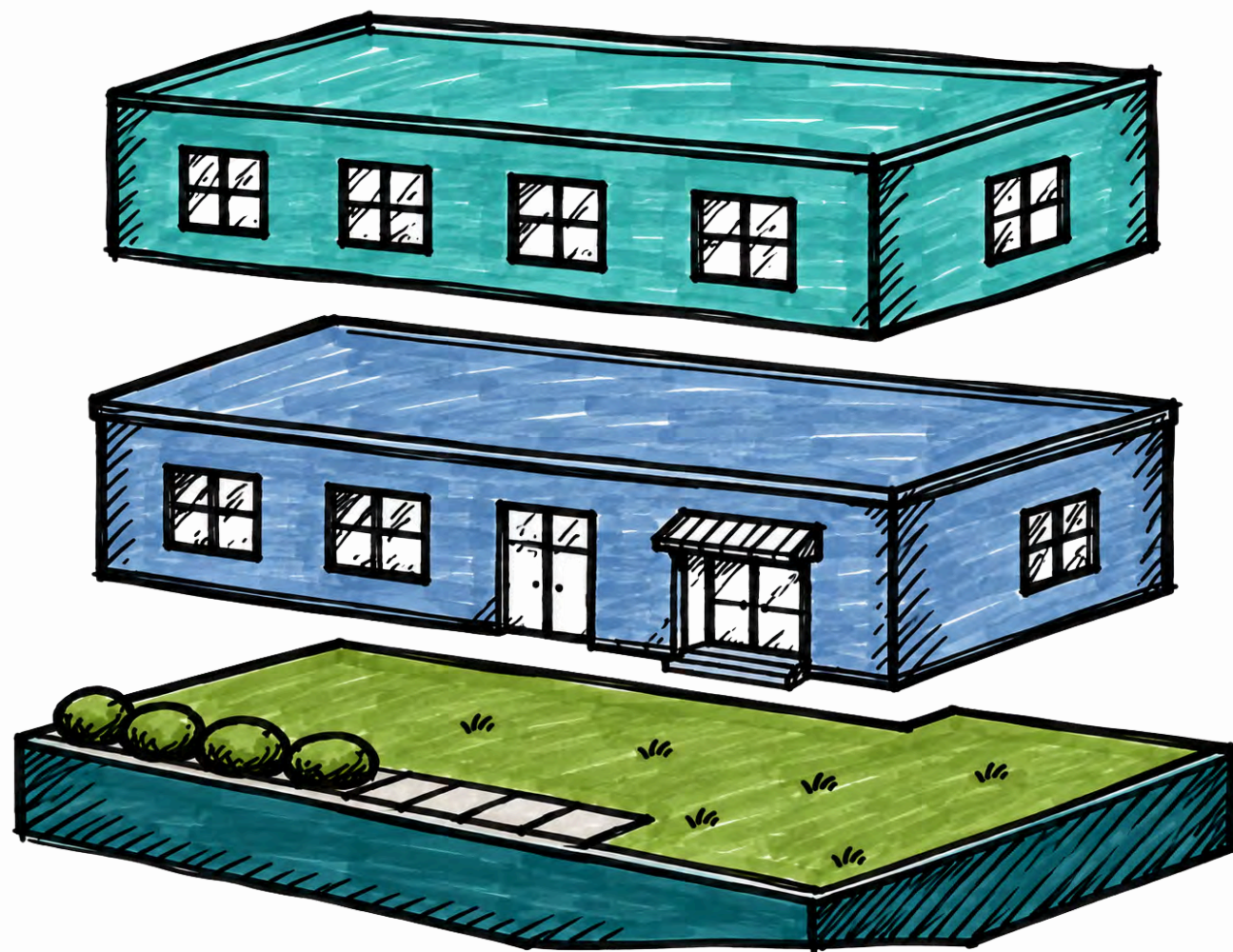
State Reimbursements

The State of Michigan will make certain taxing jurisdictions whole:

- School operating
- Library
- Wayne RESA
- Wayne County Community College

HOW THE PA210 TAX ABATEMENT WORKS

Property-tax treatment during the exemption term.



