OFFICE OF THE
CHIEF FINANCIAL OFFICER
OFFICE OF BUDGET

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January 22, 2025

Honorable James E. Tate, Jr., Council President Pro-Tempore
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48226

Re: Fiscal Impact of Amendment to Chapter 6 of the 2019 Detroit City Code – Animal Care, Control and Regulation, by adding Article X, Animal Husbandry and Beekeeping

Dear Council President Pro-Tem Tate:

Please see attached Fiscal Impact Statement prepared by the Office of Budget for the above referenced item, pursuant to CFO Directive 2018-101-029: Fiscal Impact Statements. Upon review, please do not hesitate to contact me to discuss further.

Best regards,

Tanya Stoudemire
Chief Deputy CFO / Interim Budget Director

Att: CFO Fiscal Impact Statement No. 2025-110-002

cc: Honorable Detroit City Council
Jay B. Rising, CFO
John Naglick, Jr., Chief Deputy CFO/Finance Director
Malik Washington, City Council Liaison
David Whitaker, Director-Legislative Policy Division

Office of the Chief Financial Officer
CITY OF DETROIT

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CFO FISCAL IMPACT STATEMENT
NO. 2025-110-002

SUBJECT: Fiscal Impact of Animal Keeping Ordinance
PREPARED BY: Office of the CFO – Office of Budget
DATE ISSUED: January 22, 2025

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1. AUTHORITY

   1.1. State of Michigan Public Act 279 of 1909, Section 4s(2)(d), as amended by Public Act 182 of 2014, states the Chief Financial Officer ("CFO") shall submit in writing to the Mayor and the governing body of the City his or her opinion on the effect that policy or budgetary decisions made by the Mayor or the governing body of the City ("City Council") will have on the City's annual budget and its four-year financial plan.

   1.2. CFO Directive No. 2018-101-029 Fiscal Impact Statements states that the CFO shall issue Fiscal Impact Statements ("FIS") for pending or enacted decision items with a significant fiscal impact on the City, as determined by the CFO, to provide financial information to the Mayor and the City Council as they consider action on proposed local policy or budgetary decision items.

2. PURPOSE

   2.1. To provide financial information to the Mayor and the City Council as they consider the effect of the recently approved animal keeping ordinance to allow keeping of chickens, ducks, and honeybees, provided that Detroit residents are licensed with Detroit's Animal Care and Control Department (DACC).

3. OBJECTIVE

   3.1. This FIS serves as the report on the fiscal impact of the proposed on the City's annual budget for FY 2025 and four-year financial plan for FY 2025 – FY 2028 (the "City budget").

4. SCOPE

   4.1. This FIS is not intended to convey any statements nor opinions on the advisability of the proposal, except for those components that have or may have a fiscal impact on the City budget.

   4.2. This fiscal impact analysis is based on the proposed as described below in Section 5 of this FIS. Should the proposal change prior to final approval, an updated FIS may be issued.

5. STATEMENT

   5.1. Conclusion: The animal keeping ordinance has a **negative fiscal impact** on the City budget, as resources have not been budgeted to support the programmatic costs.

   5.2. Background: Prior to the approval of the animal keeping ordinance, Section 6-1-5 of the Detroit City Code prohibited the "owning, harboring, keeping, maintaining, selling, or transferring of farm or wild animals." The animal keeping ordinance allows for and

regulates the keeping of identified livestock limited to chickens, ducks and honeybees for Detroit residents and assigns the DACC within the General Services Department (GSD) as the authorized animal husbandry license issuer.

The ordinance would limit possession of ducks and chickens to eight animals and honeybee hives to four hives for residential lots, schools, educational institutions and sit-down restaurants and twelve total animals and six hives for urban farms and gardens. Roosters would be prohibited in all settings.

The following categories would be included as regulated activity and conformance to this proposed ordinance: shelter and enclosure characteristics, honeybee hive spacing, storage of feed, waste and manure management, runoff management, pest and vermin control, identification and tagging requirements, health of animal requirements, disposal requirements of deceased animals, slaughtering of animals, and inspection authority.

Applications for City animal husbandry licenses would be filed with the DACC and would collect a fee for every license issued/renewed according to a schedule of license fees. The animal keeping ordinance authorizes the DACC to establish the eventual fee schedule with final approval required by City Council.

5.3. Fiscal Impact: The ordinance has a **negative fiscal impact** on the City budget, as resources are not budgeted to cover the incremental cost of establishing the needed personnel and non-personnel budgets within GSD. The ordinance would require hiring one (1) Supervising Animal Care & Control Field Officer, one (1) Supervising Animal Care & Control Care Officer, one (1) Animal Control Investigator, one (1) Animal Control Officer, $1m in annual contractual services and $400k for vehicle acquisition and upfitting. The total programmatic costs are roughly $850k for the remainder of this fiscal year and $1.7m for Fiscal Years 2026 -2028.

The ordinance will also generate new license revenue to help cover the incremental costs; however, the revenue derived from the pending fee schedule is indeterminate at this time. The expectation is that any licensing revenue will be insufficient to cover the administrative costs reflected in the following table.

City of Detroit
FIS - Animal Keeping Ordinance

	FY 2025	FY 2026	FY 2027	FY 2028
Salaries - 4 FTE (GSD)[1]	$ 222,379	$ 226,827	$ 231,364	$ 235,991
Fringe	71,717	73,152	74,615	76,107
Total, Personnel Costs	**$ 294,097**	**$ 299,979**	**$ 305,978**	**$ 312,098**
Contractual Services	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Vehicle Acquisition and Upfitting	400,000	400,000	400,000	400,000
Total, Operating Costs	**$ 1,400,000**	**$ 1,400,000**	**$ 1,400,000**	**$ 1,400,000**
Total Costs	**$ 1,694,097**	**$ 1,699,979**	**$ 1,705,978**	**$ 1,712,098**
Partial Year Implementation Savings[2]	(847,048)	-	-	-
Net Impact on Four-Year Financial Plan	**$ 847,048**	**$ 1,699,979**	**$ 1,705,978**	**$ 1,712,098**

Notes:
(1) Includes 2 Animal Care Supervisors, 1 Animal Control Investigator, and 1 Animal Control Officer.
(2) Assumes January 1 effective date.

APPROVED

Tanya Stoudemire
Chief Deputy CFO/Interim Budget Director