

**BUDGET AMENDMENTS AS APPROVED BY ANN ARBOR CITY COUNCIL
ON MAY 16, 2016**

Amendment 1

Provide Funding to the Affordable Housing Fund

Whereas, the Council approved an amendment to the budget for FY14 that the City incorporate into the budget a recurring cost of \$100,000 for the Affordable Housing Fund; and

Whereas, for FY16 and FY17, these dollars have been transferred directly to the Housing Commission to offset administrative costs; and

Whereas, in the future, the Housing Commission is not expected to need to receive these supplemental dollars; and

Whereas, the Affordable Housing Fund has earmarked all but \$3,000 of its balance in support of affordable housing projects and the maintenance of existing public housing and affordable housing units;

Resolved, the General Fund Community Development Expenditure Budget be increased by \$100,000.00 to transfer to the Affordable Housing Fund funded by a one-time use of fund balance in FY17; and

Resolved, the Affordable Housing Fund revenue and expenditure budgets be increased by \$100,000.00; and

As Amended by Ann Arbor City Council on May 16, 2016

Sponsors: Briere, Ackerman

Moved by Briere, seconded by Ackerman

Motion to Amend by Eaton, seconded by Lumm Approved 11-0 on a Roll Call Vote

Approved as Amended on a Voice Vote

Amendment 2

Fund three outdoor ice rinks for FY2017

Whereas, the outdoor ice rinks, piloted during the 2015/2016 winter at Allmendinger, Burns, and Northside Parks, were successful and well received by the community; and

Whereas, staff has estimated the expense to continue the outdoor ice rinks for the 2016/2017 winter to be \$60,000; and

Whereas, funding is available as part of the Parks Fairness resolutions (R-11-186 and R-12-382); and

Whereas, on April 19, 2016, the Parks Advisory Commission (PAC) unanimously supported continuation of the outdoor ice rinks, as well as the allocation of any available Parks "fairness resolution" expenditure funds towards the outdoor ice rink program.

RESOLVED, that the General Fund FY 2017 Parks budget be increased by \$60,000 funded by a one-time use of the General Fund balance; and

RESOLVED, that this amount reduce the amount owed under the Parks "fairness resolution".

Sponsors: Grand, Ackerman, Smith
Moved by Grand, seconded by Ackerman
Approved on a Voice Vote

Amendment 3 - *DEFEATED*

Reduce Streetlight replacement for Kerrytown by \$320,000 and request DDA to fund \$320,000 additional Kerrytown lighting

Sponsor: Kailasapathy, Lumm, Eaton
Moved by Kailasapathy, seconded by Eaton
Motion to Amend by Warpehoski, seconded by Smith (considered friendly)
Defeated 5-6 on a Roll Call Vote

Amendment 4 - *DEFEATED*

Increase FY17 budget for crosswalk improvements

Sponsor: Kailasapathy, Lumm, Eaton, Briere
Moved by Briere, seconded by Smith
Motion to Amend by Briere, seconded by Smith (considered friendly)
Defeated 3-8 on a Roll Call Vote

Amendment 5

Amend Connector Study Budget

Whereas, the City of Ann Arbor, the Downtown Development Authority (DDA), the Ann Arbor Area Transportation Authority (TheRide), and the University of Michigan (UM)

have partnered on a series of studies leading to the design and construction of The Connector; and

Whereas, there have already been two phases to the process that may result in the Connector; and

Whereas, the City of Ann Arbor, the DDA, UM, and TheRide funded the initial \$250,000 feasibility study (\$50,000; \$50,000, \$50,000, and \$100,000, respectively); and

Whereas, the City of Ann Arbor, the DDA, UM, and TheRide funded the revised feasibility \$640,000 study (\$80,000, \$80,000, \$160,000, and \$320,000, respectively); and

Whereas, the City of Ann Arbor, the DDA, UM, and TheRide, matching a Federal Grant of \$1,200,000, funded Phase II, the \$1,500,000 route study (\$30,000, \$30,000, \$150,000 and \$90,000, respectively); and

Whereas, the University of Michigan has offered to fund at least 75% of the Phase III \$3,000,000 to \$4,000,000 environmental assessment study; and

Whereas, the City of Ann Arbor and its partners in this process wish to proceed with the study; and

Whereas, the City Council has yet to approve the level of the City's participation in this study;

