

City of Ann Arbor

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Legislation Text

File #: 20-1759, Version: 1

Resolution to Approve Exercise of a Right of First Refusal to Purchase the Botsford Property in Partnership with Washtenaw County and Authorize a Contribution of up to \$202,500.00 (3015 Miller Road) (8 Votes Required)

The Botsford Property at 3015 Miller Road in Scio Township consists of two parcels totaling approximately 20 acres. The property is within the Greenbelt District. Scio Township presently holds a conservation easement over approximately one half of the property, which allows for public access. In the past, there was discussion about acquiring fee title to the property, so the City obtained a right of first refusal.

Per the terms of the right of first refusal, the owner of the Botsford Property has informed the City of a pending sale. Under the right of first refusal, the City has the option to purchase the property upon the same terms as the pending purchaser. The current pending sale price is \$350,000.00.

The Washtenaw County Parks and Recreation Commission has indicated a willingness to contribute one half of the purchase price toward purchase of this property, in expectation that the County would take fee ownership of the parcel. Staff recommends County ownership of this parcel because it is outside the City limits and is adjacent to an existing County nature preserve, which would allow the County to manage this as a contiguous area.

Whereas, The Botsford Property consists of two parcels in Scio Township, Tax Identification numbers H-08-24-225-001 and H-08-13-300-22;

Whereas, The City holds a right of first refusal on a portion of the Botsford Property;

Whereas, The owner of the Botsford Property has notified the City of a pending sale for \$350,000.00 for the entire property;

Whereas, City Council has reviewed a recent appraisal of the property and the sale price does not exceed the appraised value; and

Whereas, Under the terms of the right of first refusal, the City has the right to purchase the property upon the same terms as the pending sale within 60 days of the notice, which was received on September 29, 2020;

RESOLVED, That City Council elects to exercise its right of first refusal to purchase the Botsford Property upon the same terms as the pending sale and to transfer fee ownership to Washtenaw County, subject to the contingencies in this resolution;

RESOLVED, That the election to exercise the right of first refusal is contingent upon and shall not be effective until Washtenaw County has committed to contribute one half of the purchase price (whether on its own or in combination with other contributors) and to accept fee ownership of the Botsford Property for public open space or natural area preservation purposes;

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RESOLVED, That, upon satisfaction of the contingencies in this resolution, the City Attorney shall inform the owner of the Botsford Property of City Council's election and take all necessary steps to exercise the right of first refusal;

RESOLVED, That if the contingencies in this resolution are not satisfied prior to the expiration of the time to exercise the right of first refusal, the City Attorney shall inform the owner of the Botsford Property that the City Council has declined to exercise the right of first refusal;

RESOLVED, That City Council authorizes contributing up to \$202,500.00 from the Open Space and Parkland Preservation Millage proceeds toward the purchase, being one half of the purchase price plus estimated due diligence and acquisition costs, for the life of the project without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk are authorized to execute a purchase agreement with the owner of the Botsford Property, a participation agreement with Washtenaw County and/or Scio Township, and other agreements necessary to implement this resolution, after approval by the City Attorney as to form; and

RESOLVED, That the City Administrator is authorized to take all administrative actions necessary to implement this resolution.