

City Council Agenda Memo

From: Mike Struck, Community Development Director

Council Meeting: April 8, 2020

Subject: Awarding of Cropland Bids

Person(s) Responsible: Mike Struck, Community Development Director

Summary:

This resolution will award bids for the 2020 City Crop Lease in the Freeland and Wiese Additions to Bauer Farms for the bid price of \$170.00 per acre.

Background:

The City owns approximately 10 acres of property available for crop land in Section 18, Freeland Addition, and 30 acres available for crop land in Section 19, Wiese Addition, both in T110N, R49W in the City of Brookings industrial parks. The crop land lease will be a one-year lease for 2020, renewable for one additional year in 2021 if agreeable to both parties. A bid letting was held at 1:30 pm on Tuesday, April 7, 2020 in the Brookings City & County Government Center, and the following bids were received:

<u>Name of Bidder</u>	<u>Price Per Acre</u>
1. Bauer Farms	\$170.00 / acre

There will be a second step to hold a public hearing at the April 28, 2020 City Council meeting on a resolution of intent to lease to Bauer Farms, a private person, as required by statute.

Discussion:

The City leases industrial land on a yearly basis to generate additional revenue off the land until such time as private development is interested. In addition, the leasing of the industrial land reduces the City's maintenance responsibilities for such issues as weed control.

Legal Consideration:

None.

Financial Consideration:

The City will receive \$6,800.00 in revenue for 2020.

Options:

The City Council has the following options:

1. Award to the highest bidder
2. Reject the bids

Recommendation:

Staff recommends awarding the bid to Bauer Farms in the amount of \$170.00 per acre.

Action Requested:

Approval of resolution award cropland bid to Bauer Farms.

Supporting Documentation:

1. Resolution
2. Map