Resolved, that the City of Ann Arbor determines that it is willing to be a full partner in the funding of Phase III; and

Resolved, that the City Council sets its level of participation for Phase III at \$60,000, without regard to fiscal year, which assumes a project of \$3,000,000, with 90% UM participation, 6% TheRide, and 2% each for the City and the DDA; and

Resolved, that City Council approve an additional amount for staff time and training costs in the amount of \$33,950;

Resolved, that the budget be adjusted to decrease the General Fund System Planning expenditure budget thereby increasing the General Fund Reserves by \$90,000; and

Resolved, that any future request for funding for this or any future phase of the Connector will require active Council approval; and

Finally resolved, that the Council will review and approve the final proposal for the routing of the connector prior to any funding request for a future phase.

Sponsor: Briere, Krapohl

Moved by Briere, seconded by Krapohl
Approved 6-5 on a Roll Call Vote

Amendment 6

Approve Solid Waste Supplemental Funding for a Food Waste Pilot(s) Supporting the Implementation of the Organics Study Recommendation

Whereas, a 2012 waste sort conducted by the City of Ann Arbor found that over 40% of the material making its way to the landfill from Ann Arbor was comprised of organic waste, most of which was food and wood waste;

Whereas, on December 17, 2012 the Ann Arbor City Council adopted the Ann Arbor Climate Action Plan, which promotes opportunities to create stronger, more effective recycling and composting programs;

Whereas, The Waste Less: Solid Waste Resource Plan adopted in October, 2013 set goals of increasing single-family, multi-family and commercial waste diversion rates;

Whereas, meaningful increases in diversion rates will require a host of interrelated strategies in order to maximize the recovery of materials in a cost-effective and efficient manner;

Whereas, such innovations include: commercial food waste pilot programs in the Downtown Development Authority (DDA) area, Ann Arbor Public Schools and non-recoverable food items from Food Gatherers and the Delonis Homeless Shelter;

Whereas, such programs have widespread support from local businesses, the Ann Arbor Public Schools and potential participants, who are ready to act now;

Whereas, in February, 2016 the Environmental Commission unanimously endorsed this proposal for supplemental programming and financial support for these initiatives in the fiscal 2016/17 solid waste operating budget; and

Whereas, Ann Arbor entered into a contract with CB&I to conduct a study for the purpose of assessing the City's potential for year-round organic (compost) pickup;

Whereas, the CB&I Organics Study will be completed by January 2017;

Whereas, this study has been asked to develop implementation strategies for organic collection; and,

Whereas, the scope of the food waste pilot program will be defined in the Organics Report but will include no fewer than 10 downtown restaurants and 9 public school facilities;

RESOLVED, That the FY17 Solid Waste expenditure budget be increased by \$100,000 funded with a one-time use of fund balance to finance a food waste collection pilot program;

RESOLVED, That this funding will establish a commercial food waste collection pilot program based on the scope recommended in the CB&I Organics Study, which may be broader or more comprehensive than the food waste pilot recommended by the Environmental Commission in their February 2016 resolution; and,

RESOLVED, That the pilot program or higher priority recommended action will begin by April 1, 2017 and upon completion a report prepared and delivered to City Council summarizing the project to be delivered by March 1, 2018 or as recommended by the CB&I Organics Study.

As Amended by Ann Arbor City Council on May 16, 2016

Sponsors: Smith, Briere, Ackerman, Krapohl, Taylor

Moved by Smith, seconded by Briere

Motion to Amend by Eaton, seconded by Lumm (considered friendly)

Approved as Amended on a Voice Vote

Amendment 7

Increase General Fund budget for Community-Facing Climate Action Programs

WHEREAS, City Council passed Resolution 14-095 directing staff to draft recommendations on Community Energy Efficiency;

WHEREAS, City Council received a recommendation from staff on May 5, 2014, detailing the resources necessary to make significant progress on creating and implementing additional community energy efficiency, conservation, and renewable energy programs that further the Climate Action Plan's adopted targets, reduce our community GHG emissions, provide economic benefit to our community and help to preserve our quality of life ("Community-Facing Climate Action Programs");

WHEREAS, City Council unanimously adopted the Climate Action Plan on December 17, 2012, committing the City to reduce its greenhouse gas emissions by 90% by 2050;

