

**Memorandum
Community and Economic Development**



To: Randall Tweet, Interim City Manager
Subject: Farm Lease – Big Island Property
Date: April 13, 2017

On March 6th, 2017 Council approved the 2017 Lease terms with Mr. Coyne to lease the Big Island property for agricultural use. Subsequent to that approval, Rock Island Legal Counsel discovered a minor discrepancy that requires the lease terms to be amended. The correction relates to property taxes being paid on the property. CED staff has worked with Mr. Coyne to amend his lease to provide for this correction and Mr. Coyne has agreed to pay the property taxes incurred in 2017.

To reflect this in the Lease, Mr. Coyne is willing to pay the City a rate of Eighty Dollars (\$80.00) per acre for a total of Six Thousand Four Hundred Dollars (\$6,400.00) for the 2017 Lease term.

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 amend 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