

**BUDGET AMENDMENTS
AS APPROVED BY ANN ARBOR CITY COUNCIL
ON MAY 19, 2025**

Amendment 1

Resolution to Appropriate \$565,000 from the Marijuana Excise Tax Rebate to the Rising Hope for Housing Program

Whereas, The State of Michigan's Marijuana Excise Tax Rebate to the City of Ann Arbor for FY 2026 is \$1,455,594, and \$616,000 is available for discretionary allocation by City Council from previously unspent Marijuana Excise Tax Rebate funding;

Whereas, The majority of the excise tax revenue has been invested in a portfolio of restorative initiatives, including unarmed crisis response, shelter and diversion services, supervised crisis intervention, and behavioral health and substance use programs grounded in community-based care;

Whereas, Cannabis prohibition and enforcement policies have historically and disproportionately harmed Black, Brown, and low-income communities—contributing to housing instability, incarceration, family separation, employment discrimination, and educational exclusion;

Whereas, Legalization alone does not repair the deep, systemic harm caused by the War on Drugs, and reinvestment of marijuana excise tax revenue is a necessary vehicle for equity and restitution that prioritizes the people and communities most impacted;

Whereas, In alignment with this restorative mandate, the City of Ann Arbor launched the Rising Hope for Housing Program in 2023 to support returning citizens and others impacted by the criminal legal system, with a focus on housing retention, trauma-informed services, and long-term stabilization;

Whereas, Since its inception, the program has assisted over 200 households (including families with children) by preventing eviction, stabilizing tenancies, preserving Housing Choice Vouchers, and addressing urgent needs that, if left unaddressed, often lead to homelessness or system reentry;

Whereas, This support has included flexible responses to real-world barriers, such as lack of transportation, utility shut-offs, childcare needs, car repairs, and other practical challenges that traditional programs often overlook but that can swiftly unravel a household's stability;

Whereas, Community partners and service providers have consistently praised the program's trust-building approach, its holistic delivery model, and its ability to engage

individuals who have historically been excluded or retraumatized by traditional social service systems;

Whereas, The program's impact has been strengthened through intentional partnerships with both grassroots organizations and mainstream providers, offering visible pathways to reduce stigma, rebuild trust, and demonstrate that justice-involved residents are not only welcome in Ann Arbor but are an explicit priority in our pursuit of housing justice;

Whereas, The program currently operates in collaboration with six contracted organizations, and has built a growing referral network involving numerous nonprofits and public agencies, establishing a unique, community-rooted infrastructure that is scalable and highly responsive;

Whereas, Federal and state support systems have recently been reduced or eliminated, placing increased strain on local safety nets and threatening the viability of services for justice-impacted residents;

Whereas, Without additional funding, the Rising Hope for Housing Program will face a significant shortfall in FY 2026, jeopardizing its ability to serve some of the city's most vulnerable residents and risking the collapse of a program that has proven essential to reducing recidivism, preserving family unity, promoting public safety, and advancing equity in the wake of historic injustice;

RESOLVED, That the Ann Arbor City Council appropriates \$565,000 of the FY 2026 Marijuana Excise Tax Rebate from the General Fund fund balance to the FY 2026 General Fund Ann Arbor Housing Commission budget on a one-time basis as follows: \$565,000 for the Rising Hope for Housing Program, including trauma-informed eviction prevention, housing stabilization, and other flexible, needs-based supports for returning citizens and individuals impacted by the criminal legal system;

RESOLVED, That these funds may be used without regard to fiscal year;

RESOLVED, That the City Council directs the City Administrator to distribute the funds to the Ann Arbor Housing Development Corporation, allowing coordination with partner organizations for the most effective delivery of services, and to enter into a Grant Agreement that outlines distribution criteria, reporting mechanisms, and program accountability;