NEW IMPROVEMENT VALUE

PARTIALLY ABATED

New construction or rehabilitation value is taxed only on the non-abated mills.

EXISTING BUILDING VALUE

FROZEN BASE

The property's taxable value is frozen at its value immediately before the exemption begins; full millage still applies.

LAND

NOT ABATED

Land remains fully taxable. All normal ad-valorem mills continue to apply.



FULL TAXES ON LAND

+



FULL TAXES ON FROZEN
PRE-REHAB BUILDING
VALUE

+



TAXES ON NEW
IMPROVEMENT USING
ONLY NON ABATED MILLS

A FIRST OF ITS KIND COMMITMENT IN DETROIT

1.



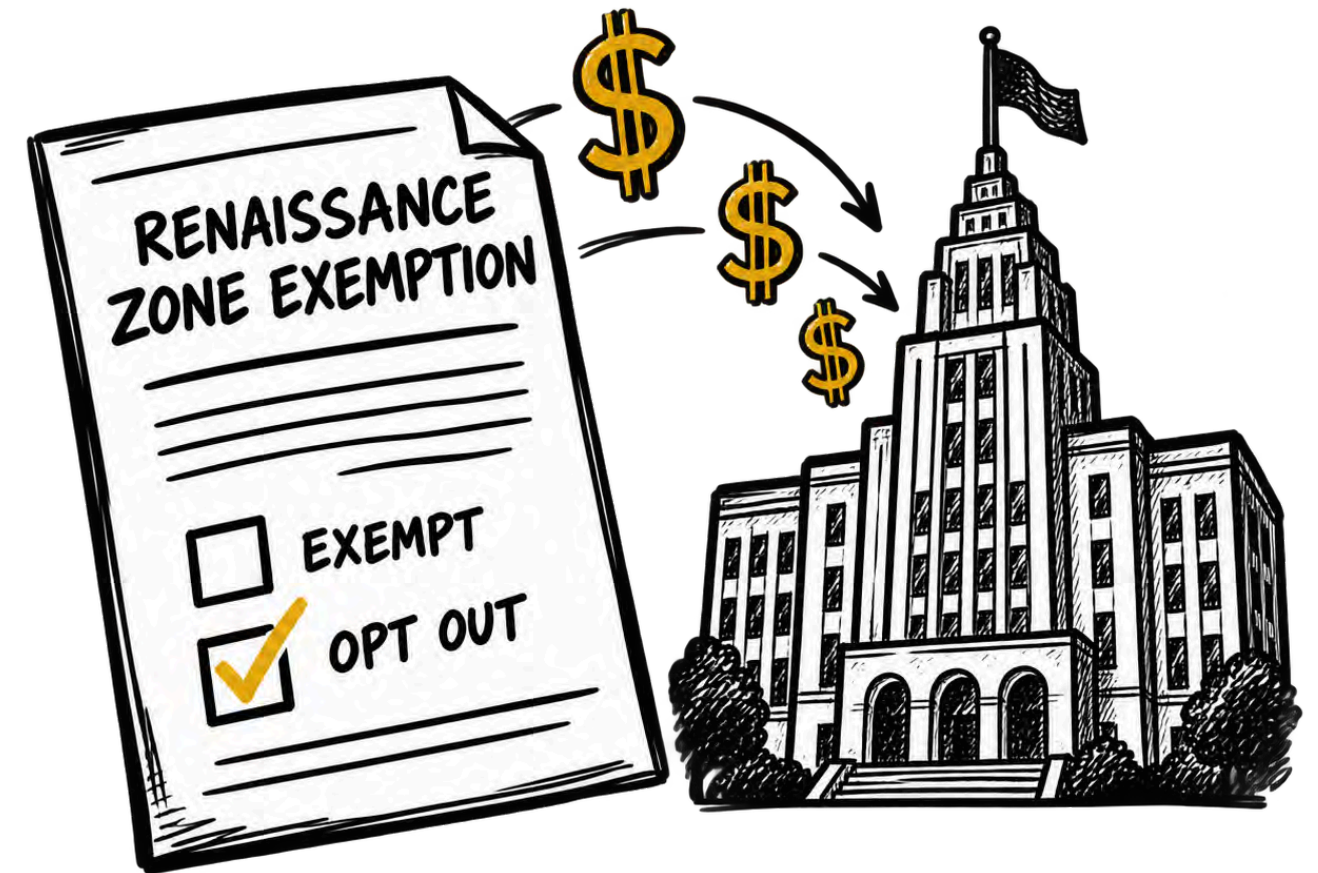
VOLUNTARY + BINDING

Payments will be subject to an enforceable agreement with the City and State.

\$94.8 MILLION
CITY

\$31.2 MILLION
COUNTY

2.



