



AN AGENDA FOR A NEW ECONOMY

2026 EDITION





AN AGENDA FOR A NEW ECONOMY | SECOND EDITION

TABLE OF CONTENTS

HOUSING	2
Background	2
Housing Detroiters Can't Wait	3
Demands	4
TAX POLICY	7
Background	7
Taxes for the Working Class and Not for Billionaires	7
Demands	8
CORPORATE ACCOUNTABILITY	10
Background	10
Corporate Money Has Taken Over Our Government	10
Demands	10
ENVIRONMENTAL JUSTICE AND CLIMATE RESILIENCY	11
Background	11
Michigan's Resources Must Be Protected From Greedy Corporations	11
Demands	11
ECONOMIC JUSTICE	13
Background	13
Michigan's Working Class Deserves Good Jobs	13
Solutions	14
PUBLIC SAFETY	15
Background	15
Police-designed Public Safety 'Innovations' Have Caused Further Harm	15
Demands	15
EDUCATION	17
Education Funding is Coming Up Short	17
Demands	18



BACKGROUND

Detroit's recent economic upturn has brought in both a growing workforce population and increased real estate speculation. Detroit is not unique in the state or country as housing demand is spiking in urban centers and job hubs. This increase in demand has been framed as a positive for current home-owners as it led to rising property values. However, rising property values translate to greater barriers for homeownership and higher rents for those who don't own a home. Rising housing costs in working class areas have led to long-time residents abandoning their home neighborhoods for other cities, breaking down the culture and identity of our neighborhoods.

HOUSING DETROITERS CAN'T WAIT

Housing stock is not growing to keep up with demand, especially the single family housing stock. Over 95% of the city's current single family housing was built before 1980. Through the city's blight removal projects, the city has seen a net decrease in available housing. Between 2019 and 2021, the city lost 5% of its available housing stock¹. This shortage is increasing the cost of both homeownership and renting. Rents have increased by an average of 4.5% per year since 2019 and the median home sales price rose by 32% in 2025 alone².

The city solely relies on the private market to produce housing, excluding those who cannot meet market rates or access the limited amount of affordable housing. The state and city governments have offloaded their responsibility to provide public housing solutions since the late 20th century, selling off its public housing assets and divesting from public housing. Instead, our local and state governments have increasingly relied on market-centered policies to increase the housing stock³. The city's current housing construction plans involve a neoliberal market approach that solely relies on supply-side

1
<https://detroitmi.gov/sites/detroitmi.localhost/files/2025-04/Detroit%20Housing%20Data%20Report%20%28April%202024%29.pdf>

2
<https://www.thepernameam.com/blog/detroit-median-home-price-tops-100000-for-first-time-after-326-june-surge/>
#:~:text=Independence%20Township-,Detroit%20Median%20Home%20Price%20Tops%20\$100%2C000%20for%20First%20Time%20After,view%20of%20the%20road%20ahead.

3
<https://detroitmi.gov/sites/detroitmi.localhost/files/2025-08/Detroit%20Market%20Housing%20Strategy%20%28Digital%29.pdf>



HOUSING DETROITERS CAN'T WAIT CONT.

market facilitation through tax breaks and land deals. This leaves the Detroit housing landscape at the whim of private financiers and real estate developers. Those entities have historically under-invested or outright refused to engage in producing housing for Black and Brown Detroiters. Of those that will choose to invest, they will only produce housing as long as those projects are profitable; either being sold or rented at market rates or rented at rates deemed affordable for those making the 80% AMI when tax credits are granted. Either of these arrangements leave housing out of reach for many Detroiters that may not even be able to take on the cost of the 'subsidized' units.

The portion of the housing stock that is affordable has fallen even more drastically, failing to offer options for working-class families to remain in their hometowns and neighborhoods. As of 2024, there is a renter-unit affordable housing gap of nearly 69,500 units for renters that make less than \$50K. Furthermore, there is also a limited number of accessible units that provide a safe and dignified living for those with disabilities⁴. Without greater investment in these accommodations, we stand to either further lose these residents or perpetuate a low quality of housing for families with these needs.

