

Hello again! I hope this finds you well and that you had an enjoyable 4th of July holiday. What follows is an update on recent key items in the 2nd Ward and city-wide.

- **2nd Ward Construction Project Updates**
 - Huron Parkway at Hubbard
 - Riverview/Dover/Huntington Water-Sewer-Street Project
 - Miller Creek Stream Restoration at Glazier Hill Park
 - DhuVarren Sidewalk Assessment Project (not ward 2 but nextdoor neighbor)
- **Proposed “Road Diets”**
 - Earhart Road from US23 to Waldenwood-Greenhills
 - Green Road from Plymouth to Burbank
 - Traverwood Drive from Plymouth to Huron Parkway
- **Solid Waste – Recycling – Material Recovery Facility (MRF)**
 - Potential Regional Authority
 - MRF Proposal - Competitive Bidding for Service Providers
- **Fiscal Year 2020 City Budget and Fiscal Year 2021 Financial Plan**
 - Council-Proposed Budget Amendments
 - Adopted FY20 Budget – Highlights and Key Data
- **Non-Partisan Local Elections**
- **841 Broadway Development Proposal**
- **Other Updates**
 - New Police Chief
 - Master Plan Update

Public Events/Meetings

City Council Meeting – July 15 (7:00 PM)

- Agenda includes Public Hearing on DhuVarren Sidewalk Assessment Project

Coffee with Jane – Every Thursday Morning 8:00 – 9:30AM

- Plum Market (3601 Plymouth Rd.)

After Work with Jane – First Thursday of Month 5:00-7:00PM (July 11 due to July 4 holiday)

- Paesano’s Restaurant (3411 Washtenaw)

Please let me know if you have any comments or questions on these topics or anything else that may be on your mind. *Join me for coffee at Plum Market (3601 Plymouth Rd.) any Thursday from 8:00AM to 9:30 AM or after-work at Paesano’s Restaurant (3411 Washtenaw) from 5:00PM to 7:00PM the first Thursday of each month (July 11 due to July 4 holiday).* Alternatively, you can email me at jlumm@a2gov.org or call 734-677-4010. As always, I’d love to hear from you.

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The 2019 street re-surfacing program continues with work in various stages on a couple of 2nd Ward neighborhoods included in the program including **Sheridan Drive** (Washtenaw to Londonderry), **Wynnestone** (Folkstone Court to the Easterly end), and on **Frederick/Middleton**.

Following are updates on specific projects I mentioned in my last update

Huron Parkway at Hubbard

The work (and lane closures) continues near the intersection of Huron Parkway and Hubbard for an electrical duct bank project on the adjacent property.

Single lane closures will to continue until completion of the project later this month, and in the meantime, there's been discussions with city staff on the **traffic signal timing at the intersection** and that the length of green indications were resulting in long queues on Huron Parkway, but not Hubbard. City staff indicated they adjusted the sequencing July 2 (longer green on Huron Parkway, shorter green on Hubbard) and that reduced the queue lengths on Huron parkway somewhat.

Compounding the problem is that the vehicle detection systems are not operational during the construction. Although I wasn't aware of that, I have reinforced with staff that the best way to better balance the queue lengths is to retain the minimum green on Hubbard and maximum on Huron Parkway.

Riverview/Dover/Huntington Water-Sewer-Street Project

This major project is to provide sanitary sewer service requested by some residents along Riverview Drive that have failing septic tanks/tile fields. The project area is Riverview (from Geddes to Huntington Place, Huntington Place (from Riverview to 435 Huntington Place) and Dover Place (from Riverview to the end).

The City is also installing a water main in the area which will minimize future damage to the roadway and complete a needed water main loop between Nichols Arboretum and Geddes Avenue. The sewer lines are installed first followed by the water main and once that's completed, the roads will be repaved. Construction began May 6 and **according to city staff, the project is proceeding on schedule and it's still expected construction will be completed in early September.**

Michael Nearing is the Project Manager for the city, and if you'd like to contact Mike, his email is mnearing@a2gov.org and his phone number is (734) 794-640 ext. 43635.

The narrow roadways and tight quarters have made it necessary to significantly limit access during construction hours so the contractor (Pamar Enterprises, Inc.) can complete the project in the 120 days stipulated in the contract. Emergency access has been, and will continue to be, maintained. The city recognizes the access restrictions/limitations, as well as the construction itself, are significant inconveniences for the impacted neighborhoods and are working as best they can to minimize the disruption. Everyone's patience is much appreciated.

If you'd like more information on the project and background, you can find it at the city's website using this link <https://www.a2gov.org/departments/engineering/Pages/RIVERVIEW-DR-SANITARY-SEWER-and-WATER-MAIN-EXTENSION-PROJECT.aspx>

Miller Creek Stream Restoration Project at Glazier Hill Park

As mentioned in my last update, this restoration project is led by the Washtenaw County Water Resources Commission (WCWRC), not the city, and will impact the areas to the east and west of Green Road north of Glazier Way and South of Hubbard. Although the creekshed is small (drains only 2.4 square miles), it's quite steep (in the half-mile from Hubbard to Glazier Way, it drops more than 70 feet), and there's been significant erosion. The restoration project is a fairly substantial one with a cost of approximately \$550K. It was initially expected that work would commence this month, but there were delays in the bidding process.

