announced the head of the DEGC, the Detroit Economic Growth Corporation whose team didn’t bring the numbers needed to back up their claims. The statement was made at a recent DEGC hosted event. If jobs are the justification for tax incentives bring jobs data that you can back up.

Detroiters understand enough to know that capitalism is an economic model that is driven by profit and that it is one of many potential models. Detroiters also understand that there are shades of capitalism, some that are mutually beneficial and some that take more than they give. The majority of Detroiters understand economics extremely well but they do not share the same language as businesses and corporations.

Often, we have seen proponents of this economic development model miss the point entirely and turn Detroiters lack of awareness about how tax incentives work against them. Really, Detroiters shouldn’t have to educate ourselves about tax incentives, we should be able to count on the city council and others to do their research and make decisions that lead to better outcomes for Detroiters.

**An important note about OUR Public Libraries**

Detroit People’s Platform advocate for THE COMMONS. resources/services that function best when they are part of the community and governed by community interest. Accessible and thriving public libraries are an essential part of THE COMMONS.

There have recently been efforts to shift the governance of Detroit Public Libraries from an independent Commission to the City of Detroit. Sign up for DPP email and follow us on social media for updates.

**City says:**

Development will not occur in Detroit “but for” the tax breaks.

- The market drives development, not tax incentives.
- Detroit is in demand and has value.
- Development has and can occur in Detroit without tax breaks.

**City says:**

It’s the only way to grow the general fund.

- The general fund has barely grown over the last few years.
- Most of the increase is due to casino activity and NOT land development from tax incentives.
- Detroit’s growth model gives developers the land almost tax free. In return they give us taxable jobs.

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**Disinfo WHAT?**

We live in the age of ‘FAKE NEWS’ and it is disturbing that some of our local elected officials have chosen to cast righteous community opposition as dangerous and misinformed. Similar strategies were used in propaganda campaigns against Proposal P, the People’s Charter and Proposal A, the People’s Community Benefits Ordinance. DPP breaks down the messaging being weaponized against residents’ own interest.

Learn more about Disinformation, pg 2

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**6 MYTHS ABOUT TAX INCENTIVES IN DETROIT**

- Numbers Don’t Lie... People Do

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**Why Tax Incentives Hurt Majority Black Detroit**

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**Why are TIFs a Problem?**

It’s how they work.

This increase in tax revenue is all based on SPECULATION that everything is going to go the right way.

Question: If things don’t go as planned what happens to our public tax investment?

TIFs can vary in length. We’ve seen 10, 25 and 30 year TIFs. They can last a long time.

**Tax Increment Financing (TIFs)** diverts money from one place to another; that’s how they work. The tax revenue going to schools, libraries and other public services is frozen at the start of the project (BLACK). This frozen tax revenue goes to public services yearly for the length of the TIF (GREEN). The problem is the increase in tax revenue that is given to the developer to offset their cost (RED). After the expiration of the TIF schools and public services may begin to receive increased tax revenue.

This amount continues to fund Schools, Libraries and Public Services annually for the length of the TIF. The amount does not increase.

**About Disinformation**

Historically oppressed people know that disinformation is as old as white supremacy. The very basis of racism is ‘fake news’. To claim that community in opposition to a policy or project are dangerous or misinformed implies residents are unable to understand. For elected official and city representatives to use that strategy as cover to maintain injustice is reprehensible. The policies that have been enacted upon Detroiters since Emergency Management are FELT and KNOWN by those with the courage to speak up and out. To frame this as dangerous undermines Democracy.

### Session: The Grab for Public Assets

**Tax Credits**: Used to reduce or eliminate state corporate income taxes by allowing a developer to deduct a certain percentage of specific expenses. Examples include credits for research and development, equipment or other improvements.

**Grants**: Subsidies given as cash to companies. Qualifying grants must be used to finance infrastructure, software, new equipment or other improvements.

**Bonds**: A certificate issued by a government body or private corporation to raise money for infrastructure or other improvements.

**TIF Capture**: Urban area increase in property value created by development (rent) to rent assistance for developers, or other city improvements.

**Subsidy**: Income received by a tenant or landlord on behalf of a tenant to cover the difference between market rental rates and a tenant’s ability to pay toward the rent.

**Low Income Housing Tax Credit (LIHTC)**: A federal tax incentive available to developers to create affordable housing.

**Tax Incremental Financing (TIF)**: A tax incentive that is available to developers. Cities provide tax breaks with property tax abatements for several years (usually 20). The benefits can be exchanged for investments in infrastructure projects. Cities must first approve TIFs to develop specific areas and dominate private sector investment.

**About Corporate Welfare**

_We Show Our Work_:

- Income for white workers has increased 7x higher than Black workers:
- About 9% of Detroiters are pushed out of Detroit: [Source](https://poverty.umich.edu/files/2020/05/200358_Poverty-Solutions_Detroit-Housing-Instability-policy-brief_051120.pdf)
- Most of the other bullets are based on budget data from the city:
  [Source](https://detroitmi.gov/departments/office-chief-financial-officer/ocfo-divisions/office-budget)

_We’re proud the People’s Platform NEWS is printed in a Union Shop!_
The Downtown Development Authority (DDA) was adopted in 1976 by City Council ordinance. Empowered by state law, downtown development authorities have broad powers to carry out the mission of development. City Council found that existing the DDA was justified “to halt property value deterioration in the downtown business district, to eliminate the causes of such deterioration, and to promote economic growth in the downtown business district.”

