



Legislation Text

File #: 09-1087, **Version:** 2

Resolution to Purchase Property at 219 Chapin and Appropriate \$280,000.00 from the Open Space and Parkland Preservation Millage Bond Proceeds (8 Votes Required)

Attached for your review and action is a resolution to approve the purchase of a 0.19-acre property located at 219 Chapin owned by Patrician Homes, LLC.

The house on the property contains 3 rental units, which will continue to be occupied until the leases expire the first week of August 2010. Once the leases expire, the house will be demolished. The City plans to take ownership of the property by the end of 2009, and will have a Management Agreement with the current owner to continue to manage the leases.

The parcel is located immediately adjacent to West Park. The park is located near downtown Ann Arbor, and has several entrance points from the four streets on which it borders. However, the entrances are scattered and can be difficult to locate. The Chapin Street entry into West Park, which is closest to downtown, does not have optimal visibility in to the park. Obtaining this property, as well as removing the existing house and wooden fences, will significantly open the view to and from the park along Chapin, creating safer, more welcoming access.

The addition of the parcel to West Park also complements the broader Master Plan for West Park. The West Park Master Planning effort has been ongoing since June 2008. West Park will be undergoing major improvements in the following year, pending final approval of Federal stimulus funds. Renovations will include the construction of bio-swales; pathways; more efficient parking; seating, set in the hill, for the bandshell; and naturalization of the plantings. The bio-swales will enhance the water quality of the Allen Creek drain, as well as cleanse stormwater from 7th Street and the park itself. Removing the house on the site will also remove a structure from the floodway.

A Phase I Environmental Site Assessment has been completed on the property. The landowner will complete asbestos remediation prior to the City demolishing the house.

The purchase price of the 0.19-acre property is \$250,000.00.

The resolution approves a purchase price of \$250,000.00 based on a fair market appraisal of the property. The resolution approves a total project budget of \$280,000.00 from the Open Space and Parkland Preservation Millage Bond Proceeds to cover the purchase price, due diligence, closing costs and property taxes.

Project Budget:

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|-----------------------------|--------------|
| Purchase Price | \$250,000.00 |
| Est. Closing Costs | \$ 20,000.00 |
| Est. Due Diligence Expenses | \$ 10,000.00 |
| Total Appropriation | \$280,000.00 |

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Jayne Miller, Community Services Administrator

Whereas, Purchase of parkland may be funded through the Open Space and Park Land Preservation Millage Bond proceeds;

Whereas, The property is adjacent to an existing park and has qualities suitable for park use as determined by the Park Advisory Commission and Parks and Recreation Staff;

Whereas, The property has been appraised as required by Section 1:320 of the Ann Arbor City Code;

Whereas, The Purchase Price of the property is \$250,000.00;

Whereas, The Park Advisory Commission supports the purchase of 219 Chapin; and

Whereas, There are sufficient funds in the Open Space and Parkland Preservation Millage Bond Proceeds to cover the purchase price, due diligence and closing costs;

RESOLVED, That Council approve the purchase of the property at 219 Chapin for parkland;

RESOLVED, That City Council appropriate funds from the Open Space and Parkland Preservation Millage Bond proceeds and establish a project budget for the acquisition of the property in the amount of \$280,000.00 to cover the costs of acquisition, closing, and incidental costs to be available for expenditure without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute the purchase and sales agreement after approval as to form by the City Attorney;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute a Management Agreement with current landowner to continue to manage the leases on the property, after approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized and directed to implement this resolution, including the execution of necessary closing documents specified in the purchase and sale agreement after approval as to form by the City Attorney.