The WCWRC's lead on the project (Harry Sheehan) has just notified the Glazier Hill Park neighbors that the construction bid has finally been awarded (Mead Brothers Excavating) and that the County is close to obtaining the necessary permit from the State Department of Environment, Great lakes, and Energy (EGLE). In his note, Mr. Sheehan indicated that **although there is still a slight chance the project could commence this month (it needs to start before August 1), it is more likely that the start of construction will be next Spring.**

A couple of Glazier Hill Park neighborhood meetings have been held, the most recent on May 15th at King Elementary where Mr. Sheehan covered the creek repair, tree impacts, grading changes, expected construction impacts and re-vegetation. I know that neighbors are especially interested in the tree impacts and if you'd like to discuss that (or other aspects of the project), I'm sure Mr. Sheehan would be pleased to share with you the information from the meeting or answer questions you might have – his email address is sheehan@washtenaw.org

DhuVarren Sidewalk Assessment Project

As with all new sidewalks, city policy is that the homeowners adjacent to the new sidewalks are assessed for the cost of installing the sidewalks. For this project, which installs sidewalks on DhuVaren from Omlesaad Drive east to the Nixon Farms development, the assessed properties include Fox Fire and Fox Ridge condominiums, but not Foxfire 2. The assessment amounts are:

- Fox Fire Condominiums = \$43,737 (\$147.76 each on 296 parcels)
- Fox Ridge Condominiums = \$22,717 (\$946 each on 24 parcels)

The project has received a federal Surface Transportation Program (STP) grant which has reduced the costs of the sidewalk project significantly – from \$85 a foot to \$39. At our June 17th meeting, City Council approved the assessment amounts for the project and established the public hearing date. The **public hearing and Council's final vote on the project/assessments will be July 15th.**

At this point, the timing of the project isn't finalized, but it will be completed this construction season. If you'd like more information on this project, please use this link:

<https://www.a2gov.org/departments/engineering/Pages/Dhu-Varren-Road-Sidewalk-Project.aspx>

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Proposed 2nd Ward “Road Diets”

At City Council’s June 17th meeting, three “road diet” proposals were on the agenda for consideration – Earhart Road (US23 to South Waldenwood), Green Road (Plymouth to Burbank) and Traverwood Drive (from Plymouth to Huron Parkway - although technically Traverwood isn’t the 2nd Ward, it’s right next door).

Council did not approve or reject any of the three proposals - instead, council referred them back to the Transportation Commission for re-consideration (the Transportation Commission had recommended approval at their May 15th meeting). **It is expected the three proposals will be reviewed at the Transportation Commission’s next meeting on July 17th and then come back to Council for consideration on August 5th.**

To be honest, I don’t suspect the Transportation Commission will revise its position/recommendation that the road diets be adopted. The Transportation Commission supported the road diets at their May 15th meeting without reviewing (or even asking for) the public feedback that was available then, so I don’t expect the community and council pushback will make much difference this time around either.

I was prepared to vote against the Earhart and Green proposals before they were sent back to the Transportation Commission for re-consideration. There are specific concerns on each (outlined below), but beyond that, there’s also a huge hole in the city’s process with regard to road diets that needs to be filled, and that hole is the lack of follow-up analysis.

To date, the city has not conducted any follow-up analysis on the road diets we’ve already done. On several occasions, I’ve asked for follow-up data on past road diets, including:

- the impact the road diet had on crashes (number and severity)
- the impact on traffic congestion, queuing, and delays
- the extent of traffic diversion to other neighborhood streets

The answer is always – we don’t know or we don’t have that data. I also ask for data on the volume of cyclists and the answer is the same – we don’t have that data. Yet, the city asks for council to approve new road diets. To be honest, I believe we should adopt a moratorium on new road diets until we’ve done the analysis of the effectiveness of the road diets already implemented and have some data on the users (cyclists) the road diet is intended to benefit. That just makes common sense.

Fortunately, city council passed the resolution CM Griswold and I sponsored April 1st to require council approval of any road diet. That ensures a public discussion. Had that requirement of council approval not been inserted in the process, we’d have three (ill-advised in my view) new road diets in the works and no mechanism for public scrutiny of the future road diet proposals certain to come.

Earhart Road (from US23 to South Waldenwood)

The proposal for Earhart from US 23 to South Waldenwood is to **reduce the 4 vehicle traffic lanes to 2, add bike lanes in both directions, and install roundabouts at the Earhart/Glazier intersection and the Earhart/Waldenwood intersection).**

The predominant view of the area residents (and I agree) is that while improvements could be made, the road segment works “OK” and that roundabouts and road diets are solutions not commensurate with the problems (a solution in search of a problem if you will). Neighbors believe the improvements that should be made (that will improve safety) are better crosswalk lighting, crosswalk pavement markings, and signage. Neighbors question whether two roundabouts so close to each other are even necessary given the overall volume of traffic, and more importantly whether their installation would, in fact, improve safety.

In terms of safety, there have not been a lot of accidents here – about 4 a year over the last 5 years. I recognize any crash is a concern, but I also think it’s reasonable for residents to question whether lane reductions and two roundabouts will actually reduce that number or increase it. Council received input from Glacier Hills folks who stated that they believe installing a roundabout will actually make crossing Earhart as a pedestrian more difficult and less safe.

In the staff report that recommended the re-configuration, it was noted that one characteristic that discouraged the road diet was that the Earhart and Glazier Way intersection level of service will deteriorate to an “E/F”. It’s not great now – a LOS of “D” – but this will make it worse. It’s interesting to note that when it comes to new developments, the City’s Uniform Development Code (UDC) Section 5.29.6(G) stipulates that development proposals contributing to a LOS D,E, or F can be denied by City Council if no improvement project is planned. Yet, for road diets, the deterioration in LOS doesn’t appear to be of any consequence - the inconsistency is noteworthy. All in all, it’s fair to say there are a number of good reasons to question the wisdom of this proposal.

The resolution on Earhart that council referred back to the Transportation Commission implements the re-configuration on a temporary basis first using pavement markings and removable devices such as plastic delineators. Earhart is scheduled for re-surfacing in 2021 and it’s stated in the resolution that the changes will only be made permanent then if the temporary “test” has been effective.

