



Legislation Text

File #: 23-1777, **Version:** 1

Resolution to Approve a Grant Application to USDA-NRCS ACEP for the Purchase of a Conservation Easement on the Hamilton Property

This resolution authorizes a grant application to the United States Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP), to support the purchase of a conservation easement on the Hamilton property in Salem Township.

ACEP is the Greenbelt's primary source of grant funding for its work: 25 of City-held conservation easements were funded in part by ACEP or its predecessor program. Applications to ACEP are for funds up to 50% of the appraised fair market value of the conservation easement. The deadline for FY 2024 ACEP grant applications has been set for November 13, 2023.

The Greenbelt Advisory Commission recommended submission of an ACEP grant application for the Hamilton MC property at its August 3, 2023 meeting. This property was reviewed and recommended by City Council in February 2022 (R-22-036) for application to a different grant program, but technical challenges associated with that grant program have necessitated that staff seek alternative funding opportunities.

This resolution also approves a preliminary agreement for purchase of the conservation easement on the property, which is required for the grant application. This preliminary agreement provides that the purchase is contingent on the following:

1. Establishment of a fair market value for the conservation easement to be determined by an appraisal and approved by the City and ACEP,
2. Conveyance of good and marketable title of the conservation easement;
3. Acceptable environmental site assessment of the property, and
4. Acceptance of the conservation easement terms by Ann Arbor City Council and ACEP.

This resolution does not commit City funds. An appraisal will be completed for the property and, if awarded grant funds, a complete budget along with a purchase agreement will be submitted to Council for approval. The City's share of the conservation easement purchase would be from the Open Space and Parkland Preservation Millage proceeds.

A brief description of the Hamilton property is as follows:

The farm is approximately 108 acres and is located along Five Mile Road in Salem Township. The property scored in the 71st percentile 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 of the property, great extent and quality of the farmland, road frontage, and possibility to leverage funds from federal sources.

Passage of the attached resolution and grant application to the ACEP Program is recommended by staff.

Prepared by: Rosie Pahl Donaldson, Land Acquisition Supervisor

Reviewed by: Derek Delacourt, Community Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, Chapter 42 of Ann Arbor City Code establishes the Greenbelt District and enables the City to purchase conservation easements on property within the district with Open Space and Parkland Preservation Millage proceeds;

Whereas, USDA Agricultural Conservation Easement Program (ACEP) has matching grant funds available for up to 50% of the purchase price of a conservation easement on eligible agricultural land;

Whereas, The owner of the property described in the memo attached to this resolution has expressed a willingness to grant a conservation easement on the property that conforms to standards established by the City of Ann Arbor and the USDA Natural Resources Conservation Service; and

Whereas, The Greenbelt Advisory Commission approved a motion recommending approval of this application at its August 3, 2023 meeting;

RESOLVED, That City Council approves a grant application to the USDA-NRCS Agricultural Conservation Easement Program for matching grant funds for the purchase of a conservation easement on the property described in the memo attached to this resolution, including required agreements; and

RESOLVED, That the City Administrator is authorized to take all appropriate actions to implement this resolution, including execution of required documents and agreements.