



City of Ann Arbor

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Ann Arbor, MI 48104
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Legislation Text

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Resolution to Order Election and to Determine Ballot Question for Charter Amendment for the 2022 Street, Bridge, and Sidewalk Millage (**7 Votes Required**)

For approximately 40 years the Street Resurfacing/Reconstruction Millage, augmented with matching funds from Federal and State grants, has been the principal funding source for repair, resurfacing, and reconstruction of the City's streets and bridges; and recently the repairs of sidewalks.

In 1988, 1991, 1996, 2001, and 2006 the voters in Ann Arbor approved the collection of two mills annually for the resurfacing and reconstruction of streets. These millages, replaced a prior major street millage (1.5 mills for five years beginning in 1984), and prior bond issues (\$3M in 1982 and 1986) and general funds for local streets.

In 2011 and 2016 the voters in Ann Arbor approved the collection of up to 2.125 mills annually for the resurfacing and reconstruction of streets and bridges, and for the repair of sidewalks by the City. The passage of this millage, combined with the associated modifications to City Code, removed the responsibility of performing sidewalk repairs in the public right-of-way from the adjacent property owners and placed it upon the City. The last of the most recent millage will be collected in July 2021.

Following the previous five-year cycle, the millage would have been scheduled to appear on the ballot in 2021. However, with the change in the election cycle, there will not necessarily be a ballot in 2021 on which to add the approval of this millage; and conducting a special election would come at a considerable cost (roughly \$100,000.00). Therefore, it is being proposed to put this item on the November 2020 ballot, and if approved, the new millage would take effect when the current millage expires in 2022.

Therefore, if approved by Council, on November 3, 2020 voters will be asked to approve a 2.125-mill Street, Bridge, and Sidewalk Millage for the next five years following the expiration of the current millage (2022-2026). This single millage would replace the 2017-2021 Street, Bridge, and Sidewalk Millage. If approved, this amounts to \$295 annually for a property with an average taxable value of \$139,000.00. As was done with the 2017-2021 Millage, the 2022-2026 Street, Bridge, and Sidewalk Millage will be used for three primary purposes: 1) Street and bridge repair, resurfacing, and reconstruction projects; 2) the City's match for federal aid funds for major street and bridge projects; and 3) repair of sidewalks.

The first purpose includes the Annual Street Resurfacing Program, which addresses the resurfacing of residential and major streets as a single large project that is bid every spring. It also includes street projects that are bid individually, often along with associated utility work, and bridge replacement and capital maintenance. In the past four years, these projects have included portions of such major streets as: Arlington, Barton, Catherine, Dhu Varren, Division, Fifth Ave, Geddes, Hoover, Jackson, Liberty, Platt, South University, State, and Stone School; as well as many more local residential streets. During the 2017-2020 construction seasons an average of 33-34 miles of local and major streets have and will have been maintained, resurfaced, or reconstructed annually; with the Street,

Bridge, and Sidewalk Millage being the primary source of funding for these projects. The Street Reconstruction Millage has generated approximately \$45M from fiscal year 2017-2020 to fund these types of projects.

The second area includes utilizing the Millage as a local match to leverage federal aid funds for such street and bridge projects as Pauline, Plymouth, Scio Church, Seventh, State, Stadium, the Nixon/Green/Dhu Varren roundabout, and multiple smaller safety and non-motorized improvement projects. In the years 2016-2020, the City has used the Millage to leverage approximately \$5.5M of federal aid funds. Information regarding street work performed under the previous millage will be available soon on the Millage webpage: www.a2gov.org/StreetMillage.

The third area includes the repair of sidewalks throughout the City. During the 2017-2019 construction seasons, the equivalent of approximately 9½ miles of sidewalk have been replaced and an additional 14,500 sidewalk slabs have been repaired. Additional work is still pending for the 2020 and 2021 construction seasons.

City Staff is currently updating its Pavement Asset Management Plan. The idea behind this plan is to optimize strategic spending of road funding by increasing investment at the midpoint of their life cycle, rather than only at the end. Employing this strategy allows the Millage resources to be put to optimal use and maximize the miles of road treated annually; thereby increasing the overall conditions of the streets in the City.

A desire has been expressed to reevaluate how the funding of sidewalk gaps is conducted. The current millage can only be used only to cover the portion of new sidewalk work that would not otherwise be funded by special assessment. To that end, a separate millage is being proposed for the purposes of funding the construction of new sidewalks. This will be presented as a separate ballot item, and a separate Resolution has been submitted to Council for the approval of that ballot language.

Should voters approve the 2022 Street, Bridge, and Sidewalk Millage in November 2020, the first year of funds collected in July 2022 will be applied to projects to be constructed in the 2023 construction season.

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Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Street Reconstruction Millage has been the principal funding source for the resurfacing and reconstruction of the City's streets and bridges; and

Whereas, In August 2016 the voters approved a 2.125-mill Street, Bridge, and Sidewalk Millage for the repair and replacement of streets, bridges, and sidewalks throughout the City.

RESOLVED, That the Ann Arbor City Council proposes that the City Charter be amended by modifying Section 8:20 to read as follows:

Funds for Streets, Bridges, and Sidewalks

SECTION 8.20. In addition to any other amount which the City is authorized to raise by general tax upon the real and personal property by this Charter or any other provision of law, the City shall, in 20172022 through 20212026, annually levy a tax of up to 2.125 mills on all taxable real and personal property situated within the City for the purpose of providing funds for the repair of streets and bridges, and for repair and construction of sidewalks.

RESOLVED, That November 3, 2020 is designated as the day for holding an election on the proposed Charter amendment;

RESOLVED, That the Clerk shall transmit a copy of the proposed amendment to the Attorney General and the Governor of Michigan and shall perform all other acts required by law for holding the election;

RESOLVED, That the proposed Charter amendment shall appear on the ballot in the following form:

PROPOSAL 1
ANN ARBOR CITY CHARTER AMENDMENT
TAX FOR STREET, BRIDGE, AND SIDEWALK REPAIR
AND REPLACEMENT

Shall the Charter be amended to authorize a new tax up to 2.125 mills for street and bridge repair and for sidewalk repair and construction for 2022 through 2026 to replace the previously authorized tax up to 2.125 mills for street and bridge repair and for sidewalk repair and construction for 2017 through 2021, which will raise in the first year of levy the estimated revenue of \$13,816,870? In accordance with State law, a portion of the millage may be subject to capture by the Ann Arbor Downtown Development Authority and the Washtenaw County Brownfield Redevelopment Authority.

Yes No

RESOLVED, That the proposed Charter amendment and proposed ballot question shall be published in full not fewer than two times in the Washtenaw County Legal News; and

RESOLVED, That if the amendment is adopted, it shall take effect on January 1, 2022.