RESOLVED, That program funds may be used for a broad range of essential and dignity-supporting services and items, including but not limited to: housing assistance, car repairs, transportation costs, childcare necessities, diapers and car seats, utility assistance, debt relief, legal advocacy, mental and behavioral health services, peer support, and case management, provided they support the overall stability and reintegration of returning citizens and their families;

RESOLVED, That up to five percent (5%) of the total allocation may be used by the Ann Arbor Housing Development Corporation for administrative purposes associated with trauma-informed service provision;

RESOLVED, That the City Council directs the City Administrator to identify potential opportunities for recurring or multi-year funding, in order to preserve and grow the Rising Hope for Housing Program as part of Ann Arbor's long-term commitment to equity, restorative justice, and public safety; and

RESOLVED, That the City of Ann Arbor reaffirms its commitment to reinvesting in those most impacted by the criminal legal system, recognizing that true justice requires not only legal reform but also sustained, tangible support for reentry, recovery, and human dignity.

Sponsor: Harrison

Amended to Reflect \$565,000 Appropriation on an 11-0 Roll Call Vote.

Approved as Amended on an 11-0 Roll Call Vote.

Amendment 2

Resolution to Prevent Roadway Fatalities and Serious Injuries on Major Streets

Whereas, Ann Arbor has failed to meet our Vision Zero goal to eliminate fatalities and serious injuries resulting from traffic crashes by 2025;

Whereas, Major streets are 25% of total streets in Ann Arbor and witness 89% of the severe and fatal traffic crashes;

Whereas, Speed is a major factor in influencing how severe and deadly a crash will be, therefore slowing vehicles down is an important strategy towards reaching Vision Zero;

Whereas, On April 7th 2025, Council unanimously approved an engineering analysis with Toole Design (R-25-117) to determine how to reconfigure roadway space on ten multilane roads to advance safety, lower vehicle speeds, improve transit operations, and create connected, comfortable walking and cycling infrastructure;

Whereas, On April 7th 2025, Council unanimously approved a resolution (R-25-120) directing the City Administrator to align annual budget proposals to explicitly reflect and support the Vision Zero Plan and VMT reduction;

Whereas, the Major Street Fund has no proposed funding to design and implement roadway reconfigurations on multilane roads in accordance with Toole design recommendations;

Whereas, \$5,8 million was allocated for capital preventive maintenance in FY 2025;

Whereas, \$8 million is proposed for capital preventive maintenance in FY 2026, with \$6 million being utilized from the Major Street Fund Balance;

Whereas, A reallocation of \$500,000.00 from Capital Preventive Maintenance in FY 2026 will still enable the City to dramatically increase funding for street capital maintenance while simultaneously advancing critical safety improvements on major streets;

RESOLVED, That Major Street Fund Capital Preventative Maintenance proposed capital budget for FY 2026 be reduced by \$500,000.00 and reallocated to a Quick Build Safety capital project.

Sponsors: Briggs, Akmon, Cornell, Ghazi Edwin, Disch, Harrison and Watson

Approved on a Voice Vote.

Amendment 3

Amendment to Appropriate \$136,000 from the Marijuana Excise Tax Rebate to Eviction Prevention

Whereas, The City of Ann Arbor and the Ann Arbor Housing Commission allocate funding for eviction prevention and housing stability support to prevent individuals and families from experiencing homelessness;

Whereas, There is \$616,000 in unallocated revenue from Marijuana Excise Tax Rebate funds in the General Fund fund balance;

Whereas, In 2021, City Council resolved (R-21-098) to allocate this revenue "for such purposes specifically related to restorative and alternative strategies for public safety and community support";

Whereas, There is an immediate and underfunded need for eviction protection in the City, felt acutely by low income and BIPOC communities;

Whereas, The City has allocated money to eviction prevention in the FY 2023 (\$305,000), FY 2024 (\$250,000), and FY 2025 (\$250,000) budgets;

Whereas, Eviction prevention funds were used to assist with past due rent, legal fees, utilities, and any other overdue payments for households in danger of losing their housing through eviction;

