

## Cozen Cities - December 14, 2022

### Gig Economy & Technology

#### BOSTON — Special Permit Granted to Build New Electrical Substation

Massachusetts' Energy Facilities Sitting Board approved a special permit for a controversial electrical substation in East Boston. The permit allows the project to circumvent 14 final environmental permits. 84% of Boston voters voted against the substation in a non-binding ballot question last year.

#### CHICAGO — Major Milestone for Northwestern Tech Spinoff

NanoGraf, a battery-technology company that spun out of a Northwestern University research lab a decade ago, is launching a factory in Chicago to supply the U.S. military. The company has been working for several years to perfect its technology, which improves the performance of lithium-ion batteries used to power everything from phones to electric vehicles.

#### LOS ANGELES — Bionaut Labs Gets \$43.2 Million for Tiny Drug Delivery Robots

Founded in 2017, Bionaut Labs arrived out of stealth in March 2021, with plans to commercialize long standing research around drug delivery robots. The Los Angeles-based startup followed up its initial \$20 million funding announcement with a \$43.2 million Series B. Bionaut's own work now has a couple of deadlines in place, including 2023 pre-clinical studies, followed by clinical trials with human patients the following year.

#### SAN DIEGO — San Diego biotech Escient Pharmaceuticals pulls in \$120M to Pursue Novel Drug Candidates

San Diego's Escient Pharmaceuticals said this week that it landed a \$120 million investment to push forward two first-in-class small molecule therapies for treating a broad range of neurosensory-inflammatory disorders associated with chronic diseases. The 42-employee biotech firm managed to raise capital despite a slowdown in venture dollars flowing to startups in today's uncertain economic environment.

### Labor & Employment

#### BALTIMORE — GoDaddy Highlights the Positive Impact of Supporting Baltimore's Small Business Owners

Five years ago, web host and domain registrar GoDaddy began supporting Baltimore's local business owners and entrepreneurs with training and resources in an effort to bolster the local economy and help lift the city's residents out of poverty. The company is now highlighting the progress that has been made among small business owners in the city since then.

#### CHICAGO — As Candidates for Chicago Mayor Jockey for Union Support, Rep. García Lands Big Labor Endorsement

In a boost to his campaign for Chicago mayor, U.S. Rep. Jesús "Chuy" García has picked up an endorsement from IUOE Local 150, one of the state's most influential labor unions. Separately, Mayor Lori Lightfoot has tried to ally herself with trade unions, while Cook County Commissioner



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Brandon Johnson has received support from progressive labor groups, including the Chicago Teachers Union, SEIU Local 73 and SEIU Healthcare.

### **CHICAGO — SEIU Pushes Chicago Candidates to Back \$25 Minimum Wage**

The Service Employees International Union (SEIU) is asking Chicago municipal candidates seeking its endorsement whether or not they would “support a \$25/hour minimum wage to bring more money into the working-class economy and grow the tax base.” The minimum wage issue is one of about two dozen matters raised in the labor union’s 2023 candidate questionnaire.

### **DETROIT — Three Out of Four Unemployed Detroiters Expect to Return to Work in the Next Month**

As more Detroiters return to work amid the pandemic recovery, the greatest declines in unemployment have been for residents of color and people with low incomes—although those groups continue to experience higher-than-average unemployment rates. A report from the University of Michigan’s Detroit Metro Area Communities Study found Detroit’s unemployment rate continued to decline, reaching 16% in August, a significant drop from 20% one year ago.

### **LOS ANGELES — Some 70,000 Grocery, Retail Workers Impacted by Bill Approved by City Council**

The Los Angeles City Council on Tuesday, Nov. 29 approved the Los Angeles ‘Fair Work Week’ ordinance, which provides better working conditions for approximately 70,000 grocery and retail workers. The ordinance requires retail employers in Los Angeles to provide work schedules to employees at least 14 days in advance, and provide at least 10 hours rest between their shifts. The City Council also approved a pay raise for hundreds of workers at the Los Angeles Department of Water and Power.

### **SEATTLE — Starbucks Closing Another Seattle Store, Union Claims Retaliation**

Starbucks announced that it will be closing another location in the Capitol Hill area of Seattle, citing safety and security concerns. However, the Starbucks Workers Union said that the closure is a form of retaliation, since the closing store was the first to unionize in the city.

#### **Policy & Politics**

### **BALTIMORE — Mayor Scott Vetoes Pension Eligibility Bill for City Officials**

Late last month, Mayor Brandon Scott vetoed a bill that would have decreased the eligibility requirement for Baltimore’s elected officials from 12 years to eight, citing “potential for ethics issues” related to the recent approval of Question K, which made the bill possible. This marks only the second time the mayor has used his veto authority.