WHEREAS, The City of Ann Arbor will not achieve the goals articulated the Climate Action Plan if we do not invest in staffing and Community-Facing Climate Action Programs;

WHEREAS, in FY2016, \$165,000 was budgeted for Community-Facing Climate Action Programs, which was then allocated for sustainability associate staff, and for contractual services with the Clean Energy Coalition and Ecology Center;

WHEREAS, those efforts have attracted approximately \$2 million in proposed PACE clean energy investments; and have begun development of a commercial energy benchmarking ordinance, a citywide energy concierge service, the Solar Group-Buy/Solarize Ann Arbor program, and a climate action community engagement program;

WHEREAS, the FY2017 budget submitted by the Interim City Administrator includes \$80,000 for the continuation of the sustainability associate efforts;

WHEREAS, a non-recurring amendment of \$85,000 would allow continuation of the current level of community-facing climate action programs;

RESOLVED, That the General Fund FY2017 Systems Planning expenditure budget be increased by \$85,000 to continue funding community-facing climate action programs, funded with a one-time use of fund balance.

Sponsors: Smith, Briere, Grand, Taylor, Krapohl

Moved by Smith, seconded by Warpehoski

Approved 9-2 on a Roll Call Vote

Amendment 8

Establish a FY17 Budget for Deer Management Lethal Methods of \$110,000 and to Direct the City Administrator to Present to Council a Recommended Plan for Ongoing Deer Management Actions, Costs and Funding

Whereas, in response to citizen concerns particularly in the First and Second Wards regarding growing Deer populations and the damage being caused to the city's natural environment, native species and eco-systems, as well as concerns related to public health and safety, City Council commenced a collaborative study process in May 2014 to dimension the severity of the issue and to begin evaluation of alternative deer management strategies and approaches; and

Whereas, in May 2015, after conducting a thorough evaluation and research process with extensive public engagement, the city issued its final report which recommended that the city should set an overall goal of reducing deer-human interactions with a recommended approach of a series of annual culls, beginning in the Winter of 2016 on City property in Wards 1 and 2; and

Whereas, in May 2015, Council established a \$90,000 deer management budget for FY16 to cover the expected costs of the staff recommendations in the event Council chose to adopt those recommendations; and

Whereas, in August 2015, Council adopted the staff recommendations including a series of at least four annual culls commencing in Winter 2016 and implementing a deer feeding ban. The feeding ban was implemented by Council in September 2015 and the first of the series of annual culls was conducted in January-February of 2016; and

Whereas, the August 2015 adopted Council resolution also included exploring non-lethal experimental options for deer management. The Administrator's proposed FY17 budget includes \$35,000 to support the study of non-lethal deer management methods and that provision is unaffected by this resolution; and

Whereas, the most recent helicopter aerial survey in February 2016 counted 202 deer, up from 168 deer counted a year earlier, and while these surveys are not precise or comprehensive, the increase suggests that the Ann Arbor deer populations continue to grow and it is known that in the absence of predators or management actions, deer populations tend to double every two-three years; and

Whereas, the final actual costs for all aspects of the FY16 deer management program (cull, aerial surveys, assessing browse damage, and staff time) are not yet available, but staff estimates the total cost for FY16 will be \$107,521; and

Whereas, the experience of other communities demonstrates that for a deer management program to be effective, it must:

- be sustained for several years
- incorporate (on an ongoing, strategic basis) metrics, maps and trend data on deer populations and locations, deer-vehicle collisions, and deer browse damage to public areas and private property
- be supported by a staff time commitment that includes contractor management/oversight, development and monitoring of data and metrics, public engagement, and coordination with key partners (MDNR and UM); and

Whereas, the Administrator's proposed budget for FY17 includes a \$35,000 provision for recurring deer management lethal methods which represents the approximate cost of culling 100 deer, but does not reflect the costs for any of these related actions necessary for an effective deer management program; and

Whereas, a detailed plan and cost estimate for year two of the deer management program has not yet been developed, but it's expected the city will take advantage of the learnings from year one which could result in savings in some areas, but added actions and costs in other areas; and

Whereas, it is prudent and fiscally responsible to include in the FY17 budget an appropriate provision to cover the costs of the potential year two actions and based on the FY16 experience, a FY17 budget provision of \$110,000 for deer management lethal methods appears both reasonable and adequate; and

