### ORDINANCE NO. ORD-24-04

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## 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:

<u>Section 1.</u> 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 <u>implement the OSPP Millage</u>, as set forth in <u>Section 8.23 of the City Charter</u>, and to preserve and protect open space, natural habitats, parkland and the <u>city'sCity's</u> source waters inside and outside the <u>cityCity</u> 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 <u>cityCity</u> 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 <u>areaareas</u>; <u>and</u> excessive public costs forto build or extend roads and utility infrastructure, new and extensions, 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 cityCity, 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 <u>cityCity</u> 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 <u>cityCity</u> 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) Agricultural rights means an interest in and the right to use and possess land for the purposes and activities related to open space, natural habitat, horticultural and other agricultural use or open space character.
- (2) Agricultural use means substantially undeveloped land devoted to the production of plants and animals useful to humans, including fruits, nuts, vegetables, greenhouse plants, berries, herbs, flowers, seeds, nursery stock, grasses, Christmas trees and lumber, forages and sod crops, grains and feed crops, dairy and dairy products, livestock (including breeding and grazing), poultry and poultry products and other similar uses and activities.
- (3) Application means the documentation and information submitted to the city by a landowner on the approved application form offering to sell, donate or otherwise grant to the city a conservation easement, development rights or title to greenbelt district land.
- (4) City means the City of Ann Arbor.
- (5) Code means the Ann Arbor City Code.
- (6) Conservation easement means a non-possessory interest in real property, which is acquired in accordance with MCL 324.2140 et seq. for the purpose of retaining and enhancing agriculture, preserving natural, scenic or open space values of real property; restricting or preventing the development or improvement of the land for purposes other than agricultural production; or other like or similar purposes.
- (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.
- (7) Development means an activity that materially alters or affects the existing conditions or use of any land in a manner that is inconsistent with agricultural use or open space character.
- (8) (2) Development <u>rRights</u> means<u>-an interest in and the rights to develop real</u> property, including the right to build structures and to use, divide, or subdivide

the land for any and all-residential, office, commercial, research, industrial, or other use, purposes or activities including intensive animal husbandry operations, not incident to agricultural use or open space character. <u>extractive</u>, 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.

- (6)(9) Other eligible land means land that has a common property line with agricultural land from which development rights have been purchased and that is not divided from that agricultural land by a state or federal limited access highway
- (10) *Fair market value purchase* means transfer of full ownership to the city based on a qualified appraisal.
- (11) Full ownership means fee simple title.
- (12) (3) Greenbelt advisory commission<u>Advisory Commission ("GAC"</u>) means the commission formed pursuant to this chapter to advise the City Council in the selection of greenbelt district lands<u>Greenbelt District Land</u>.
- (13) Greenbelt district is the land area surrounding the City of Ann Arbor in which the Greenbelt Advisory Commission shall exercise its powers as provided by this chapter; the boundaries of which are hereby established and traverse the following townships as follows:
- (4) Greenbelt District means the following areas:
  - (a) Lodi Township. That portion of land located within Sections 1—4 and, 9— 16, and 21—24, R5E, and lying East AND WEST of Zeeb Road and North of W. Textile Road.
  - (b.)) Pittsfield Township. That portion of land located within Section 1, 12 24, and toTo the extent not incorporatedlocated within the cityCity, Sections 6–8, R63, and lying North of Textile Road1-24.
  - (c-)) Scio Township. That portion of land To the extent not located within the City, Sections 1—4, 9—16, 21—28, and 33—36, R5E, and lying west of Zeeb Road.
  - (d.)) Ann Arbor Township. All that portion of land within Sections 1—8, 12—13, and toTo the extent not incorporatedlocated within the cityCity, Sections 9—11, 14, 23—25, and 1—36, R6E, being all the land within the known and designated boundaries of the township.
  - (e.)) Superior Township. That portion of land located within Section Sections 3—10, 15—22, and 27—34, R7E, and lying east of Prospect Road.
  - (f.)) Webster Township. That portion of land located within Sections 21–28 and 33–36, R5E, and lying South of 5 Mile Road and west of Zeeb Road.

- (g-)) Northfield Township. That portion of land located within Sections 19—36, R6E, and lying South of 5 Mile Road.
- (h-)) Salem Township. That portion of land located within Sections 19—22, and 27—34, R7E, and lying South of 5 Mile Road and west of Curtis Road.
- (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.

and as shown on the district map which accompanies this chapter, and which, with all notations, references, and other information show thereon, shall be as much a part of this chapter as if fully described herein; and from which, applications for purchases of land and conservation easements will be considered.

