



Legislation Text

File #: 18-0456, Version: 1

Resolution to Approve Participation Agreement with Ann Arbor Township and Appropriate Funds Not to Exceed \$315,500.00 from the Open Space and Parkland Preservation Millage for Purchase of Development Rights on Stiles-Kaldjian Property **(8 Votes Required)**

This resolution approves a participation agreement with Ann Arbor Township for the purchase of development rights through a conservation easement on a 112.479-acre property owned by Cynthia Stiles and Eric Kaldjian in Ann Arbor Township. The resolution also approves an appropriation of funds not to exceed \$315,500.00 for the purchase from the Open Space and Parkland Preservation Millage Proceeds.

The landowners applied to the Ann Arbor Township Farmland and Open Space Land Protection Program and the Township has been the lead agency in the negotiations with the landowners. The Township commissioned an appraisal, completed in June 2017, that determined the fair market value of the development rights on the property to be \$730,000.00.

On September 5, 2017, City Council approved a participation agreement with Ann Arbor Township and Washtenaw County Parks and Recreation Commission for the purchase of the development rights on this property. However, subsequently the County declined to contribute to this project and will not participate. Therefore, the Township requested an increase in the contribution from the City's Open Space and Parkland Preservation Millage proceeds and also requested a bargain sale from the landowners. The landowners agreed to a 5% reduction in the purchase price, or \$36,500.00. The Township is the lead agency and will be the grantee of the conservation easement.

Stiles - Kaldjian Property, Ann Arbor Township

The property is approximately 112.479 acres, located in Sections 10 and 11 of Ann Arbor Township with legal access from Warren Road. It is owned by Cynthia Stiles and Eric Kaldjian. The property scored in the top 25% of applications received by the Greenbelt Program in the scoring system developed and approved by the Greenbelt Advisory Commission. The property is primarily wooded with approximately 39 acres of wetlands, contains a branch of Fleming Creek, and is located within the Huron River watershed. It is located within a half mile of two conservation easements and one park owned by the City of Ann Arbor that were purchased with funds from the Open Space and Parkland Preservation Millage. The Greenbelt Advisory Commission considers this parcel a priority for acquisition due to its natural features, proximity to other protected properties, landowner bargain sale, and Township contribution. The Commission recommended increasing the City's portion of the purchase price to \$315,500.00, or 43% of the purchase price, and approving the participation agreement with Ann Arbor Township without Washtenaw County at their March 1, 2018 meeting.

Project Budget:

Landowner Contribution:	\$36,500.00 (5%)
Ann Arbor Township Contribution:	\$378,000.00 (52%)
City Contribution:	<u>\$315,500.00 (43%)</u>
Purchase Price (Appraised FMV):	\$730,000.00 (100%)

Approval of this resolution is recommended by staff.

Prepared by: Ruth Thornton, Greenbelt Program Manager, The Conservation Fund

Reviewed by: Derek Delacourt, Community Services Area Administrator
Christopher M. Frost, Senior Assistant City Attorney

Approved by: Howard S. Lazarus, City Administrator

Whereas, Chapter 42 of Ann Arbor City Code establishes the Greenbelt district and authorizes City Council to enter into agreements for joint acquisition of development rights in the district with another governmental agency;

Whereas, The purchase of development rights may be funded through Open Space and Parkland Preservation Millage proceeds, of which there are sufficient funds for this expenditure;

Whereas, The Stiles-Kaldjian property is approximately 112.479 acres, located in Ann Arbor Township, and owned by Cynthia Stiles and Eric Kaldjian;

Whereas, The purchase price for the development rights on the Stiles-Kaldjian property is \$730,000.00, of which Ann Arbor Township has offered to pay \$378,000.00 and the landowners have offered to donate \$36,500.00;

Whereas, Ann Arbor Township, as the lead agency on this purchase, will be the grantee of the conservation easement; and

Whereas, At its March 1, 2018 meeting, the Greenbelt Advisory Commission recommended entering into a participation agreement with Ann Arbor Township for the purchase of development rights for the Stiles-Kaldjian property, with the City contributing up to \$315,500.00;

RESOLVED, That City Council approves a participation agreement with Ann Arbor Township for the purchase of the development rights on the Stiles-Kaldjian property through a conservation easement;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the participation agreement and any supplemental documents necessary to document the appropriation of funds for the purchase, after approval as to form by the City Attorney; and

RESOLVED, That \$315,500.00 be appropriated for the purchase of the development rights on the Stiles-Kaldjian property from the Open Space and Parkland Preservation Millage proceeds for the life of the project without regard to fiscal year.