



Detroit City Council

MEMORANDUM

TO: Legislative Policy Division

FROM: Fred Durhal III, Council Member, Chair

DATE: March 11, 2024

RE: Request for Executive Session Inclusion and Closing Resolution - Analysis of Expiring Tax Abatements and Economic Impact Assessment

Purpose:

This memo requests the inclusion of an agenda item in the FY2024-25 proposed budget Executive Session and the subsequent Closing Resolution. The focus is on the Detroit Economic Growth Corporation to conduct a comprehensive analysis of existing development projects within the City of Detroit that may have benefited from tax abatements or incentives which are now expiring. This initiative arises from insights gained during the budget hearing held on March 11, 2024, concerning the Detroit Economic Growth Corporation, Downtown Development Authority, Economic Development Corporation, and Local Development Finance Authority.

Background:

The budget hearing underscored the pivotal role of tax abatements and incentives in fostering urban development and economic growth. Given the expiry of such benefits for several projects, it is imperative to assess their long-term economic impact on the city and surrounding neighborhoods. This evaluation will provide valuable insights into the effectiveness of past incentives and inform future policy decisions.

Objective:

The primary objective of this analysis is to:

- Identify development projects with expiring tax abatements or incentives.
- Evaluate the economic impact of these projects on the city and its neighborhoods.
- Develop recommendations for future economic development strategies and incentive policies.

Request for Action:

I hereby request that this item be placed into the agenda for the FY2024-25 proposed budget Executive Session and be highlighted in the Closing Resolution.

Please contact our office if you have any questions or concerns - Esmat Ishag-Osman, Ph.D., Esmat.ishagosman@detroitmi.gov

cc: Louise Jones, Senior Clerk
Deonte Agee, Senior Clerk