



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	E.J. Moberg
Meeting Date:	Tuesday, April 22, 2025
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Approve Amendment to Farm Lease
Background Information:	<p>A first amendment to farming lease follows for changes needed to leases between the City and Stan Popowski. Changes are necessary due to: (1) the City sold 5.0 acres for the construction of the SWWC Service Cooperative facility in 2024; (2) the City authorized a surface water project to a parcel in 2025, which also involves re-grading the existing site, marking Parcel 7 of 8.36 acres unavailable for use in 2025; and (3) a parcel in Commerce Industrial Park (identified as Parcel 10) was not included with farming leases in 2023 as City staff expected imminent development, which has not yet occurred so the 4.8 acre parcel can be available for haying.</p> <p>All farm leases for the years 2024, 2025, and 2026 were approved in October 2023. Staff worked with the City Attorney on the lease language and terms.</p> <p>The acres available for lease could change yearly, especially for parcels within areas marketed for development.</p>
Fiscal Impact:	Rental income of \$101,085.40 was collected in 2024. If the lease amendment is approved, \$99,715.40 would be the net revenue for 2025. If the lease amendment is approved and if the re-graded parcel impacted by the surface water project has 5.11 acres usable for 2026 the revenue for 2026 would be \$100,354.15.
Alternative/ Variations:	No alternative action recommended
Recommendations:	Approve the recommended amendment to the farming lease