Frankly, given the city’s strong desire to implement road diets and other non-motorized “improvements” coupled with the history of no follow-up analysis on road diets, I think council needs to treat this decision as though it’s a permanent one – I’m certainly treating it that way.

If you’d like more information on the proposal, you can find it on the city’s website using this link <https://www.a2gov.org/departments/engineering/Pages/Earhart-Road-Reconfiguration-Project.aspx>

Green Road (from Plymouth to Burbank)

The proposed road diet for Green north of Plymouth has two components – one for the section north of Commonwealth and the second for the section south of Commonwealth to Plymouth.

In the section north of Commonwealth to Burbank, Green will be reduced from 4 vehicle travel lanes (2 north and 2 south) to 3 vehicle lanes (1 each north and south and a center left-turn lane). This is consistent with how Green Road is configured north of Burbank so this aspect of the proposal is not particularly contentious. The section from Plymouth to Commonwealth, however, is another story.

From Plymouth to Commonwealth, Green will be reduced from 5 vehicle lanes (2 north, 2 south, and center left-turn lane) to 4 vehicle lanes (2 south, 1 north, and center left-turn lane). The major change obviously is that Green heading north will become one lane immediately north of Plymouth.

The staff analysis of this potential road diet identified several potential characteristics that would discourage a road diet. Those challenges/adverse characteristics included the fact that:

- Green/Plymouth IS a very busy intersection w/many off/on points in the area immediately north of Plymouth
- The peak hour directional traffic volumes of 750 are in the range where road diets are not considered viable
- The road diet, coupled with the high bus traffic, will add to driver “friction” and “discomfort”
- Traffic could be diverted from Green to Nixon

The first three of these issues are potentially significant safety concerns and the fourth issue – diverting traffic to Nixon – is potentially a huge concern as the congestion problems that already exist on Nixon (and are growing as Nixon Farms/North Oaks and Woodbury Club Apts./Owl Creek Apts. are fully built out) are well-documented.

The public feedback on this proposal was fairly negative. Of the roughly 40 respondents to the May 9th on-line survey, 57% did not support (or had low support) for the lane reduction proposal generally, and 72% of respondents did not support (or had low support) for the plan to reduce Green to 1 lane northbound starting immediately at Plymouth.

Despite all of these potential issues and the negative resident feedback, the Green road diet proposal moved forward to council. I would not have supported it (or Earhart for that matter) on June 17th and unless they are dramatically changed, I won't support them when they come back to city council (likely August 5th).

This section of Green is planned for a surface treatment this Summer, so if this proposal is approved, the new pavement markings will be painted when the treatment is completed. For more information on this proposed road diet, please use this link:

<https://www.a2gov.org/departments/engineering/Pages/Green-Road-Reconfiguration-Project.aspx>

Traverwood Drive (from Plymouth to Huron Parkway)

The proposed road diet for Traverwood Drive (from Plymouth to Huron Parkway) is to **reduce the current 3 vehicle lanes (1 in each direction plus center, left-turn lane) to 2 lanes (1 in each**

direction), narrow the vehicle lanes to 10 feet, and add a bike lane on the east side of the road and parking on the west side of the road.

Unlike with the Earhart and Green road diets, there are not potentially significant traffic or safety impacts with this Traverwood proposal. Typically, road diet proposals do not involve adding parking, but in this particular instance, the Ann Arbor District Library branch and Islamic Center as well as some Traverwood residents have requested the additional parking. There was, however, some push back at the Council meeting regarding the plan to add the parking.

Like with Green Road, re-surfacing of Traverwood was planned for this Summer so, if approved, the new markings would be painted following the resurfacing work. Please use this link for additional information on this proposal:

<https://www.a2gov.org/departments/engineering/Pages/Traverwood-Drive-Reconfiguration-Project.aspx>

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Solid Waste – Recycling – Material Recovery Facility

As you may know, there have been significant developments over the last couple of years that have adversely impacted the city's recycling operations. There were operational and safety problems at the City's Materials Recovery Facility (MRF) that required temporarily closing the facility for emergency repairs and severing ties with the previous MRF operator.

Also, the recycling markets have struggled mightily over the last couple of years and recycling material revenues have been well below expectations. The financial impacts of these events have prevented the city from expanding the composting program (year-round program including food waste) which is a high priority for some residents and several of my council colleagues.

Given these events and the challenging financial outlook, the city embarked on a major review of all of its solid waste operations. A consultant (APTIM Environmental) was engaged in April 2018 to **conduct a major operational review (cost of \$250K) of the entirety of the city's solid waste, recycling and composting operations and strategies.**

That review, called the **Solid Waste Resource Management Plan (SWRMP)** has been ongoing for over a year and the **final report and recommendations are expected later in July.**

If you're interested in reading more about the SWRMP as well as the advisory committees supporting the effort, here's the link to the city website

<https://www.a2gov.org/departments/systems-planning/planning-areas/Pages/Rethinking-Waste---Developing-a-New-Solid-Waste-Plan.aspx>

Potential Regional Solid Waste Authority

While the city's operational study was progressing, a separate, related effort led by the County had been taking place regarding creating a solid waste regional authority. The scope of the authority could be broad, including potentially solid waste, recycling, composting.

Although the city was participating, these county-led regional authority discussions were largely off the radar screen until March 4th, when, much to my surprise and the surprise of other council members as well, city staff presented to council a resolution to approve Ann Arbor's joining the authority (the Washtenaw Regional Resource Management Authority - WRRMA).

Most council members (including me) believed it was much too premature to make that decision - before seeing the recommendations of the SWRMP - so council tabled taking any action. (Tabled isn't a rejection, but means the action does not come back for council consideration until an individual council member brings it back.)

