

DETROIT'S GROWTH PLAYBOOK: BUILDING FAMILIES, NEIGHBORHOODS, AND BUSINESS

DURHAL
FRED DURHAL FOR DETROIT MAYOR

A photograph of Fred Durhal, a Black man with a beard, wearing a blue suit jacket over a light blue shirt. He is speaking into a microphone, with his mouth open and a focused expression. The background is blurred, showing what appears to be an indoor setting with other people and structures.

Detroit city council member Fred Durhal is running for mayor of Detroit because he has the experienced leadership for continued growth. With Durhal's leadership and vision, families, small businesses, and neighborhoods will have expanded opportunities to get ahead.

As the the former Assistant Democratic Leader of the Michigan House of Representatives with leadership experience serving as Ranking Democrat over the State's \$64 billion budget and as the Chair over the city's \$3 billion budget on the Detroit City Council, Durhal's legislative know-how and record of bipartisanship shows that Durhal has a deep understanding of how to leverage diverse resources to build on Detroit's economic successes under Mayor Mike Duggan. At City Council, Durhal continues to lead groundbreaking efforts to accelerate growth and development, including sponsoring PILOT Fast Track legislation that is driving record-breaking numbers of affordable housing projects a year and making Detroit one of the easiest places to build affordable housing in the State.



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groundbreaking efforts
to accelerate growth
and development.**

I. DURHAL'S PRIORITIES FOR THE FIRST 90 DAYS

Reform Detroit's Assessment Process

Issue:

- Detroit's property assessments often do not reflect a property's actual value or potential income, leading to disproportionate tax burdens.

Solution:

- Modernize assessments by transitioning toward income-based assessments for commercial and residential rental properties, ensuring taxes are aligned with actual earning potential.
- Enhance fairness and improve consistency by developing more uniform guidelines for comp selection, reducing the risk of overtaxation or erratic assessments.
- Build walkable neighborhoods with easy access to fresh groceries, Rx drugs, restaurants, hardware stores and other amenities families and residents need to thrive.

Create a Main Street in Every Neighborhood and Revive Detroit's Commercial Corridors

Issue:

- Detroit's current DDA revenue is heavily concentrated in Downtown, limiting broader neighborhood development.

Solution:

- Redefine Central Business District boundaries by working with legal counsel to adjust the boundaries under state law, allowing for a more equitable distribution of tax increment financing (TIF) revenues.
- Invest in commercial corridors by channeling a portion of DDA funds to commercial corridors and create Commercial Corridors Improvement Authorities throughout the city's districts.
- Collaborate with DDA and Detroit Economic Growth Corporation (DEGC), starting with a convention of the DDA

board and DEGC to finalize plans for immediate revenue redistribution. This effort should align with broader city development goals, emphasizing inclusive growth beyond the downtown core.

- Redefining the DDA and creating a Commercial Corridor Improvement Authority allows Detroit to develop commercial structures in commercial corridors to create walkable communities and a "Main Street" in every Council District in Detroit and residents' access to resources like fresh groceries, pharmacies and retail just a short distance from their homes.

Address Detroit's Impending Abatement Cliff

Issue:

Many properties - commercial, industrial, affordable, and market-rate residential - face expiring tax abatements, risking a wave of foreclosures if their tax burdens spike abruptly.

Solution:

- Extend the length of incentives or abatements by allowing an opt-in to pay taxes earlier than the abatement incentives sunset. This option would allow the city to generate revenues earlier and developers to avoid the impending abatement cliff and an unpredictable rate of inflation.
- A short-term - 2- to 4- year - extension of current tax abatement tools can prevent sudden, widespread financial strain on property owners. This extension will be granted to developments and projects that came into fruition during a certain time period, considering the impacts bankruptcy and COVID had on the finances of these abated projects.

II. ECONOMIC & BUSINESS REFORM

Expanding Access To Capital For Businesses

The vision

Durhal wants to help make capital more readily available for small businesses and local developers in ways that can sustain growth and create jobs.

The stakes

Access to capital is critical for entrepreneurs and small businesses, which form the backbone of Detroit's economic development, both in the heart of the city and in the neighborhoods. Detroit's businesses often struggle to secure funding due to perceived risk, lack of established banking relationships, and insufficient public-private coordination. "Gap funding" programs can help fill the financing shortfall when conventional loans and equity fail to cover the total costs of a project or new venture.

