

Memo

To: City Council
From: Bryan Myrkle, Director of Community Development
Date: April 10, 2015
Re: Extension of Farm Lease

As City Council members may remember, the city leases certain parcels of undeveloped property that it owns to local farmers for agricultural use. These leases are competitively bid on a regular basis.

One parcel included with the farm leases is a small portion of a larger farm located south of Island Highway across from the airport. The city owns this 7 ½ acre portion because it is located in a runway protection zone where we are required to prohibit development. You can see it on the attached aerial drawing where a Level 1 protection area (purple) crosses over Island Highway into the adjacent field.

The city-owned parcel and the balance of that field (separately owned) is farmed by Vance Buchholz. He approached the city recently because he would like to make improvements to the field, including the installation of drain tile. However, he could not justify making those improvements to the city's portion of the field without a longer lease agreement.

According to Charlotte's City Charter, the longest contract arrangement the city can enter is 10 years. I talked to Mr. Buchholz, and he agreed to include the city's portion of the field in the drainage tile project if we extended the lease for the full 10 years. This would allow him to realize a return on his investment before the parcel is put out for bids again.

Because Mr. Buchholz is the most recent high-bidder for this site and is paying a competitive rate, it appears to be a good arrangement for both parties to extend this lease. He would be ensured enough time for his investment to be worthwhile; the city would be guaranteed the current lease rate for 10 more years and have its property improved at the same time. Furthermore, it is unlikely that another farmer would be seriously interested in getting access to this parcel while Mr. Buchholz is farming the balance of the field.

Therefore, I am recommending a 10-year extension of this farm lease with Vance Buchholz.