- (14) *Governmental agency* means the United States or any agency thereof, the State of Michigan or any agency thereof or any municipal corporation.
- (15) Open space character or open space use means substantially undeveloped land devoted to (a) the maintenance or enhancement of natural processes (e.g. water quality, plant and wildlife habitat, groundwater recharge), (b) scenic enjoyment of the public or (c) otherwise satisfying the standards of sections 5:51 of the Code.

<del>(16)</del>.

- (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 individual or individuals having fee simple title to the eligible person, entity, or group having title to land.
- (17) *Parcel* means all property under a single ownership that is included in an application.
- (18) *Parkland* means all property undeveloped and developed dedicated for the use of the public as a park.
- (19) Parks advisory commission(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 <u>cityCity</u>.

- (20) *Permitted use* means any use contained within a conservation easement essential to the agricultural use or which does not alter the open space character or natural features of the land.
- (21) *Qualified appraisal* means an appraisal done in conformance with the standards in section 1:320 of the Code.
- (22) Residential development rights means the right to sell portion of a parcel, or to construct a residence and related accessory buildings such as a garage or shed on a parcel, for residential uses not related to the agricultural use, open space character or natural features of the parcel.
- (23) Substantially undeveloped land means land on which there is no more than 1 residential dwelling unit and related accessory buildings such as a garage or shed for each 40 acres of land. For parcels less than 40 acres in existence prior to the date of this chapter, and which cannot be joined to a larger contiguous parcel, substantially undeveloped land means land on which there is no more than 1 residential dwelling unit and related accessory buildings for the parcel.

# 3:63. City Council authority.

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

- (1) Expend <u>OSPP Millage</u> revenue to acquire greenbelt district land and land rights in accordance with the criteria and procedures established inunder this chapter. The interest acquired may either be fee title, development rights, conservation easementsDevelopmentRights, Conservation Easement, or any lesserother real property interest, easement, covenant, or other contractual right pertaining to such rights.a real property interest. Acquisition of land and land rights may be achieved through donation, in whole or in part; or by purchase, grant, covenant or contract but For such acquisition, OSPP Millage revenue may only at a price that is equalbe expended up to or less than, but not exceeding, the qualified value of the land or land rights as determined by an appraisal. In particular, the city can acquire development rights to agricultural land and other eligible land. The revenue shall be used to acquire greenbelt district land only upon application of the owner and as authorized by this chapter.
- (2) Enter into cash purchase <u>contractsagreements</u>, installment purchase <u>contractsagreements</u>, cash purchase/non-cash donation agreements, bargain sale agreements, or similar agreements establishing the rights and responsibilities of the <u>cityCity</u> and the <u>ownerOwner</u> in the transfer of land<u>or</u> <u>land rights</u>, purchase of <u>development rightsDevelopment Rights</u>, or the granting of <u>a conservation easementConservation Easement</u> 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 and, or management of Greenbelt District Land. and developmentland or land rights, conservation easements or other easements in Greenbelt District Land.
- (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 and, or management of land and or land rights, development rights Development Rights, conservation easementConservation Easements, or other easements in the greenbelt district with anotherone or more governmental agencyentities 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 <u>cityCity</u>.
- (7) 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 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.

## 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 and/or<u>environmental or</u> 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) The termsEach member of office of the first GAC shall be appointed hereunder shall be fixed by the City Council so that the terms of 3 members will be for 1 year, 3 members for 2 years, and 3 for 3 years. After the initial GAC is formed, all membersto a 3-year term and the terms shall be staggered so that approximately one third expire each year, except the City Council member, thereafter will be appointed for 3 years. The City Council member shall be appointed for a 1-year term.annually as determined by the City Council. A City Council member shall cease to be a member of GAC if she/he ceasesthey cease to be a member of the City Council. All members of GAC shall serve without compensation. A minimum of 6 members shall be residents registered electors of the City of Ann Arbor. Appointment of nonresident members shall 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 <u>ClerkAdministrator</u> shall notify City Council at least 45<u>30</u> 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 member shall be allowed to hold over for more than 60 days beyond the term of office fixed by ordinance whether or not a successor has been appointed, except that City Council may extend the term for a period of 60 days upon the vote of at least 6 members of City Council. (4)No land in which a member of GAC

- (5) No land in which a member of the commission 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.
- (6) <u>5)</u>No member may serve more than <u>23</u> consecutive <u>full</u> terms <u>after his or her initial</u> <u>term, including partial terms</u>.
- (7) A member of GAC may be removed by a majority vote of City Council for cause.

