Legislation Details (With Text)

File #:	21-0041	**Version:**	1	**Name:**	2/1/21 Development Rights for Hamilton Property
Type:	Resolution			**Status:**	Passed
File created:	2/1/2021			**In control:**	City Council
On agenda:	2/1/2021			**Final action:**	2/1/2021
Enactment date:	2/1/2021			**Enactment #:**	R-21-032

Title: Resolution to Approve the Purchase of a Conservation Easement on the Hamilton Family Living Trust Property in Salem Township, Approve a Participation Agreement with Washtenaw County Parks and Recreation Commission, and Appropriate $2,871,667.00 (8 Votes Required)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Hamilton Aerial Map.pdf, 2. Hamilton Protected Map.pdf, 3. Hamilton Scoring.pdf

Date	Ver.	Action By	Action	Result
2/1/2021	1	City Council	Approved	Pass

Resolution to Approve the Purchase of a Conservation Easement on the Hamilton Family Living Trust Property in Salem Township, Approve a Participation Agreement with Washtenaw County Parks and Recreation Commission, and Appropriate $2,871,667.00 **(8 Votes Required**)
This resolution approves the purchase of a conservation easement on property owned by the Hamilton Family Living Trust Property in Salem Township. The resolution also approves a participation agreement with Washtenaw County Parks and Recreation and appropriates up to $2,871,667.00 for the purchase from the Open Space and Parkland Preservation Fund.

On January 6, 2020 (R-19-591), City Council approved a grant application to the NRCS - Agriculture Conservation Easement Program (ACEP) for the Hamilton Family Living Trust Property in Salem Township. On August 17, 2020 (R-20-312), City Council approved the acceptance of grant funds in the amount of $1,749,300.00 under a Parcel Contract with NRCS to be applied toward the purchase of a conservation easement on the property.

Hamilton Family Living Trust Property, Salem Township
The farm is approximately 375 acres and is located along Five Mile Road in Salem Township. The property is considered large enough to sustain agricultural production and is in a location that will encourage additional farmland and agricultural preservation activities, and is the largest application in the Greenbelt Program's history. It is adjacent to an existing Greenbelt easement. The property scored in the top 80% of all Greenbelt applications in the scoring system developed and approved by the Greenbelt Advisory Commission. The protection of this property is a priority for the Greenbelt Program due to the size and quality of the farmland, proximity to other protected properties, and possibility to leverage funds from federal and other local sources of funding. The property also meets the priorities for both the Greenbelt Program and ACEP Program.

An appraisal for the conservation easement on the property was completed in May 2019 and updated in September 2020, which determined the fair market value to be $3,570,000.00.

Proposed Project Budget:

Purchase Price	**$3,570,000.00**		
Washtenaw County		$749,700.00	21%
ACEP Grant (Reimbursement)		$1,749,300.00	49%
City of Ann Arbor		$1,071,000.00	30%
Other Costs	**$51,367.00**		
Estimated Due Diligence	$20,000.00		
Estimated Closing Costs	$7,500.00		
Endowment	$23,867.00		

City Funds Appropriation $2,871,667.00
City and ACEP purchase price share plus Other Costs. The ACEP grant is a reimbursement paid back to the City after purchase.

City Final Costs $1,122,367.00
Estimated final costs after federal grant reimbursement.

The Greenbelt Advisory Commission recommended this purchase at its January 7, 2021 meeting. Approval of the resolution is recommended by staff.
Prepared by: Remy Long, Greenbelt Program Manager, The Conservation Fund
Reviewed by: Derek Delacourt, Community Services Area Administrator
Approved by: Tom Crawford, City Administrator
Whereas, Chapter 42 of Ann Arbor City Code establishes the Greenbelt District and authorizes the City to purchase conservation easements on property within the district with Open Space and Parkland Preservation Millage proceeds;

Whereas, Chapter 42 of 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; and

Whereas, The fair market value for the conservation easement was determined by an appraisal as required by Section 1:320 of the Ann Arbor Code;

RESOLVED, That City Council approves the purchase of a conservation easement on the Hamilton Family Living Trust Property in Salem Township;

RESOLVED, That approval of the purchase is contingent upon the approval by City staff and all entities participating in the purchase of the following:

- The appraisal;
- An environmental site assessment of the property;
- A survey of the property;
- Conveyance of good and marketable title to the conservation easement; and
- Agreement to the terms and conditions of the conservation easement;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute a purchase agreement with the owner of the Hamilton Family Living Trust Property reflecting the requirements of

this resolution, after approval as to form by the City Attorney and as to content by the City Administrator;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute a participation agreement with the Washtenaw County Parks and Recreation Commission for purchase of a conservation easement on the Hamilton Family Living Trust Property, after approval as to form by the City Attorney and as to content by the City Administrator; and

RESOLVED, That the City Administrator is authorized to execute all other documents necessary to complete this purchase after approval as to form by the City Attorney; and

RESOLVED, That $2,871,667.00 is appropriated for this purchase from the Open Space and Parkland Preservation Fund for the life of the project without regard to fiscal year.

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