### **CHICAGO — Progressives Looking to Expand Amid Chicago City Council Departures**

As Chicago’s City Council stands on the precipice of a major turnover next year, progressive candidates and their organized supporters are looking to make significant inroads and alter the council power dynamic. Chicago’s municipal elections are a little more than three months away and at least 11 current aldermen won’t be part of the group being sworn in next May.

### **CHICAGO — Chicago Mayor’s Race 2023 Lineup: Who Is In, Who Is Out**

Election Day for the mayor, the 50 aldermanic seats, the city clerk and city treasurer is Feb. 28. If no candidate receives a majority of votes in February, a runoff election will be held on April 4. A list of candidates who have filed can be found [here](#).

### **LOS ANGELES — Traci Park Replacing Mike Bonin on LA Council Marks Start of New Era in Westside**

For nearly a decade, the Westside of Los Angeles has been represented by Councilman Mike Bonin, a staunch progressive who has railed against the city’s anti-camping law. Councilwoman-

elect Traci Park — who takes over for Bonin in less than two weeks — told City News Service that she plans on day one to “insist” that the 41.18 ordinance be enforced in the 11th District, signifying a key difference between Park and her soon-to-be predecessor.

### **PHILADELPHIA — Former City Councilmember Gym Officially Launches Mayoral Campaign**

After resigning her at-large City Council position in late November, Helen Gym made her entry into the already crowded 2023 mayoral race official yesterday, kicking off her campaign at the William Way LGBT Community Center. Gym is the eighth candidate to throw her hat into the ring, with likely the most progressive platform.

### **PHILADELPHIA — Four New Members Sworn In to City Council**

Late last month, Quetcy Lozada, Anthony Phillips, Jimmy Harrity, and Sharon Vaughn were sworn in as the new 7th District, 9th District, and at-large council members, respectively. All four members were elected during special elections earlier in the month to replace former council members who stepped down to run for mayor.

### **WASHINGTON, D.C. — City Council Delays Votes on Mayor Bowser’s Proposal to Dissolve, Reconfigure Housing Authority Governing Board**

In the wake of a recent federal report that detailed mismanagement and lack of oversight, Mayor Muriel Bowser announced last week new legislation that would dissolve the current governing board of the D.C. Housing Authority and replace it with new mayoral appointments. Late yesterday evening, D.C. City Council withdrew the proposal, citing a lack of support, though Council Chair Phil Mendelson vowed to bring the measure back in the next few weeks.

### **Public Health & Safety**

### **CHICAGO — Feds Pump Millions Into Illinois, Chicago Health Departments**

Illinois’ public health departments are receiving a funding infusion from the federal government, a move aimed at strengthening the state’s public health workforce and infrastructure. The Centers for Disease Control & Prevention is providing \$86 million to the Illinois Department of Public Health through the American Rescue Plan Act, according to a statement from Gov. J.B. Pritzker’s office and IDPH. Some of those funds will be shared with other local health departments in Illinois. Chicago’s Department of Public Health got its own allotment: \$28 million.

### **LOS ANGELES — LA City Council Acts to Improve Communication with City’s Homeless Agency**

The Los Angeles City Council on Wednesday, Nov. 30, approved a pair of motions intended to improve operations at the Los Angeles Homeless Services Authority. One motion calls on the regional homeless agency to report back to the council within 60 days with a plan to assign LAHSA “liaisons” to individual city council districts to improve communication, and to provide data and programmatic analyses at city council district levels, and to develop a deep understanding of the needs of residents in specific city council districts.

### **NEW YORK CITY — Authorities to “Forcibly Remove” Those With Mental Illnesses**

Mayor Adams has announced that authorities will now be removing people with severe mental illness on New York City subways and streets. Under this new directive, mentally ill individuals could be sent to the hospital against their will. ,

### **PHILADELPHIA — City Council Makes Teen Curfew Permanent**

Philadelphia City Council has passed a bill implementing a permanent 10 p.m. curfew for the city’s teenagers, making permanent the summer curfew that expired in September. The curfew is intended to keep Philadelphia’s youth safe, though critics question whether it will have any noticeable effect on crime.

## **SAN DIEGO — Court Rejects San Diego School District's COVID Vaccine Mandate**

The California 4th District Court of Appeal ruled against the San Diego Unified School District's COVID-19 student vaccine requirement this week. The court rejected the district's several defenses of its mandate, including that it is in line with the responsibility to keep students safe, that programs can be created to meet "local needs" and that the mandate is not actually a mandate because it allows for students to do at-home independent study should they choose not to comply.

