

# Report to Council



**Date:** October 5, 2015  
**File:** 1140-50  
**To:** City Manager  
**From:** Manager, Property Management  
**Subject:** FARM LEASE TO DIAMOND T RANCH

Report Prepared by: T. Abrahamson, Property Officer

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## **Recommendation:**

THAT Council approves the City entering into a four (4) year Lease Agreement, with Diamond T Ranch, for the purpose of farming, with no further option to renew, in the form attached to the Report of the Manager, Property Management, dated October 5, 2015;

AND THAT the Mayor and City Clerk be authorized to execute the Lease Agreement.

## **Purpose:**

To enter into a farm lease with Diamond T Ranch Ltd., for the purpose of cultivating alfalfa crops on City owned ALR property in the Glenmore Valley.

## **Background:**

The City purchased the Tutt Ranch in September 2006 for long term civic purposes. At the time of acquisition, the property was being actively farmed with annual leases governing the use and responsibilities related to the farming operation.

Diamond T Ranch Ltd. has been cultivating alfalfa on the property since the City's acquisition. He has exhibited expert farming practices and has met all obligations under the terms of the annual leases. The proposed four (4) year lease would allow for the recovery the Lessee's costs to seed and harvest the farmland for the proposed term while retaining the farm classification of the property for tax purposes. No further right of renewal has been granted.

The proposed lease is consistent with existing zoning and is allowable under the Agricultural Land Commission ("ALC") regulations.

## **Internal Circulation:**

Utility Planning Manager  
Public Work Manager  
Landfill Supervisor

**Financial/Budgetary Considerations:**

The Lessee agrees to pay \$13,650.00 per year. The lease value is \$150.00/acre for approximately 91 acres and represents fair market value for actively farmed alfalfa crops.

**Legal/Statutory Authority:**

Section 26(3) of the Community Charter

**Legal/Statutory Procedural Requirements:**

Disposition must be published in a weekly newspaper for two (2) consecutive weeks and posted on the public notice posting place

**Considerations not applicable to this report:**

Existing Policy:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by: M. Olson, Manager, Property Management

Approved for inclusion: D. Edstrom, Director, Real Estate

Attachments: Lease

PowerPoint

cc: A. Reeder, Utility Planning Manager  
D. Astofooroff, Public Works Manager  
K. Muller, Landfill Supervisor