

**Memorandum  
Community and Economic Development**



**To:** Randall Tweet, Interim City Manager  
**Subject:** Farm Lease – Big Island Property  
**Date:** February 24, 2017

---

CED staff is working with Mr. James Coyne to renew his farm lease for 2017. Mr. Coyne has been leasing and farming the Big Island property for several years and wishes to do so again this year.

As in previous years, Mr. Coyne is willing to pay the City a rate of Eighty Seven Dollars and Seventy Five Cents (\$87.75) per acre for a total of Seven Thousand Twenty Dollars (\$7,020.00) annually.

The lease allows the property to stay in productive agricultural use as the City seeks potential development of the site. The lease will not impact the timing of development that may happen on the site. In addition to farming, Mr. Coyne will also maintain the property including mowing non-farmed areas and keeping debris from the property. The City will retain access rights to the property during the term of the lease.

**RECOMMENDATION:**

That Council approve the terms with Mr. Coyne, direct CED staff to work with legal counsel to renew the lease subject to minor attorney modifications, and authorize execution of the development agreement by the City Manager.

**Submitted by:** Bret Gardella, Economic Development Manager  
Chandler Poole, CED Director

---

**Approved by:** Randall Tweet, Interim City Manager

## FARM LEASE

This lease is entered into on \_\_\_\_\_, between the City of Rock Island, (Lessor), located at 1528 Third Avenue, Rock Island, IL 61201 and Mr. James E. Coyne, (Lessee), located at 14012 13th Street, Milan, IL, 61264.

### **The parties to this contract agree to the following terms:**

Lessor agrees to lease the following property to the lessee to occupy and use for agricultural purposes only. The Big Island property (former Riverstone property) - consisting of approximately 80 acres, together with all buildings and improvements if any, located in the City of Rock Island, County of Rock Island and the State of Illinois.

### **Length of Lease.**

The term of this lease shall be one year from March 1, 2017 through February 28, 2018 and Lessee shall surrender possession at the end of this term or at the end of any extension thereof. Lessee must notify Lessor of his desire to extend the lease in writing no less than three (3) months prior to the expiration of the lease and both parties must agree to the extension.

### **Amendments and alterations.**

Any and all amendments to this lease must be in writing and mutually agreed upon. If the parties fail to agree on proposed alterations, the existing provisions of the lease shall control operations.

### **Rent.**

1. Lessee agrees to pay Lessor an annual rent for the above described property in the amount determined by the following method.
  - a. The annual rent shall be the sum of Seven Thousand Twenty Dollars (\$7,020.00). This represents 80 acres of cropland at a lease rate of \$87.75 per acre.
  - b. The rent shall be paid in full at the time of expiration of the lease, February 28, 2018.
2. Lessee is entitled to 100% of any government payment, if applicable.
3. If, at any time during the term of this lease, the crop is destroyed due to the City of Rock Islands expansion of a right of way, development of buildings, or other unforeseen City emergency circumstances, the Lessor will reimburse the Lessee for all expenses incurred, and lost revenue using production average and a price of commodity at the time of loss. The City shall have the right to terminate the lease prior to its expiration for any reason and at the City's sole discretion so long as the City pays Lessee the amounts specified in paragraph 3 above. In the event of early termination of this agreement by the City of Rock Island, the Lessee agrees to immediately surrender possession of the property to the City of Rock Island upon payment of said sums specified in paragraph 3 above.
4. Lessee is required to submit a Certificate of insurance to the City of Rock Island in the amount of \$1,000,000.00 for Liability Protection which shall name the City of Rock Island as an additional insured. Furthermore the Lessee agrees to indemnify and hold harmless the City of Rock Island from any claim arising from the Lessee's use of the property or use of the property by Lessee's employees, independent contractors hired by lessee or lessee's invitees to the property including but not limited to attorney fees and court costs.

**Lessee's duties in operating farm.**

1. Farm the property in a customary and proper manner.
2. Comply with all State and Federal pollution control standards.
3. Allow a pathway for any needed engineering testing or for other potential levee modifications.
4. Stay at least 10 ft from the levee or farther as property owner directs.

**Lessor's duties for the term of the lease.**

1. Lessor will notify Lessee of any need to access the property and will do so in a manner that will be least detrimental to the property.

The aforementioned terms are agreed to.

Lessor, City of Rock Island

Lessee, Mr. James E. Coyne

---

Mr. Randall Tweet  
Interim, City Manager

---

Mr. James E. Coyne