



# Cozen Cities: February 10, 2023

Gig Economy & Technology

# CHICAGO – Proposed Ordinance Offers Course Correction for False Claims Against Gig Workers

Rideshare and delivery drivers in Chicago are calling for an ordinance that guarantees their right to appeal before being permanently kicked off the app they use for their jobs. The proposed ordinance would offer a means for app drivers accused of misconduct to tell their side of the story and recoup lost income if they were found to be unfairly deactivated.

### DETROIT - GM Looks to Hire Tech Talent From Massive Job Cuts in Silicon Valley

Silicon Valley's loss will be Detroit's gain as automakers transition into high-tech companies and as talented people who will design and operate the new "computers-on-wheels" flood the current job market. Technology titans have already laid off about 70,000 employees. All of this newly unemployed tech talent spilling into the market offers General Motors and Ford Motor Co. a fortuitous opportunity to lure talent to Detroit.

### PHILADELPHIA - Philadelphia Tech Employers Hiring Despite National Trends

Despite a national trend of tech industry layoffs, Philadelphia employers have actually been experiencing a shortage of skilled technology workers, and are recruiting heavily in the sector — especially among locals. This also means Philadelphia-area tech workers have by and large been safer from layoffs than in other areas of the country.

Labor & Employment

### BOSTON - The Recovery of "Downtown Boston" Largely Dependent on Office Workers

Boston's three downtown neighborhoods (Back Bay, the Financial District, and the Seaport) highlight the ways that areas are changing as the pandemic shifts.

### CHICAGO - Number of Chicagoans Returning to Offices Holding Steady

The number of Chicagoans heading to the office is holding steady. That's according to data from real estate technology firm Kastle Systems, which analyzed building security card swipes and compared current figures to early 2020. The return-to-office numbers are above the national standard, surpassing New York and Los Angeles.

# DETROIT — Mayor Duggan Urges Detroiters to Access \$100 Million in Job Training Opportunities

Mayor Mike Duggan on January 30 walked Detroiters through the steps to access \$100 million in job training opportunities during his annual citywide community meeting. The \$100 million in scholarships funded by the American Rescue Plan Act is available through Detroit at Work, the city's workforce development center.

# LOS ANGELES — LA Shifts Course on Vaccine Mandates for City Workers, Will Approve Exemptions

In a twist, Personnel Department General Manager Dana Brown sent a memo to department heads this week ordering the approval of all religious and medical exemptions to the vaccine mandate that were filed by city employees as of January 31.



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# SAN DIEGO — San Diego Repeals Controversial COVID-19 Vaccine Mandate for City Workers

San Diego has repealed a controversial COVID-19 vaccine mandate for city workers that had led to multiple lawsuits, the firings of 14 employees, and resignations of more than 130 police officers. City officials said drops in COVID-19 cases and hospitalizations in recent months prompted the repeal, which the City Council approved unanimously January 24.

# WASHINGTON, D.C. – Office Vacancies in Downtown D.C. Present Challenge for City Officials

Many D.C. workers are continuing to work from home even as pandemic-era restrictions abate, which is presenting a problem for the city's downtown commercial real estate sector. This has become an important facet of Mayor Muriel Bowser's agenda for her third consecutive term. The administration has proposed converting offices to apartments for up to 15,000 new residents.

### **Policy & Politics**

### BALTIMORE - Baltimore City TikTok Ban to Be Enacted in Mid-February

Beginning February 15, social media app TikTok will be banned on Baltimore city networks and employee devices. The move by the Baltimore City Information Technology Department comes amid concerns over cybersecurity, as Byte Dance, TikTok' s parent company, has close ties to the Chinese government.

# CHICAGO — Chicago Mayoral Election Update: New Poll Shows Garcia Lose Frontrunner Status; Two Other Candidates in Statistical Tie

A new voter opinion survey reported exclusively by FOX 32 Chicago News finds Mayor Lori Lightfoot and Paul Vallas in a statistical tie, with Congressman Chuy Garcia falling from his previous front runner status to third place. If no candidate receives 50% plus one vote on February 28, the top two finishers compete in a runoff election April 4.

# LOS ANGELES — LA Council Approves One-Month Grace Period for Tenants Behind on Rent

The Los Angeles City Council has adopted an ordinance providing tenants who are behind on their rent with a one-month grace period prior to their landlord beginning eviction proceedings, but there were not enough votes for it to take effect immediately.

# PHILADELPHIA — Philadelphia Mayoral Election Update: Campaign Finance Reports Shed Light on Candidates' Status in Race

Recent campaign finance reports filed by eight Democratic candidates for mayor have revealed just how competitive the race still is with fewer than 100 days left to go until the May primary. Former At-Large Councilmember Allan Domb raised the most money by a huge margin, thanks to the \$5 million of his own money he was able to inject into his campaign, while grocer Jeff Brown, former At-Large Councilmember Helen Gym, and former City Controller Rebecca Rhynhart each collected more than \$800,000 in campaign contributions.