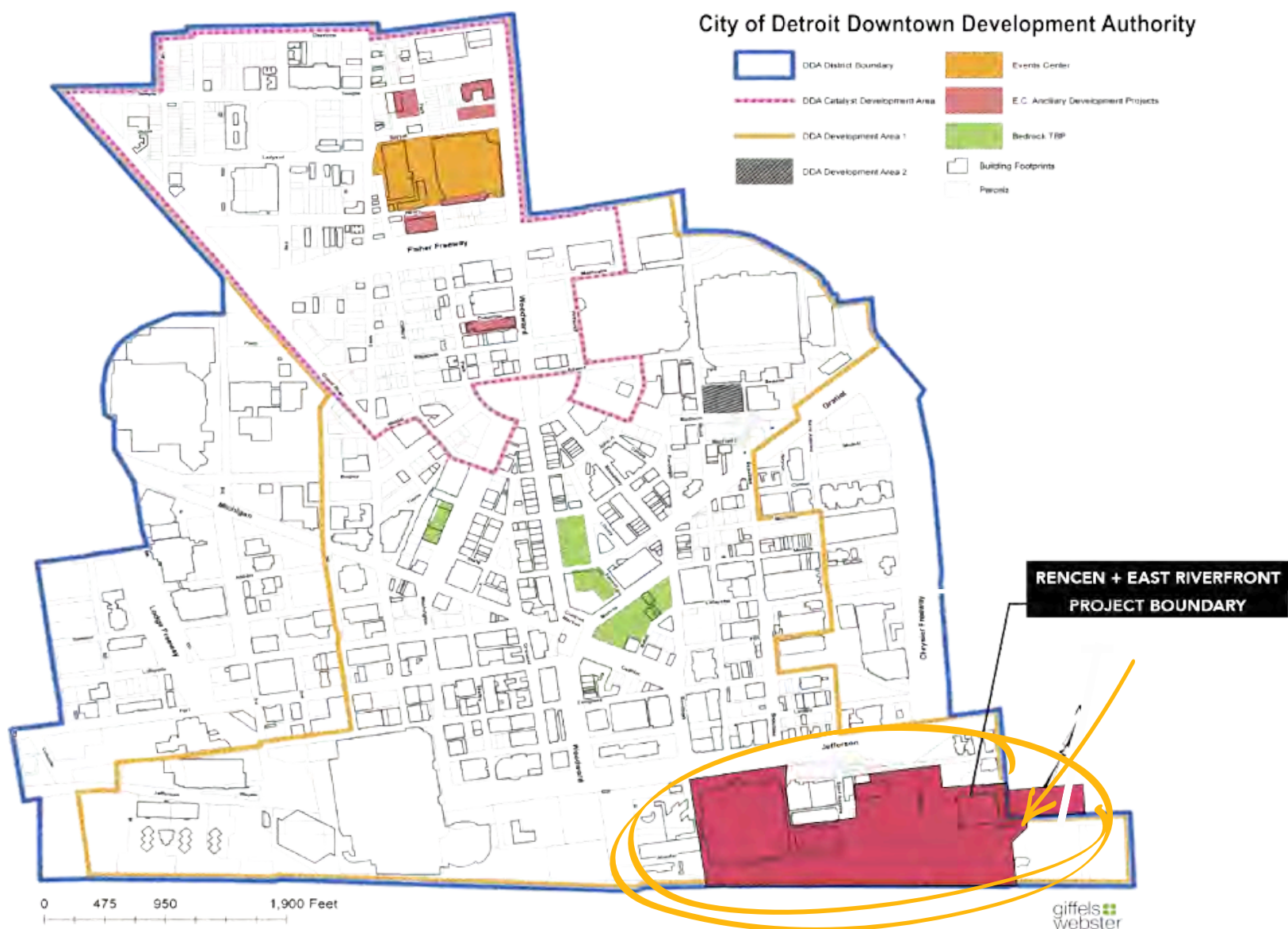
THE DEVELOPER WILL OPT OUT

Developer will exercise this opt-out and enter into a binding agreement so the City receives 100% of the Resident and Corporate Income Tax.

100% OF CITY INCOME TAX COLLECTED

THE DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

Why the project's property tax revenue flows to the DDA



ESTABLISHED IN 1976

- The DDA was created under Mayor Coleman Young.



BY LAW

- The DDA captures virtually all new property taxes within its boundaries.



PROJECT LOCATION

- All parcels in this project (*except one*) is entirely located in the DDA.

STATE REIMBURSEMENT UNDER RENAISSANCE ZONE ACT

Why It Matters

- 1. Unlike most abatements, the State reimburses many local taxing units for taxes abated in a Renaissance Zone.
- 2. City and County operating taxes are addressed through PILOT payments; other eligible units are reimbursed by the state.
- 3. Without this approach, the DDA would capture majority of these taxes.

TAXING UNIT	WITHOUT RENAISSANCE ZONE	WITH RENAISSANCE ZONE
City Operating	DDA	PILOT
City Debt	DDA	DDA
County Operating	DDA	PILOT
School Operating	DDA	Reimbursed by State
School Debt	DDA	DDA
RESA	DDA	Reimbursed by State
Community College	DDA	Reimbursed by State
