

City of Orange City

Farm Lease – Request for Bids

Bid Process

Sealed bids shall be delivered to the Orange City City Office by **12:00 noon on Thursday, October 22, 2026** Bids will be opened at **1:00** on the same date

Each of **Properties A, B, and C will be considered separately**, and bidders may submit a bid for one or more properties.

Bids shall include the name of the bidder, contact information, and the **annual cash rent bid per acre for each property for 2027 and 2028**.

The City reserves the right to accept or reject any or all bids and to waive informalities in the bidding process. The City may consider the bid amount as well as the bidder's ability to properly maintain and manage the property.

Property Descriptions

Property A – Approximately 93.78 Acres

Parcels 173401003, 1734251001, and 1734401002 in Sec/Twp/Range 34-95-44, containing approximately 93.78 acres.

Approximately 73.78 acres are located north of Dunlop Wildlife Trail and approximately 20 acres are located south of the trail, with access from 440th Street.

Property B – Approximately 49.4 Acres

Parcels 1729426001, 1729401002, and 1729401003 in Sec/Twp/Range 29-95-44, containing approximately 49.4 acres, with access from County K64.

Property C – Approximately 29 Acres

Parcel 1728376003 in Sec/Twp/Range 28-95-44, containing approximately 29 acres, with access from 7th St. NE.

The acreages stated are approximate and are provided for bidding purposes. Bidders are encouraged to inspect the properties prior to submitting a bid and shall be responsible for satisfying themselves as to the condition, access, tillable acreage, drainage, soils, and suitability of each property.

Term

Possession shall be granted to the successful bidder for a term of **two years**, beginning March 1, 2027, and ending February 28, 2029.

The successful bidder shall have no right to possession or use of the property following expiration of the lease unless a new written agreement is approved by the City.

Rent Payment

The annual cash rent shall be calculated based upon the accepted **per-acre bid multiplied by the applicable acreage**.

Total annual cash rent for **2027** shall be payable in two equal installments on **May 1, 2027 & November 1, 2027**.

Total annual cash rent for **2028** shall be payable in two equal installments on **May 1, 2028 & November 1, 2028**.

Farming and Property Maintenance

The tenant shall follow generally accepted agricultural and conservation practices and shall operate the property in a manner that protects the productivity and condition of the land.

The tenant shall be responsible for reasonable weed control throughout the lease term, including control of noxious weeds as required by law.

The tenant shall use reasonable care to prevent erosion, soil compaction, damage to waterways, drainage facilities, trails, roads, fences, signs, utilities, and adjoining property.

No permanent improvements, structures, drainage modifications, removal of trees, alteration of waterways, or other material changes to the property shall be made without prior written approval from the City.

The tenant shall be responsible for repairing or reimbursing the City for damage caused by the tenant's operations beyond ordinary agricultural use.

Soil Fertility

The tenant agrees to apply, at a minimum, the following soil nutrients to acres planted during each year of the lease:

Corn Acres

- Nitrogen – 150 lbs. per acre
- Phosphorus – 80 lbs. per acre
- Potassium – 60 lbs. per acre
- Sulfur – 15 lbs. per acre

Soybean Acres

- Phosphorus – 60 lbs. per acre
- Potassium – 80 lbs. per acre
- Sulfur – 15 lbs. per acre

Upon request, the tenant shall provide the City with reasonable documentation of fertilizer and nutrient applications.

City Use and Access

The City reserves the right to enter the property at reasonable times for inspection, maintenance, utility work, surveying, planning, construction, or other municipal purposes, provided reasonable efforts are made to avoid unnecessary interference with farming operations.

The City reserves the right to pile snow from downtown snow-removal operations in the following specified areas:

- **Property A** – easternmost approximately 5 acres
- **Property C** – westernmost approximately 5 acres

City staff will remove residual debris and gravel associated with snow-storage operations following snowmelt.

The tenant shall not be responsible for crop loss or damage directly resulting from City snow-storage operations in the designated areas.

Early Termination

The City reserves the right to terminate the lease following the first year of the agreement by providing written notice to the tenant prior to **March 1, 2028**.

If the City terminates the lease after the tenant has incurred reasonable and documented crop-input expenses for a crop that the tenant will not be permitted to harvest because of the termination, the City shall reimburse the tenant for those documented expenses.

Reimbursable expenses may include seed, fertilizer, chemicals, tillage, planting, and other reasonable crop-input expenses directly attributable to the affected acreage.

The City and tenant may also mutually agree in writing to remove a portion of a property from the lease during the lease term. Any resulting rent adjustment or reimbursement shall be agreed upon in writing.

Insurance and Liability

The tenant shall conduct farming operations at the tenant's own risk and shall be responsible for the tenant's equipment, crops, employees, agents, and farming activities.

The successful bidder shall maintain appropriate liability insurance during the lease term and shall provide evidence of insurance to the City upon request.

The tenant shall be responsible for claims or damages arising from the tenant's negligent acts or omissions, subject to the terms of the formal lease agreement and applicable law.

Assignment and Subleasing

The tenant shall not assign the lease or sublease any portion of the property without prior written approval from the City.

Additional Provisions

The successful bidder shall comply with applicable federal, state, and local laws and regulations relating to agricultural operations, pesticide and chemical application, noxious weeds, environmental protection, and use of the property.

The tenant shall not use the property for storage of equipment, materials, waste, vehicles, or other purposes unrelated to normal agricultural operations without prior approval from the City.

A formal farm lease agreement will be prepared by **Klay Law Office** following the awarding of bids.

The formal lease agreement shall control in the event of a conflict between these bid instructions and the final lease.

Questions regarding the properties or process may be directed to the **City of Orange City at 712-707-4885**.

Bid Form**Bidder Name:** _____**Address:** _____**Phone:** _____**Email:** _____**Property Approx. Acres 2027 Bid/Acre 2028 Bid/Acre**

Property A 93.78 \$_____ \$_____

Property B 49.4 \$_____ \$_____

Property C 29.0 \$_____ \$_____

I have reviewed the property descriptions and bid requirements and understand that each property will be considered separately. If awarded a lease, I agree to enter into the City's formal farm lease and comply with its terms.

Signature: _____**Date:** _____