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

 Organization. The CommissionGAC shall annually elect a chair. The CommissionGAC shall meet at a minimumas often as necessary to carry on a quarterly basis at a date, place and time to be determined by the Commission<u>their</u> work.

A majority of members appointed to the Commission, that is 5 members, <u>Five</u> <u>members of GAC</u> shall constitute a quorum. An affirmative vote of a majority of the members present shall be necessary to authorize any action by <u>the CommissionGAC</u>.

Consistent with this chapter and subject to City Council approval, GAC may develop by-laws and standing rules by laws 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. To The purpose of GAC is to advise and make recommendations to the City Council on land matters 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 parkland including growth and development of parkspublic land within the Greenbelt District, land and land rights acquisition, management, and disposition... GAC also has the following powers and duties:
  - To review and recommend to City Council applications for the purchase of Greenbelt District Land <u>and land rights</u> in accordance with the provisions of this chapter.
  - To advise City Council on monitoring and enforcement of <u>land rights, including</u> the terms and provisions of <del>any development rights<u>Development Rights</u> and/</del>or <u>conservation easementConservation Easement</u>s, acquired by the <u>cityCity</u> in Greenbelt District Land.
  - To publish and present an annual report, which shall include a listing of all parcels of land donated or for which <u>land rights, including development</u> <u>rightsDevelopment Rights</u> or <u>conservations easementConservation Easements</u> <u>or other easements</u>, were acquired, and the method of acquisition; a map showing the location of acquired lands and <u>land rights and</u> dates of acquisition; financial cost<sub>7</sub> and land characteristics; other parcels on which other governmental entities hold <u>development rightsDevelopment Rights</u> or <u>conservation easementConservation Easement</u>s; a listing of the number of <u>applicationsApplications</u> made<sub>7</sub> and the number of <u>unsuccessful applications</u> and the categorical reasons they wereApplications which did not <u>acceptedresult in acquisition</u>.
  - To prepare and present to City Council and the City Administrator an annual budget for land and land rights acquisition, preservation, and management within theof Greenbelt District Land.
  - 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.
  - To work collaboratively with other <u>cityCity</u> boards and commissions which have responsibilities for specific issues, including but not limited to: Planning Commission, Environmental Commission, <u>ParksPark</u> Advisory Commission.
  - To hold public forums, separately or with <u>other cityother City</u> boards or commissions, for the purpose of identifying needs in the community on <u>natural</u> <u>landsGreenbelt District Land</u> matters.
  - To meet with commissions, in other jurisdictions, and other public and private organizations to address regional and state land and land rights preservation matters.

In addition to the <u>• To take other actions or exercise other</u> powers <u>andor</u> functions <u>herein</u> provided, City Council may delegate to the GAC <u>directed or delegated</u> by resolution

other powers and functions permitted by law concerning the acquisition of development rights<u>City Council</u>.

## 3:66. ParksRoles of Greenbelt Advisory Commission; powers and duties.

# In addition to those powers and duties established by City Council, the ParksPark Advisory Commission.

<u>For purposes of this chapter, GAC shall generally have the role of advising the City</u> on matters relating to the acquisition and management of land and land rights in the <u>Greenbelt District and PAC shall generally have the role of advising the City on matters</u> relating to the acquisition and management of land and land rights within the City. <u>However, PAC</u> shall have the ability to recommend purchase or lease of Greenbelt District Land, provided that written confirmation has been obtained from GAC that thisthe land is not under consideration by GAC. PAC shall request this confirmation in writing. If a response is not received from GAC within <u>9060</u> days, PAC shall be free to initiate consideration of the <u>parcel in questionland</u> for inclusion in the citytheCity park system.

# 3:67. Greenbelt district land; descriptionAcquisition of greenbelt districtparkland.

Land and land rights voluntarily acquired under the provisions of this chapter shall include:

- (1) Land outside the incorporated boundaries of the City of Ann Arbor within the Greenbelt District; except that a parcel either dissected by the Greenbelt District boundaries, or contiguous to the Greenbelt District boundary and a parcel under the same ownership within the Greenbelt District as defined in OSPP Millage revenue may be used to acquire parkland consistent with City Charter section 3:62(13) may be acquired in its entirety in the same manner under the provisions of this chapter as if the parcel was within the Greenbelt District.
- (2) Nothing in this section alters or is intended<u>8.23</u>. Acquisition of parkland shall <u>be according</u> to alter the designation of existing and future areas of the city under section 5:10.1 of the Code as AG-agricultural-open space district.

<u>City procedures for acquiring parkland directed by the City Administrator and in accordance with applicable law.</u>

# 3:68. <u>Acquisition of Greenbelt district land; District Land; selection</u> criteria for selectionand manner of acquisition.