Library	Library	Reimbursed by State

BUT-FOR ANALYSIS

WHY INCENTIVES ARE NEEDED

The but-for test



Could this project move forward without incentives?

NO—THIS PROJECT WOULD
NOT MOVE FORWARD WITHOUT INCENTIVES.



**LENDERS WOULD
NOT FINANCE IT**

The project would not
meet lender underwriting
requirements.



**INVESTORS WOULD
NOT FUND IT**

The project would not
meet investor return
requirements.

HOW WE TEST FEASIBILITY

The two questions lenders and investors ask



**CAN PROJECT
INCOME COVER
ITS DEBT
PAYMENTS?**

DSCR

Debt Service Coverage Ratio (DSCR) measures whether project income can pay its debt after operating expenses.



**WILL THE
RETURN JUSTIFY
THE
INVESTMENT +
RISK?**

CoC RETURN + IRR

Cash on Cash Return (CoC) and Internal Rate of Return (IRR) are metrics that measure the expected return to investors.

WHAT INCENTIVES CHANGE

DEGC underwriting and “but-for” analysis tests whether a project meets responsible financial thresholds.

DEGC GUIDELINES



DSCR $\leq 1.5x$

CoC: $\leq 15\%$

IRR: $\leq 18\%$

WITHOUT INCENTIVES



DSCR

0.77x

**CoC
Return**

-0.8%

IRR

-5.4%

WITH INCENTIVES



DSCR

1.19x

**CoC
Return**

1.0%

IRR

-2.2%

Incentives improve feasibility; they do not create excess return.