## **SEATTLE — 19,000 Patients of Seattle-Area Clinics Face Insurance Loss**

Over 19,000 patients of The Polyclinic and The Everett Clinic, two Seattle-based clinics, could soon face much higher rates. The contracts between the clinics and Regence BlueShield are set to expire December 19. If contracts expire without a resolution, any patients with this plan will pay higher, out-of-network rates.

### **Real Estate Development**

## **CHICAGO — Fast-Rising Interest Rates Slow Neighborhood Comebacks**

The Fed's series of increases, designed to tame rampant inflation, have had the intended effect of reining in an epochal boom in the nation's housing market that was verging into bubble territory. That's a positive, overall. But one of the negative effects of fast-rising interest rates is a sudden drop in demand for newly rehabbed homes on Chicago's South Side and in the south suburbs.

## **CHICAGO — Millennials Leaving Chicago Faster Than They're Coming in**

Roughly 23,200 people between the ages of 25 and 39 moved from another state to Chicago last year, while nearly 36,500 left the city for another state, according to a study from SmartAsset analyzing U.S. Census Bureau data. The net millennial migration out of the city of roughly 13,250 is larger than in past years. This comes despite Illinois increasingly ranking as one of the best places to live for the young adult generation.

## **DETROIT — Metro Detroit Home Prices Dip in September; Continue to be Higher Than 2021**

Metro Detroit home prices dipped in September for the third month in a row, according to a national index, but prices continue to be higher than they were a year ago, and the city's trajectory is following the national trend. The 1.2 percent decrease in home prices from August to September is "what you would expect in an environment where you have to pay real interest on a mortgage," said Craig Lazzara, the managing director of S&P Dow Jones Indices.

## **LOS ANGELES — LA-Orange County Home Sales Dip 38% as Payments Jump 57%**

Homebuying's slump in Los Angeles and Orange counties pushed sales down 38% in October as house payments jumped 57% or more. Sales totaled 6,749 in the two counties — down 4,153 from October 2021, according to data from CoreLogic tracking closed transactions for single-family homes and condos, existing and new construction. Many house hunters were scared off by surging mortgage rates that cut buying power by 35% in a year that made high home prices unaffordable.

## **PHILADELPHIA — Affordable Housing Development for Seniors Proposed in Chinatown**

A new affordable housing development for Chinatown's senior citizens is being developed at Ninth and Vine Streets by Pennrose in consultation with the Philadelphia Chinatown Development Corporation and the city Redevelopment Authority. The 51-unit building is expected to cost \$23 million, much less than the original pre-pandemic estimate.

## **RICHMOND — Plant Zero Closing Down to Make Way for Construction of Apartment Complex**

Plant Zero, a mixed-use community space for artists, will be closing its doors this month after

several years of business to make way for a new luxury apartment complex. Critics worry about infrastructure for the project and that a new building could potentially obstruct views of the Richmond skyline. The project is being spearheaded by real estate agency Fountainhead RVA.

### **SAN DIEGO — San Diego Home Price Drops for Fifth Month, Marking Second Biggest Decline in SoCal**

San Diego County's home price has now dropped five months in a row. The median home price was \$775,000 in October, said CoreLogic on Tuesday. It reached an all-time high of \$850,000 in May, but the market has slowed considerably with rising interest rates. From September to October, San Diego County's median price dropped 2.2 percent, making it one of the biggest monthly decreases in Southern California.

### **SEATTLE — Seattle Landlords Accused of Conspiring to Raise Rents**

Three new lawsuits allege that several of the largest property management companies in Seattle conspired to decrease competition and drive up rents. The complaints claim that landlords created a "cartel" to set prices and exchanged renter information, thereby increasing rents in violation of antitrust laws.

#### **Taxes & Spending**

### **CHICAGO — Chicago Property Taxes Rise Nearly 7%**

Property taxes in Chicago rose 6.6% this year, with a twist no one would have expected just a year ago: Homeowners, not landlords, picked up a bigger share of the tab. After expressing dismay about Cook County Assessor Fritz Kaegi's push to hike assessments of office, apartment, and other commercial buildings, landlords in the city managed to avoid the big collective tax hike that many had feared, according to an analysis from the office of Cook County Treasurer Maria Pappas. But that just pushed more of the tax burden onto Chicago homeowners, reversing a two-year trend in the county.

### **LOS ANGELES — Greenlit By More Than 500,000 Voters, Measure ULA Is Unpopular With City's Real Estate Pros**

Measure ULA, a so-called Mansion Tax in Los Angeles, has been green-lit by nearly 58% percent of the city's voters in a referendum this month, despite being panned by many in the real estate industry. Critics in the industry have argued that Los Angeles residents are already over taxed, and that the measure will be an added weight on the market and won't solve the very issue it's trying to address.

