



Legislation Text

File #: 10-0003, Version: 1

Resolution to Approve Participation Agreement for Purchase of Development Rights on Zeeb Farm and Appropriate \$165,140.00 from Open Space and Parkland Preservation Bond Proceeds (**8 Votes Required**)

Attached for your review and action is a resolution to approve a Participation Agreement with Ann Arbor Township for the purchase of development rights on the farm owned by Kenneth A. Zeeb and Joann Zeeb, husband and wife, tax parcel ID number I-09-03-100-003, in Ann Arbor Township. The resolution also approves an appropriation of funds for 50% of the remaining purchase price, after grant funds are allocated, not to exceed \$165,140, from the Open Space and Parkland Preservation Bond Proceeds.

Kenneth A. Zeeb and Joann Zeeb applied to the Ann Arbor Township Land Preservation program in 2008. Ann Arbor Township applied for Federal Farm and Ranch Land Protection Program (FRPP) grant funds in 2009, and the Township was subsequently awarded an FRPP grant in the amount of \$307,720.00. Ann Arbor Township has been the lead agency in the negotiations with the landowner. As with any land acquisition deal which the City is involved, a donation was requested from the landowner, however, no donation was received.

Ann Arbor Township is seeking the support from the City of Ann Arbor for 50% of the remaining purchase price. The appraised value of the development rights on the property is \$628,000.00. Thus, after the grant funds, the remaining purchase price is \$320,280.00 and the City's contribution toward the purchase price would not exceed \$160,140.00. The City's contribution also includes an additional allocation not to exceed \$5,000.00 to cover a portion of the due diligence costs.

The parent parcel is approximately 83.70 acres and is currently in agricultural production. The landowner is excluding approximately 2.12 acres from the easement, which includes the house and farm buildings. The property is considered large enough to sustain agricultural production and is in a location that will encourage additional farmland preservation and agricultural preservation activities. The property is adjacent to the Kapp Farm that was jointly protected by Ann Arbor Township and the City's Greenbelt program in 2006.

<u>Project Budget:</u>	
Appraised Value:	\$628,000
Purchase Price:	\$628,000
FRPP Grant:	<u>(\$307,720)</u>
Remaining:	\$320,280

Ann Arbor Township contribution:\$160,140
City of Ann Arbor contribution: \$160,140

Federal matching grant funds are through the Natural Resources Conservation Service, Ann Arbor Township share is from the Land Preservation millage, and the City's share is from the Open Space

and Parkland Preservation Bond Proceeds.

Approval of the Participation Agreement and appropriation of the funds for 50% of the remaining purchase price, and due diligence costs, not to exceed \$165,140 was recommended by the Greenbelt Advisory Commission at its July 8, 2009 meeting.

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Jayne Miller, Community Services Area Administrator

Approved by: Roger W. Fraser, City 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, Chapter 42 of the Ann Arbor City Code specifically authorizes City Council to enter into agreements for joint acquisition of land in the Greenbelt District with other government agencies;

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

Whereas, Sufficient funds in the Open Space and Parkland Preservation Bond Proceeds are available for the expenditure;

Whereas, Ann Arbor Township was awarded funds from the Federal Farm and Ranch Land Protection Program (FRPP) for the purchase of development rights on the Zeeb Farm; and

Whereas, The Greenbelt Advisory Commission recommended approval of the Participation Agreement with Ann Arbor Township and expenditure of funds at its July 8, 2009 meeting;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute the Participation Agreement defining each party's interest in the acquisition and if required, any supplemental documents necessary to document the appropriation of funds for the purchase of development rights on the Zeeb Farm, after approval as to form by the City Attorney;

RESOLVED, That Council appropriate \$165,140.00 for the purchase of development rights for the Zeeb Farm from the Open Space and Parkland Preservation Bond Proceeds for the life of the project without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to execute any documents necessary to complete the transaction as specified in this resolution.