The following criteria shall be used in determining the order in which Applications will be prioritized for review and recommendation by the appropriate commission to the City Council for acquisition:

- (1) *General.* The philosophy and principles of the land acquisition process for open space by which GAC will conduct its recommendation process are outlined in the finding stated in this chapter.
- (2) Process. GAC shall publish notice annually in a newspaper of general circulation in the city. The notice shall invite owners that meet the primary(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.

# <u>3:69. -outlined below to makeAcquisition of Greenbelt District Land;</u> application and approval procedure.

- (1) Owners for sale of Greenbelt District Land or Development Rights, Conservation Easements or easements in Greenbelt District Landwho wish to be considered for acquisition under this chapter must apply to the City. Application materials shall be <u>made</u> available fromby the City Clerk and shall 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, but need not be considered until the next regular meeting of GAC. GAC shall have the right to convene extraordinary meetings to consider purchases requiring timely action and reviewed by GAC as needed.
- (3) Land acquisition criteria. Sites for consideration shall be evaluated using the criteria listed below together with any other criterion determined by GAC to be appropriate to accomplishing the purpose of this chapter.
  - a. Agricultural land criteria: Characteristics of the land: type of agricultural land, parcel size, road frontage, wetlands and/or floodplain, groundwater recharge, natural features.

*Context:* distance to city limit, adjacent zoning classification, adjacent land use, proximity to protected land, scenic and/or historical value.

*Acquisition considerations:* matching funds, landowner contribution, urgency for acquisition, recreation potential.

b. Open space land criteria: Characteristics of the land: mature trees or rare species, parcel size, road frontage, wetlands and/or floodplain, groundwater recharge.

*Context:* distance to city limit, adjacent land use, proximity to protected land, proximity to water resource frontage, scenic and/or historical value, number of vehicle trips per day.

*Acquisition considerations:* matching funds, landowner contribution, urgency for acquisition, recreation potential.

(4) Land acquisition mechanisms.

- a. Purchase of development rights (PDR) shall be the preferred method of protecting agricultural land and other eligible land. The conditions and regulations applicable to such land is set forth in section (2) 3:71.
- b. Open space may be protected by conservation easements or fee simple purchase, lease or other interests in land.
- (5) Any application which fulfills the criteria set forth in this chapter and in the regulations adopted by the GAC and approved by City Council, but which is not offered a contract to purchase because available funds are not sufficient within the current fiscal year, shall be considered in the next application cycle, provided that the owner updates the information on the application or states that the information is accurate. These applications shall not be given any preference or priority at that time, but will be considered under the terms and conditions of this chapter along with all other applications submitted at that time.
- (6) Owner shall be and remain subject to all ordinances, rules and regulation of the governmental agency having jurisdiction over the Greenbelt District Land regardless of the transfer to and the acquisition of development rights, conservation easements or other easements in the Greenbelt District Land by the city whether now in effect or which may be subsequently adopted for the regulation of land uses or for the protection of the health, safety and welfare of residents of the jurisdiction.
- (7) The city, its officials, employees and agents shall not be liable for any injury that may occur to any person, or for any damage that may occur to any property, as a result of any act, decision or other consequence or occurrence arising out of the acts or omission of the 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 easements in Greenbelt District Land.

### 3:69. Application procedure; approval by City Council.

In order for an application to be considered for purchaseby GAC, it must meet the following requirements:

- (1) <u>a)</u>The <u>applicant or applicantsOwner</u> must have good, marketable, fee simple title to the <u>Greenbelt District Landland or show that they are able to promptly</u> <u>obtain such title upon request of the City</u>.
- (2) <u>b</u>The parcel of land proposed for purchase must be located within the eligible Greenbelt District; except as provided in section 3:67 Land.
- (3) <u>c)</u>If a development rights purchase, purchase of Development Rights or Conservation Easement purchase is approved by City Council, the applicant or applicants must agree to maintain the land in accordance with a <del>conservation</del> easement-Development Rights agreement or Conservation Easement upon terms approved by the City CouncilAdministrator.

