



Legislation Details (With Text)

File #: 12-0240 **Version:** 1 **Name:** 3/19/12 PDR Resolution Boike Farm
Type: Resolution **Status:** Passed
File created: 3/19/2012 **In control:** City Council
On agenda: 3/19/2012 **Final action:** 3/19/2012
Enactment date: 3/19/2012 **Enactment #:** R-12-102

Title: Resolution to Approve the Purchase of Development Rights on the Boike Farm in Northfield Township and Appropriate Funds, Not to Exceed \$502,307.00 from the Open Space and Parkland Preservation Millage Proceeds (8 Votes Required)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Boike Aerial Map.pdf, 2. Boike Protected Map.pdf

Date	Ver.	Action By	Action	Result
3/19/2012	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Development Rights on the Boike Farm in Northfield Township and Appropriate Funds, Not to Exceed \$502,307.00 from the Open Space and Parkland Preservation Millage Proceeds **(8 Votes Required)**

Attached for your approval is a resolution to purchase development rights on the farm owned by Annie Boike in Northfield Township. The landowner has agreed to make a 20% donation toward the purchase price. The total city contribution will not exceed \$502,307.00 from the Open Space and Parkland Preservation Millage Proceeds.

Purchase Agreement:

An appraisal was completed for the development rights on the property in September 2011, and the fair market value was determined to be \$579,300.00 for approximately 136 acres. The landowners have agreed to make a donation of 20% of the fair market value, or \$115,860.00.

The attached resolution approves the Purchase Agreement for the Sale of Agricultural Land Development Rights on the farm. The Purchase and Sale of the development rights is contingent on the following:

- A. Approval of the appraisal by the City for the establishment of a fair market price for the development rights;
- B. Conveyance of good and marketable title to the development rights;
- C. An environmental site assessment acceptable to the City of Ann Arbor in its sole discretion;
- D. Agreement to the terms and conditions of a Grant of Easement for the Development Rights.

Project Budget:

Appraised Value = \$579,300.00
Landowner Donation = \$115,860.00

Purchase Price =	\$463,440.00
City contribution:	
Purchase Price =	\$463,440.00
Due Diligence =	\$ 10,000.00
Closing Costs =	\$ 5,000.00
<u>Endowment =</u>	<u>\$ 23,867.00</u>
Total City costs =	\$502,307.00

Conservation Easement:

The easement is made pursuant to section 36111 b of the Natural Resources and Environmental Protection Act (MCL 324.36111b; MSA 13A.36111b) and Chapter 42 of the Ann Arbor City Code. The easement is for the purpose of preservation of the Property’s agricultural use, including the protection of prime, unique or important soils, by preventing any use that would significantly impair or interfere with the agricultural value.

The City’s share is from the Open Space and Parkland Preservation Millage proceeds.

Boike Farm, Northfield Township

The farm is approximately 136 acres and is located along Five Mile Road. The property is currently in agricultural production. The deed to the property is held by Annie Boike. An application to participate in the Program was received from the deed holder in 2011. The property is in close proximity to other properties already protected by the Greenbelt and other applications received by the Greenbelt Program.

The Greenbelt Advisory Commission recommended the purchase of development rights on this property and appropriation of funds at its September 14, 2011 meeting.

Attachment: Location Map

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Whereas, Chapter 42 of the Ann Arbor City Code establishes the Greenbelt District and enables the City to purchase development rights on property within the district;

Whereas, Purchase of Development Rights may be funded through the Open Space and Park Land Preservation Millage Proceeds;

Whereas, There are sufficient funds in the Open Space and Parkland Preservation Millage Proceeds available for the expenditure; and

Whereas, The Greenbelt Advisory Commission recommended the purchase of development rights on the Boike farm and expenditure of funds at its September 14, 2011 meeting;

RESOLVED, That City Council approve the purchase agreement to be subject to the approval of the appraisal by the City; environmental site assessment approved by the City at its sole discretion; conveyance of good and marketable title to the development rights by Farmland Development Rights Easement;

RESOLVED, That City Council authorize the Mayor and City Clerk to execute all documents

necessary to complete purchase of development rights after approval as to form by the City Attorney;

RESOLVED, That \$502,307.00 be appropriated for the purchase of development rights for the Boike farm in Northfield Township from the Open Space and Parkland Preservation Millage proceeds for the life of the project without regard to fiscal year, include closing, incidental and endowment costs; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this Resolution.