



Legislation Text

File #: 10-1100, Version: 1

Resolution to Approve Purchase of Development Rights on Bradley D. and Mary J. Clark Farm, and Appropriate \$182,939.00 from Open Space and Parkland Preservation Millage Proceeds **(8 Votes Required)**

Attached for your review and action is a resolution to approve the Purchase of Development Rights and appropriate \$182,939.00 from the Open Space and Parkland Preservation Millage Proceeds for the farm owned by Bradley D. and Mary J. Clark, husband and wife located in Webster Township. The farm is approximately 33.7 acres and is located on Farrell Road.

The easement is made pursuant to section 36111 b of the Natural Resources and Environmental Protection Act (MCL 324.36111b; MSA 13A.36111b) and Chapter 42 of the Ann Arbor City Code. The purchase of the easement is for the preservation of the Property’s agricultural use, including the protection of prime, unique or important soils, by preventing any use that would significantly impair or interfere with the agricultural value.

The property is located adjacent to the Webster Church property that was protected by the City in 2009. The property is also adjacent to the Whitney Farm, which the City received a grant from the Farm and Ranchland Protection Program earlier this year.

Due to the property’s smaller acreage, it did not qualify for grant funds. However, the landowners are willing to donate 20% of the Fair Market Value, or \$34,800.00, and the City will be paying 80% of the appraised value for buying the development rights. The budget appropriation also includes closing costs which are estimated to not exceed 3.5% of the total or \$4,872.00, due diligence costs estimated at \$15,000 and \$23,867.00 for an endowment, which includes funds for yearly monitoring and potential enforcement of the easement agreement, for a total appropriation of \$182,939.00.

Project Budget:

<u>Purchase Price:</u>	
Appraised Value:	\$174,000.00
Landowner Donation:	<u>-\$ 34,800.00</u>
Purchase Price:	\$139,200.00

<u>Additional Costs:</u>	
Closing and Due Diligence:	\$ 19,872.00
Endowment Costs:	<u>\$ 23,867.00</u>
Total Additional Costs:	\$ 43,739.00

Purchase Price:	\$139,200.00
Additional Costs:	<u>\$ 43,739.00</u>
Total City Contribution:	\$182,939.00

Approval of the Participation Agreements and appropriation of the funds was recommended by the Greenbelt Advisory Commission at the July 14, 2010 meeting.

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Whereas, Chapter 42 of the Ann Arbor City Code establishes the Greenbelt District and enables the City to purchase development rights on property within the district;

Whereas, Purchase of Development Rights may be funded through the Open Space and Park Land Preservation Millage Proceeds;

Whereas, Sufficient funds are available through the Open Space and Parkland Preservation Millage Proceeds for this acquisition;

Whereas, The landowners are donating \$34,800.00 (or 20%) of the fair market value; and

Whereas, The Greenbelt Advisory Commission recommended approval of the expenditure of funds at its July 14, 2010 meeting;

RESOLVED, That Council approve the Purchase of Development Rights on the Bradley D. and Mary J. Clark Farm located in Webster Township;

RESOLVED, That City Council appropriate \$182,939.00 from the Open Space and Parkland Preservation Millage Proceeds for the purchase of development rights on this property for the life of the project without regard to fiscal year; and

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute all necessary documents to complete the requirements for the Purchase of Development Rights Grant of Easement for this property after approval as to form by the City Attorney.