

TO: Members of the Policy Agenda Committee

CC: Milton Dohoney, City Administrator; Atleen Kaur, City Attorney; Andrea Cascarilla, Dykema

Gossett, PLLC

FROM: John Fournier, Deputy City Administrator

DATE: 8/17/22

On March 21, 2022 the Ann Arbor City Council approved a contract with Dykema Gossett, PLLC for state and federal lobbying services. Work between the City and the Dykema team commenced shortly thereafter and has focused on three main areas:

1) Pursuing federal and state community project funding requests;

- 2) Developing the City's policy agenda document;
- 3) Monitoring and intervening on high priority state and federal policy changes.

This memo will summarize the activity and focus of City staff and the Dykema team to support these efforts.

## **Pursuing Federal and State Community Project Funding**

Immediately after the lobbying contract was signed, the City and Dykema started working on community project funding requests for Congress. We proposed the following projects to all three of our federal representatives:

Project	Requested Amount	Description
Carbon Neutral City	\$2.5 million	Project to solarize city
		facilities, including the water and wastewater treatment
		plans.
Miller-Catherine Signature	\$4 million	A protected bike facility along
Bikeway		three miles of Miller and
		Catherine through the west
		and central parts of Ann
		Arbor.
Airport Taxi Runway Rehab	\$2 million	Replacement of the existing
		concrete and lighting at the
		Ann Arbor Municipal Airport's
		taxi runway.
Transparency in Police Public	\$700,000	Data portal to modernize the
Data Portal		PD's report management
		system and allow a publicly
		searchable portal for police
		records.
Barton-Bandemer Railroad	\$3.84 million	Completing the non-motorized
Underpass		underpass of the Michigan
		Ling Railroad that is a key gap
		in the Border-to-Border trail.

Representative Dingell was able to get the Carbon Neutral City project included in the House passed version of the FY23 Transportation, Housing and Urban Development (T-HUD) Appropriations bill. However, on the Senate side we were not able to get any Ann Arbor projects included in the bills the Appropriations Committee released (notably, they have not yet voted on them). Senator Jeff Irwin has put in an appropriations request for the full \$3.84 million needed for the Barton-



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Bandemer Railroad Underpass project in the state budget. We are directing our energies right now on ensuring that the Carbon Neutral City project survives the reconciliation process in Congress and that the Barton-Bandemer project is supported through the appropriations process in Lansing.

## **Developing the City Policy Agenda Document**

Between the approval of the Dykema contract in April and the middle of July, staff and Dykema worked to draft the City's policy agenda, reformatting the original document to a more focused and strategic list of priorities. The final document was approved by the Council Policy Agenda Committee in June and was finally approved by the Council at the July 5<sup>th</sup> Council Meeting.

The agenda document prioritizes the following issues into high and medium priority. I have provided annotation on items where we are making progress or where there are opportunities for progress before the end of the legislative session.

# **High Priority**

• Advocate for and support changes in state law that would allow for the elimination of racially restrictive property covenants.

HB 4416 has passed the Michigan House and is in committee in the Senate. We believe this bill may be adopted during the lame duck session, however the lame duck will be short and consumed by further appropriations work. If it does not pass in the lame duck, it will be reintroduced in the new session and we will work to support its passage once again.

• Advocate for and support any effort to restore state revenue sharing to a level commensurate with the needs of municipalities across the state.

The FY 2023 budget passed on July 1 included a 5% ongoing and 1% one-time increase for statutory revenue sharing payments to cities, villages and townships. It also included \$750 million for municipal pension principal payment grants, however Ann Arbor is not eligible for this program because of our high funding level in the pension fund. We will continue to work with partners in Lansing, including MML, to advocate for increased revenue sharing.

Advocate for and support the passage of HB 4014, a change in state law that would give
municipalities increased flexibility to set speed limits below the 85th percentile of speed in
corridors and would also allow speed limits to be set below 25 MPH.

