

**PUBLIC LIGHTING DEPARTMENT  
CAPITAL**

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# Public Lighting Department

## AGENCY MISSION

The mission of the Public Lighting Department (PLD) is to support the Public Lighting Authority (PLA) as it maintains the upgraded street light system. PLD works with TMC Alliance and DTE Energy (DTE) to assure the safety of the general public and to provide reliable power to customers through the City's distribution system as the City assists with converting customers to DTE's system.

On February 5, 2013, the PLA was created pursuant to Public Act 392 of 2012. The PLA is separate municipal authority with the mission to improve, modernize and maintain the street lighting infrastructure in the City of Detroit with brighter, more reliable, more energy efficient lights. It is a completely separate legal entity from the City of Detroit. In 2014, the PLA issued debt obligations of \$185 million to fund street lighting improvements. Pursuant to Public Act 392 of 2012, Utility Users' taxes of \$12.5 million annually will be utilized to repay this debt issue. Through an inter-local agreement, the City provides additional funds to the PLA to finance the operations and maintenance of the lighting system.

On July 1, 2014 the City entered into the Energy Delivery Services Agreement (EDSA) with DTE to transition electric customers to DTE. The agreement stipulates the City will allow PLD customers to become DTE customers and that the City will exit the electric business over a five to seven year period. During this transition period, the City, through its contractor will operate and maintain the electric grid with DTE reimbursing the City and its contractor for all expenses related to the delivery of electrical power.

Excluded from this agreement are decommissioning, abatement and salvage operations. PLD currently coordinates this activity in line with the transition of customers.

## DESCRIPTION OF ASSETS

The administrative offices of the Public Lighting Department are located at 9499 Grinnell.

ASSETS	LOCATION	CONDITION
Mistersky Power Plant	5425 W. Jefferson	Impaired
Sub Stations	32 Sub-stations throughout the city	31- Active, One Impaired
Herman Kiefer Steam Generation Plant	8800 Byron	Impaired
Offices and Warehouse	9449 Grinnell	Impaired
Underground Conduit	1,500 Miles of conduit	
Vehicles	4- Light duty trucks in use by PLD	

### **ACCOMPLISHMENTS**

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Improve Electrical Grid	Improve electrical distribution grid to reduce outages. Example: used to average close to 300 school outages per year, current outages near zero.		Complete	DTE Energy
Clean Pole Yard	Cease operations at pole yard in 2016. Clear rubble from pole yard on Grinnell near airport to return use of the property to the Airport.	\$153,251	99 % Complete	General Fund
Fiber Optics	In conjunction with DOIT, run fiber optics from Police facilities to DPHS using PLD conduit.	\$321,324	Complete	General Fund
Fiber Optics	Locate route for redundant fiber optic run from Police facilities to DPHS using PLD conduit.	\$20,000	76 % Complete	General Fund
Fiber Optics	In conjunction with DOIT, install fiber optics between Police precincts.	\$200,000	9% Complete	General Fund

### **PROPOSED FIVE-YEAR CAPITAL PLAN**

The focus of PLD capital plan is to the maintain the City's electrical distribution grid during the transition to DTE Energy, as the City of Detroit phases out of the electric service business. As assets are no longer needed, they will be decommissioned and made ready for sale. The city continues to set aside funds in anticipation of the decommissioning of PLD substations and the Mistersky Power Plant. The current City of Detroit Four-Year Financial Plan allocates \$1 million each year for PLD decommissioning activity.

PROJECT NAME	PROJECT DESCRIPTION	IMPROVEMENT TYPE
Fiber optics	Install fiber optics as requested. PLD currently has 5/6 lease agreements for access to PLD conduits. Expect to enter into more lease agreements in the future.	Program Expansion
Decommission Mistersky power plant; de-energize 3 tie lines	Project 3 to 4 years to sell Mistersky property. Tie lines (3) will need to be de-energized.	Contraction
Decommissioning substations	PLD own 31 substations, all but 1 is currently active, that are scheduled to be obsolete in 3 to 5 years. Once these facilities are no longer needed by DTE Entergy to service former PLD customers, PLD plans to remove salable metals and satisfy any required environmental remediation to make the properties available for sale. This includes substation removal from DPS schools at \$3,000 to \$4,000 each.	Contraction

# **PUBLIC LIGHTING AUTHORITY**

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## AGENCY MISSION

The Public Lighting Authority (PLA) is a state-created authority with the mission to improve, modernize and maintain the street lighting infrastructure in the City of Detroit with brighter, more reliable, more energy efficient lights. It is a completely separate legal entity from the City of Detroit.

### Overview

On February 5, 2013, the City created the Public Lighting Authority (PLA), a separate municipal corporation, pursuant to Michigan Public Act 392 of 2012 (as amended) - the Municipal Lighting Authority Act, MCL 123.1261 and PLA Order, to manage and maintain the city's public lighting system. Pursuant to PA 392, the PLA has issued bonds, the proceeds of which the PLA used to construct/improve the public street lighting system of the City, pursuant to the terms of the *Inter-local Agreement for the Construction and Financing of a Public Lighting System* between the City and the PLA (the C&F Agreement).



The PLA also bears responsibility for the operation and maintenance of the portion of the City's public lighting system that the PLA has constructed and improved, in accordance with the terms of the *Interlocal Agreement for Operation, Maintenance and Management of a Public Lighting System* between the City and the PLA. Under PA 392 and the various agreements with the PLA, the City has no liability for, and undertakes no full faith and credit obligation in connection with, the Act 392 Bonds or the C&F Agreement.

In connection with the transition of the City's lighting work to the PLA, the City is required to cause the existing and future revenue generated from the utility tax that it will continue to levy as security for, and as the primary source for the repayment of, the Public Act 392 Bonds. The total amount of the pledged revenues to which the PLA is entitled, in any calendar year, is the lesser of (a) \$12.5 million and (b) the total revenues generated by the utility tax levied by the City.

This dedicated revenue stream and its independent status enabled the PLA and the Michigan Finance Authority to sell \$185 million in bonds to fund the relighting of the city. The original goal was to sell \$160 million worth of bonds, but a very favorable interest rate of 4.53 percent enabled the authority to sell \$185 million in bonds.

The City believed that the transition of the City's lighting work to the PLA and the transactions described above were the City's best viable option to fix its public lighting system and provide the level of lighting services that the City's residents expect.

The Public Lighting Authority is overseen by a five-member board that is appointed by the Mayor and City Council. All board members are residents of Detroit.

## ACCOMPLISHMENTS

In February 2014, PLA began rebuilding Detroit's street lighting infrastructure by installing new, bright energy efficient LED lights in our neighborhoods first. Today, Detroit is completely relit, with 65,000 new streetlights installed by the end of 2016. PLA mission is now dedicated to keeping the lights on. The Light Emitting Diode (LED) lights the

Authority has installed on city streets are brighter and more energy efficient than the high-pressure sodium lights that were replaced. In addition, these lights have a longer life than high pressure sodium lights. Also, to improve reliability, the PLA eliminated the city's old series-circuit lighting system. Now, one blown light does not cause all of the lights on the circuit to go out.



- The new lights in neighborhoods are 150-watt equivalent LED lights, twice as bright as the 75-watt equivalent High Pressure Sodium lights that were standard under the old system.
- On the collector streets, the new street lights are 250-watt equivalent, where the old lights were 150-watt equivalent.
- Major thoroughfares received 400-watt equivalent lights. Work was completed in 2016.

### **PROPOSED FIVE-YEAR CAPITAL PLAN**

<b>PROJECT NAME</b>	<b>PROJECT DESCRIPTION</b>	<b>IMPROVEMENT TYPE</b>
LED Lights	To augment current and future development initiatives as they emerge via the City's or the Authority's planning processes.	Program Expansion
West Jefferson (between Third & 8 <sup>th</sup> Streets)	Install 40 new metal poles/foundations.	Program Expansion
W. Grand Boulevard	Relocate 30 wood poles and install 60 arms and luminaires on either side of the medians.	Program Replacement
Citywide Steel, Wood & Pole Removal	All remaining/abandoned poles will be collected after project completion.	Contraction
Vernor Highway Lighting Project	Construction services to convert approximately 3 miles on Vernor Highway between Clark Street and Woodmere Street from a 480 volt street lighting circuit to 120 volt system (a total of 188 lights, 6- lighting cabinets and 22,000 feet of cable/wire.	Program Replacement
Streetscape Lighting Projects	As part of the City's beautification projects in the area of Kercheval, Riopelle, and W. McNichols.	Program Expansion
Citywide LED Lights Replacement	Begin phased replacement of LED lights which have a useful life of 10 years.	Program Replacement

**DETROIT BUILDING AUTHORITY**  
**CAPITAL**

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# Detroit Building Authority

## AGENCY MISSION

The Detroit Building Authority (DBA) is primarily responsible for administering capital projects, as determined by each respective city department, with identified Capital Agenda funds or grant funds. Critical functions include encumbering funds through contracts of lease; managing the bid/RFP/RFQ process; issuing contract awards; securing the necessary clearances; advising contractors of Executive Order 2007-1 requirements; execution of contract documents; monitoring design development and construction for each DBA capital project; reviewing and approving contract invoices; overseeing payments to vendors.

The DBA has the following strategic priorities:

1. **Capital Project Management:** The DBA administers capital improvement projects for city departments, utilizing their capital improvement funds or grant funds, in order to enhance the City's ability to deliver quality and efficient services to its citizens.
2. **Commercial Real Estate and Property Management:** The DBA is responsible for creating and maintaining a database of all City-owned commercial property, in addition to managing and maintaining all of the properties in the database. The DBA is also responsible for managing the sale of property, which includes tracking applications through the process, obtaining City Council approvals, and finalizing sale transactions.
3. **Demolition Project Management:** The DBA manages demolition activities on behalf of the City and the Detroit Land Bank Authority, including all necessary due diligence prior to the actual demolition, in order to stabilize and revitalize neighborhoods across Detroit.

## DESCRIPTION OF ASSETS

The Detroit Building Authority operates and maintains the Detroit Public Safety Headquarters for the City of Detroit. The facility houses the following entities:

- Detroit Fire Department
- Detroit Police Department
- Board of Police Commissioners
- Department of Innovation & Technology
- Detroit Building Authority
- Michigan State Police (MSP owns their approximately 56,000 sq. ft. area through the Detroit Public Safety Headquarters Condominium Association)

The Detroit Public Safety Headquarters is an approximately 400,000 sq. ft. facility that includes an eight-story parking deck with parking for 1,500 vehicles. The City of Detroit currently shuttles city employees from the garage deck to the Coleman A. Young Municipal Center, the Detroit Water Board Building, and Cadillac Tower.



## ACCOMPLISHMENTS

### Detroit Public Safety Headquarters

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Facility improvements	New freight elevator	\$500,000	Complete	Operating
	Parking garage repairs	\$500,000	Complete	Operating
	Building elevator upgrades	\$30,000	Complete	Operating
	Concrete apron replacement	\$40,000	Complete	Operating
	LED lighting upgrades	\$100,000	Complete	Operating
	Domestic water pump	\$50,000	Complete	Operating
	Main building exhaust fans	\$40,000	Complete	Operating
	Garage elevators	\$60,000	Complete	Operating
	Exterior LED lighting upgrades	\$40,000	Complete	Operating

### Detroit Police Department

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
New 911 dispatch center	Build out of the new emergency 911 dispatch center.	\$4,500,000	Complete	E-911 Surcharge; Capital Fund
Real Time Crime Center	Design and build of the Real Time Crime Center at Detroit Public Safety Headquarters.	\$3,500,000	Complete	Capital Fund
New Eighth Precinct	Renovation of existing former adult wellness facility into a new Eighth Precinct.	\$7,300,000	Substantially complete	General Fund/ Public – Private Partnership
Third Precinct renovation	Phase II renovation of the ground floor into a Police lobby and business desk.	\$710,000	Substantially complete	Capital Fund
900 Merrill Plaisance renovation	Renovation of the existing facility for the Detroit Police Department.	\$1,400,000	Completed July 2018	Capital Fund

### Municipal Parking Department

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Garage revenue control equipment	Upgrade garage revenue control systems at Ford and Millennium garages to maintain PCI compliance	\$430,000	Completed July 2018	MPD garage and meter revenue surplus
Woodward parking kiosks	Install 50 new kiosks designated for installation after construction of the Q Line was completed.	\$488,617	Completed March 2018	MPD garage and meter revenue surplus
Additional license plate recognition units for Enforcement Division	Installed 21 LPR units in 19 vehicles to achieve the budgeted revenue targets.	\$738,629	Completed April 2018	MPD garage and meter revenue surplus

### Detroit Water & Sewerage Department

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Water Board Building 735 Randolph Street Detroit, MI 48226	Provided detailed property condition assessment. DWSD to use information to create capital plan for building.	\$209,000	Assessment complete	DWSD
Central Services Facility 6425 Huber Street Detroit, MI 48211	Provided space planning, programming, and detailed property condition assessment. DWSD to use assessment to create capital plan for campus.	\$1,790,000	Space blocking plan & assessment complete	DWSD
West Yard	Provide detailed property condition assessment.	\$28,182	Project starting early 2019	DWSD

### Department of Public Works

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Southfield Service Yard 12255 Southfield Freeway Detroit, MI 48228	Facility renovations and beautifications	\$594,380	Complete	DPW
Michigan & 19th Service Yard	Demolition of old asphalt plant, renovation of the existing four-story Traffic & Engineering Building, new truck scale	\$3,000,000	95% Complete.	DPW
Traffic Management Control at the Real Time Crime Center.	Build out of the video wall, software, and hardware. Program relocated from Michigan & 19th Yard.	\$1,100,000	Construction complete	DPW

### General Services/Detroit Recreation Department

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Hart Plaza	Structural rehabilitation and renovation.	\$900,000	Complete	COBO Dispute Funds
Kemeny Recreation Center	Renovations and additions to Kemeny Recreation Center.	\$9,500,000	Complete by Sept/Oct 2018	Capital Fund

**Coleman A. Young International Airport**

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Manairco, Inc. 11499 Conner Street Detroit, MI 48213	Renovation and replacement of over 300 LED runway lights (supplier)	\$128,037	Complete	General Funds
Lumacurve 11499 Conner Street Detroit, MI 48213	Renovation and replacement of over 100 LED runway signs (supplier).	\$204,230	95% Complete	General Funds
Tremper Building Services, LLC 11499 Conner Street Detroit, MI 48213	Labor for the installation of the LED runway lights and signs (labor).	\$72,875	95% Complete	General Funds
QoE Consulting 4100 Capital City Blvd, #2 Lansing, MI 48906	Engineering, planning, and topography services for runway repaving and grooving.	\$450,474	95% Complete	General Funds

**Detroit Department of Transportation**

PROJECT NAME	PROJECT DESCRIPTION	COST	STATUS	FUNDING SOURCE
Roofing at Central & Gilbert Terminals	Patch and Repair various areas on roofs located at two DDOT terminals.	\$450,000	98% Complete	FTA
Overhead door replacement at Central & Gilbert Terminals	Replace approximately 90 overhead doors.	\$1,800,000	Complete	FTA

**UNITS OF SERVICE**

ACTIVITY	MEASUREMENT	COST PER ACTIVITY
<b>1,007 residential demolitions as of June 29, 2018:</b> <ul style="list-style-type: none"> <li>• 946 properties currently under contract for demolition</li> <li>• 915 properties out for demolition RFP</li> <li>• 1,542 properties currently under contract for environmental survey</li> <li>• 528 properties out for <u>environmental RFP</u></li> <li>• 3,931 properties in the residential pipeline</li> </ul>	Physical Addresses	Varies
<b>78 commercial demolitions as of June 29, 2018:</b> <ul style="list-style-type: none"> <li>• 24 properties currently under contract for demolition</li> <li>• 45 properties out for demolition RFP</li> <li>• 264 properties currently under contract for environmental due diligence</li> <li>• 27 properties out for <u>environmental RFP</u></li> <li>• 360 properties in the commercial pipeline</li> </ul>	Physical Addresses	Varies

## **Interdepartmental Agreements Related to Demolition**

### **1. Reorganization with the Detroit Land Bank Authority**

The DLBA and DBA are reevaluating the responsibilities and organizational structure of each authority in order to efficiently and effectively deliver demolition and related services to the residents of Detroit. The DLBA will manage the procurement process for all Hardest Hit Fund (HHF) demolitions going forward, and the DBA will continue to manage field operations for the demolition program. For the DBA, this includes an evaluation of current staffing and salaries to align with our revised operational mandate and projected revenues.

### **2. New RFQ Process for Hardest Hit Fund Demolition**

The DBA has worked with the DLBA to create a new Request for Qualifications (RFQ) process which will eliminate the redundant review of identical documents and significantly expedite the review and approval of bids for abatement and demolition work. The new process will cut the number of documents submitted with each bid from 20 to 4.

### **3. Fire Damaged Structures**

The DBA continues to evolve the demolition strategy on fire-damaged structures by collaborating with BSEED, DLBA, HRD, and OCP for both the backlog and ongoing process. Upcoming HHF demolition RFP groups are being analyzed to ensure fire-damaged structures are prioritized. Metrics and goals have been finalized and are being monitored daily to move properties through the pipeline at a pace to achieve City demolition goals.

### **4. Partnership with Health Department**

Working in conjunction with the Health Department, the DBA is adding additional controls to mitigate the risk of lead dust dispersion around demolition sites. These controls include:

- Enhanced notification of demolitions for nearby residents
- Enhanced wetting protocols to better control dust migration
- Additional field staff to enforce changes to the scope of services
- No planned demolitions during the spring and summer months within ZIP codes with the highest percentage of children with elevated blood lead levels

## **Opportunities for Co-Location**

DBA's Real Estate Unit is currently identifying a central location in which to consolidate the administrative staffs of the Health Department, DESC/Workforce Development, DDOT, and GSD.

### Proposed Five-Year Capital Plan

PROJECT NAME	PROJECT DESCRIPTION	COST	IMPROVEMENT TYPE	PROJECT PERIOD	FUNDING SOURCE
Citizen Tax Help Center	Build out of a new Citizen Tax Help Center in CAYMC	\$3,200,000	Program Expansion	FY 2019 and FY 2020	City of Detroit – Exit Financing
	<b>TOTAL</b>	\$3,200,000			

**Detroit Building Authority (DBA)**

Project Name	Project Status	Project Timeline	Impact on Budget	Impact on Staffing	Funding Source	GO Bonds Voter Auth Category	GO Bonds Voter Auth Amount	Amended Budget FY 2018-19	Five-Year Capital Plan					Total
									FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	
Citizen Tax Help Center buildout	N	O	NOI	NSI	Exit Financing	n/a	\$ -	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	\$ 3,200,000
<b>Total</b>							\$ -	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	\$ 3,200,000

**Funding Sources Summary**

Exit Financing	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	\$ 3,200,000
<b>Total</b>	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	\$ 3,200,000

PROJECT STATUS: M=project is maintaining current infrastructure; N=Project will result in new development

PROJECT TIMELINE: P=project is proposed; O=project is ongoing; U=project is one time and underway

IMPACT ON OPERATING BUDGET: AF=additional funding required; RF=results in reduction of funding; NOI=no operating impact

IMPACT ON STAFFING BUDGET: AS=additional staffing required; RS=results in reduction of staffing; NSI=no staffing impact



**DETROIT ECONOMIC GROWTH  
CORPORATION  
EDC/TAX AUTHORITIES**

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# Detroit Economic Growth Corporation

## AGENCY MISSION

The Detroit Economic Growth Corporation (DEGC) was established in 1978. The mission is to design and implement innovative solutions that drive investment, create jobs, and advance the economy of Detroit through public-private collaborations.

To achieve this mission, DEGC will:

- **Lead Industrial Land Development:** Lead development efforts that unlock economic growth citywide
- **Manage the city's public economic development authorities** - Downtown Development Authority, Economic Development Corporation, Detroit Brownfield Redevelopment Authority and others with a primary objective to contribute to Detroit's diverse economic base.
- **Facilitate Business Growth:**<sup>1</sup> Support small and large businesses to locate and grow in Detroit
- **Attract and Direct Investment:**<sup>2</sup> Showcase Detroit's assets and build the business case for investment



As staff to the city's public economic development authorities and facilitators of the city's industrial land use strategy, at times redevelopment projects will require the authorization of City Council and coordination with various city agencies to ensure successful project completion. Several projects will require public support to design, implement and finance district plans and site assemblage strategies to encourage business investment in the city.

Once complete, these projects will attract residents and businesses to Detroit, increasing the City's economic competitiveness, and expanding its tax base.

### DEGC: Real Estate & Financial Services

#### Lead Industrial Land Development

In partnership with the Planning & Development and Housing & Revitalization Departments, the DEGC has begun to devise strategies to assemble large industrial sites for future development opportunities citywide. This process includes but is not limited to the following activities proposed during the Five-Year Plan:

- Manage environmental review and due diligence activities for Michigan State Fairgrounds site, former AMC site and other sites as funded by city of Detroit via funding agreements approved by Detroit City Council
- Launch economic incentive districts using tax incentives for commercial & industrial projects

<sup>1</sup> A detailed description of this component of the DEGC mission is not included in the Capital Agenda since these activities do not require the need to fund capital projects.

<sup>2</sup> A detailed description of this component of the DEGC mission is not included in the Capital Agenda since these activities do not require the need to fund capital projects.

- Facilitate site preparation activities in partnership with city agencies as directed to activate development ready sites city wide
- Coordinate public infrastructure improvements as needed to support transformational economic development projects

### **Facilitate Tax Abatement Review & Analysis**

As Detroit competes with other cities across the state, the nation and the world for corporate investment and lucrative adaptive development deals, the use of economic development tools often seal the deal. Investment starts at the local level of government so the DEGC through its contract with the City of Detroit facilitates the financial underwriting and fiscal impact review for all the real and personal property tax abatement applications submitted to the City of Detroit for review and approval. The benefit of the development or business investment must outweigh the cost of the foregone tax revenue to lure jobs and economic development. DEGC provides its professional expertise to advise when and how incentives should be granted. DEGC typically reviews real and personal property tax abatements which are commonly used in already developed cities. While all tax jurisdictions will forego some tax dollars in the short-term when abatement is granted, in the long term, a tremendous gain occurs in revenues, jobs and investment. All abatements are reviewed and approved by the Detroit City Council and the State Tax Commission. The terms of the abatements vary depending on the type and governing state statute.<sup>3</sup>

### **Eastern Market Planning & Implementation Framework**

Beginning in 2018, on behalf of the City of Detroit and The Nature Conservancy, DEGC launched a planning study called the Eastern Market Neighborhood Framework and Centralized Storm Water Management Features Master Plan. The study builds on past Eastern Market planning initiatives to create an action-oriented set of recommendations to improve the quality of life in and around the market, support economic development and overall sustainability. This includes fortifying the food sector as a pillar of regional economic growth and looking at new ways to improve access to healthy, green, affordable and fair food choices in Detroit and throughout Southeast Michigan. The centralized storm water management feature of the masterplan is also an integral element and has the potential of catalyzing future development in the area.

The plan seeks to deliver several outcomes, none more important than amplifying what's already great about Eastern Market's vibrant mixed-use neighborhood, and its national recognition as an inclusive, resilient and robust regional food production/distribution hub. That means optimizing all the area's resources while maintaining its history of supporting a healthier, wealthier and happier Detroit.

To ensure inclusive engagement, the planning team developed a comprehensive approach to engaging the public including residents, businesses, customers, vendors, property owners, developers, the community and public-sector partners, to ensure that stakeholders are well informed. More importantly, to utilize their input to guide future recommendations. The objective: deliver a comprehensive growth strategy that ensures Eastern Market's development equitably benefits all its stakeholders.

The plan includes approximately 1.1 square miles incorporating the Eastern Market core and the surrounding Eastern Market residential neighborhood. It is framed by Gratiot on the southeast, Joseph Campau on the northeast, Warren Avenue on the northwest, and I-75 Chrysler Freeway on the southwest.

DEGC is partnering with a variety of organizations to ensure the plan is representative, thorough and comprehensive. This includes the city's Planning & Development and Housing & Revitalization departments, the Mayor's office and

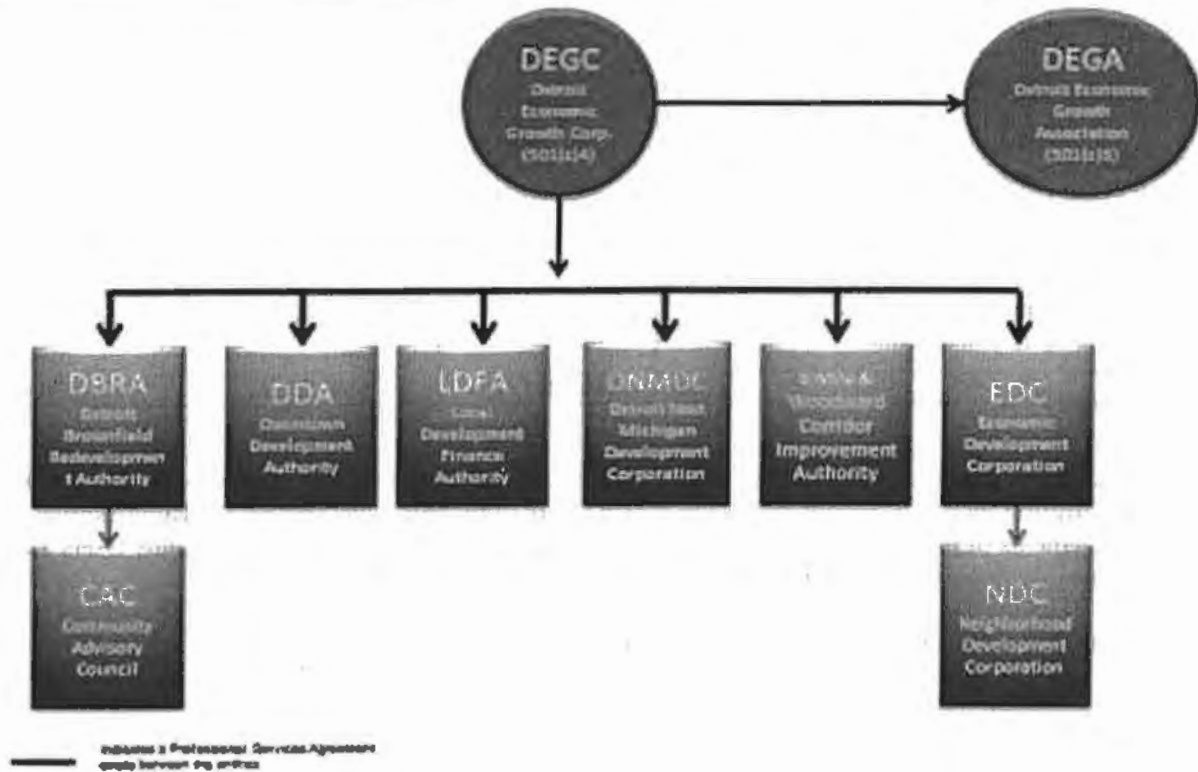
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<sup>3</sup> See appendix for tax abatement program descriptions.

the Department of Neighborhoods. Also represented: Eastern Market Corporation, Detroit Water and Sewerage Department, The Nature Conservancy and Detroit Public Works.

**DEGC: Public Authority Administration & Management Services**

# Our Structure



**Ford Motor Company Corktown Campus – Michigan Central Station**

Ford Motor Company is seeking more than \$100 million in tax abatements from the City of Detroit as part of a proposed \$238.6 million aid package for its Corktown tech campus. Ford is estimated to spend \$738 million to renovate the historic Michigan Central Station and other blighted structures. This development is consistent with the Corktown neighborhood.

**Total proposed tax abatements to equal \$238,559,497 from the following sources:**

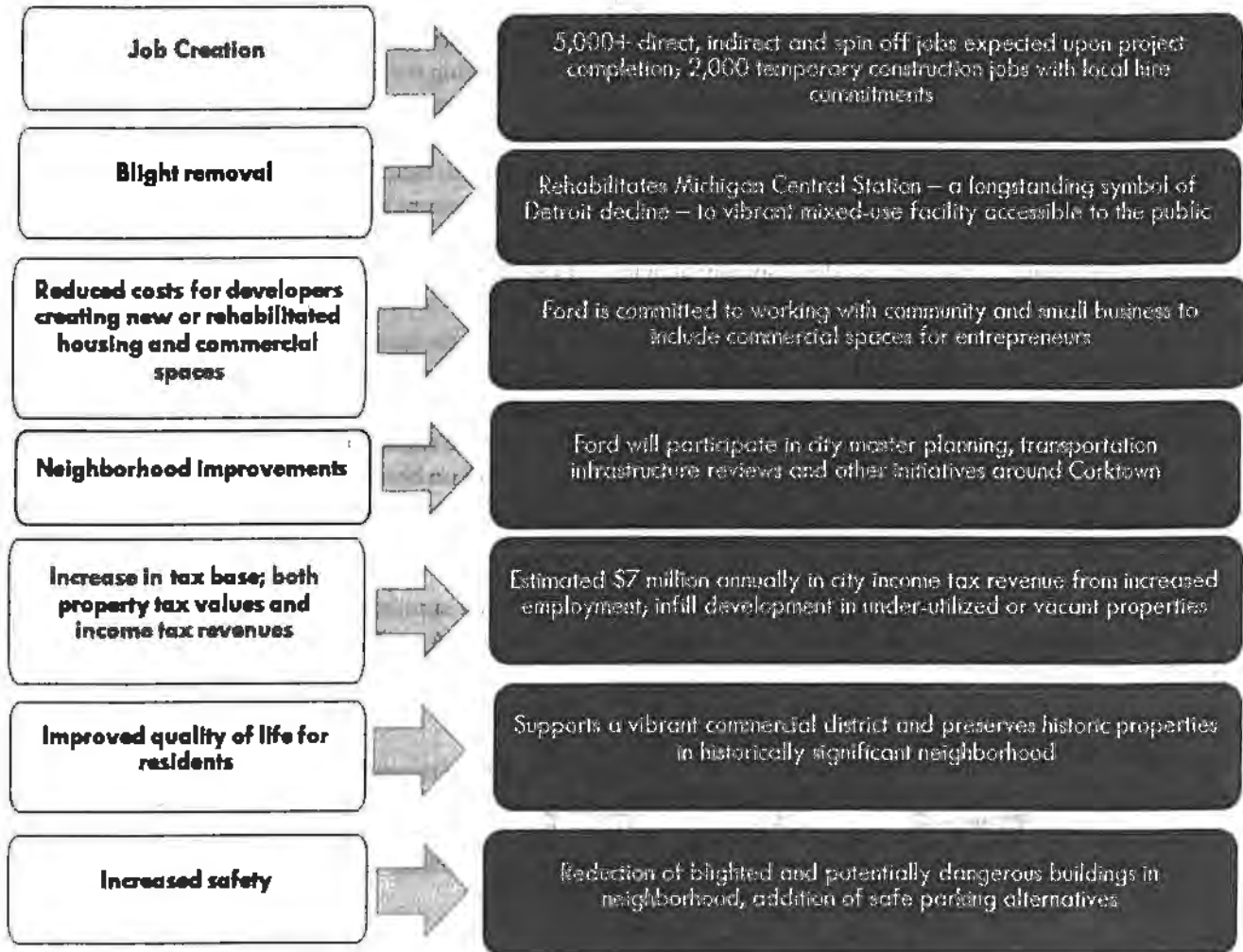
ABATEMENT TYPE	SOURCE	DEBT MILL	OTHER TAXING JURISDICTIONS	TOTAL TAX ABAT
Renaissance Zone (PA 376 of 1996)	17 year abatement on most state and local Real and Personal Property Taxes, City Corporate Income Taxes and Utility Users' Taxes. Personal Income Tax abatement is not included.	\$89,771,001	\$119,025,790	\$208,796,791
Commercial Rehabilitation Act (PA 210 of 2005)	Tax incentive used to encourage renovation/ rehabilitation of aging commercial or construct new commercial properties. 10-year abatement.	\$3,844,090	\$4,211,995	\$8,056,085
Obsolete Properties Rehabilitation Act (PA 146 of 2000)	Tax incentive used to encourage redevelopment of commercial or mixed used commercial that are contaminated, blighted or functionally obsolete. 12 year abatement	\$8,552,104	\$10,211,573	\$18,763,677
Neighborhood Enterprise Zone (PA 147 of 1992)	Residential housing developments. 12-year abatement	\$1,126,630	\$1,807,314	\$2,933,944
	<b>Total</b>	<b>\$103,293,825</b>	<b>\$135,256,672</b>	<b>\$238,550,497</b>

For the **CRA** and **OPRA** incentives, taxable values are frozen at pre-improvement value (except for debt mills); for the **NEZ – Rehabilitation** incentive, taxable values are frozen at pre-improved value; and for the **Renaissance Zone** incentive, abatements of real and personal property taxes, City Corporate Income Tax, and Utility Users Tax are granted; however, personal income tax abatement is not included.

**Economic Benefits of Ford Motor Company Corktown Campus**

- 2,500 direct permanent jobs; 2,500 indirect jobs in Ford facilities; 2,000 construction jobs;
  - Spin-off jobs and economic impact will create business/employment opportunities for residents
- \$738 million direct investment estimated
  - Rehabilitation of blighted Michigan Central Station and Book Depository building and infill development
  - Total of five primary development sites in Corktown
- \$370.1million in net fiscal benefit to the City (DEGC analysis)
- Benefit to Ford – Operating cost reduction from reduced taxes to ensure long-term viability
  - Average annual reduction in Detroit related taxes: estimated \$2.97million (\$104 million total reduction)
  - Average total annual reduction from all taxing jurisdictions including Detroit: \$6.85 million (\$240 million total reduction)
  - Total tax obligation reduction Net Present Value: \$104 million
    - Value of cash flows over a period of time

## BENEFITS FOR DETROIT FROM FORD PROJECT



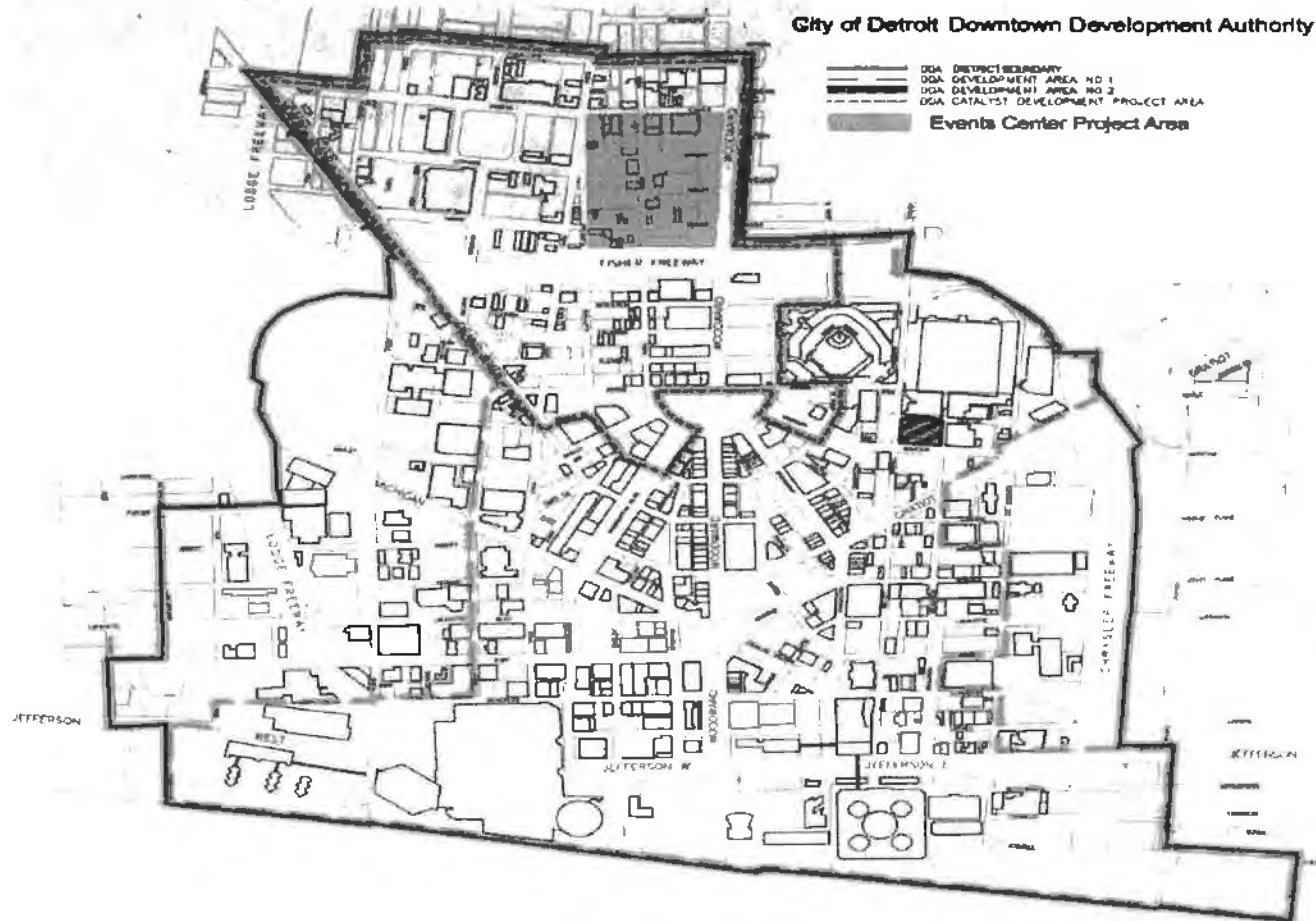
## DOWNTOWN DEVELOPMENT AUTHORITY

The Downtown Development Authority (DDA) was established by Public Act 197 of 1975 to correct and prevent deterioration within the DDA business district, encourage historic preservation, authorize the creation and implementation of development plans and establish a tax increment financing mechanism to incentivize development. The DEGC provides staff services to the DDA through the renewal of an annual contract.

The DDA, a public corporation for the City of Detroit has been authorized to fund its General Fund (operating) budget by an ad valorem tax of one mill on real and tangible personal property not exempt by law in the downtown development district, and by a levy on the increased assessed value of a tax increment district, and the issuance of negotiable revenue and tax increment bonds to finance the development activities of the DDA.

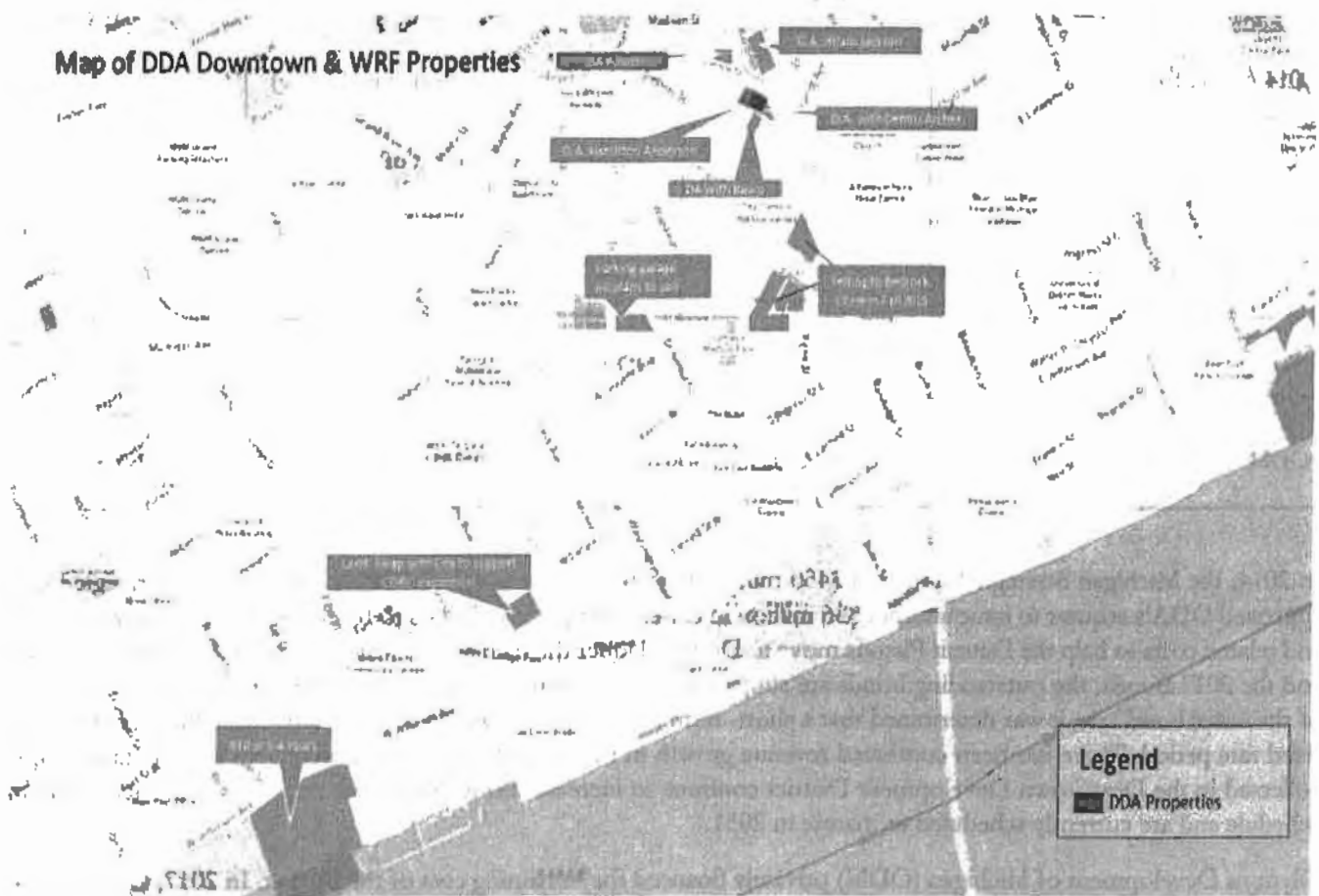
A useful tool of downtown development authorities is the power to utilize tax increment financing (TIF), a method of funding public purpose investment in a designated redevelopment area by capturing the incremental increase in tax revenues resulting from the difference between the established base year and the current year. TIF is based on the premise that new jobs and tax revenues would not have happened unless the authorities using TIF were created. These revenues are then dedicated to finance capital projects or to service the debt on bonds sold for capital projects to further develop in the designated areas. Dollars are needed from all taxing jurisdictions to ensure there will be enough to attract the economic development.

The DDA is governed by a Board of Directors, the members of which are appointed by the Mayor and confirmed by the City Council. Annually, the DDA Board reviews and authorizes the DDA staff to submit the DDA budget to City Council for its approval.



### Profile of Assets: DDA District

The DDA controls several properties within the DDA District as part of a master plan to further economic development activities in downtown Detroit. As the market conditions continue to improve, these properties will be made available for new investment opportunities. The DDA will work to accomplish this by executing a plan to acquire, demolish, rehabilitate, and reposition important landmark buildings and parcels for business opportunities, new mixed-use development and to further upgrade public open spaces.



**Profile of Assets: Little Caesars Arena**

The DDA has undertaken the financing and development of a “catalyst development project” (as defined by PA 197) that includes the construction of Little Caesars Arena and ancillary development. Total investment cost is estimated at \$865 million of which 37% of these costs were publicly financed.

BONDING	AMOUNT (IN MILLIONS)	ROLE/AGENCY	AMOUNT REPAYED (IN MILLIONS)
2014 A (Tax-Exempt Bonds)	\$250	DDA/Michigan Strategic Fund (MSF)	\$0
2014 B (Public Bonds)	\$200	Olympia Development of Michigan (ODM)/MSF	\$200
2017 (Tax-Exempt Bonds)	\$36	DDA/MSF	\$0
DDA	\$35	DDA-Tax Increment Financing (TIF)	N/A
ODM	est. \$340	ODM	N/A

In 2014, the Michigan Strategic Fund sold \$450 million in two series of bonds. In 2017, the Michigan Strategic Fund approved DDA’s request to issue another \$36 million in tax-exempt revenue bonds to fund construction improvements and related costs to help the Detroit Pistons move to Detroit. Under the transaction structure for both the 2014A Bonds and the 2017 Bonds, the outstanding bonds are subject to mandatory refinancing prior to January 1, 2019. At the time of the initial bond sale, it was determined that a short-term interest period would be more advantageous than a 30-year fixed rate period. There has been continued revenue growth in the Downtown Development area and the tax receipts collected in the Downtown Development District continue to increase. Bonds payments are being made according to schedule and are currently scheduled to mature in 2051.

Olympia Development of Michigan (ODM) privately financed the remaining cost of the project. In 2017, ODM repaid the \$200 million 2014 B bonds 28 years ahead of schedule. By paying off the public bonds early, it strengthened the balance sheet of the DDA which will allow more financial leeway to invest in other projects within the DDA boundaries.



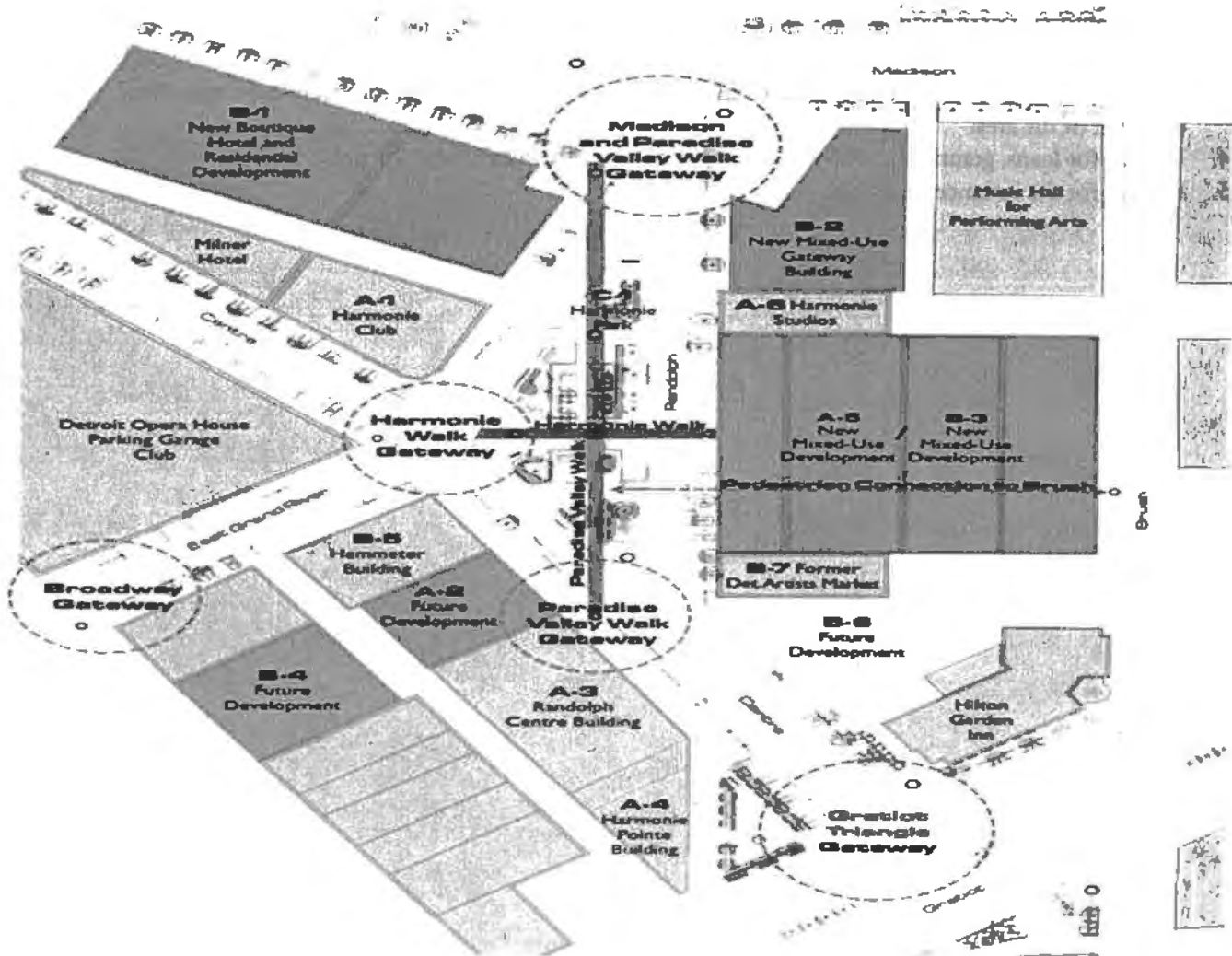
# DOWNTOWN DEVELOPMENT AUTHORITY

## Profile of Assets: Paradise Valley District

The DDA collaborated with the City of Detroit and area property owners to implement a redevelopment strategy to honor the legacy of Paradise Valley with a vision that celebrates the cultural influences of African Americans over the years. The District is bordered by East Grand River, Centre Street and Randolph Street. Over the years, the DDA acquired several key properties around the small triangular public space known as Bea Buck Park (formerly Harmonie Park). The DDA managed extensive park renovations, streetscape improvements and public lighting upgrades totaling an estimated \$17 million. In 2013, the DDA also helped pay for high-efficiency lighting, HVAC updates, roofing and window upgrades on the five buildings owned by the DDA in the District.

In 2016, the DDA issued a RFP for the disposition and redevelopment of the five buildings and three parking lots clustered around the park. Five development proposals were selected for a variety of mixed-use projects included a boutique hotel, several retail and restaurant opportunities, multifamily housing, a 150-space parking garage, and additional public right-of-way improvements. The DDA continues to negotiate the final terms of the development agreements and anticipates that all of properties will be conveyed to private ownership within the next two years.

## Paradise Valley District



## **ECONOMIC DEVELOPMENT CORPORATION**

The Economic Development Corporation of the City of Detroit (EDC) was established under Act No. 338 of the Public Acts of 1974, as amended. Its purpose is to encourage economic development within the City of Detroit by assisting with the location and expansion of industrial and commercial enterprises in the City. The EDC is governed by its Board of Directors, who are, with certain exceptions, appointed by the Mayor subject to the consent of City Council. The DEGC provides administrative and management services to the EDC through a Professional Services Agreement with the EDC. The City of Detroit provides operational and program administrative support through a contract with the DEGC for EDC related activities. The City Council must approve the DEGC/EDC contract.

The EDC assembles and manages properties to enhance the availability and quality of sites, support public infrastructure improvements for advanced manufacturing and mixed use commercial districts while enhancing the physical characteristics and overall image of designated EDC project plan areas.

The EDC uses various tools and techniques to achieve this vision:

1. Make sites “development ready” by completing acquisitions for assembly, removing obsolete infrastructure and vacating selected interior streets.
2. Assemble and re-purpose vacant and underutilized land to create larger, flexible areas for economic development purposes.
3. Use site development to strengthen and diversify mixed-use development and reinforce the urban, walkable character of the area.
4. Provide for loans, grants, transfers and conveyances of funds and property by municipalities.
5. Provide for the issuance of bonds.



## ECONOMIC DEVELOPMENT CORPORATION

### Profile of Assets: I-94 Industrial Park

The I-94 Industrial Park is a 190-acre, city-owned light industrial park suited for advanced manufacturing and transportation and logistics operations. The project was approved in 1999 and assembly was completed in 2009. The DEGC, in partnership with the Mayor's Office, Planning & Development Department, and the Housing & Revitalization Department, will continue to market the remaining industrial parcels for advanced manufacturing prospects.

