



**Annapolis Environmental Commission  
160 Duke of Gloucester Street  
Annapolis, MD 21401**

July 18, 2021

Mayor and City Council  
City of Annapolis  
160 Duke of Gloucester Street  
Annapolis, MD 21401

Re: O-14-21 Resilience Authority of Annapolis and Anne Arundel County

Mayor Buckley and City Council Members,

The Annapolis Environmental Commission (AEC) acknowledges the need to enhance and create infrastructure to meet the increased demands of climate change. In general, the AEC supports the concept of entering into a regional partnership with the County to build resilience into existing and new infrastructure and to jointly fund such an effort.

However, after careful review of O-14-21- *Resilience Authority of Annapolis and Anne Arundel County*- we are concerned that many critical issues are not resolved and feel that this legislation is not ripe for passage at this time. In addition, the requirement to pass this legislation in “substantially similar” form to the County legislation prevents the City from making additional amendments to address important issues, such as those outlined in this letter.

The AEC is asked “to be concerned with the protection and improvement of the natural health and welfare of the environment, the land, waters, noise, and air of the City and environs...” It is in this spirit that the AEC is offering this letter, as the creation of a Resiliency Authority has potential to bring substantial environmental, social and economic benefits to Annapolis and the County. However, the success of a Resiliency Authority, like any organization, is not automatic. Care must be taken to ensure the enabling legislation establishes the Authority from a position of strength and clarity of vision. As written, the AEC feels that O-14-21, overall, (1) lacks vital clarity in the described scope and operations of the Authority, and (2) makes ambiguous and optimistic financial assumptions.

**1. Clarify scope and operations of the Authority**

It is understood that the legislation will not, and should not, articulate every operational parameter of the Authority or its Board. The legislation should provide the guiding principles

and other parameters of importance. For example, the conflict of interest language is an excellent addition that was made by the County and the City. However, the ordinance should be clear about other key issues, rather than leaving so much left to be determined, presumably in the Authority's by-laws. To better clarify the Authority's scope and subsequent operations, the AEC suggests the following recommendations and concerns be considered:

**Recommendations:**

- Delay the passage of this authorizing legislation until such time as the City's Resiliency Plan is complete and has received input from the public and relevant Boards and Commissions.
- Redefine "resiliency infrastructure." The definition should include, but not be limited to, the practices stated and should explicitly include green and gray infrastructure with a preference, wherever feasible, to implement natural and nature-based green infrastructure solutions.
- The Authority Director should have infrastructure finance experience in addition to the experience noted in the ordinance.
- 

**Concerns:**

- Creating a company to perform work rather than contract with a company to perform work.
- Lack of clear description of what resilient infrastructure encompasses. The city staff report says it includes transportation, energy and water infrastructure but the actual text of the bill does not specify the projects, practices, and approaches to be considered.
- The Mayor's "concurrence" is required for selection of the Director, dissolution of Authority, and amendments to articles of incorporation. However, it is unclear what, if any, process exists if the County Executive and Mayor continue to disagree. While the current Administrations would certainly agree on a Director, administrations change and the County and City leadership may diverge. What happens if "concurrence" is not given? Will an interim director serve until a Director is appointed? Similar questions apply to other issues where the Mayor's concurrence is required.
- The ordinance instructs the newly formed authority to draft its bylaws, which means the twelve members will be identified and convened prior to the first edition of the bylaws. A simple majority of members can take an action and therefore adopt bylaws, which means that all three Annapolis members could object and be overridden. Will the Authority accept or consider community input on its bylaws? Will it be the Authority Chair or Authority Director who manages the process for drafting the bylaws and incorporating input?
- Will hearings or meetings of the Authority be subject to requirements for open meetings like City and County boards/commissions?
- The existing ordinance should reinforce the County's and City's commitments to environmental justice, diversity, equity and inclusion. This can be achieved by calling for the Authority to consider allocating a portion of contracts for local, minority-owned businesses. Furthermore, the Authority should include representation from marginalized communities, who will be hit hardest by impacts from climate change. If representation

cannot be guaranteed then the legislation should at least specify that the Authority will consider input from and engage with such communities.

- It is also worth noting that other counties, such as Charles County, include language explicitly granting the ability to join or partner with other resilience authorities.

## **2. Elucidate financial assumptions and revenue expectations for leveraging by the Authority**

The issuance of bonds requires a steady income stream to repay the bonds, and the acquisition of federal and state grants require matching funds. There is no clear explanation of how this body will generate revenue, which leads us to assume fees will be assessed to residents. Besides a fee, there is no explanation of where those funds can come from. Private investors expect to profit from investments and resiliency projects for energy, transportation and water infrastructure do not generate revenue.

- The Mayor and several Aldermen/women have stated taxpayers will not be funding the Authority, or that the Authority may not ever charge a fee even if they have the power to do so. However, most federal infrastructure grants require matching funds (e.g., State Revolving Funds), and so another revenue source will be necessary to leverage grants. Similarly, a reliable revenue stream will be necessary to attract private investments or to repay bonds issued by the Authority.
- The ordinance states that the bonds the Authority issues are not backed by the full faith and credit (ie. taxing authority) of the jurisdictions but if the jurisdictions can ultimately be saddled with the debt if the Authority fails, then it would seem that the bonds are backed by the jurisdictions. The City and County should have to approve all obligations (debts), and obligations for projects in the City should be transferred to the City; for projects in the County, obligations should be transferred to the County.

Respectfully,  
Bevin Buchheister, Chair  
Annapolis Environmental Commission

cc. David Jarrell, City Manager; Jacqueline Guild, Assistant City Manager for Sustainability and Resilience