

Referrals
11/7/18

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

OFFICE OF CONTRACTING AND
PROCUREMENT

October 31, 2018

HONORABLE CITY COUNCIL:

The Office of Contracting and Procurement recommends a Contract with the following firm(s) or person(s):

6001734 100% Federal Funding – To Provide To Provide a Sub-Recipient Agreement to Perform Strategic Planning to Address City of Detroit's Need to Develop Affordable Multi-Family Housing and Preserve Existing Housing – Contractor: Local Initiatives Support Corporation – Location: 660 Woodward, Suite 1600, Detroit, MI 48226 – Contract Period: July 1, 2018 through June 30, 2020 – Total Contract Amount: \$350,000.00. **HOUSING AND REVITALIZATION DEPARTMENT**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer
Office of Contracting and Procurement

BY COUNCIL MEMBER _____ **TATE** _____

RESOLVED, that Contract No. 6001734 referred to in the foregoing communication dated October 31, 2018 be hereby and is approved.



MEMORANDUM

TO: David Whitaker
Kevin Johnson, Director, DEGC

FROM: Hon. Scott Benson, City Council District 3 *SRB*

CC: Hon. Janice Winfrey, City Clerk
Hon. James Tate, Chair, Planning and Economic Development
Hon. Sonya Mays, DPSCD School Board
John Hill, CFO
Stephanie Washington, City Council Liaison

VIA: Hon. Brenda Jones, City Council President

DATE: 30 Oct 2018

RE: **DEVELOPMENT INCENTIVES FLOW OF FUNDS**

I am assigning LPD to work with DEGC to provide the report requested below.

Over the last four decades, the City of Detroit has approved numerous tax abatements and development incentives. City Council on several instances has been questioned by the community and Detroit Public Schools Community District (DPSCD) on how these incentives impact the financial position of DPSCD and Detroit Public Schools (DPS old). A non-inclusive list of development incentives that capture these millages are:

1. PA 376 of 1996 – Renaissance Zone
2. PA 146 of 2000 – OPRA
3. PA 210 of 2005 – Commercial Rehabilitation
4. Etc.

Staff has continued to indicate, as per state law, that DPSCD and DPS are made whole and not adversely impacted by the capture of operating and debt millages. Despite these assurances DPSCD continues to express its concern about the financial harm caused by the capture of these mills. Please provide a chart that identifies the flow of funds from the capture of the mills at the municipal level to the reimbursement of lost mills to DPSCD at the state level. In addition, provide proof of reimbursement to DPSCD and DPS from all mills captured.

Please provide this response by 15 November 2018. If you have any questions please do not hesitate to contact my office at, 313-224-1198.

SRB