The EDC is currently managing the following EDA projects in the I-94 Industrial Park:

- Economic Development Administration (EDA) Grant: \$3,197,160
- Georgia Street Reconstruction Project – street improvement project within industrial park between St. Cyril and Mt. Elliot

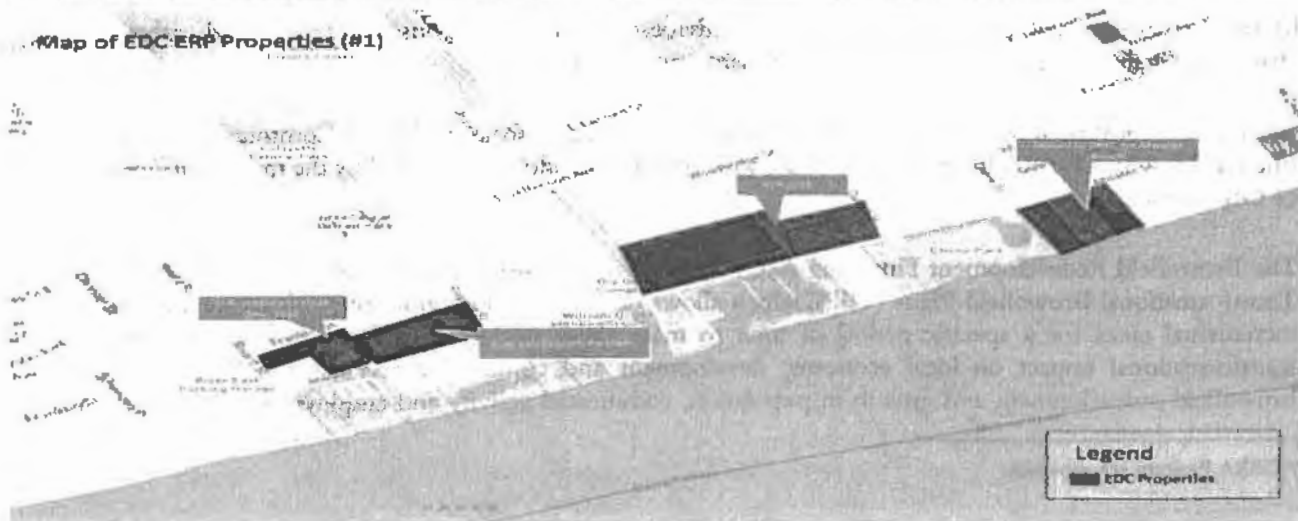
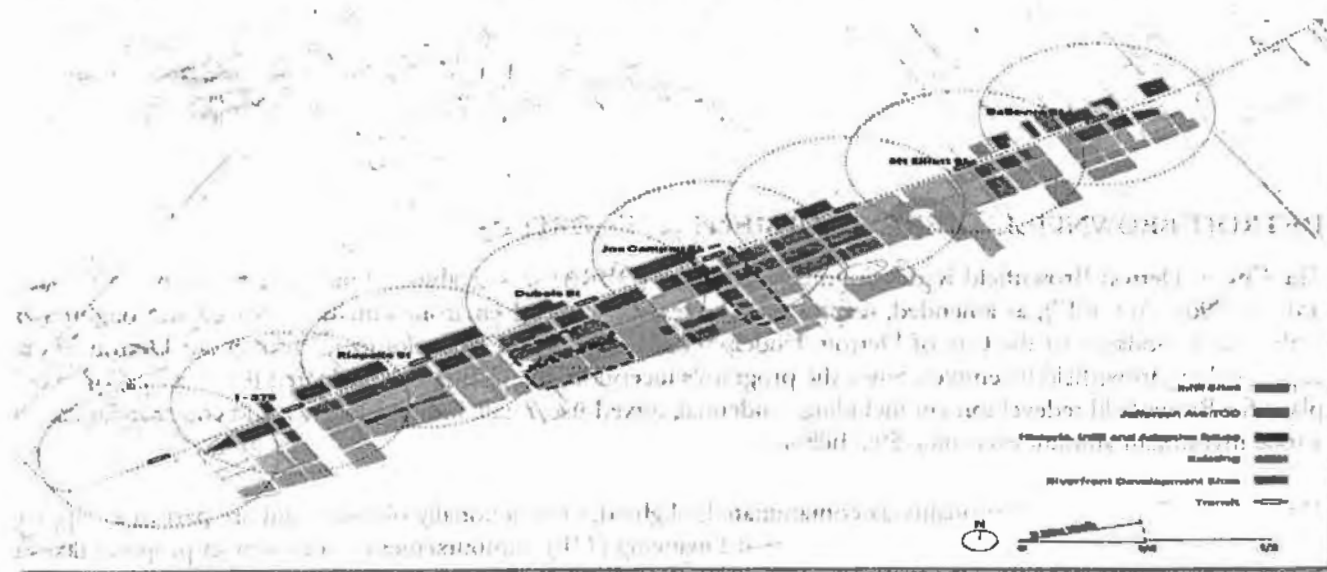


## ECONOMIC DEVELOPMENT CORPORATION

### Profile of Assets: East Riverfront District

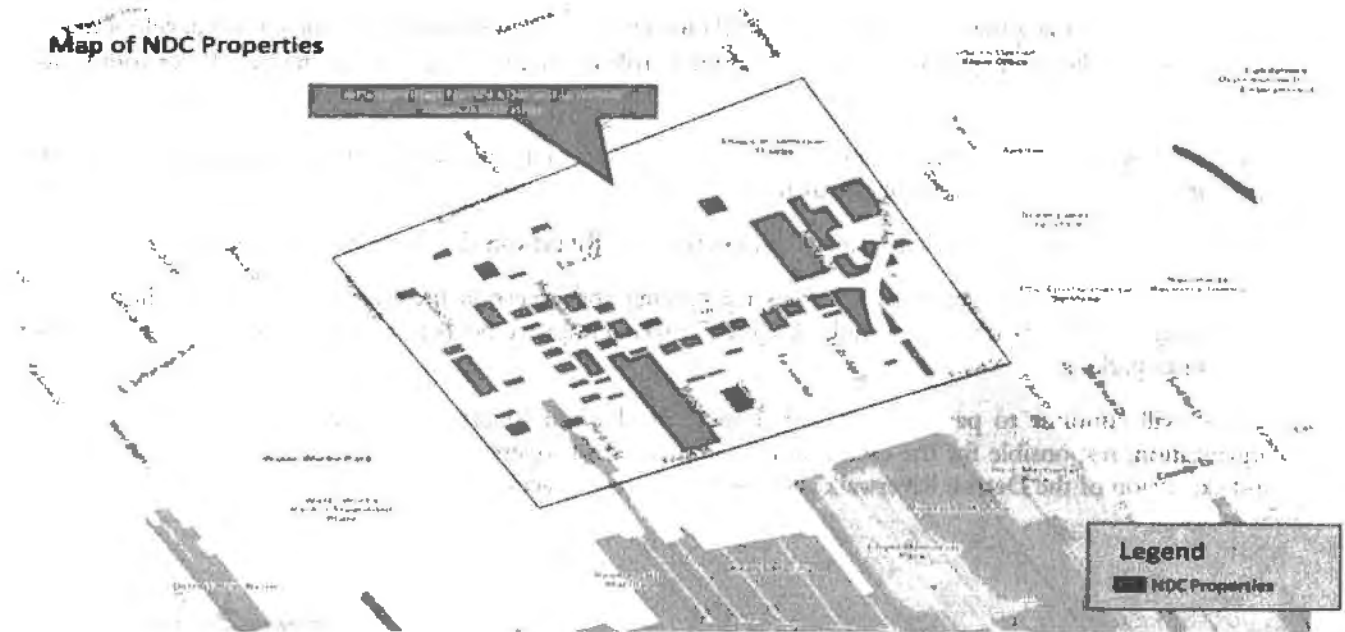
The EDC controls several properties as part of a master plan to further economic development activities in the East Riverfront district. As the market conditions continue to improve, these properties will be made available for new investment opportunities. The EDC will work to accomplish this by executing a plan to acquire, demolish, rehabilitate, and reposition important landmark buildings and parcels for business opportunities, new mixed-use development and to further upgrade public open spaces. The DEGC's primary role in the redevelopment of the East Riverfront District is as follows:

1. Facilitate real estate development including the disposition of public land and assist property owners with structuring their deals and accessing financing.
2. Support business owners in opening businesses in the East Riverfront district particularly retail.
3. Identify short term and long-term solutions for parking and access to the riverfront. For this, the DEGC is completing a parking and mobility study along with making improvements to publicly-owned vacant lot to allow for interim parking.
4. DEGC will continue to partner with and support the Detroit Riverfront Conservancy (DRFC), a 501(c)(3) organization, responsible for the establishment, improvement, operation, maintenance, securing, programming and expansion of the Detroit Riverwalk and associated green spaces.



## NEIGHBORHOOD DEVELOPMENT CORPORATION (NDC)

The NDC is an Economic Development Corporation subsidiary created to assist in housing and neighborhood development. The NDC is governed by its nine-member Board of Directors appointed by the Mayor and approved by City Council. The major activity of the NDC consist of the development of the Jefferson Village project, a mixed-use commercial and residential project located on the lower east side of Detroit.



## DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

The City of Detroit Brownfield Redevelopment Authority (DBRA) was established pursuant to Michigan Public Act 381 of 1996 ("Act 381"), as amended, to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit. Under Act 381, substantial redevelopment throughout Detroit has been supported by Brownfield incentives. Since the program's inception, the DBRA has facilitated the approval of over 200 plans for Brownfield redevelopment including residential, mixed-use, retail, industrial, office and commercial uses with a total investment amount exceeding \$9.3 billion.<sup>4</sup>

Developers of properties that qualify as contaminated, blighted, or functionally obsolete and are part of an approved Brownfield plan, may be eligible for Tax Increment Financing (TIF) reimbursement – increases in property taxes that result from new investments – for both environmental and non-environmental activities. These activities include baseline environmental assessments; due care activities; additional response activities; lead, asbestos and mold abatement; demolition; site preparation; and infrastructure improvements.

The DBRA is governed by its Board of Directors, who receive input from the DBRA Community Advisory Committee (the DBRA-CAC). DBRA Board members are, with certain exceptions, appointed by the mayor subject to the consent of City Council.

The Brownfield Redevelopment Financing Act, as amended (Act 381), effective July 24, 2017 approved a new tool, Transformational Brownfield Plans (TBP), which allows developers the opportunity to capture a portion of specific incremental taxes for a specific period of time to make these projects financially feasible. A TBP must have a transformational impact on local economic development and community revitalization based on the extent of brownfield redevelopment and growth in population, commercial activity and employment that will result from the

<sup>4</sup> DBRA Projects, see appendix.

plan. The plan must be for a mixed-use development project with planned integration of some combination of retail, office, residential or hotel uses. The total capital investment must exceed \$500 million. The TBP allows for the capture of five new sources of tax revenues associated with a project, in addition to the standard incremental revenue from property taxes. The additional tax revenues include the following:

- (1) Construction Period Income Tax;
- (2) Construction Period Sales Tax Exemptions;
- (3) Construction Period Use Tax Exemptions;
- (4) Income Tax Captures; and,
- (5) Withholding Tax Capture

The Detroit Brownfield Redevelopment Authority and Detroit City Council must approve the project before project is approved by the Michigan Strategic Fund. No more than five TBPs may be approved in one calendar year statewide and no more than five TBPs in any individual local unit of government for the duration of the project, which ends December 31, 2022.<sup>5</sup>

In May 2018, the Michigan Strategic Fund approved Bedrock's use of this financing tool for four transformational projects in Detroit:

- The redevelopment of the iconic Hudson's site
- The transformation of the four acre Monroe Blocks site to the east of Campus Martius
- Restoration of the historic Book Building and Book Tower
- The expansion of the One Campus Martius building, which will create new office space for an estimated 1,500 high-wage jobs occupying the new developments

The four projects represent an estimated \$2.15 billion in new investment and will support an estimated 22,000 new jobs – 15,000 jobs related to the construction of the projects and over 7,000 new permanent jobs occupying the office, retail, hotel, event, and exhibition spaces. Construction has already started on the Hudson's site and Book Tower, and the Monroe project and the One Campus Martius will be underway in early 2019.

## **LOCAL DEVELOPMENT FINANCE AUTHORITY**

The City of Detroit Local Development Finance Authority (LDFA) was established pursuant to Michigan Public Act 281 of 1986, as amended, to prevent conditions of unemployment and promotes growth in Detroit. The LDFA can support projects such as industrial facility revitalizations, technology park development, streetscape improvements and more. Funding comes from taxes collected because of new growth within the new development areas.

The LDFA is governed by an eleven-member board of directors. Seven appointed by the Mayor and approved by City Council, two appointed by the Detroit School Board, one appointed by the Wayne County Board of Commissioners and one appointed by the Wayne County Community College.

The LDFA undertook the Jefferson/Connor Industrial Revitalization Project on the city's east side to assist Chrysler Corporation in creating jobs and constructing a new manufacturing facility. The LDFA issued a series of Tax Increment Tax Exempt Bonds paid to the City of Detroit as additional reimbursement for the City's identifiable public facilities expenditures of \$118,745,000. The LDFA's main purpose is to collect taxes within the tax increment district and pay debt service on the bonds that were issued to construct the Jefferson Avenue Chrysler Plant. Current bond obligations

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<sup>5</sup> MEDC Transformational Brownfield Plan Program Guidelines, p. 1 (2017).

mature in July of 2021. LDFA has received about \$4 million annually in revenues in recent years. If future annual revenue holds constant, projections indicate that LDFA may struggle to cover the final year of debt service. However, revenue assessments can fluctuate and the LDFA could receive more tax increment financing revenues than projected. DEGC staff is monitoring performance and coordinating alternative strategies with the Finance Department to identify another source of economic development funds to utilize to fund the gap.

## DETROIT NEXT MICHIGAN DEVELOPMENT CORPORATION

Detroit Next Michigan Development Corporation (D-NMDC), was established pursuant to Michigan Public Act 275 of 2010, as the seventh and final Next Michigan Development Corporation, seeks to attract eligible multi-modal businesses to key employment districts within the city. These districts have a high potential for growth in key industries: manufacturing, transportation, distribution and logistics. As a part of Next Michigan Development Corporation, Detroit is granted the ability to offer tax incentives like renaissance zones, real and personal property tax exemptions, and local development financing. To date, Detroit has awarded one DNMDC designation to Flex-N-Gate Detroit, a 450,000-square foot manufacturing facility in the I-94 Industrial Park.

### Flex-N-Gate

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- \$100M manufacturing facility employing 400-700 FTEs
- Next Michigan Renaissance Zone
- Competitive bid with sites in Canada, Indiana, and Ohio
- \$16.3M in gross fiscal benefit and \$6.5M in net fiscal benefit
- 400-700 permanent jobs



## **EIGHT MILE WOODWARD CORRIDOR IMPROVEMENT AUTHORITY**

The Eight Mile Woodward Corridor Improvement Authority (EMWCIA) was created by a City of Detroit, Michigan ordinance effective February 15, 2008. The ordinance was adopted pursuant to Michigan Public Act 280 of 2005, as amended. The EMWCIA was established to correct and prevent deterioration in the Eight Mile/Woodward area and to authorize the development of approximately 35-acre brownfield site located at the southeast corner of the Woodward Ave and 8 Mile Road. Funding for the EMWCIA Development and Tax Increment Financing Plan comes from an increase in property taxes as a result from the new investment at the site.

### **Gateway Marketplace**

Gateway Marketplace (formerly known as The Shoppes at Gateway Park) is an outdoor shopping mall with approximately 350,000 square feet of retail space. Grand Rapids-based Meijer opened a 190,000 square foot Meijer Super Center as the anchor tenant. Gateway Marketplace brings fresh food options and necessary goods and services to an underserved area and provides entry level jobs with opportunity for advancement with Meijer and several national retailers including K&G Superstores, Marshalls, Planet Fitness, and McDonald's. Tax increment receipts began to flow through during the year ended June 30, 2014 due to the increased development. The project has exceeded expectations.

## Appendix

## TRADITIONAL ECONOMIC DEVELOPMENT TOOLS

Type	Description
Cash Grants	Often used to enable job training or offsetting start-up costs or other expenditures a business may need to make to hire or expand. Example: Motor City Match
Low-interest loans	Administered by the Detroit Economic Corp (EDC) Example: Retail Loan Fund
Tax Abatements	As authorized by State and Local Communities. Example: Commercial Rehabilitation Act, Obsolete Property, Rehabilitation Act
Land Building Acquisition Assistance	Land assembly for redevelopment purposes. Example: Flex-n-gate
Tax Credits	As authorized by State and Local Communities. Example: Next Michigan Tax Credits (NMTC), Low Income Housing Tax Credits
Tax Increment Financing (TIF) capture districts	As authorized by State and Local Communities. Example: DDA, Brownfields

### DEGC ABATEMENT EVALUATION PROCESS

#### But-For Analysis

- Must demonstrate project would not occur without the support of the tax abatement

#### Economic Benefits

- New employment and/or retention of jobs
- Represents an industry that the city is attempting to bring to Detroit or expand (e.g., manufacturing) or projects that will change or advance the Detroit economy
- Project helps, develops or renews blighted properties or underinvested areas.

#### Fiscal Benefits

- Project provides an increase in tax revenues that's greater than the abatement.
- Evidence of other sources of funding (owner funds, banks, state, etc.) showing economic viability

#### Strategic Benefits

- Project is consistent with the city's plans, corridor strategies, or other city strategic initiatives including:
  - Increase employment or reduce blight
  - Support local hiring and training programs for Detroit residents for construction/permanent employment
  - Support local opportunities for Detroit-based businesses



## Commercial Redevelopment Act

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### OVERVIEW

The Commercial Redevelopment Tax Abatement is an incentive used to encourage the renovation and expansion of aging facilities and assist in the building of new commercial facilities. The act provides a tax exemption for property of which the primary purpose is the operation of a commercial business enterprise. Mixed-use developments may be eligible, but the abatement will apply only to the commercial portion of the property. The advantage to the taxpayer is a savings on property taxes.

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### TAX IMPACT

For a restored facility, the tax exemption freezes the taxable value of the building at the current value for the local taxes for up to 12 years, exempting from local property tax all real property improvements. For a new facility, the tax exemption provides a 50% reduction in the number of mills levied, excluding only State Education Taxes.

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### POLICY AND ELIGIBILITY CRITERIA

- Applicant must own 75% of the state equalized value of the commercial property located within a proposed commercial redevelopment district
- Applicant must demonstrate that "but for" the abatement the project is not financially feasible
- The approval of an abatement must provide a net positive revenue gain to the city
- Project is consistent with the city's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans
- A replacement facility means commercial property to be acquired, constructed, altered, or installed for the purpose of being substituted for obsolete commercial property
- A restored facility means changes to obsolete commercial property as may be required to restore the property to an economically efficient condition
- The property within the district must have been zoned commercial or industrial before June 21, 1975

Receiving a PA 255 tax abatement is a two-step process; first a PA 255 District must be established before initiating a project and only then can a PA 255 Certificate be awarded. Work on the project may not begin before the establishment of the district.

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### DISTRICT PROCESS

1. Project scoping, evaluation and statutory review meeting with DEGC
2. Application intake and financial review: Applicant submits project narrative and project financials to DEGC for underwriting and to determine economic and fiscal impacts
3. DEGC presents the project and recommendation to City officials for consideration
4. Applicant submits letter requesting the establishment of the PA 255 District to City of Detroit Clerk's Office
5. City departments draft supporting reports and documentation
6. Detroit City Council holds a public hearing and adopts a resolution establishing the district

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### CERTIFICATE APPLICATION PROCESS

1. Owner of the qualified property within the district files an application for a PA 255 Certificate with the City of Detroit Clerk's Office (State of Michigan form 4757)
2. Tax Abatement Agreement is developed and signed by the Applicant
3. City Council holds public hearing and adopts resolution to approve the Certificate



## Commercial Rehabilitation Act

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### OVERVIEW

The Commercial Rehabilitation Tax Abatement is an incentive used to encourage the redevelopment of commercial property. The Act provides a tax exemption for property of which the primary purpose is the operation of a commercial business, multifamily residential (5 or more units) or qualified retail food establishments. The advantage to the taxpayer is a savings on property taxes.

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### TAX IMPACT

The tax incentive freezes the taxable value of the building at the current value for the local property taxes for up to 10 years, exempting from local property tax all real property improvements. School Operating and State Education taxes are not abated.

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### POLICY AND ELIGIBILITY CRITERIA

- Applicant must own 50% of all taxable value of the property located within a proposed commercial rehabilitation district
- The area of the Commercial Rehabilitation District must be not less than 3 acres in size, located in a downtown or business area, or contain a qualified retail food establishment
- Applicant must demonstrate that "but for" the abatement the project is not financially feasible
- The approval of an abatement must provide a net positive revenue gain to the city
- Project is consistent with the city's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans
- To receive a Certificate, the commercial property must be a qualified facility, which is a building or group of contiguous buildings of commercial property which is 15 years or older
- A qualified facility may include vacant property or other commercial property which, within the immediately preceding 15 years, was commercial property

Receiving a PA 210 tax abatement is a two-step process; first a PA 210 District must be established and only then can a PA 210 Certificate be awarded. Commencement of the rehabilitation of the qualified facility cannot occur earlier than 6 months before the applicant files the application for the Commercial Rehabilitation Exemption Certificate.

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### DISTRICT PROCESS

1. Project scoping, evaluation and statutory review meeting with DEGC
2. Application intake and financial review: Applicant submits project narrative and project financials to DEGC for underwriting and to determine economic and fiscal impacts
3. DEGC presents the project and recommendation to city officials for consideration
4. Applicant submits letter requesting the establishment of the PA 210 District to City of Detroit Clerk's Office
5. City departments draft supporting reports and documentation
6. Detroit City Council holds a public hearing and adopts a resolution establishing the district

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### CERTIFICATE APPLICATION PROCESS

1. Owner of the qualified property within the district files an application for a PA 210 Certificate with the City of Detroit Clerk's Office (State of Michigan form 4507)
2. Tax Abatement Agreement is developed and signed by the Applicant
3. City Council holds public hearing and adopts resolution to approve the Certificate

For inquiries please contact Nicholas Marsh - (313) 879-3261 -



## Neighborhood Enterprise Zone Act

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### OVERVIEW

The Neighborhood Enterprise Zone (NEZ) Program tax abatement encourages the development and rehabilitation of residential housing, specifically in communities in which it would not otherwise occur. The act provides a tax exemption for property of which the purpose is residential. Mixed-use developments may be eligible, but the abatement will apply only to the residential portion of the property. The advantage to the taxpayer is a savings on property taxes.

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### TAX IMPACT

For a rehabilitated facility, the tax exemption freezes the taxable value of the rehabilitated portion of the facility for up to 15 years (17 years for a rehabilitated facility in a qualified historic building), exempting from local property tax all real property improvements. For a new facility, apply either one-half of the state's principal residence exemption (PRE) millage rate or one-half of the state's non-PRE millage rate depending on the principle residence status of the facility. The taxes are adjusted the final three years of the NEZ tax abatement.

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### POLICY AND ELIGIBILITY CRITERIA

- Each NEZ must contain not less than 10 platted parcels of land which are compact and contiguous, or if located in a downtown revitalization district may contain less than 10 platted parcels if the platted parcels together contain 10 or more facilities.
- Improvements must meet the rehabilitation cost requirements as set out by PA 147 of 1992, as amended
- There is a 60 day waiting period, by statute, before City Council can vote on the resolution to establish an NEZ zone
- Applicant must demonstrate that "but for" the abatement the project is not financially feasible
- The approval of an abatement must provide a net positive revenue gain to the City
- Project is consistent with the City's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans

Receiving a NEZ tax abatement is a two-step process; first a NEZ zone must be established and only then can a NEZ Certificate be awarded. A developer or owner may not begin construction until a NEZ zone has been established. An application for a Certificate may be submitted after construction begins.

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### DISTRICT PROCESS

1. Project scoping, evaluation and statutory review meeting with DEGC
2. Application intake and financial review: Applicant submits project narrative and project financials to DEGC for underwriting and to determine economic and fiscal impacts
3. DEGC presents the project and recommendation to City officials for consideration
4. Applicant submits letter requesting the establishment of the NEZ to City of Detroit Clerk's Office
5. City departments draft supporting reports and documentation
6. Detroit City Council holds a public hearing and adopts a resolution establishing the NEZ zone

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### CERTIFICATE APPLICATION PROCESS

1. Owner of the qualified property within the district files an application for a NEZ Certificate with the City of Detroit Clerk's Office (State of Michigan form 4775)
2. Tax Abatement Agreement is developed and signed by the Applicant
3. City Council holds public hearing and adopts resolution to approve the Certificate



## New Personal Property Exemption

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### OVERVIEW

The New Personal Property Tax Abatement is an incentive used to encourage new or expanding business in the State of Michigan. The eligible types of business are: manufacturing, mining, research and development, wholesale trade, or office operations. In order to qualify for the tax abatement, the personal property must be placed in an "eligible district". Only new personal property will be exempted under the tax abatement. The advantage to the taxpayer is a savings on property taxes.

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### TAX IMPACT

There are no taxes on personal property that is covered under the new personal property tax exemption. This is a 100% tax exemption. The term limit is established by the local governmental unit on a by-project basis.

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### POLICY AND ELIGIBILITY CRITERIA

- An owner or lessee of an eligible business may file an application for an exemption
- Any personal property that is purchased after the exemption is granted qualifies for the exemption
- An "eligible district" is any one of: an Industrial Development District, a Renaissance Zone, an Enterprise Zone, a Brownfield Redevelopment Zone, an Empowerment Zone, an Authority District or Development Area, a Downtown District, or a Next Michigan Development District
- Applicant must demonstrate that "but for" the abatement the project is not financially feasible
- The approval of an abatement must provide a net positive revenue gain to the City
- Project is consistent with the City's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans

Receiving a PA 328 tax abatement is a two-step process; it must be determined that the business is an eligible business and that it is located within an "eligible district", then a PA 328 Certificate can be awarded. Only new personal property purchased after the Certificate is in place is eligible for the exemption.

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### DISTRICT DETERMINATION PROCESS

1. Project scoping, evaluation and statutory review meeting with DEGC
2. Determine if the business is eligible and if the location is within an eligible district
3. Application intake and financial review; Applicant submits project narrative and project financials to DEGC for underwriting and to determine economic and fiscal impacts
4. DEGC presents the project and recommendation to city officials for consideration

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### CERTIFICATE APPLICATION PROCESS

1. Applicant submits letter requesting the establishment of the PA 328 Certificate and application to City of Detroit Clerk's Office (State of Michigan form 3247)
2. City departments draft supporting reports and documentation
3. Tax Abatement Agreement is developed and signed by the Applicant
4. City Council holds public hearing and adopts resolution to approve the Certificate

For inquiries, please contact Nicholas Marsh - (313) 679-3261 -



## Obsolete Property Rehabilitation Act

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### OVERVIEW

The Obsolete Property Rehabilitation Tax Abatement (OPRA) is an incentive used to encourage the redevelopment of commercial or commercial mixed used buildings that are contaminated, blighted, or functionally obsolete. Commercial housing property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to a multiple-unit dwelling or dwelling unit in a multiple-purpose structure, used for residential purposes. The advantage to the taxpayer is a savings on property taxes.

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### TAX IMPACT

The tax incentive freezes the taxable value of the building at the current value for the local property taxes for up to 12 years, exempting from local property tax all real property improvements. School Operating and State Education taxes are not abated.

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### POLICY AND ELIGIBILITY CRITERIA

- Applicant must have 50% of all taxable value of the property located within a proposed obsolete property rehabilitation district
- Applicant must demonstrate that "but for" the abatement the project is not financially feasible
- The approval of an abatement must provide a net positive revenue gain to the City
- Project is consistent with the City's comprehensive plans, applicable corridor strategies or other strategic initiatives including hiring and procurement plans
- Obsolescence is defined as blighted, functionally obsolete, or a facility, as defined by the natural resources and environmental protection act

Receiving an OPRA tax abatement is a two-step process; first an OPRA District must be established and only then can an OPRA Certificate be awarded. Work on the project may not begin before the establishment of the district.

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### DISTRICT PROCESS

1. Introduction, project scoping and statutory review meeting with DEGC
2. Application intake and financial review: Applicant submits project narrative and project financials to DEGC for underwriting and to determine economic and fiscal impacts
3. DEGC presents the project and recommendation to City officials for consideration
4. Applicant submits letter requesting the establishment of the OPRA District to City of Detroit Clerk's Office
5. City departments draft supporting reports and documentation
6. Detroit City Council holds a public hearing and adopts a resolution establishing the district

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### CERTIFICATE APPLICATION PROCESS

1. Owner of the qualified obsolete property within the district files an application for an OPRA Certificate with the City of Detroit Clerk's Office (State of Michigan form 3674)
2. Tax Abatement Agreement is developed and signed by the Applicant
3. City Council holds public hearing and adopts resolution to approve the Certificate



# DETROIT HOUSING COMMISSION

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# DETROIT HOUSING COMMISSION



## AGENCY MISSION

The Detroit Housing Commission (DHC) is a Michigan public body corporate organized as a housing agency operating under authority granted under the Michigan Housing Facilities Act, MCL 125.653 et. seq. In August 2004, DHC separated from the City of Detroit Municipal Government, and became an independent government agency. In July 2005, the Mayor of the City of Detroit and the Secretary of the U.S. Housing and Urban Development (HUD) signed a voluntary cooperative endeavor agreement which turned over the Commission as well as administrative control, to the U.S. Department of Housing and Urban Development. This action was taken due to years of poor scoring by the Commission on HUD's report card system. After 10 years of oversight by HUD, the Housing Commission was returned to local control on March 16, 2015. The Detroit Housing Commission is govern by a Mayoral appointed five member Board of Commissioners and the day to day operations are managed by the Executive Director.

### Mission

The Detroit Housing Commission is to effectively & efficiently develop, manage, & preserve quality affordable housing.

### Vision

- Develop and Maintain Community Partnerships
- Promote High Quality Customer Service
- Sustain Sound Fiscal Management
- Ensure Operational Sustainability

## DESCRIPTION OF ASSETS

DHC currently manages 20 family and elderly public housing developments totaling 3,416 units. In addition, the Commission has been awarded three HOPE VI revitalization grants (Woodbridge Estates, the Villages at Parkside and Gardenview Estates). DHC also administers approximately 5,100 Housing Choice Vouchers under the Section 8 program.

NAME	LOCATION	YEAR BUILT MAJOR REHAB	DESCRIPTION
Algonquin Apartments	4711 Trumbull and 1520 W. Forest (48208)	1912	2 Bedroom
Brewster Homes	3526 St. Antione (48201)	1994	2 and 3 bedroom
Charles Terrace/Sojourner Truth Homes	4801 E. Nevada (48234)	1941	2 and 3 bedroom
Cornerstone	3200 John C. Lodge (48201)	2012	1 Bedrooms (4) 2 Bedrooms (90) 3 Bedrooms (67) 4 Bedrooms (19)
Diggs/Forest Park Place	1331 East Canfield (48207)	1974/ 1971	3-6 bedroom at Diggs; 1-2 bedroom at Forest Park, a Senior Community
Emerald Springs	5825 Emerald Springs Circle (48212)	1941 Updated 2013	206 Rental Units (Phases IA, IB, and II)  50 Off-site rental housing

**DESCRIPTION OF ASSETS (CONTINUED)**

<b>NAME</b>	<b>LOCATION</b>	<b>YEAR BUILT MAJOR RENOV</b>	<b>DESCRIPTION</b>
Harriet Tubman Apartments	2450 W. Grand Blvd. (48208)	1971	General Occupancy Housing Community
Gardenview Estates	16461 Van Buren Ave (48228)	2015	541 Rental Units  66 Homeownership Units
Greenbrooke Manor	19805 Greenfield #30 (48235)	1964	1-2 Bedrooms
Riverbend Towers	4386 Conner (48215)		Elderly and Near-Elderly
Sheridan Place I and II Apartments	7501 & 7601 E. Jefferson (48214)	1983	one (1) bedroom
Smith Homes	14313 Crescent Drive (48223)	1942	2, 3 and 4 bedroom
State Fair Apartments	1231 W. State Fair (48208)		General Occupancy Housing Community
Villages of Parkside	Warren Ave and Conner Detroit, MI	2015	Major remodel in 2015
Warren West Apartments	4100 West Warren (48210)	1969	1 (116)-2 (27) bedroom 143 total
Woodbridge Estates Homeownership	4106 Supreme Dr. (48201)	2003	114 Rental Units
Woodbridge Senior Village	3521 John C. Lodge (48201)	1953	1-2 bedroom high-rise Senior community
Woodbridge Senior Enhanced	1300 Martin Luther King Drive (48201)		100 units Senior community
Scattered Sites			Various single family homes

**ACCOMPLISHMENTS**

The Detroit Housing Commission receives funding from the United States Department of Housing and Urban Development to develop, acquire, construct, renovate, rehabilitate and maintain public housing units within the City of Detroit. The Commission has been awarded over \$46,769,325 million dollars in federal grants from the U.S. Department of Housing and Urban Development for the years 2013-2018. These grant dollars are specifically directed towards replacement housing from previously demolished public housing developments and the rehabilitation of DHC's current public housing stock.

In 2015, DHC began a new "Five Year Plan 2015-2019" which had the goal of strategically laying out the direction of the commission through the modernization of public housing developments and the demolition of dilapidated developments. Some of the Commission's recently completed projects and major initiatives include:

*Woodbridge Estates & Cornerstone Estates*

DHC will invest approximately \$166 million dollars in federal grants and private funds for the revitalization and modernization of Woodbridge & Cornerstone Estates. The \$166 million originates from the following grant sources: HOPE VI, Comprehensive Grant Program, Demolition Grants, Replacement Housing Factor, Public Housing Capital Fund Program, City of Detroit infrastructure funds, and Low Income Housing Tax Credit Equity. DHC is currently working on the last phase, Phase 9 which is a senior apartment building. When Phase 9 is complete, DHC will have completed the renovation of 297 public housing units, and completed construction of 327 units for the Public Housing Program, and an additional 247 units which are Tax Credit and 113 Market Rental Units complete this development.

*Gardenview Estates*

The Detroit Housing Commission has received approximately \$46 million dollars in federal grants for this site. The \$46 million dollars is made up of the following grant sources: HOPE VI, Major Revitalization of Obsolete Properties and Replacement Housing Factor. By 2015, DHC had completed construction on the new Boys and Girls Club; as well as 541 rental units. DHC has completed construction of 9 rental phases and is currently working on the 10<sup>th</sup> phase. Phase five, which is currently under construction, will bring total units to 638 (308 of the rental units are ACC-Public Housing Units, 272 will be Low Income Housing Tax Credit Units 58 will be Market Rate Units.

*Emerald Springs (Charles Terrace)*

In the spring of 2011, DHC broke ground on the new Emerald Springs. Construction was completed in 2013 the development now consist of 206 new units of which 105 are Low Income Public Housing Units and 101 are Low Income Tax Credit Units. The total cost of the project was approximately \$43 million dollars. The City of Detroit funded over \$1.8 million dollars for new infrastructure for the property. DHC provided \$19 million in Federal Grants. The remaining funding came from Low Income Housing Tax Credits and other public funding (\$21.5 million).

As of 2018, the Commission has completed the following capital improvements at the following developments over the past five years:

PROJECT NAME	PROJECT DESCRIPTION	STATUS	FUNDING SOURCE
Brewster Homes	Replacement of 472 concrete porches, Replacement of asphalt shingles on 250 units, renovation of bathrooms in 229 units and ADA interior and exterior renovations.	Completed	Federal Grants- HUD
Sojourner Truth Homes	Replacement of roofs on 29 buildings and insulation of attics in all buildings, renovation of 10 ADA units and selective asphalt parking lot and concrete sidewalk replacement.	Complete	Federal Grants- HUD
Diggs Homes	Substantial Unit Renovations of 10 units, replacement of underground electric for site lighting and selective concrete sidewalk replacement.	Completed	Federal Grants- HUD
Douglass Homes	Demolition of (4) high-rise, (2) mid-rise and (19) row homes.	Completed	Federal Grants- HUD
Forest Park Apartments	Replacement of HVAC system in all 97 units along with exterior waterproofing, roof replacement and parking lot reconstruction.	Completed	Federal Grants- HUD
Harriet Tubman Apartments	New exterior railings and waterproofing, new building make-up air unit, ADA interior and exterior renovations, domestic and heating boiler replacements.	Completed	Federal Grants- HUD
Lee Plaza/Woodland Apartments	Disposition of both properties. Transferred to DBA-Detroit Land Bank for redevelopment.	Completed	Federal Grants- HUD
Riverbend Apartments	Replacement of building HVAC (fan-coil) system, ADA interior and exterior renovations and parking lot reconstruction.	Completed	Federal Grants- HUD

Gardenview Estates (continued)

PROJECT NAME	PROJECT DESCRIPTION	STATUS	FUNDING SOURCE
Scattered Sites	Replacement of asphalt shingles on 22 homes, complete renovation of a home on Northlawn and the demolition of 70 homes and the disposition of 127 homes and 45.	Completed	Federal Grants- HUD
Sheridan Place Apartments	Selective parking lot and sidewalk replacement, Camera system upgrades, building entry and intercom system replacement, installation of 5 new boilers, replacement of both Make-Up Air (MUA) systems and ADA renovations in 31 apartments.	Completed	Federal Grants- HUD
Smith Homes	Replacement of asphalt shingles on all 156 units, complete renovation of 10 units, drainage upgrades to the community building and interior ADA renovations.	Completed	Federal Grants- HUD
State Fair Apartments	New exterior railings and waterproofing, new building Make-Up Air (MUA), ADA interior and exterior renovations and domestic and heating boiler replacement.	Completed	Federal Grants- HUD
Warren West Apartments	Replacement of all windows, replacement of roof, replacement of building fire alarm system, upgrades to first floor HVAC system, Replacement of domestic and heating boilers and site improvements including parking lot, sidewalk and lighting.	Completed	Federal Grants- HUD
Woodbridge Senior Village	Replacement of 8 boilers and associated pumps, interior and exterior ADA renovations, replacement of (2) chillers and upgrades to the security systems at entry areas of each of the three buildings.	Completed	Federal Grants- HUD
Algonquin Apartments	Acquisition and substantial renovation of 12 unit property along with interior and exterior ADA upgrades, replacement of all windows and the replacement of (1) roof.	Completed	Federal Grants- HUD
Greenbrook Manor	Acquisition and substantial renovation of 32 unit property, interior and exterior ADA upgrades, replacement of all electric panels, replacement of interior handrails and the replacement of air conditioning units.	Completed	Federal Grants- HUD

## PROPOSED FIVE-YEAR CAPITAL PLAN

### Detroit Housing Commission Development Program

#### Gardenview Estates

The Commission anticipates making substantial progress in the revitalization of the former Herman Gardens Development. The proposed plan calls for approximately 75,000 square feet of new commercial space on Joy Road, approximately 640 residential rental units (of which 308 unit will be affordable) and the possibility of approximately 170 for-sale/homeownership opportunities. The total budget for this development is roughly \$250 million dollars.

#### Parkside

The Commission anticipates continuing the redevelopment of the Parkside Development during the next five years.

### Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Part I: Summary						
PHA Name/Number Detroit Housing Commission MI-001			Locality (City/County & State) Detroit/Wayne Michigan		<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY 2018	Work Statement for Year 2 FFY 2019	Work Statement for Year 3 FFY 2020	Work Statement for Year 4 FFY 2021	Work Statement for Year 5 FFY 2022
B.	Physical Improvements Subtotal	Annual Statement	\$5,040,000	\$5,060,000	\$5,055,000	\$5,005,000
C.	Management Improvements		100,000	100,000	100,000	100,000
D.	PHA-Wide Non-dwelling Structures and Equipment		0	0	0	0
E.	Administration		858,610	858,610	858,610	858,610
F.	Other -		970,271	950,271	955,271	1,005,271
G.	Operations		1,717,220	1,717,220	1,717,220	1,717,220
H.	Demolition					
I.	Development		400,000	400,000		
J.	Capital Fund Financing - Debt Service					
K.	Total CFP Funds		8,586,102	8,586,102	8,586,102	8,586,102
L.	Total Non-CFP Funds					
M.	<b>Grand Total</b>		<b>\$8,586,102</b>	<b>\$8,586,102</b>	<b>\$8,586,102</b>	<b>\$8,586,102</b>

Part II: Supporting Pages - Physical Needs Work Statement(s)												
Work Statement for Year 1 FFY 2018	Work Statement for Year 2 FFY 2019			Work Statement for Year 3 FFY 2020			Work Statement for Year 4 FFY 2021			Work Statement for Year 5 FFY 2022		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
	HA Wide Operations		1,717,220	HA Wide Operations		1,717,220	HA Wide Operations		1,717,220	HA Wide Operations		1,717,220
	HA Wide Admin		858,610	HA Wide Admin		858,610	HA Wide Admin		858,610	HA Wide Admin		858,610
	HA Wide Mgt Imp		100,000	HA Wide Mgt Imp		100,000	HA Wide Mgt Imp		100,000	HA Wide Mgt Imp		100,000
	HA Wide Fees & Costs		650,000	HA Wide Fees & Costs		650,000	HA Wide Fees & Costs		650,000	HA Wide Fees & Costs		650,000
	HA Wide Contingency		320,271	HA Wide Contingency		300,271	HA Wide Contingency		305,271	HA Wide Contingency		355,271
See	MI00100001 Brewster Homes Flooring	250 units	100,000	MI00100001 Brewster Homes Entry Doors		425,000	MI00100001 Brewster Homes Site Lighting		325,000	MI00100001 Brewster Homes Site Improvements		200,000
Annual	MI00100001 Brewster Homes HVAC Upgrades		250,000	MI00100002 Sojourner Truth Unit Renovations		300,000	MI00100002 Sojourner Truth Entry Doors		600,000	MI00100001 Brewster Homes Electric Upgrades		250,000
Statement	MI00100002 Sojourner Truth Unit Renovations		200,000	MI00100002 Sojourner Truth Kitchens & Baths		550,000	MI00100003 Forest Park Unit Renovations		100,000	MI00100002 Sojourner Truth Unit Renovations		200,000



# **DETROIT LAND BANK AUTHORITY**

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# Detroit Land Bank Authority

## AGENCY MISSION

The Detroit Land Bank is a public authority dedicated to returning Detroit's vacant, abandoned, and foreclosed property to productive use.

Detroit Land Bank Authority (DLBA) budget priorities are targeted toward initiatives that will grow our sales and programs. The DLBA current programs include Auction, Rehabbed and Ready, Own It Now, Side Lots, Community Partnership and demolition.

Public Act 258 of 2003, known as the "Land Bank Fast Track Act", allowed for the creation of local land bank authorities by a county/or multiple counties, or a qualified city (Detroit), through intergovernmental agreements. The DLBA was created in 2008 and in 2014 the activities of the land bank were greatly expanded.

The DLBA is the largest land owner in the City of Detroit; holding title to approximately 25% of all parcels in the City of Detroit. The Inventory Division of DLBA manages the acquisition, data management, property management, client services, title management, and coordination of DLBA owned properties with other public partners. Inventory strives to strategically identify ways to move and manage 94,000+ properties back to productive use. The DLBA is currently home to 94,558 properties. Historically, the DLBA has held title to approximately 112,000 properties since January 2014. The agency has been able to move out of its inventory more than 13,000 properties since 2014 through various sales programs.

Each year the total number of properties coming into the DLBA's ownership has outpaced the number of properties exiting the DLBA back into private ownership. 2017 was the first year that the number of properties received from the Wayne County Treasurer's Unsold Tax Foreclosure Auctions was lower than the number of properties sold through all of our sales programs. For the first time in the DLBA's short history, its ownership is declining. This table shows the percentage change of the DLBA's ownership year over year, since January 2014.

DATE	NUMBER OF PROPERTIES	PERCENTAGE CHANGE (YEAR OVER YEAR)
January 2014	1,469	100%
January 2015	48,540	3,204%
January 2016	96,419	99%
January 2017	99,738	3%
January 2018	96,740	-3%

## DLBA INVENTORY -- HARDEST HIT FUND (HHF) VS. NON-HHF

(NO. OF PARCELS)	ACCESSORY STRUCTURE	NON-RESIDENTIAL LOT	NON-RESIDENTIAL STRUCTURE	PROPERTY CLASS UNDER REVIEW	RESIDENTIAL LOT	RESIDENTIAL STRUCTURE	GRAND TOTAL
Not HHF	0	76	164	9	18,582	10,927	29,673
HHF	428	568	104	43	47,186	17,167	64,885
TOTAL	428	644	268	52	65,768	28,094	94,558

## **DLBA PROGRAMS**

### **Auction**

The DLBA continues to auction homes daily on the website [www.buildingdetroit.org](http://www.buildingdetroit.org). Sales through this platform remain strong.

### **Rehabbed & Ready**

Rehabbed & Ready is a philanthropic initiative aimed to improve residential market values and bolster home ownership in the City of Detroit. Through collaboration with Quicken Loans, dilapidated DLBA inventory are undergoing full rehabilitation, bringing houses to at- or above-market conditions. As a neighborhood-based initiative, there are parallel efforts in place to reduce blight and encourage occupancy via the DLBA's existing demolition, nuisance abatement programs and other Disposition programs in the Rehabbed & Ready selected neighborhoods.

### **Own-it-Now**

The Own It Now program operates more like a traditional real estate sale with offers accepted over a period of time.

### **Side Lots**

Allows property owners adjacent to an eligible side lot to purchase the lot.

### **Community Partnership Program**

The Community Partnership program continues to encourage faith- and community- based organizations to transform the neighborhoods that they serve through projects such as home rehabilitation, deconstruction, new construction, lot beautification, community gardens, and pocket parks. This program allows organizations to present proposed projects through development plans.

### **Buy Back Program**

The Occupied Properties Buy Back Pilot provides an opportunity for an eligible occupant in a Detroit Land Bank Authority (DLBA) owned house the ability to purchase that house. This Pilot allows responsible current occupants to remain in the house and help to stabilize the neighborhoods. The applicant is eligible for the Pilot if they meet certain conditions.

### **Nuisance Abatement Program**

The Detroit Land Bank Authority launched the Nuisance Abatement Program (NAP) in the Spring of 2014. Since then, NAP has made strides in combating blight to stabilize and rebuild neighborhoods for the general health, safety, and welfare of the community.

### **Demolition**

The DLBA, in partnership with the Mayor's Office, City Council, and the Detroit Building Authority (DBA), continues to manage a program that tackles blight reduction through targeted demolitions using Federal Hardest Hit Funds allocated to Detroit from the State of Michigan, as well as funds from the City of Detroit and other sources for non-hardest hit properties. Demolition Expenses include: Demolition General, Demo Asbestos Survey, Other Surveys, Demo Winter Grade, Abatement Remediation, Demo over 25,000 Demo Non-Reimbursable, Demo Non HHF, Demo Utility Cut, and Demo Clean Fill.

**Summary of Detroit Land Bank Funding Sources:**

- **Federal Hardest Hit Funds (HHF)** through the Michigan State Housing Development Authority: MSHDA reimburses DLBA for approved and accurate invoices for demolished homes in the Hardest Hit Fund areas of Detroit.
- **City of Detroit Line of Credit:** the City extends an advance for the repayment of demolition invoices upon HHF reimbursement from the MSHDA (see above.)
- **City of Detroit Operating Grant:** The City supports the operations of DLBA through an annual General Fund appropriation.
- **Sales proceeds** from the various DBLA programs net of discounts.
- **Private Donations, gifts and grants.**



As of June 2018, the Hardest Hit Fund reimbursable expenses paid exceeded \$150 million and reimbursements from MSHDA were greater than \$140 million. Thanks to the gracious support of both City Council and the City of Detroit, the Demolition Advance Fund significantly funded vendor payments through the program. To date, there is a balance of \$5 million owed that will be paid in full upon the completion of the program. We look forward to our continued partnership with the City Council in eliminating Detroit's blight.

**Hardest Hit Funds Allocated to the Detroit Land Bank Authority**

	ID#s	ALLOCATION (MILLIONS)	REBUNDS	NET PROCEEDS (MILLIONS)
HHF 1	2014-2015	\$57,342,669	\$5,454,600.21	3,998
HHF 2	2017	\$50,000,719	\$1,211,534.41	2,940
HHF 3	2018	\$21,255,000	\$25,998.25	1,478
HHF 4	2018	\$41,901,646	\$15.00	Est. 2,700
HHF 5	2018	\$88,153,425	\$300.00	Est. 5,200
<b>Total</b>		<b>\$258,653,459</b>	<b>\$6,692,447.87</b>	

**Neighborhood Stabilization Program (NSP)**

DLBA was awarded NSP Program Income funds for demolition in the amount of \$4.3 million with very specific eligibility requirements. Specifically, the structures had to be owned by the DLBA, located in approved census tracts (pre-determined by HUD), and undergo Section 106 Historical Review. To date, the DLBA has demolished 273 structures with NSP funding, perhaps most notably, Blackwell Middle School. To date, the DLBA has completed its spend down, and closed out this program.

**Non-HHF MSHDA Grant**

In August 2017, in partnership with the Detroit Building Authority, the DLBA was awarded a \$458,000 non-HHF grant from MSHDA that is to be used for the demolition of blighted residential structures within the City of Detroit. As a pre-condition of the award, the City of Detroit was required to match the MSHDA grant funds; therefore \$916,000 will be used to demolish 60 additional blighted properties. The Detroit Building Authority is serving as the administrator and project manager for this project. The 60 properties

that were selected in large part, fall outside of the traditional HHF boundaries. The demolition of these structures is expected to be completed on or before February 28, 2019:

**PROPOSED FIVE-YEAR PLAN**

ASSET CATEGORY	FISCAL YEAR 2020	FISCAL YEAR 2021	FISCAL YEAR 2022	FISCAL YEAR 2023	FISCAL YEAR 2024	TOTAL
Land-Structure	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Computers-Equipment	\$51,000	\$50,000	\$150,000	\$55,000	\$50,000	\$356,000
Software	\$155,000	\$55,000	\$30,000	\$130,000	\$30,000	\$400,000
Truck	\$162,000	0	0	0	0	\$162,000
Furniture	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
<b>TOTAL</b>	<b>\$628,000</b>	<b>\$365,000</b>	<b>\$440,000</b>	<b>\$445,000</b>	<b>\$340,000</b>	<b>\$2,218,000</b>

CATEGORY	AMOUNT	DESCRIPTION
Land -- Structure	\$1,250,000	Nuisance Abatement Program- In lieu of costly litigation for abandon homes in private ownership, owners opt to sell their property for \$500 to the DLBA (We Buy It). This program is aggressively ramping up to assist in eliminating blight of privately held properties and further redevelop neighborhoods.
Computers Hardware & Software	\$756,000	<ol style="list-style-type: none"> <li>1. Upgrades and replacement of hardware and software as needed to support daily operations, including continued investment in Salesforce, the operational software that maintains key information on all of the DLBA's inventory.</li> <li>2. Technology upgrades and key investments will help support all of the DLBA's programs and back-office support.</li> </ol>
Vehicles	\$162,000	In order to better monitor, support and maintain the vast inventory of DLBA-owned properties on a daily basis, the DLBA is requesting to invest in vehicles through the City of Detroit's Fleet Program. The DLBA is in need of : <ol style="list-style-type: none"> <li>1. 2 midsize vehicles to support the Disposition Team</li> <li>2. 2 midsize vehicles to support the Inventory Team</li> <li>3. 2 vans: 1 utility van for equipment and 1 15-passenger van to support Community Relations</li> </ol>
Furniture	\$50,000	The age of the current furniture is over 7 years old and will be gradually replaced over the next five years as needed.
<b>TOTAL</b>	<b>\$2,218,000</b>	

# DETROIT RIVERFRONT CONSERVANCY

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## AGENCY MISSION

The Detroit Riverfront Conservancy (DRFC), a 501(c)(3) organization, is responsible for the establishment, improvement, operation, maintenance, security, programming and expansion of the Detroit Riverwalk and associated green spaces. Through its public/private partnerships, the DRFC will support the development of the Riverfront district and facilitate community access to the waterfront.

### Vision

Transform Detroit's international Riverfront—the face of the city—into a beautiful, exciting, safe, accessible world-class gathering place for all.

### Goals

The DRFC will:

- Develop a collective sense of ownership, accessibility and responsibility;
- Enhance Detroit's image to emphasize its iconic, international Riverfront; and
- Create and maintain an inviting destination for all.

## DESCRIPTION OF ASSETS & ACCOMPLISHMENTS

### The East Riverfront

The first phase of the Detroit waterfront transformation project, three-and-a-half miles of the East Riverfront, spans from Joe Louis Arena to Gabriel Richard Park and is more than 80 percent complete.

The completed portions of the East Riverfront, along with its sister rails-to-trails greenway, the Dequindre Cut, are populated with approximately three million visitors annually who come to walk, run, bike, spend time with family and friends and take advantage of the quality of life that a revitalized Riverfront provides.

The East Riverfront project, includes the Detroit Riverwalk and four plazas and pavilions. This series of paths, parks and green spaces along the Detroit River will extend a distance of about three and a half miles from the Civic Center to east of the MacArthur Bridge on Belle Isle. The Riverwalk averages 62 feet in width and includes a pedestrian section, a bicycle path and landscaping.

The East Riverwalk pathway was designed to accommodate the natural shoreline. In some places, a soft shore approach allows a close connection with the river, while in others, the walk is slightly farther away with steps leading to the river. In other areas, the Riverwalk

overhangs the water, providing a shaded, safe environment for fish spawning. At four points along the Riverwalk, the pathway broadens out into plazas—Cullen Plaza, GM Plaza, Mt. Elliott Park & Pavilion, and Gabriel Richard Park Plaza—that house pavilions with visitor amenities such as restrooms, concessions, and canopies for shade and shelter. These plazas and pavilions are key access points, serving as the “front doors” to the Riverwalk. The plazas also are venues for environmental, geographical and historical education, family activities, recreation and entertainment.

In the summer of 2012, the Conservancy launched the final construction phases to complete the East Riverfront project and connect the Riverwalk and its associated green spaces along the waterfront.

The first construction phase included a complete transformation of Mt. Elliott Park, which reopened in June 2014. The second construction phase included enhancements to Gabriel Richard Park and developing the parcels of land to the west and east of Aretha Franklin Amphitheatre. The final phase will provide for the construction of public space along the Uniroyal site.

## **Mt. Elliott Park**

Mt. Elliott Park was completely renovated and reopened to the public in 2014. The centerpiece of the park is a Great Lakes schooner-themed water feature with water cascades and “kid activated” water cannons, wind chimes and many other interactive features. The park includes a café, winding walkways, fishing piers, and restrooms. It is located at 120 Mt. Elliott in Detroit at the foot of Mt. Elliott and Wight Streets.

## **Gabriel Richard Park**

This beloved City of Detroit park is located just east of the MacArthur Bridge to Belle Isle. The Detroit Riverfront Conservancy has enhanced the area with a plaza and a pavilion located along the river's edge. This also serves as the eastern most point for the Riverwalk.

New enhancements completed in 2015 include an environmentally-friendly parking lot and pathways to better link the park with Jefferson Avenue, lighting the labyrinth and new restroom facilities. Additionally, a new birding station features four wildlife-spotting scopes (two of which are universally-accessible) and an interpretive panel identifying various birds that can be found along the Riverfront.

## **William G. Milliken State Park and Harbor**

As the first urban park in Michigan, William G. Milliken State Park and Harbor (formerly Tricentennial Park) offers 31 acres carved out on the banks of the Detroit River—a green oasis in the midst of downtown Detroit.

The first phase of the park - the harbor - was opened to the public in 2004 and offers several covered picnic areas, shoreline fishing and a 52-slip harbor. A 63-foot light tower marks the harbor entrance. It is a scaled-down replica of the lighthouse at Tawas Point State Park, originally built in 1876.

The second phase of the William G. Milliken State Park opened in 2009. It includes a wetlands demonstration area that illustrates how wetlands act as nature's water filtration system. The Riverwalk passes through the park in the area closest to the Detroit River. The park is maintained by the State of Michigan.

## **Cullen Plaza**

Cullen Plaza is home to many of the East Riverfront's most popular attractions, including the lovely Cullen Family Carousel, an in-laid granite map of the Detroit River, a standing glass sculptured map of the St. Lawrence Seaway, a children's playscape, playful fountains and lush landscaping.

