

CHAPTER 42
(OPEN SPACE AND PARKLAND PRESERVATION)

AN ORDINANCE TO AMEND CHAPTER 42 (OPEN SPACE AND PARKLAND PRESERVATION) OF TITLE III OF THE CODE OF THE CITY OF ANN ARBOR

The City of Ann Arbor ordains:

Section 1. That Chapter 42 (Open Space and Parkland Preservation) of Title I of the Code of the City of Ann Arbor be amended as follows:

3:60. Title.

This chapter shall be known as the "Open Space and Parkland Preservation Ordinance" of the City of Ann Arbor.

3:61. Purpose and findings

The purpose of this chapter is to implement the OSPP Millage, as set forth in Section 8.23 of the City Charter, and to preserve and protect open space, natural habitats, parkland and the City's source waters inside and outside the City limits for benefit of residents of the City of Ann Arbor and in cooperation with the greater Ann Arbor community.

The City Council finds:

- (1) The City of Ann Arbor is a desirable place to live, work and visit in large part due to the presence of farmland and other open space lands within the City and without in the surrounding communities.
- (2) The surrounding communities continue to experience substantial residential development pressure because of the social, cultural and education benefits of their proximity to the City of Ann Arbor and other urbanized areas of southeast Michigan.
- (3) Uncoordinated development in the areas around Ann Arbor has affected and may continue to adversely affect the quality of life in Ann Arbor leading to fragmented open space and wildlife habitat; loss of productive farmland and forestland; destruction of rural beauty which is part of the natural historic character of the Ann Arbor community; decline in water quality and the loss of wetlands; increased auto dependency, fuel consumption, traffic congestion and air pollution; relocation of jobs to peripheral areas; and excessive public costs to build or extend roads and utility infrastructure to dispersed development.
- (4) The conversion of farmland, open space and wetlands to residential or other more developed uses, whether because of its greater market value as residential development property or for other business reasons, is made at the expense of a critical community resource being permanently lost to community residents.

- (5) The City of Ann Arbor adoption of Ordinance No. 37-94, Natural Features Open Space, and Ordinance No. 49-94, Wetlands Preservation Ordinance, and related zoning and planning ordinances for the protection and preservation of open space and wetlands are not sufficient safeguards against the continuing growth and development of residential and commercial uses within and surrounding the City of Ann Arbor.
- (6) The permanent acquisition by the City of Ann Arbor of voluntarily offered interests in farmland, open space, wetlands and other property outside the City, as provided in this chapter and as authorized by the statutes of the State of Michigan will permit these lands to remain as farmland or otherwise in their current natural state near developing urban areas and provide long-term protection for the public interest in preservation and management of the land.
- (7) The continuation of the permanent acquisition of parkland within the City of Ann Arbor and its acquisition of farmland, open space, wetlands and other property in the surrounding communities enhances the Ann Arbor community.
- (8) Michigan Public Act 262 of 2000 created an agricultural preservation fund with the State Treasury. Money in this fund may be used to provide grants to local units of government to assist in acquiring agricultural conservation easements provided that the local unit has adopted an ordinance for the purchase of development rights and that the local unit has a comprehensive land use plan that includes a plan for agricultural preservation. Acceptable plans for agricultural preservation can include provisions for uses that allow agriculture and open space designations that allow agriculture.
- (9) The voters of the City of Ann Arbor have approved a charter amendment to authorize a ½ mill tax for 30 years to provide funds for preservation and protection of parkland, open space, natural habitats and City sourcewaters by the acquisition and management of land and land rights both within and outside the City of Ann Arbor.
- (10) It is the policy of the City of Ann Arbor to protect, preserve and enhance farmland and open space lands through its ordinances, the authority granted it by the Farmland and Open Space Preservation Act (MCL 324.36101 et seq.), the Conservation and Historic Preservation Easement Act (MCL 324.2140 et seq.) and other state and City ordinances and the use of grants, donations and other available fund sources.
- (11) The acquisition of land and land rights as provided in this chapter is a public purpose of the City of Ann Arbor.