### **NEW YORK CITY — NYC Agencies to Cut 21,000 Vacant Positions**

New instructions from NYC's Office of Management and Budget indicate that agencies must cut their current vacancies by half, and that they will need to self-fund any new needs in the 2023 budget process. "Uniformed" positions, such as NYPD and FDNY, will not be affected, along with the vague "jobs that support mayoral priorities."

### **PHILADELPHIA — Executive Office, City Council Negotiate Unexpectedly High Fund Balance**

Philadelphia finished its most recent budget year with an unprecedented \$779 million fund balance, placing the city in the unusual position of having more funds than it knows precisely what to do with. While many members of City Council have been vocal proponents of more aggressive spending on programs — such as gun violence mitigation post-pandemic economic aid — the Kenney administration favors erring on the side of caution to prepare for a potential recession.

#### **Transportation & Mobility**

### **BALTIMORE — Nearly Completed Central Avenue Renovation Project Draws Criticism**

While the years long \$55 million upgrade to Baltimore's Central Avenue is nearing its completion, the project has continued to draw criticism from residents and area business owners regarding changes to the plan that have been made along the way. Chief among these is a controversial "diet road" proposal, which neighborhood associations and businesses claim they had no input in, which will eliminate two lanes and add a protected bicycle path and parking lane.

### **BOSTON — Seaplanes Boston-to-NYC Flight**

Tailwind Air's seaplane flights are growing in popularity, and a journey from Boston to New York City takes just 1 hour. A one-way flight runs from \$395 to \$795. Tailwind Air also plans to expand their fleet and seaplane offerings next summer.

### **BOSTON — "Try Transit Holiday" Begins**

Non-MBTA buses will be free through the end of the year, as part of a 37-day "Try Transit Holiday." Many elected officials will be interested in the results - Governor-elect Healey pledged to outline a "pathway to fare-free buses" on the campaign trail, and a handful of MBTA lines currently have free fares as part of a 2-year pilot program spearheaded by the city.

### **CHICAGO — O'Hare Expansion Cleared for Takeoff**

O'Hare International Airport got the official federal go-ahead Monday for a \$7.1 billion project to replace Terminal 2 with a "global terminal" intended to link domestic and international flights in one location. U.S. Transportation Secretary Pete Buttigieg, Mayor Lori Lightfoot and other dignitaries announced that the Federal Aviation Administration had completed a four-year environmental study paving the way for the project.

### **DETROIT — Detroit City Council Votes Down Nearly \$50 Million Paratransit Contract**

Detroit City Council approved then reversed its vote on a five-year, nearly \$50 million contract to provide paratransit services for riders with disabilities after many weeks of postponement and responding to community complaints about the contractor. Council members initially approved the contract in a 5-3 vote Tuesday after a lengthy debate over whether to propose a shorter contract period or extend the current one for a few months to make time for a new bid. However, that quickly turned.

### **LOS ANGELES — LA Metro Approves \$180-Million Implementation Plan to Improve Bus Service on North San Fernando Valley Transit Corridor**

The Los Angeles County Metropolitan Transportation Authority (L.A. Metro) Board of Directors approved the \$180-million implementation plan for the North San Fernando Valley Transit Corridor to improve the speed, reliability and passenger experience for bus services on major thoroughfares throughout the San Fernando Valley. The implementation plan is expected to begin in fall 2023 and be completed by winter 2025.

### **RICHMOND — Richmond Pulse Rapid Bus Transit Line Among Most Successful in the Nation, Resulting in Potential for Expansion**

The nation's transportation leaders are now turning to Richmond for an exemplary case study on how to execute a new rapid bus transit line. Since its launch in 2018, Richmond's Pulse has become one of the most successful of these services in the country, paving the way for potential expansion next year.

### **SAN DIEGO — Will San Diego's \$160-Billion Rail Expansion Survive GOP Election Shake-up?**

The San Diego region's envisioned multibillion-dollar rail expansion — complete with miles of underground tunnels and state-of-the-art train stations — could be on a collision course with a harsh political reality. The wildly expensive plan, expected to cost roughly \$160 billion, has no funding. Now, key local elections that could shift the balance of power at the government agency spearheading the proposal appear to have been won by Republicans who oppose new levies to fund transit.

### **SAN DIEGO — North County Transit District Redeveloping Transit Centers to Add**

## Housing

The North County Transit District is working to address San Diego's housing crisis and get more people to use public transportation. The agency plans to redevelop land around its transit stations for housing and commercial projects. The goal of the project is to create more housing and increase ridership by building offices and shops at the transit stations.

### **WASHINGTON, D.C. — City Council Votes in Favor of Free Metrobus Service**

A new measure that would remove fares from the existing Metrobus system was passed by D.C. City Council yesterday. The advancement will make D.C. the largest city in the country to provide such a service for free, and will cost the city an estimated \$42 million per year.

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