FISCAL ANALYSIS

TOTAL VALUE OF ALL INCENTIVES

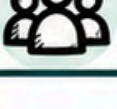
STATE INCENTIVES	
PA 381 TBP REIMBURSEMENT (30 YEARS)	\$300 MILLION

PROPERTY TAX INCENTIVES	
PA 376 RENAISSANCE ZONE NET VALUE (30 YEARS)	\$133.81 MILLION
PA 210 COMMERCIAL REHABILITATION ACT (12 YEARS)	\$39.12 MILLION
TOTAL PROPERTY TAX INCENTIVES	\$172.93 MILLION



CITY OF DETROIT 30-YEAR FISCAL BENEFIT

NO DEVELOPMENT

	City property tax	\$21.3M
\$75.6M TOTAL ESTIMATED PAYMENT - \$54.3M DDA CAPTURE = \$21.3M NET BENEFIT TO CITY		
	City income tax	Minimal
	Utility user's tax	Minimal
	Misc. taxes + fees	Minimal
	Cost of City services	Minimal

\$21.3M

30-YEAR CITY BENEFIT

CURRENT ANNUAL FISCAL BENEFIT

\$710K/YEAR

PROPOSED REN ZONE + PA 210

	City property taxes	\$141.3M
	City income taxes	\$135.7M
	Utility user's tax	\$0
	Misc. taxes + fees	\$45.9M
	Cost of City services	(\$21.4M)

\$301.5M

30-YEAR CITY BENEFIT

AVERAGE ANNUAL FISCAL BENEFIT

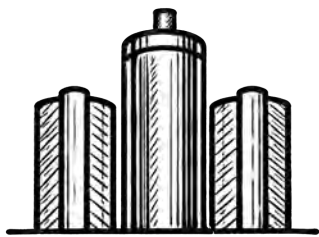
\$10.05M/YEAR

Includes \$94.8M in PILOT payments

Developer opt-out: City retains 100%

THE BOTTOMLINE FOR DETROIT

Over 30 years, the RenCen + East Riverfront redevelopment is projected to generate...



\$301.5M

NET FISCAL BENEFIT TO THE CITY OF DETROIT

This is the net benefit after accounting for the project’s incentive structure.



\$3.03B

ESTIMATED VISITOR SPENDING
over 30 years

TOOLS THAT MAKE THE PROJECT POSSIBLE

State incentive participation **\$300M**

Property tax incentive tools **\$172.93M**

THE PUBLIC-INTEREST CASE

\$301.5M

WITH DEVELOPMENT

30-year City net fiscal benefit

vs.

\$21.3M

WITH NO DEVELOPMENT

30-year modeled City benefit

What Detroit Receives

\$3.03B of added economic activity.

PRIVATE CAPITAL CARRIES THE RISK

\$1.657B

investor equity

74%

of total sources

TOOLS IMPROVE FEASIBILITY

DSCR: 0.77 to 1.19x

Cash-on-cash: -0.8% to 1.0%

The tools improve the feasibility, not returns.