3:62. Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings described in this section, unless the context in which they are used specifically indicates otherwise:

- (1) *Conservation Easement* means “conservation easement” as defined in MCL 324.2140(a), as amended, i.e. an interest in land that provides limitation on the

use of land or a body of water or requires or prohibits certain acts on or with respect to the land or body of water, whether or not the interest is stated in the form of a restriction, easement, covenant, or condition in a deed, will, or other instrument executed by or on behalf of the owner of the land or body of water or in an order of taking, which interest is appropriate to retaining or maintaining the land or body of water, including improvements on the land or body of water, predominantly in its natural, scenic, or open condition, or in an agricultural, farming, open space, or forest use, or similar use or condition.

- (2) *Development Rights* means the rights to develop real property, including the right to build structures and to use, divide, or subdivide the land for residential, office, commercial, research, industrial, extractive, or other purposes. This definition includes the meaning of development rights contemplated by the Michigan Natural Resources and Environmental Protection Act, Part 361 Farmland and Open Space Preservation (MCL 324.36101 et. seq.) and the Michigan Zoning Enabling Act's provisions on the purchase of development rights (MCL 125.3507-3509), as amended.
- (3) *Greenbelt Advisory Commission ("GAC")* means the commission formed pursuant to this chapter to advise the City Council in the selection of Greenbelt District Land.
- (4) *Greenbelt District* means the following areas:
 - (a) Lodi Township. Sections 1—4, 9—16, and 21—24.
 - (b) Pittsfield Township. To the extent not located within the City, Sections 1-24.
 - (c) Scio Township. To the extent not located within the City, Sections 1—4, 9—16, 21—28, and 33—36.
 - (d) Ann Arbor Township. To the extent not located within the City, Sections 1—36.
 - (e) Superior Township. Sections 3—10, 15—22, and 27—34.
 - (f) Webster Township. Sections 21—28 and 33—36.
 - (g) Northfield Township. Sections 19—36.
 - (h) Salem Township. Sections 19—22 and 27—34.
 - (i) Ypsilanti Township. To the extent not located within the City of Ypsilanti, Sections 3-10 and 15-22
 - (j) All land that affects the City's sourcewaters or drinking water supply, as determined by the City Administrator consistent with applicable City, state, and federal laws.
- (5) *Greenbelt District Land* means:
 - (a) Any parcel of land outside the incorporated boundaries of the City of Ann Arbor that is wholly or partly within the Greenbelt District; and

- (b) Any parcel of land outside the Greenbelt District that touches and has a common ownership interest with a parcel of land on which land rights have been or are in the process of being acquired under this chapter.
- (6) *OSPP Millage* means the millage authorized by Section 8.23 of the City Charter.
- (7) *Owner* means the person, entity, or group having title to land.
- (8) *Park Advisory Commission ("PAC")* means the commission established by resolution of City Council to, among other things, advise the City Council in the planning, selection, and management of parkland within and outside the City.

3:63. City Council authority.

In addition to its other powers, the City Council is authorized under state law and this chapter to:

- (1) Expend OSPP Millage revenue to acquire land and land rights in accordance with the criteria and procedures established under this chapter. The interest acquired may either be fee title, Development Rights, Conservation Easement, or any other real property interest, easement, covenant, or other contractual right pertaining to a real property interest. For such acquisition, OSPP Millage revenue may only be expended up to, but not exceeding, the value of the land or land rights as determined by an appraisal.
- (2) Enter into cash purchase agreements, installment purchase agreements, cash purchase/non-cash donation agreements, bargain sale agreements, or similar agreements establishing the rights and responsibilities of the City and the Owner in the transfer of land or land rights, purchase of Development Rights, or the granting of a Conservation Easement or other easement or covenant consistent with applicable law and this chapter.
- (3) Enter into contracts with nonprofit land trusts, legally established and in good standing, or other similarly qualified nonprofit groups to participate jointly in the acquisition, retention, or management of land or land rights.
- (4) Enter into contracts with qualified licensed professionals, nonprofit land trusts, legally established and in good standing, or other similarly qualified nonprofit groups to provide appraisal, environmental analysis and testing, acquisition evaluation and negotiation support, maintenance, or other services necessary or appropriate to accomplish the purpose of this chapter.
- (5) Enter into agreements for joint acquisition, retention, or management of land or land rights, Development Rights, Conservation Easements, or other easements with one or more governmental entities to the extent permitted by law and in accordance with this chapter.
- (6) Issue bonds for the borrowing of money for any purpose within the scope of this chapter and the general powers of the City.

