Legislation Details (With Text)

File #:	10-0640	**Version:**	1	**Name:**	07/06/10 Gould Amended Budget
Type:	Resolution			**Status:**	Passed
File created:	7/6/2010			**In control:**	City Council
On agenda:	7/6/2010			**Final action:**	7/6/2010
Enactment date:	7/6/2010			**Enactment #:**	R-10-247

Title: Resolution to Approve Amended Budget for the Purchase of Development Rights on the William B. Gould Property (Total Project Budget of $482,667.00) (8 Votes Required)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Gould Map.pdf

Date	Ver.	Action By	Action	Result
7/6/2010	1	City Council	Approved	Pass

Resolution to Approve Amended Budget for the Purchase of Development Rights on the William B. Gould Property (Total Project Budget of $482,667.00) **(8 Votes Required)**
Attached for your review and action is a resolution to approve an amended budget for the purchase of development rights on the William B. Gould property, tax ID numbers I-09-05-200-002 and I-09-05-200-001 in Ann Arbor Township and to appropriate funds in the amount of $482,667 from the Open Space and Parkland Preservation Bond Proceeds with $192,500 to be reimbursed by the USDA Farm and Ranchland Protection Program.

William B. Gould applied to the Ann Arbor Township Land Preservation program in 2007. In January, 2008, the City of Ann Arbor applied for grant funds from the Farm and Ranchland Protection Program for the purchase of development rights on the property, and was subsequently awarded a grant in the amount of $256,000.00. The City of Ann Arbor and Ann Arbor Township have jointly been negotiating with the landowners. On November 6, 2008, City Council approved the purchase and Participation Agreement with Ann Arbor Township (R-08-454).

FRPP requested an updated appraisal be completed in order to meet their requirements of an appraisal being no older than 12 months. FRPP will only contribute a maximum of 50% of the appraised value. As such, FRPP's maximum contribution is now $192,500.00.

Amended Project Budget:

Purchase Price:	
Purchase Price:	$669,833.00
FRPP Grant:	- $192,500.00
Ann Arbor Township:	- $238,666.00
Remaining:	- $238,667.00

Closing / Due Diligence:

Due Diligence Estimated Costs:	$25,000.00
Closing Estimated Costs:	$15,000.00
Monitoring Costs:	$24,000.00
Total Closing/Due Diligence Costs:	$64,000.00

City of Ann Arbor Contribution:	
Purchase Price:	$238,667.00
Due Diligence:	$ 12,500.00
Closing:	$ 15,000.00
Monitoring:	$ 24,000.00
Total Contribution:	$290,167.00

The total budget of $482,667.00 includes the federal match share, which will be reimbursed upon completion of the project. Our partner, Ann Arbor Township, has agreed to appropriate additional funds for their one-third share of the decrease of the Farm and Ranchland Protection Program grant funds, and the property owners have agreed to reduce the purchase price of the property by a one-third share of the decrease as well. The abovementioned budget includes a decreased purchase price and additional contribution from Ann Arbor Township.

Federal matching grant funds are through the Natural Resources Conservation Service, Ann Arbor Township's share is from the Land Preservation Millage, and the City's share is from the Open Space and Parkland Preservation Bond Proceeds.
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, 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 Bond Proceeds;

Whereas, Sufficient funds in the Open Space and Parkland Preservation Bond Proceeds are available for the expenditure;

Whereas, The City was awarded funds from the Federal Farm and Ranchland Protection Program (FRPP) for the purchase of development rights on the Gould Farm;

Whereas, Ann Arbor Township has funds available through the Land Preservation Millage for the Purchase of Development Rights on active agricultural land; and

Whereas, The Greenbelt Advisory Commission supports the expenditure of funds;

RESOLVED, That $482,667.00 be appropriated for the purchase of development rights for this property from the Open Space and Parkland Preservation Bond Proceeds for the life of the project without regard to fiscal year.