# PHILADELPHIA — Philadelphia Launches New Financial Assistance Initiative to Help Renters, Landlords

Last week, Philadelphia city officials launched a new financial assistance initiative to help resolve landlord-tenant disputes over back rent. The \$30 million investment will go toward one-time payments to participants in the city's Eviction Diversion Program in order to prevent back rent from becoming the basis of an eviction filing.

# RICHMOND — Mayor Stoney Gives State of the City Address

At the end of last month, Richmond Mayor Levar Stoney gave his State of the City address, during which he highlighted the city's recent success in making improvements to economic opportunity and quality of life for city residents. He also numerated several of his administration's goals for the

coming year, including creating homeownership opportunities for low-income residents, investing in Richmond Public Schools, and expanding the Richmond Resilience Initiative, among other priorities.

#### Public Health & Safety

### BALTIMORE - Governor Moore Commits to Improving Baltimore Public Safety

Newly inaugurated Governor of Maryland Wes Moore has declared Baltimore's fight against gun violence a priority for his administration. The commitment to working with city officials to improve public safety comes in stark contrast to his predecessor Governor Larry Hogan, who frequently accused Democratic city officials of being soft on crime.

### CHICAGO - Chicago to Receive \$60 Million in Federal Funding to Fight Homelessness

The U.S. Department of Housing and Urban Development is hoping to reduce the number of people living on the streets with a \$60 million grant announced February 2 for Chicago, part of \$315 million in federal funding to 46 communities across the U.S. to fight homelessness.

### LOS ANGELES - LA Debuts New Peace, Healing Centers for Communities Citywide

The pandemic wasn't easy on anyone. But in Los Angeles's neediest communities, dubbed LA REPAIR Zones, pandemic-era challenges added to those that already existed, city leaders say — including many that are the result of systemic racism. To help support folks in those zones — which also happen to be predominantly populated by people of color — the Civil + Human Rights and Equity Department (also known as LA Civil Rights) has launched, under a new \$2 million pilot program, new Peace & Healing Centers in nine communities across the city.

### NEW YORK CITY - NY Pays \$121M for Police Misconduct in 2022

NYC paid over \$121 million in police misconduct settlements in 2022, the highest amount since 2018. Six of the payouts were over \$10 million.

#### SEATTLE - 5 New Mental Health Crisis Centers on the April Ballot

Kings County Council approved an ordinance that would support a new property tax levy to fund five new mental and behavioral health crisis centers, one specializing in serving youth. Seattle-area voters will now decide whether or not to approve the measure.

# WASHINGTON, D.C. — City's Safe Passage Safe Blocks Program Expands, Draws Criticism

Like many cities across the country, D.C. has been experiencing an uptick in youth violence, which the city's Safe Passage Safe Blocks program, originally launched in 2017, is intended to address. The program has recently been expanded, though not everyone agrees that it has been having the desired effect.

#### **Real Estate Development**

#### BOSTON - Wu Pitches Rent Stabilization in State of the City address

At her State of the City address, Mayor Wu noted that her administration planned to send Boston City Council a Home Rule Petition on rent stabilization. She also established a Planning Advisory Council and proposed dissolving the Boston Planning and Development Agency (BPDA).

#### CHICAGO - Housing Boom Weaker in Chicago; Market Could Prove More Resilient

The housing boom of the past three years was weaker in Chicago than in nearly every other big U.S. city. That could prove to be great news over the next few years, both for individual households and for the region.

DETROIT - More Details Emerge for \$1.5 Billion District Detroit Buildout, Incentives

A fuller picture is emerging of the proposed \$1.5 billion buildout of District Detroit. Developers are planning 10 new buildings or rehabs and are requesting about \$800 million in development incentives. The joint project by the llitch organization's Olympia Development and mega developer Stephen Ross' Related Companies is moving toward a possible Detroit City Council vote in March.

### LOS ANGELES - LA "Mansion Tax" Shakes Up Commercial Property Sales

Come April, the 4% tax will be applied to all properties — commercial and residential, despite the mansion moniker — sold or transferred for more than \$5 million, and 5.5% will be levied on properties sold or transferred for more than \$10 million. Those rates will replace the current 0.45% transfer tax rate.

### SEATTLE - "Social Housing" Measure on Special Election Ballot

A social housing measure is on the ballot for Seattle's February 14 special election. Seattle voters will be able to vote on whether to create a new public development authority, Seattle Social Housing Developer, to tackle the affordable housing crisis.