(4)—<u>d</u>)A completed, <u>signed</u> application must be submitted on the approvedCity's application form by the deadline established by GAC. An ownerOwner or a duly authorized representative of the <u>ownerOwner</u> may apply. <u>All applications must be signed. AThe City may require</u> separate application is required applications for each parcel of land-offered for acquisition. <u>GAC</u>. <u>The City</u> shall establish and publish procedures for submission and to assist <u>ownerOwners</u> with the application process. <u>These</u> procedures shall be available from the City Clerk.<u>The following information</u> must be included in a completed application:

The following <u>1.Adequate</u> information shall be included in a completed application:

- a. Adequate identification by deed reference of to identify the parcel of land to be considered for purchase. The description should also include a map showing the location of the parcel with the Greenbelt District.
- b. <u>relevant tax parcels.2.</u> A description of the agricultural use <del>carried out on</del> the parcel or other current uses on the <u>parcelland</u>.
- c. <u>3.</u>A statement by the <u>ownerOwner</u> of any contingencies that the <u>ownerOwner</u> wishes to make GAC aware of that may affect the <u>propertyland</u> in the future (such as death, estate plans, <u>etc.</u>) and <u>desired</u> <u>reserved rights (such as building envelopes, exclusions</u>, etc.).
- d. <u>4.</u>A description of the features of the propertyland, such as presence of water bodies, scenic views, streams, wetlands, rare species, or other desirable featurefeatures.
- e. <u>5</u>.A statement by the <u>ownerOwner</u> granting access <u>to the land</u> for the purpose of inspection and appraisal <u>of the parcel</u> by the <u>cityCity</u>, its employees or contractors, and GAC.
- f. <u>6.</u>A list of any and all <u>mortgages</u>, liens, and encumbrances on the <u>parcelland</u>.
- g. Existence 7.A copy of anyall surface or subsurface leases or easements.
- h. 8. All other information requested on the application.

(2) If the application is complete and <u>meets</u> the minimum criteria <u>established are met,for</u> <u>consideration, GAC shall evaluate</u> the <u>application shall be evaluated.Application.</u> A member of GAC, <u>authorized contractor</u> or <u>cityCity</u> staff <u>or contractor</u> assigned to GAC, shall view each <u>Greenbelt District Land</u> Application and <u>make</u> a written report <u>shall be</u> <u>made</u> to GAC prioritizing the applications according to the established selection criteria.

(3) After consideration of the <u>staff's</u> written report, GAC shall determine the annual list of owners with which negotiation for purchase of land or land rights will be initiated. The determination shall be made with the goal of purchasing Greenbelt District Land, development rights and conservation easements from as many owners as possible in order to accumulate a critical mass of land to be retained for preservation and management purposes.

Prior to initiating formal negotiation, a title search shall be completed to determine if the owner has clear, marketable, fee simple title to the Greenbelt District Land. For purchases of development rights or conservation easements, a "before and after" qualified Applications should proceed to appraisal of the ... Appraisals shall be performed as required by section 1:320 of City Code. The selected appraiser shall not have a property and the interest, personal interest, or financial interest in the subject lands. Appraisals shall be in writing and shall be furnished to the respective ownerOwners for review. offered for purchase shall be conducted. The qualified appraisal shall contain Appraisals shall contain an analysis of the highest and best use of the parcel of land, the valuation methodology used by the appraiser to determine value, and the fair market value of the full ownership offee simple title to the land (excluding the buildings thereon, if any), and the value of the agricultural rights and any residential developments rights to be retained by the owner for development right purchases; or the value of all rights to be retained by the owner for conservation easement purchases. The value of the owner's retained rights or interest in the land shall be listed separately in the qualified appraisal. For purchases of land in ). For purchases of Conservation Easements, Development Rights, and other interests less than fee simple, the qualified appraisal shall contain only the analysis of the highesta "before and best use of the parcel of land, theafter" valuation methodology used by the appraiser to determine value and the fair market value of the full ownership of the land (excluding the buildings thereon, if any). If appropriate, an environmental assessment, soil analysis, boundary survey or other testing may be conducted. At the conclusion of 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 testing and completion of the title search, a complete property analysis, including a baseline documentation of the property, and recommendation shall be prepared as to whether negotiation should continue. The owner shall be entitled to a copy of the property analysis rights to be retained by the Owner.

(4) After receiving the appraisal, GAC or another authorized negotiator on behalfshall determine whether to forward a recommendation for acquisition to City Council. Upon City Council approval of the cityacquisition, the City shall submit a written offer to acquire the land or land rights to the Owner via a purchase to the owner.agreement or other method determined by City Council. The offer shall be for a time certain and accompanied by a proposed deedgeneral description of easement terms where applicable.

(5) or title 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 accordance with the offer made in the application. 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. An owner may, at his or her own expense, provide additional information to GAC on the findings and determinations included in the property analysis or withdraw his or her application within 30 days of receipt of the property analysis.

After receipt of all information relating to an application, GAC shall forward a recommendation for acquisition to City Council for action.