The roadmap

Durhal will focus on achieving three central objectives to increase access to capital:

- **Leverage state resources:**
 - As mayor, Durhal will collaborate with the State of Michigan to identify and enhance capital formation tools such as community development financial institutions (CDFIs), state-backed loan programs, and public-private partnerships, and bring them directly to Detroit.
 - Durhal will be a champion for new or expanded "gap funding" mechanisms at the state level to bridge the difference between available financing and the total project cost for entrepreneurs and developers.

- **Promote local investment:**

- As mayor, Durhal will encourage local banks and credit unions to expand small business lending.
- To help reduce risk for lenders and foster entrepreneurial activity, Durhal will lead efforts to develop and support programs like loan guarantee funds or micro-grants.
- Durhal will work closely with philanthropic organizations and private investors to build local funding pools, expand Motor City Match, and **create a small business trust fund** that specifically targets historically underfunded neighborhoods and business ventures.

- **Enhance transparency and coordination:**

- Under Durhal's administration, the City of Detroit will create a centralized office within City Hall dedicated to connecting entrepreneurs with available financial resources, streamlining applications, and providing technical assistance.
- This centralized hub will offer guidance on both traditional lending options and newly established "gap funding" opportunities so that business owners can navigate all available channels.



Cutting Red Tape With Regulatory Reform

The vision

As mayor, Durhal aims to streamline permitting and reduce bureaucracy so developers can renovate and build quickly, safely and cost-effectively, and entrepreneurs can easily start and expand businesses in Detroit.