The housing shortage has given the market advantage to landlords to charge higher rents for lower quality units with minimal upkeep or accountability to their tenants. Eviction protection and tenant advocacy programs like Right to Counsel are underinvested in, further increasing the power difference between landlords and tenants.

Michigan and its cities are also behind other states in providing protections against unjust evictions, especially at the end of leases, or applicant rejections. Currently, there are not statewide Right to Renew laws and major cities like Detroit have yet to establish their own versions. Also, it is still legal to reject applicants and make housing accessible to returning citizens via targeted application questions or background checks.

4

Detroit Disability Power. "Detroit Disability Power Policy Agenda" 2025 <https://www.detroitdisabilitypower.org/policyagenda>.



DEMANDS

Continue funding for home repair programs. Detroit homeowners are the stewards of our housing stock. If homes are allowed to fall into disrepair, this becomes a debt to be paid by future generations looking for a dignified home. This is why public spending on home repairs should be considered an investment in our housing stock. As homes receive the maintenance they need, this makes more likely a greater availability of homes in the market as less homes fall into disrepair and remain livable.

Repeal preemption on rent regulation. The recent runaway increases in rents across the city and state have been allowed due to the state's preemption laws on rent regulation. The 1988 'rent control law'⁵ forbids any county, township or city from enforcing an ordinance that controls how much rent landowners can charge. This prohibition has persisted even as successful development-friendly laws have been implemented across the country, flying in the face of the simplistic supply-demand model that neoliberal policymakers cannot evolve past. Without strong regulation on rent gouging, Michigan cities cannot make good faith innovations in renter protections.

Fully fund local Right to Counsel. Thousands of Detroiters put years of effort and resources into passing the state's first Right to Counsel program. However, since its creation, funding sources and amounts have not been consistent or in line with demand. Without this consistent funding, the program is in jeopardy of fulfilling its purpose in protecting Detroit's hundreds of thousands of renters from unjust evictions.

Implement a Statewide Right to Counsel. Detroit is not alone in rising demand for tenant legal counsel. As evictions have risen since 2020, giving renters a level playing field in defending against losing their homes is crucial to providing stability to working families across the state.

5

Detroit Disability Power. "Detroit Disability Power Policy Agenda" 2025 <https://www.detroitdisabilitypower.org/policyagenda>.



DEMANDS CONT.

Pass Just Cause eviction laws at the state and local level. Currently, landlords may begin eviction proceedings for any reason at the end of a lease term, even if all rents were paid on time and the tenant did not violate any laws. This puts tenants at a disadvantage where they may be displaced unforeseeably and/or need to take on costs to defend themselves. Currently, there are not any local or state guidelines on permissible or impermissible eviction reasons. This makes housing instability even more likely in Detroit, exposing them to the heavy impacts of displacement.

Pass Fair Chance housing laws at the local and state level. Thousands of formerly incarcerated Michigan residents return to their homes every year seeking to continue their lives and re-enter society. Unfortunately, it remains legal for landlords to discriminate in the rent application process on the basis of past convictions. This detail about a person does not bear any necessarily true implication on their quality as a tenant or their ability to pay. The result is that thousands of Michiganians have their already limited housing prospects further constrained after they have already paid their debt to society.



BACKGROUND

Detroit's recent economic upturn has brought in both a growing workforce population and increased real estate speculation. Detroit is not unique in the state or country as housing demand is spiking in urban centers and job hubs. This increase in demand has been framed as a positive for current home-owners as it led to rising property values. However, rising property values translate to greater barriers for homeownership and higher rents for those who don't own a home. Rising housing costs in working class areas have led to long-time residents abandoning their home neighborhoods for other cities, breaking down the culture and identity of our neighborhoods.

TAXES FOR THE WORKING CLASS AND NOT FOR BILLIONAIRES

State preemption laws on graduated income taxes, property taxes, and sales or excise taxes also make it impossible to equitably distribute the tax burden among all those that benefit from public spending. Flat income taxes place a higher economic burden on lower income residents. While the rate, as a percentage of income, is the same for all wage levels, other non-income taxes in Michigan add up and take up a higher percentage of one's income. As a result, the total taxes paid are a lower percentage of a higher earners' income, and higher for lower earners. At the federal level, graduated income taxes solve for this issue by taxing lower earners at a lower rate. However, the city is forced by a state preemption law on graduated income taxes from moving to a progressive system.

