



Legislation Text

File #: 13-0933, Version: 1

Resolution to Approve the Purchase of Development Rights on the Sheldon and Wolf Property in Webster Township, and Appropriate Funds, Not to Exceed \$82,067.00 from the Open Space and Parkland Preservation Millage Proceeds **(8 Votes Required)**

Attached for your review and action is a resolution to approve the purchase of development rights on the property owned by Jane Sheldon and Robert Wolf in Webster Township.

The 20-acre property is located on Zeeb Road, and is adjacent to active farmland and additional farmland that has been protected by the Greenbelt Program and Webster Township. The property is located in one of the areas designated by the Greenbelt Advisory Commission as a priority for farmland preservation in their Strategic Plan.

The landowners applied to the Greenbelt Program in 2012.

Purchase Agreement:

The Greenbelt commissioned an appraisal that was completed in March 2013. The Fair Market Value was determined to be \$54,000.00 for the Purchase of Development Rights. The Greenbelt Advisory Commission recommended moving forward with the purchase of development rights at its May 2, 2013 meeting, if 20% (\$10,800.00) of the Fair Market Value was secured in matching funds. The landowners are willing to make a donation of \$6,500.00 toward the purchase price and Webster Township is contributing \$2,000.00 toward the purchase price. The Greenbelt program has received donations from Cherry Republic for farmland preservation. A portion of those contributions (\$2,300.00) will be used to reach the 20% match requested by the Greenbelt Advisory Commission.

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.

Budget:

Appraised Value =	\$54,000.00
Landowner Donation =	<u>\$ 6,500.00</u>
Purchase Price =	\$47,500.00

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Township contribution = \$ 2,000.00
Cherry Republic = \$ 2,300.00
City Portion = \$43,200.00

City Contribution:

Purchase Price = \$43,200.00
Est. Due Diligence = \$10,000.00
Est. Closing Costs = \$ 5,000.00
Endowment = \$23,867.00
Total = \$82,067.00

Webster Township's share is from their Land Preservation Millage, and the City's share is from the Open Space and Parkland Preservation Millage Proceeds.

Conservation Easement:

The easement is made pursuant to section 36111 b of the Natural Resources and Environmental Protection Act (MCL 324.3611b; MSA 13A.3611b) and Chapter 42 of the Ann Arbor City Code. The easement is for the purpose of preservation of the Property's agricultural use and natural features on the property, including the protection of prime, unique or important soils, by preventing any use that would significantly impair or interfere with the agricultural value.

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Approved by: Steven D. Powers, City 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, Chapter 42 of the Ann Arbor City Code specifically authorizes City Council to enter into agreements for joint acquisition of land in the Greenbelt District with other government agencies;

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;

Whereas, Webster Township has matching funds available for the purchase of development rights on the Wolf and Sheldon farm property; and

Whereas, The Greenbelt Advisory Commission recommended the purchase of development rights on the Wolf and Sheldon farm and expenditure of funds at its May 2, 2013 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;
and

RESOLVED, That \$82,067.00 be appropriated for the purchase of development rights for the Jane Sheldon and Robert Wolf property in Webster Township from the Open Space and Parkland Preservation Millage proceeds for the life of the project without regard to fiscal year, include due diligence, closing, incidental and endowment costs.