



Legislation Text

File #: 21-2159, Version: 2

Resolution to Order Election and to Determine Ballot Question for Charter Amendment for a Community Climate Action Millage **(7 Votes Required)**

For our 40 years, the City of Ann Arbor has been working on initiatives related to energy efficiency, renewable energy, waste reduction, and climate action. These activities have led to a roughly 20% reduction in greenhouse gas emissions since 2000 and the establishment of the City as a leader on sustainability issues in the Midwest and across the nation. Notable activities over the last forty years include:

- 1981 - Energy Advisory Board formed
- 1981 - Ann Arbor Energy Plan adopted
- 1982 - Ann Arbor designated a Tree City USA
- 1985 - Energy Commission is formed
- 1994 - Ann Arbor Energy Plan adopted
- 1997 - Ann Arbor joins ICLEI's Cities for Climate Protection campaign
- 1998 - Ann Arbor recognized as having one of the top 20 waste reduction programs in the country
- 1998 - Municipal Energy Fund is established
- 1999 - Ann Arbor receives a Clean Cities designation
- 2001 - Ann Arbor Environmental Commission formed
- 2003 - Greenbelt Millage adopted
- 2004 - Green Fleets program initiated
- 2005 - City launches Green Energy Challenge
- 2005 - City signs the U.S. Conference of Mayors Climate Protection Agreement
- 2005 - City Council passes Energy Challenge goals
- 2007 - Ann Arbor selected as a Solar America City
- 2010 - Ann Arbor recognized with top 20 Green Power Generation Award
- 2010 - Ann Arbor wins Energy Global Award for Sustainability for LED lighting initiatives
- 2010 - Ann Arbor wins Government Award of Excellent for Urban Forestry program
- 2011 - Ann Arbor recognized as a gold-level walk-friendly community
- 2012 - Ann Arbor Climate Action Plan adopted - committing to a 90% reduction in greenhouse gas emissions by 2050
- 2013 - Sustainability Framework adopted into City Master Plan
- 2015 - City achieves 15% greenhouse gas reduction based on 2000 levels
- 2016 - Transportation Commission formed
- 2017 - Ann Arbor joins the We Are Still In Campaign
- 2017 - City receives four-star certification from STAR Communities Index (now LEED for Cities)
- 2017 - Goal set for 100% renewable energy to power City operations

- 2018 - Green Fleets policy updated
- 2018 - Council commits to using 40% of public safety rebate from County Mental Health and Public Safety Millage to invest in climate programs
- 2018 - Office of Sustainability and Innovations formed
- 2019 - City Council passes a climate emergency declaration and establishes a goal of a just transition to community-wide carbon neutrality by 2030
- 2020 - A²ZERO plan is unanimously adopted by Council
- 2021 - Ann Arbor receives a SolSmart Silver designation
- 2021 - Ann Arbor recognized as one of 10 U.S. Climate Champions

Through this long history of climate action, the City has laid a foundation for advancing the most recent climate goal: achieving a just transition to community-wide carbon neutrality by 2030. As noted above, on November 4th, 2019, Ann Arbor City Council unanimously voted to declare a climate emergency and set the goal of becoming carbon neutral, as an entire community, by the year 2030. In that same resolution, Council directed staff to create a living plan for how to achieve carbon neutrality, and to present that draft plan to City Council no later than March 31st, 2020. This led to the creation of the A²ZERO Carbon Neutrality Plan.

As background, to create the A²ZERO Plan, staff undertook an intensive 4-month public engagement process that included 68 public events, 3 public surveys, 2 large town halls, the recruitment and engagement of over 60 collaborator organizations, support from over 80 technical advisors, the hiring of a communications firm, and the engagement of technical consultants to supplement staff in the quantification of the cost and greenhouse gas reduction potential of climate-related actions.

On March 30th, 2020, Ann Arbor City Council unanimously voted to receive the A²ZERO Plan and directed staff to create a funding / investment plan and a prioritization framework and to bring these documents, along with the Plan, back to Council for re-consideration. Staff created those documents as well as a Governance Framework to identify how the A²ZERO Carbon Neutrality Plan will be revised and updated.

On June 1st, 2020, City Council revisited the A²ZERO Plan and, after a public hearing, voted unanimously to adopt the Plan, solidifying the City's commitment to achieving a just transition to community-wide carbon neutrality by 2030.

Included within the A²ZERO Plan are 7 overarching strategies and 44 actions. The 7 overarching strategies are the heart of the plan and include:

1. Powering our electrical grid with 100% renewable energy.
2. Switching our appliances and vehicles from gasoline, diesel, propane, and natural gas to electric.
3. Significantly improving the energy efficiency in our homes, businesses, schools, places of worship, recreational sites, and government facilities.
4. Reducing the miles we travel in our vehicles by at least 50%.
5. Changing the way we use, reuse, and dispose of materials.
6. Enhancing the resilience of our people and our place.
7. Other - which are mostly foundational initiatives that support the work above as well as the purchasing of carbon offsets to close any remaining gap between emissions reductions locally and emissions produced locally.

An accompanying document to the A²ZERO Plan was the Investment Plan, which provides details about the cost of implementing A²ZERO as well as the cost of inaction. The Investment Plan outlines how most of the actions are truly investments, meaning they will have returns for the City and residents that outweigh the upfront implementation costs.

