

"If we have to pay, then we should have a say."

March 20, 2017

The Honorable Members of the
Michigan House of Representatives
Committee on Tax Policy
P.O. Box 30014
Lansing, MI 48909

RE: "Transformational Brownfield Plan", SB 111-115, also known as "TIF on Steroids"

Dear Representatives,

On behalf of over thirty different nonprofit organizations, faith groups, and neighborhood groups, we urge you to please consider our concerns regarding SB 111-115. It is critical that our public financing options should be reserved for schools and other public facilities.

Our state has suffered for far too long from these types of tax schemes that have not created sustainable change in our communities across the state of Michigan. **Tax breaks should be reserved for projects and programs that will help local municipalities restore their infrastructure and benefit the neighborhoods that host these large-scale projects.** These types of tax breaks hurt our state leaving increased poverty levels, an education system that fails our children, and a public infrastructure in disrepair.

There is no real factual evidence that these huge tax breaks and the diversion of public tax dollars to private and/or quasi-governmental groups benefit our state. We hope you consider these critical issues before agreeing to this corporate tax break.

Sincerely,

Brightmoor Connection
Community Development Advocates of Detroit
Economic Justice Alliance of Michigan
George Gaines, resident, Detroit
Great Lakes Bioneers Detroit
People's Platform
Sugar Law Center for Economic & Social Justice
Riverview Village Block Club Association
NewCC Storehouse of Hope

Examples of CBAs in other cities

Pittsburgh Penguins Hockey Arena

- ▶ \$1 million for a Hill District grocery store.
- ▶ Creation of a First Source Employment Center that will give neighborhood residents the first chance to apply for jobs created at the arena.
- ▶ The creation of a master planning committee that has until Feb. 19, 2010, to come up with guidelines for development of the Hill District and Uptown.
- ▶ The city, county and URA agreed to work with Pittsburgh YMCA to build a community center in the neighborhood.
- ▶ The Penguins agreed to pay \$500,000 a year for six to 12 years for a Neighborhood Partnership Program focused on development and social services such as treatment for drug and alcohol addiction.

Twitter in San Francisco

- ▶ Twitter obtained a tax exemption worth about \$70 million in payroll & stock option taxes for six years.
- ▶ Required Twitter to purchase \$500,000/per year worth of goods & services from small businesses
- ▶ \$3 million each year for a neighborhood learning center
- ▶ \$3 million per year to nonprofit organizations in the neighborhood
- ▶ 4,000 volunteer hours (Friday for Good program) by Twitter employees
- ▶ \$50,000 (min.) a year donation of IT equipment to local schools
- ▶ \$60,000 per year in free advertisement for community nonprofit organizations on Twitter