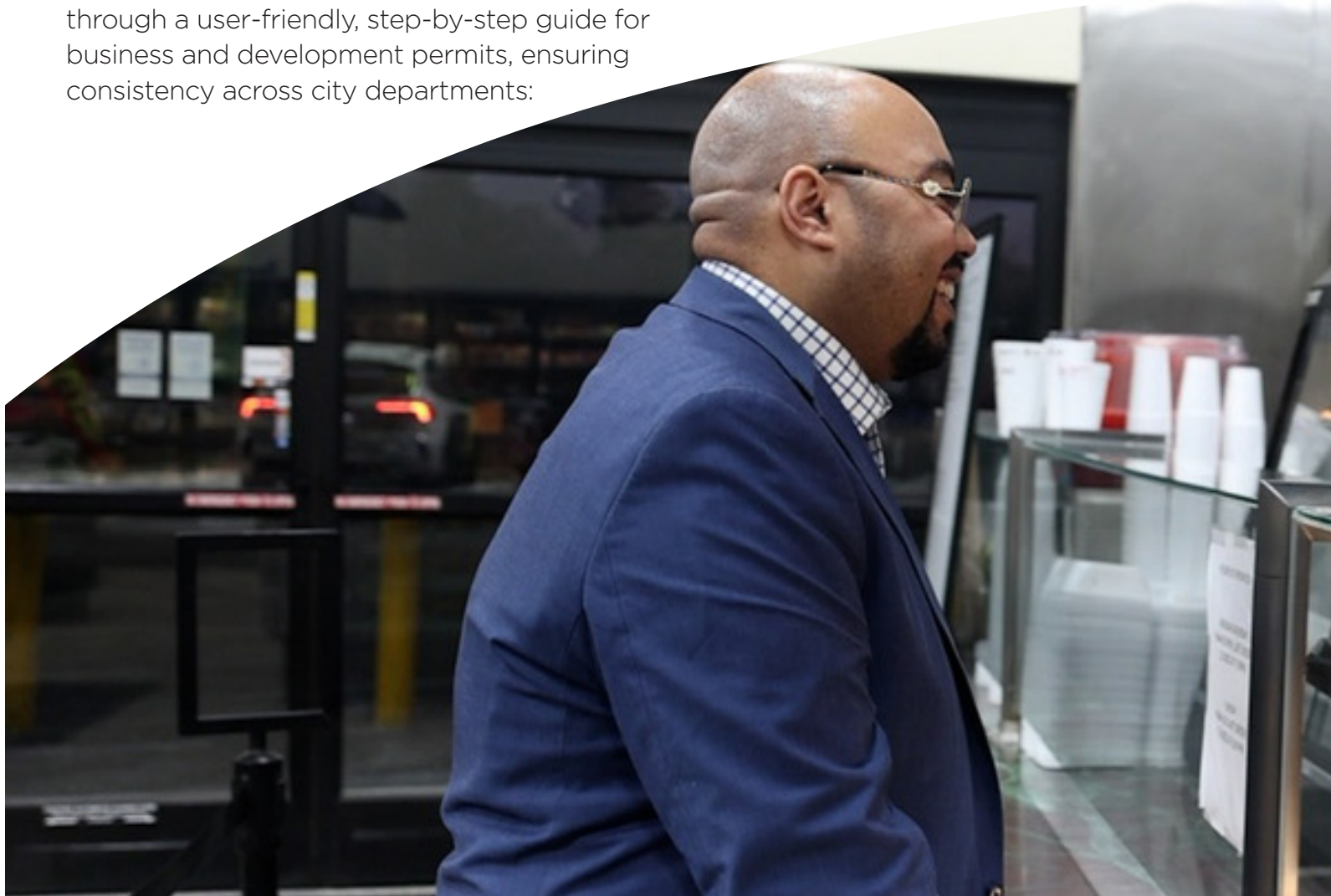
The stakes

Detroit is simply a difficult place to do business because of too much red tape. Current processes involve multiple agencies, unclear requirements and long wait times. Permitting is inconsistent and unpredictable – two variables that hurt business growth. Different departments in the City of Detroit can have overlapping or contradictory regulations, causing confusion, delays, and rising costs.

The roadmap

As mayor, Durhal will establish clear guidelines through a user-friendly, step-by-step guide for business and development permits, ensuring consistency across city departments:

- Durhal will establish a one-stop shop that is created by a uniform permitting process and centralizes reviews and approvals for key functions, such as zoning, code enforcement and inspections. Businesses can interact primarily with a single coordinated entity rather than with multiple siloed departments.
- Durhal will lead a digital transformation that invests in better online platforms, allowing businesses to submit applications, track status, and access support digitally. This will reduce in-person visits and paperwork.
- Regular reviews and accountability can help remove outdated or unnecessary requirements, making the entire permitting process accountable by setting and publishing turnaround targets.



III. HOMEOWNERS AND BUSINESS PROPERTY TAX RELIEF PLAN

The vision

Detroit's outdated property tax structure has long hindered investment, discouraged development, and unfairly burdened homeowners. My administration will introduce the Homeowner & Business Property Tax Relief Plan—a transformative, fair, and growth-driven approach. This comprehensive tax plan includes four key pillars:

1. The Equitable Growth Tax Structure

I propose a bold package of reforms. The first is a revenue-neutral reform that lowers Detroit's operating property tax millage by 19.5 mills while taxing land and structures at distinct rates. Under this plan, vacant and undeveloped land will carry higher taxes, whereas structures and improvements will see significant tax reductions. Homeowners can expect to save an anticipated hundreds of dollars a year.

Why This Matters:

- Encourages Investment: Lower taxes on buildings permit property improvements and investments, fostering revitalization and economic development.
- Combats Speculation: Higher taxes on vacant, idle land discourage speculative holding, pushing owners to put land into productive use or sell to those who will.
- Supporting Side Lot Owners: Residents who stepped up during challenging times by purchasing side lots through the city's side lot program will be exempt from higher land tax rates, recognizing their contribution to neighborhood stability.



2. Detroit's Blight Accountability Tax

Blight is a persistent barrier to Detroit's progress, and under my administration, mass property owners who neglect their properties will face a targeted Blight Accountability Tax. Blight will be charged 25 times the property tax millage.

How the Blight Tax Works:

- Clear Standards: We will clearly define blight conditions, ensuring transparency for property owners.
- Incentivizing Action: Higher tax rates on blighted properties encourage immediate rehabilitation, sale, or responsible demolition.
- Community Reinvestment: Revenue from this tax will directly fund neighborhood revitalization, demolition programs, and community beautification projects.
- Return to Productive Use Reduction: Property owners taxed under the blight accountability leg of this package may apply for a reduction in taxes when the property is restored to productive use.