Our regressive property tax scheme does not disincentivize speculation, which hampers greater development across the city. Development in the city is expensive and difficult enough, according to developers of all sizes in the city. One barrier to expansion of development into the city's neighborhoods is speculation by outside investors that hold on to land indefinitely, seeking a high price that may never come. Our flat millage property tax scheme allows this phenomenon to remain common as these empty parcels are ultimately billed with low tax costs.



TAXES FOR THE WORKING CLASS AND NOT FOR BILLIONAIRES CONT.

These restrictions typically lead to residents carrying a high tax burden.

Suburban residents working in Detroit pay only 1.2% of their income in city taxes. Not a cent more. However, Detroit residents who work in the city pay twice the income tax rate of their out-of-town counterparts. They also pay property and utility taxes directly or indirectly through their residence in the city. Visitors to our tax-supported Downtown amenities do not directly contribute to tax revenues themselves as we do not apply a sales or amusement tax to any of those amenities.

Tax capture zones like the Downtown Development Authority bear no responsibility for the city's resources in its spending decisions, leading to millions in wealth transfers from residents to billionaires. The Downtown Development Authority captures all tax revenue in Downtown in excess of the amount captured in 1978. Today, the amount captured from Detroit city tax revenue alone is now over \$20M per year. This gives the DDA greater room to take on more debt and tax break obligations that the city will have to manage. Tax captures also lead to less frequent and smaller tax reductions, meaning residents pay higher taxes for longer. Tax capture practices by the state and city have been used to solve for the repressive effect of high property taxes on development, at the cost of shifting more of the tax generating burden onto other residents and property owners.

DEMANDS

Amend the Land Value Tax proposal to one with deeper cuts to homeowners and responsible property owners. Mayor Duggan's Land Value Tax proposal was stated to be a possible silver bullet for land speculation as it would place a higher tax on empty parcels with a high market value. However, it fell short in potential benefits to Detroit property owners and the mayor's lackluster political capital in Lansing. To correct for these shortcomings, the proposal can be strengthened by providing deeper cuts to the millages applied to homes and other buildings. This measure will improve public support by providing more tax savings to current residents, while remaining revenue neutral, and further penalizing speculation.



DEMANDS CONT.

Repeal state preemption on local graduated income tax. The repeal of the preemption law on graduated income taxes would allow the city to grant more relief to working-class families by shifting more of the burden to those with more means.

Distribute the tax burden to out-of-town workers and visitors through changes to income, sales, and amusement taxes to lower the burden placed on city residents. The hyper-concentration of city resources in downtown areas of Michigan cities has been done with the goal of spurring greater economic activity in the city by people from across the region. Keeping the cities running and attractive to more economic activity requires a large cost that it is not carried by all who benefit. By applying new taxes that visitors and workers can absorb we can afford further property tax cuts and open new routes for greater tax revenue generation for our cities. Proposals such as the stadium tax⁶ and sales or excise taxes⁷ would allow for a more equitable distribution of tax burdens, funding tax cuts and reducing the cost of living for millions of families in Michigan.

Dissolve the Detroit DDA and stop the use of area-based TIF authorities capturing local city, county, and school tax revenue . The DDA is able to capture tax revenue, issue debt, and provide tax breaks with impunity since its board and administration are insulated from the rest of the city. Downtown development can be supported financially without this authority. Its dissolution would make decisions on supposed economic development projects solely the purview of the entire city government, providing democratic control to the use of these tax funds.

⁶ <https://crcmich.org/publications/evaluating-local-option-admission-taxes-in-michigan-cities>

⁷ <https://detroitmi.gov/sites/detroitmi.localhost/files/2025-08/Detroit%20Market%20Housing%20Strategy%20%28Digital%29.pdf>



BACKGROUND

State decisionmakers have not done enough to protect Michiganders from the excessive rates and poor service of utility companies. The ability of utility companies to make financial contributions to legislators creates a clear conflict of interest, where the voices meant to regulate these companies are disincentivized from holding bad actors accountable.