At the March 4th meeting, Council was also asked to approve the Articles of Incorporation for the authority. In that regard, several council members (again, including me) expressed our opposition to the Articles of Incorporation as drafted largely because the voting structure for the authority would be 1 vote per member (rather than a form of weighted voting based on waste and/or recycling volume, expenditure budgets, or even population). We believe a governance/voting structure that gives the much smaller members (like Dexter, Saline, and the townships) the same power/authority as the City of Ann Arbor just isn't appropriate or equitable for Ann Arbor taxpayers/residents. Ann Arbor would be, by far, the largest volume and cost participant in the proposed authority, and I believe the governance structure should reflect the relative size/financial contributions of the participating members.

If you're interested, the resolution council tabled on March 4th can be found using this link:

<http://a2gov.legistar.com/LegislationDetail.aspx?ID=3866598&GUID=7D5329C5-9B1B-40F1-884D-52EB036A38A2&Options=&Search=&FullText=1>

All of the other governmental entities that participated in the discussions of the potential regional authority have now joined, including the cities of Ypsilanti, Dexter, and Saline and the area townships (Pittsfield, Scio, Ann Arbor, and Ypsilanti).

I don't know if joining a regional authority makes sense or not, but we certainly can't conclude anything without reviewing and discussing the SWRMP when it's completed and presented to Council in July.

A regional authority would offer economies of scale opportunities, but whether that translated to a specific cost-benefit plus for the City of Ann Arbor would depend on the cost sharing formulas. In that regard, I'll tell you I'm skeptical given the 1 vote per member and the County's history in terms of equitable treatment for Ann Arbor. (Not many people realize that in the County Mental Health and Public Safety Tax Millage approved by voters in 2017, the County Commissioners established the rebate formula based on population, not taxable value (or taxes coming in). That formula resulted in Ann Arbor taxpayers subsidizing other governmental entities by roughly \$250K a year).

Materials Recovery Facility (MRF) Proposal - Competitive Bidding for Service Providers

The regional authority proposal was not the only surprise solid waste-related proposal that surfaced before the detailed, comprehensive, \$250K consultant study has been completed.

In late April, Recycle Ann Arbor (RAA) presented the City Administrator with an unsolicited proposal to operate the City's Materials Recovery Facility for 10 years - the proposal would have a lifetime cost of over \$16M. It's expected that council will be asked to consider the proposal at our August 5th meeting.

The city code requires competitive bidding, however, so to accept this proposal without bidding it is necessary to change the city code - and on June 17th, the City Administrator presented council an ordinance to do just that.

Specifically, the staff proposal made several changes to Chapter 14 of city code (the chapter covering purchasing rules and requirements) including one significant change -- allowing the City Administrator to waive the competitive bidding requirement on any city purchase or contract (regardless of amount) if he/she decides "competitive bidding is either not practical or of no advantage to the city."

I would NEVER agree to granting such broad, vague authority to sole source business on significant dollar purchases. Competitive bidding is a cornerstone of sound fiscal discipline and ensuring tax dollars are spent wisely. The language in the charter requiring competitive bidding has been there for decades for very good reasons.

So, at the June 17th meeting, I moved to strike this city code change granting a blanket authority to the Administrator to waive competitive bidding requirements - my motion retained the existing language in the charter which allows waiving competitive bidding **only** if both the Administrator and City Council jointly agree in advance. That motion was approved by Council June 17th, but one question left open on June 17th was whether or not granting authority to the Administrator to waive the competitive bidding requirement on smaller dollar purchases (defined as less than \$25K) was appropriate/should be adopted.

At council's July 1st meeting, the Mayor brought forward language that would grant waiver authority for purchases under \$25K. I proposed expanding the Mayor's amendment to require that staff provide a written report to council monthly detailing the sole-source purchases under \$25K. I believed that would provide a proper balance between efficiency (not requiring council approval for every small dollar sole-source purchase) and oversight/control (requiring monthly reporting). Once the Assistant City Administrator confirmed that having a dollar threshold as well as monthly reporting to the governing body were both considered governance best practices, it was unanimously agreed by council.

Second reading is scheduled for the July 15th council meeting (ordinances require two readings/approvals) and I don't suspect there will be any objections at that time. If you're interested in seeing the resolution/city code change language on council's agenda for July 15th, here's the link:

<http://a2gov.legistar.com/LegislationDetail.aspx?ID=3972313&GUID=5349E9FF-F48A-4325-8C4A-A9F6E04BD12C&Options=&Search=>

While the competitive bidding requirement can be waived on purchases under \$25K, purchases over \$25K still require joint agreement of both Council and the City Administrator to sole-source/not competitively bid. That means council must approve not competitively bidding the contract to operate the MRF.

To be clear, I would never support awarding a long term (10 year), big ticket (\$16M+) contract without competitively bidding it. In my view, to do that would be abdicating my fiduciary responsibility to taxpayers.

I do suspect, however, I'll be in the minority (if not alone) in opposing this sole-source contract with Recycle Ann Arbor (RAA). RAA has built strong ties with many of my colleagues who likely will say RAA has been a long-term partner with the city and worthy of a sole source contract.

Yes, RAA is a long-time partner of the city's, but the relationship has not always been smooth for the city. For those of you with a long memory, you'll recall the City's bailouts of RAA and the contract adjustments for RAA price increases. You may also recall another infamous "unsolicited" RAA proposal/offer related to recycling collection in 1996 that if accepted, would have cost the city over \$1M in added cost. City staff initially recommended accepting RAA's "Alternative Bid" in 1996, but fortunately figured out the scheme would cost the city substantially more, so the RAA "Alternative Bid" was rejected.