Whereas, Eviction prevention funds are spent down rapidly: between March 7, 2023 and September 16, 2024, a total of 455 households received City eviction prevention funding, averaging \$1,791/household, for a total of \$814,812 spent by the City and the Ann Arbor Housing Development Corporation¹;

Whereas, The program has had proven results; It has covered 94% of total past due rent owed by all applicants, with 96% of accepted applicants having all their past due rent covered by the City of Ann Arbor disbursement²;

Whereas, There is no recurring money set aside for the eviction prevention program in the City budget;

Whereas, Based on the average payment per household for the entire eviction prevention program to date, \$136,000 would provide eviction prevention funds to at least 75 households; and

Whereas, The City seeks to build on efforts of the previous 3 fiscal years, providing further funding for eviction prevention;

RESOLVED, That City Council appropriates \$136,000 of Marijuana Excise Tax Rebate funds from the General Fund fund balance to the FY 2026 General Fund Ann Arbor Housing Commission budget on a one-time basis for FY 2026 for eviction prevention;

RESOLVED, That the amounts authorized herein may be used without regard to fiscal year;

RESOLVED, That City Council directs the City Administrator to distribute the funds to the Ann Arbor Housing Development Corporation and that subsequent to the distribution, the Ann Arbor Housing Development Corporation and the City will enter into a Grant Agreement detailing the reporting mechanism for how the funds will be distributed; and

¹Hall, J. (2025 February 18) *Memorandum Re: FY25 Marijuana Excise Tax Rebate funds 6-Month report*. Ann Arbor Housing Commission, City of Ann Arbor.
<https://a2gov.legistar.com/View.ashx?M=F&ID=13735325&GUID=557CCCBB-7555-429C-BD47-2492754610B7>

² Ann Arbor Housing Commission. (2025 February 18) *City of Ann Arbor Eviction Prevention Requests & Approval Data --- Administered by Ann Arbor Housing Commission \$814,812*. City of Ann Arbor.
<https://a2gov.legistar.com/View.ashx?M=F&ID=13735327&GUID=16546AED-62FE-463A-B60E-11365B769809>

RESOLVED, That the Ann Arbor Housing Development Corporation may use up to five percent (5%) of the aforementioned funds for administrative costs related to providing eviction prevention;

Sponsors: Watson, Ghazi Edwin, Briggs, Cornell, and Akmon

Friendly Amendment to Reflect \$136,000 Appropriation.

Approved as Amended on a Voice Vote.

Amendment 4

Amendment to Prohibit the Purchase of Drones with FY 2026 Funds Until a Drone Usage Policy has been Approved by City Council

Whereas, the American Civil Liberties Union recommends that “usage policy on drones should be decided by the public’s representatives...and the policies should be clear, written, and open to the public;” and

Whereas, the City Administrator has committed to presenting to Council for its approval a citywide policy on the acceptable and appropriate use of drone technology by the City of Ann Arbor;

RESOLVED, No funding from the FY 2026 budget shall be expended for the purchase or use of drone technology until such a time when City Council approves through an affirmative vote a citywide policy on the acceptable use of drones by the City.

Sponsors: Radina, Harrison, Mallek, Eyer and Ghazi Edwin

Approved on a Voice Vote.

Amendment 5

Amendment to Appropriate \$50,000 to the FY 2026 General Fund Budget and Carry Forward Remaining Funds for Equitable Communications to the Community

Whereas, City Council sent communications to the community in FY 2025;

RESOLVED, That any unspent Equitable Communications to the Community funding in the General Fund Mayor and Council service unit budget carry forward to FY 2026; and

RESOLVED, That City Council appropriates \$50,000 from the General Fund fund balance to the FY 2026 General Fund Mayor and Council budget on a one-time basis for print and mail from City Council communications to the community.

Sponsor: Eyer

Approved on an 9-2 Roll Call Vote.