(6) 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.

(7) 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, <u>title</u>, engineering, surveying, planning, financial, environmental, legal or other services <u>or due diligence</u> lawfully incurred incident to the acquisition of <del>Greenbelt District Land or development<u>land</u> or land</del> rights<del>, conservation easements or other easements or leasehold interest in Greenbelt District Land</del> by the <del>city<u>City</u> in accordance with this chapter shall be paid <u>as negotiated</u> by the <del>city<u>City</u> and <u>Owner</u> The <u>city<u>City</u> shall not be responsible for expenses incurred by the <u>owner<u>Owner</u> incident to <u>ownerOwner</u>'s <u>application</u> to<u>Application</u> or sale of <u>Greenbelt District Land</u> <u>land or land rights</u>.</del></del></u></u>

# <u>3:71.</u>3:71. Retained residential development rights.

# (1) To promote "agricultural use" of properties <u>Conservation Easement</u> requirements; exceptions.

- 4
- (2) Where appropriate or required by partner entities, for land on which the city has purchased<u>City proposes to acquire an agricultural Conservation Easement</u>, the development rights, it has been determined that such properties should remain substantially undeveloped.
- (2) In order to ensure environmentally responsible agricultural practices on properties which the city has purchased the development rights, such propertiesOwner must conform to the USDA's Generally Accepted Agriculture Management Practices (GAAMPs) anddevelop a Conservation Plan shall be developed bywith the local Natural Resource Conservation Service (NRCS) office- prior to closing on the sale. The conservation plan must Conservation Plan should be updated every 10 years and monitoredreviewed as necessary by NRCS and the city annuallyCity. The

conservation planConservation Plan shall be written using currentthe standards and specifications in effect at the time of plan development. the Conservation Plan is developed.

(3) It may be in the best interest of property owners and of the program to purchase development rights that property owners retain some residential development rights so long as the land remains substantially undeveloped. When property owners retain some development rights their land value remains higher than it would be if they sold all their development rights and the value of the development rights to be purchased is correspondingly reduced.

(3) 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.

- (4) Conservation easements conveying development rights to the city<u>Easements</u> may include a provision for <u>a landowneran Owner</u> to retain the right to build additional residential dwellings on the following schedule:
- 0-40 acres:0

41-80 acres:1

81-160 acres:2

<del>161 and <u>or accessory agricultural structures</u>. A Conservation Easement shall permit no more <del>acres:3</del></del>

Initially, these dwellings must be owned or occupied bythan 1 residential dwelling unit and related accessory buildings such as a direct family member or for a farm laborer with a demonstrable employment record or financial riskgarage or shed for each 10 acres of land. For parcels less than 10 acres in the farming operation. 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.

(5) Both residential and non-residential buildings must be identified in the negotiated conservation easement Conservation Easement in order to protect other important features of the propertyland. Proposed Bbuilding locations and lot sizes must also conform to existing zoning in the municipality where the propertyland is located. The total impervious surface area for new and existing buildings and roads (which includes non-seasonal,such as permanent rooftops, concrete, and asphalt) must not exceed 2% of the total easement area defined in the conservation easementConservation Easement granted toarea. Waiver of the 2% impervious surface limitation may be determined by the city. City Administrator on a case-by-case basis.

- (6) A landowner<u>An Owner</u> may choose to omit a maximum<u>an area</u> of 2<u>land from a</u> <u>Conservation Easement for</u> residential building lots from the nominated property\_ of the minimum size allowed by local zoning<u>- and a total number of lots determined by</u> <u>the City Administrator</u>. GAC and City Council may consider such omission when evaluating on which properties<u>whether</u> to purchase <u>development rightsthe</u> <u>Conservation Easement</u>.
- (7) Once action to select properties for After City Council has approved the purchase acquisition of a Conservation Easement, development rights Development Rights has been taken by City Council agreement, or similar restrictive interest in land, a baseline documentation report willshall be prepared describing through photographic, pictorial, and narrative means the condition of the propertyland at the time of the grant and a development rights easement.acquisition. The baseline documentation report shall contain a signature page where the ownerOwner and the supervisor signCitysign to state that the report is an accurate description of the propertyland at the time of grant. The easement shall similarly feature a page where the signatures of the owner and the Mayor are notarized, following which the easement
- (8) 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 so that it is effective on all current and future owners. County Register of Deeds.

