



Legislation Text

File #: 18-165, **Version:** 1

City Council Meeting Date: March 20, 2018

To: Mayor and City Council
City Administrator

From: Tim Behrendt, Streets and Parks Manager
Dave Bennett, Public Works Director

Consider Accepting the Agricultural Land Lease for Fargaze Meadows Outlots C & D (Meadows Park Land)

Action Requested:

The Northfield City Council approves the agricultural land lease with Far-gaze Farms at \$210 per acre.

Summary Report:

The agricultural land lease on Fargaze Meadows Outlots C & D, previously approved by Council, has expired. The leased acreage is based on the amount of tillable land. The amount of tillable land, calculated by using precision agriculture equipment, is 19.9 acres. \$210.00 per acre was established through a bidding process in which Far-gaze Farms was the highest bidder.

Alternative Options:

The lease may not be approved, and the City would be liable to mow the property to control noxious weeds.

Financial Impacts:

The City must pay taxes on the land that is leased. The proposed taxes in 2018 total \$3,642. With revenue of \$4,179 through lease payments, the City stands to make \$537 in 2018. This revenue will go in the Park Fund. Rice County has been basing the taxes on more acres than what we have been leasing. Rice County will recalculate the taxes for 2019, which could increase the revenue on the lease.

Tentative Timelines:

The term of the agricultural land lease is January 20, 2018 to January 19, 2019 with an option to renew for two additional one-year terms.