CORPORATE MONEY HAS TAKEN OVER OUR GOVERNMENT

The state of Michigan continues to allow regulated utility companies to financially contribute to legislators, allowing for regulatory capture. In Michigan, regulated utility companies are allowed to make financial contributions to the very legislators responsible for overseeing them, creating a clear conflict of interest. This opens the door to regulatory capture, where policies and decisions favor corporate profits over public accountability and consumer protection. As a result, residents face high utility rates and poor service with little recourse, while the companies remain shielded from meaningful oversight.

DEMANDS

Prohibit regulated utility companies from making political donations to legislators who oversee their operations. This ban would ensure that energy and utility policy is shaped by the needs of the public and not the interests of powerful corporations. It's a necessary step that would allow for fairer rates, better service, and real accountability for utility monopolies.



AN AGENDA FOR A NEW ECONOMY | SECOND EDITION

ENVIRONMENTAL JUSTICE AND CLIMATE RESILIENCY

11

BACKGROUND

The rapid expansion of data centers has raised concerns about environmental impact, energy consumption, and the fairness of public subsidies. Communities, particularly those already burdened by industrial pollution, are questioning whether the benefits of data center investment are being equitably distributed or whether they are instead reinforcing patterns of environmental and economic inequality.

MICHIGAN'S RESOURCES MUST BE PROTECTED FROM GREEDY CORPORATIONS

Public Act 208 of 2024 provides significant tax breaks to data center developers, shifting the financial burden onto residents. All the while the supported projects offer limited guarantees of local economic benefit. These facilities consume large amounts of electricity and water, often increasing strain on local infrastructure and contributing to higher emissions when powered by fossil fuel-powered energy sources.

Cities lose out on millions of dollars in tax breaks to corporate polluters while those corporations go unregulated. Currently, corporations can receive tax exemptions related to pollution control equipment without meaningful input from the communities most affected by their operations. Amending this law to require local approval would give residents a stronger voice in decisions that impact their air quality and health. Additionally, implementing clawback provisions for air quality violations would ensure that companies are held financially accountable when they fail to meet environmental standards, aligning economic incentives with public health and environmental protection.

DEMANDS

Repeal PA 208 of 2024 to remove tax breaks for data centers. Removing these tax breaks is a necessary step in ensuring millions in public tax dollars are not used for projects that provide limited local economic return while placing heavy demands on energy and water systems.



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ENVIRONMENTAL JUSTICE AND CLIMATE RESILIENCY

12

DEMANDS CONT.

Amend the Air Pollution Control Exemption Act (PA 451 of 1994) to require polluting corporations to seek local approval for tax breaks and provide claw-backs for air quality violations. Requiring local approval for tax exemptions ensures that residents most affected by significant industrial emissions have a meaningful say in whether polluting facilities receive public support, which can lead to stricter conditions or outright denial of incentives for high-emitting projects. Also, adding clawback provisions for air quality violations creates a clear financial penalty for noncompliance, pushing corporations to maintain cleaner operations over time.



BACKGROUND

Michigan and Detroit's economies have grown, but most working-class residents have not seen the benefits of increased wealth. This disconnect is especially pronounced for Black workers, who continue to face stagnant wages and declining purchasing power despite economic expansion. Many of the new jobs created in predominantly Black and Brown communities offer low pay and poor working conditions, failing to provide economic security or dignity. At the same time, these developments are often subsidized by public dollars funded by the same workers, effectively extracting value from these communities twice.

MICHIGAN'S WORKING CLASS DESERVES GOOD JOBS

Since the 1980's the state has preemptively prohibited cities from enacting their own worker standards ordinances or practices that would guarantee better benefits for workers in the private labor market. For example, The 2015 Death Star bill established a prohibition on many commonly used municipal legal practices for establishing better conditions.⁸ These include but are not limited to prevailing wage laws, minimum wage laws, paid time off requirements, fair scheduling requirements, prohibiting job applications from asking for information like previous convictions, and strong worker standards boards.