3:64. Greenbelt Advisory Commission; established, membership.

- (1) The Greenbelt Advisory Commission (GAC) shall consist of 9 members nominated and approved by the City Council. In making appointments of members to GAC, the City Council shall appoint persons who have expertise or affiliation as follows:
 - (a) Two members chosen by City Council to serve as representatives of environmental or conservation groups.
 - (b) One member who is an agricultural landowner or operates an agricultural business.
 - (c) One member who is a real estate development professional.
 - (d) One member who is a plant or animal biologist.
 - (e) Three members from the public-at-large.
 - (f) One member of Ann Arbor City Council.
- (2) Each member of GAC shall be appointed to a 3-year term and the terms shall be staggered so that approximately one third expire each year, except the City Council member shall be appointed annually as determined by the City Council. A City Council member shall cease to be a member of GAC if they cease to be a member of the City Council. A minimum of 6 members shall be registered electors of the City of Ann Arbor. Appointment of members who are not registered electors of the City shall be in conformance with section 12.2 of the Ann Arbor City Charter.
- (3) The City Administrator shall notify City Council at least 30 days prior to the expiration date of the term of office of any person serving on GAC. The City Council shall place on the table the name of all reappointments no later than 60 days after the expiration date of the term of office.
- (4) No land in which a member of GAC has an ownership or other financial interest will be considered during the tenure of that member or for a period of 1 year from the end of the member's tenure.
- (5) No member may serve more than 3 consecutive terms, including partial terms.

3:65. Greenbelt Advisory Commission; organization, powers and duties.

- (1) *Organization.* GAC shall annually elect a chair. GAC shall meet at a as often as necessary to carry on their work. Five members of GAC shall constitute a quorum. An affirmative vote of a majority of the members present shall be necessary to authorize any action by GAC. Consistent with this chapter and subject to City Council approval, GAC may develop bylaws that further define the functional and procedural aspects of GAC's duties and provide for keeping a record of its proceedings.
- (2) *Powers and duties.* The purpose of GAC is to advise and make recommendations to the City Council and City Administrator on land and land

rights acquisition, management, and disposition in the Greenbelt District; and enhancing public awareness, commitment, and active participation in stewardship of open space, natural features, and public land within the Greenbelt District. GAC also has the following powers and duties:

- (a) To review and recommend to City Council applications for the purchase of Greenbelt District Land and land rights in accordance with the provisions of this chapter.
- (b) To advise City Council on monitoring and enforcement of land rights, including the terms and provisions of Development Rights or Conservation Easements, acquired by the City in Greenbelt District Land.
- (c) To publish and present an annual report, which shall include a listing of all parcels of land donated or for which land rights, including Development Rights or Conservation Easements, were acquired, and the method of acquisition; a map showing the location of acquired lands and land rights and dates of acquisition; financial cost and land characteristics; other parcels on which other governmental entities hold Development Rights or Conservation Easements; a listing of the number of applications made and the number of applications which did not result in acquisition.
- (d) To prepare and present to City Council and the City Administrator an annual budget for land and land rights acquisition, preservation, and management of Greenbelt District Land.
- (e) To review and recommend to City Council and the City Administrator alternate sources of funding, such as grants, gifts, endowments, etc., for land and land rights acquisition, preservation, and management.
- (f) To work collaboratively with other City boards and commissions which have responsibilities for specific issues, including but not limited to: the Planning Commission, Environmental Commission, and Park Advisory Commission.
- (g) To hold public forums, separately or with other City boards or commissions, for the purpose of identifying needs in the community on Greenbelt District Land matters.
- (h) To meet with commissions in other jurisdictions and other public and private organizations to address regional and state land and land rights preservation matters.
- (i) To take other actions or exercise other powers or functions directed or delegated by resolution of City Council.

3:66. Roles of Greenbelt Advisory Commission and Park Advisory Commission.

For purposes of this chapter, GAC shall generally have the role of advising the City on matters relating to the acquisition and management of land and land rights in the Greenbelt District and PAC shall generally have the role of advising the City on matters relating to the acquisition and management of land and land rights within the City. However, PAC shall have the ability to recommend purchase or lease of Greenbelt

District Land, provided that written confirmation has been obtained from GAC that the land is not under consideration by GAC. PAC shall request this confirmation in writing. If a response is not received from GAC within 60 days, PAC shall be free to initiate consideration of the land for inclusion in the City park system.