I believe competitive bidding should always be conducted on long-term, large dollar contracts regardless of who the vendor may be or how much city staff or council members may like them. That's the only way to ensure taxpayer value. It's especially appropriate in this case given RAA's financial miscues over the years.

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Fiscal Year 2020 City Budget and Fiscal Year 2021 Financial Plan

As mentioned before, the city's fiscal year is from July 1 through June 30 and the city operates on a two-year budget cycle. The City Administrator presents his proposal in April and city council amends/approves the budget in May. On May 20th, city council approved the annual budget for FY20 (July 1, 2019 through June 30, 2020) as well as the financial plan for FY21.

Council-Proposed Budget Amendments

There were eight council-sponsored amendments (e.g., changes) to the Administrator's proposed FY20 budget – five passed, two failed, and one was withdrawn. As with past years, I was pretty active (👍), authoring five budget amendments -- and I was pleased four of the five I authored were adopted (a much better batting average than I've typically had).

Amendments adopted

- **Additional funding for road repair** – my amendment added \$3.0M in funding for road improvements (re-surfacing/capital preventative maintenance) in FY20. Similar to an amendment I authored last year, funding was provided by simply spending all of the funds available to be used.

The amendment was not prescriptive in terms of how the additional funding was to be used, and the amendment also re-confirmed the city’s goal of having 80% of city streets rated 7 or better by 2025 (7 is the higher of two “good” ratings in the PASER ratings scale). The amendment passed unanimously and almost all councilmembers signed on as co-sponsors.

- **Prioritizing the Nixon Corridor Improvement project** - Phase 1 of the Nixon Corridor Improvement Plan (from Plymouth to Bluett) was in the City’s Capital Improvements Plan (CIP) for FY25. My amendment was to pull Phase 1 ahead to FY21 and to direct staff to provide Council a status report by February 28, 2020 (prior to the FY21 budget approval process) including the final design for Phase 1, updated cost estimates, and a recommendation on the specific funding source.

This amendment also requested the Planning Commission consider accelerating Phases 2 and 3 (presently shown as FY26+) when they next update the CIP in the Fall (Planning Commission approves the CIP, not city council). The amendment was passed almost unanimously (1 dissenter).

- **Increase Police Staffing by Two Officers** – as I’ve noted many times in these updates, Police staffing has been reduced significantly over the last 15 years (number of sworn officers reduced by 47, or 29%, from 171 in 2003 to 124 in 2019. The community policing unit had 23 FTE at its peak and now has 3 FTE’s. Every year I have tried to incrementally add back to police staffing, but every year, the amendment was rejected. My amendment was co-sponsored by CM Eaton this year and much to my surprise, it passed on a near-unanimous vote (1 dissenter). My sense is that Deputy Chief Forsberg’s strong, effective comments in support of the amendment during the discussion - particularly those reinforcing the view that AAPD’s proactive policing efforts (free patrol) were declining and should be enhanced - were instrumental in the amendment’s passage.

As with all my budget amendments, I identified a funding offset so that total spending would not be increased – in this case, the cost offsets were removing another position proposed in the Administrator’s budget (Contract Administrator) and reducing the amount of increased funding for a capital sinking fund.

- **Funding for New Streetlights** – the city lifted its moratorium on new streetlights in 2015 and since then I’ve offered annual amendments to create about \$100K in funding to purchase and install new streetlights in neighborhoods requested by residents. For FY20, funding for new streetlights at crosswalks was included in the Administrator’s proposed budget (in large part due to the efforts of CM Griswold), but there was not any funding for new streetlights at locations other than crosswalks. Rather than increasing total spending, the amendment earmarked \$100K of \$425K new funding for streetlight replacements for the purposes of fulfilling resident requests for new streetlights. The amendment was co-sponsored by CM Eaton and passed unanimously.

- **Prioritizing the Oakbrook Path Project** – this amendment, authored by CM Nelson, was to accelerate improvements planned for the Oakbrook Path. Improvements to this multi-modal asphalt path were planned over a two year period (FY20 and FY21) and this amendment was to complete all of the improvements this construction season (FY20). The amendment was co-sponsored by CM Eaton and passed unanimously.

Amendments Rejected/Withdrawn

Two council-proposed budget amendments were defeated. The first was my amendment, co-sponsored by CM Eaton, to **restore Fall leaf and holiday tree pickup**. I had abandoned my efforts to restore these services after several failed attempts, but felt that with several new councilmembers this year, it might be worth another try. I was wrong - the amendment failed with only CM Eaton, Griswold joining me in voting in favor of it.

The second amendment that failed was to **discontinue the Deer Management program**. Sponsored by CM Hayner, the amendment was defeated with only the Mayor joining CM Hayner in voting to stop the program. The strong majority of CM's continue to believe the risks of deer browse damage to our city's parks and nature areas, the private property damage, and the elevated number of deer-vehicle collisions warrant the continuation of the program. Most council members also believe that abandoning the program will only result in recreating the situation of significant deer overpopulation and a necessary city response, and that total costs over time will be less by continuing a "maintenance level" program.

A budget amendment to allocate a portion of the County Millage rebate proceeds towards funding the city's pension was withdrawn. With the approved council-sponsored amendments incorporated, **council then unanimously approved the FY20 budget and FY21 financial plan**.

Final Approved FY20 Budget – Highlights and Key Data

I covered the FY20 city budget in some detail in my last update, so I'll just repeat the key highlights here.

City's Financial Position

Overall, thanks largely to robust economic (and tax revenue) growth, the city of Ann Arbor's financial position is solid and healthier than most municipalities. The city of Ann Arbor's credit rating is strong (AA+ from S&P) and the city's financial reserves are relatively robust. There are policies in place that establish minimum reserve levels for the city's General Fund (15% of annual expenditures) as well as all the other major dedicated/restricted city funds (e.g. street funds, solid waste fund, water/sewer/stormwater funds). In all cases, actual and projected reserve levels have met or exceeded the policy minimum levels.