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

Revenues received for preservation and protection of open space, parkland, natural habitats and city sourcewaters through acquisition and management of Greenbelt District Land and the development rights, conservation easements and other easements on Greenbelt District Land shall be placed in a designated <u>An</u> Open Space and Parkland Preservation Fund <u>which ("OSPP Fund")</u> is hereby created in the <u>cityCity</u> budget. Revenues <u>, which shall hold OSPP Millage revenue and funds designated for the purpose of this section shall include millage funds, acquisition and management of Greenbelt District land, including designated monetary gifts, unrestricted grants, and any investment income earned in the fundby OSPP Millage revenue and funds.</u>

The <u>fundOSPP Fund</u> shall be invested and managed in the same manner as <u>existing other</u> funds of the <u>cityCity</u>. No part of the <u>fundOSPP Fund</u> 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 <u>fundOSPP Fund</u> require authorization of City Council.

## 3:73. DurationPurchase of acquired rightsDevelopment Rights; release.

(1) Development rights acquired pursuant to section 3.61(9) of this chapter shall be held in trust by the city for the benefit of its citizens in perpetuity. After 50 years have passed, however, the owner may make application to GAC to re-purchase the development rights. GAC shall review such application and determine whether the property has (a) become landlocked with non-agricultural uses, (b) farming is no longer feasible and (c) the release is for the public good. GAC shall evaluate the feasibility of farming by determining whether the land is no longer and never will be suitable for any kind of agriculture, with wooded land or land left fallow not necessarily to be considered unsuitable. GAC shall hold a public hearing to gain input from citizens on the application and make recommendation to City Council on the request.

- (2) Upon receiving the recommendations of GAC, City Council shall take final action on such recommendations. Council must support the request by an owner to repurchase development rights by a 9-member majority of the total 11 members of Council. For properties 100 acres and greater, Council's 9-member majority support of the request shall result in a referendum to allow the public to decide the matter. If Council or the public supports the request, the owner shall have 1 year to complete the process of re-purchasing the rights and all associated actions. All costs associated with the request shall be borne by the applicant.
- (3) For those properties which City Council approves the return of development rights as specified in subsection (1), GAC shall cause an appraisal of the applicant's property interest to be made at the owner's expense. Payment for this appraisal shall be made by the owner in advance. A "before and after" appraisal shall be made to determine the value of development rights. One appraisal shall determine the fair market value of full ownership of the land (excluding buildings thereon) and one shall determine the fair market value of the agricultural rights plus any specifically retained residential development rights.
- (4) Appraisals shall be performed as required by section 1:320 of Ann Arbor City Code. The selected appraiser shall not have a property interest, personal interest or financial interest in the subject lands. In the event that the low bidder has a conflict of interest associated with a potential easement, the second low bidder will conduct that appraisal. In any event, the same appraiser shall conduct the before and after appraisals.
- (5) (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) An Owner of land from which Development Rights have been purchased by the City may request to repurchase the Development Rights from the City. City Council shall have the sole discretion whether to act on the request. If City Council determines to pursue a repurchase of Development Rights, City Council shall have the sole discretion to negotiate all terms of the repurchase, including price and conditions. City Council shall have the sole discretion to determine how to use the proceeds from any repurchase of Development Rights.
- (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 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.
- (9) The CityAppraisals shall be in writing and shall be furnished to the respective owners for review. Errors of fact in any appraisal may be called to the attention of the appraiser by GAC or by owners of the property appraised, but corrections of the appraisal may be made only by the appraiser.
- (6) At any time in this process, the owner may choose to withdraw the request for the return of development rights without penalty, while still being responsible for the city's appraisal of the property as specified in subsection (2) and any other costs incurred.
- (7) If City Council approves return of development rights as specified in section 3:73(1) of this chapter, the city shall have a right of first refusal to purchase the remaining rights at the fair market value of the agricultural rights plus any retained development rights, as determined by the appraisal required in section 3:73(3) of this chapter, for the purposes of a city park or other publicly-accessible property. Upon receiving the recommendations of GAC, City Council shall take final action on such recommendations. If Council chooses to exercise this right of first refusal, an offer to purchase the remaining rights at the appraised value shall be submitted within 180 days. Acquisition of lands for public purposes shall be made with funds designated for such purchases and not with funds authorized for development rights acquisition pursuant to this chapter. The owner may at that time choose to not sell the remaining rights and instead retain ownership of the property. If Council approves the sale of development rights back to the owner, proceeds from that sale

shall be placed in the Greenbelt and Open Space Acquisition Fund as specified in section 3.73 of this chapter.