This bill has passed the House and has been assigned to the Transportation and Infrastructure Committee in the Senate, where it has sat since March. We were successful in getting the chair to commit to moving the bill out of committee this year and are hoping to see action during the lame duck session

• Advocate for and support the ability of cities to incorporate inclusionary zoning practices and affordability incentives into land development codes.

This is an issue that we will have to readdress with the legislature in the new session. Senators Chang and Irwin led the introduction of a package of bills to support housing justice reform, but they have not moved because of opposition from Senate leadership.



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#### **Medium Priority**

• Support improved voter enfranchisement through the modification or elimination of term limits for state legislators.

There will be a statewide ballot measure on the ballot in the fall that will alter the current legislative term limits so they will be capped to 12 years total between either legislative body.

• Support federal and state funding for affordable housing and oppose reductions for established and effective programs.

In the FY 2022 supplemental the legislature appropriated \$50 million to the Housing and Community Development Fund (affordable housing) and \$50 million for the Missing Middle Gap Program (housing for those between 185%-300% federal poverty guidelines). The legislature is also considering further housing investments that could be part of a FY 2023 supplemental before the end of the year. We will continue to advocate for these programs. Notably, the Housing Commission reports that it is at capacity with affordable housing projects at the moment, with grant money and funds from the affordable housing millage supporting these initiatives.

The House FY23 T-HUD Appropriations bill provides an 8 percent increase to the HOME program, 11 percent increase for NeighborWorks programs, and a 29 percent increase for Choice Neighborhoods.

• Support efforts to require MDOT to further define and consistently adhere to the Complete Streets and Vision Zero policies.

This is an effort we will confront in the new legislative session.

The U.S. Department of Transportation is accepting applications until September 15, 2022 for the Safe Streets and Roads for All (SS4A) discretionary program, which was funded by the Bipartisan Infrastructure Law at \$5 billion over 5 years. \$1 billion is available in 2022, the first year of the program. We are evaluating options to apply for project funding under it.

 Support the maximum funding level under the Michigan Fire Protection Grant Program and support the creation of a similar Public Safety Protection Grant Program to provide funding for the costs associated with police and emergency medical services on state owned property and explore opportunities for similar programs at the federal level.

This is an effort we will confront in the new legislative session.

• Pursue opportunities to secure funding to protect, develop, and upgrade water, wastewater, drainage, and natural area resources and systems.

The legislature appropriated \$1.8 billion in the FY 2022 supplemental for water infrastructure through the state's SRF program. Additionally, this summer the legislature passed HBs 5890-5892 making important changes to the SRF program, including adding eligibility for storm water management projects. Water infrastructure projects are eligible under certain accounts as Community Funding Projects in the federal appropriations process. We will continue to advocate for it as one-time funding and programs are exhausted.

## Monitoring and Intervening on High Priority State and Federal Policy Changes

Heading into the lame duck session there are several issues that are on our radar and that we will be pursuing:



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• Pushing for the passage of HB 4014 and HB 4416, as discussed above.

- Working to ensure that funding for the Barton-Bandemer Underpass is included in a state FY 2023 supplemental.
- Working to ensure that funding for the Carbon Neutral City project survives the reconciliation process in Congress.
- Monitoring the re-emergence of the short-term rentals preemption in the Michigan legislature. We are hearing that this bill will return and is likely to pass, however we will work to prevent that from happening.
- Working to amend HB 6062, which requires changes to public notices for OMA covered meetings. We have met with the committee chair and the Speaker's Office, and have asked for changes to the bill so that public notices can be made digitally and all archives can be kept digitally.
- Working to amend the state's energy and residential housing codes to require electrification in new housing development rather than natural gas connections.
- We are working to explore funding or other actions to support the landfill solar project, as costs for solar panels and related equipment have skyrocketed. The passage of the Inflation Reduction Act is anticipated to help, as are other factors related to the enforcement of tariffs.