CITY REVENUE IS PROTECTED

\$94.8M

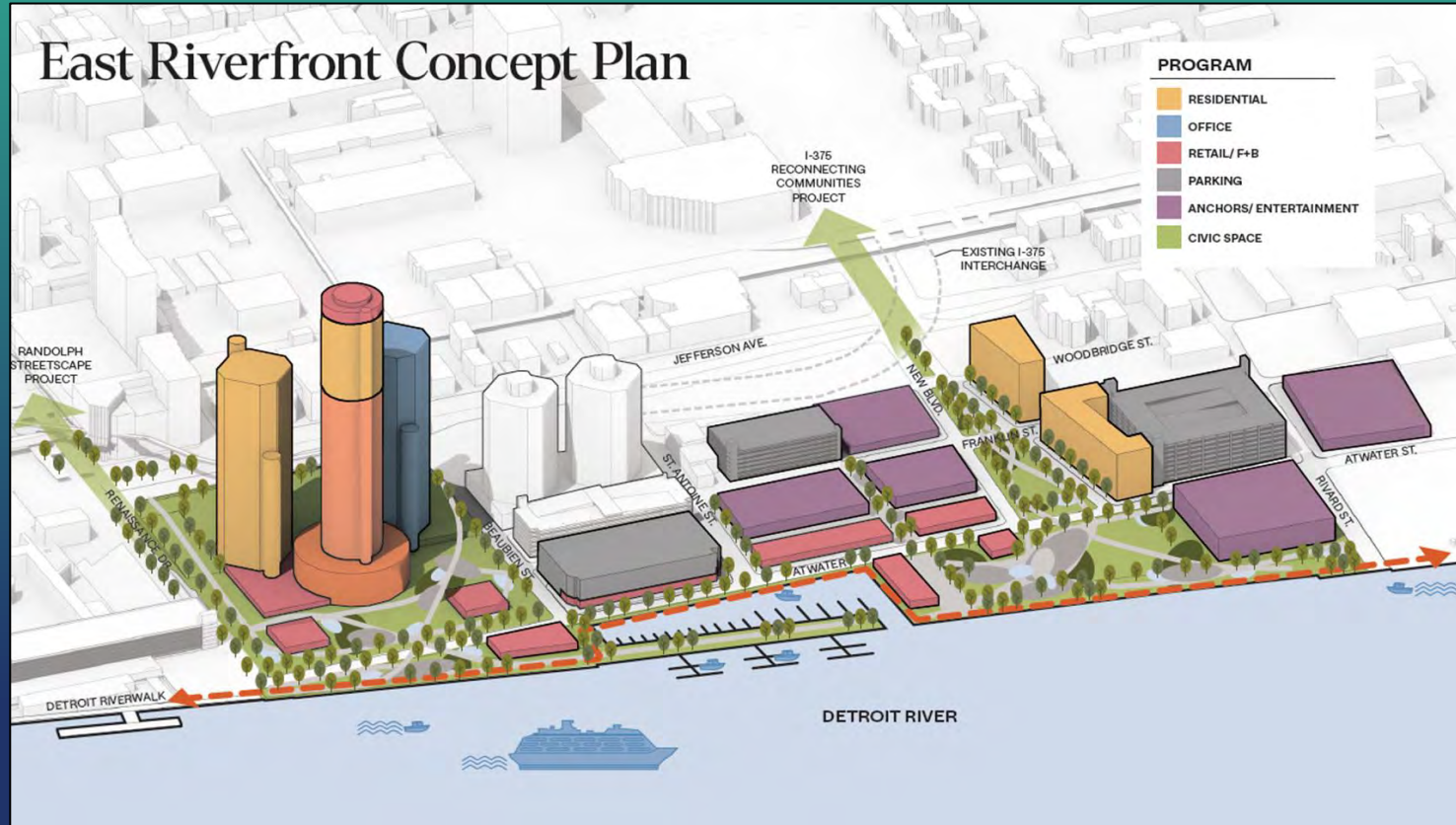
City PILOT over the zone period

100%

of City income tax collected

NAC DISCUSSION

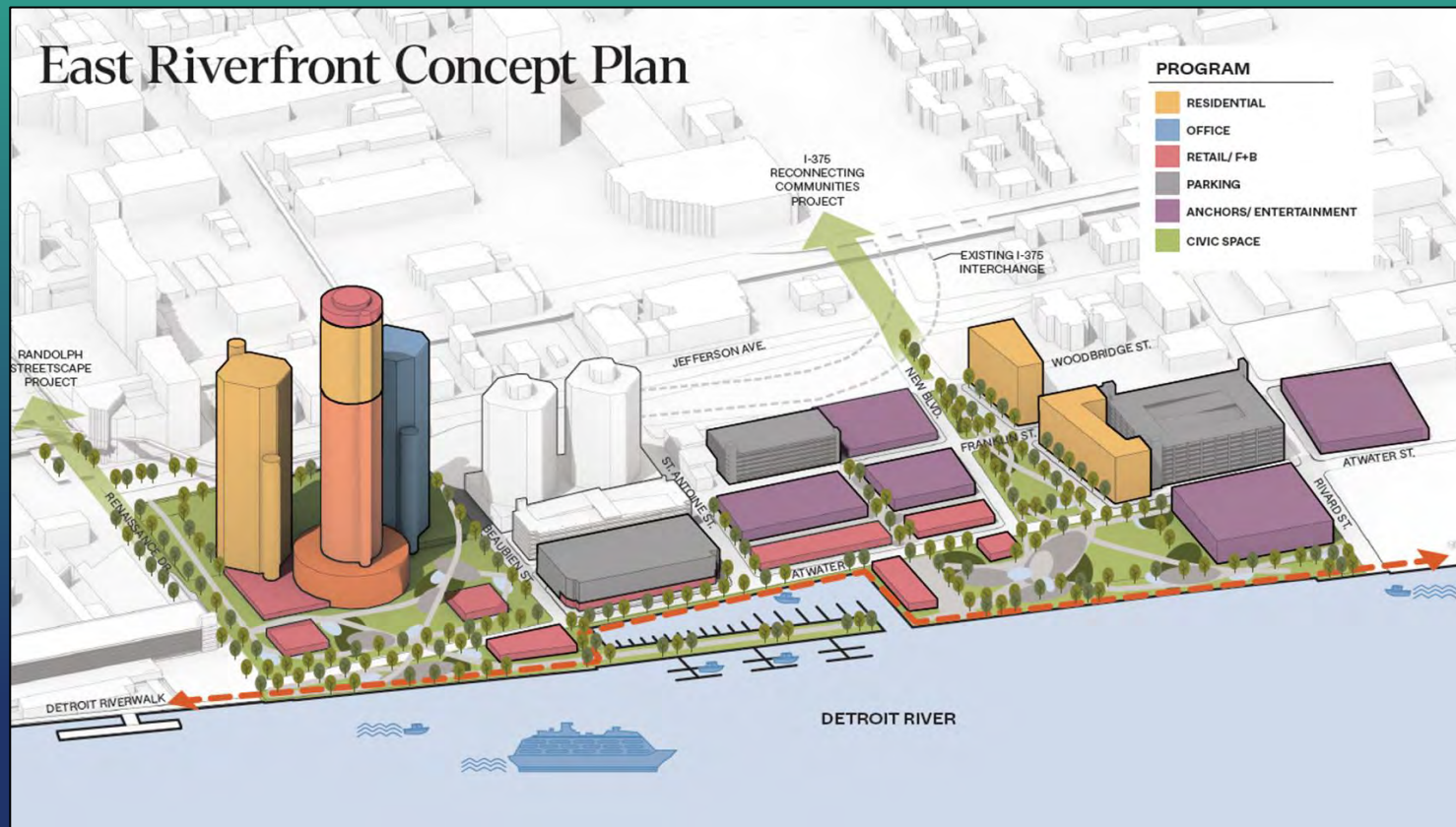