Whereas, Council desires a longer-term plan for deer management including recommended actions and estimated recurring and one-time costs and it is expected that once accepted by Council, the appropriate recurring costs will be reflected in future year budget recommendations by the Administrator; and

RESOLVED, that the City Administrator will present to Council on or before October 3, 2016, a detailed, long-term deer impact analysis plan that includes data collection, metrics, public engagement and coordination with key partners (MDNR, UM, Washtenaw County) and the City Administrator will estimate recurring and one-time costs and once accepted by Council, the Administrator will incorporate the recommended amounts in his subsequent year budget proposals; and

RESOLVED, that the FY17 General Fund one-time expenditure line item for deer management be increased by \$75,000 to \$110,000; and

RESOLVED, that the FY General Fund reserves be reduced by \$75,000.

As Amended by Ann Arbor City Council on May 16, 2016

Sponsor: Lumm, Eaton

Moved by Lumm, seconded by Eaton

Motion to Replace with Substitute Resolution by Smith, seconded by Briere

Motion to Amend Title by Briere (withdrawn)

Motion to Amend Substitute Resolution by Westphal (considered friendly)

Consider Substitute Resolution as Amended Approved 8-3 on a Roll Call Vote

Motion to Amend by Lumm, seconded by Eaton Defeated 5-6 on a Roll Call Vote

Motion to Amend by Briere, seconded by Lumm Approved 6-5 on a Roll Call Vote

Approved as Amended 10-1 on a Roll Call Vote

Amendment 9 - DEFEATED

Increase LDFA FY17 budget by \$500,000 for the community fiber project

Sponsor: Kailasapathy, Lumm, Eaton

Moved by Kailasapathy, seconded by Eaton

Defeated 3-8 on a Roll Call Vote

Amendment 10

Allocate \$100,000 in FY17 to the Fund for New Streetlights Established by Council in FY16 and To Direct the City Administrator to Present to Council Recommendations Regarding Installation of New Streetlights

Whereas, public safety is a service priority highly valued by many community residents and adequate street lighting is a significant contributor to the perception of safety in our neighborhoods; and

Whereas, in February 2015, City Council lifted the moratorium on new streetlights in place since 2006 and in May 2015, Council unanimously adopted a FY16 budget amendment that:

- Created a new, dedicated General Fund account/fund for the purpose of funding new streetlights
- Directed the City Administrator to develop a process to evaluate and fund new streetlight requests
- Allocated \$100,000 from General Fund balance to the “new streetlight” account/fund for FY16; and

Whereas, Staff has completed the development of a new streetlight prioritization model based on eight criteria with weighting and scoring and the City is now prepared to begin installing new streetlights in priority locations; and

Whereas, since “smart” street lights were first deployed in large scale a decade ago, the technology has evolved significantly with improved sensors, dimming systems and other features that can help ensure public safety and the market for “smart” lighting has become more competitive; and

Whereas, the proposed FY17 budget includes funding for streetlight replacement (\$720,000) and for a streetlight condition assessment (\$120,000), but there is no funding or spending reflected in the FY17 Budget for new streetlights; and

Whereas, the proposed FY17 General Fund non-departmental budget reflects a year-to-year increase of \$1.22 million (160% increase) in contingencies (from \$761,000 in the FY16 amended budget to \$1.98 million in FY17) including \$500,000 for a new workforce planning contingency and increases in the Administrator’s operating contingency and the contingencies for labor settlements and pension contribution smoothing; and

Whereas, reducing FY17 contingencies by \$100,000 and allocating the funds to new streetlights would hold General Fund budgeted spending at the Administrator’s proposed level in total and still result in a significant year-to-year increase (\$1.1 million or 140%) in contingencies; and

Whereas, the City Administrator Operating Contingency in the FY17 Plan adopted a year ago was \$250,000 and has been increased by \$100,000 to \$350,000 in the proposed FY17 budget; and

Whereas, it is Council's desire to begin implementing the program to install new streetlights in priority locations;

RESOLVED, that the FY17 General Fund expenditure budget be increased by \$100,000 for a one-time allocation to the New Streetlight Fund with a one-time use of General Fund fund balance;

RESOLVED, that within 90 days, the City Administrator presents to Council for approval a recommendation to begin implementing the new streetlight installation program including evaluation of potential "smart" street lights for the program;

RESOLVED, that the Administrator may present to Council for consideration other sources of funding to substitute for those identified above.