Also located at Cullen Plaza are the Riverwalk Café and Wheelhouse Detroit, a bike shop offering bike rentals, tours, retail and service. The DRFC's commemorative bricks and pavers are located at Cullen Plaza, as well as at Gabriel Richard Park Plaza.

The pavilion building at Cullen Plaza houses public facilities as well as the Conservancy's operations offices and the security command center.

## **Atwater Beach**

On August 27, 2018, the Detroit Riverfront Conservancy broke ground on the much-anticipated Atwater Beach project. The Atwater Beach project transforms a 3.2 acre former industrial site along the East Riverfront into a family-oriented destination for people of all ages. Atwater Beach will feature a large, sandy beach area, green space for picnics, playscape, music gardens, a 1,000 square foot shed structure with patio area and a unique barge for food and drink. Ample seating will be available throughout the area. Construction is expected to be completed by the summer of 2019. Funding was provided by the William Davidson Foundation, John S. and James L. Knight Foundation, the Mona and Richard Alonzo Fund and a grant from Gannett/USA Today Network.

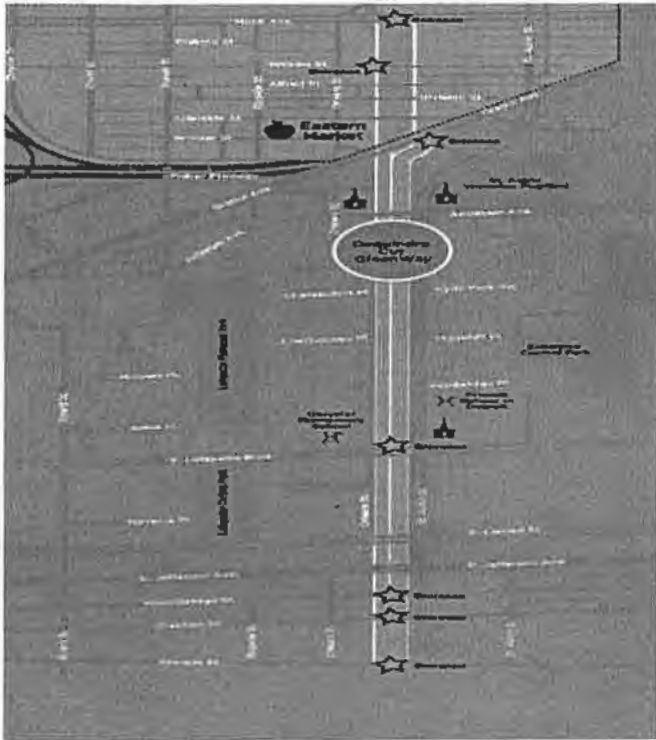
## **Dequindre Cut**

The Dequindre Cut Greenway officially opened to the public in May of 2009. The two-mile greenway, developed through a public, nonprofit and private partnership, offers a pedestrian link between East Riverfront, Eastern Market and many of the residential neighborhoods in between.

Formerly a Grand Trunk Railroad line, the Dequindre Cut is a predominately below-street level greenway that runs parallel to St. Aubin Street, between Mack Avenue and Atwater Street, just north of the Riverfront. Well-known for its examples of urban artwork and graffiti, the greenway features a 20-foot-wide paved pathway, which includes separate lanes for pedestrian and bicycle traffic. A half-mile extension of the Dequindre Cut officially opened in April 2016. It runs from Gratiot Avenue to Mack Avenue and takes pedestrians into the heart of

Eastern Market. Also along this stretch, the Wilkins Street Plaza with its soaring canopy, bike racks and a variety of seating options, provides a place for pedestrians to take a break while visiting the Dequindre Cut. Entrance ramps to the Cut are located at Atwater Street, Franklin Street, Woodbridge Street, Lafayette Street, Gratiot Avenue, Wilkins Street and Mack Avenue.

The Detroit Riverfront Conservancy is responsible for the operations, maintenance and programming of the Dequindre Cut.



### The West Riverfront Project

The ultimate vision for the Detroit International Riverfront is 5½ miles of open Riverfront from the Ambassador Bridge to Gabriel Richard Park, just east of the Belle Isle Bridge.

The Detroit Riverfront Conservancy's first phase of work has been focused on the East Riverfront - 3 ½ miles from Joe Louis Arena to Gabriel Richard Park. While the focus continues on completing the East Riverfront, the Conservancy is also working towards the West. The West Riverfront project runs from just west of Joe Louis Arena to Riverside Park, at the foot of West Grand Boulevard.

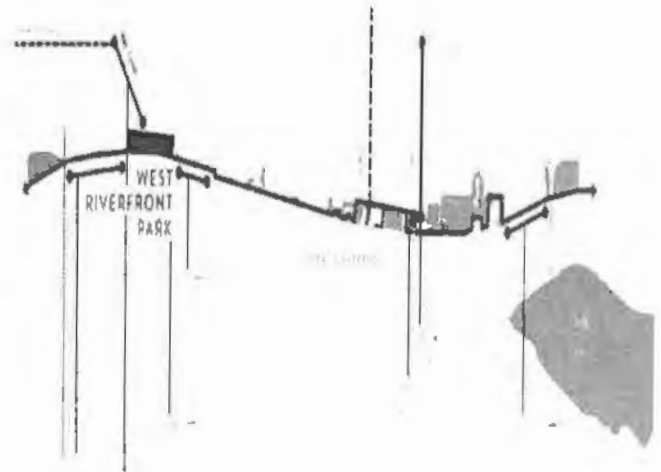
In December 2007, the DRFC purchased 26 acres on the West Riverfront, the site of the former Detroit Free Press printing plant. This site at 1801 W. Jefferson is now the 22-acre West Riverfront Park. Visitors will find three new pathways linking the Riverfront to West Jefferson Avenue,

benches, trash receptacles and plenty of lush green space for a variety of outdoor activities. The DRFC has expanded the width of the popular Riverwalk along this parcel to 30 feet to better accommodate adequate space for walking, running, biking and fishing. Safety and security improvements include new railings, lighting, security cameras and call boxes.

The DRFC continues to work with key stakeholders including the City of Detroit towards a strategic plan for revitalizing the West Riverfront.



In April 2018, DRFC announced the selection of the design team Michael Van Valkenburgh and Associates (MVVA) to lead the transformation of West Riverfront Park into a dynamic gathering place. The MVVA team will begin to develop the park concept with input from the community through 2018 and into 2019. Construction is expected to begin in 2020 with an anticipated completion date in 2022.







**WAYNE COUNTY PORT AUTHORITY**

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# Detroit/Wayne County Port Authority

## AGENCY MISSION

The Detroit/Wayne County Port Authority (DWCPA) is a government agency advancing southeast Michigan's maritime and related industries with the purpose of delivering prosperity and economic benefit to our citizens and businesses. For more than 35 years, the DWCPA has worked to bolster the community by being the connection between the maritime industry and the Great Lakes region, raising awareness of the importance of the Port of Detroit and how the cargo and vessel activity generates economic impact for the State of Michigan.

### Overview

The DWCPA was created in 1978 through the Hertel-Law-T. Stopczynski Port Authority Act, MCLA 120.101 et. seq. (1978). Governed by a five-member board (one from the State, two from the County and two from the City), the jurisdiction of the Port Authority encompasses approximately 32 miles of waterfront within Wayne County.

Under the Port Authority Act, the DWCPA may "do all acts and things necessary or convenient to promote and increase commerce and recreation within the territorial jurisdiction." The DWCPA has the authority to enter into contracts for land acquisition, improvement and other aspects of real estate development. Creative financing procedures allow the DWCPA to float development bonds in order to advance projects that promote the Port's mission.

The Port Authority oversees more than 17 million tons of cargo at 29 private and public sector terminal facilities in the Port of Detroit each year. International and domestic high-grade steel products, coal, iron ore, cement, aggregate and other road building commodities are shipped in and out of Detroit's port. It is the third largest steel-handling port in the nation.

The Port Authority was created to advocate on behalf of the marine industry. This advocacy is directed at improving infrastructure repair and development, brownfield remediation, and cargo marketing and generation, as well as facilitating financial assistance to businesses needing to grow their operations and create jobs. The Port Authority owns the City of Detroit's only general cargo terminal, located in Southwest Detroit. This terminal is responsible for the inbound movement of steel and project cargo that is utilized by the region's industries.

The Port Authority is also leading Detroit's return to maritime tourist activities marketing Detroit as a port of call for Great Lakes cruises, tall ships, and other passenger charter vessels.

**Detroit Wayne County Port Authority**  
DWCPA

The Detroit Wayne County Port Authority (DWCPA) is a government agency advancing southeast Michigan's maritime and related industries with the purpose of delivering prosperity and economic benefit to our citizens and businesses.

**DWCPA History**

- 1925** Michigan State Legislature passed the Port Districts Act, authorizing the creation of Port Districts to coordinate maritime activities.
- 1933** The Detroit Wayne County Port District was established with jurisdiction over the waters and shorelines of Wayne County.
- 1978** The DWCPA was established as more development and port activity began to take place.

**DWCPA Role**

- For more than 35 years, DWCPA has worked to bolster the community by being the connection between the maritime industry and the region.
- DWCPA serves as a unified voice, raising awareness of the importance of the Port of Detroit.
- We support and facilitate economic development activities focused within the maritime and related industries.

**DWCPA is operated by a member board**

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One member appointed by the State of Michigan, two by Wayne County and two by the City of Detroit.

**International Relations**

With an international border immediately across the Detroit River, the DWCPA has a primary role in foreign affairs.

The DWCPA completed a risk assessment that led to \$4 million in funding from the U.S. Department of Homeland Security for surveillance, water-based patrols and increased security at high-priority waterfront sites.

## **ACCOMPLISHMENTS**

### **Public Dock & Terminal**



With regard to passenger operations, work is largely complete at the Carl M. Levin Public Dock and Terminal. For the first time ever, 2018 will see the Port Authority hosting over 20 cruise ship dockings, as well as Detroit's ascendance as a "turnaround port," where cruises begin and end. This results in considerably more money spent in the City by passengers, with more hotel and restaurant usage on top of general commerce. On, August 5, 2018, the Victory II cruise ship became the first such vessel in a generation to begin or end a trip in Detroit.

### **Riverfront – Portal View**

DWCPA, for the second consecutive year, open to the public the *Portal View*, a repurposed shipping container that's been transformed into an interactive, educational resource showcasing the maritime industry's history and future. Located on the Detroit Riverfront at the foot of Bates and Atwater, the container features Great Lakes maritime artifacts, educational boards, and an interactive computer (provided by Boat Nerd) that shows realtime tracking of vessels passing the *Portal View* along the Detroit River.



### **EPA Revolving Loan Fund**

The DWCPA, in conjunction with the Detroit Brownfield Redevelopment Authority was awarded a FY 2016 Brownfield Revolving Loan Fund worth over \$800,000. DWCPA and DBRA will be work together over the next year to identify eligible projects and determine the highest and best use for this funding.

### **Port of Detroit/Detroit Marine Terminal**

The Detroit Marine Terminal, owned by the Detroit/Wayne County Port Authority and operated by Nicholson Terminal and Dock Company, has been in operation since 2005. In the first eight months of the 2018 shipping season, the Detroit Marine Terminal received 45 vessels for a total of 210,275 net tons. The Ecorse terminal owned by Nicholson received nine vessels for a total of 50,471 net tons. Moreover, the Trenton Marine Terminal received roughly 40,000 tons of sugar in the shipping season.

Another aspect of the DWCPA's ownership of DMT is the Master Concession Agreement with the Ambassador Port Company, which has had a stifling effect on development in the port region. DWCPA is continually looking for ways to move beyond this agreement or amend it to allow for the facilitation of investment the region needs.

### **Port Security Grants**

The Detroit/Wayne County Port Authority was awarded a \$750,000 port security grant in 2015 to install a radar system on the Port Detroit Terminal Building from US Homeland Security. Installation was completed in 2016, and the system provides enhanced coverage of the Detroit River for security operation by the U.S. Coast Guard and the U.S. Border Patrol as well as other law enforcement agencies. Moving forward, DWCPA will continue to pursue grant opportunities that will allow it to assist the law enforcement community.



## **PROPOSED FIVE-YEAR PLAN**

### **Customs and Border Protection Space**

One area within the Terminal that needs to be addressed is the Customs and Border Protection space that has been built out. Through the use of a Port security grant, DWCPA built out space in the building for U.S. Customs and Border Protection (USCBP) to operate. However, developments with USCBP regulations have prevented that from happening. Currently, cruise ship passengers needing clearance into the US are bussed to the clearance facility at the Detroit/Windsor Tunnel. This has proven to be more efficient than the use of jump kits on the dock; however, it is desired that one day, a proper Reimbursable Services Agreement will be executed between DWCPA and USCBP. It is estimated that equipment costs to finish this project would range from \$200,000 to \$250,000. It is important to note that at that point, DWCPA would be expected to pay for CBP officers as well. Given the effectiveness of the current situation, it is expected that DWCPA will continue to use the current process.

### **General Cargo Dock**

Second, and more importantly, are improvements needed at the general cargo dock owned by DWCPA and operated by Nicholson Terminal & Dock Company. In order to accommodate modern cargoes and expanded operations, significant investments are needed at the site. Currently, the site is in need of roughly \$4 million in improvements, including improved paving, security enhancements, roof repairs, and adding rail access to the site. Funding for these projects has not yet been identified; however, DWCPA is exploring working with a consultant with a proven record of success with federal grant programs to seek out that avenue of funding. Further, DWCPA is open to exploring its own ability to issue revenue bonds to assist in the financing of these projects, but of course, any grant opportunities would be preferable.

Moreover, in addition to the basic needs of the freight terminal outlined above, further assistance is sought to prepare the cargo dock to be able to handle the types of cargo expected to be more popular in the future. Containerized cargo is the modern method of moving non-bulk cargoes, and its growth in the Great Lakes region has not yet been fully realized. While the move to just-in-time delivery harmed the Great Lakes from a shipping standpoint in the past, currently shippers are looking at all ways to save money in the shipment of goods, and the Great Lakes may provide a legitimate option for a large portion of domestic cargoes into and out of Detroit, as well as international cargoes headed to the Midwestern United States, with Detroit poised to be a strategic location with multiple international border crossings, interstate access, deep water access, and access to airports and railroads.

Projects that must be undertaken to fully modernize the cargo dock include the relocation of power lines, paving, drainage improvements, new cargo handling equipment, and security screening equipment required by U.S. Customs and Border Protection of adequately screen cargoes. The cost of completing all the identified projects is expected to exceed \$10 million. Again DWCPA intends to work with a consultant to help identify grant opportunities and the best way to pursue them; however, all possible funding sources will be entertained.



**APPENDIX A**  
**CITY OF DETROIT**  
**SOURCES OF FUNDING DETAIL**

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## CAPITAL FUNDING SOURCES

FUNDING SOURCE	DESCRIPTION
General Obligation Bonds- Unlimited Tax	General Obligation Unlimited Tax Bonds are voter authorized debt issued under a municipality's full faith, credit and taxing power for capital improvement projects.
General Obligation Bonds- Limited Tax	This debt does not require prior voter authorization. To the extent debt service on this category of obligations is not provided from a special revenue source, the payment is provided from the City's General Fund.
Michigan Transportation Fund- Road Bonds	On November 16, 2017, the Michigan Finance Authority issued \$124,500,000 in revenue bonds on behalf of the City of Detroit for Major and Local Street improvements. Two scheduled draws to date of \$1,000,000 and \$33,000,000 were made in November 2017 and April 2018, respectively. Remaining draws are scheduled to occur in each October and April, with the final draw on October 1, 2020.
Earnings on Investments	In addition to the proceeds from the sale of general obligation bonds, the interest earned on the investment of unspent bond proceeds can also be used for projects that were voter authorized.
Revenue Bonds	Revenue bonds are municipal bonds that finance income-producing projects and are secured by a specified revenue source. Typically, revenue bonds can be issued by any government agency or fund that is managed in the manner of a business- enterprise agencies, such as entities having both operating revenues and expenses. Revenue bonds are typically used to finance water and sewerage projects and parking improvements.
Operating Contributions	This funding method relies on general tax and operating receipts rather than on debt issuance. It is the most conservative approach possible for funding capital projects.
Post-Bankruptcy Funds: Quality of Life and Exit Financing	The City Post Bankruptcy began implementation of a \$1.7 billion program of reinvestment and restructuring initiatives made possible by confirmation of the Plan of Adjustment. The reinvestment and restructuring initiatives provided funds for, among other areas, (a) Public safety equipment, facilities and services; (b) blight remediation; (c) upgrades to City infrastructure, operations, and information technology; and (d) public transportation improvements. Funding was obtained through debt financing.
Strategic Neighborhood Fund	<p>Invest Detroit and the City have partnered to raise \$56M in philanthropy, and \$15M in State CRP, to match \$59M in City funds towards economically catalyzing projects in the following 7 neighborhoods: Grand River Northwest, Jefferson Chalmers, Campau/Banglatown, Warrendale/Cody Rouge, Gratiot/7-mile, Russell Woods/Nardin Park, East Warren/ Cadieux. These funds will also help complete projects in the 3 neighborhoods originally designated as SNF: Livernois/McNichols, Southwest, and Islandview/Greater Villages.</p> <p>SNF projects fall into 5 categories and pitch materials approved by the Mayor include the following proposed sources:</p> <ol style="list-style-type: none"> <li>1. Neighborhood planning to understand community needs - \$3M City</li> <li>2. Improving streetscapes to create safe and walkable neighborhoods - \$49M City (road bond)</li> <li>3. Redeveloping parks to offer attractive and active public spaces - \$14M Philanthropy, \$7M City</li> <li>4. Rehabilitating single-family homes to stabilize residential communities - \$7M Philanthropy</li> <li>5. Strengthening commercial corridors to support commercial, mixed use and multi-family development - \$35M philanthropy, \$15M State CRP</li> </ol> <p>All SNF projects are intended to be complete within 5 years.</p>
Private Sources	Philanthropic, non-profit foundations and corporations have made significant investment in various city assets and services.



## CAPITAL FUNDING SOURCES

FUNDING SOURCE	DESCRIPTION
Detroit Historical Society	The City entered into an agreement with the Detroit Historical Society, a Michigan nonprofit corporation, to manage the operations of the Detroit Historical Museums. The City retains ownership of all the assets of the Detroit Historical Museums, which includes the Detroit Historical Museum, the Dossin Great Lakes Museum and Historic Fort Wayne. The Historical Society has access to capital funding through the City's annual capital budget process.
Detroit Zoological Society	The Detroit Zoological Society has consistently provided generous support for Detroit Zoological Institute development and regularly contributes to its annual support. Financial support can be provided from general operating revenues, including membership dues, investment income, special event proceeds, special gifts, grants, and sponsorships. For large projects, a specific capital campaign may be launched for that purpose.
Eastern Market Corporation	The Eastern Market Corporation is a non-profit, public-private- "umbrella organization" created to equally include representatives of the City of Detroit, Eastern Market stakeholders and persons with a special interest in the market, including corporate and foundation contributors. The City retains ownership of the public areas of the Eastern Market and has membership on the Board of Directors of the Eastern Market Corporation.
Aviation Grants	Detroit City Airport is eligible for Federal funding under the Airport Improvement Program (AIP), established by the Airport and Airway Improvement Act of 1982. These funds are generated through aviation taxes and used in projects to renovate and rehabilitate public areas of airports solely for increasing the level of service to all passengers.
<p>Grants submitted under the HUD Consolidation Plan:</p> <ul style="list-style-type: none"> <li>• Community Development Block Grant (CDBG):</li> <li>• Neighborhood Opportunity Fund (NOF)</li> <li>• HOME Investment Partnerships (HOME) Program</li> <li>• The Housing Opportunities for Persons with AIDS (HOPWA) program</li> </ul>	<p>The U.S. Department of Housing and Urban Development (HUD) Consolidated Plan is a collaborative process to establish a unified vision for community development actions. The plan describes community development, affordable housing, homeless, and supportive housing needs, conditions, and strategies for a five-year period. The plan includes the annual funding applications for the Community Development Block Grant (CDBG), Emergency Shelter Grant, HOME, and the Housing Opportunities for Persons With AIDS (HOPWA) programs.</p> <p>The Community Development Block Grant program is a Federal program operated by the U.S. Department of Housing and Urban Development. This program provides entitlement grants to local governments for community development activities.</p> <p>The Neighborhood Opportunity Fund (NOF) is a local program using CDBG funds for neighborhood improvement projects proposed by neighborhood organizations. These projects should be limited in scope and completed within one year. This program is subject to CDBG regulations.</p> <p>The Home Investment Partnerships (HOME) program is a Federal program operated by the U.S. Department of Housing and Urban Development. This program provides grants to cities and others to increase the supply of safe and affordable rental and ownership housing for low-income families.</p> <p>The Housing Opportunities for Persons with AIDS (HOPWA) program is a Federal program operated by the U.S. Department of Housing and Urban Development. This program provides grants to large cities with over 1,500 AIDS cases. Funds are to be used to meet the housing and related service needs of people with AIDS and their families in Wayne County (including Detroit).</p>
HUD Section 108 Loans	Section 108 offers state and local governments the ability to transform a small portion of their Community Development Block Grant (CDBG) funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects capable of revitalizing entire neighborhoods.

## CAPITAL FUNDING SOURCES

FUNDING SOURCE	DESCRIPTION
<b>Lead Hazard Reduction Demonstration Grant:</b>	The Lead Demonstration Grant is a Federal competitive grant program operated by the U.S. Department of Housing and Urban Development.
<b>Environmental Grants</b>	Annual grants from the State of Michigan Department of Environmental Quality available to the City through the Department of Environmental Affairs (DEA) are: Site Reclamation Bond Grants; Site Redevelopment Grants; Revolving Loan Funds and Site Assessment Grants.
<b>U.S. Department of Interior Land and Water Conservation Fund (LWCF):</b>	LWCF funds are limited to the development of basic outdoor recreation facilities and cannot be used for buildings or maintenance and renovation.
<b>Port Security Grant Program</b>	The Port Security Grant Program (PSGP) plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient nation.
<b>Michigan Gas and Weight Taxes (ACT 51)</b>	The primary source of street capital is the State tax on motor fuels and vehicle licensing fees, which are distributed to municipalities by formula.
<b>Michigan Natural Resources Trust Fund</b>	The Trust Fund accumulates principal to the fund by using fees from oil, gas and mineral resource permits from lease and royalty rights on state land in northern Michigan.
<b>Michigan Transportation Economic Development Fund</b>	Transportation Economic Development Fund was created in 1987 to provide funding for road projects related to economic development and redevelopment opportunities. All ACT 51 recipient governmental units are eligible for this fund.
<b>Better Utilizing Investments to Leverage Development (BUILD)- US Department of Transportation Grant</b>	BUILD Transportation grants replace the pre-existing Transportation Investment Generating Economic Recovery (TIGER) grant program. Awarded on a competitive basis, these grants are utilized for surface transportation infrastructure projects: road, rail, transit and port projects
<b>Transportation Alternatives Program (TAP)</b>	Transportation Alternatives Program (TAP) is a competitive grant program that uses federal transportation funds designated by Congress for specific activities that enhance the intermodal transportation system and provide safe alternative transportation options.
<b>Transportation Grants</b>	These funds are generally provided based upon an 80/20% formula-FTA supplies 80% and 20% is provided by MDOT. The purpose of these grants is to supply major capital items; such as: buses, service equipment, service vehicles, communications equipment, facility improvements, and safety and security needs to be utilized in the maintenance and enhancement of the daily operations within the Detroit Department of Transportation.
<b>Fixed guideway capital investment grants</b>	The discretionary Capital Investment Grant (CIG) program provides funding for fixed guideway investments such as new and expanded rapid rail, commuter rail, light rail, streetcars, bus rapid transit, and ferries, as well as corridor-based bus rapid transit investments that emulate the features of rail.
<b>U.S. Environmental Protection Agency's National Clean Diesel Funding Assistance Program</b>	Competitive grant program – reimburses 25% of the cost of replacing outdated fleet.
<b>Assistance to Firefighters Grant Program</b>	The primary goal of the Assistance to Firefighters Grants (AFG) is to enhance the safety of the public and firefighters with respect to fire-related hazards by providing direct financial assistance to eligible fire departments, nonaffiliated Emergency Medical Services organizations, and State Fire Training Academies. This funding is for critically needed resources to equip and train emergency personnel to recognized standards, enhance operations efficiencies, foster interoperability, and support community resilience.
<b>Community Foundation for Southeastern Michigan Pistons Palace fund</b>	\$125,000/year available for a set list of 34 Detroit parks
<b>Wayne County Park Millage</b>	Renewed in 2016, tax levied annually and allocated by the Wayne County Parks commission to improve and operate parks and related facilities. Detroit typically is awarded ~264K/year

## CAPITAL FUNDING SOURCES

As indicated on page 12 of the Executive Summary, the City currently has \$286 million in voter-approved, unissued UTGO authority. This Capital Agenda includes an immediately need of \$235 million for projects during the plan period. The City plans to issue approximately \$115 million in one series and the balance in a second series in order to align projects with spending capacity.

Table 6. New GO Bond Funding by Department

Department	FY1820	FY1920	FY2021	FY2122	FY2223	FY2324
Charles H. Wright Museum	\$ 1,000,000	\$ 700,000	\$ -	\$ -	\$ -	\$ 1,700,000
Fire	3,000,000	11,237,500	9,717,500	15,480,155	3,000,000	42,435,155
General Services	3,886,100	27,878,000	13,050,000	2,550,000	-	47,364,100
Health	1,465,000	765,000	165,000	55,000	-	2,450,000
Innovation & Technology	5,478,792	4,380,800	4,080,800	4,080,800	-	18,021,192
Planning & Development	26,072,161	-	-	10,000,000	10,000,000	46,072,161
Police	7,250,000	16,250,000	9,975,000	7,000,000	350,000	40,825,000
Transportation	-	-	18,000,000	18,501,849	-	36,501,849
<b>Total</b>	<b>\$ 48,152,053</b>	<b>\$ 61,211,300</b>	<b>\$ 54,988,300</b>	<b>\$ 57,667,804</b>	<b>\$ 13,350,000</b>	<b>\$ 235,369,457</b>

Table 7. New GO Bond Funding by Voter Authorization

Voter Authorization	FY1820	FY1920	FY2021	FY2122	FY2223	FY2324
Public Safety	\$ 16,947,264	\$ 32,633,300	\$ 23,938,300	\$ 26,615,955	\$ 3,350,000	\$ 103,484,819
Recreation & Museums	5,132,628	28,578,000	13,050,000	12,550,000	10,000,000	69,310,628
Economic Development	26,072,161	-	-	-	-	26,072,161
Transportation	-	-	18,000,000	18,501,849	-	36,501,849
<b>Total</b>	<b>\$ 48,152,053</b>	<b>\$ 61,211,300</b>	<b>\$ 54,988,300</b>	<b>\$ 57,667,804</b>	<b>\$ 13,350,000</b>	<b>\$ 235,369,457</b>

**APPENDIX B**  
**CITY OF DETROIT DEBT POLICY**

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CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER

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**CFO DIRECTIVE**  
**No. 2018-101-007**

**SUBJECT:** Debt Issuance and Management  
**ISSUANCE DATE:** May 1, 2018  
**EFFECTIVE DATE:** May 1, 2018

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1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 117.4s (2), as amended by Public Act 182 of 2014, states the chief financial officer shall supervise all financial and budget activities of the city and coordinate the city's activities relating to budgets, financial plans, financial management, financial reporting, financial analysis, and compliance with the budget and financial plan of the city.
- 1.2. State of Michigan Public Act 34 of 2001 states various requirements relative to the borrowing of money and the issuance of certain debt and securities, as well as other various requirements.
- 1.3. State of Michigan Public Act 227 of 1985 states authorities granted to local units of government regarding the issuance of debt, as well as other various requirements.
- 1.4. State of Michigan Public Act 436 of 2012 allows local units of government to issue financial recovery bonds in amounts greater than limitations established by City Charter or Public Act 436 of 2012.
- 1.5. The 2012 Charter of the City of Detroit, Article 8, Chapter 5, provides various types of, and requirements for, borrowing, as well as other various requirements.
- 1.6. The 1984 Detroit City Code, Chapter 18, Article II, Section 18-2-24 requires the City to issue a tax statement and a bond statement to represent amounts required to be raised to support the adopted budget.
- 1.7. The 1984 Detroit City Code, Chapter 18, Article VII, provides various requirements for registered city bonds.

2. OBJECTIVES

- 2.1. To establish the conditions for the issuance and management of debt.
- 2.2. To create policies that minimize the City's debt service and costs, while maintaining and preserving access to the capital markets in a cost-effective manner.
- 2.3. To provide guidelines for the City to manage its debt program in accordance with its financial resources in order to retain the highest possible credit ratings.
- 2.4. To help improve the quality of decision-making, provide justification for the debt structure, identify policy goals, and demonstrate a commitment to long-term financial planning, including a multi-year capital plan.
- 2.5. To outline the legal, credit and policy frameworks under which the City issues its debt obligations and to document pre- and post- issuance objectives.

### 3. PURPOSE

3.1. To establish the City's debt issuance and management policy.

### 4. RESPONSIBILITIES

4.1. As delegated by the Chief Financial Officer (CFO), the Deputy CFO- Treasurer (Treasurer), in coordination with the Chief Deputy CFO./ Finance Director, shall be responsible for the administration and oversight of this Directive and shall ensure coordination of activities with the CFO's Office and the Office of Budget.

4.2. The Deputy CFO- Budget Director (Budget Director) shall be responsible for certain activities as stated in this Directive.

4.3. The CFO's Office, with assistance from other City departments and agencies as necessary, shall be responsible for certain analyses and communications with credit rating agencies as stated in this Directive.

### 5. POLICY

#### 5.1. Definition of Debt

5.1.1. This Directive covers all obligations of the City to repay, with or without interest, in installments and / or at a later date, some amount of money utilized for the purchase, construction, or operation of City resources. This includes, but is not limited to, notes, bond issues, capital leases, and loans of any type (whether from an outside source such as a bank or from another internal fund).

5.1.2. This Directive does not cover other obligations such as contracts payable, loans payable (for example U.S. Department of Housing and Development Section 108 loans), and net pension liability obligation (NPO) and / or pension Unfunded Actuarial Liability (UAL) and Other Post-Employment Benefits (OPEB) UAL.

#### 5.2. General Guidelines

5.2.1. Debt shall only be incurred for those purposes provided by City Charter and State law, including Public Act 34 of 2001, Public Act 279 of 1909, and other applicable laws.

5.2.2. Debt shall only be issued in conformance with all applicable state and federal laws, City Charter and ordinances, and as well as this Directive.

5.2.3. Should the City issue a municipal security that contains the limited tax full faith and credit pledge of the City, it shall issue a notice consistent Public Act 34 of 2001.

5.2.4. The City shall pay all debt and interest on debt in a timely manner consistent with requirements of the borrowings and shall ensure that all outstanding debt are budgeted.

5.2.5. Long-term debt shall not be used to finance current operations. Long-term debt shall only be used for capital purchases or construction identified through the City's capital improvement / budget processes.

5.2.6. Short-term debt may be used for certain projects and equipment financings as well as, in rare cases, for operational borrowing; however, the City will minimize the use of short-term cash flow borrowings by maintaining adequate working capital and detailed budget management.

- 5.2.7. Use of non-debt revenues to fund some capital projects is desirable as it constitutes “pay-as-you-go” financing and, when applied to debt eligible projects, reduces the debt burden of the City. Decisions to use current non-debt revenue funding within the Capital Agenda / Plan of the City will have an immediate impact on resources available to annual operating budgets, and requires the recognition that certain costs of public facilities and other capital projects should be supported on a current basis rather than paid for over time. As such, current non-debt revenues should be used for any projects in the Capital Agenda / Plan not eligible for debt financing by virtue of limited useful life.
- 5.2.8. In accordance with Generally Accepted Accounting Principles used by state and local governments and Federal / State law, the maturity of the underlying debt may not be more than the useful life of the assets purchased or financed with the debt, not to exceed 30 years; however, an exception may be made with respect to Federally-sponsored loans, provided such an exception is consistent with law and accepted leading practices and industry standards. In addition, debt incurred for operating expenses must be repaid within the same fiscal year of issuance or incurrence.
- 5.2.9. The City shall seek to structure debt with level or declining debt service payments over the life of each individual bond issue or loan. The City will not backload, use wrap-around techniques, balloon payments or other exotic formats to pursue the financing of projects. When refunding opportunities, natural disasters, other non-general fund revenues, or external factors occur, the City may utilize non-level debt methods. However, the use of such methods should be clearly delineated in the CFO’s recommendation to the City Council.
- 5.2.10. The City chooses not to use derivatives or other exotic financial structures in the management of its debt portfolio. Prior to utilizing such structures, the CFO must submit a written management report to the Mayor and the City Council outlining the potential benefits and consequences of doing so.
- 5.2.11. The City shall not pledge any City revenues to its conduit bond financings and has no moral obligation to repay bondholders of conduit financing issued under its authority.
- 5.2.12. The City shall select a method of sale that maximizes the financial benefit to the City. All methods of sale shall be approved by the CFO.
- 5.2.13. All financial reports, bond prospectus and Annual Information Statements shall represent a full, complete and accurate disclosure of financial conditions and operating results. All reports and disclosures shall conform to guidelines established by the Securities Exchange Commission (SEC), the Internal Revenue Service (IRS), this Directive and other requirements determined by the CFO.
- 5.2.14. The City recognizes the value of variable rate debt obligations and that cities have greatly benefited from the use of variable rate debt in the financing of needed infrastructure and capital improvements. However, the City also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks, including market fluctuations and interest rate assumptions, bond insurance and liquidity, letters of credit, and arbitrage rules.

- 5.2.15. All costs associated with the initial issuance or incurrence of debt, management and repayments of debt (including interest, principal and fees and / or on-going charges) shall be fully disclosed prior to any action by the City Council.
- 5.2.16. The City will refund debt when it is in the best financial interest of the City to do so. The CFO's Office and the Office of the Treasury shall have the responsibility to analyze outstanding bond issues for refunding opportunities. The decision to refinance must be approved by the City Council, and all plans for current or advance refunding of debt must be in compliance with State laws and regulations.
- 5.2.17. The City shall require any and all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to the services provided in the debt issuance process by both the City and the lender or conduit issuer, if any. This requirement includes any "soft" costs or compensation in lieu of direct payments.
- 5.2.18. In an effort to maintain and improve its credit ratings, the CFO's Office, with the assistance of other City departments and agencies as necessary, shall keep an open line of communication with the nationally recognized credit rating agencies and shall inform them of major financial events and other applicable City matters in a timely and transparent manner.

### 5.3. Types of Debt and Purpose / Need for Financing

- 5.3.1. There are four primary purposes, in no particular priority order, for which the City may issue debt. The CFO shall review and approve all borrowings prior to submission to the City Council.
  - 5.3.1.1. Long-Term General Obligation (GO) Debt for Capital Improvements. All proposed financings for long-term capital improvements shall be identified in the City's Capital Agenda / Plan, as well as the annual adopted budget and Four-Year Financial Plan. Bonds are normally issued with a final maturity of not less than twenty (20) and no more than thirty (30) years, having a level-debt amortization.
  - 5.3.1.2. Short-term GO Debt (such as Bond Anticipation Note). This may only be issued with a short-term maturity for the following instances:
    - To provide interim financing to take advantage of a favorable interest rates within the rules established by the IRS which shall eventually be refunded with the proceeds of long-term obligations, or;
    - For the application of short-term financing that is not for interim financing, so long as the CFO approves a plan for amortizing the principal amount of the short-term financing in a manner reasonably similar to the City's treatment of fixed-rate bonds.
  - 5.3.1.3. Essential Vehicle and Equipment Needs. The City finances certain essential equipment and vehicles. The underlying assets must have a minimum useful life of three (3) years. Short-term financings, including loans and capital lease purchase agreements, are executed to meet such needs.
  - 5.3.1.4. Refinancing / Refunding of Existing Debt. The CFO's Office and the Office of the Treasury shall periodically evaluate the City's existing debt portfolio and execute refinancings / refundings when economically beneficial. As a guideline, aggregate new present value savings, expressed as a % of the par



amounts of the refunded bonds, should achieve a level of 3% and above for a current refunding and 3% and above for an advance refunding. The CFO will consider a refunding only when one or more of the following considerations are met:

- Lower interest rates resulting in debt service cost savings;
- Eliminate restrictive or burdensome bond covenants; or
- When there is a financial benefit to the City as determined by the CFO.

5.3.2. The City may issue Revenue Bonds which are secured by the pledge of a particular stream of revenue for their repayment in contrast to GO debt, which pledges general tax revenues. The revenues pledged may also be those of a special revenue fund or revenue received from or in connection with a project. Revenue supported debt should be limited to ensure that debt service coverage ratios are sufficient and at least equal to or higher than the ratings on the City's outstanding parity debt. Such coverage ratios shall be maintained during the life of any bonds secured by that particular revenue stream.

5.3.3. The City may issue various forms of appropriation-backed debt to fund capital improvements, facilities, and equipment issued directly by the City or another entity as a conduit issuer. Under such arrangement, the City enters into a long-term lease with the conduit issuer and the City's lease payments fund the debt service on the bonds. Appropriation-backed debt is useful in situations where a separate revenue stream is available to partially offset the lease payments, thereby differentiating the project from those funds with GO debt. Because these long-term leases constitute an obligation of the City similar to GO debt, the value of the lease should be included in the City's debt capacity calculations.

5.3.4. The issuance of taxable debt may be useful in situations where private activity or other considerations make tax-exempt debt disadvantageous or ineligible per federal tax code requirements. The City recognizes that taxable debt will generally be at a higher cost because investors are not able to deduct interest earnings from their taxable income, and as such should be cautious of its use. However, taxable debt may be issued in instances where the additional costs, including marketing, legal and other upfront costs over the life of the bond, are outweighed by the advantages of the financing to be achieved.

#### 5.4. Debt Affordability

5.4.1. Notwithstanding any City Charter provision to the contrary, the City's new indebtedness incurred for all public purposes, as well as the maximum interest rate, shall be consistent Public Act 34 of 2001, Public Act 279 of 1909, and other applicable laws.

5.4.2. Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. As part of the City's budget process, the City shall consider trends in revenues and expenditures to its governmental funds and trends in assessed valuation as it considers the portion of its Capital Agenda / Plan to be funded with debt.

5.4.3. Paying principal and interest on general obligation debt is the first claim on City revenues. As such, in order to achieve and / or maintain the highest possible credit rating, the City should adhere to several ratios and guidelines in deciding how

much additional GO debt may be issued. Ultimately, the decision as to whether or not to assume new debt shall be based on the City's ability to afford new debt and service it, as determined by an objective and analytical approach considering, among other conditions, the below factors / ratios. These factors / ratios and other metrics generated by the Office of the Treasury (based on leading government practices of other highly rated municipalities and / or other local government credits, as appropriate) shall be calculated and reported, at a minimum, annually in conjunction with the capital budget processes, the annual financial audit, and as needed for fiscal analysis and reported to the CFO, Mayor and the City Council.

- Overall Debt as a % of Assessed Valuation. This ratio measures debt levels against the property tax base, which generates the tax revenues that are the main source of debt repayment. Total debt, both existing and proposed, should be kept at about 1.5% of full market value (substantially the same assessed value) of taxable real property in the City.
- Debt Service as a % of the General Fund. This ratio reflects the City's budgetary flexibility to adapt spending levels and respond to changes in economic conditions. Required annual debt service expenditures should be kept at about 10-15% of the City's General Fund. The General Funds excludes other special revenue tax supported funds.
- Overall Debt per Capita. This ratio measures the burden of debt placed on the population supporting the debt and is widely used as a measure of an issuer's ability to repay debt. Total debt outstanding and annual amounts issued, when adjusted for inflation, should not cause real debt per capita (i.e., after elimination the effects of inflation) to rise significantly.
- Ten-year Payout Ratio. This ratio reflects the amortization of the City's outstanding debt. A faster payout is considered a positive credit attribute. The rate of repayment of bond principal should be kept at highest affordable level possible given other budget priorities.
- Per Capita Debt to Per Capita Income. This ratio reflects a community's economic strength as an indicator to income levels relative to debt. Total debt outstanding and annual amounts proposed should not cause the ratio of per capita to per capita income to rise significantly above approximately 5%.

#### 5.5. Debt Issuance and Structuring

5.5.1. The ability to borrow cost-effectively depends in large measure upon the City's credit ratings as assessed by the three nationally recognized credit rating services. The CFO's Office shall be responsible for maintaining relationships with the credit rating services that currently assign ratings to the City's various debt obligations. The CFO's Office shall be responsible for determining whether or not a rating shall be requested on a particular financing, and which of the rating agencies shall be asked to provide such rating. Debt structuring practices shall take into account, in no priority order, the following:

- Size - based on capital project needs;

- Term - the City maintains a preference for the shortest possible average maturity considering the project type and availability of annual payment resources;
- Amortization of Bonds - the City generally prefers level principal for general obligation bonds unless a specific revenue has been identified for general obligation bonds or other bonds. However, the City may consider other amortization structures as appropriate and legally permitted by law;
- Interest Rate - to enhance the effectiveness of annual capital budgeting, fixed interest rate structures are the City's preference for long useful life, infrastructure and buildings; and
- Call Provisions - the Financing Team will recommend to the CFO the use of a call option on a case-by-case basis. The City's preference is for optional call provisions when appropriate.

#### 5.6. Issuance and Method of Sale

5.6.1. The City shall issue its debt obligations through a competitive sale unless the CFO determines that such a sale method will not produce the best results for the City. Generally, a negotiated sale process may be used when the City is attempting to market more complex bond transactions such as a new credit structure, or at times when a competitive sale does not produce bids or produces bids that are unsatisfactory to the City. In determining whether to use a competitive or negotiated method of sale, the City shall utilize a sale method expecting to achieve the lowest overall cost of capital depending on the size and characteristics of the proposed issue and the applicable market conditions at the time of sale. The conditions, which indicate the appropriate method for selling a particular bond issue, are generally described below:

#### 5.6.2. Competitive Sale Criteria

- 5.6.2.1. Bond prices are stable and / or demand is strong;
- 5.6.2.2. Debt issuance markets are stable;
- 5.6.2.3. The credit rating is well established and stable;
- 5.6.2.4. There are no complex explanations required during marketing regarding a specific project, media coverage, political structure, political support, tax status, funding, or credit quality;
- 5.6.2.5. The bond type and structural features are conventional; and
- 5.6.2.6. The transaction size is manageable.

#### 5.6.3. Negotiated Sale Criteria

- 5.6.3.1. Bond prices are volatile and / or demand is weak and / or the supply of competing bonds is high;
- 5.6.3.2. Debt issuance markets are less stable and market timing is important for circumstances such as refinancing transactions that are interest rate sensitive;
- 5.6.3.3. Coordination of multiple components of the financing is required;
- 5.6.3.4. The credit rating is not well established and stable;

- 5.6.3.5. Sale and marketing of the bonds will require complex explanations about the City's projects, media coverage, political structure, political support, tax status, funding, or credit quality;
  - 5.6.3.6. The bond type and / or structural features are non-standard;
  - 5.6.3.7. Early structuring and market participation by underwriters is desired;
  - 5.6.3.8. Large transaction size; and
  - 5.6.3.9. Strong retail participation is desired and expected to enhance pricing efforts.
- 5.6.4. Direct Bank Loans or Limited Public Offering. The City may sell debt obligations through a direct bank loan or limited public offering when appropriate.
- 5.6.5. Credit Enhancement. The City may use credit enhancements to improve marketability of City obligations. Types of credit enhancement include letters of credit, bond insurance, cash or bond funded reserves, or other public or private credit enhancements. The rationale for credit enhancements shall be documented.
- 5.6.6. Offering Documentation. Offering documentation shall be used for all types of debt issued of the City and purchased by public or private third parties.
- 5.7. Composition of Service Providers / Financing Team
- 5.7.1. Members of the Financing Team may be selected by the City at the direction and approval of the CFO and, when applicable, the Law Department and City Council through the following methods: (1) Request for Qualifications (RFQ), (2) Request for Proposals (RFP), or (3) other processes as determined by the CFO in accordance with laws and regulations.
  - 5.7.2. The City's Financial Advisor may be requested by the City to assist the City in the selection of other service providers, including but not limited to underwriter, trustee, escrow agents, verification agents, and printers. Selection of other service providers will reflect economic inclusion and diversity goals established by the City.
  - 5.7.3. Services Providers / Financing Team. The CFO is responsible for establishing a competitive solicitation and selection process for securing professional services that are required to develop and implement the City's debt program. Goals of the solicitation and selection process shall include, but is not limited to, the following: encouraging participation from qualified service provides, both national and local, and securing services at competitive prices. Service Providers / Financing Team entities may include, but is not limited to, the following:
    - 5.7.3.1. Bond Counsel. Bond Counsel shall be selected for any and all debt issuances. The Corporation Counsel, pursuant to City Charter Section 7.5-201, and in consultation with the CFO, shall select Bond Counsel in accordance with the City's procurement policies and procedures. Bond Counsel will be responsible for preparing the necessary ordinances, legal agreements and other documents necessary to execute a financing. All debt issued by the City will include an approving legal opinion of a nationally recognized bond counsel.
    - 5.7.3.2. Disclosure Counsel. The City may retain Disclosure Counsel for all public issuances. Disclosure Counsel may be required to deliver a customary

10(b)-5 opinion on City offering documents and work with City staff to develop and draft all disclosure documents for a bond financing.

- 5.7.3.3. Financial Advisor. The City shall use the services of an Independent Registered Municipal Financial Advisor (IRMA) as its advisor. The Financial Advisor shall advise and assist the City in structuring the transaction and timing, in addition to other general financial planning / analyses as requested by the City. If there are any potential conflicts of interest, they should be waived by the CFO prior to appointment or restrictions on conflicting relationships must be disclosed prior to the appointment. Financial Advisors must meet all standards related to avoidance of conflict of interest as set forth in SEC and Municipal Securities Rulemaking Board (MSRB) rules and regulations.
- 5.7.3.4. Underwriter. Underwriters must meet all standards related to avoidance of conflict of interest as set forth in SEC and MSRB rules and regulations. For a competitive or negotiated sale, the criteria used to select an underwriter shall be the bid providing the lowest true interest cost to the City and other factors determined by the CFO. The City will maintain a list of Underwriters to use for debt issuance pursuant to a RFQ process and as approved by the CFO. Firms eligible to submit a response to the RFQ must be listed in the most recent edition of the Bond Buyer Red Book or a similar publication if the Bond Buyer Red Book is no longer published. Firms that merge or leave the industry are dropped from the eligibility list and may be replaced with another qualified firm as determined by the CFO. The CFO shall select an Underwriter for each debt issuance. Underwriters will be required to demonstrate sufficient capitalization and experience related to the debt issuance being proposed. The CFO will consider the following additional criteria, in no priority order, when selecting an Underwriter and / or members of an underwriting syndicate:
- Overall experience;
  - Experience with the particular size and type of financing;
  - Familiarity with City issues;
  - Experience of the public finance team assigned to the financing;
  - Previous experience as managing or co-managing underwriter;
  - Type of firm (i.e. national, regional, local, MBE, etc.);
  - Location of firm and presence in the City and the State;
  - Demonstrated commitment to the City;
  - Financial market knowledge;
  - Investor and distribution capability;
  - Financial strength, as evidenced by the firm's current financial statements;
  - Resources to complete the financing;
  - Compensation; and

- Other items as determined by the CFO.

Underwriters must present all Municipal Advisor Rule documentation prior to any communications with representatives of the City in relation to a contemplated financing. All transaction fees will be evaluated by the CFO or their designee and, if requested by the City, the City's Financial Advisor. All transactions fees shall be approved by the CFO or their designee using a methodology determined by the CFO or their designee prior to the distribution of any offering documentation.

- 5.7.3.5. Trustee / Paying Fiscal Agent. A Trustee / Paying Agent is the institution, usually a commercial bank or trust company, appointed in the indenture or bond resolution to act as the agent of the issuer to pay principal and interest from monies provided by or on behalf of the issuer. Paying Agent duties are typically limited to receiving money from the issuer and paying principal and interest to bondholders on behalf of the issuer. A Trustee, in addition to performing the duties of a Paying Agent, is responsible for establishing and holding the funds and accounts relating to the bond issue, including accounts for bond proceeds and pledged revenues, determining that the conditions for disbursement of proceeds and revenues have been met, and, in some cases, collecting revenues and executing investments. The Trustee / Paying Agent solicitation and selection is typically coordinated by the Financial Advisor in consultation with the City for a new bond issuance. The City will monitor the ongoing performance of a Trustee / Paying Agent.
- 5.7.3.6. Other Service Providers. Other professionals may be selected by CFO or their designee on an as needed basis subject to the processes and approvals described in this Directive, as well as applicable law and other regulations. These include, but are not be limited to, the services of escrow agents, bond insurance providers, credit and liquidity banks, verification agents, title insurance companies and services related to printing.
- 5.8. Post-Issuance Management and Compliance. The Office of the Treasury shall be responsible for verifying compliance with all undertakings, covenants, and agreements for each bond issuance on an ongoing annual basis, in addition to various debt certifications that may be required by the CFO and, if applicable, State law.
- 5.9. Investment of Bond Proceeds. The Treasurer shall direct the Trustee to invest the proceeds of a bond sale until those proceeds are used for the intended purpose. The investments shall be made to minimize negative arbitrage to the greatest extent possible and to ensure the highest level of security.
- 5.10. Transparency, Reporting, and Disclosure
  - 5.10.1. The City shall provide full and complete financial disclosure to credit rating agencies, Electronic Municipal Market Access (EMMA), other levels of government, and the public in order to share clear, comprehensible, and accurate financial information.
  - 5.10.2. The CFO's Office shall ensure relevant information is posted to the City's public website and the City's investors relations public website. The CFO's Office shall review the information on these websites no less than quarterly to ensure the most recent information is available. The CFO's Office shall continuously review new methods and tools to improve and enhance transparency.

5.10.3. The Office of the Treasury shall monitor key credit / debt indicators and shall report those indicators to the CFO's Office, at a minimum, on an annual basis. The indicators, adjusted to take into account a planned debt issuance, shall also be reported to the CFO as part of the CFO's review of a proposed debt issuance. These indicators include, but are not limited to, the following:


- Full Value Per Capita
- Fund Balance as a % of revenues
- Net Direct Debt/Operating Revenues
- Net Direct Debt/Full Value

The CFO's Office may periodically request additional key credit / debt indicators from the Office of the Treasury. As such, the Treasurer shall ensure leading practice / industry standard credit / debt indicators are maintained and updated, at a minimum, annually.

5.10.4. Arbitrage Rebate Reporting. The Office of the Treasury shall maintain a system of record keeping and reporting to meet the arbitrage rebate compliance requirements as required by the federal tax code. This shall include tracking investment earnings on bond proceeds, calculating rebate-able earnings, and remitting any rebate payments to the federal government. No less than every five (5) years, the Treasurer may lead a process to select a qualified third party (such third party may include Bond Counsel) to assist the City in fulfilling its obligations with regard to arbitrage compliance.

5.10.5. Ongoing Disclosure. The City shall meet continuing disclosure requirements in a timely and comprehensive manner, as stipulated by the SEC Rule 15(c)2-12 and other applicable laws, rules and regulations, as well as set forth in the continuing disclosure agreements implemented with each financing. The Office of the Treasury shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's MSRB Electronic Municipal Market Access (EMMA) system, the central repository designated by the SEC for ongoing disclosures by municipal issuers. Annually, the Office of the Treasury shall conduct an audit of EMMA filings of outstanding continuing disclosure obligations to determine compliance with provisions of existing continuing disclosure agreements. The Treasurer may lead a process to select a qualified third party (such third party may include Bond Counsel or Disclosure Counsel) to assist the City in the maintenance of its continuing disclosure undertakings.

**APPROVED**



John W. Hill

*Chief Financial Officer, City of Detroit*





**APPENDIX C**  
**CITY OF DETROIT CREDIT RATINGS**

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**City of Detroit  
Credit Ratings  
as of 7/25/2018**

Detroit Rated Item	Moody's		S&P		Rating description		
	Long-term	Short-term	Long-term	Short-term			
	Aaa	P-1	AAA	A-1+	Prime	Investment-grade	
	Aa1		AA+				High grade
Moody's 1st, 2nd, 3rd & 4th Lien DSA 12/15/2017	Aa2		AA				
S&P 1st, 2nd, 3rd & 4th Lien DSA 7/24/2018	Aa3		AA-				
	A1		A+	A-1	Upper medium grade		
S&P Income Tax 7/29/2015	A2	A					
	A3	P-2	A-	A-2	Lower medium grade		
	Baa1		BBB+				
	Baa2	P-3	BBB	A-3			
	Baa3		BBB-				
	Ba1	Not prime	BB+	B	Non-investment grade speculative		
	Ba2		BB				
Moody's GO 05/22/2018	Ba3		BB-				
S&P GO 12/21/17	B1		B+			Highly speculative	
	B2		B				
	B3		B-				
	Caa1		CCC+	C	Substantial risks	Non-investment grade AKA high-yield bonds AKA junk bonds	
	Caa2		CCC				Extremely speculative
	Caa3		CCC-				Default imminent with little prospect for recovery
	Ca		CC				
	C		C				
	/			D	/		In default

**APPENDIX D**

**DETROIT METROPOLITAN AREA  
ECONOMICS & DEMOGRAPHICS**

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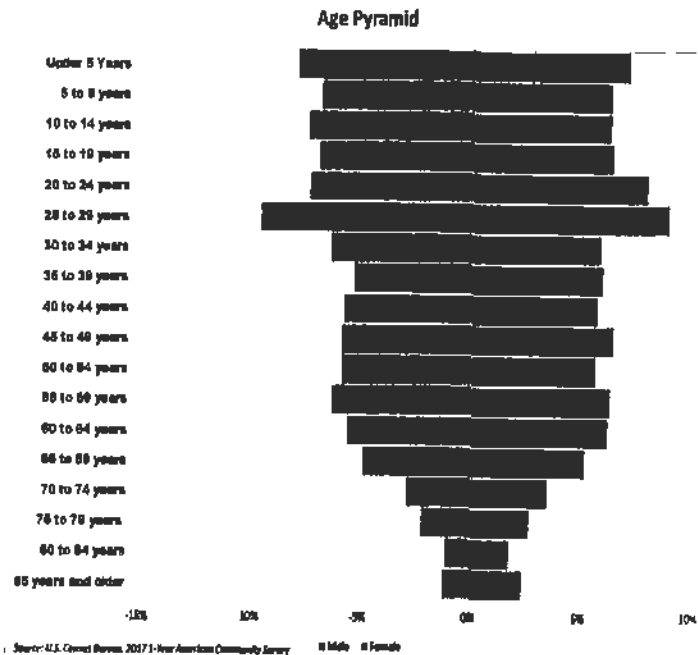
## DETROIT AREA ECONOMICS & DEMOGRAPHICS

As the City moves from recovery to expansion, and the conversation changes from which businesses are leaving to which businesses are coming, the capital planning process has necessarily broadened to take into account not only the specifically stated capital needs of the City departments but also the environment in which the City operates. The capital strategy now looks for ways to utilize City resources and assets in a way that continues to support long-term residents, attract new residents and visitors, and bring new employers to the city. The strategy has a unique but welcome challenge: how to best accommodate the City as it transforms and modernizes beyond what anyone could imagine five years ago in the throes of bankruptcy.

