



Together We Can

Mary Jo Callan
Office of Community & Economic Development
110 North Fourth Avenue
Ann Arbor, MI 48104

July 2012

Dear Mary Jo:

Community Action Network hereby requests an exemption to Ann Arbor's living wage ordinance. There are many reasons for this request, including, but not limited to

- **Financial hardship.** The financial burden the living wage places on our organization decreases our ability to serve our clientele and damages our financial viability. Last year, like the year before, we closed our books with a small deficit. While so far these deficits have been manageable, our agency must cut expenses in every possible way.
- **Uncompensated increase in LW.** This year the city again increased the living wage – without increasing its allocations to the organizations it funds- but extending the exact same contract conditions. The most recent increase in living wage will cost CAN an additional \$2000 - \$2500 for FY 2012-2013. CAN already runs an extremely lean organization – we simply cannot perform the same work for less compensation.
- **Lack of enforcement** – Your office has indicated the mechanism for enforcement of the Living Wage Ordinance is undefined, and that you lack the human and financial resources to ensure compliance. Historically, the Living Wage Ordinance was administered and enforced by the Human Rights Coordinator, a position which no longer exists.

Community Action Network will use this exemption time to devise and implement a strategic fund raising plan to fill our budget gaps caused in part by the increased burden the living wage ordinance continues to place on our finances.

Thank you for considering this matter.

Joan Doughty, Executive Director
Community Action Network