

CITY COUNCIL COMMUNICATION



MEETING DATE: June 25, 2024

ITEM NUMBER: 9.D

SECOND READING: July 9, 2024

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Consent

PRESENTED BY:

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SUBJECT/AGENDA TITLE:

A Bill For An Ordinance Authorizing A Farmland Lease Agreement Between The City Of Longmont And Sipe Farms LLC (Tenant) On The Double Six Open Space Property (Premises)

EXECUTIVE SUMMARY:

City Council is being asked to act on a five-year agricultural lease agreement with optional renewals with Chad Musick of Sipe Farms, LLC, on the Double Six Open Space property.

This lease would be a renewal with Sipe Farms, LLC, tenants that have provided a high level of stewardship to the City's Open Space lands. Their agricultural operations provide sustainable agriculture to Longmont and the surrounding community. They have been a successful tenant on the Double Six property since 2020.

Staff recommends renewing the lease of the Double Six property and its 60 arable acres, to Mr. Musick and Sipe Farms, LLC, for an additional five (5) year period with an option for four (4) additional one (1) year renewals.

In return for this lease, Sipe Farms, LLC, will utilize best management practices and continue growing crops such as corn, alfalfa, barley and sugar beets. As the property was purchased with Open Space funds, it is also recommended that the annual \$4,500 in revenues generated from this lease be placed back into the Open Space fund.

The lease rate is \$75 per acre, an increase of \$10 per acre from the previous lease agreement. The community identified "Agricultural Preservation" as one of six important criteria needed to build a successful Open Space Program. Mr. Musick and his grandfather, William Sipe, are an excellent example of how their family history and their many years of experience in agricultural operations in the community are supporting "agricultural preservation" and helping Longmont's Open Space Program be successful.

COUNCIL OPTIONS:

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1. Approve the lease as written.
2. Direct staff to modify the lease.
3. Do not approve the lease.

RECOMMENDED OPTIONS:

1. Approve the lease as written.

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

The annual payment for this lease is \$4,500. It is recommended that this payment continue to be credited to the Open Space fund.

BACKGROUND AND ISSUE ANALYSIS:

See Executive Summary.

ATTACHMENTS:

- Att 1 – Ordinance
- Att 2 – Lease
- Att 3 – Location Map