3:67. Acquisition of parkland.

OSPP Millage revenue may be used to acquire parkland consistent with City Charter section 8.23. Acquisition of parkland shall be according to City procedures for acquiring parkland directed by the City Administrator and in accordance with applicable law.

3:68. Acquisition of Greenbelt District Land; selection criteria and manner of acquisition.

- (1) *Land acquisition criteria.* Proposed land acquisitions shall be evaluated using criteria adopted by GAC consistent with the purposes of City Charter section 8.23 and this chapter.
- (2) *Land acquisition mechanisms.* Greenbelt District Land may be acquired or protected by Conservation Easement, fee simple purchase, lease, purchase of Development Rights, or other right or interest in land.

3:69. Acquisition of Greenbelt District Land; application and approval procedure.

- (1) Owners of Greenbelt District Land who wish to be considered for acquisition under this chapter must apply to the City. Application materials shall be made available by the City and include a summary of the criteria and guidelines for selection and a list of required documentation that must be attached to the application. Applications may be made at any time and reviewed by GAC as needed.
- (2) In order for an application to be considered by GAC, it must meet the following requirements:
 - (a) The Owner must have good, marketable, fee simple title to the land or show that they are able to promptly obtain such title upon request of the City.
 - (b) The land must be eligible Greenbelt District Land.
 - (c) If a purchase of Development Rights or Conservation Easement is approved by City Council, the applicant or applicants must agree to maintain the land in accordance with a Development Rights agreement or Conservation Easement upon terms approved by the City Administrator.
 - (d) A completed, signed application must be submitted on the City's application form. An Owner or a duly authorized representative of the Owner may apply. The City may require separate applications for each parcel offered for acquisition. The City shall establish and publish procedures for submission and to assist Owners with the application

process. The following information must be included in a completed application:

1. Adequate information to identify the relevant tax parcels.
 2. A description of the agricultural use or other current uses on the land.
 3. A statement by the Owner of any contingencies that the Owner wishes to make GAC aware of that may affect the land in the future (such as death, estate plans, etc.) and desired reserved rights (such as building envelopes, exclusions, etc.).
 4. A description of the features of the land, such as presence of water bodies, scenic views, streams, wetlands, rare species, or other desirable features.
 5. A statement by the Owner granting access to the land for the purpose of inspection and appraisal by the City, its employees or contractors, and GAC.
 6. A list of all mortgages, liens, and encumbrances on the land.
 7. A copy of all surface or subsurface leases or easements.
 8. All other information requested on the application.
- (3) If the application is complete and meets the minimum criteria for consideration, GAC shall evaluate the application. A member of GAC, City staff, or contractor assigned to GAC shall view each application and make a written report to GAC prioritizing the applications according to the established selection criteria.
- (4) After consideration of staff's written report, GAC shall determine which applications should proceed to appraisal. Appraisals shall be performed as required by section 1:320 of City Code. The selected appraiser shall not have a property interest, personal interest, or financial interest in the subject lands. Appraisals shall be in writing and shall be furnished to the respective Owners for review. Appraisals shall contain an analysis of the highest and best use of the land, the valuation methodology used by the appraiser, and the fair market value of the fee simple title to the land (excluding the buildings thereon, if any). For purchases of Conservation Easements, Development Rights, and other interests less than fee simple, the appraisal shall contain a "before and after" valuation that determines the value of the interest to be purchased by determining the difference in value of the fee simple title to the land before and after the purchase, taking into account all rights to be retained by the Owner.
- (5) After receiving the appraisal, GAC shall determine whether to forward a recommendation for acquisition to City Council. Upon City Council approval of the acquisition, the City shall submit a written offer to acquire the land or land rights to the Owner via a purchase agreement or other method determined by City Council. The offer shall be for a time certain and accompanied by a general description of easement terms where applicable.