### Population Stabilization and Demographic Shifts

The 2017 population estimate for the City of Detroit from the U.S. Census Bureau was approximately 673,000 people, down 5.7% from the near 714,000 counted in 2010. Since 2014, the population decline has been estimated to be decelerating closer to zero.<sup>1</sup> Although there is no clear forecast of what year a turning point will occur, it is reasonable to expect and prepare for a growing residential and working population in the next few years.

The age profile of the City has not significantly changed. The median age is 34.6 years, younger than Michigan overall at 39.8 years. Approximately 75% of the City's population is over the age of 18, with 17% being in their twenties. In comparison, for the State and Wayne County, about 14% of their respective populations are in their twenties. While still significant, the City's share of population that is 65 and older is 1% lower than Wayne County and 2% lower than the overall state.<sup>2</sup>



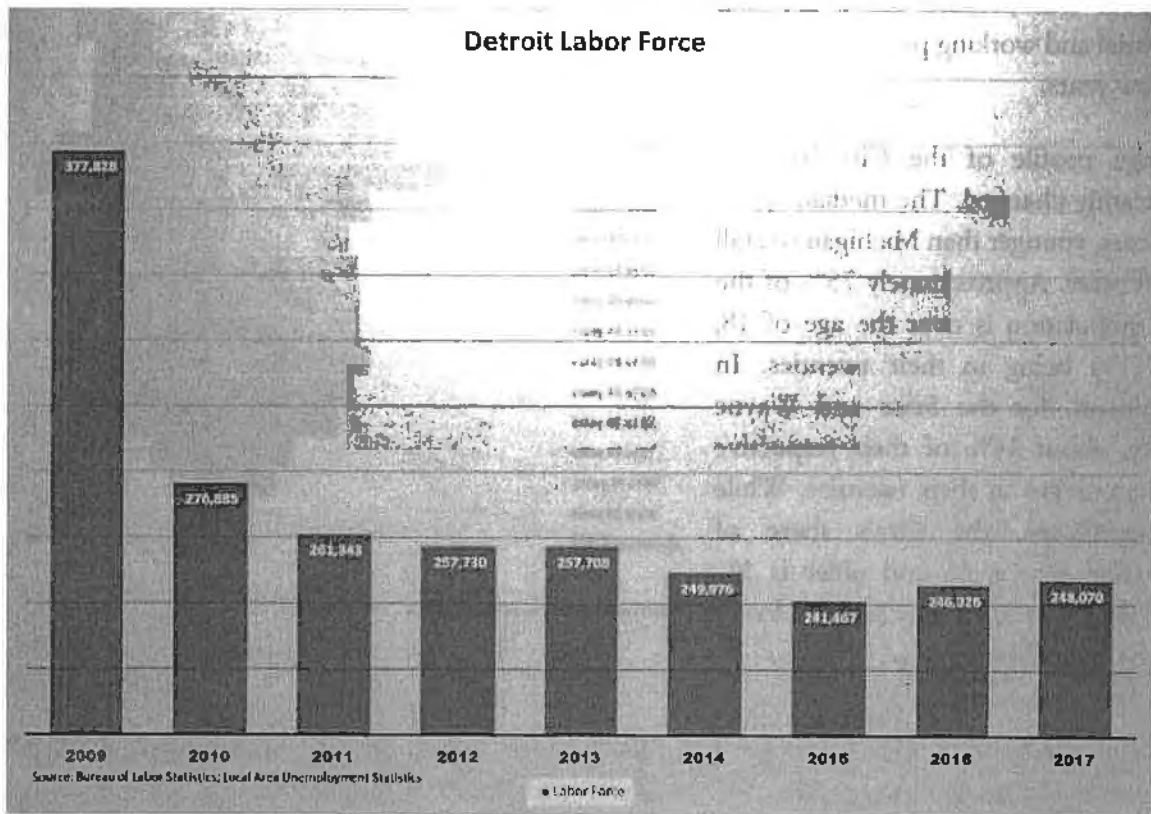
<sup>1</sup> U.S. Census Bureau, 2017 Population Estimates.

<sup>2</sup> U.S. Census Bureau, 2017 1-Year American Community Survey.

## Employment and Wages in Detroit and the Region

Employment and wage data specific to Detroit remains limited, but through the Local Area Unemployment Statistics program estimates, we are able to take a closer look at employment and unemployment trends for city residents. Similar to Wayne County, the number of employed residents has grown modestly, nearly 2% per year on average since 2014 and the unemployment rate has fallen precipitously from levels seen during and immediately after the Great Recession. The most recent unemployment rate, reported for August 2018, was 9.2% with an average unemployment rate of 9.3% in 2017. While fluctuating from month to month due to new entries and exits in the labor force, the unemployment rate has generally stabilized around 9% in the last 12 months as the number of employed residents has consistently remained close to 226,000. Although city unemployment rates are at lows that have not been seen since 2001, steady and consistent increases in employment would signal further improvement in the city's socioeconomic position.<sup>3</sup>

Wage data for Wayne County remains the most local data available and works as a proxy for observing historical income trends with residents that work inside and outside of the city as well as non-residents who work in the city. Average annual wages in Wayne County were slow to increase immediately after the recession and remain volatile. From 2010 to 2017, nominal wages have grown on average 2.79% year to year.<sup>4</sup> It is important to note that once adjusted for inflation, using either national or Metro Detroit Consumer Price Index figures, the average change for annual real wages is effectively flat.



<sup>3</sup> Bureau of Labor Statistics, Local Area Unemployment Statistics.

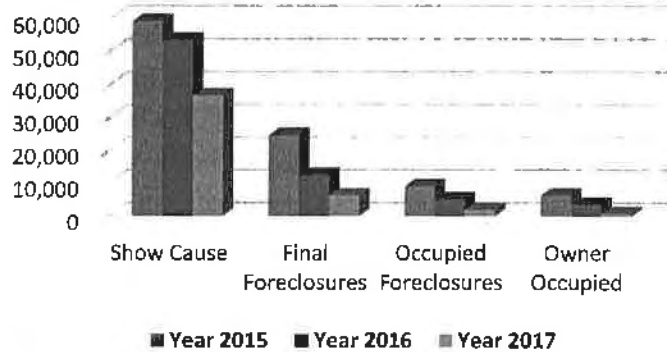
<sup>4</sup> Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

## Housing Supply/Foreclosures/Demolitions

Foreclosures in Detroit have declined significantly since 2015, down by approximately 89% for owner-occupied properties. The current trend show foreclosures are less common; annual foreclosure rates have fallen below pre-recession levels. Further, many of the factors generating foreclosures—

underwater loans and low home equity values—continue to trend in a positive direction. Serious delinquencies (including loans delinquent by 90 or more days and loans either in foreclosure or not sold at auction) had returned to pre-recession levels by 2014.<sup>5</sup>

Detroit Foreclosure Activity 2014-2017



Other factors contributing to the reduction in foreclosures include outreach programs implemented by the City, Wayne County, and private partnerships, such as the Homeowners' Property Tax Assistance Program and the Right of First Refusal program which allows tenants an opportunity to buy the home where they live if the owner is in foreclosure.

The city's demolition efforts helped to revitalize the market through an aggressive public-private partnership to eliminate blight in Detroit. Over \$250 million in Hardest Hit Funds (HHF) from the U.S. Department of Treasury have been allocated to Detroit for this purpose. Since the program was implemented in 2014, more than 15,520 vacant buildings have been demolished or are projected to be demolished.<sup>6</sup>

Blight removal has increased local wealth, even as it has taken properties off the tax rolls. A detailed data report released in October 2015 shows a significant increase in total home equity of homes in demolition target zones. The value of homes within 500 feet of a HHF demolition increased by 4.2%, and the value of homes in zones where a multifaceted blight removal program was deployed increased by 13.8%.<sup>7</sup> The City estimates that the resulting increase in overall property values already exceed \$209 million.<sup>8</sup> There is considerable upside potential for the City's property markets if Detroit's recovery can be sustained. The City's capital planning strategy is designed to underpin and promote this recovery.

<sup>5</sup> Urban Institute, *Detroit Housing Tracker*, Q1 2016.

<sup>6</sup> <http://www.detroitmi.gov/demolition>

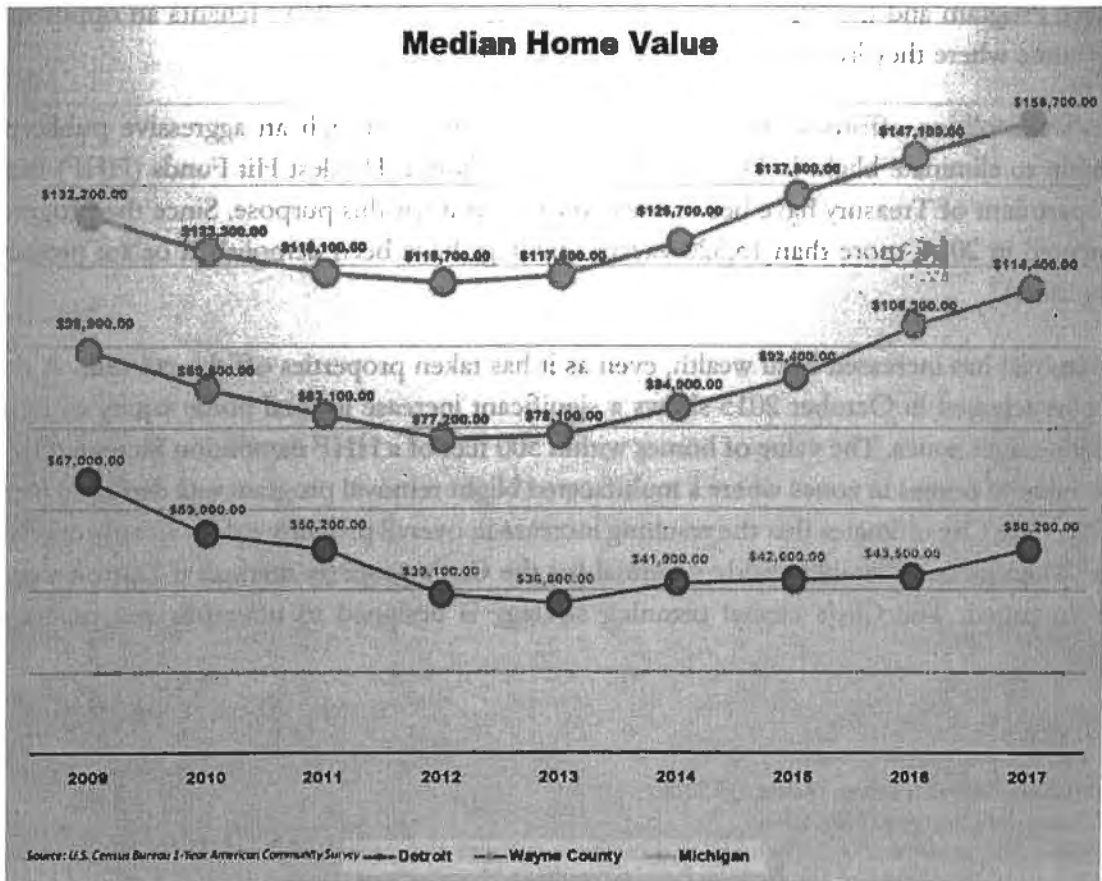
<sup>7</sup> Multi-faceted blight elimination includes HHF demolition, nuisance-abatement lawsuits, sales of side lots to neighbors and home auctions. Research per The Skillman Foundation, Rock Ventures, and Dynamo Metrics, in partnership with the City of Detroit. Report details can be found at [DemolitionImpact.org](http://DemolitionImpact.org).

<sup>8</sup> <http://www.freep.com/story/news/local/michigan/detroit/2016/07/19/detroit-reaches-blight-milestone-10000-demolitions/87284392/>

## Housing Market Trends and Conditions

The median value of owner-occupied homes in the City of Detroit was \$50,200 in 2017, up from the most recent low of \$36,800 during the bankruptcy period in 2013. For comparison, the median home value for Detroit remains half of Wayne County's median home value and less than a third of Michigan's, \$114,400 and \$155,700 respectively. Although home values are not where they were pre-recession, the overall trend has been moving in the right direction with the share of owner-occupied homes worth less than \$50,000 decreasing to 49.8% from the typical range of 55% to 60% estimated in the past four years. While the increase in home value is generally a positive trend, it may not immediately translate to residents being better off.

Another challenge of Detroit's housing market is the ratio of renter-occupied homes to owner-occupied homes. Slightly more than 50% of households in Detroit are renter occupied and has persistently been so since 2011. Before, most homes were owner-occupied at a rate comparable to Wayne County but that has changed since the housing market bust that created a new normal. Having a larger renter-occupied population than owner-occupied population is not uncommon; other large Midwestern cities such as Chicago, Cleveland, and St. Louis have a similar household composition. In a similar vein to median home value, as one would expect, median rents have also seen a decrease but have been estimated to remain within \$760 to \$780 dollar range since 2013.



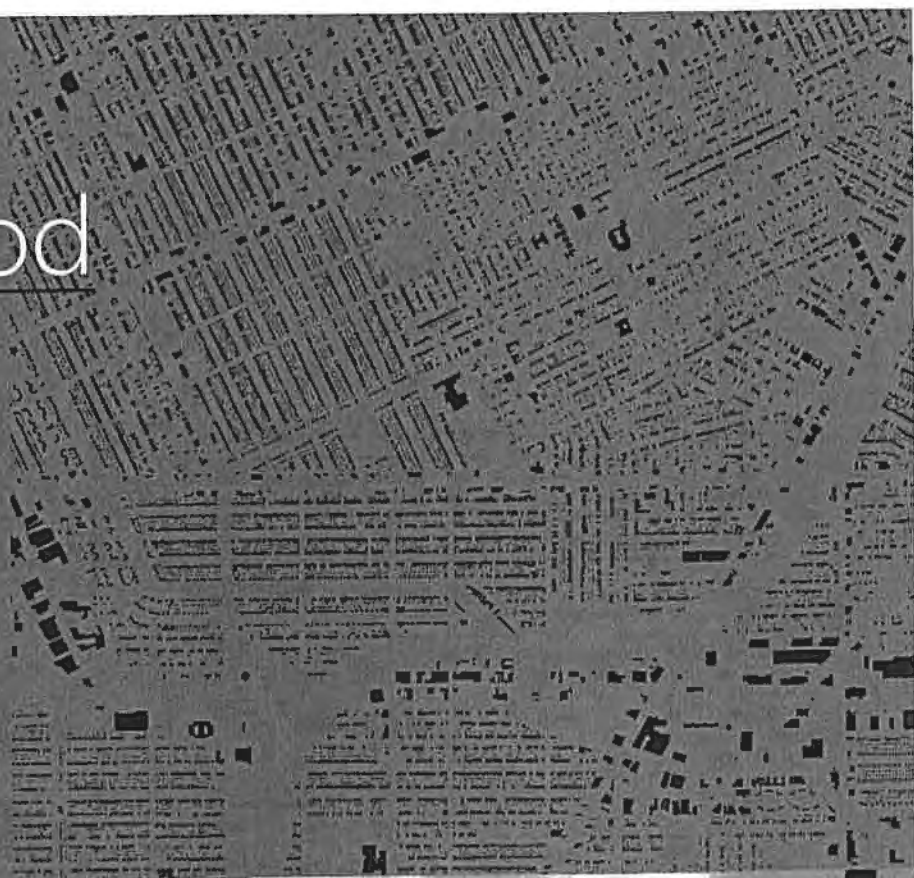
**APPENDIX E**  
**STRATEGIC NEIGHORHOOD FUND &**  
**AFFORDABLE HOUSING LEVERAGE**  
**FUND**

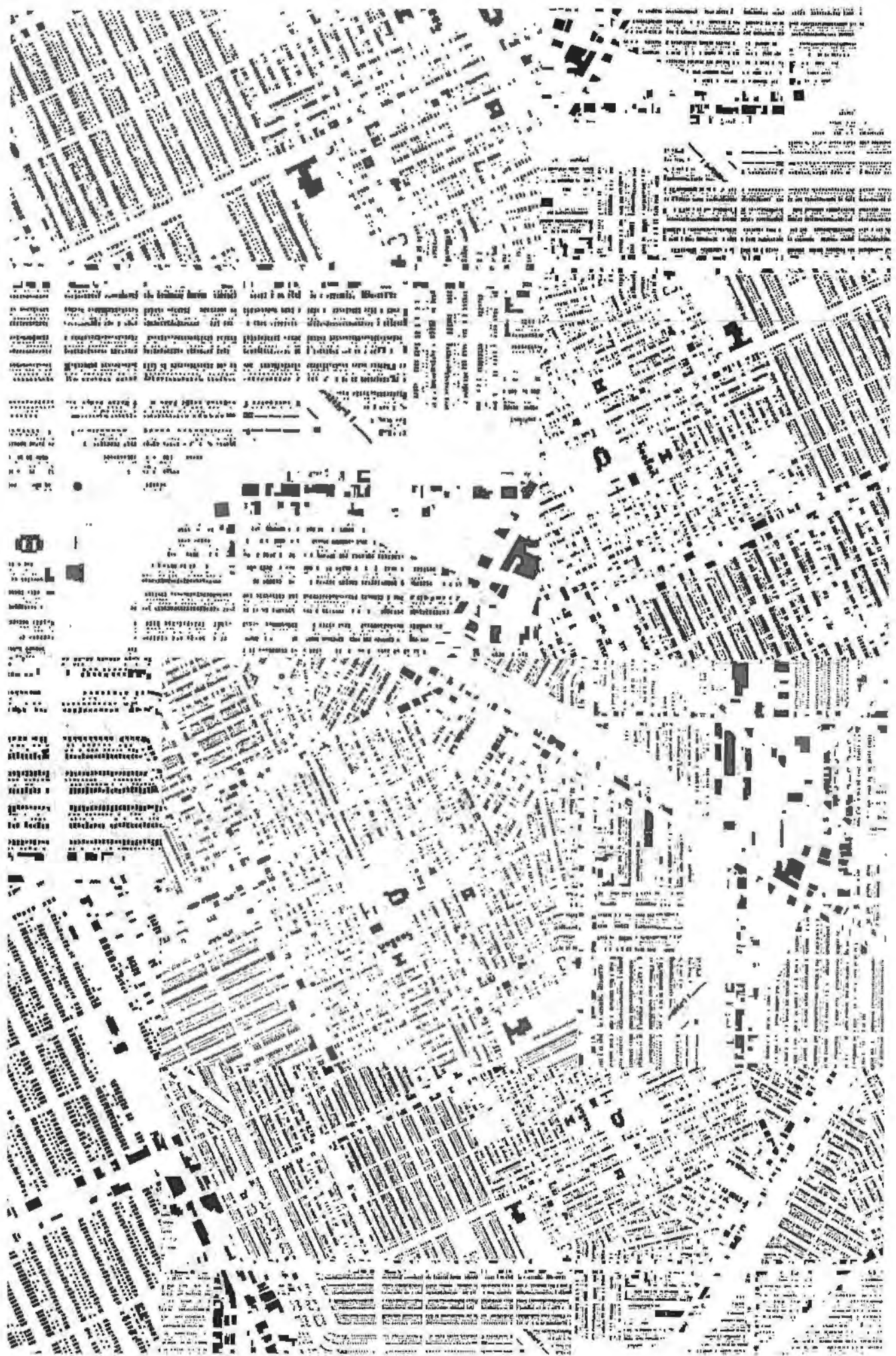
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# Strategic Neighborhood Fund 2.0

One City. For all of us.





TO THE BOARD OF SUPERVISORS  
COUNTY OF ALBANY  
FROM THE COMMISSIONER OF THE DEPARTMENT OF SOCIAL SERVICES  
SUBJECT: [Illegible]

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INVEST  DETROIT

# 2021

Strategic  
Neighborhood  
Fund

One City. For all of us.

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### **The First Three**

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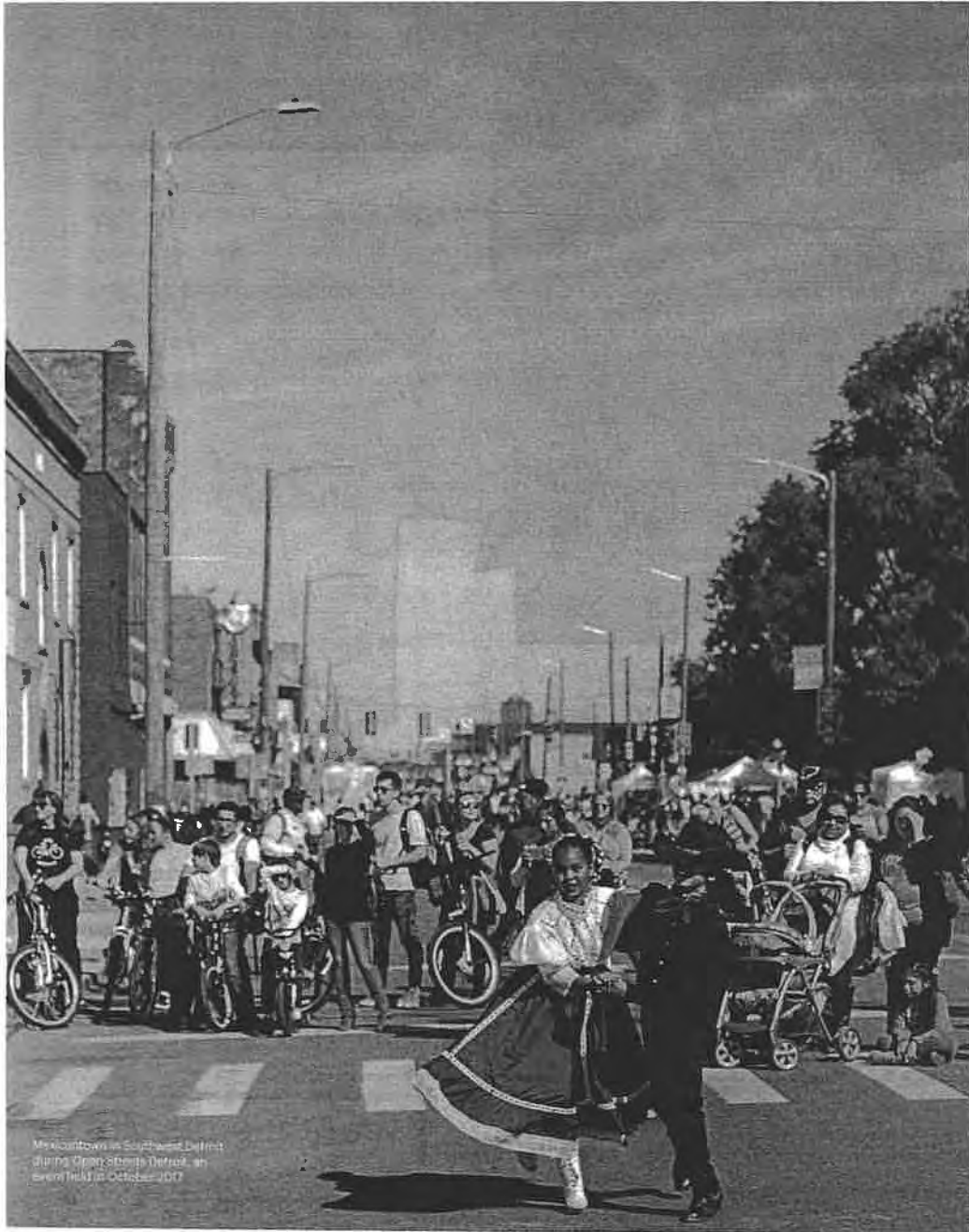
### **The Next Seven**

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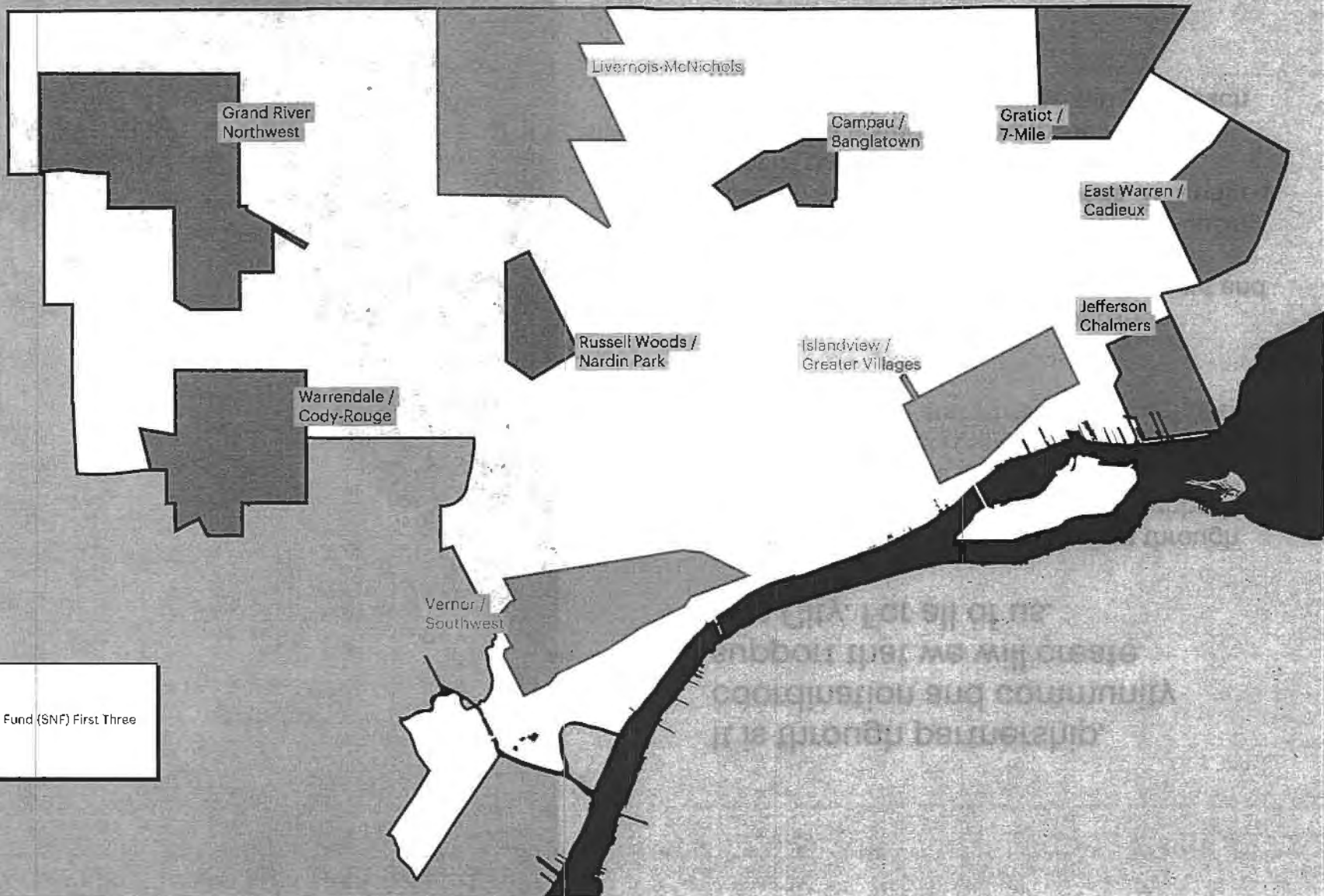
Mexicantown in Southwest Detroit during Open Streets Detroit, an event held in October 2007

It is through partnership, coordination and community support that we will create one City. For all of us.


Learning from our \$30M pilot effort through the first iteration of the Strategic Neighborhood Fund (SNF), SNF 2.0 will continue a path of inclusive growth across Detroit to create livable, walkable, and vibrant neighborhoods for all Detroiters.

Coordinated implementation between stakeholders, along with community input and representation, will revitalize main streets, parks, streetscapes, and single-family housing in seven additional neighborhoods. This united front of partners and inclusive approach will bring a tested and improved model that provides flexibility to stabilize and grow each unique neighborhood.

# Investment Areas



## Planning Projects

 Strategic Neighborhood Fund (SNF) First Three

 SNF Next Seven

## How We Got Here

The City of Detroit, Invest Detroit, and partners are pursuing an urban redevelopment strategy unlike any implemented in America. We began in 2011 with the Woodward Corridor Initiative that brought coordinated investment into the Greater Downtown in order to stabilize the City's core business district. Our primary goal was to spur development by filling financial gaps with patient investments to promote market strengthening and stabilization. And it is working. This method attracted new development and additional investment of more than \$7B in Greater Downtown aligned with public investment in and along the QLine, Woodward's 3.3-mile streetcar system. It soon became clear that bringing redevelopment tools into neighborhoods would be the next vital step in continuing the momentum and vision to support the entire city.

Our initial neighborhood pilot started with the creation of the first \$30M Strategic Neighborhood Fund. We began our work by listening to the community's needs, exploring existing assets, and assessing geographies that could quickly benefit from targeted investment. Armed with a key set of metrics to identify where these opportunities existed, the first three neighborhoods were chosen—Islandview/Greater Villages, Vernor/Southwest, and Livernois-McNichols.

Through these first three neighborhoods, we learned three important lessons:

- 1 We should go deeper. For a neighborhood to truly thrive, we must consider a wider array of tools—parks, better connectivity and mobility, stronger commercial corridors, housing interventions, and strong community input and support.
- 2 We must continue to focus on affordability. A Detroit for all of us means that low-income residents should share in the recovery of the City, and they should be supported and protected as market conditions and neighborhood density improves. SNF works alongside the City's Affordable Housing Leverage Fund (AHLF) to achieve this.
- 3 Coordination is the key. In order to be successful, we must be highly coordinated so that we are fully leveraging strengths, additional tools, and aligned initiatives like health and human services, education, mobility, and workforce development.

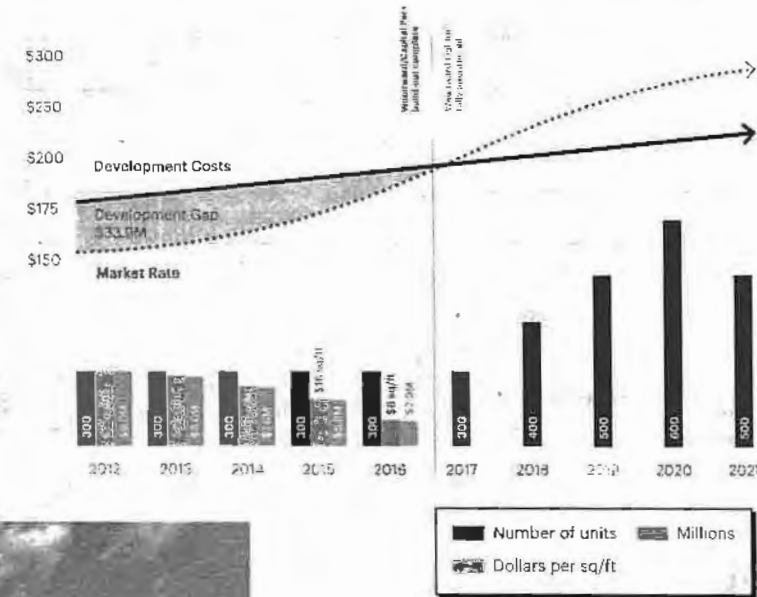
Participatory Budgeting in Southwest Detroit



Kimber and Savana project is presenting affordable senior housing



## Woodward Corridor Results: Development Gap Decreases in Greater Downtown

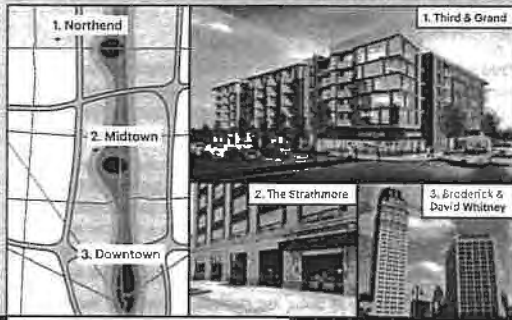


## Affordable Housing Leverage Fund (AHLF)

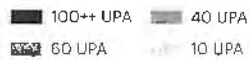
Affordable housing is central to the City's inclusive growth strategy and plays a key role in the ability to retain existing residents, attract new residents, and create mixed-income communities. The City seeded AHLF with \$50 million and intends to grow the fund with philanthropic support to \$250 million, which will unlock \$765 million in total investment.

AHLF's primary goals over the next five years are: 1) preserve the affordability of 10,000 housing units, and 2) produce 2,000 new affordable units.

# Our Journey to the Neighborhoods



## Target Densities



Woodward corridor strategy: spurred \$7B in related investment

## 2011 -

2011: Published the Woodward Corridor Initiative, a transit-oriented development plan



## 2011-2013 -

2011-13: Woodward Corridor Initiative implemented through catalytic project investment in greater downtown

## STRATEGIC NEIGHBORHOOD FUND

DETROIT

## 2014 -

Q3, 2014: City of Detroit and Invest Detroit identify three neighborhoods to pilot the model and learnings from the Downtown and Midtown work: Islandview/Greater Villages, Vernor/Southwest, and Livernois-McNichols

## 2015 -

Q3, 2015: Live6 Alliance created by public/private partnership to serve Livernois-McNichols neighborhood

## 2016 -

Q1, 2016: Invest Detroit acquires property in West Village and initiates early concepts for The Coe

Q1, 2016: Mayor Mike Duggan launches the Strategic Neighborhood Fund (SNF) capital campaign

## 2017 -

Q2, 2017: Fitz Forward selected to rehabilitate over 100 homes and 200 vacant lots in the Fitzgerald neighborhood

Q4, 2017: SNF surpasses its \$30M public-private-philanthropic fundraising goal ahead of schedule

Q4, 2017: City announces Joe Louis Greenway, 2.6 miles of non-motorized transit access in Detroit

Q4, 2017: The Coe is completed and open with fully leased residential units



## 2018 -

Q1, 2018: Affordable Housing Leverage Fund (AHLF) announces preservation of 10,000 affordable units and creation of 2,000 new affordable units over five years

Q2, 2018: Mayor Mike Duggan launches SNF 2.0 and AHLF capital campaigns to expand these proven tools into seven more neighborhoods





## Expanding a Tested Approach

SNF 2.0 builds off of learnings from the pilot in the first three neighborhoods. Beginning with key metrics such as neighborhood density, strong local leadership, and proximity to historic commercial corridors and other neighborhood assets, we have chosen an additional seven to bring much-needed investment.

- 1 Grand River Northwest
- 2 Jefferson Chalmers
- 3 Campau/Banglatown
- 4 Warrendale/Cody-Rouge
- 5 Gratiot/7-Mile
- 6 Russell Woods/Nardin Park
- 7 East Warren/Cadieux

Within these seven neighborhoods, we will implement five primary tools:

- 1 Neighborhood planning to understand community needs
- 2 Improving streetscapes to create safe and walkable neighborhoods
- 3 Redeveloping parks to offer attractive and active public spaces
- 4 Rehabilitating single-family homes to stabilize residential communities
- 5 Strengthening commercial corridors to support commercial, mixed-use and multifamily development

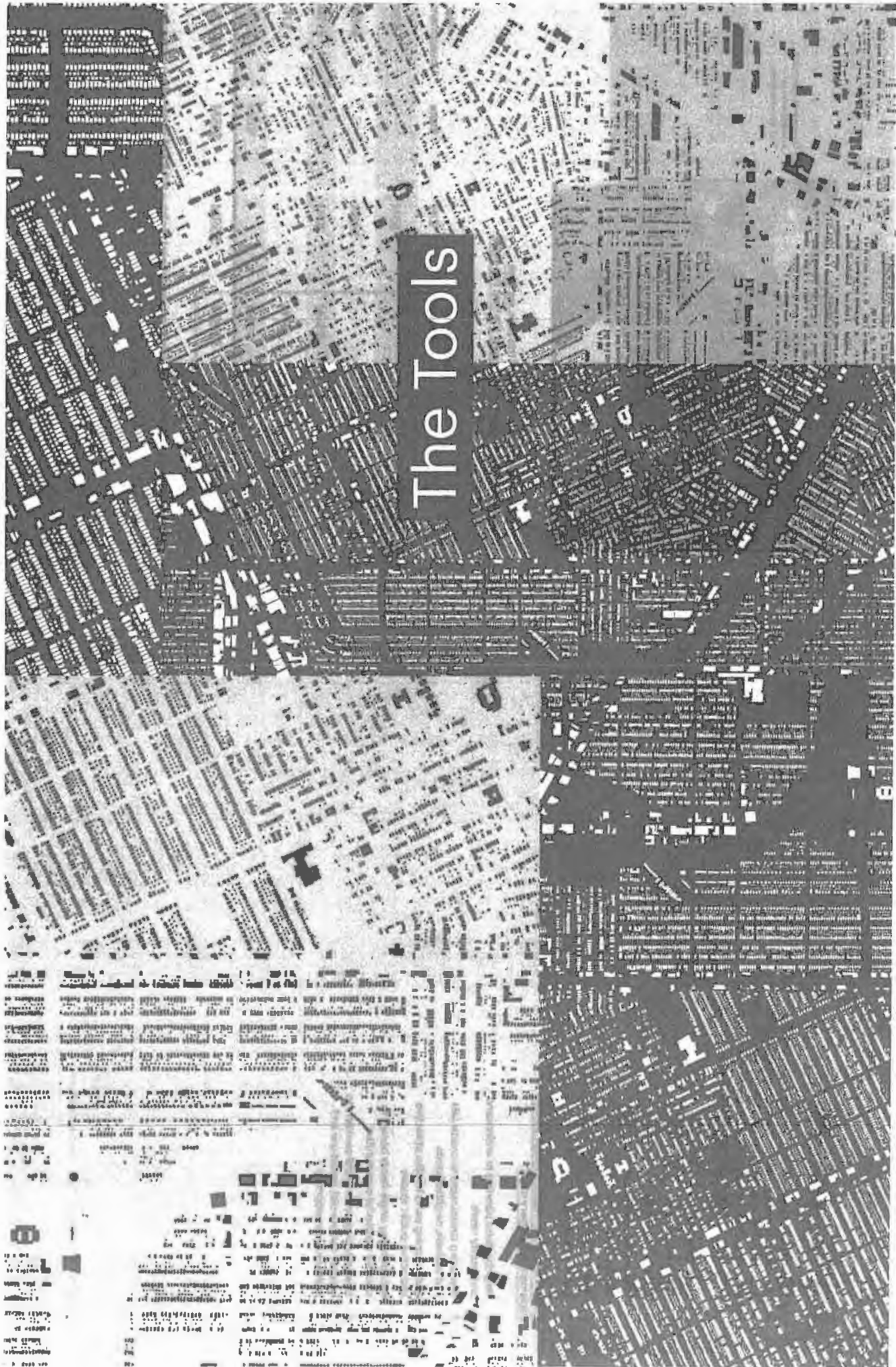


Volunteers participating in neighborhood improvement efforts

To achieve full implementation of this plan, we have identified the investment needed over the next five years.

	Philanthropic Grants	City	State	SNF Investment
Planning with the Neighborhood		\$3M		\$3M
Streetscapes		\$49M		\$49M
Parks	\$14M	\$7M		\$21M
Single Family Houses	\$7M			\$7M
Commercial Corridors	\$35M		\$15M	\$50M
<b>Total SNF 2.0</b>	<b>\$56M</b>	<b>\$59M</b>	<b>\$15M</b>	<b>\$130M</b>

Plus an additional \$113M in equity & commercial debt = **\$243M in total investment**



# The Tools

1. Planning with the Neighborhoods



\$3M total investment

2. Streetscapes



\$49M total investment

The framework for SNF 2.0 relies on five key components that all work together strengthen each neighborhood's core:

3. Parks



\$21M total investment

4. Single-Family Housing



\$7M total investment

5. Commercial Corridors



\$50M total investment

## Planning with the Neighborhoods

The success of SNF 2.0 relies on input and support from residents and community stakeholders. Community engagement tools such as planning studies, participatory budgeting, and support for local developers have been used with much success in the pilot.



Community engagement meeting

The City of Detroit's Planning and Development Department (PDD) will lead neighborhood planning studies in each of the seven neighborhoods. The goal of these studies is to solicit the input of residents, stakeholders, and community partners over an 8 to 12 month period to get community input on targeted investments in their neighborhoods and, ultimately, a comprehensive vision of the community.

	Philanthropic Grants	City	State	SNF Investment
Planning with the Neighborhoods		\$3M		\$3M

## Example:

\$20M

SNF1 used participatory budgeting, a democratic process where residents decide how to allocate funds, in Vernor/Southwest. A steering committee of 28 residents (made up of neighbors, students, community nonprofits, and businesses) was created to design and execute a process to collect ideas on how to invest the allocated \$250,000. The committee and volunteers gathered hundreds of ideas that will be voted on by residents. This process empowers residents and students to be part of the decision-making process while also building their capacity to civically engage with development in their neighborhood.

Within SNF1 a program was developed to identify and mentor architects, developers, and builders who are Detroit-based and people of color. These individuals and their companies will augment their experience and skills through neighborhood projects to increase their capacity to manage larger-scale developments in the future. The opportunity to grow and support a new generation of local developers and architects will be a key driver of Detroit's future success.



Developer Cliff Brown of Woodborn Partners, on site at the Coe

## Streetscapes

Robust streetscapes that are appealing to both pedestrians and small businesses are important in developing vibrant commercial corridors. Streetscape improvements in each neighborhood will be based on small business needs and community input. Some of the interventions may include raised pedestrian crossings, medians, and bump-outs for outdoor cafes and merchandising.



	Philanthropic Grants	City	State	SNF Investment
Streetscapes		\$49M		\$49M

## Example: Livernois-McNichols



Among the different components of the Livernois-McNichols Neighborhood Framework Plan, launched in the spring of 2016, is the identification of a streetscape improvement strategy for both McNichols (between Marygrove College and the University of Detroit Mercy) and Livernois (along the historic Avenue of Fashion). These planning efforts will continue to progress throughout 2018 with implementation anticipated in 2019.

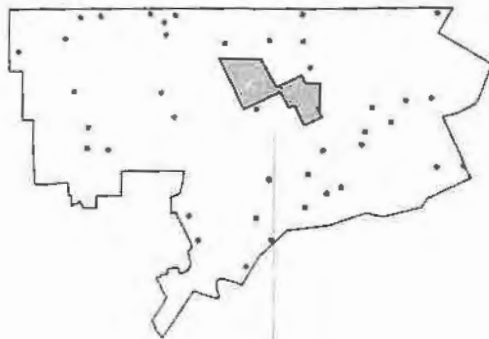


## Parks

Vibrant and well-programmed parks are a critical part of healthy urban living and a priority for new investment across the city. A key part of SNF 2.0 plan is the creation of one "catalytic" park in each targeted neighborhood.

Additional investment in these parks will greatly enhance the way residents connect to these green spaces and will be destinations for Detroiters across the City.

This effort is part of a broader plan that includes City investment in park improvements across all of Detroit, with soccer hubs and multi-sport parks that will be destinations for residents and families. The goal is a full spectrum of park types for Detroit's residents and visitors—spaces to gather, fields for individuals and leagues to play, and active spaces for organized resident groups.



Map of the Capital Improvement Block (CIB)

	Philanthropic Grants	City	State	SNF Investment
Parks	\$14M	\$7M		\$21M

## Examples: Ella Fitzgerald Park

Celebrating groundbreaking of Ella Fitzgerald Park



The creation of Ella Fitzgerald Park in Livernois-McNichols is transforming vacant lots into a public asset; an innovative use of blighted land to provide an important civic asset in the Fitzgerald neighborhood.

## Clark Park

Southwest Detroit residents enjoying Clark Park



Clark Park in Southwest Detroit connects to the neighborhood's retail corridor to provide safe access that promotes walkability between both spaces.

## Single-Family Housing

Detroit has a concentration of vacant single-family home structures, many owned by the City of Detroit and its agencies, that can be leveraged as an opportunity to improve neighborhoods. There is a limited supply of move-in ready homes throughout Detroit. Due to the physical condition of the homes, low property values, and tight lending market, obtaining financing for renovations is difficult. Areas of public ownership of vacant housing can be transformed by targeted efforts to remove blight, add density, and improve market conditions to make additional private development feasible and attractive.



Single-Family home in the Fairchild neighborhood

Each neighborhood will have a unique intervention depending on inventory and community input, and deeper affordability will be supported by the City's \$250M Affordable Housing Leverage Fund (AHLF).

	Philanthropic Grants	City	State	SNF Investment
Single-Family Housing	\$7M			\$7M

## Examples: Livernois-McNichols

In Livernois-McNichols, the City is piloting a comprehensive revitalization strategy with the goal of creating a blight-free quarter-square mile. The project area is located between two longstanding academic institutions, Marygrove College and the University of Detroit Mercy, and is bordered by two growing commercial corridors, Livernois Avenue and West McNichols Road. In order to transform every vacant lot and home in the project area, the City worked with residents to establish a plan with three components:

- 1 Renovation of 105 vacant homes both for sale and rent, including affordable and market rate
- 2 Landscaping and maintenance of more than 250 vacant lots to create productive landscape
- 3 Creation of a greenway through the neighborhood to improve connectivity

## Fitz Forward



Fitz Forward, a partnership between local development firms Century Partners and The Platform, is leading the home rehab and vacant lot improvements. The City's Parks and Recreation Department is leading the construction of the park and greenway.

## Commercial Corridors

Strengthening commercial corridors is crucial to the urban fabric and economic success of Detroit neighborhoods. When these corridors are fully activated, they fill the everyday needs of residents through walking, shopping, good and services, and places to interact. When they are thriving, they support local entrepreneurs, grow small businesses, and provide quality jobs.

In a city of predominantly detached single-family housing, these corridors can also provide mixed-use living of different housing types and sizes not found in most of the city. With over twenty years' experience in this work, Invest Detroit is leading the effort on this particular component.

Similar to the approach in SNF1, microdistricts of 8 to 15 blocks will be identified for investment targets that will encourage outward growth from these strengthened main street cores. Microdistrict identification begins with in-depth asset mapping of each neighborhood's conditions, commercial corridors, and all potential property and their ownership. Leveraging experts within the City, long-time Detroit architecture and urban planning partners, and in consultation with local partners, representative massings and pro-formas will be created for rehabilitations or new construction. Next, we will work with neighborhood leadership to prioritize and sequence projects based on their importance to the community, location, site control or partnership opportunity, and financial feasibility.

	Philanthropic Grants	City	State	SNF Investment
Commercial Corridors	\$35M		\$15M	\$50M

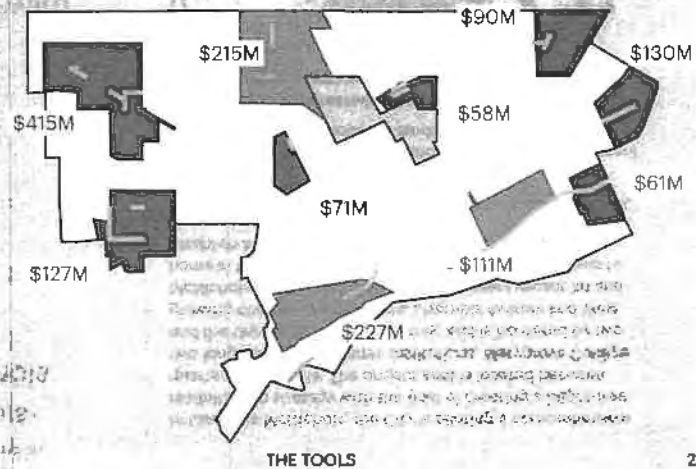
## Example: Kercheval/ Van-Dyke

(before)



Kercheval/Van-Dyke (after)

## Streetscapes: Opportunity to capture \$1.5B of retail demand





An aerial photograph of a city grid, likely New York City, showing a dense network of streets and buildings. The image is divided into four quadrants by a dark, semi-transparent cross. In the center of this cross is a white rectangular box containing the text "The First Three". The text is oriented vertically, with "The First" on top and "Three" below it. The background is a high-contrast, black and white aerial view of the city's street pattern, with some areas appearing more brightly lit than others, creating a complex, textured appearance.

# The First Three

# The First Three

Investments

- Catalytic Park
- ▨ Streetscapes

Planning Projects

- SNF First Three



The Murray building in Southwest Detroit



Home in the Livernois neighborhood

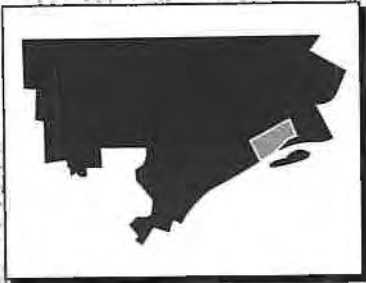


Community engagement meeting

By learning and adapting, our pilot in the first three neighborhoods is working. The efforts in these areas continue with a robust pipeline of projects, and we have been able to draw from our successes and lessons to prove and shape our plans for SNF 2.0.

Though work in these neighborhoods continues with a robust pipeline of projects, clear successes have been identified that are proving and shaping our plans for SNF 2.0.

# Islandview / Greater Villages



- MCM** Motor City Match (new small business support)
- MCRS** Motor City Restore (existing small business support)
- Single-Family Housing Project Area

## Update on Islandview / Greater Villages

Within Islandview / Greater Villages, West Village is our first neighborhood to prove that targeted investment in an 8 to 15 block microdistrict can jumpstart a neighborhood's economic turnaround.

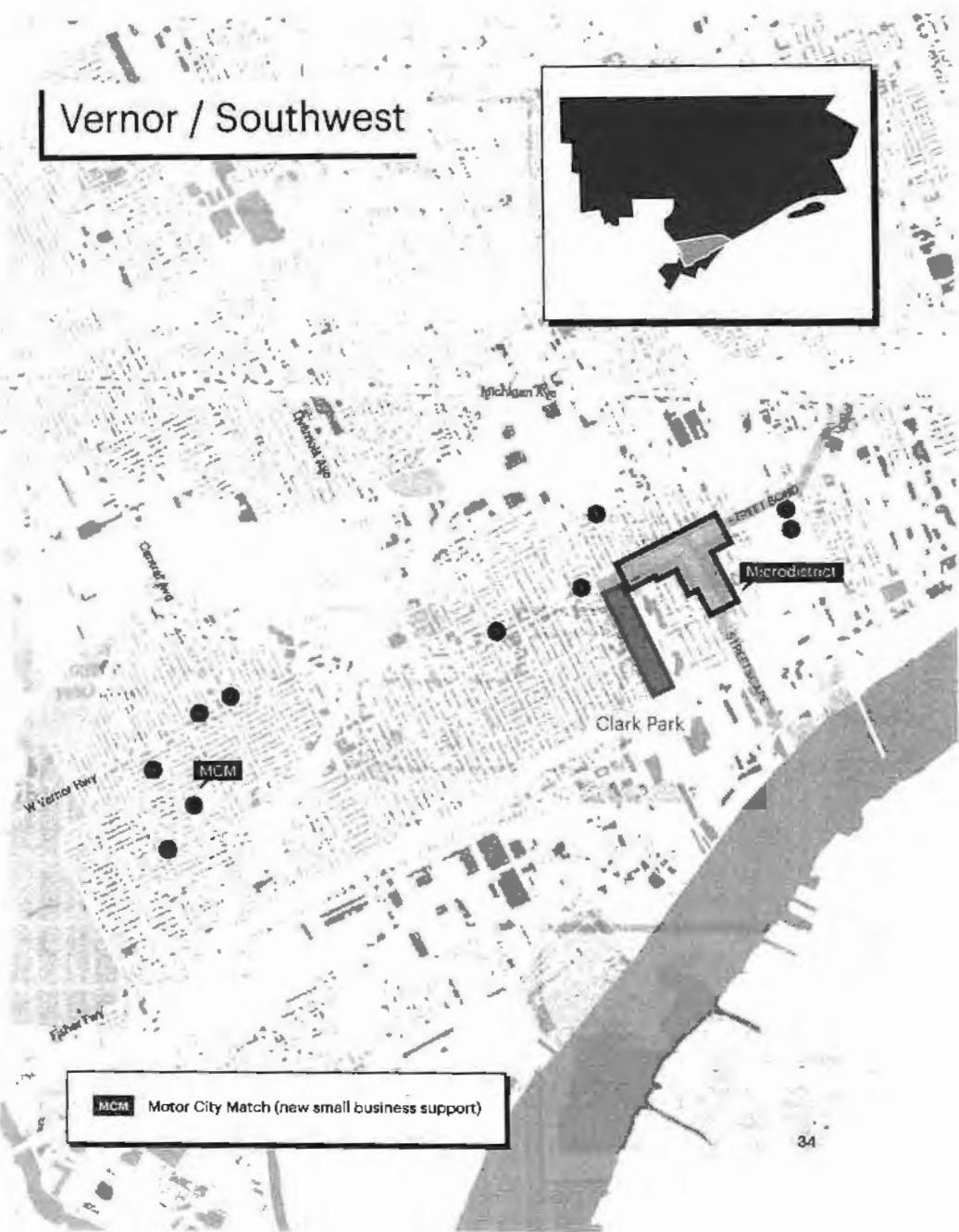
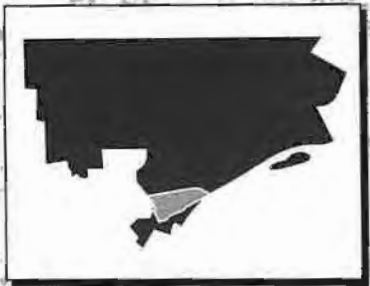
- ▶ The Coe, a mixed-income, mixed-use new construction project opened in November 2017. Led by Cliff Brown and Woodborn Partners, this 12-unit project was the first new construction in the neighborhood in over 30 years.