That is not to say there aren't challenges and concerns – there are, including an unfunded pension liability, projected expenditure growth rates that exceed expected revenue growth, and several major unfunded programs, initiatives and projects.

As I mentioned in the last update, Ann Arbor's position in terms of pension funding is better than most cities, but still a challenge. As of June 30, 2018 (most recent formal actuarial

valuation), the city's pension fund was 86% funded with an unfunded liability of \$78M (actuarial assets = \$505M; actuarial liabilities = \$583M).

At council's July 1st meeting, we approved the city's studying the possibility of offloading the pension liability to an insurance company as other organizations (public and private) with defined benefit pension structures have done. The results of the study will be interesting – the benefit is that the city's ongoing costs will be known, but my guess is the cost to pass the market investment risk on to insurance companies will be significant – we'll see.

Looking ahead, there's also major projects/initiatives prominent in the community conversations that at this point do not have identified funding sources for either the upfront capital or ongoing operating costs. They include the "Center of the City" (commons on the Library Lot), the Treeline Urban Trail, potential affordable housing projects (including the Y Lot), a potential new train station, and the Fire Station Master Plan. (In that regard, the city has asked the University to consider funding replacing the outdated fire station on North Campus and it will be interesting how that turns out.)

FY20 Budget Key Data

For FY20 (July 1, 2019 to June 30, 2020), the proposed total (all funds) budget expenditures are \$433M and the General Fund expenditures are \$112M. Property tax

Revenue growth has been steady at 2-3% for several years now and for the upcoming fiscal year (FY20), revenue growth is especially strong. Property tax revenue is by far the largest source of city revenue and is expected to increase by 4.5% in FY20. State shared revenue is increasing by 8% in FY20, and water/sewer/stormwater revenues will be increasing by over 7%. In addition to the very strong property tax, state shared revenue and water utility revenue growth for FY20, there's also one-time revenue windfalls in FY20. All-in-all, FY20 is the strongest revenue year the city has seen in quite a long time.

FY20 expenditures are increasing by 4.9% in the General Fund and by 8.5% for all funds. The proposed budget proposes 759.3 FTE's – an increase of 16.7 from last fiscal year and up 37.4 FTE in the last four years. Many of those positions have been administrative in nature (rather than direct service providers) and as I've noted in prior updates, that's concerning.

The General Fund expenditure budget of \$111.7M includes \$108.6M of recurring expenditures and \$3.1M of one-time expenditures. The recurring General Fund expenditures are up \$5M (5%) year-to-year, well above inflation and what is sustainable, but part of the increase is for an increased pension fund contribution (\$500K) and investments in city assets (\$600K for Fire Station Master Plan projects and capital sinking fund) – and those are appropriate, financially-responsible investments.

As noted in my last update, substantial amounts of INCREASED funding for existing programs and services are reflected in the approved FY20 budget including increases for:

- Climate action programs = \$880K
- Affordable Housing = \$880K
- Pedestrian Safety = \$750K
- Additional public safety/police funding = \$635K

- Safe drinking water-related = \$574K (largely spent on Dams)
- Community Mental Health = \$350K

In addition to the increases identified above, the FY20 budget also includes increased funding of \$150K to support the new Police Oversight Commission, a \$500K one-time budget to update the City's Master Plan, and \$175K one-time budget for the Center of the City initiative.

If you're interested in more information related to the city budget, you can access it here:

<https://www.a2gov.org/departments/finance-admin-services/financial-reporting/budget-guide/Pages/BudgetPublicProcess.aspx>

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Non-Partisan Elections in Ann Arbor

On July 1st, city council approved conducting a voter referendum November 5th on the question of whether the elections for Mayor and City Council in Ann Arbor should be changed to a non-partisan basis. The vote was 7-4 to place the question on the November 5th ballot. I authored the resolution and it was ultimately co-sponsored by CM Eaton, Griswold, Bannister, Hayner and Ramlawi.

On July 5th, Mayor Taylor issued a veto effectively nullifying council's vote and preventing the question from appearing on the ballot. The Mayor's veto message indicated that the proposed change to non-partisan local elections would "create a real and substantial harm."

Real and substantial harm??

Come on Mayor Taylor - has it caused "real and substantial harm" in the benchmark cities we typically look to (Boulder, Madison, Berkeley, Austin) or to every city in Michigan except Ypsilanti and Ionia – all of whom conduct elections on a non-partisan basis? Of course it hasn't – to even suggest it is nonsense.

Importantly, the resolution council passed did not effect the change, it simply said let the voters decide, and based on staff's research that's gone back to 1976, this would be the first time an Ann Arbor Mayor had ever issued a veto to prevent a voter referendum. Unprecedented, and in my view, a clear demonstration that Mayor Taylor believes he knows best and is more qualified than our residents to decide important policy questions.

The Mayor's veto message was largely silent on the appropriateness of issuing a veto to prevent a voter referendum. All it said was that, "surely not every question that could go to the voters, must go to the voters," which of course is to suggest this is a frivolous question and not worthy of voter consideration.

Let's think about that. We're talking about how Ann Arbor conducts its elections. That's pretty important, and coupling that with the fact that Ann Arbor is a clear outlier and that voters have not had an opportunity to weigh-in on this since the 1950's, a voter referendum on non-partisan

local elections is wholly appropriate. It's worth noting the Mayor did support placing the question of extending the terms for Mayor and Council from 2 to 4 years on the ballot.