- (8) If (a) a request to re-purchase development rights is denied by City Council or the public, or (b) the landowner chooses to not sell the remaining rights when the city chooses to exercise its right of first refusal or (c) more than a year passes from Council's authorization for the re-purchase of rights, the landowner must wait 5 years before re-applying to re-purchase development rights.
- (9) The city may convey development rights <u>Development Rights</u> acquired pursuant to this chapter to <u>aanother governmental entity or</u> conservation, open space preservation, historic preservation or similar organization under terms ensuring that the public benefits for which the <u>townshipCity</u> purchased the <u>development</u> <u>rightsDevelopment Rights</u> will be maintained.

## 3:74. Enforcement.

<u>The</u> City staffAdministrator shall administer and enforce and the City Attorney shall prosecute this chapter and developmentthe land rights and conservation easements agreements.acquired hereunder in consultation with the City Attorney. GAC willmay advise and make recommendations to the City Administrator or City Council concerning monitoring and investigation of complaints of violation of city-violations on City-acquired land and land rights outside of the City park system. GAC shall atAt least once annually ascertain whether the owner is complying with all conditions of the, the City Administrator shall conduct monitoring of each parcel subject to a Development Rights agreement or easement. The City Administrator shall make a written report of the findings shall be in writingof such monitoring and maintained. Anyreport all violation identified shall be referred to the City Attorney.

### 3:75. Administrative costs.

(1) Reasonable administrative expenses can<u>may</u> be paid from the parks and greenbelt millageOSPP Millage revenues for the acquisition, lease, or donation, in whole or in part, The cost of parkland and conservation easements, land and land rights, inside and outside the city. These expenses shall not exceed the amount determined by the following formula:

- (A) \$2,000.00 for each potential acquisition or leasehold parcel approved by either the Park Advisory Commission or the Greenbelt Advisory Commission for negotiation with property owners plus
- (B) (1) 6% of the principal amount of each series of bonds issued to finance all or part of the parks and greenbelt program ("Open Space Bonds") plus
  - (2) 6% of the annual millage revenue in excess of annual debt service requirements on open space bonds; provided, that, projections of property tax valuations and millage collections over the term of the millage, which projections are approved by City Council at the time of issuance of each series of open space bonds, demonstrate than the permitted amount for shall be considered administrative expenses under part B of such formula will not exceed 6% of the total millage collections over the term of the levy.

The following activities shall be considered administration expenses that that may be paid for from the millageOSPP Millage revenues, provided that they relate to activities permitted under this chapter:

- Staff or consultant time, including benefits, devoted directly to the acquisition process.
- Staff or consultant time, including benefits, devoted directly to program support.
- Travel <u>/or vehicle costs incurred</u>.
- Administrative expenses directly attributable to program support or the acquisition process.
- Monitoring of acquired <u>developmentland or land</u> rights <u>and/, including</u> <u>Development Rights or conservation easementConservation Easements</u>.
- Enforcement of acquired <u>land rights</u>, <u>including development</u> <u>rightsDevelopment Rights</u> and/or <u>conservation easementConservation</u> Easements, including legal expenses or consultants.
- Legal expenses directly related to the acquisition of or leasing of propertyland or property interestsland rights, including staff or outside counsel time.

The actual cost of property or property interests, or the actual cost of lease or leasehold interests, plus charges for the items on the list to follow, can be paid from millage revenues, but are not considered administrative expenses and are not subject to the limits on the appropriation of administrative expenses.

- Title commitments, title insurance, and closing costs.
- Payment of property taxes on acquired or leased property.
- Preparation of appraisals of property.
- Preparation of surveys of property.
- Preparation of Phase 1 Environmental <u>Site</u> Assessments of property, as well as subsequent phases/baselineand other appropriate environmental studies and any related due care plan, if required.testing and documentation.
- Baseline documentation <u>reports</u> for <u>development rights</u><u>Development Rights</u> and/or <u>conservation easementConservation Easements</u>.
- Costs directly related to the sale of bonds supported by this millage the OSPP Millage.
  - Due diligence related to acquisition or management of land or land rights.

(2) The <u>cost of the</u> following <del>activities</del> shall not be paid for <del>by funds provided by this</del> <del>millage</del><u>from OSPP Millage revenues</u>:

- Operating
  Parkland operating, maintenance, repair, restoration, and development costs for acquired properties, or interests in properties, except as otherwise provided in this section.
- Any overhead charges, such as a An internal municipal service charge.
- Activities of the City Administrator, Mayor, or City Council.
- · Activities related to city ordinances or resolutions.
- •
- Charges for any staff time not directly related to the purpose of this millagethe OSPP Millage.
- · Charges for office space or utilities.

## 3:76. Reserved.

## 3:77. Audit.

The <u>cityCity</u> 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 <u>city'sCity's</u> finances.

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