Detroit DDA activity is funded by using public money in a variety of ways: tax abatements, tax increment financing (TIF), and TIF-based bonds and loans, to name a few. Between 1976 and 2017, according to its own estimates, the DDA directed over $5 billion toward the designated 7.2 square miles of downtown Detroit. Of that $5 billion, nearly $1 billion ($850 million) was in just TIF funds. Overall, 37% of downtown development since 1976 was funded using public money.

The DDA works by using public tax dollars either as a direct benefit to developers or as a base to draw in additional dollars (i.e. through TIF-based bond financing). With a few exceptions, most of the projects in the downtown area are run by private companies. Rather than being disbursed to the rest of the city, prosperity from economic development largely stays in the downtown core. Profits either go to private developers or are recycled through the DDA to be used on future projects. According to the TIF plan, the downtown core is now developed, while the rest of Detroit still waits for its due.

At the time when the DDA was established, Detroit was experiencing massive white flight to the suburbs. Remarkably, the TIF plan does not once mention “Black,” “white,” or “white flight.” It seems that rather than addressing the root cause of disinvestment via racism, the DDA has chosen to address only the effects. The “if you build it, they will come” mentality has resulted in an outsized amount of development in just 5% of Detroit’s land. Most of the downtown core is now developed, while the rest of Detroit still waits for its due.

While some may benefit there are problems with DEGC managed programs like Motor City Match. Very competitive, not accessible and there is racial disparity in support.

Let’s look at how some people talk about DISINFO: Misinformation: false information that is spread without the intent to mislead. Disinformation: deliberately misleading or biased information; manipulated narrative or facts. Corporate Propaganda models use media to shape public opinion, governance and outcomes. In Detroit, consent is manufactured and underwritten by quasi-public/ private groups like the DEGC whose mission is to promote this economic development model as the only way.
THE BIG PICTURE: WHY THE EXCESSIVE USE OF TAX INCENTIVES MATTERS TO MAJORITY BLACK DETROIT

There is a massive disconnection between the way that these tools are supposed to work in models and on paper and the way their implementation impacts everyday Detroiters.

Tax incentivized deals use prime public assets, including land, that are transferred from public to private control.

Tax incentives divert funds from the budget’s General Fund for a very long time; into the distant future. Decisions made today can impact funding for generations.

With tax incentivized deals the number, quality and wages for projected jobs are often overstated and highly contested.

Tax Incentives, Brownfield TIFs in particular, often support projects that have negative environmental and health impacts.

There is a direct line from the way tax incentives work, the moving of funds into luxury housing, the effect of luxury housing on a neighborhood, and the moving out of long time Detroiters who can no longer afford to live here.

For these tax policies to be considered successful we would need to see better outcomes for majority Black Detroiters.

WE DO NOT!

HOW WE CUT THROUGH THE DISINFORMATION

One of the ways that disinformation can be effective is by promoting small individual successes as accessible to all. The winners and losers’ strategy is powerful because many of us have been encouraged to win our whole lives. Many want to identify with the winners even if we’re vulnerable and threatened.

DPP believes that the lived experience of Detroiters is the way we cut through the disinformation and propaganda.

James Baldwin said “I can’t believe what you say, because I see what you do.” Detroiters know what’s up. Decision makers just need to take off the pre-development glasses and look around.

Issues Detroiters SEE daily

Mass Poverty
Mass Evictions
Mass Foreclosure
Yes, there is still a Water Crisis!
Over Taxation
Redirection of Funds (ARPA, Hardest Hit) and more.

Majority Black Detroit VOTES!

Save the Dates and Make a Plan to Vote!

Detroiter have VOTING RIGHTS including:
Early Voting, No Excuse Absentee Voting
Same Day Registration

You can register to vote

Even if you have been convicted of a Felony

1. Save these dates in your calendar!

Tuesday, August 2nd
Tuesday, November 8th

Pools are open from 7 a.m. to 8 p.m. local time. You have the right to vote if you are in line at 8 p.m.

2. Check to verify you’re registered to vote and/or if your polling location has changed. Note: Due to redistricting your district may have changed.

3. If you’re not registered, do so ASAP.

You must be registered to vote in Michigan. Michigan now allows Same Day Registration. If you’ve never registered in Michigan before, go in person to your city clerk’s office before 8 p.m. on Election Day and register to vote with a document showing proof of residency. If you are a student, are in jail or have been convicted of a crime, or are homeless you CAN register and vote. Go to www.mi.gov/vote for more details.

4. Learn about the Candidates

Know where the candidates stand on issues that impact you and your neighborhood to hold them accountable. Attend candidate forums and town halls to meet the people you are being asked to vote for.

5. VOTE!

Michigan Voters can cast absentee ballots beginning 45 days prior to Election Day. No Excuse Absentee Voting - All eligible and registered voters in Michigan may now request an absent voter ballot without providing a reason. Early Voting with an absentee ballot can be mailed or delivered to the City Clerk’s office. You can vote early in person at the City Clerk’s office or one of the Clerk’s “Satellite” voting locations. Voters who do not have an acceptable form of ID with them can still vote by signing a form. If you have a problem voting call 866-OUR-VOTE. YOU CAN REGISTER TO VOTE EVEN IF YOU HAVE BEEN CONVICTED OF A FELONY.

Save the Dates and Make a Plan to Vote!