It's also interesting to note that the other time the Mayor inserted himself into a referendum process was related to the Library Lot/Center of the City ballot initiative. He did not support placing that question on the ballot either, but since he can't veto/prevent a voter-initiated ballot referendum, he instead advocated inserting language on the ballot that was one-sided and clearly intended to sway voters to vote against the proposal. Fortunately this "explanatory caption" was subsequently thrown out by the courts in a strong opinion. It certainly seems Mayor Taylor is not averse to messing with the democratic process to get the outcomes he desires.

Not surprisingly, the CM's who voted to allow voters to decide the question (7 of 11) were quite disappointed and frustrated the Mayor issued this unprecedented veto to prevent a voter referendum. The Mayor's action is not only insulting and dismissive to voters, it also demonstrates a lack of respect for his colleagues (7 of 10 whom voted to place the question on the ballot). I guess he believes he knows better than all of us and that we just can't be trusted.

In terms of process, a change to a non-partisan basis for electing the Mayor and Council would require revising the city charter, and that can only be done by a vote of the people. Questions can be placed on the ballot two ways (1) by city council (with at least 3/5, or 7 of 11, council members voting to place the question on the ballot) or (2) by citizen-initiated petition (approximately 5,100 signatures required).

Council had rejected placing this question of non-partisan local elections on the ballot three times within the last five years, most recently last July when 6 CM voted in favor, 5 against, which fell short of the 7 affirmative votes required.

Where do we go from here? Eight votes are required to override a veto and **a resolution is on the July 15th council meeting agenda to override the veto**, but to be honest, it does not seem likely the other CM who voted against a voter referendum (CM Ackerman, Grand, and Smith) will change their mind.

Assuming that's true, the only option is to collect the roughly 5,100 petition signatures necessary to place the question on the ballot. It truly is a shame the Mayor is forcing us to jump through these hoops, but that's reality. Fortunately, the Mayor can't prevent a voter-driven ballot initiative and the good news is that I've already heard from a number of folks who've indicated they'd like to help. That's been really encouraging and exciting. The City Clerk has indicated to me that while Council can place a question on the ballot for any election, citizen-led ballot initiatives can only be placed on ballots for a scheduled primary or general election. That would mean August 2020 or November 2020 at the earliest, and I'll be following up to confirm that's accurate.

If ultimately approved by voters, here's how it would work. The elections for Mayor and Council would be non-partisan (like judges and school board) and candidates would file petitions (same as they do now). If there are not more than two candidates for an office, the election is in November. If there are more than two candidates for the office, there is a primary in August and

the top two vote getters move on to the November election. In either case, the deciding election is in November when there is higher turnout.

It's easy to immediately jump into the arguments for/against non-partisan local elections, but it's important to remember that is not the question council was deciding July 1st. Council was simply deciding whether or not to place the issue before voters and let them decide. The resolution passed by council July 1st and the proposed ballot language and charter language revisions can be found here:

<http://a2gov.legistar.com/LegislationDetail.aspx?ID=3995884&GUID=64023A89-DC4E-4063-A91D-4D3B92FED6DD&Options=&Search=>

I have long believed that Ann Arbor should move to non-partisan local elections as virtually all cities in Michigan do and as all of Ann Arbor's traditional benchmarks – Boulder, Madison, Berkeley, Austin – do.

There are very good reasons for non-partisan local elections in Ann Arbor. They include:

- **Higher Turnout** – holding the deciding election in November (not August) when turnout is higher strengthens democratic representation
- **Increase # of qualified candidates** – having fewer restrictions / barriers is likely to increase the number of qualified candidates seeking office and reduce the likelihood of uncontested elections
- **Increase engagement by voters** – non-partisan elections likely will result in a more informed electorate as voters review candidates, their priorities, and their positions on issues
- **Party affiliation doesn't inform voters on municipal issues** – party labels are just not relevant when it comes to key local issues or good differentiators on those issues. Key local issues are not typically philosophical, ideological issues where party label matters. Ann Arbor is a perfect example of that – the Mayor and all CM are Democrats (except me), but there are strong philosophical differences among CM on important neighborhood, development and other local issues. If all that matters is party, there should be unanimity on the key issues in Ann Arbor, but obviously that's not the case.

One way or another, Ann Arbor residents will have the opportunity to decide this question. It's unfortunate and disappointing the Mayor has blocked that opportunity for now, but I think residents will be inclined to sign a petition to place the question on the ballot as I'm confident the vast majority of Ann Arborites would agree it's appropriate to conduct the referendum and let the voters make the decision.

It's not known exactly when we'll begin collecting petition signatures and I will let you know. If you'd like to join me and others in collecting signatures when the time comes, please do let me know.

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On July 1st, city council took the first steps in approving a major (\$100M) development proposal for the 13 acre site adjacent to Broadway Bridge along the Huron River. The vacant, contaminated property owned by DTE was formerly a MichCon coal gasification plant site, and DTE is partnering with the Roxbury Group – a Detroit-based developer who has successfully developed several properties in Detroit and elsewhere.

Specifically, City Council approved three items at the July 1st meeting related to the development: (1) rezoning the property (2) approving a Brownfield Plan and (3) approving an Area Plan.

The site is currently zoned Light Industrial and the new zoning is Planned Unit Development (PUD), a single-purpose zoning classification commonly used for complex developments like this one.

The Brownfield clean-up and re-development plan includes a 12-year tax abatement which results in the city foregoing for 12 years the \$500K a year in incremental taxes generated by the development. After the 12 years, the city will be receiving the additional half million dollars a year in new tax revenue which obviously isn't insignificant.

DTE is obligated to clean-up the site (and has been doing that with \$6M already spent), but only to an industrial standard. With this Brownfield Plan, the clean-up will be to a higher standard. Although I'm not much of a fan of tax abatements (fortunately, Ann Arbor does not do many), I did support this Brownfield Plan because of the additional clean-up and the clear benefits of the new development.

