City of Ann Arbor

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Action Minutes

Wednesday, November 4, 2009 4:30 PM

Council Chambers, 100 N. Fifth Avenue

Greenbelt Advisory Commission (GAC)

CALL TO ORDER

Commissioner Laura Rubin called the meeting to order at 4:37 p.m. in the Guy C. Larcom Jr., Municipal Building, 2nd Floor Council Chambers, 100 N. Fifth Avenue.

ROLL CALL

Present 5 - Tom Bloomer, Dan Ezekiel, Jennifer Santi Hall, Commissioner Laura Rubin, and Carsten Hohnke

Absent 4 - Michael Garfield, Gilbert S. Omenn, Peter Allen, and Catherine Reising

SPECIAL PRESENTATIONS

Videos

(Commissioner Omenn arrived at 4:38 p.m., Commissioner Riseng arrived at 4:40 p.m. and Commissioner Allen arrived at 4:46 p.m.)

Peg Kohring said that they talked to the Small Farm Committee about finding ways to keep the farm and farm buildings affordable for the next generation and to ensure that the land stays in farming. Small farm properties are susceptible to become someone's mansion/nice lawn. A way to address this issue is with an easement or some type of an equity interest in the property.

She and Ginny Trocchio recently attended the Land Trust Alliance Rally. The land trust in central California Valley that stipulates in their conservation easements that the land owner must have at least 50% of their gross sales average over a 5 year period, as shown on Schedule F from their taxes. There is also the ability for the City to buy back the property if it is not in farming.

Ms. Kohring played a video from Blue Print Productions, that talks about a farming couple in Central Valley of California, who are trying to figure out how to transfer their farmland to another farmer. Their children are not interested in agriculture and the couple wants the property to remain in agriculture for future generations. They're working on at \$300,000.00 easement that would allow them to sell the property to a young farmer for approximately \$500,00.00. The easement would take off some of the value. The buyer of the farm must have at least 50% of their gross income from the land, practice sustainable farming methods and agree to not own the land. In this case, the farmer is allowed to use the land but do not own the land, making it a long term lease.

In some cases it could be an easement where the farmer owned a fee and in this case, the farmer is actually buying the business. The Ann Arbor Greenbelt could deal with it by having an easement on the property; we actually own the land and lease it to the farmer, reducing the cost for a new farmer to get involved with the farm.

Commissioner Hall said that Ann Arbor Township has a Sustainable Agriculture Research and Education Program through the USDA. The program is used specifically to explore ways of promoting small farms in their township. The program helps to link landowners with growers and parkets. There are a lot of growers who do not have the ability to make the capital investment in the farm. One thing that Ann Arbor Township is looking to do is through survey and sort of a match maker database is to look at land

owners who may or may not want to pursue a PDR, but who does have land available for farming. This is a way for their township to promote not only training of new farmers, but also ensure the land in their township continues to be farmed.

Jennifer Hall, Housing Manager in Community Development, explained she does in Community Development and how that can help with the Commissions goals. Community Development manages approximately \$4-6 million dollars a year in primarily federal funds, but has some local funds to do housing and human services and community development infrastructures. \$1.2 million a year, they issue an RFP and housing developers respond that are interested in affordable housing. They then manage the contracts and make sure the funding meets all of the federal regulations. In addition, the City of Ann Arbor has a more unique approach where they place permanent restrictions on certain properties, where the developer wanted to do something different like a PUD or a zoning change. Negotiations took place on what would do. Part of the negotiation was affordable housing and that has now been codified into the Planned Unit Development Ordinance. If the density is increased in a residential property, typically in the downtown area, a certain percent of affordable housing is required. The ordinance also states that the unit can only be sold to a low income buyer.

She further explained that when a person is ready to sell their property, because there is a covenant on the property, when the title work is pulled, it shows that that there is a covenant on the property and that the property has to be sold to another low income buyer. There is no reason why the same kind of covenants cannot be placed on a house that is on a farm. They could help someone initially buy the unit, or bring the price down so the first sales is affordable to a farmer and then put a restriction on it. The pool of money they have jurisdiction over overs 11 municipalities, including Pittsfield, Ann Arbor, Salem, Scio, York, Northfield, Ypsilanti Townships, City of Ypsilanti, City of Ann Arbor and Bridgewater. The membership will open again in a year and a half. This could be an incentive to bring in some of the above mentioned municipalities because it would bring in an automatic allocation of money every year, where a percent would go to that municipality. They manage the money in the office of Community Development and each municipality has a say as to where the money would go toward. It could be one house in one of the townships if they choose.

Present 8 - Tom Bloomer, Dan Ezekiel, Jennifer Santi Hall, Gilbert S. Omenn, Commissioner Laura Rubin, Peter Allen, Carsten Hohnke, and Catherine Reising

Absent 1 - Michael Garfield

PUBLIC COMMENTARY

None.

APPROVAL OF AGENDA

A motion was made by Councilmember Hohnke, seconded by Commissioner Omenn, that the agenda be approved as presented. On a voice vote, the Chair declared the motion carried.

A APPROVAL OF MINUTES

A-1 09-1086

Greenbelt Advisory Commission Meeting Minutes of October 21, 2009

A motion was made by Commissioner Reising, seconded by Councilmember Hohnke, that the minutes of October 21, 2009 be approved by the Commission and forwarded to the City Council. On a voice vote, the Chair declared the motion carried.

PUBLIC HEARINGS

None.