Completed picture of the Coe

- ▶ A significantly larger mixed-income, mixed-use development is planned at the corners of Kercheval and Van Dyke. This project will be approximately 75 new apartments with 20% of them affordable at 80% and 60% AMI above 7,000 SF of new local retail.
- ▶ SNF1 was able to support the installation of a MoGo bike share station on Agnes Street two years ahead of schedule, as well as doubling the capacity of a community planning and implementation effort to transform a neighborhood alley into a green alley that would remediate storm water flooding.
- ▶ Through the City's community planning efforts, improvements to Kercheval streetscapes and Butzel Playfield are being finalized.
- ▶ The City of Detroit is releasing an RFP to rehabilitate 28 homes and invest in 50 vacant lots just north of Butzel Playfield.

## Vernor / Southwest



## Update on Vernor / Southwest

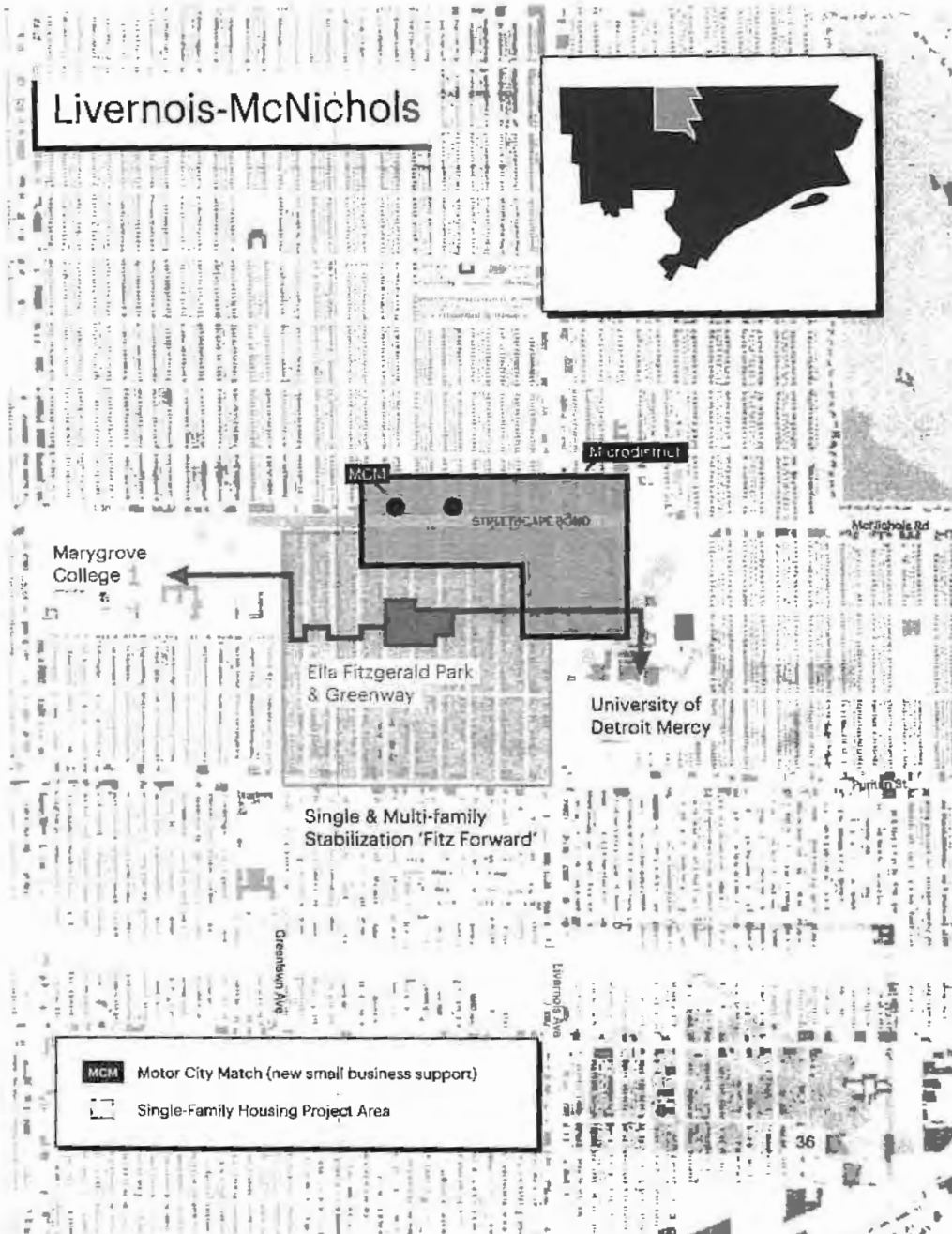
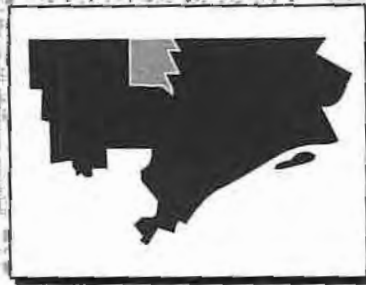
The approach in Vernor / Southwest relies on the activation and engagement of the neighborhood by convening the strong local partners into one unified strategy.

- ▶ Guided by community priorities, The Murray is the first development project in this geography. This rehab of seven townhomes will stabilize a key corridor in the neighborhood right next to Western High School, guided by local developer Emery Matthews and his firm Real Estate Interests.
- ▶ To complement the planning process the community requested an even more democratic process for determining how to invest in public good infrastructure. This participatory budgeting process is a first in Detroit and kicked-off in January of 2018.
- ▶ A larger investment in a mixed-income, mixed-use site at the corners of Vernor and Hubbard is planned for late 2018. This project is expected to be 50 to 70 units above first-floor retail. A developer will be selected through SNFI's initiative to develop Detroit talent in Spring of 2018.
- ▶ Through the Vernor / Southwest neighborhood planning study, investments and enhancements were identified for Clark Park and the adjacent streetscape along Vernor.
- ▶ In response to the neighborhood's desire to support businesses on W. Vernor, a "Zocalo" space with a fountain, recalling traditional public spaces in Mexico, is planned for the north edge of Clark Park along Vernor Highway.



Bagley Shared Street Rendering

# Livernois-McNichols



## Update on Livernois-McNichols

Livernois-McNichols shows that beginning with strong community assets and anchors and a holistic approach can revitalize a neighborhood where 40% of the residences are publicly owned.

- ▶ Through the nationally competitive Reimagining the Civic Commons (RCC) initiative, vacant land and blighted homes were repurposed into a new City park, Ella Fitzgerald Park, in the heart of the Fitzgerald neighborhood.
- ▶ Running through Ella Fitzgerald Park and connecting the University of Detroit Mercy on the east and Marygrove College on the west, new pedestrian greenways are being built across ten city blocks.
- ▶ Over 100 vacant homes are being rehabilitated and 200 vacant lots programmed by a development collaborative called Fitz Forward in response to a City RFP, as part of the City's commitment to stabilize single-family housing in each neighborhood geography.
- ▶ Two one-unit commercial spaces that surround already-active businesses will be rehabilitated through partnership with aspiring developers as part of the commitment to growing and supporting local talent.



An aerial photograph of a city grid, likely New York City, showing a dense network of streets and buildings. A large, dark, semi-transparent rectangular area is overlaid on the center of the image. Within this dark area, the words "The Next Seven" are written in a white, sans-serif font, oriented vertically. The text is split across two lines: "The Next" on the top line and "Seven" on the bottom line. The background image is a high-contrast, black and white aerial view, with the dark overlay creating a stark contrast with the lighter city details.

# The Next Seven

# The Next Seven



- Investments**
- Catalytic Park
  - ▬ Streetscapes
- Planning Projects**
- SNF Next Seven

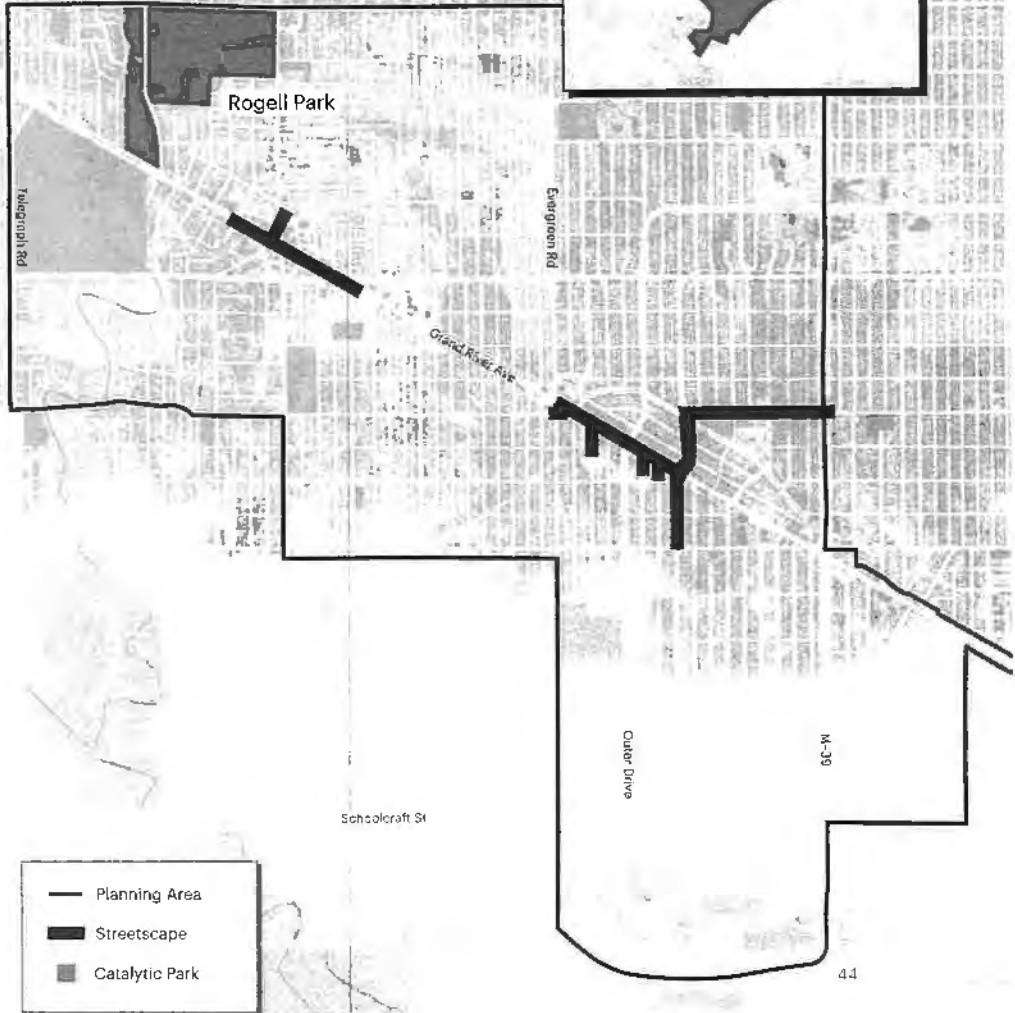
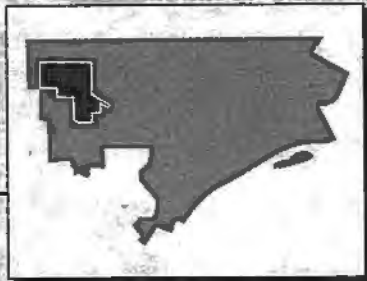




As evidenced in SNF1, we know these interventions work best in communities that have a key set of assets that can better catalyze investments. A similar data-driven approach has been used to identify the next seven neighborhoods.

These areas were identified and sequenced by an analysis focusing on higher residential density that was supported by a central commercial corridor and nearby public assets such as parks and schools. This allowed for the identification of neighborhoods where there were many strengths to build from and where a little more coordination of resources and investment could go a long way.

# Grand River Northwest



## Grand River Northwest

### Place-Based Assets and Organizations:

- ▶ Arts and culture center around Old Redford Theater
- ▶ Destination grocery chain (Meijer)
- ▶ Rogell Park
- ▶ Five strong residential neighborhoods in Grandmont-Rosedale area
- ▶ North Rosedale Park Community House
- ▶ Long-serving community-based organizations such as Grandmont-Rosedale Development Corporation, Minock Park Block Association, Artist Village Detroit, and Detroit Blight Busters



Grand River WorkPlace

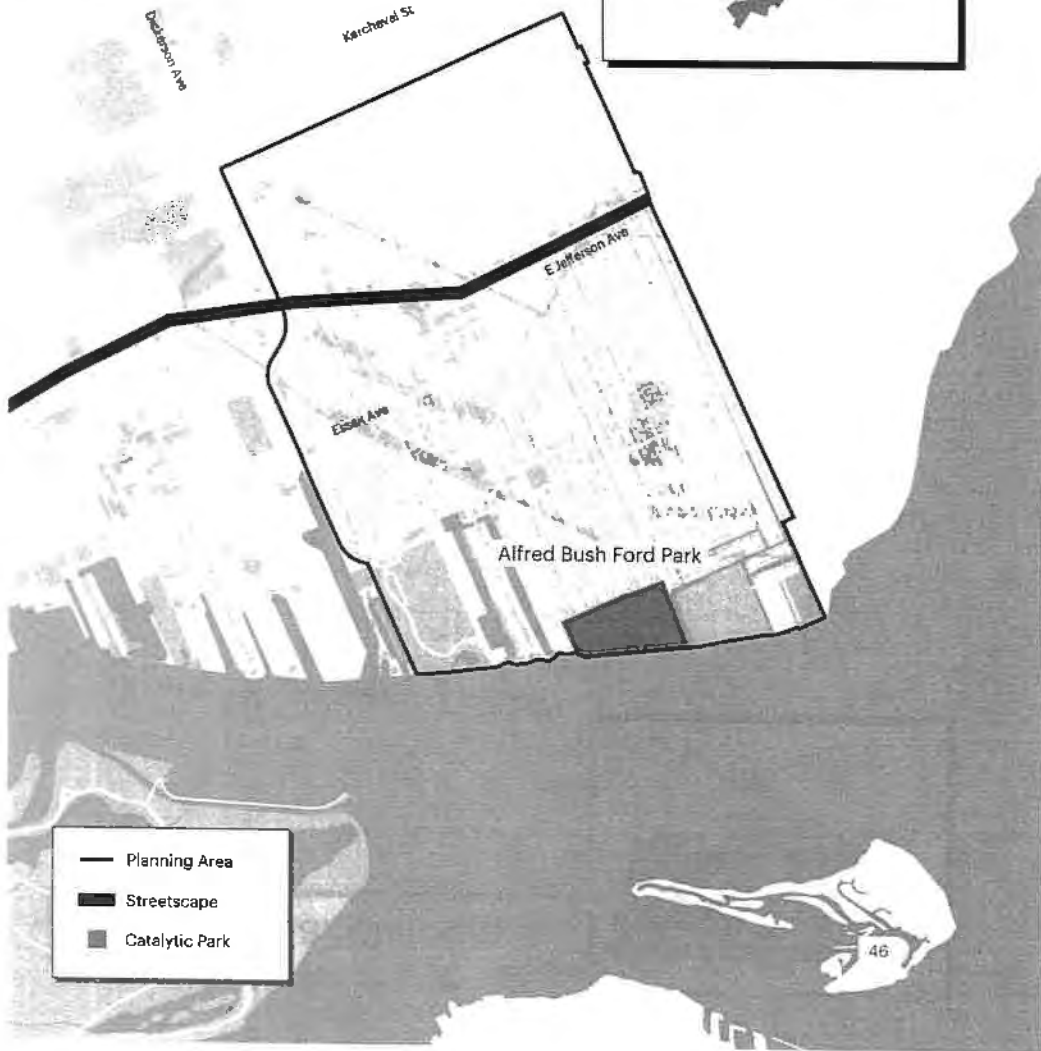
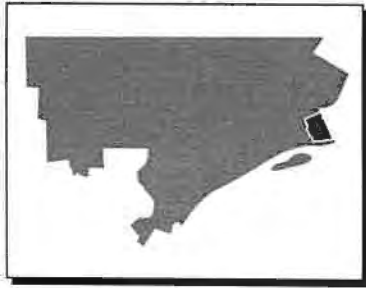


Redford Theater during sidewalk festival

### Neighborhood Information:

7,002 people	SQ MI	Rogell Park	Q1, 2017
Population Density		Catalytic Park	Planning Study Kickoff

# Jefferson Chalmers



## Jefferson Chalmers

### Place-Based Assets and Organizations:

- Detroit River access via canal system and 160+ acres of public riverfront parks
- Existing historic mixed-use architecture along Jefferson
- Dedicated community-based organizations including Jefferson East, Inc. and Eastside Community Network
- Foundational prior studies on which to build such as Lower Eastside Action Plan
- New investment in public streetscape, on-street parking, and protected bike lanes
- 4,000 jobs at nearby FCA Jefferson East Assembly facility



Community Stakeholder Meeting



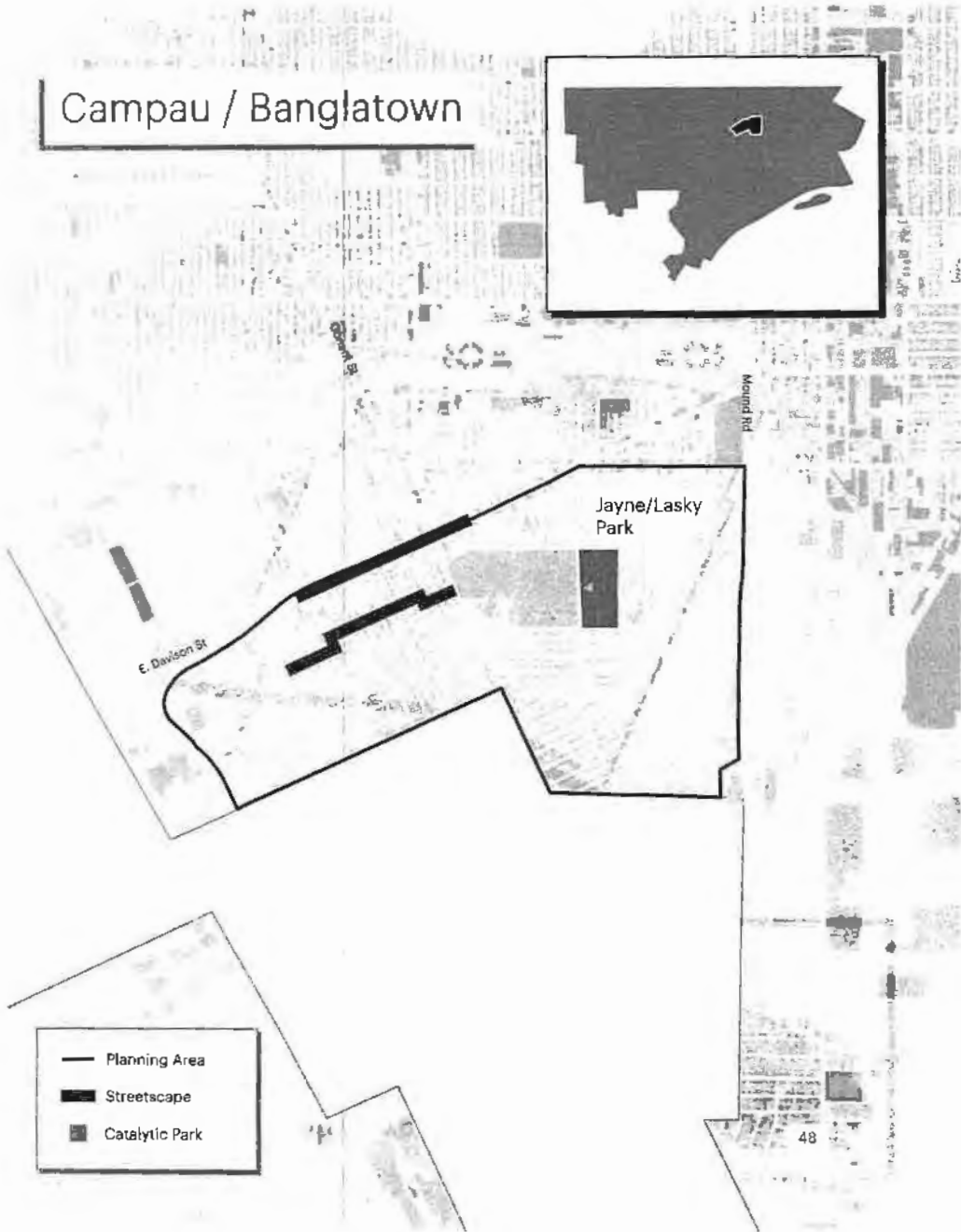
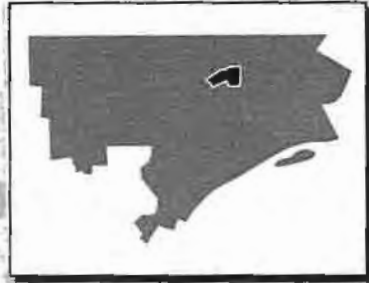
Johnson & Co. Salon on E. Jefferson Ave.

### Neighborhood Information:

3,418 people / SQ MI      AB Ford Park      Q1, 2018

Population Density      Catalytic Park      Planning Study Kickoff

# Campau / Banglatown



## Campau / Banglatown

### Place-Based Assets and Organizations:

- ▶ Diverse mix of ethnic communities
- ▶ Recent philanthropically funded cross-cultural exchange project
- ▶ Increasingly stable population with high owner occupancy
- ▶ Dedicated community-based and arts organizations including the Bangladeshi American Public Action Committee and Powerhouse Productions
- ▶ Jayne/Lasky Park, youth recreation playfields
- ▶ Ride It Sculpture Park, youth-focused public gathering place



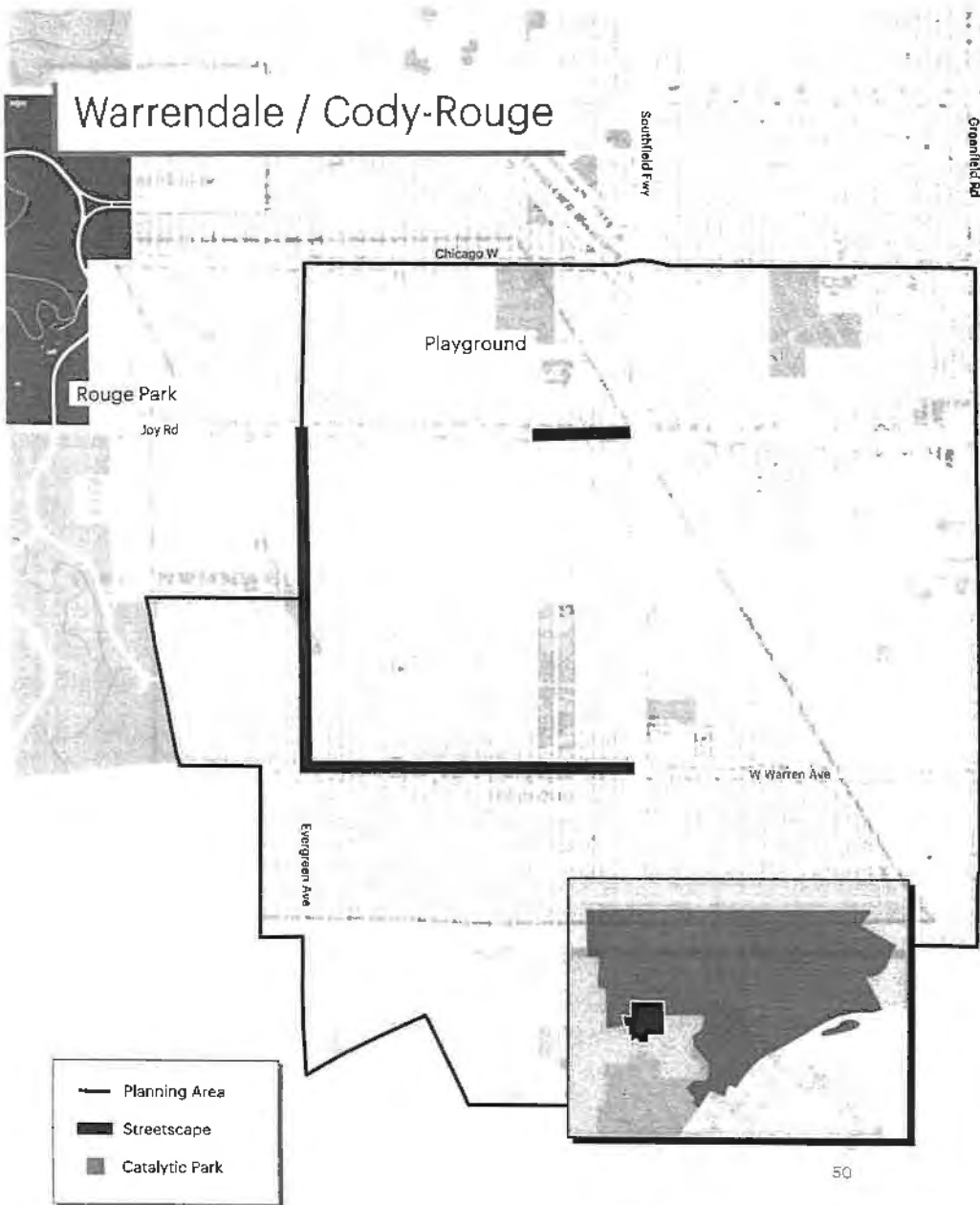
Banglatown Block Club



Community Soccer at Jayne/Lasky Park

### Neighborhood Information:





**Warrendale / Cody-Rouge**

**Place-Based Assets and Organizations:**

- ▶ Youth-focused strategies identified through philanthropic/corporate support
- ▶ Diverse population shared with neighboring cities of Dearborn and Dearborn Heights
- ▶ Access to regional park and greenway networks through Rouge Park
- ▶ Commercial growth potential along Joy and Warren, including publicly owned parcels
- ▶ Dedicated community-based organizations include the Cody-Rouge Community Action Alliance, the Joy-Southfield CDC, and the Warrendale Association



Warrendale Charter Academy

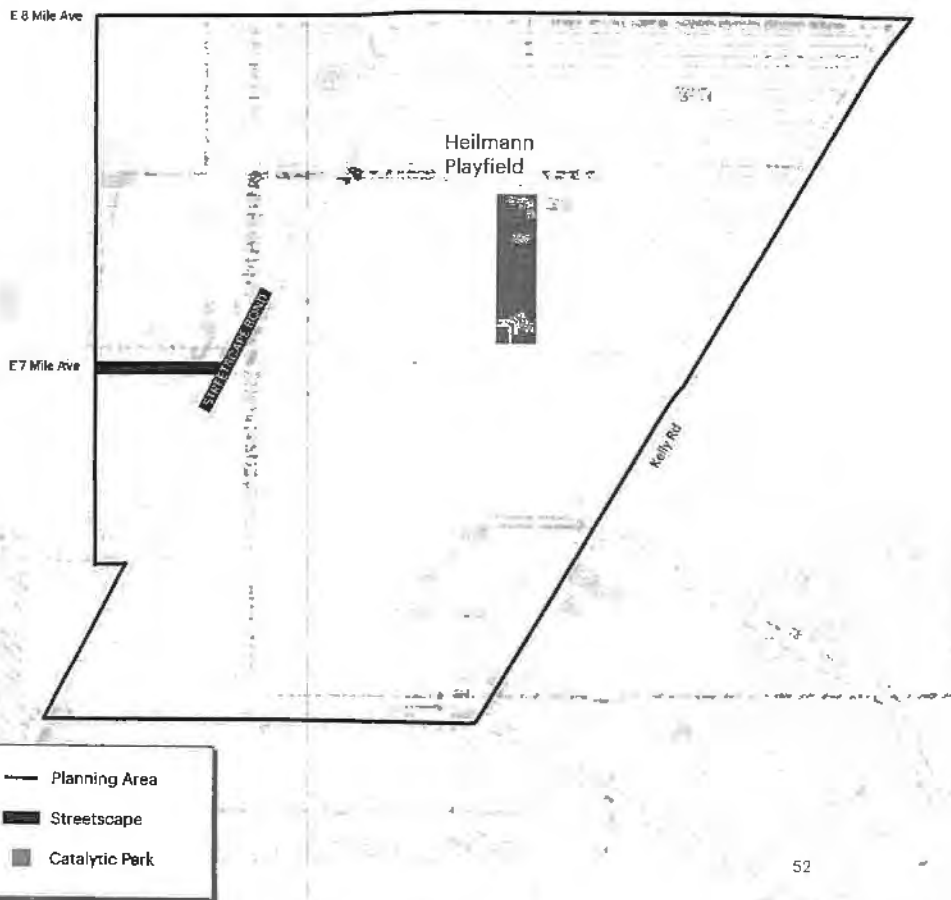
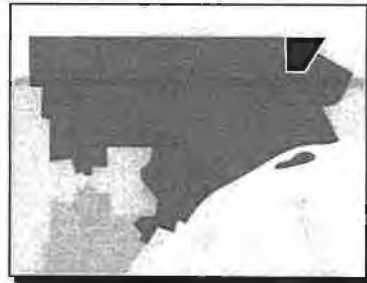


Community work in River Rouge Park

**Neighborhood Information:**

7,111 people	SQ MI	Rouge Park	Q3, 2018
Population Density		Catalytic Park	Planning Study Kickoff

# Gratiot / 7-Mile



## Gratiot / 7-Mile

### Place-Based Assets and Organizations:

- ▶ Dense, stable, single-family housing in Regent Park
- ▶ Collaborative working relationship with neighboring Harper Woods community
- ▶ Longstanding community-based organizations including the Osborn Neighborhood Alliance, Matrix Human Services, LifeBUILDERS, and the Mohican Regent Association
- ▶ Heilmann Playfield
- ▶ Dense clusters of retail at Gratiot & 7-Mile, Gratiot & 8-Mile, and Kelly Rd.



Heilmann Recreation Center



Community Work in the Neighborhood

### Neighborhood Information:

6,140  
people

SQ MI

Population Density

Heilmann  
Playfield

USCS

Catalytic Park

Q1, 2019

Planning Study Kickoff

# Russell Woods / Nardin Park



## Russell Woods / Nardin Park

### Place-Based Assets and Organizations:

- ▶ Dense, well-crafted residential homes
- ▶ Historic apartments and commercial buildings suitable for renovation
- ▶ Music and arts legacy, with active neighborhood Jazz festival
- ▶ Dedicated local community-based organizations including the Pleasant Heights Economic Development Corporation and the Russell Woods Neighborhood Association
- ▶ Russell Woods Park and Zussman Playground
- ▶ Central neighborhood location with convenient city-wide access



Richard Allon Park



Historic Architecture

### Neighborhood Information:

5,987  
people

SQ MI

Russell  
Woods Park

Q1, 2018

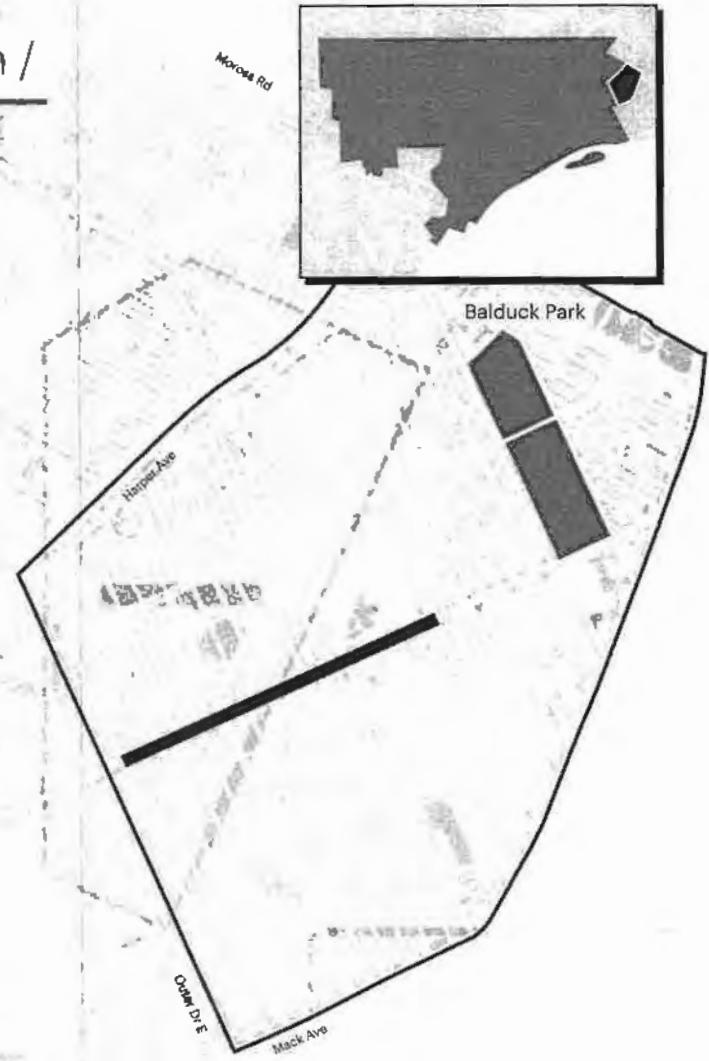
Population Density

Catalytic Park

Planning Study Kickoff

THE NEXT SEVEN

# East Warren / Cadieux



- Planning Area
- Streetscape
- Catalytic Park

## East Warren / Cadieux

### Place-Based Assets and Organizations:

- ▶ High-quality, stable housing with higher household incomes
- ▶ Mix of businesses, churches, retail and legacy neighborhood shopping district on East Warren
- ▶ Entertainment landmark in historic Alger Theater
- ▶ Dedicated community based organizations include the East English Village Association, MECCA, and Friends of The Alger
- ▶ Residents are engaged in shaping community revitalization
- ▶ Convenient access to Balduck, Mesmer, and Chandler Parks



Community Engagement Meeting



Morningside Commercial Corridor

### Neighborhood Information:

8,077 people / SQ MI

Population Density

**Balduck Park**

Catalytic Park

Q3, 2019

Planning Study Kickoff



An aerial photograph of a city grid, showing a dense network of streets and buildings. The image is split into four quadrants by a dark, semi-transparent cross. In the center of this cross is a white rectangular box containing the text "Strategic Alignment".

# Strategic Alignment

# Greenways

Rouge River Greenway

Joe Louis Greenway

Iron Belle Greenway



## Signature Greenways

- Joe Louis Greenway
- Rouge River Greenway
- Iron Belle Greenway



## Greenways

An interconnected system of greenways that connects the entire city serves as an important companion to the vision of SNF 2.0 and magnifies the impact of the other revitalization tools.

These greenways will connect all Detroiters to the SNF neighborhoods while also providing residents access to the Riverfront, Belle Isle, and Downtown. Three signature greenways will be created: Joe Louis Greenway, Iron Belle Greenway, and Rouge River Greenway. They will form an interconnected network to deliver 59 miles of greenways.

## Joe Louis Greenway

The Joe Louis Greenway is 31.5 miles of trails that will include a 26-mile central loop of strategic on- and off-street bicycle and pedestrian paths. Its completion will link Detroit neighborhoods from the RiverWalk to the city's northern border at 8-Mile Road, while providing direct connections to four adjacent communities - Dearborn, Hamtramck, Highland Park, and Ferndale. It links four of the planning areas targeted by SNF and leverages over \$700M invested to date in economic development projects in adjacent neighborhoods. The Joe Louis further connects residential and mixed-use neighborhoods with major employers, educational opportunities, and civic amenities like Wayne State University, Eastern Market, Henry Ford Hospital System, the Central Business District, and Focus: Hope.

## Iron Belle Greenway

The Iron Belle Greenway is an on-street greenway. The 13.7 mile route will connect east-siders to the Detroit Riverfront and Belle Isle, while connecting cyclist from across the state to the Gordie Howe International Bridge. The route includes 10 miles of on-street connectors from East Warren/Cadieux, Jefferson Chalmers, and Gratiot/7-Mile. It builds on the City's Conner Creek Greenway, and offers an alternative North-South route while connecting to key open spaces, amenities, and employment opportunities.

## Rouge River Greenway

The Rouge River Greenway is envisioned as a community recreation trail and environmental educational experience on the west side of Detroit. Connecting the City's northern boundary and providing an alternative north-south mobility option, the Rouge River Greenway will link some of Detroit's signature parks, such as Rouge Park, with neighborhood cultural institutions, historic assets, and one of Southeast Michigan's most important waterways. The Rouge River Greenway will connect Detroit residents and visitors to the rich environmental history of the Rouge River and increase access to recreation opportunities on the west side of Detroit. It will also improve the water quality and habitat of the Rouge River corridor and will increase land values in the neighborhood. Unique among the three signature greenways, 10 miles of this more naturalized 13.5-mile route will traverse existing city property and exists largely within the floodplain.



Concept for Rouge River Greenway

## Complementary Services

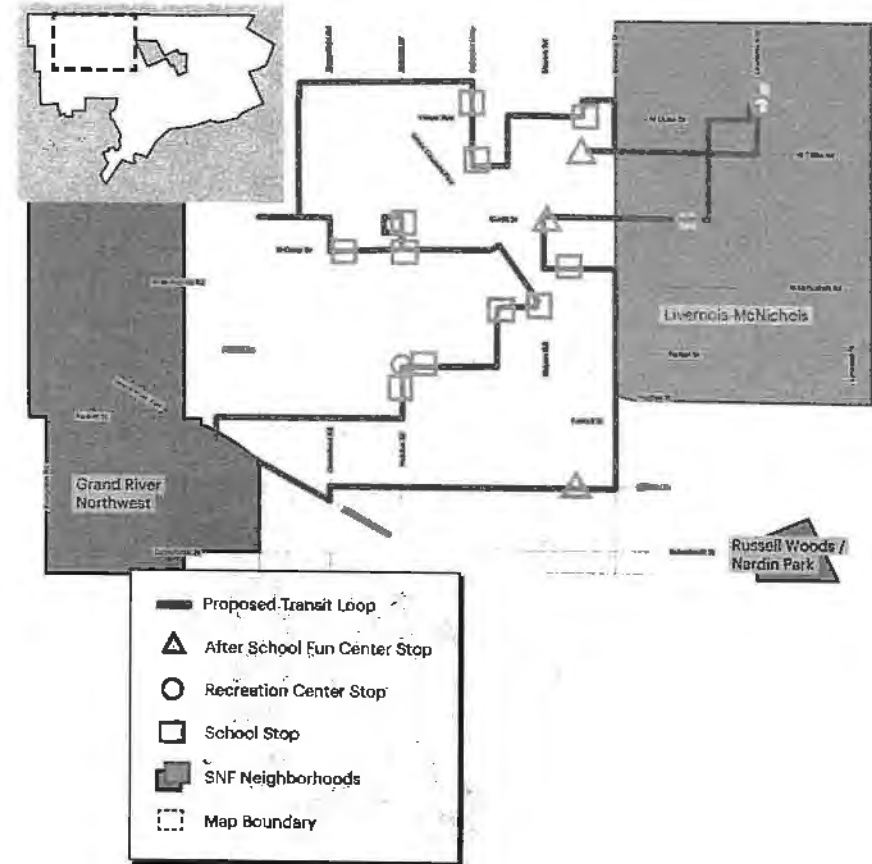
Health and human services are a necessary component in supporting neighborhoods recovering from chronic neglect. The City is piloting a variety of strategies to address the needs of residents and partnering with the University of Michigan Poverty Solutions Lab to create innovative initiatives aimed at increasing economic mobility and breaking the cycle of poverty in Detroit. Strategies include prevention of unintended teen pregnancy through clinician engagement and access to care and information, reduction of gun violence by expanding Operation Ceasefire Detroit city-wide, and proactive lead abatement programs in pilot zip codes with high incidence of elevated blood lead levels.



Detroit at Work — Healthcare Program Graduation

Barriers to education cause a host of challenges to neighborhoods and communities struggling to thrive. Many Detroit children lack access to quality schools and after-school programs due to the challenge of simply getting there—families without a car or with demanding work schedules compounded by a lack of reliable public transportation, or the after-school programs are too scattered or don't exist. The City is launching a two-pronged pilot program in Northwest Detroit for K-8 families to address these issues.

The first improves both education and transportation access by creating a bus loop among a cluster of public and charter schools, as well as recreation centers, that can transport students from their home to multiple schools and after-school options. The second is an after-school enrichment program with activities determined through a community and school engagement process.



The City's workforce development board, comprised of members across business, nonprofit, and philanthropic sectors, has set a goal of 40,000 more Detroiters employed in the next five years to reduce poverty and increase financial stability and economic mobility.



Randolph Tech Center:  
Workforce Development

To accomplish this goal, three strategic pillars have been created:

- 1 **Expanded training and career pathways** that increase the number of employer-led training programs linking directly to jobs, and increased opportunity for youth and adults to access skill training and job opportunities
- 2 **Remove barriers** through comprehensive services targeting returning citizens and a program to help employees facing termination succeed, and
- 3 **Systems change** through increased funding, community outreach strategies, and redesigning the workforce service delivery model.

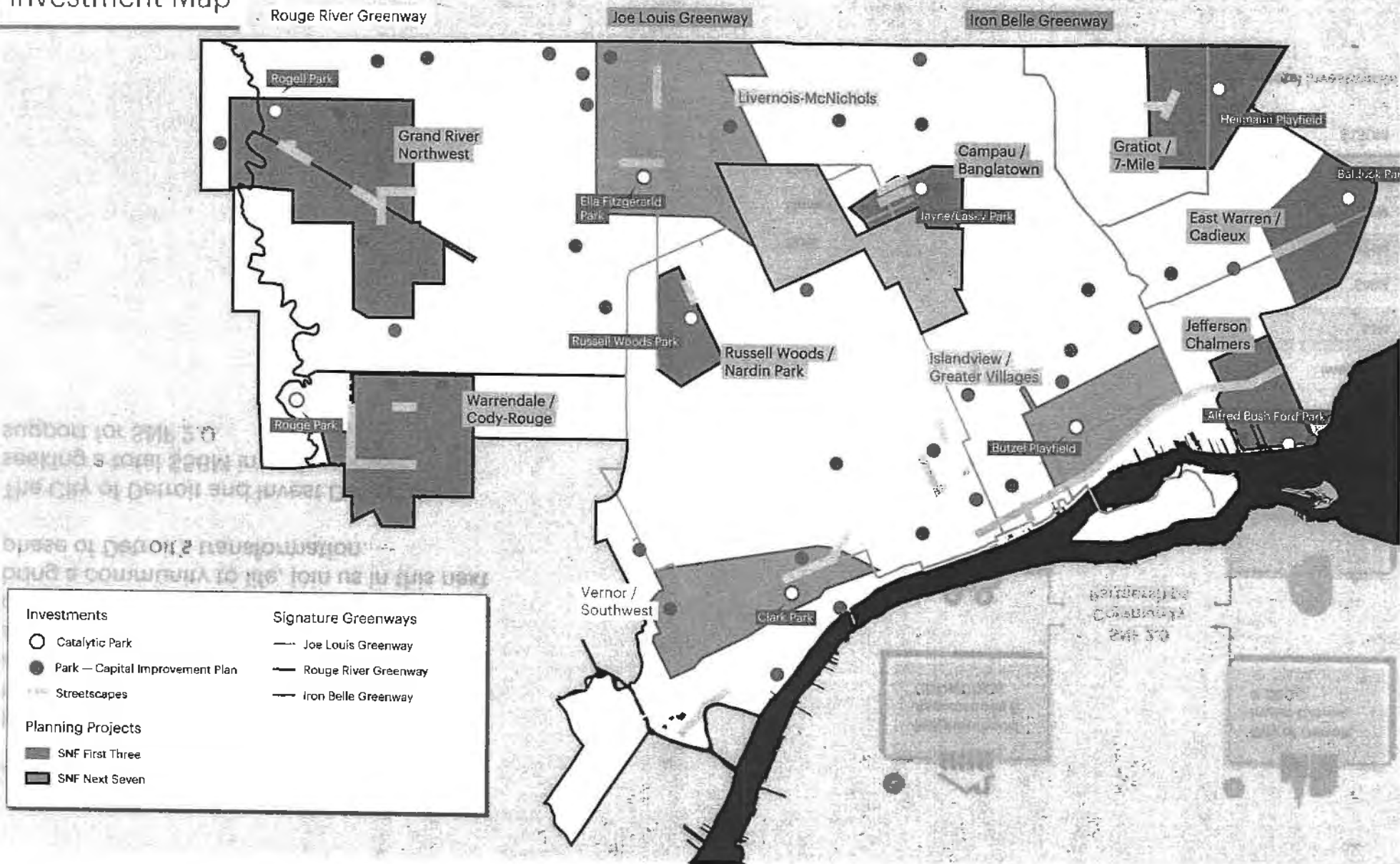
The City of Detroit is focused on transportation and mobility improvements that make it easier, safer, and more affordable to get around Detroit. Later this year, the Mayor, with assistance from Bloomberg Associates, will release a strategic plan around transportation that will set the vision and goals for the next four years.



DDOT Buses in production

In advance of that plan, some key initiatives are already underway, including adding three high-frequency routes to the City's current bus network while extending the hours of other routes, off-board and mobile ticketing programs and technology improvements, providing all-day, frequent, limited-stop service between Detroit and the suburbs, implementing pilot programs with Lyft to improve access to workforce training, as well as additional bike lanes and mobility options like car sharing.

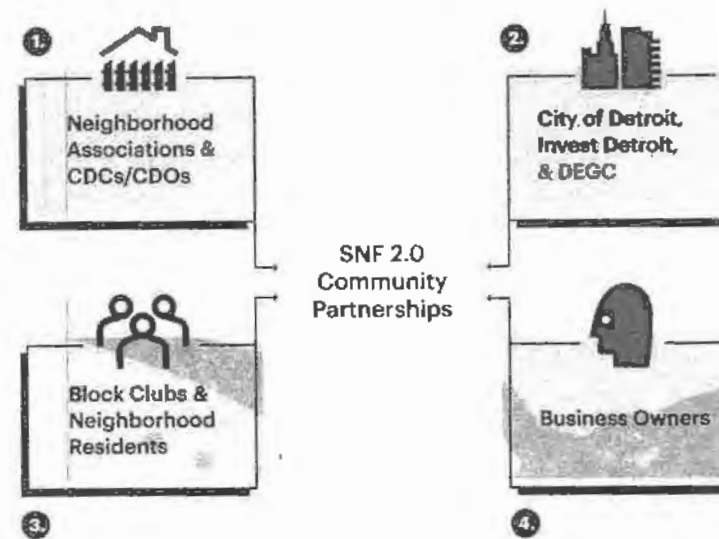
# Investment Map



## Join Us!

If you believe in Detroit like we do, if you have seen the power of engagement and investment in our communities, or if you simply believe in scaling a proven, data-driven, highly-coordinated model that can bring a community to life, join us in this next phase of Detroit's transformation.

The City of Detroit and Invest Detroit are seeking a total \$56M in philanthropic support for SNF 2.0.



	Philanthropic Grants	City	State	SNF Investment
Planning with the Neighborhood		\$3M		\$3M
Streetscapes		\$49M		\$49M
Parks	\$14M	\$7M		\$21M
Single Family Houses	\$7M			\$7M
Commercial Corridors	\$35M		\$15M	\$50M
<b>Total SNF 2.0</b>	<b>\$56M</b>	<b>\$59M</b>	<b>\$15M</b>	<b>\$130M</b>

Plus an additional \$113M in equity & commercial debt = **\$243M in total investment**



Thank You.

For more information on the Strategic Neighborhood Fund 2.0, possible naming opportunities, and the many ways you can participate, contact:

Ryan Friedrichs, [friedrichs@detroitmi.gov](mailto:friedrichs@detroitmi.gov)  
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Photos: Michelle and Chris Gerard (cover, pages 5, 6, 12, 19, and 59),  
Ali Lapetina (cover, pages 21, 34, and 53)



**APPENDIX F**  
**STRATEGIC PLAN FOR**  
**TRANSPORTATION**

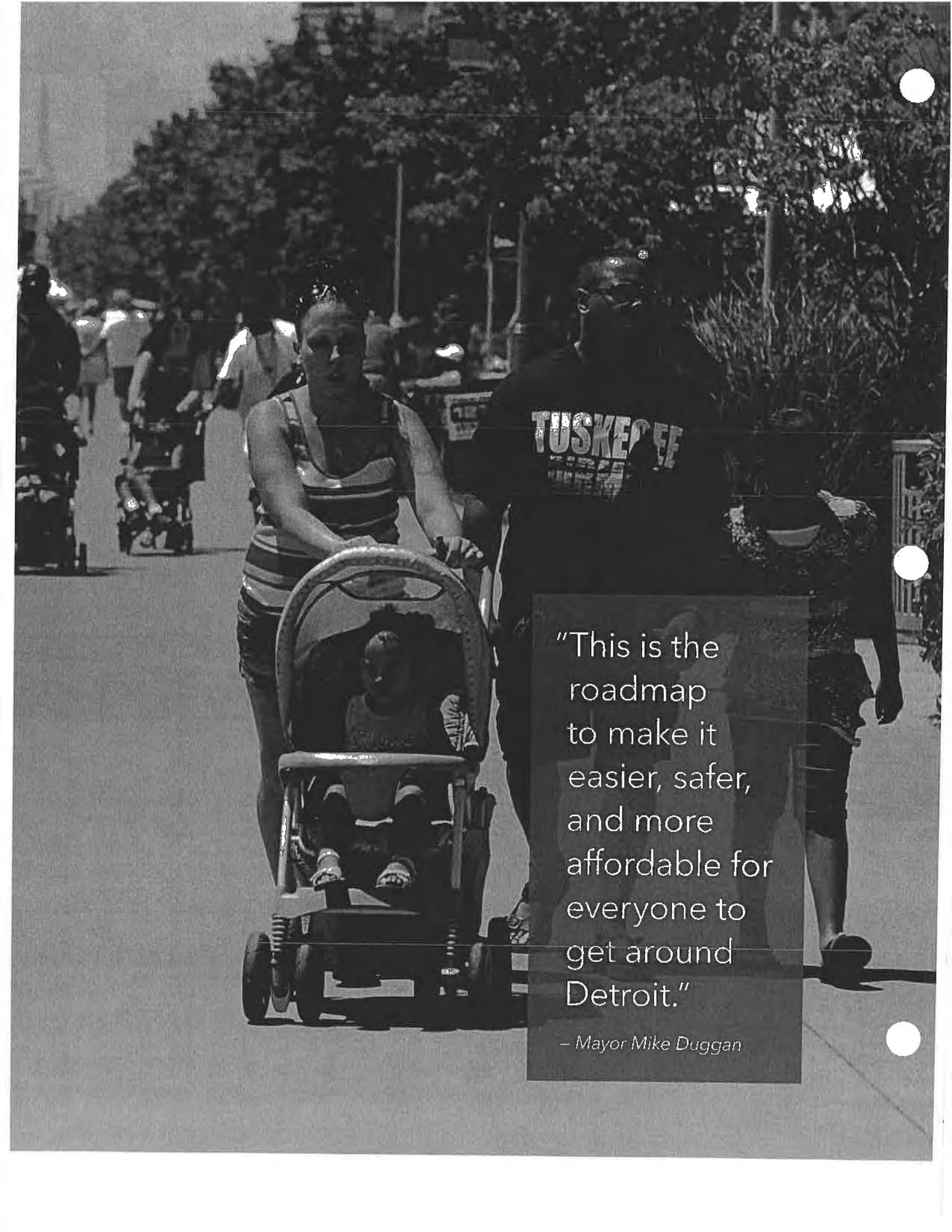
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City of Detroit



# Strategic Plan for Transportation





"This is the  
roadmap  
to make it  
easier, safer,  
and more  
affordable for  
everyone to  
get around  
Detroit."

– Mayor Mike Duggan

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“A new level of collaboration between City departments is necessary to achieve the goals of this Plan.”

**Mayor Mike Duggan**



**David Massaron**  
Chief Operating Officer



**Ron Brundidge**  
Director,  
Department of Public Works



**Maurice Cox**  
Director,  
Planning and Development Department



**Angelica Jones,**  
Acting Director,  
Department of Transportation (DDOT)

We are building one Detroit for everyone. With city services returning to levels Detroiters expect and deserve, we've turned our attention to leading an equitable revitalization of our neighborhoods. This includes creating and preserving affordable housing, revitalizing neighborhood commercial corridors, building and improving our parks, and ensuring that every Detroiters has access to jobs and job training through the Detroit at Work program.

The crucial thread that ties all of these efforts together is our transportation system. We must give people more transportation choices so they can access all of the new jobs and amenities growing across the City. This Strategic Plan for Transportation is the roadmap to make it easier, safer, and more affordable for everyone to get around Detroit. It is built on the core values of my administration, which are:

- Increasing Economic Opportunity and Reducing Poverty by delivering a high-quality transit service that has been lacking, reducing car insurance rates, and providing more ways for people to access every neighborhood in Detroit.
- Improving Public Safety by reducing traffic injuries and fatalities and making everyone feel safe walking, biking, and taking transit to their destination.