The Area Plan presented by the developer that council approved contemplates a mixed-use development with much of the riverfront land (6+ contiguous acres) proposed as green space open to the public, with walking trails, an event pavilion, an ice rink/water feature, canoe/kayak launch and a pedestrian bridge linking to the Argo Park/Cascades area across the river. The Area Plan includes 104 condos in four six-story buildings with some ground-floor commercial spaces, a two-story restaurant, nine-story hotel with 132 rooms, two one-story commercial buildings, and a two-story parking deck attached to the condos, plus surface parking.

Although there has generally been strong support from the community for this project, the height, mass, and location of the buildings (relative to Broadway and to the river) have been raised as concerns. There's unanimity, however, that this developer (unlike many the city deals with) has bent over backwards to listen to the community concerns (over 40 public meetings) and revise the proposal to address those concerns as much as is possible. In that same spirit, the developer agreed during the council meeting July 1st to lower the maximum height of the buildings a bit (from 115 feet to 105 feet) and to increase the setbacks.

An Area Plan does not contain the specificity of a Site Plan and that was raised as a concern as well by residents and council members. My sense is that council was comfortable moving forward with an Area Plan (and less specificity) largely because of the credibility the developer has earned to this point – that's certainly how I felt.

There's much more that needs to be done before the project is actually constructed. Council must approve the rezoning at second reading, approvals from the State and from FEMA are required as the property is in a floodway, the County needs to approve the Brownfield Plan, and city staff and the developer need to work through the details of the Site Plan and council needs to approve the final Site Plan.

I'm very hopeful and cautiously optimistic the project will come to fruition. If so, it will be in my judgment one of the most important developments we've had in Ann Arbor in a long time – a dramatic improvement to large property in a highly visible, key location of our city.

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Other Updates

New Ann Arbor Police Chief

After conducting a national search, Ann Arbor has hired Michael Cox as our Chief of Police. City council unanimously approved the City Administrator's recommendation on July 1st and Chief Cox will star in Ann Arbor July 15th.

Chief Cox served in the Boston Police Department (BPD) in various roles for 30 years including deputy superintendent of the BPD Bureau of Field Services and commander of the operations division. Most recently, Chief Cox was superintendent of the Bureau of Professional Development for the Boston Police Academy. He earned an MBA, MA in Criminal Justice, and BS in Business Management.

The search process worked well, with significant public engagement beginning in December with meetings to obtain input on desired qualities/skills and culminating in May with a public reception to meet the finalist candidates and council interviews of the candidates that were open to the public. Feedback on the candidates was also obtained from AAPD personnel and from other senior-level city administrators. All three of the finalist candidates were highly qualified.

We're all excited to have Michael Cox as our new Chief of Police and look forward to working with him. We also thank retired Interim Chief Pfannes and Deputy Chief Forsberg (who has acted as Interim Chief since Interim Chief Pfannes' retirement) for their excellent service.

Master Plan Update

The City's Master Plan is the key document that guides the city's planning and development. It includes recommendations on zoning and land use and although the Master Plan does not have legal force (like the zoning ordinance/Unified Development Code does), the Master Plan and the related Land Use Element of the Master Plan does provide a basis and context for land use/development decisions. Consistency with the Master Plan lends credibility to, and is frequently cited as a justification for (or against) a specific zoning or development proposal.

The Master Plan was last updated and approved by City Council in 2009 – the update consolidated the existing collection of Area Plans (Downtown Plan, NE Area Plan, etc.). The City

is now in the process of analyzing RFP responses from consultants to facilitate an update of the Master Plan and city zoning map and zoning districts. The FY20 city budget included \$500K for a consultant to facilitate the master plan update. City council will ultimately be asked to approve the consultant contract, but it's not known at this point when it will be placed on the council meeting agenda.

This Master Plan update is quite important to the future of Ann Arbor. There are widely differing views on the appropriate vision for the city's future and those alternative visions have significantly different land use and zoning strategies and major implications for density decisions (even whether or not there should even be single-family zoning at all).

The vision statement in the existing Master Plan is, *"The quality of life in Ann Arbor will be characterized by its diversity, beauty, vibrancy and livability"*. The staff-developed consultant RFP document did not include the existing Master Plan vision, and instead framed the city's master planning vision statement as a statement of values characterized as *"high level evaluation tools (e.g. equity, affordability, sustainability)."*

At the risk of assuming and speculating way too much, defining guiding values of "equity, affordability, and sustainability" could lead to significantly different outcomes than a vision focused on "quality of life, beauty and livability". The RFP indicates community participation is key, and I certainly agree with that, but it also references input from those who experience Ann Arbor in different ways (commuters, potentially aspiring community members). That's fine, but above all, the Master Plan needs to serve and reflect the livability qualities valued by Ann Arbor residents and taxpayers above all.

Obviously, it's very early in this update process, but I wanted to give you a heads-up as this is an extremely important initiative. If you're interested, Vivienne Armentrout has written a very informative article on this Master Plan update and it can be found at this link:

<https://localinann Arbor.com/2019/07/06/the-master-plan-and-ann-arbor-emergent/>

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My apologies for another long update. There's a lot going on and hopefully, you find these updates informative.

As always, please let me know what's on your mind. **Join me for coffee at Plum Market (3601 Plymouth Rd.) any Thursday from 8:00AM to 9:30 AM or after-work at Paesano's Restaurant (3411 Washtenaw) from 5:00PM to 7:00PM the first Thursday of each month (July 11 due to July 4 holiday) OR email me at jlumm@a2gov.org OR call 734-677-4010.**

I'd love to hear from you, and thanks for caring about our community.

Jane Lumm
Ann Arbor City Council – Ward 2