



## Legislation Text

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**File #:** 15-0228, **Version:** 1

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Resolution to Approve Grant Applications to the USDA Agricultural Conservation Easement Program (ACEP) Program for the Purchase of Development Rights (PDR) on Properties in Lodi Township Attached for your review and action is a resolution to approve grant applications to the USDA Natural Resource Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP), formerly known as the Farm and Ranchland Protection Program (FRPP), for the purchase of development rights (PDR) for three properties located in Lodi Township.

The latest Farm Bill, which was passed in February 2014, consolidated several agricultural easement programs into one umbrella program, now called the Agricultural Land Easement (ALE) program. As a result, the Farm and Ranchland Protection Program, which the City has received funding since 2005, now falls under the newly created ACEP program. Applications to the USDA ACEP program are for funds up to 50% of the appraised fair market value of the development rights to a maximum of \$5,000 per acre. The ACEP program is voluntary and provides matching funds for local governments to acquire development rights on farmland. The landowners retain the right to use their property for agriculture.

With the Farm Bill recently passed, staff was aware that a grant cycle would be announced soon. Since the window for applications is typically very short, and in order to get through the approval process, the Greenbelt Advisory Commission recommended submission of the grant applications at its February 5, 2015 meeting. The protection of these parcels are a priority to the Greenbelt due to the size and quality of the farmland, proximity to other protected properties, and possibility to leverage funds from federal and other local sources of funding.

The City was officially notified that a round of funding is available for 2015. Completed applications must be submitted by March 16, 2015. It is anticipated that a request for acceptance of grant funds, if awarded, will be presented to City Council in August 2015. In addition, an appraisal will be completed and if awarded grant funds, a request to approve the purchase of the conservation easement, and appropriate funds will be submitted to Council for review and action, subsequent to Council accepting the grant funds.

The attached resolution also approves Voluntary Agreement for the Sale of Agricultural Land Development Rights for the farms. The Voluntary Agreement for the sale of the development rights (pending offer) is contingent on the following:

- a. Establishment of a fair market price for the development rights to be determined by an appraisal and approved by the City and USDA.
- b. Conveyance of good and marketable title to the development rights by Farmland Development Rights Easement.
- c. Acceptable environmental site assessment of property.
- d. Acceptance of the Farmland Development Rights Easement by Ann Arbor City Council and the USDA.

A brief description of the properties for grant applications is as follows:

The farm parcels consist of property on Zeeb Road and Textile Road. Three applications will be submitted to USDA ACEP program - one for each of the properties, identified on the attached map. The properties are currently in agriculture production. The properties are considered large enough to sustain agricultural production and are in a location that will encourage additional farmland preservation and agricultural preservation activities. The properties also meet the priorities for both the Greenbelt Program and ACEP Program.

The properties are located are in close proximity to other properties already protected by the Greenbelt program.

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, USDA Agricultural Conservation Easement Program (ACEP) program has matching grant funds available for up to 50% of Purchase of Development Rights on eligible agricultural land not to exceed \$5,000 per acre;

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 Parkland Preservation Millage proceeds;

Whereas, The owners of said parcels agree to establish a Farmland Development Rights Grant of Easement that conforms to standards established by the City of Ann Arbor and the Natural Resources Conservation Service; and

Whereas, The Greenbelt Advisory Commission approved a motion recommending approval of these applications at its February 5, 2015 meeting;

RESOLVED, That City Council approve the grant application to the Agricultural Conservation Easement Program for matching grant funds for the Purchase of Development Rights for the properties as indicated on attached map.