- Building a More Vibrant and Beautiful City of Detroit by bringing our neighborhood Main Streets back to life with more activity, public art and green infrastructure.
- Improving Our Communications and Outreach by including residents in planning processes early and often, and rebooting the look and feel of our transit system.
- Strengthening City Functionality by bringing our infrastructure and operations into a state of good repair and having the right systems in place to deliver on our promises.

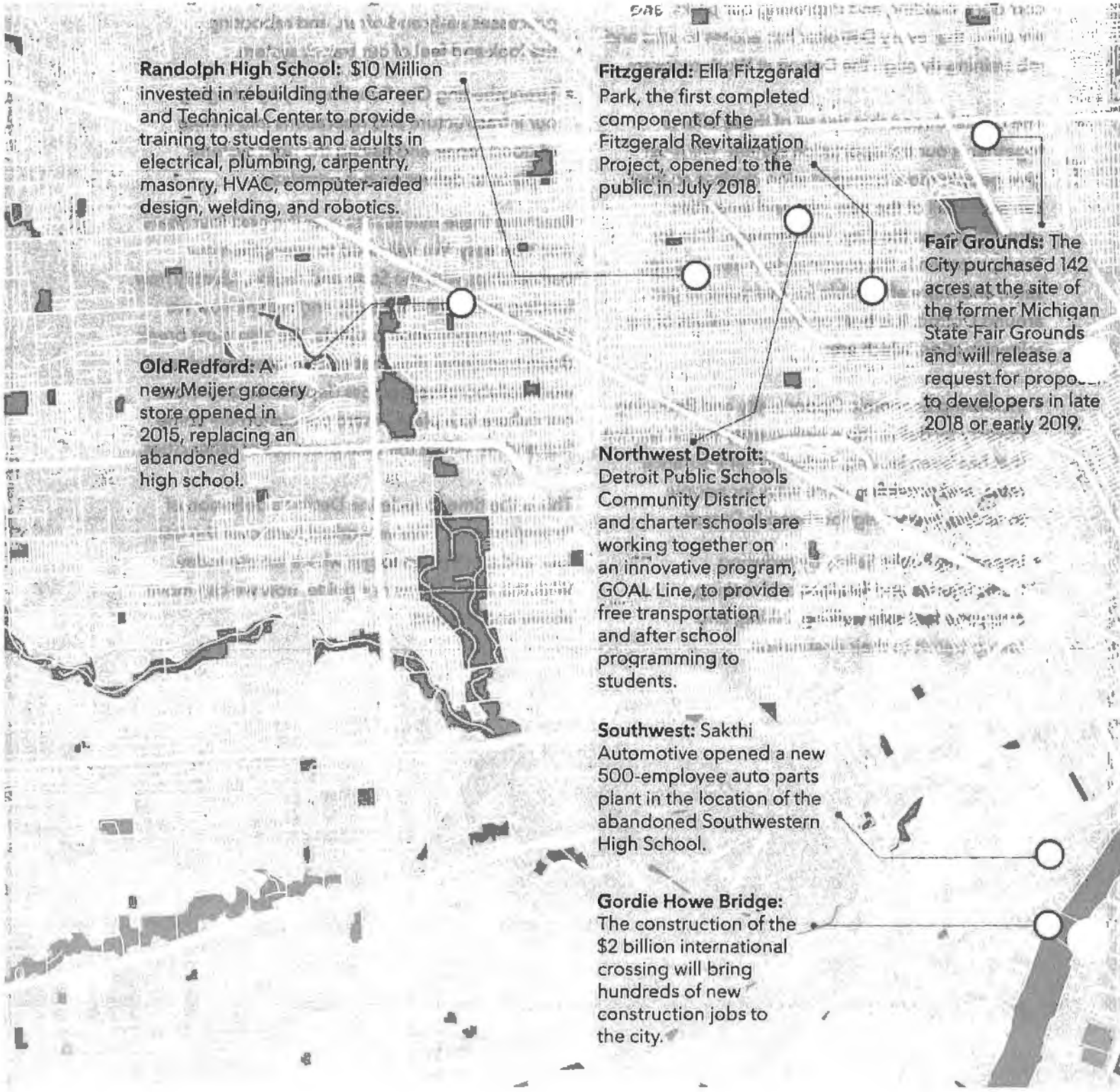
Reaching these milestones over the next four years won't be easy. We will need to strengthen our partnerships with the State and region, identify new funding and spend it wisely, and rethink how we deliver transportation projects. We also must break down traditional silos that exist in government and work collaboratively across departments to move our culture to a place where our customers come first and we adopt the best practices of other cities.

This is the time to redefine Detroit's definition of "transportation." We've worked hard over the last four and a half years to get where we are today. With this new plan as our guide, now we can move above and beyond.



# Mobility in Detroit Today

Detroit is now a city of "more" - more jobs, more restaurants, more recreational opportunities, and more friends to visit. Revitalization that started in Downtown is now spreading to neighborhoods across the city.



**Randolph High School:** \$10 Million invested in rebuilding the Career and Technical Center to provide training to students and adults in electrical, plumbing, carpentry, masonry, HVAC, computer-aided design, welding, and robotics.

**Old Redford:** A new Meijer grocery store opened in 2015, replacing an abandoned high school.

**Fitzgerald:** Ella Fitzgerald Park, the first completed component of the Fitzgerald Revitalization Project, opened to the public in July 2018.

**Fair Grounds:** The City purchased 142 acres at the site of the former Michigan State Fair Grounds and will release a request for proposal to developers in late 2018 or early 2019.

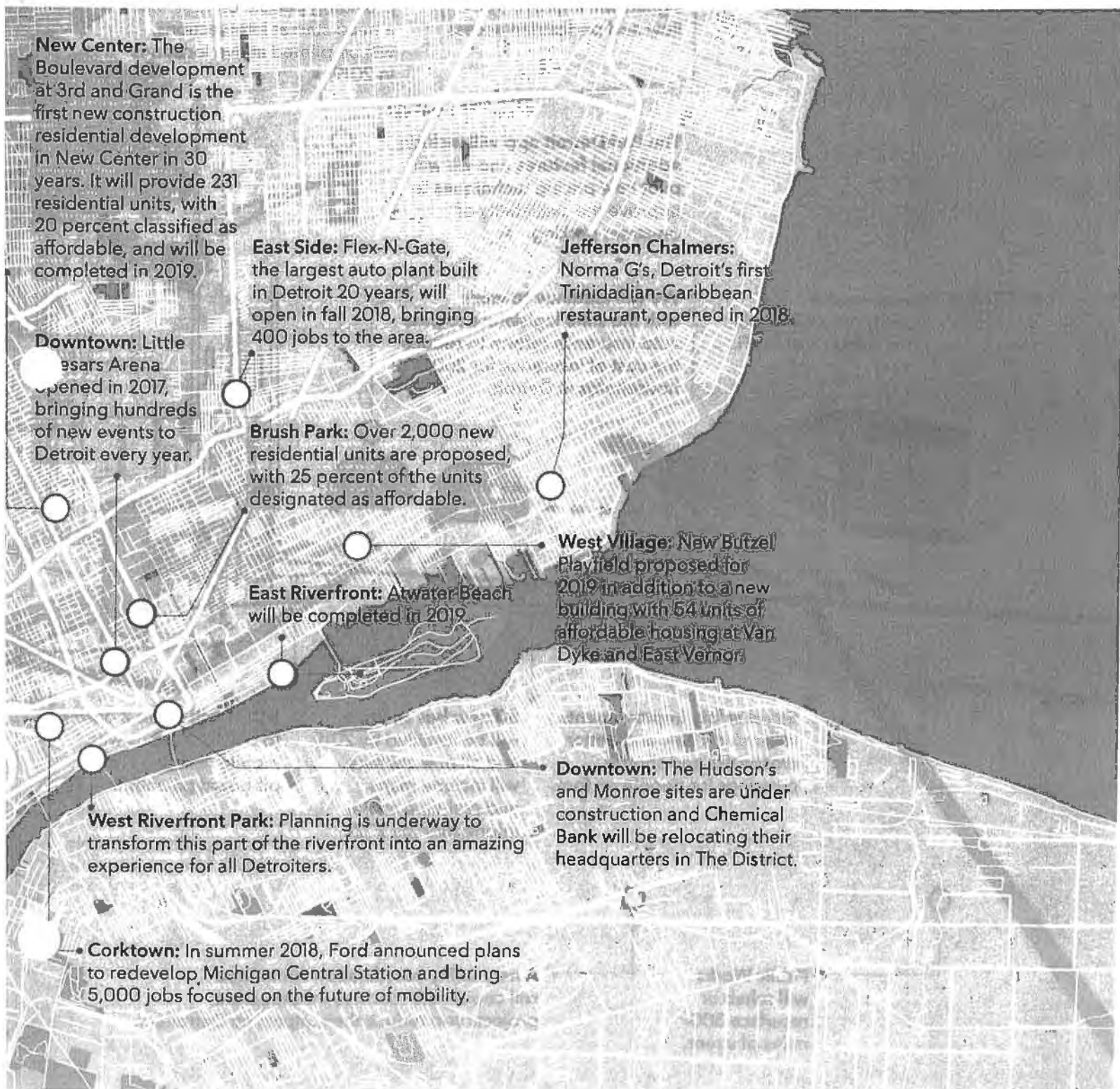
**Northwest Detroit:** Detroit Public Schools Community District and charter schools are working together on an innovative program, GOAL Line, to provide free transportation and after school programming to students.

**Southwest:** Sakthi Automotive opened a new 500-employee auto parts plant in the location of the abandoned Southwestern High School.

**Gordie Howe Bridge:** The construction of the \$2 billion international crossing will bring hundreds of new construction jobs to the city.

Transportation is the key to all Detroiters being able to access everything the City has to offer. We must improve what we already have, from our streets to our buses, and continue to add more options so people have real choices to get where they want to go.

This strategic plan is the blueprint for how we make these improvements over the next four years and create one city, for all of us.



**New Center:** The Boulevard development at 3rd and Grand is the first new construction residential development in New Center in 30 years. It will provide 231 residential units, with 20 percent classified as affordable, and will be completed in 2019.

**East Side:** Flex-N-Gate, the largest auto plant built in Detroit 20 years, will open in fall 2018, bringing 400 jobs to the area.

**Jefferson Chalmers:** Norma G's, Detroit's first Trinidadian-Caribbean restaurant, opened in 2018.

**Downtown:** Little Caesars Arena opened in 2017, bringing hundreds of new events to Detroit every year.

**Brush Park:** Over 2,000 new residential units are proposed, with 25 percent of the units designated as affordable.

**West Village:** New Butzel Playfield proposed for 2019 in addition to a new building with 54 units of affordable housing at Van Dyke and East Vernor.

**East Riverfront:** Atwater Beach will be completed in 2019.

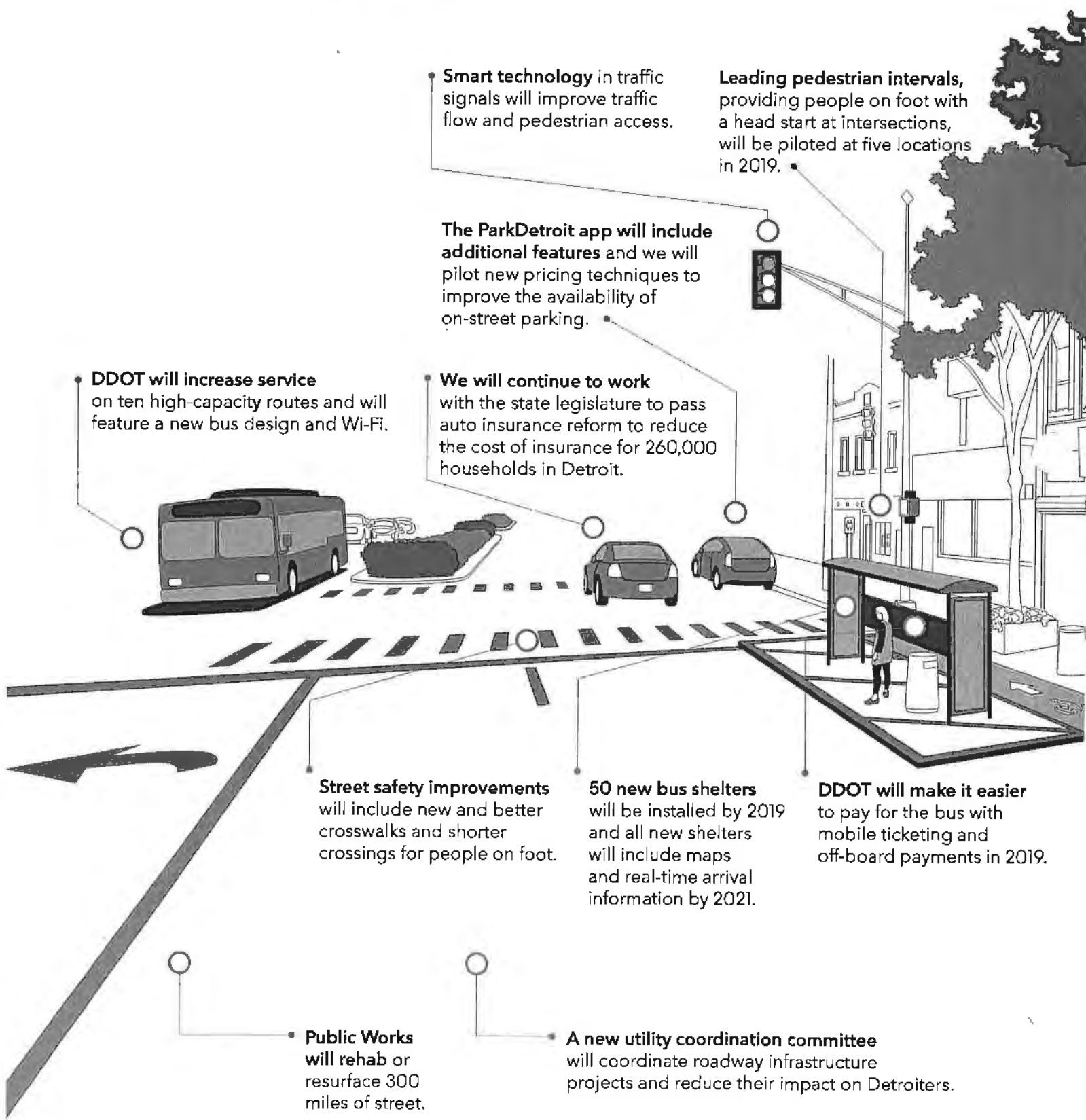
**West Riverfront Park:** Planning is underway to transform this part of the riverfront into an amazing experience for all Detroiters.

**Downtown:** The Hudson's and Monroe sites are under construction and Chemical Bank will be relocating their headquarters in The District.

**Corktown:** In summer 2018, Ford announced plans to redevelop Michigan Central Station and bring 5,000 jobs focused on the future of mobility.

# Mobility in Detroit 2022

When fully implemented, this plan will transform transportation in our city.



• **Smart technology** in traffic signals will improve traffic flow and pedestrian access.

• **Leading pedestrian intervals**, providing people on foot with a head start at intersections, will be piloted at five locations in 2019.

• **The ParkDetroit app will include additional features** and we will pilot new pricing techniques to improve the availability of on-street parking.

• **DDOT will increase service** on ten high-capacity routes and will feature a new bus design and Wi-Fi.

• **We will continue to work** with the state legislature to pass auto insurance reform to reduce the cost of insurance for 260,000 households in Detroit.

• **Street safety improvements** will include new and better crosswalks and shorter crossings for people on foot.

• **50 new bus shelters** will be installed by 2019 and all new shelters will include maps and real-time arrival information by 2021.

• **DDOT will make it easier** to pay for the bus with mobile ticketing and off-board payments in 2019.

• **Public Works will rehab or resurface** 300 miles of street.

• **A new utility coordination committee** will coordinate roadway infrastructure projects and reduce their impact on Detroiters.



- **We will complete our new road bond projects** using Complete Streets principles, creating streets that are greener and more pleasant for all.

- **Clearer signage** for loading and parking will improve curbside operations.

- **MoGo will expand** to Northwest Detroit in 2019.

- **We will reduce speeding** in neighborhoods and around schools, parks and senior centers with a menu of infrastructure options to calm traffic.

- **New protected bike lanes** piloted on East Jefferson and across Lower East Side neighborhoods in 2018 will roll out to additional communities.

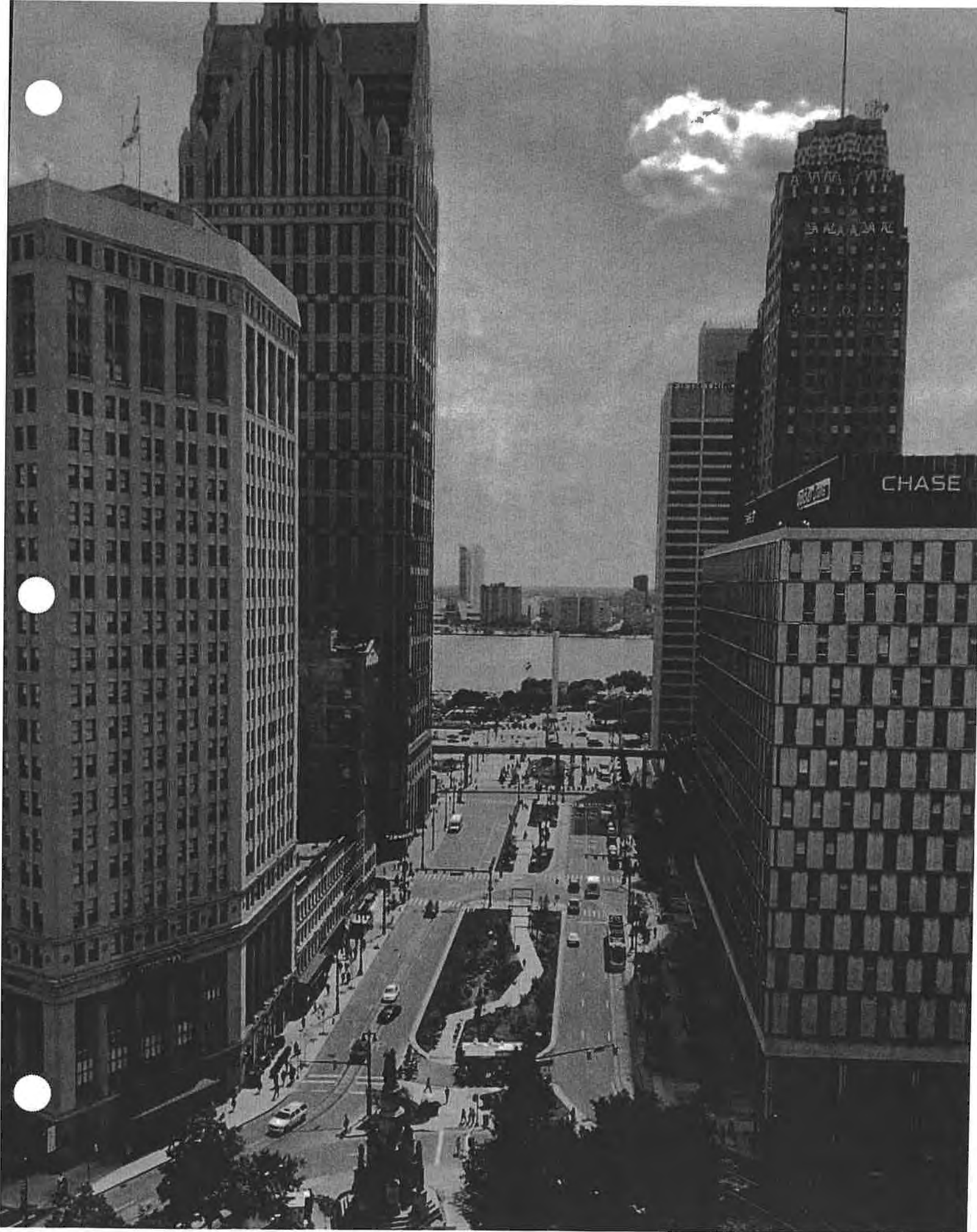
# About this Plan

**This document is comprised of five chapters, each reflecting a core pillar of Mayor Mike Duggan’s vision for Detroit and the agencies’ long-term goals: economic opportunity, safety, vibrancy, community outreach, and city functionality. Each is important to the future of mobility in Detroit, ensuring that all city residents have affordable access to jobs and civic life; safe, green and livable streets; and the opportunity to shape their neighborhoods in collaboration with a responsive, productive city government.**

In all five chapters, the City’s major goals are summarized and followed by strategies for achieving each goal. The appendix (pages 44-65) contains additional detail on the strategies and the one- and four-year benchmarks that will guide these efforts.

The plan will provide the Mayor, the relevant city agencies, and the public with a data-driven and trackable summary of the Administration's commitments, which can be used to mark Detroit's progress toward achieving those goals. To maximize their impact, the first-year benchmarks in this document can all be achieved with existing or assured funding. While most of the four-year benchmarks are also funded, several key transit system and greenway improvement projects are not yet achievable with current resources.

Though they will require additional efforts to identify funding on the part of all our partner agencies, these landmark transit projects will make it safer, easier and quicker for any Detroiters to get around, which is central to the progress we will make as a city. Pursuing financial solutions for these marquee projects and meeting the goals of this plan will be crucial to the future of the streets, and the people, of Detroit.







## **Economic Opportunity**



## Economic activity in Detroit is growing again, from Grandmont- Rosedale to Jefferson Chalmers to the thriving Downtown.

With growth comes greater demand on our streets, sidewalks and buses, as well as an opportunity to reimagine our transportation system and make it work better for all Detroiters. But urban mobility is about more than infrastructure: it is about ensuring people can reach jobs and opportunities; that neighborhood streets support and improve the economy; and employers have access to a diverse workforce. We want to make it easier for anyone in this city to benefit from our city's resurgence by improving and expanding options for Detroiters to get where they need to go.

Central to this mission is a renewed, sustained investment in DDOT that creates a transit system that all residents will be proud to use. As more people and jobs return to the city, reliable and affordable transit will be critical to sustain that growth by lowering household transportation costs and reducing demand for scarce street space and parking spots. At the same time, we must make our streets and curbs smarter by implementing state-of-the-art traffic management, improved operations and communication, and new mobility technologies that are just coming online. Each of these components is critical, but with a coordinated approach and a leading role for transit, we can truly transform mobility in the Motor City.

## 1. Improve transit service for Detroiters

For too long, public transportation was seen as the choice of last resort for getting around this city. While we have made tremendous strides over the last four years, there is still much more work to be done. Regardless of how the region approaches transit, we are committing to building transit in Detroit that is a first choice for everyone. We will be adding more service on main corridors so you no longer have to plan your day around when the bus will come, provide better routes in neighborhoods, and modernize our transit infrastructure and systems so the experience is easy and pleasant.

- Reconfigure DDOT bus system to improve transit service across Detroit
- Create bus routes with service every 15 minutes on major corridors
- Implement model bus stop program
- Make it easier to pay for transit
- Prioritize transit in street design and traffic signal timing

## 2. Make it easier for people to access jobs in Detroit

As jobs continue to move to Detroit, employees are increasingly seeking new mobility options. Meanwhile, about 70 percent of Detroit residents commute to suburban job centers that aren't as well served by transit as they should be. Building on Suburban Mobility Authority for Regional Transportation's (SMART) FAST service, providing all-day, frequent and fast connections between the city and suburbs, we will work towards sustainable commuting solutions that get Detroiters where they need to go.

- Provide first mile/last mile connections between job centers and major transit routes
- Manage transportation demand in collaboration with major employers

## 3. Make it more affordable and convenient to get around Detroit

It costs more to own a vehicle in Detroit than in any other major United States city, which holds our residents back from accessing opportunities. We must tackle the root cause of this issue—the cost of car insurance in Michigan—while also making it easier for all Detroiters to get around, even if they don't want, or have access to, their own car.

- Work with the State Legislature to pass auto insurance reform and lower the cost of auto insurance in Michigan
- Expand free ride pilot for pregnant women to prenatal and postnatal doctors' appointments
- Complete a bus loop program connecting public and charter schools to quality after-school programming to keep Detroit students in Detroit
- Increase participation in the MoGo Access Pass program
- Make it easier to live in Detroit without owning a vehicle

#### 4. Make Detroit the global leader in mobility innovation

Detroit put the world on wheels over a century ago and will play a similar role in the coming integration of autonomous and connected vehicle technology. The new mobility ecosystem is already vast, from the start-up community led by Techstars Mobility to long-time partners like GM, FCA, and Ford, which is bringing high-tech jobs to Corktown. We are committed to doing even more to keep our city in the lead on 21st-century mobility.

- Integrate autonomous and connected technology into the transportation network
- Position Detroit as the most attractive destination for mobility companies
- Build partnerships with mobility companies on new services and infrastructure

#### 5. Improve freight operations

As we focus on moving people on Detroit streets, we need to ensure they work equally well for the growing system of trucks and trains delivering the freight and raw materials that power the city. Working with communities and the private sector, the city will create a legible, high-quality truck route network that balances the needs of all users while improving safety and mobility where the road and rail systems intersect.

- Create citywide truck routing network
- Enhance safety and mobility at railway crossings and viaducts

#### 6. Create a state-of-the-art traffic management and operations system

No one likes sitting in traffic. To manage the growing congestion associated with new jobs, events and residents, we must do a better job of managing this demand. This will require investments in technology as well as improving the way we coordinate internally and communicate to the motoring public.

- Provide better information about traffic and construction to the public
- Update traffic signal technology with smart infrastructure
- Develop enhanced traffic signalization programs for major events
- Enhance training of Detroit Police Department (DPD) Traffic Control Officers and Command
- Coordinate and share operation of traffic signals and cameras with the Michigan Department of Transportation (MDOT)

## 7. Update parking policies and coordination

As we provide new options for people to get around without a car, we need to ensure that parking policies keep pace and sustain our business community. Through programs like Motor City Match and our investment in neighborhood main streets, we are committed to providing better information to drivers and to improving the use and management of our valuable curb space, all while preparing for a future where more Detroiters can get around on foot, bike and transit.

- Reduce parking requirements for new development near transit
- Improve curbside management policies and coordination
- Improve parking space availability information
- Support retail through new neighborhood parking solutions



48 BEL-AIR CENTER

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portworld



## Building DDOT 2.0

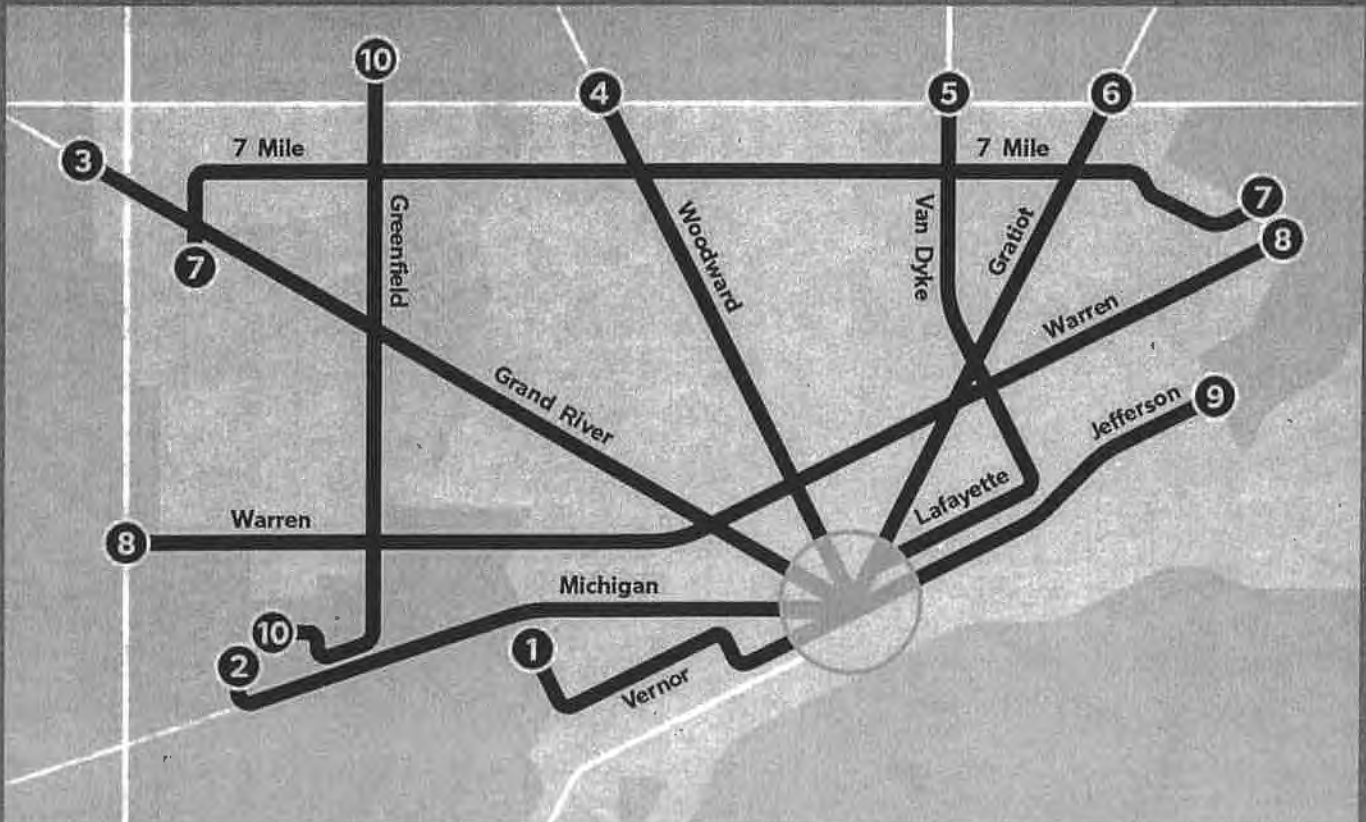
### A high-frequency transit system serving 60 percent of Detroiters

Four years ago, DDOT was at its lowest point. Buses simply didn't show up or when they did, they were old and dirty. Employee morale was low. The only people riding DDOT were those that had to.

Over the last four years, we have invested in new buses and routes and improved operations, but much work remains. With this Strategic Plan, we are launching DDOT 2.0, which will improve all aspects of transit service, including new buses, more frequent service and more, including:

- **Improved Customer Experience:** We want to make riding DDOT as attractive an experience as possible. Customers will start to see improvements immediately, from cleaner buses to Wi-Fi on high-frequency routes to new shelters.
- **More Reliable Service:** While DDOT buses typically aren't delayed by traffic congestion, the time it takes people to line up and pay fares while boarding can knock them off schedule, and time spent waiting for green lights can exacerbate that delay. With new mobile and off-board ticketing options, more fare purchase locations, and technology that gives buses priority at traffic signals, DDOT will get you there faster.
- **Integrating New Mobility Services:** Though we're adding new service, in some neighborhoods regular bus routes are not the best solution. We will continue to launch new pilots to learn which mobility options work best for every part of town.
- **Complete Rebranding:** The DDOT logo and color scheme hasn't been updated in decades. It's time for a reboot of the paint job and more; every aspect of customer information, from bus stop signs and maps to the website, will be simpler, clearer and more legible.

More than 490,000 Detroiters will be able to access fast, frequent transit service







## **Public Safety**



Whether they are waiting for a bus, walking to the store, biking to the park or driving to work, all Detroiters should feel equally welcome, safe and comfortable.

While the overall traffic crash rate is trending down, it is still the highest in the nation. These traffic crashes affect Detroiters on a daily basis, from the loss of a loved one's life to the cost of insuring and repairing a vehicle. Crashes that result in serious injury or death are preventable, not just by reducing dangerous behavior like distracted driving, but through street designs that promote safer speeds and awareness, limit turning conflicts, and provide better visibility for both drivers and pedestrians.

We are committing to dramatically reducing the fatality rate of our most vulnerable street users by prioritizing the redesign of high-crash locations and growing our toolbox of approaches to engineer safer streets. Reaching these goals will require a holistic effort among city departments and our partners MDOT and the Wayne County Roads Division. Safety will be a core factor in decisions on how streets are designed, operated and funded, where and how we can strengthen enforcement of traffic rules, how to improve our monitoring of what happens on our buses and at our bus stops, and how we talk about street safety with the public.



## 1. Make our streets safer for all modes of travel

Making the streets of Detroit safer requires us to take a comprehensive approach to addressing traffic crashes. Engineering is critical, but we also need to improve education and enforcement, particularly around dangerous driver behaviors. We will use data to analyze where collisions happen, determine what behaviors result in fatalities and serious injuries and reach drivers, cyclists, and pedestrians to make everyone better aware of their responsibilities in the roadway.

- Adopt a traffic fatality reduction target and identify high-crash locations
- Reduce speeding in neighborhoods and around schools, parks and senior centers
- Improve enforcement of current traffic laws
- Develop a public education campaign focused on how all users should share the road

## 2. Incorporate safety improvements into all street design projects

Each time a street is resurfaced, we have an opportunity to make that street safer in a cost-effective manner. By refocusing the use of city resources, we will make safety our first priority as we plan and design all projects, from routine resurfacing to large capital projects, particularly in partnership with MDOT and the Wayne County Roads Division.

- Build safety analysis into routine city, county and state resurfacing, capital projects and operational programs

## 3. Improve data collection and analysis

To manage traffic safety on our streets, we need to track crashes and injuries, speeding and other dangerous behaviors. We will develop a rigorous and systematic approach to collecting and analyzing data and use it to prioritize our street improvement project work.

- Develop data-based safety criteria to make well-informed transportation decisions and track performance over time
- Create a multi-agency working group that reviews high crash corridors and recommends changes

#### **4. Make walking and biking a safe and pleasant experience**

All Detroiters should feel safe walking to the grocery store or biking to a park. A number of steps are needed to improve the safety and experience of walking and biking in Detroit.

- Develop a Pedestrian Plan as part of the Transportation Master Plan
- Implement improved crosswalk program in high-priority areas
- Install pedestrian-scale lighting in key commercial districts
- Maximize sidewalk improvements in commercial and residential districts
- Create and implement a pedestrian signal policy
- Update the Bicycle Master Plan and develop bicycle lane standards
- Build out the protected bike lane network based on the results of the pilot programs

#### **5. Help Detroiters feel safer using the transit system**

Ensuring our transit system provides a viable and safe alternative to driving is crucial to grow ridership, shift negative perceptions, and gain access to additional funding for large scale transit improvements. Incidents on DDOT buses are down 66 percent since cameras were installed on all vehicles and 25 transit police were hired. We will now expand on this success by enhancing security at bus stops as well.

- Create a bus stop lighting policy and program
- Expand Project Green Light to high-priority stops

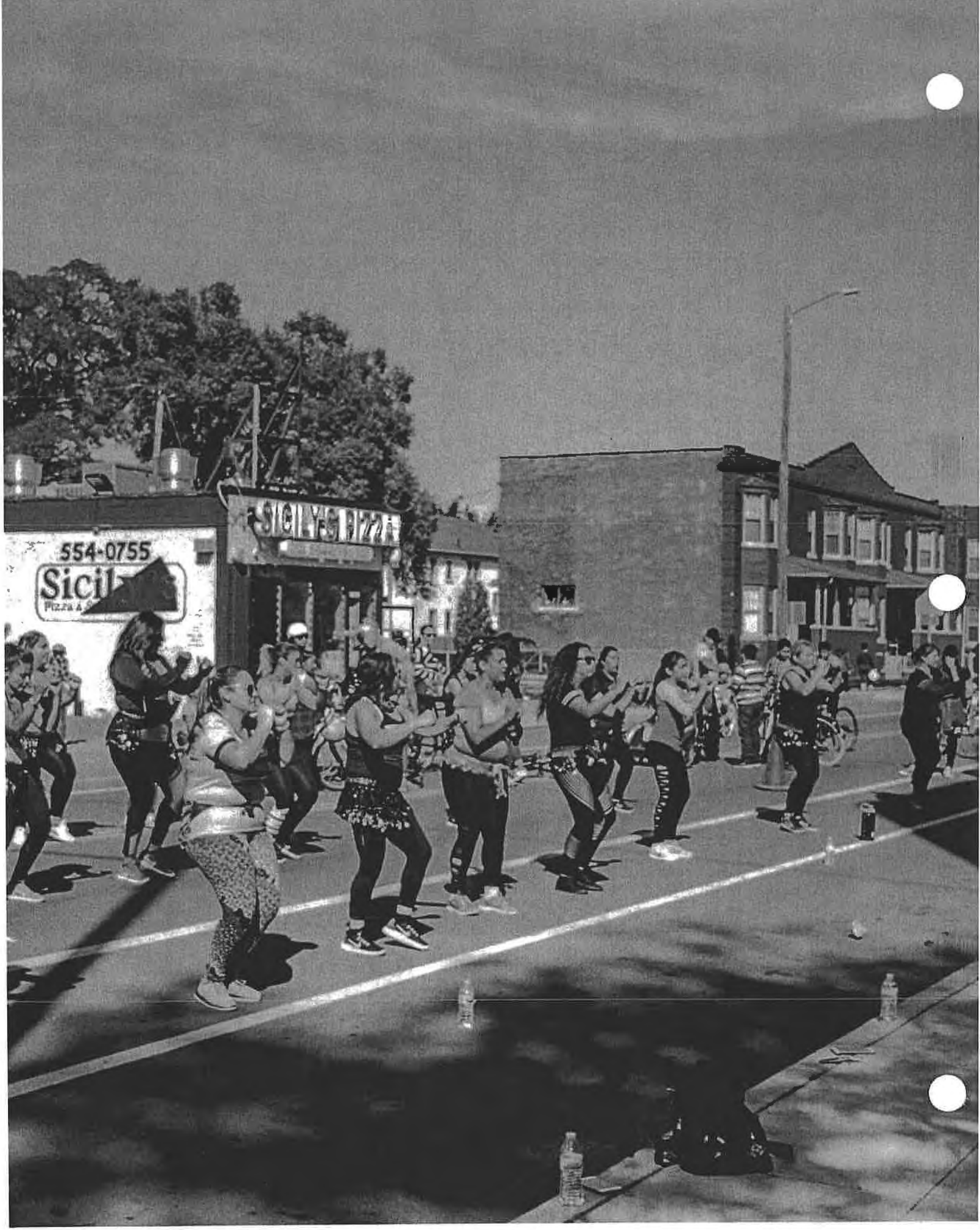
## Bringing Project Green Light to our Transit System

Starting in January 2016, DPD launched Project Green Light, a real-time crime fighting tool that led to a stark reduction in crime. Gas stations, party stores, and other businesses that sign up receive high-definition security cameras inside and outside their business that stream back to the Real Time Crime Center at DPD. Since the launch, Project Green Light business owners have noted that their customers feel safer shopping at their stores.

As we work to make Detroiters feel safe using the transit system, we will expand this innovative tool to transit stops. Since coming into office,


Mayor Duggan's Administration has made several improvements to DDOT security: adding transit police that board coaches on a regular basis; installing cameras on all buses; and improving lighting at bus stops. Building on this success, we will install Project Green Light at high-frequency bus stop locations, where a flashing green light will assure riders that they have the safety and security they deserve no matter when they travel. Complementing this program, we will also have Transit Police on bikes to monitor activity along bus routes. Together, we want these safety measures to encourage existing riders to travel more often and inspire new riders to use DDOT to get where they need to go.







## **City Vibrancy and Beauty**



## Streets can be more than simply asphalt and striping or a way to move people and goods.

They are the places where we gather and meet our friends and neighbors, where we shop, relax in an outdoor café, go for a bike ride or walk, and host festivals and special events. Streets should create places and define our neighborhoods and our city.

Reaching this goal means we must design streets that work for everyone no matter how they get around: on foot, bicycle, car or transit. They should encourage safe travel speeds, provide ample public space for all users as well as public amenities that foster public life. These aren't just nice things to have – they can also be good for the economy, as people are encouraged to spend more time and take advantage of local businesses.

We need to think holistically when we take on any project in the public right of way, creating Complete Streets that provide a wide range of mobility choices, beautiful places, and traffic safety. This will help to ensure that every dollar we invest in our transportation infrastructure provides multiple community benefits. To do this successfully, we must understand the needs and desires of the community and work alongside our public, private and philanthropic partners.

## 1. Design streets that make the city greener and more pleasant for all

Getting around Detroit shouldn't just be fast, safe and efficient – it should be an enjoyable experience for everyone, including children, seniors and those with disabilities. A Complete Streets policy will not just guide the function of streets, but also use greening and storm water management to support healthy, sustainable streets and communities.

- Develop and implement a Complete Streets program
- Build pedestrian and bike infrastructure that connects people to neighborhood destinations
- Create a Corridor Health Index to measure the impact of City investments

- Incorporate landscaping and storm water management best practices into transportation projects to reduce flooding, beautify our city and create more sustainable communities
- Complete the "10,000 Up" initiative by planting 10,000 trees in three years
- Partner with neighborhood groups to improve neighborhood alleys
- Work in partnership with MDOT and Wayne County to facilitate sustainable street designs
- Create a citywide program to help neighborhood groups maintain safe and attractive sidewalks and amenities in retail districts

## 2. Foster art and public life in our neighborhoods

Our streets are part of our public life. To ensure they support and reflect Detroit's cultural vibrancy, we will introduce public art into projects to help brand them and reflect the unique identity of the city's many neighborhoods. We will also use plazas and pop-up public spaces and special events such as open streets to test ideas, engage the public, celebrate cultures and communities, and create new public places.

- Incorporate public art into transportation projects
- Plan and implement plazas and public space programs in the public right of way
- Support Open Streets programs in the city





### 3. Connect all Detroiters with an off-street walking and biking greenway network

Connecting Detroit's neighborhoods through a citywide greenway network will provide family friendly connections to retail corridors, parks, the riverfront and other regional amenities as well as additional affordable mobility options to get to jobs, education and transit. Greenways will also help support neighborhood development and repurpose vacant land, such as what has successfully occurred around the Dequindre Cut.

- Implement the Joe Louis Greenway Plan
- Revise and publish a citywide greenway plan
- Build out greenway network

## Designing New Main Streets for Detroit Neighborhoods

A recent study of Detroit communities found that in just 11 neighborhoods, there is an annual retail demand of \$1.5 billion but today most of that money is spent in nearby suburbs. One of the major reasons Detroit currently has the lowest retail-to-population statistics is that our infrastructure does not support a retail-friendly environment. Wide, low volume streets with narrow sidewalks and high speeds create unsafe and unfriendly environments that often lack a sense of place.

To address this, the City passed a Road Bond to fund \$80 million in place-based investments in 17 diverse neighborhoods. These projects are focused in the same areas that were studied for retail demand and are being done alongside a series of transformational

initiatives needed to create a strong retail environment and great, walkable neighborhoods interconnected with non-motorized trails.

Projects are tailored to the specific needs of the community, but can include improved sidewalk and street trees, lighting enhancements and street furniture, traffic calming and road diets, place making and branding. They are being aligned with mixed developments, single family stabilization efforts, Motor City Match and Motor City Restore-funded projects and park improvements.

All of the projects are aligned with strategic planning efforts, and their locations and scopes of work are being defined through the neighborhood planning process. Of these 30 projects, seven of them (including Livernois and Kercheval, depicted below) will start construction in 2019.





YOU  
IDE  
HER

a pool  
a bar  
different types  
of dance classes

board games  
twerk contest  
per Eastside  
W. side

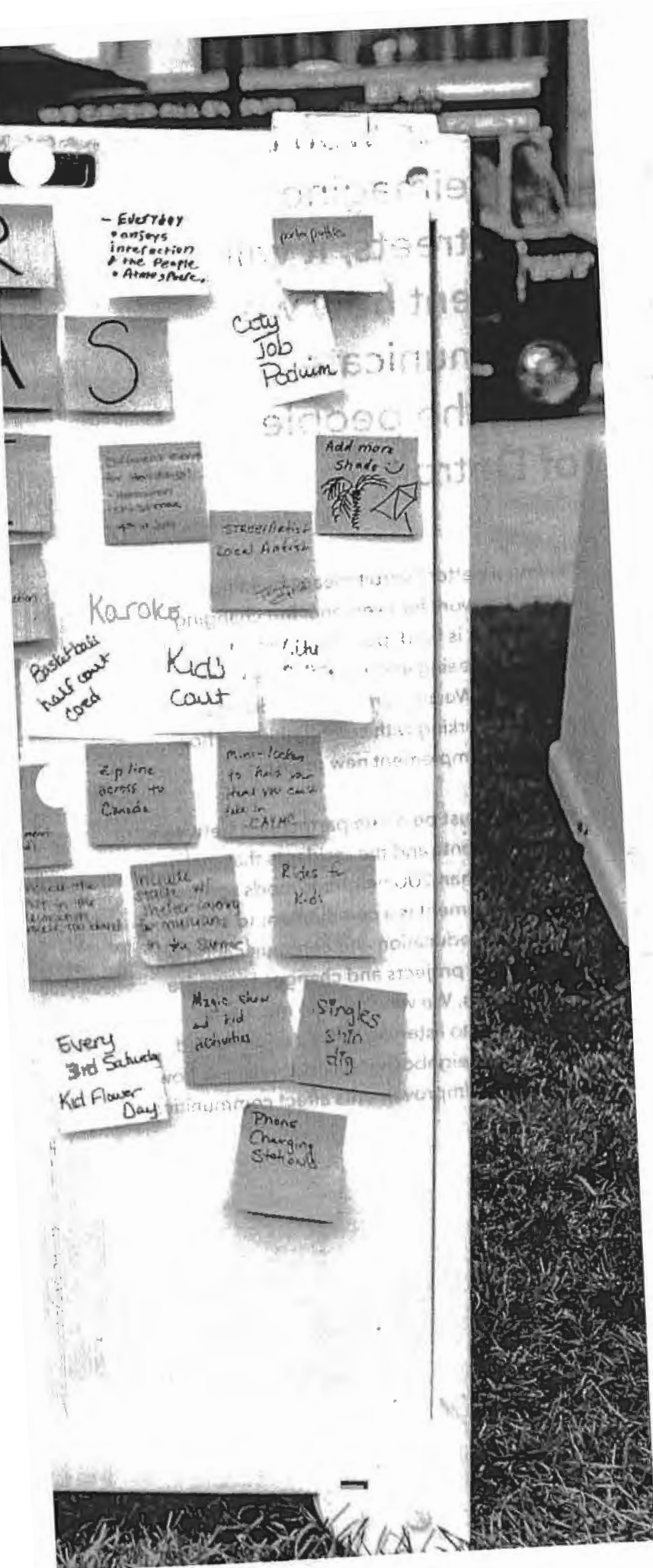
more seats  
cool tracks  
zip trap

Exo  
Classes  
(w. yoga/zumba)

The...  
Creating  
Pop up

more...  
quite  
inspired

Jazz  
Music



# Communications and Outreach



This plan won't just reimagine our streets; it will reinvent how we communicate with the people of Detroit.

Building a better Detroit means building streets that work for everyone. But changing those streets is hard, particularly if that change isn't being informed by those that it will affect. We are committed to doing a better job working with communities on how we plan and implement new projects.

Our efforts must be a true partnership between City departments and the residents that make up the more than 200 neighborhoods across the city. This document is a commitment to improving our outreach, education and communication on transportation projects and changes to service and operations. We will dedicate more time and resources to listening to the concerns and ideas in each neighborhood and explaining how transportation improvements affect communities.

## 1. Make the transit system easier to use and more attractive to residents

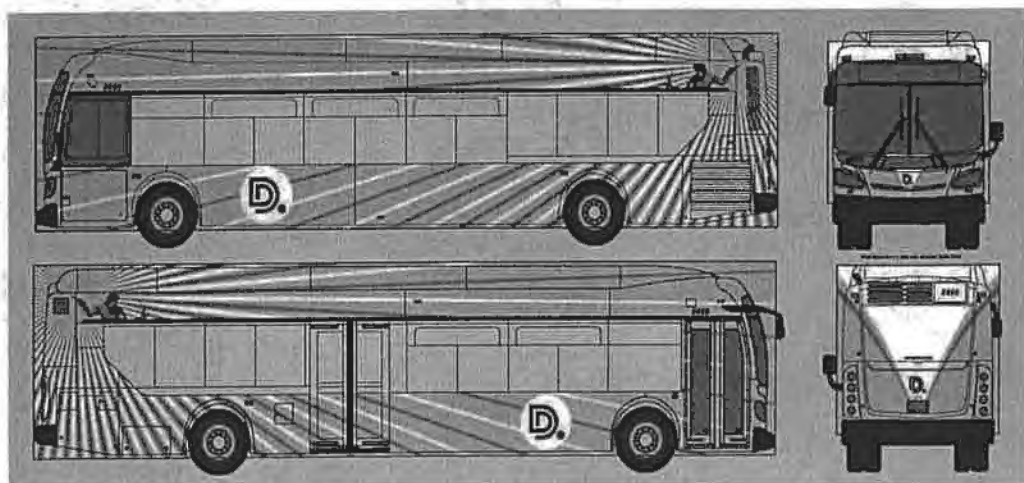
DDOT service and safety have come a long way over the last four years, yet many Detroiters still view the system as unreliable and unsafe. Simply adding more service is not going to achieve our goal of increasing ridership by 25 percent; we must do a better job of engaging our existing and potential customers. This will include a rebranding and media campaign, improving our customer service options, re-engaging those who left the transit system, and making it easier for first-time riders to use the system. We will regularly survey our customers to measure the impact of the changes and ensure that DDOT is a good choice for all Detroiters.

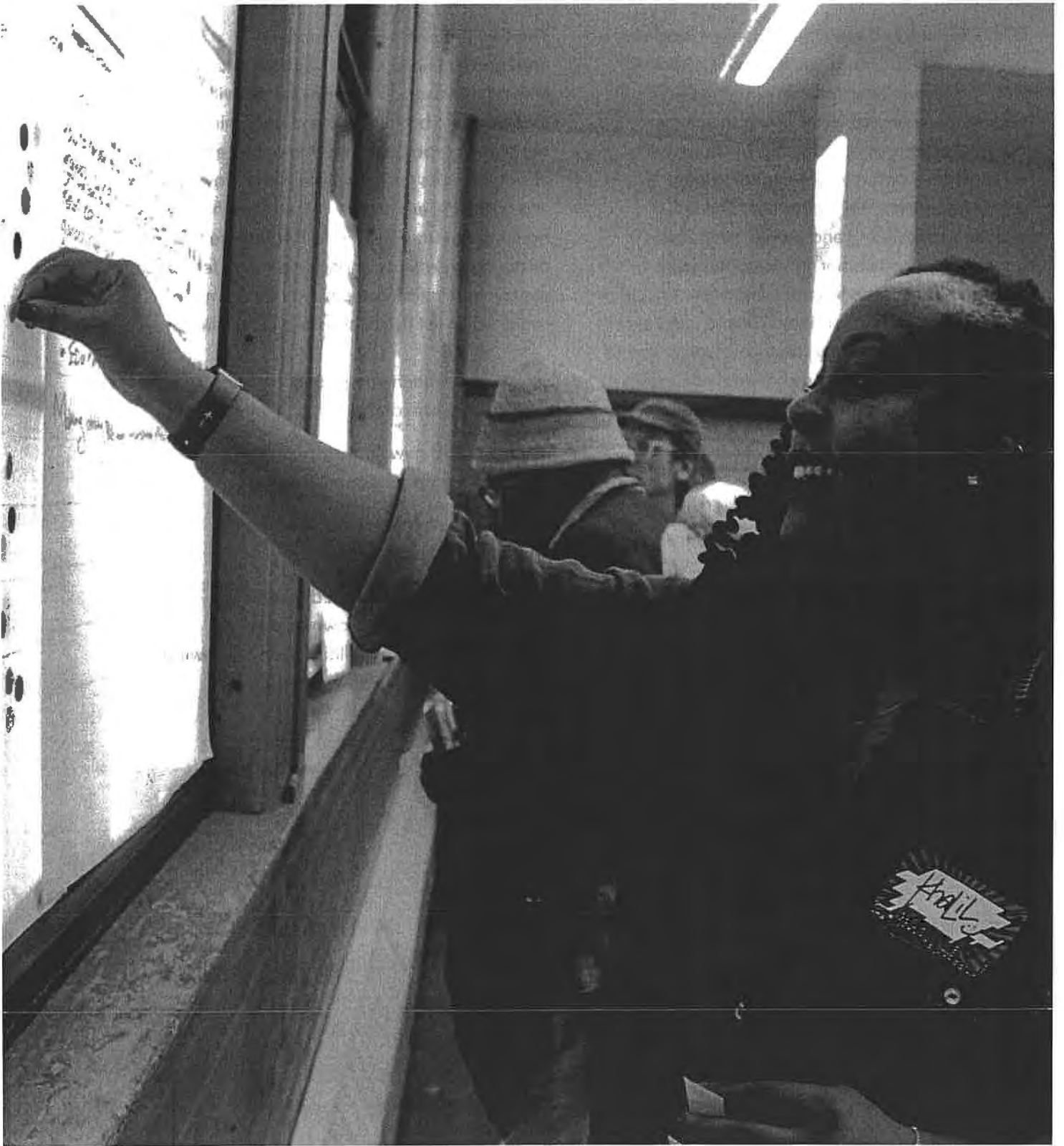
- Make it easier for first-time riders to use DDOT
- Launch media campaign to rebrand DDOT with new logo, colors, paint scheme, and signs
- Conduct comprehensive customer survey, both in-person and online
- Improve cleanliness of DDOT buses

## 2. Better engage the community in the planning and implementation of transportation projects

The City is committed to improving engagement and community education around transportation projects. We will include neighborhoods at the beginning of the planning process, provide public education about changes to the system, and follow up after projects are done to make sure they are meeting community needs. We believe that through community engagement and feedback, the transportation investments being made today will meet the desires of all Detroiters.

- Establish outreach and public education protocols
- Use flyers and newsletters to inform the public on construction projects
- Use data and surveys when developing projects with communities
- Provide more and better education to residents and business owners on their maintenance responsibilities such as mowing, shoveling, fencing, sidewalk repair, etc.