Despite the 40 years of continued commitment to environmental protection, sustainability, and climate action, the City has never dedicated the financial resources necessary to achieve deep and sustained climate action. This reality was further exacerbated with the adoption of the 2030 carbon neutrality commitment.

The A²ZERO plan and associated programs establish a series of ambitious activities the City will need to undertake to achieve the 2030 carbon neutrality goal. To meet the goals established in A²ZERO, the City needs to have stable and recurring revenue to create and sustain programs that will lead to equitable decarbonization.

Therefore, if approved by Council, on May 3, 2022* voters will be asked to approve a 1-mill Community Climate Action Millage for the next twenty years (2023-2043). If approved, this proposal would raise \$6.5 million per year for climate action. This amounts to \$125 annually for a property with an average taxable value of \$125,000. The Community Climate Action Millage would be used for six primary purposes: 1) advance the deployment and utilization of renewable energies in the community; 2) support deep energy efficiency and associated cost saving initiatives; 3) create and sustain home and transportation-related electrification programs; 4) create and provide services that move the city toward zero waste / a circular economy; 5) advancing neighborhood and community resilience and preparedness; and 6) expanding, creating, and sustaining the City's multimodal transportation system.

The first purpose includes initiatives aimed at powering our electrical grid with 100% renewable energy. This includes programs such as community solar and geothermal programs that would support residential, commercial, multi-family, and neighborhood-wide renewable energy installations and education. This also includes support for low to moderate income renewable energy initiatives.

The second purpose would support investment in energy efficiency and weatherization programs specifically designed to support businesses and residents in improving the energy and water efficiency of their homes while also improving comfort and affordability. This includes things such as programs to help seniors age in place, the greening of our rental infrastructure, expansion of weatherization services, green business initiatives, and the creation of an energy concierge service. Roughly 40% of the funding in this purpose would go towards low-income and rental energy and water efficiency programs.

The third purpose focuses on supporting beneficial electrification within our built environment and transportation system. This includes support for building and installing public electric vehicle charging stations in public locations, multi-family residential sites, and in commercial areas throughout the City as well as education, training, and new programs focused on supporting appliance and vehicle electrification.

The fourth purpose is for programs and initiatives that support the City's movement towards a circular economy. This includes things such as comprehensive compost services, new recycling and materials reuse programs, support for local and sustainable food generation and use, and construction waste recovery initiatives.

The fifth purpose is around increasing neighborhood and community resilience and preparedness to climate change and natural disasters. This includes initiatives such as the creation of neighborhood community and resilience centers, neighborhood emergency preparedness activities, and enhanced heat and flood monitoring systems.

The sixth purpose is to expand, create, and sustain the City's nonmotorized transportation network and improve transit service. This includes the installation of protected bike lanes, crosswalk infrastructure, and neighborhood walking paths and the creation and expansion of multi-modal transportation systems.

A schedule of events for placing these items on the May 2022 ballot is shown below:

Present Ballot Language to Council for Approval	December 6, 2021
Present Use Resolution to Council for Approval	December 6, 2021
Legal Deadline for Submittal of Ballot Language	February 8, 2022
Implement Public Communication Plan	December 2021 - May 2022
Election Day	May 3, 2022

*The resolution language was updated prior to City Council approval to reflect a November 8, 2022 election date and millage years of 2023 - 2043.

Prepared by: Missy Stults, Sustainability and Innovations Manager

Approved by: Milton Dohoney, Jr., City Administrator

Whereas, in November of 2019 Ann Arbor City Council unanimously passed a Climate Emergency Declaration and established the goal of a just transition to community-wide carbon neutrality by 2030;

Whereas, Ann Arbor City Council unanimously adopted the A²ZERO Carbon Neutrality plan in June of 2020 as a means to achieve that carbon neutrality goal;

Whereas, To ensure seamless planning and implementation of the A²ZERO plan and associated programs, a ballot question to approve a new millage should be considered in 2022 in advance of FY23;

Whereas, November 8, 2022 is the next regular City election;

RESOLVED, That the Ann Arbor City Council proposes that the City Charter be amended by adding Section 8.26 to read as follows:

Funds for Climate Action

SECTION 8.26. 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 2023 through 2043, annually levy a tax of up to 1 mills on all taxable real and

personal property situated within the City for the purpose of providing funds to advance Community Climate Action.

RESOLVED, That November 8, 2022 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 COMMUNITY CLIMATE ACTION

Shall the Charter be amended to authorize a tax up to 1 mills to fund community climate action for 2023 through 2043, which will raise in the first year of levy the estimated revenue of \$6,800,000? 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.

Authorized uses include: year-round composting; expanded residential/multifamily recycling; community and rooftop solar programs; rental and low-income household energy programs; bicycle, pedestrian and transit infrastructure; neighborhood resource centers; electric vehicle infrastructure; and tree plantings.

Yes No

RESOLVED, That the proposed Charter amendment and proposed ballot question shall be published in full in the Washtenaw County Legal News and on the City's website; and

RESOLVED, That if the amendment is adopted, it shall take effect on January 1, 2023.