3. Detroit Property Tax Relief Fund

Homeowners in Detroit have faced excessive assessments and financial strain for far too long. To ease this burden, my administration will establish a Property Tax Relief Fund.

Details of the Relief Fund:

- Annual Surplus Set-Aside: Each year, I will work with City Council to allocate surplus revenue into this fund, directly reducing or eliminating the debt millage on residents' property tax bills.
- Financial Transparency: We will annually evaluate and transparently report the fund's impact, ensuring sustainability and effectiveness.
- Righting Historical Wrongs: This fund is a vital step toward addressing past property tax injustices such as the overassessment crisis, promoting equity, stability, and homeownership security.



4. Sustainable Revenue and Economic Growth

As Detroit's economy stabilizes, we must proactively pursue diverse, sustainable revenue streams to fund essential city services and future growth.

Revenue Opportunities:

- **Opt-in Tax Abatements and Incentives:** The city could generate revenue by providing developers the option to receive longer tax abatements, thereby avoiding the abatement cliff, if the developer agrees to pay a percentage of the annual taxes.
- **Expanded PILOT Programs:** Broaden Payment in Lieu of Taxes (PILOT) programs to stimulate housing and commercial investment without increasing residential tax burdens.
- **Public-Private Collaborations:** Leverage strategic partnerships to develop city assets, enhancing revenue generation and providing direct community benefits.
- **Economic Diversification:** Support emerging industries such as green energy, advanced manufacturing, and technology to sustainably grow Detroit's economy.
- **Exploring New Tax Revenues:** Identify and evaluate other potential forms of tax revenues that are equitable, sustainable, and beneficial to the long-term financial health of the city.
- **Renegotiating School Debt Millage:** Work proactively with the state to renegotiate the terms of the school debt millage to alleviate burdens on homeowners and ensure more effective use of taxpayer dollars, supporting both city finances and educational quality.



By reducing the tax burden on residents and small businesses, holding land speculators accountable, combating blight, and stimulating responsible investment, we will build stronger neighborhoods and a thriving Detroit for everyone.

Legislative Pathway and My Experience

To implement the Equitable Growth Tax, the Blight Accountability Tax, and to Effectuate the Property Tax Relief Fund, legislative approval from the Michigan Legislature will be required. As a former Michigan State Representative and a current sitting City Council member, I possess the experience, legislative know-how, and bipartisan relationships necessary to navigate these reforms successfully through Lansing. My proven record of passing legislation and working across party lines uniquely positions me to secure the support needed to deliver these transformative reforms for Detroit.

Conclusion: Real Change, Real Results

My Homeowner & Business Property Tax Relief Plan represents a comprehensive, fair, and impactful tax reform plan designed for Detroit's unique challenges and opportunities. By reducing the tax burden on residents and small businesses, holding land speculators accountable, combating blight, and stimulating responsible investment, we will build stronger neighborhoods and a thriving Detroit for everyone.



IV. IMPROVING PUBLIC SAFETY AND QUALITY OF LIFE

The vision

As mayor, I want to make Detroit a place for families again. With hundreds of families moving back into the city each year, we have to invest in the trifecta that make families want to live in a city: public safety, thriving neighborhoods, and good schools.