## East Jefferson Bike Lanes: Learning from Our Mistakes

As part of DPW's road marking contract for 2017, we planned to install bike lanes on East Jefferson. A few weeks into the project, it became clear that the lack of outreach and poor implementation process had created confusion in the neighborhood and with those that use the street every day. Mayor Duggan made the decision to pause the project and have a real conversation with the community about bike lanes.

We held several public meetings to discuss the prospect of an East Side bike network with communities. In addition to new bike access, we explained that the changes to Jefferson would help calm traffic and reduce accidents. The only way that this project would move forward is if Detroiters believed these bike lanes were built for them - to make their streets safer and to improve their access to amenities like the riverfront, schools, and parks. These community meetings culminated in a District 4 meeting where the Mayor asked constituents to vote whether they wanted the network. With

approval from the audience, we implemented these bike lanes as a pilot in the summer of 2018.

Public engagement did not stop after the community meetings. We developed a public education and communications campaign including: a press conference announcing the new bike lanes and the safety improvements on Jefferson; a brochure to explain the network and how to use all modes of transportation on the network; and deployment of Parking Enforcement Officers as ambassadors to show people how to use the new parking spaces and answer questions.

We plan to continue speaking with members of the community throughout the next year to see how people are responding to the changes to their streets. Based on their feedback, we will decide on the permanence of the network and whether we'll expand the network to other parts of the city. As we work to meet the goals outlined in this strategic plan, we will use the East Jefferson project as a model for public engagement.



**EAST JEFFERSON  
REDESIGN**  
MAY 14 - JULY 4, 2018  
**CONVERTING LANES, IMPROVING SAFETY**









## **Strengthening City Functionality**

## As the city's resurgence continues, the expectations of citizens have increased.

The streetlights are back on, trash is collected regularly and we are putting our transportation assets back into a state of good repair. From repairing roads to buying new buses to replacing sidewalk slabs, constituents are seeing considerable improvements. While the state of good repair of our transportation system is improving, the task of managing and investing in our infrastructure remains formidable. To meet the goals set in this plan, we must better manage our assets, staff and performance to use limited taxpayer dollars effectively and efficiently.

We are committed to improving our asset management system to better coordinate projects and minimize damage to road surfaces and underground utilities. This new system will allow us to track, oversee and improve our transportation portfolio.

The transformational projects that we envision in this plan are only possible if we have the right management structure and properly trained staff. We have already rolled out a management structure that aligns our transportation staff under one Chief of Transportation. We will encourage staff to incorporate best practices from other cities and invest in training to improve project delivery.

## 1. Bring facilities into a state of good repair and improve maintenance

This plan recommends increased investment in our roads and sidewalks along with new tools to ensure resources are spent wisely.

- Implement new asset management system and other infrastructure tracking tools
- Increase investment in road rehabilitation, resurfacing and sidewalk maintenance
- Plan and distribute paving program resources based on road condition, traffic safety data and road usage
- Work collaboratively with MDOT and Wayne County to expand state and county resources dedicated to Detroit
- Establish new policies and guidelines to better coordinate utility construction to avoid unnecessary road work on recently resurfaced streets
- Improve maintenance operations by using performance-based metrics

## 2. Establish a management structure and staff capacity to support the City's transportation vision

To carry out a plan of this magnitude, we need a strong management team and staff and will move all transportation related departments under one point of leadership.

- Create a clear point of transportation leadership
- Develop a centrally coordinated five-year Capital Investment Plan for all transportation projects
- Develop staff and align departments to plan for and implement complex transportation projects

## 3. Set a shared set of policies, principles and guidelines to achieve the Administration's transportation vision

Detroit needs a clear, unified vision for project planning and execution. This includes inter-agency cooperation, policies and metrics to ensure taxpayer dollars are well spent.

- Establish targets and assumptions to produce an urban environment that encourages walking and public transportation
- Improve development-review policies to enhance the public right-of-way while promoting economic development

#### **4. Improve bus system management and operations**

DDOT has made major improvements in service, but more work is needed to become the transportation option of choice for residents and commuters. DDOT will refocus its staff and technology on its customers to regain trust among long-time customers and bring in new riders. This includes investing in facilities and buses to bring them into a state of good repair.

- Improve operational efficiencies and customer-focused tools to make transit service more reliable and attractive to more riders
- Restructure DDOT roles to provide more effective customer-focused service
- Invest in replacing, expanding and overhauling the DDOT bus fleet to make service more reliable
- Build a new Coolidge Bus Terminal to increase connectivity

#### **5. Make Detroit a model employer by offering comprehensive commuting solutions to City employees**

As we encourage private sector employers to rethink how they assist their employees' commute, we can become a model ourselves by offering better alternatives to single-driver-vehicle commuting for all our employees. This includes encouraging our staff to try other transportation modes such as transit, biking and walking.

- Conduct survey of employees commuting and repeat annually
- Offer discounted transit passes to City employees
- Provide car sharing options for employees who only occasionally need to use a vehicle for work-related activities

## Rehabilitating and Resurfacing 300 Miles of Roadway in Four Years

In 2017, Mayor Duggan announced that the City would complete 300 miles of major road rehabilitation and local street resurfacing within four years. This investment was part of a \$125 million bond investment program to revitalize outdated commercial corridors, improve roads and replace broken sidewalk slabs. Funding for the improvements will come from increased revenues the City is receiving from its share of state gas taxes and vehicle registration fees. The City will also leverage a range of other funding sources to make these vital roadway improvements.

To maximize this investment, the City is deploying new tools and updating the processes it uses to prioritize and manage projects. First, the City will plan and distribute paving resources based on assessed road conditions, traffic safety data, road usage, potential project benefits and utility coordination. The City will also establish an Infrastructure Coordination Committee to prevent utility workers from unnecessarily digging up newly resurfaced roads. By combining new investments in city roads and improving processes for deploying and protecting those investments, the City aims to bring 60-70 percent of major streets into a state of good repair within four years.



# One- and Four-Year Benchmarks

Each of these city agencies, offices and external partners will be critical to meeting the goals outlined in this plan. The following pages list the one- and four-year benchmarks that we will use to measure our progress.

## DEPARTMENTS/OFFICES

**BSEED** - Building, Safety Engineering and Environmental Department

### Corporation Counsel

**DDA** - Downtown Development Authority

**DDOT** - Detroit Department of Transportation

**DEGC** - Detroit Economic Growth Corporation

**DESC** - Detroit Employment Solutions Corporation

**DHD** - Detroit Health Department

**DoIT** - Department of Information Technology

**DON** - Department of Neighborhoods

**DPD** - Detroit Police Department

**DPW** - Department of Public Works

**DTC** - Detroit Transportation Corporation (People Mover)

**DWSD** - Detroit Water and Sewer Department

**GSD** - General Services Department

**HR** - Human Resources

**HRD** - Housing and Revitalization Department

### Mayor's Office

**Mayor's Office of Communications**

**MPD** - Municipal Parking Department

**OCFO** - Office of the Chief Financial Officer

### Office of Special Events

### Office of Sustainability

**OMI** - Office of Mobility and Innovation

**PDD** - Planning and Development Department

**PLA** - Public Lighting Authority

## PARTNERS

**AATA** - Ann Arbor Transit Authority

**DDP** - Downtown Detroit Partnership

### Detroit Charter Schools

**DPSCD** - Detroit Public School Community District

**DRC** - Detroit Regional Chamber

**Ford** - Ford Motor Company

**GLWA** - Great Lakes Water Authority

**GM** - General Motors

### Invest Detroit

**MDNR** - Michigan Department of Natural Resources

**MDOT** - Michigan Department of Transportation

**MEDC** - Michigan Economic Development Corporation

**MSP** - Michigan State Police

**MoGo** - Detroit Bike Share System

**NACTO** - National Association of City Transportation Officials

**SEMCOG** - Southeast Michigan Council of Governments

### SharedStreets

### Skillman Foundation

**SMART** - Suburban Mobility Authority for Regional Transportation

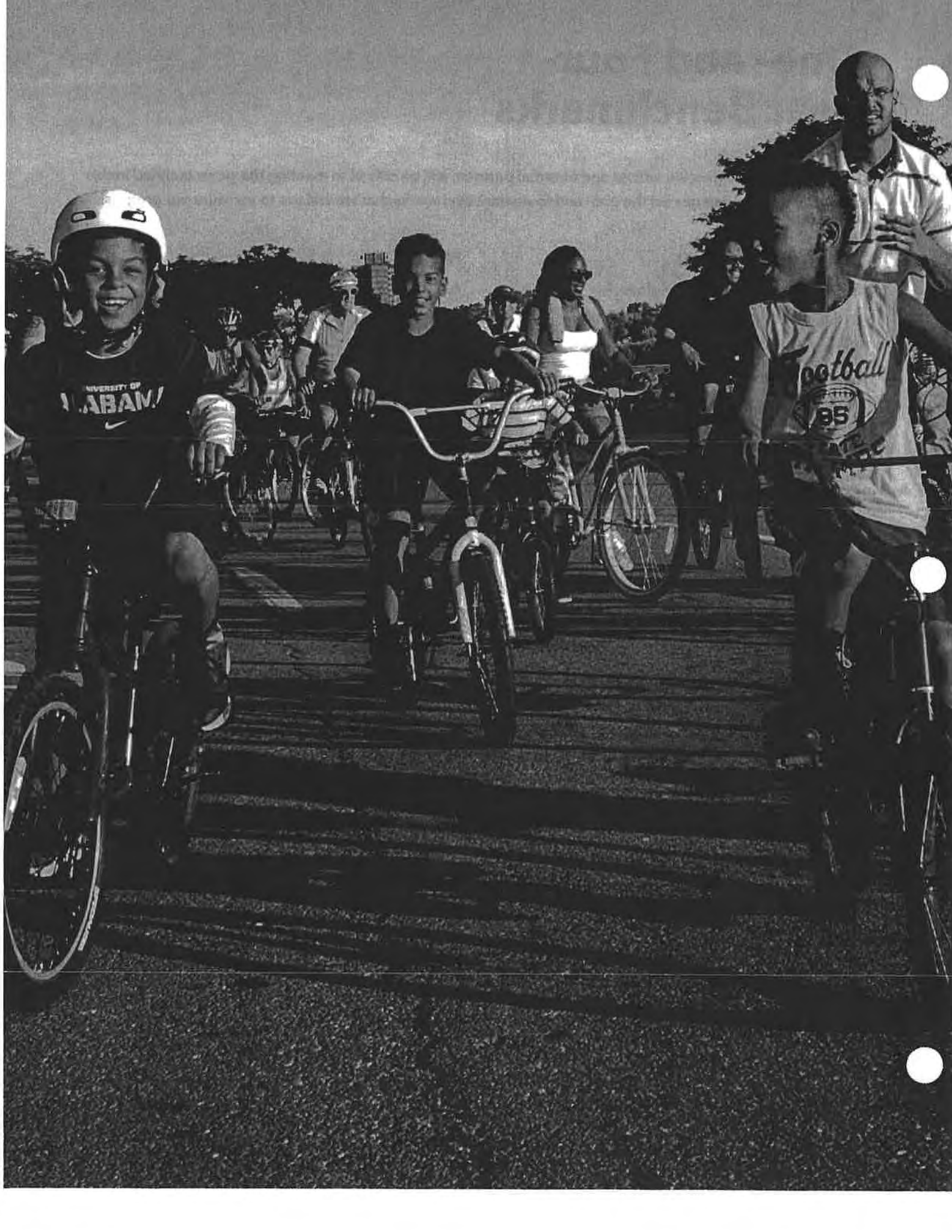
### Techstars Mobility

**Wayne County** - Wayne County Roads Division

**WDBA** - Windsor-Detroit Bridge Authority

### Q Line





## Economic Opportunity

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>1 - Goal: Improve transit service for Detroiters</b>			
Create bus routes with service every 15 minutes on major corridors	<ul style="list-style-type: none"> <li>Launch new high-frequency bus service (15 minutes or better) on 3 of DDOT's high ridership corridors; with this addition, Detroit will have 5 high frequency routes (Woodward, Gratiot, Seven Mile, Greenfield and Jefferson) serving 27,000 weekday riders</li> </ul>	<ul style="list-style-type: none"> <li>Purchase 30 additional buses to run high-frequency, 24-hour bus service on 10 corridors in the city, improving service for 41,000 weekday riders</li> </ul>	DDOT SMART
Implement model bus stop program	<ul style="list-style-type: none"> <li>Launch new high-visibility bus stop sign program</li> <li>Install 50 new bus shelters with new signs and new maps on prioritized routes</li> <li>Pilot new bus islands to speed passenger boarding</li> </ul>	<ul style="list-style-type: none"> <li>All bus stops upgraded with new signs</li> <li>Install 200 new and replacement bus shelters</li> <li>All shelters have a wayfinding map and Wi-Fi connections</li> <li>Upgrade high-priority shelters to have real time arrival and departure information</li> <li>Expand bus islands to additional locations</li> </ul>	DDOT DPW SMART GSD
Make it easier to pay for transit	<ul style="list-style-type: none"> <li>Simplify fare structure and introduce a day pass</li> <li>Create mobile bus pass and payment app</li> <li>Pilot "pay before boarding" program on Woodward corridor</li> <li>Increase the number of places you can buy DDOT passes by 50 percent</li> </ul>	<ul style="list-style-type: none"> <li>Implementation is underway for unified fare payment system (including DDOT, SMART, Q-Line and People Mover)</li> <li>Upgrade 50 percent of fareboxes on DDOT buses to accept electronic payment</li> </ul>	DDOT OMI SMART DTC AATA
Reconfigure crosstown routes	<ul style="list-style-type: none"> <li>Complete planning for reconfiguration of transit options on crosstown routes</li> </ul>	<ul style="list-style-type: none"> <li>Implement changes to "12 crosstown routes" to increase weekday ridership by 5,000 including Cadillac/Harper, Clairmount, Chicago/Davison, Joy, McNichols, Plymouth, Chalmers, Chene, Conant, Conner, Russell, Schoolcraft</li> </ul>	DDOT OMI
Prioritize transit in street design and traffic signal timing	<ul style="list-style-type: none"> <li>Adopt the National Association of City Transportation Officials' (NACTO) Transit Street Design Guide, which provides design guidance to prioritize transit and improve service quality</li> <li>Identify street design improvements in Downtown to reduce transit delays</li> <li>Evaluate feasibility of transit-only lane on Woodward</li> <li>Identify transit signal priority locations</li> <li>Work with MDOT to improve transit service along Gratiot with transit signal priority, bus stop enhancements, or other improvements as part of the I-94 project</li> </ul>	<ul style="list-style-type: none"> <li>Complete Downtown transit improvements</li> <li>Install transit signal priority on Woodward and five additional high-ridership routes</li> </ul>	DPW DDOT MDOT OMI Q Line

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
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## 2 – Goal: Make it easier for people to access jobs in Detroit

Provide first mile/ last mile connections between job centers and major transit routes	<ul style="list-style-type: none"> <li>• Launch pilot with Lyft around late-night first/last mile on 53-Woodward Route</li> <li>• Partner with one employment location outside of city limits to create mobility solutions for Detroiters</li> <li>• Create Get to Work program that combines DDOT with new mobility service options to get people to DESC training programs and jobs</li> <li>• Pilot DDOT program allowing customers with DDOT tickets to use MoGo for free</li> </ul>	<ul style="list-style-type: none"> <li>• Provide lower-density areas of the city with microtransit service</li> <li>• 10 percent more Detroit at Work participants being offered this service feel confident they can use public transportation and first mile/last mile solutions to reach their desired employment</li> </ul>	<p>OMI DDOT SMART DESC Private mobility providers DESC</p>
Manage transportation demand in collaboration with major employers	<ul style="list-style-type: none"> <li>• Create a working group of the ten largest employers, including City of Detroit, to assess transportation demand management recommendations from Downtown Transportation Study</li> <li>• Investigate feasibility of a central organization (transportation management association) that assists employers with commuting solutions</li> <li>• Support creation of employer sponsored pass that could be used to access multiple forms of public transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Create a transportation management association</li> <li>• Reduce parking demand rate at five companies</li> </ul>	<p>OMI MPD DDA DDP HR Private Sector DPW</p>

## 3 – Goal: Make it more affordable and convenient to get around Detroit

Work with the State Legislature to pass auto insurance reform and lower the cost of auto insurance in Michigan	<ul style="list-style-type: none"> <li>• Advocate at the State Legislature to pass auto insurance reform</li> </ul>	<ul style="list-style-type: none"> <li>• Car insurance premiums lowered by 15-50 percent</li> </ul>	<p>Mayor's Office State Legislature</p>
Improve access to prenatal and postnatal doctors' appointments	<ul style="list-style-type: none"> <li>• Expand SisterFriends and Make Your Date Transportation Pilot to teen pregnancy clinics</li> <li>• Measure program success in increasing women attending prenatal visits</li> <li>• Determine if program should be made permanent</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the rate of Detroit women getting prenatal care and improve outcomes for babies born in Detroit.</li> </ul>	<p>DHD</p>
Complete a bus loop program connecting public and charter schools to quality after- school programming to keep Detroit students in Detroit	<ul style="list-style-type: none"> <li>• Pilot a school bus loop on the Northwest Side with 12 Detroit Public Schools and charter schools</li> </ul>	<ul style="list-style-type: none"> <li>• Expand bus loop program to two additional Detroit neighborhoods</li> </ul>	<p>DEC DPSCD Detroit Charter Schools Skillman Foundation</p>

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Increase participation in MoGo's Access Pass program	<ul style="list-style-type: none"> <li>Collaborate with MoGo to market their Access Pass as part of the City's marketing efforts</li> </ul>	<ul style="list-style-type: none"> <li>20 percent of new annual MoGo members are Access Pass holders</li> </ul>	MoGo
Make it easier to live in Detroit without owning a vehicle	<ul style="list-style-type: none"> <li>Launch pilot with Maven for on-street car share</li> <li>Assist MoGo expansion effort, including addition of e-bikes</li> <li>Explore feasibility and identify funding sources for free transit pass program for public housing residents</li> </ul>	<ul style="list-style-type: none"> <li>Create regional MoGo service in Livernois-McNichols and southern Oakland County with 20 stations and 200 bikes</li> <li>Have car share available in every City Council district</li> <li>Pilot free transit pass program for public housing residents if determined feasible</li> </ul>	PHD HRD DEGC Maven MoGo DTE

#### 4 - Goal: Make Detroit the global leader in mobility innovation

Integrate autonomous and connected technology into the transportation network	<ul style="list-style-type: none"> <li>Conduct autonomous vehicle pilot to allow Detroiters to experience the technology and provide feedback</li> <li>Use FHWA Advanced Traffic and Congestion Management Technologies Deployment grant in collaboration with MDOT to make it safer to cross the street and provide information to residents</li> <li>Conduct three pilots around connected technology that address issues with traffic safety</li> <li>Develop ROW permit process for devices (kiosks, street furniture, etc) that offer public Wi-Fi</li> </ul>	<ul style="list-style-type: none"> <li>Implement autonomous vehicles as a transit solution in partnership with DDOT</li> <li>Complete connected technology pilots on four corridors (Jefferson, Vernor, Michigan, Livernois) as part of FHWA grant and identify how solutions will scale across Detroit</li> </ul>	OMI DEGC DDOT DPW
Position Detroit as the most attractive destination for mobility companies	<ul style="list-style-type: none"> <li>Market the PlanetM Landing Zone co-working space to the mobility industry as their entry point in Detroit</li> <li>Conduct survey of mobility companies to better understand their needs and gaps that exist in Detroit</li> <li>Conduct initial feasibility study to create a mobility innovation/ research center in Detroit</li> </ul>	<ul style="list-style-type: none"> <li>Increase the number of employees in the mobility industry in Detroit by 25 percent</li> <li>Locate a mobility innovation and research center in Detroit</li> <li>Attract three mobility start-up accelerators in Detroit</li> </ul>	PHD OMI DEGC DRC MEDC Universities Private Industry
Build partnerships with mobility companies on new services and infrastructure	<ul style="list-style-type: none"> <li>Pilot public fast-charging station for electric vehicles</li> <li>Pilot transit signal priority using DSRC (Dedicated Short Range Communications)</li> <li>Conduct two mobility pilots with start-up companies to support local innovation and attract small mobility companies to Detroit.</li> </ul>	<ul style="list-style-type: none"> <li>Pilot new car sharing model in neighborhoods using pre-owned vehicles</li> <li>Create simple process for companies that want to test or deploy new technologies or services</li> </ul>	DTE GM Lear MEDC Techstars Mobility

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
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**5 - Goal: Improve freight operations**

<p>Create citywide truck routing network</p>	<ul style="list-style-type: none"> <li>• Complete study to determine proper truck routes on city streets and more consistent ways to mark routes and enhance enforcement</li> <li>• Pilot new policies and standards in Southwest</li> </ul>	<ul style="list-style-type: none"> <li>• Reconfigure truck route network in key neighborhoods with high truck activity</li> <li>• Make truck route plan available for all users and install signs throughout the city as appropriate</li> </ul>	<p>DPW PDD MDOT Wayne County DPD</p>
<p>Enhance safety and mobility at railway crossings and viaducts</p>	<ul style="list-style-type: none"> <li>• Improve conditions at at least four viaducts with lighting for pedestrians or murals</li> <li>• Support MDOT in federal grant application to improve intermodal freight terminal activities</li> </ul>	<ul style="list-style-type: none"> <li>• If federal grant for intermodal freight terminal activities is successful, work underway to improve the Delray interchange</li> <li>• Improve W. Jefferson railroad crossing for cars and pedestrians</li> </ul>	<p>DPW Railroads MDOT PDD GSD</p>

**6 - Goal: Create a State-of-the-art traffic management and operations system**

<p>Provide the public with better information about traffic and construction</p>	<ul style="list-style-type: none"> <li>• Coordinate all city traffic cameras to the Real Time Crime Center</li> <li>• Join the Waze Connected Citizen program, providing updates to Waze users and receiving traffic data back from Waze</li> <li>• Launch an online tool to provide information on current and future street and sidewalk closures</li> <li>• Review current traffic management structure to improve the organization and communication of: <ul style="list-style-type: none"> <li>– Day-to-day coordination of traffic management</li> <li>– Gameday/special event planning and implementation</li> <li>– Information to public about traffic delays and construction.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Implement new construction permitting system to identify expected traffic impacts and maintenance of the right-of-way for pedestrians, cyclists and drivers</li> <li>• Provide real time information on street closures, incidents and other data to the public, map companies and autonomous vehicles</li> <li>• Data agreements are in place with all map companies to share data both ways</li> <li>• Implement interagency playbook for major events</li> <li>• Develop and launch integrated signal management and timing plans with MDOT and Wayne County</li> <li>• Provide public with real-time traffic information and mode choices for special events and other high-traffic situations</li> </ul>	<p>DPW DoIT OMI NACTO SharedStreets DDP</p>
<p>Update traffic signal technology with smart infrastructure</p>	<ul style="list-style-type: none"> <li>• Connect 80 percent of the city's traffic signals to the traffic management center</li> <li>• Complete first deployment of emergency vehicle preemption at prioritized corridors/intersections</li> <li>• Install connected vehicle technology at five intersections Downtown</li> </ul>	<ul style="list-style-type: none"> <li>• Equip all emergency response vehicles with signal preemption technology</li> <li>• Retrofit 100 traffic signals for connected vehicles and infrastructure</li> <li>• Complete 20 pilots around safety and connectivity using traffic signals</li> </ul>	<p>DPW OMI MDOT</p>

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Develop enhanced traffic signalization programs for major events	<ul style="list-style-type: none"> <li>• Complete first annual review of Downtown signal timing plan using existing cameras</li> <li>• Develop standard traffic plans for all types of events</li> </ul>	<ul style="list-style-type: none"> <li>• Develop predictive analytics for traffic travel times around events</li> </ul>	DPW DPD Universities
Enhance training of DPD Traffic Control Officers and Command	<ul style="list-style-type: none"> <li>• Develop and adopt new training procedures for Traffic Control personnel</li> <li>• Complete evaluation and review of existing DPD resource allocation</li> </ul>	<ul style="list-style-type: none"> <li>• Equip officers with updated traffic management policies and procedures</li> </ul>	DPW DPD
Coordinate and share operation of traffic signals and cameras with MDOT	<ul style="list-style-type: none"> <li>• Create video-sharing agreement with MDOT so both agencies have access to each other's video</li> <li>• Pilot DSRC in Downtown on MDOT and city signals to allow for testing and deployment of connected vehicle technology</li> </ul>	<ul style="list-style-type: none"> <li>• Complete video and data sharing between City and MDOT on traffic</li> <li>• Install connected technology on all MDOT signals</li> </ul>	DPW MDOT
<b>7 - Goal: Update parking policies and coordination</b>			
Reduce parking requirements for new development near transit	<ul style="list-style-type: none"> <li>• Launch campaign to change zoning ordinances to support Transit Oriented Development with reduced parking requirements to support more mixed use, affordable development</li> <li>• Incorporate bicycle parking and facilities in new and rehabilitated development</li> </ul>	<ul style="list-style-type: none"> <li>• Change zoning ordinances to support Transit Oriented Development with reduced parking requirements and other reductions in parking requirements to support more mixed use, affordable development</li> </ul>	PHD DDOT PPD
Improve curbside management policies and coordination	<ul style="list-style-type: none"> <li>• Create a working group to review existing loading zone policies and permit process</li> <li>• Pilot "clear signage" project on Griswold and evaluate compliance and enforcement</li> <li>• Complete on-street parking pilot using block-by-block zones and signage</li> <li>• Implement new residential parking permit policy</li> <li>• Implement process for residents and businesses to apply for parking meters</li> <li>• Add additional parking meters across the city to increase parking turnover</li> <li>• Increase parking transactions by 10 percent</li> </ul>	<ul style="list-style-type: none"> <li>• Create policies for loading, curb cuts, alleys, valet, and other businesses related activities to create a business friendly environment supporting complete street policies</li> <li>• Pilot dynamic pricing of meters</li> <li>• Develop curbside policy for autonomous vehicles</li> <li>• Increase parking transactions by 40 percent</li> <li>• Pilot time-based loading zones</li> <li>• Create online database for loading zone permits</li> <li>• Track all permitted loading zones in a GIS file</li> <li>• Implement pilot initiative for off-hour deliveries Downtown</li> </ul>	MPD DPW Mobility

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<p>Improve parking space availability information</p>	<ul style="list-style-type: none"> <li>• Allow customers to pay for parking violations within ParkDetroit mobile app</li> <li>• Evaluate feasibility of expanding ParkDetroit app to include private off-street facilities</li> <li>• Develop new sign installation policy to make curbside regulations clear</li> <li>• Establish a standard for marking corner clearance zones with signage and/or paint</li> </ul>	<ul style="list-style-type: none"> <li>• Develop parking wayfinding information in Downtown and business districts</li> <li>• Integrate real-time information into a mobile application that allows customers to find and purchase on- and off-street parking</li> <li>• Update all curbside regulation signs</li> </ul>	<p>MPD DPW Private Sector</p>
<p>Support retail through new neighborhood parking solutions</p>	<ul style="list-style-type: none"> <li>• Pilot neighborhood parking agreements in Livernois-McNichols to make underutilized parking lots available to more people (customers and workers)</li> </ul>	<ul style="list-style-type: none"> <li>• Implement partnerships with owners of underutilized parking lots to expand parking availability in higher density commercial districts</li> <li>• Pilot a commercial alley project that uses adjacent vacant land to provide parking for the businesses</li> </ul>	<p>MPD</p>

# Public Safety

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>1 - Goal: Make our streets safer for all modes of travel</b>			
Adopt a traffic fatality reduction target and identify high-crash locations	<ul style="list-style-type: none"> <li>Conduct an analysis to identify the top 50 crash locations at an intersection and a corridor level</li> <li>Establish a traffic crash reduction working group</li> <li>Prioritize crash locations in DPW capital projects</li> <li>Integrate traffic fatality reduction principles and policies into city projects as they are implemented</li> <li>Conduct targeted enforcement at high crash locations to address issues with driver behavior</li> </ul>	<ul style="list-style-type: none"> <li>Reduce pedestrian fatalities by 21 percent</li> <li>Install safety improvements at ten high-crash corridors</li> </ul>	DPD PDD DPW MDOT
Reduce speeding in neighborhoods and around schools, parks and senior centers	<ul style="list-style-type: none"> <li>Create a traffic calming program with a menu of infrastructure improvement options that will help reduce speed and improve safety</li> <li>Implement traffic calming measures in three neighborhoods (Rosa Parks/Clairmont, Northwest Grand River, Livernois McNichols) based on community planning</li> <li>Work with DPD to target enforcement at high crash locations</li> <li>Work with MDOT and the County to prioritize improvements that reduce speeding and improve pedestrian and bicycle safety</li> </ul>	<ul style="list-style-type: none"> <li>Implement traffic calming measures in 8 priority planning areas</li> </ul>	DPD PDD DPW MDOT
Improve enforcement of traffic laws	<ul style="list-style-type: none"> <li>Increase enforcement for violations at corner clearances and no parking zones, parking in bus stops and bike lanes, and of other traffic laws.</li> <li>Coordinate transit policy enforcement with DPD enforcement to get better and more coordinated enforcement of traffic laws throughout the city</li> </ul>	<ul style="list-style-type: none"> <li>Implement enhanced corner clearance marking and parking enforcement in priority neighborhood corridors</li> <li>Determine if increased personnel dedicated to traffic enforcement will improve results</li> </ul>	DPW DPD State MSP MPD
Develop a public education campaign focused on how all users should share the road	<ul style="list-style-type: none"> <li>Pilot safety marketing and education program as part of the East Jefferson bike lane implementation</li> <li>Explore sources of funding and partnerships for citywide safety education program</li> </ul>	<ul style="list-style-type: none"> <li>Implement first phase of safety campaign targeted at high-crash locations and in conjunction with project implementation</li> </ul>	DPD DPW PDD Mayor's Office Secretary of State DPH



Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>2 - Goal: Incorporate safety improvements into all street design projects</b>			
Build safety analysis into routine city, county and state resurfacing, capital projects and operational programs	<ul style="list-style-type: none"> <li>Develop standard operating procedures, toolkit (including road diets, protected bike lanes, pedestrian safety islands and other forms of traffic calming), methodology and parameters for safety elements</li> <li>Revise cost estimates of paving and other operational programs</li> </ul>	<ul style="list-style-type: none"> <li>Fully incorporate procedure into paving, markings and other programs</li> </ul>	PDD DPW DDOT MDOT Wayne County SEMCOG
<b>3 - Goal: Improve data collection and analysis</b>			
Develop data-based safety criteria to make well-informed transportation decisions and track performance over time	<ul style="list-style-type: none"> <li>Identify metrics driven approach to prioritize safety improvements</li> <li>Complete scope of work for the Transportation Master Plan to study high crash areas in depth and devise design solutions</li> <li>Review crash report generation procedures with DPD</li> </ul>	<ul style="list-style-type: none"> <li>Integrate before/after evaluations into project implementation</li> <li>Work with SEMCOG to expand their data portal to include intersection count data</li> </ul>	DPW PDD DoIT SEMCOG MDOT DPD Universities
Create multi-agency working group that reviews high-crash corridors and recommends changes	<ul style="list-style-type: none"> <li>Establish standard agenda for each meeting, including reviewing crash statistics, updates on mitigation strategies, and funding opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Distribute safety dashboard to working group monthly</li> <li>Install safety improvements along five high-crash MDOT/County streets</li> <li>Establish an interdepartmental traffic crash response team that field investigates all fatalities and serious injury crashes</li> </ul>	DPD PDD DPW MDOT SEMCOG Wayne County
<b>4 - Goal: Make walking and biking a safe and pleasant experience</b>			
Develop a Pedestrian Plan as part of the Transportation Master Plan	<ul style="list-style-type: none"> <li>Develop plan to include tools for safer streets, identify gaps and barriers in the pedestrian network, improvements to pedestrian access to transit and recommendations to increase the quality of pedestrian space</li> <li>Conduct regular pedestrian counts at priority corridors</li> </ul>	<ul style="list-style-type: none"> <li>Pedestrian counts on targeted commercial corridors increase by 10 percent.</li> <li>Establish a database of pedestrian counts which is maintained and updated on regular intervals</li> </ul>	PDD DPW DDOT DON
Develop improved crosswalk program in high-priority areas	<ul style="list-style-type: none"> <li>Establish a framework for identifying intersections that need a crosswalk and implementation plan</li> <li>Install 20 new crosswalks at high-pedestrian/high crash areas</li> </ul>	<ul style="list-style-type: none"> <li>Install crosswalks and stop controls (if needed) at top 100 safety-prioritized locations citywide.</li> </ul>	PDD DPW DDOT

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Install pedestrian-scale lighting in key commercial districts	<ul style="list-style-type: none"> <li>Develop methodology for assessing lighting needs along corridors identified in the Road Bond Program and key commercial districts</li> </ul>	<ul style="list-style-type: none"> <li>Install pedestrian lighting along key corridors in the first tranche of Road Bond projects</li> </ul>	PLA PDD DPW MDOT Wayne County
Maximize sidewalk improvements in commercial and residential districts	<ul style="list-style-type: none"> <li>Develop methodology for prioritizing sidewalk repair based on based on pedestrian demand, density, ADA compliance and areas of growth and special uses such as schools, libraries, etc.</li> <li>Survey and rank sidewalk conditions along major streets and key neighborhood connectors with selected metrics along and nearby corridors identified in the Road Bond Program</li> <li>Improve sidewalks on neighboring streets on initial Road Bond projects</li> </ul>	<ul style="list-style-type: none"> <li>Replace 300,000 sidewalk flags across the city by the end of the Road Bond</li> <li>Repair or replace sidewalks in conjunction with all blight removal efforts in residential and commercial neighborhoods</li> <li>Continue improving sidewalks on neighboring streets on Road Bond projects</li> </ul>	PPDD DPW MDOT Wayne County
Create and implement a Pedestrian Signal Policy	<ul style="list-style-type: none"> <li>Evaluate signal timing to improve pedestrian safety at priority intersections</li> <li>Develop program to upgrade/install pedestrian signals where needed</li> <li>Develop policy for when to implement leading pedestrian intervals and pilot at five locations</li> </ul>	<ul style="list-style-type: none"> <li>Pedestrian signals upgraded or installed at all signalized intersections identified by the signal policy</li> <li>Upgrade all pedestrian signals to count down signals</li> <li>Eliminate push-button pedestrian signals wherever possible</li> </ul>	PPDD DPW MDOT Wayne County
Update the Bicycle Master Plan and develop bicycle lane standards	<ul style="list-style-type: none"> <li>Develop bicycle lane standards that will be applied to future projects</li> <li>Update the Bicycle Master Plan with recommendations from the Downtown Transportation Study</li> <li>Identify future bike projects in neighborhoods as part of the Transportation Master Plan</li> <li>Evaluate the results of the East Jefferson bike lane pilot</li> <li>Negotiate bicycle lanes into the construction of the Gordie Howe International Bridge and I-375 reconstruction projects</li> </ul>	<ul style="list-style-type: none"> <li>Participate in the design and construction of bicycle facilities as part of the Gordie Howe International Bridge and I-375</li> <li>Coordinate bike projects with surrounding municipalities to ensure Detroit's bicycle network connects into a regional bicycle network</li> </ul>	PDD DPW MDOT

Strategies	1 year benchmarks	4-year benchmarks	Departments/ Partners
Build out protected bicycle lane network	<ul style="list-style-type: none"> <li>• Pilot bike lane plan in East Jefferson bike lane and measure neighborhood usage.</li> <li>• Ensure robust community engagement, communication throughout the construction process</li> <li>• Upgrade existing bicycle lanes on Livernois and Grand River</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade existing protected bike lanes that don't currently meet proposed standards</li> <li>• Based on results of East Jefferson bike lane pilot, implement at least an additional 20 miles of protected bike lanes</li> <li>• Based on results of East Jefferson pilot, implement a network of protected bike lanes in the Downtown</li> <li>• Implement bike lanes through the street resurfacing programs of DPW, MDOT and the County</li> </ul>	PDD DPW

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**5 - Goal: Help Detroiters feel safer using the transit system**

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Create a bus stop lighting program	<ul style="list-style-type: none"> <li>• Develop lighting standards for bus stops</li> </ul>	<ul style="list-style-type: none"> <li>• Install lighting at new shelters (using pedestrian "piggybacks" on poles where possible)</li> <li>• Continue implementation of new lighting policy at all locations that meet criteria</li> </ul>	DDOT PLA PLD DPW
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Expand Project Green Light to improve safety at high-priority stops	<ul style="list-style-type: none"> <li>• Develop program expansion criteria, scope and funding</li> <li>• Deploy cameras at pilot location(s)</li> <li>• Pilot incorporation of MioVision traffic signal cameras into Project Green Light</li> <li>• Evaluate implementation of emergency call boxes</li> </ul>	<ul style="list-style-type: none"> <li>• Install cameras at piloted high-priority corridors</li> </ul>	DPD DDOT DPW
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# City Vibrancy and Beauty

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>1 - Goal: Design streets that make the city greener and pleasant for all</b>			
Develop and implement a Complete Streets program	<ul style="list-style-type: none"> <li>• Adopt the NACTO Urban Street Design Guide and Urban Bikeway Design Guide</li> <li>• Initiate complete street policy and implementation guidelines through the Transportation Master Plan</li> <li>• Pilot Complete Streets design principles on Livernois-McNichols and East Jefferson</li> </ul>	<ul style="list-style-type: none"> <li>• Publish Complete Streets guidelines and standards with metrics, design criteria and guidelines for project selection, design, and construction</li> <li>• Complete at least 12 Road Bond projects using Complete Streets design policy and guidelines</li> </ul>	MDOT DPW PDD Wayne County
Build pedestrian and bike infrastructure that connects people to neighborhood destinations	<ul style="list-style-type: none"> <li>• Begin construction of nine neighborhood corridor projects</li> <li>• Develop plan for connecting less dense neighborhoods to hubs through greenways and public transit</li> </ul>	<ul style="list-style-type: none"> <li>• Complete 20 priority neighborhood corridor projects</li> <li>• 85 percent of Detroiters can walk or bike to a thriving neighborhood main street</li> </ul>	DPW PDD DEGC GSD Invest Detroit
Create a Corridor Health Index to measure the impact of City investments	<ul style="list-style-type: none"> <li>• Collect outcome-based metrics in ¼ mile around 10 neighborhood corridors to measure impact of projects and service improvements. Metrics to include: DDOT boarding and alightings, pedestrian counts, bike counts, parking transactions, number of crashes, business permits, residential rehab, residential mortgages, crime.</li> </ul>	<ul style="list-style-type: none"> <li>• Measure trend in Corridor Health Index over time to gauge impact.</li> </ul>	DDOT DPW PDD DPD BSEED
Incorporate landscaping and stormwater management best practices into transportation projects to reduce flooding, beautify our city and create more sustainable communities	<ul style="list-style-type: none"> <li>• Adopt the NACTO Urban Street Stormwater Guide</li> <li>• Incorporate street trees into transportation projects whenever possible</li> <li>• Include tree planting in city lead transportation projects</li> <li>• Work with DWSD and GLWA to identify areas of flooding risk and incorporate stormwater best management practices into transportation projects in these areas where feasible</li> <li>• Incorporate stormwater best management practices into trail planning efforts</li> </ul>	<ul style="list-style-type: none"> <li>• Require private development to include trees and landscaping in the public way</li> <li>• Implement stormwater management best practices into at least two place-based Road Bond projects</li> <li>• Establish maintenance protocols for stormwater best management practices and ensure stewardship partnerships are in place before installing</li> <li>• Implement a trails project with stormwater best management practices</li> </ul>	GSD DPW DWSD GLWA Office of Sustainability

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Complete the "10,000 Up" initiative by planting 10,000 trees in three years	<ul style="list-style-type: none"> <li>Plant 3,300 street trees focused on commercial corridors and remove 3,300 of dead trees in the public right of way</li> <li>Plant 1 million daffodils</li> </ul>	<ul style="list-style-type: none"> <li>Achieve goal of planting 10,000 street trees focused on commercial corridors and removing 10,000 dead trees in the public right of way</li> <li>Bring five municipally owned parking lots into compliance with City landscape standards</li> </ul>	GSD PDD DPW Philanthropy
Partner with neighborhood groups to improve neighborhood alleys	<ul style="list-style-type: none"> <li>Expand marketing of the City's residential alley policy to provide a transparent process to return alleys to homeowners</li> <li>Through Motor City Makeover, provide equipment to block clubs to clean their alleys</li> </ul>	<ul style="list-style-type: none"> <li>Pilot an assessment program for homeowners and/or commercial owners to self-fund the repair of an alley through an assessment or other program if they desire</li> </ul>	DPW DON GSD DON Block Clubs
Work in partnership with MDOT and Wayne County to facilitate sustainable street designs	<ul style="list-style-type: none"> <li>Establish Complete Streets Policy for MDOT roadways in Detroit and work with Wayne County to adopt the policy as well</li> <li>Work with MDOT to create sustainable, Complete Street project designs that promote urban environments in redesign and reconstruction of I- 375, Gordie Howe Bridge, and I-94.</li> </ul>	<ul style="list-style-type: none"> <li>Implement Complete Streets projects with MDOT on Grand River, Gratiot and Van Dyke</li> <li>Pilot a Complete Streets project with Wayne County within the City</li> </ul>	DPW PDD MDOT Wayne County SEMCOG
Create a citywide program to help neighborhood groups maintain safe and attractive sidewalks and amenities in retail districts	<ul style="list-style-type: none"> <li>Create a task force to explore how best the city can support these efforts</li> <li>Identify funding streams</li> <li>Identify key partners</li> </ul>	<ul style="list-style-type: none"> <li>Pilot a more formal community organization/City partnership which establishes a clear set of metrics, oversight and budgeting process along with City financial support</li> </ul>	DEGC PDD
<b>2 - Goal: Foster art and public life in our neighborhoods</b>			
Incorporate public art into transportation projects	<ul style="list-style-type: none"> <li>Continue City Walls mural program which enlists neighborhood artists in reducing blight</li> <li>Implement murals at three viaducts</li> <li>Initiate a public arts framework plan to make recommendations incorporating art into streetscapes and neighborhood branding</li> <li>Plan for the Arts Loop in Old Redford</li> <li>Integrate artists into the implementation and curation of programming for Spirit Plaza</li> </ul>	<ul style="list-style-type: none"> <li>Create policy for the solicitation and integration of art into identified transportation initiatives, both small and large</li> <li>Pilot art integration into infrastructure project and transit stops</li> </ul>	DPW PDD DDOT Mayor's Office GSD Special Events Corporation Counsel BSEED

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Plan and implement plazas and public space programs in the public right of way	<ul style="list-style-type: none"> <li>• Complete evaluation of Spirit Plaza pilot project</li> <li>• Fully implement Gratiot/Randolph Plaza</li> <li>• Investigate and outline new public space initiatives, policies and programs in the Transportation Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Implement seven pop-up tactical urbanism projects to test Complete Streets and placemaking concepts</li> <li>• Continue to use tactical urbanism techniques to pilot new ideas and engage communities</li> </ul>	<p>PDD DPW MDOT Special Events</p>
Support Open Streets programs in the city	<ul style="list-style-type: none"> <li>• Continue to support DDP in their Open Streets program and identify additional Open Streets opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the frequency of Open Streets events</li> <li>• Highlight different neighborhoods with Open Streets events</li> </ul>	<p>DDP GSD DPH PDD County DPW DPD</p>
<b>3 - Goal: Connect all Detroiters with an off-street walking and biking greenway network</b>			
Implement the Joe Louis Greenway Plan	<ul style="list-style-type: none"> <li>• Complete the framework plan for the Joe Louis Greenway</li> <li>• Acquire the Conrail right of way</li> <li>• Acquire the next segment of the Dequindre Cut between Mack and E. Grand Boulevard</li> </ul>	<ul style="list-style-type: none"> <li>• Construct the next phase of the Joe Louis Greenway</li> <li>• Implement on-street sections of the Joe Louis Greenway through Road Bond Complete Streets projects</li> <li>• Implement a stewardship plan partnership for the maintenance and operation of the Joe Louis Greenway</li> </ul>	<p>DPW PDD GSD Mayor's office MDOT MDNR</p>
Revise and publish a citywide greenway plan	<ul style="list-style-type: none"> <li>• Develop trail plan through Transportation Master Plan</li> <li>• Develop funding strategy</li> <li>• Work with state and local departments/partners on the creation of an implementation strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Update the regional trails plan and publish an updated trail map</li> <li>• Continue to develop and strengthen regional trail partners to plan and implement connections to Detroit trails</li> <li>• Continue to work with WDBA to connect Detroit trail network to Canada</li> </ul>	<p>SEMCOG Surrounding cities MDNR WDBA PDD DPW DPH MDNR WDBA</p>

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Build out greenway network	<ul style="list-style-type: none"> <li>• Implement the first phase of the Beltline Greenway</li> <li>• Coordinate improvements and incorporate stormwater best management practices into the Conner Creek Trail with MDOT at I-94 and between the GLWA and the Alliance for the Great Lakes</li> <li>• Coordinate with MDNR and MDOT on the construction of bike lanes on the Belle Isle Bridge and Belle Isle</li> <li>• Complete upgrades and extension of the Campau Greenway</li> <li>• Support Riverfront Conservancy in the implementation of the Riverwalk</li> </ul>	<ul style="list-style-type: none"> <li>• Construct the Old Redford Arts Loop</li> <li>• Construct non-motorized bridge over I-94 as part of the Conner Creek Trail</li> </ul>	MDOT GLWA DWSD MDNR County DPW GSD PDD

# Communications and Outreach

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>1 - Goal: Make the transit system easier to use and more attractive to residents</b>			
<p>Make it easier for first-time riders to use DDOT</p>	<ul style="list-style-type: none"> <li>• Launch new DDOT website</li> <li>• Complete a comprehensive survey of DDOT riders on how they use the system to establish baseline metrics</li> <li>• Pilot four free fare days to remove initial barrier for entry for new customers</li> <li>• Launch Bus Ambassadors program to show new and existing riders how to use the bus system (routes, fares, hours of operation)</li> </ul>	<ul style="list-style-type: none"> <li>• Number of Detroit residents who use transit at least once a month is 55 percent</li> <li>• Number of Detroit residents who can identify their neighborhood transit route by name/number is 70 percent</li> </ul>	<p>DDOT DPW DON</p>
<p>Launch media campaign to rebrand DDOT with new logo, colors, paint scheme, and signs</p>	<ul style="list-style-type: none"> <li>• Rebranding of DDOT with new logo</li> <li>• Hire professional information designer</li> <li>• Develop creative content for DDOT including FAQs, how-to videos, animations, graphics, billboards, palm cards, radio spots, social media and new DDOT website</li> <li>• Use wide variety for delivery mechanisms for messaging including:               <ul style="list-style-type: none"> <li>– Water bills, Green Light partners, side lot sales, flyers on buses</li> <li>– Bi-weekly faith based videos</li> <li>– Detroit at Work website and job fair</li> <li>– Quarterly newsletter</li> <li>– Cable channels</li> </ul> </li> <li>• Identify key stakeholders and validators</li> <li>• Identify DDOT ad budget for social media, billboards</li> </ul>	<ul style="list-style-type: none"> <li>• All public materials have been updated with the new brand.</li> <li>• Two-thirds of buses will be in the new paint scheme.</li> </ul>	<p>DDOT Mayor's Office of Communications Detroit Chamber of Commerce Business Associations Block Clubs</p>
<p>Conduct comprehensive customer survey, both in-person and online</p>	<ul style="list-style-type: none"> <li>• Conduct baseline survey before major changes take place</li> </ul>	<ul style="list-style-type: none"> <li>• Repeat survey each year to measure effectiveness and impact on ridership</li> </ul>	<p>DDOT</p>



Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
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Improve cleanliness of DDOT buses

- Increase frequency of deep cleaning of buses by 25 percent
- Implement a workforce program to fill high turnover positions (such as Coach Service Attendants) for returning citizens

- Rotate entire fleet of 300 coaches through a major cleaning every 30 days
- Implement a tracking system to indicate when each coach is due for a major clean

DDOT

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**2 - Goal: Better engage the community in the planning and implementation of transportation projects**

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Establish outreach and public education protocols

- Include public engagement for all neighborhood transportation plans
- Establish protocols for how the community (especially those directly affected) will be kept informed of progress during construction, and best practices for supporting businesses during construction

- Implement protocols on all transportation projects
- Document neighborhood transportation needs in neighborhood plans
- Engage citizens in the design of Complete Streets projects in the Road Bond

DPW  
DON  
PDD  
Mayors Office of Communications

Use flyers and newsletters to inform the public on construction projects

- Design and implement newsletters
- Introduce newsletters for all seven council districts
- Refine and finalize flyer design
- Incorporate flyer creation and distribution into design and construction contracts

- Disseminate project flyers on all place-based complete street projects included in the Road Bond prior to construction start

DON  
PDD  
DPW  
Mayor's Office of Communications

Use data and surveys when developing projects with communities

- Provide data and surveys to understand before and after transportation projects
- Provide annual report on progress

- Provide three-year report to evaluate progress

DPW  
PDD

Provide more and better education to residents and business owners on their maintenance responsibilities such as mowing, shoveling, fencing, sidewalk repair, etc.

