

Manager's Report January 18th Council Meeting

Code Enforcement and Rental Inspection Program

The City has successfully hired two employees, a Code Enforcement Officer and a Rental Inspector, to fully implement the Rental Inspection Program and enhanced Code Enforcement efforts. The Code Enforcement Officer began in mid-November 2021 and the Rental Inspector will start on January 18, 2022. A code enforcement report has also been included for Council's review.

December Revenue and Expense Report

The monthly and year-to-date financial report is attached for Council's review. Please let me or Finance Director/Treasurer Smith know if you have any questions.

Water Shutoffs Resume

The City has begun communicating with water customers with outstanding balances to inform them of the resumption of water shutoffs in 2022. For customers facing financial difficulties, there are a number of assistance programs available. More information can be found on the city's website: https://www.charlottemi.org/assistance-programs-available/

Grant Funding Update – Administration

In addition to other grant funding opportunities that have been or are currently being sought, administration has two grant applications with outcomes pending: Michigan Treasury grant program for \$200k to replace the boilers and repair the roof at City Hall with \$0 matching from the city; and MSHDA – NEP grant program for \$75k in funding to assist property owners in addressing improvements to housing. We anticipate hearing results of those requests sometime in the next month.

Unfortunately, we have received word that our application for Category F transportation grant funding in the amount of \$375,000 was not approved, despite being eligible. That program received requests for over \$19.4mill in funding from an appropriation of only \$2.5mill. That application was to help offset the costs for the planned reconstruction of Hall/Washington/McClure in 2023. We also applied for a WRI grant through the Michigan strategic fund/MEDC to replace the Lansing Road water main. Our request was for just over \$1.5mill in funding with matching funding of \$172k. In all, 61 communities applied for grants totaling \$87.5mill in requests, and just under \$15mill was awarded to 11 communities.

Administration is also participating in the Great Lakes Federal Grant Navigation program from the National League of Cities which is a no-cost program that provides data analysts and grant writing support to the city in applying for federal grant programs related to the non-SLFRA funds allocated in the ARPA legislation. The next step is for the city to begin a needs-assessment to determine the

appropriate funding sources for which we may be eligible as determined by the projects and programs we are planning for the city.

Administration continues to make regular contact with representatives from various state and federal agencies about potential grant funding opportunities. There are a variety of funding programs that exist, with varying levels of competitiveness and priorities for funding. Almost every program requires some level of matching dollars to be allocated from the city. As an example, one grant program soon to be available through MEDC is the Public Gathering Spaces Initiative which utilizes CDBG funding for improvements to new or existing community spaces. This would be to fund projects to improve accessibility and use in parks, downtowns, and other public gathering areas. Examples include playground equipment, public restrooms, pavilions/benches/tables, ADA accessibility improvements, and improvements to make spaces available in all seasons. Applications and additional information, including submittal deadlines, are expected to be available soon, with available funding between \$200,000-\$1mill and minimum matching funds of 10%. This means the city would need to allocate \$20-100k for any such initiative, and may want to consider higher matching amounts to be competitive. We are in-process of reviewing the available program guidelines to determine if there are any projects that may fit in with the program guidelines.

There are department-specific grant programs, such as transportation grants, water and sewer infrastructure grants, or public safety grants, that are always being sought out by the various administrative staff/department heads. On such example City Council may recall is that in 2021 the city received a drinking water asset management grant from EGLE to help offset the costs of lead service line identification as required by the state. We will continue to update Council of available grant opportunities that align with the city's priorities for future investment in the community.

ARPA Update

On January 6th, the US Treasury issued the final rule implementing the Coronavirus State and Local Fiscal Recovery Funds program under the American Rescue Plan Act. This is the program that provided for direct funding to the local units of government in response to the COVID-19 pandemic. The final rule takes effect on April 1, 2022 but the Treasury has announced that recipients may take actions and use funds consistent with the final rule prior to that date.

The most significant change from the interim rule that will affect the City of Charlotte is the expansion of the opportunity to use these funds for general government services. The interim rule required the city to complete a complex revenue reduction calculation to determine what portion of the allocation could be used for replacing lost revenues to fund general governmental operations. The final rule provides for a blanket allowance up to \$10mill to be used as replacement revenue or the option to use of the formula. Since the City received less than \$1mill total, we would be eligible to allocate all of the remaining unallocated funding for general government services. As detailed on page 11 of the summary document provided, government services are broadly defined to generally include any service traditionally provided by a government, unless Treasury has stated otherwise. Additionally, the final rule

broadened the eligible projects under the water and sewer infrastructure category to include stormwater infrastructure and lead remediation work.

The strict prohibition of using these funds for paying on an accrued unfunded pension liability, paying an obligation due to settlement or judgement, paying any debt service obligation, or replenishing fund reserves remains in effect with this final rule. Interested persons can read the entire 437-page, final rule document here: https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf. An overview summary provided by Treasury is attached. I will provide a more detailed review of the rules as part of a future Council discussion on how it may consider allocating these funds.

Michigan Independent Citizens Redistricting Commission

In November 2018, Michigan voters amended the Constitution with Proposal 18-2 or the "Voters Not Politicians" ballot proposal, a constitutional amendment to "establish a commission of citizens with exclusive authority to adopt district boundaries for the Michigan Senate, Michigan House of Representatives and U.S. Congress, every 10 years." Now, the Michigan constitution empowers an independent commission of citizens to draw district lines for the Michigan Legislature and Michigan's members of Congress for the 2022 election and beyond. The constitutional amendment establishes a commission of 13 registered voters randomly selected through an application process. Of the 13 commissioners, four affiliate with the Democratic Party, four affiliate with the Republican Party, and five do not affiliate with either major political party. The commission was convened September 17, 2020 and met regularly through 2021. It used data from the 2020 federal decennial census and citizen input to determine district lines and adopt new district maps. Those final maps can be viewed here: https://www.michigan.gov/micrc/0,10083,7-418-107190 108607---,00.html.

RAVE Alerts

The City participates in RAVE Alerts which provides alert notifications to participants via voice, email, text, and posts to social media. These alerts can provide emergency notifications, street closures, and other important news. There are several ways to register: Text CHARLOTTE to 67283; Download the Smart911 app; Register for a free and secure safety profile online at Smart911.com.