- (6) Any application that is not offered to be acquired because available funds are not sufficient within the current fiscal year or because GAC declines to proceed with the application after review, may be considered again at a time determined by GAC, provided that the Owner restates their interest in applying and updates the information on the application or states that the information remains accurate. Applications shall not be given any preference or priority upon subsequent consideration, but shall be considered in the same manner as other applications submitted at that time.
- (7) Prior to concluding acquisition of the land or land rights, the City Administrator shall conduct all due diligence that the City Administrator deems appropriate, which may include title searches, environmental site assessments or testing, or surveys.
- (8) The City, its officials, employees, and agents shall not be liable for any injury that occurs to any person, or for any damage that occurs to any property, as a result of any act, decision, or other consequence or occurrence arising out of the acts or omission of an Owner or any person or entity other than the City based on the existence of an application or the acquisition of Development Rights, Conservation Easements, or other land rights under this chapter.

3:70. Related costs.

The costs of appraisal, title, engineering, surveying, planning, financial, environmental, legal or other services or due diligence lawfully incurred incident to the acquisition of land or land rights by the City in accordance with this chapter shall be paid as negotiated by the City and Owner. The City shall not be responsible for expenses incurred by the Owner incident to Owner's application or sale of land or land rights.

3:71. Conservation Easement requirements; exceptions.

- (1) Where appropriate or required by partner entities, for land on which the City proposes to acquire an agricultural Conservation Easement, the Owner must develop a Conservation Plan with the local Natural Resource Conservation Service (NRCS) office prior to closing on the sale. The Conservation Plan should be updated every 10 years and reviewed as necessary by the City. The Conservation Plan shall be written using the standards and specifications in effect at the time the Conservation Plan is developed.
- (2) Conservation Easements acquired under this chapter may include permitted uses that:
 - (a) are essential to agricultural use; or
 - (b) do not alter the open space character or natural features of the land, which may include the maintenance or enhancement of natural processes (e.g. water quality, plant and wildlife habitat, groundwater recharge) or the scenic enjoyment of the public.
- (3) Conservation Easements may include a provision for an Owner to retain the right to build additional residential dwellings or accessory agricultural structures. A Conservation Easement shall permit no more than 1 residential

dwelling unit and related accessory buildings such as a garage or shed for each 10 acres of land. For parcels less than 10 acres in existence prior to the original date of adoption of this chapter (May 3, 2004), and which cannot be joined to a larger contiguous parcel, no more than 1 residential dwelling unit with related accessory buildings is permitted.

- (4) Both residential and non-residential buildings must be identified in the Conservation Easement in order to protect other important features of the land. Proposed building locations and lot sizes must also conform to existing zoning in the municipality where the land is located. The total impervious surface area for new and existing buildings and roads (such as permanent rooftops, concrete, and asphalt) must not exceed 2% of the total Conservation Easement area. Waiver of the 2% impervious surface limitation may be determined by the City Administrator on a case-by-case basis.
- (5) An Owner may choose to omit an area of land from a Conservation Easement for residential building lots of the minimum size allowed by local zoning and a total number of lots determined by the City Administrator. GAC and City Council may consider such omission when evaluating whether to purchase the Conservation Easement.
- (6) After City Council has approved the acquisition of a Conservation Easement, Development Rights agreement, or similar restrictive interest in land, a baseline documentation report shall be prepared describing through photographic, pictorial, and narrative means the condition of the land at the time of the acquisition. The baseline documentation report shall contain a signature page where the Owner and City sign to state that the report is an accurate description of the land at the time of grant.
- (7) Conservation Easements, Development Rights agreements, and other interests in land shall run with the land and shall be recorded with the County Register of Deeds.

3:72. Open space and parkland preservation fund established.

An Open Space and Parkland Preservation Fund (“OSPP Fund”) is hereby created in the City budget, which shall hold OSPP Millage revenue and funds designated for the purpose of acquisition and management of Greenbelt District land, including designated monetary gifts, unrestricted grants, and any investment income earned by OSPP Millage revenue and funds.

The OSPP Fund shall be invested and managed in the same manner as other funds of the City. No part of the OSPP Fund may be transferred to any other fund, nor be encumbered, nor be utilized for any purpose except the purposes specifically set forth in this chapter. Expenditures from the OSPP Fund require authorization of City Council.

When land or land rights that have been purchased entirely or partly with OSPP Millage funds are subsequently sold, any money received by the City for the sale shall be returned to the OSPP Fund and used for OSPP Millage purposes in equal proportion to the amount of OSPP Millage funds used for the purchase.

3:73. Purchase of Development Rights.