- Establish a task force to partner with local organizations, the Department of Neighborhoods, General Services and others to determine better ways the City can communicate resident and business responsibilities and programs that might support these efforts

- Create an information packet that can be regularly distributed at public engagement meetings outlining City, resident and business responsibilities

DON  
GSD  
DPW  
PDD  
Mayor's Office of Communications

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# City Functionality

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
<b>1 - Goal: Bring facilities into a state of good repair and improve maintenance</b>			
Increase investment in road rehabilitation, resurfacing and sidewalk maintenance	<ul style="list-style-type: none"> <li>Complete 100 miles of Major Road Rehab and Local Road Resurfacing by the end of 2019</li> </ul>	<ul style="list-style-type: none"> <li>Complete 300 miles of Major Road Rehab and Local Road Resurfacing by the end of Road Bond</li> <li>Replace 300,000 sidewalk flags across the city by the end of the Road Bond</li> <li>Achieve state of good repair on 60-70 percent of major streets (a PASER rating of five or better)</li> </ul>	DPW
Plan and distribute paving program resources based on road condition, traffic safety data and road usage	<ul style="list-style-type: none"> <li>Implement and train staff on a pavement management investment tool</li> <li>Formulate criteria for paving program decisions</li> <li>Create multi-year road needs list that can be updated each year as data is reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate local streets into the pavement management investment tool</li> <li>Adopt formal project selection criteria</li> </ul>	DPW PDD DWSD MDOT Wayne County Utilities
Work collaboratively with MDOT and Wayne County to expand state and county resources dedicated to Detroit	<ul style="list-style-type: none"> <li>Develop new policies for resurfacing of trunklines within the city</li> <li>Work with MDOT to increase their resurfacing budget on MDOT trunklines in Detroit</li> <li>Review possible conversion of state-owned trunklines to City control</li> <li>Work with MDOT to create a process for the City to be a part of the five year TIP planning process</li> </ul>	<ul style="list-style-type: none"> <li>Establish partnership with MDOT to review annual state spending on local roads and increase spending as needed</li> <li>Advocate to modify CMAQ formula to make funds available for non-motorized transit projects</li> </ul>	Mayor's Office DPW PDD MDOT Wayne County
Implement new asset management system and other infrastructure tracking tools	<ul style="list-style-type: none"> <li>Launch asset management IT project with all relevant departments</li> <li>Map all projects in GIS to properly identify and maintain assets</li> </ul>	<ul style="list-style-type: none"> <li>Complete new asset management system</li> <li>Create a dashboard providing real-time information for all transportation projects</li> <li>Acquire and implement right of way management and permitting software</li> </ul>	DoIT DPW DWSD DDOT GSD GLWA MDOT Wayne County

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Establish new policies and guidelines to better coordinate utility construction to avoid unnecessary road work on recently resurfaced streets	<ul style="list-style-type: none"> <li>Establish a Coordination Committee for work in the right of way to ensure utility coordination for roadway infrastructure projects</li> <li>Produce street work guidelines codifying all permitting of underground construction</li> <li>Review pricing for utility cut permits and how funding sources can best be used for street and sidewalk state of good repair</li> </ul>	<ul style="list-style-type: none"> <li>Achieve a reduction in utility cuts through improved coordination of projects</li> <li>Create a database of utility work and street cuts to establish a baseline for the permitting process</li> </ul>	DPW DDOT Water and Sewer PDD DTE PLD/PLA Other utility providers Wayne County MDOT

Improve maintenance operations by using performance-based metrics	<ul style="list-style-type: none"> <li>Collect and develop standard operating and performance metrics for allocating maintenance resources and evaluating performance</li> <li>Create periodic review process for evaluating maintenance performance based on metrics</li> </ul>	<ul style="list-style-type: none"> <li>Create performance management dashboard for internal and public use.</li> </ul>	DPW DoIT CaRE
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## 2 - Goal: Establish a management structure and staff capacity to support the City's transportation vision

Create a clear point of transportation leadership	<ul style="list-style-type: none"> <li>Create a Chief of Transportation to oversee DPW, Transportation Planning, Municipal Parking, DDOT, and Mobility</li> <li>Coordinate major policy decisions and projects under the Chief of Transportation</li> </ul>		DPW PDD MPD DDOT Mobility
Develop one centrally coordinated five-year Capital Investment Plan for all transportation projects	<ul style="list-style-type: none"> <li>Move all capital investment planning (including General Fund, Street Fund, Parking Fund, DWSD, and other sources) to Budget Department to allow for central decision-making</li> <li>Update five-year Capital Investment Plan each year with budget decision making</li> </ul>	<ul style="list-style-type: none"> <li>Publish online tool that maps and describes all capital investments across the city</li> <li>Implement infrastructure dashboard which displays real time road construction projects</li> <li>All projects will have a defined study, design, implementation phase in a timeline that meets all funding requirements</li> </ul>	DPW OCFO Mayor's Office DOIT

Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
Develop staff and align departments to plan for and implement complex transportation projects	<ul style="list-style-type: none"> <li>• Hire Deputy Director for Complete Streets to coordinate all departments' implementation of Complete Streets projects, and fill other needed staff vacancies.</li> <li>• Hire and train mid-level project managers and engineers that can lead multiple complex projects</li> <li>• Train department staff on new policies and targets</li> <li>• Codify coordination between DPW, PDD, DDOT, MPD (and other relevant agencies) in all transportation projects</li> <li>• Develop clear department responsibilities for each phase of a project.</li> </ul>	<ul style="list-style-type: none"> <li>• Project leadership delegated to mid-level employees with project management skill-set.</li> </ul>	DPW PDD HR MPD DDOT DTC OCFO Wayne County

**3 - Goal: Establish a shared set of policies, principles and guidelines to achieve the Administration's transportation vision**

Establish targets and assumptions to produce an urban environment that encourages walking and public transportation	<ul style="list-style-type: none"> <li>• Establish a working group to develop new standards and guidelines for traffic engineering based on Complete Streets vision</li> <li>• Update metrics used for road projects that:               <ul style="list-style-type: none"> <li>– Increase non-vehicular mode share;</li> <li>– Have realistic growth expectations;</li> <li>– Encourage walking, cycling and transit usage</li> <li>– Use VMT trip generation models</li> <li>– Impact on neighborhood roads;</li> <li>– DDOT service provision standards;</li> <li>– Support corridor business development</li> <li>– Communicate new Detroit targets to MDOT and County</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Apply agreed-upon fundamentals to Road Bond projects</li> <li>• Apply Detroit targets and assumptions to all new County and MDOT projects</li> </ul>	DPW PDD DDOT MDOT Wayne County
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Improve development-review policies to enhance the public right-of-way while promoting economic development	<ul style="list-style-type: none"> <li>• Publish clear standards for development review, including traffic impact studies, curb cut permitting, sidewalk impacts, and maintenance of the right-of-way for all users during construction</li> <li>• Establish transportation and planning review in the development review process</li> <li>• Encourage community benefits agreement process to consider public right of way improvements</li> </ul>	<ul style="list-style-type: none"> <li>• Implement proactive requirements for new development that support mode shift and Complete Streets targets</li> <li>• Encourage developers to have transportation demand management programs for their companies</li> <li>• Implement policy requiring construction sites take into account pedestrians, bicycles, transit and cars</li> </ul>	BSEED DPW PDD DDOT Mayor's Office DEGC DWSD Utilities
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Strategies	1-year benchmarks	4-year benchmarks	Departments/ Partners
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#### 4 - Goal: Improve bus system management and operations

Improve operational efficiencies and customer-focused tools to make bus service more reliable and attractive to more riders	<ul style="list-style-type: none"> <li>• Launch DDOT technology upgrade to improve on time performance, scheduling and customer information</li> <li>• Train DDOT employees on new hardware and software packages</li> <li>• Integrate HR processes with technology upgrade</li> </ul>	<ul style="list-style-type: none"> <li>• Complete technology upgrade and develop new evaluation metrics</li> <li>• Provide real-time bus arrival time data to customers and staff</li> <li>• Complete 99 percent of scheduled bus trips on a daily basis</li> <li>• Achieve a 90 percent on-time arrival rate</li> </ul>	DDOT DoIT HR OCP
Restructure DDOT roles to more effectively provide customer-focused service	<ul style="list-style-type: none"> <li>• Evaluate structure of operations, maintenance and customer service departments to improve responsiveness to customers</li> </ul>	<ul style="list-style-type: none"> <li>• Fully deploy modernized operating model</li> </ul>	DDOT
Invest in replacing, expanding and overhauling the DDOT bus fleet to make service more reliable	<ul style="list-style-type: none"> <li>• Purchase 50 new buses in FY19</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase 172 new buses by end of FY22 which will bring the average age of the buses to six</li> <li>• Invest \$6M each year in overhauling DDOT buses</li> </ul>	DDOT
Build new Coolidge Bus Terminal to increase connectivity	<ul style="list-style-type: none"> <li>• Finalize financing plans for Coolidge Terminal</li> </ul>	<ul style="list-style-type: none"> <li>• Engineering and site plans completed for new Coolidge Terminal</li> </ul>	DDOT

#### 5 - Goal: Make Detroit a model employer by offering comprehensive commuting solutions to City employees

Conduct survey of employees commuting and repeat annually	<ul style="list-style-type: none"> <li>• Develop survey and establish baseline city commuter statistics</li> </ul>	<ul style="list-style-type: none"> <li>• Collect year-over-year data to meet non-single-occupancy-vehicle mode split goal</li> </ul>	HR DDOT SMART
Offer discounted transit to City employees	<ul style="list-style-type: none"> <li>• Create human resources program to improve employee access to discounted transit passes</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a pre-tax program for discounted transit passes for employees</li> </ul>	HR DDOT SMART
Provide car sharing for employees who only occasionally need to use a vehicle for work-related activities	<ul style="list-style-type: none"> <li>• Develop interagency payment mechanism to operate shared fleet</li> </ul>	<ul style="list-style-type: none"> <li>• All departments use central pool for occasional-use vehicles</li> </ul>	GSD OCFO Municipal Parking

# Acknowledgments

Fall 2018

**Mike Duggan**

Mayor

**David Massaron**

Chief Operating Officer

**Ron Brundidge**

Director, Department of Public Works

**Angelica Jones**

Acting Director, Detroit Department of Transportation

**Keith Hutchings**

Acting Director, Municipal Parking Department

**Maurice Cox**

Director, Planning and Development Department

**Brenda Jones**, President, At Large

**Janeé Ayers**, At Large

**James Tate**, District 1

**Roy McCalister Jr**, District 2

**Scott Benson**, District 3

**André L. Spivey**, District 4

**Mary Sheffield**, District 5

**Raquel Castañeda-López**, District 6

**Gabe Leland**, District 7

**City Council**

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This strategic plan is the result of a collaborative effort within the City of Detroit. Leadership and staff from the departments of Public Works, Planning, DDOT, Police, Parking, Neighborhoods and Mobility, worked together to develop and determine the goals, strategies and benchmarks in this plan. These decision-makers included:

**Janet Attarian**

**Deputy Chief Elvin Barren**

**Chief Ricky Brown**

**Ron Brundidge**

**Garry Bulluck**

**Alexa Bush**

**Julio Cedano**

**Basil Cherian**

**Mark de la Vergne**

**Rich Doherty**

**Neil Greenberg**

**Katie Hammer**

**Jerrell Harris**

**Jed Howbert**

**Keith Hutchings**

**Sunny Jacob**

**Angelica Jones**

**Peter Kadushin**

**Ken Kucel**

**Dave Manardo**

**Caitlin Marcon**

**David Massaron**

**Ashok Patel**

**Kevin Smith**

**Nicole Stallings**

**Kim Tandy**

**Alexis Wiley**

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**Lisa Nuskowski**

**Kirk Steudle**

Consulting Team:

**Bloomberg Associates**

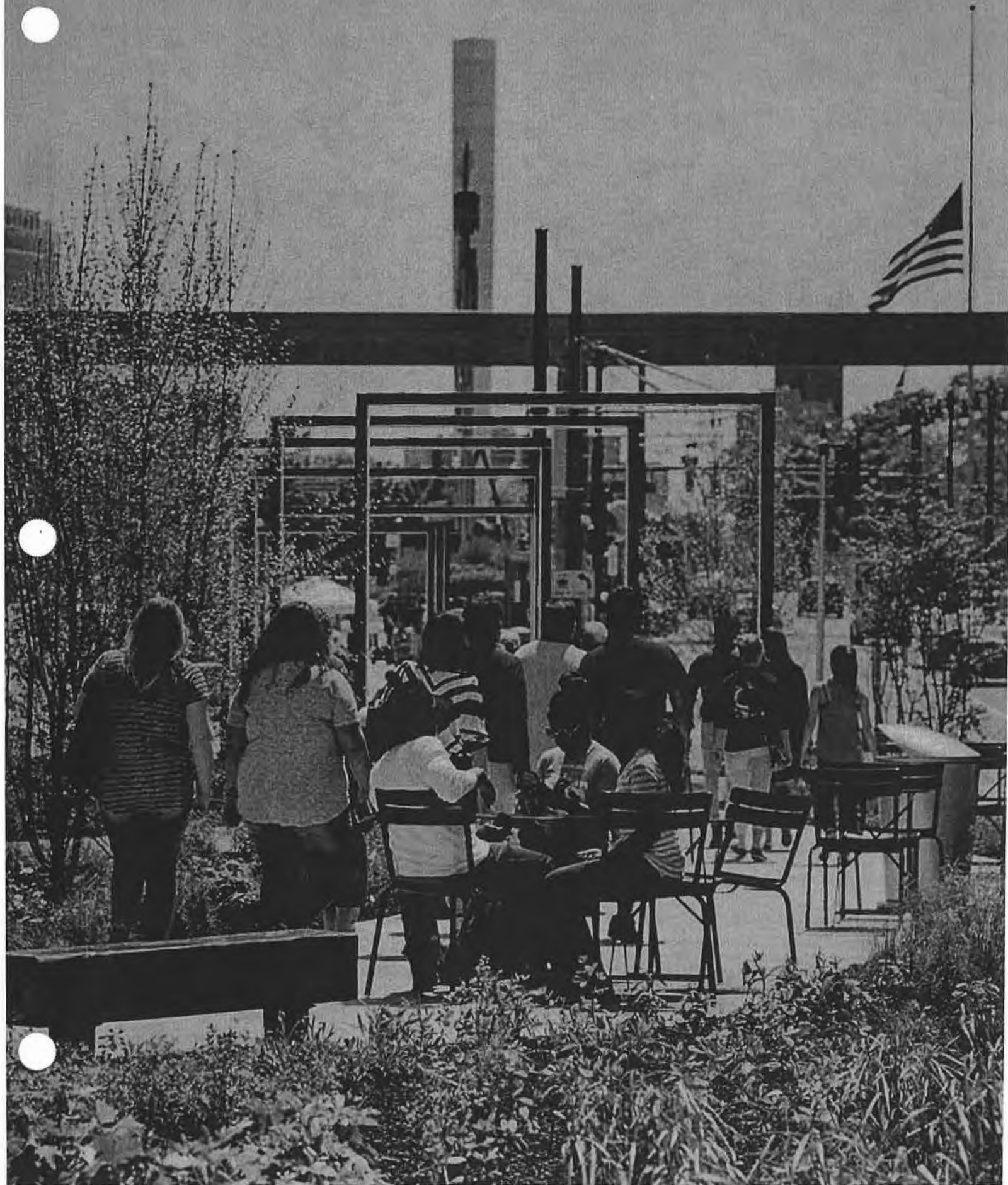
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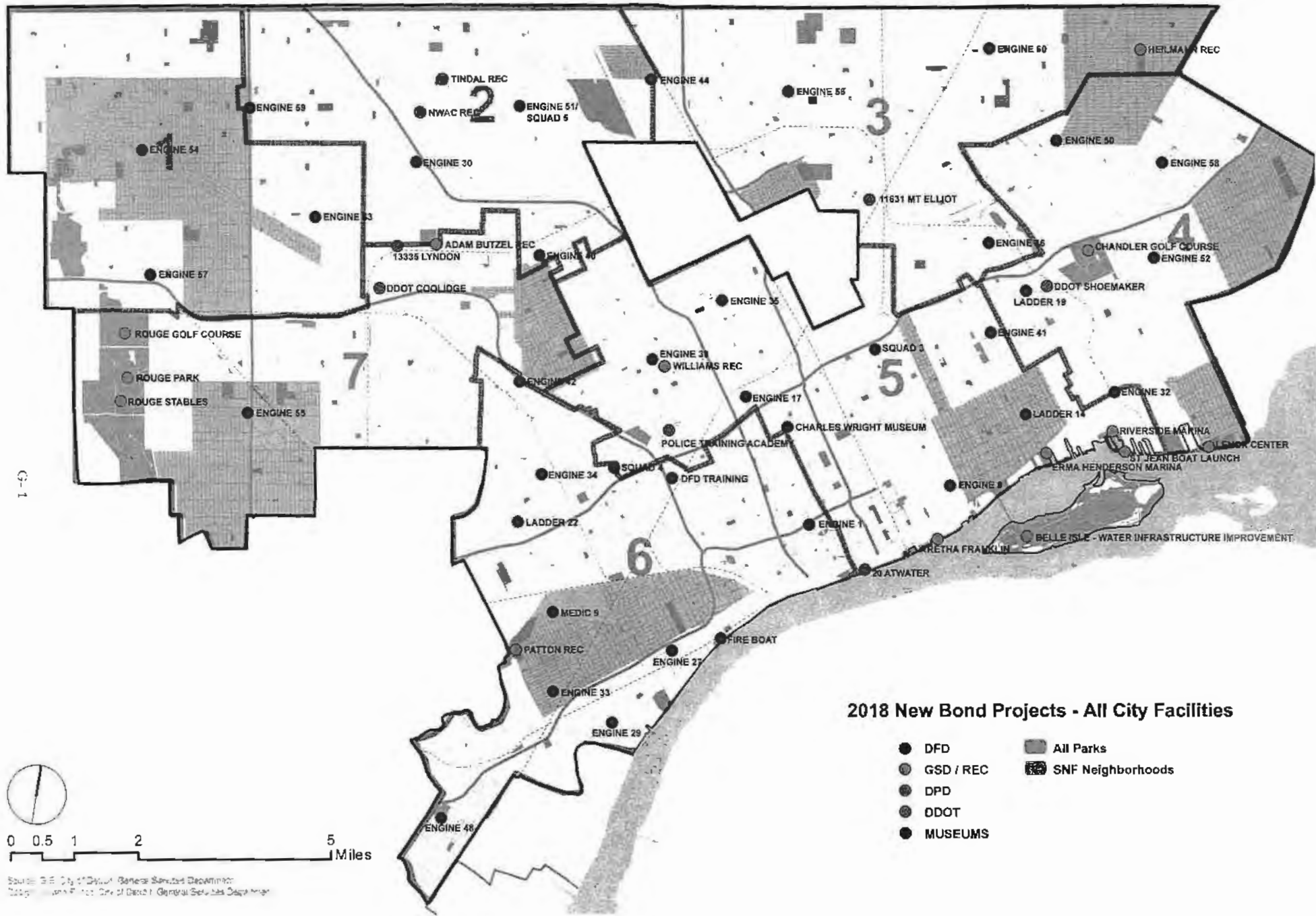
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**APPENDIX G**  
**MAP: 2018 NEW BOND**  
**ALL FACILITY IMPROVEMENTS**

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**2018 New Bond Projects - All City Facilities**

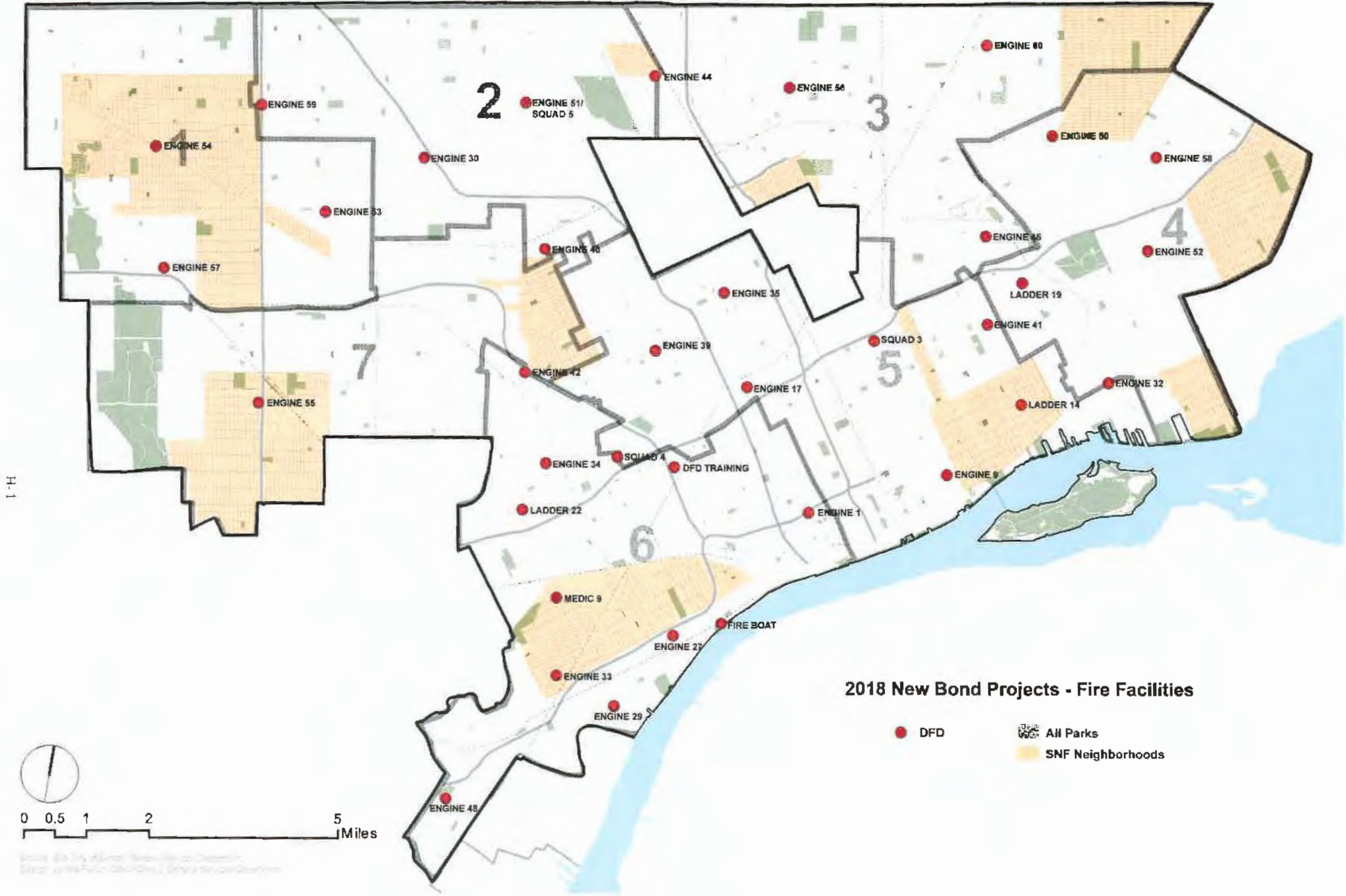
- DFD
- GSD / REC
- DPD
- DDOT
- MUSEUMS
- All Parks
- SNF Neighborhoods

Source: G.E. City of Dayton, General Services Department  
 2018 Bond Projects, City of Dayton, General Services Department



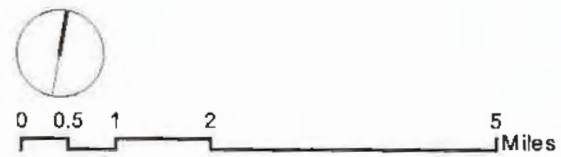
**APPENDIX H**  
**MAP: 2018 NEW BOND**  
**FIRE DEPARTMENT FACILITY**  
**IMPROVEMENTS**

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**2018 New Bond Projects - Fire Facilities**

- DFD
- All Parks
- SNF Neighborhoods

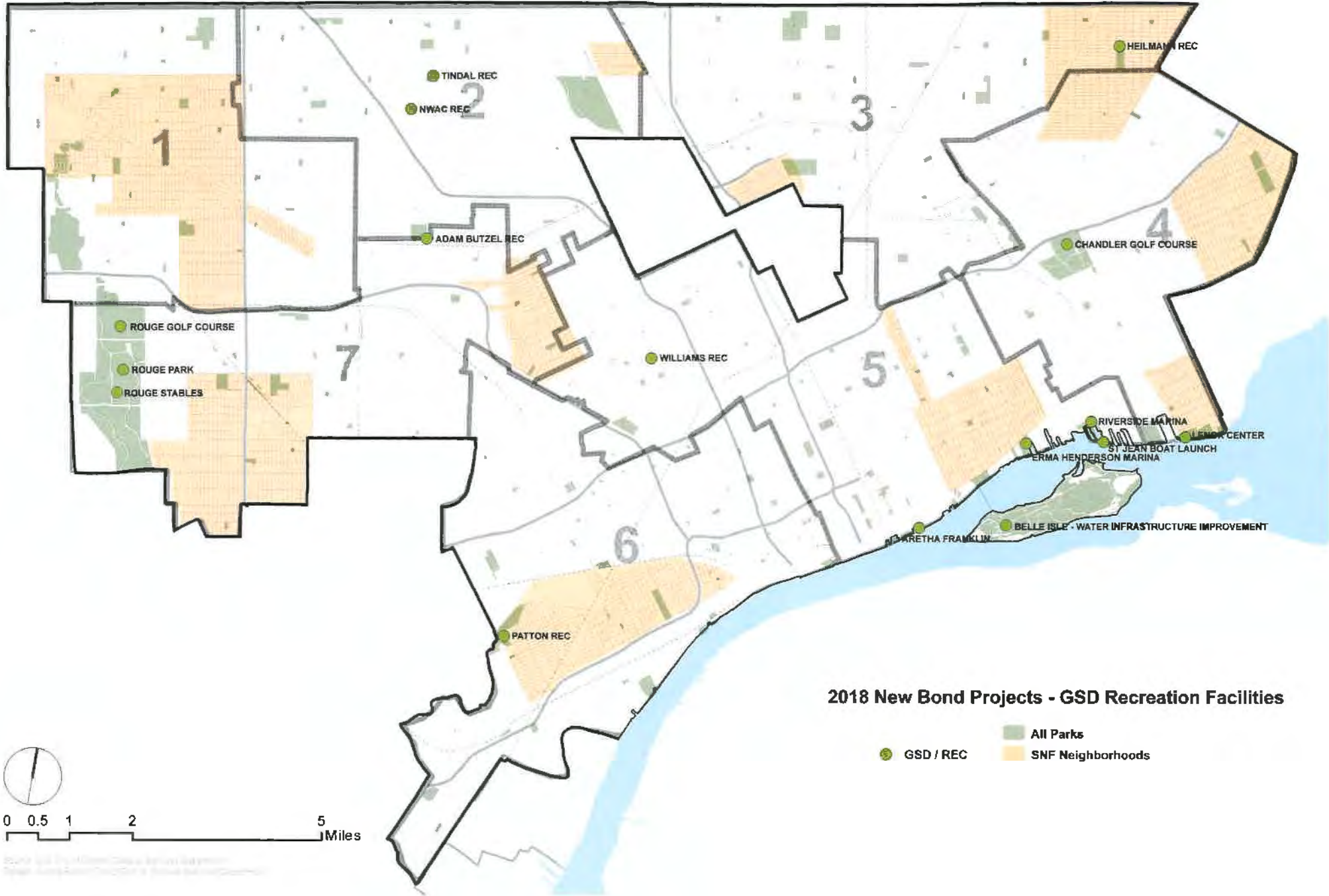


Scale: 8 1/2" x 11" Map. Source: GIS Department. Date: 1/18/18. File: 2018 Bond Projects - Fire Facilities

H-1

**APPENDIX I**  
**MAP: 2018 NEW BOND**  
**GSD/RECREATION FACILITY**  
**IMPROVEMENTS**

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## Office of the Auditor General

Mark W. Lockridge, Auditor General

### AUDIT MEMORANDUM

**DATE:** November 1, 2018

**TO:** Honorable City Council  
Honorable Mayor Mike Duggan

**FROM:** Mark W. Lockridge, CPA *ML*  
Auditor General

**RE:** **THE CASINO DEVELOPMENT FUND**  
**Michigan Black Chamber of Commerce Project**

**CC:** Glen Long, COO, DEGC/EDC  
Dr. Kenneth L. Harris, President/CEO, National Business League, Inc.  
Stephanie Washington, Esq., City Council Liaison  
Daniel Arking, Attorney, Law Department  
David Whitaker, Director, Legislative Policy Division  
Casino Representatives

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Attached for your review is our audit memorandum on the Casino Development Fund Michigan Black Chamber of Commerce project. This report contains our audit purpose, scope, objectives, methodology and conclusions; background; our audit summary and recommendation.

Responsibility for the installation and maintenance of a system of internal control that minimizes errors and provides reasonable safeguards rests entirely with the Economic Development Corporation.

Copies of all of the Office of the Auditor General reports can be found on our website at <https://www.detroitmi.gov/government/auditor-general>.

**Casino Development Fund**

**Project: Michigan Black Chamber of Commerce**

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BACKGROUND	3
AUDIT SUMMARY AND RECOMMENDATIONS	10

## **AUDIT PURPOSE, SCOPE, OBJECTIVES, METHODOLOGY AND CONCLUSIONS**

### **AUDIT PURPOSE**

The audit of the Casino Development Fund, Project: Michigan Black Chamber of Commerce was performed in accordance with the Office of the Auditor General's (OAG) charter mandate to conduct audits of the financial transactions, performance and operations of City agencies based on an annual risk-based audit plan prepared by the Auditor General, or as otherwise directed by the City Council, and report findings and recommendations to the City Council and the Mayor.

City Council requested that the OAG perform an audit of the Casino Development Fund in relation to a Legislative Policy Division report dated October 11, 2016.

### **AUDIT SCOPE**

The scope of this audit was an independent review and assessment of the Michigan Black Chamber Research project. Our audit was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States, except for the completion of an external peer review of the Office of the Auditor General within the last three years.

### **AUDIT OBJECTIVES**

The overall audit objectives were:

- To review financial reports and audited financial statements from each sub-grantee to ensure the casino development funds are properly accounted for and spent in accordance with program objectives and guidelines as stated in the revised casino agreements, Economic Development Corporation (EDC)/City of Detroit and EDC/sub-grantee funding agreements.
- A performance audit of each sub-grantee to ensure the casino development funds are effectively and efficiently received and spent in accordance with best practices and in support of program objectives and guidelines.

### **Project Objectives for Michigan Black Chamber Research**

The project objectives and goals for the Michigan Black Chamber Research Project as stated in the City of Detroit and EDC funding agreement were to:

- Grant funds to the Michigan Black Chamber of Commerce to be used in a joint research project with the University of Michigan to discover ways and means of assisting Black Business Development efforts in the City of Detroit.
- Specific program objectives and a budget to be negotiated by among parties.

### **AUDIT METHODOLOGY**

To accomplish our audit objectives, our audit work included:

- Reviewing the Casino Development Agreements, project funding agreements, City Charter, the project budget reports, and organization charts.
- Gathering policies and procedures of core operations and similar data.

- Conducting an audit-planning meeting to determine the scope and audit objectives, and to determine the financial transactions and/or areas to audit.
- Developing questions regarding the Casino Development Fund project's transactions, controls, functions, records, and personnel.
- Identifying risks relative to financial transactions and mitigating controls with appropriate personnel.
- Interviewing appropriate personnel, reviewing documentation, and making observations to aid in developing audit programs.

## **CONCLUSIONS**

As a result of our audit of the Michigan Black Chamber Research project, we have concluded that:

### **Overall Audit Objectives**

- Appropriate financial records were maintained for the Michigan Black Chamber Research project completed by the Michigan Black Chamber of Commerce.
- The Michigan Black Chamber of Commerce spent funds in accordance with the project objectives.

### **Project Objectives**

- The Michigan Black Chamber of Commerce completed the project objectives, however it was not a joint research project with the University of Michigan; the research project was completed with Michigan State University.

## BACKGROUND

### **Origination of Casino Development Fund**

The Casino Development Fund is a commitment made by the three Detroit casinos (MGM Grand Detroit, MotorCity, and Greektown) and the City of Detroit, to contribute money for the purpose of assisting minority business development in a specified area within the City. The assistance to business development focuses on: financing façade improvements, GAP financing, loan guaranties, rehabilitation, equipment and working capital for existing and new businesses.

The City received \$2.5 million from MotorCity Casino during the period of the initial Casino Development agreements (1998-1999). The City received \$30 million from the three casinos (\$10 million from each casino) in accordance with the revised Casino Development agreements.

### **Economic Development Corporation (EDC)**

EDC is a public body corporation created by the City Council of the City of Detroit by enactment of Ordinance 120-H effective June 9, 1979. All services to be performed are set forth in the "Scope of Services" section of the EDC/City of Detroit personal service contract and is coordinated and performed by the DEGC. The DEGC is a private non-profit 501c.4 organization and is an agent of the EDC that acts as a liaison between the EDC and the City.

### **Michigan Black Chamber of Commerce (MBCC)**

Headquartered in Detroit, Michigan, the MBCC strives, as its mission, to economically empower and sustain African-American businesses as enterprises by advocating for economic development through entrepreneurship, procurement, community reinvestment, programmatic and professional development, and capitalistic activity within the state of Michigan.

The MBCC is a nonprofit, nonpartisan, and nonsectarian enterprise dedicated to the economic empowerment of African-American communities. The MBCC advocates for, charters, develops, supports and empowers local Black chambers of commerce throughout the state of Michigan in order to carry out its mission statement. The MBCC operates Black chambers of commerce throughout the state's urban areas, including Grand Rapids, Lansing, Pontiac, Southfield, Flint, Detroit, Ann Arbor/Ypsilanti, and the Great Lakes Bay area. The chamber acts as a catalyst for economic change and growth among Black-owned businesses, offering consumer patronage, programs, benefits, and services.

The MBCC is Michigan's first statewide Black chamber of commerce and is the culmination of efforts by a network of business organizations in southeast Michigan called the African-American Business Alliance. In 2010, the alliance refocused its advocacy efforts to establish and transition into the first African-American statewide business organization: the Michigan Black Chamber of Commerce.

On June 19, 2017, the Michigan Black Chamber of Commerce acquired and became the National Business League Inc., founded in 1900 by Booker T. Washington. The national organization relocated from Washington, D.C., to Detroit. This change will provide black businesses with a national platform that has a 117-year history.

**Funding Agreements**

The original funding agreement, dated September 7, 2006, for the Black Chamber Research project was between the Detroit Black Chamber of Commerce and the Economic Development Corporation of the City of Detroit. In that agreement, Article III, Recipient Activities, 3.01 requires:

- The Recipient shall perform the following functions:
- a. Provide project management services for the Project including a Project Coordinator/Manager, and accounting and administration staff as required for the proper completion of the Project.
  - b. Retain the University of Michigan to perform a study, the purpose of which is to make recommendations with respect to furthering in the purposes for which the Recipient was formed as set forth in its Bylaws.

The funding agreement between the Michigan Black Chamber of Commerce and the Economic Development Corporation of the City of Detroit dated June 12, 2012 requires:

Whereas, pursuant to that certain Assignment of Funding Agreement dated June 12<sup>th</sup>, 2012, attached hereto as Exhibit B, the DBCC (Detroit Black Chamber of Commerce) assigned the Funding Agreement to the Recipient;

Through the signing of an assignment of funding agreement, the MBCC assumed the responsibilities for the Black Chamber Research project from the DBCC.

In one (1) funding agreement with the DBCC, and in three (3) funding agreements with the MBCC, the EDC distributed a total of \$380,117. The following disbursements were made by EDC:

Disbursement Date	Entity	Amount
9/7/2006	DBCC	\$ 78,200
6/12/2012	MBCC	156,400
3/22/2016	MBCC	78,200
6/30/2016	MBCC	67,317
	<b>TOTAL</b>	<b>\$ 380,117</b>

There were no documents obtained that detailed how the DBCC utilized the \$78,200 that they received from the EDC. The MBCC provided a spreadsheet and copies of cancelled checks to detail how the \$301,917 they received from the EDC was utilized.

## **Overview of the Research Project Proposed by the Black Chamber of Commerce (DBCC)**

Sometime before the summer of 2003, the DBCC developed a report detailing the first stage of their project. In that report, they had four (4) deliverables for stage one.

1. A production schedule for the directory of black businesses in southeast Michigan.
  - a. Identify the information sources that count businesses in southeast Michigan and that identify the races of owners and operators.
  - b. Identify common variables across data sets so that we might merge them into a larger dataset with more information on the characteristics of black businesses, including location, industry, size and age.
  - c. Draw up a production schedule, including timelines, design recommendations and resource needs.
2. An annotated list of resources for the resource room.
  - a. A survey of existing resource and services offered by Chambers of Commerce around the country.
  - b. An analysis of the information and services that the Detroit Chamber of Commerce does and does not provide for black businesses and how the Black Chamber of Commerce can fill the void.
  - c. In consultation with the Black Chamber of Commerce, decide on content, design and delivery mechanisms for the resource room.
  - d. Decide on long-term budgets, deliverables and timetables.
3. An annotated list of data resources for the analyses.
  - a. Create an annotated list of the available data sources on the black businesses of southeast Michigan. The annotation will include an informative description of the resources, including how it was collected, who collected it and why, how frequently it is updated, and the precise nature and structure of the information contained therein.
  - b. Decide, in conjunction with the Black Chamber of Commerce, the research priorities in light of the available information resources. The annotated listing of available resources will be coded in a way that will help the Black Chamber decide which of the analyses listed under 3.b would yield the most bang per buck.
  - c. Decide on long-term budget, deliverables and timetables.
4. A proposal for the structure of projects and procedures among CEDit, the University of Michigan and the Detroit Black Chamber of Commerce. This includes letters of intent and support from participating departments and colleges, conflict of interest regulations, and the structure of internships.

No other information regarding the DBCC and their project efforts was received.

## **Overview of the Research Project Proposed and Implemented by the Michigan Black Chamber of Commerce (MBCC)**

The MBCC detailed a three (3) phase process for the completion of the Black Chamber Research project:

### **1. Phase I – State of the Black Business Economic Project Grant**

**Dates:** January 2005-December 2006

The DBCC completed Phase I of the State of Black Business Economic Project in December 2006. The first phase involved gathering the support of Black business owners in Detroit through a series of panels, events, and programs to lift awareness levels about Black economic development in the city of Detroit. The first phase set the foundation for an empirical research study that was completed during Phase II of the grant allocation.

### **2. Phase II – State of the Black Business Economic Report Grant**

**Dates:** July 2012-December 2013

The State of Black Business Economic Report for the African American and Consumer Community in Detroit was completed in December 2013. The report completed all aspects of the scope of work submitted. The research includes key economic statistics for African American businesses and consumers, as well as the African American workforce, while also identifying key economic parameters to help develop Black business in Detroit and other urban communities throughout the state of Michigan. A copy of the State of Black Business Study in PDF form can be requested. The study will contribute to the success of Phase III of the project.

### **3. Phase III – State of the Black Business Mobile Smart Grant**

**Dates:** March 2016-December 2016

The MBCC will build a 21<sup>st</sup>-century, state-of-the-art Black business directory, featuring several technological advances as part of a city-wide Black business campaign to populate the database. The Black Business Directory (Mobile Smart) will feature industry and sector businesses, as well as complete content necessary to develop, expand and grow Black businesses, including:

- a. Online Black Business Directory (Website) – state of the art online directory
- b. Black Business (App) – mobile application
- c. Black Business (Mobile Smart Business Plan) – mobile smart business plan
- d. Black Business (Social Media Management Platform) – total marketing solution with social directory, mobile and reputation management
- e. Black Business (Mobile Smart Technology) – messaging system
- f. Black Business Campaign (E-Marketing, E-Advertising and E-PR Solutions) – business drive to recruit and retain businesses, and populate the Black Business Directory
- g. Black Business Campaign (Project Management Consultant) – manage the Black business drive



- h. Black Business (Customer Relationship Management (CRM) & MLM Software) – software to help with business management
- i. Black Business (Online Newsletter) – newsletter partnership with the Michigan Chronicle.

### **Status of Project Phases I, II and III**

#### **Research Project Phase I**

Based on the above information, Phase I was completed by the DBCC, however, no information was obtained for this phase.

#### **Research Project Phase II**

Phase II of the MBCC project focused on the development of a report titled “*The State of the Black-Owned Businesses in Michigan - A report on the state and future prospects of African-American entrepreneurs in the State of Michigan,*” which was completed in November 2014. This report provided a graphic and demographic profile of Black-owned businesses in Michigan. Sponsored by the Michigan Black Chamber of Commerce, this effort was one of an array of projects and initiatives designed to bring together and illuminate the successes, challenges, and opportunities faced by African-American entrepreneurs and current business owners. The report focused on the latest available information in the vast statistical databases on the U.S. Bureau of the Census website with an eye toward making that information accessible and actionable. Demographic portraits of Michigan’s metropolitan areas provides a wealth of local market data. However, whether one’s aspirations and interests were local or global, Black entrepreneurs can benefit from understanding the multiple paths to business success well worn by those who came before them. Information may be “power” but actionable information provides business opportunity.

The State of the Black-Owned Businesses in Michigan - A report on the state and future prospects of African-American entrepreneurs in the State of Michigan covered the following topics:

1. The state of black-owned businesses in Michigan
2. Comparative trends in the Michigan black business community
3. Characteristics of black business owners and their businesses
4. Local market profiles: black consumer economic power
5. Trends in Michigan’s black workforce
6. Growth opportunities for entrepreneurs and black-owned businesses
7. Executive perspectives: results from the in-depth interviews

The key datasets used in the report came from the U.S. Bureau of the Census, especially the Economic Census and the Survey of Business Owners. The current Survey of Business Owners data in the report was from 2007. The report also contained Census 2010 results, including demographic profiles and trends affecting black consumer markets as well as overall population profiles of Michigan’s metropolitan

areas. Some data was used to make the analysis applicable to 2013. The Census Bureau's population estimates program provided annual updates to key population indicators. Data from the Bureau of Labor Statistics provided information on estimates of household spending for products and services. This data was presented as updated estimates for spending by black consumer households in key Michigan metro areas.

A copy of the report was provided to the EDC, and to the MBCC membership, other economic organizations and agencies, the Detroit Black Business Community, the Detroit City Council, and the Mayor's Office.

Research Project Phase III

Phase III of the MBCC project has not yet been implemented.

**MBCC Project Budget and Expenditures**

The table below shows the actual versus budgeted expenditures from the MBCC for their research project. The MBCC stated that they did not receive any monies from the DBCC upon the signing of the funding agreement, therefore the monies received from the EDC and the CDF for the MBCC's project was a total of \$301,917. Based upon the table below, the MBCC expended an additional \$80,125 of their own funds on the black chamber research project.

<b>ACTUAL TO BUDGET</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Grant Implementation Consultants & Contractors	\$247,087	\$250,000	\$(2,913)
Marketing, Advertising, & Printing Services	26,146	27,000	(854)
Website, Online Solutions & Technology	43,248	38,000	5,248
Membership Drive Program & Events	65,561	66,000	(439)
<b>TOTAL</b>	<b>\$382,042</b>	<b>\$381,000</b>	<b>\$1,042</b>

The MBCC had various membership drives and a golf outing to assist with the fundraising for the research project. The membership drives and the golf outing allowed the MBCC to engage individuals so that they could create a solid infrastructure to gather information and be successful. The MBCC utilized four (4) contractors to assist in completing the project tasks<sup>1</sup>.

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<sup>1</sup> Copies of the four (4) contracts were not provided as requested.

### **MBCC Status of Project Goals**

**Phase I** – No information was received regarding this phase which required completion by the DBCC.

**Phase II** – Completed. The State of the Black-Owned Businesses in Michigan-A report on the state and future prospects of African-American entrepreneurs in the State of Michigan.

### **Phase III**

- a. Online Black Business Directory (Website) – **Currently under development. Projected completion date of October 31, 2018.**
- b. Black Business (App) – **Currently under development. Projected completion date of October 31, 2018.**
- c. Black Business (Mobile Smart Business Plan) – **Currently under development. Projected completion date of October 31, 2018.**
- d. Black Business (Social Media Management Platform) – **Currently under development. Projected completion date of October 31, 2018.**
- e. Black Business (Mobile Smart Technology) – **Currently under development. Projected completion date of October 31, 2018.**
- f. Black Business Campaign (E-Marketing, E-Advertising and E-PR Solutions) – **Currently under development. Projected completion date of October 31, 2018.**
- g. Black Business Campaign (Project Management Consultant) – **Completed.**
- h. Black Business (Customer Relationship Management (CRM) & MLM Software) – **Currently under development. Projected completion date of October 31, 2018.**
- i. Black Business (Online Newsletter) – newsletter partnership with the Michigan Chronicle that is part of the MBCC's E-Marketing strategy and services. **Continuous. This online newsletter is provided to National Business League members.**

**NOTE:** According to the President/CEO of the National Business League, Inc. (formerly the Michigan Black Chamber of Commerce, Inc.) stated that they will be unveiling the full website which will include the above information.

## **AUDIT SUMMARY AND RECOMMENDATION**

The funding agreement between the EDC and the MBCC, gives the responsibility of accomplishing the goals of the Black Chamber Research Project to MBCC. The project objective per the funding agreement was to:

“Provide project management services for the Project including a Project Coordinator/Manager, and accounting and administration staff as required for the proper completion of the Project; and retain the University of Michigan to perform a study, the purpose of which is to make recommendations with respect to furthering in the purposes for which the Recipient was formed as set forth in its Bylaws.”

The MBCC provided documentation to support their expenditures of funds received from EDC for the purpose of a research project. However, the project was not done in conjunction with the University of Michigan as the initial agreement stated, because the original agreement was initially issued to the Detroit Black Chamber of Commerce, which dissolved before the completion of the project. Therefore, the MBCC reapplied and was approved to complete the project with a different research firm, as noted in the final report. According to the MBCC, they provided project management, accounting and administration staff for the research project that was performed. MBCC did not provide copies of contracts to substantiate the project management, accounting and administration staff that they provided. In addition to the completion of a research project, the MBCC has also taken initiative to create other resources through private/public partnership sand raised additional funds outside of the grant that are designed to assist Detroit black businesses and consumers.

The EDC stated that they were satisfied with the completion of the project.

### **Recommendation**

We recommend that EDC keep City Council and the Administration apprised of the progress of Phase III of the project by submitting reports on the status and completion of the project.

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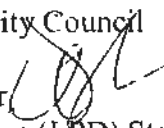
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# City of Detroit CITY COUNCIL

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TO: The Honorable Detroit City Council  
FROM: David Whitaker, Director   
Legislative Policy Division (LPD) Staff  
DATE: November 2, 2018  
RE: **PA 84 of 2018, amending the "Local Government Labor  
Regulatory Limitation Act"**

On October 8, 2018, Council Member Ayers requested that the Legislative Policy Division (LPD) provide an opinion on legislation recently signed into law by Governor Snyder, amending the "Local Government Labor Regulatory Limitation Act", Public Act 84 of 2018.

The text of PA 84 is attached. On its face, it prohibits local governments in Michigan from legislating so as to regulate information that an employer or potential employer "must request, require or exclude on an application for employment or during the interview process from an employee or potential employee." If this amendment applied to the existing Detroit "Ban the Box Ordinance" (Sections 18-5-81 through 18-5-86 of the City Code for City contractors, and Secs. 13-1-11 through 13-1-14 for prospective City employees), it would bar such a local ordinance prohibiting questions about criminal history on employment application forms, and allowing such questions only during actual job interviews.

However, the compiler's note to PA 84 further states that "This Act applies to ordinance, local policies, and local resolutions **adopted after December 31, 2014.**" (emphasis added) Detroit's Ban the Box ordinances were adopted in November 2011, and may therefore be grandfathered in and not barred by the prospective preemption of local employment application procedures enacted by PA 84 of 2018.

The statutory compiler's note goes on – using ‘on-the-one-hand, on-the-other-hand’ language that seems somewhat unusual compared to most similar clarifying statements, that it neither authorizes nor invalidates any such pre-existing statutes or any litigation challenges to them.<sup>1</sup> The framers of this preemption legislation apparently believe there are other rules of state law that might be used to undermine local authority, even before passage of the preemption statute.

PA 84 of 2018, like PA 105 of 2015, which it amends, states the current Michigan State Legislature's strong preemption policy against local governments regulating any aspects of employment relationships. (See, e.g., LPD's previous report on this legislation, dated July 13, 2015, HB 4052, the “Local Government Labor Regulatory Limitation Act”, attached) However, presumably in order to obtain support within the legislature, this prohibition was made prospective only, and on its face states that it does not apply to preexisting ordinances.

The potential impact of such state preemption legislation restricting local government authority is of course not limited to either “Ban the Box” ordinances or employment relationships more generally. The Michigan Municipal League has stated that “Preemption may be among the most important policy issues facing local governments.” The National League of Cities has issued a report, updated in 2018, tracking such state preemption legislation state-by-state. In the event that control of the Michigan State Legislature changes after November 6, 2018, consideration should be given to repealing such preemption statutes.

If Council has any other questions or concerns regarding this subject, LPD will be happy to provide further research and analysis upon request.

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<sup>1</sup> “Nothing in this act shall be considered as an explicit or implicit authorization or recognition of the validity of any ordinance, local policy, or local resolution adopted before January 1, 2015. Nothing in this act authorizes a local governmental body to adopt an ordinance, local policy, or local resolution regulating the employment relationship as to matters described in this act, and nothing in this act shall be construed as an express or implied recognition of any such authority that may or may not exist elsewhere in state law. Whether a local governmental body had the authority, before January 1, 2015, to adopt an ordinance, local policy, or local resolution regulating the employment relationship as to matters described in this act is a separate question that this act does not address. This act is not intended to be construed to impact the reasoning or outcome of pending litigation in any way, for or against any particular legal position.”

**LOCAL GOVERNMENT LABOR REGULATORY LIMITATION ACT (EXCERPT)**  
**Act 105 of 2015**

**123.1384 Information employer must request, require, or exclude on employment application or during interview process; regulation by local governmental body prohibited.**

Sec. 4. A local governmental body shall not adopt, enforce, or administer an ordinance, local policy, or local resolution regulating information an employer or potential employer must request, require, or exclude on an application for employment or during the interview process from an employee or a potential employee. This section does not prohibit an ordinance, local policy, or local resolution requiring a criminal background check for an employee or potential employee in connection with the receipt of a license or permit from a local governmental body.

**History:** 2015, Act 105, Imd. Eff. June 30, 2015;—Am. 2018, Act 84, Eff. June 24, 2018.

**Compiler's note:** Enacting section 1 of Act 105 of 2015 provides:

"Enacting section 1. This act applies to ordinances, local policies, and local resolutions adopted after December 31, 2014. Nothing in this act shall be considered as an explicit or implicit authorization or recognition of the validity of any ordinance, local policy, or local resolution adopted before January 1, 2015. Nothing in this act authorizes a local governmental body to adopt an ordinance, local policy, or local resolution regulating the employment relationship as to matters described in this act, and nothing in this act shall be construed as an express or implied recognition of any such authority that may or may not exist elsewhere in state law. Whether a local governmental body had the authority, before January 1, 2015, to adopt an ordinance, local policy, or local resolution regulating the employment relationship as to matters described in this act is a separate question that this act does not address. This act is not intended to be construed to impact the reasoning or outcome of pending litigation in any way, for or against any particular legal position."

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TO: The Honorable Detroit City Council

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: July 13, 2015

RE: **HB 4052, the “Local Government Labor Regulatory Limitation Act”**

As Council Members will probably be aware from extensive media reports, Governor Snyder recently signed legislation prohibiting new local ordinances that purport to require terms or conditions of private employment within municipalities that are better or different than those minimal standards established by state or federal laws, especially in connection with public contracts. LPD is providing this summary of the legislation, emphasizing a concise analysis of the extent to which it will likely be held to affect a Community Benefits Agreement Ordinance of the type previously proposed for the City of Detroit.<sup>1</sup>

### **HB 4052**

The preamble to HB 4052 (attached) states that it is “AN ACT to limit the powers of local government bodies regarding the regulation of terms and conditions of employment within local government boundaries for employees of nonpublic employers.” Sections 4 through 12 of the statute are the operative terms. They expressly state that “A local governmental body shall not adopt, enforce, or administer an ordinance, local policy, or local resolution” doing any of the following things:

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<sup>1</sup> Council may recall passing the attached resolutions on January 30, 2015, and a second attached resolution proposed by Council Member Castañeda-López in opposition to previous versions of HB 4052. It was formerly called the “local government employer mandate prohibition act”. Those versions of HB 4052 were the State Legislature’s second and third attempts to pass such legislation, after its first introduction failed (HB 5977) during the lame duck session of December 2014.



- Regulating information an employer or potential employer must request, require, or exclude on an application for employment from an employee or a potential employee;<sup>2</sup>
- Requiring an employer to pay to an employee a wage higher than the state minimum hourly wage rate under the applicable state or federal law, whichever is lower;<sup>3</sup>
- Requiring an employer to pay to an employee a wage or fringe benefit based on wage and fringe benefit rates prevailing in the locality;<sup>4</sup>
- Regulating work stoppage or strike activity of employers and their employees or the means by which employees may organize;
- Requiring an employer to provide to an employee paid or unpaid leave time;
- Regulating hours and scheduling that an employer is required to provide to employees;<sup>5</sup>
- Requiring an employer or its employees to participate in any educational apprenticeship or apprenticeship training program that is not required by state or federal law;
- Requiring an employer to provide to an employee any specific fringe benefit or any other benefit for which the employer would incur an expense, including, but not limited to, those referenced above; or
- Regulating or creating administrative or judicial remedies for wage, hour, or benefit disputes, including, but not limited to, any benefits itemized above;

In a major concession that was reportedly critical to securing passage of the final version of the legislation, it was made prospectively applicable only. Section 16 of the statute states: “This act does not prohibit a local governmental body from enforcing a written agreement voluntarily entered into and in effect prior to October 1, 2015. ... This act applies to ordinances, local

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<sup>2</sup> This section does not prohibit an ordinance, local policy, or local resolution requiring a criminal background check for an employee or potential employee in connection with the receipt of a license or permit from a local governmental body.

<sup>3</sup> Although proponents falsely claim that this legislation was motivated by conformity and avoiding an alleged “patchwork” of different local employment standards, the actual terms of the statute on their face make it clear that it is in fact the lowest standards, rather than any common or consistent standards, that are adopted and required.

<sup>4</sup> This section does not apply to state projects subject to 1965 PA 166, MCL 408.551 to 408.558, providing for prevailing wages on state projects.

<sup>5</sup> This section does not prohibit an ordinance, local policy, or local resolution that limits the hours a business may operate.

policies, and local resolutions adopted after December 31, 2014. Nothing in this act shall be considered as an explicit or implicit authorization or recognition of the validity of any ordinance, local policy, or local resolution adopted before January 1, 2015.” That is, it does not apply to pre-existing local ordinances already “on the books” of Michigan municipalities before the beginning of this calendar year. It prohibits such ordinances only in the future.

The statute also includes a few other exceptions to its prohibition of local legislation regarding the employment relationship. They are:

- The act does not prohibit a local governmental body from adopting or enforcing an ordinance, policy, or resolution prohibiting employment discrimination;
- Other than the specific terms and conditions expressly carved out from local authority as stated above, the act does not prohibit a local governmental body from adopting, enforcing, or administering an ordinance, local policy, or local resolution that provides for the terms and conditions of a voluntary agreement between an employer and the local governmental body in connection with the provision of services directly to the local governmental body or in connection with the receipt of a grant, tax abatement, or tax credit from the local governmental body.

In sum, HB 4052 carves out virtually all new, substantive requirements for terms and conditions of private employment from the universe of those things a Michigan municipality can legislate in any way, other than enforcing state or federal standards, and other standards voluntarily agreed to between parties to the employment relationship.<sup>6</sup>

### **Effects on Proposed Community Benefits Agreement Ordinance**

A previous version of this legislation expressly barred local ordinances mandating community benefits agreements in connection with major publicly funded development projects. That language was removed from the final version that has now become law.<sup>7</sup> But in LPD’s opinion

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<sup>6</sup> Forceful and cogent reasons were put forward by many knowledgeable advocates of local government authority and power - including City Council’s attached resolution in opposition to HB 4052 on January 30, 2015 – supporting local officials’ authority to determine the most fitting and appropriate conditions for employment (among other contexts) within local communities, and especially in connection with public projects that create jobs and associated social and economic benefits in our communities. But those voices and reasons are not aligned with the philosophy or interests of the state legislative majority in Lansing or the current governor, and so this rather invasive legislation is now law.

<sup>7</sup> LPD believes there is an argument that can be made based on this legislative history, that HB 4052 would not invalidate any of the provisions of the proposed Community Benefits Agreement Ordinance, if the City were to enact it. The original legislation expressly prohibited such an ordinance at a time when it was widely known to be pending, but that provision was removed from the enacted statute. Therefore it is not intended to apply to the Community Benefits Agreement context, where the terms of the agreement are voluntary and voluntary agreements are not the target or subject matter of HB 4052. However, in LPD’s opinion a more likely plausible reading (recognizing that predicting a given court’s ruling in any specific case is inherently unreliable) would apply HB 4052 to invalidate any provisions of a Community Benefits Agreement Ordinance that specify or require any terms or conditions of private employment other than those required by state or federal laws..

HB 4052 could partially invalidate the following provisions of the latest version of the proposed Community Benefits Agreements Ordinance under consideration by Detroit City Council:

- Provisions requiring that Community Benefits Agreements address “employment opportunities” [Sec. 14-12-3(a)(1)(b)(1)];
- Provisions requiring that they address “job training” [Sec. 14-12-3(a)(1)(b)(2)];
- Provisions providing that they can address a “first source hiring program” [Sec. 14-12-4(a)(1)];
- Provisions requiring a specific percentage of local contractors [Sec. 14-12-4(a)(2)];
- Provisions providing that they can address “workforce development programs” [Sec. 14-12-4(a)(3)]; and
- Provisions providing that they can address “youth employment programs” [Sec. 14-12-4(a)(4)].

In sum, while HB 4052 likely would require significant modifications of the existing draft proposed Community Benefits Agreement Ordinance as itemized above, to eliminate all references to terms and conditions of employment, which would be a very significant limitation of the scope of such an ordinance, it does not appear to prohibit such an ordinance entirely.

If Council has any additional questions or concerns regarding this matter, LPD would be pleased to provide further research and analysis and report back regarding same.