B OLD BUSINESS

B-1 09-0901

Resolution Regarding Purchase Price and Matching Funds for Greenbelt Purchases

Commissioner Hohnke suggested changing the second to last paragraph of the cover letter as follows:

If your property does not qualify for application FRPP funds, or if your qualified property does not successfully attract FRPP funds, a successful project [will] IS LIKELY TO require funding from the other sources already mentioned. ...

Note: [] Brackets indicates proposed deleted language. All CAPS indicate proposed new language.

Commissioner Bloomer expressed concern with the section regarding the full amount of FRPP funds. He said that the requirement amount should be reduced from 25 to 20 percent because land values have dropped so much. He added that there is a risk of passing up potentially good properties if the percent is not reduced. He concluded by saying that if the Commission gets a significant tale end grant from the government, and it does not reach the 20 or 25 percent level, he didn't think the Commission should be turning down federal funds.

Councilmember Rubin said that she was comfortable with lowering it to 20 percent.

Commissioner Hall thanked Commissioner Bloomer for creating the letter and said that the letter works great for communicating to the landowner. Ms. Hall suggested creating a resolution that makes it clear on how the Commission would govern its self. Flexibility is needed when considering each packaged deal.

Commissioner Rubin said that the Strategic Plan talks about giving the Commission flexibility. The goal is 20 to 25 percent and exceptions will be made for local farms and things of that nature. She added that she was willing to include language in a resolution explaining this if the Commission chooses to go that route.

Commissioner Ezekiel added that the Strategic Plan gives the commission the flexibility that is needed and he would like to adopt the cover letter because they are trying to send out a mailing soon.

Commissioner Reising suggested adding the word "currently" to the two sentences that talk about the percentages so that if it should change in a future letter it is accounted for. (See proposed changes below.)

Paragraph 7

... The City's goal is to receive at least (20/25/XX) percent of the CURRENT purchase price of each project from those sources.

Paragraph 11

...Please keep in mind that the City's goal is to secure matching funds to make up at least (20/25/XX) percent of the CURRENT appraised value of your development rights.

Note: [] Brackets indicate proposed deleted language. All CAPS indicate proposed new language.

All of the above mentioned changes were accepted as friendly amendments to the proposed letter.

Commissioner Omenn said that he preferred the 25 percent, since it is not a requirement it is goal and strictly inspirational. He did not want a generous donor who gives 25 percent feel that bad because it is above what the maximum aspiration is. He didn't want to eliminate the possibility of a situation being 25 percent from all sources.

Mr. Omenn also suggested amending the letter as follows:

Paragraph 1

BEFORE YOU COMPLETE THIS APPLICATION, [This is an application to] the City of Ann Arbor's land preservation program, commonly known as the Greenbelt Program [Before you complete this application], it is important for you to read and understand this introduction. ...

Paragraph 11

... [In cases where full matching funds are unavailable, you will need to donate at least some of that value.]

New Paragraph 12

You should understand however, that in all cases, and regardless of funding sources, ...

Note: [] Brackets indicate proposed deleted language.

Commissioner Bloomer said that they could run the risk of not having people fill out an application if the 25% of the purchase price is requested. He expressed concern with scaring off potential applicants with that number.

Councilmember Hohnke said that the 20 percent would keep it consistent with the Strategic Plan and added that if a landowner had the capacity to provide a 25% match that the staff would negotiate for that.

Ms. Kohring said that a landowner in support of protecting farmland in townships would like to donate an easement in order to get more farmland protected. She asked that the Commission consider this and discuss at a later date.

A motion was made by Commissioner Ezekiel, seconded by Commissioner

Santi Hall, that the Resolution be approved.

C NEW BUSINESS

C-1 Keeping Farmland Affordable

Discussed earlier.

NEXT AGENDA ITEMS

None presented

REPORTS FROM STAFF

None.

REPORT FROM COMMITTEES

None.

COMMUNICATIONS

None.

PUBLIC COMMENTARY

The commission acknowledged that Webster Township passed their millage renewal on November 3, 2009 by 60%.

CLOSED SESSION

Commissioner Rising left at this time.

A motion was made by Commissioner Omenn, seconded by Commissioner Allen, that the Commission enter into Closed Session to discuss Land Acquisitions. On a voice vote, the Chair declared the motion carried. On roll call, the vote was as follows, with the Chair declaring the motion carried and the meeting recessed at 5:52 p.m.

Yeas: 8 - Commissioner Bloomer, Commissioner Ezekiel, Commissioner Santi Hall,

Commissioner Omenn, Commissioner Rubin, Commissioner Allen,

Councilmember Hohnke, and Commissioner Reising

Nays: 0

Absent: 1 - Commissioner Garfield

MEETING RECONVENED

A motion was made by Commissioner Omenn, seconded by Councilmember Hohnke, that the meeting be that the meeting reconvene. On a voice vote, the Chair declared the motion carried and the meeting reconvened at 6:11 p.m..

2005-025

A motion was made by Commissioner Santi Hall, seconded by Commissioner Bloomer, to direct staff to move forward with an appraisal for the property identified in Application No. 2005-025 and to direct staff to request a contribution from Webster Township toward the Purchase of Development Rights based on the land owner's expressed willingness to make a donation and based on the proximity of other properties already protected. On a voice vote, the Chair declared the motion carried.

ADJOURNMENT

A motion was made by Councilmember Hohnke, seconded by Commissioner Omenn, that the meeting be adjourned. On a voice vote, the Chair declared the motion carried and the meeting adjourned at 6:11 p.m.

Laura Rubin, Chairperson

Anissa R. Bowden Recording Secretary