Taxpayers do not see the benefits of public investment in developments near them as the jobs offered do not offer better opportunities than what's available locally. Detroit residents organized to establish a first-of-its kind Arena Industry Standards Board in the city. While participation and political activity is strong, it lacks the ability to compel employers to enact better working conditions or agreements due to the prohibition in the Death Star bill. Other state preemption laws, like PA 98 of 2011 also prohibit Project Labor Agreements that would allow for union power to set higher working standards in tax-funded developments.⁹

⁸
<https://www.legislature.mi.gov/documents/mcl/pdf/mcl-Act-105-of-2015.pdf>

⁹
<https://www.legislature.mi.gov/documents/mcl/pdf/mcl-Act-98-of-2011.pdf>



SOLUTIONS

Repeal PA 105 of 2015, AKA the Death Star bill. The outdated one-size-fits-all approach workforce policy preemption limits the ability of cities to support workers effectively. Repealing it would empower local governments to adopt policies that raise wages, improve working conditions, and provide more stability for families, particularly in cities where economic pressures are greatest.

Pass paid family laws like HB4574 that require employers to pay at least 65% of an employee's wages during family events. Many workers in Michigan are forced to choose between earning a paycheck and caring for a new child, recovering from illness, or supporting a loved one. Requiring employers to provide at least 65 percent wage replacement during these periods would allow families to maintain financial stability without sacrificing care responsibilities. For working families living paycheck to paycheck, this policy reduces the risk of job loss, debt, and long-term financial hardship, while also improving health outcomes and workforce retention.

Repeal PA 98 of 2011 to allow for Project Labor Agreements in tax-funded projects. PLAs help ensure fair wages, safe working conditions, and access to benefits like health care and training programs, while also promoting local hiring. By banning PLAs, current law limits the state's ability to set consistent labor standards on taxpayer-funded projects. Repealing this restriction would support skilled trades workers, create more stable and well-paying jobs, and ensure that public investments deliver broader economic benefits to working families and local communities.

BACKGROUND

State and local governments have relied heavily on expanding policing as their primary public safety strategy, a costly approach that diverts resources from essential social services. This overreliance has driven the growth of surveillance, mass data collection, and increasingly militarized practices, raising serious civil liberties concerns. At the same time, increased federal immigration enforcement has disproportionately targeted Black and Brown communities, compounding harm and undermining trust in public institutions.

POLICE-DESIGNED PUBLIC SAFETY 'INNOVATIONS' HAVE CAUSED FURTHER HARM

Cities across Michigan have expanded the use of audio and visual surveillance across the city, facilitating the tracking of immigrants by ICE and other federal agencies. Since the inception of Project Greenlight in Detroit, police departments across the state have deployed a network of cameras, microphones, and license plate readers that have centrally collected data on the movement and actions of innocent Michigan residents. This data has been freely available to federal agencies and private third parties to use to track persons of interest.

Non-violent mental health crises are continuously put in the hands of under-trained police officers, leading to injuries and deaths. Various cities in Michigan have attempted to address the demands of non-violent crisis intervention with the creation of mental health response units within their police department. While this has been lauded as a move away from police violence, the police responder model has proven to be problematic in its various implementations across the country. For example, rates of arrest and violence are just as high when 'mental health trained' police respond, compared to those without training.¹⁰

10
Bowers, L., S. Allan, M. Simpson, and J. Jones. "Re-examining Mental Health Crisis Intervention: A Rapid Review of the Evidence." *Health & Social Care in the Community* 30, no. 5 (2022): 1665–1679.

DEMANDS

Prohibit and reject any surveillance system that would grant federal agency access to all surveillance data. To protect the civil liberties of Michigan residents, the city must ban the sharing of surveillance data with ICE, CBP, and private entities. Project Greenlight, ShotSpotter, automated license plate readers, and other surveillance tools collect massive amounts of data on innocent people, creating a digital dragnet that undermines public trust and safety. A clear prohibition, backed by enforcement and oversight, would ensure Detroit's surveillance infrastructure is not weaponized against vulnerable residents.

Stop the use of AI-integrated surveillance. The current AI-integrated surveillance within DPD, including facial recognition, gunshot detection microphones, and automated license plate readers are error-prone and disproportionately impact Black and Brown Detroiters when they err and create unnecessary police contact. Ending the use of AI in surveillance would help prevent mass data collection, protect privacy, and reduce the risk of false identification and unjust policing.