- (1) OSPP Millage funds may be used to purchase Development Rights, consistent with the Michigan Zoning Enabling Act sections 507-509 (MCL 125.3507-09), as amended.
- (2) The public benefits that the City may seek through the purchase of Development Rights are those stated in the purpose and findings of this chapter and City Charter section 8.23.
- (3) The procedure for application for a purchase of Development Rights shall be the same as for purchase of Conservation Easements set forth in this chapter.
- (4) The City may purchase all Development Rights authorized by law.
- (5) In approving, modifying, or rejecting an application to purchase Development Rights, City Council shall apply the same standards and follow the same process as for Conservation Easements set forth in this chapter.
- (6) Development Rights agreements shall not provide for repurchase of the Development Rights by an Owner of land from which Development Rights have been purchased by the City.
- (7) The City may finance the purchase of Development Rights by special assessments and the issuance of bonds secured thereby, subject to compliance with procedures for the approval and establishment of special assessment districts and the issuance of special assessment bonds contained in the City Charter, City Code, and other applicable laws. Such special assessment procedures shall further be subject to the requirements that (a) there be filed with the City Council a petition containing all of the following: (i) a description of the Development Rights to be purchased, including a legal description of the land from which the purchase is to be made, (ii) a description of the proposed special assessment district, (iii) the signatures of the Owners of at least 60% of the land area in the proposed special assessment district, and (iv) the amount and duration of the proposed special assessments, and (b) the City Council specifies how the proposed purchase of Development Rights will specially benefit the land in the proposed special assessment district.
- (8) The City may convey Development Rights acquired pursuant to this chapter to another governmental entity or conservation, open space preservation, historic preservation or similar organization under terms ensuring that the public benefits for which the City purchased the Development Rights will be maintained.

3:74. Enforcement.

The City Administrator shall administer and enforce this chapter and the land rights acquired hereunder in consultation with the City Attorney. GAC may advise and make recommendations to the City Administrator or City Council concerning monitoring and investigation of complaints of violations on City-acquired land and land rights outside of the City park system. At least once annually, the City Administrator shall conduct monitoring of each parcel subject to a Development Rights agreement or

Conservation Easement for compliance with the agreement or easement. The City Administrator shall make a written report of the findings of such monitoring and report all violation to the City Attorney.

3:75. Administrative costs.

- (1) Reasonable administrative expenses may be paid from OSPP Millage revenues. The cost of the following shall be considered administrative expenses that may be paid for from OSPP Millage revenues, provided that they relate to activities permitted under this chapter:
 - (a) Staff or consultant time, including benefits, devoted directly to the acquisition process.
 - (b) Staff or consultant time, including benefits, devoted directly to program support.
 - (c) Travel or vehicle costs incurred.
 - (d) Administrative expenses directly attributable to program support or the acquisition process.
 - (e) Monitoring of acquired land or land rights, including Development Rights or Conservation Easements.
 - (f) Enforcement of acquired land rights, including Development Rights or Conservation Easements, including legal expenses or consultants.
 - (g) Legal expenses directly related to the acquisition of or leasing of land or land rights, including staff or outside counsel time.
 - (h) Title commitments, title insurance, and closing costs.
 - (i) Payment of property taxes on acquired or leased property.
 - (j) Preparation of appraisals.
 - (k) Preparation of surveys.
 - (l) Preparation of Phase 1 Environmental Site Assessments and other appropriate environmental testing and documentation.
 - (m) Baseline documentation reports for Development Rights or Conservation Easements.
 - (n) Costs directly related to the sale of bonds supported by the OSPP Millage.
 - (o) Due diligence related to acquisition or management of land or land rights.
- (2) The cost of the following shall not be paid for from OSPP Millage revenues:
 - (a) Parkland operating, maintenance, repair, restoration, and development costs for acquired properties, or interests in properties, except as otherwise provided in this section.
 - (b) An internal municipal service charge.
 - (c) Activities of the City Administrator, Mayor, or City Council.

- (d) Charges for staff time not directly related to the purpose of the OSPP Millage.
- (e) Charges for office space or utilities.

3:76. Reserved.

3:77. Audit.

The City shall, on an annual basis, provide for public review a financial statement of its activities, including detailed expenditures for program staffing, land and easement acquisition, related costs and all other expenditures for implementing the parks and greenbelt acquisition program. This financial statement will be based on the independent financial audit of the City's finances.

Section 2. This ordinance shall take effect immediately upon publication.