



STAFF REPORT

DATE: February 20, 2024

CONSENT

AGENDA ITEM: RFP for Lease of City Owned Farm Land

SUBMITTED BY: Julie Johnson, City Clerk

BACKGROUND:

When the city acquired 180 acres in 2019 from 3M, it had been farmland for many years and the city continued to lease the land for farming in 2020 and 2021. When the city was soliciting proposals for purchase of the land, the lease was allowed to expire and the land has not been farmed since 2021.

ISSUE BEFORE COUNCIL:

Should the Council issue an RFP for a one year lease of the city owned 180 acre parcel?

PROPOSAL:

Staff is aware of at least one resident that is interested in leasing the land for agricultural farming for the 2024 growing season and recommends that the city issue an RFP to allow other interested parties to submit proposals.

FISCAL IMPACT:

In 2020 and 2021 the land was leased by Keene Farms LLC. Rent paid in 2020 was \$26,000 and went into the city's water fund to pay the taxes on the land since the land is considered an asset of the water fund. In 2021 only the southern portion of the parcel was leased for farming purposes at a rate of \$16,000.

RECOMMENDATION:

If removed from the consent agenda:

“Motion to Approve Request for Proposals for a Farm Lease for 2024”

ATTACHMENT

- Proposed RFP

Request for Proposals
Lease of City-Owned Property for Farming Purposes
For Growing Season 2024

The City of Lake Elmo is accepting proposals from qualified individuals for the lease of approximately 180.26 acres of City owned land for the purposes of agricultural farming during the 2024 growing season. The land is located near the City's Public Works facility at 3445 Ideal Avenue North and identified as PID # 16.029.21.24.0002 and 16.029.21.23.0003.

Respondents agree to provide the City with a Certificate of Insurance with no less than \$1,500,000 of liability coverage at the time of execution of the lease.

A copy of the lease that must be executed by the proposer is on file with the City and may be requested. Proposers must indicate any changes that they are requesting to the lease in their proposals.

Proposals are due no later than February 28, 2024 at 4:00 p.m. and must be delivered/mailed to the Lake Elmo City offices at 3880 Laverne Avenue North, Lake Elmo, MN 55042.