EDUCATION FUNDING IS COMING UP SHORT

Michigan's K-12 school funding is insufficient and has not kept pace with inflation. The foundation allowance, the state's primary per-pupil funding stream, has fallen behind rising costs for staffing, transportation, and materials, forcing districts to cut or scale back essential services. These shortfalls hit lower-income districts hardest, as they rely more heavily on state funding and have fewer local resources to fill gaps. Without a significant increase to base funding, disparities between districts will continue to grow and student outcomes will suffer.

Michigan underfunds key student populations like English Learners and students with disabilities. As enrollment of English Learners increases, funding has not kept pace with the additional supports required for language access and academic success. At the same time, inadequate special education funding forces districts to redirect general education dollars to meet federal requirements, weakening overall programming. This persistent underinvestment leaves the students with the greatest needs without sufficient support and contributes to lower graduation rates and long-term inequities.

Michigan's approach to school infrastructure and student transportation creates significant inequities. The state provides no dedicated funding for school facilities, relying instead on local property taxes, which leads to stark disparities in building quality between wealthy and low-income districts. In addition, insufficient transportation funding for students in foster care or experiencing homelessness makes it harder for them to remain in stable school placements or access after-school programs. These gaps in infrastructure and support services undermine educational stability and limit opportunities for the most vulnerable students.

Limited third spaces in urban universities box in social participation and inhibit development. As costs of living rise, many students cannot regularly spend money in cafes, restaurants, or entertainment venues, leaving them with few options for social connection, studying, or civic engagement. This is especially true on urban campuses, where space is limited and commercial development has often prioritized high-cost private businesses over student-centered environments.



DEMANDS

Increase the foundation allowance to at least \$12,932 per pupil. Base funding has not kept up with inflation, leaving districts further and further behind, as expenses soar.

Double funding to \$125 million for English Learners in next year's budget.

Appropriate \$100 million for a school facility categorical grants. Michigan is one of only 14 states that does not provide state funding for PK-12 school infrastructure. School districts depend entirely on local property taxes to fund construction and infrastructure improvements.¹¹ This approach to school facilities finance has created a two-fold education crisis for Michigan's children. First, overall levels of funding are too low to provide adequate public school facilities for every student across the state. Second, the differences in property wealth across Michigan mean that some communities are better able to raise funds for school facility improvements than others, resulting in vast inequities in facilities conditions and student learning environments.

Appropriate \$10 million to fund school transportation for students experiencing foster care or homelessness to be able to remain in their school of origin and to be able to access after-school opportunities. School districts are required by federal law to provide transportation for students experiencing homelessness and foster care, but there is inadequate funding to support this cost. Transportation stabilizes school placement and research shows that even one school placement change can cause students to fall behind months academically. Raising the graduation rate of one year's cohort of youth aging out of foster care to the national average would result in increased earnings and tax revenues totaling over \$2 billion and an estimated impact in excess of \$61,000,000 in one year alone

11

Jeffery M. Vincent, "State Funding for K-12 School Facilities: A Survey of the States," Center for Cities and Schools, University of California, Berkeley, (June 2014), http://citiesandschools.berkeley.edu/reports/Vincent_2014_State_K12%20fac_funding_final.pdf.



DEMANDS CONT.

Invest at least \$200 million in additional state special education funding.

Michigan continues to underfund and inequitably distribute special education resources, forcing local districts to divert general education funds to meet their legal obligations under IDEA. Students with disabilities pay the price for this inequity: Michigan ranks among the lowest states nationally in both special education funding and graduation rates for students with disabilities.

Invest in and require and require public universities to expand accessible third spaces on urban campuses. This policy should prioritize funding for student centers, cultural hubs, libraries, and multipurpose communal spaces, particularly on campuses where space constraints and high costs limit student access to gathering areas. By supporting the development of third spaces, the state would improve student well-being, reduce isolation, and strengthen academic outcomes, while also fostering inclusive campus environments that reflect the needs of diverse urban student populations.



NOTES





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