East Riverfront Concept Plan



**RISE
HIGHER**
MAYOR MARY SHEFFIELD

GENERAL Q & A

East Riverfront Concept Plan



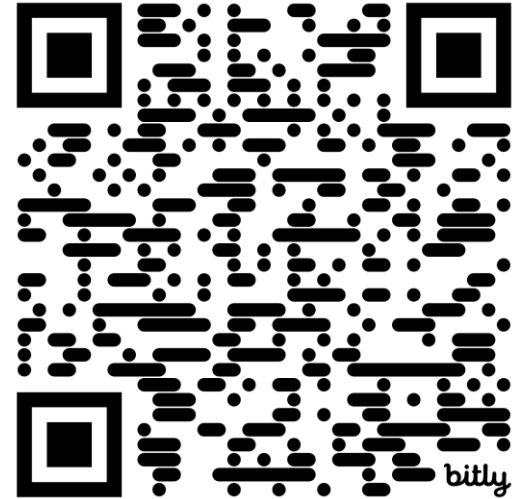
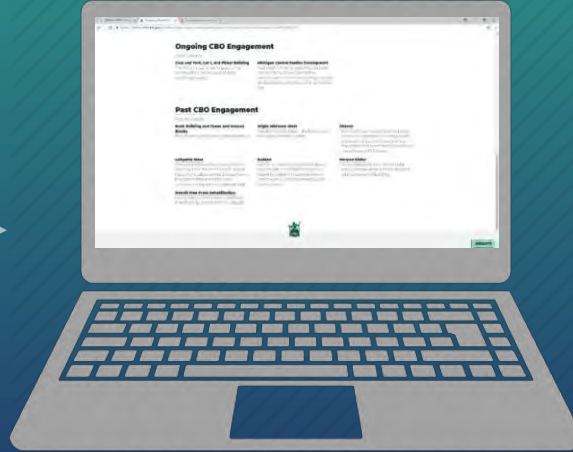
Comment cards also available