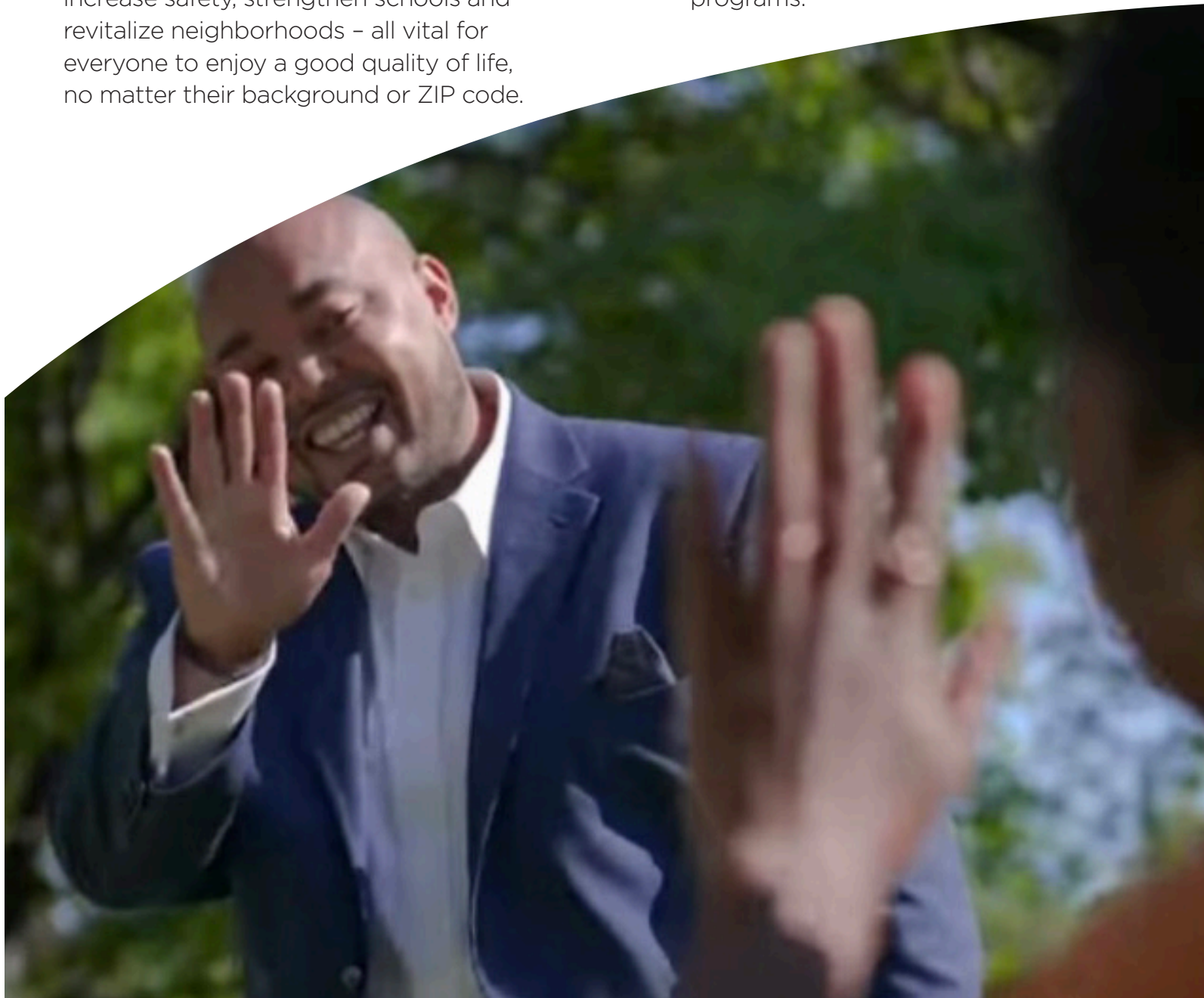
The stakes

To make Detroit a world-class city that can attract families, workers and businesses, we must step up our efforts to reduce crime, increase safety, strengthen schools and revitalize neighborhoods – all vital for everyone to enjoy a good quality of life, no matter their background or ZIP code.

The roadmap

As mayor, I will work hard to make Detroit neighborhoods safe and vibrant so we can increase our population and retain workers and their families. My efforts will focus on:

- **Strengthening public safety:**
 - I support implementing additional technological resources, increasing pay for officers during collective bargaining and continuing robust investments in Community Violence Intervention (CVI) programs.



- We will open Detroit's first Office of Violence Prevention to tackle the systemic and social determinants of health that are the root causes of and lead to violence, not just acts of violence alone.
- Increased police presence on the streets, especially in areas with higher crime rates.
- Launch a traffic safety campaign and other safety initiatives aimed at reducing speeding, building awareness of bikers traveling in bike lanes, and implementing safety improvements.
- Provide greater funding to (or search for grants for) Detroit Fire and EMS to acquire more fire trucks and EMS vehicles which will provide quicker response times and better service to residents.
- Continue using best technology practices, like Project Greenlight and Shotspotter, to curb crime and resolve cases.
- **Eradicating eyesores:**
 - As of now, there are several abandoned school buildings, some of which are owned by the city and some owned by Detroit Public School Community

District (DPSCD). I will devise a plan to either revitalize or demolish these buildings in partnership with DPSCD.

