



## STAFF REPORT

DATE: March 6, 2024

**CONSENT**

**AGENDA ITEM:** Authorize Staff to Prepare a Farm Lease for 2024

**SUBMITTED BY:** Julie Johnson, City Clerk

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### **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. At the February 20, 2024 City Council meeting, Council approved an RFP for lease of the farm land for the 2024 growing season. Three proposals were received: Springborn Farm, Don Anderson and David See Farms. The highest bidder was David See Farms.

### **ISSUE BEFORE COUNCIL:**

Should the Council direct staff to draft a lease for the high bidder for the 2024 growing season?

### **PROPOSAL:**

The rent will go into the city's water fund to pay the property taxes on the land since the land is considered an asset of the water fund.

Staff is only proposing a one year lease to allow the city to keep options open for future plans for the land.

### **FISCAL IMPACT:**

The rent will be applied to the taxes and staff time associated with the lease. Any remaining funds will stay in the water fund.

### **RECOMMENDATION:**

If removed from the consent agenda:

***“Motion to authorize staff to prepare a Farm Lease with David See Farms for 2024”***