**RISE
HIGHER**
MAYOR MARY SHEFFIELD

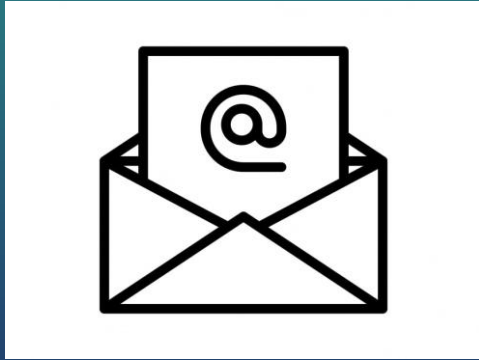
CITY OF DETROIT CBO WEBSITE

THE CBO
WEBSITE IS
UPDATED
REGULARLY WITH
PUBLIC MEETING
TIMES, DATES, &
PRESENTATIONS
+ THE SIGNED
COMMUNITY
BENEFITS
PROVISION



SUBSCRIBE TO EMAIL UPDATES ON THE WEBSITE
WWW.DETROITMI.GOV/RENCEN

CONTACT THE NAC DIRECTLY



RenCenNAC@gmail.com

ANTICIPATED PUBLIC CBO MEETING SCHEDULE

Public Meetings	AUGUST 2026		SEPTEMBER 2026		
	WK 1	WK 2	WK 3	WK 4	WK 5
Meeting 1 - Introduction to CBO and Tier 1 Project**	18-Aug				
<i>Informational Session for interested NAC members</i>		<i>Week of August 24</i>			
Meeting 2 - NAC Selection (2 members selected by the public)			1-Sep		
<i>Bye Week - Confirm Council and PDD NAC Selections / Hold NAC Orientation</i>				<i>Week of September 7</i>	
Meeting 3 - Developer Project Presentation and DEGC presentation on incentives					15-Sep

ANTICIPATED PUBLIC CBO MEETING SCHEDULE

Public Meetings	SEPTEMBER 2026		OCTOBER 2026			
	WK 6	WK 7	WK 8	WK 9	WK 10	WK 11
<i>Meeting 4 - NAC Working Session: Drafts Project Impacts & Community Benefits</i>	22-Sep					
Meeting 5 - NAC Presents Project Impacts & Community Benefits to Developer		29-Sep				
<i>Meeting 6 - NAC Working Session</i>			6-Oct			
Meeting 7 - Developer Presents Responses to Community Benefits				13-Oct		
Meeting 8 - Finalization and Potential NAC Vote on Community Benefits Agreement					20-Oct	
Meeting 9 - If Necessary Continued Developer / NAC Discussion: Final resolution and vote on proposed agreement						27-Oct

WHAT COMES NEXT

Next CBO Meeting:
Tuesday September 22nd at 6pm

Doors at 5:30 for Registration and Refreshments

- *NAC Working Meeting – Identifying Project Impacts*
- In-person meeting at: Coleman A. Young Municipal Center, Erma Henderson Auditorium, 13th Floor – 2 Woodward Ave.
- Remote access via Zoom
- Meeting registration at: <https://bit.ly/rencen-cbo>
- All project notices and documents will be available at www.detroitmi.gov/rencen



**RISE
HIGHER**
MAYOR MARY SHEFFIELD

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**Scan QR Code to
Register for Meetings!**



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