### Taxes & Spending

### CHICAGO - How Chicago's Annual Inflation Increase Compares to Other Metro Areas

The Chicago area saw the 10th-highest annual inflation rate increase last year, according to an analysis of Consumer Price Index data by Axios. Inflation in the area rose 5.5% from December 2021 to December 2022, which is down from the same period the year prior when Chicago saw a 7% annual spike but still well above a healthy level.

### DETROIT - Detroiters' 2023 Property Taxes Going Up; Blame (Mostly) Inflation.

Detroit property owners taking a look at their 2023 notice of assessment, which have just begun to arrive in the mail, are likely to see a larger-than-usual increase to their property taxes. Home values in many parts of the city are going up, but that's not the reason for the higher taxes. Instead, it's thanks to unusually high inflation.

### LOS ANGELES - LA City Council Committee Goes After Bizarre Hotel Tax Loophole

A Los Angeles City Council committee recommended approval on Monday, January 30, of an ordinance that aims to close a loophole allowing hotels in Los Angeles to avoid paying their taxes.

# RICHMOND - City School Board, Council Negotiating Proposed Budget Increase

Last week, the Richmond City School Board met with members of City Council in the first of many such meetings to discuss Richmond Public Schools (RPS) funding needs. Superintendent Jason Kamras has proposed a \$35 million budget increase over last year, and while this is still currently being negotiated, a portion of the current city revenue surplus may be allocated toward this end.

# SAN DIEGO - San Diego's Infrastructure Funding Gap Surges Past \$5 Billion

San Diego's funding shortfall for crucial infrastructure projects surpassed \$5 billion this winter for the first time — a nearly 20% jump driven by sharply increasing needs for parks projects, streetlight upgrades and flood prevention. The city's infrastructure backlog — the gap between projected infrastructure needs over the next five years and the funding available for them — climbed from \$4.32 billion last winter to \$5.17 billion now.

#### **Transportation & Mobility**

### BALTIMORE - New Tunnel on Regional Train Line Coming to Baltimore

Last week during a visit to Baltimore, President Joe Biden announced plans to construct a new rail tunnel under Reservoir Hill, Upton, and Sandtown-Winchester. The new tunnel will be replacing one that is 150 years old, and is used by commuters between Baltimore and Washington, D.C. on Amtrak and Maryland Area Regional Commuter Rail (MARC).

### BOSTON - Greater Boston Chamber of Commerce Supports Congestion Pricing Study

The Greater Boston Chamber of Commerce has announced their support in creating a commission dedicated to studying traffic reduction. The legislation, introduced in the Massachusetts legislature, includes the study of congestion pricing, along with other traffic-reduction techniques.

# CHICAGO — O'Hare Terminal 5 Gate Expansion Opens, Making Space for 120 New Daily Flights

O'Hare International Airport's Terminal 5 now has more space to accommodate planes and passengers after 10 new gates opened for airlines' use. The new gates entering service mark the completion of a key piece of the revamp of the former international terminal, which has been under construction for about four years. The \$1.3 billion renovation of Terminal 5, was set to expand the terminal by 350,000 square feet, add passenger amenities and security checkpoint lanes, reconfigure customs facilities and replace an aging baggage handling system.

### DETROIT - Detroit to Receive Nearly \$25 Million to Fix Most Dangerous Streets

Detroit will receive \$24.8 million to improve safety on the most dangerous roads in the city, the U.S. Department of Transportation announced Wednesday. Detroit has one of the worst traffic fatality rates in the nation, according to the agency, and the per capita fatality rate rose 88% between 2017 and 2020.

### LOS ANGELES – LAX Transformation More Than Halfway Done, Last Phase Underway

The Los Angeles International Airport's long-term modernization is more than halfway finished, airport officials said in an update the week of January 30, with some projects completed in the past few years and others under construction and upcoming. The second and final phase of the \$15 billion capital improvement project recently began, said Justin Erbacci, CEO of Los Angeles World Airports.

# RICHMOND — City Council Announces Plans to Address Intersection Safety Where Confederate Monument Once Stood

Richmond City Council is planning to address safety issues surrounding the intersection where a statue of confederate general A.P. Hill once stood. The city recently paved over the spot where the statue used to stand and added pedestrian crossing lines, but confusion among drivers has led to an increase of traffic incidents. The Richmond Department of Public Works will be conducting a study on the intersection this summer or fall.

# WASHINGTON, D.C. - D.C. Fare-Free Bus Bill Officially Enacted

D.C. City Council's fare-free bus bill has officially gone into effect, making D.C. the largest city in the U.S. to codify free transit. The bill was not approved by Mayor Muriel Bowser, but funding approval from Washington's chief financial officer nevertheless ensured the elimination of the \$2 bus fare and added more 24-hour bus lines.