
**CITY OF TEMPE
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 5/22/2014
Agenda Item: 6A2**

ACTION: Adopt a resolution authorizing the Mayor to sign the lease and agreement between the City of Tempe and Singh Organic Soils, LLC to develop and operate an urban agricultural garden facility on Flood Control District of Maricopa County property, located in Indian Bend Wash. (Resolution No. R2014.75)

FISCAL IMPACT: Through this lease agreement, the cost of maintaining the Flood Control District of Maricopa County property, which is the City's responsibility, would be assigned to Singh Organic Soils, LLC. After the initial two year development period, rents will be split with the City receiving 25% of the annual rent and the Flood Control District of Maricopa County receiving 75% of the annual rent.

RECOMMENDATION: Adopt Resolution No. R2014.75.

BACKGROUND INFORMATION: The term of this lease is 10 years, with two, 10-year renewal options. The lease defines acceptable uses of the Flood Control District of Maricopa County property as demonstration gardens, farmers markets and arboretums. The 63-acre property is owned by Flood Control District of Maricopa County and is located within the Indian Bend Wash bounded by McKellips Road to the north and Curry Road to the south. Presently, Rio Salado Golf Course, a nine-hole executive course, operates on the property. As the result of a 1988 agreement between Flood Control District of Maricopa County and the City, the City of Tempe is responsible for upkeep and maintenance of the property. Since 1988, the City has leased the land to various parties to operate a public golf course, undertake maintenance of the land and maintain the proper flood control channel.

In September 2012, Klak Golf L.L.C., an affiliate of Kemper Sports Management (KemperSports), the current operator of the Rio Salado Golf Course, notified the City of Tempe that it no longer wishes to operate the golf course and seeks to terminate its current lease which expires in September 2015. The City of Tempe has worked with KemperSports and Flood Control District of Maricopa County to terminate the lease and secure an alternative use for the property. The City selected the Singh Organic Soils LLC urban garden proposal through a Request For Proposal process as the future use for the property. This lease represents the negotiated agreement required for the urban garden to operate on the property.

ATTACHMENTS: Resolution, Lease and Agreement, and Exhibits

STAFF CONTACT(S): Jeff Kulaga, Assistant City Manager, (480) 350-8844

Department Review by: Jeff Kulaga, Assistant City Manager

Legal review by: Chuck Cahoy, Deputy City Attorney

Prepared by: Erin Fillmore, Executive Assistant to the City Manager