- We will demolish abandoned residential and commercial structures that can't be rehabbed. Demolishing these buildings prevents the structures from being used to further criminal activity.



V. STABILIZING AND STRENGTHENING OUR NEIGHBORHOODS

The vision

As mayor, I will bridge the gap and eliminate the narrative that some parts of Detroit have grown while our neighborhoods still have a long way to go by creating “One Detroit.” We can ensure that growth is achieved in all parts of our city, by funding and stabilizing our neighborhoods, creating pathways to homeownership and developing vibrant commercial corridors.

The stakes

Strengthening neighborhoods across Detroit means attracting new residents and new businesses, while supporting seniors who have lived in Detroit for years, families raising small children and those caring for elderly loved ones. My plan also addresses the challenge of affordable housing in our neighborhoods and ensures everyone can make a home in Detroit in safe, affordable and welcoming.

The roadmap

My plan will create new affordable housing units, spur development in local neighborhoods and sustain growth so Detroit will once again be a vibrant city for families, seniors and children.

ACCELERATING AFFORDABLE HOUSING

- Over the past five years, the Mayor and this council built over \$1 billion in affordable housing. Understanding Detroit’s pressing need to build another \$1 billion in affordable housing, I sponsored the PILOT Fast Track ordinance, which has put the building of affordable housing into autopilot. I will expand tools such as PILOT to build an estimated 1,400 new affordable units in Detroit every year and create more pathways to homeownership.

VIBRANT ‘MAIN STREETS’ IN LOCAL NEIGHBORHOODS

- As discussed above, I will utilize Corridor Improvement Authorities to fund the development of commercial corridors in every Detroit district, creating a “Main Street” with small businesses such as grocery stores, pharmacies, cleaners and other commercial enterprises.



VII. Education

The vision

As mayor, I want to give our kids a world-class education that will prepare them for the workforce of the future.

The stakes

In order to grow Detroit's future, we must invest in our talent. We cannot allow our children to get left behind. Detroit currently has some of the highest illiteracy and truancy rates in the county,, and we must act now to ensure they can succeed and thrive here in Detroit. At the same time, we must prepare Detroiters for good-paying and in-demand jobs that can provide a good living right out of high school, especially in skilled trades, with 45,000 job openings every year in Detroit and across Michigan.

The roadmap

As mayor, Fred will work tirelessly to create a greater partnership with our school systems in Detroit, by increasing collaboration, establishing better communication between City government and schools, working to provide the resources our students and their families need to fill gaps, and establishing a path for our students that lead to college or a career. At the same time, Durhal will fight to ensure that Detroit families and students have robust support from the state government and the board of education. Durhal will focus on:

Establishing the Detroit Education Commission:

- As Mayor, Fred will bring all stakeholders to the table for the Detroit Education Commission. The Commission will be comprised of the Detroit Public Schools Community District Superintendent, DPSCD Board members, charter school leaders, educational and skilled trades unions, parents, City Council, and members of our business and philanthropic community.

- The commission will focus on developing additional wraparound services for families to fill gaps caused by unemployment, housing, utility assistance, and transportation.
- We will establish an Individualized Learning Plan for each student to track learning progression and identify career path.
- We will set a goal for each student to know by 11th grade whether they will attend college, become an apprentice in the skilled trades, or become an entrepreneur.
- We will work to increase promotion, marketing, education, and access for the Detroit Promise program to encourage more students to attend college.
- We will strengthen public-private partnerships for student transportation options, including expanding certified, safe and affordable ride-sharing programs like Hop, Skip, Drive so students can get to school safely and on time.
- We will expand students' exposure and access to career-ready opportunities, such as the Grow Detroit's Young talent program.
- We will partner with the Detroit Promise so every student and family in Detroit knows about this opportunity and has the ability to apply.

Advocating for additional State of Michigan funding, resources and accountability

- Funding for supplemental reading programs to increase literacy
- Career-path curriculums, professionals who come in and specialized classes school STEM, coding, e-sports
- Clearer standards of accountability on educational outcomes
- Funding for more counselors, and support for peer support services