As Amended by Ann Arbor City Council on May 16, 2016

Sponsor: Lumm, Eaton

Moved by Lumm, seconded by Eaton

Motion to Amend by Briere, seconded by Krapohl (considered friendly)

Approved as Amended 9-2 on a Roll Call Vote

Amendment 11

Increase General Fund Planning & Development Budget to Fund Reporting Costs for Old West Side Historic District Modification Regarding 415 West Washington

Whereas The Local Historic Districts Act (P.A. 169 of 1970) ("LHDA") mandates that before City Council may consider modification of an existing historic district, a Historic District Study Committee, appointed by City Council, must issue a preliminary report, hold a public hearing, and issue a final report with a recommendation;

Whereas, The City-owned property and its buildings located at 415 West Washington are within the Old West Side Historic District;

Whereas, It is appropriate to evaluate the buildings and property at 415 West Washington in connection with the modification of the Old West Side Historic District as provided for in the LHDA;

Whereas, The cost of the research and preparation of the statutorily required reports and compliance with the requirements of LHDA are estimated to be \$15,000;

Whereas, The budgeting of \$15,000 reporting and related costs of the Historic District Study Committee's consideration of modification of the Old West Side Historic District regarding 415 West Washington will not prevent the City Council providing direction to the City Administrator to seek Historic District Commission authorization to demolish the buildings at 415 West Washington prior to the initiation of a Study Committee; and

RESOLVED, That the General Fund Planning & Development expenditure budget be increased by \$15,000 with a one-time use of fund balance to fund reporting and related costs of the Historic District Study Committee's consideration of modification of the Old West Side Historic District regarding 415 West Washington.

Sponsors: Taylor, Smith, Warpehoski
Moved by Warpehoski, seconded by Smith
Approved 10-1 on a Roll Call Vote

Amendment 12 - *DEFEATED*

Establish Spending Guidelines for the Street, Bridge and Sidewalk Millage Proceeds Collected from Taxpayers in FY17 and Future Years

Sponsor: Lumm, Eaton
Moved by Lumm, seconded by Kailasapathy
Motion to Replace with Substitute Resolution by Lumm, seconded by Kailasapathy (considered friendly)
Defeated 3-8 on a Roll Call Vote

Amendment 13 - *DEFEATED*

Increase Police Staffing in the FY17 Budget by Two Officers

Sponsor: Lumm, Eaton
Moved by Lumm, seconded by Kailasapathy
Defeated 2-9 on a Roll Call Vote

Amendment 14 - *DEFEATED*

Authorize One-Time Expenditure of up to \$50,000 to Assist in the Development and Presentation to Council for Consideration of a Re-structured Employee Pension Plan for New Hires

Sponsor: Lumm
Moved by Lumm, seconded by Briere
Defeated 1-10 on a Roll Call Vote

Amendment 15

Recognition of Parks Fairness Resolution with Budget Amendments

Whereas, On May 17, 2010, Council passed a resolution (R-10-150) adopting policy guidance for the administration of the Parks Maintenance and Capital Improvements Millage that, among other things, that the General Fund Parks & Recreation budget be increased at the same percentage as the average General Fund overall budget percentage increase;

Whereas, On May 16, 2011, Council passed resolution R-11-186 amending the policy guidance;

Whereas, On August 9, 2012, Council reaffirmed via resolution R-12-382, their intent to administer the Parks Maintenance and Capital Improvements Millage policy adopted per resolution R-11-186 for the duration of the current millage;

Whereas, The budget amendments adopted by Council for the FY17 budget increase the General Fund expenditure budget by \$34,500; and

Whereas, The Parks General Fund budget increased by \$60,000 for budget amendments for FY17 approved by City Council;

Whereas, The Parks budget should be increased \$55,684 to ensure compliance with the 2010, 2011 and 2012 resolutions;

RESOLVED, That the General Fund Parks FY17 expenditure budget be amended to increase \$55,684 to be funded as a one-time expenditure from the General Fund fund balance.

As Amended by Ann Arbor City Council on May 16, 2016

Moved by Ackerman, seconded by Grand
Motion to Amend by Ackerman, seconded by Grand (considered friendly)
Approved as Amended on a Voice Vote

FY17 Budget as Amended, Adopted Unanimously on a Voice Vote